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 5, 2026. 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, 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. Absent: Council Member Oachs.

Approval of Agenda

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

Approval of Council Minutes from the December 15, 2025, Council Meeting.

Council Member Steiner moved, seconded by Council Member Whitlock, to approve the December 15, 2025, Council Meeting Minutes. Vote on the motion: Whitlock, Steiner, Peterson, and Carlson aye, no nays. Motion carried.

Approval of Council Work Session Minutes from December 15, 2025, Council Work Session.

Council Member Whitlock moved, seconded by Council Member Steiner, to approve the December 15, 2025, Council Work Session Minutes. Vote on the motion: Whitlock, Steiner, Peterson, and Carlson aye, no nays. Motion carried.

Public Hearing, 7 p.m. on Proposed Adoption of an Ordinance Authorizing the Issuance of Bonds of the North Mankato Port Authority Commission.

City Administrator McCann reported that Tammy Omdal, the City's financial advisor from Northland Securities, and Mary Ippel, the City's Bond Attorney, from Taft Law, would be joining the meeting via Zoom. Ms. Omdal reported that the Port Authority met earlier in the evening and created an Industrial Development District, and the Ordinance would allow the Port Authority to issue General Obligation Bonds with the full faith and credit of the City. Mayor Carlson asked Bond Attorney Ippel if the Industrial Development District met the statutory requirements for its creation. Attorney Ippel stated there were no specific criteria for the creation of an Industrial Development District. The Port needed to hold a public hearing and identify the area. She noted the property could be marginal, but it was not required. She noted it was a common practice for Port Authorities to use their powers for public buildings.

Martha Otis, 733 Range Street, appeared before Council and asked if the City would own the building or rent it from the Port Authority. Attorney Ippel stated the facility would be owned by the City, and the Port Authority is just the financing vehicle.

Lucy Lowry, 2263 Northridge Drive, appeared before Council and asked why the Port Authority was being used to bond for the funding, as she thought it was not something that had been done before in the City. City Administrator McCann reported that, in consultation with the bond attorney, it would be the best option as it does not require a reverse referendum and allows greater flexibility. He noted that the library, Police Annex, and the work on Highway 14 were all financed through the Port. Ms. Lowry stated she thought the City was just bypassing the voters. Bond Attorney Ippel noted that the City has the ability to use the Port Authority, and it is permitted under the laws. It does not allow for a reverse referendum and does not require a vote, but it also does not count against

the City's net debt, which is significant for the City. There are at least 15 cities with Port Authorities, and examples from many of those cities show they have used this authority. It is an appropriate use of State law.

Tom Hagen, 927 Lake Street, appeared before Council and stated that he did not think the City had considered other sites, or, using the existing location, that the City had any idea of the cleanup cost. He noted that a $250,000 home would pay $3,850 over the 25-year term of the bond. Mr. Hagen thought that using the Port Authorities' authority was disingenuous. He noted that some residents were struggling with rent, mortgage, and food costs. Mr. Hagen reviewed other projects that were planned by the City and stated that the City needs to learn to live within its means.

Carl Friedrichs, 624 South Second Street, Mankato, appeared before Council and asked if the City uses the Port Authority, and if there could be a reverse referendum. Attorney Ippel stated there could not be a reverse referendum, and the process allows the debt not to impact the City's net debt.

Joe Tougas, 923 Lake Street, Mankato, appeared before the Council and asked whether the cost would be different for residents if the bonds were issued through the City rather than the Port. Attorney Ippel stated the cost would remain the same.

With no one else appearing before the Council, the Mayor closed the Public hearing.

Public Comments

Tom Hagen, 927 Lake Street, appeared before the Council and stated he was concerned at the speed with which the Council made decisions and thought the Council should hear residents and then wait to make decisions.

Lucy Lowry, 2263 Northridge Drive, appeared before Council and stated the City should seriously consider the difference between needs and wants. She reviewed several past and present projects.

Barb Church, 102 Wheeler Avenue, appeared before Council and clarified that there can not be a reverse referendum if the Port Authority is the financial vehicle for the Public Works Building.

