

Pursuant to due call and notice thereof, a Council Work Session of the North Mankato City Council was held in the Council Chambers on September 28, 2020. Mayor Dehen called the meeting to order at 12:00 p.m. The following were present remotely through Zoom for roll call: Council Members Oachs, Whitlock, Steiner, Norland, and Mayor Dehen, City Administrator Harrenstein, Community Development Director Fischer, Public Works Director Host, City Planner Lassonde, Finance Director McCann, and City Clerk Van Genderen. Citizen monitoring was available through a conference call.

### **Ravine Management Plan and Lake Street Bluff Drainage and Erosion**

City Engineer Sarff reviewed a report dated September 23, 2020. The report addresses drainage and erosion issues in several locations along the bluff located just west of Lake Street. The bluff has approximately 210-220 feet difference in elevation, and several streets and cul-de-sacs are located adjacent to the upper edge of the bluff. Most of the bluff is heavily wooded and vegetated. Ravines have formed to move the water. Ravines along the Lake Street bluff and in other areas of North Mankato result from erosion and are a natural phenomenon. Specific locations that have reported include 806 Garfield Avenue, Garfield Avenue, 919 Lake Street, and 927 Lake Street.

City Engineer Sarff reviewed 806 Garfield Avenue and Garfield Avenue, reporting a drainage area of 6.4 acres, with 4.7% bluff, roofs, and back yards on Sherwood Drive contributing 1.7 acres. Specifically, at 806 Garfield, there are 3.5 acres of a ravine that ends directly above 806 Garfield Avenue. The property is at the base of the bluff, and the ravine concentrates the flow to one area. This area has experienced excess overland stormwater flows and sediment discharge over the years. Garfield Avenue has 2.9 acres flowing directly onto the dead-end segment of Garfield Avenue. The City installed a storm sewer inlet just west of the retaining wall on the west side of the 806 Garfield Avenue driveway. A 6" pipe constructed from the inlet to an 8" pipe in Garfield Avenue connects to the City storm sewer system in Lake Street. City crews have also installed riprap around and upstream from the inlet to help control erosion and to direct more of the runoff into the inlet. The area has problems when rainfall exceeds approximately 1.5" of rain. To accommodate a 5-year peak storm runoff, the City would need to install a 12" pipe at 806 Garfield Avenue, and all of Garfield Avenue would require a 15" which would allow for management of rainfalls of up to 3.6 inches. The higher the rainfall management, the larger the pipes would need to be to manage the rainfall. The recommendation was to increase the pipe size to manage a 5-year peak storm runoff. Adding additional inlets at the west end of Garfield Avenue would collect water flowing directly from the bluff onto Garfield Avenue. It was not considered feasible to construct a collection system along the bluff line: no outlet for the system, easements would be required, and it is estimated to have a limited impact on peak runoff rates.

City Engineer Sarff reviewed the property at 919 Lake Street. The total drainage area is 5.5 acres with 3.8 acres bluff and the remaining 1.7% acres roofs and backyards from properties on the top of the bluff. In 2003 or 2004, City installed a storm sewer system on the north side of the property from Lake Street to the base of the bluff. The storm sewer system consists of a 12" diameter pipe with two inlets at the convergence of several ravines at the base of the bluff. Two inlets connect to the storm sewer system in Lake Street. Additional riprap has been installed around and upstream from the inlet to help control erosion and direct more of the runoff into the inlet, and the area has been seeded. The site has an excess flow and sediment discharge when rainfall exceeds approximately 3 inches. Similar to 806 Garfield, the 5-year peak storm runoff is 3.6 inches with a 15" pipe. Currently, the pipe manages 3," which is slightly less than the 5-year recurrence interval. Due to the steep topography and limited space available for creating additional collection areas for the stormwater runoff, the capacity of the system would be limited by the inlet capacity.

City Engineer Sarff reviewed the property at 927 Lake Street, a total drainage area of 2.8 acres with 2.4 acres from the bluff and the remaining .4% from roofs and back yards. There is no existing storm sewer in the location. Runoff from the bluff is more distributed across the length of the property and less concentrated in a ravine system. Based on available information, the property only experiences excess overland stormwater flows during excessive rainfall events. No improvements were recommended.

Mayor Dehen noted that the area had seen five consistent years of saturation, exacerbating the problem. City Engineer Sarff reported the recent trend in rainfall has increased, and rainfall events have adjusted upward. City Administrator Harrenstein said the City has communicated with the League of Minnesota Cities concerning liability. LMC is satisfied with the City's practices in recording and working to resolve issues as they arise.

