

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 May 6, 2013. 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 Freyberg, Spears, Steiner and Norland, City Administrator Harrenstein, Finance Director Thorne, City Clerk Gehrke, Attorney Kennedy, Engineer Malm and Planner Fischer.

#### **Approval of Agenda**

**Council Member Steiner moved, seconded by Council Member Norland, to approve the agenda as presented. Vote on the motion: Freyberg, Spears, Steiner, Norland and Dehen, aye; no nays. Motion carried.**

#### **Approval of Minutes**

**Council Member Freyberg moved, seconded by Council Member Steiner, to approve the minutes of the Council meeting of April 15, 2013. Vote on the motion: Freyberg, Spears, Steiner, Norland and Dehen, aye; no nays. Motion carried.**

#### **Consider Approval of 2013 Community Development Block Grant (CDBG) Action Plan**

Planner Fischer reported a public hearing was held at the April 15, 2013 Council meeting to consider approval of the 2013 Community Development Block Grant (CDBG) Action Plan. As proposed in the 2013-2014 CDBG Action Plan, the following are the recommended projects for Council consideration: 1) Single-Family Housing Rehabilitation - \$39,480; 2) Comprehensive Plan - \$8,340; 3) Additional financial assistance to move existing home at 238 Nicollet Avenue to 202 Christensen Street including rehabilitation - \$5,000 and 4) Administration - \$2,780. Planner Fischer reported that while the public hearing was held, the City Council never formally approved the Action Plan. **Council Member Freyberg moved, seconded by Council Member Norland, to approve the 2013 Community Development Block Grant (CDBG) Action Plan. Vote on the motion: Freyberg, Spears, Steiner, Norland and Dehen, aye; no nays. Motion carried.**

#### **Public Hearing, 7 p.m. – Consider Amending HUD Consolidated Plan**

The Mayor opened the public hearing to consider amending the 2010-2014 HUD Consolidated Plan. A notice of the public hearing was published in the official newspaper. Planner Fischer reported in 2010, the City Council approved a 2010-2014 Consolidated Plan which listed various activities for the City to use CDBG entitlement funds. The City may use CDBG funds for comprehensive planning purposes; however, that activity was not included in the 2010-2014 Consolidated Plan. Since staff is recommending the use of CDBG funds for comprehensive planning, it is necessary to amend the Consolidated Plan by adding comprehensive planning as an eligible project. Council Member Spears asked about the public comment section of the Plan. Mayor Dehen stated comprehensive planning was a viable use of the HUD funds. There being no one else appearing before the Council, the Mayor closed this portion of the meeting. **Council Member Steiner moved, seconded by Council Member Freyberg, to approve the amendment to the 2010-2014 HUD Consolidated Plan. Vote on the motion: Freyberg, Spears, Steiner, Norland and Dehen, aye; no nays. Motion carried.**

#### **Open the Meeting to the Public for the First Time**

##### **Barb Church, 102 E. Wheeler Avenue**

Barb Church, 102 E. Wheeler Avenue, appeared before the Council thanking them for adding comprehensive planning to the HUD Consolidated Plan. She also thanked the Council for the spring curbside pickup.

**Consent Agenda**

**Council Member Steiner moved, seconded by Council Member Norland, to approve the Consent Agenda which included:**

- A. Bills and Appropriations.
- B. Audio and Large Group Permit for Grace Lutheran Church Service, Wheeler Park, Sunday, June 16, 2013 from 8 a.m. to 4 p.m.
- C. Res. No. 29-13 Declaring Costs to be Assessed for Municipal Charges – 703 Park Avenue.
- D. Res. No. 30-13 Waiving Waiting Period for Exemption from Lawful Gambling License for Knights of Columbus, Bingo, July 10-14, 2013 at Wheeler Park.
- E. Application for Temporary 3.2 Permit for North Mankato Civic & Commerce Association, Fun Days, July 11-14, 2013, Wheeler Park.
- F. Application for Parade Permit for North Mankato Fun Days Kiddie Parade, Wheeler Park, Friday, July 12, 2013 from 6:15 p.m. to 7:30 p.m.
- G. Application for Parade Permit for North Mankato Fun Days, Saturday, July 13, 2013 from 11 a.m. to 2 p.m.
- H. Res. No. 31-13 Approving Donations/Contributions.

**Vote on the motion: Freyberg, Spears, Steiner, Norland and Dehen, aye; no nays. Motion carried.**

**Business Items:****Presentation Bicycle Activities**

Mayor Dehen presented the activities planned for Greater Mankato Bike & Walk Week May 12-18, 2013. He reported that at 6 p.m. on Wednesday, May 22, 2013, the Mayor's Ride departs from the North Mankato City Offices for a ride through both cities. He invited anyone interested to join in the ride noting that for safety reasons helmets are required.

