

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 July 1, 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 Members Oachs, Whitlock, Steiner, and Norland, 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 Norland moved, seconded by Council Member Steiner, to approve the agenda. Vote on the motion: Oachs, Whitlock, Steiner, Norland, and Dehen aye; no nays. Motion carried.

Approval of Council Meeting Minutes June 17, 2019

Council Member Norland moved, seconded by Council Member Steiner, to approve the minutes of the Council meeting of June 17, 2019. Vote on the motion: Oachs, Whitlock, Steiner, Norland, and Dehen aye; no nays. Motion carried.

Approval of Council Work Session Minutes June 24, 2019

Council Member Steiner moved, seconded by Council Member Norland, to approve the minutes of the Council Work Session meeting of June 24, 2019. Vote on the motion: Whitlock, Steiner, Norland, and Dehen aye; Oachs abstain. Motion carried.

Public Hearing-Ordinance No. 116 Amending North Mankato City Code, Title XV: Land Usage Chapter 152 Manufactured Mobile Home Dwelling Parks

Community Development Director Fischer reported the Planning Commission recommends the following language: "Mobile and manufactured homes shall be separated from each other at least 20 feet. Mobile and manufactured homes placed end-to-end must have a minimum clearance of 15 feet. Accessory structures may be as close to the primary dwelling as allowed by State Fire and Building Codes provided there is a minimum of 10 feet separation between any other structures." The proposed language provides consistency with practice concerning the separation of accessory structures and mobile homes. With no one 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.

- A. Bills and Appropriations.
- B. Res. No. 51-19 Approving Donations/Contributions/Grants.

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

Public Comments Concerning Business Items on the Agenda

None.

Business Items**Accept the 2018 Comprehensive Annual Financial Report (CAFR)**

Kyler Meyers and Tom Olinger from Abdo, Eick & Meyers appeared before Council and presented the Comprehensive Annual Financial Report (CAFR). Mr. Meyers reported the significant Audit Findings included as in previous years; preparation of financial statements, and material audit adjustments. The auditors recommended diversifying investments to increase returns. The General Fund balance shows the fund balance is at 48.9% a slight decrease from 51.9% in 2017 and slightly below the fund balance policy of 50%. A review of the general fund budget to the actual budget showed a net change in Fund Balance of \$101,167. The General fund showed an increase in expenditures in public safety and public works, primarily due to increased staffing. The Special Revenue Fund Balances increased by \$16,196 due to increased revenue in Caswell Sports Fund, and TIF funds. Mr. Olinger reviewed the enterprise funds, which include the Water, Sewer, Recycling, Storm Water, and Solid Waste Funds. The Storm Water Fund had a negative balance due to increased use of funds to cover emergencies and increased ravine maintenance. The auditors suggested the City consider a rate increase. A review of the cash investments showed a slight increase over 2017, but mainly remaining steady. The auditors reviewed the expenditures per capita as compared to Class 3 cities, and the City of North Mankato spends \$556.00, while Class 3 cities spent on average \$679.00. City Administrator Harrenstein reported the City is now moving forward into the budget season and will take the audit as a guide for the 2020 budget. **Council Member Steiner moved, seconded by Council Member Norland to Accept the 2018 Comprehensive Annual Financial Report. Vote on the motion: Oachs, Whitlock, Steiner, Norland, and Dehen aye; no nays. Motion carried.**

Ordinance No. 116, Amending North Mankato City Code, Title XV: Land Usage Chapter 152 Manufactured Mobile Home Dwelling Parks.

Council Member Steiner moved, seconded by Council Member Norland to Adopt Ordinance No. 116, Amending North Mankato City Code, Title XV: Land Usage Chapter 152 Manufactured Mobile Home Dwelling Parks. Vote on the motion: Oachs, Whitlock, Steiner, Norland, and Dehen aye; no nays. Motion carried.

Approve the Operating Service Agreement for the All Seasons Arena.

City Administrator Harrenstein noted that Eagle Lake joined the agreement, the agreement is for three years, and the operations cost to the City is \$8,753.29, with the City also contributing to the payment of outstanding debt. He noted that a review of their finances showed a near break-even which indicated excellent management of the facility. Mayor Dehen noted that the cost for ice is approximately \$400.00/hour with most user groups paying \$200.00 showing the All Seasons Arena's excellent management of the facility to be near break-even. **Council Member Norland moved, seconded by Council member Steiner to approve the Operating Service Agreement for the All Seasons Arena. Vote on the motion: Oachs, Whitlock, Steiner, Norland, and Dehen aye; no nays. Motion carried.**

Res. No. 52-19 Accepting Bid Project No. 19-03 North Ridge Ravine Improvements-Phase 1.

