

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 February 19, 2019. 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 Member Norland, Whitlock, Steiner and Oachs, City Administrator Harrenstein, City Attorney Kennedy, Finance Director McCann, Community Development Director Fischer, Public Works Director Host, and City Clerk Van Genderen.

**Approval of Agenda**

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

**Proclamation Mayor Dehen read the following Proclamations into the record.**

***PROCLAMATION***

*WHEREAS, Don Rivet has dedicated his life to a career in radio broadcasting in our community; and*

*WHEREAS, Rivet is a graduate of Brown Broadcasting, Class of '77, and joined KTOE in February of 1979; and*

*WHEREAS, he is the co-host of the popular morning radio show The Morning Blend one of the longest running morning shows in Minnesota and the country; and*

*WHEREAS, after 40 years, Rivet is stepping away from the microphone and the early morning alarm clock, into retirement; and*

*WHEREAS, Rivet's last day on The Morning Blend on KTOE is February 22, 2019.*

*NOW, THEREFORE, BE IT RESOLVED, that we, Mark Dehen, Mayor of North Mankato and Najwa Massad, Mayor of Mankato, in the State of Minnesota hereby proclaim February 22, 2019*

*DON RIVET DAY*

*In the Cities of North Mankato and Mankato and extend our congratulations and appreciation for his many years of dedicated service, and extend to him our best wishes for many years of happiness in the future.*

***PROCLAMATION***

*WHEREAS, Minnesota has 135,000 miles of roads and highways in every city, community, and county statewide; and*

*WHEREAS, school bus drivers carry some 760,000 Minnesota students twice a day on just about every road type throughout Minnesota; and*

*WHEREAS, school bus drivers care about their kids, and are not “just” bus drivers, but a vital part of students’ daily lives; and*

*WHEREAS, school bus drivers have hearts of gold, nerves of steel, and responsibilities far greater than most; and*

*WHEREAS, the State of Minnesota will celebrate the third annual School Bus Driver Appreciation Day on Wednesday, February 27, 2019 to highlight the dedication and integrity of these professional drivers.*

*NOW THEREFORE I, Mark Dehen, Mayor of North Mankato, proclaim February 27, 2019, as:*

*SCHOOL BUS DRIVER APPRECIATION DAY*

**Approval of Council Meeting Minutes February 4, 2019**

**Council Member Steiner moved, seconded by Council Member Oachs, to approve the minutes of the Council meeting of February 4, 2019. Vote on the motion: Oachs, Whitlock and Steiner aye; Norland and Dehen abstain. Motion carried.**

**Approval of Council Work Session Minutes February 11, 2019**

**Council Member Norland moved, seconded by Council Member Whitlock, to approve the minutes of the Council Work Session of February 11, 2019. Vote on the motion: Norland, Oachs, Whitlock, Steiner, and Dehen aye; no nays. Motion carried.**

**Consent Agenda**

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

- A. Bills and Appropriations.
- B. Approved Parade and Audio Permit for BENCHS’s Running for Rescues 5K on September 29, 2019, from 7:00 a.m. to 1:00 p.m.
- C. Approved Park and Audio Permit for Open Door Health Center Event on June 22, 2019, from 8:00 a.m. until 8:00 p.m.
- D. Accepted and Implemented the Traffic and Safety Committee Recommendations.

**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 commented on Business Item 11G Resolution Establishing the 2019 Legislative Priorities of the North Mankato City Council. She expressed concerns about the Food and Beverage Tax, and the request for state bonding dollars to support an indoor recreational facility and enhancement of the existing park features at the Caswell Regional Sporting Complex.

Phil Henry, 1300 Noretta Drive, appeared before Council and expressed concerns about the cost associated with an indoor recreational facility, specifically the operating costs.

Tom Hagen, 927 Lake Street, appeared before Council and expressed concerns about the proposed request to the legislature for permission to enact a 1% Food and Beverage Tax. He also expressed concerns about the operational costs of an indoor recreational facility.

Lucy Lowry, 2263 North Ridge Drive, appeared before Council and questioned the wording of the Resolution Establishing the 2019 Legislative Priorities of the North Mankato City Council. She asked if the 1% Food and Beverage Tax could have a referendum. Ms. Lowry requested information on if local companies were considered for the transit enhancement program.

