

Judge Bradley Walker conducted the Oath of Office for the Mayor and Council Members elected in November 2022. Mayor Scott Carlson, Council Member Sandra Oachs, and Council Member Matt Peterson were sworn in for their respective terms.

Pursuant to the due call and notice thereof, a regular meeting of the North Mankato City Council was held in the Municipal Building Council Chambers on January 3, 2023. Mayor Carlson called the meeting to order at 7:00 pm, asking everyone to join the Pledge of Allegiance. The following were present for roll call: Council Members Oachs, Peterson, Whitlock, Steiner, City Administrator McCann, Interim Finance Director Ryan, Community Development Director Fischer, Public Works Director Arnold, and City Clerk Van Genderen.

Approval of Agenda

Council Member Steiner moved, seconded by Council Member Oachs, to approve the agenda as presented. Vote on the motion Oachs, Peterson, Whitlock, Steiner, and Carlson, aye, no nays. Motion carried.

Approval of Council Minutes from December 19, 2022, Council Meeting.

Council Member Whitlock moved, seconded by Council Member Steiner, to approve the Council Meeting Minutes of December 19, 2022. Vote on the motion Oachs, Whitlock, and Steiner, aye, Peterson and Carlson abstain, no nays. Motion carried.

Consent Agenda

Council Member Steiner moved, seconded by Council Member Oachs, to approve the Consent Agenda.

- A. Bills and Appropriations.
- B. Res. No. 1-23 Setting Gas Mileage Reimbursement Rate.
- C. Res. No. 2-23 Designating Official Newspaper.
- D. Res. No. 3-23 Designating Depositories for the City of North Mankato.
- E. Approved Parade and Audio Permit for Fun Days on July 8, 2023, from 11 am to 2 pm.
- F. Approved Audio Permit for the Anthony Ford Pond Hockey Tournament on January 1/28 and 1/29, 2023 from 9 am to 5 pm at Spring Lake Park.
- G. Approved Committee Assignments
- H. Res. No. 6-23 Approving Board and Committee Assignments.

Vote on the motion Oachs, Peterson, Whitlock, Steiner, and Carlson, aye, no nays. Motion carried.

Public Comments Concerning Business Items on the Agenda.

Barb Church, 102 Wheeler Avenue, appeared before Council and stated Council should not approve the resolution extending the Local Sales Tax.

Tom Hagen, 927 Lake Street, appeared before Council and stated the Council should not approve the resolution extending the Local Sales Tax as it was not their decision to make.

John Anderson, 837 Nicollet Avenue, appeared before Council and stated that the Council should not approve the resolution extending the Local Sales Tax.

Business Items

Res. No. 4-23 Authorizing Funding Application for the Belgrade Avenue Improvement Project and Trunk Highway 169/Belgrade Avenue Interchange Improvement Project.

City Engineer Sarff appeared before Council and reported that federal funding through the Surface Transportation Program (STP) is available to Municipal State Aid (MSA) cities (population greater than 5,000) in Minnesota for the improvement of streets and bridges. Approximately 2.6 million in federal funding is available through the competitive application process to the eight eligible cities in Minnesota Department of Transportation District 7. Selected projects will be funded in the fiscal year 2027. Up to 80 percent of the eligible project costs would be reimbursed with federal funds if the City is successful with the grant application.

City Engineer Sarff reviewed the proposed improvements, which included the replacement of the existing 62-foot-wide street with a 50-foot-wide street. The proposed street width would provide one lane of through traffic each way with a center turn lane. The existing dedicated right turn lane and the combined through/left turn lane at Range Street would be maintained, as would the parallel parking on the south side of the street. The narrower street would allow the existing sidewalks in poor condition to be reconstructed at a width and slope that meet Americans with Disabilities Act (ADA) standards. The existing street lighting and event power systems, which are also in poor condition, would be replaced and enhanced as part of the project. MnDOT plans improvements to the Trunk Highway 169/Belgrade Avenue interchange in 2027. The southbound ramp intersection would be improved. Since the Belgrade Avenue leg of the meeting is under the jurisdiction of the City of North Mankato, the City would be responsible for a portion of the project cost, which is estimated at \$437,000.

City Engineer Sarff stated that the estimated cost of the Belgrade Avenue improvement project items that would be eligible for federal funding (street, storm sewer, sidewalk, street lighting, and other miscellaneous improvements) is estimated to be \$1,075,000. The City's share of the MnDOT TH 169/Belgrade Avenue interchange project is estimated to be \$437,000 and would also be eligible for federal funding. So, the total estimated cost of the federally eligible items is \$1,512,000. The federal funding would cover 80% of the federally eligible costs or \$1,209,600. The estimated total project costs of the Belgrade Avenue improvements and the City's share of MnDOT's TH 169/Belgrade Avenue interchange project is \$1,770,000, leaving an estimated local share of \$560,400. It is estimated that approximately \$500,000 of the remaining local share would be eligible for municipal State Aid (MSA) funding. So, if adequate MSA funds are available, the remaining City's share could be approximately \$60,000.

