

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 5, 2016. 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 Norland, Freyberg, Spears, and Steiner, City Administrator Harrenstein, Finance Director McCann, Attorney Kennedy, City Planner Fischer, Public Works Director Swanson and City Clerk Van Genderen.

Approval of Agenda

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

Approval of Council Meeting Minutes

Council Member Steiner moved, seconded by Council Member Norland, to approve the minutes of the Council meeting of November 21, 2016. Vote on the motion: Norland, Freyberg, Spears, Steiner and Dehen aye; no nays. Motion carried.

Public Hearing – 7 p.m., 2017 Budget and 2017-2021 Five-Year Capital Improvement Plan. Barb Church, 102 Wheeler Avenue, appeared before Council and stated that in the earlier discussion of a proposed 2017-2026 Capital Improvement Plan it appears that 40% of Capital Improvement has been directed to a regional recreation complex. Administrator Harrenstein stated he did not know exactly what Ms. Church was referring to as he did not have the document, but a regional recreation complex had been plugged into the CIP as one option. Ms. Church stated there should be more discussion on the budget. Council Member Steiner indicated this was not the first time the budget has been discussed. With no one else appearing before Council, Mayor Dehen closed the Public Hearing.

Public Hearing – 7 p.m., Setting Rates and Charges for Municipal Utilities. Barb Church, 102 Wheeler Avenue, appeared before Council and stated her concern about the base rate increase. She indicated the increase should be on usage not the base rate because those that use more should pay more. Phil Henry, 1300 Noretta Drive, appeared before Council and requested clarification on whether or not Caswell Park was metered. Administrator Harrenstein indicated it was metered, but did not know how much water was used at the park. Mr. Henry reported he believed it takes 27,000 gallons of water to put 1-inch of water on 1-acre of land. With no one else appearing before Council, Mayor Dehen closed the Public Hearing.

Public Hearing -7 p.m., Proposed Amendments to City Code Chapter 54, Stormwater. City Engineer Dan Sarff appeared before Council and stated the proposed City Code amendments were discussed at the November 21, 2016 Council Meeting. He stated he would suggest one change to the proposed ordinance. Engineer Sarff indicated he had previously stated that in the land disturbance activity the threshold of 5,000 square feet was less restrictive than the permit. This information was incorrect. The permit allows up to 1-acre, so 5,000 square feet would be more restrictive. He recommended modifying the Ordinance to follow the less restrictive 1-acre. With no one else appearing before Council, Mayor Dehen closed the Public Hearing.

Public Hearing – 7 p.m. Proposed Amendments to City Code Section 156.038, R-1S, One Family Dwelling, Small Lot. Barb Church, 102 Wheeler Avenue, appeared before Council and stated the Council should consider using the Planning Commission recommendations, not City staff

recommendations because the Planning Commission spent a lot of time debating the issue. With no one else appearing before Council, Mayor Dehen 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. 97-16 Adopting Resolution Approving Donations/Contributions/Grants.
- C. Approved License Renewals for 2017.
- D. Set Public Hearing for 7 p.m. on December 19, 2016 to Consider Proposed Improvements to the Sidewalk at 638 Belgrade Avenue.
- E. Set Public Hearing for 7 p.m. on December 19, 2016 to Consider Proposed Improvements to the Sidewalk at 538 Page Avenue.
- F. Set Public Hearing for 7 p.m. on December 19, 2016 for the Annual Stormwater Pollution Prevention Program (SWPPP) Review.

Vote on the motion: Norland, Freyberg, Spears, Steiner and Dehen aye; no nays. Motion carried. Council Member Spears asked for clarification on whether the City would be reimbursed by Business on Belgrade for the Bells on Belgrade Rainbow Country Experience trolley rides. Administrator Harrenstein stated he did not request reimbursement from Business on Belgrade. Council Member Spears requested clarification on the support for Business on Belgrade. Administrator Harrenstein reported the proposed 2017 Budget does not include increased allocations. Council Member Spears requested clarification on where supplies for the hockey rink in Spring Lake Park was allocated. Administrator Harrenstein indicated the expense came out of the Parks budget capital outlay.

Public Comments

None.