Public Works Director Host reviewed the updated Ravine Management Report. He explained that in 2018 the City of North Mankato began a ravine inspection program with a GPS collector and an inspection checklist. Each ravine is inspected on eight criteria to assess the conditions of the ravine. Each fall, the City will collect information on the ravines. There are twenty-one identified ravines or hillsides that aid in the management of stormwater from Upper North Mankato. Ten of those ravines have partially installed or fully installed storm sewer piping. Each ravine segment is identified within each ravine. Public Works Director Host noted that the report identifies bottom conditions, vegetation, sliding/sloughing, and a recommendation for each ravine. The report concluded with recommendations and observations. First, the ravines with storm sewer piping through the bottom channel have minimal erosion and heavy vegetation. Second, the ravines that allow water to flow overland through the bottom channel have moderate to severe bottom channel and side sloughing. Finally, the ravines with stormwater piping to the bottom, but not continued into the bottom channel, have moderate erosion along the bottom channel and moderate to heavy vegetation along the side slopes.

The inspection documentation shows that the North Ridge ravine and Prairie/Reserve ravines have the most bottom and side slope erosion. A total of sixteen ravines were recommended for Storm Pipe Extension, with a total estimated cost of \$12,947,000.000. City Administrator Harrenstein commented that the projects could be broken down into smaller segments. He noted the plan would be to seek Council approval of the report and incorporate it into the Capital Improvement Plan. Council Member Whitlock requested clarification if the City could pass some of the ravine cost to a developer. City Administrator Harrenstein stated these would be called no impact fees and would increase the cost for developers. The idea would need to be discussed and deliberated by the Council. City Administrator Harrenstein commented that the City might want to consider a bonding bill at the capitol to help fund the ravine repairs. City Engineer Sarff reported in recent years; developers are responsible for creating holding ponds to help manage runoff.

### **Proposed 2021 Utility Budget**

Finance Director McCann reviewed the Proposed 2021 Utility Budget. He noted that utility rates in North Mankato in 2020 averaged \$61.36, which is the second-lowest utility rate for comparable cities. He presented a brief overview of each fund. The Water Utility Fund is used to account for the operations of the City of North Mankato's Water Utility. The Water Utility Fund's 2021 operating budget is \$1,918,705. This is a \$231,000 decrease from 2020. The reductions are due to a decrease in capital outlay and the retirement of debt. The Wastewater Utility Fund is used to account for the operations of the North Mankato's Wastewater Utility. The Sewer Utility Fund's 2021 operating budget is \$2,565,802. This is a \$79,296 increase from 2020. The growth is attributed to additional capital outlay, personnel costs, and services charges.

Mayor Dehen requested clarification on if there has been a reduction in I&I on Cliff Court. Public Works Director Host reported the repairs and improvement to the system had managed all recent rainfalls. Finance Director McCann reviewed the Recycling Fund, which is related to the operations of the recycling collection and the Riverbend Recycling Center. The 2021 Recycling Fund Budget is \$526,401, a \$3,633 decrease from the 2020 budget. The decrease relates to allocating the spring and fall city-wide clean-up costs between the refuse and recycling funds. The Storm Water Utility Fund is used to account for the operations of the City of North Mankato's stormwater utilities. The Storm Water Utility Fund's 2021 operating budget is \$447,066. This is a \$688,595 decrease from 2020. The decrease is due to the completion of projects and shifts in operating costs to the City of Mankato to process flood stations controlling stormwater flows. Finance Director McCann reported the Solid Waste Fund is related to the City's refuse and general garbage collection. The 2021 Budget is \$826,012. This is an increase of \$12,512 from 2020. The increase relates to allocating the yard waste and brush disposal costs between the refuse and recycling funds.

Finance Director McCann reviewed the Water Fund, which has proposed revenue of \$2,089,100 and total expenditures of \$1,918,705. The total cash reserve is at 56% in preparation of filter repairs in out years. The Wastewater Fund projects a total revenue of \$2,566,100 due to increased revenue collection and continued interest from special assessments. The expected total expenditures in the Wastewater Fund is \$2,565,802. The fund expects an increase in expenditures of \$79,296 due to increased treatment costs, personnel costs, and the updating of Marvin Boulevard pump and controls. The cash balance is 41%, which exceeds the reserve policy requirements. Finance Director McCann reviewed the Recycling Fund, which has total expenditures of \$542,900 and an increase of \$41,400 due to a rate increase in 2021. The monthly recycling container fee is \$7.00, and the staff is proposing a \$1.00 rate increase. The rate increase will help pay for the debt service on Riverbend Recycling Center because the County has paid off its portion of the debt. Expenditures are proposed at \$526,401, a decrease of \$3,633 due to decreased debt service.

