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 February 2, 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, 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: Peterson, Oachs, Whitlock, Steiner, and Carlson aye, no nays. Motion carried.

Approval of Council Minutes from the January 20, 2026, Council Meeting.

Council Member Steiner moved, seconded by Council Member Whitlock, to approve the January 20, 2026, Council Meeting Minutes. Vote on the motion: Peterson, Oachs, Whitlock, Steiner, and Carlson aye, no nays. Motion carried.

Approval of Council Work Session Minutes from the January 20, 2026, Council Work Session

Council Member Steiner moved, seconded by Council Member Whitlock, to approve the January 20, 2026, Council Work Session Meeting Minutes. Vote on the motion: Peterson, Oachs, Whitlock, Steiner, and Carlson aye, no nays. Motion carried.

Public Comments-Agenda Items

Barb Church, 102 Wheeler Avenue, requested that the rules for public speaking be placed on the Agenda.

Benton Bakke appeared before the Council and asked what the revenue from the sale of the used water meters would be used for, and that it should be refunded to the residents. Finance Director Ryan reported that the revenue was planned to be used to cover the increased tariffs for the meters that the City has not been passing on to the residents.

Consent Agenda

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

A. Bills and Appropriations.
B. Res. No. 17-26 Approving Donations/Contributions/Grants.
C. Set Spring Drop-Off Dates for April 16-19, 2026
D. Set Water Main Flushing Dates for April 6-10 for the Valley and April 6-24 for the Hilltop.
E. Res. No. 18-26 Declaring Surplus Equipment.
F. Res. No. 19-26 Authorizing Community Charities of MN to Conduct Lawful Gambling in the City of North Mankato Pursuant to City Code 111.208 Lawful Gambling A (3).
G. Approved Event Permit for YWCA Mother's Day 5K on May 9, 2026, at Spring Lake Park.

Council Member Steiner requested clarification on whether the spring clean-up was a drop-off or pick-up. Public Works Director Arnold stated that last year was a pick-up, so this year is a drop-off.

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

Business Items

Res. No. 20-26 Indicating the City of North Mankato Support for the Hwy 169 Revitalization Project Visual Quality Management Plan and Intent to Participate in Costs of Certain Improvements on Trunk Highway (T.H.) 169 in Conjunction with State Projects (S.P.) 5212-42 and S.P. 0713-81.

City Administrator McCann stated Nick Ollrich from MnDOT is in the audience if Council has any additional questions on the presentation that occurred at the Council Work Session. Council may decide to act tonight or wait until the next Council Meeting.

Council Member Peterson asked if the costs associated with the underpass were in the budget and if there were any additional costs associated with the project. City Administrator McCann reported that the City also has a share of the reconstruction of Range Street for approximately $800,000. Mayor Carlson asked if, during the reconstruction, the current soundwall would be repaired. It was confirmed that they would be repaired.

Council Member Peterson moved, seconded by Council Member Whitlock to Adopt Res. No. 20-26 Indicating the City of North Mankato Support for the Hwy 169 Revitalization Project Visual Quality Management Plan and Intent to Participate in Costs of Certain Improvements on Trunk Highway (T.H.) 169 in Conjunction with State Projects (S.P.) 5212-42 and S.P. 0713-81. Vote on the motion: Peterson, Oachs, Whitlock, Steiner, and Carlson aye, no nays. Motion carried.

Set a Public Hearing to Consider Ordinance No. 196 Fourth Series, an Ordinance Compiling Certain Ordinances of the City Dealing with the Subjects Embraced in the Code of Ordinances and providing Penalties for the Violation of the Code of Ordinances.

City Administrator McCann reported the process would compile all adopted ordinances in 2025 so they can be sent to the online City Code vendor for placement in the online Code.

Council Member Oachs moved, seconded by Council Member Steiner to Set a Public Hearing to Consider Ordinance No. 196 Fourth Series, an Ordinance Compiling Certain Ordinances of the City Dealing with the Subjects Embraced in the Code of Ordinances and providing Penalties for the Violation of the Code of Ordinances. Vote on the motion: Peterson, Oachs, Whitlock, Steiner, and Carlson aye, no nays. Motion carried.

Public Comments-Other City Matters

Duane Rader, 715 Lyndale Street, appeared before Council and stated the Port Authority bonded $750,000 for the Taylor Library with a 12-year bond, and accounting for inflation, the cost would be $1,426,000. The Port Authority also bonded for the Police Annex with a 20-year bond for $2.46 million; with inflation today, it would cost $4,968,000. The City has utilized Port bonds to finance City buildings. He noted the current public works site has 215,000 tons of garbage that could be leaching into the water supply. The cost to remove and build on the site would be $12.4 million, along with the cost of a new building. He thanked Chief Gullickson for the information he provided concerning ICE at the last Council Meeting.

Barb Church, 102 Wheeler Avenue, appeared before Council and thanked Chief Gullickson for speaking about ICE. She stated Mankato and North Mankato should work together and cooperate regarding responding to ICE.

