**MINUTES**

**Mankato City Council**
**Regular Meeting**
**December 8, 2025 - 6 p.m.**
**IGC - Mankato Room**

1. **Call Meeting to Order**

**Roll Call**

**Members Present:** Mike Laven, Dennis Dieken, Michael McLaughlin, Jenn Melby-Kelley, Jessica Hatanpa, Kevin Mettler, and Mayor Najwa Massad.

**Staff Present:** City Manager Susan Arntz, Administrative Services Director Parker Skophammer, Interim City Engineer Cory Bienfang, Community Development Director Mark Konz, Director of Construction and Facility Services Jim Tatge, Director of Public Safety Jeremy Clifton, and City Clerk Renae Kopischke.

Pledge of Allegiance

2. **Approval of Agenda**

Ms. Hatanpa moved and Mr. Dieken seconded a motion to approve the agenda as written. The motion carried unanimously.

3. **Approval of Minutes**

Ms. Hatanpa moved and Mr. Mettler seconded a motion to approve the minutes of the Regular Meeting of November 24, 2025, as written. The motion carried unanimously.

Ms. Hatanpa moved and Mr. Laven seconded a motion to approve the minutes of the Public Budget Hearing of December 1, 2025, as written. The motion carried unanimously.

4. **Public Open Forum (15 Minutes)**

No one spoke.

5. **Consent Calendar**

**NOTE: All items listed under the Consent Calendar will be enacted by one motion. There will be no separate discussion of these items. If a Council Member wishes to discuss any of these items, they may ask that the item be removed from the Consent Calendar. Removed item(s) will be discussed and acted upon by separate motion.**

Ms. Hatanpa moved and Ms. Melby-Kelley seconded a motion to approve the Consent Calendar as written. With all members voting in favor, the motion carried.

A. Resolution designating Precincts and Polling locations within the City of Mankato.

B. Resolution approving Opioid Remediation Grant for MyPlace for $25,000 per year for five years to support a Mental Health Specialist position.

C. Resolution approving the Final Plat review of Mankato West High School Subdivision (1351 South Riverfront Drive); by request of Mankato Area Public Schools.

D. Resolution authorizing the City Manager to enter into a one-year agreement with OMG Midwest for yard waste composting.

E. Resolution authorizing the City Manager to submit an application to the Minnesota Pollution Control Agency for a Local Climate Action Grant for replacement of an electric vehicle charger.

F. Resolution accepting a grant and authorizing the City Manager to enter into an agreement with Bolton & Menk, Inc. (BMI) to provide professional engineering services for a 2026 Lead Water Service Line Replacement Project.

G. Resolution authorizing the City Manager to sign an agreement with the Minnesota Department of Transportation (MnDOT) for ongoing maintenance of the Veterans Bridge.

H. Resolution authorizing the City Manager to apply to the Minnesota Pollution Control Agency (MPCA) for the Rosewood Pond Drainage Improvements Feasibility Study.

I. Resolution approving a Joint Powers Agreement with the Minnesota River Valley Drug Task Force.

J. Resolution adopting the 2025 Blue Earth County Hazard Mitigation Plan.

K. Resolution considering quotations for the supply of Quicklime for Water Treatment.

L. Resolutions setting January 12, 2026, as the date of the Improvement Hearing for Capital Improvement Project 11206; Hiniker Parkway.

6. **<u>Planning Commission</u>**

A. Mr. Konz stated that APX Construction Group is requesting a final plat review of Evenson Subdivision, a conditional use permit to allow for multiple-family housing in the B-3, Highway Business District, and a certificate of design compliance for the construction of two new multiple-family dwelling structures in the Highway Gateway Overlay District. He mentioned that the annexation, preliminary plat and rezoning to B-3, Highway Business District was approved by the Council on November 10, 2025. The subject property is located at 905 and 909 South Victory Drive, which is the southeast quadrant of the roundabout located at the intersection of Victory Drive and Stadium Road.

Mr. Konz reported that the final plat proposes the creation of a one-lot, one-block subdivision encompassing approximately 4.0 acres. He explained that the proposed plat includes two wetland areas located on the northwestern and eastern portions of the parcel, and a 16.5-foot wetland setback easement is shown around each wetland area, in accordance with applicable regulations. He noted that the applicant has submitted a "No Loss" request related to the wetlands, which was reviewed by the Technical Evaluation Panel (TEP) on November 19, 2025, and a response is anticipated on or after December 9, 2025. He commented that updated drainage and utility plans have been submitted and are currently under review to ensure conformance with engineering and applicable standards. He added that the applicant will also apply for a license to encroach and a variance to construct the sidewalk.

