

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 4, 2017. 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 roll call: Mayor Dehen, Council Members Whitlock, Steiner, Norland, and Freyberg, City Administrator Harrenstein, Finance Director McCann, City Attorney Kennedy, Community Development Director Fischer, Public Works Director Swanson and City Clerk Van Genderen.

Approval of Agenda

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

Approval of Council Workshop Meeting Minutes

Council Member Steiner moved, seconded by Council Member Norland, to approve the minutes of the Council Workshop meeting of November 20, 2017. Vote on the motion: Whitlock, Steiner, Norland, Freyberg and Dehen aye; no nays. Motion carried.

Approval of Council Meeting Minutes

Council Member Norland moved, seconded by Council Member Steiner, to approve the minutes of the Council meeting of November 20, 2017. Vote on the motion: Whitlock, Steiner, Norland, Freyberg and Dehen aye; no nays. Motion carried.

Public Hearing-2018 Budget and 2018-2022 Capital Improvement Plan.

Finance Director McCann reviewed the proposed 2018 Budget which included a flat tax rate of 52% with a final 2018 levy dollar amount of \$378,000 or 6.4% more than the 2017 levy. He reported the \$6,288,751 in taxes is allocated to the General Fund (\$4,621,889), Port Authority (\$75,000), Debt Service (\$1,370,848) and the Abatement Levy (\$221,014). The City's General Fund tax dollars are prioritized with the largest amount being spent on Public Safety and Public Works. In 2018 personnel costs are anticipated to increase due to an 11% increase in health insurance, a proposed 3% merit increase and the addition of a Police Officer in 2018. Fees and rates are not anticipated to increase significantly except for an anticipated Storm Water Rate increase of fifty cents for residential and an increase from \$0.325 per 1,000 square feet to \$0.60 per 1,000 square feet for commercial. Finance Director McCann stated even with the proposed Storm Water Fund increase the City has one of the lowest rates around.

Finance Director McCann reviewed the 2018-2022 Capital Improvement Plan. He reported that due to the lack of a 2017 project, those funds would be added to 2018. Included in the CIP for 2018 is the Spring Lake Swim Facility and the purchase of new equipment. Administrator Harrenstein reported that the 1.5 million in bonding each year fits in the existing tax levy while continuing to build up reserves. With the debt that has recently rolled off, the City can borrow 2 million to continue to maintain and improve the City. Finance Director McCann reported that along with the Swim Facility reconstruction the City has the Jefferson Avenue Reconstruction, a North Port Expansion, Anchorage Drive Extension and Marie Lane Extension. These are potential projects and will depend on timing. Finance Director McCann stated City Council would need to begin gathering ideas for proposed Sales Tax Projects as nothing has been decided.

Barb Church, 102 Wheeler Avenue, appeared before Council and encouraged the Council to set specific criteria for vetting potential Sales Tax Fund projects. She stated she thought there was

confusion about the budget process and said people would like to pay down debt. Ms. Church also questioned the proposed 25% increase for City Council pay.

Tom Hagen, 927 Lake Street, stated he believed the City should not build during an economic upturn, rather wait until an economic downturn.

Public Hearing-Proposed Annexation of 20.75 Acres of Land Held by BCD Properties, LLC.

Community Development Director Fischer reported on October 3, 2017, the City received a request to annex 20.75 acres. The City Council accepted the petition of annexation on October 16, 2017. According to Minnesota Statutes §414.033 Subdivision 2(3), Permitting Annexation by Ordinance, the City must serve upon the Township Board and residents abutting the land 30-days notice that the City will conduct a Public Hearing. The City served the notices by certified mail and set the Public Hearing for December 4, 2017. An Ordinance will be presented for consideration at the December 18, 2017, Council Meeting. With no one appearing before the Council the Mayor closed the Public Hearing.

Consent Agenda

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

- A. Bills and Appropriations.
- B. Res. No. 81-17 Approving Donations/Contributions/Grants.
- C. Res. No. 82-17 Declaring Costs to be Assessed for Municipal Charges.
- D. Approved License Renewals for 2018.
- E. Res. No. 83-17 Setting 2018 Council Dates.

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

Public Comments Concerning Business Items on the Agenda

Matthias Leyrer, 526 Wall Street, appeared before Council and requested clarification on if the bump-out study gathered anything besides public opinions, such as speed rates and street crossing information. He indicated if the Council used the study the bump-out would not be installed. He stated the use of a bump-out benefits pedestrians, not the drivers; the goal is to make drivers uncomfortable slowing vehicles down, potentially making the street crossing safer for pedestrians.

Barb Church, 102 Wheeler Avenue, appeared before Council and stated she believed the City needed to get more information out on the bump-out survey.

Attorney Kennedy commented that bump-outs could be viewed similarly to roundabouts where traffic is slowed down making accidents less dangerous.

Business Items

Res. No. 84-17 Receiving Feasibility Report and Calling Hearing for Project No. 17-05 ABCDEF.

