

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 December 20, 2021. Mayor Dehen called the meeting to order at 7:00 pm, asking that everyone join in the Pledge of Allegiance. The following were present for roll call: Council Members Norland, Oachs, Whitlock, and Steiner, City Administrator Harrenstein, Finance Director McCann, and City Clerk Van Genderen.

**Approval of Agenda**

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

**Approval of Council Minutes from December 6, 2021, Council Meeting.**

**Council Member Norland moved, seconded by Council Member Oachs, to approve the Council meeting minutes of December 6, 2021. Vote on the motion Norland, Oachs, Whitlock, Steiner, and Dehen aye; no nays. Motion carried.**

**Public Hearing, 7 p.m. Annual Stormwater Pollution Prevention Program.**

City Engineer Sarff appeared before Council and reported that the Minnesota Pollution Control Agency (MPCA) administers the federal Clean Water Act requirements and its State Disposal System requirements. The MPCA Stormwater Program includes three general stormwater permits, including the Municipal Separate Storm sewer System (MS4) Permit. The MS4 General Permit is designed to reduce the amount of sediment and pollution that enters surface and groundwater from storm sewer systems to the maximum extent practicable.

The City's MS4 permit requires that the City develop and maintain a stormwater pollution prevention program (SWPPP) that incorporates best management practices. The SWPPP describes the City's plan to meet each of the six Minimum Control Measures. The six measures are Public Education and Outreach on Stormwater Impacts, Public Participation and Involvement, Illicit Discharge Elimination, Construction site Stormwater runoff Control, Post-Construction Stormwater Management in New Development and Redevelopment, and Pollution Control and Good Housekeeping for Municipal Operations. The tasks are continuous efforts, and progress is made annually. The SWPPP has not been updated in recent years. For the past several years, the MPCA has been working on updates to the MS4 general permit that applies to many cities in Minnesota, including North Mankato. The MPCA issues coverage for the City of North Mankato under the MS4 General Permit on September 13, 2021. The new MS4 permit includes new requirements that will need to be incorporated into the SWPPP and the City's ordinances. City staff is reviewing the new permit requirements and will be working on the SWPPP updates and ordinance revisions that will need to occur before September 13, 2022.

City Administrator Harrenstein reported the water quality efforts to comply with the Clean Water Act, and the City is working to advance those efforts. Mayor Dehen requested clarification on whether the sewer treatment's proposed updates would affect the SWPPP. City Administrator Harrenstein reported the two items are relatively separate. Mayor Dehen asked the City's improvement projects have decreased the I&I. City Engineer Sarff reported that it would be difficult to analyze if the projects have decreased the I&I due to the variation in rainfall.

With no one else appearing, Mayor Dehen closed the Public Hearing.

**Consent Agenda**

**Council Member Steiner moved, seconded by Council Member Norland, to approve the Consent Agenda.**

- A. Bills and Appropriations.
- B. Res. No. 76-21 Accepting Donations/Contributions/Grants.
- C. Res. No. 77-21 Setting Fees and Charges
- D. Appointed Boards and Commissions.
- E. Res. No. 78-21 Approving Committee Assignments.

**Vote on the motion Norland, Oachs, Whitlock, Steiner, and Dehen aye; no nays. Motion carried.**

**Public Comments Concerning Business Items on the Agenda**

Barb Church, 102 Wheeler Avenue, appeared before Council and requested clarification on the proposed amendment to the Budget Reserve Policy, asked for clarification on if the sales tax revenue did not meet estimates, and stated more than the indoor recreation facility was included in the sales tax approval. Ms. Church noted that the Strategic Plan did not receive public input. Ms. Church requested clarification on what happened to the Ruby Ride transportation service.

Lucy Lowry, 2263 North Ridge Drive, expressed concerns about using the Sales Tax strictly to pay down debt and mentioned that the library and parks were included in the Sales Tax revenue tax. Ms. Lowry questioned some of the values listed in the Strategic Plan.

