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 May 19, 2025. Mayor Carlson called the meeting to order at 7:00 p.m., asking everyone to join the Pledge of Allegiance. The following were present for roll call: Council Members Peterson, Whitlock, Steiner, Oachs, City Administrator McCann, Community Development Director Fischer, Finance Director Ryan, Public Works Director Arnold, Attorney Kennedy, and Administrative Services Manager-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: Steiner, Oachs, Peterson, Whitlock, and Carlson aye, no nays. Motion carried.

Approval of Council Minutes from the May 5, 2025, Council Meeting.

Council Member Peterson moved, seconded by Council Member Whitlock, to approve the May 5, 2025, Council Meeting Minutes. Vote on the motion: Steiner, Oachs, Peterson, Whitlock, and Carlson aye, no nays. Motion carried.

Approval of Council Work Session Minutes from May 5, 2025, Council Work Session.

Council Member Oachs moved, seconded by Council Member Steiner, to approve the May 5, 2025, Council Work Session Meeting Minutes. Vote on the motion: Steiner, Oachs, Peterson, Whitlock, and Carlson aye, no nays. Motion carried.

Public Comments

Barb Church, 102 Wheeler Avenue, appeared before the Council and commented about zoning laws.

Tom Hagen, 927 Lake Street, provided staff with questions concerning the Alternative Urban Areawide Review Process, data centers, and non-disclosure agreements.

Consent Agenda

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

A. Bills and Appropriations.
B. Res. No. 53-25 Approving Donations/Contributions/Grants.
C. Res. No. 54-25 Waiving Waiting Period for Exemption from Lawful Gambling License for Knights of Columbus #5551.
D. Issued an On-Sale Liquor License, a Sunday On-Sale Liquor License, a Permanent Patio License, and a Soft Drink License for Benedict's Morning Heroes at 1107 Range Street from June 15, 2025, to December 31, 2025.
E. Res. No. 55-25 Approving Consent Assessment Agreement.
F. Approved Developer Agreement for Privately Financed Improvements for Burnett's Ravine Ridge No. 8.

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

Business Items

Approved Conditional Use Permit CU-1-25, 1115 Range Street Hotel.

Community Development Director Fischer reported the Conditional Use Permit requests to permit a 4-story, 60-foot-high building in a B-3 zoning district. The applicant is proposing to construct a new hotel on vacant land addressed as 1115 Range Street. The building is 4 stories and 60 feet in height. In the B-3 zoning district, "permitted" buildings shall not exceed 3 stories or 45 feet in height. However, "conditional uses" permit buildings up to 5 stories or 65 feet in height if determined by the Planning Commission and City Council that such height fits within the character of the surrounding neighborhood. The Planning Commission reviewed the proposed conditional use permit and recommended adoption under the following conditions. First, the building exterior complies with City Code design regulations; second, the trash receptacle area is fully enclosed; third, building signage conforms to the City Sign Code regulations; and fourth, storm water management conforms to all State and local requirements.

Council Member Steiner moved, seconded by Council Member Peterson to Approve Conditional Use Permit CU-1-25, 1115 Range Street Hotel. Vote on the motion: Steiner, Oachs, Peterson, Whitlock, and Carlson aye, no nays. Motion carried.

Set a Public Hearing for 7 pm, on June 2, 2025, to Consider Creating Zoning District CI-1, Commercial-Industrial Zoning District.

Community Development Director Fischer reported that in the 2023 Comprehensive Plan, an objective was included to consider a new mixed-use zoning district to accommodate commercial and industrial uses. The objective of the new zoning district largely comes from the lack of existing land to accommodate future commercial development. Specifically, there is little opportunity to attract future commercial uses based on land availability. The Commercial/Industrial designation specified in the Comprehensive Plan is intended to provide flexibility in that it would allow both commercial and industrial use in the same general area. Areas guided for Commercial/Industrial development include the North Port Industrial Park area and the north side of Commerce Drive. The permitted uses for the new zoning district include a combination of commercial uses and light industrial uses. The Planning Commission reviewed the proposal and recommended the new zoning district.

