

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 March 19, 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 Norland, Freyberg and Steiner, City Administrator Sande, Finance Director Thorne, City Clerk Gehrke, Attorney Kennedy, Engineer Malm and Planner Fischer. Absent: Council Member Schindle.

**Approval of Agenda**

**Council Member Norland moved, seconded by Council Member Freyberg, to approve the agenda with the addition of the resolution approving MnDOT Agreement No. 00671. Vote on the motion: Norland, Freyberg, Steiner 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 March 5, 2012. Vote on the motion: Norland, Freyberg and Dehen aye; Steiner abstained; no nays. Motion carried.**

**Correspondence – none.**

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

**Rusty Fifield, Northland Securities, Inc., - Recommendation of Sale of \$1,820,000 General Obligation Crossover Refunding Bonds, Series 2012A**

Rusty Fifield, Northland Securities, Inc., appeared before the Council and presented the results of the sale of bonds. He reported bids were taken at 10:30 a.m. today for the \$1,820,000 General Obligation Crossover Refunding Bonds, Series 2012A, to refund 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. Prior to the sale of the bonds, Standard & Poor’s Rating Services affirmed the City’s AA credit rating. Mr. Fifield presented information reflecting the historic low interest rates for the past several months. Administrator Sande reported with the recent change in interest rates the savings would not be as great as expected but is still a savings of \$84,154.

**Res. No. 18-12 Relating to \$1,820,000 General Obligation Crossover Refunding Bonds, Series 2012A**

The following bids were received for the \$1,820,000 G.O. Crossover Refunding Bonds, Series 2012A:

<u>Bidder</u>	<u>Net Interest Cost</u>	<u>True Interest Cost</u>
UMB Bank N.A.	\$233,736.92	1.9999291%
Piper Jaffray	\$244,706.20	2.0778953%
FTN Capital Markets	\$250,268.10	2.1395292%
Viking-Sparks IBG, Limited Ptnership	\$254,714.32	2.1499873%
Robert W. Baird & Co., Inc.	\$253,969.73	2.1510172%

**Council Member Freyberg moved, seconded by Council Member Steiner, to adopt Resolution No. 18-12 Relating to \$1,820,000 General Obligation Crossover Refunding Bonds, Series 2012A. Vote on the Resolution: Norland, Freyberg, Steiner and Dehen, aye; no nays. Motion carried.**

**Res. No. 19-12 Approving Post-Issuance Compliance Procedure and Policy for Tax-Exempt Governmental Bonds**

Administrator Sande presented a Post-Issuance Compliance Procedure and Policy for Tax-Exempt Governmental Bonds reporting this is a new requirement by the Internal Revenue Service to ensure proceeds from tax exempt bond issues are not used for private use. **Council Member Steiner moved, seconded by Council Member Freyberg, to adopt Resolution No. 19-12 Approving Post-Issuance Compliance Procedure and Policy for Tax-Exempt Governmental Bonds. Vote on the Resolution: Norland, Freyberg, Steiner and Dehen, aye; no nays. Motion carried.**

**Barb Church, 102 E. Wheeler Avenue**

Barb Church, 102 E. Wheeler Avenue, appeared before the Council and outlined her concerns about the Marigold 2.5 Project and its impact on the homes in the 100 Block of Wheeler Avenue.

**Denny Savick, 810 Belgrade Avenue**

Denny Savick, 810 Belgrade Avenue, appeared before the Council and commended the Council for holding the property taxes down this year, expressed his appreciation of the Police Department under the direction of the new Police Chief, stated his support of the City purchasing 815 Park Avenue and asked when the refuse contract will be put out for bids.

**Sharon Schaller, 241 Belgrade Avenue**

Sharon Schaller, 241 Belgrade Avenue, appeared before the Council and stated she is looking forward to the re-opening of the convenience store on Belgrade Avenue and asked the hours for the car wash and asked that music not be played outside.

**Phil Henry, 1300 Noretta Drive**

Phil Henry, 1300 Noretta Drive, appeared before the Council to express his concern about the price received for the surplus police vehicle.

**Consent Agenda**

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

- A. Audio and Large Group Permit for Golden Heart 5K Fun Run, Benson Park, Saturday, May 19, 2012 from 7 a.m. to 1 p.m.
- B. Parade Permit for Golden Heart 5K Fun Run, Benson Park, Saturday, May 19, 2012, from 7 a.m. to 1 p.m.
- C. Resolution No. 20-12 Approving Donations/Contributions.