Tom Hagen, 927 Lake Street, appeared before Council and stated he had been working toward obtaining signatures on the petition. He stated that everyone he spoke to did not believe the City should proceed with the Public Works Building. He stated he believed there was a disconnect between residents and the City.

Benton Bakke appeared before the Council and indicated that he did not agree with placing resident addresses in minutes and requested the removal of his address from future and archived meeting minutes.

Lucy Lowry, 2263 Northridge Drive, appeared before Council and thanked Chief Gullickson for his comments on ICE. She requested that the City see if his comments could be placed separately on the City website for residents to view.

City Administrator and Staff Comments

Public Works Director Arnold reported the Veterans' Bridge will close on February 3, 2026, and will not reopen until November 2026.

Public Works Director Arnold informed residents that if they would like to keep their old water meter, they may keep it.

Finance Director Ryan asked residents to watch for a new website for submitting utility payments.

City Administrator McCann stated the Anthony Ford Pond Hockey Tournament went well.

City Administrator McCann encouraged residents to look at all of the 2026 Culture and Recreation programs and register.

Mayor and Council Comments

Council Member Oachs moved to do a pre-award stop of the bond sale to finance the public works facility.

Council Member Oachs stated she did not want to halt the project, but allow additional time to review the long-term impact on the City. She indicated she would like to see a pro-forma. She asked whether the amount would increase the City's debt limit beyond legal and financial sustainability limits. She also noted that there were residents who had signed a petition to pause the new facility. Council Member Oachs questioned whether the new debt would prevent the City from building new structures, particularly for water treatment plants.

City Administrator McCann reported that Maren Magill from Taft Law joined via Zoom to answer questions. Ms. Magill reported that under Statute 469.060, the Port Authority would not be subject to net debt limits. If the bonds were issued under the CIP or Capital Improvement bonds, they would be subject to net debt limits. Council Member Oachs requested clarification on whether, by putting a Public Works building on industrial land, the City needs to turn the building over to a potential buyer for the land. She stated she read the statute that the City could build on industrial lands, but would need to turn the building over to a private owner. Ms. Magill stated these bonds are being issued under 469.060 and, with the establishment of the industrial district, allow the Port Authority to use its full authority. The question Council Member Oachs asked pertains to Statutes 469.452-469.455, which are not being used to issue the bonds or build the building. Ms. Magill stated the City is following the State Statute.

Council Member Steiner seconded the motion. Vote on the motion: Oachs and Steiner aye, Peterson, Whitlock, and Carlson nay. Motion failed.

City Administrator McCann thanked Council Member Oachs for making the motion tonight, before the night of the bond sale. He invited Tammy Omdal from Northland Financial to speak on the sale of the bonds. Ms. Omdal noted the sale will be held on February 17th. She noted that it is legal not to award bonds, but it would be better not to proceed prior to the date of the bond sale. If the bonds are rejected the night of the award, investors will have lost out on the ability to invest their money in other ways, which could be detrimental to future Port or City bond sales.

Council Member Peterson stated he wanted to provide some clarification for items that have been circulating. He stated the swimming pool will be funded from funds originally set aside for the proposed recreation center, which is no longer moving forward. Because the City had bonded the Sales Tax funds and not spent them, those funds are now subject to arbitrage if not used. He noted that 20 items were considered for the nearly $7 million in bonded Sales Tax funds that need to be used. The Council determined to use the funds to purchase a bookmobile, repair the pool, and create more athletic fields for Caswell. The use of the funds qualifies under the original Sales Tax funds request from the State legislature. These projects will not directly impact residents. The Public Works Facility was first placed on the CIP in 2022, and the Council has discussed the Public Works Building at least 18 times. He stated that was why he was voting for it. He stated that the public has requested the opportunity to vote on items, which the Council was attempting to do with the proposed recreation facility. However, due to public pressure, the question will not be brought before the public; it has been cancelled. He reported that every building constructed in the last 30 years has been funded by Port Authority money. He noted that despite the statement that the project will cost $44 million, which has been discussed outside of the Council chambers, it could be misleading, as the City has continued to grow and develop. He noted that he has spoken with people who both support and do not support the public works building. Council Member Peterson stated he believed the proposed Public Works Building was the best way forward.

Council Member Steiner thanked Council Member Peterson and Council Member Oachs for their thoughtful comments.

Council Member Whitlock thanked Council Member Peterson and Council Member Oachs for their thoughtful comments. He also stated that the Anthony Ford Pond Hockey went well.

Mayor Carlson stated that comments are taken seriously and personally. He stated that the Council works hard to be honest, authentic, and dedicated to their jobs along with the staff. He noted staff has included geothermal, solar, cleaning up the dumpsite, improving the swim facility. He indicated interest in redevelopment, and he noted that staff have been diligently looking through all options. Mayor Carlson noted we will sometimes have to agree to disagree without resentment.

At 8:01 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