



AGENDA

**Mankato City Council
Regular Meeting
June 8, 2026 - 6 p.m.
IGC - Council Chambers**

1. **Call Meeting to Order**

Roll Call

Pledge of Allegiance

2. **Approval of Agenda**

3. **Approval of Minutes**

Regular Meeting of May 26, 2026

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

The public may address the Council on any topic, with the condition that they may not speak on the same item later in the meeting. Speakers are encouraged to register with the City Clerk prior to the start of the meeting, and are limited to three minutes.

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.

- A. Resolution approving acquisition of certain property owned by the Economic Development Authority of Mankato, MN and to enter into a Property Management Agreement with Blue Earth County.

- B. Resolution approving the Final Plat of Snell Addition; Lots 3, 4, and 5, Block 1, Menard Addition; except a portion of Lot 5, Block 1 (1900 and 1990 Madison Avenue); by request of Snell Real Estate, LLC.
- C. Resolution approving the Final Plat of Eastwood Energy Center No. 7; Tract B, Registered Land Survey No. 175 (1731, 1751, 1761 Energy Drive); by request of Old Town Riverfront Properties, LLC.
- D. Motion to select Nielsen Blacktopping & Concrete Inc. as the contractor for the Bus Stop Improvement Construction Project.
- E. Resolution to select a bid and submit a grant request for the Airport Taxiway A/D/E Reconstruction and Enhanced Taxiway Markings Project.
- F. Resolution to Conditionally accept a Bid and Submit a Grant Request for Replacement of the Airport Snow Removal Unit 91.
- G. Resolution considering bids for 2026 Sealcoating.
- H. Resolution considering bids for 2026 Striping.
- I. Resolution accepting feasibility report and ordering project for Capital Improvement Project 11239; 2026 Pavement Maintenance Project.
- J. Resolution receiving feasibility report, ordering improvement, preparation of plans and specifications, and ordering advertisement for bids for Capital Improvement Project 11200; Land of Memories Park.
- K. Resolution ordering preparation of feasibility report for Capital Improvement Project 11121; Long Street and Emerson Lane.
- L. Motion approving Change Order No. 1 for 11190 - Facilities Snow Removal.
- M. Resolution authorizing the City Manager to enter into a long-term parking lease for Parking Lot #2; (Graif Lot).
- N. Resolution authorizing the City Manager to enter into a Project Rebate Agreement with Centerpoint Energy and to participate in the "Commercial Hybrid Heating Pilot Rebate Program" for Capital Improvement Project 11144; Intergovernmental Center Rooftop Unit Replacement.

- O. Resolution authorizing the execution of the Vetter Stone Amphitheater Construction Manager at Risk Agreement with Knutson Construction.
- P. Motion authorizing the City Manager to execute the Naming Rights Agreement for Vetter Stone Amphitheater.
- Q. Resolution authorizing the Department of Public Safety to apply for a Staffing for Adequate Fire and Emergency Response (SAFER) Grant.
- R. Resolution authorizing the City Manager to accept a cash donation from North Star Aviation for Firefighter Training.
- S. Resolution authorizing the Department of Public Safety to apply for an Assistance to Firefighters (AFG) Grant.
- T. Resolution requesting allocation of Public Safety Aid Funding.

6. **Planning Commission**

- A. Resolution approving a Conditional Use Permit to allow for a modification to the approved subdivision grading plan that will allow the construction of a patio home on a lot that was graded for a walkout basement; Lot 3, Block 1, Miller Creek 1st Addition (112 Butler Falls Road); by request of Cherry Creek, Inc.
- B. Resolution approving a Conditional Use Permit allowing an assisted living facility serving elderly and disabled adults in the B-3, Highway Business District, and for a Certificate of Design Compliance for exterior modifications in the Highway Gateway Overlay District; Lot 4, Block 1, Venstar Subdivision (1731 Premier Drive); by request of Brad Bass on behalf of Bridgewater Group.

7. **Public Hearings**

- A. Resolution adopting the City of Mankato 2026 Community Development Block Grant (CDBG) Annual Action Plan.

8. **Council Business**

- A. Resolution authorizing Community Development Block Grant support for Phase VI of the Partnership Community Land Trust seeking MN Housing Impact Funding.
- B. Consideration of Emergency Ordinance Continuing to Clarify Requirements for Law Enforcement Agencies and Officers within the City.

9. **Reports and Miscellaneous Business**

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Regular Council Meeting, June 22, 2026, 6 p.m., Council Chambers (with Work Session to follow)

Regular Council Meeting, July 13, 2026, 6 p.m., Council Chambers (with EDA and/or Work Session to follow)

10. **Adjournment**



MINUTES

**Mankato City Council
Regular Meeting
May 26, 2026 - 6 p.m.
IGC - Council Chambers**

1. **Call Meeting to Order**

Roll Call

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

Staff Present: City Manager Susan Arntz, Administrative Services Director Parker Skophammer, Community Development Director Mark Konz, City Engineer Cory Bienfang, and City Clerk Renae Kopischke.

Pledge of Allegiance

2. **Approval of Agenda**

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

3. **Approval of Minutes**

Mr. Dieken moved and Ms. Hatanpa seconded a motion to approve the minutes of the Regular Meeting of May 11, 2026, as written. The motion carried unanimously.

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

Nate Clark, commented on his work hours and the hours of operation for the mobility bus. He mentioned how the city bus didn't go everywhere and cost money. He requested that hours be extended and that the mobility bus allow same day scheduling.

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.

Mr. McLaughlin pulled item 5.D. Mr. McLaughlin moved and Mr. Laven seconded a motion to approve the Consent Calendar as amended. With all members voting in favor, the motion carried.

- A. Motion approving appointments to Committees.
- B. Resolution approving application to conduct off-site gambling on August 7 & 8, 2026, for Community Charities of Minnesota at the Mayo Clinic Health System Event Center, 1 Civic Center Plaza.
- C. Resolution adopting the Mankato Transit Title VI Plan Update.
- D. Mr. McLaughlin inquired about the agreement with the Washington State Department of Enterprise Services for Public Transit bus purchases.

Ms. Arntz responded that the city's transit system operates with two bus manufacturers and models (Class 400 and Class 700) to minimize parts inventory, maintenance, training costs, and provide fleet consistency. She stated that Class 400 buses are purchased through the State's cooperative vehicle procurement.

Ms. Arntz indicated that the agreement for the Class 700 buses was not renewed because of the allowance from State Statute 471.345 Subd.15(b) to use a national municipal association's purchase alliance or cooperative such as the Washington State Cooperative Purchasing Venture. She commented that the purchasing agreement with the state of Washington for heavy bus procurement has expired; thus, a new agreement is required. She added that when vehicles are purchased, approval will be brought before the Council for action.

Mr. McLaughlin moved and Mr. Dieken seconded a motion to approve the Resolution to execute an agreement with Washington State Department of Enterprise Services for Public Transit Bus Purchases. The motion carried unanimously.

- E. Resolution authorizing the City Manager to apply for the 2027 Transit Operating and Capital Grant and enter into an agreement with MnDOT to provide Public Transit Service.

- F. Resolutions amending the Cooperative Construction Agreement with Blue Earth County and to enter into a Professional Services Agreement with Bolton & Menk, Inc. to provide construction and engineering services for Capital Improvement Project 11141; 3rd Avenue (CSAH 5).
- G. Resolution directing Traffic Control at the intersection of Balcerzak Drive and Pohl Road.
- H. Resolution directing Traffic Control at the intersection of Pinehurst Drive and Muriefield Drive.
- I. Resolution directing Traffic Control on Adams Street between Trunk Highway 22 and CSAH 12.
- J. Motion approving 2026 Roadway Striping Modifications on Balcerzak Drive, Augusta Drive and Premier Drive.
- K. Resolution approving the annexation of 210 North Augusta Court and petition for extension of services to the property; by request of Rob Paulsen.
- L. Set June 8, 2026, as date of public hearing for the 2026 Community Development Block Grant (CDBG) Annual Action Plan.

6. **Public Hearings**

- A. Mr. Konz reported that Minnesota Statutes §462.358 authorizes cities to adopt subdivision regulations that establish the standards, requirements, and procedures for reviewing, approving, or denying subdivisions. He stated that under subdivision (c) of this section, a municipality may accept a cash fee in lieu of land dedication for public use, in which the payments are commonly referred to as “parkland dedication fees.”

Mr. Konz indicated that State law requires that a clear nexus exist between the fee or land dedication and the public purpose it is intended to serve. He noted that for this reason, the basis for the fee must be documented in the Planning Commission’s findings and in the City Council’s resolution.

Mr. Konz explained that the Minnesota Supreme Court has reviewed several cases involving park dedication fees and the justification for collecting them. He commented that based on those decisions, it is recommended that the City complete an analysis demonstrating “rough proportionality” when calculating or recalculating the fee using the fair market value of the specific property. He mentioned that the Court emphasized that cities may encounter legal issues if they rely solely on a blanket formula without conducting an individualized analysis of the specific subdivision or development.

Mr. Konz summarized the factors to be considered during the individualized analysis, and noted that the Planning Commission reviewed the ordinance amendment at their meeting on April 22, 2026, and recommended approval.

Brief discussion on factor #3; the city's resulting need to develop or improve property as a result of the development or redevelopment.

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

Mr. Laven moved and Mr. Dieken seconded a motion to approve the Ordinance amending Mankato City Code Chapter 10 related to parkland dedication fees.
The motion carried unanimously.

7. **Council Business** (None)

8. **Reports and Miscellaneous Business**

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

Regular Council Meeting, June 8, 2026, 6 p.m., Council Chambers (with EDA and/or Work Session to follow)

Regular Council Meeting, June 22, 2026, 6 p.m., Council Chambers (with Work Session to follow)

9. **Adjournment**

There being no further business, Ms. Hatanpa moved and Mr. Laven seconded a motion to adjourn. With all members voting in favor, the meeting adjourned at 6:13 p.m.

Minutes Approved.

Mayor Massad

ATTEST:

Renae Kopischke
City Clerk



AGENDA RECOMMENDATION

Consent Calendar 5. A.

City Council Regular Meeting

Meeting Date: 06/08/2026

Agenda Item:

Resolution approving acquisition of certain property owned by the Economic Development Authority of Mankato, MN and to enter into a Property Management Agreement with Blue Earth County.

Recommendation/Action(s):

Adoption of the attached Resolution.

Summary:

The Economic Development Authority of Mankato, MN (EDA) owns and operates a portfolio of public housing made up of scattered site units located throughout Mankato, including the Orness Plaza. As part of an ongoing strategy to preserve and modernize affordable housing, the EDA has been transitioning its public housing inventory through federal repositioning programs.

On April 1, 2025, the EDA conveyed forty-nine (49) scattered site public housing units to the City pursuant to Section 18 of the United States Housing Act of 1937. Building on that effort, the EDA has now secured approval from the U.S. Department of Housing and Urban Development (HUD) to convert its remaining public housing units—consisting of one hundred, thirty (130) scattered site units and Orness Plaza—through a combination of the Rental Assistance Demonstration (RAD) program and additional Section 18 disposition authority.

In connection with this conversion process, the EDA has determined that it is in the public's best interest to transfer ownership of the remaining development properties to the City of Mankato. The proposed conveyance would be completed by a quit claim deed for a nominal amount, consistent with the public purpose of maintaining long-term affordable housing.

Following the transfer, the converted units will operate under the Housing Choice

Voucher program, Project-Based Voucher (PBV) Housing Assistance Payment (HAP) contracts. The EDA will enter contracts with the City and will continue to serve as the contract administrator of the Project Based Vouchers, ensuring the proper oversight of federal subsidy payments from HUD.

To support ongoing property operations, the City intends to enter into a management agreement with the Economic Development Authority of Blue Earth County (BECEDA). Through its partnership with the EDA and its experience administering housing programs, BECEDA has the capacity and expertise necessary to manage the properties in compliance with RAD program requirements and applicable HUD regulations through its Intergovernmental Agreement with the EDA.

This action represents a continuation of the City's efforts to preserve affordable housing resources, maintain access to federal funding, and ensure long-term, compliant management of these affordable housing assets.

Staff recommend approval of the attached resolution authorizing the City to accept conveyance of the properties owned by the Economic Development Authority of Mankato, enter into the necessary HAP contracts and management agreement, and empower the City Manager, or their designee, to execute all required documents and take any actions necessary to carry out the intent of the transaction.

Attachments

Resolution

Property Management Agreement

**RESOLUTION APPROVING ACQUISITION OF CERTAIN PROPERTY
OWNED BY THE ECONOMIC DEVELOPMENT AUTHORITY
OF MANKATO AND TO ENTER INTO A PROPERTY MANAGEMENT
AGREEMENT WITH BLUE EARTH COUNTY.**

WHEREAS, the Economic Development Authority of Mankato (EDA) owns and operates certain public housing units located throughout Mankato, Minnesota, including Orness Plaza and scattered sites consisting of 130 units (collectively, the Development); and

WHEREAS, the EDA previously disposed of forty-nine (49) public housing scattered site units pursuant to Section 18 of the United States Housing Act of 1937 as amended the (Section 18 Units) to the City of Mankato (City) on April 1, 2025; and

WHEREAS, the EDA has applied for and received HUD approval to convert the remaining public housing units, including Orness Plaza and scattered site units to long-term Section 8 assistance under HUD's Rental Assistance Demonstration program (RAD) , together with a Section 18 blend (collectively the RAD/Section 18 Conversions); and

WHEREAS, the EDA has determined that it is in the best interest of the public to convey the Property to the City; and

WHEREAS, the EDA will sell the Development to the City for a nominal amount; and

WHEREAS, the City is interested in owning the Property; and

WHEREAS, in connection with the RAD/Section 18 Conversions, the EDA will enter two (2) RAD Section 8 Project-Based Voucher Housing Assistance Payments contracts (RAD Section 8 PBV HAP Contracts) with the City and act as contract administrator for the receipt of subsidy from HUD for the converted units; and

WHEREAS, the EDA operates a Housing Choice Voucher (HCV) program and possesses sufficient administrative capacity to satisfy applicable HUD requirements for the administration of RAD Project-Based Vouchers (PBV);

WHEREAS, the City and Economic development Authority of Blue Earth County, MN (BECEDA) desire to enter into a management agreement pursuant to which BECEDA manages and operates the RAD/Section 18 Units in accordance with RAD requirements and applicable HUD regulations; and

NOW THEREFORE, BE IT RESOLVED by the City authorizes the conveyance of the Properties by quit claim deed from the EDA to the City.

FURTHER RESOLVED, that the City is hereby authorized to enter into the Management Agreement with BECEDA, pursuant to which the BECEDA shall provide management and operational services for the RAD/Section 18 Units in compliance with RAD program requirements, HUD regulations, and the RAD Section 8 PBV HAP contracts; and it is

FURTHER RESOLVED, that the City Manager, or their designee, is hereby authorized and directed, for and on behalf of the City, to negotiate, execute, and deliver all agreements, documents, instruments, and certifications, including but not limited to purchase and sale agreements, RAD Section 8 PBV HAP contracts, management agreements, and to take any and all actions deemed necessary or appropriate to carry out the intent and purposes of this Resolution;

This resolution shall become effective immediately upon passage and without publication.

Adopted this 8th day of June 2026.

Najwa Massad, Mayor

ATTEST:

Susan MH Arntz, City Manager

PROPERTY MANAGEMENT AGREEMENT

This Agreement is made as of the 8 day of June, 2026 (“**Effective Date**”) by and between the City of Mankato, Minnesota, a political subdivision of the State of Minnesota (“**Owner**”) and the Economic Development Authority of Blue Earth County, a public body corporate and politic organized under the laws of the State of Minnesota (“**Agent**”).

1. **Appointment and Acceptance.** Owner hereby appoints and engages Agent as its exclusive agent to rent, lease, operate and manage the Project described in Section 2 hereof and Agent accepts the appointment subject to the terms and conditions set forth in this Agreement.
2. **Description of Project.** The property to be managed by Agent (the “**Project**”) is the rental communities consisting of the land, buildings and other improvements, including the dwelling units (the “**Project Units**”), known as Orness Plaza and Scattered Site Units (the “**Project**”) and further described on **Exhibit A**.
3. **Definitions.** Capitalized terms used and not defined in the body of this Agreement are defined in **Exhibit A**.
4. **Scope of Services.** Agent will have the general duty and responsibility of managing the Project in a good and efficient manner and in compliance with Project Requirements, as defined herein. Agent shall exercise due diligence and care in the management of the Project, and shall furnish Owner with its best advice, experience and judgment in such management.
5. **Project Requirements.**
 - (a) The Project is subject to certain operational and programmatic requirements, agreements, and restrictions arising out of the Department of Housing and Urban Development (“**HUD**”) Rental Assistance Demonstration program (“**RAD**”) under which it is assisted, requirements set forth in the RAD Conversion Commitment (the “**RCC**”), Section 8 Project Based Voucher Housing Assistance Payment Contracts (“**PBV HAP Contract**”), and RAD Use Agreement (“**Use Agreement**” and, collectively with the RCC and the PBV HAP Contract, the “**RAD Documents**”), and/or otherwise, as set forth in the documents identified on **Exhibit B**, and all applicable federal, state and local laws, statutes, ordinances, regulations, and other applicable authority legal authorities referenced therein or applicable to the Project whether or not specifically referenced (collectively, “**Project Requirements**”). Agent acknowledges that Owner has provided it with copies of all project-specific documents listed in the Project Requirements and that Agent has reviewed the Project Requirements. Owner shall provide any documents not listed in Project Requirements that Owner expects Agent to observe in the operation of the Project. In performing its duties hereunder, Agent shall comply with, and shall cause the Project to comply with, the Project Requirements, provided, however, that such compliance will be an expense of the Project and Agent will not be required to make any payments from its own funds or incur any individual liability.
 - (b) In performing its duties hereunder, Agent shall comply with, and shall cause the Project to comply with, the Management Plan that, if not attached hereto as

Exhibit C, will be proposed by Agent and mutually agreed upon by Owner and Agent within sixty (60) days after the Effective Date. The Management Plan sets forth the policies and procedures to be followed by Agent for the management of the Project, as amended from time to time in accordance with the Project Requirements. Agent will review the Management Plan from time to time for the purpose of keeping Owner informed of necessary or desirable changes.

6. **Marketing.** Agent will carry out marketing for the Project in accordance with the Project Requirements and the Management Plan (including the resident selection or marketing plan therein).
7. **Rentals.** Agents will use due diligence in the management of the Project, devoting such resources as are appropriate, and will use reasonable efforts to rent the Project Units and other rental facilities in the Project. Incident thereto, the following provisions will apply:
 - (a) Agent will be the exclusive rental agent of the Project.
 - (b) Agent will prepare for initial rent-up of the Project (if not currently occupied).
 - (c) Agent will set up and maintain an on-site management office to service the Project or make other arrangements reasonably acceptable to Owner.
 - (d) Agent will follow any marketing plan or resident selection plan approved by Owner and any other applicable parties.
 - (e) Agent will show available dwelling units to prospective tenants and counsel all prospective tenants regarding eligibility for the Project Units.
 - (f) Agent will comply with all procedures in the Management Plan and Project Requirements regarding applicants for occupancy of the Project Units including, as applicable, application intake, determination of eligibility, interview and screening, verification procedures, selection and rejection, record maintenance, unit assignment and execution of leases, all in accordance with the forms, criteria and procedures set forth in the Management Plan.
 - (g) Agent will comply with all eligibility verification and documentation procedures required by the Project Requirements prior to executing leases and upon subsequent review, and will prepare, maintain and verify eligibility certifications, in accordance with the Project Requirements and any additional specific compliance requirements provided by Owner.
 - (h) Agent will prepare all leases and will execute the same in Owner's name, identifying itself thereon as agent for Owner. Leases will be in a form approved by Owner, but individual leases will not be submitted for the approval of Owner.
 - (i) Owner will approve schedule of rents furnished and recommended by the Agent and any other charges for facilities and services. No lease shall be executed for rental amounts less than as approved by Owner.
 - (j) Agent will collect, deposit and disburse security deposits, if required, in accordance

with the terms of each tenant's lease and any applicable state or local laws regarding security deposits, including without limitation any applicable laws concerning payments of interest thereon. Security deposits will be deposited by Agent in the Security Deposit Account.

- (k) In accordance with the Management Plan, a joint inspection of each Project Unit will be conducted by Agent and the new tenant prior to move-in, and a checklist of the unit's condition will be signed by Agent and the tenant upon occupancy; inspections of occupied units will be conducted on a regular basis in order to ascertain the adequacy of care of the unit by the tenant and any necessary repairs; prior to a planned move-out, a joint inspection of the unit will be conducted by Agent and the tenant and where required repairs exceed normal wear and tear, Agent will resolve appropriate charges with the tenant, or deduct such charges from the security deposit in accordance with any applicable state and local laws.

- 8. **Bank Accounts.** Agent will establish and maintain a sub-account, in an institution whose deposits are federally insured, the account which shall be used exclusively by Agent for funds of the Project and be known as the Project's **Operating Account**. Funds in the Operating Account will remain the property of Owner, subject to disbursement by Agent. Agents will not be held liable in the event of bankruptcy or failure of a depository.

In conformance with any applicable local and state laws regarding security deposits, Agent will establish and maintain an interest-bearing escrow sub-account in an institution whose deposits are federally insured, which account shall be used exclusively by Agent for security deposits received by Agent from tenants of the Project and be known as the Project's **Security Deposit Account**. Agents will not be held liable in the event of bankruptcy or failure of a depository.

As required by Project Requirements, Agent will establish and maintain a sub-account, in an institution whose deposits are federally insured, which account shall be used exclusively by Agent for funds of the Project and be known as the Project's **Operating Reserve Account**. For each Project, Agent shall deposit the amount of Project funds listed in Exhibit A into the Operating Reserve Account at such times listed therein.

As required by Project Requirements, Agent will establish and maintain a sub-account, in an institution whose deposits are federally insured, which account shall be used exclusively by Agent for funds of the Project and be known as the Project's **Replacement Reserve Account**. For each Project, Agent shall deposit the amount of Project funds listed in Exhibit A into the Replacement Reserve Account at such times listed therein.

All bank accounts opened by Agent at Owner's direction shall be held in Owner's name but shall be under Agent's exclusive control. Only Agent shall be authorized to draw upon such accounts. No funds deposited in any account established under this Agreement shall be comingled with any other funds of Agent or any other entity.

- 9. **Collection of Rents, Charges and Other Receipts.** Agent will use reasonable efforts to collect, when due, rents, charges and other amounts receivable due from tenants or others on Owner's account in connection with the management and operation of the Project. Tenant rent payments or charges will be due and payable in accordance with

the terms of each lease. All funds collected by Agent shall be deposited by Agent in the Operating Account.

All security deposit funds, if any, received by Agent shall be deposited in the Security Deposit Account in accordance with the terms of each tenant's lease and the laws of the locality and state where the Project is located.

10. **Enforcement of Leases.** Agent will use diligent efforts to secure full compliance with each tenant with the terms of his or her lease. Voluntary compliance will be emphasized, and Agent will counsel tenants and make referrals to community agencies in cases of financial hardship or other circumstances deemed appropriate by Agent, to the end that involuntary termination of tenancies may be avoided to the maximum extent consistent with the sound management of the Project.

Nevertheless, subject to any applicable procedures set forth in the Management Plan, Agent shall have the authority, acting on behalf of Owner, to terminate any tenancy when, in Agent's judgment, sufficient cause (including, but not limited to, nonpayment of rent) for such termination exists under the terms of the tenant's lease. Agent is authorized to consult with legal counsel of its choice to bring actions for evictions or legal proceedings to enforce any of the lease terms or to recover rents or other charges due and to execute notices to vacate and/or other notices; provided, however, that Agent shall keep Owner informed of such actions. Attorney fees and other necessary costs incurred in connection with such actions and not recovered from tenants will be paid from the Operating Account as Project expenses.

11. **Maintenance and Repair.** Agent will cause the Project to be maintained and repaired in accordance with the Management Plan, Project Requirements, and state and local codes and in a condition at all times acceptable to Owner and other applicable parties, including but not limited to cleaning, painting, decorating, plumbing, carpentry, grounds care, and such other maintenance and repair work as may be necessary.

Incident thereto, the following provisions will apply:

- (a) Special attention will be given to preventive maintenance. To the greatest extent feasible, the services of regular maintenance personnel shall be used.
- (b) Agent is authorized to contract with qualified independent contractors, when necessary, for general maintenance and repair of major mechanical systems.
- (c) Agent is authorized to purchase all materials, equipment, tools, appliances, supplies, and services necessary for proper maintenance and repair of the Project in accordance with the budget established with Owner.
- (d) Notwithstanding any of the foregoing provisions, the prior approval of Owner will be required for any single expenditure for labor, materials, or otherwise in connection with the maintenance and repair of the Project, which exceeds \$175,000 or such other amount as is shown in Exhibit D (the "**Expenditure Limit**"); except for (i) expenses within the limits of and already included in Owner-approved annual operating budget or (ii) emergency repairs involving serious danger to persons or property, or (iii) expenses required to avoid suspension of any necessary service to the Project. In the case of exceptions (ii)

and (iii) above, Agent shall provide written notice thereof to Owner within forty-eight (48) hours or, in extraordinary circumstances, as promptly as possible after making the expenditure.

- (e) Agent will systematically and promptly receive and investigate all service requests from tenants, take such action thereon as may be justified, and will keep records of the same. Complaints of a serious nature regarding the condition of the Project will be reported to Owner for investigation

12. **Utilities and Services.** Agent is authorized by Owner to make arrangements and/or, as agent for Owner, enter into contracts for water, electricity, gas, fuel, oil, sewage and trash disposal, pest extermination, decorating, laundry facilities, and telephone, cable and data communication services and any and all other services as may be required or advisable for the operation of the Project. The term of any contract made by Agent hereunder may extend beyond the term of this Agreement. To the extent included in the approved Project budget, Agent may enter into contracts with third party utility invoice processing, monitoring, and bundling service providers for the purposes of processing utility invoices, monitoring utility usage, and bundling utility services at the Project in an effort to reduce utility costs and improve the Project's energy efficiency. All utility payments shall be made from the Operating Account. If the dwelling units are individually metered for any utilities, tenants will contract directly for those utilities, and Agent will not make contracts to secure the same.

13. **Disbursements from Operating Account and Withdrawal from Reserves.** Agent will make disbursements from Owner's funds in accordance with this Agreement and the Management Plan. Incident thereto, the following provisions will apply:

- (a) From the funds collected and deposited by Agent in the Operating Account, Agent will make the following disbursements promptly when payable:
 - (1) Compensation payable to Agent hereunder and reimbursement to Agent for compensation payable to or on account of the employees, and for the taxes and assessments payable to local, state, and federal governments in connection with the employment of such personnel.
 - (2) The payments required to be made periodically by Owner to mortgagee(s), if applicable, including the amounts due for principal amortization, interest, mortgage insurance premiums; ground rents; taxes and assessments; insurance premiums; and the amounts required by any mortgagee, United States Department of Housing and Urban Development ("**HUD**") or other party for allocation to a replacement, operating or other reserve.
 - (3) The payment for technology required to manage the Project including but not limited to hardware, software licensing and technology maintenance fees, and the payment for reasonable costs incurred in connection with third party records storage expenses. Such reimbursements will be paid from the Operating Account and will be treated as a Project expense.

- (4) All sums otherwise due and payable as expenses of the Project authorized to be incurred by Agent in furtherance of the terms of this Agreement and the Management Plan.
 - (b) Except for the disbursements specifically described in this Section 13, funds will be disbursed or transferred from the Operating Account only as Owner may from time to time direct in writing.
 - (c) If the balance in the Operating Account is at any time insufficient to pay expenses when due, Agent will inform Owner of that fact, and Owner will, within five (5) business days, remit to Agent sufficient funds to cover the deficiency. Notwithstanding anything to the contrary stated or implied herein, Agent shall have no obligation or responsibility to use its own funds to pay Project expenses, and it is hereby agreed Agent has no personal, individual or other liability for such debt.
 - (d) Agent shall withdraw from any Project Reserve accounts only as directed by Owner, which direction shall be in accordance with the Project Requirements.
14. **Budgets.** After consultation with Owner, Agent will prepare a recommended operating budget for the Project for each Project Fiscal Year, which unless otherwise specified on Exhibit A will be the calendar year (January 1 – December 31), and will submit the same to Owner for approval for review not later than sixty (60) days before the earlier of (i) the beginning of each new Project Fiscal Year or (ii) any date required by the Project Requirements. Upon receipt, Owner will promptly inform Agent, of changes, if any, to be incorporated in the budget. The proposed budget will be deemed approved unless Owner gives notice of disapproval within thirty (30) days of delivery. Once the budget is approved, Agent will use diligent efforts to see that each type of operating expense itemized in the budget will not exceed the annual amount authorized by the approved budget and Agent will keep Owner informed of any anticipated deviation from the receipts or disbursements stated in the approved budget. Owner will promptly inform Agent of any changes to be incorporated in the approved budget.
15. **Records and Reports.** In addition to and not in limitation of any other requirements specified in this Agreement and the Project Requirements, Agent will have the following responsibilities with respect to records and reports:
- (a) Agent will establish and maintain a comprehensive system of records, books and accounts in a manner conforming to any directives of the Project Requirements and otherwise satisfactory to Owner. All records, books and accounts will be subject to examination by authorized representatives of Owner or other applicable parties during regularly scheduled business hours upon reasonable written notice, which absent special need shall be at least forty-eight (48) hours.
 - (b) If requested by Owner, and/or as required by the Project Requirements, within sixty (60) days following the end of each Project Fiscal Year, Agent will furnish to Owner a complete annual financial report for the Project based upon an examination of the books and records. This report shall be prepared in conformity with generally accepted accounting principles. The costs of preparing this report will be paid out of the Operating Account as an expense of the Project.

- (c) By the fifteenth (15th) day of each month, Agent will furnish Owner with reports reasonably requested by Owner, which may include Balance Sheet, Statement of Profit and Loss and Loss v. Budget (i.e. budget v. actual) for the previous month and with a schedule of accounts receivable and payable as of the end of the previous month.
 - (d) By the fifteenth (15th) day of each month, or more frequently as requested by Owner, Agent shall submit to Owner a current occupancy report, if requested by Owner.
 - (e) If reasonably requested by Owner, Agent will prepare and furnish any other reports necessary to comply with the Project Requirements, including any audited financial reports required by the Project Requirements.
16. **Bids, Discounts, Rebates, etc.** Agent shall use diligent efforts to obtain contracts, materials, supplies, utilities, and services in accordance with contracting and bidding requirements applicable to and required by the Owner. Agent shall secure and credit to Owner, and not receive or retain for itself, all discounts, rebates, or commissions obtainable with respect to purchases, service contracts, and all other transactions regarding the Project.
17. **Insurance.** Agent shall carry (a) worker's compensation insurance, for compensation to any person engaged in the performance of any work undertaken under this Agreement (b) commercial general liability insurance and excess/umbrella liability insurance policies; (c) Property Management Errors and Omissions Insurance or such other insurance as a property manager of housing projects similar to the Development would carry, or as reasonably required by Owner. The Agent shall provide Owner with a Certificate of Insurance. Owner shall obtain and keep in force, at its expense, property insurance on the Development and underlying real property, and such other insurance as it deems appropriate. Agent shall be named as an additional insured as their interests may appear on all liability insurance maintained with respect to the Development. Owner's insurance premiums shall be treated as operating expenses and shall be paid out of the Operating Accounts in accordance with the Operating Budget.
18. **Fidelity Bond and Agent's Insurance.** Agent shall furnish and maintain at its own cost and expense for the duration of the Agreement and any extensions thereof, plus thirty (30) days after the expiration or termination thereof, or as otherwise required by any applicable party, a commercial blanket bond in favor of Owner and, as applicable, other applicable parties, in an amount sufficient to meet the requirements of Owner and the other applicable parties, and in a form and with a company acceptable to Owner, which commercial blanket bond shall cover Agent and all employees hired by Agent in connection with the Agreement. Agent shall furnish and maintain for the duration of the Agreement and any extensions thereof, plus thirty (30) days after the expiration or termination thereof, or as otherwise required by any applicable party, such insurance as may be required in the amounts required.
19. **Non-Discrimination.** In the performance of its obligations under this Agreement, Agent will comply with the provisions of any federal, state or local law prohibiting discrimination in housing on the grounds of race, color, creed, sex, sexual orientation, familial status, handicap, national origin or any other protected status.

20. **Employees.** The number, qualifications, and duties of personnel to be employed in the management of the Project, will be determined by Owner and Agent in accordance with the Owner-approved budget and the Management Plan, and in accordance with any Section 3, local hire, or similar obligations of the Project. All such employees will be deemed employees of Agent, not Owner, and will be hired, supervised, and discharged by Agent. Compensation (including payroll taxes, fringe, and health and disability benefits) payable to all full and part time on-site personnel; local, state, and federal taxes and assessments (including but not limited to Social Security taxes, unemployment insurance, and workmen's compensation insurance); and other direct cost incident to the employment and training of such personnel will be paid from the Operating Account and will be treated as a Project expense, subject to the following conditions:
- (a) The compensation (including payroll taxes, fringe, and health and disability benefits) of all employees will be within Agent's sole discretion, provided that minimum wage standards are met.
 - (b) Agents shall maintain workers' compensation insurance covering all liability of the employer under established workers' compensation laws.
 - (c) Agents shall maintain employer's liability insurance and provide Owner with a Certificate of Insurance.
 - (d) Agents shall prepare, file and execute all required statements and reports relating to employees, including, but not limited to, payroll tax reports, as required under applicable federal, state, and local law, regulations, and/or ordinances.
21. **Compliance with Governmental Orders; Licenses.** Agents will take such action as may be necessary to comply promptly with all government orders or other requirements affecting the Project, whether imposed by federal, state or local authority. Nevertheless, Agent shall take no such action so long as Owner is contesting, or has affirmed its intentions to contest, any such order or requirement. Agent will notify Owner, in writing, of all notices of such governmental orders or other requirements within three (3) business days of the time of their receipt. Owner will notify Agent, in writing, of all notices of such governmental orders or other requirements within three (3) business days of the time of their receipt. Agent will take all necessary steps to obtain and maintain in effect any licenses and registrations required under applicable law for the intended use and operation of the Project.
22. **Agent's Compensation.**
- (a) For the services provided hereunder, exclusive of reimbursement of expenses to which Agent is entitled hereunder, Agent will receive a management fee paid out of the Operating Account and treated as a Project expense, which fee will include a base monthly elements (the "**Base Fee**") and may include other elements as specified in Exhibit A. The following subsections describe possible elements of the management fee, but such elements shall be charged for the Project only as specified in Exhibit A, and any particulars in Exhibit A will supersede this text.
 - (b) The Base Fee will be payable in an amount equal to a specified percentage of each month's gross receipts (the "**Fee Percentage**") or a fixed amount (the "**Fee**")

Amount") per unit per month, as specified in Exhibit A. If gross receipts determine the fee, an adjustment shall be made by the tenth (10th) day of the following month for monies collected after the payment of Agent's monthly management fee. If the fee is a set amount per unit per month, such amount shall be increased annually on the renewal date of this Agreement by a percentage specified in Exhibit A (the "**Fee Inflation Factor**"). Gross receipts shall include but not be limited to rental income (including rental subsidies), forfeited security deposits, laundry income, parking fees and other miscellaneous income, deposits and charges, but excluding security deposits and other deposits which have not been forfeited, insurance proceeds other than proceeds for loss of rents or income, condemnation awards, sale or refinancing proceeds, reimbursement of any overpaid expenses, utility charges and other "pass-throughs" or items of expense billed to the tenant and paid by the Project.

- (c) For any Project in which Agent is related to the Owner, Agent may agree to subordinate some part of its fee to Project cash flow and senior obligations. In such event, any portion of such fee not paid when due will accrue and be paid as soon as feasible.

23. **Term.** This Agreement shall begin on the Effective Date and shall be in force for a period of five (5) years from such date or such longer period as is stated in Exhibit A ("**Initial Term**") and thereafter shall be renewed automatically for five (5) year periods until either Owner or Agent terminates it, by written notice to the other party, at least sixty (60) days prior to the expiration of the Initial Term or any anniversary thereof.

This Agreement may be terminated at any time and for any reason, with or without cause, by either party upon sixty (60) days advance written notice of such termination to the other party. This Agreement may also be terminated by either party for willful misconduct or criminal fraud upon five (5) days written notice to the other party.

Notwithstanding anything to the contrary in this Agreement, Owner may terminate this Agreement if and as required by any of the Project Requirements.

24. **Project Compliance.** Notwithstanding anything to the contrary herein, Owner acknowledges that Agent has no responsibility for the compliance of the Project or any building thereon or any equipment therein with the requirements of any building or zoning codes or with any statute, ordinance, law, or regulation of any governmental body or of any public authority or official thereof having jurisdiction, including but not limited to lead paint conditions, except insofar as such compliance or non-compliance is caused by Agent's gross negligence, willful misconduct, or failure to perform its responsibilities under this Agreement. Agent shall notify Owner promptly or forward to Owner promptly any complaints, warnings, notices, or summonses received by Agent relating to such matters. To the extent there are sufficient funds, Agent shall take necessary action to cure any violations or hazards related to the above. Owner represents that, to the best of Owner's knowledge, the Project and all Project equipment comply with all above requirements. To the extent not expressly prohibited by law, Owner shall indemnify and hold Agent harmless from any and all claims, losses, demands, liabilities, actions, causes of action and obligations, of whatever nature and description, and all costs of defending same (including reasonable attorney's fees) that are in any way caused by, related to or predicated upon any violation or alleged violations of such building codes, laws, ordinances, statutes or regulations, relating to the physical condition of the Project,

including but not limited to lead paint conditions, excepting only losses caused by Agent's gross negligence, willful misconduct, or failure to perform its responsibilities under this Agreement.

25. **Agent Assumes No Liability for Past Practices.** Notwithstanding anything to the contrary stated or implied herein, Agent shall not be liable to Owner (or anyone claiming through Owner) in any context whatsoever for any acts or omissions of (a) Owner, (b) any past or present employees of Owner, (c) any previous owner of the Project, (d) any previous management agent employed at or providing services to the Project, or (e) any agent of (a)-(d) above. To the extent not expressly prohibited by law, Owner shall indemnify and hold Agent harmless from any and all claims, losses, demands, liabilities, actions, causes of action and obligations, of whatever nature and description, and all costs of defending same (including reasonable attorney's fees) which are in any way caused by, related to or predicated upon, any policies or practices of Owner and/or acts and/or omissions of Owner or its prior management company or any of their employees predating the date of this Agreement.

In amplification of the above and not in limitation thereof, Agent shall have no liability for violations of building, zoning, environmental or other laws or regulations, including but not limited to lead paint laws, that may exist as of the date of this Agreement but may only become known during the period this Agreement is in effect. Agent shall bring any such violations or hazards discovered by Agent to the attention of Owner in writing and Owner shall promptly cure them at Owner's sole expense.

26. **Indemnification.** Owner shall indemnify, defend and save Agent harmless from all loss, damage, cost, expense (including reasonable attorneys' fees), liability or claims incurred by or suffered by Agent relative to the Project and/or relative to Agent's management of the Project, except to the extent caused by or resulting from the illegal acts, gross negligence or willful misconduct of Agent.

Agent shall indemnify, defend and save Owner harmless from all loss, damage, cost, expense (including reasonable attorneys' fees), liability or claims (i) for personal injury or property damage incurred or occurring in, on or about the Project caused by or resulting from the illegal acts, gross negligence or willful misconduct of Agent or (ii) resulting from Agent's failure to comply with explicit obligations of this Agreement. The foregoing indemnity shall not apply to loss, damage, cost, expense (including reasonable attorneys' fees), liability or claims resulting from the illegal acts, gross negligence or willful misconduct of Owner.

Notwithstanding the foregoing, if Agent is ever a party to any litigation or proceeding commenced by a third party in which a claim or allegation is made that Agent (or persons for whom it may be responsible) has violated a contract, acted illegally, been negligent or otherwise committed any wrongdoing through any act or omission then, until such time as final judgment is entered against Agent finding Agent to have engaged in willful misconduct or gross negligence, all costs and expenses of defense including attorney's fees shall be borne solely by Owner. Such costs of defense shall be paid for by Agent using Project revenue or Owner advancing funds from time-to-time as defense costs are incurred.

27. **Limitation of Liability.** No manager, member, officer, director, agent, or employee of Agent and no officer, director, trustee, member, partner, manager, agent, or employee of any manager or member of Agent shall have any personal liability for the performance of

any obligation by Agent, or under or in connection with this Agreement or any acts done or omitted by Agent. Owner shall look only at the Agent and its assets for payment or performance under this Agreement. Agent does not waive any applicable statutory limitations of liability applicable under state law.

28. **Relationship of Parties.** The relationship of the parties to this Agreement shall be that of principal and agent, and all duties to be performed by Agent under this Agreement shall be for and on behalf of Owner, in Owner's name, and for Owner's account. In taking any action under this Agreement, Agent shall be acting only as agent for Owner, and nothing in this Agreement shall be construed as creating a partnership, joint venture, or any other relationship between the parties to this Agreement, except that of principal and agent, or as requiring agent to bear any portion of losses arising out of or connected with the ownership or operation of the Project. Neither party shall have the power to bind or obligate the other except as expressly set forth in this Agreement, except that Agent is authorized to act with such additional authority and power as may be necessary to carry out the spirit and intent of this Agreement.

29. **Notices.** Any notices given pursuant to this Agreement shall be in writing and shall be considered to have been given: (a) if sent by email, but only if actively acknowledged by recipient or followed by a second form of notice as described in this section 29; (b) if hand delivered, or (c) if sent by registered or certified mail, return receipt requested, or by private overnight carrier, in each instance properly addressed and with postage or other charges prepaid, to the addresses set forth on **Exhibit A**.

All notices will be sent by personal delivery, email, Federal Express or other nationally recognized overnight messenger service, United States registered or certified mail, postage prepaid, return receipt requested. All notices shall be considered to have been given earlier of receipt, or acknowledgment of email, or forty-eight (48) hours after the date of mailing or one day after delivery to an overnight carrier as provided herein. Any party to this Agreement desiring to make a change in its address for the purpose of notices under this Section shall notify the other party of the change of address in the same manner as provided for in this Section for notices.

30. **Governing Law.** This Agreement shall be governed by and construed and enforced exclusively in accordance with the laws of the State of Minnesota. Venue and jurisdiction for any dispute arising out of or relating to this Agreement shall be in the county where the Project is located.
31. **Entire Agreement.** This Agreement constitutes the entire agreement between Owner and Agent with respect to the management and operation of the Project and supersedes and replaces any and all previous management agreements entered into and/or negotiated between Owner and Agent related to the Project covered by this Agreement. Except as otherwise provided herein, no change will be valid unless made by supplemental written agreement, executed and approved in the same manner as this Agreement. Each party to this Agreement hereby acknowledges and agrees that neither party has made any warranties, representations, covenants, or agreements, express or implied, other than those expressly set forth herein and that each party, in entering into and executing this Agreement, has relied upon no warranties, representations, covenants, or agreements, express or implied, other than those expressly set forth herein.

32. **Successors and Assigns.** This Agreement shall inure to the benefit of and constitute a binding obligation upon Owner and Agent, and their respective successors and assigns; provided that neither Agent nor Owner shall assign this Agreement, and the rights and obligations herein set forth, without prior written consent of the other party. Notwithstanding the foregoing, Owner may assign its rights and obligations as required in connection with the financing of the Project.
33. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which will be deemed an original and all of which, taken together, will constitute one instrument.
34. **Electronic Signatures.** This Agreement and any amendments, instruments, or documents to be executed in connection herewith may be executed and delivered by electronic means. Any signature delivered by electronic transmission (including PDF, email, electronic signing platform, or other electronic means consistent with Minn. Stat. ch. 325L) shall be deemed an original signature, shall be fully binding, and shall have the same legal effect as a handwritten signature executed in ink.
35. **Survivability.** The terms of Sections 24, 26, 27 and 27 of this Agreement shall survive the expiration or termination of this Agreement.
36. **Riders and/or Addenda.** The Riders and/or Addenda attached hereto at **Exhibit C** shall be incorporated herewith, and if there shall be any conflict between the terms of this Agreement and the terms of the Rider and/or Addendum, the terms of the Rider and/or Addendum will be controlled.

[Signature page follows.]

IN WITNESS WHEREOF, the principal parties have, by their duly authorized officers, executed this Agreement on the date first above written.

AGENT:

ECONOMIC DEVELOPMENT AUTHORITY OF BLUE EARTH COUNTY

a public body corporate and politic organized under the laws of the State of Minnesota

By: _____
Name: Joshua W. Milow
Title: Executive Director

OWNER:

CITY OF MANKATO, MINNESOTA

a political subdivision of the State of Minnesota

By: _____
Name: Susan MH Arntz
Title: City Manager

Exhibit A

PROJECT INFORMATION

I. Project Description

Project Name	Orness Plaza;
Address	900 Hope Street
City, State, Zip	Mankato, MN 56001
Number of Dwelling Units	101 units

Project Name	Scattered Site Development
Address	1617 Fifth Avenue. 1-3; 1621 Fifth Avenue 1-3; 617 Elm Street 1-3; 601 Harper Street 1-3; 605 Harper Street 1-2; 925 Mayvis Boulevard 1-2; 921 Mayvis Boulevard; 919 Mayvis Boulevard; 915 Mayvis Boulevard; 913 Mayvis Boulevard; 512 Agency Road; 508 Agency Road; 504 Agency Road; 500 Agency Road; 2005 Hoffman Road; 2009 Hoffman Road; 2013 Hoffman Road; 2017 Hoffman Road; 2021 Hoffman Road; 1514 Woodland Ave.; 2108 Marwood; 106 Carlton Court; 1034 Pfau Street; 6 Riverview; 327 Center Street; 1320 Carney Avenue; 107 Chapman Road 1-2; 2010 Fifth Avenue 1-3; 111 Chapman Road 1-2; 433 N. Sixth Street 1-3; 125 Welcome Avenue 1-4; 1710 Sixth Avenue 1-3; 2020 Sixth Avenue 1-2; 300 Homestead Road; 404 Homestead Road; 101 Sandpiper Drive; 117 Cedar Street; 115 Cedar Street; 113 Long Street; 125 Grace Court; 716 North 5th Street; 1348 North 6th Street; 116 Swiss Street; 108 South Plainview; 404 Agency Road; 1212 Highland Avenue; 116 Haynes Street; 1407 Fair Street; 104 East Welcome; 104 East Welcome; 1509 Marsh Street; 122 Porter Avenue; 117 Iota Avenue; 127 Knollcrest Drive; 414 Malin Street; 1429 North 5th Street
City, State, Zip	Mankato, MN 56001
Number of Dwelling Units	78 Units

II. Project Units

Kind of Unit	Number of Units
Project-Based Vouchers	179
Total Number of Dwelling Units:	179

III. Compensation (see Section 22):

a. **Fee Percentage: 6%**

IV. Reserve Requirements

a. **Operating Reserve: \$_____**

i. **The Operating Reserve must be fully funded prior to submission of the Certificate of Completion to HUD**

b. **Replacement Reserve: \$_____**

i. **An initial deposit of \$_____ to the Replacement Reserve shall be funded at closing. Following construction completion (approximately 12 months), monthly deposits in the amount of \$_____ shall be funded.**

Other Business Terms:

c. **Expenditure Limit (Section 7 (d)): \$175,000**

d. **Initial Term (Section 23): 5 years**

V. Notice Addresses

If to Owner, to:	Blue Earth County, Minnesota 10 Civic Center Plaza Mankato, MN 56001
If to Agent, to:	Economic Development Authority of Blue Earth County 204 S 5 th Street Mankato, MN 56001

Exhibit B

Project Requirements

- 1) Rental Assistance Requirements
 - a) Housing Assistance Payments Contract
- 2) Other Documents and/or Requirements
 - a) RAD Conversion Commitment by and between HUD, Mankato and Economic Development Authority of Mankato
- 3) RAD Use Agreement by and between HUD, Mankato, and Economic Development Authority of Mankato

Exhibit C

Management Plan - ACOP

RAD Addendum



AGENDA RECOMMENDATION

Consent Calendar 5. B.

City Council Regular Meeting

Meeting Date: 06/08/2026

Agenda Item:

Resolution approving the Final Plat of Snell Addition; Lots 3, 4, and 5, Block 1, Menard Addition; except a portion of Lot 5, Block 1 (1900 and 1990 Madison Avenue); by request of Snell Real Estate, LLC.

Recommendation/Action(s):

At the May 27, 2026, meeting, the Planning Commission recommended approval of the final plat.

Summary:

Snell Real Estate, LLC, is requesting a final plat review of Snell Addition. The subject properties are described as Lots 3, 4, and 5, Block 1, Menard Addition; except a portion of Lot 5, Block 1 (1900 and 1990 Madison Avenue). The City Council reviewed and approved the preliminary plat on April 13, 2026.

The applicant is seeking a final plat review for Snell Addition, a 10.23 acre subdivision. The intent of the replat is to amend the existing property lines of the three current parcels to better coincide with the location of current structures. The plat consists of one block that contains two lots: Lot 1, which is 9.15 acres that contains the current dealership building and parking lot areas, and Lot 2, which is 1.07 acres that contains the current car wash structure and associated areas.

Standard city and private utility easements in conformance with Mankato City Code Chapter 10 have been provided where feasible.

A private access agreement has been provided allowing for continued vehicle access from Haefner Drive to the dealership and car wash properties. The intent of this easement is to ensure continuous private access for both proposed lots if the lots were to ever be sold and operated on a separate basis. The noted easement is 30 feet across and centered on the proposed property line between lots 1 and 2, so that a

15-foot easement is maintained on each side of the property line. The access easement location is not intended to correspond with any physical improvements to the property, as the easement lines up with the existing private driveway surfaces.

Attachments

Resolution

General Location Map

Aerial

Final Plat

Easement Exhibit

**RESOLUTION OF THE MANKATO CITY COUNCIL
APPROVING THE FINAL PLAT OF
SNELL ADDITION**

WHEREAS, the applicants have prepared a final plat of Snell Addition; and

WHEREAS, the plat (CY 22-26) has been referred to the Mankato Planning Commission, which has reviewed and recommended approval of said plat; and

WHEREAS, the final plat conforms to the standards set forth in Chapters 10 and 11 of the Mankato City Code; and

WHEREAS, it is found that the final plat complies with the preliminary plat intent as recommended:

1. General Requirements

1. The site is an existing commercial complex and changes to the existing development are not proposed at this time.
2. Because site improvements are not currently proposed, a drainage study has not been submitted to verify compliance. If future site modifications occur, a drainage plan will need to be submitted.
3. The site provides existing storm connections.

2. Streets

1. The street right-of-way widths are in line with the existing street right-of-way widths. No changes are proposed.
2. Future reconstruction of Haefner Drive will require the installation of the sidewalk, unless determined by the City Engineer that the sidewalk is infeasible.

3. Easements

1. The plat provides the standard easements required in Chapter 10 of the Mankato City Code where currently feasible.

4. Block Standards

1. The blocks within the subdivision were designed for the intended end use as a commercial lot.

5. Lot Standards

1. The lots within the subdivision are intended for commercial uses and are designed to accommodate the existing use of the site.

6. Public Sites and Open Spaces

1. Because the property was previously platted, no parkland dedication is due at this time.

WHEREAS, a Final Plat was reviewed by the Planning Commission on May 27th, 2026, and recommended for approval with the following conditions:

1. Any revised or new signage at each site will need to conform with the applicable standards based on any new/revised frontages.
2. Any proposed modifications to existing site or building conditions shall trigger the requirement that all off-street parking and driving surfaces on the subject property be hard surfaced within one year of the proposed work occurring.
3. Any future reconstruction of Haefner Drive will require the installation of a sidewalk along its west side, as identified in the City's Critical Link Sidewalk Plan, unless the City Engineer determines installation to be infeasible.

WHEREAS, it is found that the final plat complies with the preliminary plat intent as recommended.

