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 October 20, 2025. Mayor Carlson called the meeting to order at 7:00 p.m., asking everyone to join in the Pledge of Allegiance. The following were present for roll call: Council Members Steiner, Oachs, Peterson, Whitlock, City Administrator McCann, Finance Director Ryan, Community Development Director Fischer, Public Works Director Arnold, Attorney Kennedy, and Administrative Services Manager-City Clerk Van Genderen.

Approval of Agenda

Council Member Oachs moved, seconded by Council Member Steiner, 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 the October 6, 2025, Council Meeting.

Council Member Steiner moved, seconded by Council Member Whitlock, to approve the October 6, 2025, Council Meeting Minutes. Vote on the motion: Oachs, Peterson, Whitlock, Steiner, and Carlson aye, no nays. Motion carried.

Approval of Council Work Session Minutes from October 6, 2025, Council Work Session.

Council Member Whitlock moved, seconded by Council Member Oachs, to approve the October 6, 2025, Council Work Session Minutes. Vote on the motion: Oachs, Peterson, Whitlock, Steiner, and Carlson aye, no nays. Motion carried.

Public Comments

Tricia Arnold, 2039 Howard Drive, appeared before Council and thanked the Council for their consideration of the Public Works Building and encouraged the Council to consider the health and safety of Public Works employees who work in the building.

Benton Bakke, 1243 Lake Street, appeared before the Council and encouraged the Council not to proceed with the Public Works building to protect residents from financial hardship. He stated he worked for a Public Works department as a seasonal employee, and he was never in the building.

Tom Hagen, 927 Lake Street, appeared before Council and indicated he believed the City should rebuild on the current Public Works Site and encouraged Council not to approve agenda item 10G, a geotechnical investigation for the new public works building proposed location.

Consent Agenda

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

A. Bills and Appropriations.

B. Res. No. 94-25 Approving Donations/Contributions/Grants.

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

Business Items

Approve Preliminary and Final Plat of Nidec Power A Subdivision.

Community Development Director Fischer reported Nidec Kato Engineering, located at 2075 Howard Drive West, is requesting to replat portions of Sections 2 and 3 to combine multiple tax parcels totaling 28.76 acres into a single lot. This replat will support a planned building expansion on

currently vacant land east of the existing facility. A private Benco Electric utility easement along a property line to be removed has been relocated to the east side of the property.

Council Member Steiner moved, seconded by Council Member Oachs to Approve the Preliminary & Final Plat of Nidec Power A Subdivision. Vote on the motion: Oachs, Peterson, Whitlock, Steiner, and Carlson aye, no nays. Motion carried.

Approve CU-3-25, Cannabis Retail 422 Belgrade Avenue #103.

Community Development Director Fischer reported Craft Bud Ventures, LLC has submitted a Conditional Use Permit (CUP) application to operate a cannabis retail business at 422 Belgrade Avenue, Suite #103, located in the Central Business District (CBD). The business has received preliminary state license approval from the Office of Cannabis Management.

Cannabis retail is permitted as a Conditional Use in the CBD, allowing the City to impose reasonable operational conditions. The proposed location meets all City buffer requirements from sensitive land uses, and business hours must comply with City regulations (8:00 a.m.–1:00 a.m. Monday–Saturday, 10:00 a.m.–1:00 a.m. Sunday). The City allows up to two cannabis retail licenses; this would be the second and final one.

The Planning Commission recommends approval of CUP CU-3-25, subject to conditions including:

- Business must maintain proper State and City licensing.
- Notification to the City of any complaints filed.
- No on-site consumption, samples, or vending machine sales.
- All products sold in child-resistant, properly labeled packaging.
- Compliance with City ordinances for hours and signage.

Mayor Carlson asked if the conditions were similar to the conditions placed on the previous cannabis retail business that requested a CUP. Community Development Director Fischer reported the restrictions were very similar.

Council Member Steiner moved, seconded by Council Member Whitlock to Approve CU-3-25, Cannabis Retail 422 Belgrade Avenue #103. Vote on the motion: Oachs, Peterson, Whitlock, Steiner, and Carlson aye, no nays. Motion carried.

Approve CU-4-25, Building Height-242 Belgrade Avenue.