### **Business Items**

#### **Res. No. 19-19 Approving Plans and Specifications and Ordering Advertisement for Bids Project No. 18-07 ABCDEF, Tyler Avenue Improvement.**

City Engineer Dan Sarff appeared before Council and reported the plans and specifications have been prepared for the Tyler Avenue Improvement Project. The proposed improvements are essentially the same as that presented with the Preliminary Engineering Report. City Engineer Sarff provided a brief overview of the proposed improvements including replacement of the Sanitary Sewer, Watermain, Storm Sewer, reconstruction of the current street surface and new 5-foot wide sidewalk on both sides, the addition of two street lights at mid-block, and the removal of 16 trees due to the trees being ash, diseased, too large for the boulevard, or misshapen due to powerline trimming. City Engineer Sarff reviewed the cost for the project with a total estimated cost of \$470,000 and indicated a bid opening date of March 1, 2019. **Council Member Norland moved, seconded by Council Member Steiner to adopt Res. No. 19-19 Approving Plans and Specifications and Ordering Advertisement for Bids Project No. 18-07 ABCDEF, Tyler Avenue Improvement. Vote on the motion: Norland, Oachs, Whitlock, Steiner, and Dehen aye; no nays. Motion carried.**

#### **Res. No. 20-19 Approving Plans and Specifications and Ordering Advertisement for Bids Project No. 19-01DE, 2019 Street and Miscellaneous Paving Improvement Project.**

City Engineer Sarff appeared before Council and reported the plans and specifications had been prepared for the 2019 Street and Miscellaneous Paving Improvement Project. The proposed Street Mill & Overlays included LorRay Drive from Lee Blvd to Clare Drive, James Drive from LorRay Drive to Mary Lane, Haughton Avenue from Howard Drive to Countryside Drive, Roe Crest Drive from Lee Boulevard to Commerce Drive, and Sherwood Drive from Nottingham Drive to dead end cul de sac. The additional miscellaneous paving projects include the Benson Park Parking Lot, Benson Park trail drainage improvements, Spring Lake Park overlay of the east parking lots and overlay of the basketball courts at Walter S. Farm Park, Forest Heights Park and Langness Park. The total cost for the projects is estimated at \$691,000 with a bid opening date of March 12, 2019. **Council Member Norland moved, seconded by Council Member Steiner to adopt Res. No. 20-19 Approving Plans and Specifications and Ordering Advertisement for Bids Project No. 19-01DE, 2019 Street and Miscellaneous Paving Improvement Project. Vote on the motion: Norland, Oachs, Whitlock, Steiner, and Dehen aye; no nays. Motion carried.**

#### **Res. No. 21-19 Requesting the Advance of Municipal State Aid Funds for Municipal Construction Projects and Bond Principle Payment.**

City Engineer Sarff appeared before Council and reported that the City receives an annual allotment of State Aid Funds and MnDOT allows the City to advance those funds. The advancement of funds shows up as a negative balance, but it is basically a no interest loan. Due to significant expenditures in the past years, the City has a negative balance of approximately \$615,716.57, this is primarily due to the construction of the Trunk Hwy 14/County Road 41 Interchange and Lookout

Drive. The City would like to advance additional funds totaling \$905,000; \$205,000 would be repayment of bonds for the Trunk Hwy 14/County Road 41 Interchange project and \$700,000 would be for the Commerce Drive Project. Commerce Drive is a municipal state aid route and eligible for State Aid Funds. **Council Member Norland moved, seconded by Council Member Steiner to adopt Res. No. 21-19 Requesting the Advance of Municipal State Aid Funds for Municipal Construction Projects and Bond Principle Payment. Vote on the motion: Norland, Oachs, Whitlock, Steiner, and Dehen aye; no nays. Motion carried.**

**Res. No. 22-19 Requesting the Advance of Municipal State Aid Funds for Federally Funded Construction Projects.**

City Engineer Sarff reported the City of North Mankato received \$1.2 million in Federal Funding for the 2019 Commerce Drive Project which is designated for 2021 and 2022. The City also received State Funds through the Local Road Improvement Program and those funds were designated for 2019. As the City is receiving those funds in 2019, the City must complete the project in 2019. This resolution advances Municipal State Aid Street Funds to supplement the available 2019 funds from the local Transportation Improvement Program. The City will advance the amount of the federal funds that will be received in 2021 and 2022, MnDOT allows cities to do this type of advance. The State Aid Account is reimbursed when the Federal Funds are received by the City. The total amount advanced will be \$1,159,414 which is the amount that will be received from the Federal Funding in 2021 and 2022. **Council Member Norland moved, seconded by Council Member Steiner to adopt Res. No. 22-19 Requesting the Advance of Municipal State Aid Funds for Federally Funded Construction Projects. Vote on the motion: Norland, Oachs, Whitlock, Steiner, and Dehen aye; no nays. Motion carried.**