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Mankato hereby approves the Final Plat of Snell Addition and authorizes the Mayor and City Clerk to sign said plat.

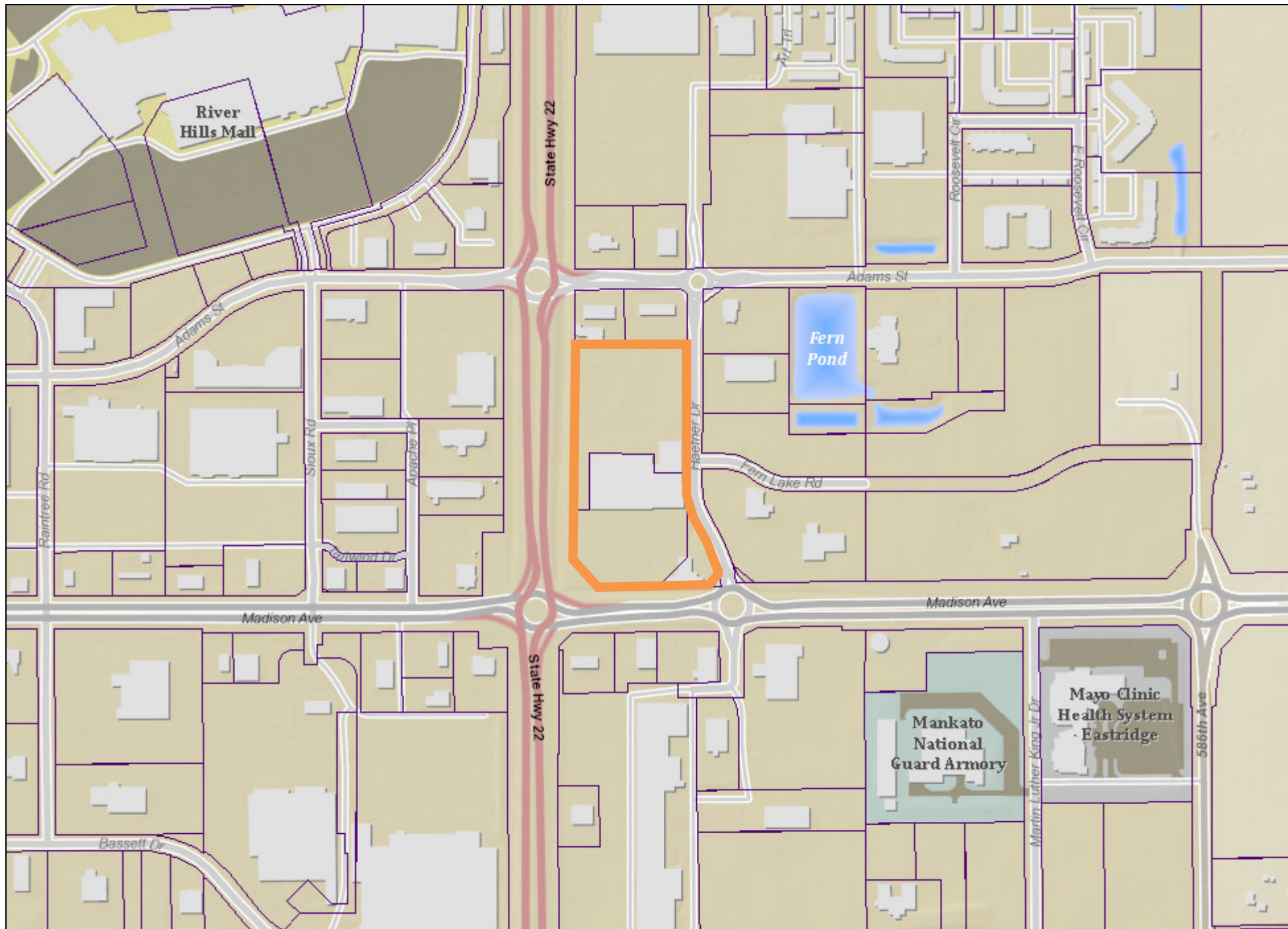
This resolution shall become effective immediately upon passage.

Dated this _____ day of _____, 2026.

Najwa Massad
Mayor

ATTEST: _____
Rena Kopischke, MMC
City Clerk

General Location Map

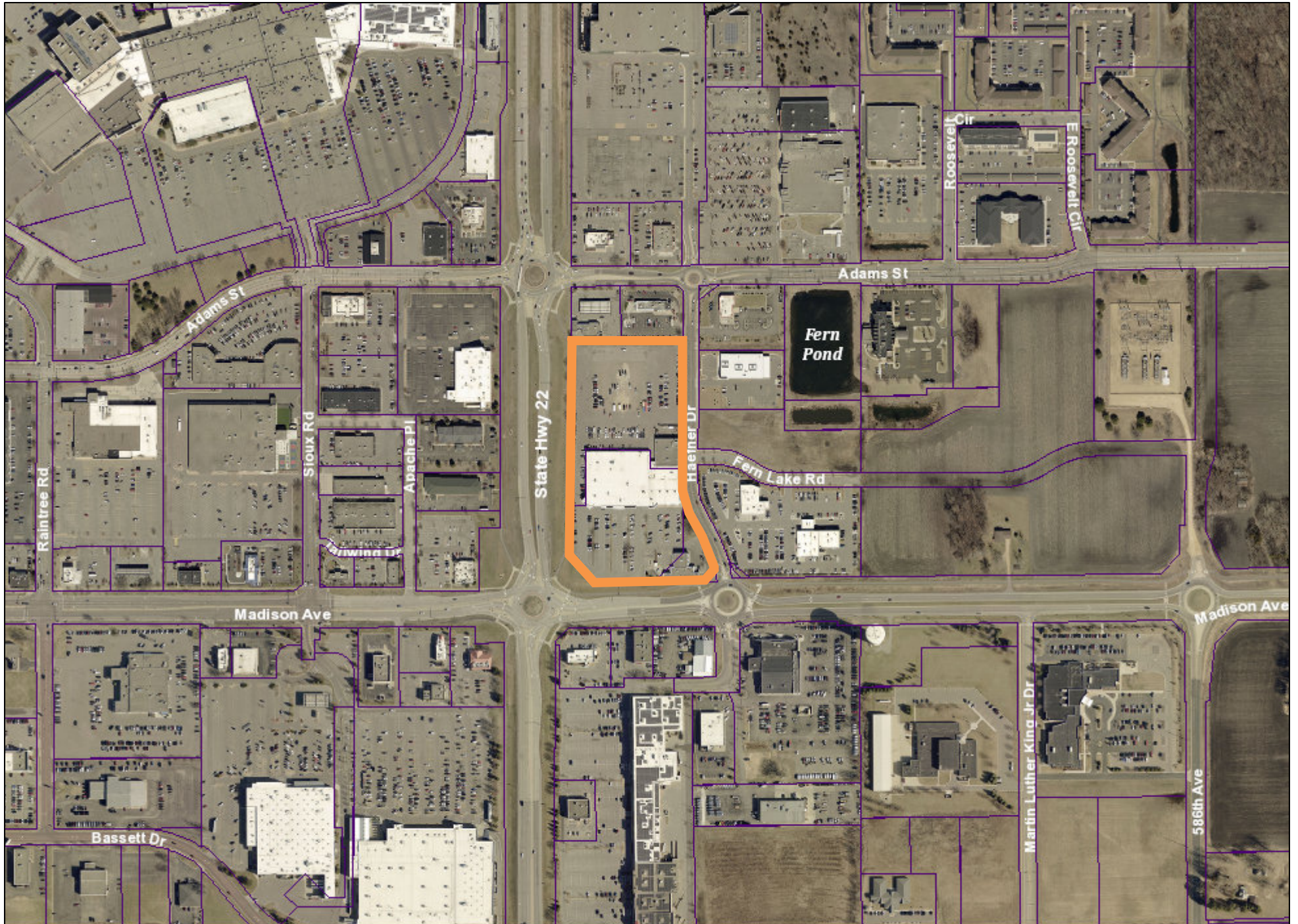


Date: March 2026

Author:

This information is to be used for reference purposes only. The City of Mankato does not guarantee accuracy of the material contained herein and is not responsible for misuse or misinterpretation.

Aerial Map



Date: March 2026

Author:

This information is to be used for reference purposes only. The City of Mankato does not guarantee accuracy of the material contained herein and is not responsible for misuses or misinterpretation.

FINAL PLAT FOR REVIEW

SNELL ADDITION

INSTRUMENT OF DEDICATION

KNOW ALL PERSONS BY THESE PRESENTS: That Snell Real Estate, LLC, a Minnesota limited liability company, owner of the following described property:

Lots Three (3), Four (4) and Five (5), Block One (1), Menard Addition to the City of Mankato, according to the recorded plat thereof, Blue Earth County, Minnesota.

EXCEPT

That part of Lot 5, Block 1, Menard Addition, according to the recorded plat thereof, City of Mankato, Blue Earth County, Minnesota, described as:

Beginning at the Southeast corner of said Lot 5, thence South 80 degrees 26 minutes 30 seconds West along the south line of said Lot 5, a distance of 46.49 feet; thence North 39 degrees 44 minutes 22 seconds East, a distance of 60.17 feet to the easterly line of said Lot 5; thence southerly a distance of 46.53 feet along a nontangential curve to the right having a radius of 440.76 feet, a central angle of 6 degrees 32 minutes 57 seconds and a 46.51 foot chord which bears South 9 degrees 55 minutes 50 seconds East to the point of beginning.

Has caused the same to be surveyed and plated as **SNELL ADDITION** and does hereby dedicate to the public, for public use, the drainage and utility easements as created by this plat.

In witness whereof said Snell Real Estate, LLC, a Minnesota limited liability company, has caused these presents to be signed by its proper officer this ____ day of ____, 20__.

Signed: Snell Real Estate, LLC

State of _____

County of _____

This instrument was acknowledged before me on ____ day of ____, 20__, by _____ of Snell Real Estate, LLC, a Minnesota limited liability company.

____ (sign)

____ (print)

Notary Public _____

My Commission Expires _____

SURVEYOR'S CERTIFICATE

I, Ryan E. Kothhoff, do hereby certify that this plat was prepared by me or under my direct supervision; that I am a duly Licensed Land Surveyor in the State of Minnesota; that this plat is a correct representation of the boundary survey; that all mathematical data and labels are correctly designated on this plat; that all monuments depicted on this plat have been or will be correctly set within one year; that all water boundaries and wet lands, as defined in Minnesota Statutes, Section 505.01, Subd. 3, as of the date of this certificate are shown and labeled on this plat; and all public ways are shown and labeled on this plat.

Dated this ____ day of ____, 20__.

Ryan E. Kothhoff, Licensed Land Surveyor
Minnesota License No. 61565

State of Minnesota
County of Blue Earth

This instrument was acknowledged before me on ____ day of ____, 20__, by Ryan E. Kothhoff, Licensed Land Surveyor.

Kent A. Hays
Notary Public, Minnesota
My Commission Expires Jan. 31, 2030

MANKATO PLANNING COMMISSION

Be it known that on this ____ day of ____, 20__, the Planning Commission of the City of Mankato did duly review this plat of **SNELL ADDITION**.

Chair Person _____

Secretary _____

CITY COUNCIL, CITY OF MANKATO, MINNESOTA

This plat of **SNELL ADDITION**, was approved and accepted by the City Council of the City of Mankato, Minnesota at a regular meeting thereof held this ____ day of ____, 20__, and said plat is in compliance with the provisions of Minnesota Statutes, Section 505.03, Subd. 2.

Mayor _____

Clerk _____

TITLE OPINION

I, Kimberly A. Literovich, Licensed Attorney, State of Minnesota, do hereby certify that the owners as indicated hereon represent all ownership interest in the land encompassed by this plat.

Kimberly A. Literovich, Licensed Attorney

BLUE EARTH COUNTY PROPERTY AND ENVIRONMENTAL RESOURCES

I hereby certify that there are no delinquent taxes and/or delinquent special assessments, that the current taxes have been paid and that the transfer has been entered on the land described herein on the ____ day of ____, 20__.

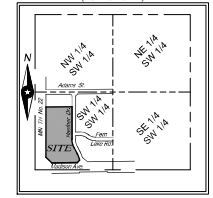
Blue Earth County Property and Environmental Resources Director

COUNTY RECORDER, BLUE EARTH COUNTY, MINNESOTA

I hereby certify that this plat of **SNELL ADDITION** was filed in the office of the County Recorder for public record on this ____ day of ____, 20__, at ____ o'clock ____ M., and was duly filed in Book ____ of Plats, page ____, as Document No. ____.

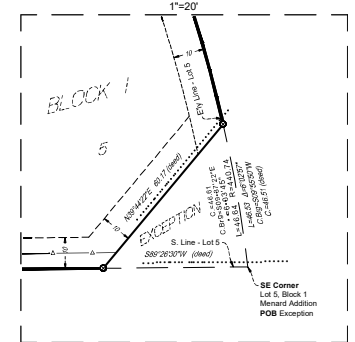
Blue Earth County, County Recorder

VICINITY MAP (NOT TO SCALE)



SW 1/4 SEC. 10, TWP. 108, RGE. 26
Blue Earth County, Minnesota

DETAIL



LEGEND

- Iron Monument Found
- Indicates 1/2" Dia. Iron Monument Set With Plastic Cap Marked By ISG, PLS No. 61565 to be set before time of recording
- Indicates 1/2" Dia. Iron Monument Set With Plastic Cap Marked By ISG, PLS No. 61565
- Indicates Mag Nail Set
- Access Control Line

Orientation of this hearing system is based upon the plat of Menard Addition.

ISG

JOB # 33979 DATE 4/2/25

SNELL

HAEFNER
DRIVE

Lot 1
E Line

Lot 2
E Line

NE Corner
Lot 2
POB

N00°23'52"W
30.00

N89°36'08"E 206.75

N59°53'19"E 81.61

S59°53'19"W 88.39

S89°36'08"W 214.70

Proposed Access
Easement

N. Line - Lot 2

BLOCK 1

2

ADDITION

MADISON AVENUE

REC HIGHWAY ROW PLAT NO 22

PROPOSED ACCESS EASEMENT:

An easement for access purposes over and across all that part of Lots 1 and 2, Block 1, Snell Addition, according to the recorded plat thereof, City of Mankato, Blue Earth County, Minnesota, described as follows:

Beginning at the northeast corner of said Lot 2; thence South 27 degrees 51 minutes 56 seconds East (assumed bearing) on the east line of said Lot 2, a distance of 15.01 feet; thence South 59 degrees 53 minutes 19 seconds West, 88.39 feet; thence South 89 degrees 36 minutes 08 seconds West, 214.70 feet; thence North 00 degrees 23 minutes 52 seconds West, 30.00 feet; thence North 89 degrees 36 minutes 08 seconds East, 206.75 feet; thence North 59 degrees 53 minutes 19 seconds East, 81.61 feet to the east line of said Lot 1; thence South 27 degrees 51 minutes 56 seconds East on said east line, 15.01 feet to the point of beginning.

AREA TABLE

Proposed Easement: 8,872 sq. ft.

NOTES:

1. This survey does not purport to show land ownership or all easements or encumbrances that affect the described property.
2. Orientation of this bearing system is based upon the plat of Snell Addition.



I HEREBY CERTIFY THAT THIS SURVEY, PLAN, OR REPORT WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A FULLY LICENSED LAND SURVEYOR UNDER THE LAWS OF THE STATE OF MINNESOTA.

Ryan E. Kothoff
DATE 4/3/26 LIC. NO. 81565

THIS DOCUMENT IS THE PROPERTY OF I & S GROUP, INC. AND MAY NOT BE USED, COPIED OR DUPLICATED WITHOUT PRIOR WRITTEN CONSENT.
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PROJECT

**SNELL
MOTORS**

MANKATO MINNESOTA

REVISION SCHEDULE		
DATE	DESCRIPTION	BY

PROJECT NO.	06-19975
CAD FILE NAME	53975 EASE
DRAWN BY	KH
DESIGNED BY	--
REVIEWED BY	--
ORIGINAL ISSUE DATE	4/3/26
CLIENT PROJECT NO.	-

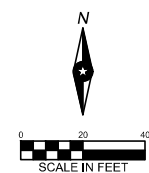
TITLE

**SKETCH OF
DESCRIPTION**

SHEET

1

OF 1





PROPOSED ACCESS EASEMENT:

An easement for access purposes over and across all that part of Lots 1 and 2, Block 1, Snell Addition, according to the recorded plat thereof, City of Mankato, Blue Earth County, Minnesota, described as follows:

Beginning at the northeast corner of said Lot 2; thence South 27 degrees 51 minutes 56 seconds East (assumed bearing) on the east line of said Lot 2, a distance of 15.01 feet; thence South 59 degrees 53 minutes 19 seconds West, 88.39 feet; thence South 89 degrees 36 minutes 08 seconds West, 214.70 feet; thence North 00 degrees 23 minutes 52 seconds West, 30.00 feet; thence North 89 degrees 36 minutes 08 seconds East, 206.75 feet; thence North 59 degrees 53 minutes 19 seconds East, 81.61 feet to the east line of said Lot 1; thence South 27 degrees 51 minutes 56 seconds East on said east line, 15.01 feet to the point of beginning.

AREA TABLE

Proposed Easement: 8,872 sq. ft.

NOTES:

- 1. This survey does not purport to show land ownership or all easements or encumbrances that affect the described property.
- 2. Orientation of this bearing system is based upon the plat of Snell Addition.

I HEREBY CERTIFY THAT THIS SURVEY, PLAN, OR REPORT WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A FULLY LICENSED LAND SURVEYOR UNDER THE LAWS OF THE STATE OF MINNESOTA.

Ryan E. Kothoff
DATE 4/3/26 LIC. NO. 81565

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PROJECT

SNELL MOTORS

MANKATO MINNESOTA

REVISION SCHEDULE		
DATE	DESCRIPTION	BY

PROJECT NO.	26-19975
CAD FILE NAME	53975 EASE
DRAWN BY	KH
DESIGNED BY	—
REVIEWED BY	—
ORIGINAL ISSUE DATE	4/3/26
CLIENT PROJECT NO.	-

TITLE

SKETCH OF DESCRIPTION

SHEET

1 OF 1



AGENDA RECOMMENDATION

Consent Calendar 5. C.

City Council Regular Meeting

Meeting Date: 06/08/2026

Agenda Item:

Resolution approving the Final Plat of Eastwood Energy Center No. 7; Tract B, Registered Land Survey No. 175 (1731, 1751, 1761 Energy Drive); by request of Old Town Riverfront Properties, LLC.

Recommendation/Action(s):

At the May 27, 2026, meeting, the Planning Commission recommended approval of the preliminary and final plat of Eastwood Energy No. 7.

Summary:

Old Town Riverfront Properties, LLC is seeking the preliminary and final plat review of Eastwood Energy Center Number 4. The parcel was previously registered as a land survey in 2023 and at the time identified parcel lines and setbacks. The property is currently described as Tract B, Registered Land Survey No. 175.

The developer wishes to create a three-lot plat to create new building sites for two identified future tenants that meet the zoning requirements for use. The proposed plat creates a one-block subdivision with three new lots; Lot 1 is 8 acres; Lot 2 is 4.40 acres and Lot 3 is 6.0 acres.

Blue Earth County Pond South is located to the east of the development. Stormwater will need to be handled on site for each building constructed. The concept plans do reflect ponding for both identified tenant build-outs.

The applicant will be required to submit a traffic study at the time of permitting.

Attachments

Resolution

General Location Map

Aerial

Preliminary Plat

Concept Plans

Final Plat

**RESOLUTION OF THE MANKATO CITY COUNCIL
APPROVING THE FINAL PLAT OF
EASTWOOD ENERGY CENTER NO. 7**

WHEREAS, the applicants have prepared a final plat of Eastwood Energy Center No. 7; and

WHEREAS, the plat (CY 24-26) has been referred to the Mankato Planning Commission, which has reviewed and recommended approval of said plat; and

WHEREAS, the final plat conforms to the standards set forth in Chapters 10 and 11 of the Mankato City Code; and

WHEREAS, it is found that the final plat complies with the preliminary plat intent as recommended:

1. General Requirements

1. The site is designed in conformance with the location and width of streets, the general drainage location, lot sizes and arrangement.
2. A drainage study is being prepared and will be submitted to verify compliance with the City drainage requirements
3. The site will need to conform to the Common Plan of Development rules and regulations for stormwater. Applicant shall continue working with the City Engineer on design and requirements.
4. The uses identified conform to the zoning types of the parcels.

2. Streets

1. The street right-of-way widths conform to the standards listed in Chapter 10 of the Mankato City Code.
2. The proposed subdivision does not contain any new public streets.

3. Easements

1. The preliminary plat provides standard easements required in Chapter 10 of the Mankato City Code.

4. Block Standards

1. The blocks within the subdivision were designed for the intended end use as industrial lots.

5. Lot Standards

1. The lots within the subdivision are intended for industrial development. The lots are designed in conformance with the standards set forth in Chapter 10.
2. The concept plan for the industrial areas conforms to the minimum lot size requirements.

6. Public Sites and Open Spaces

1. The applicant is not required to make a park dedication as the property was previously platted.

WHEREAS, a preliminary and final plat were reviewed by the Planning Commission on May 27, 2026 and recommended for approval with the following conditions:

1. The applicant shall continue working with city staff regarding site design, drainage, and storm water management.
2. The applicant shall submit a traffic impact study for each buildout at the time of building permit.
3. The applicant shall provide an easement for the stormwater pond area and the shared drives for the subject property.
4. The applicant shall be required to pay water and sewer connection fees.
5. The applicant shall submit a plan reflecting that the wetlands have been investigated on the site. Alternately, the applicant shall provide the NOD demonstrating that no wetlands were found on the subject site.

WHEREAS, it is found that the final plat complies with the preliminary plat intent as recommended.

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Mankato hereby approves the final plat of Eastwood Energy Center No. 7 and authorizes the Mayor and City Clerk to sign said plat.

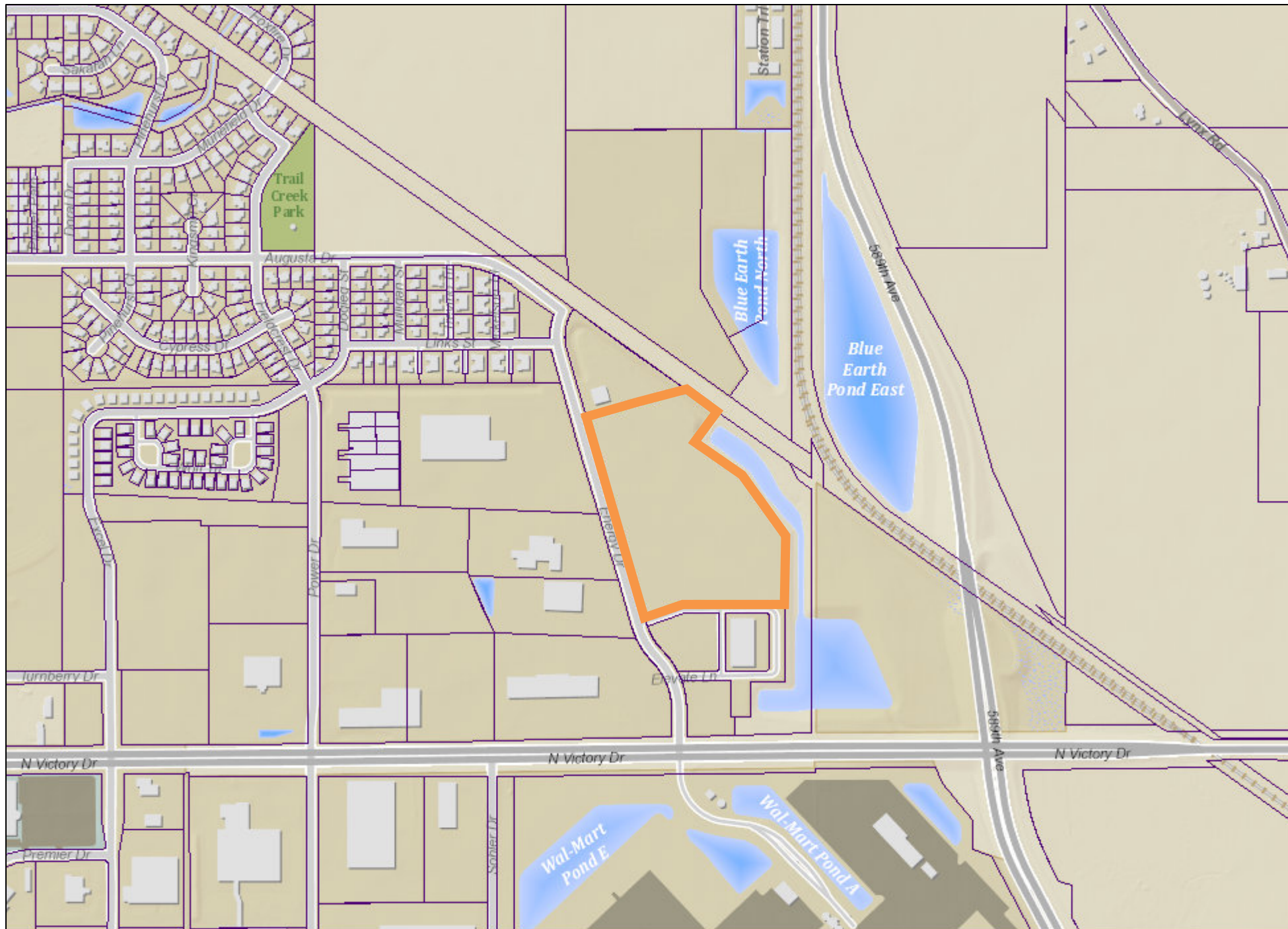
This resolution shall become effective immediately upon passage.

Dated this _____ day of _____, 2026.

Najwa Massad
Mayor

ATTEST: _____
Rena Kopischke, MMC
City Clerk

General Location Map



Date: May 2026

Author:

This information is to be used for reference purposes only. The City of Mankato does not guarantee accuracy of the material contained herein and is not responsible for misuse or misinterpretation.

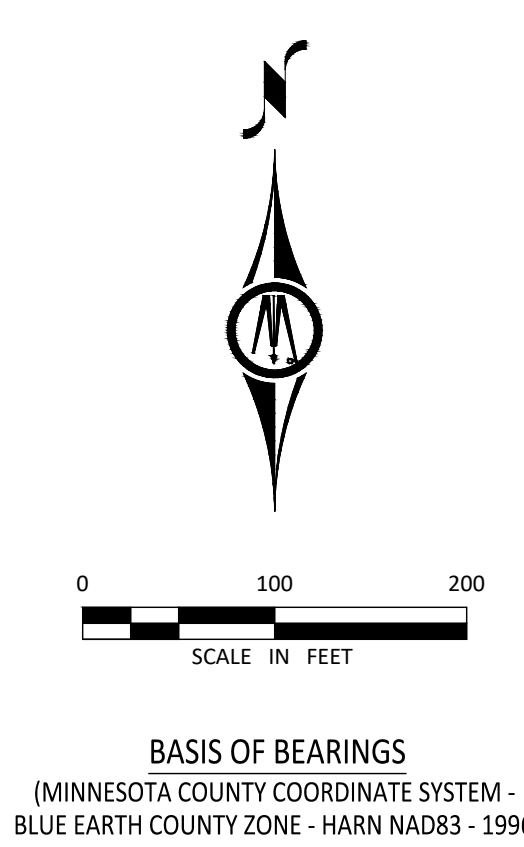
Aerial Map



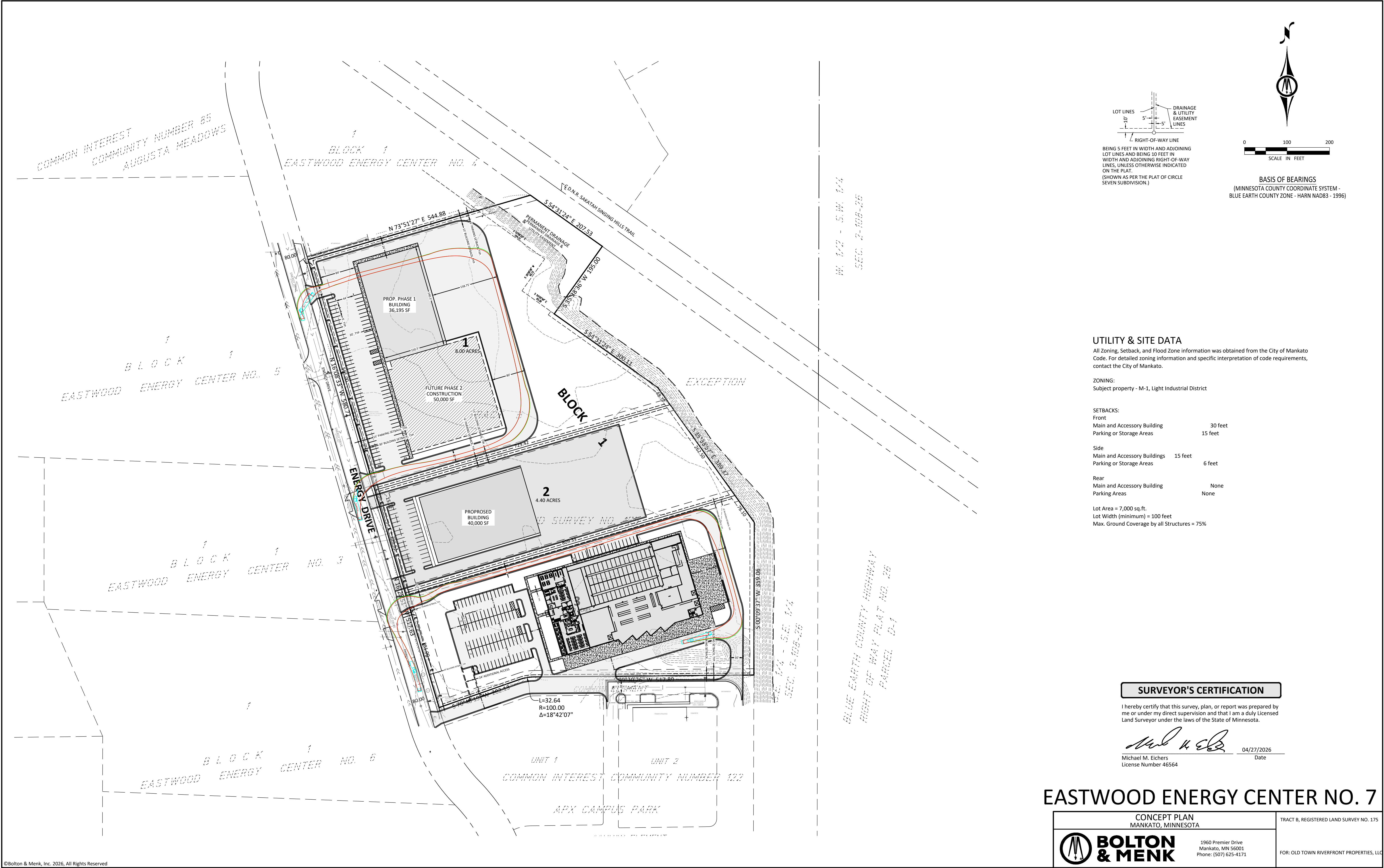
Date: May 2026

Author:

This information is to be used for reference purposes only. The City of Mankato does not guarantee accuracy of the material contained herein and is not responsible for misuser misinterpretation.



FOR: OLD TOWN RIVERFRONT PROPERTIES, LLC



UTILITY & SITE DATA

All Zoning, Setback, and Flood Zone information was obtained from the City of Mankato Code. For detailed zoning information and specific interpretation of code requirements, contact the City of Mankato.

ZONING:
Subject property - M-1, Light Industrial District

SETBACKS:
Front
Main and Accessory Building 30 feet
Parking or Storage Areas 15 feet

Side
Main and Accessory Buildings 15 feet
Parking or Storage Areas 6 feet

Rear
Main and Accessory Building None
Parking Areas None

Lot Area = 7,000 sq.ft.
Lot Width (minimum) = 100 feet
Max. Ground Coverage by all Structures = 75%

SURVEYOR'S CERTIFICATION

I hereby certify that this survey, plan, or report was prepared by me or under my direct supervision and that I am a duly Licensed Land Surveyor under the laws of the State of Minnesota.

Michael M. Eichers
Michael M. Eichers
License Number 46564

04/27/2026
Date

EASTWOOD ENERGY CENTER NO. 7

CONCEPT PLAN MANKATO, MINNESOTA		TRACT B, REGISTERED LAND SURVEY NO. 175
	BOLTON & MENK	
	1960 Premier Drive Mankato, MN 56001 Phone: (507) 625-4171	
		FOR: OLD TOWN RIVERFRONT PROPERTIES, LLC



AGENDA RECOMMENDATION

Consent Calendar 5. D.

City Council Regular Meeting

Meeting Date: 06/08/2026

Agenda Item:

Motion to select Nielsen Blacktopping & Concrete Inc. as the contractor for the Bus Stop Improvement Construction Project.

Recommendation/Action(s):

Motion approving selection of the contractor for the Bus Stop Improvement Construction Project.

Summary:

Bids were solicited for transit bus stop improvements. The engineering estimate for the project was \$340,135 as a base bid with an alternate of \$45,200. The low bid was 18.9% above the estimate as base and 21.9% for base plus alternate of the four bids received.

Staff recommend conditional selection of the lowest responsible bidder, Nielsen Blacktopping & Concrete, Inc. pending negotiations to align with available funds. Bidders included:

- Alliance Contracting, Inc.
- Nielsen Blacktopping & Concrete, Inc.
- Ti-Zack Concrete, LLC
- Urban Companies

Initially programed in the CIP as a 2025 project, the needed level of planning and engineering caused the project to be delayed.

The State Transportation Improvement Program (STIP) has amended the project into year 2026. A transit budget amendment for 2026 will account for the total project cost, federal and local funding share. The local funding share is sourced with sufficient funds available in the transit capital replacement account.

Mankato Transit is taking steps to improve both the compliance with Americans with Disabilities Act requirements and access to the transit system. The Bus Stop Improvement Construction Project continues with 35 stop improvements in both areas.

The 2023 Mankato/North Mankato Area Planning Organization's Americans with Disability Act Transition Plan identified Transit as being 7% compliant. Through the efforts of the 2024 construction project, Transit is 55.8% compliant.

Project Cost: \$375,000 with a 10% local share (\$37,500)

The construction project supports the Strategic Goal 2: Sustainable Infrastructure through well-maintained transportation assets and increased ridership of the transit system.

Background:

Mankato Transit System's Bus Stop Improvements Project addresses the disability access for the fixed-route transit stops in the urbanized area, such as lack of landing pad space to accommodate extendable/retractable bus ramps, and connections to sidewalks. This project systematically addresses the concerns identified in both the 2018 and 2023 Transit Development Plan and 2023 Mankato/North Mankato Area Planning Organization's Americans with Disability Act Transition Plan.

The Minnesota Olmstead Plan, which ensures that disabled Minnesotans live full, integrated lives in their chosen community, set transportation goals which are supported by the project.

The Bus Stop Improvement Project also addresses the lack of access to the bus system by providing additional stops that are generally 1/4 mile apart or a 5-minute walk. Staff identified additional stops that would add value to the system and improve access. These additional stops are along the fiscally constrained routes identified in the Transit Development Plan.

The consultant, ISG, provided planning, design, engineering, and construction administration for the 2025 Bus Stop Improvement Project. The bus stops are on the public right of way – sidewalk, curb and gutter, and grass area separating the sidewalk from the street.



AGENDA RECOMMENDATION

Consent Calendar 5. E.

City Council Regular Meeting

Meeting Date: 06/08/2026

Agenda Item:

Resolution to select a bid and submit a grant request for the Airport Taxiway A/D/E Reconstruction and Enhanced Taxiway Markings Project.

Recommendation/Action(s):

Adoption of the attached resolution.

Summary:

Two of the 2026 Airport Capital Improvement Projects were combined into one and bids were solicited and received from the following companies in May 2026:

- The Mathiowetz Construction Co
- Ulland Brothers Inc.
- R & E Enterprises of Mankato, MN
- Urban Companies

The engineer's estimate for this construction project was \$1,349,704. The low bid from Mathiowetz Construction for \$1,239,945.65 is 8.1% below the estimate, resulting in the following share of the project cost.

- Federal Share \$1,177,948
- State Share \$30,999
- Local Share \$30,999

Mankato Airport's Planning Services team, TKDA, reviewed the bidding documents and found no improprieties.

Staff recommend selection of the lowest responsible bidder, The Mathiowetz Construction Co. Project award is pending receipt of funding.

Staff also recommend the City Manager submit a grant request which is anticipated this summer or fall 2026.

This project will return to Council for grant execution and project award.

Taxiway A/D/E Intersection Reconstruction & Airfield Marking Enhancement

- FAA AIP No. 3-27-0055-043-2026
- State Project No. A0701-131
- City Project No. 11209/11210

Background:

The intersection between Taxiway A, Taxiway D, and Taxiway E currently exists as a three-way intersection with nonstandard angles. Additionally, the taxiway pavements are approaching the end of their design life. The taxiway intersection is to be reconstructed and realigned to provide two standard taxiway intersections with 90-degree angles providing enhanced pilot situational awareness and conforming with modern FAA standards.

Enhanced taxiway centerline marking consists of a parallel line of yellow dashes on either side of the normal taxiway centerline. The taxiway centerlines are enhanced for a maximum of 150 feet prior to a runway holding position marking. The purpose of this enhancement is to warn the pilot that they are approaching a runway holding position and should prepare to stop unless cleared to cross the runway by air traffic control. For airports operating airport traffic control towers and airports certified under 14 CFR Part 139, implementation of the necessary changes is required.

These projects align with the Strategic Plan Goal 2: Sustainable Infrastructure and Goal 5: Economy.

Attachments

Resolution

Project Memorandum

**RESOLUTION TO SELECT THE BID AND SUBMIT A GRANT REQUEST FOR AIRPORT
TAXIWAY A/D/E RECONSTRUCTION AND ENHANCED TAXIWAY MARKINGS**

WHEREAS; the City of Mankato is the sponsor of the Mankato Regional Airport; and

WHEREAS; Taxiway's A, D, and E, a non-standard intersection, is nearing the end the designed service life; and

WHEREAS; the Airport Traffic Control Tower will be complete by 2029 requiring Enhanced Taxiway centerline markings; and

WHEREAS; the two projects are included in the 2026 Airport Capital Improvement Projects; and

WHEREAS; the projects went out for a single bid, and the lowest responsible bidder is The Mathiowetz Construction Company; and

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Mankato that the City Manager can request a grant to fund the Taxiway A/D/E Reconstruction and Enhanced Taxiway Centerline Markings, selecting The Mathiowetz Construction Company as the lowest responsible bid for grant development.

This Resolution shall become effective upon passage without further publication.

Dated this 8th day of June 2026.

Najwa Massad, Mayor

ATTEST: _____
Renae Kopischke, MMC
City Clerk



May 28, 2026

Mr. Shawn Schloesser
Associate Director – Transportation Planning Services
10 Civic Center Plaza
Mankato, Minnesota 56001

Re: Mankato Regional Airport
Taxiway A/D/E Intersection Reconstruction & Airfield Marking Enhancement
Contract Award Recommendation
FAA AIP No. 3-27-0055-043-2026
State Project No. A0701-131
City Project No. 11209/11210
TKDA Project No. 23266

Dear Mr. Schloesser:

Bids on the above-referenced project were received and opened at 2:00 PM on May 26, 2026. Four bids were recieved as follows:

The Mathiowetz Construction Co.	\$ 1,239,945.65
Ulland Brothers Inc.	\$ 1,539,412.10
R & E Enterprises of Mankato, MN	\$ 1,542,612.27
Urban Companies	\$ 1,798,619.00

The Engineer's Estimate for this construction was \$1,349,704.00 for the Base Bid, as shown on the attached bid tabulation. We have reviewed the bids and found no improprieties in the bid proposal from the low bidder, The Mathiowetz Construction Co. The low bid is 8.1% below the Engineer's Estimate.

The Mankato Regional Airport submitted a Grant Initiation Request for Federal Assistance in September 2025 to the FAA. The project will be funded utilizing Federal Airport Improvement Program (AIP) funds at a funding rate of 95%, in addition to State Airport Funds (SAF) at a funding rate of 2.5%. The City's local share of project construction costs is \$30,998.64.

We therefore recommend that a contract be awarded to The Mathiowetz Construction Co. of Sleepy Eye, MN, the lowest responsible bidder. The resulting contract value for the Taxiway A/D/E Intersection Reconstruction & Airfield Marking Enhancement construction would total \$1,239,945.65. A grant is anticipated in summer/fall of 2026, therefore, the resolution for award should be subject to availability of funding.

Please contact us at your convenience with any related questions or comments.

Sincerely,

A handwritten signature in black ink, appearing to read 'R. P. Rapp'.

Robert Rapp, PE
Project Manager

Enclosures

cc: Luke Bourassa, MnDOT Aeronautics, elec. w/encl.
Jess Tillman, FAA Dakota/Minnesota Airports District elec. w/encl.

BIDS OPENED: MAY 26, 2026
TABULATION BY: JNP

TABULATION OF BIDS
TAXIWAY A/D/E INTERSECTION RECONSTRUCTION & AIRFIELD MARKING ENHANCEMENT
MANKATO REGIONAL AIRPORT

FAA AIP NO. 3-27-0055-043-2026
STATE PROJECT NO. A0701-131
TKDA PROJECT NO. 23266

ITEM NO.	DESCRIPTION	ENGINEER'S ESTIMATE			THE MATHIOWETZ CONSTRUCTION CO.		ULLAND BROTHERS INC.		R & E ENTERPRISES OF MANKATO, MN		URBAN COMPANIES		
		QUANTITY	UNIT PRICE	EXTENSION	UNIT PRICE	EXTENSION	UNIT PRICE	EXTENSION	UNIT PRICE	EXTENSION	UNIT PRICE	EXTENSION	
01 55 26-1	TRAFFIC PROVISIONS	1	LS	20,000.00	20,000.00	59,140.69	59,140.69	22,750.00	22,750.00	6,247.50	6,247.50	80,000.00	80,000.00
01 71 13-1	MOBILIZATION	1	LS	100,000.00	100,000.00	110,388.30	110,388.30	150,000.00	150,000.00	220,000.00	220,000.00	188,181.00	188,181.00
02 41 13-1	PAVEMENT REMOVAL	5,116	Sq Yd	5.00	25,580.00	5.13	26,245.08	8.60	43,997.60	6.14	31,425.03	15.00	76,740.00
02 41 13-2	REMOVE 15" RC PIPE	214	Ln Ft	30.00	6,420.00	17.92	3,834.88	19.70	4,215.80	26.25	5,617.50	50.00	10,700.00
02 41 13-3	REMOVE MANHOLE	4	Ln Ft	300.00	1,200.00	176.49	705.96	200.00	800.00	210.00	840.00	1,500.00	6,000.00
02 41 13-4	REMOVE SUBDRAIN	1,165	Ln Ft	2.00	2,330.00	2.81	3,273.65	5.25	6,116.25	14.70	17,125.50	10.00	11,650.00
02 41 13-5	MISCELLANEOUS REMOVALS	1	ALLOW	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00
31 23 00-1	UNCLASSIFIED EXCAVATION	10,500	Cu Yd	18.00	189,000.00	16.53	173,565.00	19.00	199,500.00	17.85	187,425.00	27.00	283,500.00
31 23 00-2	SCARIFY & COMPACT SUBGRADE	5,545	Cu Yd	2.00	11,090.00	0.46	2,550.70	10.95	60,717.75	5.25	29,111.25	15.00	83,175.00
31 25 00	SILT FENCE	75	Ln Ft	3.00	225.00	5.50	412.50	2.50	187.50	5.78	433.50	10.00	750.00
31 25 00	SEDIMENT LOG	30	Ln Ft	4.00	120.00	5.00	150.00	4.00	120.00	5.25	157.50	10.00	300.00
31 25 00	APRON INLET PROTECTION	3	Ea	750.00	2,250.00	304.75	914.25	150.00	450.00	157.50	472.50	400.00	1,200.00
31 25 00	STORM DRAIN INLET PROTECTION	3	Ea	750.00	2,250.00	304.75	914.25	250.00	750.00	157.50	472.50	400.00	1,200.00
31 25 00	EROSION CONTROL BLANKET	1,600	Sq Yd	3.00	4,800.00	1.80	2,880.00	1.70	2,720.00	1.89	3,024.00	3.00	4,800.00
32 11 16-1	SUBBASE COURSE	4,200	Cu Yd	8.00	33,600.00	37.38	156,996.00	55.80	234,360.00	33.60	141,120.00	41.00	172,200.00
32 11 16-2	SEPARATION GEOTEXTILE, CLASS 2	5,545	Sq Yd	4.00	22,180.00	2.75	15,248.75	3.00	16,635.00	3.07	17,000.97	5.00	27,725.00
32 11 24-1	CRUSHED AGGREGATE BASE COURSE	6,018	Sq Yd	16.00	96,288.00	9.82	59,096.76	21.40	128,785.20	14.70	88,464.60	10.00	60,180.00
32 12 13.13-1	EMULSIFIED ASPHALT TACK COAT	600	GAL	3.00	1,800.00	5.00	3,000.00	2.25	1,350.00	5.25	3,150.00	5.60	3,360.00
32 12 16.13-1	ASPHALT SURFACE COURSE	700	TN	135.00	94,500.00	105.00	73,500.00	130.00	91,000.00	110.25	77,175.00	117.60	82,320.00
32 12 16.13-2	ASPHALT BASE COURSE	700	TN	135.00	94,500.00	93.00	65,100.00	125.00	87,500.00	112.35	78,645.00	104.16	72,912.00
32 17 23-1	FINAL PAVEMENT MARKING	1	LS	100,000.00	100,000.00	55,395.00	55,395.00	55,400.00	55,400.00	58,164.75	58,164.75	62,042.00	62,042.00
32 17 23-2	OBLITERATE PAVEMENT MARKINGS	1	LS	30,000.00	30,000.00	18,275.00	18,275.00	18,275.00	18,275.00	19,188.75	19,188.75	20,468.00	20,468.00
32 17 23-3	PAVEMENT MARKING	100	Sq Ft	5.00	500.00	3.50	350.00	3.50	350.00	3.68	367.50	3.92	392.00
32 17 23-4	OBLITERATE PAVEMENT MARKINGS	100	Sq Ft	3.00	300.00	2.85	285.00	2.85	285.00	2.99	299.25	3.19	319.00
32 92 00.1-1	SEEDING, CLASS 1	2	Acre	3,000.00	6,000.00	3,450.00	6,900.00	750.00	1,500.00	4,410.00	8,820.00	15,000.00	30,000.00
32 92 00.4-1	6" TOPSOILING	9,126	Sq Yd	3.00	27,378.00	1.79	16,335.54	2.90	26,465.40	13.65	124,569.90	10.00	91,260.00
32 92 00.5-1	MULCHING, HYDRAULIC TYPE 4	9,126	Sq Yd	3.00	27,378.00	1.20	10,951.20	1.00	9,126.00	1.26	11,498.76	2.00	18,252.00
33 41 00-1	15" CLASS 5 RC PIPE	317	Ln Ft	80.00	25,360.00	153.30	48,596.10	150.00	47,550.00	97.94	31,048.25	115.00	36,455.00
33 49 00-1	27" MANHOLE, MNDOT DESIGN H	3	Ln Ft	500.00	1,500.00	598.79	1,796.37	845.00	2,535.00	433.59	1,300.76	1,500.00	4,500.00
33 49 00-2	48" MANHOLE, MNDOT DESIGN G	4	Ln Ft	750.00	3,000.00	1,091.03	4,364.12	800.00	3,200.00	515.13	2,060.52	1,500.00	6,000.00
33 49 00-3	CASTING ASSEMBLY, TYPE GRATE (MNDOT CASTING NO. 720)	2	Ea	2,000.00	4,000.00	1,107.06	2,214.12	1,160.00	2,320.00	1,155.00	2,310.00	2,000.00	4,000.00
33 41 16-1	6" PERFORATED PVC SUBDRAIN, SDR 35	1,148	Ln Ft	25.00	28,700.00	19.02	21,834.96	24.30	27,896.40	49.47	56,791.56	30.00	34,440.00
33 41 16-2	6" NON-PERFORATED PVC SUBDRAIN, SDR 35	222	Ln Ft	15.00	3,330.00	17.94	3,982.68	39.50	8,769.00	48.02	10,660.44	20.00	4,440.00
33 41 16-3	6" PVC INSPECTION TEE	9	Ea	1,000.00	7,000.00	1,033.31	9,299.79	535.00	4,815.00	504.13	4,537.13	400.00	3,600.00
33 41 16-4	SUBDRAIN REPAIRS	1	ALLOW	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00
34 43 05-1	TEMPORARY WIRING	1	LS	7,500.00	7,500.00	3,000.00	3,000.00	3,000.00	3,000.00	6,615.00	6,615.00	3,360.00	3,360.00
34 43 05-2	AIRFIELD SIGN COVERING	9	Ea	250.00	2,250.00	75.00	675.00	75.00	675.00	78.75	708.75	84.00	756.00
34 43 05-3	DISABLE TAXIWAY LIGHT FIXTURES	18	Ea	50.00	900.00	50.00	900.00	50.00	900.00	52.50	945.00	56.00	1,008.00
34 43 05-4	REMOVE TEMPORARY WIRING	1	LS	2,500.00	2,500.00	2,000.00	2,000.00	2,000.00	2,000.00	2,100.00	2,100.00	2,240.00	2,240.00
34 43 08-1	#6 BARE COUNTERPOISE INSTALLED IN TRENCH	2,000	Ln Ft	8.00	16,000.00	2.40	4,800.00	2.40	4,800.00	2.52	5,040.00	2.69	5,380.00
34 43 08-2	#8 5KV CABLE INSTALLED IN TRENCH, DUCT, OR CONDUIT	6,000	Ln Ft	4.75	28,500.00	1.96	11,760.00	2.00	12,000.00	2.06	12,348.00	2.20	13,200.00
34 43 08-3	#6 600V CABLE INSTALLED IN TRENCH, DUCT, OR CONDUIT	4,900	Ln Ft	5.00	24,500.00	2.06	10,094.00	2.10	10,290.00	2.16	10,598.70	2.31	11,319.00
34 43 10-1	NON-ENCASED ELECTRICAL CONDUIT, 1 WAY, 2" IN TURF	3,800	Ln Ft	10.00	38,000.00	6.50	24,700.00	6.50	24,700.00	6.83	25,935.00	7.28	27,664.00
34 43 10-2	CONCRETE ENCASED ELECTRICAL DUCT BANK, 2 WAY, 3"	205	Ln Ft	125.00	25,625.00	56.00	11,480.00	56.00	11,480.00	58.80	12,054.00	62.00	12,710.00
34 43 10-3	REMOVE DUCT BANK	347	Ln Ft	100.00	34,700.00	15.00	5,205.00	6.60	2,290.20	30.45	10,566.15	25.00	8,675.00
34 43 15-1	INSTALL SALVAGED ELECTRICAL HANDHOLE 4' DIAMETER, TYPE HHc	4	Ea	4,000.00	16,000.00	2,750.00	11,000.00	2,750.00	11,000.00	2,887.50	11,550.00	3,080.00	12,320.00
34 43 15-2	REMOVE AND SALVAGE HANDHOLE 4' DIAMETER, TYPE HHc, SALVAGED	4	Ea	1,500.00	6,000.00	1,600.00	6,400.00	1,600.00	6,400.00	1,680.00	6,720.00	1,792.00	7,168.00
34 43 25-1	INSTALL SALVAGED ELEVATED TAXIWAY EDGE LIGHT L-861T(L)	35	Ea	1,500.00	52,500.00	1,500.00	52,500.00	1,500.00	52,500.00	1,575.00	55,125.00	1,680.00	58,800.00
34 43 25-2	ELEVATED TAXIWAY EDGE LIGHT L-861T(L)	15	Ea	2,000.00	30,000.00	2,955.00	44,325.00	2,955.00	44,325.00	3,102.75	46,541.25	3,309.00	49,635.00
34 43 25-3	PROTECTOR PAD	15	Ea	850.00	12,750.00	975.00	14,625.00	975.00	14,625.00	1,023.75	15,356.25	1,092.00	16,380.00
34 43 25-4	AIRFIELD SIGN SIZE 2 - 3.0 MODULE	2	Ea	6,500.00	13,000.00	7,950.00	15,900.00	7,950.00	15,900.00	8,347.50	16,695.00	8,904.00	17,808.00
34 43 25-5	AIRFIELD SIGN SIZE 2 - 4.0 MODULE	1	Ea	7,000.00	7,000.00	8,500.00	8,500.00	8,500.00	8,500.00	8,925.00	8,925.00	9,520.00	9,520.00
34 43 25-6	INSTALL SALVAGED AIRFIELD SIGN AND PAD SIZE 2 - 3.5 MODULE	1	Ea	3,500.00	3,500.00	4,810.00	4,810.00	4,810.00	4,810.00	5,050.50	5,050.50	5,387.00	5,387.00
34 43 25-7	AIRFIELD SIGN PANEL SIZE 2 - 2.5 MODULE	4	Ea	900.00	3,600.00	3,000.00	12,000.00	3,000.00	12,000.00	3,150.00	12,600.00	3,360.00	13,440.00
34 43 25-8	AIRFIELD SIGN PANEL SIZE 2 - 3.5 MODULE	2	Ea	1,000.00	2,000.00	4,700.00	9,400.00	4,700.00	9,400.00	4,935.00	9,870.00	5,264.00	10,528.00
34 43 25-9	REMOVE & SALVAGE ELEVATED TAXIWAY EDGE LIGHT	35	Ea	800.00	28,000.00	175.00	6,125.00	175.00	6,125.00	183.75	6,431.25	196.00	6,860.00
34 43 25-10	REMOVE AND SALVAGE AIRFIELD SIGN	1	Ea	750.00	750.00	300.00	300.00	300.00	300.00	315.00	315.00	336.00	336.00
34 43 25-11	REMOVE SIGN PAD	1	Ea	500.00	500.00	500.00	500.00	500.00	500.00	525.00	525.00	560.00	560.00
34 43 25-12	REMOVE SIGN PANEL	6	Ea	175.00	1,050.00	75.00	450.00	75.00	450.00	78.75	472.50	84.00	504.00
TOTAL				\$ 1,349,704.00		\$ 1,239,945.65		\$ 1,539,412.10		\$ 1,542,612.27		\$ 1,798,619.00	



AGENDA RECOMMENDATION

Consent Calendar 5. F.

