

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 August 21, 2017. 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 Steiner, Freyberg, and Whitlock, City Administrator Harrenstein, Finance Director McCann, City Attorney Kennedy, Community Development Director Fischer, Public Works Director Swanson and City Clerk Van Genderen. Absent: Council Member Norland.

Approval of Agenda

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

Approval of Council Meeting Minutes

Mayor Dehen requested that the Minutes reflect that during the discussion concerning setting a Public Hearing to Consider Amending North Mankato City Code, Chapter 110, Entitled "General Business Regulations" he had stated the Intergovernmental Committee was split two to two. **Council Member Freyberg moved, seconded by Council Member Steiner, to approve the modified minutes of the Council meeting of August 7, 2017. Vote on the motion: Steiner, Freyberg, Whitlock and Dehen aye; no nays. Motion carried.**

Presentation by the United Way

Chief Executive Officer of the United Way, Barb Kaus, presented Mayor Dehen with a traveling tug-of-war trophy for defeating the City of Mankato in the first-ever United Way tug-of-war kickoff challenge. Mayor Dehen thanked Ms. Kaus and the United Way for the work that they do in the community.

Public Hearing-Wellhead Protection Plan.

North Mankato Consultant Terry Bovee appeared before Council and reported the City of North Mankato has been working on the Wellhead Protection Plan. The Plan is required under the Safe Water Act and ensures that all public water suppliers know where their drinking water comes from and protect the drinking water. Mr. Bovee indicated the City has two well fields, one in upper North Mankato and one in lower North Mankato. Both fields have deep wells with little vulnerability. The City's water is well protected preventing contaminants from reaching the aquifer. Mr. Bovee presented two maps with the two well fields and pointed to a yellow line that showed the drinking water supply boundary that the City must manage. Within the yellow border was a blue line which shows the 10-year time of travel, which is how long it would take water or a contaminate to reach the well. Within both the yellow and blue boundary was a red line which is the emergency response line which shows a 1-year time of travel. Mr. Bovee stated the most danger to the City's drinking water are abandoned or poorly maintained wells, which can be a direct conduit into the aquifer. The difficult part for a City is locating the abandoned wells. Mr. Bovee reported a grant program existed offering up to \$10,000 to reimburse the cost of sealing private wells. Mr. Bovee stated once the City approved the plan it would be submitted to the Minnesota Department of Health for approval. Mayor Dehen opened the Public Hearing to the public. With no one appearing the Mayor closed the Public Hearing.

Public Hearing-Consolidated Annual Performance and Evaluation Report (CAPER).

Community Development Director Fischer reported that as a HUD Entitlement city a public hearing must be held to report how the City used the previous year's funds. In 2016 the City had \$142,522 that was used for parking lot and ramp improvements. The City used \$135,646.10 for accessibility improvements to the Municipal Building. The remaining funds will be used in the 2017 program. With no one appearing before Council, the Mayor closed the Public Hearing.

Public Hearing-Proposal to Modify Tax Increment Financing District IDD No. 1-23, D&K Powder Coating. Administrator Harrenstein indicated the modification to the Tax Increment Financing District would capture the benefit of D&K Powder Coating's addition. With no one appearing before Council, the Mayor closed the Public Hearing.

Consent Agenda

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

- A. Bills and Appropriations.
- B. Res. No. 49-17 Approving Donations/Contributions/Grants.
- C. Set Public Hearing to Consider Annexation of 9.07 acres from Mark Hiniker.
- D. Res. No. 50-17 Adopted Master Partnership Agreement with the Minnesota Department of Transportation.
- E. Received Interim Report from the Rental Density Advisory Committee.

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

Public Comments

None.

