

Pursuant to due call and notice thereof, a regular meeting of the North Mankato City Council was held in the Council Chambers of the Municipal Building on August 20, 2012. 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 the meeting, Mayor Dehen, Council Members Freyberg, Steiner and Schindle, Interim Administrator Fischer, Finance Director Thorne, Engineer Malm, Attorney Kennedy and City Clerk Gehrke. Absent: Council Member Norland.

### **Approval of Agenda**

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

### **Approval of Minutes**

**Council Member Steiner moved, seconded by Council Member Schindle, to approve the minutes of the Council Workshop of August 6, 2012 and the Council meeting of August 6, 2012. Vote on the motion: Freyberg, Steiner, Schindle and Dehen, aye; no nays. Motion carried.**

**Council Member Steiner moved, seconded by Council Member Freyberg, to approve the minutes of the Special Council Meeting of August 10, 2012. Vote on the motion: Freyberg, Steiner, Schindle and Dehen, aye; no nays. Motion carried.**

### **Correspondence**

#### **Letter from Mankato Public Schools**

The Mayor read a letter from the Mankato Public School Schools thanking the City for their support of the Mankato School District and inviting him to attend the all-staff welcome on August 30, 2012.

#### **Public Hearing, 7 p.m. – Consider Adoption of Ordinance of Annexation of Land, Robert J. Chester property, 1.88-acres**

The Mayor opened the public hearing to consider the adoption of Ordinance of Annexation of the Robert J. Chester property. A notice of Public Hearing was published in the official newspaper and notices were given to Nicollet County and School District No. 77. Interim City Administrator Fischer gave background information reporting on July 2, 2012 a public hearing was held to consider this annexation. Since the Council did not take formal action on the annexation at that meeting, it is brought before the Council for consideration and action. He reported the City Attorney has been in contact with Mr. Chester's attorney. The City Attorney reported he received a phone call from Attorney James Brandt stating that he has spoken with Mr. Chester and he has asked for a continuation of tonight's matter. After speaking with City staff he told Mr. Brandt that this matter would be before tonight's meeting. Mr. Brandt reported he would be meeting with Mr. Chester regarding the assessments; however, the City Attorney has not heard anything further from Mr. Brandt. The Interim Administrator reported the annexation of the property is primarily due to the presence of a well used by Mr. Chester located on a lot within in City limits which is currently being developed by the property owner. Some discussion was held about whether the well was compliant and Interim Administrator Fischer reported the owner had the well inspected and an estimate done to bring the well into compliance. Staff met with Mr. Chester shortly after the July 2, 2012 public hearing and he indicated his willingness to be annexed into the City limits. Although staff has tried to make

contact with Mr. Chester to confirm his intent, Mr. Chester has not contacted the City. The City has worked with Mr. Chester over the past several months in an attempt to come to a mutual agreement whereby he would abandon the well and connect to municipal utilities. Council Member Freyberg expressed his concern with homes being constructed on properties before all legal work has been completed referencing the recent variance that was approved after construction of the home has already begun. The Council discussed the assessments to the property and the fact that there are two water and sewer services to this property. There being no one else appearing before the Council, the Mayor closed this portion of the meeting.

**Ordinance No. 44, Fourth Series, Annexation of Land, Robert J. Chester Property, 1.88-acres**

**Council Member Steiner moved, seconded by Council Member Schindle, to adopt Ordinance No. 44, Fourth Series, Annexation of Land, Robert J. Chester Property, 1.88 acres, with the condition that one service is to be assessed over a period of ten years with the second service to be assessed at the time the lot is split. Vote on the Ordinance: Freyberg, Steiner, Schindle and Dehen, aye; no nays. Motion carried.**

**Kyle Meyers, Abdo, Eick & Meyers – 2011 Comprehensive Annual Financial Report**

Kyle Meyers, Abdo, Eick & Meyers, appeared before the Council to present the Comprehensive Annual Financial Report for the year ended December 31, 2011. Mr. Meyers recapped the year's activities noting a new requirement for (GASB No. 54) Fund Balance Reporting and Governmental Fund Type Definitions for 2011 which result in significant changes to the classification of the components of fund balances. He reported an audit was conducted for federal awards in excess of \$500,000 which was identified as the Highway 14 Project. Mr. Meyers reported the net asset increased by \$1,056,265 as compared to a decrease of \$39,319 in the previous year, net assets of \$53,394,678 and an unreserved fund balance for the general fund of \$2,085,321 or 38.0 percent of total general fund expenditures. He noted the City currently has few written policies and procedures and is recommending the creation and adoption of written policies and procedures including accounting policies and procedures. Copies of the 2011 Comprehensive Annual Financial Report will be on file at the North Mankato Taylor Library and Municipal Building and questions may be directed to the Finance Director.