City Council Regular Meeting

Meeting Date: 06/08/2026

Agenda Item:

Resolution to Conditionally accept a Bid and Submit a Grant Request for Replacement of the Airport Snow Removal Unit 91.

Recommendation/Action(s):

Adoption of the attached resolution.

Summary:

Bids were solicited to replace Unit 91 with a Loader and Plow. The engineering estimate for the project was \$432,000.00 and the low bid was 1.6% above the estimate. Trade-in of existing equipment was not included in the bid amount, and it will be negotiated directly with the low bidder, RDO John Deere, to reduce the local share.

- RDO John Deere \$439,061.77

Staff recommend conditional selection of the lowest responsible bidder, RDO John Deere, pending FAA Buy America approval and receipt of funding.

Staff also recommend the City Manager submit a grant request which is anticipated this summer or fall 2026.

This project will return to Council for grant execution and project award.

- FAA AIP No. 3-27-0055-041-2026
- State Project No. A0701-129
- City Project 11263

Background:

Unit 91 is an Oshkosh truck with a plow which has provided airport snow and ice removal for 3,800 hours since it was purchased in 1991. The Capital Improvement Project for 2026 programs \$450,000 for the replacement of Unit 91.

Airport Staff and Central Garage Superintendent support replacing the truck with a front-end loader providing more versatility and agility, meeting the same demands of snow and ice removal. Turning the truck at the runway end requires multiple movements versus one with the front-end loader.

The Mid-Size Wheel Loader and industrial snowplow with hydraulic wings and angle will ensure airport surfaces are cleared faster and reduce the quantity of salt and abrasive materials needed.

Snow Removal Equipment is eligible for 95% federal and 2.5% state funding share of eligible expenses.

The FAA has received the grant funding request approved by Council on September 22, 2025, and anticipates grant number 3-27-0055-041-2026.

Attachments

Resolution

Project Memorandum

**RESOLUTION TO CONDITIONALLY ACCEPT A BID AND SUBMIT A GRANT REQUEST TO
REPLACE THE AIRPORT SNOW REMOVAL UNIT #91**

WHEREAS; the City of Mankato operates the Mankato Regional Airport; and

WHEREAS; airport operators should maintain runways and taxiways if possible to a “no worse than wet” condition during winter storms; and

WHEREAS, the City of Mankato programmed the replacement of Unit 91, a 1991 model year with over 3,80 hours, in the 2026 Capital Improvement Program; and

WHEREAS; the equipment selection process includes identifying the type, number and recommended equipment specifications to ensure task performance; and

WHEREAS, the lowest responsible bidder is RDO John Deere; and

WHEREAS, airport snow removal equipment is eligible for 95% federal and 2.5% state funding share of eligible expenses complying with federal procurement standards; and

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MANKATO, MINNESOTA that the City Manager is authorized to conditionally accept the RDO John Deere bid and request a grant to fund the replacement of Unit #91.

This resolution shall become effective upon passage without further publication.

CERTIFICATION

I hereby certify that the foregoing resolution is a true and correct copy of the resolution presented to and adopted by the City Council of the City of Mankato at a duly authorized meeting held on June 8, 2026.

Adopted this 8th day of June 2026.

Najwa Massad, Mayor

ATTEST: _____
Renae Kopischke, MMC
City Clerk



June 2, 2026

Mr. Shawn Schloesser
Associate Director – Transportation Planning Services
10 Civic Center Plaza
Mankato, Minnesota 56001

Re: Mankato Regional Airport
Snow Removal Equipment Acquisition – Loader and Plow
Contract Award Recommendation
FAA AIP No. 3-27-0055-041-2026
State Project No. A0701-129
City Project No. 11263
TKDA Project No. 23416

Dear Mr. Schloesser:

Bids on the above-referenced project were received and opened at 2:00 PM on May 26, 2026. One bid was received as follows:

RDO John Deere	\$ 439,061.77
----------------	---------------

The Engineer's Estimate for this acquisition was \$432,000.00, as shown on the attached bid tabulation. We have reviewed the bid and found no improprieties in the bid proposal from the low bidder, RDO John Deere. The low bid is 1.6% above the Engineer's Estimate.

The Mankato Regional Airport submitted a Grant Initiation Request for Federal Assistance in September 2025 to the FAA. The project will be funded utilizing Federal Airport Infrastructure Grant (AIG) funds at a funding rate of 95%, in addition to State Airport Funds (SAF) at a funding rate of 2.5%. The City's local share of project costs for the equipment is \$10,976.54.

RDO John Deere is currently submitting their Buy American documentation or waivers to the FAA for approval. Approval of those waivers will be required prior to the FAA issuing funding.

We therefore recommend that a contract be conditionally awarded to RDO John Deere of Mankato, MN, the lowest responsible bidder. A grant is anticipated in summer/fall of 2026, therefore, the resolution for award should be subject to receipt of federal and state funding agreements.

Please contact us at your convenience with any related questions or comments.

Sincerely,

A handwritten signature in cursive script that reads "John N. Peterson".

John N. Peterson, PE
Project Manager

Enclosures

cc: Luke Bourassa, MnDOT Aeronautics, elec. w/encl.
Jess Tillman, FAA Dakota/Minnesota Airports District elec. w/encl.

BIDS OPENED: MAY 26, 2026
TABULATION BY: JNP

TABULATION OF BIDS
SRE ACQUISITION - LOADER AND PLOW
MANKATO REGIONAL AIRPORT

FAA AIP NO. 3-27-0055-041-2026
STATE PROJECT NO. A0701-129
TKDA PROJECT NO. 23416

ITEM NO.	DESCRIPTION	QUANTITY	ENGINEER'S ESTIMATE		RDO JOHN DEERE			
			UNIT PRICE	EXTENSION	UNIT PRICE	EXTENSION		
1	MID-SIZED WHEEL LOADER W/ PUSHER ATTACHMENT	1 EA	432,000.00	432,000.00	439,061.77	439,061.77		
			TOTAL \$	432,000.00	\$	439,061.77	\$ -	\$ -



AGENDA RECOMMENDATION

Consent Calendar 5. G.

City Council Regular Meeting

Meeting Date: 06/08/2026

Agenda Item:

Resolution considering bids for 2026 Sealcoating.

Recommendation/Action(s):

Adoption of the attached resolution.

Summary:

On May 28, 2026, bids were opened for the 2026 Sealcoating project. Three bids were received, with the low bid submitted by Allied Blacktop Company of \$566,859.48. The Engineer's Estimate for the project was \$611,964.00.

This year's area for sealcoating is bound by N Riverfront Drive, Trunk Highway 14, Sakatah Singing Hills State Trail, and CSAH 12.

Staff recommends awarding the construction contract for 2026 Sealcoating to Allied Blacktop Company. The contract has a final completion date of August 28, 2026, and construction is anticipated to start in July.

Staff will provide notice to the community when work is expected to begin once a schedule has been provided by the contractor.

Attachments

Resolution

2026 Sealcoating Bids and Budget

RESOLUTION ACCEPTING BID ON 2026 SEALCOATING

WHEREAS, pursuant to an advertisement for bids for 2026 Sealcoating, the improvement of various roadways by sealcoating, bids were received, opened, and tabulated according to the law, and the following bids were received complying with the advertisement:

Company Name	City, State	Bid Amount
Allied Blacktop Company	Maple Grove, MN	\$566,859.48
Pearson Brothers, Inc.	Hanover, MN	\$581,489.63
Asphalt Surface Technologies Corp	St. Joseph, MN	\$655,501.30

AND WHEREAS, it appears that Allied Blacktop Company of Maple Grove, MN is the lowest responsible bidder,

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF MANKATO,
MINNESOTA:**

1. The City Manager hereby authorized and directed to enter into contract with Allied Blacktop Company of Maple Grove, MN in the name of the city of Mankato for the 2026 Sealcoating project. The improvement of various roadways by sealcoating according to the plans and specifications therefore approved by the city council and on file in the office of the city engineer.
2. That the City Manager is authorized to execute any necessary changes to this contract in accordance with Section 2-8 of the Mankato City Code.

This resolution shall become effective upon its adoption.

Passed this 8th day of June, 2026.

Najwa Massad
Mayor

ATTEST: _____
Renae Kopischke
City Clerk

2026 Sealcoating

Tabulation of Bids

Planholder	Bid Amount	
Engineer's Estimate	\$611,964.40	
Allied Blacktop Company	\$566,859.48	LOW BIDDER
Pearson Brothers, Inc.	\$581,489.63	
Asphalt Surface Technologies Corp.	\$655,501.30	

Low Bid Project Budget

CONSTRUCTION COST

Item	Amount	Percentage
Sealcoating	\$566,859.48	100.0%
Total Contract Cost	\$566,859.48	100.0%

PROJECT COST

Item	Amount	Percentage
2026 Sealcoating Construction Contract	\$566,859.48	100%
Total Estimated Project Cost	\$566,859.48	100%

FUNDING SOURCES

	CIP	AS BID	
Street Maintenance	\$575,000.00	\$566,859.48	100.0%
Total Project Funds	\$575,000.00	\$566,859.48	100.0%

Additional funding above the \$575,000 CIP estimate will be provided from the Street Maintenance budget.



AGENDA RECOMMENDATION

Consent Calendar 5. H.

City Council Regular Meeting

Meeting Date: 06/08/2026

Agenda Item:

Resolution considering bids for 2026 Striping.

Recommendation/Action(s):

Adoption of the attached resolution.

Summary:

On May 28, 2026, bids were opened for the 2026 striping project. One bid was received, with the low bid submitted by Sir-Lines-A-Lot of \$278,163.05. The Engineer's Estimate for the project was \$306,584.25.

Staff recommends awarding the contract for 2026 Striping to Sir-Lines-A-Lot. The contract has a final completion date of October 16, 2026, and striping is anticipated to start in August.

Staff will provide notice to the community when work is expected to begin once a schedule has been provided by the contractor.

Attachments

Resolution

2026 Striping Bids and Budget

RESOLUTION ACCEPTING BID ON 2026 STRIPING

WHEREAS, pursuant to an advertisement for bids for 2026 Striping, the improvement of various roadways by city wide striping, bids were received, opened, and tabulated according to the law, and the following bids were received complying with the advertisement:

Company Name	City, State	Bid Amount
Sir-Lines-A-Lot	Edina, MN	\$278,163.056

AND WHEREAS, it appears that Sir-Lines-A-Lot of Edina, MN is the lowest responsible bidder,

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF MANKATO,

MINNESOTA:

1. The City Manager hereby authorized and directed to enter into contract with Sir-Lines-A-Lot of Edina, MN in the name of the city of Mankato for the 2026 Striping project. The improvement of various roadways by city wide striping according to the plans and specifications therefore approved by the city council and on file in the office of the city engineer.
2. That the City Manager is authorized to execute any necessary changes to this contract in accordance with Section 2-8 of the Mankato City Code.

This resolution shall become effective upon its adoption.

Passed this 8th day of June, 2026.

Najwa Massad
Mayor

ATTEST: _____

Renae Kopischke
City Clerk

2026 Striping

Tabulation of Bids

Planholder	Bid Amount	
Engineer's Estimate	\$306,584.25	
Sir-Lines-A-Lot	\$278,163.05	LOW BIDDER

Low Bid Project Budget

CONSTRUCTION COST

Item	Amount	Percentage
Striping	\$278,163.05	100.0%
Total Contract Cost	\$278,163.05	100.0%

PROJECT COST

Item	Amount	Percentage
2026 Striping Construction Contract	\$278,163.05	100%
Total Estimated Project Cost	\$278,163.05	100%

FUNDING SOURCES

	CIP	AS BID	
Street Maintenance	\$250,000.00	\$278,163.05	100.0%
Total Project Funds	\$250,000.00	\$278,163.05	100.0%

Additional funding above the \$250,000 CIP estimate will be provided from the Street Maintenance budget.



AGENDA RECOMMENDATION

Consent Calendar 5. I.

City Council Regular Meeting

Meeting Date: 06/08/2026

Agenda Item:

Resolution accepting feasibility report and ordering project for Capital Improvement Project 11239; 2026 Pavement Maintenance Project.

Recommendation/Action(s):

Adoption of the attached resolution.

Summary:

Construction services staff have identified the following streets to be in need of urgent asphalt surfacing maintenance in 2026:

- South Riverfront Drive (northbound lanes) from Marshall Street to 200 feet north of Sibley Parkway
- Balcerzak Drive from Warren Street to Monks Avenue

Along both roadway segments, the existing bituminous pavement is deteriorating and in need of repair. South Riverfront Drive is seeing an increased volume of traffic due to the Veteran's Memorial Bridge Closure – which is resulting in an expedited failure of the bituminous surface. The attached report recommends the South Riverfront Drive portion of the project be completed during evening hours (7pm-6am) to mitigate impacts to the flow of traffic. The Balcerzak Drive portion of the project is recommended to be completed during normal daytime working hours.

Staff is recommending the Council consider these improvements per the attached feasibility reports, estimated costs, and funding sources noted below:

ITEM	COST
Roadway	\$129,260.00
Stormwater Pollution Prevention	\$0.00
Storm Drainage Construction	\$0.00
Sanitary Sewer Construction	\$0.00
Watermain Construction	\$0.00
TOTAL CONSTRUCTION COSTS	\$129,260.00

Construction Contingency	\$13,000.00
Administration	\$14,300.00
Engineering	\$14,300.00
TOTAL PROJECT COST	\$170,860.00

FUNDING SOURCE	AMOUNT	PERCENT
Special Assessments	\$0.00	0.0%
Stormwater Revenue	\$0.00	0.0%
Sewer Revenue	\$0.00	0.0%
Water Revenue	\$0.00	0.0%
Encumbered General Fund Dollars	\$150,000.00	87.8%
Street Maintenance Budget	\$20,860.00	12.2%
TOTAL FUNDS	\$170,860.00	100.0%

Attachments

Resolution
Project Feasibility Report

**RESOLUTION RECEIVING FEASIBILITY REPORT, ORDERING IMPROVEMENT,
PREPARATION OF PLANS, SPECIFICATIONS, AND ORDERING BID SOLICITATION
ON IMPROVEMENT NUMBER 11239, WITHOUT PETITION**

WHEREAS, a report has been prepared by the city engineer with reference to Improvement Number 11239, the improvement of S Riverfront Drive from Marshall Street to 200 feet north of Sibley Parkway; and Balcerzak Drive from Warren Street to Monks Avenue by installing bituminous surfacing, and that this report was received by the council on the 8th day of June, 2026, and

WHEREAS, the report provides information regarding whether the proposed improvement is necessary, cost-effective, and feasible; whether it should be made as proposed or in connection with some other improvement; the estimated cost of the improvement as recommended; and a description of the methodology used to calculate the individual assessments for affected parcels, and

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF MANKATO, MINNESOTA:

1. The council hereby orders the improvement of such street in accordance with the report.
2. That plans and specifications be prepared by the city engineer of Mankato, Minnesota, for such improvement, pursuant to the direction of the Council, are hereby approved and a copy shall be filed with the city clerk of Mankato.
3. The City Manager is hereby instructed to solicit quotes in accordance with the requirement of law.
4. That the City of Mankato does hereby declare its official intent to authorize and issue, in accordance with all applicable laws, bonds or other obligations of the City of Mankato Bonds to finance the acquisition, construction, and equipment of the improvement.
5. The estimated amount to be bonded is \$150,000.00. Pending the issue of the bonds, expenditures may be made with respect to the project from amounts on hand and available temporarily for the payment of such expenditures in the construction revolving fund. The reasonably expected sources of funds to be used to pay debt service on the bonds, when issued, are special assessments, utility revenue, and property tax.
6. Each expenditure to be reimbursed from the Bonds is or will be a capital expenditure or a cost of issuance, or any of the other types of expenditures described in Section 1.150-2(d)(3) of the Regulations.
7. This statement shall constitute a declaration of official intent for the purposes of Income Tax Regulations Section 1.150-2(d).
8. This project is to be included in the 2027, group A Bond issue.

Roll call vote required
Council Members Voting For:
Council Members Voting Against:

This resolution shall become effective upon its adoption.

Passed this 8th day of June, 2026

Najwa Massad
Mayor

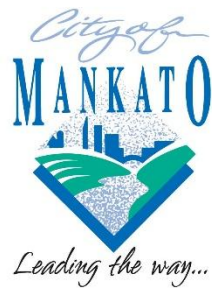
ATTEST: _____
Renae Kopischke
City Clerk

2026 Pavement Maintenance Improvements

Project Feasibility Report

City Project Number 11239

June 1, 2026



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Project Feasibility Report

2026 Pavement Maintenance Improvements
City Project Number 11239
City of Mankato

II. CERTIFICATION PAGE

CERTIFICATION

I hereby certify that this report was prepared by me or under my direct supervision and that I am a duly registered professional engineer under the laws of the state of Minnesota.



Joseph P. Smith
License Number: 60441
Assistant City Engineer

Date: June 1, 2026

III. PROJECT CONTACTS

TITLE	NAME	PHONE	EMAIL
Mayor	Najwa Massad	507.387.9693	nmassad@mankatomn.gov
Councilor at Large	Mike Laven	507.720.8674	mlaven@mankatomn.gov
Councilor Ward 1	Michael McLaughlin	507.720.1093	mmclaughlin@mankatomn.gov
Councilor Ward 2	Dennis Dieken	507.720.1817	ddieken@mankatomn.gov
Councilor Ward 3	Kevin Mettler	507.995.0070	kmettler@mankatomn.gov
Councilor Ward 4	Jenn Melby-Kelley	507.720.2502	jmelby-kelley@mankatomn.gov
Councilor Ward 5	Jessica Hatanpa	507.613.8067	jhatanpa@mankatomn.gov
City Manager	Susan Arntz	507.387.8695	sarntz@mankatomn.gov
City Engineer	Cory Bienfang	507.387.8643	cbienfang@mankatomn.gov
Construction & Facilities Services Director	Jim Tatge	507.387.8504	jtatge@mankatomn.gov
Construction Manager	Luke Pederson	507.387.8541	lpederson@mankatomn.gov

Project Feasibility Report

2026 Pavement Maintenance Improvements

City Project Number 11239

City of Mankato

IV. EXECUTIVE SUMMARY

The 2026 Pavement Maintenance Project proposes improvements to S Riverfront Drive from Marshall Street to 200 feet north east of Sibley Parkway; and Balcerzak Drive from Warren Street to Monks Avenue.

This report will present preliminary investigations, discoveries, design considerations, and cost estimates for use in determining the engineering feasibility of the proposed street improvements.

Construction services staff have identified the following streets to be in need of urgent asphalt surfacing maintenance in 2026:

- S Riverfront Drive (northbound lanes) from Marshall Street to 200 feet north of Sibley Parkway
- Balcerzak Drive from Warren Street to Monks Avenue

This report was prepared by staff to determine the feasibility of street improvements on the roadways listed above. The location of the proposed improvements is shown in **Appendix A**.

Along both roadway segments, the existing bituminous pavement is deteriorating and in need of repair. S Riverfront Drive is seeing an increased volume of traffic due to the Veteran's Memorial Bridge Closure, which is resulting in an expedited failure of the bituminous surface. This report recommends the S Riverfront Drive portion of the project be completed during evening hours (7pm-6am) to mitigate impacts to the flow of traffic. See **Section VIII – Evening Construction** for further discussion. The Balcerzak Drive portion of the project is recommended to be completed during normal daytime working hours.

Suggested improvements on both roadways include a full width bituminous mill & overlay. Detailed maps of the project areas are provided in **Appendix B**.

The estimated project cost of these necessary improvements is approximately **\$170,860.00**. Competitive bidding is not required on contracts that are estimated to be greater than \$25,000 but less than \$175,000. In this price range, the city must get at least two quotations, if possible, and keep them on file for at least one year.

From an engineering standpoint, the proposed improvements are necessary, cost effective, and feasible. These improvements can best be accomplished by soliciting quotes for the work. It is recommended that the council accept this project feasibility report and authorize the City Manager to proceed with quote solicitation.

V. PROJECT INTRODUCTION

This report recommends a bituminous mill & overlay along S Riverfront Drive from Marshall Street to 200 feet east of Sibley Parkway; and Balcerzak Drive from Warren Street to Monks Avenue.

The improvements are being proposed for the summer of 2026. The specific objectives of this preliminary engineering report are to:

Project Feasibility Report

2026 Pavement Maintenance Improvements

City Project Number 11239

City of Mankato

- Evaluate the need for this project
- Inform the council of staff's recommendation to require S Riverfront Drive construction to occur between 7pm – 6am
- Provide information on the estimated costs for the proposed project
- Determine the project schedule
- Determine the feasibility of the proposed project

This project, as proposed, is approximately 2,200 linear feet of roadway bituminous mill & overlay. Specific items that will be included in the construction are summarized by:

- Asphalt pavement mill & overlay
- Pavement striping

VI. EXISTING CONDITIONS

A. STREET

- S Riverfront Drive is an existing concrete roadway built in 1985. In 2015, 2-inches of concrete pavement was milled off and a 2-inch bituminous overlay was installed.
- Balcerzak Drive is an existing bituminous roadway that had a mill & overlay installed in 1993. The city's public works department has invested in significant crack filling and pothole patching efforts along Balcerzak Drive in recent years, and those investments will continue to be necessary without a more substantial resurfacing improvement.
- The existing bituminous pavement is in poor condition with enough distress to warrant a mill & overlay improvement along both roadway segments.

VII. PROPOSED IMPROVEMENTS

A. STREET

The proposed street improvements include a full width mill & overlay of S Riverfront Drive and Balcerzak Drive. Detailed project areas are shown in **Appendix B**.

A mill & overlay project will correct surface distresses, improve ride quality of the roadway, and extend the pavement life. However, reflective cracking of the new bituminous surface will be present within 1-2 years of overlay construction. It is important that these roadways are planned for a more significant pavement improvement within the next 10 years. The construction services department is currently planning for a more significant improvement on both roadway sections within 5-10 years in the city's community investment plan.

Staff is aware of the 2025 Balcerzak Drive corridor study that recommends a three-section roadway (two travel lanes and a center turn lane) from Warren Street to Monks Avenue. Those improvements would be made during a future reconstruction project.

The purpose of the 2026 Pavement Maintenance Project is to improve the condition of the pavement surface along S Riverfront Drive and Balcerzak Drive until a more significant roadway reconstruction project can be executed.

Project Feasibility Report

2026 Pavement Maintenance Improvements

City Project Number 11239

City of Mankato

VIII. EVENING CONSTRUCTION

S Riverfront Drive is experiencing an increased volume of traffic due to the MnDOT's Veteran's Memorial Bridge closure. That closure is expected to continue through November 2026. To avoid major impacts to the flow of traffic along S Riverfront Drive, staff is recommending that S Riverfront Drive construction is completed between 7pm – 6am. It's expected that S Riverfront Drive would be closed for two or three evenings. The roadway would be reopened during the daytime to facilitate daytime traffic.

Division 9, Sec. 10-1772 of the City Code reads:

Any activity or operation of any use producing noise, other than ordinary vehicle noise, shall be conducted so that no noise from the activity shall be deemed a public nuisance, as declared by the city council.

IX. RIGHT-OF-WAY AND EASEMENT

All improvements will be contained to existing right-of-way and easements.

X. APPROVALS/PERMITS

Approvals and permits are required from various agencies for the construction of the project. They include:

- City of Mankato Land Disturbance
- Approval from the Mankato City Council to perform construction activities at night

XI. PROJECT COST ESTIMATE AND FINANCING

Estimated projections for the cost of this project are summarized below.

ITEM	COST
Roadway	\$129,260.00
Stormwater Pollution Prevention	\$0.00
Storm Drainage Construction	\$0.00
Sanitary Sewer Construction	\$0.00
Watermain Construction	\$0.00
TOTAL CONSTRUCTION COSTS	\$129,260.00
Construction Contingency	\$13,000.00
Administration	\$14,300.00
Engineering	\$14,300.00
TOTAL PROJECT COST	\$170,860.00

Funding for the proposed improvements is shown in the table below.

FUNDING SOURCE	AMOUNT	PERCENT
Special Assessments	\$0.00	0.0%
Stormwater Revenue	\$0.00	0.0%
Sewer Revenue	\$0.00	0.0%
Water Revenue	\$0.00	0.0%
Encumbered General Fund Dollars	\$150,000.00	87.8%
Street Maintenance Budget	\$20,860.00	12.2%
TOTAL FUNDS	\$170,860.00	100.0%

Project Feasibility Report

2026 Pavement Maintenance Improvements

City Project Number 11239

City of Mankato

Staff have determined these roadway improvements to be urgent maintenance needs and recommend improvements in 2026. The city's public works department was prepared to invest a significant amount of the street maintenance budget to perform crack filling and pothole patching efforts along Balcerzak Drive. This project would alleviate the need for public works to continue large pavement maintenance investments on Balcerzak Drive in the near future. Since this project has been deemed a maintenance improvement, assessments are not recommended. The city's assessment policy includes a commercial multi-lane resurfacing rate of \$37.86 per front foot.

Future CIP roadway resurfacing projects would be recommended to follow the city's assessment policy.

XII. POSSIBLE SCHEDULE

The following is a possible schedule for the proposed improvements:

6/8/2026	Accept feasibility report; authorize plans & specifications and quote package solicitation.
June/July 2026	Solicit quotes & award construction contract.
August 2026	Begin construction.
August 2026	Construction substantially complete.

Minnesota State University Mankato begins their fall semester on August 24, 2026. The substantial completion date for this project is expected to be prior to that date.

XIII. CONCLUSION AND RECOMMENDATIONS

The existing roadway surface conditions along S Riverfront Drive and Balcerzak Drive are unfavorable with only further deteriorations expected. If these road improvements are not made, maintenance costs will remain high and failure of the roadway surface will continue to occur.

Based on the findings in this report, the proposed improvements are necessary, cost effective, and feasible. The best way to accomplish this project is by soliciting quotes for the work. Feasibility is contingent upon City Council findings with respect to project financing.

XIV. APPENDIX

- Appendix A – Location Map
- Appendix B – Preliminary Plan Sheets

APPENDIX A

Location Map

City Project Number 11239





Project Location:
S Riverfront Drive
(North bound lanes only)

Project Location:
Balcerzak Drive

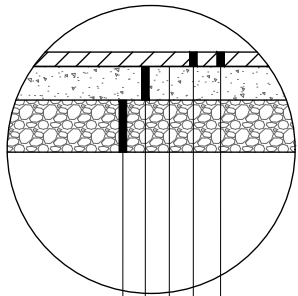
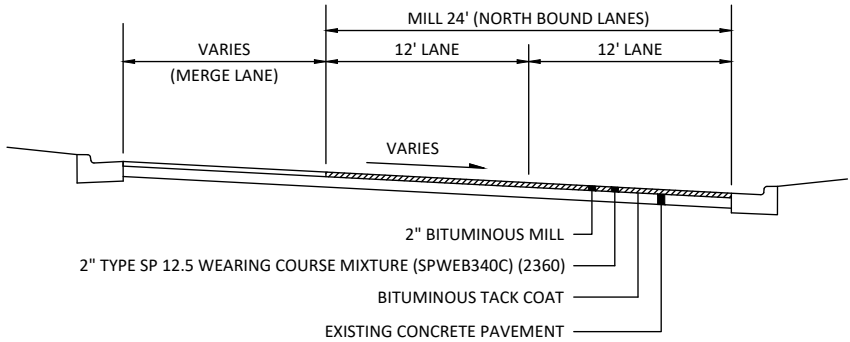
APPENDIX B

Preliminary Plan Sheets

City Project Number 11239



TYPICAL SECTION
NOT TO SCALE
S. RIVERFRONT DRIVE
(SIBLEY PKWY - 130'± N OF SIBLEY PKWY)



NOTE:
AGGREGATE MATERIALS FOR FINAL WEARING COURSE SHALL BE COMPRISED OF VIRGIN MATERIAL. NO RECYCLE MIX WILL BE ALLOWED ON THE WEAR COURSE MIXTURE.

2" BITUMINOUS MILL

2" TYPE SP 12.5 WEARING COURSE MIXTURE (SPWEB340C) (2360)

BITUMINOUS TACK COAT (2357) (INCIDENTAL)

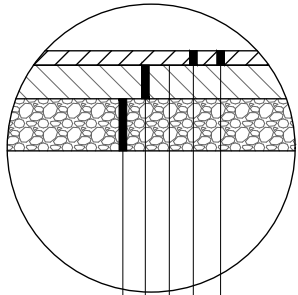
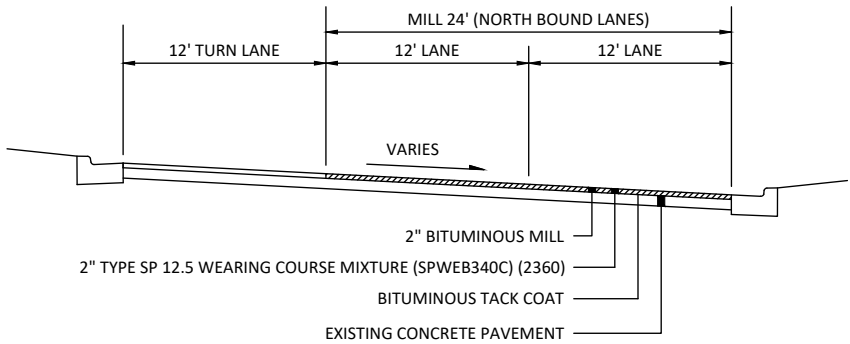
EXISTING CONCRETE PAVEMENT

EXISTING AGGREGATE BASE

EXISTING BITUMINOUS PAVEMENT SECTION - S. RIVERFRONT DRIVE

NOT TO SCALE

TYPICAL SECTION
NOT TO SCALE
S. RIVERFRONT DRIVE
(SIBLEY PKWY - 130'± N OF SIBLEY PKWY)



NOTE:
AGGREGATE MATERIALS FOR FINAL WEARING COURSE SHALL BE COMPRISED OF VIRGIN MATERIAL. NO RECYCLE MIX WILL BE ALLOWED ON THE WEAR COURSE MIXTURE.

2" BITUMINOUS MILL

2" TYPE SP 12.5 WEARING COURSE MIXTURE (SPWEB340C) (2360)

BITUMINOUS TACK COAT (2357) (INCIDENTAL)

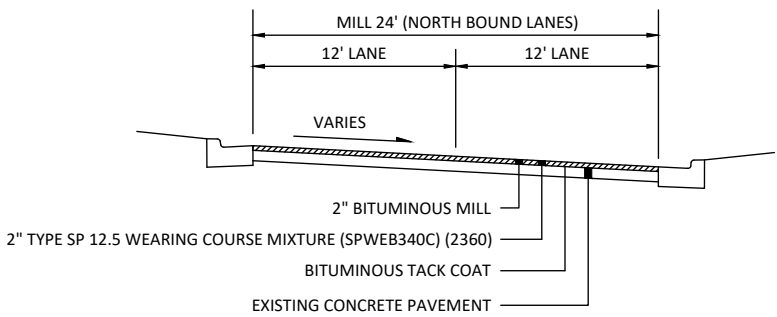
EXISTING 12" BITUMINOUS PAVEMENT

EXISTING AGGREGATE BASE

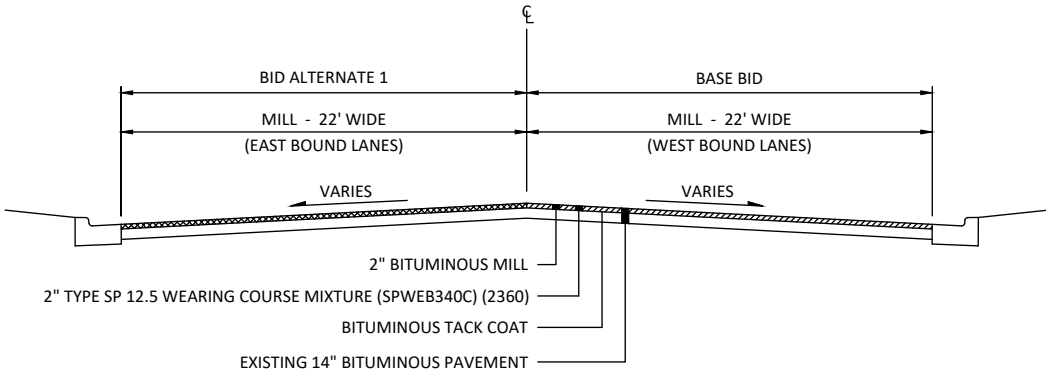
EXISTING BITUMINOUS PAVEMENT SECTION - BALCERZAK DRIVE

NOT TO SCALE

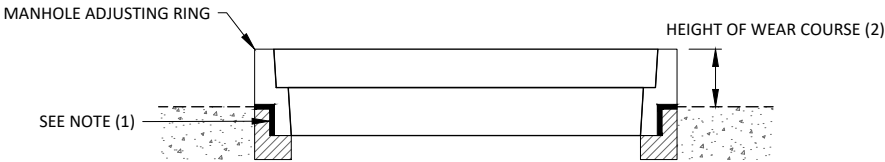
TYPICAL SECTION
NOT TO SCALE
S. RIVERFRONT DRIVE
(MARSHALL ST - 400'± N OF MARSHALL ST)



TYPICAL SECTION
NOT TO SCALE
BALCERZAK DRIVE
(WARREN ST - MONKS AVE)

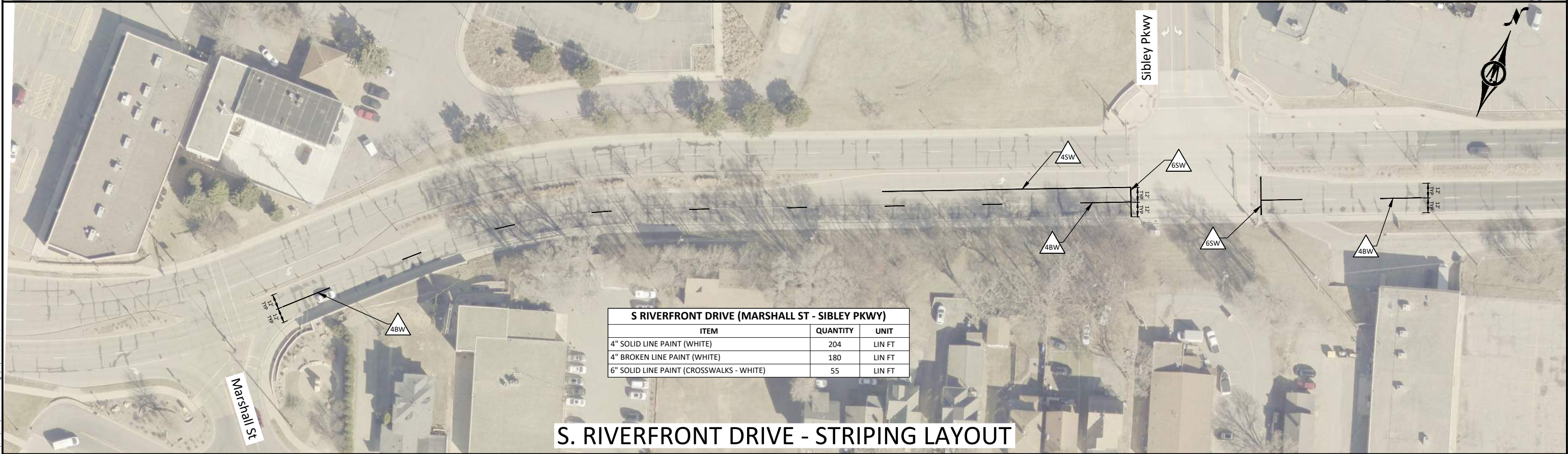


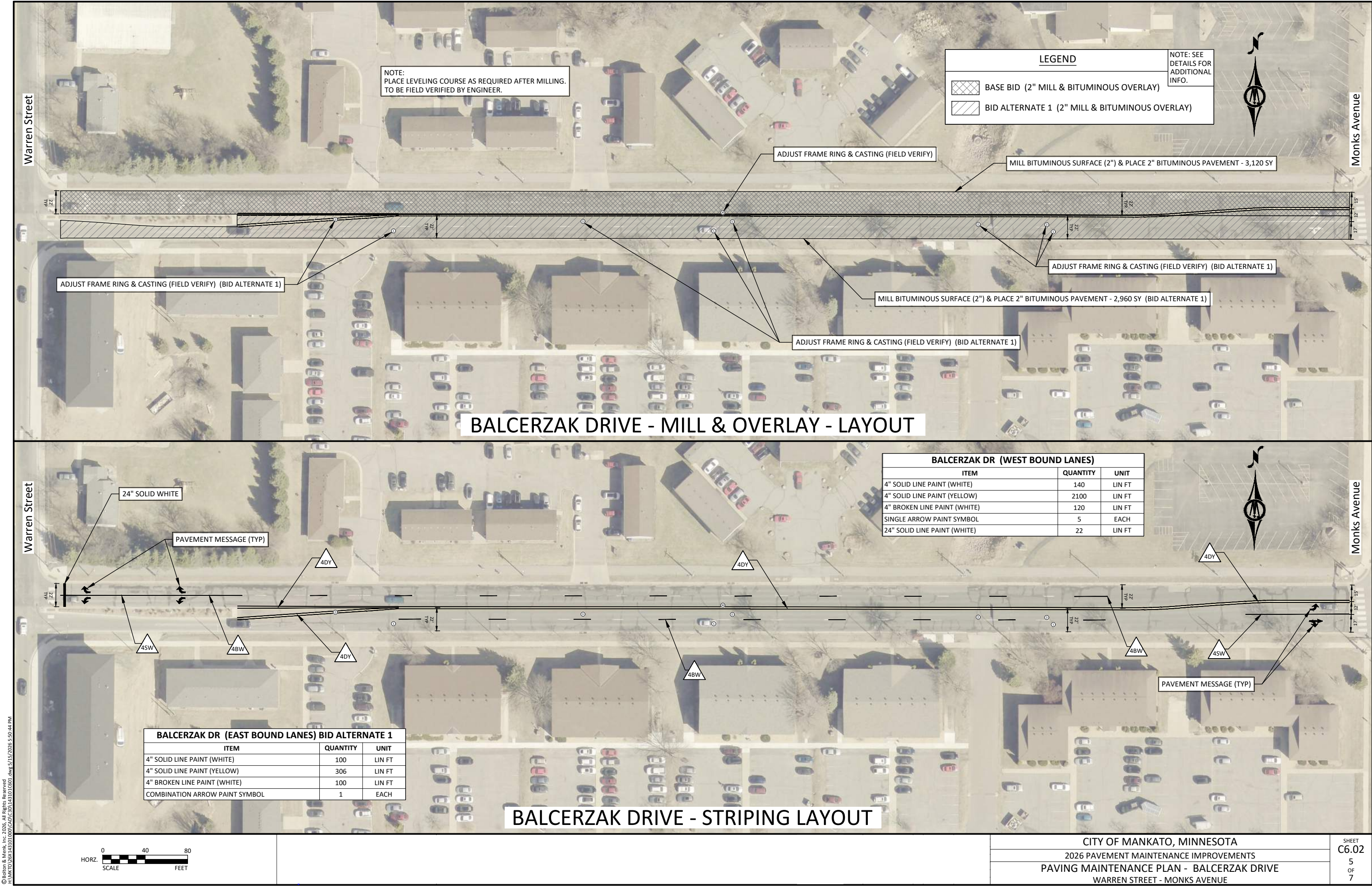
- NOTES:
1. INSTALL DUCTILE IRON RING UTILIZING A SPECIALLY FORMULATED EPOXY AROUND THE FULL CASTING DIAMETER, PER THE MANUFACTURER'S RECOMMENDATIONS.
 2. THE TOP OF THE MANHOLE CASTING SHALL BE KEPT ¼" TO ⅜" BELOW THE TOP OF THE FINISHED BITUMINOUS PAVING.
 3. A MAXIMUM OF ONE MANHOLE ADJUST RING SHALL BE ALLOWED PER STRUCTURE.
 4. GATE VALVES SHALL BE BROUGHT TO FINAL GRADE BY ADJUSTING THE VALVE BOX TO FINAL GRADE. ADJUSTING RINGS SHALL NOT BE ALLOWED WITHOUT APPROVAL OF THE ENGINEER.



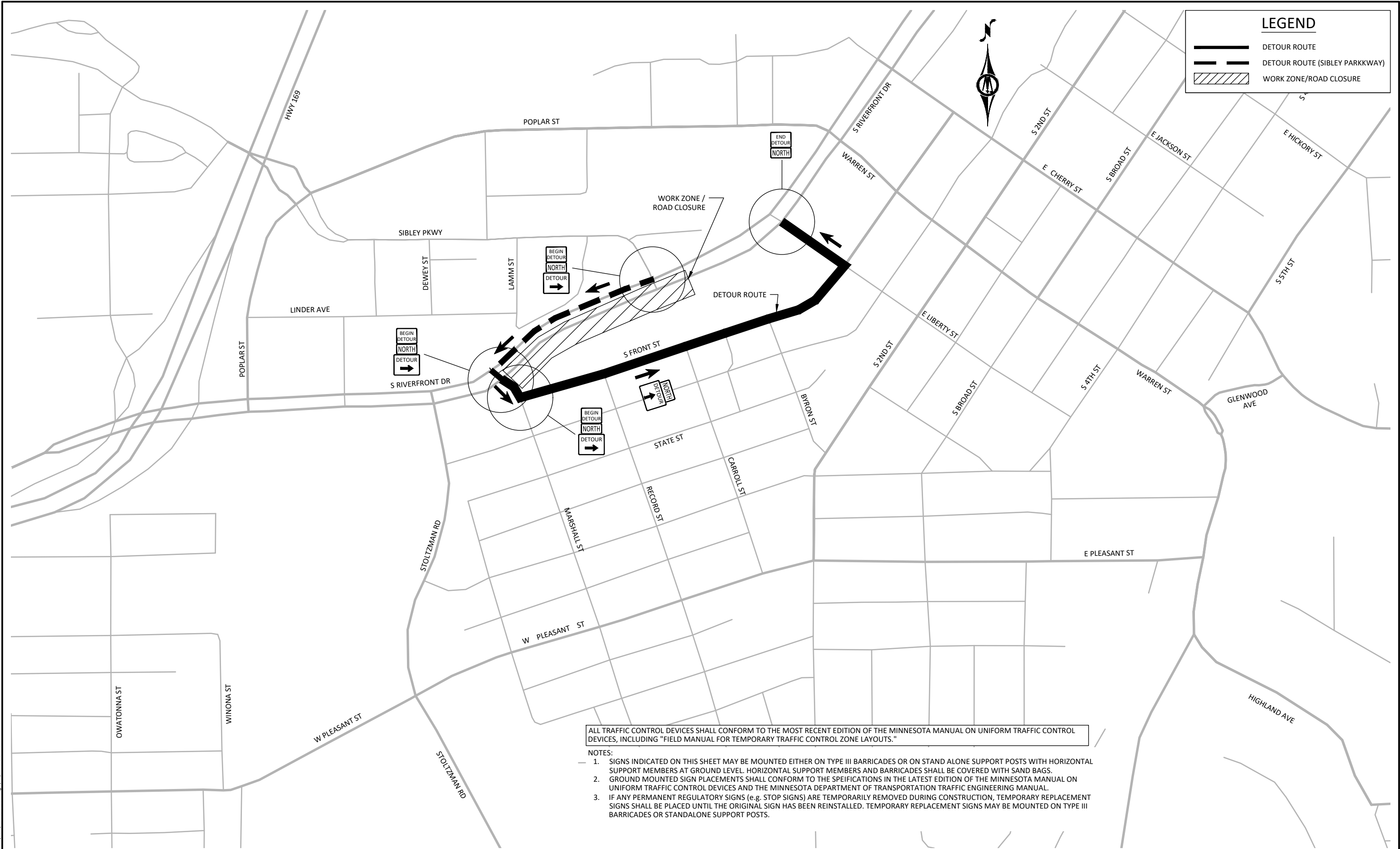
MANHOLE ADJUSTING RING DETAIL

NOT TO SCALE





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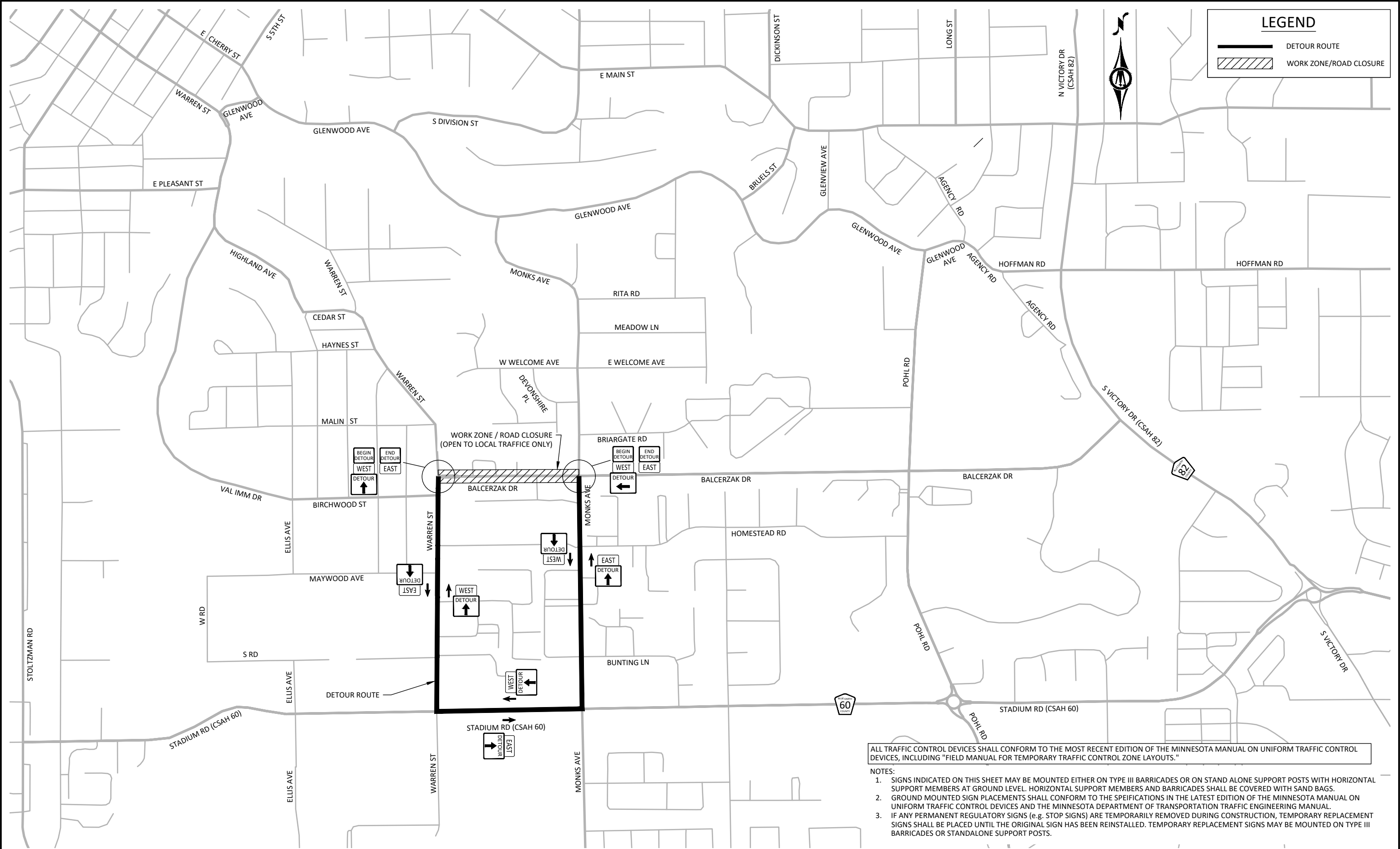
ALL TRAFFIC CONTROL DEVICES SHALL CONFORM TO THE MOST RECENT EDITION OF THE MINNESOTA MANUAL ON UNIFORM TRAFFIC CONTROL DEVICES, INCLUDING "FIELD MANUAL FOR TEMPORARY TRAFFIC CONTROL ZONE LAYOUTS."

NOTES:

1. SIGNS INDICATED ON THIS SHEET MAY BE MOUNTED EITHER ON TYPE III BARRICADES OR ON STAND ALONE SUPPORT POSTS WITH HORIZONTAL SUPPORT MEMBERS AT GROUND LEVEL. HORIZONTAL SUPPORT MEMBERS AND BARRICADES SHALL BE COVERED WITH SAND BAGS.
2. GROUND MOUNTED SIGN PLACEMENTS SHALL CONFORM TO THE SPEIFICATIONS IN THE LATEST EDITION OF THE MINNESOTA MANUAL ON UNIFORM TRAFFIC CONTROL DEVICES AND THE MINNESOTA DEPARTMENT OF TRANSPORTATION TRAFFIC ENGINEERING MANUAL.
3. IF ANY PERMANENT REGULATORY SIGNS (e.g. STOP SIGNS) ARE TEMPORARILY REMOVED DURING CONSTRUCTION, TEMPORARY REPLACEMENT SIGNS SHALL BE PLACED UNTIL THE ORIGINAL SIGN HAS BEEN REINSTALLED. TEMPORARY REPLACEMENT SIGNS MAY BE MOUNTED ON TYPE III BARRICADES OR STANDALONE SUPPORT POSTS.



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AGENDA RECOMMENDATION

Consent Calendar 5. J.

City Council Regular Meeting

Meeting Date: 06/08/2026

Agenda Item:

Resolution receiving feasibility report, ordering improvement, preparation of plans and specifications, and ordering advertisement for bids for Capital Improvement Project 11200; Land of Memories Park.