Council Member Oachs moved, seconded by Council Member Steiner, to set a Public Hearing for 7 pm, on June 2, 2025, to Consider Creating Zoning District CI-1, Commercial-Industrial Zoning District. Vote on the motion: Steiner, Oachs, Peterson, Whitlock, and Carlson aye, no nays. Motion carried.

Set a Public Hearing for 7 pm on June 2, 2025, to Consider an Amendment to City Code 111.036 to Regulate the Size of Outdoor Patio Seating Area for Restaurants and Drinking Establishments.

Community Development Director Fischer reported that the Planning Commission met multiple times in 2024 and 2025 to discuss appropriate regulations for temporary and seasonal outdoor patio seating for liquor-serving restaurants and drinking establishments. These discussions stemmed from City Council concerns raised in 2022 regarding unclear language in City Code 111.036, specifically distinctions between seasonal, temporary, and permanent patios. Ongoing requests from local establishments to allow temporary/seasonal patios beyond the COVID-era further prompted staff and Planning Commission review. Community Development Director Fischer reviewed a timeline of events that led to the establishment of COVID-era seasonal patios and the continued use of those patios. The Planning Commission recommended the following amendments to City Code 111.036 Premises Licensed. Those changes included eliminating subsection H, which allows the seasonal

extension of a permitted unenclosed area, and setting size limits on the size of a permanent patio, limiting unenclosed/outdoor seating to no more than 40% of the gross floor area of the principal structure, contingent on the presence of adequate restrooms, kitchen capacity, and compliance with applicable codes. The last recommendation includes requiring off-street parking spaces to be sufficient to support both new and expanded outdoor seating areas.

Mayor Carlson requested clarification on the 40%. Community Development Director Fischer stated there would no longer be seasonal patios, but owners could have permanent patios up to 40% of the gross floor area of the main structure. The patios could be open year-round. Council Member Whitlock stated that the seasonal work just limited seating from May to October. Council Member Steiner stated there are times that establishments that have seasonal patios would like to open before May, but can't based on the current rules.

Council Member Steiner moved, seconded by Council Member Whitlock to Set a Public Hearing for 7 pm on June 2, 2025, to Consider an Amendment to City Code 111.036 to Regulate the Size of Outdoor Patio Seating Area for Restaurants and Drinking Establishments. Vote on the motion: Steiner, Oachs, Peterson, Whitlock, and Carlson aye, no nays. Motion carried.

Res. No. 56-25 Approving Change Order All Seasons Arena Project No. 11075.

City Administrator McCann reported the change order was for $400.00. He also noted that there was a monthly project report with up-to-date information concerning the project as requested by the Council.

Council Member Steiner moved, seconded by Council Member Oachs to Adopt Res. No. 56-25 Approving Change Order All Seasons Arena Project No. 11075. Vote on the motion: Steiner, Oachs, Peterson, Whitlock, and Carlson aye, no nays. Motion carried.

Res. No. 57-25 Approving Professional Services Proposal from Aquatic Design Solutions LLC for Spring Lake Park Swim Facility Liner Renovation.

Public Works Director Arnold reported that the resolution would approve a $120,000 professional services agreement with Aquatic Design Solutions LLC for the design of the renovation of the Spring Lake Park Swim Facility Liner. He noted this would be a follow-up to the damage done by the floods in 2024. He stated it would be possible that FEMA would pay for part or all of the contract, but it was unknown at this time. Public Works Director Arnold noted that if the City planned on completing repairs before the 2026 swim season, design and bidding would need to occur soon, and it might not be possible to wait for confirmation from FEMA. If FEMA does not approve the funds, the City Council will need to determine if it wants to continue with the design work or stop. If the design work is stopped, the City will only pay for the work that has been completed.

Mayor Carlson asked how quickly the repair work needed to be completed. Public Works Director Arnold reported that the City completed some repair work, and it should be stabilized for the summer, but the liner is not well anchored to the side of the pool. He noted that the liner was not designed to go over the sand; rather, it was designed to go under the sand, and the designers of the liner were concerned about how it was going to be used. Council Member Peterson requested clarification on if the swim budget would be able to cover the costs. Finance Director Ryan stated it was difficult to know the revenue at this time, but they were anticipating a transfer from the General Fund.