**Scott Thompson, Minnesota Department of Transportation – Roundabout Discussion**

Scott Thompson, Minnesota Department of Transportation (MnDOT), appeared before the Council and gave a PowerPoint presentation on roundabouts specifically for use at the north intersection of Highway 14 and Lookout Drive. Mr. Thompson referenced the 2010 Bolton & Menk Traffic Study and the 2011 MnDOT Intersection Control Evaluation (ICE) for this area. The 2010 Bolton & Menk Traffic Study reported and the MnDOT 2011 ICE Study confirmed the north ramps (westbound) met volume requirements for signals. However, the ICE Study determined that a signal wouldn't be the best solution. He reviewed the signal versus roundabout pros and cons reporting the cost for signal would be approximately \$300,000 and the cost of a roundabout would be \$1 million. Council Member Freyberg questioned if the signal has been in the Capital Improvement Plan. Some discussion was held about the property necessary to accommodate a roundabout and whether an easement would be necessary. Mr. Thompson reported a consensus would need to be reached between the City of North Mankato and MnDOT regarding which traffic controls will be installed in this area. If an agreement is reached to build a roundabout, it will be necessary for the City to adopt a resolution agreeing to participate with

MnDOT 50/50 in the cost of a roundabout, determine when to build the roundabout and to continue the public education campaign regarding the use of roundabouts.

### **Open the Meeting to the Public for the First Time**

#### **Patricia Jones, 1441 Parkside Lane**

Patricia Jones, 1441 Parkside Lane, appeared before the Council and asked that a picnic table be placed in the gazebo at Bluff Park.

#### **Kim Spears, 916 South Avenue**

Kim Spears, 916 South Avenue, appeared before the Council and spoke of the roundabout and stated his concerns about some of the candidates for the City Administrator position.

#### **Bernadette Wilson, 1754 Commerce Drive**

Bernadette Wilson, 1754 Commerce Drive, appeared before the Council and reported she has not yet received the minutes she requested from the Loan Committee meeting held on July 12, 2010 concerning the loan for Beans Plus. She also reported the Council minutes of July 2, 2012 reflected an incorrect date for the Loan Committee meeting and that not all her comments were in the minutes regarding transfer of tax abatement funds to Craig Theuninck to pay on his loan.

#### **Joe Kluender, 2126 Rolling Green Lane**

Joe Kluender, 2126 Rolling Green Lane, appeared before the Council and reported he was a member of the Park & Green Spaces Committee that worked on the Master Plan for the Benson Park development. He reviewed the process the Committee went through to get the Master Plan in place and asked the Council to keep the development of Benson Park according to this Master Plan.

#### **Mark Haack, 713 Bennett Street**

Mark Haack, 713 Bennett Street, appeared before the Council and requested benches be placed at the edge of Wheeler Park so there is a sitting area when walking his dog since dogs are not allowed in Wheeler Park.

### **Staff Reports**

#### **Interim City Administrator**

##### **Set Fall Special Services**

Interim Administrator Fischer reported this item was tabled by the Council and staff was asked to review the budget to see if funds are available to provide a fall special services pick-up. He reported that funds are available to do a pick-up, however, he also referenced the memo from the Street Superintendent who recommended fall special services week be conducted as a drop-off at the Public Works Compound due to a shortage of staff. The Council discussed budgeting for a spring pick-up to be scheduled when more temporary help is available and one drop-off for the fall in 2013. **Council Member Steiner moved, seconded by Council Member Schindle, to set fall special services drop-off for September 28-30, 2012 and to budget for a spring pick-up and a fall drop-off for 2013. Vote on the motion: Freyberg, Steiner, Schindle and Dehen, aye; no nays. Motion carried.**

**Schools and /Conferences**

**Council Member Steiner moved, seconded by Council Member Schindle, to approve actual and necessary expenses for the following schools and conferences:**

1. Taser Instructor Refresher, Minnetrista Police Department, August 30-31, for one Police Lieutenant Detective.
2. Minnesota Government Finance Officers Association Annual Conference, Alexandria, September 19-21, for Finance Director.
3. AWWA Annual Conference, Duluth, September 19-21, for Water Superintendent.

**Vote on the motion: Freyberg, Steiner, Schindle and Dehen, aye; no nays. Motion carried.**

**City Clerk****2012 Primary Election Results**

The Clerk presented the 2012 Primary Election results reporting a 7.2 percent voter turnout.

