

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 June 21, 2010. 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, DeWitte, Schindle and Steiner, Finance Director Mork, City Clerk Gehrke, Engineer Malm, Attorney Kennedy and Planner Fischer. Absent: Administrator Sande.

Approval of Minutes

Council Member Norland moved, seconded by Council Member DeWitte, to approve the minutes of the Council meeting of June 7, 2010. Vote on the motion: Norland, DeWitte, Schindle, Steiner and Zellmer, aye; no nays. Motion carried.

Correspondence

Nicollet County Historical Society Awards Ted Moline Scholarship to Katelyn Goettl

The Mayor read a notice the City received from the Nicollet County Historical Society congratulating Katelyn Goettl, recipient of the 2010 Ted Moline Scholarship. Katelyn is the daughter of Dan and Michele Goettl of North Mankato and graduated from Mankato West High School in June. The \$1,000 scholarship will go toward her studies in Elementary Education, Mathematics, and Spanish at the University of Wisconsin-Eau Claire.

Public Hearing, 7 p.m. – Vacation of Utility Easement, Isaiah Estates

Mayor Zellmer opened the public hearing to consider the vacation of a utility easement in Isaiah Estates to accommodate replatting four lots into three lots. Planner Fisher reported a notice of the public hearing was published in the official newspaper and the utility companies have been notified. He reported the utility companies have no objection to the utility easement vacation; however, a utility box is located in the front yard of one of the lots. If the developer, Heartland Homes, wishes to move the utility box, it will be at their expense. With no one appearing before the Council, the Mayor closed this portion of the meeting.

Res. No. 44-10 Vacating Utility Easement, Isaiah Estates

Council Member Schindle moved, seconded by Council Member DeWitte, to adopt Resolution No. 44-10 Vacating Utility Easement, Isaiah Estates. Vote on the Resolution: Norland, DeWitte, Schindle, Steiner and Zellmer, aye; no nays. Motion carried.

Public Hearing, 7 p.m. – Annexation of Part of Section 3-108N-27W, 3.22 Acres

Mayor Zellmer opened the public hearing to consider the annexation of Part of Section 3-108N-27W, 3.22 acres of land. Planner Fischer presented background information reporting this parcel is located at the end of Howard Drive West and is adjacent to the proposed 14/41 interchange and was purchased by the North Mankato Port Authority for future industrial development. A Notice of Public Hearing was published in the official newspaper. With no one appearing, the Mayor closed this portion of the meeting.

Ord. No. 31, Fourth Series, Annexing Part of Section 3-108N-27W, 3.22 Acres

Council Member DeWitte moved, seconded by Council Member Norland, to adopt Ord. No. 31, Fourth Series, Annexing Part of Section 3-108N-27W, North Mankato Port Authority Property, 3.22 Acres. Vote on the Ordinance: Norland, DeWitte, Schindle, Steiner and Zellmer, aye; no nays. Motion carried.

Public Hearing, 7 p.m. – Continuation of Annexation of Nicollet County Right-of-Way Plat No. 26, 107.60 Acres

Mayor Zellmer opened the public hearing which was continued from June 7, 2010 to consider the annexation of Nicollet County Right-of-Way Plat No. 26. The City Attorney reported that he would recommend this hearing be continued to the next meeting. With no one appearing, the Mayor closed this portion of the meeting. **Council Member Steiner moved, seconded by Council Member Norland, to continue the public hearing for the Annexation of Nicollet County Right-of-Way Plat No. 26, 107.60 acres, to 7 p.m. on Tuesday, July 6, 2010. Vote on the motion: Norland, DeWitte, Schindle, Steiner and Zellmer, aye; no nays. Motion carried.**

Certificate of Recognition for Breanna Ludeman, Mrs. Minnesota

Mayor Zellmer presented a Certificate of Recognition for North Mankato resident Breanna Ludeman who was crowned Mrs. Minnesota on June 5, 2010 and will be among 51 competitors in the Mrs. America contest to be held in Tucson, Arizona on September 8, 2010.

Open the Meeting to the Public for the First Time**Neol Hibbard, Area Manager, CenterPoint Energy, Community Partnership Grant**

Neol Hibbard, Area Manager for CenterPoint Energy, appeared before the Council and presented a check in the amount of \$2,500 to the City of North Mankato for a Community Partnership Grant for portable compressed air foam systems used for firefighting. The Mayor thanked CenterPoint Energy for this generous grant.