Recommendation/Action(s):

Adoption of the attached resolution.

Summary:

The Land of Memories Park project is located in the existing Land of Memories Park, which serves as an established recreational area located along the Minnesota and Blue Earth River. The park currently offers significant programming opportunities, and the proposed improvements will enhance the experience of visitors from a cultural significance and practical accessibility standpoint.

Staff have been working with a consultant, ISG, to prepare the feasibility report and evaluate the No Rise, confirming the proposed improvements will have no impact within the floodplain. Additionally, staff have been working with members of the Mahkato Mdewakanton Association to develop the design of a custom playground system and pour in place surface promoting access for all users. The purchase of the play system and surfacing is planned to be by the city directly. As part of the preparation of the final feasibility report, procurement lead time for the playground system was confirmed by Flagship Recreation to be 12–16 weeks. The proposed schedule is for the city to purchase the equipment following City Council approval and award of the bids received, which will put delivery of the system over the winter months. The recommendation would be for the system to be stored and installed during favorable construction conditions in the spring and summer of 2027.

Cost and funding for the proposed improvements are presented in the attached feasibility report and shown below.

LAND OF MEMORIES PARK

ITEM	COST
Mobilization, SWPPP and Removals	\$22,506.00
ADA, Site Restoration and Landscape	\$57,545.00
Playground Site and Walkway	\$130,527.50
SUBTOTAL SITE IMPROVEMENTS	\$210,578.50
CITY DIRECT PURCHASE (Play System/Surfacing)	\$318,321.35
TOTAL CONSTRUCTION	\$528,899.85
Construction Contingency	\$52,890.00
Administration	\$58,178.98
Engineering	\$58,178.98
TOTAL PROJECT COST	\$698,147.80

FUNDING SOURCE	AMOUNT	PERCENT
DNR Grant	\$200,000.00	28.6%
Parks CIP	\$498,147.80	71.4%
TOTAL FUNDS	\$698,147.80	100.0%

The city was the successful recipient of grant funding under the Minnesota Department of Natural Resources (DNR) Outdoor Recreation Grant Program in the amount of \$200,000. The grant funds can be expended through the end of 2027, at which time they will no longer be able to be extended. As a condition of the DNR grant dollars, the city was required to perform a Phase 1 Archeological Survey, which was required given the cultural significance of the park and surrounding area. The results of the Phase 1 Archeological Survey are included within the appendices of the attached feasibility report and concurrence was received from the Minnesota State Historic Preservation Office that the proposed project will not affect any significant archaeological sites.

Staff recommends the Council accept this project feasibility report, order staff to prepare final plans and specifications, and instruct the City Manager to advertise for bids in accordance with the requirements of law.

Attachments

Resolution
Feasibility Report

**RESOLUTION RECEIVING FEASIBILITY REPORT, ORDERING IMPROVEMENT,
PREPARATION OF PLANS, SPECIFICATIONS, AND ORDERING ADVERTISEMENT
FOR BIDS ON IMPROVEMENT NUMBER 11200, WITHOUT PETITION**

WHEREAS, a report has been prepared by city staff with reference to Improvement Number 11200, the improvements to Land of Memories Park at numerous locations throughout the park by construction of ADA access to athletic fields, disc golf, and restroom facilities, ADA camp sites, site work and installation of custom play system and interpretive signing, and this report was received by the council on the 8th day of June, 2026, and

WHEREAS, the report provides information regarding whether the proposed improvement is necessary, cost-effective, and feasible; whether it should be made as proposed or in connection with some other improvement; the estimated cost of the improvement as recommended; and

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF MANKATO, MINNESOTA:

1. The council hereby orders the improvement of Land of Memories Park in accordance with the report.
2. That plans and specifications be prepared by city staff of Mankato, Minnesota, for such improvement, pursuant to the direction of the Council, and are hereby approved and a copy shall be filed with the city clerk of Mankato.
3. The City Manager is hereby instructed to advertise for the bids in accordance with the requirement of law.

Roll call vote required

Council Members Voting For:

Council Members Voting Against:

This resolution shall become effective upon its adoption.

Passed this 8th day of June, 2026

Najwa Massad
Mayor

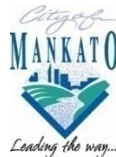
ATTEST: _____
Renae Kopischke
City Clerk

LAND OF MEMORIES PARK

Project Feasibility Report

City Project Number 11200

June 1st, 2026



Project Feasibility Report

Land of Memories Park

City Project Number 11200

City Of Mankato

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Project Feasibility Report

Land of Memories Park
City Project Number 11200
City Of Mankato

I. CERTIFICATION PAGE

CERTIFICATION

I hereby certify that this report was prepared by me or under my direct supervision and that I am a duly registered professional engineer under the laws of the state of Minnesota.



Kyle Renneke
Reg. No.52626
06/01/2026
Date

II. PROJECT CONTACTS

TITLE	NAME	PHONE	EMAIL
Mayor	Najwa Massad	507.387.9693	nmassad@mankatomn.gov
Councilor at Large	Mike Laven	507.720.8674	mlaven@mankatomn.gov
Councilor Ward 1	Michael McLaughlin	507.720.1093	mmclaughlin@mankatomn.gov
Councilor Ward 2	Dennis Dieken	507.720.1817	ddieken@mankatomn.gov
Councilor Ward 3	Kevin Mettler	507.995.0070	kmettler@mankatomn.gov
Councilor Ward 4	Jenn Melby-Kelley	507.720.2502	jmelby-kelley@mankatomn.gov
Councilor Ward 5	Jessica Hatanpa	507.613.8067	jhatanpa@mankatomn.gov
City Manager	Susan Arntz	507.387.8695	sarntz@mankatomn.gov
Director of Administrative Services	Parker Skophammer	507.387.8739	pskophammer@mankatomn.gov
City Engineer	Cory Bienfang	507.387.8643	cbienfang@mankatomn.gov
Project Designer	Kyle Hannigan	952.426.0699	Kyle.hannigan@isginc.com
Construction and Facilities Director	Jim Tatge	507.387.8504	jtatge@mankatomn.gov
Construction Manager	Luke Pederson	507.387.8541	lpederson@mankatomn.gov

III. EXECUTIVE SUMMARY

Land of Memories Park is an established recreational area located along the Minnesota and Blue Earth River, serving both the local community and surrounding region. The park currently offers amenities such as athletic fields, a disc golf course, boat landing and a campground that accommodates both RV and tent campers.

The City of Mankato has received grant approval from the Minnesota Department of Natural Resources' Outdoor Recreation Grant Program to enhance ADA accessibility and upgrade playground facilities throughout the park.

Project Feasibility Report

Land of Memories Park
City Project Number 11200
City Of Mankato

Planned improvements include enhanced ADA access to athletic fields and restroom facilities, retrofitting three campsites for ADA compliance, burying overhead power lines, installation of a custom play system, site work enhancements, and the addition of interpretive signage.

The estimated cost of these necessary improvements is approximately \$698,147.80.

From an engineering standpoint, the proposed improvements are necessary, cost effective, and feasible. This can best be accomplished by letting competitive bids for the work. It is recommended that the council accept this project feasibility report and order the preparation of final plans and specifications.

IV. PROJECT INTRODUCTION

The recommended ADA improvements and play system at Land of Memories Park are being proposed for the Fall to Spring of 2026-2027. In accordance with Minnesota Statutes, Chapter 429, the City Council has authorized the preparation of a project feasibility report to define the scope and determine the reasonableness of the project. The specific objectives of this preliminary engineering report are to:

- Evaluate the need for this project.
- Determine the necessary improvements.
- Provide information on the estimated costs for the proposed project.
- Determine the project schedule.
- Determine the feasibility of the proposed project.

This project, as proposed, incorporates numerous enhancements across Land of Memories Park. Specific items that will be included in the construction are as follows:

- ADA Bituminous walkway connection to rugby field.
- ADA Bituminous walkway connection to southern soccer field.
- ADA Bituminous walkway connection to northern soccer field.
- ADA Bituminous walkway connection to campground playground.
- ADA Bituminous walkway connection to Disc Golf hole 1.
- ADA Bituminous trail connection to Land of Memories Bathroom.
- Construction of custom play system, including 29 play system components.
- Site grading – ADA compliance – raising grade at new play system above base flood elevation.
- Installation of ADA concrete sidewalk to custom play system.
- Installation of (1) interpretive sign
- Retrofitting of (3) existing campsite into ADA compliance include bituminous access drives and tent pads.

V. EXISTING CONDITIONS

A. ADA Access

No significant ADA-compliant infrastructure currently exists throughout the project site. Existing campground sites utilize compacted gravel parking surfaces that do not adhere to ADA accessibility guidelines or slope requirements, and no designated ADA-accessible campground sites are currently provided. Access to the soccer field, disc golf Hole #1, and playground is presently via overland travel across grass surfaces, which do not comply with ADA accessibility standards and limit accessible use of these amenities. In addition, no ADA-compliant pedestrian route is currently provided to the existing restroom building within the campground area.

Project Feasibility Report

Land of Memories Park

City Project Number 11200

City Of Mankato

B. Play System

One existing play system is located near the campground comprised of one small structure with sand surfacing - no other play system exists on the site.

VI. PROPOSED IMPROVEMENTS

A. ADA Access

Bituminous ADA compliant walkways will be added at the various locations described above to bring greater access to park visitors and its various amenities including fields, campsites, campground bathroom and existing playground.

- 126 linear feet bituminous pavement 10' width to Land of Memories Restroom
- Installation of 3 ADA campsites. Gravel is replaced with bituminous surfacing.
- Bituminous walkway connection to disc golf hole #1. 22 linear feet at 8' width.
- Bituminous walkway connection to Southern Soccer Field. 35 linear feet at 8' width.
- Bituminous walkway connection to Northern Soccer Field. 35 linear feet at 8' width.
- Bituminous walkway connection to Rugby Field. 35 linear feet at 8' width.
- Bituminous walkway connection to campground playground. 35 linear feet at 8' width.

B. Play System

A new play container will be constructed northeast of the existing southern parking lot and the Floyd Roberts Jr. Pavilion. The area will feature 29 custom-themed play structures with a combination of poured-in-place and mulch play surfacing.

Accessible ADA-compliant concrete walkway will connect the parking lot to and around the entire play container, ensuring full accessibility. New plantings, including shrubs and trees, will be incorporated to enhance the surrounding landscape and integrate the new features into the park setting.

To protect the site from future flooding, the play area will be elevated above the base flood elevation (100yr flood elevation) through the placement of fill material to raise the existing grade. This grading work has been evaluated through a no-rise study to confirm compliance with floodplain regulations. A portion of this fill will be acquired and placed on site from existing bridge project linking Land of Memories to Sibley Park. The conclusions and recommendations of the no-rise study are included in the Appendix.

Excavated excess soil from the adjacent Kern Bridge project has been salvaged and is currently being temporarily stockpiled near the Land of Memories Playground site. These materials are intended for reuse to reduce the volume of imported fill required to raise the site above the base flood elevation. However, salvaged soil does not meet the total fill requirement, and additional

Project Feasibility Report

Land of Memories Park
City Project Number 11200
City Of Mankato

imported fill material will still be necessary. Approximately (3,600) cubic yards of soil has been salvaged for reuse.

C. INTERPRETIVE SIGNING

City staff have been engaging with the Mdewakanton Association and through this partnership the city will identify and coordinate the installation of the interpretive signing.

D. OTHER UTILITIES

Private utilities will be identified and coordinated with prior to construction. Existing utility locations will be marked in the field to help avoid conflicts and minimize disruption to utility services during construction activities. Private utility design meeting will be coordinated to review and verify no utility conflicts exist due to improvements.

VII. RIGHT-OF-WAY AND EASEMENT

No additional right-of-way or easement is required for this project.

VIII. APPROVALS/PERMITS

Approvals and permits are required from various agencies for the construction of the project. They include:

- MN NPDES Construction Stormwater General Permit
- City of Mankato Land Disturbance Permit
- City of Mankato Floodplain Permit
- City of Mankato Permit for Non-Residential Structure

IX. PROJECT COST ESTIMATE AND FINANCING

Estimated projections for the cost of this project are summarized below.

ITEM	COST
Mobilization	\$10,500.00
SWPPP and Removals	\$12,006.00
Playground and Walkway	\$130,527.50
ADA Walkway	\$43,090.00
Site Restoration and Landscape	\$14,455.00
TOTAL CONSTRUCTION	\$210,578.50
DIRECT PURCHASE (Play System/Surfacing) (1)	\$318,321.35
Construction Contingency 10%	\$52,889.99
Design Services (10%)	\$58,178.98
Construction Services (10%)	\$58,178.98
TOTAL PROJECT COST	\$698,147.80

Sub Note:

- (1) Play system and surfacing pricing is valid through (December Delivery, order must be confirmed by end of July 2026)
With a 12-to-16-week lead time.

Project Feasibility Report

Land of Memories Park

City Project Number 11200

City Of Mankato

Funding for the proposed improvements is shown in the table below.

FUNDING SOURCE	AMOUNT	PERCENT
DNR Grant	\$200,000.00	29%
Parks CIP	\$498,147.80	71%
TOTAL FUNDS	\$698,147.80	100%

X. POSSIBLE SCHEDULE

The following is a possible schedule for the proposed improvements at Land of Memories Park:

06/08/2026	City Council - Feasibility Hearing
06/18/2026	Advertise for Bid
07/17/2026	Bid Opening (10 am)
07/27/2026	City Council - Bid Acceptance
09/2026	Start of Project Construction – After Labor Day
09/2027	Substantial Project Completion (Fall)
09/2027	Final Completion Punchlist
09/2028	Warranty Walk Through

Playground equipment and surfacing installation are anticipated for Spring/Summer 2027. To maintain this schedule and secure 2026 pricing, the play system must be finalized and ordered by the end of July 2026 for a December 2026 ship date. Equipment will need to be delivered and stored through the winter, with installation occurring in Spring/Summer 2027.

Fall 2026: Complete ADA access improvements, weather permitting, and install fill materials at custom playground location. The fill installation will allow for a full freeze-thaw cycle and settling prior to playground equipment and surfacing installation.

XI. CONCLUSION AND RECOMMENDATIONS

The current conditions at Land of Memories Park do not adequately provide accessible facilities for all users. Without significant improvements to the park and play spaces, available funding for these upgrades will be lost. From an engineering perspective, the project is both cost-effective and necessary, and it can be feasibly implemented. The most efficient approach to completing the work is through a competitive bidding process. Final feasibility will depend on City Council determinations regarding project financing.

We recommend the Council accept this feasibility report, order the preparation of final plans and specifications and instruct the City Manager to advertise for bids in accordance with the requirement of law.

Project Feasibility Report

Land of Memories Park

City Project Number 11200

City Of Mankato

XII. APPENDIX

A. FIGURE 1: ENGINEERS OPINION OF PROBABLE COST

LAND OF MEMORIES

ISG

Client Name: City of Mankato

Location: Mankato, Minnesota

ISG Project Number: 32612

Date: 05-11-2026

Engineer's Opinion of Probable Cost

No.	ITEM DESCRIPTION	UNIT	QTY	UNIT PRICE	TOTAL AMOUNT
1	Mobilization - 5% Construction Costs	LS	1	\$10,500.00	\$10,500.00
2	Site Protection (SWPPP)	LS	1	\$3,500.00	\$3,500.00
3	Clearing and Grubbing	LS	1	\$2,500.00	\$2,500.00
4	Remove Bituminous Pavement	SY	205	\$12.00	\$2,460.00
5	Remove Aggregate Surfacing	SY	591	\$6.00	\$3,546.00
6	Stockpiled Fill @ Playground	CY	3600	\$9.00	\$32,400.00
7	Imported Fill @ Playground	CY	1600	\$20.00	\$32,000.00
8	Subgrade Preparation	SY	1250	\$4.00	\$5,000.00
9	Aggregate Base 4" Depth	SY	1250	\$12.00	\$15,000.00
10	Concrete Surfacing and Walkway @ Playground, 5"	SY	402	\$65.00	\$26,130.00
11	Playground - Drainage 4" Perforated Drain	LF	285	\$3.50	\$997.50
12	Natural Stone Monolithic Bench @ Playground	LF	36	\$250.00	\$9,000.00
13	Interpretive Signage	EA	1	\$10,000.00	\$10,000.00
14	General Grading ADA Walkways	LS	1	\$2,500.00	\$2,500.00
15	ADA Asphalt Trail Connection Restroom	SF	1100	\$4.50	\$4,950.00
16	Aggregate Tent Pad - 6"	CY	9	\$120.00	\$1,080.00
17	Asphalt Pavement - ADA Camp Sites	SF	5300	\$4.50	\$23,850.00
18	ADA Asphalt Walk to Restroom	SF	1100	\$4.50	\$4,950.00
19	ADA Asphalt Walk to Playground w/Base	SF	280	\$4.50	\$1,260.00
20	ADA Asphalt Walk to Disc Golf Hole #1 w/Base	SF	160	\$4.50	\$720.00
21	ADA Asphalt Walk to Athletic Fields (3) w/Base	SF	840	\$4.50	\$3,780.00
22	Site Restoration (Seeding and Topsoil)	SF	25000	\$0.25	\$6,250.00
23	Deciduous Trees 2.5" Cal	EA	5	\$600.00	\$3,000.00
24	Deciduous Shrubs, #5	EA	40	\$55.00	\$2,200.00
25	Hardwood Mulch, 3" Depth	CY	8	\$80.00	\$640.00
26	Steel Landscape Edging	LF	215	\$11.00	\$2,365.00
	DIRECT PURCHASE				
A	Play System and Surfacing with Installation (Engineered Wood Fiber and Poured In Place Surfacing)	LS	1	\$318,321.35	\$318,321.35
Construction Costs (Items 1-26)					\$210,578.50
Direct Purchase (Items A)					\$318,321.35
10% Contingency					\$52,889.99
TOTAL CONSTRUCTION COST					\$581,789.84

Project Feasibility Report

Land of Memories Park
City Project Number 11200
City Of Mankato

ENGINEERING SERVICES	
Design Services 10%	\$58,178.98
Construction Administration and Inspection 10%	\$58,178.98
TOTAL PROJECT COST WITH ENGINEERING SERVICES	\$698,147.80

Land of Memories Park
City Project Number 11200
City Of Mankato

Date: 4/28/2026
Expires: 5/23/2026
Quote: City of Mankato
Contact: Susan Arntz
Phone: 1-507-508-2378
Email: sarntz@mankatomn.gov



Ship To:	Please Make PO's & Contracts Out To:
Land of Memories Park 100 Amos Owen Lane Mankato MN 56001	Landscape Structures, Inc. 601 7th St. S Delano, MN 55328
Bill To:	Please Remit Payment To:
City of Mankato 10 Civic Center Plaza PO BOX 3368 Mankato MN 56001	Landscape Structures, Inc. SDS 12-0395 PO Box 86 Minneapolis, MN 55486-0395

[illegible]

Quotes from Landscape Structures, Inc. are subject to current Landscape Structures, Inc. policies as well as [Terms & Conditions](#), [Inclusions & Exclusions](#) outlined below unless noted otherwise on this quote. Changes are subject to price adjustment. Sales tax, if applicable, will be applied unless a tax-exempt certificate is provided at the time of order entry. Customer deposits, if required, must be received before orders will be entered & installation scheduled. Purchases in excess of \$1,000.00 must be supported by a formal Purchase Order made out to Landscape Structures, Inc.

State Contract #218091

***Terms: Net 30 days; 1.5% finance charge on balances over 30 days**

Page 1 of 2

Project Feasibility Report

Land of Memories Park

City Project Number 11200

City Of Mankato

Terms & Conditions

Contract: Seller's Copy of signed quote represents the contract between Seller and Buyer. This form supersedes all previous communications and negotiations and constitutes the entire agreement between the parties. Any changes to this contract are not binding unless jointly agreed in writing via Change Order.

Project Scope (This Section For Quotes Including Installation)

Inclusions:

- One Mobilization
- Accepting & Unloading of Order Prior to Installation
- Unpacking of Play Equipment
- Assembly of Play Equipment
- Placing, Digging or Surface Mounting Equipment (as specified)
- Concrete for Play Equipment Footings
- Standard Insurance Offer (Detail Provided Upon Request)
- Standard Warranty Offer (Detail Provided Upon Request)
- Standard Wage Rates

Exclusions (Unless Specifically Quoted):

- Storage or Security of Equipment
- Private Utility Locates (irrigation, low voltage, lighting, etc.)
- Additional Labor Due to Site Access. Require 8' Wide Clearance from Staging Area to Play Space.
- Additional Labor and/or Related Costs Due to Subsurface Conditions (Rock, Hardpan, Heavy Clay, Ground Water, etc.)
- Additional Labor and/or Related Costs Due to Working in Unstable Soils (Sand, Pea Rock, Mud, Poor Site Drainage, etc.)
- Offsite Removal of Spoils From Footing Holes or Other Excavation. Can be stockpiled for owner removal or left in play space
- Disposal of Packing Material. Can be Stockpiled for Owner Removal or Deposited in Owners Onsite Dumpster
- Removal of Existing Play Equipment, Border or Safety Surfacing Material
- Site Work of Any Kind. Exclusions include, site grading (owner to provide max slope of 1%), site restoration, drainage, etc.
- Border for Play Space
- Bonding of Any Type
- Permits of Any Kind

Acceptance of Quotation:

Accepted By (Print)	Susan Arntz
Signature:	Date:
Purchase Amount: \$209,027.34	



Project Feasibility Report

Land of Memories Park
City Project Number 11200
City Of Mankato

Date 4/28/2026
Expires 5/23/2026
Quote: City of Mankato
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Ship To:	Please Make PO's & Contracts Out To:
Land of Memories Park 100 Amos Owen Lane Mankato MN 56001	Flagship Recreation 11123 Upper 33rd St. N Lake Elmo, MN 55042
Bill To:	Please Remit Payment To:
City of Mankato 10 Civic Center Plaza PO BOX 3368 Mankato MN 56001	Flagship Recreation 11123 Upper 33rd St. N Lake Elmo, MN 55042

QTY	ITEM #	Description	UNIT PRICE	EXT. PRICE
		Land of Memories Park, TT705LoM502546140		
1	MOB	Mobilization	\$750.00	\$750.00
2	DUMPSTER	Dumpster - Disposal / Equipment Packing (30 Yard)	\$750.00	\$1,500.00
1	PER DIEM	Per Diem		\$2,738.00
		(Estimated total is based upon a per person/per day rate for food & lodging)		
0	FENCE	Construction Fence (LF)		By Others
0	SITE WORK	Excavation (new container) - 12" below finished grade		By Others
0	SITE WORK	Demo of Existing Equipment & Excavation (existing container)		By Others
0	SITE WORK	Hauling of Excavated Material (CY)		By Others
0	SITE WORK	Disposal of Excavated Material (CY)		By Others
0	BORDER	Concrete Curb Border		By Others
		Dims on plan are the inside measurements		
0	CONCRETE	Concrete Flatwork (4" Thick)		By Others
0	SUBGRADE	Pea Rock or Sand Drainage Layer for EWF Surfacing (3" Depth)		By Others
102	SUBGRADE	Compacted Class 5 Subgrade Base for PIP Surfacing (4"-6" Depth)	Per Quote	\$8,202.06
0	SUBGRADE	Drain Tile & Installation (4" Corrugated Perforated Pipe w/ Sock)		By Others
		Any drain tile installed by others does not conflict with playground footings		
1	INSTALL	Playground Installation by Landscape Structures Certified Installers		\$34,360.60
1	RENTAL	Shade/Tower Rental Equipment Allowance (Lull, Lift, etc.)	Per Quote	\$1,618.59
2,766	SURFACING	Geotextile Fabric-Installed by Others		\$1,383.00
90	SURFACING	Engineered Wood Fiber (EWF)-Bulk Drop Install by others		\$2,424.00
2,620	SURFACING	Poured In Place	Per Quote	\$54,017.76
		Security of Poured In Place cure time 72 hours		By Others
		Shipping below includes equipment and Engineered Wood Fiber		
0	RESTORE	Restoration		By Others
			Subtotal	\$106,994.01
			Freight	\$2,300.00
			Sales Tax	Tax Exempt
			Total	\$109,294.01

Quotes from Flagship Recreation are subject to current Flagship Recreation policies as well as Terms & Conditions, Inclusions & Exclusions outlined below unless noted otherwise on this quote. Changes are subject to price adjustment. Sales tax, if applicable, will be applied unless a tax-exempt certificate is provided at the time of order entry. Customer deposits, if required, must be received before orders will be entered & installation scheduled. Purchases in excess of \$1,000.00 must be supported by a formal Purchase Order made out to Flagship Recreation

State Contract #218091

***Terms: Net 30 days; 1.5% finance charge on balances over 30 days**

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Project Feasibility Report

Land of Memories Park

City Project Number 11200

City Of Mankato

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Acceptance of Quotation:

Accepted By (Print)	
Signature:	Date:
Purchase Amount: \$109,294.01	



Project Feasibility Report

Land of Memories Park

City Project Number 11200

City Of Mankato

C. FIGURE 3: NO-RISE ASSESSMENT

HYDRAULIC ANALYSIS REPORT:

LAND OF MEMORIES PLAYGROUND

MANKATO, MINNESOTA

Date: May 14, 2026

ISG Project No.: 25-32612

REPORT FOR:
Cory Bienfang, P.E.
City Engineer, City of Mankato
Intergovernmental Center
10 Civic Center Plaza
Mankato, MN 56001
507.387.8643
cbienfang@mankatomn.gov

FROM:
Collin Smith, PE
Civil Engineer, ISG
6465 Wayzata Blvd, Suite 970
Saint Louis Park, MN 55426
952.426.0699
Collin.Smith@ISGInc.com



Project Feasibility Report

Land of Memories Park

City Project Number 11200

City Of Mankato

Executive Summary

ISG completed a hydraulic analysis of a portion of the Minnesota and Blue Earth Rivers to inform permitting of construction activities at Land of Memories Park in Mankato, Minnesota.

The proposed work involves placement of fill and grading in the defined flood fringe for construction of a play structure and maintenance bituminous and aggregate surfacing of existing RV pads. (Shown in Figure 2.)

Analysis for the construction of the play structure involved a comparison of the published Federal Emergency Management Agency (FEMA) flood insurance study water surface elevations with those of the comparative hydraulic modeling analysis. This indicates that the proposed grading in the flood fringe would result in no substantial increase in 100-yr flood profiles (increases are less than 0.002 feet.)

Analysis of the proposed maintenance surfacing involved review of project plans and proposed grades with existing uses and grades. This indicates that proposed maintenance surfacing continues an existing use and does not encroach further into the floodway; work is sited to not obstruct flow in the floodway and finished grading elevations do not exceed the existing grade.

Project Feasibility Report

Land of Memories Park

City Project Number 11200

City Of Mankato

Project Summary

ISG completed a hydraulic analysis of a portion of the Minnesota and Blue Earth Rivers to inform permitting of construction activities at Land of Memories Park in Mankato, Minnesota.

The objective of this analysis is to verify that the proposed playground does not adversely affect upstream or downstream flood elevations at key design storm events as defined by regulatory permitting processes.

This analysis was performed using HEC-RAS version 6.6 to develop a steady-flow model to represent the existing and proposed conditions along the project reach.

Project Location and Existing Site Conditions

Multiple data sources including a US Army Corps of Engineers (USACE) HEC-RAS base model provided by MN DNR, LiDAR, survey data, and CAD drawings provided by the ISG team, as well as national databases were utilized to develop and evaluate the model. The model results provide a technical basis for understanding water surface elevations, floodplain behavior, and potential backwater impacts associated with the project.

The project area relative to the overall Mankato area is shown in Figure 1. The proposed site conditions are similar to those shown in the existing condition of the project area map – remaining an open green space/park land.

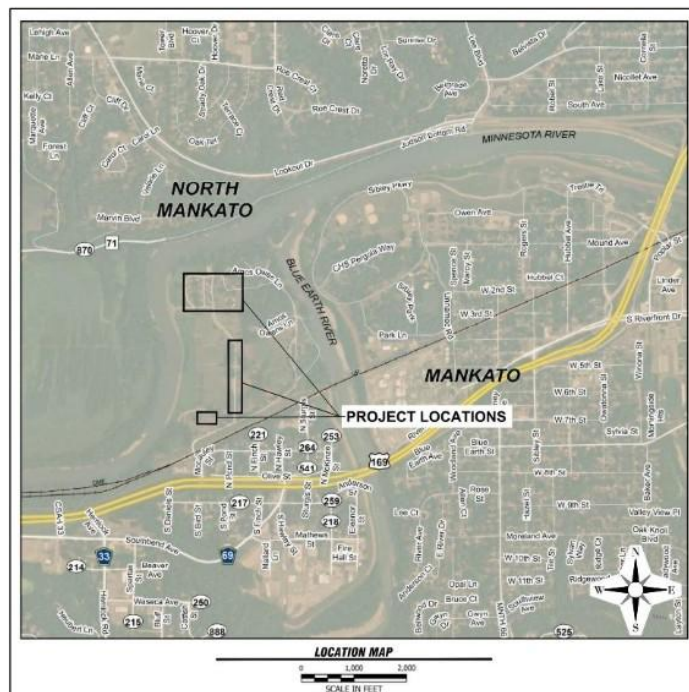


Figure 1: Project area relative to Mankato, MN

Project Objectives

Within the project area the proposed work involves placement of fill and grading in the defined flood fringe for construction of a play structure, shown in the southernmost frame of Figure 2 (indicated as

Project Feasibility Report

Land of Memories Park

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number 1); proposed work in the other two frames of Figure 2 (indicated as numbers 2a and 2b) involves maintenance bituminous and aggregate surfacing of existing RV pads. The playground work is shown in greater detail in Figure 7 and Figure 8, and the maintenance surface work is shown in greater detail in Figure 10, Figure 11, Figure 12, and Figure 13.

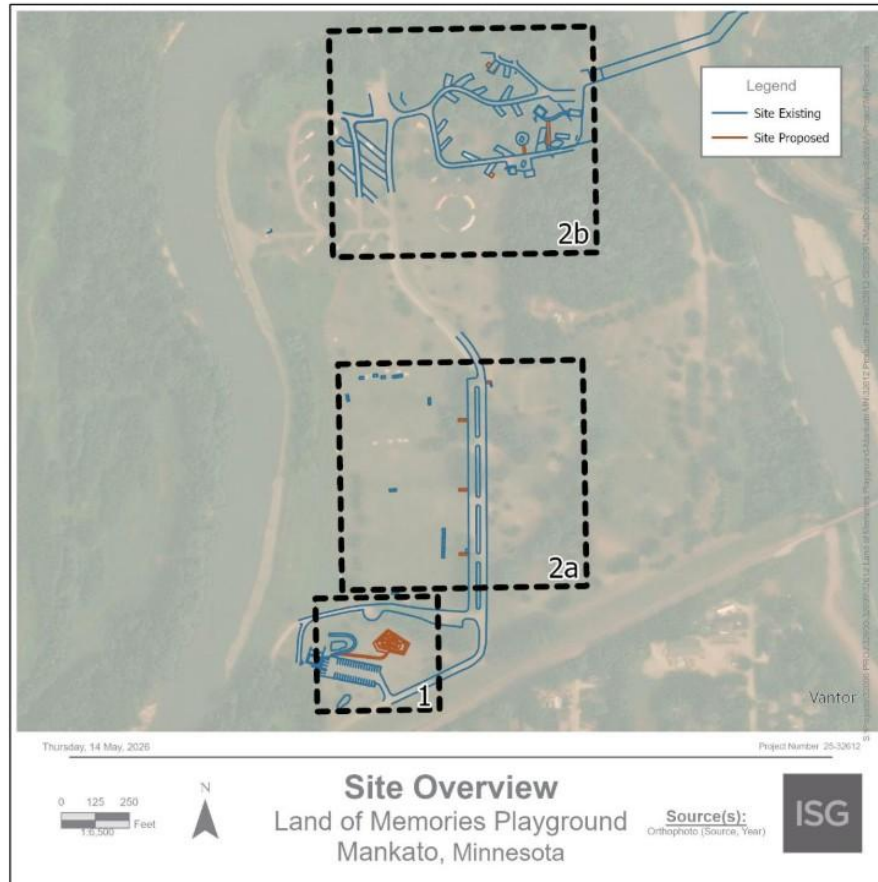


Figure 2: Project area showing work extents for playground (1) and RV park (2a and 2b)

As shown in Figure 3, the playground structure is located in the defined “flood fringe” according to FEMA’s National Flood Hazard Layer, while the proposed maintenance surfacing is located in the defined “floodway”.

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Land of Memories Park

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Figure 3: Project location relative to National Flood Hazard Layer

In accordance with applicable floodplain ordinances for Blue Earth County and the City of Mankato, the objectives of this analysis are two-fold:

- Modeling and documenting whether work in the flood fringe causes excessive loss of floodplain storage through assessment of the 100-yr flood event and documenting changes in water surface elevations.
 - Standards for use in flood fringe: [Blue Earth County Codes/Ordinances Ch 8 Floodplain- Article IV – Section 8-82](#)
- Documenting that maintenance surfacing is continuing an existing use and does not encroach further into the floodway.
 - Activities and uses that do not require a permit: [Blue Earth County Codes/Ordinances Ch 8 Floodplain- Article IV – Section 8-62](#)
 - Permitted Floodway Uses: [Blue Earth County Codes/Ordinances Ch 8 Floodplain- Article IV – Section 8-71](#)

Effective Model

Model Source, Extents and Background

The Minnesota DNR provided ISG with an unsteady 2D hydraulic model of the Minnesota River Basin, developed by the US Army Corps of Engineers (USACE) using HEC-RAS version 5.0.3 in 2016. This model includes 5 rivers: the Minnesota, Watson Sag, Chippewa, Blue Earth, and Mississippi Rivers and extends well past the project site. ISG decided, for the purpose of this hydraulic analysis, a trimmed 1D steady state model would be sufficient.

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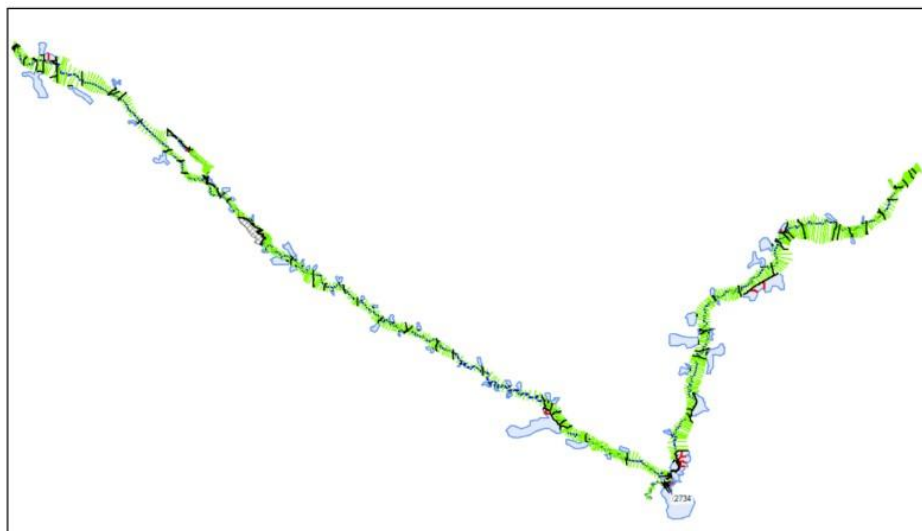


Figure 4: Plan view of original USACE model

Flood Insurance Study Documentation

The area is described in the Federal Emergency Management (FEMA) Flood Insurance Study (FIS) 27013CV000A and 27103CV000B which include Blue Earth County and Nicollet County, respectively. The project area is located on map panel 27013C0093F, effective on 2/22/2024.

The modeled 100-year base flood elevations in the FIS provide a baseline of the existing condition for comparing the effects of proposed grading. The corrected effective model targets producing the base flood elevations at the defined peak discharges and this is then compared to a model which includes the proposed grading.

The 100-year base flood elevations are cross referenced between the Blue Earth County (27013CV000A) and Nicollet County (27103CV000B) FIS and the HEC-RAS model stationing in Table 1

Flows relative to their flooding source and location throughout the FIS areas in Nicollet County are shown in Table 2 and in Blue Earth County are shown in Table 3.

Table 1: Nicollet and Blue Earth County Cross Section ID and Water Surface Elevations (WSEs) from FIS

Nicollet County FIS Cross Section Name	Blue Earth County FIS Cross Section Name	HEC-RAS Model Cross Section Station	100-yr Base Flood Elevation (FT NAVD88)
BI	T	105.53	783.9
BH	S	105.25	783.8
BF	Q	104.17	781.6
BE	P	103.79	781.4
BD	O	103.41	780.6
BC	N	103.04	778.9
BB	M	102.84	778.9
BA	L	US of 102.53	778.4

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Table 2: Nicollet County Peak Discharges from FIS

Flooding Source and Location	Drainage Area (square miles)	Peak Discharges (cubic feet per second)			
		10-Percent- Annual-Chance	2-Percent- Annual-Chance	1-Percent- Annual-Chance	0.2-Percent- Annual-Chance
MINNESOTA RIVER					
New Ulm					
Above Cottonwood River	9,582	23,000	51,000	64,000	96,000
Below Cottonwood River	10,895	28,000	57,000	70,000	104,000
Mankato					
Above Blue Earth River	11,366	30,000	59,000	73,000	106,000
USGS gage below Blue Earth River	14,906	44,700	76,000	90,700	127,000
Saint Peter	15,074	45,000	77,000	92,000	130,000
LeSueur					
Above LeSueur Creek	15,198	45,500	78,000	93,000	131,000
Below LeSueur Creek	15,349	46,000	79,000	95,000	134,000

Table 3: Blue Earth County Peak Discharges from FIS

	Peak Discharges (cubic feet per second)				
<u>Flooding Source and Location</u>	<u>Drainage Area (square miles)</u>	<u>10-Percent- Annual-Chance</u>	<u>2-Percent- Annual-Chance</u>	<u>1-Percent- Annual-Chance</u>	<u>0.2-Percent- Annual-Chance</u>
Blue Earth River					
Just downstream of the confluence of Le Sueur River	3,553	24,400	42,500	52,000	76,000
Just upstream of the confluence of Le Sueur River	2,444	16,600	28,800	34,700	50,100
At the limit of detailed study	2,430	16,500	28,700	34,600	49,900
Cobb River					
At confluence with Le Sueur River	297	2,840	5,200	6,550	9,550
At County Highway 16	291	2,800	5,130	6,460	9,720
County Ditch 56					
Approximately 1,200 upstream of County Highway 9	13.6	*	*	684	*
Approximately 3,130 feet upstream of County Highway 9	8.8	*	*	490	*
Le Sueur River					
Approximately 4,620 feet upstream of Soo Line Railroad	1,100	10,300	18,700	23,000	34,200
At Park Street Bridge	*	*	*	6,556	*
At limit of detailed study	*	*	*	6,588	*
Minnesota River					
Just downstream of the confluence with Blue Earth River	14,906	44,700	76,000	90,700	127,000
Approximately 200 feet upstream of the confluence with the Blue Earth River	11,366	30,000	59,000	73,000	106,000

USGS Downstream Gage Rating Curve

The USGS monitoring location, Minnesota River at Mankato, MN - USGS-0532500, was used to develop a rating curve for the model's downstream boundary condition. This adds a field-verified parameter for the channel's observed water surface elevations at observed flow rates, and provides a more robust downstream boundary condition. An example portion of the data set is shown in Figure 5.

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Land of Memories Park

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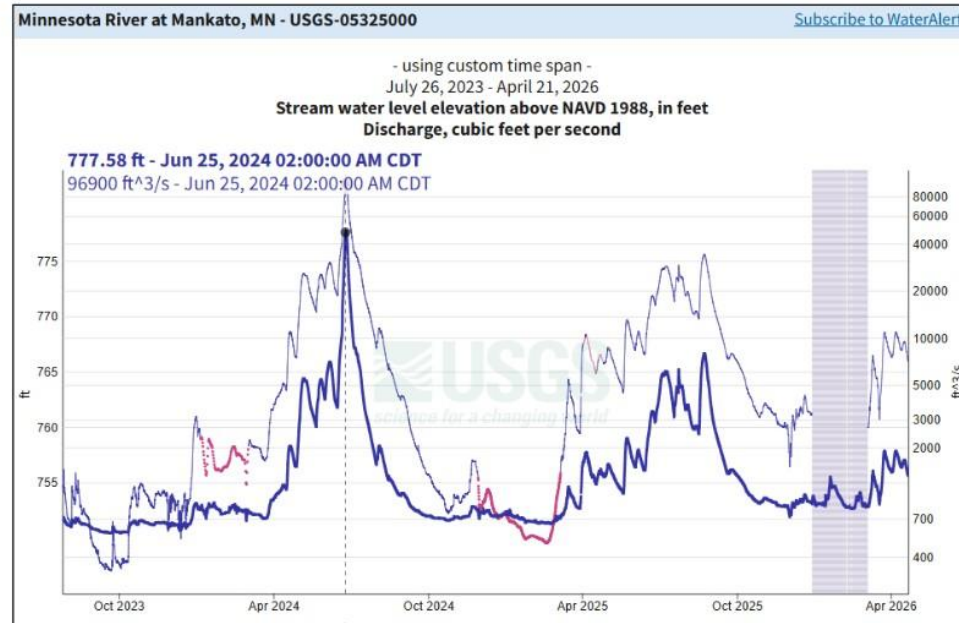


Figure 5: Minnesota River at Mankato, MN - USGS-0532500: Discharge and Stream Water Surface Elevation

Corrected Effective Model

Model Changes, New Cross Sections, Flow Data

The Watson Sag, Chippewa and Mississippi Rivers were removed from the effective model since upstream and downstream impacts from the project site did not reach those rivers. In addition, the Minnesota and Blue Earth Rivers were trimmed to capture just the project site and any upstream or downstream impacts that may occur. This resulted in the effective model extending upstream of the confluence with the Minnesota and Blue Earth Rivers approximately 15,600 feet on the Minnesota River and approximately 10,600 feet on the Blue Earth River. The downstream extent of the model is approximately 5,100 feet from the confluence.

Six cross sections were added to the effective model through and near the project location, using the interpolation tool, to better capture the impacts on the water surface elevations around the project (these are shown in cyan in Figure 6; existing cross sections are shown in yellow.) The Blue Earth River channel and overbank manning's n for each cross section were adjusted to 0.038 and 0.1, respectively, based on the Flood Insurance Study (FIS) for this area. The manning's n values along the Minnesota River were adjusted to 0.035 for the channel, and 0.1 for the overbanks, also based on the FIS information. The contraction and expansion coefficients were updated from 0.1/0.3 to 0.3/0.5 for the cross sections immediately upstream and downstream of the bridges. These adjustments were made to reflect the local site conditions as the trimmed model provides a more granular analysis of the system and small changes are necessary to calibrate the model to observed data.

To run the corrected effective model in 1D, 2D features from the original model, such as the SA/2D connections, storage areas, break lines, and lateral structures were removed; the model received is utilized for extreme flood analysis, and these structures are not relevant to the analysis performed. The bridges remained unchanged from the original model and the levees, originally modeled as lateral structures in the USACE model, were modeled using the levee option within the cross-section editor. Additionally, a terrain layer was developed based on LiDAR data, to georeference the effective model.

Project Feasibility Report

Land of Memories Park

City Project Number 11200

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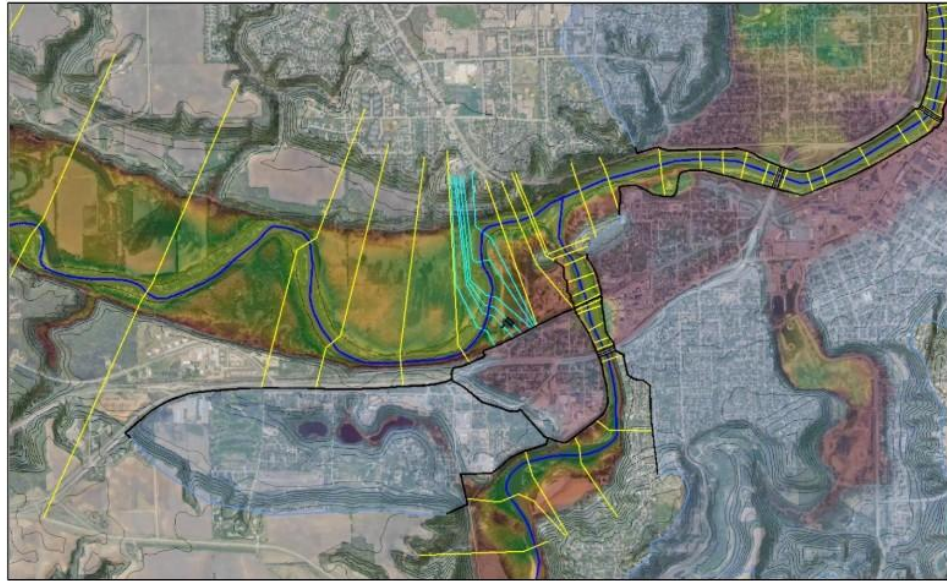


Figure 6: Cross section locations in the corrected effective model (yellow are existing, cyan were added)

Peak flows provided in the FIS report (Table 2 and Table 3) for the 10, 50, 100 and 500 year events were entered as steady flow data into the model as shown in Table 4. These values are adjusted slightly to account for the backwater effect created by the confluence of the Minnesota and Blue Earth Rivers during major flood conditions to better match rating curves observed at the downstream USGS gage.

Table 4. Steady Flow Rates by Cross Section

River and Station	Minnesota 107.21	Minnesota 105.87	Minnesota 104.42	Minnesota 104.17
Storm Frequency	Flow (cfs)	Flow (cfs)	Flow (cfs)	Flow (cfs)
10-Year	29,000	30,000	34,000	45,000
50-Year	58,000	59,000	63,000	76,500
100-Year	70,000	73,000	76,000	91,000
500-Year	105,000	106,000	110,000	129,000

Proposed Model

Changes to Corrected Effective Model

Grading of Playground

The proposed playground area north of the existing parking lot (Figure 7) requires new site grading, (Figure 8) which increases the site elevation to a maximum of 784.50 feet, an increase of about 3.5 feet above existing grade, and expands the footprint of the grading to account for the additional fill.

Project Feasibility Report

Land of Memories Park

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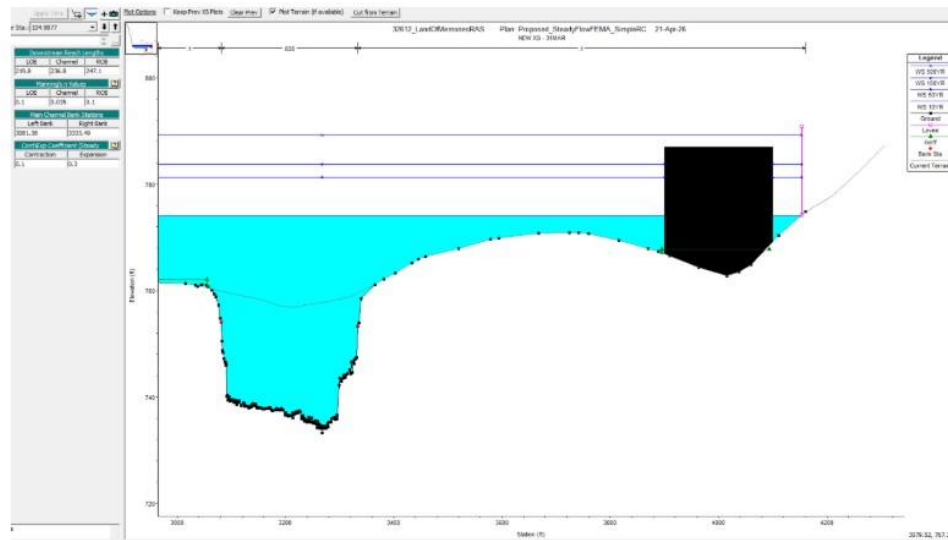


Figure 9: Blocked obstruction shown in black relative to HEC-RAS cross section 104.9877 and modeled results.

Grading of RV Park and Pathways

Proposed maintenance surfacing is continuing an existing use and does not encroach further into the floodway. The extents of the proposed activities are shown in Figure 10 and Figure 12 and the grading for those locations is shown in Figure 11 and Figure 13.

Proposed activities do not result in grades higher than the existing surface and do not restrict flow in the floodway. Materials that will be placed below the base flood elevation include bituminous pavement and aggregate surface; these are designed to match existing and to resist the forces in the floodway.



Figure 10: Overview of maintenance surfacing locations

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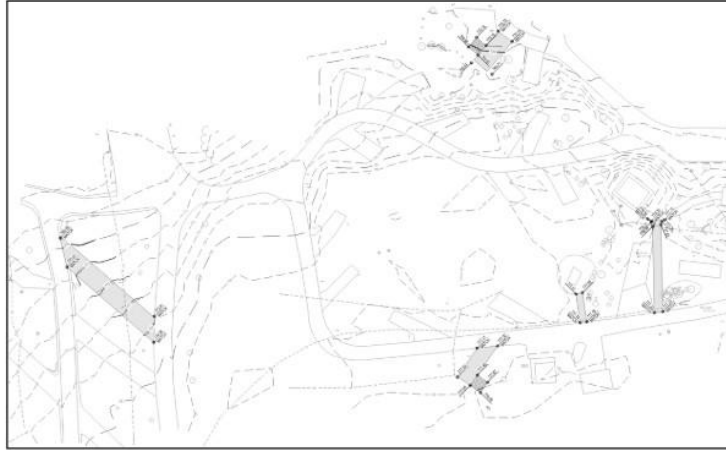


Figure 11: Grading of maintenance surfacing locations

Project Feasibility Report

Land of Memories Park

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Figure 12: Overview of maintenance surfacing locations

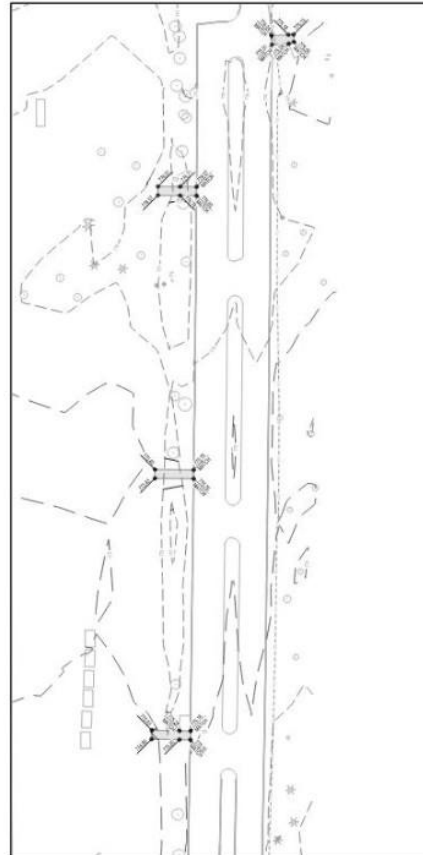


Figure 13: Grading of maintenance surfacing locations

Hydraulic Model Results

Modeling results of the hydraulic analysis (shown in Table 5) reflect that the corrected effective model accurately represents the project area in line with the public FEMA flood insurance study and that differences from the FIS water surface elevations range from -0.098 feet to +0.018 feet from downstream to upstream in the project reach for a 100-year flood event.

Modeling the proposed condition results, compared to the corrected effective conditions, in water surface elevation changes ranging from -0.006 feet at station 104.9877 to +0.002 feet at station 105.87 for a 100-year flood event.