Business Items

Res. No. 51-17 Modifying Tax Increment Financing District IDD No. 1-23, D&K Powder Coating. Council Member Freyberg moved, seconded by Council Member Steiner to Adopt Res. No. 51-17 Modifying Tax Increment Financing District IDD No. 1-23, D&K Powder Coating. **Vote on the motion: Steiner, Freyberg, Whitlock and Dehen aye; no nays. Motion carried.**

Res. No. 52-17 Approving the North Mankato Wellhead Protection Plan. Council Member Freyberg moved, seconded by Council Member Steiner to Adopt Res. No. 52-17 Approving the North Mankato Wellhead Protection Plan. **Vote on the motion: Steiner, Freyberg, Whitlock and Dehen aye; no nays. Motion carried.**

Res. No. 53-17 Resolution on the Proposal to Modify Industrial Development District No. 1 and Setting Public Hearing. Council Member Steiner moved, seconded by Council Member Whitlock to Adopt Res. No. 53-17 Resolution on the Proposal to Modify Industrial Development District No. 1 and Setting Public Hearing. **Vote on the motion: Steiner, Freyberg, Whitlock and Dehen aye; no nays. Motion carried.**

Res. No. 54-17 on the Proposal to Establish Tax Increment Financing District No. 1-24 and Calling for Consultation with other Affected Jurisdictions and Public Hearing. (Birchwood Cottages). Council Member Steiner moved, seconded by Council Member Whitlock to Adopt

Res. No. 54-17 on the Proposal to Establish Tax Increment Financing District No. 1-24 and Calling for Consultation with other Affected Jurisdictions and Public Hearing. (Birchwood Cottages). Vote on the motion: Steiner, Freyberg, Whitlock and Dehen aye; no nays. Motion carried.

Res. No. 55-17 Resolution on the Proposal to Modify Industrial Development District No. 1, Establish Tax Increment Financing District IDD No. 1-25 and Calling for Consultation with Other Affected Jurisdictions and Public Hearing. Council Member Steiner Moved, seconded by Council Member Freyberg to Adopt Res. No. 55-17 Resolution on the Proposal to Modify Industrial Development District No. 1, Establish Tax Increment Financing District IDD No. 1-25 and Calling for Consultation with Other Affected Jurisdictions and Public Hearing. Vote on the motion: Steiner, Freyberg, Whitlock and Dehen aye; no nays. Motion carried.

Approve the Landing North Phase 2 Preliminary & Final Plat: A Request from KWS, LLC. Community Development Director Fischer reported in 2007 the applicants received final platting approval of The Landing North Phase 1. This subdivision is now known as the Reserve. The applicants are prepared to develop more lots in the area. The applicant proposes to create twelve (12) single family residential lots including the construction of Prairie Court which would extend from Lexington Lane to a point to serve the first five lots and extend on demand. As shown in the final plat there would be 12 lots for single-family residential development, Outlot A would be reserved for future development and Outlot B as the location for a sidewalk leading to Reserve Park. The Planning Commission reviewed and recommended approval of the final plat. **Council Member Steiner moved, seconded by Council Member Freyberg to approve the Landing North Phase 2 Preliminary & Final Plat: A Request from KWS, LLC. Vote on the motion: Steiner, Freyberg, Whitlock and Dehen aye; no nays. Motion carried.**

Approve Zoning Application Z-3-17 a Request to Zone Part of Section 35; a Request from Hiniker Homes and Consider Adopting Ordinance No. 95, Fourth Series, Zoning Part of Section 35 as R-1S. Community Development Director Fischer reported the applicant is in the process of annexing 9 acres of land into the City limits for future residential development. The City Council must zone the property for its intended use to accommodate development. The applicant is proposing to develop the property for single-family residential purposes and is requesting a zoning classification of R-1S, One-Family Dwelling Small Lot. According to City Code, the lot width is 60 feet, and Lot depth is 100 feet for a total area of 6,000 square feet per lot. The Planning Commission reviewed the application and recommended approval contingent on annexation. Council Member Freyberg stated he would vote for the project because Council has approved the R-1S, One-Family Dwelling Small Lot but he does not support small lots because the smaller lots create stress on the management of water run-off because there is no yard for the water to soak into. Mayor Dehen stated that is a good point and the project will need a large water holding pond. Administrator Harrenstein reported the pond would be discussed in the next agenda item. **Council Member Steiner moved, seconded by Council Member Whitlock to Approve Approve Zoning Application Z-3-17 a Request to Zone Part of Section 35; a Request from Hiniker Homes and Adopt Ordinance No. 95, Fourth Series, Zoning Part of Section 35 as R-1S. Vote on the motion: Steiner, Freyberg, Whitlock and Dehen aye; no nays. Motion carried.**