Consent Agenda

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

A. Bills and Appropriations.
B. Res. No. 1-26 Approving Donations/Contributions/Grants.
C. Res. No. 2-26 Setting Gas Mileage and Meal Reimbursement Rates.
D. Res. No. 3-26 Designating Official Newspaper.
E. Res. No. 4-26 Designating Depositors for the City of North Mankato.
F. Approved, On-Sale, Off-Sale, Cabaret, Soft Drink, and Mechanical Amusement Device License for Circle Inn of North Mankato, 232 Belgrade Avenue, for 1/1/2026-12/31/26.
G. Authorized the City Administrator to Execute the Labor Agreement between the City of North Mankato and North Mankato Police Officers Local #305 for January 1, 2026-December 31, 2027.
H. Authorized the City Administrator to Execute the Labor Agreement between the City of North Mankato and North Mankato Administrative Support Coordinator Local #465 for January 1, 2026-December 31, 2027.
I. Authorized the City Administrator to Execute the Labor Agreement between the City of North Mankato and North Mankato Lieutenants Local #394 for January 1, 2026, to December 31, 2027.

J. Approved 2026 Bookmobile Purchase of Services Contract Between Nicollet County and the City of North Mankato.
K. Approved 2026 Library Purchase of Services Contract Between Nicollet County and the City of North Mankato.
L. Res. No. 5-26 Supporting the Dissolution of the U.S. Highway 169 Corridor Coalition.
M. Res. No. 6-26 Approving the Limited Use Permit for Non-Motorized Trail with the State of Minnesota-LUP #5203-004.

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

Business Items

Ordinance No. 195 Authorizing the Issuance of Bonds by the Port Authority of North Mankato in the Maximum Principal Amount of $27,000,000 for the Purpose of Securing Funds as Needed by the City of North Mankato to Finance the Construction of a Public Works Facility within the Timm Road South Development District in Furtherance of Said Port Authority's Program of Economic Development and Redevelopment; and Authorizing Said Port Authority to Pledge the Full Faith, Credit and Resources of the City of North Mankato and the Levy of Ad Valorem Property Taxes for the Security of Said Bonds.

Financial Advisor Omdal from Northland Securities reported that the ordinance would allow the Port Authority to issue bonds for the Public Works Facility. City Administrator McCann reported that other options have been reviewed, but staff believe this is the most viable option. Mayor Carlson stated the Council does do its due diligence and trusts that the staff have reviewed and looked at all options. Council Member Steiner noted he does not agree with the location. Mayor Carlson noted that he believed the location would eventually be surrounded by development, and he does not want to build or remodel on a dump site, especially when there are options to clean it up.

Council Member Peterson moved, seconded by Council Member Whitlock to Adopt Ordinance No. 195 Authorizing the Issuance of Bonds by the Port Authority of North Mankato in the Maximum Principal Amount of $27,000,000 for the Purpose of Securing Funds as Needed by the City of North Mankato to Finance the Construction of a Public Works Facility within the Timm Road South Development District in Furtherance of Said Port Authority's Program of Economic Development and Redevelopment; and Authorizing Said Port Authority to Pledge the Full Faith, Credit and Resources of the City of North Mankato and the Levy of Ad Valorem Property Taxes for the Security of Said Bonds. Vote on the motion: Whitlock, Peterson, and Carlson aye, Steiner nay. Motion carried.

Res. No. 7-26 to Submit, Adopt, and Implement the Minnesota River-Mankato Watershed Comprehensive Watershed Management Plan.

Stormwater Compliance Specialist Baker appeared before Council and reviewed the Minnesota River-Mankato Watershed and stated the program brings cities, counties, and Soil and Water Conservation Districts together under one plan. The focus is on shared priorities for water quality, flooding, erosion, and habitat. The Minnesota River-Mankato Plan was developed by Blue Earth, Lesueru, and Nicollet County SWCDs and Counties and Lake Crystal, North Mankato, Mankato, and Saint Peter. The plan identifies priority resources, measurable watershed goals, and strategies and actions to address those concerns. Key areas addressed include urban and rural stormwater runoff, flooding and drainage challenges, and coordination between multiple local governments. Adoption of the plan will support coordination between neighboring cities and partners. Adoption also allows the city to participate in implementation discussions, pursue watershed-based funding opportunities, and collaborate on multi-jurisdictional projects. Adoption does not require the City to fund or implement

specific projects, does not commit the City to future implementation agreements, and does not automatically change ordinances or policies; any policy or ordinance changes would be brought to the Council for approval. Adoption of the plan also supports the City's Climate Action Plan by supporting climate resilience through improved stormwater management, flood mitigation, erosion reduction, and long-term water quality protection.