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City Of Mankato

Table 5: Results of HEC-RAS Modeling (Blue denotes project reach)

River	Reach	River Station	FEMA Cross Section	Profile	Q Total	A: FIS WSE	B: Corrected Effective WSE	ΔWSE (B-A)	C: Proposed WSE	ΔWSE (C-B)
					(cfs)	(ft)	(ft)	(ft)	(ft)	(ft)
Minnesota	Mid	105.87		100YR	73000		784.018		784.020	0.002
Minnesota	Mid	105.53	BI/T	100YR	73000	783.9	783.908	0.008	783.910	0.002
Minnesota	Mid	105.25	BH/S	100YR	73000	783.8	783.818	0.018	783.820	0.002
Minnesota	Mid	105.1033		100YR	73000		783.778		783.780	0.002
Minnesota	Mid	105.028		100YR	73000		783.765		783.767	0.002
Minnesota	Mid	104.9877		100YR	73000		783.758		783.752	-0.006
Minnesota	Mid	104.9		100YR	73000		783.746		783.746	0.000
Minnesota	Mid	104.8		100YR	73000		783.656		783.656	0.000
Minnesota	Mid	104.6581		100YR	73000		783.437		783.437	0.000
Minnesota	Mid	104.56		100YR	73000		783.143		783.143	0.000
Minnesota	Mid	104.49		100YR	73000		782.755		782.755	0.000
Minnesota	Mid	104.43		100YR	73000		782.008		782.008	0.000
Minnesota	Mid	104.42		100YR	76000		781.903		781.903	0.000
Minnesota	Lower	104.17	BF/Q	100YR	91000	781.6	781.502	-0.098	781.502	0.000

Conclusion

Based on the analysis that was performed, ISG found that both the proposed surface maintenance and playground grading performed in accordance with applicable floodplain ordinances for Blue Earth County.

Analysis of Playground

This modeling confirmed that work in the flood fringe to grade and install a play structure does not cause excessive loss of floodplain storage in the 100-year flood event or a significant increase in water surface elevations. The model denoted increases in water surface elevations at most 0.002 feet as a result of the proposed project.

Analysis of Grading

Analysis of planned maintenance surfacing grading confirmed that this proposed work is continuing an existing use and does not encroach further into the floodway; work is sited to not obstruct flow in the floodway and finished grading elevations do not exceed the existing grade.

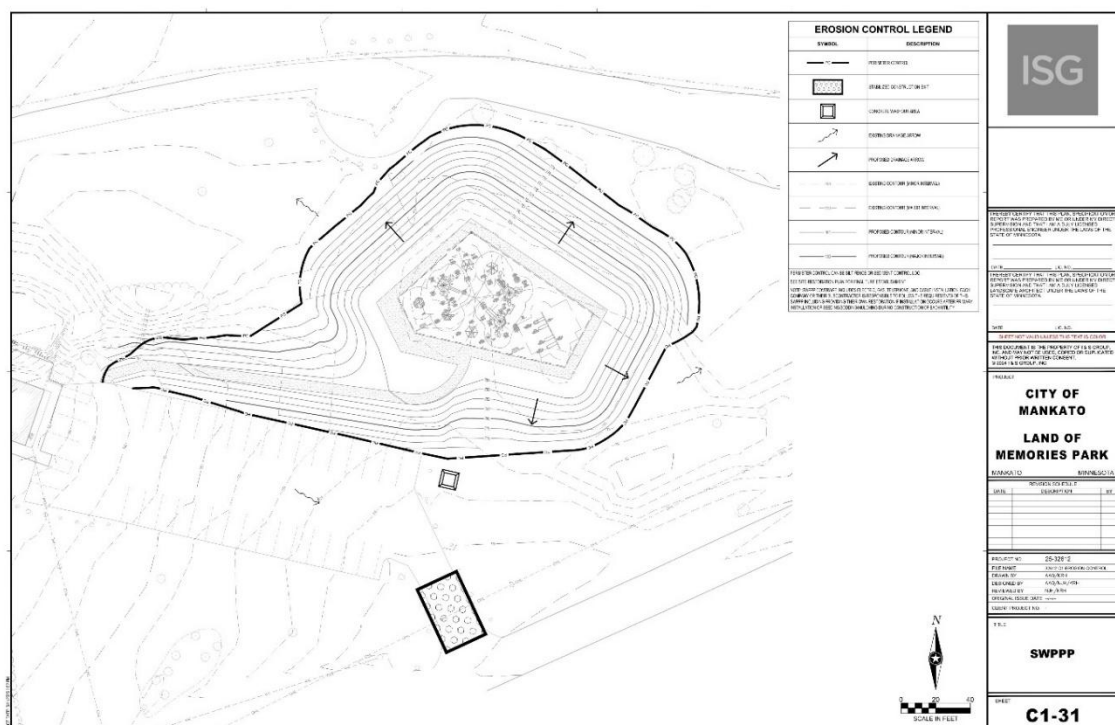
Please feel free to contact me at Collin.Smith@isginc.com if you have any questions.

Sincerely,

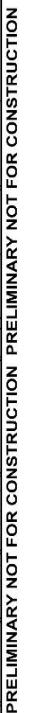
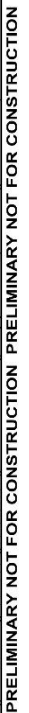


Collin Smith, PE
Civil Engineer

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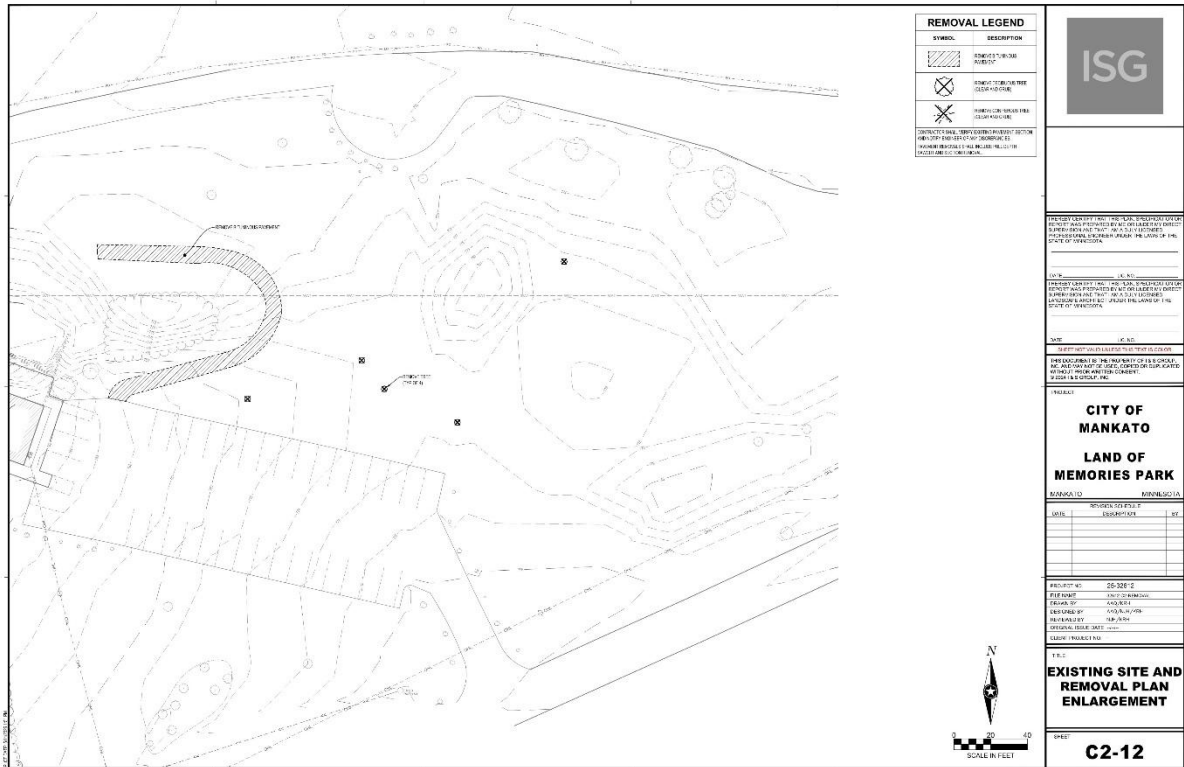


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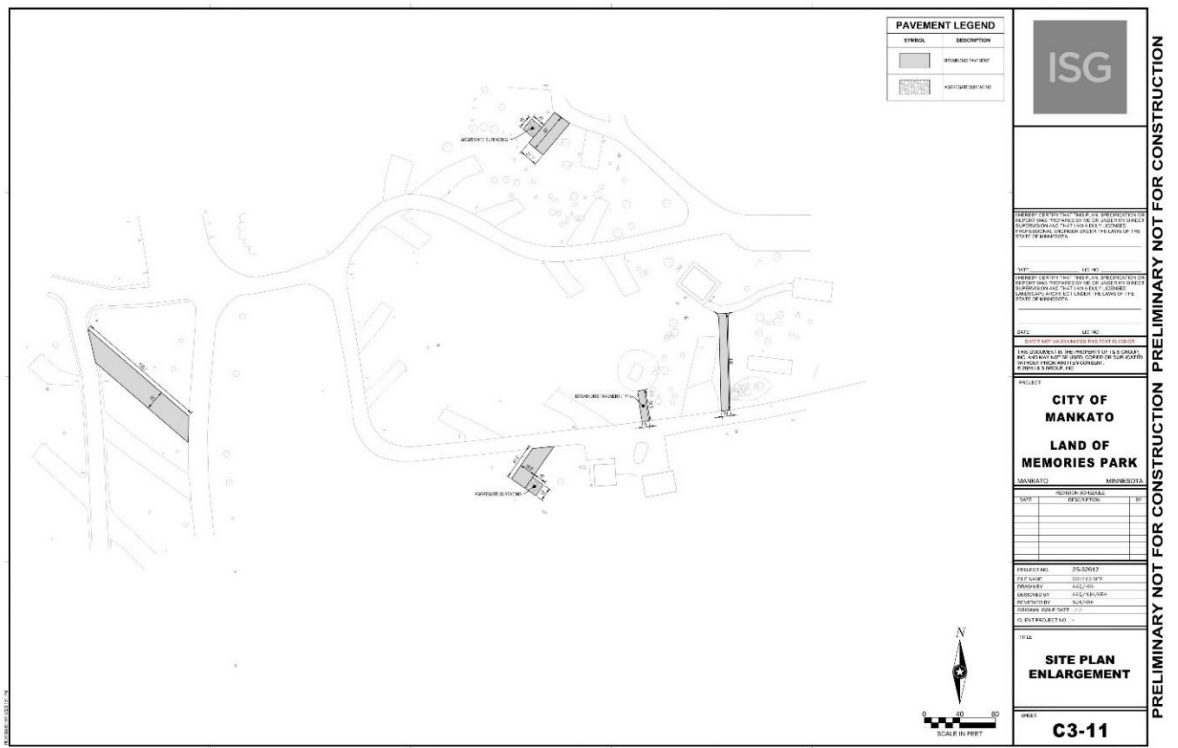
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E. FIGURE 5: FINAL SITE PLAN IMPROVMENTS

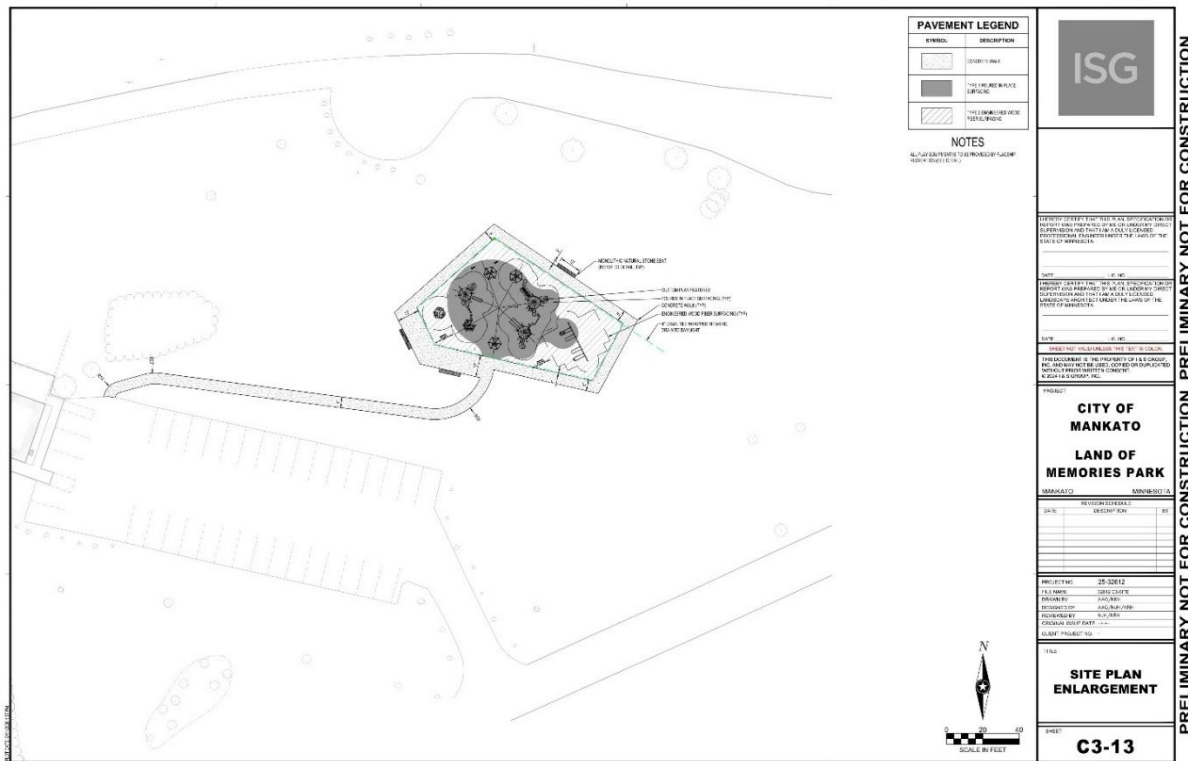
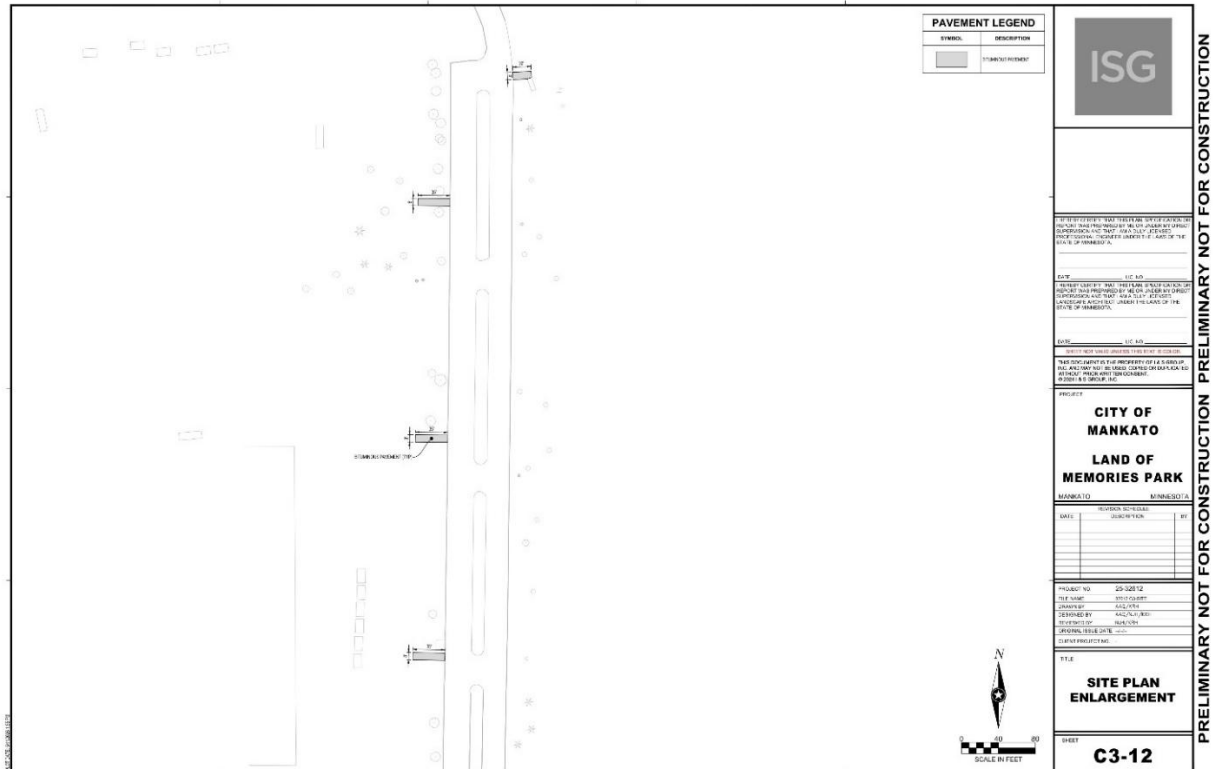


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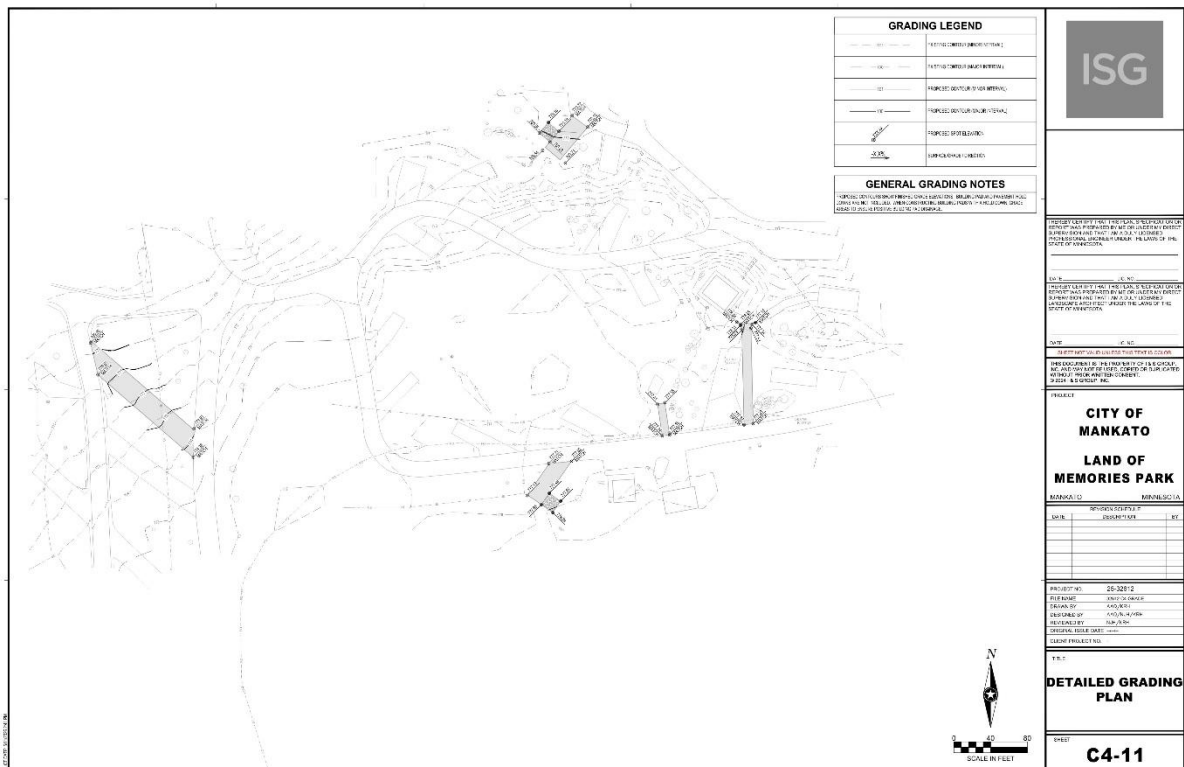


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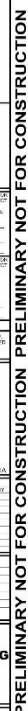
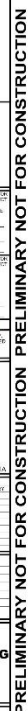
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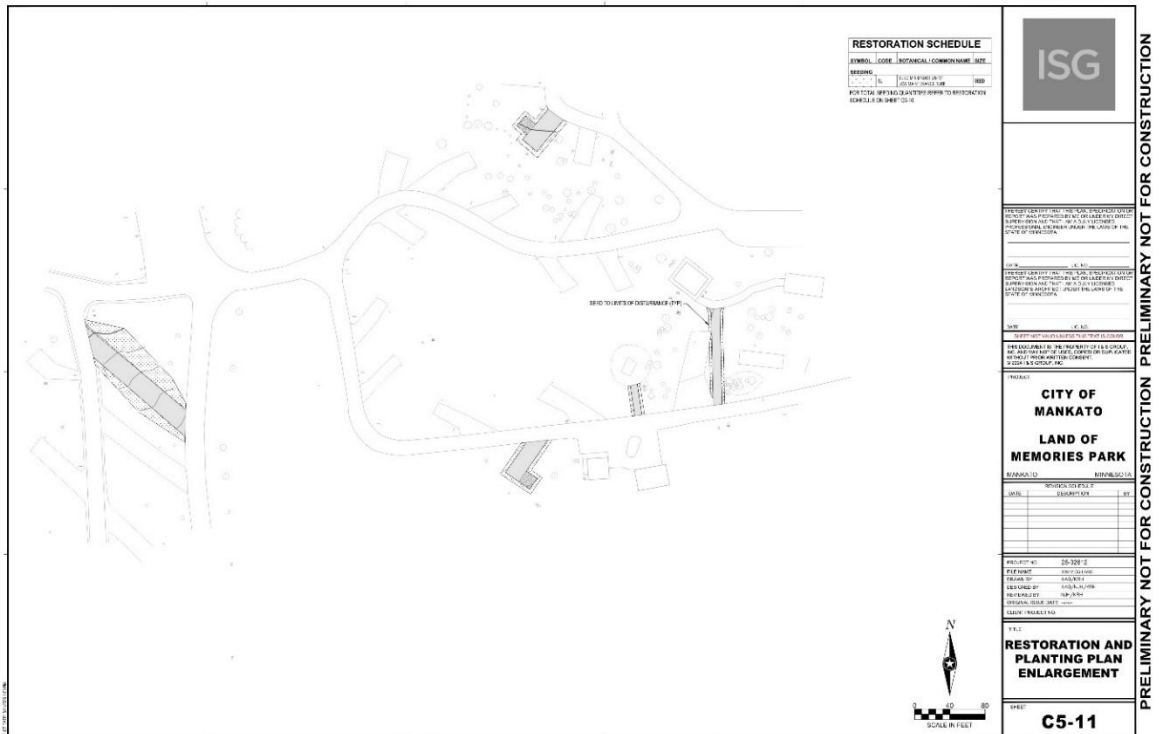
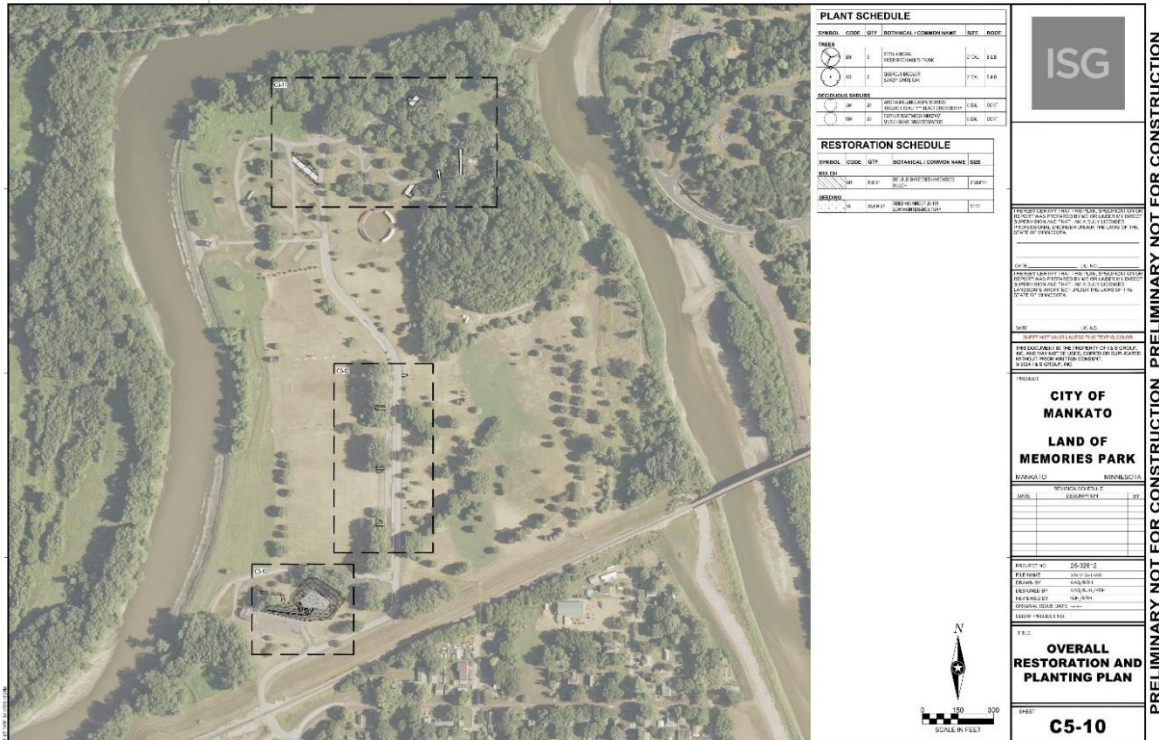


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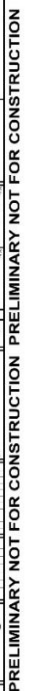
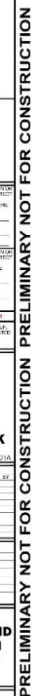
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F. ARCHAEOLOGICAL SURVEY

PHASE I ARCHAEOLOGICAL SURVEY

LAND OF MEMORIES PARK

MANKATO, MINNESOTA

Report Prepared for:

The City of Mankato
Intergovernmental Center
10 Civic Center Plaza
Mankato, MN 56001

Christopher Moose
Principal Investigator

OSA Permit: 25-0202

McFarlane Consulting LLC
684 Orleans Street
Saint Paul, MN 55107

Project Report 2025.0004
November 2025

Information about the location of sensitive areas (e.g., archaeological sites, burials, sacred areas) should be removed from this report before public distribution.

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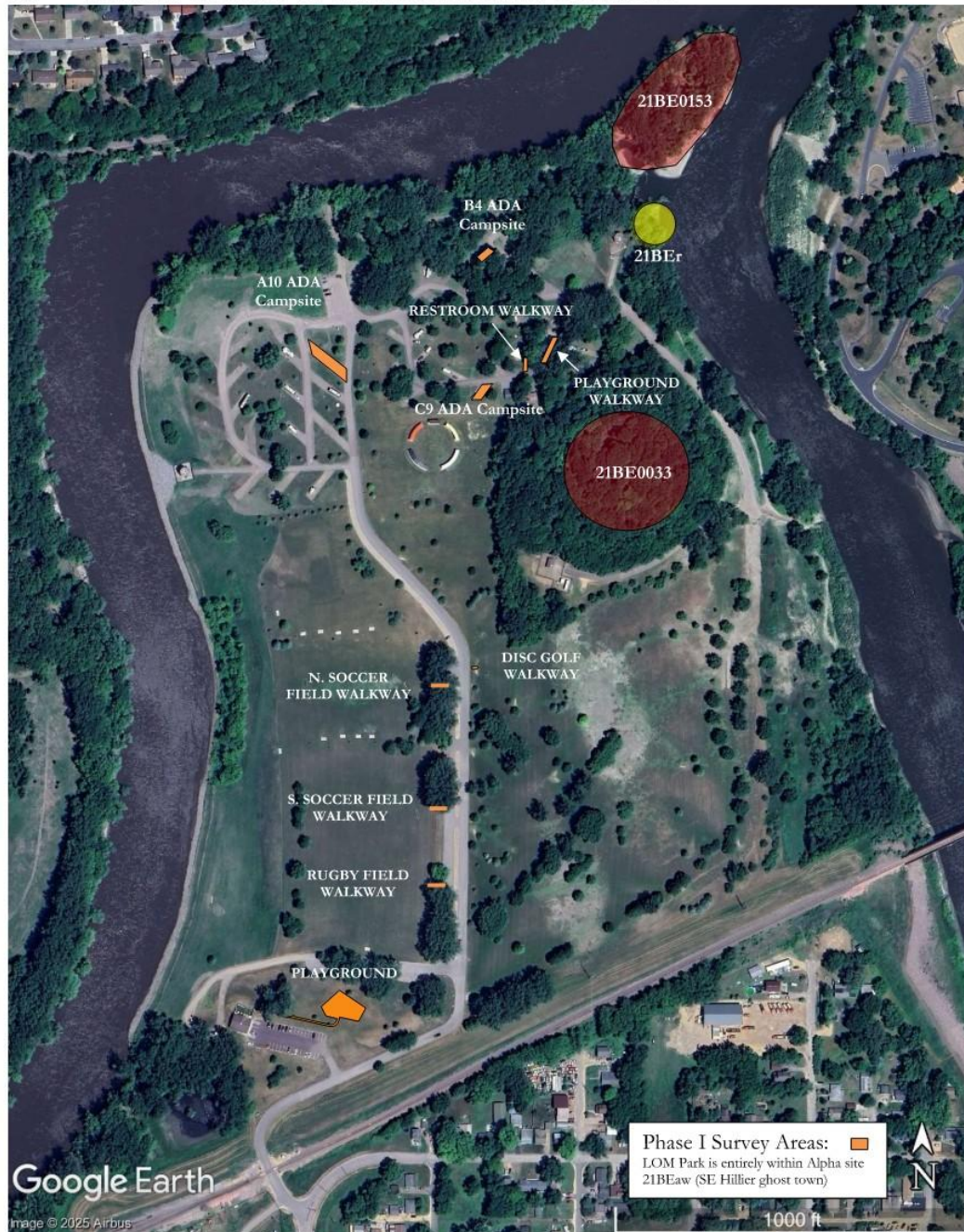
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1.0 FIGURE 1: LAND OF MEMORIES PARK UPGRADE



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2.0 EXECUTIVE SUMMARY

The City of Mankato plans to conduct upgrades to the Land of Memories Park located within the city limits of Mankato, MN (Figure 1). Plans call for improvements to three ADA campsites, the construction of a playground and walkway near the park pavilion, the construction of walkways to a restroom, the north playground, disc golf, north soccer, south soccer, and rugby fields (Exhibits 1 and 2).

The Land of Memories improvement project (Project) is subject to review by the Minnesota State Historic Preservation Office (SHPO) which typically requires that grant recipients complete a Phase I archaeological survey to identify all known historic and archaeological properties within or adjacent to the Project's Area of Potential Effect (APE). To ensure compliance with SHPO recommendations, the City of Mankato contracted with McFarlane Consulting to conduct a Phase I survey of the APE to assess the Project's effects on all historic resources within the Project APE. Recommendations to eliminate or minimize the Project's adverse effects on all historic resources within or adjacent to the Project APE are provided below.

Phase I Survey Results

The Project APE is within Archaeological site 21BEw, the general location of the 1850s SE Hillier village. The Project APE was thoroughly surveyed with a combination of background research, pedestrian survey, and subsurface testing. A total of 20 shovel tests were conducted within the Project APE. No cultural materials were recovered or features identified that could be associated with the SE Hillier village. The subsurface tests determined that the Project APE contains a disturbed soil horizon ranging from 20-60cm deep in direct contact with sterile subsoil that does not have the potential to contain intact archeological deposits. Subsurface test locations are illustrated in Exhibits 1 and 2. Individual test results are presented in Exhibit 6. Due to the depth of the disturbance a finding of "No Adverse Effect" is proposed with the following qualifications:

- The survey was performed only within the project boundaries as defined in this report. If the APE is altered beyond those boundaries, additional testing may be required.
- Standard survey techniques cannot always detect buried features (e.g., pits, graves). If archaeological materials are discovered during construction the immediate discovery area should be avoided until the significance of the find can be assessed.
- If human remains or a suspected burial area is encountered during project operations, activity in the immediate area must cease. The Office of the State Archaeologist and the Blue Earth County Sheriff's office must be contacted for further assistance. The Minnesota's Private Cemeteries Act (307.08) prohibits the intentional disturbance of human burials.



Christopher Moose
Principal Investigator

12/09/2025
Date

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3.0 INTRODUCTION

The City of Mankato plans to conduct upgrades to the Land of Memories Park located within the city limits of Mankato, MN (Figure 1). Plans call for improvements to three ADA campsites, the construction of a playground and walkway near the park pavilion, the construction of walkways to a restroom, the north playground, disc golf, north soccer, south soccer, and rugby fields (Exhibits 1 and 2).

The Land of Memories improvement project (Project) is subject to review by the Minnesota State Historic Preservation Office (SHPO) which typically requires that grant recipients complete a Phase I survey to identify all known historic and archaeological properties within or adjacent to the Project's Area of Potential Effect (APE). To ensure compliance with SHPO recommendations, the City of Mankato contracted with McFarlane Consulting to conduct a Phase I survey of the APE to assess the Project's effects on all historic resources within the Project APE. The background literature search and Phase I Survey was conducted by Joe McFarlane under the supervision of Principal Investigator Christopher Moose.

4.0 PROJECT INFORMATION

4.1 Area of Potential Effect (APE)

For archaeological purposes, the APE is defined as any area where ground disturbing activities are likely to occur. Ground disturbing activities will be confined to six walkways, three campsites, and one playground (Table 1).

4.1.1 Table 1: Project Components

Project Components	Dimensions	Maximum depth of Disturbance	Area of Potential Effect
A10 ADA Campsite	135' x 24'	18 inches	3,200 sq. ft.
B4 ADA Campsite	52' x 27'	18 inches	1,404 sq. ft.
C9 ADA Campsite	20' x 50'	18 inches	1,000 sq. ft.
Playground Walkway	35' x 8'	18 inches	280 sq. ft.
Restroom Walkway	126' x 10'	18 inches	1,260 sq. ft.
Disc Golf Walkway	22' x 8'	18 inches	176 sq. ft.
North Soccer Field Walkway	35' x 8'	18 inches	280 sq. ft.
South Soccer Field Walkway	35' x 8'	18 inches	280 sq. ft.
Rugby Field Walkway	35' x 8'	18 inches	280 sq. ft.
South Playground Walkway	170' x 8'	18 inches	1,360 sq. ft.
South Playground	Approx. 100' x 60'	18 inches	6,000 sq. ft.
Total area:			15,520 sq. ft.

5.0 RESEARCH DESIGN

5.1 Research Objectives

Research objectives were designed to meet survey requirements of the Secretary of the Interior's Standards for Identification and Evaluation, and the Office of the State Archaeologist's (OSA) *State Archaeologist's Manual for Archaeological Projects in Minnesota* (Anfinson 2011). The objectives included:

- Determine the presence or absence of historic properties within the Project APE.
- Provide recommendations to guide Project layout designs to minimize the adverse effects on all, if any, cultural resources within the Project APE.

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5.2 Methodology

5.2.1 Background Research

Background research was conducted to identify all recorded historic properties within one mile of the project area. Historic and environmental contexts were also reviewed to identify areas likely to contain cultural materials. Archival research sources included:

- Archaeological site files of the Office of the State Archaeologist (OSA).
- The National Park Service's National Register of Historic Places (NRHP).
- Regional historic overviews.

5.2.2 Field Survey

The general field methodology used during this survey included:

- Surface inspect the Project APE along parallel transects not more than one meter apart. Significant buffers for landscape features that may indicate earthworks, burial mounds, cemeteries, artifacts, features, architectural remains and other evidence of human occupation or utilization were included.
- Field notes were taken documenting landscape, vegetation, surface visibility, and areas warranting subsurface testing. The entire Project APE was photo documented.
- Subsurface testing was used to assess soil integrity and locate buried cultural materials. Subsurface testing included 3/4 inch diameter soil cores, hand excavated shovel tests, and 7 inch diameter bucket augers. Soil cores were used to assess stratigraphic integrity and identify areas that warranted additional testing. Shovel tests were typically 35 to 40 centimeters (cm) in diameter and were excavated to sterile subsoil or a depth of 80cm to 100cm. Seven inch diameter bucket augers were used to extend shovel tests to depth up to 140cm. All excavated soil was screened through 1/4 inch hardware cloth and examined for artifacts and ecofacts. The presence or absence of cultural materials, soil descriptions, generalized colors and basic stratigraphy were recorded for each test.
- Test locations were recorded with a handheld GPS units with +/- 6-foot accuracy.

6.0 BACKGROUND RESEARCH RESULTS

6.1 State of Minnesota Archaeological Site Records

The archaeological site database maintained by the OSA lists 13 archaeological sites within one mile of the Project APE (Table 2).

6.1.1 Table 2: Archaeological Sites within one mile of the Project APE

Site Number	Distance from APE	Site Name-Context
21BEaw	In APE	General location of the SE Hillier 1850s village site/ghost town.
21BE0033	250' @ 138°	Pre-Contact burial mound and artifact scatter.
21BEr	380' @ 76°	1850s sawmill site from Trygg map.
21BE0153	430' @ 48°	Pre-Contact artifact scatter (9500 BC-1650 AD) & Historic artifact scatter.
21BE0337	860' @ 85°	Pre-Contact lithic scatter (9500 BC – 1650 AD).
21BEbo	1,340' @ 73°	American Fur Trade Post
21BE0300	1,510' @ 203°	Historic artifact scatter, Railroads & Agricultural Development (1870-1940).
21BE0157	2,060' @ 149°	Pre-Contact lithic scatter (9500 BC – 1650 AD).
21BE0020	2,280' @ 172°	Pre-Contact artifact scatter (9500 BC-1650 AD).
21BE0309	2,400' @ 158°	Pre-Contact lithic scatter (9500 BC – 1650 AD).
21BE0063	2,420' @ 115°	Pre-Contact lithic scatter (9500 BC – 1650 AD).
21BEbj	2,460' @ 228°	South Bend 1850s village site/ghost town.
21BE0007	4,810' @ 250°	Pre-Contact burial mound.

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6.2 National Register Properties

The NRHP listing maintained by the National Park Service list one NRHP property within one mile of the Project APE. The William Irving House NRHP is approximately 4,800 feet east of the Project APE and will be avoided.

7.0 PHASE I SURVEY RESULTS

Pedestrian survey was conducted of the entire Project APE along transect intervals no greater than one meter apart. Surface visibility was poor, ranging from 0% to 10%. The Project APE is entirely landscaped and disturbed through previous park developments. Representative photographs of the Project APE are presented in Exhibits 3-5. Additional photographs are available upon request.

A total of 20 shovel tests were conducted within the Project APE. The subsurface testing identified a top layer of disturbed soil horizon ranging from 20-60cm thick in direct contact with sterile subsoil. The results demonstrate that the stratigraphic integrity of the APE has been destroyed by and is not suitable to contain intact archeological deposits. Subsurface test locations are illustrated in Exhibits 1 and 2. Test results are presented in Exhibit 6.

7.1.1 ADA Campsite A10

The ADA Campsite A10 upgrade involves replacing the exiting access driveway's aggregate surface with bituminous pavement. The campsite has undergone extensive landscaping. Existing developments include utility lines, a fire pit, camping pad, and aggregate driveway/parking area (Exhibit 3.1). Two 100cm deep shovel tests placed adjacent to the driveway. No cultural materials were recovered. The test profiles revealed a 10-15cm deep disturbed soil horizon in sharp contact with subsoil containing calcium concretions. The soil profile indicates the campsite was previously graded, covered with topsoil, and seeded.

7.1.2 ADA Campsite B4

The ADA Campsite B4 upgrade involves replacing the exiting access driveway's aggregate surface with bituminous pavement. Existing developments include utility lines, a fire pit, camping pad, and aggregate driveway/parking area (Exhibit 3.2). One shovel test placed in the center of the APE was excavated to a depth of 90cm. A seven inch bucket auger was used to excavate soil from 90cm to 140cm. Historic and modern cultural materials were recovered from the top 30cm including a metal bottle cap, a 1974 penny, four clear glass fragments, a blue plastic film fragment, an aluminum foil fragment, a plastic orifice reducer for liquor bottle, and one .44 caliber spent bullet casing. No cultural materials were recovered beyond 30cm. The test profile revealed a disturbed soil horizon extending to 40cm in sharp contact with brown fine sand.

7.1.3 ADA Campsite C9

The ADA Campsite C9 upgrade involves replacing the exiting access driveway's aggregate surface with bituminous pavement. Existing developments include utility lines, a fire pit, camping pad, and aggregate driveway/parking area (Exhibit 3.3). One shovel test placed in the center of the APE was excavated to a depth of 100cm. A seven inch bucket auger was used to excavate soil from 100cm to 140cm. Historic and modern cultural materials were recovered in the top 15cm which included a clear glass bottle fragment, two clam shell fragments and a .22 caliber bullet casing. No additional cultural materials were recovered beyond 15cm. The shovel test identified a disturbed soil horizon extending to 40cm in sharp contact with brown fine sand.

7.1.4 North Playground Walkway

The north playground walkway upgrade involves the construction of a 35 foot long by 8 foot wide bituminous walkway from Amos Owen Lane to the playground. The Project APE is landscaped and seeded (Exhibit 3.4). One 100cm deep shovel test was placed in the center of the Project APE. A seven inch bucket auger was used to excavate soil from 100cm to 140cm. No cultural materials were recovered. The test

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profiles revealed a 35cm deep disturbed soil horizon in sharp contact with subsoil containing calcium concretions. The soil profile indicates the campsite was previously graded, covered with topsoil, and seeded.

7.1.5 Restroom Walkway

The restroom walkway upgrade involves the construction of a 126 foot long by 10 foot wide bituminous walkway from Amos Own Lane to the restroom. The Project APE is landscaped and seeded (Exhibits 4.1 and 4.2). One 45cm deep shovel test was placed near the north end of the Project APE. A seven inch bucket auger was used to excavate soil from 45cm to 140cm. One carbide rod fragment was recovered between 20cm and 30cm. The test profiles revealed the proposed walkway will be placed on an old roadbed. The top 45cm of the APE contains a layer of compacted gravel and small cobbles on top of 15cm of compact pea gravel. The old roadbed is in sharp contact with subsoil of fine silt sand with calcium concretions. No cultural materials were recovered below the old roadbed. A second shovel test placed near the south end of the APE determined that the old roadbed extends along the entire APE.

7.1.6 Disc Golf Walkway

The disc golf walkway will involve the construction of a 22 foot long by 8 foot wide bituminous walkway from Amos Owen Lane to a concrete pad used as the first tee of the disc golf course. The Project APE is mostly a bare path (Exhibit 4.3). One 80cm deep shovel test was placed in the center of the Project APE. A seven inch bucket auger was used to excavate soil from 80cm to 140cm. One cord impressed ceramic body sherd was recovered from a disturbed context between 40cm and 50cm. No other cultural materials were recovered. The test profile revealed a 75cm deep disturbed soil horizon in sharp contact with subsoil containing CaCO₃ concretions. The depth of disturbance is the result of the installation of the concrete tee pad and the construction of Amos Owen Lane.

7.1.7 North Soccer Field Walkway

The north soccer field walkway will involve the construction of a 35 foot long by 8 foot wide bituminous walkway from Amos Owen Lane. The proposed walkway crosses an 8 to 12 inch high berm that parallels Amos Owen Lane and the soccer field (Exhibit 4.4). Two shovel tests were placed within the Project APE. Shovel test 9 was placed in the center of the berm. No cultural materials were recovered. The test location contained a mechanically constructed push pile of compact gravel and small cobbles to a depth of 30cm. The shovel test was stopped by a large cobble at 30cm.

Shovel test 10 was placed at the west edge of the berm, adjacent to the soccer field. A seven inch diameter bucket auger was used to excavate soil from 100cm to 140cm. No cultural materials were recovered. The test profile revealed a 40cm deep disturbed soil horizon in sharp contact with subsoil containing CaCO₃ concretions.

7.1.8 South Soccer Field Walkway

The south soccer field walkway will involve the construction of a 35 foot long by 8 foot wide bituminous walkway from Amos Owen Lane. The proposed walkway crosses an 8 to 12 inch high berm between Amos Owen Lane and the soccer field (Exhibit 5.1). Two shovel tests were placed within the Project APE. Shovel test 11 was placed in the center of the berm. No cultural materials were recovered. The test location contained a mechanically constructed push pile of compact gravel and small cobbles to a depth of 35cm. The shovel test was stopped by a layer of compacted gravel and rock at 35cm.

Shovel test 12 was placed at the west edge of the berm, adjacent to the soccer field. A seven inch diameter bucket auger was used to excavate soil from 100cm to 140cm. No cultural materials were recovered. The test profile revealed a 60cm deep disturbed soil horizon in sharp contact with subsoil containing CaCO₃ concretions.

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7.1.9 Rugby Field Walkway

The rugby field walkway will involve the construction of a 35 foot long by 8 foot wide bituminous walkway from Amos Owen Lane to the rugby field. The entrance of the walkway at Amos Owen Lane will be adjacent to a concrete pad used for trash and recycling containers (Exhibit 5.2).

The proposed walkway crosses a 6 to 10 inch high berm between Amos Owen Lane and the rugby field. Two shovel tests were placed within the Project APE. Shovel test 6 was placed in the center of the berm. No cultural materials were recovered. The test location contained a mechanically constructed push pile of compact gravel and small cobbles to a depth of 35cm. The shovel test was stopped by a layer of compacted gravel and rock at 30cm.

Shovel test 7 was placed at the west edge of the berm, adjacent to the rugby field. A seven inch diameter bucket auger was used to excavate soil from 100cm to 140cm. No cultural materials were recovered. The test profile revealed a 30cm deep disturbed soil horizon in sharp contact with subsoil containing CaCO₃ concretions.

7.1.10 South Playground Walkway and Playground

The south playground walkway will involve the construction of a 170 foot by 8 foot concrete walkway leading to a proposed 6,000 sq. ft. playground covered with Type 1 and Type 2 poured in place surfacing. The playground and walkway APE consists of landscaped and seeded rolling terrain with low relief (Exhibits 5.3 & 5.4).

A total of six shovel tests were excavated within the walkway and playground APE. All six tests were negative. Soil profiles identified a 5cm to 10cm thick sod layer in direct contact with a very compact layer of gravel and rock fill containing small concrete and blacktop fragments. The fill layer ranged from 50cm to 70cm thick and was in direct contact with subsoil consisting of brown silty sand containing CaCO₃ concretions. The test results indicate the playground area was previously graded to subsoil and capped with clean fill during park developments including the installation of the park pavilion prior to the 1990s and a parking lot expansion in the early 2000s.

8.0 CONCLUSION

The Project APE was thoroughly surveyed with a combination of background research, pedestrian survey, and subsurface testing. The Project APE is within Minnesota Archaeological site 21BEw, the general location of the 1850s SE Hillier village. A total of 20 shovel tests were conducted within the Project APE. The subsurface testing identified a disturbed soil horizon ranging from 20-60cm deep in direct contact with sterile subsoil. Subsurface test locations are illustrated in Exhibits 1 and 2. Individual test results are presented in Exhibit 6. The subsurface test results demonstrate that the stratigraphic integrity within the Project APE has been destroyed and does not have the potential to contain intact archeological deposits. A finding of "No Adverse Effect" is proposed with the following qualifications:

- The survey was performed only within the project boundaries as defined in this report. If the APE is altered beyond those boundaries, additional testing may be required.
- Standard survey techniques cannot always detect buried features (e.g., pits, graves). If archaeological materials are discovered during construction the immediate discovery area should be avoided until the significance of the find can be assessed.

If human remains or a suspected burial area is encountered during project operations, activity in the immediate area must cease. The Office of the State Archaeologist and the Blue Earth County Sheriff's office must be contacted for further assistance. The Minnesota's Private Cemeteries Act (307.08) prohibits the intentional disturbance of human burials.

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Farm Service Agency

2025 [Blue Earth County, Minnesota, Soil Survey Index] retrieved from Google Earth Soil-Web

Google Earth "North Project Area," N44° 09' 27.35", W94° 02' 28.50", 5/5/2025.

Google Earth "South Project Area," N44° 09' 41.60", W94° 02' 25.64", 5/5/2025.

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State Historic Preservation Office, Minnesota Historical Society.

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Project Feasibility Report

Land of Memories Park

City Project Number 11200

City Of Mankato

Land of Memories Park Phase I Survey

10.0 EXHIBIT 1: NORTH PROJECT AREA



McFarlane Consulting LLC

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Project Feasibility Report

Land of Memories Park

City Project Number 11200

City Of Mankato

Land of Memories Park Phase I Survey

11.0 EXHIBIT 2: SOUTH PROJECT AREA

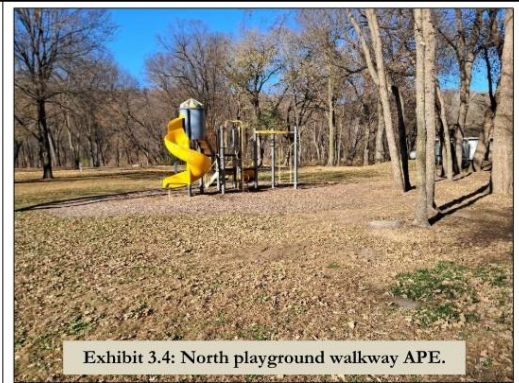


Project Feasibility Report

Land of Memories Park
City Project Number 11200
City Of Mankato

Land of Memories Park Phase I Survey

12.0 EXHIBIT 3: PROJECT PHOTOGRAPHS



McFarlane Consulting LLC

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Project Feasibility Report

Land of Memories Park
City Project Number 11200
City Of Mankato

Land of Memories Park Phase I Survey

13.0 EXHIBIT 4: PROJECT PHOTOGRAPHS

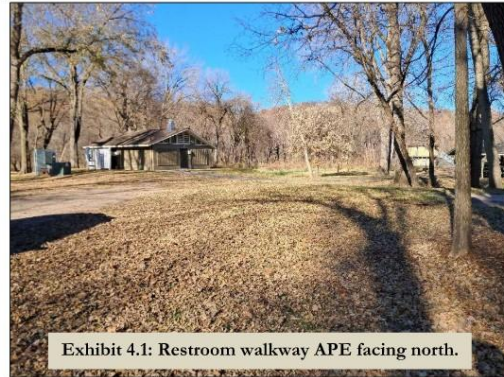


Exhibit 4.1: Restroom walkway APE facing north.

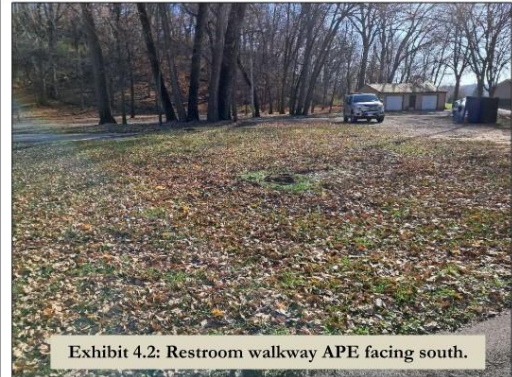


Exhibit 4.2: Restroom walkway APE facing south.



Exhibit 4.3: Disc golf walkway APE.

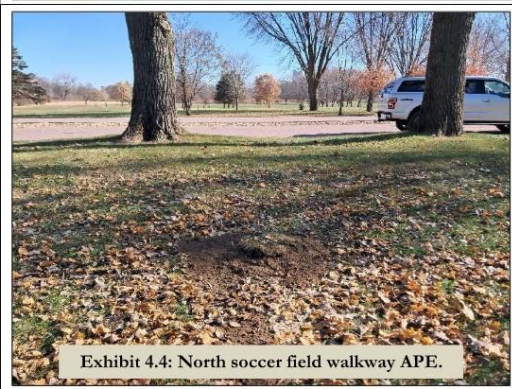


Exhibit 4.4: North soccer field walkway APE.

