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 September 8, 2026. Mayor Carlson called the meeting to order at 7:05 p.m., asking everyone to join in the Pledge of Allegiance. The following were present for roll call: Council Members Oachs, Steiner, 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 Peterson.

Approval of Agenda

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

Approval of Council Minutes from the August 17, 2026, Council Meeting.

Council Member Whitlock moved, seconded by Council Member Oachs, to approve the August 17, 2026, Council Meeting Minutes as presented. Vote on the motion: Oachs, Whitlock, Steiner, and Carlson, aye, no nays. Motion carried.

Approval of Council Work Session Minutes from the August 17, 2026, Council Work Session Meeting.

Council Member Whitlock moved, seconded by Council Member Steiner, to approve the August 17, 2026, Council Work Session Meeting Minutes as presented. Vote on the motion: Oachs, Whitlock, Steiner, and Carlson, aye, no nays. Motion carried.

Public Comments on Agenda Items

Benton Bakke appeared before Council and stated that he supported the prairie restoration project at Bluff Park but asked whether the small trees on the north end of the park would be protected during the restoration work. He also stated that he supported incorporating geothermal into the Public Works Building project.

Tom Hagen, 927 Lake Street, appeared before Council and stated that he supported the geothermal project but wanted to clarify that the funding would cover only 30% of the project's cost. He stated that Council should identify ways to fund the project without increasing costs to residents.

Danielle Bollman, 515 Page Avenue, spoke before Council and stated that geothermal should be incorporated into the project without increasing costs to residents, preferably by scaling back the Public Works Building to offset the cost.

Consent Agenda

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

A. Bills and Appropriations.
B. Res. No. 86-26 Donations/Contributions/Grants.
C. Approved a Club, Consumption, and Display Permit for Iron District Entertainment LLC DBA The Back Nine Golf at 1109 Range Street.
D. Approved an Event Permit for the American Legion on October 31, 2026, from 4 pm to 7 pm for the Truck or Treat Event.

E. Approved Block Party and Audio Permit for September 26th from noon to 10:00 pm for a Seafood Boil and Fish Fry.
F. Approved Audio Permit for October 3, 2026 from 8:30 am to 1 pm at Spring Lake Park for Walk to End Alzheimer's
G. Approved Audio Permit for September 27th from noon to 7 pm for Women of Kato Festival at the Nakato Bar and Grill.
H. Set Fall Drop-Off Dates for October 1, 2026-October 4, 2026.
I. Set Fall Water Main Flushing for October 5, 2026-October 23, 2026.
J. Approved an Amendment to Blues on Belgrade Event Permit Allowing Road Closure from Noon on September 18th to September 21st.
K. Res. No. 87-26 Declaring Surplus Vehicles and Equipment.
L. Approved Audio Permits for Circle Inn, 232 Belgrade Avenue on September 18, 23, and 25 from 6 pm to 9 pm.

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

Business Items

Set a Public Hearing at 7 pm on September 21, 2026, to Consider an Interim Ordinance Authorizing a Study and Imposing a Moratorium on Data Centers.

Attorney Kennedy reported that the resolution would establish a public hearing date for the proposed Interim Ordinance, consistent with the direction provided by City Council.

Discussion was held regarding whether to proceed with the public hearing and then wait until a subsequent meeting before considering adoption of the ordinance. Attorney Kennedy advised Council that, when the resolution came to a vote, it would be preferable to table the ordinance rather than take action that could establish a precedent that may be detrimental to future discussions and processes.

Council Member Steiner moved, seconded by Council Member Whitlock to Set a Public Hearing at 7 pm on September 21, 2026, to Consider an Interim Ordinance Authorizing a Study and Imposing a Moratorium on Data Centers. Vote on the motion: Oachs, Whitlock, Steiner, and Carlson, aye, no nays. Motion carried.