Council Member Peterson moved, seconded by Council Member Steiner to Adopt Res. No. 57-25 Approving Professional Services Proposal from Aquatic Design Solutions LLC for Spring Lake Park Swim Facility Liner Renovation. Vote on the motion: Steiner, Peterson, Whitlock, and Carlson aye, Oachs nays. Motion carried.

Res. No. 58-25 Approving Resolution in Support of Transforming Tomorrow Together 2040 Regional Plan.

City Administrator McCann noted the resolution would formally endorse the Transforming Tomorrow Together 2040 vision, which is a regional strategic plan developed with input from stakeholders to guide growth and sustainability in the Greater Mankato area. The plan is built around five key pillars: workforce and talent development, food and bio-economy leadership, economic innovation, sustainability infrastructure and inclusive community well-being. There would be no cost associated with the resolution, but it would be a part of future discussions as the City continues to make progress.

Council Member Oachs moved, seconded by Council Member Steiner to Adopt Res. No. 58-25 Approving Resolution in Support of Transforming Tomorrow Together 2040 Regional Plan. Vote on the motion: Steiner, Oachs, Peterson, Whitlock, and Carlson aye, no nays. Motion carried.

Consider Resolution Approving Payment for an Unbudgeted Item Over $25,000.

Public Works Director Arnold reported that by adopting the resolution, the City Council would authorize an additional expenditure of $187,812.63 for the purchase of water meters, exceeding the original $900,000 budget. The purchase of the meters at this time would lock in current pricing, allowing the City to avoid future cost increases and helping ensure that residents would not face higher rates as a result of delayed purchase. Mayor Carlson asked if the City knew the price increase. Public Works Director Arnold indicated the estimate at this time was 5%. Finance Director Ryan stated she did not recommend the purchase as the City would need to cut a different project worth $187,000 in order to stay within budget. She noted the fund balance would be decreased, and the City would need to plan ahead for 2026 to recoup the decrease. The discussion was held concerning interest in the $187,000 and the increased cost for the residents.

Council Member Peterson moved, seconded by Council Member Steiner to adopt Resolution Approving Payment for an Unbudgeted Item Over $25,000. Vote on the motion: Steiner, Oachs, Peterson, Whitlock, and Carlson nay, no ayes. Motion failed.

Open Forum

Barb Church, 102 Wheeler Avenue, appeared before Council and asked about waiting to install meters and if residents would lose out on the life span of the meter batteries.

City Administrator and Staff Comments

Public Works Director Arnold announced that it is Public Works Appreciation Week.

Public Works Director Arnold encouraged everyone to take the Lee Boulevard/Lookout Drive Questionnaire.

Public Works Director Arnold announced the City selected R.W. Carlstrom to be the construction manager for the Public Works Building.

Finance Director Ryan reported City staff has processed 520 water meter replacement sign ups in the first week.

City Administrator McCann announced an Age Friendly Open House would be held on Tuesday, May 20th from 3 -6pm in the Police Annex.

City Administrator McCann announced the Splash Pad would be opened on Saturday, May 24th and would be open daily from 9 am to 9 pm.

City Administrator McCann announced City Hall and the Taylor Library would be closed on Memorial Day, May 26th, and garbage and recycling would be delayed one day.

City administrator McCann invited everyone to take the Lee Boulevard Corridor Study survey. City Administrator McCann thanked Lieutenant Nicole Adams for her 30 years of service to the City of North Mankato as she will be retiring on May 29th.

Mayor and Council Comments

Council Members Oachs, Peterson, Whitlock, Steiner, and Mayor Carlson all thanked Lieutenant Adams for her service.

At 8:02 p.m., on a motion by Council Member Steiner, seconded by Council Member Whitlock, the Council Meeting was adjourned.

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Mayor

_____
City Clerk