Community Development Director Fischer reported that the property owner of 242 Belgrade Avenue has submitted a Conditional Use Permit (CUP) request to increase the maximum building height in the Central Business District (CBD) from 45 feet to 49.5 feet. The applicant plans to construct a 4-story mixed-use building with two commercial units on the first floor and 18 apartments on the upper floors. The proposed building would occupy a vacant lot between Frandsen Bank (36 feet tall) and the Legion building (25 feet tall).

The Planning Commission recommends approval of CUP CU-4-25, with conditions that:

- All outdoor trash receptacles be enclosed.
- A minimum of 18 off-street parking spaces be provided.
- Building signage comply with the City Sign Code.
- Rental licenses be obtained for all residential units.
- The building exterior meet CBD Design Guidelines.

Community Development Director Fischer noted there have been concerns expressed by neighbors of the property, including Frandsen Bank and the American Legion, about parking. Community

Development Director Fischer indicated the developer has met with Frandsen Bank and is working to meet with the American Legion. Council Member Oachs requested clarification on whether any other CUPs for the Central Business District requested increased height. Community Development Director Fischer reported there had not been any requests. One of the developers, Max Demars, appeared before the Council and noted they have been working with the bank and have communicated with the American Legion to set up a meeting. He noted the height is based on necessary structural elements, and the final story is pushed back from the roofline, leaving the streetscape synergistic.

Council Member Whitlock moved, seconded by Council Member Steiner, to Approve CU-4-25, Building Height-242 Belgrade Avenue. Vote on the motion: Oachs, Peterson, Whitlock, Steiner, and Carlson aye, no nays. Motion carried.

Approve CU-5-25, Lot 1, Block 5, Maple Tree Estates.

City Planner Lassonde reported Capital Land Development, LLC requests a Conditional Use Permit (CUP) for a Planned Unit Development (PUD) to build 37 single-family cottages on Lot 1, Block 5 of Maple Tree Estates (Phase 2). Homes will range from 798–1,767 sq. ft. with two- and three-bedroom options. The project includes the construction of Sophia Lane, to be financed and built by the developer for public access, and the creation of a Homeowners' Association (HOA) to manage shared green space and private infrastructure.

The PUD allows flexibility in lot size and setbacks, enabling a compact, affordable housing layout. A neighborhood meeting held on January 22, 2025, produced no objections.

Staff recommends approval of CU-5-25, requiring:

- Completion of Sophia Lane before occupancy
- Single-family detached units only
- HOA maintenance of private infrastructure
- Approved landscaping plan
- Striped guest parking
- Rental licenses for any rental units

Mayor Carlson noted he thought the plans looked great and asked about potential walking and biking paths. Community Development Director Fischer reported there would be a trail through the development, funded by the developer.

Council Member Whitlock moved, seconded by Council Member Steiner, to Approve CU-5-25, Lot 1, Block 5, Maple Tree Estates. Vote on the motion: Oachs, Peterson, Whitlock, Steiner, and Carlson aye, no nays. Motion carried.

Set a Public Hearing for November 3, 2025, to Consider an Ordinance Amending City Code 156.054 Performance Standards.

City Planner Lassonde reported the City is considering an amendment to City Code Chapter 156.054 to allow flexibility in design standards for additions to existing commercial and industrial buildings. The new provision allows expansions to continue using the existing building design rather than meeting current design requirements, addressing challenges with applying new standards to established structures.

Council Member Steiner moved, seconded by Council Member Oachs to Set a Public Hearing for November 3, 2025, to Consider an Ordinance Amending City Code 156.054 Performance Standards. Vote on the motion: Oachs, Peterson, Whitlock, Steiner, and Carlson aye, no nays. Motion carried.

Res. No. 95-25 Requesting an Unbudgeted Item Payment Over $25,000.

Public Works Director Arnold reported the Streets Department's 1998 small bucket truck may not pass its next DOT inspections, risking immediate retirement or costly repairs. The vehicle is heavily used for streetlight, flag, and tree maintenance and has required over $23,000 in repairs since 2018.

Staff proposed reallocating 2025 capital funds-$75,000 from the delayed county plow truck, plus $101,000 from underspent equipment accounts to purchase a replacement bucket truck instead. The preferred option is a 2020 Ford F-450 from Bison Aerial with 37,000 miles and a secondary engine that reduces wear and maintenance costs. Approximately $46,500 would remain in reserve for emergencies.