Jay Weir, Weir Insurance Agency

Jay Weir, Weir Insurance Agency, appeared before the Council and presented the renewal rates from the League of Minnesota Cities Insurance Trust for the property and casualty insurance and workers' compensation insurance for 2010-11. Mr. Weir reported the League of Minnesota Cities Insurance Trust continues to provide a stable environment for insurance coverage at a competitive rate. The experience modification for workers' compensation increased from 0.87 to 0.94 for 2010-11. Property/casualty and workers' compensation insurance premiums for 2010-11 total \$253,776 compared to a budget of \$258,770, and represent an increase in premiums of \$8,603 over the prior year. **Council Member Steiner moved, seconded by Council Member Norland to approve the property and casualty insurance renewal and the workers' compensation renewal for 2010-11. Vote on the motion: Norland, DeWitte, Schindle, Steiner and Zellmer, aye; no nays. Motion carried.**

Recommendation for Statutory Limit for Tort Liability

Jay Weir, Weir Insurance Agency, reported the statutory tort limits are \$500,000 per claimant and \$1,500,000 per occurrence. The Finance Director reported each year during the renewal process for the City's property/casualty insurance plan, the Council must decide if they wish to waive the limits on municipal tort liability that are established by statute. The City Attorney recommended not waiving the tort limitations. **Council Member Steiner moved, seconded by Council Member Norland, not to waive the limits on municipal tort liability. Vote on the motion: Norland, DeWitte, Schindle, Steiner and Zellmer, aye; no nays. Motion carried.**

J.D. Burton, Coalition of Greater Minnesota Cities, 2010 CGMC Final Report

J.D. Burton, Coalition of Greater Minnesota Cities, appeared before the Council and presented the 2010 CGMC Legislative Session Report. Mr. Burton reported CGMC's efforts to protect city aid and credits from deeper cuts resulted in city aid cuts of \$52.5 million compared to the Governor's

proposal to cut \$125 million in City aid. He reported in May the State Supreme Court ruled the governor's unallotment was illegal creating a \$2.97 billion deficit. The Governor pushed the Legislature to ratify unallotments and make them permanent. CGMC supported ratifying unallotment of LGA/MVC, but opposed making the cuts permanent which saved \$100 million per year in LGA base. The Legislature and Governor passed a budget agreement which included ratifying the LGA/MVC cuts but not making them permanent, no additional LGA/MVC cuts and \$2.3 billion permanent shifts and \$666 million in cuts. Mr. Burton also reported that Greater Minnesota's share of the LGA/MVC cuts is much greater than their share of the State's General Fund. He talked about the future of LGA and reported the upcoming election will have some determination for the future of LGA.

Mr. Burton presented a list of Cities who received Business Development Public Infrastructure (BDPI) grants from DEED. He reported 80 Greater Minnesota Cities have received BDPI grants since 2003 creating approximately 2,370 jobs.

Mr. Burton discussed the CGMC-initiated Transit Bill (H.F. 3486, Ch. 351) which was authored by Representative Terry Morrow and the Annexation and Land Use bills that were introduced but no action taken by the Legislature on these bills.

Mr. Burton announced the CGMC Summer Conference will be held in Winona from August 18-20 and the Fall Conference will be held in Alexandria in November. He stated that for planning purposes cities should budget the same amount for dues for 2011 as they paid in 2010.

Doreen Pehrson, Nicollet County Assessor, Property Value Changes for 2010

Doreen Pehrson, Nicollet County Assessor's Office, appeared before the Council and presented the 2010 Estimated Market Values (EMV) for North Mankato and Nicollet County. She reported the total EMV in North Mankato is \$915,774,000 or -2.1%, new construction is \$12,381,600 or -8.0%, ag is \$4,618,000 or +24.8%, residential is \$713,017,200 or -3.7% and all other is \$198,138,800 or +3.6%. The total EMV for Nicollet County is \$3,069,607,200 or -.8%, new construction is \$28,523,800 or -1.4%, ag is \$1,225,796,550 or +.9%, residential is \$1,516,579,050 or -3.2% and all other is \$327,231,600 or +3.4%. She stated that overall the property values seem to be fairly stable. For the year October 2008 through September 2009 residential sales in North Mankato totaled 127 compared to 147 the prior year.

Staff Reports

City Planner

Minutes of June 10, 2010 Planning Commission Meeting

The Council accepted the minutes of the June 10, 2010 Planning Commission meeting.