**Consider Preliminary and Final Plat of the Landing North Phase 3: A Request from KWS, LLC.**

Community Development Director Fischer reported the applicant is proposing to replat Outlot A of The Landing North Phase 2 which is located in the Reserve Subdivision near the north end of Lor Ray Drive. The Landing North Phase 2 consists of 12 single-family residential lots having access from Prairie Court including Outlot A which was reserved for future single-family residential development. The applicant has proposed to replat Outlot A by creating nine lots for future single-family residential development. The proposed new plat would be known as The Landing North Phase 3. The development would require the extension of Prairie Court which would terminate as a cul-de-sac. The property is currently zoned R-1, One-Family Dwelling. Community Development Director Fischer noted the proposed lots meet the minimum lot sizes required in R-1, One-Family Dwelling. He noted the Planning Commission recommended the Final Plat. **Council Member Norland moved, seconded by Council Member Steiner to Approve the Preliminary and Final Plat of the Landing North Phase 3: A Request from KWS, LLC. Vote on the motion: Norland, Oachs, Whitlock, Steiner, and Dehen aye; no nays. Motion carried.**

**Approve Comprehensive Plan Amendment-Future Land Use Map: A Request from Steve Burnett.**

Community Development Director Fischer reported the request is from Steve Burnett who is requesting to amend Figure 3-2, Future Land Use within the Comprehensive Plan. The applicant owns 7.65 acres of land which is currently outside the City limits. As part of the 2015 comprehensive planning process, the property was guided for future commercial development upon annexation into the City limits. Community Development Director Fischer reported the owner had been contacted by

a local developer, Adam Huiras, to purchase the east 2.57 acres of the property to construct townhomes. As a result, the applicant is requesting to amend Comprehensive Plan Figure 3-2, Future Lane Use by changing the guided zoning of the east 2.57 acres of his property from General Commercial to High-Density Residential. Community Development Director Fischer reported the Planning Commission reviewed the report and request and recommends the amendment. He also reported the property would need to be annexed into the city before it could be zoned. Council Member Oachs reported she lives in the area and the neighbors she spoke with agreed with the proposed platting of the property and would prefer residential to commercial. **Council Member Norland moved, seconded by Council Member Steiner to Approve Comprehensive Plan Amendment-Future Land Use Map: A Request from Steve Burnett. Vote on the motion: Norland, Oachs, Whitlock, Steiner and Dehen aye; no nays. Motion carried.**

**Res. No. 23-19 Establishing the 2019 Legislative Priorities of the North Mankato City Council.**

City Administrator Harrenstein reported the resolution established the legislative priorities which includes a request for state bonding dollars for an indoor recreational facility and enhancement of Caswell Regional Sporting Complex, a request to authorize a 1% Food & Beverage Tax to be used to fund operational costs at Caswell Park and a request for a transit enhancement grant for 50% of costs associated with an on-demand transit pilot program. Mayor Dehen clarified the resolution would bring the requests before the legislation. Council Member Steiner stated there is no monetary commitment, just starting the process. City Administrator Harrenstein stated that requesting bonding dollars is a commitment to reserve funds until we know whether or not the project is funded by the State. Council Member Oachs reported her support to enhance Caswell Park and the possibility of investing in a new recreational facility. She also reported her support for the transit enhancement grant. Council Member Oachs stated she did not support or approve of the proposed 1% Food and Beverage Tax. She reviewed the taxes currently charged at North Mankato restaurants and reported if the Food and Beverage Tax is enacted at the 1% rate, food would be taxed at 8.875% and alcoholic beverages would be taxed 11.375% at local bars and restaurants. Council Member Oachs noted the difficulty that the tax may place on locally owned establishments. Council Member Oachs also indicated that lower North bars and restaurants reported that they do not receive financial benefits from the events at Caswell Park. She reported she supports increasing tourism rather than adding an additional tax. Council Member Oachs suggested increasing the hotel/motel tax from 3% to 5%, review the budget, increase concession prices or develop new businesses around Caswell Park. Council Member Oachs stated she would support the resolution but would not support the 1% Food and Beverage tax if legislation approves the tax and Council considers enacting the tax. Mayor Dehen reported the tax would not be enacted at this time. Mayor Dehen clarified that there were approximately four on-demand transit programs in the country and Uber and Lift were not interested in the program.