Business Items

Res. No. 98-16 Setting Rates and Charges for Municipal Utilities. Council Member Spears stated he would support this resolution but believes future rate increases should be placed on the overage, not the base rate. **Council Member Freyberg moved, seconded by Council Member Steiner to adopt Res. No. 98-16 Setting Rates and Charges for Municipal Utilities. Vote on the motion: Norland, Freyberg, Spears, Steiner and Dehen aye; no nays. Motion carried.**

Ordinance No. 82, Fourth Series, An Ordinance of the City of North Mankato, Minnesota, Amending North Mankato City Code, Title IV, Public Works, Chapter 54, Stormwater. Council Member Freyberg moved, seconded by Council Member Norland to adopt Ordinance No. 82, Fourth Series, An Ordinance of the City of North Mankato, Minnesota, Amending North Mankato City Code, Title IV, Public Works, Chapter 54, Stormwater striking the following language from the ordinance:

54.05 (C) Definitions: Land Disturbance:

- (c) Additions or modifications to existing single family structures which result in creating under five thousand (5,000) square feet of exposed soil or impervious surface.
- (d) Construction, installation, and maintenance of fences, signs, posts, poles, and electric, telephone, cable television, utility lines or individual service connections to these utilities, which

result in creating under five thousand (5,000) square feet of exposed soil or impervious surface. Vote on the motion: Norland, Freyberg, Spears, Steiner and Dehen aye; no nays. Motion carried.

Ordinance No. 83, Fourth Series an Ordinance of the City of North Mankato, Minnesota, Amending North Mankato City Code, Title XV, Land Use, Chapter 156: Zoning Code. Council Member Freyberg stated he reviewed the information and did not agree with the use of the word affordable, as it is a difficult word to define. He stated reducing the block size from 7,500 to 6,000 square feet would not necessarily make housing more affordable. Council Member Freyberg also expressed concerns over the quality of housing being built and whether individuals who bought these homes would be able to build equity. Council Member Spears stated the reduction in lot size may reduce the cost enough to assist workforce housing. He indicated a lot of little reductions can make a difference, but if it is not going to make a difference why make the effort. Mayor Dehen stated currently there are 8 houses being built in Mankato and North Mankato does not have 8 houses being built due to lot costs. He stated the area being discussed is north of Benson Park and is not attractive for larger lots. Mayor Dehen stated maybe a compromise would be a possibility. Council Member Freyberg stated that while he recognized that millennials did not feel prepared to purchase homes at the current market value, he did not want to build cheaper housing over what could be a trend. Council Member Norland stated the goal was to draw people to the community and it is an assumption that the houses will be built poorly. She indicated infrastructure costs may be cheaper on smaller lots. Mayor Dehen indicated the builders could consider using a P.U.D. Administrator Harrenstein stated staff recommendations are in response to market conditions. Builders have purchased the property to provide entry level housing but if changes are not made to the code they will build elsewhere. Administrator Harrenstein indicated the City had three pillars; industrial development, single family homes and recreational assets. If the City does not accommodate the construction of single family homes the City will not continue to grow. City Administrator Harrenstein reported the lot sizes are still large and quality will not be compromised. He indicated the problem with the Planning Commission recommendations was that they failed to make a complete recommendation and the changes did not meet the stated needs of the developers. Administrator Harrenstein stated if the City is not going to incentivize hotels or other commercial ventures the only way to obtain this growth is to increase the community population by assisting developers. He reported the development would be considered workforce housing not affordable housing. Council Member Freyberg asked for clarification on who would be considered workforce. He indicated it could not be those making \$30,000 or less. Administrator Harrenstein stated the City has housing opportunities for those making less than \$30,000 a year and this housing would be for those making more than \$30,000. Attorney Kennedy stated City staff operates under the assumption that the Council would like the community to grow, increasing the tax base. If the Council does not want the community to grow, City staff needs to be informed. Attorney Kennedy reported the proposed housing would not be considered affordable housing as the planned houses would cost approximately \$250,000. He stated affordable housing would be renting or purchasing an old house and fixing it up; which is sweat equity. **Council Member Spears moved, seconded by Council Member Norland to adopt Ordinance No. 83, Fourth Series an Ordinance of the City of north Mankato, Minnesota, Amending North Mankato City Code, Title XV, Land Use, Chapter 156: Zoning. Vote on the motion: Norland, Spears, Steiner and Dehen aye; Freyberg nay. Motion carried.**

