

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 April 20, 2015. 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 Spears, Steiner, Norland and Freyberg, City Administrator Harrenstein, Finance Director Thorne, Attorney Kennedy, City Clerk Van Genderen, City Planner Fischer and Public Works Director Swanson.

### **Approval of Agenda**

Council Member Spears requested the Bills and Appropriations and the Resolution Approving Amendment to the Educational Facilities Revenue Note, Series 2007 (Evangelical Covenant Preschool Project), and Authorizing the Execution and Delivery of Documents Related Thereto be removed for separate consideration. **Council Member Norland moved, seconded by Council Member Steiner, to approve the amended agenda. Vote on the motion: Spears, Steiner, Norland, Freyberg and Dehen aye; no nays. Motion carried.**

**Bills and Appropriations Consent Agenda Item #A.** Council Member Spears requested clarification on the transit billing and 2014 Wastewater. Finance Director Thorne stated the bill included the corrected 2013 transit billing submitted by Mankato. Administrator Harrenstein stated he would email a breakdown of the bill to the Council. Council Member Spears requested a breakdown of the bill to Robert W. Carlstrom for the Bethany remodel. Administration Harrenstein indicated it included costs for the construction of a studio and a mezzanine for storage. Harrenstein stated he would email a breakdown of the construction costs to the Council. **Council Member Norland moved, seconded by Council Member Steiner to Approve the Bills and Appropriations. Vote on the motion: Spears, Steiner, Norland, Freyberg and Dehen aye; no nays. Motion carried.**

**Res. No. 34-15 Consent Agenda Item #K Approving Amendment to the Educational Facilities Revenue Note, Series 2007(Evangelical Covenant Preschool Project), and Authorizing the Execution and Delivery of Documents Related Thereto.** Council Member Spears stated the Note was initially issued in December of 2007 for a principal amount of \$2,394,000.00 and it will be refinanced eight years later for \$2,393,638.57 and the Note says the City promises to pay the Note. Administrator Harrenstein reported the City is not responsible for the Note rather the Evangelical Covenant Church uses the City's tax exempt status. Harrenstein read a portion of an e-mail from Julie Eddington from Kennedy and Graven the City of North Mankato's Bond Council. The email stated the original Note read "The Note will be adjusted to a rate per annum equal to 64.5% of the then current rate of the Treasury Constant Maturities Index for five year obligations plus 300 basis points. The Bank and Borrower have determined that the formula originally drafted was not what they originally intended (the 64.5% was in the wrong place). They have asked that the reset formula be adjusted to state as follows: The Note will be adjusted rate per annum equal to (the five-year U.S. Treasury Constant Maturity plus 3.00%) times .645. Because the City issued the Note, it must consent to the change." **Council Member Norland moved, seconded by Council Member Spears to adopt Res. No. 34-15 Amendment to the Educational Facilities Revenue Note, Series 2007 (Evangelical Covenant Preschool Project), and Authorizing the Execution and Delivery of Documents Related Thereto. Vote on the motion: Spears, Steiner, Norland, Freyberg and Dehen aye; no nays. Motion carried.**

**Approval of Minutes**

**Council Member Freyberg moved, seconded by Council Member Norland to approve the minutes of the Council meeting of April 6, 2015. Vote on the motion: Spears, Steiner, Norland, Freyberg and Dehen aye; no nays. Motion carried.**

**Public Hearing, 7 p.m., Five-Year Consolidated Plan and 2015-2016 Action Plan.**

Planner Fischer reported that as a part of the City of North Mankato's participation in the Housing and Urban Development (HUD) Entitlement Program it is necessary for the City to prepare a five-year plan. The original plan was written in 2009 for the years 2010-2014 and the new plan will cover 2015-2019. The plan includes possible fund uses for the Community Development Block Grant (CDBG) funds. The projects include park and recreational facilities, single-family residential rehabilitation, property acquisition, commercial rehabilitation, infrastructure improvements, public facilities, planning projects, economic development activities and public services. Planner Fischer stated the Annual Action Plan is included as part of the Five-Year Consolidated Plan. The Annual Action Plan indicates that 2015-2016 CDBG funds have been allocated for the Tapestry Project, single family owner occupied housing rehabilitation and administration. The total expenditures for the year is \$67,602. With no one appearing before the Council the Mayor closed this portion of the meeting.