Tom Hagen, 927 Lake Street, appeared before Council and requested clarification on setting the Public Hearing amending City Code Chapter 32: Departments, Boards, and Commissions and if any private citizen events would remain.

**Business Items**

**Res. No. 79-21 Approving the General Fund Budget and Auxiliary Fund Budget for Fiscal Year 2022.**

Finance Director McCann reported that the total General Fund expenditures are \$9,413,912, Auxiliary fund expenditures are \$19,556,972, with a total budget of \$28,970,884.

**Council Member Norland moved, seconded by Council Member Steiner, to adopt Res. No. 79-21 Approving the General Fund Budget and Auxiliary Fund Budget for Fiscal Year 2022. Vote on the motion Norland, Oachs, Whitlock, Steiner, and Dehen aye; no nays. Motion carried.**

**Res. No. 80-21 Approving 2021 Tax Levy Collectible in 2022.**

Finance Director McCann reported the total levy for 2022 is \$7,122,995. Last year's total levy was \$6,983,328. The previous year's tax levy was 48.827%, with this year's levy estimated at 47.897% for a decrease of 0.93%. Mayor Dehen requested clarification on whether collecting taxes on internet sales had increased sales tax revenue. City Administrator Harrenstein estimated internet sales had increased collection by approximately \$100,000.

**Council Member Norland moved, seconded by Council Member Steiner, to Adopt Res. No. 80-21 Approving 2021 Tax Levy Collectible in 2022. Vote on the motion Norland, Oachs, Whitlock, Steiner, and Dehen aye; no nays. Motion carried.**

**Res. No. 81-21 Approving the Capital Improvement Plan 2022-2026.**

Finance Director McCann reported the total Capital Improvement Plan for 2022-2026 is \$45,284,750 and is over \$12.8 million larger than the 2021-2025 CIP. This includes increasing the

Caswell Indoor Recreation Project from \$5.5 million in the 2021-2025 CIP to \$17 million in the 2022-2026 CIP due to the latest cost estimates and anticipation of being awarded \$8.5 million in matching funds from the State of Minnesota.

**Council Member Steiner moved, seconded by Council Member Oachs, to Adopt Res. No. 81-21 Approving the Capital Improvement Plan 2022-2026. Vote on the motion Norland, Oachs, Whitlock, Steiner, and Dehen aye; no nays. Motion carried.**

**Res. No. 82-21 Setting Rates and Charges for Refuse Monthly Rates.**

City Administrator Harrenstein reported the resolution would increase the garbage rates by \$1.00 for all garbage carts. The increases would be 35 gallons would increase from \$9.00 to \$10.00 a month, the 65 gallons would increase from \$14.00 to \$15.00 a month, and the 95 gallons would increase from \$19.00 to \$20.00. The City auditors commented that the low cash value of the fund should be increased. Mayor Dehen commented that during the Council budget work session, it was noted that North Mankato's utility rates were still among the lowest.

**Council Member Norland moved, seconded by Council Member Whitlock, to Adopt Res. No. 82-21 Setting Rates and Charges for Refuse Monthly Rates. Vote on the motion Norland, Oachs, Whitlock, Steiner, and Dehen aye; no nays. Motion carried.**

**Res. No. 83-21 Adopting Amendment to the Budget Reserve Policy.**

City Administrator Harrenstein reported that the Budget Reserve Policy's proposed amendment does not limit what the sales tax dollars can be used for. The funds have been deposited in a construction fund and may be used for any purpose approved by the voters. City Administrator Harrenstein commented that the policy would protect the funds for appropriate use because the fund may grow significantly. The policy would prevent future councils from using the funds for something besides the designated uses.