Res. No. 88-26 Ordering the Preparation of a Report on Proposed Improvements for the 2027 Range Street and North River Drive Improvement Project, City Project No. 26-05 ABCDEF

City Engineer Sarff appeared before Council and stated that the proposed project coincides with MnDOT's planned improvements to Trunk Highway 169. The first phase would include reconstruction of North Mankato infrastructure, including two frontage roads, North River Drive, and Range Street. A portion of the project costs would be assessed to property owners, with preliminary assessment estimates expected to be available when Council receives the report on the proposed improvements. The proposed improvements would include street and storm sewer reconstruction, sidewalk and trail improvements, watermain replacement, street lighting, and other related infrastructure improvements.

Council Member Steiner moved, seconded by Council Member Oachs to Adopt Res. No. 88-26 Ordering the Preparation of a Report on Proposed Improvements for the 2027 Range Street and North River Drive Improvement Project, City Project No. 26-05 ABCDEF. Vote on the motion: Oachs, Whitlock, Steiner, and Carlson, aye, no nays. Motion carried.

Res. No 89-26 Approving the Great River Greening Cooperative Agreement for the Bluff Park Prairie Restoration Project.

Parks Superintendent Lobitz appeared before Council to review the Bluff Park Prairie Restoration Project. The resolution approved a cooperative agreement with Great River Greening for the project, which would restore approximately two acres of Bluff Park by replacing non-native vegetation with a diverse mix of native plants. Great River Greening will contribute $31,600 toward the project.

Superintendent Lobitz explained that the project is anticipated to begin with herbicide application in the fall, followed by a second application in the spring and seeding in the fall of 2027. The project will also include the removal and control of buckthorn, as well as management of undergrowth and aspen growth.

Mayor Carlson asked whether all of the aspen trees would be removed. Superintendent Lobitz stated that the goal would be to manage the aspen growth by allowing selected trees to remain while removing others as needed. He also noted that the young trees on the north end of Bluff Park are fruit trees, primarily wild plum and pear, which are beginning to establish well, and the City will continue to protect them.

Council Member Oachs moved, seconded by Council Member Steiner to Adopt Res. No 89-26 Approving the Great River Greening Cooperative Agreement for the Bluff Park Prairie Restoration Project. Vote on the motion: Oachs, Whitlock, Steiner, and Carlson, aye, no nays. Motion carried.

Res. No. 90-26 Authorizing the Rebid of the Geothermal System for the Public Works Facility and Authorizing Staff to Pursue Federal Section 48 Elective Pay.

Public Works Director Arnold reported that the potential geothermal funding is based on more than just the cost of the well field. The well field is the only component that was removed from the Public Works Building design, as the remainder of the geothermal system would still need to be constructed even without the well field. As a result, the eligible costs include more than the well field alone, which could result in an estimated funding amount of approximately $1.2 to $1.5 million. This funding could potentially cover the cost of adding the well field back into the project. The other eligible costs are already included in the project and accounted for in the budget.

Director Arnold noted that there may be a period during which the City would need to cover the costs before the funding is received. However, he stated that the Finance Director believes the City should be able to manage the timing of the expenditures and reimbursement. If the City is not approved for the funding or does not ultimately receive the funds, contingency and undesignated funds would be available to cover the cost of the well field.

Mayor Carlson asked whether any components could be removed from the building to keep the project within the expected cost. Director Arnold reported that all optional items have already been removed, including cold storage, the Police Department impound area, and other options. He noted that the building has already been reduced from approximately 84,000 square feet to 72,000 square feet. He further stated that redesigning the building to reduce its size further would likely cost more than the resulting savings.

Council Member Oachs referenced the $1.1 million in unassigned funds and asked whether the project budget was available online. Director Arnold stated that the information should be available online and, if it was not included on the design page, it was included in the Council packets. He stated that he would ensure the information was made available in additional locations.

Mayor Carlson asked whether the City would continue to consider installing solar panels. Director Arnold stated that the City would continue to consider solar panels but would like to move forward with the geothermal system first.

Discussion was held regarding the scope of the resolution. It was clarified that the resolution only authorizes the City to rebid the well field and does not authorize the City to accept the bids or proceed with construction based on the bids received.

