

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 February 21, 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, City Administrator Sande, Finance Director Thorne, City Clerk Gehrke, Attorney Kennedy, Engineer Malm and Planner Fischer. Absent: Council Member Norland.

Approval of Agenda

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

Correspondence

Thank-You Letter from Mankato Graduation Celebration 2012

Mayor Dehen read a letter from the Mankato Graduation Celebration 2012 Committee thanking the City for the \$500 donation toward the Mankato High School graduation party celebrations for the graduating class of 2012.

Thank-You Letter from Greater Mankato Diversity Council

Mayor Dehen read a letter from the Greater Mankato Diversity Council thanking the City for the donation of \$500 for the year 2011.

Public Hearing, 7 p.m. – One-Year Extension for Job Creation for Thin Film Technology Project (DEED Grant Agreement #CDAP-09-0099-H-FY10)

The Mayor opened the public hearing to consider a one-year extension for job creation purposes for Thin Film Technology Project (DEED Grant Agreement #CDAP-09-0099-H-FY10). Planner Fischer presented background information reporting in 2010, Thin Film Technology received a \$250,000 loan from the State Department of Employment and Economic Development as part of a management buyout of their parent company. As part of the DEED loan agreement, Thin Film was required to retain and create jobs in 2011. He reported because Thin Film is still in the process of hiring employees, they are requesting a one-year extension for job creation purposes. As part of this process, it is necessary to hold a public hearing. Kuma Takamura, 136 Mary Circle, appeared before the Council in support of the one-year extension for job creation purposes for the Thin Film Technology Project stating it is important to support the future of Thin Film Technology. With no one else appearing before the Council, the Mayor closed this portion of the meeting. **Council Member Steiner moved, seconded by Council Member Schindle, to approve a one-year extension for job creation for the Thin Film Technology Project (DEED Grant Agreement #CDAP-09-0099-H-FY10). Vote on the motion: Freyberg, Steiner, Schindle and Dehen, aye; no nays. Motion carried.**

Open the Meeting to the Public for the First Time**Paul Donna, Northland Securities, Inc. – Recommendations for Refunding Bonds**

Paul Donna, Northland Securities, Inc., appeared before the Council and presented the Finance Plan recommendations for a crossover refunding of three outstanding bond issues, the Street Reconstruction Bonds of 2004A, the Capital Improvement Plan Bonds of 2004B and the General Obligation Improvement Bonds of 2005D. He reported the projected debt service savings over the remaining life of the issues would be \$128,371.56 which has a net present value of cash flow savings of \$117,023.46. Mr. Donna reported the recommended sale date of the bond issue is 10:30 a.m. on Monday, March 19, 2012 with award by the City Council at 7 p.m. on that day at a regularly scheduled Council meeting. As part of the bonding process, the City's bond rating will be received and he believes the City's AA+ bond rating will be reaffirmed. Administrator Sande reported that he and the Finance Director met with Mr. Donna and asked for a complete review of all bond issues and an overview report prepared for presentation to the Council. In response to questions, the Administrator reported the refunding is not extending or shortening the term of the debt. He also noted that subdivision lot sales have not kept pace with what was originally expected. Council Members Freyberg and Steiner stated this was a smart way to save money.

Res. No. 12-12 Providing for the Issuance and Sale of General Obligation Crossover Refunding Bonds, Series 2012A

Council Member Freyberg moved, seconded by Council Member Steiner, to adopt Resolution No. 12-12 Providing for the Issuance and Sale of General Obligation Crossover Refunding Bonds, Series 2012A, in the Proposed Aggregate Principal Amount of \$1,820,000. Vote on the Resolution: Freyberg, Steiner, Schindle and Dehen, aye; no nays. Motion carried.

Kim Spears, 916 South Avenue

Kim Spears, 916 South Avenue, appeared before the Council and expressed his concern that he was not given an opportunity to make comment at the public hearing.

Consent Agenda

Council Member Freyberg moved, seconded by Council Member Schindle, to approve the Consent Agenda which includes:

- A. Audio and Large Group Permit for Veroeven Party, Wheeler Park, from 11 a.m. to 10 p.m. on Saturday, May 12, 2012.
- B. Audio and Large Group Permit for Carlson Craft Company Picnic, Spring Lake Park, from 8 a.m. to 5 p.m. on Sunday, September 23, 2012.