McFarlane Consulting LLC

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Project Feasibility Report

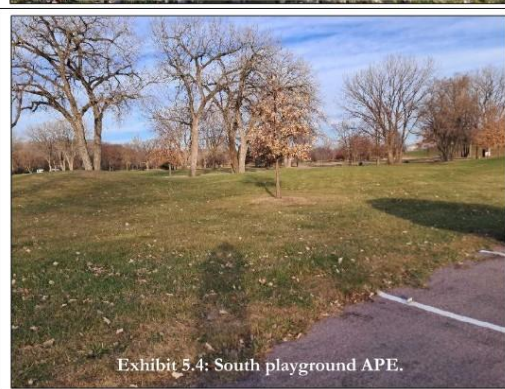
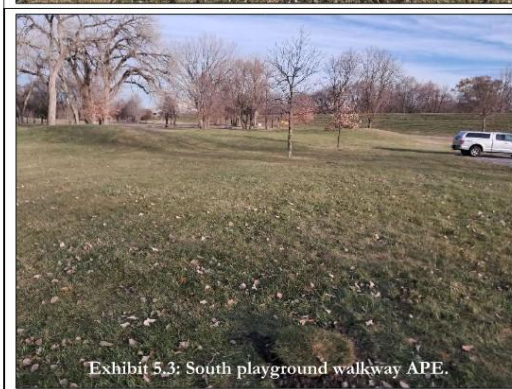
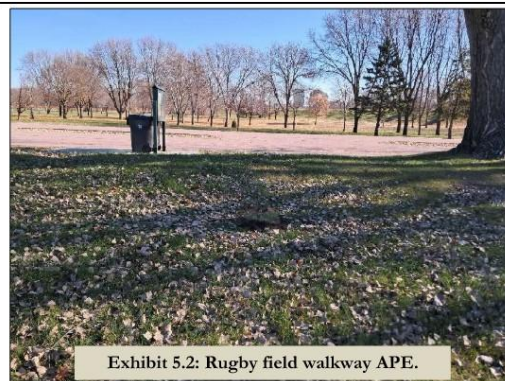
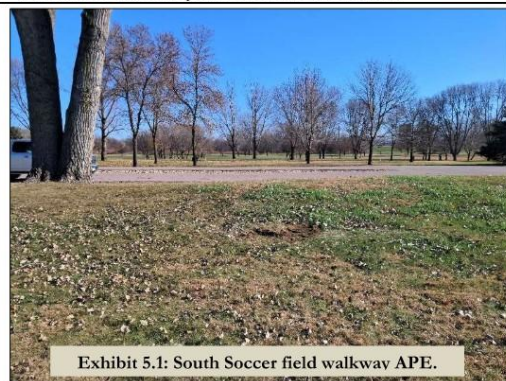
Land of Memories Park

City Project Number 11200

City Of Mankato

Land of Memories Park Phase I Survey

14.0 EXHIBIT 5: PROJECT PHOTOGRAPHS



McFarlane Consulting LLC

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Project Feasibility Report

Land of Memories Park

City Project Number 11200

City Of Mankato

Land of Memories Park Phase I Survey

15.0 EXHIBIT 6: SUBSURFACE TEST RESULTS

(Shovel tested to 80cm to 100cm depth. Seven inch bucket auger from shovel test base to 140cm)

Location	Test	Soil Profile	Cultural Materials	Comments
ADA campsite C-9	ST-1	0-20cm: very dark brown loam, disturbed, some gravel. 20-40cm: very dark brown sandy loam. 40-150cm: brown to light brown fine sand, well sorted.	.22 caliber casing, clear glass fragments, mussel shell fragments in top 20cm.	Sharp contact at 20cm. Scrape & fill landscaping.
North Playground Walkway	ST-2	0-10cm: black loam, sod layer, disturbed 10-35cm: dark brown sandy loam, well sorted. 35-60cm: grayish brown silty sand, mottled. 60-140cm: fine brown sand, light mottle, well sorted.	No Cultural Materials (NCM).	Sharp contact at 35cm. Scrape & fill landscaping.
Restroom walkway	ST-3	0-45cm: hardpan gravel, old roadbed. 45-60cm: pea gravel & brown sand. 60-140cm: brown to light brown fine silty sand, well sorted w/CaCO ₃ concretions.	Carbonite lantern rod fragment in top 45cm.	Old roadbed.
Restroom walkway	ST-4	0-25cm: hardpan gravel. Test terminated by cobbles.	NCM	Old roadbed.
ADA campsite B-4	ST-5	0-45cm: black sandy clay loam 45-50cm: dark gray fine sandy loam, disturbed. 50-100cm: light olive gray fine sand 100-140cm: transition from dark greyish brown to greyish brown sandy silt	Metal bottle cap, 1974 penny, two clear glass fragments, blue plastic film fragment, aluminum foil fragment, plastic orifice reducer for liquor bottle in top 30cm. 2 clear glass fragments and one .44 caliber casing between 30-40cm.	Sharp contact at 50cm.
ADA campsite A-10	ST-6	0-10cm: greyish brown silty sand. 10-60cm: dark brown sandy silt. 60-100cm: brown sandy silt.	NCM	Sharp contact at 10cm. Scrape & fill landscaping.
ADA campsite A-10	ST-7	0-10cm: greyish brown silty sand. 10-55cm: dark brown sandy silt. 55-100cm: brown sandy silt.	NCM	Sharp contact at 10cm. Scrape and fill landscaping.
Disc golf walkway	ST-8	0-30cm: mixed dark brown silt loam & grayish yellow brown silt. Disturbed 30-75cm: mixed dark brown silt loam & grayish yellow brown silt. Disturbed. 75-90cm: grayish yellow brown silt subsoil. 90-140cm: grayish yellow brown silt, mottled but no CaCO ₃ concretions.	1 Pre-Contact cord impressed ceramic body spall between 40-50cm.	Disturbed to 75cm. The Pre-Contact ceramic spall was recovered from a disturbed context containing modern plastic fragments.
North soccer field walkway	ST-9	0-20cm: sandy loam w/high gravel content. 20-30cm: dense layer of hard packed rock, gravel, cobbles. 30cm: test stopped by large cobble.	NCM	Mechanically constructed rock & gravel berm. Disturbed.
North soccer field walkway	ST-10	0-40cm: mixed layers of loam & gravel. 40-100cm: grayish yellow brown sandy silt. 100-140cm: yellow brown sandy silt w/CaCO ₃ concretions.	NCM	Disturbed to 40cm. Sharp contact at 40cm
South soccer field walkway	ST-11	0-35cm: dense layer of hard packed rock, gravel, cobbles. 35cm: test stopped by dense compact layer of rock & gravel.	NCM	Mechanically constructed rock & gravel berm. Disturbed.
South soccer field walkway	ST-12	0-35cm: black fine sandy loam. 35-60cm: mixed grayish brown & yellow brown sandy silt. 60-140cm: yellow brown sandy silt.	NCM	Disturbed to 60cm.
Rugby field walkway	ST-13	0-30cm: fill layer containing rocks, gravel, & small cobbles. Terminated by large cobble.	NCM	Mechanically constructed berm composed of rock and gravel fill.
Rugby field walkway	ST-14	0-30cm: fill layer containing rocks, gravel, & small cobbles 30-100cm: dark grayish brown sandy silt. 100-140cm: brown sandy silt w/CaCO ₃ concretions.	NCM	Sharp contact at 30cm. Scrape & fill landscaping.
South playground walkway	ST-15	0-10cm: black sandy loam & sod. 10-60cm: compact fill layer of rocks, gravel, & small cobbles. Test terminated at 60cm due to large cobble.	NCM	Disturbed to 60cm. Mechanically deposited fill layer.

Project Feasibility Report

Land of Memories Park

City Project Number 11200

City Of Mankato

Land of Memories Park Phase I Survey

South playground walkway	ST-16	0-15cm: black sandy loam & sod. 15-50cm: compact fill layer of rocks, gravel, & small cobbles. 50-100cm: grayish brown silty sand w/gravel & CaCO ₃ concretions.	NCM	Disturbed to subsoil. Mechanically deposited fill layer.
South playground walkway	ST-17	0-10cm: black sandy loam & sod. 10-50cm: compact fill layer of rocks, gravel, & small cobbles. Test terminated at 50cm due to large cobble.	NCM	Disturbed to 50cm. Mechanically deposited fill layer.
South playground	ST-18	0-5cm: greyish brown weak sod layer. 5-60cm: compact fill layer of rocks, gravel, & small cobbles. Test terminated at 60cm due to large cobble.	NCM	Disturbed to 60cm. Mechanically deposited fill layer with small asphalt, brick, & concrete fragments.
South playground	ST-19	0-10cm: greyish brown weak sod layer. 10-70cm: dark gray fine sandy loam 70-80cm: grayish brown silty sand w/gravel & CaCO ₃ concretions.	NCM	Disturbed to subsoil. Mechanically deposited fill layer with small asphalt, brick, & concrete fragments.
South playground	ST-20	0-10cm: greyish brown weak sod layer. 10-70cm: dark gray fine sandy loam 70-80cm: grayish brown silty sand w/gravel & CaCO ₃ concretions.	NCM	Disturbed to subsoil. Mechanically deposited fill layer with small asphalt, brick, & concrete fragments.



AGENDA RECOMMENDATION

Consent Calendar 5. K.

City Council Regular Meeting

Meeting Date: 06/08/2026

Agenda Item:

Resolution ordering preparation of feasibility report for Capital Improvement Project 11121; Long Street and Emerson Lane.

Recommendation/Action(s):

Adoption of the attached resolution.

Summary:

The Construction Services Department is requesting authorization from the Council to prepare a feasibility report for the Long Street and Emerson Lane reconstruction project. On June 9, 2025, the Council adopted a resolution approving the feasibility for this project. However, at that time, the project included Long Street from Main Street to Fair Street and Emerson Lane from Pfau Street to N Belmont Drive.

Since June 2025, the project scope has expanded to include Long Street from Main Street to Madison Avenue and Emerson Lane from Pfau Street to North Belmont Drive. The city secured \$1.5 million in LRIP funding for the expanded scope of the project. This item is requesting authorization from the Council to prepare a feasibility report for the expanded scope. A public open house is planned for late June 2026 to gather community feedback on traffic-calming amenities. Staff recommends the Council pass the resolution authorizing the Construction Services Department to prepare the feasibility report.

The feasibility report provides the background of the project, the proposed improvements, the cost of the improvements and the method and amount of proposed special assessments. Approximate schedules of the projects will be provided in the feasibility reports with construction ultimately planned for 2027.

After the feasibility reports are completed, a Call for Hearing will be requested for Council review and decision on the project. The preliminary special assessments will be

discussed in the improvement hearing and the report will be received by the Council during the hearing. This report is the basis for providing the Council with information to consider the project. The hearing allows all interested people to provide testimony to the council on the project for council deliberations prior to ordering the project. Should the council find the project feasible, a resolution is passed ordering the project designed and bids solicited for the work.

Attachments

Revised Resolution

RESOLUTION ORDERING PREPARATION OF REPORT ON IMPROVEMENT NUMBER 11121 WITHOUT PETITION

WHEREAS, it is proposed to improve:

- Long Street from Main Street to Madison Avenue and Emerson Lane from Pfau Street to N Belmont Drive

by installing sanitary sewer, domestic water, and storm sewer mains; curb and gutter; aggregate base; bituminous surfacing; sidewalks, lighting, turf, traffic calming features, sewer and water services; signage, and to assess the benefitted property for all or a portion of the cost of the improvement, pursuant to Minnesota Statutes, Chapter 429.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF MANKATO, MINNESOTA:

1. That the proposed improvements be referred to the City Engineer for study and that, that person is instructed to report to the Council with all convenient speed advising the Council in a preliminary way as to whether the proposed improvement is necessary, cost-effective, and feasible; whether it should best be made as proposed or in connection with some other improvement; the estimated cost of the improvement as recommended; and a description of the methodology used to calculate individual assessments for the affected parcels.

This resolution shall become effective upon its adoption.

Dated this 8th day of June 2026.

Najwa Massad
Mayor

ATTEST: _____
Rena Kopischke
City Clerk



AGENDA RECOMMENDATION

Consent Calendar 5. L.

City Council Regular Meeting

Meeting Date: 06/08/2026

Agenda Item:

Motion approving Change Order No. 1 for 11190 - Facilities Snow Removal.

Recommendation/Action(s):

Motion approving change order.

Summary:

The Facilities snow removal contract was originally bid on in the fall of 2025 for the 2025-2026 snow season. In the contract, an option for (2) 1-year extensions exists if agreed to by both parties. Staff began discussions in late spring to gauge the interest of the contractor in an extension.

Change Order No. 1

Change order number 1 includes updated unit pricing for subcontractor work involving the supply of salt. Due to a regional supply shortage, the cost of salt increased during the season. The remaining unit prices are proposed to remain the same as the previous year. The contract would be extended for an additional 365 calendar days with the proposed new completion date of May 1, 2027.

The original contract value was \$1,173.63. The current contract value is \$1,286.00. For historical perspective, below are the annual totals spent on snow removal for 2017-2025.

- 2017 – \$139,757
- 2018 – \$293,242
- 2019 – \$354,525
- 2020 – \$149,248
- 2021 – \$155,279
- 2022 – \$254,620
- 2023 – \$435,093
- 2024 – \$133,072

- 2025 – \$160,346
- 2026 – \$202,105 (YTD)

Attachments

Change Order



Date: May 27, 2026

Project: Facilities Snow Removal	City Project No.: 11190 State Project No.: NA	
Contractor: Mankato Snow Removal	Date of Contract: November 17, 2025	

The Contract is modified as follows upon execution of this Change Order:

Description: 1. Due to regional salt shortages and the supplier providing a 21-day notice prior to the price increase, ability to secure material at previous pricing or pursue alternative sourcing options was significantly limited. Increases were seen across all salt suppliers within the region. **2.** After negotiation, both the City and Contractor would like to extend the contract another year.

Attachments: Documentation from Mankato Snow Removal

ITEM	DESCRIPTION	UNIT	EST QTY	UNIT PRICE	TOTAL AMOUNT
1	Salt	Ton	1	\$(164.63)	\$(164.63)
2	Salt	Ton	1	\$277.00	\$277.00
TOTAL CHANGE ORDER					\$112.37

CHANGE IN CONTRACT PRICE:

Original Contract Price:	\$	1,173.63
Total from previously approved Change Orders:	\$	-
Contract Price prior to this Change Order:	\$	1,173.63
Net increase (decrease) of this Change Order:	\$	112.37
New Contract Price:	\$	1,286.00

CHANGE IN CONTRACT TIME:

Original date of substantial completion:	May 1, 2026
New change in contract duration from previously approved Change Orders:	365 Days
New date of substantial completion:	May 1, 2027

The Contractor shall not make claim of any kind or character whatsoever for any other costs or expenses which he may have incurred or which he may hereinafter incur in performing the work and furnishing the materials required by the agreement. All Change Orders that exceed \$25,000 must be approved by the City Council.

PREPARED

REVIEWED

RECOMMENDED

By: Ryan Thormodson By: D.B. By: Const. & Fac. Svcs. Dir. (Auth. Sig.)
Print Name (Initials)

Date: May 27, 2026 Date: May 27, 2026 Date:

ACCEPTED

APPROVED

APPROVED

By: [Signature] By: By:
Contractor (Auth. Signature) City Manager (Auth. Signature) Owner (Auth. Signature)

Date: 5-29-26 Date: Date:

☐ Const. & Fac. Svcs. Dir. (original) ☐ Contractor ☐ Facilities Manager ☐ DSAE (for funding review-if necessary)



To Whom it May Concern,

I am writing to explain the recent increase in salt costs affecting our snow removal operations.

Effective January 1st, salt prices increased from \$164.63/ton to \$277.00/ton due to a regional salt shortage. Our supplier provided only 21 days' notice, limiting our ability to secure material at prior pricing or explore alternative sources.

Additionally, our snow removal scope includes ramps, parking lots, and sidewalks rather than roadways. These areas require more frequent and precise salt applications to maintain safe conditions, which increases overall material usage and cost sensitivity.

We remain committed to maintaining safe and accessible conditions and are actively reviewing ways to manage these increased costs.

Thank you for your understanding.

Tony Marble

Mankato Snow Removal



AGENDA RECOMMENDATION

Consent Calendar 5. M.

City Council Regular Meeting

Meeting Date: 06/08/2026

Agenda Item:

Resolution authorizing the City Manager to enter into a long-term parking lease for Parking Lot #2; (Graif Lot).

Recommendation/Action(s):

Adoption of the attached resolution.

Summary:

Neubau Holdings, LLC (the tenant) entered into a ground lease and a first right of refusal with the City of Mankato (the landlord) in 2008. The tenant is leasing 32 regular parking spaces located on the property legally described as follows: (City Lot #2 – Graif Lot):

Lot Two (2), Block Twelve (12), City of Mankato, according to the E. D. Brunner Plat, Blue Earth County (R01 09 18 104 020); and the Northeast 36 Feet of Lot 3, Block 12, City of Mankato, according to the E. D. Bruner Plat, Blue Earth County (R01 09 18 104 066).

Both the tenant and landlord are in agreement with the first amendments as proposed in the legally binding documents. The amendments extend the lease agreements to December 31st, 2041, at which time both parties can extend the term per a mutual agreement. The rate is set by the Council's adopted fee schedule as modified from time to time. The amendments have been reviewed by the city attorney.

Staff recommends authorizing the City Manager to enter into the lease amendments.

Attachments

Resolution

Ground Lease Amendment

First Right of Refusal Amendment

Site Map

**RESOLUTION AUTHORIZING THE CITY OF MANKATO TO ENTER INTO A FIRST
AMENDMENT TO GROUND LEASE AND FIRST RIGHT OF REFUSAL WITH
NEUBAU WITHHOLDINGS, LLC.**

WHEREAS, Landlord and Tenant executed a certain Ground Lease commencing on the 1st day of December, 2008, under which Landlord leased the Premises to Tenant (the "Ground Lease;" and

WHEREAS, the Landlord and the Tenant have agreed to an extension of the Term of the Ground Lease as set forth in the First Amendment;

WHEREAS, Seller and Developer executed a certain First Right of First Refusal Agreement effective as of the 25th day of September 2008, under which Seller granted to Developer an exclusive first right of refusal to purchase the Premises as defined therein (the "First Right of Refusal Agreement;") and

WHEREAS, the Seller and the Developer have agreed to an extension of the Term of the First Right of Refusal Agreement as set forth in the First Amendment;

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF MANKATO, MINNESOTA:

1. By the City Council of the City of Mankato that the City Manager is authorized to enter into first amendments with a new term period commencing on the Execution Date and ending on December 31, 2041; provided, that upon written notice from Developer to Seller given ninety (90) days prior to December 31, 2041, Developer shall be entitled to extend the Term for an additional period, the duration of which shall be mutually agreed between Seller and Developer.

This resolution shall become effective upon its adoption.

Passed this 8th day of June, 2026

Najwa Massad
Mayor

ATTEST: _____
Renae Kopischke
City Clerk

FIRST AMENDMENT TO GROUND LEASE

FIRST AMENDMENT TO GROUND LEASE (this "First Amendment") is made as of this day of _____, 2026 by and between the City of Mankato, a Minnesota Municipal Corporation ("Landlord") and Neubau Holdings, LLC, a Minnesota limited liability company ("Tenant"). Capitalized terms used but not defined in this Amendment have the meanings given in the Ground Lease, as hereinafter defined.

RECITALS

WHEREAS, Landlord and Tenant executed a certain Ground Lease commencing on the 1st day of December, 2008, under which Landlord leased the Premises to Tenant (the "Ground Lease;" and

WHEREAS, the Landlord and the Tenant have agreed to an extension of the Term of the Ground Lease as set forth in this First Amendment;

NOW, THEREFORE, in consideration of the foregoing and of the mutual agreements contained herein, the sufficiency of which are hereby acknowledged, Landlord and Tenant agree as follows:

1. Section 2 – The first sentence of Section 2 of the Ground Lease shall be replaced in its entirety with the following:

2. Term. This Lease shall commence on the 1st day of December, 2008 and shall terminate on the 31st day of December, 2041; provided, that upon written notice from Tenant to Landlord given ninety (90) days prior to December 31, 2041, Tenant shall be entitled to extend the Term for an additional period, the duration of which shall be mutually agreed between Tenant and Landlord.

2. Except as expressly modified by this First Amendment, the terms and conditions of the Agreement shall remain in place, as written.

3. This First Amendment may be executed in any number of counterparts which, when taken together, will constitute one original, and photocopy, facsimile, electronic or other copies shall have the same effect for all purposes as an ink-signed original.

IN WITNESS WHEREOF, this First Amendment is executed as of the date first shown above.

NEUBAU HOLDINGS, LLC

BY: _____
Charles Frentz
Its: PARTNER

CITY OF MANKATO

BY: _____
Susan MH Arntz
Its: CITY MANAGER

FIRST AMENDMENT TO FIRST RIGHT OF FIRST REFUSAL AGREEMENT

FIRST AMENDMENT TO FIRST RIGHT OF FIRST REFUSAL AGREEMENT (this "First Amendment") is made as of this ____ day of ___, 2026 by and between the City of Mankato, a Minnesota Municipal Corporation ("Seller") and Neubau Holdings, LLC, a Minnesota limited liability company ("Developer"). Capitalized terms used but not defined in this Amendment have the meanings given in the First Right of Refusal Agreement, as hereinafter defined.

RECITALS

WHEREAS, Seller and Developer executed a certain First Right of First Refusal Agreement effective as of the 25th day of September, 2008, under which Seller granted to Developer an exclusive first right of refusal to purchase the Premises as defined therein (the "First Right of Refusal Agreement"); and

WHEREAS, the Seller and the Developer have agreed to an extension of the Term of the First Right of Refusal Agreement as set forth in this First Amendment;

NOW, THEREFORE, in consideration of the foregoing and of the mutual agreements contained herein, the sufficiency of which are hereby acknowledged, Seller and Developer agree as follows:

1. Section 1.3 – Section 1.3 of the First Right of Refusal Agreement shall be replaced in its entirety with the following:

1.3 "Term" shall mean the period commencing on the Execution Date and ending on December 31, 2041; provided, that upon written notice from Developer to Seller given ninety (90) days prior to December 31, 2041, Developer shall be entitled to extend the Term for an additional period, the duration of which shall be mutually agreed between Seller and Developer.

2. Except as expressly modified by this First Amendment, the terms and conditions of the First Right of Refusal Agreement shall remain in place, as written.

3. This First Amendment may be executed in any number of counterparts which, when taken together, will constitute one original, and photocopy, facsimile, electronic or other copies shall have the same effect for all purposes as an ink-signed original.

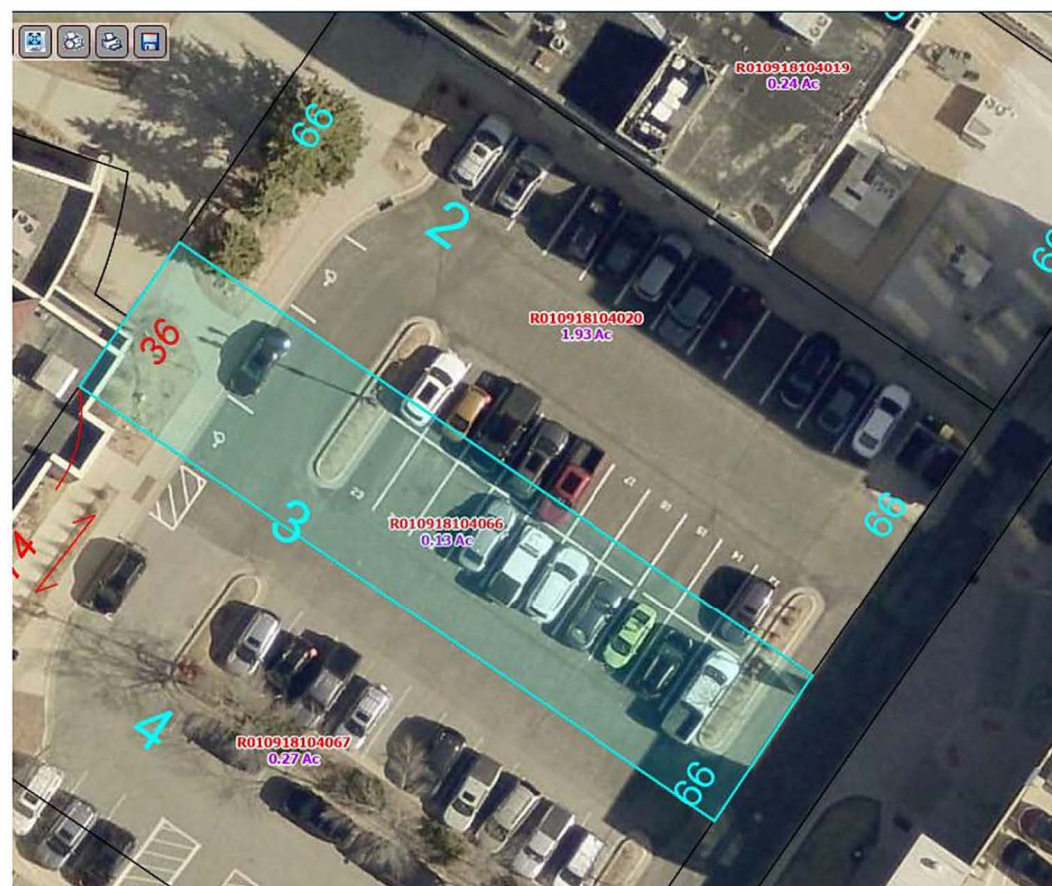
IN WITNESS WHEREOF, this First Amendment is executed as of the date first shown above.

NEUBAU HOLDINGS, LLC

BY: _____
Charles Frentz
Its: PARTNER

CITY OF MANKATO

BY: _____
Susan MH Arntz
Its: CITY MANAGER





AGENDA RECOMMENDATION

Consent Calendar 5. N.

City Council Regular Meeting

Meeting Date: 06/08/2026

Agenda Item:

Resolution authorizing the City Manager to enter into a Project Rebate Agreement with Centerpoint Energy and to participate in the “Commercial Hybrid Heating Pilot Rebate Program” for Capital Improvement Project 11144; Intergovernmental Center Rooftop Unit Replacement.

Recommendation/Action(s):

Adoption of the attached resolution.

Summary:

The Centerpoint hybrid pilot program is seeking commercial customers that have an interest in advancing potential lower carbon solutions using electric heat pump heating with supplemental natural gas – to maintain efficiency for the coldest days while aiming to reduce overall energy use. As part of this pilot, they are offering rebates/incentives to qualified commercial customers for 40% of the equipment cost (\$100,000 maximum) for those who take part in the pilot.

This associated rebate is for Capital Improvement Project 11144; Intergovernmental Center RTU Replacement. The project has a total equipment cost of \$400,678.00 and an overall project cost of \$611,715.00. The City of Mankato meets the requirements to participate in the hybrid rebate program and would receive the maximum allowed rebate of \$100,000.00.

Staff recommend authorizing the City Manager to enter into this rebate program and submitting the program participation paperwork to Centerpoint Energy.

Attachments

11144 Resolution

11144 CP Energy HVAC Report

**RESOLUTION AUTHORIZING THE CITY OF MANKATO TO ENTER INTO A
PARTICIPATION AGREEMENT WITH CENTERPOINT ENERGY. TO PARTICIPATE IN
THE COMMERCIAL HYBRID HEATING PILOT REBATE PROGRAM.**

WHEREAS, the Commercial Hybrid Heating Pilot Rebate Program provides an equipment rebate to qualified customers of 40% of equipment costs with a \$100,000 maximum; and

WHEREAS, the program is designed to promote potential lower carbon solutions using electric heat with a supplemental secondary heating source; and

WHEREAS, participation in the program requires the City of Mankato to enter into a Participation Agreement with Centerpoint Energy; and

WHEREAS, participation in the program will cover 40% of the equipment costs for the associated project and will reach the rebate maximum of \$100,000; and

WHEREAS, staff have reviewed the proposed Participation Agreement and recommend participation in the program as a way to promote clean energy and continue our efforts to lower our carbon footprint.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF MANKATO, MINNESOTA:

1. By the City Council of the City of Mankato that the City Manager is authorized to enter into a Participation Agreement with Centerpoint Energy to participate in the Commercial Hybrid Heating Pilot Rebate Program for the Intergovernmental Center RTU replacement project.

This resolution shall become effective upon its adoption.

Passed this 8th day of June, 2026

Najwa Massad
Mayor

ATTEST: _____
Rena Kopischke
City Clerk



Customer Report
NGIA Commercial Hybrid Heating Pilot Program

CenterPoint Energy NGIA Hybrid Heating Pilot
HVAC Customer Report
Energy Savings and Cost Breakdown

Installation Address

Mankato City Of
10 Civic Center Plz
Mankato, MN 56001

Customer Account Details

Mankato City Of
10 Civic Center Plaza
Mankato, MN 56001
CenterPoint Account: 6103667

Contractor Information

Prepared for

Dustin Bornhold
10 Civic Center Plaza
Mankato, MN 56001



Prepared by HVAC Specialist

Casey Hilbelink
Center for Energy and Environment
212 3rd Avenue North, Suite 560
Minneapolis, MN 55401

Mobile: 612-263-6851
Phone: 612-335-5858
Fax: 612-335-5888
E-mail: chilbelink@mncee.org



CenterPoint Energy Program Manager

Nick VanDuzee
CenterPoint Energy
505 Nicollet Mall, 3rd Floor
Minneapolis, MN 55402

Phone: 612-321-4336
E-mail: nicholas.vanduzee@centerpointenergy.com

Customer Report		Mankato City Of 10 Civic Center Plz Mankato, MN 56001
Program ID#	CNP Acct#	
38548	303472377	



Customer Report

NGIA Commercial Hybrid Heating Pilot Program

HVAC Upgrades Cost

Initial DFRTU Equipment Cost	<i>Before Rebate</i>	\$400,000.00
Estimated NGIA Pilot Utility Rebate		\$100,000.00
Final DFRTU Equipment Cost	<i>After Rebate</i>	\$300,000.00

Utility Cost Analysis

	Demand kW	Demand PCKW	Heating kWh	Cooling kWh	Heating Dth	Net Cost
Annual Energy Savings	1.264	1.137	-63,412	8,233	765.1	
Annual Cost Savings	\$138.99		-\$5,428.07	\$704.74	\$5,791.81	\$1,207.39

Savings over Lifetime of Equipment

	Cost Savings	GHG Heat	GHG Cool	GHG Total
	\$18,110.85	623.6 tons	16.0 tons	639.6 tons

Greenhouse Gas (GHG) Emissions Reduction calculations: The Greenhouse Gas (GHG) accounting framework established under the Minnesota National Gas Innovation Act evaluates lifecycle emissions that would have been released over the project's lifetime if not for the pilot, including emissions resulting from fuel extraction, processing, and distribution, along with point of use combustion. The total carbon intensity metric used for evaluation of emissions reductions from natural gas is 65.09kgCO₂e/Dth natural gas reduced. Emissions from added electrical use are calculated using a carbon intensity metric that varies by electric provider and by year within the project's lifetime. A project lifetime of 15 years was assumed for rooftop units. Please contact CenterPoint Energy for more details on how GHG reduction estimates used in this report were calculated.

Savings estimates are based on standard engineering calculations and are NOT guaranteed. Your actual savings may be higher or lower depending on various factors, including how you operate your equipment. Electric utility rates are estimated at \$0.0856/kWh and \$9.1634/kW, where demand cost savings occurs primarily during the summer months peak rate hours of 9am to 9pm. Gas utility rates are estimated at \$7.57/Dth.

Estimated Utility Rebates are based on 40% of equipment costs, up to 5 units or \$100,000.00. All rebated equipment must be pre-approved by CenterPoint or their vendor and includes the hybrid heating unit, along with other pre-approved materials that are required for operation of the equipment. A detailed invoice showing seperated equipment and labor costs will be required before a rebate is issued. Rebate totals identified on this report are subject to change based upon final invoice price provided after installation is complete.



Customer Report

NGIA Commercial Hybrid Heating Pilot Program

Hybrid Heating Unit Details

Unit #1

Unit Size (tons)	Make:	Daikin	Location:
20	Model:	DPSH20B	Serial #:
Notes:		Lifetime GHG Emissions (tons)	Annual Savings
		Reduced Gas GHG	169.8 Dth
		Added Electric GHG	20.3 kW
		Net GHG Reduction	149.5 PCKW
			kWh Cooling
			kWh Heating
			Net Bill Savings
EER	10.7	COP@47	3.5
IEER	18.47	COP@17	2.6
		Gas Cap.	240,000
		NGIA Pilot Rebate	\$40,000.00

Unit #2

Unit Size (tons)	Make:	Daikin	Location:
68	Model:	DHSA068	Serial #:
Notes:		Lifetime GHG Emissions (tons)	Annual Savings
		Reduced Gas GHG	577.2 Dth
		Added Electric GHG	87.1 kW
		Net GHG Reduction	490.1 PCKW
			kWh Cooling
			kWh Heating
			Net Bill Savings
EER	9.4	COP@47	3.29
IEER	15	COP@17	2.26
		Gas Cap.	816,000
		NGIA Pilot Rebate	\$60,000 (Capped)



Customer Report
NGIA Commercial Hybrid Heating Pilot Program

Customer Acknowledgment & Agreement

I, the undersigned, agree that to the best of my knowledge, the equipment specified in this report is to be installed at the address and CenterPoint account listed. I understand that the energy or cost savings reflected in this analysis are estimated, and that Center for Energy and Environment and CenterPoint Energy do not guarantee that a specific level of energy or cost savings will result from the implementation of energy conservation measures or the use of products funded under this program.

I understand that the HVAC equipment specified in this report is specific to the replacement of said equipment, and that this program is not a holistic assesment of the entire system, and will not result in a comprehensive list of system deficiencies or needed repairs.

I understand that all mechanical code violations that are found during the HVAC sytem's inspection or during installation must be brought up to code at my expense. Costs for correcting code violations are NOT included in the costs or rebates specified in this document.

By signing below, I certify that I have read, understand and will comply with the above statements and the attached Rules and Requirements.

Signature

Date

Customer Report		Mankato City Of 10 Civic Center Plz Mankato, MN 56001
Program ID#	CNP Acct#	
38548	303472377	

CenterPoint Energy NGIA Commercial Hybrid Heating Pilot Program

Program Rules and Requirements

The CenterPoint Energy NGIA Commercial Hybrid Heating pilot program, administered by Center for Energy and Environment ("CEE") and funded through CenterPoint Energy, offers rebates to eligible business customers ("Participant") who purchase and install qualifying dual fuel Roof top units in existing buildings. The intent of the pilot program is to incentivize CenterPoint customers to install dual fuel roof top units (DF RTU) by defraying a portion of the cost of the DF RTU.

Participant Qualifications

Pilot program rebates apply only to qualified CenterPoint customers with an active commercial gas account in CenterPoint Energy's Minnesota service territory that meet pilot program eligibility requirements. The Vendor or Participant must verify with a CEE consultant and CenterPoint Energy that a customer is eligible for pilot program rebates before committing to purchasing equipment or implementing a project. Funds are limited and not all eligible properties will qualify. To determine if a business qualifies for the pilot program please contact CEE at (612) 244-2428.

Eligibility Requirements

1. Rebate items must be installed at the CenterPoint Energy gas account listed on the application.
2. The CenterPoint Energy gas account to which the rebate is being applied must be in good standing with the company.
3. All equipment must be new. Used or rebuilt equipment is not eligible for a rebate.
4. All removed HVAC equipment, refrigerant and hazardous waste must be properly recycled and cannot be sold or reused at another location. Documentation may be required to ensure compliance with proper disposal of equipment.
5. CenterPoint Energy and CEE recommend following AHRI standard practices (Standards & Guidelines | AHRI).
6. Equipment that has already been rebated through any other CenterPoint Energy rebate programs is ineligible for a rebate under the NGIA Commercial Hybrid Heating pilot program. This includes upstream programs that provide incentives to manufacturers, distributors and retailers to sell products at a discounted price.
7. CEE reserves the right to disallow a rebate if it determines, in its sole judgment, that the HVAC-R technology is inappropriately applied or will not appropriately condition the space.
8. Equipment must be purchased, properly installed and fully operating prior to receiving a rebate.

Vendor Responsibilities

9. The "Vendor" is any person or company that is consulting on the project, selling the project to the participant, completing the work and/or supplying the materials. Vendor is an independent contractor and not an agent or representative of CenterPoint or CEE, has no authority to bind CenterPoint or CEE, and is solely responsible for sub-contractors the Vendor hires to do some or all of the work and/or supply materials.
10. The Vendor must clearly communicate to the Participant the purpose and requirements of the pilot program, including eligibility requirements for rebates. The Vendor must involve the CEE consultant in communications with the Participant, and must keep the CEE consultant fully informed regarding all details of the transaction.
12. Any inaccuracies concerning project specifications must be reported immediately to a CEE consultant so they can be addressed, the rebate recalculated if necessary and a revised report issued to the Vendor and the Participant.
13. Vendor must contact a CEE consultant whenever there are changes to the project so that equipment eligibility can be confirmed and the rebate value can be re-calculated if necessary.

Rebate Calculations

17. Rebates cannot exceed 40 percent of the Participant's Equipment costs, unless otherwise specified by the Program.
18. "Participant's Equipment Cost" means the Participant's financial obligation for the HVAC-R upgrade based on the total cost of the Hybrid Heating system equipment that is required for operation of the unit. Ancillary equipment may not qualify for inclusion in the rebate calculation unless specifically approved by the program.

Program Payment Restrictions

19. The following types of financial transactions are not allowed as methods of payment by the Participant for the project: barter, in-kind donations and performance contracting. To receive a rebate, the participant must provide proof of payment for the equipment installed. Participant equipment cost must be a non-zero amount to qualify for a rebate.

Invoice

20. The Vendor must submit an accurate, complete and transparent final invoice for the completed HVAC upgrade. All parties involved in the project, including the Participant and CEE, must have a clear understanding of the scope of work and associated project costs, including any Deductions that have been applied.

21. Invoice(s) submitted must include: (1) itemized quantity, manufacturer's make and model numbers for each material item, (2) a lump sum amount for both material and labor, and (3) grand total project cost. In some cases, original equipment manufacturer (OEM) specification sheets may be requested for verification or clarification.

22. The Vendor must provide the Participant an invoice that reflects the same financial information that is submitted to CEE, including any Deductions that have been applied.

Verification

23. CEE reserves the right to inspect Participant's facility(ies) for installation of materials listed on this rebate application and will need access to survey the installed project. If the inspection determines that Participant did not comply with these Rules and Requirements, any rebate received by Participant must be promptly returned to CenterPoint Energy.

24. Vendor agrees to promptly provide CEE with such additional documentation and information as may be necessary to verify compliance with these Rules and Requirements, such as copies of cancelled checks or other relevant receipts/records as proof that the Participant paid the amount reflected on the invoice. Rebates for that project will not be paid until all requested documentation and information is provided and verified.

Rebate Application and Payment

25. Pilot program rules and rebate eligibility requirements are subject to change. It is the Participant's and Vendor's responsibility to verify with CEE that estimated rebates are still valid before committing to, purchasing equipment for or implementing a project.

26. CenterPoint Energy and CEE are not responsible for any lost, late, stolen, ineligible, illegible, misdirected or postage-due mail. All completed rebate applications and other submissions in connection with the pilot program become the property of CenterPoint Energy and CEE and will not be returned.

27. In cases of deferred payment, CEE reserves the right to process the rebate only when full payment is received by the Vendor from the Participant. All financed and alternate payment plans must be documented with detailed, legally obligating and signed contracts. CEE reserves the right to disallow any payment plan that its staff determines is not in compliance with the program design intent and rules.

28. Rebates will not be disbursed until the project is fully installed and verified.

29. Unless otherwise indicated, the rebate check will be sent to the Participant (i.e., CenterPoint Energy account holder) listed on the rebate application. CenterPoint Energy will issue rebates in the form of checks.

30. Once completed paperwork is submitted and approved, rebate payments are usually made in 6 to 8 weeks.

Special Notices

31. CenterPoint Energy and CEE reserve the right to refuse payment or participation in the pilot program if the Participant or Vendor violates pilot program design intent, rules and procedures. CenterPoint Energy and CEE are not liable for rebates promised to Participants as a result of a Vendor misrepresenting the program.

32. The pilot program is subject to 60 days' notice of cancellation. The Participant and Vendor are responsible for checking with a CEE consultant to determine whether the pilot program is still in effect and to verify program requirements.

33. CEE RESERVES THE RIGHT TO DISQUALIFY NONCOMPLIANT VENDORS FROM PARTICIPATION IN THE PILOT PROGRAM.

34. Upon signing the customer participation agreement, the customer must make a good faith effort to order equipment within 45 days of signature to remain in the program. If equipment is not ordered within 45 days, the customer must receive approval in writing from the CEE/CenterPoint Energy to remain in the pilot program.

Disclaimers

35. Do not endorse any particular vendor, manufacturer, product or system design by offering these rebates;

36. Are not responsible for any tax liability imposed on the Participant as a result of the payment of rebates;

37. EXPRESSLY DISCLAIM ALL WARRANTIES, EXPRESSED OR IMPLIED, AND ANY IMPLIED WARRANTIES OF

MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE WITH RESPECT TO ANY PRODUCTS, EQUIPMENT, MATERIAL OR WORKMANSHIP PROVIDED, SUPPLIED OR INSTALLED IN CONNECTION WITH THE PILOT PROGRAM. Product warranties, if any, are issued by the equipment manufacturer(s) for the benefit of the Participant and/or Vendors.

38. Are not responsible for the disposal of equipment removed and replaced in connection with this pilot program;

39. In no event shall be liable for any indirect, special, incidental, consequential or punitive damages arising out of or relating to the pilot program;

40. Do not guarantee that a specific level of energy or cost savings will result from the implementation of products funded under this pilot program.

Equipment Requirements

41. All energy saving measures approved by the pilot program will have savings potential documented using program approved calculation methods. These methods will document baseline use and apply savings calculations to establish annual savings for recommendations. No outside calculations will be accepted without approval by the program administrator.

Measurement & Verification (M&V) Requirements

42. Participants will allow CEE employees and their contractors' on-site access with prior scheduling for the purpose of installing and maintaining test equipment until the end of the monitoring period, no later than December 2029. A minimum of three site visits will be required, one to install, one to verify installation, and one to remove.

a. Allow for the installation of a data logger with electric meters, temperature sensors, and other sensors to monitor the performance of the existing heating system. Participant understands and agrees that monitoring may be conducted for a period extending until December 2029.

b. Allow for the installation of a data logger with electric meters, temperature sensors, flow meters, and other sensors to monitor the performance of a newly installed heat pump roof top units.

c. Allow CEE employees access to the property for ongoing maintenance of the equipment and/or testing as necessary.

d. All sensors and equipment used only for monitoring will be removed by or at the direction of CEE at the end of the project.

43. Participant agrees not to move, unplug, obstruct or otherwise disturb or interfere with the associated test equipment.

44. Participant will use, maintain, and operate equipment installed as part of this study in accordance with manufacturer's instructions, warnings, and specifications.

45. Participant agrees to avoid unexpected or undisclosed changes to the site or heating systems that may affect data gathered or eligibility for the project, to the extent that is reasonably within participant's control.

a. Participants must notify the CEE representative listed in this agreement of any alterations to the site or site heating systems, including but not limited to the installation of new equipment outside of those installed for the purposes of the project, changes in property ownership that may affect eligibility or participation in the pilot program, and changes in site occupancy beyond those disclosed in the recruitment process.

b. Participant will notify the CEE representative listed in this agreement of such changes as soon as possible, preferably prior to when data collected may be affected or prior to when this change is in effect, whichever comes first.

Contact Information

Phone: (612) 244-2428.

Fax: (612) 335-5888.

Center for Energy and Environment
212 3rd Avenue North, Suite 560
Minneapolis, MN 55401



AGENDA RECOMMENDATION

Consent Calendar 5. O.

City Council Regular Meeting

Meeting Date: 06/08/2026

Agenda Item:

Resolution authorizing the execution of the Vetter Stone Amphitheater Construction Manager at Risk Agreement with Knutson Construction.

Recommendation/Action(s):

Adoption of the attached resolution.

Summary:

Minnesota Statute 471.463 authorizes municipalities to select a Construction Manager to manage the construction process, including but not limited to responsibility for the price, schedule, and workmanship of the construction performed.

A municipality shall conduct contract negotiations with the highest ranked proposer to reach an agreement on the cost and terms of the contract. If an agreement cannot be reached with the highest ranked proposer, the municipality may begin negotiations with the next highest ranked proposer. The negotiation process continues until an agreement is reached with a proposer or the municipality rejects all proposals.

As Council recalls in March, Knutson Construction Services Mankato, Inc., was selected as the firm to construct the Vetter Stone Amphitheater stage house. Staff conducted contract negotiations with Knutson to reach the contractual agreements identified below. These agreements have been reviewed by the city attorney.

AIA Document A133™–2019, is a Standard Form of Agreement between the Owner and Construction Manager as Constructor where the basis of payment is the Cost of Work Plus a Fee with a Guaranteed Maximum Price (GMP).

AIA Document A201™–2017 the general conditions are an integral part of the contract for construction for a large project, and they are incorporated by reference into the owner/contractor agreement. They set forth the rights, responsibilities, and

relationships of the owner, contractor, and architect. Though not a party to the construction contract between owner and contractor, the architect participates in the preparation of the contract documents and performs construction duties and responsibilities described in detail in the general conditions.

These agreements lay the foundation for the next steps to take place.

1. The architect will finalize the plans and specifications for the first bid package, which includes demolition and foundation work.
2. The architect will finalize plans and specifications for the second bid package, which includes the steel structure, finishes and electrical.
3. Knutson Construction selects from the bid packages provided by subcontractors in the open bidding process set to begin on June 15, 2026. Knutson Construction provides the Guaranteed Maximum Price (GMP) for the project on or around July 20, 2026.

Council will act upon the GMP, and if acceptable, amend the GMP into agreement A133-2019 as Exhibit A.

Staff recommends authorizing the City Manager to enter into the Construction Manager at Risk contract with Knutson Construction for the construction of the Vetter Stone Amphitheater stage house.

Attachments

Resolution

A133 Agreement

A201 Agreement

**RESOLUTION AUTHORIZING THE EXECUTION OF THE VETTER STONE AMPHITHEATER
CONSTRUCTION MANAGER AT RISK AGREEMENTS**

WHEREAS; the City of Mankato is the owner of the Vetter Stone Amphitheater at Riverfront Park; and

WHEREAS; staff released a Request for Qualifications and selected a short list of Construction Manager candidates; and

WHEREAS; staff subsequently released a Request for Proposals and selected a preferred candidate to enter into negotiations; and

WHEREAS; staff conducted contract negotiations with Knutson Construction forming agreements on the terms of the contracts in accordance with Minnesota Statute 471.463 for construction of the Vetter Stone Amphitheater Stage House; and

WHEREAS; the Guaranteed Maximum Price (GMP) has not been established.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Mankato that the City Manager is authorized to execute agreements with Knutson Construction as the City's selected Construction Manager at Risk for the construction of the Vetter Stone Amphitheater Stage House.

This resolution shall become effective upon passage without further publication.

CERTIFICATION

I hereby certify that the foregoing resolution is a true and correct copy of the resolution presented to and adopted by the City Council of the City of Mankato at a duly authorized meeting held on June 8, 2026.

Adopted this 8th day of June, 2026.

Najwa Massad, Mayor

ATTEST: _____
Renae Kopischke, MMC
City Clerk

AIA® Document A133® – 2019

Standard Form of Agreement Between Owner and Construction Manager as Constructor where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price

AGREEMENT made as of the 8th day of June in the year 2026
(In words, indicate day, month, and year.)

BETWEEN the Owner:
(Name, legal status, address, and other information)

City of Mankato
10 Civic Center Plaza
Mankato, MN 56001
507-387-8600

and the Construction Manager:
(Name, legal status, address, and other information)

Knutson Construction Services Mankato, Inc.
111 South Second Street,
Suite 610
Mankato, MN 56001

for the following Project:
(Name, location, and detailed description)

Vetter Stone Amphitheater
309 West Rock Street
Mankato, MN 56001

The Architect:
(Name, legal status, address, and other information)

LSE Architects Inc.
1401 Glenwood Avenue
Minneapolis, MN 55405

The Owner and Construction Manager agree as follows.

ADDITIONS AND DELETIONS:
The author of this document may have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

AIA Document A201™–2017, General Conditions of the Contract for Construction, is adopted in this document by reference. Do not use with other general conditions unless this document is modified.

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EXHIBIT A GUARANTEED MAXIMUM PRICE AMENDMENT

EXHIBIT B INSURANCE AND BONDS

ARTICLE 1 INITIAL INFORMATION

§ 1.1 This Agreement is based on the Initial Information set forth in this Section 1.1.

(For each item in this section, insert the information or a statement such as "not applicable" or "unknown at time of execution.")

§ 1.1.1 The Owner's program for the Project, as described in Section 4.1.1:

(Insert the Owner's program, identify documentation that establishes the Owner's program, or state the manner in which the program will be developed.)

Construction of a new stage, roof structure, and loading dock area at Vetter Stone Amphitheater in Riverfront Park, Mankato

§ 1.1.2 The Project's physical characteristics:

(Identify or describe pertinent information about the Project's physical characteristics, such as size; location; dimensions; geotechnical reports; site boundaries; topographic surveys; traffic and utility studies; availability of public and private utilities and services; legal description of the site, etc.)

The Project consists of improvements to the existing Vetter Stone Amphitheater located within Riverfront Park in Mankato, Minnesota. The site is an active public park and outdoor performance venue overlooking the Minnesota River Valley. The work includes construction of a new stage house and related improvements within the existing amphitheater footprint.

Construction will occur within established site boundaries and will require coordination with existing utilities, infrastructure, and ongoing public use. Work will be based on available survey, geotechnical, and site investigation information provided by the Owner and design team.

§ 1.1.3 The Owner's budget for the Guaranteed Maximum Price, as defined in Article 6:
(Provide total and, if known, a line item breakdown.)

The Owner's budget for construction is \$1,850,000. This budget may vary +/- 5% without any adjustment to the project staffing plan.

§ 1.1.4 The Owner's anticipated design and construction milestone dates:

.1 Design phase milestone dates, if any:

Design completion: Summer 2026

.2 Construction commencement date:

August 2026

.3 Substantial Completion date or dates:

May 2027

.4 Other milestone dates:

§ 1.1.5 The Owner's requirements for accelerated or fast-track scheduling, or phased construction, are set forth below:
(Identify any requirements for fast-track scheduling or phased construction.)

A phased approach to start demolition and foundation work in late summer 2026 is preferred to allow maximum time for the contractor to complete the work before winter conditions set in.

§ 1.1.6 The Owner's anticipated Sustainable Objective for the Project:
(Identify and describe the Owner's Sustainable Objective for the Project, if any.)

Not Applicable.

§ 1.1.6.1 If the Owner identifies a Sustainable Objective, prior to commencement of the Work, the Owner and Construction Manager shall endeavor to define the terms, conditions, and services related to the Owner's Sustainable objective and may complete and incorporate AIA Document E234™–2019, Sustainable Projects Exhibit, Construction Manager as Constructor Edition, into this Agreement to define the terms, conditions and services related to the Owner's Sustainable Objective. If E234–2019 is incorporated into this agreement, the Owner and Construction Manager shall incorporate the completed E234–2019 into the agreements with the consultants and contractors performing services or Work in any way associated with the Sustainable Objective.

§ 1.1.7 Other Project information:
(Identify special characteristics or needs of the Project not provided elsewhere.)

Not Applicable.

§ 1.1.8 The Owner identifies the following representative in accordance with Section 4.2:
(List name, address, and other contact information.)

Jim Tatge, Construction & Facilities Services Director
10 Civic Center Plaza
Mankato, MN 56001
jtatge@mankatomn.gov
507-387-8504

§ 1.1.9 The persons or entities, in addition to the Owner's representative, who are required to review the Construction Manager's submittals to the Owner are as follows:

(List name, address and other contact information.)

To Be Determined at a later date.

§ 1.1.10 The Owner shall retain the following consultants and contractors:

(List name, legal status, address, and other contact information.)

.1 Geotechnical Engineer:

Braun Intertec
2120 Howard Dr W
Suite B
North Mankato, MN 56003

.2 Other, if any:

(List any other consultants retained by the Owner, such as a Project or Program Manager.)