Mr. Konz indicated that the development is grouped housing consisting of two apartment buildings with a total of 82 residential units and includes several outdoor amenities and recreational areas, including two patios with grilling areas and outdoor games, a fenced dog park, and outdoor athletic courts. He stated that the site exceeds the minimum on-site parking. He touched on the high-density residential standards outlined in the Land Use Plan and noted that a transitional yard is not required, as there are no low- or medium-density residential areas directly adjacent to the site with a street right-of-way separating the development from any nearby residential uses, satisfying the transitional yard requirement. He added that no outside storage is proposed.

Mr. Konz explained that a sidewalk is proposed along Victory Drive, connecting to the existing sidewalk at the northwest corner of the property. He commented that the proposed alignment encroaches into a wetland area and that coordination with city staff is ongoing to determine the feasibility of this location. He mentioned that a variance and license to encroach will be required.

Mr. Konz reported that the traffic study estimates that the proposed development will generate 30 trips during the morning peak hour (7 entering, 23 exiting), 37 trips during the evening peak hour (23 entering, 14 exiting), and 447 trips daily. He noted that the volume is considered low, averaging approximately one new trip every two minutes during peak hours.

Mr. Konz concluded that the proposed exterior elevations have a modern industrial aesthetic with the materials selected being earth tones of white, grey and beige, with a purple accent, and the storefronts and windows will be black. He commented that any fencing material would also be black and added that a preliminary landscaping plan has been provided demonstrating the necessary landscaping and screening areas around the parcel.

Mr. Laven asked the staff to provide an overview of the previous approval process. Mr. Konz stated that it was typically six to nine months from start to finish; however, with the new process it is about 60 days from start to finish.

Mr. Laven moved and Mr. McLaughlin seconded a motion to approve the Resolutions approving the Final Plat of Evenson Subdivision and approving a Conditional Use Permit and a Certificate of Design compliance to allow two new multiple-family dwellings in the B-3, Highway Commercial zoning and in the Highway Gateway Overlay District (905 & 909 South Victory Drive). The motion carried unanimously.

B. Mr. Konz reported that Cemstone is requesting the vacation of a 3,515 Sq. Ft. portion of a 10' utility easement. This easement is located on the westerly side of Lot 2, Block 2, Lime Valley-Fourth Addition (100 Summit Ave). He commented that the proposed easement vacation area excludes the 20.00-foot Drainage and Utility Easement adjoining the northerly line of Lot 2, and the variable-width Utility Easement adjoining the southerly line of Lot 2.

Mr. Konz explained that the easement vacation is being proposed to allow for the construction of a new concrete batch plant owned and operated by Cemstone and to be located across the existing easement location. He stated that in order to permit the construction of a structure at this location, the subject easement must be vacated. He added that utility companies were notified of the proposed vacation and, based on the responses, there are no known utilities within the utility easement requested for vacation.

Mr. Dieken moved and Mr. Mettler seconded a motion to approve the Resolution vacating a portion of a 10' utility easement located on the westerly side of Lot 2, Block 2, Lime Valley Fourth Addition (100 Summit Avenue). The motion carried unanimously.

7. **Public Hearings**

A. Mr. Konz indicated that the city is requesting to amend multiple sections pertaining to variances within Chapter 10 of the Mankato City Code to align variance standards in the City Code with State Statute.

Mr. Konz stated that Minnesota State Statute allows for a body called "the Board of Adjustment and Appeals" to hear application requests for variances and grant said variances if they meet the legal standards. He noted that the City Council acts as the board of adjustment and appeals for the city and with their review of a variance, they may impose conditions as long as they are directly related to and bear a rough proportionality to the impact created by the variance (Minn. Stat 462.357, Subd. 6). He provided an example where the Council may require that a fence installed through a variance be softened by landscaping to lessen the effect of the nonconforming location, or that an encroaching addition be built of similar materials to the existing structure.