**Council Member Norland moved, seconded by Council Member Whitlock, to adopt Res. No. 83-21 Setting Rates and Charges for Refuse Monthly Rates. Vote on the motion Norland, Oachs, Whitlock, Steiner, and Dehen aye; no nays. Motion carried**

**Adopt Strategic Plan 2022-2026.**

City Administrator Harrenstein reported that the North Mankato City Council and senior leadership engaged in a strategic planning process from March 2020 to March 2021. The proposed plan outlines goals and objectives for 2022-2026. The two previous strategic strategies adopted in 2015 and 2017 included completing many initiatives for the City. Goals from previous plans establishing new services or goals that are still being completed will continue to inform action for City staff and City Council during the new strategic planning phase from 2022-2026 and continue to be funded as part of the normal budgeting process. Prior plans established the following strategic programming areas 1) Safe Community, 2) Outstanding Recreational Assets, 3) Well Maintained Infrastructure, 4) Vibrant Business Districts and Neighborhoods, and 5) Excellent Quality of Life. Following the Strategic plan meeting, a few changes were made to the Vision statement and the Values definitions. The Council requested the addition of a Mission statement. The Mission Statement states: "Deliver citizens a clean and safe community through responsive, financially sound municipal services that balance resources and responsibilities to maintain public infrastructure, pursue economic development, communicate with the public, manage future growth, and fulfill public trust." City Administrator Harrenstein reviewed the goals of the Strategic Program Areas, which are tied to specific departments. Each plan has clear objectives and tactics to complete the goals.

Council Member Steiner stated he wants the City to live up to the vision statement and mission values to remain transparent. Mayor Dehen commented that the progress made since the 2015 plan has been remarkable.

**Council Member Norland moved, seconded by Council Member Whitlock to Adopt the Strategic Plan. Vote on the motion Norland, Oachs, Whitlock, Steiner, and Dehen aye; no nays. Motion carried.**

**Res. No. 84-21 Authorizing Federal Funding Application for the Garfield Avenue Improvement Project.**

City Engineer Sarff reported that Federal funding is available through the Surface Transportation Program (STP) to improve streets and bridges in cities within District 7 with populations greater than 5,000. This competitive grant opportunity is available to the eight eligible cities in MnDOT District 7. Selected projects from the current solicitation will be placed on the Statewide Transportation Improvement Program (STIP) and funded in the fiscal year 2026. Up to 80 percent of the eligible project costs would be reimbursed with federal funds if the city completed the grant application.

City Engineer Sarff reported the proposed project would include the reconstruction of the existing street with a 44-foot-wide street with a curb and gutter on both sides. The new street section would accommodate two driving lanes, a parking lane on both sides, and an on-street dedicated bicycle lane on the south side. The existing sidewalk on the north side would be widened to 8 feet. New storm sewer and street lights would be provided along the length of the project.

The estimated cost of the items that would be grant eligible is approximately \$760,000. Of this cost, the federal funding would cover roughly \$510,000, representing 80% of the construction cost of the eligible items. The reconstruction project would also include constructing a new water main on Garfield Avenue, the cost of which would not be eligible for funding under the STP Small Urban program. The estimated cost of the watermain improvements is approximately \$93,000, which would bring the total project cost to \$852,000, and the City's share of the overall project to approximately \$342,000.

**Council Member Whitlock moved, seconded by Council Member Oachs, to adopt Res. No. 84-21 Authorizing Federal Funding Application for the Garfield Avenue Improvement Project. Vote on the motion Norland, Oachs, Whitlock, Steiner, and Dehen aye; no nays. Motion carried.**

**Res. No. 85-21 Authorizing the City Administrator to Execute an Agreement with the City of Mankato for Public Transit Services.**

Finance Director McCann reported the agreement would continue the service agreement with the City of Mankato for fixed route, paratransit, and demand response services. Transit services in 2020 amounted to \$27,902, which the cost was reduced due to CARES Act funding. In 2021, transit service amounted to \$18,890, which was reduced due to CARES Act Funding. In 2022 the estimated transit services with service expansion are \$80,668.16. Finance Director McCann reported that Ruby Ride is no longer in service due to the pandemic. He commented that they also lacked financial stability. City Administrator Harrenstein said Ruby Ride provided up to 500 rides a month but struggled with dispatching and financial stability. Council Member Oachs requested that local companies be considered if the same type of operation was considered. City Administrator Hartenstein reported that Ruby Ride usage indicates the desire for additional transit services.