Preliminary and Final Plat of Caswell Park North Subdivision

Planner Fischer presented a request from School District No. 77 for the replat of Lot 1, Block 1, and Outlot A, Elevate Church Addition as Caswell Park North Subdivision to accommodate a future elementary school and soccer fields. As part of the replatting process, he reported it is necessary for the applicant to vacate certain utility easements within the Elevate Church Addition. Council Member Schindle asked if the name of the plat is being changed to Caswell Park North Subdivision so that sales tax dollars can be used to build the soccer fields. He asked Finance Director Mork to update the revenues and expenditures for the Sales Tax Fund. The Planning Commission reviewed the preliminary and final plat of Caswell Park North Subdivision and recommended approval. **Council**

Member Schindle moved, seconded by Council Member DeWitte, to approve the preliminary and final plat of Caswell Park North Subdivision. Vote on the motion: Norland, DeWitte, Schindle, Steiner and Zellmer, aye; no nays. Motion carried.

Amendments to CU-1-98

Planner Fischer presented a request from GMJ Enterprises, LLC to amend a conditional use permit to expand an existing auto service business at 1730 Commerce Drive. The applicants were in attendance at the meeting to answer any questions. Planner Fischer reported in 1998 a conditional use permit was granted to operate an automobile wash/service station at 1730 Commerce Drive with the following conditions: 1) Signage shall conform to the City's Sign Ordinance; 2) A minimum of 20 parking spaces shall be provided; and 3) Maintain parking setbacks as outlined in the City Code. Since the original CUP was granted, the automobile wash has been removed, the property was replatted and ownership has changed. Since the current owners are proposing to construct a building addition and rearrange the parking lot, it is necessary to amend the existing CUP based on the physical changes to the business. The Planning Commission reviewed CU-1-98 and recommended approval of an amendment to CU-1-98 subject to the following conditions:

1. Signage shall conform to the City's sign ordinance.
2. A minimum of 17 parking spaces shall be provided.
3. Maintain parking setbacks as outlined in the City Code.
4. All parts and equipment shall either be stored within the building or within a screened-in area outside the building.
5. Building expansion to be of masonry construction to match original building.
6. Outdoor storage of any inoperable vehicle shall not exceed six (6) consecutive weeks.

Council Member Schindle moved, seconded by Council Member Steiner, to approve the amendment to CU-1-98 with the six (6) conditions as recommended by the Planning Commission. Vote on the motion: Norland, DeWitte, Schindle, Steiner and Zellmer, aye; no nays. Motion carried.

City Administrator 2011 Budget Calendar

Finance Director Mork presented the 2011 Budget Calendar detailing the Council Budget Workshops to be held starting August 2, 2010 at 5:15 p.m. with the Department Heads. Finance Director Mork reported he will distribute the budget calendars, budget worksheets and capital improvement worksheets to all Department Heads once the budget calendar is approved. Council Member Schindle asked the Finance Director to recap the revenues and expenditures for the outstanding G.O. Bonds. **Council Member Steiner moved, seconded by Council Member Norland, to approve the 2011 Budget Calendar. Vote on the motion: Norland, DeWitte, Schindle, Steiner and Zellmer, aye; no nays. Motion carried.**

Discussion of Fireworks Funding

The Mayor reported that because of budget constraints for both North Mankato and Mankato, the Cities tried to reach an agreement whereby fireworks would be held on alternate years in each City. A proposal was sent to the City of Mankato requesting they consider supporting the fireworks in North Mankato in 2010 and North Mankato would support the fireworks in Mankato in 2011. The City of Mankato has decided to go ahead with their fireworks in 2010 since they have completed Riverfront Park and the fireworks will be set off from this location. The Mayor also reported that Wendell Sande

and Denny Kemp were working to secure addition sources of revenues for the fireworks this year. The Civic & Commerce Association Board Members were contacted about holding the fireworks this year and the majority agreed that the Civic & Commerce should not hold fireworks this year due to the economic situation. The Mayor reported that \$15,000 was budgeted in the 2010 General Fund Contingency Fund for the North Mankato Fun Days Fireworks but he felt taxpayer dollars should not be used because of the recent employee layoffs and wage freeze. Some discussion was held about using money from Caswell Park concessions or to sell advertising on the fences at Caswell Park to help pay for the fireworks. **Council Member DeWitte moved, seconded by Council Member Norland, to forego the \$15,000 contribution from the General Fund for the North Mankato Fun Days Fireworks and hold the fireworks only if contributions in that amount are received for this event. Vote on the motion: Norland, DeWitte, Schindle, Steiner and Zellmer, aye; no nays. Motion carried.**

School and Conference

Council Member Steiner moved, seconded by Council Member DeWitte, to approve actual and necessary expenses for the following school and conference:

1. 2010 Coalition of Greater Minnesota Cities Summer Conference, Winona, August 18-20 for Mayor.