Mr. Konz mentioned that two commonly introduced factors that cannot be considered when reviewing variances are economic factors and neighborhood opinion. He stated that State Statute explicitly notes that economic considerations alone cannot create practical difficulties, meaning that a property owner's claim that they require a variance because they have incurred substantial costs, or that they would not receive expected revenue without the variance cannot be considered as a factor for approval. He added that

Neighborhood opinion alone cannot be considered when reviewing practical difficulties, meaning that the Council's tasks are limited to evaluating how the variance application meets the three-factor test. He clarified that that does not mean that residents cannot provide important facts to assist the Council in their assessment of these factors, but it does mean that unsubstantiated opinions or reactions to a request do not serve as a legitimate basis for a determination.

Mr. Konz commented that the amendment provides consistency between city and county land use authorities and allows for clear conditions that may be imposed on the variance, if those conditions are directly related to, and are roughly proportional to, the impact created by the variance. He pointed out that the amended statute also led to the renaming of the "undue hardship" standard to "practical difficulties", whilst retaining the three-factor test of reasonableness, uniqueness, and essential character. He indicated that the Practical Difficulties standard must now apply when considering variances; all three factors must be satisfied to grant a variance under state statute.

Mr. Konz explained that the city's role in the variance process is rather different from the typical zoning ordinance authority as when considering a variance application, the city exercises its "quasi-judicial" authority to evaluate the facts against the legal standard set forth in the state statute. He stated that after evaluation, the city may grant the variance, only if said application meets the legal standard.

Mayor Massad opened the public hearing. There being no one wishing to speak, Mayor Massad closed the public hearing.

Ms. Hatanpa moved and Mr. Laven seconded a motion to approve an Ordinance amending various sections of Chapter 10 related to variances and a motion approving summary publication. The motion carried unanimously.

B. Ms. Arntz stated that on November 17, 2025, the Charter Commission met and discussed updates to the City Charter. She commented that discussion included several clean-up items that needed to be addressed as well as an item that needed further clarification pertaining to publication of ordinances. She summarized the revisions.

Mayor Massad opened the public hearing. There being no one wishing to speak, Mayor Massad closed the public hearing.

Mr. Laven moved and Mr. Mettler seconded a motion to approve the Ordinance amending the Mankato City Charter. The motion carried unanimously.

8. **Licenses**

A. Ms. Kopischke stated that this is a review of the Tobacco License for Oz Tobacco, LLC, DBA Oz Tobacco Shop. She reported that over the past 24 months, the Mankato Department of Public Safety conducted tobacco compliance checks at 201 North Victory Drive, using a controlled buyer under the age of 21, and in all instances a store employee sold a tobacco product to the underage buyer without requesting identification. She indicated that the dates of the violations were August 24, 2024, November 3, 2025, and November 20, 2025.

Ms. Kopischke explained that the violations represent three offenses within a 36-month period, and Minnesota State Statute §461.12, Subd. 2, states that for a third or any subsequent violation at the same location within 36 months after the initial violation, an administrative penalty of $1,000 must be imposed, and the licensee's authority to sell tobacco, tobacco-related devices, electronic delivery devices, or nicotine or lobelia delivery products at that location must be suspended for not less than seven (7) days and may be revoked.

Ms. Kopischke indicated that for each offense, letters were sent to the licensee informing them of the violation, the associated administrative penalty, and the appeal process. She noted that the letters also indicated that a follow-up compliance check would be conducted within a six-month period following the initial violation and three-month period following the subsequent violations. She commented that since this is the third violation, the license is being brought to the Council for review and formal action with the recommendation that the civil penalty of $1,000 be paid, and a 14-day suspension be imposed from January 1 through January 14, 2026, with the condition that if there is a fourth penalty within the 36-month period, the license be revoked.

Brief discussion on penalties and requirements.

<u>Ms. Hatanpa moved and Mr. Laven seconded a motion to approve the Resolution related to the suspension and possible revocation of the Tobacco License for Oz Tobacco, LLC DBA Oz Tobacco Shop for the civil penalty of $1,000 and the 14-day suspension from January 1 through January 14, 2026, with the condition that if there is a fourth penalty within the 36-month period, the license will be revoked</u>. The motion carried unanimously.

B. Ms. Kopischke stated that this is a review of the Tobacco License for Shaheen, LLC DBA Marathon. She reported that over the past 12 months, the Mankato Department of Public Safety conducted tobacco compliance checks at Shaheen LLC, DBA Marathon at 729 North Riverfront Drive, using a controlled buyer under the age of 21, and in all instances a store employee sold a tobacco product to the underage buyer without requesting identification. She noted that the dates of the violations were June 26, 2025, October 13, 2025, and November 20, 2025.