**Council Member Norland moved, seconded by Council Member Whitlock, to Adopt Res. No. 85-21 Authorizing the City Administrator to Execute an Agreement with the City of**

**Mankato for Public Transit Services. Vote on the motion Norland, Oachs, Whitlock, Steiner, and Dehen aye; no nays. Motion carried.**

**Set Public Hearing for 7 pm on January 3, 2022, Amending City Code Chapter 32: Departments, Boards, and Commissions.**

City Administrator Harrenstein reported the proposed amendment to City Code Chapter 32 would create a Culture, Recreation & Quality of Life Department and is a follow up to a Council Work Session. During the Work Session discussion, was held concerning the organizational chart and updating it to more accurately reflect the organization's structure. He reviewed the library, which has expanded its services with quality of life events such as Music in the Park, Party on the Prairie, and the Library Director has been in charge of the swim facility. City Administrator Harrenstein reported Caswell Sports had expanded services, including adult softball, volleyball, and youth sports, and expanding services to include youth sports and sponsorships. City Administrator Harrenstein noted that the development of the Culture, Recreation, and Quality of Life Department would be similar to the Public Works Department, which encompasses the Parks Department, Street Department, Solid Waste and Stormwater Department. The departments all function as separate departments, maintain separate budgets, but they all report to the Public Works Director.

**Council Member Steiner moved, seconded by Council Member Norland, to Set a Public Hearing for 7 pm on January 3, 2022, Amending City Code Chapter 32: Departments, Boards, and Commissions. Vote on the motion Norland, Oachs, Whitlock, Steiner, and Dehen aye; no nays. Motion carried.**

**Res. No. 86-21 Approving the Memorandum of Agreement (MOA) between the State of Minnesota and Local Governments and Authorizing Participation in National Opioid Settlements.**

Finance Director McCann reported the State of Minnesota reached a 269-million-dollar settlement, and the Coalition of Greater Minnesota urges cities over \$10,000 to sign onto the agreement. He reported the City would not receive funds directly but signing on to the MOA would allow the City to possibly apply for grants from the funds received by the State.

**Council Member Steiner moved, seconded by Council Member Norland, to Adopt Res. No. 86-21 Approving the Memorandum of Agreement (MOA) between the State of Minnesota and Local Governments and Authorizing Participation in National Opioid Settlements. Vote on the motion Norland, Oachs, Whitlock, Steiner, and Dehen aye; no nays. Motion carried.**

**City Administrator and Staff Comments**

City Administrator Harrenstein reported the North Mankato Taylor Library had 38 children attended the breakfast with Santa last Saturday. He also noted that the Hometown Holiday Lights event continues, and voting closes on Saturday, December 26<sup>th</sup>. Maps can be picked up at the library at City Hall or online.

City Administrator Harrenstein stated the swim facility is still holding its holiday swim pass sale and concession punch card sale.

City Administrator Harrenstein stated the Parks Department is working on flooding ice rinks around North Mankato. The Spring Lake Park rinks are available, and the warming house is open.

City Administrator Harrenstein reported that the North Mankato Farmers' Market has a survey to help them provide the best market experience possible. Please take time to take the survey and share your thoughts.

**Mayor and Council Comments**

Council Member Oachs stated she also has concerns about the Sales Tax Dollars and hopes the City continues to thrive and grow. She said she also thinks additional input from the public should be considered for Strategic Plans.

Mayor Dehen requested an update on the Caswell concession stand. City Administrator Harrenstein reported the project is coming close to completion.

At 8:30 pm, on a motion by Council Member Steiner, seconded by Council Member Norland, the Council Meeting was adjourned.

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Mayor

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City Clerk