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

Staff Reports**City Administrator****Res. No. 13-12 Granting CCVI Operating, LLC a Franchise Extension to May 8, 2012**

Administrator Sande presented Resolution No. 13-12 Granting CCVI Operating, LLC a franchise extension to May 8, 2012. Public Access Coordinator Denny Kemp appeared before the Council and reported he met with our counsel Brian Grogan, Thomas Bordwell of Charter Government Relations and Jane Bremer, Charter's counsel on February 16, 2012 to discuss the franchise renewal. He reported the franchise renewal process had been delayed as a new Charter management team took time to get up to speed. Mr. Kemp reported that a draft of the new unified 15-year franchise agreement

with North Mankato/Mankato should be completed within the next week. Mr. Kemp presented Resolution No. 13-12 Granting CCVI Operating, LLC a Franchise Extension to May 8, 2012. **Council Member Schindle moved, seconded by Council Member Steiner, to adopt Resolution No. 13-12 Granting CCVI Operating, LLC a Franchise Extension to May 8, 2012. Vote on the Resolution: Freyberg, Steiner, Schindle and Dehen, aye; no nays. Motion carried.**

Res. No. 14-12 Approving Tax Forfeit Parcels for Public Auction

Administrator Sande presented a letter from the Nicollet County Auditor-Treasurer requesting approval of several tax forfeit parcels located in North Gate Subdivision No. 2 for public auction. The Administrator reported the special assessments levied on the properties will remain in affect and will not be waived. In response to Council Member Schindle asking if the interest on these assessments will continue, Administrator Sande reported the interest will continue. **Council Member Freyberg moved, seconded by Council Member Schindle, to adopt Resolution No. 14-12 Approving Tax Forfeit Parcels for Public Auction. Vote on the Resolution: Freyberg, Steiner, Schindle and Dehen, aye; no nays. Motion carried.**

Memorandum of Understanding with YMCA to Operate North Mankato Swim Facility

Administrator Sande presented a Memorandum of Understanding (MOU) with the YMCA to operate the North Mankato swim facility for the calendar year 2012. He reported the YMCA currently manages Tourtellotte swimming pool in Mankato. The MOU outlines the responsibilities of the YMCA and the City. The YMCA also plans to use the facility for swim lessons and after-hours activities. He reported the YMCA will carry liability insurance with the City named as an additional insured. Based on prior years' operations, a maximum payroll for the YMCA has been negotiated with the YMCA and the City sharing in any savings achieved below that amount. Mayor Dehen thanked Administrator Sande for being creative on how to address the swim facility staffing. The Council asked for a report of the outcome and the savings after the swim season. **Council Member Schindle moved, seconded by Council Member Steiner, to approve the Memorandum of Understanding with the YMCA to operate the North Mankato swim facility. Vote on the motion: Freyberg, Steiner, Schindle and Dehen, aye; no nays. Motion carried.**

Quote for Caswell Park Concession Building Roof Replacement

Administrator Sande presented quotations for roof replacement of the Caswell Park concession building. He reported after conducting an inspection of the main concession building at Caswell Park, it was determined that it is necessary to replace the roof since water is leaking through the existing roof membrane and entering the restroom, concession area and well house. In response to a question from Council Member Schindle, the Administrator reported that mold is not an issue. Staff is recommending award to Kato Roofing, Inc. for the installation of a reinforced Thermoplastic Polyolefin roof membrane for the low quote of \$26,880. He reported other costs of the project including crane rental, other equipment rental and concrete will be approximately \$20,000 and this project will be funded with sales tax funds. **Council Member Steiner moved, seconded by Council Member Schindle, to award the quote for the Caswell Park concession building roof replacement to Kato Roofing, Inc. in the amount of \$26,880. Vote on the motion: Freyberg, Steiner, Schindle and Dehen, aye; no nays. Motion carried.**

Community Video Program

Administrator Sande reported back to the Council regarding the proposed Community Video Program. After consideration of the various issues related to the Community Video Program, staff is recommending utilization of local resources to develop the community video for the web site. He

stated potential advertisers would be called upon for ads in the City newsletter, visitor's guide and proposed Caswell signage. The local provider quoted a price of approximately \$1,000 per finished minute of video programming. Local businesses could be offered a package price for several different pieces of advertising. **Council Member Schindle moved, seconded by Council Member Steiner, to authorize staff to develop a community video using local resources. 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. Data Practices Training, Faribault, March 28, for Police Records Specialist.
2. Minnesota Shade Tree Short Course, Arden Hills, March 20-21 for two Public Works Employees.
3. Homeland Security Exercise and Evaluation Program, New Brighton, March 13-15, for Police Chief.