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

**Staff Reports**

**Minutes of March 8, 2012 Planning Commission Meeting**

The Council accepted the minutes of the March 8, 2012 Planning Commission meeting.

**CU-1-12, Conditional Use Permit to Construct a Distribution Substation and Transmission Line**

Planner Fischer presented a request from Great River Energy and Benco Electric to construct an electrical substation and 1.1 miles of overhead transmission line to meet the growing electrical demand and improve service and reliability of electrical facilities in North Mankato. He reported an

Environmental Assessment was completed with no concerns noted by the State or federal agencies. The applicants have obtained the necessary easements from the property owners. The Planning Commission has reviewed this request and recommends approval of CU-1-12 subject to the following conditions: 1) Applicant to restore land within the easement areas after construction of the transmission lines; and 2) Transmission poles shall be made of galvanized steel. **Council Member Steiner moved, seconded by Council Member Norland, to approve CU-1-12 subject to the two conditions recommended by the Planning Commission. Vote on the motion: Norland, Freyberg, Steiner and Dehen, aye; no nays. Motion carried.**

#### **CU-2-12, Conditional Use Permit Request to Operate a Convenience Store at 238 Belgrade Avenue**

Planner Fischer presented a conditional use permit request from Staples & Roozen, LLC, to operate a convenience store at 238 Belgrade Avenue. He reported the applicant has recently purchased the former Happy Dan's Convenience Store on Belgrade Avenue and is in the process of remodeling the building for re-use as a convenience store. Ed Roozen appeared before the Council and reported that no outside music is played at any of their stores. He also noted that the drying apparatus for the car wash will be inside and noise should not be an issue. Mr. Roozen reported Staples & Roozen are excited to be in North Mankato. The Planning Commission reviewed this request and recommended approval of CU-2-12 subject to the following conditions: 1) All signage including the use of temporary signs shall conform to the City Sign Code, 2) All garbage shall be stored in an enclosed area, 3) Alley access shall be maintained at all times, and 4) Car wash hours of operation shall occur between 5 a.m. and 11 p.m. **Council Member Freyberg moved, seconded by Council Member Steiner, to approve CU-2-12 subject to the four conditions recommended by the Planning Commission. Vote on the motion: Norland, Freyberg, Steiner and Dehen, aye; no nays. Motion carried.**

#### **2011 Year-End Planning and Zoning Report**

Planner Fischer presented the End-of-Year Planning and Zoning Report for 2011. The report summarized the actions taken on variances, conditional use permits, platting/replatting and zoning during the calendar year. Two variance requests were received and approved; one conditional use permit was requested and granted; three zoning requests were made and two zoning requests were granted to zone land which was annexed into the City limits and one request was denied to rezone property from residential to commercial; and there were four platting requests received. One of the requests was approved to rearrange lot lines within an existing subdivision, two were approved to plat land which was annexed into the City limits and one request was granted to correct a previously approved plat. Planner Fischer reported in 2011 a total of 1,750 building permits were issued having a dollar value of \$35,839,836 which is a record year.

#### **Set Public Hearing for 7 p.m. on Monday, April 2, 2012, to Approve 2012 Community Development Block Grant Program (CDBG) Action Plan**

Planner Fischer reported that as a Department of Housing and Urban Development (HUD) Entitlement Community, the City was required to submit to HUD a 2010-2014 Consolidated Plan which is used as a guideline as to how the City will utilize Community Development Block Grant (CDBG) funds. He reported it is necessary to set a public hearing to consider the 2012 Action Plan for the use of HUD entitlement funds. **Council Member Freyberg moved, seconded by Council Member Steiner, to set a public hearing for 7 p.m. on Monday, April 2, 2012 to approve the 2012 Community Development Block Grant Program (CDBG) Action Plan. Vote on the motion: Norland, Freyberg, Steiner and Dehen, aye; no nays. Motion carried.**  
City Administrator

**Res. No. 21-12 Declaring Surplus Vehicles**

Administrator Sande presented a resolution listing a 2009 Ford Crown Victoria police vehicle, 1983 GMC one-ton flatbed utility truck and 1996 Ford Bronco as surplus. He reported an agreement has been reached to sell the 2009 Ford Crown Victoria to South Central College for \$3,000 for use as the vehicle in their public safety training class. Administrator Sande reported this price is representative of what would have been offered by the taxi companies typically for our used public safety vehicles. The necessary action is for the Council to declare the vehicles surplus and authorize the sale of said vehicles. In response to a question from Council Member Freyberg, Administrator Sande reported the resolution should have been brought before the Council prior to the sale of the 2009 Ford Crown Victoria. **Council Member Norland moved, seconded by Council Member Steiner, to adopt Resolution 21-12 Declaring Surplus Vehicles. Vote on the Resolution: Norland, Freyberg, Steiner and Dehen, aye; no nays. Motion carried.**

**Schools and Conferences**

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

1. Incident Command System EOC/Interface, St. Paul, April 16, for Police Chief.
2. Principles of Emergency Management/Planning, New Brighton, April 17, for Police Chief.