Finance Director McCann reviewed the Stormwater Fund, which has a proposed total revenue of \$517,000 and expenditures of \$447,066. The decrease in expenditures is due to the completion of the 2019 Ravine improvement project. The ending cash balance is at 14%, with the out-years increasing the cash balance. City Administrator Harrenstein noted the General Fund Interfund Loan repayment for the ravine project. The ravine project was paid out of the General Fund, and the Stormwater Fund is paying the fund back. The staff moved the Pump Station to the General Fund because the fees to the City of Mankato continue to increase. Due to the North Ridge ravine project, the staff proposes a rate increase to rebuild the fund. Currently, the City does not have \$29,000 to make the upgrades on Garfield. Finance Director McCann reported staff suggests a rate increase of \$.50, which increases residential rates from \$3.75 to \$4.25 and an increase from \$0.60 to \$0.68 for commercial as their surcharge is based on square footage and the rate increase would be the same percentage. Mayor Dehen requested a comparison to Mankato's rates. Finance Director McCann reported residential rates in Mankato are \$4.76 and commercial or \$1.29 per square foot. Finance Director McCann reviewed the Solid Waste Fund, which has a total revenue of \$824,138 and expenditures of \$826,012. The increased expenditures are due to rising landfill and annual clean-up costs. The projected cash balance is 3%, but due to the nature of the fund as a contract-driven fund, there are not concerns with the decreased cash balance.

### **Proposed Food Truck Ordinance**

City Administrator Harrenstein reported the proposed ordinance would determine where food trucks can be within the City. He noted food trucks are beneficial to the City, especially for special events, but the ordinance aims to protect brick-and-mortar restaurants. The proposed ordinance would

limit food trucks to outside 750ft of bars and restaurants in North Mankato. Owners of brick-and-mortar restaurants with small, medium, and large food licenses may own and operate food trucks within 750 feet of small, medium, and large license holders. In contrast, owners of brick-and-mortar restaurants with only a limited license may not own and operate their food trucks within 750 feet of small, medium, and large license holders. City Administrator Harrenstein reported the ordinance requires a license and fee established by the Council and additional licensing through the State of Minnesota or Brown/Nicollet County Environmental Health Department. The ordinance does allow vendors to serve during special events through the special event's license. During special events or City sanctioned events, vendors cannot operate within 750 ft of the event. The ordinance outlines the time food trucks can use. Included in the packet was a list of food licenses issued by the County. Jesse Harmon from Brown/Nicollet County Environmental Health Department reviewed the limited, small, medium, and large permits. Each license has specific requirements. A limited license is for those that are serving pre-packaged food, which requires no preparation. A small license requires at least one grill, microwave, and has additional requirements. A medium license serves 100 people a day, and a large license serves over 100 people a day. Council Member Oachs requested clarification on why the gas stations that serve food are not included on the list provided by Brown/Nicollet County Environmental Health Department. Mr. Harmon reported those establishments are licensed through the Minnesota Department of Agriculture. Mayor Dehen requested clarification on why Spring Lake Park does not have a small license. Mr. Harmon reported it is based on the capabilities of the kitchen. Mr. Harmon asked what the County should do if a business with a limited license requested a mobile food truck license. Mayor Dehen stated if the business obtains a small license, they would be able to operate.

### **Prescribed Grazing Application Fee**

Community Development Director Fischer reported the City recently passed an ordinance allowing for prescribed grazing. Staff spoke with the City Forester, who would be administrating the program, and discussed monitoring. The City Forester determined a minimum of three visits would need to be made to the property. Community Development Director Fischer stated staff was proposing a \$100.00 fee. The City of Eagan requires a \$50.00 fee, and Fairibault a \$30.00 fee. He stated to cover the costs for administration staff is recommending a \$100.00 fee. Council Members Norland, Oachs, Steiner, and Whitlock agreed with the proposed fee. Mayor Dehen requested a lower fee because he did not believe there would be much management, and using the goats would be beneficial to the maintenance of the bluffs.

Council Member Norland moved, seconded by Council Member Whitlock, to close the meeting at 2:00 p.m.

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Mayor

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City Clerk