Res. No. 99-16 Authorizing Revisions to the North Mankato Capital Asset Policy. Finance Director McCann stated the changes had been reviewed at the November 21, 2016 Council Meeting

and he had not received any requests for changes from Council Members. **Council Member Steiner moved, seconded by Council Member Norland to adopt Res. No. 99-16 Authorizing Revisions to the North Mankato Capital Asset Policy. Vote on the motion: Norland, Freyberg, Spears, Steiner and Dehen aye; no nays. Motion carried.**

Consider Resolution Adopting the City Council Handbook. Council Member Steiner moved, seconded by Council Member Norland to adopt Resolution adopting the City Council Handbook. Council Member Spears stated he had several issues with the proposed City Council Handbook. He stated he would like several sentences struck. He stated he represented the citizens and if he did not agree with the Council position he should not be required to support the official position of the Council. He also reported he wanted the statement struck that states Council members will direct extensive information requests to the City Council or City Administrator not directly to City staff. Mayor Dehen stated Council members have the opportunity to state their positions during discussion of any Council action and once the decision is made Council Members should support the Council decisions. Council Member Spears stated he would not restrict his freedom. Mayor Dehen stated the request for information should be directed to the City Administrator as it is inappropriate to ask for large amounts of information directly from City staff. It does not say the Council Member will not get the information just that the request will go through the City Administrator. Council Member Spears stated he could ask and they could refuse but he will not restrict who he will ask. Mayor Dehen stated it only directs the request through the City Council or the City Administrator. **Vote on the motion: Freyberg and Dehen aye; Norland, Spears and Steiner nay. Motion failed. Council Member Steiner moved, seconded by Council Member Norland to table the adoption of the City Council Handbook. Vote on the motion: Norland, Freyberg, Spears, Steiner and Dehen aye; no nays. Motion carried.** Council Member Norland requested brief descriptions of Council Committee roles. She stated the personnel committee should be defined and a stipulation included that states no personnel information is made public.

City Administrator and Staff Comments

Receive Community Development Annual Report. City Planner Fischer presented a brief summary of the Community Development accomplishments during 2016.

Caswell Sports Report. City Administrator Harrenstein presented a PowerPoint providing an overview of Caswell Sports. He stated the economic impact is greater than expected and the organization is partnering with local, state, and national organizations. Caswell Sports is no longer just a softball complex, rather, it is a recreational event organization. City Administrator Harrenstein stated there was an increase in economic benefit and number of visitors from 2015 to 2016 largely due to the work of Caswell Sports Director Phil Tostenson who brought in additional events including acquiring the entire Minnesota State Cup tournament for soccer and the NAFA World Series. The NAFA World Series alone brought in 83 teams from 23 states including 4 provinces in Canada. Caswell Sports soccer complex brought in a total of 33,500 visitors with an estimated economic impact of \$4,550,000 while the softball complex brought in 69,770 visitors with an estimated economic impact of \$7,527,000. Caswell Sports also encompasses other events including the North Star Bike Race, Bumpers on Belgrade and Rip Roar Triathlon. City Administrator Harrenstein stated Caswell Sports is looking for additional ways to obtain revenue including beer sales in 2017, increased advertising and sponsorship. Council Member Spears stated after reviewing the operational costs that certain costs are not accounted for so he believes the benefits are overstated. Council Member Freyberg thanked Caswell Sports Director Tostenson for his hard work.

Public Works Director Swanson thanked his staff for setting up and working during Bells on Belgrade. He stated it was a fun and well attended event. Council Member Steiner thanked the staff and Business on Belgrade for the event.

Mayor and Council Comments

Council Member Norland reminded residents that Community Education and Recreation has a variety of classes available.

Council Member Norland thanked Rick Oglesby for volunteering to pick-up trash along Lookout Drive, Lee Boulevard and Judson Bottom Road.

Mayor Dehen stated he would be attending YWCA's Time to Talk about Diversity event.

Public Comments

Barb Church, 102 Wheeler Avenue, appeared before Council and stated the water used on the soccer fields could cost thousands of dollars.

Phil Henry, 1300 Noretta Drive, appeared before Council and stated during a dry year a lot of water could be used to water Caswell. He reported he nearly hit a few bicyclists when they were biking without sufficient lights and requested Mayor Dehen, through the Bicycle Commission, remind bicyclists to wear appropriate clothing. Mr. Henry stated he disagreed with language used in the City Council Handbook.

There being no further business, on a motion by Council Member Norland, seconded by Council Member Steiner, the meeting adjourned at 8:31 p.m.

Mayor

City Clerk