Council Member Steiner moved, seconded by Council Member Whitlock, to adopt Res. No. 7-26 to Submit, Adopt, and Implement the Minnesota River-Mankato Watershed Comprehensive Watershed Management Plan. Vote on the motion: Whitlock, Steiner, Peterson, and Carlson aye, no nays. Motion carried.

Res. No. 8-26 Ordering the Preparation of a Preliminary Engineering Report for the Marie Lane Lift Station and Forcemain Improvement Project No. 25-07 A.

City Engineer Sarff appeared before Council and stated the Marie Lift Station and Forcemain Improvement Project is scheduled for construction in 2026 and has been approved in the CIP. The project would replace a 45-year-old lift station that is currently a wet well/dry well with a submersible-type lift station, which requires staff to go down 30 feet into a confined space to manage the system. The new system would bring everything to the surface, making maintenance safer for staff. The system would also construct a new forcemain along the east side of Lookout Drive from Clare Court to Marie Lane. Approval of the resolution would authorize the preparation of a preliminary engineering report.

Council Member Steiner moved, seconded by Council Member Whitlock to Adopt Res. No. 8-26 Ordering the Preparation of a Preliminary Engineering Report for the Marie Lane Lift Station and Forcemain Improvement Project No. 25-07 A. Vote on the motion: Whitlock, Steiner, Peterson, and Carlson aye, no nays. Motion carried.

Res. No. 9-26 Authorizing Application to Federal EDA for a 2025-Disaster Grant.

City Administrator McCann stated the resolution would authorize the City to apply for a federal EDA Disaster Supplemental grant for infrastructure improvements at the Lookout Drive and Lee Boulevard interchange following the 2024 flooding. It affirms the City's legal authority to receive financial assistance and commits to providing the required 20% local match estimated at $3,340,000 through general obligation bonds if other grant funding is not secured. Mayor Carlson stated the grant was not a given and asked about the City's chances. Public Works Director Arnold indicated the City had a strong chance to receive the funding, but if the City does not receive the grant, the City is not obligated to move forward and does not plan to move forward. If the City receives the grant, the project is an approximate $12 million project, and the City's portion would be approximately $3.4 million.

Council Member Steiner moved, seconded by Council Member Peterson, to adopt Res. No. 9-26 Authorizing Application to Federal EDA for a 2025-Disaster Grant. Vote on the motion: Whitlock, Steiner, Peterson, and Carlson aye, no nays. Motion carried.

Public Comments

Tom Hagen, 927 Lake Street, appeared before Council and stated the City might grow, but the growth might be slowed due to increased tax burden, and noted the Blue Earth County Public Works Facility cost approximately $40 million and will be spread over 70,000 residents and North Mankato's is estimated at $27 million and will only be spread over approximately 14,000 residents. How can the North Mankato structure cost so much in comparison?

Martha Otis, 733 Range Street, appeared before Council and thanked them for signing on for the watershed plan program.

City Administrator and Staff Comments

City Administrator McCann invited residents to sign up for TextMyGov Emergency & Community Alerts to receive snow emergency notifications.

City Administrator McCann reported the Weight Loss Challenge begins on January 15th, and there is still time to sign up.

City Administrator McCann invited residents to participate in the Taylor Library's Winter Book Binge Bundles.

Mayor and Council Comments

Mayor Carlson thanked residents for speaking and noted the Council continues to listen to the residents. He noted that before the City would move forward with a recreational center, it would be brought to the public for a vote.

At 7:53 p.m., on a motion by Council Member Peterson, seconded by Council Member Steiner, the Council Meeting adjourned.

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Mayor

_____
City Clerk