City Engineer Sarff appeared before Council and reviewed the feasibility study prepared by Bolton & Menk. He stated the proposed project was for Jefferson Avenue between Cross Street and Range Street. The existing conditions and the proposed improvements were reviewed which included replacing over 65-year-old Sanitary Sewer, replacing 65-year-old Watermain, installing storm sewer,

replacing 65-year-old street and surface, and replacing the existing 5-foot wide sidewalks on both sides of the street. City Engineer Sarff reported there were 24 existing boulevard trees and the City reviewed each one and had recommendations for each tree. The City's goal is to maintain as many of the trees as feasible. As part of the Complete Street Policy adopted by Council on January 4, 2016, the report reviewed pedestrian and bicycle accommodations. The sidewalks would be replaced at their current width of 5-feet which meets ADA standards for accessibility. The addition of on-street or off-street bicycle lanes is not considered feasible for the project. City Engineer Sarff reviewed the proposed estimated project costs which total \$520,200. Evaluating the City's assessment policy and comparing the project to the Roe Crest Drive assessments, City Engineer Sarff recommended capping the assessment at \$6,000. A review of the proposed project timeline was provided with a neighborhood meeting planned for the week of December 18, 2017, construction start date of May 29, 2018, and completion by late August.

Attorney Kennedy stated it would be essential to ensure residents know the value that will be added to their property and the assessments will not be more than the improvement to their property.

Administrator Harrenstein requested clarification from Engineer Sarff if bundling an additional project such as the proposed Anchorage Drive Extension or Marie Lane Extension with the Jefferson Avenue project would be beneficial. City Engineer Sarff confirmed there would be benefits to bidding more than one project at a time. **Council Member Steiner moved, seconded by Council Member Norland to adopt Res. No. 84-17 Receiving Feasibility Report and Calling Hearing for Project No. 17-05 ABCDEF. Vote on the motion: Whitlock, Steiner, Norland, Freyberg and Dehen aye; no nays. Motion carried.**

Receive Preliminary Information on the Belgrade Bump-out test.

City Engineer Sarff reviewed the test bump out. He stated one recommendation in the Belgrade Avenue Corridor Study was to construct a curb extension (bump out) in the southeast corner of the intersection of Belgrade Avenue and Range Street. The bump out in this location was recommended to improve pedestrian safety by shortening the distance required to cross Belgrade Avenue. The test bump out was installed on October 20, 2017. Signs were also installed with a direction to the website that provided additional information on the proposed bump out along with a short survey to gather the public's opinions regarding the proposed bump out. City Engineer Sarff reviewed the survey results which concluded with 40.26% saying yes to the installation of bump outs and 48.7% saying no. Overall there were more negative comments than positive comments concerning the bump outs. City Engineer Sarff indicated the City Council could consider the results, but additional information should be reviewed before deciding whether or not to use a bump out. City Administrator Harrenstein stated that while there may be other considerations concerning the bump out the public had spoken strongly against the bump out, and he encouraged the Council to listen to the public response. He stated there were other ways to calm traffic. Mayor Dehen said there were other options presented in the Belgrade Avenue Corridor Study that may be worth studying and testing.

City Administrator and Staff Comments

City Administrator Harrenstein stated the proposed increase for the City Council would increase their annual pay from \$8,000 to \$10,000 a year. The increase would not be effective until after the 2018 election so that the pay would increase in 2019. City Administrator Harrenstein reported the recommendation is due to the increased commitments of the City Council Members including increased involvement on regional boards and meetings. While it is the City Council's job, most of the members are also gainfully employed and several are small business owners. All of the council commitments mean increased time away from their businesses and families.

City Administrator Harrenstein stated that the City plans on the cost of construction increasing because it is part of how the City plans. He noted the City does not bring projects forward that are not prudent, and while the economy does cycle, the City is positioning itself to manage these downturns in the economy by building reserves to help maintain tax rates during downturns. He stated the City has managed to meet increase reserves while decreasing the tax rate. He stated the City is positioning itself to be a City of 25,000 people.

City Administrator Harrenstein thanked Jenni Bobholz for her work on Bells on Belgrade; he stated it was a successful event.

City Administrator Harrenstein reported the League of Minnesota Cities would be at the Council Workshop at noon on December 18, 2017. He stated the workshop would help the Council look forward. He noted the Council Members were individuals, who work as a team, elected by the people to move the community forward.

City Attorney Kennedy stated many county commissioners make \$30,000 to \$40,000 a year, sit on the same boards as Council Members and get a per diem per meeting.

Finance Director McCann stated the budget is wrapping up, and the audit is just beginning.

Public Works Director Swanson reported leaf collection is completed. If a citizen has a late dropping tree, they may contact the City for pick-up. He stated the compost site would remain open until the first significant amount of snow.

Mayor and Council Comments

Council Member Freyberg stated the wastewater payment to Mankato has increased and was wondering if with the growth of the Industrial Park there were any heavy water users. Public Works Director Swanson reported there were no substantial users. Council Member Freyberg stated the increase is tied to stormwater.

Council Member Norland stated there would be changes with Mankato Zero Waste as their grant runs out in the middle of 2018. Public Works Director Swanson reported the cost to continue is relatively insignificant and there has been a positive feedback so the City will look at prolonging the service and may consider making it a permanent part of North Mankato services.

Council Member Whitlock stated Bells on Belgrade had 571 children attend the event which is a 38% increase from 2016. Each child received two books.

Council Member Steiner encouraged citizens to tune into KTOE at 1:05 p.m. on December 5th and listen to Administrator Harrenstein on Talk of the Town.

Mayor Dehen thanked everyone for the work on Bells on Belgrade.

There being no further business, on a motion by Council Member Steiner, seconded by Council Member Norland, the meeting adjourned at 8:24 p.m.

Mayor

City Clerk