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

City Clerk

Redistricting

The City Clerk reported that on March 1, 2012, staff will meet with the Nicollet County Auditor-Treasurer to start the redistricting process and set the precinct boundaries for the City of North Mankato.

Finance Director

Res. No. 15-12 Approving Donations/Contributions

Finance Director Thorne presented Resolution No. 15-12 approving donations/contributions totaling \$3,000 from Taylor Corporation to be used for the North Mankato Taylor Library Summer Reading Program. **Council Member Steiner moved, seconded by Council Member Schindle, to adopt Resolution No. 15-12 Approving Donations/Contributions. Vote on the Resolution: Freyberg, Steiner, Schindle and Dehen, aye; no nays. Motion carried.**

City Attorney

Attorney Kennedy presented background information regarding special assessments on forfeited property. He reported that cities are giving 429 projects greater review given the recent economy.

City Engineer

Engineer Malm reported the plans for the 14/41 Project are at the Central Office in preparation for bids.

Report from Council Members

Council Member Freyberg

Council Member Freyberg reported the Stillwater City Council will be considering the future of their annual celebration, Lumberjack Days, at their Council meeting of February 21, 2012. He reported several vendors did not get paid and financial statements were not audited. He noted the League of Minnesota Cities Insurance Trust has published memos on this issue and their involvement

in defending cities. The City Attorney reported the State incurred the same difficulties of vendors not getting paid for the 4th of July celebrations held at the Capitol.

Council Member Schindle

Council Member Schindle reported he had several people contact him about why City crews removed the awning at the Commerce Drive Budget Mart and the awning at the old Christy Café building. Administrator Sande reported it was the intent to use the Budget Mart canopy as a cost-effective way to cover the gas pumps at the Street Department; however, in the final analysis it was found the spacing was not appropriate. The awning at the Christy Café building was removed in order to develop the look of the façade consistent with the other buildings in this area. Both were recycled and the City received the funds recouped from the recycling. The beams from the canopy were salvaged for future use.

Report from Mayor**Coffee with the Council**

Mayor Dehen reported Coffee with the Council was held on Saturday, February 18, 2012 and several residents attended with questions about the progress of Benson Park. Engineer Malm reported work is underway on the underground plans for the water features and the shelter. Administrator Sande asked Council to delay work at Benson Park until we are able to apply for legacy grant funds for this project. In response to a question, the City Planner reported the next Legacy Fund Grant submission would be this summer or early fall.

Intergovernmental Meeting

The Mayor reported the Intergovernmental Meeting was held on February 8, 2012 with members of the local law enforcement agencies attending to discuss ways their departments could cooperate with each other and discussion was held about security for the upcoming air show in June. Discussion was also held on the lighting of Sibley Park by the Downtown Kiwanis. Mayor Dehen reported the next Intergovernmental Meeting would be held on Wednesday, May 2, 2012 with the City Manager of Mankato and the City Administrator of North Mankato invited to discuss ways to cooperate in an effort to save dollars.

Open the Meeting to the Public for the Second Time**Kim Spears, 916 South Avenue**

Kim Spears, 916 South Avenue, appeared before the Council and expressed his concern about the Community Video Program. Council Member Freyberg reported he has forwarded City web sites to the City Planner to show other creative ways to enhance the City's web site. Administrator Sande reported the Community Video Program started with an entity that wanted the City to purchase video for the web site and has progressed to the option of calling on North Mankato businesses to purchase advertising for the City newsletter, visitor's guide and web site. Council Member Schindle gave background information reporting the dollars for the Community Video Program would come from the Community Development Fund, which was formed to use for marketing of North Mankato after the City pulled out of Greater Mankato Growth.

Phil Henry, 1300 Noretta Drive

Phil Henry, 1300 Noretta Drive, appeared before the Council and complimented the City crews for the brush clearing along Belgrade Avenue.

Mr. Henry also requested information on the work in the ravine behind his home on Noretta Drive. Administrator Sande reported City crews are resetting storm sewer pipes, which is an interim fix for the larger storm sewer project in this ravine which is in the 5-Year Capital Improvement Plan.

Bills and Appropriations

Council Member Steiner moved, seconded by Council Member Schindle, to approve all bills and appropriations in the amount of \$119,893.26. Vote on the motion: Freyberg, Steiner, Schindle and Dehen, aye; no nays. Motion carried.

There being no further business, the meeting was adjourned at 7:55 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.

Mayor

City Clerk