§ 1.1.11 The Architect's representative:

(List name, address, and other contact information.)

Brian Tempas, Senior Architect
LSE Architects
1401 Glenwood Avenue
Minneapolis, MN 55405
612-670-3457
btempas@lse-architects.com

§ 1.1.12 The Construction Manager identifies the following representative in accordance with Article 3:

(List name, address, and other contact information.)

Jack Gafkjen, Project Manager
Knutson Construction Services Mankato, Inc.
111 S 2nd Street, Suite 610
Mankato, MN
612-916-7965
jgafkjen@knutsonconstruction.com

§ 1.1.13 The Owner's requirements for the Construction Manager's staffing plan for Preconstruction Services, as required under Section 3.1.9:

(List any Owner-specific requirements to be included in the staffing plan.)

Not Applicable.

§ 1.1.14 The Owner's requirements for Construction Manager's procurement of Subcontractor(s) for the performance of the Work shall incorporate Construction Manager's described subcontractor procurement process submitted in response to the Project RFP and comply with Minnesota Statutes, Section 471.463, subd. 5(b):

(List any Owner-specific requirements for subcontractor procurement.)

Subcontractors will be required to respond to a Request for Qualifications (RFQ). Upon receipt, Knutson will evaluate all submissions using a consistent pass/fail matrix to verify each firm meets the project's minimum standards for safety, experience, capacity, and financial stability. Based on this evaluation, Knutson will recommend a list of prequalified subcontractors to City staff. Only subcontractors included on this prequalified list will be invited to participate in the subsequent Request for Bids (RFB).

§ 1.1.15 Other Initial Information on which this Agreement is based:

To Be Determined at a later date.

§ 1.2 The Owner and Construction Manager may rely on the Initial Information. Both parties, however, recognize that such information may materially change and, in that event, the Owner and the Construction Manager shall appropriately adjust the Project schedule, the Construction Manager's services, and the Construction Manager's compensation. The Owner shall adjust the Owner's budget for the Guaranteed Maximum Price and the Owner's anticipated design and construction milestones, as necessary, to accommodate material changes in the Initial Information.

§ 1.3 Neither the Owner's nor the Construction Manager's representative shall be changed without ten days' prior notice to the other party.

ARTICLE 2 GENERAL PROVISIONS

§ 2.1 The Contract Documents

The Contract Documents consist of this Agreement, Conditions of the Contract (General, Supplementary and other Conditions), Drawings, Specifications, Addenda issued prior to execution of this Agreement, other documents listed in this Agreement, and Modifications issued after execution of this Agreement, all of which form the Contract and are as fully a part of the Contract as if attached to this Agreement or repeated herein. Upon the Owner's acceptance of the Construction Manager's Guaranteed Maximum Price proposal, the Contract Documents will also include the documents described in Section 3.2.3 and identified in the Guaranteed Maximum Price Amendment and revisions prepared by the Architect and furnished by the Owner as described in Section 3.2.8. The Contract represents the entire and integrated agreement between the parties hereto and supersedes prior negotiations, representations or agreements, either written or oral. If anything in the other Contract Documents, other than a Modification, is inconsistent with this Agreement, this Agreement shall govern. An enumeration of the Contract Documents, other than a Modification, appears in Article 15.

§ 2.2 Relationship of the Parties

The Construction Manager accepts the relationship of trust and confidence established by this Agreement and covenants with the Owner to cooperate with the Architect and exercise the Construction Manager's skill and judgment in furthering the interests of the Owner to furnish efficient construction administration, management services, and supervision; to furnish at all times an adequate supply of workers and materials; and to perform the Work in an expeditious and economical manner consistent with the Owner's interests. The Owner agrees to furnish or approve, in a timely manner, information required by the Construction Manager and to make payments to the Construction Manager in accordance with the requirements of the Contract Documents.

§ 2.3 General Conditions

§ 2.3.1 For the Preconstruction Phase, AIA Document A201™–2017, General Conditions of the Contract for Construction, as modified, shall apply as follows: Section 1.5, Ownership and Use of Documents; Section 1.7, Digital Data Use and Transmission; Section 1.8, Building Information Model Use and Reliance; Section 2.2.4, Confidential Information; Section 3.12.10, Professional Services; Section 10.3, Hazardous Materials; Section 13.1, Governing Law. The term "Contractor" as used in A201–2017 shall mean the Construction Manager.

§ 2.3.2 For the Construction Phase, the general conditions of the contract shall be as set forth in A201–2017, as modified which document is incorporated herein by reference. The term "Contractor" as used in A201–2017 shall mean the

ARTICLE 3 CONSTRUCTION MANAGER'S RESPONSIBILITIES

The Construction Manager's Preconstruction Phase responsibilities are set forth in Sections 3.1 and 3.2, and in the applicable provisions of A201-2017 referenced in Section 2.3.1. The Construction Manager's Construction Phase responsibilities are set forth in Section 3.3. The Owner and Construction Manager may agree, in consultation with the Architect, for the Construction Phase to commence prior to completion of the Preconstruction Phase, in which case, both phases will proceed concurrently. The Construction Manager shall identify a representative authorized to act on behalf of the Construction Manager with respect to the Project.

§ 3.1 Preconstruction Phase

§ 3.1.1 Extent of Responsibility

The Construction Manager shall exercise reasonable care in performing its Preconstruction Services. The Owner and Architect shall be entitled to rely on, and shall not be responsible for, the accuracy, completeness, and timeliness of services and information furnished by the Construction Manager. The Construction Manager, however, does not warrant or guarantee estimates and schedules except as may be included as part of the Guaranteed Maximum Price. The Construction Manager shall complete comprehensive estimates at the conceptual, schematic, design development, and 50% Construction Document phases of design. The Construction Manager is not required to ascertain that the Drawings and Specifications are in accordance with applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of public authorities, but the Construction Manager shall promptly report to the Architect and Owner any nonconformity discovered by or made known to the Construction Manager as a request for information in such form as the Architect may require.

§ 3.1.2 The Construction Manager shall provide a preliminary evaluation of the Owner's program, schedule and construction budget requirements, each in terms of the other.

§ 3.1.3 Consultation

§ 3.1.3.1 The Construction Manager shall schedule and conduct meetings with the Architect and Owner to discuss such matters as procedures, progress, coordination, and scheduling of the Work.

§ 3.1.3.2 The Construction Manager shall advise the Owner and Architect on proposed site use and improvements, selection of materials, building systems, and equipment. The Construction Manager shall also provide recommendations to the Owner and Architect, consistent with the Project requirements, on constructability; availability of materials and labor; time requirements for procurement, installation and construction; prefabrication; and factors related to construction cost including, but not limited to, costs of alternative designs or materials, preliminary budgets, life-cycle data, and possible cost reductions. The Construction Manager shall consult with the Architect regarding professional services to be provided by the Construction Manager during the Construction Phase.

§ 3.1.3.3 The Construction Manager shall assist the Owner and Architect in establishing written protocols for the development, use, transmission, reliance, and exchange of digital data, including building information models for the Project.

§ 3.1.4 Project Schedule

When Project requirements have been sufficiently identified, the Construction Manager shall prepare and update on a monthly basis, or at another interval agreed to by Owner and Construction Manager, a Project schedule for the Architect's review and the Owner's acceptance. The Construction Manager shall obtain the Architect's approval for the portion of the Project schedule relating to the performance of the Architect's services. The Project schedule shall coordinate and integrate the Construction Manager's services, the Architect's services, other Owner consultants' services, and the Owner's responsibilities; and identify items that affect the Project's timely completion. The updated Project schedule shall include the following: submission of the Guaranteed Maximum Price proposal; components of the Work; times of commencement and completion required of each Subcontractor; ordering and delivery of products, including those that must be ordered in advance of construction; and the occupancy requirements of the Owner.

§ 3.1.5 Phased Construction

The Construction Manager, in consultation with the Architect, shall provide recommendations with regard to accelerated or fast-track scheduling, procurement, and sequencing for phased construction. The Construction Manager shall take into consideration cost reductions, cost information, constructability, provisions for temporary facilities, and procurement and construction scheduling issues.

§ 3.1.6 Cost Estimates

§ 3.1.6.1 Based on the preliminary design and other design criteria prepared by the Architect, the Construction Manager shall prepare, for the Architect's review and the Owner's approval, preliminary estimates of the Cost of the Work or the cost of program requirements using area, volume, or similar conceptual estimating techniques. If the Architect or Construction Manager suggests alternative materials and systems, the Construction Manager shall provide cost evaluations of those alternative materials and systems.

§ 3.1.6.2 As the Architect progresses with the preparation of the Schematic Design, Design Development and Construction Documents, the Construction Manager shall prepare and update, at the conclusion of conceptual design, schematic design, design development, 50% Construction documents and at other appropriate intervals agreed to by the Owner, Construction Manager and Architect, an estimate of the Cost of the Work with increasing detail and refinement. The Construction Manager shall include in the estimate those costs to allow for the further development of the design, price escalation, and market conditions, until such time as the Owner and Construction Manager agree on a Guaranteed Maximum Price for the Work. The estimate shall be provided for the Architect's review and the Owner's approval. The Construction Manager shall inform the Owner and Architect in the event that the estimate of the Cost of the Work exceeds the latest approved Project budget, and make recommendations for corrective action.

§ 3.1.6.3 If the Architect is providing cost estimating services as a Supplemental Service, and a discrepancy exists between the Construction Manager's cost estimates and the Architect's cost estimates, the Construction Manager and the Architect shall work together to reconcile the cost estimates.

§ 3.1.7 As the Architect progresses with the preparation of the Schematic Design, Design Development and Construction Documents, the Construction Manager shall consult with the Owner and Architect and make recommendations regarding constructability and schedules, for the Architect's review and the Owner's approval.

§ 3.1.8 The Construction Manager shall provide recommendations and information to the Owner and Architect regarding equipment, materials, services, and temporary Project facilities.

§ 3.1.9 The Construction Manager shall provide a staffing plan for Preconstruction Phase services for the Owner's review and approval.

§ 3.1.10 If the Owner identified a Sustainable Objective in Article 1, the Construction Manager shall fulfill its Preconstruction Phase responsibilities in accordance with the agreed-upon terms, conditions and services related to the Owner's Sustainable Objective.

§ 3.1.11 Subcontractors and Suppliers

§ 3.1.11.1 If the Owner has provided requirements for subcontractor procurement in section 1.1.14, the Construction Manager shall provide a subcontracting plan, addressing the Owner's requirements, for the Owner's review and approval.

§ 3.1.11.2 The Construction Manager shall develop bidders' interest in the Project, in accordance with the prequalification requirements developed with the Owner and in accordance with Minnesota Statutes Section 471.463, subd. 5(b).

§ 3.1.11.3 The processes described in Article 9 shall apply if bid packages will be issued during the Preconstruction Phase.

§ 3.1.12 Procurement

The Construction Manager shall prepare, for the Architect's review and the Owner's acceptance, a procurement schedule for items that must be ordered in advance of construction. The Construction Manager shall expedite and coordinate the ordering and delivery of materials that must be ordered in advance of construction. If the Owner agrees to procure any items prior to the establishment of the Guaranteed Maximum Price, the Owner shall procure the items on terms and conditions acceptable to the Construction Manager. Upon the establishment of the Guaranteed Maximum Price, the Owner shall assign all contracts for these items to the Construction Manager and the Construction Manager shall thereafter accept responsibility for them.

§ 3.1.13 Compliance with Laws

The Construction Manager shall comply with applicable laws, statutes, ordinances, codes, rules and regulations, and lawful orders of public authorities applicable to its performance under this Contract, and with equal employment opportunity

programs, and other programs as may be required by governmental, quasi-governmental authorities, including funding sources.

§ 3.1.14 Other Preconstruction Services

Insert a description of any other Preconstruction Phase services to be provided by the Construction Manager, or reference an exhibit attached to this document

(Describe any other Preconstruction Phase services, such as providing cash flow projections, development of a project information management system, early selection or procurement of subcontractors, etc.)

Not Applicable.

§ 3.2 Guaranteed Maximum Price Proposal

§ 3.2.1 At a time to be mutually agreed upon by the Owner and the Construction Manager, the Construction Manager shall prepare a Guaranteed Maximum Price proposal for the Owner's and Architect's review, and the Owner's acceptance. The Guaranteed Maximum Price in the proposal shall be the sum of the Construction Manager's estimate of the Cost of the Work, the Construction Manager's contingency described in Section 3.2.4, and the Construction Manager's Fee described in Section 6.1.2.

§ 3.2.2 To the extent that the Contract Documents are anticipated to require further development, the Guaranteed Maximum Price includes the costs attributable to such further development consistent with the Contract Documents and reasonably inferable therefrom. Such further development does not include changes in scope, systems, kinds and quality of materials, finishes, or equipment, all of which, if required, shall be incorporated by Change Order.

§ 3.2.3 The Construction Manager shall include with the Guaranteed Maximum Price proposal a written statement of its basis, which shall include the following:

- .1 A list of the Drawings and Specifications, including all Addenda thereto, and the Conditions of the Contract;
- .2 A list of the clarifications and assumptions made by the Construction Manager in the preparation of the Guaranteed Maximum Price proposal, including assumptions under Section 3.2.2;
- .3 A statement of the proposed Guaranteed Maximum Price, including a statement of the estimated Cost of the Work organized by trade categories or systems, including allowances; the Construction Manager's contingency set forth in Section 3.2.4; and the Construction Manager's Fee;
- .4 The anticipated date of Substantial Completion upon which the proposed Guaranteed Maximum Price is based; and
- .5 A date by which the Owner must accept the Guaranteed Maximum Price.

§ 3.2.4 Contingency. Within the Guaranteed Maximum Price shall be a line-item amount representing ten percent (10%) of the Guaranteed Maximum Price for the Project ("Contingency"). The Contingency shall originally consist of Dollars (\$185,000.00). The Contingency shall be for use by Contractor to pay for miscellaneous work items that are required to complete the Project, including, but not limited to, coverage of trade scope gaps, missed work, areas of damage that may occur between trades during construction, subcontractor coordination problems, and Contractor coordination errors. Contractor shall provide a monthly Contingency use log. If, on completion of the Project, funds remain in the Contingency, such funds shall be Savings shall be apportioned at completion of the Project as provided in Section 6.2.1.

§ 3.2.5 The Construction Manager shall meet with the Owner and Architect to review the Guaranteed Maximum Price proposal. In the event that the Owner or Architect discover any inconsistencies or inaccuracies in the information presented, they shall promptly notify the Construction Manager, who shall make appropriate adjustments to the Guaranteed Maximum Price proposal, its basis, or both.

§ 3.2.6 If the Owner notifies the Construction Manager that the Owner has accepted the Guaranteed Maximum Price proposal in writing before the date specified in the Guaranteed Maximum Price proposal, the Guaranteed Maximum Price proposal shall be deemed effective without further acceptance from the Construction Manager. Following acceptance of a Guaranteed Maximum Price, the Owner and Construction Manager shall execute the Guaranteed Maximum Price Amendment amending this Agreement, a copy of which the Owner shall provide to the Architect. The Guaranteed Maximum Price Amendment shall set forth the agreed upon Guaranteed Maximum Price with the information and assumptions upon which it is based.

§ 3.2.7 The Construction Manager shall not incur any cost to be reimbursed as part of the Cost of the Work prior to the execution of the Guaranteed Maximum Price Amendment, unless the Owner provides prior written authorization for such costs.

§ 3.2.8 The Owner shall authorize preparation of revisions to the Contract Documents that incorporate the agreed-upon assumptions and clarifications contained in the Guaranteed Maximum Price Amendment. The Owner shall promptly furnish such revised Contract Documents to the Construction Manager. The Construction Manager shall notify the Owner and Architect of any inconsistencies between the agreed-upon assumptions and clarifications contained in the Guaranteed Maximum Price Amendment and the revised Contract Documents.

§ 3.2.9 The Construction Manager shall include in the Guaranteed Maximum Price all sales, consumer, use and similar taxes for the Work provided by the Construction Manager that are legally enacted, whether or not yet effective, at the time the Guaranteed Maximum Price Amendment is executed.

§ 3.3 Construction Phase

§ 3.3.1 General

§ 3.3.1.1 For purposes of Section 8.1.2 of A201–2017, the date of commencement of the Work shall mean the date of commencement of the Construction Phase.

§ 3.3.1.2 The Construction Phase shall commence upon the Owner’s execution of the Guaranteed Maximum Price Amendment or, prior to acceptance of the Guaranteed Maximum Price proposal, by written agreement of the parties. The written agreement shall set forth a description of the Work to be performed by the Construction Manager, and any insurance and bond requirements for Work performed prior to execution of the Guaranteed Maximum Price Amendment.

§ 3.3.2 Administration

§ 3.3.2.1 The Construction Manager shall schedule and conduct meetings to discuss such matters as procedures, progress, coordination, scheduling, and status of the Work. The Construction Manager shall prepare and promptly distribute minutes of the meetings to the Owner and Architect.

§ 3.3.2.2 Upon the execution of the Guaranteed Maximum Price Amendment, the Construction Manager shall prepare and submit to the Owner and Architect a construction schedule for the Work and a submittal schedule in accordance with Section 3.10 of A201–2017.

§ 3.3.2.3 Monthly Report

The Construction Manager shall record the progress of the Project. On a monthly basis, or otherwise as agreed to by the Owner, the Construction Manager shall submit written progress reports to the Owner and Architect, showing percentages of completion and other information required by the Owner.

§ 3.3.2.4 Daily Logs

The Construction Manager shall keep, and make available to the Owner and Architect, a daily log containing a record for each day of weather, portions of the Work in progress, number of workers on site, identification of equipment on site, problems that might affect progress of the work, accidents, injuries, and other information required by the Owner.

§ 3.3.2.5 Cost Control

The Construction Manager shall develop a system of cost control for the Work, including regular monitoring of actual costs for activities in progress and estimates for uncompleted tasks and proposed changes. The Construction Manager shall identify variances between actual and estimated costs and report the variances to the Owner and Architect, and shall provide this information in its monthly reports to the Owner and Architect, in accordance with Section 3.3.2.3 above.

ARTICLE 4 OWNER’S RESPONSIBILITIES

§ 4.1 Information and Services Required of the Owner

§ 4.1.1 The Owner shall establish and periodically update the Owner’s budget for the Project, including (1) the budget for the Cost of the Work as defined in Article 7, (2) the Owner’s other costs, and (3) reasonable contingencies related to all of these

costs. If the Owner significantly increases or decreases the Owner's budget for the Cost of the Work, the Owner shall notify the Construction Manager and Architect. The Owner and the Architect, in consultation with the Construction Manager, shall thereafter agree to a corresponding change in the Project's scope and quality.

§ 4.1.2 Structural and Environmental Tests, Surveys and Reports. During the Preconstruction Phase, the Owner shall furnish the following information or services with reasonable promptness. The Owner shall also furnish any other information or services under the Owner's control and relevant to the Construction Manager's performance of the Work with reasonable promptness after receiving the Construction Manager's written request for such information or services. The Construction Manager shall be entitled to rely on the accuracy of information and services furnished by the Owner but shall exercise proper precautions relating to the safe performance of the Work.

§ 4.1.2.1 The Owner shall furnish tests, inspections, and reports, required by law and as otherwise agreed to by the parties, such as structural, mechanical, and chemical tests, tests for air and water pollution, and tests for hazardous materials.

§ 4.1.2.2 The Owner shall furnish surveys describing physical characteristics, legal limitations and utility locations for the site of the Project, and a written legal description of the site. The surveys and legal information may include, as applicable, grades and lines of streets, alleys, pavements and adjoining property and structures; designated wetlands; adjacent drainage; rights-of-way, restrictions, easements, encroachments, zoning, deed restrictions, boundaries and contours of the site; locations, dimensions and other necessary data with respect to existing buildings, other improvements and trees; and information concerning available utility services and lines, both public and private, above and below grade, including inverts and depths. All the information on the survey shall be referenced to a Project benchmark.

§ 4.1.2.3 The Owner, when such services are requested, shall furnish services of geotechnical engineers, which may include test borings, test pits, determinations of soil bearing values, percolation tests, evaluations of hazardous materials, seismic evaluation, ground corrosion tests and resistivity tests, including necessary operations for anticipating subsoil conditions, with written reports and appropriate recommendations.

§ 4.1.3 During the Construction Phase, the Owner shall furnish information or services required of the Owner by the Contract Documents with reasonable promptness. The Owner shall also furnish any other information or services under the Owner's control and relevant to the Construction Manager's performance of the Work with reasonable promptness after receiving the Construction Manager's written request for such information or services.

§ 4.1.4 If the Owner identified a Sustainable Objective in Article 1, the Owner shall fulfill its responsibilities as required in AIA Document E234™–2019, Sustainable Projects Exhibit, Construction Manager as Constructor Edition, attached to this Agreement.

§ 4.2 Owner's Designated Representative

The Owner shall identify a representative authorized to act on behalf of the Owner with respect to the Project. The Owner's representative shall render decisions promptly and furnish information expeditiously, so as to avoid unreasonable delay in the services or Work of the Construction Manager. The Owner's representative shall have the extent of and limitation on authority as set forth in Section 2.1.1 of the A201-2017, as modified. To the extent a decision exceeds the Owner's representative's authority, the Owner's representative shall promptly request a decision from the Owner's governing body prior to communicating a decision to the Construction Manager. Except as otherwise provided in Section 4.2.1 of A201–2017, the Architect does not have such authority.

§ 4.2.1 Legal Requirements. The Owner shall furnish all legal, insurance and accounting services, including auditing services, that may be reasonably necessary at any time for the Project to meet the Owner's needs and interests.

§ 4.3 Architect

The Owner shall retain an Architect to provide services, duties and responsibilities as described in AIA Document B133™–2019, Standard Form of Agreement Between Owner and Architect, Construction Manager as Constructor Edition, as modified, including any additional services requested by the Construction Manager that are necessary for the Preconstruction and Construction Phase services under this Agreement. The Owner shall provide the Construction Manager with a copy of the scope of services in the executed agreement between the Owner and the Architect, and any further modifications to the Architect's scope of services in the agreement.

ARTICLE 5 COMPENSATION AND PAYMENTS FOR PRECONSTRUCTION PHASE SERVICES

§ 5.1 Compensation

§ 5.1.1 For the Construction Manager's Preconstruction Phase services described in Sections 3.1 and 3.2, the Owner shall compensate the Construction Manager as follows:

(Insert amount of, or basis for, compensation and include a list of reimbursable cost items, as applicable.)

Lump sum of \$2,750 per submittal Appendix B in the Request for Proposals.

§ 5.1.2 The hourly billing rates for Preconstruction Phase services of the Construction Manager and the Construction Manager's Consultants and Subcontractors, if any, are set forth below.

(If applicable, attach an exhibit of hourly billing rates or insert them below.)

Individual or Position	Rate
Jordan Cepress, Preconstruction Manager	\$140.00/Hour
Jack Gafkjen, Project manager	\$130.00/Hour

§ 5.1.2.1 Hourly billing rates for Preconstruction Phase services include all costs to be paid or incurred by the Construction Manager, as required by law or collective bargaining agreements, for taxes, insurance, contributions, assessments and benefits and, for personnel not covered by collective bargaining agreements, customary benefits such as sick leave, medical and health benefits, holidays, vacations and pensions, and shall remain unchanged unless the parties execute a Modification.

§ 5.1.3 If the Preconstruction Phase services covered by this Agreement have not been completed within twelve (12) months of the date of this Agreement, through no fault of the Construction Manager, the Construction Manager's compensation for Preconstruction Phase services shall be equitably adjusted.

§ 5.2 Payments

§ 5.2.1 Unless otherwise agreed, payments for services shall be made monthly in proportion to services performed.

§ 5.2.2 Payments are due and payable upon presentation of the Construction Manager's invoice. Pursuant to the Prompt Payment of Local Government Bills, Minnesota Statutes, Section 471.425 ("Prompt Payment Act"), amounts unpaid and not subject to a good faith dispute thirty-five (35) days after the invoice date shall bear interest at the rate entered below, or in the absence thereof at the legal rate prevailing from time to time at the principal place of business of the Construction Manager.

(Insert rate of monthly or annual interest agreed upon.)

8 % per annum

ARTICLE 6 COMPENSATION FOR CONSTRUCTION PHASE SERVICES

§ 6.1 Contract Sum

§ 6.1.1 The Owner shall pay the Construction Manager the Contract Sum in current funds for the Construction Manager's performance of the Contract after execution of the Guaranteed Maximum Price Amendment. The Contract Sum is the Cost of the Work as defined in Article 7 plus the Construction Manager's Fee.

§ 6.1.2 The Construction Manager's Fee:

(State a lump sum, percentage of Cost of the Work or other provision for determining the Construction Manager's Fee.)

Lump sum for General Conditions in the amount of \$194,209.00 and Construction Manager Fee of 1.65% of the Construction Cost per submittal Appendix B in the Request for Proposal.

§ 6.1.3 The method of adjustment of the Construction Manager's Fee for changes in the Work:

Shall be the same as defined in Section 6.1.2

§ 6.1.4 Limitations, if any, on a Subcontractor's overhead and profit for increases in the cost of its portion of the Work:

10% for labor and material completed or purchased directly by the Subcontractor and five percent (5%) for work that is completed by Sub-Contractors.

§ 6.1.5 Rental rates for Construction Manager-owned equipment shall not exceed percent (%) of the standard rental rate paid at the place of the Project.

§ 6.1.6 Liquidated damages, if any:

(Insert terms and conditions for liquidated damages, if any.)

Not applicable

§ 6.1.7 Other:

(Insert provisions for bonus, cost savings or other incentives, if any, that might result in a change to the Contract Sum.)

The fees listed in Section 6.1.2 shall be inclusive of office overhead not specifically listed in the staffing plan, the site office and associated office expenses, tools and equipment valued at less than \$1,000, cell phones, lap tops, tablets, superintendent truck and associated maintenance, superintendent tools, data processing, postage, legal fees associated with contract negotiation. No additional percentage-based fees will be considered other than liability insurance and bond costs.

The agreed upon equipment rental rates for tools and equipment greater than \$1,000 in value are attached to this Agreement as Exhibit E.

§ 6.2 Guaranteed Maximum Price

The Construction Manager guarantees that the Contract Sum shall not exceed the Guaranteed Maximum Price set forth in the Guaranteed Maximum Price Amendment, subject to additions and deductions by Change Order as provided in the Contract Documents. Costs which would cause the Guaranteed Maximum Price to be exceeded shall be paid by the Construction Manager without reimbursement by the Owner. Upon final completion of the Work, if the total Contract Sum is less than the final Guaranteed Maximum Price (GMP), then the difference between the GMP and Contract Sum (the "Savings") will be divided among Owner and Contractor as follows: (a) 70% of the Savings will be retained by Owner, and (b) 30% of the Savings will be paid to Contractor. The Guaranteed Maximum Price ("GMP") will be established after bids are opened and added to this Contract as Exhibit A.

§ 6.3 Changes in the Work

§ 6.3.1 The Owner may, without invalidating the Contract, order changes in the Work within the general scope of the Contract consisting of additions, deletions or other revisions. The Owner shall issue such changes in writing. The Construction Manager may be entitled to an equitable adjustment in the Contract Time as a result of changes in the Work.

§ 6.3.1.1 The Architect may order minor changes in the Work as provided in Article 7 of AIA Document A201–2017, General Conditions of the Contract for Construction.

§ 6.3.2 Adjustments to the Guaranteed Maximum Price on account of changes in the Work subsequent to the execution of the Guaranteed Maximum Price Amendment may be determined by any of the methods listed in Article 7 of AIA Document A201–2017, General Conditions of the Contract for Construction.

§ 6.3.3 Adjustments to subcontracts awarded on the basis of a stipulated sum shall be determined in accordance with Article 7 of A201–2017, as they refer to "cost" and "fee," and not by Articles 6 and 7 of this Agreement. Adjustments to subcontracts awarded with the Owner's prior written consent on the basis of cost plus a fee shall be calculated in accordance with the terms of those subcontracts.

§ 6.3.4 In calculating adjustments to the Guaranteed Maximum Price, the terms "cost" and "costs" as used in Article 7 of AIA

Document A201–2017 shall mean the Cost of the Work as defined in Article 7 of this Agreement and the term “fee” shall mean the Construction Manager’s Fee as defined in Section 6.1.2 of this Agreement.

§ 6.3.5 If no specific provision is made in Section 6.1.3 for adjustment of the Construction Manager’s Fee in the case of changes in the Work, or if the extent of such changes is such, in the aggregate, that application of the adjustment provisions of Section 6.1.3 will cause substantial inequity to the Owner or Construction Manager, the Construction Manager’s Fee shall be equitably adjusted on the same basis that was used to establish the Fee for the original Work, and the Guaranteed Maximum Price shall be adjusted accordingly.

ARTICLE 7 COST OF THE WORK FOR CONSTRUCTION PHASE

§ 7.1 Costs to Be Reimbursed

§ 7.1.1 The term Cost of the Work shall mean costs necessarily incurred by the Construction Manager in the proper performance of the Work. The Cost of the Work shall include only the items set forth in Sections 7.1 through 7.7.

§ 7.1.2 Where, pursuant to the Contract Documents, any cost is subject to the Owner’s prior approval, the Construction Manager shall obtain such approval in writing prior to incurring the cost.

§ 7.1.3 Costs shall be at rates not higher than the standard rates paid at the place of the Project, except with prior approval of the Owner.

§ 7.2 Labor Costs

§ 7.2.1 Wages or salaries of construction workers directly employed by the Construction Manager to perform the construction of the Work at the site or, with the Owner’s prior approval, at off-site workshops. Reimbursement Rates for Work per Exhibit D -Staffing Plan and General Conditions and Exhibit E – Field Labor Rates. This includes labor provided from any location as long as it is directly related to the project.

§ 7.2.2 Wages or salaries of the Construction Manager’s supervisory and administrative personnel when stationed at the site and performing Work, pursuant to the rates set forth in Exhibit - future exhibit to be included at time of GMP amendment.

§ 7.2.2.1 Wages or salaries of the Construction Manager’s supervisory and administrative personnel when performing Work and stationed at a location other than the site, but only for that portion of time required for the Work, and limited to the personnel pursuant to the rates set forth in Exhibit - future exhibit to be included at time of GMP amendment.

§ 7.2.3 Wages and salaries of the Construction Manager’s supervisory or administrative personnel engaged at factories, workshops or while traveling, in expediting the production or transportation of materials or equipment required for the Work, but only for that portion of their time required for the Work pursuant to the rates set forth in Exhibit - future exhibit to be included at time of GMP amendment.

§ 7.2.4 Costs paid or incurred by the Construction Manager, as required by law or collective bargaining agreements, for taxes, insurance, contributions, assessments and benefits and, for personnel not covered by collective bargaining agreements, customary benefits such as sick leave, medical and health benefits, holidays, vacations and pensions, provided such costs are based on wages and salaries included in the Cost of the Work under Sections 7.2.1 through 7.2.3.

§ 7.2.5 If agreed rates for labor costs, in lieu of actual costs, are provided in this Agreement, the rates shall remain unchanged throughout the duration of this Agreement, unless the parties execute a Modification.

§ 7.3 Subcontract Costs

Payments made by the Construction Manager to Subcontractors in accordance with the requirements of the subcontracts and this Agreement.

§ 7.4 Costs of Materials and Equipment Incorporated in the Completed Construction

§ 7.4.1 Costs, including transportation and storage at the site, of materials and equipment incorporated, or to be incorporated, in the completed construction.

§ 7.4.2 Costs of materials described in the preceding Section 7.4.1 in excess of those actually installed to allow for reasonable waste and spoilage. Unused excess materials, if any, shall become the Owner's property at the completion of the Work or, at the Owner's option, shall be sold by the Construction Manager. Any amounts realized from such sales shall be credited to the Owner as a deduction from the Cost of the Work.

§ 7.5 Costs of Other Materials and Equipment, Temporary Facilities and Related Items

§ 7.5.1 Costs of transportation, storage, installation, dismantling, maintenance, and removal of materials, supplies, temporary facilities, machinery, equipment and hand tools not customarily owned by construction workers that are provided by the Construction Manager at the site and fully consumed in the performance of the Work. Costs of materials, supplies, temporary facilities, machinery, equipment, and tools, that are not fully consumed, shall be based on the cost or value of the item at the time it is first used on the Project site less the value of the item when it is no longer used at the Project site. Costs for items not fully consumed by the Construction Manager shall mean fair market value.

§ 7.5.2 Rental charges for temporary facilities, machinery, equipment, and hand tools not customarily owned by construction workers that are provided by the Construction Manager at the site, and the costs of transportation, installation, dismantling, minor repairs, and removal of such temporary facilities, machinery, equipment, and hand tools. Rates and quantities of equipment owned by the Construction Manager, or a related party as defined in Section 7.8, shall be subject to the Owner's prior approval. The total rental cost of any such equipment may not exceed the purchase price of any comparable item.

§ 7.5.3 Costs of removal of debris from the site of the Work and its proper and legal disposal.

§ 7.5.4 Costs of the Construction Manager's site office, including general office equipment and supplies.

§ 7.5.5 Costs of materials and equipment suitably stored off the site at a mutually acceptable location, subject to the Owner's prior approval.

§ 7.6 Miscellaneous Costs

§ 7.6.1 Premiums for that portion of insurance and bonds required by the Contract Documents that can be directly attributed to this Contract, subject to the following limits: Payment and Performance bonds shall be provided at Ninety One Hundredths of One Percent (0.91%) to be applied to the final Cost of Work. Contractor's Liability Insurance Program shall be billed at One and Four Hundredths of One Percent (1.04%) of the Cost of Work. Contractor's Subcontractor Default Insurance Program shall be billed at Four Tenths of One Percent (0.4%) of the subcontracted cost of work. Contractor's Builder's Risk Insurance Program shall be billed as quoted.

§ 7.6.1.1 Costs for self-insurance, for either full or partial amounts of the coverages required by the Contract Documents, with the Owner's prior written approval.

§ 7.6.1.2 Costs for insurance through a captive insurer owned or controlled by the Construction Manager, with the Owner's prior written approval.

§ 7.6.2 Sales, use, or similar taxes, imposed by a governmental authority, that are related to the Work and for which the Construction Manager is liable.

§ 7.6.3 Fees and assessments for the building permit, and for other permits, licenses, and inspections, for which the Construction Manager is required by the Contract Documents to pay.

§ 7.6.4 Fees of laboratories for tests required by the Contract Documents; except those related to defective or nonconforming Work for which reimbursement is excluded under Article 13 of AIA Document A201-2017 or by other provisions of the Contract Documents, and which do not fall within the scope of Section 7.7.3.

§ 7.6.5 Royalties and license fees paid for the use of a particular design, process, or product, required by the Contract Documents.

§ 7.6.5.1 The cost of defending suits or claims for infringement of patent rights arising from requirements of the Contract Documents, payments made in accordance with legal judgments against the Construction Manager resulting from such suits or claims, and payments of settlements made with the Owner's consent, unless the Construction Manager had reason to believe that the required design, process, or product was an infringement of a copyright or a patent, and the Construction Manager failed to promptly furnish such information to the Architect as required by Article 3 of AIA Document A201–2017. The costs of legal defenses, judgments, and settlements shall not be included in the Cost of the Work used to calculate the Construction Manager's Fee or subject to the Guaranteed Maximum Price.

§ 7.6.6 Costs for communications services, electronic equipment, and software, directly related to the Work and located at the site, shall be billed at .2% of the Cost of Work.

§ 7.6.7 Costs of document reproductions and delivery charges.

§ 7.6.8 Deposits lost for causes other than the Construction Manager's negligence or failure to fulfill a specific responsibility in the Contract Documents.

§ 7.6.9 Mediation and litigation costs, not including attorneys' fees reasonably incurred by the Construction Manager after the execution of this Agreement in the performance of the Work and with the Owner's prior written approval, which shall not be unreasonably withheld. Costs are not recoverable under this Agreement for disputes between the Owner and Construction Manager, or because of non-frivolous third-party claims against the Construction Manager alleging negligence, breach of contract, or willful misconduct relating to the Project.

§ 7.6.10 Expenses incurred in accordance with the Construction Manager's standard written personnel policy for relocation and temporary living allowances of the Construction Manager's personnel required for the Work only, with the Owner's prior written approval.

§ 7.6.11 That portion of the reasonable expenses of the Construction Manager's supervisory or administrative personnel incurred while traveling in discharge of duties connected with the Work.

§ 7.7 Other Costs and Emergencies

§ 7.7.1 Other costs incurred in the performance of the Work, with the Owner's prior written approval.

§ 7.7.2 Costs incurred in taking action to prevent threatened damage, injury, or loss, in case of an emergency affecting the safety of persons and property, as provided in Article 10 of AIA Document A201–2017.

§ 7.7.3 Costs of repairing or correcting damaged or nonconforming Work executed by the Construction Manager, Subcontractors, or suppliers, provided that such damaged or nonconforming Work was not caused by the negligence of, or failure to fulfill a specific responsibility by, the Construction Manager, and only to the extent that the cost of repair or correction is not recovered by the Construction Manager from insurance, sureties, Subcontractors, suppliers, or others.

§ 7.7.4 The costs described in Sections 7.1 through 7.7 shall be included in the Cost of the Work, notwithstanding any provision of AIA Document A201–2017 or other Conditions of the Contract which may require the Construction Manager to pay such costs, unless such costs are excluded by the provisions of Section 7.9.

§ 7.8 Related Party Transactions

§ 7.8.1 For purposes of this Section 7.8, the term "related party" shall mean (1) a parent, subsidiary, affiliate, or other entity having common ownership of, or sharing common management with, the Construction Manager; (2) any entity in which any stockholder in, or management employee of, the Construction Manager holds an equity interest in excess of ten percent in the aggregate; (3) any entity which has the right to control the business or affairs of the Construction Manager; or (4) any person, or any member of the immediate family of any person, who has the right to control the business or affairs of the Construction Manager.

§ 7.8.2 If any of the costs to be reimbursed arise from a transaction between the Construction Manager and a related party, the Construction Manager shall notify the Owner of the specific nature of the contemplated transaction, including the identity of the related party and the anticipated cost to be incurred, before any such transaction is consummated or cost incurred. If the Owner, after such notification, authorizes the proposed transaction in writing, then the cost incurred shall be included as a cost

to be reimbursed, and the Construction Manager shall procure the Work, equipment, goods, or service, from the related party, as a Subcontractor, according to the terms of Article 9. If the Owner fails to authorize the transaction in writing, the Construction Manager shall procure the Work, equipment, goods, or service from some person or entity other than a related party according to the terms of Article 9.

§ 7.9 Costs Not To Be Reimbursed

§ 7.9.1 The Cost of the Work shall not include the items listed below:

- .1 Salaries and other compensation of the Construction Manager's personnel stationed at the Construction Manager's principal office or offices other than the site office, except as specifically provided in Section 7.2, or as may be provided in Article 14;
- .2 Bonuses, profit sharing, incentive compensation, and any other discretionary payments, paid to anyone hired by the Construction Manager or paid to any Subcontractor or vendor, unless the Owner has provided prior approval;
- .3 Expenses of the Construction Manager's principal office and offices other than the site office;
- .4 Overhead and general expenses, except as may be expressly included in Sections 7.1 to 7.7;
- .5 The Construction Manager's capital expenses, including interest on the Construction Manager's capital employed for the Work;
- .6 Except as provided in Section 7.7.3 of this Agreement, costs due to the negligence of, or failure to fulfill a specific responsibility of the Contract by, the Construction Manager, Subcontractors, and suppliers, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable;
- .7 Any cost not specifically and expressly described in Sections 7.1 to 7.7;
- .8 Costs, other than costs included in Change Orders approved by the Owner, that would cause the Guaranteed Maximum Price to be exceeded; and
- .9 Costs for services incurred during the Preconstruction Phase.

ARTICLE 8 DISCOUNTS, REBATES, AND REFUNDS

§ 8.1 Cash discounts obtained on payments made by the Construction Manager shall accrue to the Owner if (1) before making the payment, the Construction Manager included the amount to be paid, less such discount, in an Application for Payment and received payment from the Owner, or (2) the Owner has deposited funds with the Construction Manager with which to make payments; otherwise, cash discounts shall accrue to the Construction Manager. Trade discounts, rebates, refunds, and amounts received from sales of surplus materials and equipment shall accrue to the Owner, and the Construction Manager shall make provisions so that they can be obtained.

§ 8.2 Amounts that accrue to the Owner in accordance with the provisions of Section 8.1 shall be credited to the Owner as a deduction from the Cost of the Work.

ARTICLE 9 SUBCONTRACTS AND OTHER AGREEMENTS

§ 9.1 Construction Manager shall enter into Subcontracts and other agreements necessary to perform the Work required in the Contract Documents, pursuant to Minnesota Statutes, Section 471.463, subd. 5(b). Those portions of the Work that the Construction Manager does not customarily perform with the Construction Manager's own personnel shall be performed under subcontracts or other appropriate agreements with the Construction Manager. The Owner may designate specific persons from whom, or entities from which, the Construction Manager shall obtain bids. The Construction Manager shall obtain bids from Subcontractors, and from suppliers of materials or equipment fabricated especially for the Work, who are qualified to perform that portion of the Work in accordance with the requirements of the Contract Documents. The Construction Manager shall deliver such bids to the Architect and Owner with an indication as to which bids the Construction Manager intends to accept pursuant to Section 471.463, subd. 5(b). Any advice of the Architect, or approval or objection by the Owner, shall not relieve the Construction Manager of its responsibility to perform the Work in accordance with the Contract Documents. The Construction Manager shall not be required to contract with anyone to whom the Construction Manager has reasonable objection.

§ 9.1.1 When a specific subcontractor or supplier (1) is recommended to the Owner by the Construction Manager; (2) is qualified to perform that portion of the Work; and (3) has submitted a bid that conforms to the requirements of the Contract Documents without reservations or exceptions, but the Owner requires that another bid be accepted, then the Construction Manager may require that a Change Order be issued to adjust the Guaranteed Maximum Price by the difference between the bid of the person or entity recommended to the Owner by the Construction Manager and the amount of the subcontract or other agreement actually signed with the person or entity designated by the Owner.

§ 9.2 Subcontracts or other agreements shall conform to the applicable payment provisions of this Agreement, and shall not be awarded on the basis of cost plus a fee without the Owner's prior written approval. If a subcontract is awarded on the basis of cost plus a fee, the Construction Manager shall provide in the subcontract for the Owner to receive the same audit rights with regard to the Subcontractor as the Owner receives with regard to the Construction Manager in Article 10.

ARTICLE 10 ACCOUNTING RECORDS

The Construction Manager shall keep full and detailed records and accounts related to the Cost of the Work, and exercise such controls, as may be necessary for proper financial management under this Contract and to substantiate all costs incurred. The accounting and control systems shall be satisfactory to the Owner. The Owner and the Owner's auditors shall, during regular business hours and upon reasonable notice, be afforded access to, and shall be permitted to audit and copy, the Construction Manager's records and accounts, including complete documentation supporting accounting entries, books, job cost reports, correspondence, instructions, drawings, receipts, subcontracts, Subcontractor's proposals, Subcontractor's invoices, purchase orders, vouchers, memoranda, and other data relating to this Contract. The Construction Manager shall preserve these records for a period of six (6) years after final payment, or for such longer period as may be required by law.

ARTICLE 11 PAYMENTS FOR CONSTRUCTION PHASE SERVICES

§ 11.1 Progress Payments

§ 11.1.1 Based upon Applications for Payment submitted to the Architect by the Construction Manager, and Certificates for Payment issued by the Architect, the Owner shall make progress payments on account of the Contract Sum, to the Construction Manager, as provided below and elsewhere in the Contract Documents.

§ 11.1.2 The period covered by each Application for Payment shall be one calendar month ending on the last day of the month, or as follows:

As Stated Above.

§ 11.1.3 Owner payment obligations shall be governed by the Prompt Payment Act.
(Federal, state or local laws may require payment within a certain period of time.)

§ 11.1.4 With each Application for Payment, the Construction Manager shall submit payrolls, petty cash accounts, receipted invoices or invoices with check vouchers attached, and any other evidence required by the Owner or Architect to demonstrate that payments already made by the Construction Manager on account of the Cost of the Work equal or exceed progress payments already received by the Construction Manager, plus payrolls for the period covered by the present Application for Payment, less that portion of the progress payments attributable to the Construction Manager's Fee.

§ 11.1.5 Each Application for Payment shall be based on the most recent schedule of values submitted by the Construction Manager in accordance with the Contract Documents. The schedule of values shall allocate the entire Guaranteed Maximum Price among: (1) the various portions of the Work; (2) any contingency for costs that are included in the Guaranteed Maximum Price but not otherwise allocated to another line item or included in a Change Order; and (3) the Construction Manager's Fee.

§ 11.1.5.1 The schedule of values shall be prepared in such form and supported by such data to substantiate its accuracy as the Architect may require. The schedule of values shall be used as a basis for reviewing the Construction Manager's Applications for Payment.

§ 11.1.5.2 The allocation of the Guaranteed Maximum Price under this Section 11.1.5 shall not constitute a separate guaranteed maximum price for the Cost of the Work of each individual line item in the schedule of values.

§ 11.1.5.3 When the Construction Manager allocates costs from a contingency to another line item in the schedule of values, the Construction Manager shall submit supporting documentation to the Architect.

§ 11.1.6 Applications for Payment shall show the percentage of completion of each portion of the Work as of the end of the period covered by the Application for Payment. The percentage of completion shall be the lesser of (1) the percentage of that portion of the Work which has actually been completed, or (2) the percentage obtained by dividing (a) the expense that has actually been incurred by the Construction Manager on account of that portion of the Work and for which the Construction

Manager has made payment or intends to make payment prior to the next Application for Payment, by (b) the share of the Guaranteed Maximum Price allocated to that portion of the Work in the schedule of values.

§ 11.1.7 In accordance with AIA Document A201–2017, as modified, and subject to other provisions of the Contract Documents, the amount of each progress payment shall be computed as follows:

§ 11.1.7.1 The amount of each progress payment shall first include:

- .1 That portion of the Guaranteed Maximum Price properly allocable to completed Work as determined by multiplying the percentage of completion of each portion of the Work by the share of the Guaranteed Maximum Price allocated to that portion of the Work in the most recent schedule of values;
- .2 That portion of the Guaranteed Maximum Price properly allocable to materials and equipment delivered and suitably stored at the site for subsequent incorporation in the completed construction or, if approved in writing in advance by the Owner, suitably stored off the site at a location agreed upon in writing;
- .3 That portion of Construction Change Directives that the Architect determines, in the Architect's professional judgment, to be reasonably justified; and
- .4 The Construction Manager's Fee, computed upon the Cost of the Work described in the preceding Sections 11.1.7.1.1 and 11.1.7.1.2 at the rate stated in Section 6.1.2 or, if the Construction Manager's Fee is stated as a fixed sum in that Section, an amount that bears the same ratio to that fixed-sum fee as the Cost of the Work included in Sections 11.1.7.1.1 and 11.1.7.1.2 bears to a reasonable estimate of the probable Cost of the Work upon its completion.

§ 11.1.7.2 The amount of each progress payment shall then be reduced by:

- .1 The aggregate of any amounts previously paid by the Owner;
- .2 The amount, if any, for Work that remains uncorrected and for which the Architect has previously withheld a Certificate for Payment as provided in Article 9 of AIA Document A201–2017;
- .3 Any amount for which the Construction Manager does not intend to pay a Subcontractor or material supplier, unless the Work has been performed by others the Construction Manager intends to pay;
- .4 For Work performed or defects discovered since the last payment application, any amount for which the Architect may withhold payment, or nullify a Certificate of Payment in whole or in part, as provided in Article 9 of AIA Document A201–2017;
- .5 The shortfall, if any, indicated by the Construction Manager in the documentation required by Section 11.1.4 to substantiate prior Applications for Payment, or resulting from errors subsequently discovered by the Owner's auditors in such documentation; and
- .6 Retainage withheld pursuant to Section 11.1.8.

§ 11.1.8 Retainage

§ 11.1.8.1 For each progress payment made prior to Substantial Completion of the Work, the Owner may withhold the following amount, as retainage, from the payment otherwise due:

(Insert a percentage or amount to be withheld as retainage from each Application for Payment. The amount of retainage may be limited by governing law.)

Owner shall withhold five percent (5%) of the amount approved for payment in each payment period.

§ 11.1.8.1.1 The following items are not subject to retainage:

(Insert any items not subject to the withholding of retainage, such as general conditions, insurance, etc.)

Insurance and general condition costs

§ 11.1.8.2 Reduction or limitation of retainage, if any, shall be as follows:

(If the retainage established in Section 11.1.8.1 is to be modified prior to Substantial Completion of the entire Work, insert provisions for such modification.)

None

§ 11.1.8.3 Upon Substantial Completion of the Work, the Construction Manager may submit an Application for Payment that

includes the retainage withheld from prior Applications for Payment pursuant to this Section 11.1.8.

(Insert any other conditions for release of retainage, such as upon completion of the Owner's audit and reconciliation, upon Substantial Completion.)

Pursuant to Minnesota Statutes, Section 15.72, subd. 2, all retainage will be released to Construction Manager no later than sixty (60) days after Substantial Completion, provided, however, "Substantial Completion" shall be determined by the Architect consistent with the definition in Minnesota Statutes, Section 541.051, subd. 1(a). Notwithstanding the foregoing, after Substantial Completion, Owner may withhold: (1) two hundred and fifty percent (250%) of the estimated cost to correct or complete Work known at the time of Substantial Completion; and (2) one percent (1%) of the value of the contract or \$500.00, whichever is greater, pending completion and submission of all final paperwork by Construction Manager. If Owner withholds payment under this paragraph, it will provide a written statement to Construction manager detailing the amount and basis of the withholding. Owner will pay any amounts withheld under clause (1) within sixty (60) days after completion or correction of the Work, as determined by Architect. Owner will pay any amounts withheld under clause (2) after submission of all final paperwork, as determined by Owner.

§ 11.1.9 If final completion of the Work is materially delayed through no fault of the Construction Manager, the Owner shall pay the Construction Manager any additional amounts in accordance with Article 9 of AIA Document A201–2017.

§ 11.1.10 Except with the Owner's prior written approval, the Construction Manager shall not make advance payments to suppliers for materials or equipment which have not been delivered and suitably stored at the site.

§ 11.1.11 The Owner and the Construction Manager shall agree upon a mutually acceptable procedure for review and approval of payments to Subcontractors, and the percentage of retainage held on Subcontracts, and the Construction Manager shall execute Subcontracts in accordance with those agreements.

§ 11.1.12 In taking action on the Construction Manager's Applications for Payment the Architect shall be entitled to rely on the accuracy and completeness of the information furnished by the Construction Manager, and such action shall not be deemed to be a representation that (1) the Architect has made a detailed examination, audit, or arithmetic verification, of the documentation submitted in accordance with Section 11.1.4 or other supporting data; (2) that the Architect has made exhaustive or continuous on-site inspections; or (3) that the Architect has made examinations to ascertain how or for what purposes the Construction Manager has used amounts previously paid on account of the Contract. Such examinations, audits, and verifications, if required by the Owner, will be performed by the Owner's auditors acting in the sole interest of the Owner.

§ 11.2 Final Payment

§ 11.2.1 Final payment shall be made by the Owner to the Construction Manager not more than thirty (30) days after the date that all of the following conditions have been met:

- .1 the Contract has been fully performed by the Construction Manager, except for the Construction Manager's responsibility to correct nonconforming Work as provided in Section 12.2.2 of A201™–2017 as currently amended by the Owner and to satisfy other requirements, if any, which necessarily survive final payment;
- .2 a final Application for Payment and a final accounting for the Cost of the Work have been submitted by the Construction Manager and reviewed by the Owner; and
- .3 a final Certificate for Payment has been issued by the Architect;
- .4 the requirements of Article 9 of the A201™–2017 as currently amended by the Owner have been met;
- .5 the Construction Manager has assembled and provided to the Owner in a bound compilation all warranties and operations manuals applicable to the Project; and
- .6 the Construction Manager has delivered to the Architect a complete set of redlined record drawings, indicating changes to the Construction Documents during construction.