Council Member Whitlock moved, seconded by Council Member Steiner to Adopt Res. No. 90-26 Authorizing the Rebid of the Geothermal System for the Public Works Facility and Authorizing Staff to Pursue Federal Section 48 Elective Pay. Vote on the motion: Oachs, Whitlock, Steiner, and Carlson, aye, no nays. Motion carried.

Public Comments-Other City Matters

Barb Church, 102 Wheeler Avenue, appeared before Council and stated that the public should be given more time to speak. She supported maintaining the current clean-up day arrangement while eliminating the fourth drop-off day. She also recommended including Fun Days in discussions about City events and suggested hiring a CPA rather than a company to assist with the federal Section 48 Elective Pay program.

Benton Bakke, appeared before Council and stated that he recalled discussion at a previous meeting regarding a potential wage freeze. He disagreed with implementing a wage freeze in light of the proposed 4.25% wage increase for the City Administrator, stating that budget cuts should impact leadership first.

Danielle Bollman, 515 Page Avenue, appeared before Council and stated that she has consistently raised concerns regarding resident needs and transparency since she began attending meetings. She stated that she considered the Port Authority's sale of the property weird bad because the identity of the tenant was unknown.

Tom Hagen, 927 Lake Street, appeared before Council and stated that the proposed budget cuts discussed at the Council Work Session were less than they would have been if the City had not constructed the bridge in Spring Lake Park. He also stated that the City should not pay a contractor to manage the Section 48 Elective Pay filings, noting that his electrician completed the paperwork for his residential solar panel installation.

Patrick Cusack, 1908 Haughton Drive, appeared before Council and stated that he believed the reimbursement for solar would be received more quickly than for geothermal. He encouraged the City to continue pursuing alternative energy options.

Barb Church, 102 Wheeler Avenue, appeared before Council and stated she was there on behalf of the couple in the front row and asked for clarification and information on the house on Lyndale Street. Attorney Kennedy stated he could speak with them after the meeting.

City Administrator and Staff Comments

The City Administrator provided an update on the Community Energy Survey, noting that the survey is open through September 20. The City is working with Xcel Energy's Partners in Energy program to identify community energy priorities and develop strategies related to energy efficiency, renewable energy, and greenhouse gas reduction. Community members are encouraged to participate, with the survey available online and at the North Mankato Taylor Library.

The City Administrator also introduced a new stormwater graphic that will be incorporated into future educational materials. The graphic features a storm drain and raindrops and may include the educational slogan, "Only rain down the storm drain."

The City Administrator reminded residents that Symphony on the Prairie will be held Saturday, September 12, at 6:00 p.m. at Benson Park. Attendees are encouraged to bring a lawn chair or blanket, and a food truck will be available.

Music in the Park will continue Thursday evenings throughout September at Wheeler Park, with performance and food truck information available on the City's website.

The City Administrator also announced that Blues on Belgrade will be held Saturday, September 19, from 2:00 to 10:00 p.m. Residents can find event information and updates on the City's website and are encouraged to subscribe to the weekly e-newsletter and follow the City on social media.

Mayor and Council Comments

Council Member Oachs stated that she had prepared several comments regarding debt service that she would be sharing. She invited residents to attend Blues on Belgrade and noted that the event would also include an art component.

Council Member Oachs encouraged the 2027 Council, as part of its strategic planning process, to review the City's debt affordability policy, evaluate committed versus discretionary spending, and consider whether debt could be retired earlier than currently scheduled.

Council Member Whitlock invited everyone to Symphony on the Prairie.

Mayor Carlson stated he had mentioned wage freezes in an earlier Work Session but only as part of idea generation.

Mayor Carlson noted that the tenant in the Hempel building would have minimal water usage, and it should be a good addition to North Mankato.

At 8:00 p.m., on a motion by Council Member Steiner, seconded by Council Member Oachs, the Council Meeting adjourned.

_____
Mayor

_____
City Clerk