**Finance Director****Request for Proposal for Professional Auditing Services**

Finance Director Thorne reported she has prepared the Request for Proposal for Professional Auditing Services as previously requested by the City Council. The Request for Proposal for Professional Auditing Services will be available on the City's website and the League of Minnesota Cities website. **Council Member Steiner moved, seconded by Council Member Freyberg, to approve the Request for Proposal for Professional Auditing Services. Vote on the motion: Freyberg, Steiner, Schindle and Dehen, aye; no nays. Motion carried.**

**Res. No. 52-12 Approving Consent Assessment Agreement – 1032 Quincy Street**

Finance Director Thorne presented Resolution No. 52-12 for costs to be assessed in the amount of \$456.78 for repair of curb box at 1032 Quincy Street. **Council Member Schindle moved, seconded by Council Member Steiner, to adopt Resolution No. 52-12 Approving Consent Assessment Agreement for curb box repair at 1032 Quincy Street. Vote on the Resolution: Freyberg, Steiner, Schindle and Dehen, aye; no nays. Motion carried.**

**Res. No. 53-12 Declaring Costs to be Assessed for Municipal Charges – Northgate No. 2**

Finance Director Thorne presented Resolution No. 53-12 for costs to be assessed in the amount of \$2,550 for weed mowing on tax forfeiture property in Northgate No. 2. **Council Member Steiner moved, seconded by Council Member Schindle, to adopt Resolution No. 53-12 Declaring Costs to be Assessed for Municipal Charges for Northgate No. 2. Vote on the Resolution: Freyberg, Steiner, Schindle and Dehen, aye; no nays. Motion carried.**

**City Attorney****Research of Port Authority Update**

Attorney Kennedy reported he has begun the process of researching the dissolution of the Port Authority. He noted that very few Minnesota cities have an active Port Authority but rather operated under an Economic Development Authority. The Attorney reported he will be reviewing the legal impediments and contacting bond counsel to see what affect such dissolution would have on bonds issued by the Port Authority.

**Belle House, LLC, 2107 North Ridge Drive Update**

Attorney Kennedy reported discussion was held at the August 6, 2012 Council meeting regarding the request from Belle House, LLC for reasonable accommodation to house eight (8) versus the authorized six (6) female recovering alcoholics at 2107 Northridge Drive. The Belle House, LLC attorney was in attendance at the meeting. Both Belle House, LLC and the Council have reason to extend the sixty (60) day timeline in which to act on this request requiring action by the first part of November. Attorney Kennedy requested this request for accommodation be settled in October. As requested by the Council at the previous Council meeting, Attorney Kennedy polled the Planning Commission to see if they were willing to be the hearing group for this request. The Attorney reported the Planning Commission has declined to be the hearing group and therefore it will be necessary for the City Council to hold a hearing in the Council Chambers on the request for accommodation which will require a 10-day notice to interested parties. The public hearing will be set at the September 4, 2012 Council meeting and the City Attorney will provide materials for review prior to the hearing.

**Report from Council Members****Council Member Freyberg****Special Intergovernmental Meeting**

Council Member Freyberg requested the Mayor call a Special Intergovernmental meeting to include Mayor Anderson, City Manager Hentges, Interim Administrator Fischer, Paul Vogel, Tom Riley, North Mankato City Attorney and Mankato City Attorney to discuss a regional Economic Development Authority. **Council Member Freyberg moved, seconded by Council Member Schindle, to call a Special Intergovernmental meeting to include the above listed representatives. Vote on the motion: Freyberg, Steiner, Schindle and Dehen, aye; no nays. Motion carried.**

**Council Workshop to Discuss Roundabout**

Council Member Freyberg requested a workshop be scheduled before the end of the year to discuss the roundabout for the north intersection of Highway 14 and Lookout Drive and review how it fits into the Capital Improvement Plan. The Council directed the City Clerk to forward available dates to set a Council Workshop for this discussion.

**Report from Mayor****City Administrator Update**

Mayor Dehen reported that final interviews had been held for the City Administrator candidates. He reported that no action would be taken at this Council meeting since Council Member Norland is absent. He requested that discussion of the City Administrator candidates be added under other business of the Council Workshop to be held at 6 p.m. on Monday August 27, 2012 and that a Special Council meeting be set for Monday, August 27, 2012 immediately following the Council Workshop.

**Set Special Council Meeting**

**Council Member Steiner moved, seconded by Council Member Freyberg, to set a Special Council meeting for Monday, August 27, 2012 immediately following the Council Workshop. Vote on the motion: Freyberg, Steiner, Schindle and Dehen, aye; no nays. Motion carried.**

**Open the Meeting to the Public for the Second Time  
Phil Henry, 1300 Noretta Drive**

Phil Henry, 1300 Noretta Drive, appeared before the Council and thanked them for reinstating one special services pick-up for 2013.

**Bills and Appropriations**

**Council Member Steiner moved, seconded by Council Member Schindle, to approve all bills and appropriations in the amount of \$279,594.90. Vote on the motion: Freyberg, Steiner, Schindle and Dehen, aye; no nays. Motion carried.**

There being no further business, the meeting was adjourned at 8:50 p.m. on a motion by Council Member Steiner, seconded by Council Member Schindle. Vote on the motion: Freyberg, Steiner, Schindle and Dehen, aye; no nays. Motion carried.

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Mayor

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City Clerk