Ms. Kopischke explained that the violations represent three offenses within a 36-month period. Minnesota State Statute §461.12, Subd. 2, states that for a third or any subsequent violation at the same location within 36 months after the initial violation, an administrative penalty of $1,000 must be imposed, and the licensee's authority to sell tobacco, tobacco-related devices, electronic delivery devices, or nicotine or lobelia delivery products at that location must be suspended for not less than seven (7) days and may be revoked.

Ms. Kopischke indicated that for each offense, letters were sent to the licensee informing them of the violation, the associated administrative penalty, and the appeal process. She mentioned that the letters also indicated that a follow-up compliance check would be conducted within a six-month period following the initial violation and three-month period following the subsequent violations. She commented that since this is the third violation, the license is being brought to the City Council for review and formal action with the recommendation that the civil penalty of $1,000 be paid, and a 14-day suspension be imposed from January 1 through January 14, 2026, with the condition that if there is a fourth penalty within the 36-month period, the license be revoked.

<u>Mr. Laven moved and Mr. Mettler seconded a motion to approve the Resolution related to the suspension and possible revocation of the Tobacco License for Shaheen, LLC DBA Marathon for the civil penalty of $1,000 and the 14-day suspension from January 1 through January 14, 2026, with the condition that if there is a fourth penalty within the 36-month period, the license will be revoked</u>. The motion carried unanimously.

C. Ms. Kopischke stated that this is a review of the Liquor License for MLJB Companies, LLC DBA The 507. She summarized the violations that were reported at the licensed premises formerly known as The 507, located at 526 South Front Street, over the past 12 months. She noted that the incidents demonstrated multiple, significant violations of the Minnesota State Statute and Mankato City Code, including, Minnesota State Statute § 340A.503, underage consumption, entry into a license premise, and provision of alcohol to underage individuals; and Mankato City Code Sec. 3-160(8)(d), prohibiting sale of a pitcher to one person, requiring responsible alcohol service, and ensuring staff are properly trained and knowledgeable of regulations.

Ms. Kopischke explained that the license is considered a "grandfathered" Class B, Bar liquor license, which means that per the Mankato City Code Sec. 3-49 (e), the on-sale establishments without food service that were grandfathered in when the changes to this chapter were passed in 2007 will continue to be allowed to renew with a Class B license at the existing location and under the existing ownership. A change in ownership at the existing location will be allowed. A transfer of location or expansion of the licensed premises by the license holder will also be allowed. No new Class B licenses shall be issued in the central business districts (CBD-C and CBD-F).

Ms. Kopischke mentioned that the city was made aware that as of Monday, November 3, 2025, The 507 was officially closed after the building owner chose not to renew their lease. She shared that she had received an email from Raindog Development, LLC, the owner of the building at 526 South Front Street, indicating that they intend to purchase the business entity MLJB Companies, LLC and would like to maintain the current "grandfathered" Class B, Bar liquor license.

Ms. Kopischke stated that per Mankato City Code, Sec. 3-52, a third strike within a twelve-month period requires review by the Council, who may impose suspension, revocation, or additional conditions upon the liquor license. She commented that the initial recommendation, due to the short time period of the three strikes, and the fact that the business is no longer in operation, was for payment of the penalty fee of $2,000, and the revocation of the "grandfathered" Class B, Bar license. She added that since the recent communication from the owner of the building, the Council could also consider allowing new ownership of the "grandfathered" Class B, Bar Liquor License upon meeting the following conditions:

- Payment of the $2,000 penalty is due before Friday, December12, 2025 at 4:30 p.m. (as per the letter that was sent to the current license holder).
- The purchase of the business is completed and an application for a liquor license submitted (with fees) prior to Friday, January 9, 2026, at 4:30 p.m. (five weeks).
- The existing strikes remain with the license; therefore, any further strikes commencing from today, December 8, 2025, through April 30, 2026, will result in immediate revocation. Upon license renewal for May 1, 2026, the Council may consider conditions on the license.

Mr. McLaughlin inquired as to the history of the "grandfathered" Class B, Bar liquor license. Ms. Kopischke replied that she believed originally it was the license for TJ Finnegan's, then Red Sky Lounge, Moonshiners, Savoy, and most recently The 507.