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

**Res. No. 22-12 Approving Minnesota Department of Transportation Agreement No. 00671**

Administrator Sande presented Minnesota Department of Transportation Agreement No. 00671 to provide for payment by the City to the State of the City's share of the costs for the T.H. 14/CSAH 41 interchange project. He reported Schedule I of the Agreement recaps the anticipated cost participation by the City. The City will receive credit for the monies expended acquiring the right-of-way for the project. **Council Member Steiner moved, seconded by Council Member Norland to adopt Resolution No. 22-12 Approving Minnesota Department of Transportation Agreement No. 00671. Vote on Resolution: Norland, Freyberg, Steiner and Dehen, aye; no nays. Motion carried.**

**City Clerk****Res. No. 23-12 Establishing Precincts and Polling Places**

City Clerk Gehrke presented the proposed precinct boundaries and polling locations which were necessary to reestablish within 60 days of the completion of the legislative redistricting or by April 3, 2012. Seven precincts are proposed with Precinct 7 being in the growth area of the City and the precinct that will be in a separate Commissioner District. Precincts 1-3 will be in one full Commissioner District and Precincts 4-6 in another full Commissioner District. Clerk Gehrke reported that approval has been granted from each proposed polling place to hold elections at these locations. All proposed polling places comply with Minnesota Statute. **Council Member Norland moved, seconded by Council Member Steiner, to adopt Resolution No. 23-12 Establishing Precincts and Polling Places. Vote on the Resolution: Norland, Freyberg, Steiner and Dehen, aye; no nays. Motion carried.**

**Report from Council Members**

**Council Member Freyberg**

Council Member Freyberg asked about the purchase of the model airplane listed on the claims report. Administrator Sande reported the Civic & Commerce Association donated funds for two airplanes to be given away at the Model Air Show to be held June 8-9, 2012. Council Member Freyberg requested a joint Council/Port Authority Commission meeting within the next 30-60 days to discuss the Marigold 2.5 Project. It was suggested the meeting be scheduled for a Monday in April from 7-9 p.m. Council Member Freyberg referenced the City of Stockton, California which filed bankruptcy and currently has a crime rate of 17 percent.

**Council Member Norland**

Council Member Norland asked the Mayor to forward the minutes from the latest Intergovernmental meeting.

**Report from Mayor**

**Proclamation Declaring March 27, 2012 to be “American Diabetes Association Alert Day” in North Mankato**

The Mayor read the proclamation declaring March 27, 2012 to be “American Diabetes Association Alert Day” in North Mankato.

The Mayor reported a Mayors’ bike ride will be held at 5 p.m. on May 16, 2012 beginning at the Flying Penguin.

The Mayor reported on Saturday, March 17, 2012, the North Mankato American Legion held an event for the families who have lost loved ones in combat.

The Mayor noted an article in the Monday, March 19th *Free Press* featured the new LJP Enterprise facility and the expansion of Lindsay Window and Door.

The Mayor reported the next “Coffee with the Council” will be held from 10-11 a.m. on Saturday, April 14, 2012 at Culvers.

**Open the Meeting to the Public for the Second Time**

**Brian Mechler, 303 Belgrade Avenue**

Brian Mechler, 303 Belgrade Avenue, appeared before the Council asking if 3-tab shingles meet the State Building Code, if the City owned 315 Range Street and about the City ArtWalk sculptures.

**Bills and Appropriations**

Council Member Steiner moved, seconded by Council Member Norland, to approve all bills and appropriations in the amount of \$393,497.52. Vote on the motion: Norland, Freyberg, Steiner and Dehen; aye; no nays. Motion carried.

There being no further business, the meeting was adjourned at 8:17 p.m. on a motion by Council Member Steiner, seconded by Council Member Norland. Vote on the motion: Norland, Freyberg, Steiner and Dehen; aye; no nays. Motion carried.

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Mayor

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City Clerk