City Engineer Sarff reported that the City contacted the local businesses concerning the proposed changes and received few comments. The comments they received were addressed in a memo included in the packet.

Council Member Steiner moved, seconded by Council Member Oachs, to Adopt Res. No. 4-23 Authorizing Funding Application for the Belgrade Avenue Improvement Project and the Trunk Highway 169/Belgrade Avenue Interchange Improvement Project. Vote on the motion Oachs, Peterson, Whitlock, Steiner, and Carlson, aye, no nays. Motion carried.

Res. No. 5-23 Regarding the 2023 Legislative Session.

City Administrator McCann reported that the new legislative session began, and the proposed resolution provides guidance and direction for the City's legislative priorities. These priorities include the wastewater treatment plant and other City goals. This would allow the City to talk to local representatives about the City's legislative priorities.

Council Member Oachs requested clarification on whether the Local Sales Tax resolution that would be considered the next agenda item was tied to this resolution. City Administrator McCann

indicated they were related, but this resolution was broader in scope. Council Member Whitlock stated there are many moving parts, and this resolution would allow the City to encourage the legislature on items of regional importance.

Council Member Whitlock moved, seconded by Council Member Steiner, to Adopt Res. No. 5-23 Regarding the 2023 Legislative Session. Vote on the motion Oachs, Peterson, Whitlock, Steiner, and Carlson, aye, no nays. Motion carried.

Consider Resolution Supporting the Authority to Extend a Local Sales Tax to Fund Specific Capital Improvements Providing Regional Benefit, to Establish the Duration of the Tax and the Revenue to be Raised by the Tax, and to Authorize the City to Issue Bonds Supported by the Sales Tax Revenue.

City Administrator McCann stated that the resolution would allow the extension of the Sales Tax to capture the \$15 million approved by voters in 2016. He reported that additional revenue might be needed to build the Caswell Sports Complex due to rising costs. The City's current projected costs for the facility is \$21.6 million, and at that price point, the City would need to come up with \$6 million in abatement or additional sales tax funds. The City has already invested \$600,000 in plans and engineering fees. Mayor Carlson requested clarification on what the City has already done with the Sales Tax Funds. Staff noted the library addition, downtown loans, revitalization, and work on regional parks. Council Member Oachs requested additional information on using the Sales Tax Fund. She also asked staff to review the written commitments from user groups and a review of the Pro-forma. City Administrator McCann stated the Pro-forma was completed pre-pandemic and would be good to update. Council Member Peterson asked if the City could request the extension and not designate the funds for only the Caswell Sports Complex. City Administrator McCann reported that the funds could be used for items initially designated in the original ask. The discussion was held concerning reviewing everything at a Council Work Session.

Council Member Oachs moved, seconded by Council Member Peterson, to table Resolution Supporting the Authority to Extend a Local Sales Tax to Fund Specific Capital Improvements Providing Regional Benefit, to Establish the Duration of the Tax and the Revenue to be Raised by the Tax, and to Authorize the City to Issue Bonds Supported by the Sales Tax Revenue. Vote on the motion Oachs, Peterson, Whitlock, Steiner, and Carlson, aye, no nays. Motion carried.

Open Forum

Barb Church, 102 Wheeler Avenue, appeared before Council and thanked them for tabling the resolution.

City Administrator and Staff Comments

Public Works Director Arnold thanked the street crew for their hard work clearing the streets during the recent snow events.

City Administrator McCann reported that the Adult Spelling Bee would occur on January 27, 2023, and encouraged residents to register.

City Administrator McCann reminded residents that swim passes were available online.

Mayor and Council Comments

Council Member Whitlock welcomed Council Member Peterson and Mayor Carlson to the Council. He also welcomed Public Works Director Arnold.

Council Member Oachs welcomed the new members to Council and thanked the street crews for their work.

Council Member Steiner welcomed the latest members to Council and thanked the street crews for their work.

Mayor Carlson stated it was an honor to sit as Mayor and indicated he wanted to work to continue to grow the City and spend City funds wisely.

At 7:50 pm, on a motion by Council Member Steiner, seconded by Council Member Oachs, the Council Meeting was adjourned.

Mayor

City Clerk