Mayor Dehen proposed a friendly amendment to the Resolution Establishing the 2019 Legislative Priorities of the North Mankato City Council. He suggested changing the wording from "Request state bonding dollars for the expansion of an indoor recreational facility and enhancement of existing park features at the Caswell Regional Sporting Complex" to "Request state bonding dollars for the expansion of Caswell Regional Sporting Complex with an indoor recreational facility and enhancement of existing park features." **Council Member Norland moved, seconded by Council Member Steiner to approve the friendly amendment. Vote on the motion: Norland, Oachs, Whitlock, Steiner, and Dehen aye; no nays. Motion carried. Council Member Norland moved, seconded by Council Member Steiner to adopt Res. No. 23-19 Establishing the 2019 Legislative**

**Priorities of the North Mankato City Council. Vote on the motion: Norland, Oachs, Whitlock, Steiner, and Dehen aye; no nays. Motion carried.**

**Commerce Drive Area Development Plan Adoption.**

Bolton & Menk Transportation Planner, Matt Lassonde, appeared before Council and reviewed the Commerce Drive Area Development Plan process and results. He stated the process began in November 2017 with public input, visioning meetings, stakeholder meetings, and a public survey. The plan was drawn up and presented to Council in October 2018. Following the Council presentation, additional meetings were held with business owners and citizens to obtain additional information and feedback on the proposed plan. Considerations and discussions were held concerning access consolidation, streetscaping, and seating nodes. Transportation Planner Lassonde reported the plan was completed and ready for Council adoption. **Council Member Norland moved, seconded by Council Member Steiner to adopt the Commerce Drive Area Development Plan. Vote on the motion: Norland, Oachs, Whitlock, Steiner, and Dehen aye; no nays. Motion carried.**

**Open Forum**

Phil Henry, 1300 Noretta Drive, appeared before Council and thanked the snow plow crew for their hard work.

Lucy Lowry, 2263 North Ridge Drive, appeared before Council and stated she liked the Council Work Sessions but questioned the timing of the Work Sessions and requested that they are recorded. Council Member Steiner stated that could be looked into.

**City Administrator and Staff Comments**

City Administrator Harrenstein thanked the street crews for their work and requested citizens move their vehicles off the streets to allow snow plow drivers to complete their work.

City Administrator Harrenstein reported Caswell is a North Mankato jewel that continues to add value to the region with both the Aussie Peppers National Pro Fastpitch League and a Women's Premier Soccer League franchise making their homes at Caswell Park this summer. He reported Caswell is contributing to the economic vitality of the region although not all of the benefits are realized in North Mankato. Caswell is a contributing, mature, regional partner and discussion concerning the expansion of the facility began back in 2008. Through the years it has continued to provide regional and local opportunities to participate in sports. City Administrator Harrenstein stated any indoor recreation complex would operate at a deficit because if it were a profitable venture, it would already be in existence, but the goal would be to operate the facility at an acceptable loss to the public. He indicated that the Council proceeds it will be based on listening to users, voters, and regional partners.

City Administrator Harrenstein said any resident that wishes to review Council Work Session materials would certainly receive those materials, but the City will not be taping the Work Sessions. He reported the Work Sessions are a continuation of participatory leadership development City executives and Council Members Whitlock and Norland have been participating in the past few years. Formal action cannot be taken at a Council Work Session.

Community Development Director Fischer reported the 2018 End-of-Year Planning & Zoning Report is available for your review in the packet.

**Mayor and Council Comments**

Council Member Oachs thanked City staff for their continued efforts to clear the streets of snow.

Council Member Norland thanked City staff for their continued efforts to clear the streets of snow.

City Attorney Kennedy stated an indoor facility would not cash flow but it comes down to what does the City want to invest in and it becomes more of a quality of life issue.

At 8:24 p.m. 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