Council Member Oachs thanked Public Works Director Arnold for his creative budget adjustment, but stated she was concerned about the overall budget process, where the budget is continually adjusted, yet some critical systems remain underbudgeted. She requested an update on the enterprise agreement and if there have been money savings through the use of the system and increased accountability for budget planning and management.

Council Member Steiner moved, seconded by Council Member Whitlock to Adopt Res. No. 95-25 Requesting an Unbudgeted Item Payment Over $25,000. Vote on the motion: Oachs, Peterson, Whitlock, Steiner, and Carlson aye, no nays. Motion carried.

Res. No. 96-25 Approving Geotechnical Investigation for the Proposed Public Works Building.

Public Works Director Arnold reported that the attached proposal from Braun outlines a geotechnical investigation for the new public works building site. This work will evaluate soil conditions to guide proper foundation and pavement design. The investigation is a planned and budgeted expense within the project budget that was adopted by the City Council in 2024 and is necessary to continue the design process. The attached budget also includes funds for future construction testing in 2026 and 2027. City Administrator McCann noted that in an upcoming meeting the MPCA will provide a report concerning soil borings at the current Public Works Site. Public Works Director Arnold noted that, in preliminary findings, it appears the dump site is similar to the 2019 study, making the landfill larger than the information located from the 1970s, which was provided at the previous meeting. Council Member Steiner reported he would like to continue to check out the possibility of building on the current site. City Administrator McCann noted that not proceeding with the geotechnical study would push construction back a year. Public Works Director Arnold noted that building on the current site does not reduce the cost of building; it only removes the purchase price for a savings of approximately 1 million dollars. He also stated that staff reported spending weeks removing garbage from under where the current recycling center is located. That area was not shown to be a part of the dump, but it was based on the need to remove garbage.

Council Member Oachs noted the Council did approve the funds for the geotechnical report, but indicated she did not want to spend any more funds on the proposed new project based on the desire to obtain additional information and documentation concerning her questions about the current site. Council Member Steiner stated he agreed with Council Member Oachs.

Council Member Whitlock moved, seconded by Council Member Peterson to Adopt Res. No. 96-25 Approving Geotechnical Investigation for the Proposed Public Works Building. Vote on the motion: Peterson, Whitlock, and Carlson aye, Oachs and Steiner nay. Motion carried.

Open Forum

Tricia Arnold, 2039 Howard Drive, appeared before Council and stated the Council needs to consider the health and well-being of public works employees.

Barb Church, 102 Wheeler Avenue, appeared before Council and indicated she did not think the topic of the Public Works Building should be adversarial, that both sides want what's best, and those who do not want to move the location still want what's best for the Public Works staff.

Tom Hagen, 927 Lake Street, appeared before Council and stated he thought more data concerning the Public Works Building should be provided.

Tom Neubert, 11 Cardinal Court, stated he used to work for the City and stated the Public Works Facility needs to be completed, but the cost should be considered, especially for residents on a budget.

Duane Rader, 715 Lyndale Street, appeared before Council and thanked them for their service and noted the Spring Lake Park bridge is a great addition to the park. He noted that postponing the pool house remodel might require the pool to be shut down for another summer.

City Administrator and Staff Comments

Administrative Services Manager-City Clerk Van Genderen thanked Public Information Officer Anna Brown for her 6 years of service to the City.

City Administrator McCann thanked Public Information Officer Brown for her service to the City.

City Administrator McCann encouraged residents to sign up for TextMyGov which is replacing Nixle.

City Adminsitrator McCann invited residents to the Jack-O-Lantern Walk at Bluff Park on October 25th from 6:00-9:00 pm. He also invited residents to the Fire Department Waffle Feed on October 26th from 8:00 am to noon.

Mayor and Council Comments

Council Member Peterson thanked those who were investing in North Mankato.

Council Member Oachs stated her goal with her questions concerning the Public Works Building is to save the community money.

Council Member Steiner thanked Public Information Officer Brown for her work and wished her well.

Council Member Whitlock thanked Public Information Officer Brown for her work.

Mayor Carlson stated it might be easy to watch the Council and the staff, but the decisions that everyone is making are difficult and everyone is working to make the best decision for the City.

Mayor Carlson thanked Public Information Officer Brown for her service to the City.

At 8:15p.m., on a motion by Council Member Steiner, seconded by Council Member Oachs, the Council Meeting adjourned.

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Mayor

_____
City Clerk