**Consider Adopting Bike Routes**

The Mayor presented the bike route proposed by the North Mankato Bicycle Commission which includes changes as recommended by the City Engineer and the Street Department. Bicyclists will be directed from Belgrade Avenue onto Nicollet Avenue, Center Street will be used for northbound bicycle traffic while southbound traffic will be directed onto Sherman Street between Belgrade and Webster. At the west end of Nicollet Avenue bicyclists will be directed south on Robel and continue west on South Avenue to cross Lee Boulevard and Lookout Drive utilizing the existing traffic signal. Discussion was held regarding the cost of signage and the use of sharrows on the streets. An Eagle Scout would like to paint the sharrows as part of his Eagle Scout project. **Council Member Steiner moved, seconded by Council Member Norland, to adopt the bicycle routes as proposed by the North Mankato Bicycle Commission. Vote on the motion: Freyberg, Spears, Steiner, Norland and Dehen, aye; no nays. Motion carried.**

**Res. No. 32-13 Supporting Legislation Authorizing the Establishment of Municipal Improvement Districts**

Engineer Malm reported the League of Minnesota Cities has requested Cities consider passing resolutions of support for the proposed Street Improvement District legislation (HF 745 and SF 607). The legislation would give Cities an alternative to the MS 429 assessment process for financing roadway improvements. Engineer Malm referenced the Cliff Court project noting the requirement in MS 429 to assess a minimum of 20 percent of the project in order to sell an improvement bond is problematic, as assessment amounts of 20 percent are often not reasonable. He also noted the

requirement to prove property value increase associated with the value of the assessment is also problematic when overall property values are declining. This legislation would give Cities an alternative way to finance roadway improvements. Council Member Spears stated his opposition to forming Street Improvement Districts and noted the entire City of North Mankato is a Street Improvement District that already pays taxes. Attorney Kennedy reported this type of district is used for sidewalks in many communities. Attorney Kennedy reported that Cities have a very difficult time showing an increase in property values equal to the cost of the street improvements. **Council Member Norland moved, seconded by Council Member Steiner, to adopt Resolution No. 32-13 Supporting Legislation authorizing the Establishment of Municipal Improvement Districts. Vote on the Resolution: Freyberg, Steiner, Norland and Dehen, aye; Spears, nay. Motion carried.**

**Res. No. 33-13 Proposal to Adopt Tax Increment Financing District Plan Modification and Setting Public Hearing for Monday, June 17, 2013 at 7 p.m.**

Planner Fischer reported that as part of the Phase 2 Marigold Redevelopment project, the developer is requesting the use of Tax Increment Financing. For that reason, it is necessary to set a public hearing for Monday, June 17, 2013 at 7 p.m. to consider modification to Tax Increment Financing District IDD 1-8 and the proposed adoption of a Tax Increment Financing Plan. **Council Member Norland moved, seconded by Council Member Steiner, to adopt Resolution No. 33-13 Proposal to Adopt Tax Increment Financing District Plan Modification and Setting a Public Hearing for Monday, June 17, 2013 at 7 p.m. Vote on the Resolution: Spears, Steiner, Norland and Dehen, aye; Freyberg nay. Motion carried.**

**Set Public Hearing for Monday, June 3, 2013 at 7 p.m. for Vacation of Easements, Northport No. 14**

Planner Fischer reported as part of the replatting of Northport No. 14 in the industrial park, it is necessary to set a public hearing for the vacation of certain utility easements. He reported the North Mankato Port Authority has a Purchase Agreement with Cemstone Companies for the purchase of six (6) acres of land on Howard Drive West in the industrial park. In order to assemble the parcel of land to meet the needs of Cemstone, it is necessary to vacate certain utility easements. The local utility companies will be notified of the vacation of easements and provided the opportunity to comment. Planner Fischer noted that a replat of Northport No. 14 will be considered by the Planning Commission on May 9, 2013 and a recommendation forwarded to the Council on May 20, 2013. **Council Member Steiner moved, seconded by Council Member Norland, to set a public hearing for Monday, June 3, 2013 at 7 p.m. to consider the vacation of utility easements in Northport No. 14. Vote on the motion: Freyberg, Spears, Steiner, Norland and Dehen, aye; no nays. Motion carried.**

**Traffic & Safety Committee Minutes of April 30, 2013**

Planner Fischer reported the Traffic & Safety Committee met on April 30, 2013 to consider proposed street closures for the 2013 Blues on Belgrade and Oktoberfest. He reported Jim Whitlock, President of Business on Belgrade, was in attendance to answer any questions. A new event, the Pub Crawl, is proposed for the evening of July 26, 2013 from 7-10 p.m. The Blues on Belgrade event held on July 27, 2013 will require closure of portions of Belgrade Avenue and Range Street and the Pub Crawl and Oktoberfest will require closure of one block of Range Street. Discussion was held regarding the staff costs for public safety. Jim Whitlock reported the cost of putting on the event is \$16,000 with each business and liquor establishment contributing to the event. No outside vendors will be brought in this year since the bars and restaurants want to feature their food for these events. Mayor Dehen stated these events highlight the Central Business District and are good for the community. Planner Fischer reported the Traffic & Safety Committee recommended approval of the

street closures subject to police presence at each event. **Council Member Norland moved, seconded by Council Member Steiner, to approve the street closures for the 2013 Blues on Belgrade and Oktoberfest events subject to police presence at each event. Vote on the motion: Freyberg, Steiner, Norland and Dehen, aye; Spears nay. Motion carried.**

