

COUNCIL WORK SESSION June 20, 2023

Under due call and notice thereof, a Council Work Session of the North Mankato City Council was held in the Council Chambers on June 20, 2023. Mayor Carlson called the meeting to order at 6:00 pm. The following were present for roll call: Council Members Peterson, Whitlock, Steiner, and Oachs, City Administrator McCann, Public Works Director Arnold, and City Clerk Van Genderen.

Receive Indoor Multipurpose Sports Complex Market Feasibility Report Update and Pro Forma

City Administrator McCann introduced Norm Gill from Pinnacle Indoor Sports Facility Development, Marketing & Management. Mr. Gill reviewed a brief history of his company and reported that he has been assisting with the development of the project for the past five years. Due to the age of the study, it was determined to complete an update to the report. He stated the report was updated, but few changes were made. Mr. Gill stated the user groups are still committed, and the price points are good. He noted that the proforma was also updated, and two scenario summaries were included in the packet. Mr. Gill emphasized that the proforma was very conservative. He noted there are three ways to run this type of facility. It could be a wholesale project where the City owns the facility, rents out the space, and takes reservations. It could be a retail project where the City runs the programs and leagues, and it needs to be approached like a business to maximize revenue. The third option is to hire a third-party management firm. He noted that if the City were to contract with a third-party management firm, it would be important to vet the firm to ensure it aligns with the City's priorities. He did note that there could be hybrid options.

Mayor Carlson requested clarification on if a lot has changed since COVID-19. Mr. Gill stated the demand remains high in the area, and there is not a lot of competition. He did note that it would be important with a new facility to ensure user fees are based on demand. Council Member Peterson asked if the proformas that were presented were based on hybrid models. Mr. Gill confirmed they are hybrid models and are very conservative in operations. Mayor Carlson asked if he would recommend adding or removing anything from the current plan. Mr. Gill stated he thought the facility was built with options for alternative uses and growth. Mr. Gill did note that there may be a crossover with the current Caswell Softball facility and considerations would need to be made concerning parking. Council Member Oachs asked Mr. Gill if he has built facilities with renewable or solar options. Mr. Gill stated it was easier to accomplish when there were Solar Renewable Energy Credits. Without those credits, it becomes a question of fiscal prudence and whether it is an environmental benefit. Council Member Peterson asked if Mr. Gill could say what the facility was missing. Mr. Gill stated in terms of economic impact; the facility is in line with the area's needs. He noted the tennis portion is a little oversized, and the courts for volleyball and basketball may be used simultaneously. He noted a turf area would interest the local residents but would not have the regional economic draw. Aquatics is not about money and would be an expensive option with not a lot of economic benefits. A walking track may draw in local residents but would need to be balanced with the use of the facility. Mr. Gill stated a fitness component might not be welcomed due to private-sector competition.

With no further questions, City Administrator McCann stated he could send out an email with the background of the provided proforma models.

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Receive Information on Golf Carts in North Mankato

City Planner Lassonde reported this is a follow-up to a discussion that was held in 2020 concerning a request for motorized golf carts (MGCs) to be permitted on the North Mankato roadway system. Currently, the ordinance does not allow the operation of a motorized golf cart on streets, alleys, sidewalks, or other public property. Initially, Traffic and Safety reviewed the request and denied it based on public safety concerns, enforcement issues, and the lack of demonstrated need to use golf carts as a form of transportation. When the Traffic and Safety rejection was brought to Council, City Council requested an additional study of the topic. During the process of reviewing and providing information to the City Council, staff reviewed 12 cities and their use of golf carts. Staff prepared a change to City Ordinance 73.08 Motorized Golf Carts to allow the use of golf carts on designated roadways in North Mankato. Staff prepared a draft ordinance and a map designating roadways. Council reviewed the proposed draft ordinance, and the discussion was centered around the map and access throughout the City. The restrictions would prevent MGC drivers from traveling from Lower North to Upper North or crossing Highway 14. Due to questions, Council requested further review of the proposal. The staff has refined the ordinance, although additional changes could still be made. Mayor Carlson stated he was a proponent of the ordinance, and even with the restrictions, there could be room for modifications. Council Member Oachs asked if, during the Lookout Drive hill reconstruction, golf carts could possibly be considered to allow a connection from upper to lower north. City Planner Lassonde stated it could be considered, but discussions would need to be held with the engineers to see about possibilities. Mayor Carlson asked about the use of Judson to Valerie to get up and down the hill. On a separate topic, Mayor Carlson asked if consideration could be made to allow the use of UTVs for snow removal. City Planner Lassonde stated that would be a different discussion. Council Member Peterson requested clarification on why Howard Drive, which is 30 mph, would not allow the use of MGCs. City Planner Lassonde stated it could be considered, but initially, there were concerns with school access. Mayor Carlson asked Police Chief Gullickson if he had any comments. Police Chief Gullickson stated there are options for the use of golf carts but stated there are dangers when in use with the regular motoring public. He thought there were options to allow the golf carts while maintaining safety for everyone. Council reached a consensus to direct staff to proceed with bringing forward an Ordinance to consider. A discussion was held about reviewing additional road and trail options.

Council Member Steiner moved, seconded by Council Member Oachs, to adjourn the Council Work Session at 6:57 pm.

Mayor

City Clerk