City Engineer Sarff appeared before Council and reviewed the Ravine Study and Management Plan. He indicated the North Ridge Ravine was identified as an area that needed improvements. The project would include the installation of a 6-foot wide pipe to carry water to the bottom of the ravine, repair areas that are sluffing and stabilize the ravine. He reported bids were open on Tuesday, June 25,

2019, with R & R Excavating, Inc. with the low bid of \$709,915.25. The bid was 7.4% above the Engineer's estimate of \$661,000. City Engineer Sarff reported it appeared that the higher costs were due to some of the unique and challenging aspects of the project, including access to the site and dealing with stormwater runoff flow in the ravine during construction. He noted Bolton & Menk researched the past performance of R& R Excavating and recommended awarding the contract. City Administrator Harrenstein noted the City plans to borrow \$2 million to pay for Tyler Avenue, Commerce Drive and the Ravine repair. He reported the City plans to chip away at the ravine repairs by allocating money each year to repair the ravines. **Council Member Norland moved, seconded by Council Member Whitlock to Adopt Res. No. 52-19 Accepting Bid Project No. 19-03 North Ridge Ravine Improvements-Phase 1. Vote on the motion: Oachs, Whitlock, Steiner, Norland, and Dehen aye; no nays. Motion carried.**

Res. No. 53-19 Authorizing North Mankato's Local Consent for the Mankato/North Mankato Area Planning Organization to Undertake a Corridor Study of Highway 169 from Lake Street Northwest to State Highway 60 and also Providing Conditions of that Local Consent.

City Administrator Harrenstein reported the resolution would authorize MAPO to examine the future of the 169 Corridor from Lake Street to State Highway 60. The corridor has been discussed for many years and for the last 20 years the City of North Mankato's position has been that if the corridor is redeveloped a full access interchange at Webster Avenue must be maintained. He outlined the three positions held in the resolution which include the inclusion of a Highway 169 Corridor Study as long as there is a full access intersection at Webster Avenue. If the study includes an option for relocating the Webster Avenue intersection all existing business have an economically viable and safe access, the intersection must remain within the boundaries of the City of North Mankato, any new proposed location must be economically viable and feasible for redevelopment and reinvestment, and any new location of the Webster Avenue intersection would include a safe outlet for the residents of North Mankato. An oversight committee must be established for the project. With Council consent, the podium was opened for residents to speak about the proposed study. Randy Anderson, General Manager of Sign-Pro, supported the study as long as the intersection remains open. Jo Bailey from Sign-Pro reported she supported the study as long as the intersection remains open as the road is a gateway to the local businesses. Doug Stock from Starr Trailer Sales requested the intersection remain open. Tim Stevenson, Four Seasons Truck Wash, reported his business relies on the accessibility of the area. Mike Coughlan, American Pest Control, reported he has recently leased space to a bait shop and the business requires accessibility. Paul Stock, Starr Trailer Sales, requested clarification if the resolution would have any teeth to prevent closures. City Administrator Harrenstein reported MnDOT has broad authority to close access points on State Highways, but he does not believe that District Engineer Ous is interested in closing the intersection, but the resolution provides evidence for the discussion that the City has engaged businesses to understand the needs of the community. Tim Tupy, Mankato Brewery, reported they chose the location due to accessibility and as an Agra-industrial tourism business, the access must remain to allow for continued growth and development of his business. Council Member Steiner reported he wants to see the intersection remain open. Mayor Dehen noted the discussion to consider closing the intersection stems from a former desire to make 169 stop free to the Twin Cities, but communities further down the line have not eliminated lights such as St. Peter and Jordan Minnesota. Discussion was held about changing the language to a broader interchange term, but it was determined that the term intersection would be used. Council Member Whitlock reported he sits on the MAPO Board and he wanted the residents/business owners to know that he is fighting to ensure the intersection remains full access. Council Member Oachs reported the City would do everything possible to protect the access. **Council Member Steiner moved, seconded**

by Council Member Norland to Adopt Res. No. 53-19 Authorizing North Mankato's Local Consent for the Mankato/North Mankato Area Planning Organization to Undertake a Corridor Study of Highway 169 from Lake Street Northwest to State Highway 60 and also Providing Conditions of that Local Consent. Vote on the motion: Oachs, Whitlock, Steiner, Norland, and Dehen aye; no nays. Motion carried.

Open Forum

Randy Zellmer appeared before Council and thanked City staff for their work and complimented the City on the direction it is taking.

City Administrator and Staff Comments

City Administrator Harrenstein reported a victory was won last Thursday with the Huntley-Wilmarth line decision which brought the line outside of the City of North Mankato. He thanked Community Development Director Fischer for his work.

Public Works Director Host reported the swim facility liner is going in and progress is being made. He reported the City had been preliminarily awarded a grant from the DNR to pay for 50% of the Bluff Park Overlook construction.

Finance Director McCann reported the budget is underway and will be brought before Council at a Work Session in the next few months.

Mayor and Council Comments

Council Member Oachs thanked the community for coming out to speak about the 169 Corridor Study.

Council Member Norland thanked the staff for their work on the historical programming for the 120th Anniversary.

Council Member Whitlock invited residents to attend the historic bus tour on July 9, 2019, starting at the municipal building.

Mayor Dehen reported Fun Days would occur on July 10-14, 2019.

Mayor Dehen reported an editorial in the Free Press encourages citizens to write the State in support of the Highway 14 grant application.

At 8:30 p.m. on a motion by Council Member Norland, seconded by Council Member Oachs the Council Meeting was adjourned.

Mayor

City Clerk