#### **League of Minnesota Cities Insurance Trust Liability Coverage Waiver Form**

Finance Director Thorne reported that as part of the insurance renewal process each year, the City must determine if it wants to waive the tort liability limits that are established by statute. She noted the City has never waived these limits. Attorney Kennedy reported the City currently has liability limits of \$500,000 per person and \$1,500,000 per incident which is very responsible coverage. **Council Member Steiner moved, seconded by Council Member Norland, not to waive the tort liability limits established by Minnesota Statutes 466.04. Vote on the motion: Freyberg, Spears, Steiner, Norland and Dehen, aye; no nays. Motion carried.**

#### **Consider Setting Public Hearing for 7 p.m. on Monday, June 3, 2013 to Amend Code of Ordinances, Section 30.04, Council Procedure at Regular Meetings**

Administrator Harrenstein presented a request to set a public hearing to amend Section 30.04, Council Procedure at Regular Meetings. He noted that several changes have been made to the City Council agenda that differ in varying degrees from the City Code provision that describes how the agenda should be structured including use of a consent agenda, approval of the agenda and the use of business items instead of staff reports to request action from the City Council. In addition, he reported staff is recommending the City Council move to one public comment item instead of two public comment sections. Administrator Harrenstein reported he conferred with the City Attorney and the City Clerk and in order to implement these changes, it is necessary to adopt an ordinance. As part of this process, it is necessary to set a public hearing to amend the Code of Ordinances. Council Member Freyberg asked what the driving force behind the request to move to one public comment period. He also reported that in speaking with Mankato Mayor Eric Anderson, they are thinking of moving from one public comment period to two public comment periods. Administrator Harrenstein responded that two public comment periods were new to him, there has not been good management of the public comment periods and public comment is more appropriate at the beginning of the meeting to allow discussion before decisions have already been made. Administrator Harrenstein will have the proposed ordinance for Council review at the next Council meeting. Council Member Spears stated it has taken four years for residents to get involved and he is against removing one of the public comment periods. **Council Member Steiner moved, seconded by Council Member Norland to set a public hearing for 7 p.m. on Monday, June 3, 2013 to Amend the Code of Ordinances, Section 30.04, Procedure at Regular Meetings. Vote on the motion: Steiner, Norland and Dehen, aye; Freyberg and Spears, nay. Motion carried.**

#### **Open the Meeting to the Public for the Second Time Barbara Church, 102 E. Wheeler Avenue**

Barbara Church, 102 E. Wheeler Avenue, appeared before the Council and asked what other cities do regarding the public comment periods. Attorney Kennedy reported one system is for residents to contact the City Clerk prior to the meeting and be added to the agenda.

#### **Mayor and Council Comments Council Member Steiner**

Council Member Steiner reported funding for the sculpture "Circle of Friends" has reach \$14,000. He thanked everyone who has made a pledge to purchase the sculpture.

**Council Member Norland**

Council Member Norland referenced the contributions and donation resolution and asked that everyone who contributes to the City is thanked.

**Mayor Dehen**

Mayor Dehen reported the South Central Healthcare Coalition, in partnership with the Minnesota Department of Health, is holding an Open House at South Central College on Wednesday, May 8, 2013 from 3-6 p.m. This is an opportunity to tour the State's Mobile Medical Resources that have been developed to support health care systems in Minnesota during a disaster.

The Mayor reported notification of a rate adjustment was received from Charter Communications.

The Mayor reported the new art is being installed for the 2013 City Art Walking Sculpture Tour with an Artists' Reception scheduled for 6-9 p.m. on Saturday, May 18, 2013. He also reported the 2012 People's Choice sculpture has been permanently installed in the 400 Block of Belgrade Avenue.

The Mayor reported Coffee with the Council will be held from 10-11 a.m. on Saturday, May 11, 2013 in the Board Room of the North Mankato Taylor Library. A map of the bicycle route will be available at event for the start of Bike & Walk Week.

There being no further business, the meeting was adjourned at 7:58 p.m. on a motion by Council Member Spears, seconded by Council Member Norland. Vote on the motion: Freyberg, Spears, Steiner, Norland and Dehen, aye; no nays. Motion carried.

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Mayor

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City Clerk