**Consent Agenda**

**Mayor Dehen stated Consent Agenda had passed during discussion of removed items; with no one dissenting Consent Agenda passed as presented.**

- B. Res. No. 33-15 Approving Donations/Contributions/Grants.
- C. Audio and Large Group Permit for Picnic and Talent Show, Wheeler Park, Thursday, August 13, 2015 from 4:00 p.m. to 9:30 p.m.
- D. Audio and Large Group Permit for Picnic and Talent Show, Spring Lake Park Shelter #1, Thursday, June 18, 2015 from 4:00 p.m. to 9:30 p.m.
- E. Audio and Large Group Permit for Rip Roar Events, Kids Triathlon, Spring Lake Park Shelter #1 and #2, Saturday, June 27, 2015 from 6:00 a.m. to 1:00 p.m.
- F. Parade Permit for Rip Roar Events, Kids Triathlon, Saturday, June 27, 2015 from 8:00 a.m. to Noon.
- G. Parade Permit for Golden Heart 5K Fun Run/Walk and Kids 1K, Benson Park, Saturday, May 16, 2015 from 7 a.m. to 11:00 a.m.
- H. Large Group Permit for Golden Heart 5K Fun Run/Walk and Kids 1K, Benson Park, Saturday, May 16, 2015 from 7 a.m. to noon.
- I. Parade Permit for MN River Builders Association 5K Fun Run, Saturday, September 26, 2015 from 10:30 a.m. to 11:30 a.m.
- J. Set Public Hearing for 7 p.m. on Monday, May 4, 2015 to Consider Amending City Code Chapter 156, Zoning Code adding a Planned Unit Development Ordinance.
- L. Traffic & Safety Committee Meeting Minutes.
- M. Audio and Large Group Permit for Evangelical Free Church of Mankato, Lookout Cookout at 354 Carol Court, on Sunday, May 24, 2015 from 9:00 a.m. to 5:00 p.m.

**Public Comments**

Brian Mechler, 303 Belgrade Avenue, appeared before Council and stated the City redacted his comments on the video tape of the April 6, 2015 Council Meeting.

**Business Items**

**Presentation by Mankato Sports Commission.** Jonathan Zierdt from Greater Mankato Growth appeared before Council and stated Greater Mankato Growth is working with Mankato and North Mankato to pass the Tax Legislation with the goal of using the Sales Tax for a regional recreation center. Mr. Zierdt indicated creating amenities encourages the area's growth as a destination center and promotes livability which attracts talent. Expanding amenities and growing tourism benefits greater Mankato. Mr. Zierdt introduced Anna Thill from Visit Mankato who presented a regional recreation facilities development process and timeline. Ms. Thill stated the Facilities Planning Sports Commission is inviting someone from the North Mankato City Council to join the Facilities Steering Committee which will select and fund a consultant/architect to develop facilities space needs analysis, present recommendations to elected officials and community stakeholders, solicit private financial support and advocate for legislation. Ms. Thill went on to invite a staff member to join the Technical Advisory team which will develop an operations plan and feasibility analysis. Ms. Thill stated the timeline indicates plans will not begin to be developed until November or December because the commission will take the time to go out to the public and gain support. Council Member Spears indicated a sports facility study was already completed. Ms. Thill reported the All Seasons Arena partially completed a sports facility study, the study indicated the need for a facility but they were unable to complete the financial study. Council Member Spears asked if the commission had demographic numbers on who uses the facilities. Ms. Thill responded that they did not have firm numbers. Mayor Dehen reported there were firm numbers on the student athletes from the school district who used facilities.

**Approve the Five-Year Consolidated Plan and 2015-2016 Annual Action Plan.** Council Member Spears stated there were significant changes to the plan and it was difficult to compare the plans and requested a red-lined copy. City Planner Fischer stated the first plan completed in 2009 was a paper version while this year the form was electronic. Planner Fischer also stated the form changed significantly and it would be difficult to compare due to the significant changes. Administrator Harrenstein thanked Intern Courtney Kietzer for her work on the plan. **Council Member Norland moved, seconded by Council Member Steiner to Approve the Five-Year Consolidated Plan and 2015-2016 Annual Action Plan. Vote on the motion: Spears, Steiner, Norland, Freyberg and Dehen aye; no nays. Motion carried.**

**Res. No. 35-15 Adopting Resolution Accepting Feasibility Report and Ordering Improvement Hearing for Project No. 15-01ABCDEF.** City Engineer Sarff reviewed the project located at Carlson Drive west of County State Aid Highway (CSAH) 41 (Rockford Road). The project includes street and surface improvements, including sidewalk and trail, storm sewer improvements, sanitary sewer improvements, and water main improvements. Engineer Sarff indicated the project was initiated in response to a proposed development south of Carlson Drive. Engineer Sarff reported the estimated project cost was \$1,047,000.00 with financing from special assessments on property to be annexed into the City, property tax levy, enterprise funds and the strong possibility of a Greater Minnesota Public Infrastructure Grant through the Department of Employment and Economic Development (DEED) which could possibly cover up to 50% of the cost. Administrator Harrenstein stated the project was planned into the 2015-2019 CIP and is an anticipated part of the City's financial planning. Council Member Freyberg stated the anticipated schedule for the improvement awards a contract on July 6, 2015 and questioned if a project was not secured would the City move forward with the improvements. Administrator Harrenstein stated that if a project is not named and secured the City would not recommend moving forward with the improvements. Council Member Spears requested

clarification on the funding from a property tax levy. Administrator Harrenstein stated that when the City goes to the market to finance the bonds we obligate a portion of debt paid by special assessment. If special assessments are collected the City must obligate the General Obligation of the City in the form of a Tax Levy to cover those payments. Harrenstein stated that when debt rolls through or the City collects assessments, the obligation of the levy decreases. He indicated the City has a certain amount forecasted upfront and a certain portion not collected until 2020-2021. The City spread it out to anticipate how the project will proceed. **Council Member Steiner moved, seconded by Council Member Norland to adopt the Resolution Accepting Feasibility Report and Ordering Improvement Hearing for Project No. 15-01ABCDEF. Vote on the motion: Spears, Steiner, Norland, Freyberg and Dehen aye; no nays. Motion carried.**