Approve North Gate No. 3 Preliminary Plat; Hiniker Homes. Community Development Director Fischer reported the applicant is in the process of annexing 9 acres of vacant land into the City

limits to accommodate future single-family residential housing. As proposed the property would be platted into 27 lots for single-family residential development including the extensions of Anchorage Drive and Valdez Drive and the addition of Denali Drive. Outlot A would be the location of a storm water holding pond. The final plat would be considered in September. Council Member Freyberg requested clarification on the lift station that would service the area. City Administrator Harrenstein reported the lift station at Timm Road would service the area and it was designed to manage the area. Council Member Freyberg requested clarification on the storm water management of the area. City Administrator Harrenstein indicated that when it rains, it is observable that the water holding ponds rise, it is especially noticeable with the linear pond in Benson Park, which sometimes rises and over takes trails. During construction, the linear pond was not dug as large as it should have been and it may be a good option to consider the extension of the linear pond and the Greenway Commission could review the idea. Council Member Freyberg stated he agreed with looking into the idea. Council Member Freyberg reported he had measured the linear pond following a 2.5-inch rain and the pond would be up 2.5 feet at 6 pm and would be down 1.5 feet by 5 am the next morning. The pond is holding and moving a lot of water. City Administrator Harrenstein indicated the lengthening of the pond would also be a benefit to the park recreation. **Council Member Steiner moved, seconded by Council Member Whitlock to Approve North Gate No. 3 Preliminary Plat; Hiniker Homes. Vote on the motion: Steiner, Freyberg, Whitlock and Dehen aye; no nays. Motion carried.**

Adopt Res. No. 56-17 Calling for a Public Hearing on Proposed Property Tax Abatements for the Spring Lake Park Swim Facility Improvement Project. Tammy Omdal from Northland Securities appeared before Council and stated the City is planning to use property tax abatement authority in connection with the financing of the Spring Lake Park Swim Facility improvement project. The total amount of the taxes proposed to be abated by the City on the parcels identified within the abatement area is estimated to be not more than \$3,300,000 collected over a 15-year term. The not to exceed amount provides the City with the flexibility to make decisions should the final bids come in higher than anticipated. The estimated total cost of constructing the improvements is estimated at this time to be approximately \$2,340,000. Because the YMCA manages the pool, the City will need to qualify the bonds as 501C3 bonds and conduct a Tax Equity and Fiscal Responsibility Act (TEFRA) hearing, which will be conducted on September 18, 2017. **Council Member Freyberg moved, seconded by Council Member Steiner to Adopt Res. No. 56-17 Calling for a Public Hearing on Proposed Property Tax Abatements for the Spring Lake Park Swim Facility Improvement Project. Vote on the motion: Steiner, Freyberg, Whitlock and Dehen aye; no nays. Motion carried.**

City Administrator and Staff Comments

City Administrator Harrenstein thanked Interim Library Director Katie Heintz for the solar eclipse party the library hosted.

Public Works Director Swanson reported the hockey rinks continue to move forward and they should be completing the concrete soon.

Finance Director McCann reported a Budget Workshop will be held on September 5, 2017 at 6:00 p.m.

Mayor and Council Comments

Council Member Steiner reported resident compliments for allowing dogs in Spring Lake Park.

Mayor Dehen stated Council was invited to attend the Fall Semi-Annual Customer Community meeting on Thursday, August 24, 2017, at 5:30 pm in the City of Mankato Council Chambers. The topic includes the draft Sanitary Sewer Facilities Plan.

There being no further business, on a motion by Council Member Freyberg, seconded by Council Member Steiner, the meeting adjourned at 7:36 p.m.

Mayor

City Clerk