

Pursuant to due call and notice thereof, a Council Workshop of the North Mankato City Council was held in the Municipal Building Council Chambers on July 16, 2018. Mayor Dehen called the meeting to order at 6:23 p.m. The following were present for roll call: Mayor Dehen, Council Members Steiner, Norland, Freyberg, and Whitlock, City Administrator Harrenstein, Finance Director McCann, Community Development Director Fischer and City Clerk Van Genderen.

Minnesota Community Solar Garden Program

Rick Masloski from Community Solar appeared before Council and reviewed the proposed Solar Garden subscription agreement. He stated Xcel Energy received a mandate to produce 30% of its energy through renewable resources by 2020. The program is regulated by the MN Public Utility Commission. Mr. Masloski stated the developer must build the solar garden next to a substation, the one the City of North Mankato would be subscribing to is located by Gibbon, Minnesota. The City of North Mankato will save 1 cent/kWh. North Mankato has the option to terminate the agreement in 5 years with a five year replacement period, with an estimated first five years savings of \$34,112. If the City is with the program for 25 years, the savings will be \$162,324. Mr. Masloski reported the City explored two possible rooftop solar arrays on City Hall and the Recycling Center. The rooftop capacity for City Hall would produce 17.8% of the average annual electricity use and cost \$120,000 to build; payback would begin after 23 years. An array at the Recycling Center would cover 88.7% annual usage and cost \$141,000, and payback would start after 23 years. Mr. Masloski emphasized that with the current subscription agreement the City would receive \$162,324 for the 25 years even if the City's energy consumption decreased. Council Member Freyberg stated he did not support the proposed program questioning where the money comes from and how the panels will be recycled when they are no longer viable. He noted the panels are toxic and hazardous. Mr. Masloski noted there was a renewable energy development fund that Xcel pays into. Council Member Whitlock requested why the City of North Mankato was approached. Council Member Norland stated City staff had been researching alternative energy and energy-saving approaches. Finance Director McCann emphasized this program was the only one with secured savings.

Discuss Water Meter Read Survey Results.

City Administrator Harrenstein reported a memo providing an overview of the survey results was included in the packet along with the comments that were submitted with the survey. He stated the survey was a simple two-question survey along with background information to provide context for the residents taking the survey. The results showed 60% of residents were not interested in automatic water read meters, with 39% saying yes. City Administrator Harrenstein indicated the comments against the meters provided context for the answers with several issues emerging; 1) residents did not want the surcharge, 2) residents on a fixed income, 3) some residents liked reading their meters. The comments in favor of the meters included; 1) get with the 21st century, 2) residents hate reading their meters, 3) some wish it would have occurred earlier. Finance Director McCann reported the primary reason residents were against the meters was because of the surcharge. He stated one of the primary purposes of the new meters is customer service and described a recent experience with a utility customer whose leaky toilets consumed over 30,000 gallons in one month, reporting this could have been caught earlier by the automatic reading. Finance Director McCann indicated he spoke with St. Peter who is in the process of fazing in new automatic read meters and stated they started with a pilot program that is currently being expanded. Finance Director McCann reviewed several possible options for financing the Water Meters. These options include; 1) Residents can pay up front, requiring change out in 5 years and if a person does not want to pay upfront the amount could be assessed to their property taxes, 2) require all new construction and any changed out meters be the new meters.

Mayor Dehen stated maybe the City could consider a Senior rate for those with fixed incomes. He reported a recent article suggested phasing the new meters prevents all the meters requiring replacement at the same time. Council Member Whitlock stated it would be beneficial to phase it in over a period of time starting with new construction. He commented he has a difficult time reading his meter. Council Member Steiner stated he does not have issues with reading his meter. Council Member Freyberg commented that since the City completed a survey, the Council should honor the survey results, noting he could see requiring new construction to install new meters. Council Member Whitlock noted it would be good to phase it in starting with new construction but also allowing those that would like to pay for the new meters to purchase the meters. City Administrator Harrenstein stated the City should honor the residents' responses, noting the main concern was with the surcharge for the meters. He requested direction from Council indicating he understood the Council would like City staff to provide options for phasing in the new meters.

Discuss Citizen Concerns Concerning Refuse Containers

Council Member Freyberg reported he had received several complaints concerning the fact that some people are not diligent about putting their refuse carts away. He stated Mankato implemented an Ordinance requiring residents to remove the containers from the curb and store them behind the front yard setback. Council Member Freyberg requested the City of North Mankato to consider a similar Ordinance. City Administrator Harrenstein requested front yard setbacks for R-1. Community Development Director Fischer reported on the hill the setbacks are 30-feet and in the valley, they are 20-feet. City Administrator Harrenstein stated maybe a better definition for North Mankato would be behind the building line. He reported when the new contract was awarded to West Central Sanitation in 2015, the City Council discussed a similar Ordinance, but the City Council did not move forward due to a variety of reasons. Council Member Freyberg requested City staff prepare an Ordinance for Council to consider.

Mayor Dehen closed the Council Workshop at 7:00 p.m.

Mayor

City Clerk