### **City Administrator and Staff Comments**

Administrator Harrenstein reported that the Request for Proposal for the removal of property at 231 and 233 Wheeler Avenue did not result in any responses. Harrenstein recommended the City post for sale/relocation signs on the property for one month to see if the City could illicit a response. Administrator Harrenstein stated that if the City is unsuccessful in selling the structures then the City will demolish the structures. Mayor Dehen stated that at Coffee with the Council several residents from the area surrounding the Central Business District indicated they would like parking addressed because of congestion. Dehen requested work begin on the parking lot on Range Street. Public Works Director Swanson indicated once spring clean-up was completed work could begin.

Administrator Harrenstein stated the City Council is invited to attend the next Belgrade Township meeting on May 12, 2015 at 7 p.m. to discuss Orderly Annexation. Council Member Freyberg stated he would like to see the Orderly Annexation information prior to the meeting.

Administrator Harrenstein reported the Parks Plan would be presented to the Council at the next Council Meeting on May 4, 2015. Harrenstein indicated that Caswell Park was removed from the Parks Plan for separate consideration. He stated he would like a motion from the Council to authorize him to develop conceptual designs and costs related to the expansion of Caswell Park, specifically the addition of an indoor recreation facility. **Council Member Norland moved, seconded by Council Member Steiner to Authorize the City Manager to develop conceptual designs and costs related to the expansion of Caswell Park, specifically an indoor recreation facility.** Council Member Spears stated this move was premature considering the presentation from the Mankato Sports Commission and the work that they will be doing. Administrator Harrenstein indicated this would be an opportunity to act proactively to promote Caswell as an option for the indoor recreational sports facility. Mayor Dehen stated the process could be a Request for Proposal (RFP). Administrator Harrenstein indicated an RFP could be used but recommended a Request for Quote and he would expend no more than \$5,000 to \$10,000. Council Member Norland indicated it would be good to start gathering information. Council Member Freyberg noted planning early is better than waiting. **Vote on the motion: Steiner, Norland, Freyberg and Dehen aye; Spears nay. Motion carried.**

Public Works Director Swanson stated Spring Clean-up was under way and crews were working in advance but would always go back through a neighborhood on the specific day of their pickup.

Attorney Kennedy indicated that he met with the Friends of North Mankato concerning the Tschohl property. Kennedy stated he contacted the realtor for the Tschohl property to determine if the owner would be interested in a purchase agreement where the Friends of North Mankato would have

time to raise the requested \$500,000 to purchase the land. Kennedy indicated the owner is not interested in a purchase agreement. The Friends of North Mankato could raise the funds but the property could be sold to someone else during the process. Mayor Dehen reported that at Coffee with the Council he was informed that the Friends of North Mankato secured Region 9 as a fund holding agency.

**Mayor and Council Comments**

Council Member Norland stated she would be putting information together for the formation of a North Mankato Community Foundation.

Mayor Dehen stated the Council should appoint members to the Regional Recreation Facilities Development Steering Committee and the Technical Advisory Committee. Dehen nominated himself for the Steering Committee and Administrator Harrenstein to the Technical Advisory Committee.

**Council Member Freyberg moved, seconded by Council Member Norland to appoint Mayor Dehen to the Steering Committee and Administrator Harrenstein to the Technical Advisory Committee. Vote on the motion: Freyberg, Steiner, Norland and Dehen aye; Spears nay. Motion carried.**

**Public Comments**

Brian Mechler, 303 Belgrade Avenue, appeared before Council and stated he would like to review what he stated in the video that was redacted. Attorney Kennedy stated the City redacted Mechler's comments from the April 6, 2015 Council Meeting video under his advisement. Kennedy reported that in this country our free speech is not unlimited. Kennedy indicated public figures do not have as much protection, but private citizens are protected. He stated comments against the Police Chief would be admissible but comments against the line officers is not. As a citizen, if Mechler has proof he can say what he wants, however there are laws that prohibit the City from transmitting possibly libelous information about private people. If the City rebroadcast the information concerning the line officers the City could be sued. Mechler reported his concerns about the North Mankato Police Department.

There being no further business, on a motion by Council Member Norland, seconded by Council Member Steiner, the meeting adjourned to a closed session to discuss North Gate No. 2. at 8:15 p.m.

---

Mayor

---

City Clerk