Discussion took place on the strikes as well as the grandfathered Class B, Bar liquor license. It was noted that a different liquor license could be obtained for the property if a Class B, Bar was no longer an option.

Mr. Laven moved and Ms. Hatanpa seconded a motion to approve the Resolution issuing a Civil Penalty of $2,000 and revoking the Liquor License for MLJB Companies DBA The 507. The motion carried unanimously.

9. **Council Business**

A. Mr. Tatge stated staff presented an update on the Vetter Stone Amphitheater project at the work session on September 22, 2025. He indicated that staff reviewed the permanent roof structure over the stage, installation of permanent seating in the center of the amphitheater, and the construction of a storage building on the north end of the park. In addition, the council asked staff to look at increased storage options to house all necessary equipment, consideration of dedicated back-of-house space, and to review the overall master plan that guided these recommendations. He noted that the Council provided direction to move forward with the expanded bleacher seating and storage building with the remaining funding to be provided through a larger sales tax contribution in 2026. He added that other items the Council requested staff to research further included future sewer and water services for a future permanent back-of-house structure and a shorter-term lease for the temporary back of house trailer.

Mr. Tatge reported that the proposed project consists of the construction of a new stage and stage house (roof), loading dock modifications, new bleacher seating in the upper portion of the seating bowl, and construction of a new storage building on the northern edge of the park. He commented that construction needs to begin in early August 2026 for the park to be ready to open the following year on June 1.

He summarized the funding for the improvements and noted that staff were recommending a budget amendment in 2026 to allocate the funding for the project.

Mr. McLaughlin asked for clarification on what sales tax can be used for. Mr. Skophammer replied that it is a specific expenditure in legislation called out and referenced as a regional park.

Mr. McLaughlin moved and Mr. Mettler seconded a motion to approve the Resolutions accepting the feasibility report and ordering project for Capital Improvement Project 11212; Vetter Stone Amphitheater Improvements; and authorizing the City Manager to enter into a Professional Services Agreement for final design. The motion carried unanimously.

B. Ms. Arntz stated that staff have been working to develop contracts for engineering services with both Bolton & Menk and I&S Group, Inc. (ISG). She explained that the framework has been developed for the new Engineering Program of work where Bolton & Menk, Inc. will handle planning and design of water, sanitary sewer, storm water, transportation systems, and provide general city engineering support as well as serve as the city's designated City Engineer. She indicated that I & S Group, Inc. will handle planning and design of parks and recreation projects, vertical structures, and strategic initiatives. She noted that both firms will have the ability to provide cross-support in the event of a conflict or capacity issues, and the city retains the right to balance or reassign the work between the firms, but there is no guarantee.

Ms. Arntz commented that the State of MN requires a designated City Engineer for the city's State Aid program; thus, Bolton & Menk have designated Cory Bienfang, PE to serve as our designated City Engineer. Mr. Bienfang has been serving as an interim City Engineer for the past few months. She summarized the core services that the city will receive at a minimum of 40 hours each week at the rate of $150 per hour.

Ms. Arntz mentioned that the city will pay the hourly rates to Bolton & Menk and ISG for non-core services. She added that the funds have been included in the 2026 budget to accommodate the anticipated work. She noted that some of the engineering work is billed back to development projects and will continue in 2026. She summarized a list of non-core services.

Ms. Arntz stated that a three-year term was recommended on the agreements with termination provisions to include for-cause provisions, as well as a 30-day written notice by the city, with each year, the proposed rates for non-core work being reviewed.

<u>Mr. Laven moved and Mr. Mettler seconded a motion to approve the Resolution designating a City Engineer and authorizing the City Manager to negotiate and execute engineering contracts with Bolton & Menk and I & S Group, Inc. (ISG)</u>. The motion carried unanimously.

C. Report from Public Safety on license plate reader technology and information update on violent crime.

10. **<u>Reports and Miscellaneous Business</u>**

View all city committee meetings by clicking on our [City Calendar]

Regular Council Meeting, January 12, 2026, 6 p.m., Mankato Room (with EDA to follow if needed)

Regular Council Meeting, January 26, 2026, 6 p.m., Mankato Room (with Work Session to follow)

11. **Adjournment**

There being no further business, Ms. Hatanpa moved and Ms. Melby-Kelley seconded a motion to adjourn. With all members voting in favor, the meeting adjourned at 8:05 p.m.

Minutes Approved.

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Mayor Massad

ATTEST:

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Renae Kopischke
City Clerk