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

City Clerk

Audio Permit for Tim Roemhildt Benefit, Wheeler Park, from 3-5 p.m. on Saturday, July 24, 2010

Clerk Gehrke presented a request for an audio permit for the Tim Roemhildt Benefit to be held at Wheeler Park on Saturday, July 24, 2010. The large group permit for this benefit was approved at the Council meeting of June 7, 2010. The applicant reported they have hired Outspoken Band to perform live music from 3-5 p.m. Council Member Norland reported Tim has ALS and asked if the \$60.00 fee for the rental of the park shelter could be waived as a donation for this benefit. **Council Member Steiner moved, seconded by Council Member DeWitte, to approve the audio permit for 3-5 p.m. on Saturday, July 24, 2010 in Wheeler Park for the Tim Roemhildt Benefit and to waive the \$60 park shelter fee. Vote on the motion: Norland, DeWitte, Schindle, Steiner and Zellmer, aye; no nays. Motion carried.**

Large Group Permit for Mankato Clinic Company Picnic, Wheeler Park, from 7 a.m. to 10 p.m. on Thursday, August 5, 2010 and Friday, August 6, 2010

Clerk Gehrke presented a request for a large group permit to hold the Mankato Clinic Company Picnic at Wheeler Park. Set-up for the picnic will take place on Thursday, August 5th and the picnic will be held from 5:30 to 8:30 p.m. on Friday, August 6th. The group will be informed they are responsible for the cleanup and removal of the garbage from this large group. **Council Member Schindle moved, seconded by Council Member Norland, to approve the large group permit for the Mankato Clinic Company Picnic to be held at Wheeler Park on Friday, August 6, 2010. Vote on the motion: Norland, DeWitte, Schindle, Steiner and Zellmer, aye; no nays. Motion carried.**

Audio and Large Group Permit for Crossview Covenant Church Picnic, Spring Lake Park, from 8 a.m. to 5 p.m. on Sunday, July 25, 2010

Clerk Gehrke presented a request for an audio and large group permit for the Crossview Covenant Church to hold their church picnic at Spring Lake Park from 8 a.m. to 5 p.m. on Sunday, July 25, 2010. **Council Member Norland moved, seconded by Council Member DeWitte, to approve the audio and large group permit for the Crossview Covenant Church Picnic to be held at Spring Lake Park from 8 a.m. to 5 p.m. on Sunday, July 25, 2010. Vote on the motion: Norland, DeWitte, Schindle, Steiner and Zellmer, aye; no nays. Motion carried.**

Finance Director**Res. 45-10 Approving Minnesota Department of Transportation Agreement No. 97101**

Finance Director Mork presented Resolution No. 45-10 Approving Minnesota Department of Transportation Agreement No. 97101 between the State of Minnesota Department of Transportation and the City of North Mankato for Federal Participation in Advance Construction for S.P. 150-020-05, 150-254-02, 150-080-30 and 52-641-10; M.P. STPX 5210 (225). He reported the \$1.36 million in federal funds for the T.H. 41/CSAH 41 Project must go through the State of Minnesota for disbursement to the City. **Council Member Norland moved, seconded by Council Member Schindle, to adopt Resolution No. 45-10 Approving Minnesota Department of Transportation Agreement No. 97101. Vote on the Resolution: Norland, DeWitte, Schindle, Steiner and Zellmer, aye; no nays. Motion carried.**

Report from Council Members**Council Member Schindle**

Council Member Schindle clarified his vote regarding the \$15,000 for the fireworks display reporting that he would have liked to discuss this in more detail with Denny Kemp, the Fun Days Coordinator.

Report from Mayor

Mayor Zellmer reported the dedication of the Thompson Pier at Spring Lake is scheduled for 1:30 p.m. on Sunday, July 11, 2010.

The Mayor reported anyone who is caught destroying City property will be prosecuted to the fullest. He asked residents to call 911 if they observe such behavior.

Open the Meeting to the Public for the Second Time**Kim Spears, 916 South Avenue**

Kim Spears, 916 South Avenue, appeared before the Council and asked if there was any additional cost for not waiving the tort liability limits. Finance Director Mork reported the cost of the premium would be less by not waiving the tort liability limits.

Bills and Appropriations

Council Member Steiner moved, seconded by Council Member Norland, to approve all bills and appropriations in the amount of \$687,019.06. Vote on the motion: Norland, DeWitte, Schindle, Steiner 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 Norland, seconded by Council Member DeWitte. Vote on the motion: Norland, DeWitte, Schindle, Steiner and Zellmer, aye; no nays. Motion carried.

Mayor

City Clerk