§ 11.2.2 Within 30 days of the Owner's receipt of the Construction Manager's final accounting for the Cost of the Work, the Owner shall conduct an audit of the Cost of the Work or notify the Architect that it will not conduct an audit.

§ 11.2.2.1 If the Owner conducts an audit of the Cost of the Work, the Owner shall, within 10 days after completion of the audit, submit a written report based upon the auditors' findings to the Architect.

§ 11.2.2.2 Within seven days after receipt of the written report described in Section 11.2.2.1, or receipt of notice that the Owner will not conduct an audit, and provided that the other conditions of Section 11.2.1 have been met, the Architect will either

issue to the Owner a final Certificate for Payment with a copy to the Construction Manager, or notify the Construction Manager and Owner in writing of the Architect's reasons for withholding a certificate as provided in Article 9 of AIA Document A201–2017. The time periods stated in this Section 11.2.2 supersede those stated in Article 9 of AIA Document A201–2017. The Architect is not responsible for verifying the accuracy of the Construction Manager's final accounting.

§ 11.2.2.3 If the Owner's auditors' report concludes that the Cost of the Work, as substantiated by the Construction Manager's final accounting, is less than claimed by the Construction Manager, the Construction Manager shall be entitled to request mediation of the disputed amount without seeking an initial decision pursuant to Article 15 of AIA Document A201–2017. A request for mediation shall be made by the Construction Manager within 30 days after the Construction Manager's receipt of a copy of the Architect's final Certificate for Payment. Failure to request mediation within this 30-day period shall result in the substantiated amount reported by the Owner's auditors becoming binding on the Construction Manager. Pending a final resolution of the disputed amount, the Owner shall pay the Construction Manager the amount certified in the Architect's final Certificate for Payment.

§ 11.2.3 The Owner's final payment to the Construction Manager shall be made no later than 30 days after the issuance of the Architect's final Certificate for Payment, or as follows:

As Stated Above.

§ 11.2.4 If, subsequent to final payment, and at the Owner's request, the Construction Manager incurs costs, described in Sections 7.1 through 7.7, and not excluded by Section 7.9, to correct defective or nonconforming Work, the Owner shall reimburse the Construction Manager for such costs, and the Construction Manager's Fee applicable thereto, on the same basis as if such costs had been incurred prior to final payment, but not in excess of the Guaranteed Maximum Price. If adjustments to the Contract Sum are provided for in Section 6.1.7, the amount of those adjustments shall be recalculated, taking into account any reimbursements made pursuant to this Section 11.2.4 in determining the net amount to be paid by the Owner to the Construction Manager.

§ 11.3 Interest

Payments due and unpaid under the Contract shall bear interest from the date payment is due at the rate stated below, or in the absence thereof, at the legal rate prevailing from time to time at the place where the Project is located.

(Insert rate of interest agreed upon, if any.)

8.00 % per annum

ARTICLE 12 DISPUTE RESOLUTION

§ 12.1 Initial Decision Maker

§ 12.1.1 Any Claim between the Owner and Construction Manager shall be resolved in accordance with the provisions set forth in this Article 12 and Article 15 of A201–2017. However, for Claims arising from or relating to the Construction Manager's Preconstruction Phase services, no decision by the Initial Decision Maker shall be required as a condition precedent to mediation or binding dispute resolution, and Section 12.1.2 of this Agreement shall not apply.

§ 12.1.2 The Architect will serve as the Initial Decision Maker pursuant to Article 15 of AIA Document A201–2017 for Claims arising from or relating to the Construction Manager's Construction Phase services, unless the parties appoint below another individual, not a party to the Agreement, to serve as the Initial Decision Maker.

(If the parties mutually agree, insert the name, address and other contact information of the Initial Decision Maker, if other than the Architect.)

§ 12.2 Binding Dispute Resolution

For any Claim subject to, but not resolved by mediation pursuant to Article 15 of AIA Document A201–2017, the method of binding dispute resolution shall be as follows:

(Check the appropriate box.)

- [☐] Arbitration pursuant to Article 15 of AIA Document A201–2017
- [☒] Litigation in a court of competent jurisdiction, in Blue Earth County, Minnesota
- [☐] Other: *(Specify)*

If the Owner and Construction Manager do not select a method of binding dispute resolution, or do not subsequently agree in writing to a binding dispute resolution method other than litigation, Claims will be resolved by litigation in a court of competent jurisdiction.

ARTICLE 13 TERMINATION OR SUSPENSION

§ 13.1 Termination Prior to Execution of the Guaranteed Maximum Price Amendment

§ 13.1.1 If the Owner and the Construction Manager do not reach an agreement on the Guaranteed Maximum Price, the Owner may terminate this Agreement upon not less than seven days' written notice to the Construction Manager, and the Construction Manager may terminate this Agreement, upon not less than seven days' written notice to the Owner.

§ 13.1.2 In the event of termination of this Agreement pursuant to Section 13.1.1, the Construction Manager shall be compensated for Preconstruction Phase services and Work performed prior to receipt of a notice of termination, in accordance with the terms of this Agreement. In no event shall the Construction Manager's compensation under this Section exceed the compensation set forth in Section 5.1.

§ 13.1.3 Prior to the execution of the Guaranteed Maximum Price Amendment, the Owner may terminate this Agreement upon not less than seven days' written notice to the Construction Manager for the Owner's convenience and without cause, and the Construction Manager may terminate this Agreement, upon not less than seven days' written notice to the Owner, for the reasons set forth in Article 14 of A201–2017.

§ 13.1.4 In the event of termination of this Agreement pursuant to Section 13.1.3, the Construction Manager shall be equitably compensated for Preconstruction Phase services and Work performed prior to receipt of a notice of termination. In no event shall the Construction Manager's compensation under this Section exceed the compensation set forth in Section 5.1.

§ 13.1.5 If the Owner terminates the Contract pursuant to Section 13.1.3 after the commencement of the Construction Phase but prior to the execution of the Guaranteed Maximum Price Amendment, the Owner shall pay to the Construction Manager an amount calculated as follows:

- .1 Take the Cost of the Work incurred by the Construction Manager to the date of termination;
- .2 Add the Construction Manager's Fee computed upon the Cost of the Work to the date of termination at the rate stated in Section 6.1 or, if the Construction Manager's Fee is stated as a fixed sum in that Section, an amount that bears the same ratio to that fixed-sum Fee as the Cost of the Work at the time of termination bears to a reasonable estimate of the probable Cost of the Work upon its completion; and
- .3 Subtract the aggregate of previous payments made by the Owner for Construction Phase services.

§ 13.1.6 The Owner shall also pay the Construction Manager fair compensation, either by purchase or rental at the election of the Owner, for any equipment owned by the Construction Manager that the Owner elects to retain and that is not otherwise included in the Cost of the Work under Section 13.1.5.1. To the extent that the Owner elects to take legal assignment of subcontracts and purchase orders (including rental agreements), the Construction Manager shall, as a condition of receiving the payments referred to in this Article 13, execute and deliver all such papers and take all such steps, including the legal assignment of such subcontracts and other contractual rights of the Construction Manager, as the Owner may require for the purpose of fully vesting in the Owner the rights and benefits of the Construction Manager under such subcontracts or purchase orders. All Subcontracts, purchase orders and rental agreements entered into by the Construction Manager will contain provisions allowing for assignment to the Owner as described above.

§ 13.1.6.1 If the Owner accepts assignment of subcontracts, purchase orders or rental agreements as described above, the

Owner will reimburse or indemnify the Construction Manager for all costs arising under the subcontract, purchase order or rental agreement, if those costs would have been reimbursable as Cost of the Work if the contract had not been terminated. If the Owner chooses not to accept assignment of any subcontract, purchase order or rental agreement that would have constituted a Cost of the Work had this agreement not been terminated, the Construction Manager will terminate the subcontract, purchase order or rental agreement and the Owner will pay the Construction Manager the costs necessarily incurred by the Construction Manager because of such termination.

§ 13.2 Termination or Suspension Following Execution of the Guaranteed Maximum Price Amendment

§ 13.2.1 Termination

The Contract may be terminated by the Owner or the Construction Manager as provided in Article 14 of AIA Document A201–2017.

§ 13.2.2 Termination by the Owner for Cause

§ 13.2.2.1 If the Owner terminates the Contract for cause as provided in Article 14 of AIA Document A201–2017, the amount, if any, to be paid to the Construction Manager under Article 14 of AIA Document A201–2017 shall not cause the Guaranteed Maximum Price to be exceeded, nor shall it exceed an amount calculated as follows:

- .1 Take the Cost of the Work incurred by the Construction Manager to the date of termination;
- .2 Add the Construction Manager's Fee, computed upon the Cost of the Work to the date of termination at the rate stated in Section 6.1 or, if the Construction Manager's Fee is stated as a fixed sum in that Section, an amount that bears the same ratio to that fixed-sum Fee as the Cost of the Work at the time of termination bears to a reasonable estimate of the probable Cost of the Work upon its completion;
- .3 Subtract the aggregate of previous payments made by the Owner; and
- .4 Subtract the costs and damages incurred, or to be incurred, by the Owner under Article 14 of AIA Document A201–2017.

§ 13.2.2.2 The Owner shall also pay the Construction Manager fair compensation, either by purchase or rental at the election of the Owner, for any equipment owned by the Construction Manager that the Owner elects to retain and that is not otherwise included in the Cost of the Work under Section 13.2.2.1.1. To the extent that the Owner elects to take legal assignment of subcontracts and purchase orders (including rental agreements), the Construction Manager shall, as a condition of receiving the payments referred to in this Article 13, execute and deliver all such papers and take all such steps, including the legal assignment of such subcontracts and other contractual rights of the Construction Manager, as the Owner may require for the purpose of fully vesting in the Owner the rights and benefits of the Construction Manager under such subcontracts or purchase orders.

§ 13.2.3 Termination by the Owner for Convenience

If the Owner terminates the Contract for convenience in accordance with Article 14 of AIA Document A201–2017, as modified, then the Owner shall pay the Construction Manager a termination fee as follows:

(Insert the amount of or method for determining the fee, if any, payable to the Construction Manager following a termination for the Owner's convenience.)

Owner shall compensate the Construction Manager for all costs incurred, together with General Conditions and Construction Manager Fee, in proportion to the percentage of the Work completed.

§ 13.3 Suspension

The Work may be suspended by the Owner as provided in Article 14 of AIA Document A201–2017; in such case, the Guaranteed Maximum Price and Contract Time shall be increased as provided in Article 14 of AIA Document A201–2017, except that the term "profit" shall be understood to mean the Construction Manager's Fee as described in Sections 6.1 and 6.3.5 of this Agreement.

ARTICLE 14 MISCELLANEOUS PROVISIONS

§ 14.1 Terms in this Agreement shall have the same meaning as those in A201–2017. Where reference is made in this Agreement to a provision of AIA Document A201–2017 or another Contract Document, the reference refers to that provision as amended or supplemented by other provisions of the Contract Documents.

§ 14.1.1 Prompt Payment of Subcontractors

Prompt Payment Act subdivision 4a shall apply to payments by Contractor to Subcontractors as set forth in the A201–2017, which provides in pertinent part: each Prime Contractor must pay any subcontractor within ten (10) days of the Prime Contractor's receipt of payment from the municipality for undisputed services provided by the subcontractor. The Contract must require the Prime Contractor to pay interest of 1-1/2 percent per month or any part of a month to the subcontractor on any undisputed amount not paid on time to the subcontractor. The minimum monthly interest penalty payment for an unpaid balance of \$100 or more is \$10. For an unpaid balance of less than \$100, the Prime Contractor shall pay the actual penalty due to the subcontractor. A subcontractor who prevails in a civil action to collect interest penalties from a Prime Contractor must be awarded its costs and disbursements, including attorney's fees, incurred in bringing the action.

§ 14.1.2 Data Practices

Pursuant to Minnesota Statutes, Section 13.05, subd. 11, all of the data created, collected, received, stored, used, maintained, or disseminated by Construction Manager in performing this contract is subject to the requirements of the Minnesota Government Data Practices Act ("MGDPA"), Minnesota Statutes Chapter 13, and Construction Manager must comply with those requirements as if it were a government entity. The remedies in Minnesota Statutes, Section 13.08 apply to Construction Manager. Construction Manager does not have a duty to provide access to public data to the public if the public data are available from the Owner.

§ 14.1.3 Non-Discrimination

Pursuant to Minnesota Statutes, Section 181.59, the Construction Manager will take affirmative action to ensure that applicants are selected, and that employees are treated during employment, without regard to their race, color, creed, religion, national origin, sex, sexual orientation, marital status, status with regard to public assistance, membership or activity in a local civil rights commission, disability or age. The Construction Manager agrees to be bound by the provisions of Minnesota Statutes, Section 181.59, that prohibits certain discriminatory practices and the terms of said section are incorporated into this contract.

§ 14.1.4 Prevailing Wage Requirements.

§ 14.1.4.1 State prevailing wage rates are applicable to this Project. Construction Manager shall, and shall require all Subcontractors to, comply with the wage and hour standards issued by the Minnesota Department of Labor and Industry ("MnDLI") pursuant to the Minnesota Prevailing Wage Act, Minnesota Statutes, Section 177.42, *et seq.*, and related rules. Construction Manager shall, and shall require all Subcontractors to, pay all laborers and mechanics employed in construction of the Work at the prevailing wage rates as determined by MnDLI for the Project's locality, as set forth in MnDLI Prevailing Wage Decision for State Funded Construction Projects for Blue Earth County revised as of 12-22-2025 ("State Prevailing Wage Decision"). A copy of the State Prevailing Wage Decision is attached hereto as Exhibit C.

§ 14.1.4.2 In addition to State Prevailing Wage Requirements, the Construction Manager shall and shall require all Subcontractors to comply with Federal Prevailing Wage requirements including but not limited to: the Davis-Bacon Act, 40 U.S.C. 276(a) – 276(a)(7), Davis-Bacon Related Acts, 29 CFR Part 5 (*Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction*); 29 CFR Part 3 (*Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States*); Copeland Anti-Kickback Act, 40 U.S.C. X276C and 18 U.S.C. § 874; and Contract Work Hours and Safety Standards Act, 40 U.S.C. § 327-333. It is the responsibility of the Contractor and subcontractors to include this provision and applicable requirements into all subcontracts related to the performance of this Agreement. In accordance with the statutes, Contractors are required to pay wages to laborers and mechanics at a rate not less than the Prevailing Wages specified in a wage determination made by the Secretary of Labor. In addition, Contractors are required to pay wages not less than once a week. Contractors and Subcontractors are prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. A copy of the Federal Prevailing Wage Decision is attached hereto as Exhibit ____.

§ 14.1.4.3 The Construction Manager shall and shall pay all covered workers weekly, and submit and require all Subcontractors to, submit certified payroll by the fourteenth (14th) day of each month following any month in which labor was performed, including all information referenced in Exhibit D. The Construction Manager must post a notice at the job site that all laborers and mechanics are to be paid the prevailing wages in accordance with the State and Federal Prevailing Wage Decisions and the State and Federal Prevailing Wage Decisions must also be posted at the job site in a highly visible and safe area so that all affected persons have clear access to the information. Construction Manager and all Subcontractors shall be required to maintain payroll records for all laborers and mechanics employed in the Work for six (6) years after Final Completion of the Project. The Construction Manager is responsible for incorporating the terms and requirements set forth in this section 14.1.4 into all Subcontracts.

§ 14.2 Successors and Assigns

§ 14.2.1 The Owner and Construction Manager, respectively, bind themselves, their partners, successors, assigns and legal representatives to covenants, agreements, and obligations contained in the Contract Documents. Except as provided in Section

14.2.2 of this Agreement, and in Section 13.2.2 of A201–2017, neither party to the Contract shall assign the Contract as a whole without written consent of the other. If either party attempts to make an assignment without such consent, that party shall nevertheless remain legally responsible for all obligations under the Contract.

§ 14.2.2 The Owner may, without consent of the Construction Manager, assign the Contract to a lender providing construction financing for the Project, if the lender assumes the Owner’s rights and obligations under the Contract Documents. The Construction Manager shall execute all consents reasonably required to facilitate the assignment.

§ 14.3 Insurance and Bonds

Insurance and bonds provided for this Project shall be described in this Article 14, Exhibit B to this Contract and in Article 11 of the A201–2017, as modified.

§ 14.3.1 Preconstruction Phase

The Construction Manager shall maintain the following insurance for the duration of the Preconstruction Services performed under this Agreement. If any of the requirements set forth below exceed the types and limits the Construction Manager normally maintains, the Owner shall reimburse the Construction Manager for any additional cost.

§ 14.3.1.1 Commercial General Liability with policy limits of not less than One Million (\$ 1,000,000) for each occurrence and Two Million (\$ 2,000,000) in the aggregate for bodily injury and property damage.

§ 14.3.1.2 Automobile Liability covering vehicles owned, and non-owned vehicles used, by the Construction Manager with policy limits of not less than One Million (\$ 1,000,000) per accident for bodily injury, death of any person, and property damage arising out of the ownership, maintenance and use of those motor vehicles, along with any other statutorily required automobile coverage.

§ 14.3.1.3 The Construction Manager may achieve the required limits and coverage for Commercial General Liability and Automobile Liability through a combination of primary and excess or umbrella liability insurance, provided that such primary and excess or umbrella liability insurance policies result in the same or greater coverage as the coverages required under Sections 14.3.1.1 and 14.3.1.2, and in no event shall any excess or umbrella liability insurance provide narrower coverage than the primary policy. The excess policy shall not require the exhaustion of the underlying limits only through the actual payment by the underlying insurers.

§ 14.3.1.4 Workers’ Compensation at statutory limits and Employers Liability with policy limits not less than Five Hundred Thousand (\$ 500,000) each accident, Five Hundred Thousand (\$ 500,000) each employee, and One Million (\$ 1,000,000) policy limit.

§ 14.3.1.5 Professional Liability covering negligent acts, errors and omissions in the performance of professional services, with policy limits of not less than One Million (\$ 1,000,000) per claim and Two Million (\$ 2,000,000) in the aggregate.

§ 14.3.1.6 Other Insurance

(List below any other insurance coverage to be provided by the Construction Manager and any applicable limits.)

Coverage	Limits
TBD	

§ 14.3.1.7 Additional Insured Obligations. To the fullest extent permitted by law, the Construction Manager shall cause the primary and excess or umbrella policies for Commercial General Liability and Automobile Liability to include the Owner as an additional insured for claims caused in whole or in part by the Construction Manager’s negligent acts or omissions. The additional insured coverage shall be primary and non-contributory to any of the Owner’s insurance policies and shall apply to both ongoing and completed operations.

§ 14.3.1.8 The Construction Manager shall provide certificates of insurance to the Owner that evidence compliance with the requirements in this Section 14.3.1.

§ 14.3.2 Construction Phase

After execution of the Guaranteed Maximum Price Amendment, the Owner and the Construction Manager shall purchase and maintain insurance as set forth in AIA Document A133™–2019, Standard Form of Agreement Between Owner and Construction Manager as Constructor where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price, Exhibit B, Insurance and Bonds, and elsewhere in the Contract Documents.

§ 14.3.2.1 The Construction Manager shall provide bonds as set forth in AIA Document A133™–2019 Exhibit B, and elsewhere in the Contract Documents.

§ 14.4 Notice in electronic format, pursuant to Article 1 of AIA Document A201–2017, may be given in accordance with a building information modeling exhibit, if completed, or as otherwise set forth below: to the email address of the parties’ representatives identified in Article 1.

(If other than in accordance with a building information modeling exhibit, insert requirements for delivering notice in electronic format such as name, title, and email address of the recipient and whether and how the system will be required to generate a read receipt for the transmission.)

To Be Determined.

§ 14.5 Insurance Required by the Owner

The Owner property insurance shall be in accordance with Section 11.2 of A201-2017.

§ 14.6 Performance Bond and Payment Bond

The Construction Manager shall furnish bonds covering the faithful performance of the Construction Manager’s Contract and payment of obligations arising thereunder.

ARTICLE 15 SCOPE OF THE AGREEMENT

§ 15.1 This Agreement represents the entire and integrated agreement between the Owner and the Construction Manager and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both Owner and Construction Manager.

§ 15.2 The following documents comprise the Agreement:

- .1 AIA Document A133™–2019, Standard Form of Agreement Between Owner and Construction Manager as Constructor where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price, as modified
- .2 AIA Document A133™–2019, Exhibit A, Guaranteed Maximum Price Amendment, if executed
- .3 AIA Document A133™–2019, Exhibit B, Insurance and Bonds
- .4 AIA Document A201™–2017, General Conditions of the Contract for Construction, as modified
- .5 Building Information Modeling Exhibit, if completed:

- .6 Other Exhibits:
(Check all boxes that apply.)

[] AIA Document E234™–2019, Sustainable Projects Exhibit, Construction Manager as Constructor Edition, dated as indicated below:
(Insert the date of the E234-2019 incorporated into this Agreement.)

[] Supplementary and other Conditions of the Contract:

Document

Title

Date

Pages

.7 Other documents, if any, listed below:

(List here any additional documents that are intended to form part of the Contract Documents. AIA Document A201–2017 provides that the advertisement or invitation to bid, Instructions to Bidders, sample forms, the Construction Manager’s bid or proposal, portions of Addenda relating to bidding or proposal requirements, and other information furnished by the Owner in anticipation of receiving bids or proposals, are not part of the Contract Documents unless enumerated in this Agreement. Any such documents should be listed here only if intended to be part of the Contract Documents.)

Exhibit A [reserved for GMP Amendment]

Exhibit B – AIA Document A133-2019 Exhibit B Insurance and Bonds

~~Exhibit C – State Wage Rate Determination (Not Applicable)~~

~~Exhibit D – Federal Wage Rate Determination (Not Applicable)~~

Exhibit E – [reserved for equipment rental rates if needed]

This Agreement is entered into as of the day and year first written above.

OWNER (Signature)

Susan MH Arntz, City Manager

(Printed name and title)

CONSTRUCTION MANAGER (Signature)

Collin Bennett, Operations Manager

(Printed name and title)

OWNER (Signature)

(Printed name and title)

AIA® Document A201® – 2017

General Conditions of the Contract for Construction

for the following PROJECT:

(Name and location or address)

Vetter Stone Amphitheater
309 West Rock Street
Mankato, MN 56001

THE OWNER:

(Name, legal status and address)

City of Mankato
10 Civic Center Plaza
Mankato, MN 56001

THE ARCHITECT:

(Name, legal status and address)

LSE Architects Inc.
1401 Glenwood Avenue
Minneapolis, MN 55405

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- 10 PROTECTION OF PERSONS AND PROPERTY
- 11 INSURANCE AND BONDS

ADDITIONS AND DELETIONS:

The author of this document may have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

For guidance in modifying this document to include supplementary conditions, see AIA Document A503™–2017, Guide for Supplementary Conditions.

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ARTICLE 1 GENERAL PROVISIONS

§ 1.1 Basic Definitions

§ 1.1.1 The Contract Documents

The Contract Documents are enumerated in the Agreement between the Owner and Contractor (hereinafter the Agreement) and consist of the Agreement, Conditions of the Contract (General, Supplementary and other Conditions), Drawings, Specifications, Addenda issued prior to execution of the Contract, other documents listed in the Agreement, and Modifications issued after execution of the Contract. A Modification is (1) a written amendment to the Contract signed by both parties, (2) a Change Order, (3) a Construction Change Directive, or (4) a written order for a minor change in the Work issued by the Architect. Unless specifically enumerated in the Agreement, the Contract Documents do not include the advertisement or invitation to bid, Instructions to Bidders, sample forms, other information furnished by the Owner in anticipation of receiving bids or proposals, the Contractor's bid or proposal, or portions of Addenda relating to bidding or proposal requirements.

§ 1.1.2 The Contract

The Contract Documents form the Contract for Construction. The Contract represents the entire and integrated agreement between the parties hereto and supersedes prior negotiations, representations, or agreements, either written or oral. The Contract may be amended or modified only by a Modification. The Contract Documents shall not be construed to create a contractual relationship of any kind (1) between the Contractor and the Architect or the Architect's consultants, (2) between the Owner and a Subcontractor or a Sub-subcontractor, (3) between the Owner and the Architect or the Architect's consultants, or (4) between any persons or entities other than the Owner and the Contractor. The Architect shall, however, be entitled to performance and enforcement of obligations under the Contract intended to facilitate performance of the Architect's duties.

§ 1.1.3 The Work

The term "Work" means the construction and services required by the Contract Documents, whether completed or partially completed, and includes all other labor, materials, equipment, and services provided or to be provided by the Contractor to fulfill the Contractor's obligations. The Work may constitute the whole or a part of the Project.

§ 1.1.4 The Project

The Project is the total construction of which the Work performed under the Contract Documents may be the whole or a part and which may include construction by the Owner and by Separate Contractors.

§ 1.1.5 The Drawings

The Drawings are the graphic and pictorial portions of the Contract Documents showing the design, location and dimensions of the Work, generally including plans, elevations, sections, details, schedules, and diagrams.

§ 1.1.6 The Specifications

The Specifications are that portion of the Contract Documents consisting of the written requirements for materials, equipment, systems, standards and workmanship for the Work, and performance of related services.

§ 1.1.7 Instruments of Service

Instruments of Service are representations, in any medium of expression now known or later developed, of the tangible and intangible creative work performed by the Architect and the Architect's consultants under their respective professional services agreements. Instruments of Service may include, without limitation, studies, surveys, models, sketches, drawings, specifications, and other similar materials.

§ 1.1.8 Initial Decision Maker

The Initial Decision Maker is the person identified in the Agreement to render initial decisions on Claims in accordance with Section 15.2. The Initial Decision Maker shall not show partiality to the Owner or Contractor and shall not be liable for results of interpretations or decisions rendered in good faith.

§ 1.2 Correlation and Intent of the Contract Documents

§ 1.2.1 The intent of the Contract Documents is to include all items necessary for the proper execution and completion of the Work by the Contractor. The Contract Documents are complementary, and what is required by one shall be as binding as if required by all; performance by the Contractor shall be required only to the extent consistent with the Contract Documents and reasonably inferable from them as being necessary to produce the indicated results.

§ 1.2.1.1 The invalidity of any provision of the Contract Documents shall not invalidate the Contract or its remaining provisions. If it is determined that any provision of the Contract Documents violates any law, or is otherwise invalid or unenforceable, then that provision shall be revised to the extent necessary to make that provision legal and enforceable. In such case the Contract Documents shall be construed, to the fullest extent permitted by law, to give effect to the parties' intentions and purposes in executing the Contract.

§ 1.2.2 Organization of the Specifications into divisions, sections and articles, and arrangement of Drawings shall not control the Contractor in dividing the Work among Subcontractors or in establishing the extent of Work to be performed by any trade.

§ 1.2.3 Unless otherwise stated in the Contract Documents, words that have well-known technical or construction industry meanings are used in the Contract Documents in accordance with such recognized meanings.

§ 1.3 Capitalization

Terms capitalized in these General Conditions include those that are (1) specifically defined, (2) the titles of numbered articles, or (3) the titles of other documents published by the American Institute of Architects.

§ 1.4 Interpretation

In the interest of brevity the Contract Documents frequently omit modifying words such as "all" and "any" and articles such as "the" and "an," but the fact that a modifier or an article is absent from one statement and appears in another is not intended to affect the interpretation of either statement.

§ 1.5 Ownership and Use of Drawings, Specifications, and Other Instruments of Service

§ 1.5.1 Subject to the Agreement between Owner and Architect, the Architect and the Architect's consultants shall be deemed the authors and owners of their respective Instruments of Service, including the Drawings and Specifications, and retain all common law, statutory, and other reserved rights in their Instruments of Service, including copyrights. The Contractor, Subcontractors, Sub-subcontractors, and suppliers shall not own or claim a copyright in the Instruments of Service. Submittal or distribution to meet official regulatory requirements or for other purposes in connection with the Project is not to be construed as publication in derogation of the Architect's or Architect's consultants' reserved rights.

§ 1.5.2 The Contractor, Subcontractors, Sub-subcontractors, and suppliers are authorized to use and reproduce the Instruments of Service provided to them, subject to any protocols established pursuant to Sections 1.7 and 1.8, solely and exclusively for execution of the Work. All copies made under this authorization shall bear the copyright notice, if any, shown on the Instruments of Service. The Contractor, Subcontractors, Sub-subcontractors, and suppliers may not use the Instruments of Service on other projects or for additions to the Project outside the scope of the Work without the specific written consent of the Owner, Architect, and the Architect's consultants.

§ 1.6 Notice

§ 1.6.1 Except as otherwise provided in Section 1.6.2, where the Contract Documents require one party to notify or give notice to the other party, such notice shall be provided in writing to the designated representative of the party to whom the notice is addressed and shall be deemed to have been duly served if delivered in person, by mail, by courier, or by electronic transmission if a method for electronic transmission is set forth in the Agreement.

§ 1.6.2 Notice of Claims as provided in Section 15.1.3 shall be provided in writing and shall be deemed to have been duly served only if delivered to the designated representative of the party to whom the notice is addressed by certified or registered mail, or by courier providing proof of delivery.

§ 1.7 Digital Data Use and Transmission

The parties shall agree upon written protocols governing the transmission and use of, and reliance on, Instruments of Service or any other information or documentation in digital form.

§ 1.8 Building Information Models Use and Reliance

Any use of, or reliance on, all or a portion of a building information model without agreement to written protocols governing the use of, and reliance on, the information contained in the model shall be at the using or relying party's sole risk and without liability to the other party and its contractors or consultants, the authors of, or contributors to, the building information model, and each of their agents and employees.

ARTICLE 2 OWNER

§ 2.1 General

§ 2.1.1 The Owner is the person or entity identified as such in the Agreement and is referred to throughout the Contract Documents as if singular in number. The Owner shall identify a representative authorized to act on the Owner's behalf only with respect to specific matters delegated to the representative in writing by the Owner's governing body. Except as expressly delegated by the Owner's governing body, the Owner's representative has no authority to agree to any adjustments in the Contract Sum or Contract Time. Except as otherwise provided in Section 4.2.1, the Architect does not have such authority.

§ 2.2 Evidence of the Owner's Financial Arrangements

§ 2.2.1 Prior to commencement of the Work and upon written request by the Contractor, the Owner shall furnish to the Contractor reasonable evidence that the Owner has made financial arrangements to fulfill the Owner's obligations under the Contract. The Contractor shall have no obligation to commence the Work until the Owner provides such evidence. If commencement of the Work is delayed under this Section 2.2.1, the Contract Time shall be extended appropriately.

§ 2.2.2 Following commencement of the Work and upon written request by the Contractor, the Owner shall furnish to the Contractor reasonable evidence that the Owner has made financial arrangements to fulfill the Owner's obligations under the Contract only if (1) the Owner fails to make payments to the Contractor as the Contract Documents require; (2) the Contractor identifies in writing a reasonable concern regarding the Owner's ability to make payment when due; or (3) a change in the Work materially changes the Contract Sum. If the Owner fails to provide such evidence, as required, within fourteen days of the Contractor's request, the Contractor may immediately stop the Work and, in that event, shall notify the Owner that the Work has stopped. However, if the request is made because a change in the Work materially changes the Contract Sum under (3) above, the Contractor may immediately stop only that portion of the Work affected by the change until reasonable evidence is provided. If the Work is stopped under this Section 2.2.2, the Contract Time shall be extended appropriately and the Contract Sum shall be increased by the amount of the Contractor's reasonable costs of shutdown, delay and start-up, plus interest as provided in the Contract Documents.

§ 2.2.3 After the Owner furnishes evidence of financial arrangements under this Section 2.2, the Owner shall not materially vary such financial arrangements without prior notice to the Contractor.

§ 2.2.4 Where the Owner has designated information furnished under this Section 2.2 as "confidential," the Contractor shall keep the information confidential and shall not disclose it to any other person. However, the Contractor may disclose "confidential" information, after seven (7) days' notice to the Owner, where disclosure is required by law, including a subpoena or other form of compulsory legal process issued by a court or governmental entity, or by court or arbitrator(s) order. The Contractor may also disclose "confidential" information to its employees, consultants, sureties, Subcontractors and their employees, Sub-subcontractors, and others who need to know the content of such information solely and exclusively for the Project and who agree to maintain the confidentiality of such information.

§ 2.3 Information and Services Required of the Owner

§ 2.3.1 Except for permits and fees that are the responsibility of the Contractor under the Contract Documents, including those required under Section 3.7.1, the Owner shall secure and pay for necessary approvals, easements, assessments and charges required for construction, use or occupancy of permanent structures or for permanent changes in existing facilities.

§ 2.3.2 The Owner shall retain an architect lawfully licensed to practice architecture, or an entity lawfully practicing architecture, in the jurisdiction where the Project is located. That person or entity is identified as the Architect in the Agreement and is referred to throughout the Contract Documents as if singular in number.

§ 2.3.3 If the employment of the Architect terminates, the Owner shall employ a successor to whom the Contractor has no reasonable objection and whose status under the Contract Documents shall be that of the Architect.

§ 2.3.4 The Owner shall furnish surveys describing physical characteristics, legal limitations and utility locations for the site of the Project, and a legal description of the site. Except for utility locations provided by private utilities, which Owner does not warrant for accuracy, the Contractor shall be entitled to rely on the accuracy of information furnished by the Owner but shall exercise proper precautions relating to the safe performance of the Work. The Contractor shall be responsible for verifying the accuracy of all utility locations supplied by private utilities.

§ 2.3.5 The Owner shall furnish information or services required of the Owner by the Contract Documents with reasonable promptness. The Owner shall also furnish any other information or services under the Owner's control and relevant to the Contractor's performance of the Work with reasonable promptness after receiving the Contractor's written request for such information or services.

§ 2.3.6 Unless otherwise provided in the Contract Documents, the Owner shall furnish to the Contractor one electronic copy of the Contract Documents for purposes of making reproductions pursuant to Section 1.5.2.

§ 2.4 Owner's Right to Stop the Work

If the Contractor fails to correct Work that is not in accordance with the requirements of the Contract Documents as required by Section 12.2 or repeatedly fails to carry out Work in accordance with the Contract Documents, the Owner may issue a written order to the Contractor to stop the Work, or any portion thereof, until the cause for such order has been eliminated; however, the right of the Owner to stop the Work shall not give rise to a duty on the part of the Owner to exercise this right for the benefit of the Contractor or any other person or entity, except to the extent required by Section 6.1.3.

§ 2.5 Owner's Right to Carry Out the Work

If the Contractor defaults or neglects to carry out the Work in accordance with the Contract Documents and fails within a ten-day period after receipt of notice from the Owner to commence and continue correction of such default or neglect with diligence and promptness, the Owner may, without prejudice to other remedies the Owner may have, correct such default or neglect. Such action by the Owner and amounts charged to the Contractor are both subject to prior approval of the Architect and the Architect may, pursuant to Section 9.5.1, withhold or nullify a Certificate for Payment in whole or in part, to the extent reasonably necessary to reimburse the Owner for the reasonable cost of correcting such deficiencies, including Owner's expenses and compensation for the Architect's additional services made necessary by such default, neglect, or failure. If current and future payments are not sufficient to cover such amounts, the Contractor shall pay the difference to the Owner. If the Contractor disagrees with the actions of the Owner or the Architect, or the amounts claimed as costs to the Owner, the Contractor may file a Claim pursuant to Article 15.

ARTICLE 3 CONTRACTOR

§ 3.1 General

§ 3.1.1 The Contractor is the person or entity identified as such in the Agreement and is referred to throughout the Contract Documents as if singular in number. The Contractor shall be lawfully licensed, if required in the jurisdiction where the Project is located. The Contractor shall designate in writing a representative who shall have express authority to bind the Contractor with respect to all matters under this Contract. The term "Contractor" means the Contractor or the Contractor's authorized representative.

§ 3.1.2 The Contractor shall perform the Work in accordance with the Contract Documents.

§ 3.1.3 The Contractor shall not be relieved of its obligations to perform the Work in accordance with the Contract Documents either by activities or duties of the Architect in the Architect's administration of the Contract, or by tests, inspections or approvals required or performed by persons or entities other than the Contractor.

§ 3.2 Review of Contract Documents and Field Conditions by Contractor

§ 3.2.1 By executing the Contract, the Contractor represents that the Contractor has reviewed and understands the Contract Documents, has visited the Site and is familiar with local conditions under which the Work is to be performed, has correlated personal observations with the requirements of the Contract Documents, and has notified the Architect of and obtained clarification of any discrepancies which have become apparent during the bidding or proposal period.

§ 3.2.2 Because the Contract Documents are complementary, the Contractor shall, before starting each portion of the Work, carefully study and compare the various Contract Documents relative to that portion of the Work, as well as the information furnished by the Owner pursuant to Section 2.3.4, shall take field measurements of any existing conditions related to that portion of the Work, and shall observe any conditions at the site affecting it. These obligations are for the purpose of facilitating coordination and construction by the Contractor and are not for the purpose of discovering errors, omissions, or inconsistencies in the Contract Documents; however, the Contractor shall promptly report to the Architect any errors, inconsistencies or omissions discovered by or made known to the Contractor as a request for information in such form as the Architect may require. It is recognized that the Contractor's review is made in the Contractor's capacity as a contractor and

not as a licensed design professional, unless otherwise specifically provided in the Contract Documents.

§ 3.2.3 The Contractor is not required to ascertain that the Contract Documents are in accordance with applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of public authorities, but the Contractor shall promptly report to the Architect any nonconformity discovered by or made known to the Contractor as a request for information in such form as the Architect may require.

§ 3.2.4 The Contractor must make frequent inspections during the progress of the Work to confirm that Work previously performed by the Subcontractors is in compliance with the Contract Documents and applicable laws and regulations bearing on the performance of the Work and that portion of Work previously performed by the Subcontractors or by others are in proper condition to receive subsequent Work.

§ 3.2.5 If the Contractor believes that any portions of the Contract Documents do not comply with applicable laws, statutes, ordinances, building codes, and rules and regulations, or any orders by code enforcement officials or the Owner or its designees acting in the capacity of building code inspectors, the Contractor must promptly notify the Architect of the non-compliance and request direction before proceeding with the affected Work.

§ 3.2.6 If the Subcontractors perform any Work involving an apparent error, inconsistency, ambiguity, construction impracticality, omission or code violation in the Contract Documents of which the Contractor is aware, or which could reasonably have been discovered by the review required by Section 3.2, without prompt written notice to the Owner and the Architect and request for correction, clarification or additional information, as appropriate, the Subcontractors do so at their own risk and expense and all claims relating thereafter are specifically waived.

§ 3.2.7 If the Contractor believes that additional cost or time is involved because of clarifications or instructions the Architect issues in response to the Contractor's notices or requests for information pursuant to Section 3.2, the Contractor shall submit Claims as provided in Article 15. If the Contractor fails to perform the obligations of Sections 3.2 the Contractor shall pay such costs and damages to the Owner, as would have been avoided if the Contractor had performed such obligations. If the Contractor performs those obligations, the Contractor shall not be liable to the Owner or Architect for damages resulting from errors, inconsistencies or omissions in the Contract Documents, for differences between field measurements or conditions and the Contract Documents, or for nonconformities of the Contract Documents to applicable laws, statutes, ordinances, codes, rules and regulations, and lawful orders of public authorities.

§ 3.3 Supervision and Construction Procedures

§ 3.3.1 The Contractor shall supervise and direct the Work, using the Contractor's best skill and attention. The Contractor shall be solely responsible for, and have control over, construction means, methods, techniques, sequences, and procedures, and for coordinating all portions of the Work under the Contract. If the Contract Documents give specific instructions concerning construction means, methods, techniques, sequences, or procedures, the Contractor shall evaluate the jobsite safety thereof and shall be solely responsible for the jobsite safety of such means, methods, techniques, sequences, or procedures. If the Contractor determines that such means, methods, techniques, sequences or procedures may not be safe, the Contractor shall give timely notice to the Owner and Architect, and shall propose alternative means, methods, techniques, sequences, or procedures. The Architect shall evaluate the proposed alternative solely for conformance with the design intent for the completed construction. Unless the Architect objects to the Contractor's proposed alternative, the Contractor shall perform the Work using its alternative means, methods, techniques, sequences, or procedures.

§ 3.3.2 The Contractor shall be responsible to the Owner for acts and omissions of the Contractor's employees, Subcontractors and their agents and employees, and other persons or entities performing portions of the Work for, or on behalf of, the Contractor or any of its Subcontractors.

§ 3.3.3 The Contractor shall be responsible for inspection of portions of Work already performed to determine that such portions are in proper condition to receive subsequent Work.

§ 3.4 Labor and Materials

§ 3.4.1 Unless otherwise provided in the Contract Documents, the Contractor shall provide and pay for labor, materials, equipment, tools, construction equipment and machinery, water, heat, utilities, transportation, and other facilities and services necessary for proper execution and completion of the Work, whether temporary or permanent and whether or not incorporated or to be incorporated in the Work.

§ 3.4.2 Except in the case of minor changes in the Work approved by the Architect in accordance with Section 3.12.8 or ordered by the Architect in accordance with Section 7.4, the Contractor may make substitutions only with the consent of the Owner, after evaluation by the Architect and in accordance with a Change Order or Construction Change Directive.

§ 3.4.3 The Contractor shall enforce strict discipline and good order among the Contractor's employees, Subcontractors and other persons carrying out the Work. The Contractor shall not permit employment of unfit persons or persons not properly skilled in tasks assigned to them.

§ 3.5 Warranty

§ 3.5.1 The Contractor warrants to the Owner and Architect that materials and equipment furnished under the Contract will be of good quality and new unless the Contract Documents require or permit otherwise. The Contractor further warrants that the Work will conform to the requirements of the Contract Documents and will be free from defects, except for those inherent in the quality of the Work the Contract Documents require or permit. Work, materials, or equipment not conforming to these requirements may be considered defective. The Contractor's warranty excludes remedy for damage or defect caused by abuse, alterations to the Work not executed by the Contractor, improper or insufficient maintenance, improper operation, or normal wear and tear and normal usage. If required by the Architect, the Contractor shall furnish satisfactory evidence as to the kind and quality of materials and equipment.

§ 3.5.2 All material, equipment, or other special warranties required by the Contract Documents shall be issued in the name of the Owner, or shall be transferable to the Owner, and shall commence in accordance with Section 9.8.4.

§ 3.5.3 The Contractor's general warranty and any additional or special warranties are not limited by the Contractor's obligations to require the Subcontractors to correct defective or nonconforming Work as provided in Article 12, nor are they limited by any other remedies provided in the Contract Documents. The Contractor shall also be liable for any damage to property or persons (including death) including direct damages to Owner relating to any breach of the Contractor's general warranty or any additional or special warranties under the Contract Documents.

§ 3.5.4 The Contractor must furnish all special warranties under the Contract Documents to the Owner no later than Substantial Completion. The Owner may require additional special warranties in connection with the approval of "Or-Equals" or Substitutions, Allowance items, Work that is defective or nonconforming, or the acceptance of nonconforming Work pursuant to Article 12.

§ 3.6 Taxes

The Contractor shall pay sales, consumer, use and similar taxes for the Work provided by the Contractor that are legally enacted when bids are received or negotiations concluded, whether or not yet effective or merely scheduled to go into effect.

§ 3.7 Permits, Fees, Notices and Compliance with Laws

§ 3.7.1 Unless otherwise provided in the Contract Documents, the Contractor shall secure and pay for the building permit as well as for other permits, fees, licenses, and inspections by government agencies necessary for proper execution and completion of the Work that are customarily secured after execution of the Contract and legally required at the time bids are received or negotiations concluded.

§ 3.7.2 The Contractor shall comply with and give notices required by applicable laws, statutes, ordinances, codes, rules and regulations, and lawful orders of public authorities applicable to performance of the Work.

§ 3.7.3 If the Contractor performs Work knowing it to be contrary to applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of public authorities, the Contractor shall assume appropriate responsibility for such Work and shall bear the costs attributable to correction.

§ 3.7.4 Concealed or Unknown Conditions

If the Contractor encounters conditions at the site that are (1) subsurface or otherwise concealed physical conditions that differ materially from those indicated in the Contract Documents or (2) unknown physical conditions of an unusual nature that differ materially from those ordinarily found to exist and generally recognized as inherent in construction activities of the character provided for in the Contract Documents, the Contractor shall promptly provide notice to the Owner and the Architect before conditions are disturbed and in no event later than 14 days after first observance of the conditions. The Architect will promptly investigate such conditions and, if the Architect determines that they differ materially and cause an increase or

decrease in the Contractor's cost of, or time required for, performance of any part of the Work, will recommend that an equitable adjustment be made in the Contract Sum or Contract Time, or both. If the Architect determines that the conditions at the site are not materially different from those indicated in the Contract Documents and that no change in the terms of the Contract is justified, the Architect shall promptly notify the Owner and Contractor, stating the reasons. If either party disputes the Architect's determination or recommendation, that party may submit a Claim as provided in Article 15.

§ 3.7.5 If, in the course of the Work, the Contractor encounters human remains or recognizes the existence of burial markers, archaeological sites or wetlands not indicated in the Contract Documents, the Contractor shall immediately suspend any operations that would affect them and shall notify the Owner and Architect. Upon receipt of such notice, the Owner shall promptly take any action necessary to obtain governmental authorization required to resume the operations. The Contractor shall continue to suspend such operations until otherwise instructed by the Owner but shall continue with all other operations that do not affect those remains or features. Requests for adjustments in the Contract Sum and Contract Time arising from the existence of such remains or features may be made as provided in Article 15.

§ 3.8 Allowances

§ 3.8.1 The Contractor shall include in the Contract Sum all allowances stated in the Contract Documents. Items covered by allowances shall be supplied for such amounts and by such persons or entities as the Owner may direct, but the Contractor shall not be required to employ persons or entities to whom the Contractor has reasonable objection.

§ 3.8.2 Unless otherwise provided in the Contract Documents,

- .1 allowances shall cover the cost to the Contractor of materials and equipment delivered at the site and all required taxes, less applicable trade discounts;
- .2 Contractor's costs for unloading and handling at the site, labor, installation costs, overhead, profit, and other expenses contemplated for stated allowance amounts shall be included in the Contract Sum but not in the allowances; and
- .3 whenever costs are more than or less than allowances, the Contract Sum shall be adjusted accordingly by Change Order. The amount of the Change Order shall reflect (1) the difference between actual costs and the allowances under Section 3.8.2.1 and (2) changes in Contractor's costs under Section 3.8.2.2.

§ 3.8.3 Materials and equipment under an allowance shall be selected by the Owner with reasonable promptness.

§ 3.9 Superintendent

§ 3.9.1 The Contractor shall employ a competent superintendent and necessary assistants who shall be in attendance at the Project site during performance of the Work. The superintendent shall represent the Contractor, and communications given to the superintendent shall be as binding as if given to the Contractor. The Superintendent must provide his or her email address and cell phone number to Owner and Architect and must be available to be contacted during all business hours, and outside of business hours in the event of an emergency.

§ 3.9.2 The Contractor, as soon as practicable after award of the Contract, shall notify the Owner and Architect of the name and qualifications of a proposed superintendent. Within 14 days of receipt of the information, the Architect may notify the Contractor, stating whether the Owner or the Architect (1) has reasonable objection to the proposed superintendent or (2) requires additional time for review. Failure of the Architect to provide notice within the 14-day period shall constitute notice of no reasonable objection.

§ 3.9.3 The Contractor shall not employ a proposed superintendent to whom the Owner or Architect has made reasonable and timely objection. The Contractor shall not change the superintendent without the Owner's consent, which shall not unreasonably be withheld or delayed.

§ 3.10 Contractor's Construction and Submittal Schedules

§ 3.10.1 The Contractor, promptly after being awarded the Contract, shall submit for the Owner's and Architect's information a Contractor's construction schedule for the Work. The schedule shall contain detail appropriate for the Project, including (1) the date of commencement of the Work, interim schedule milestone dates, and the date of Substantial Completion; (2) an apportionment of the Work by construction activity; and (3) the time required for completion of each portion of the Work. The schedule shall provide for the orderly progression of the Work to completion and shall not exceed time limits current under the Contract Documents. The schedule shall be revised at appropriate intervals, either monthly or as otherwise agreed between Owner and Contractor, as required by the conditions of the Work and Project.

§ 3.10.2 The Contractor, promptly after being awarded the Contract and thereafter as necessary to maintain a current submittal schedule within ten (10) days of execution of the GMP Amendment, shall submit a submittal schedule for the Owner's and Architect's approval. The Owner's and Architect's approval shall not be unreasonably delayed or withheld. The submittal schedule shall (1) be coordinated with the Contractor's construction schedule, and (2) allow the Architect reasonable time to review submittals. If the Contractor fails to submit a submittal schedule, or fails to provide submittals in accordance with the approved submittal schedule, the Contractor shall not be entitled to any increase in Contract Sum or extension of Contract Time based on the time required for review of submittals.

§ 3.10.3 The Contractor shall perform the Work in general accordance with the most recent schedules submitted to the Owner and Architect.

§ 3.11 Documents and Samples at the Site

The Contractor shall make available, at the Project site, the Contract Documents, including Change Orders, Construction Change Directives, and other Modifications, in good order and marked currently to indicate field changes and selections made during construction, and the approved Shop Drawings, Product Data, Samples, and similar required submittals. These shall be in electronic form or paper copy, available to the Architect and Owner, and delivered to the Architect for submittal to the Owner upon completion of the Work as a record of the Work as constructed.

§ 3.12 Shop Drawings, Product Data and Samples

§ 3.12.1 Shop Drawings are drawings, diagrams, schedules, and other data specially prepared for the Work by the Contractor or a Subcontractor, Sub-subcontractor, manufacturer, supplier, or distributor to illustrate some portion of the Work.

§ 3.12.2 Product Data are illustrations, standard schedules, performance charts, instructions, brochures, diagrams, and other information furnished by the Contractor to illustrate materials or equipment for some portion of the Work.

§ 3.12.3 Samples are physical examples that illustrate materials, equipment, or workmanship, and establish standards by which the Work will be judged.

§ 3.12.4 Shop Drawings, Product Data, Samples, and similar submittals are not Contract Documents. Their purpose is to demonstrate how the Contractor proposes to conform to the information given and the design concept expressed in the Contract Documents for those portions of the Work for which the Contract Documents require submittals. Review by the Architect is subject to the limitations of Section 4.2.7. Informational submittals upon which the Architect is not expected to take responsive action may be so identified in the Contract Documents. Submittals that are not required by the Contract Documents may be returned by the Architect without action.

§ 3.12.5 The Contractor shall review for compliance with the Contract Documents, approve, and submit to the Architect, Shop Drawings, Product Data, Samples, and similar submittals required by the Contract Documents, in accordance with the submittal schedule approved by the Architect or, in the absence of an approved submittal schedule, with reasonable promptness and in such sequence as to cause no delay in the Work or in the activities of the Owner or of Separate Contractors. The Contractor must provide the Owner and the Architect with copies of all submittals made to regulatory agencies.

§ 3.12.6 By submitting Shop Drawings, Product Data, Samples, and similar submittals, the Contractor represents to the Owner and Architect that the Contractor has (1) reviewed and approved them, (2) determined and verified materials, field measurements and field construction criteria related thereto, or will do so, and (3) checked and coordinated the information contained within such submittals with the requirements of the Work and of the Contract Documents.

§ 3.12.7 The Contractor shall perform no portion of the Work for which the Contract Documents require submittal and review of Shop Drawings, Product Data, Samples, or similar submittals, until the respective submittal has been approved by the Architect. The Contractor must correct at its cost, and without any adjustment in Contract Time, any Work the correction of which is required due to the Contractor's failure to obtain approval of a submittal required to have been obtained prior to proceeding with the Work, including, but not limited to, correction of any conflicts in the Work resulting from such failure.

§ 3.12.8 The Work shall be in accordance with approved submittals except that the Contractor shall not be relieved of responsibility for deviations from the requirements of the Contract Documents by the Architect's approval of Shop Drawings, Product Data, Samples, or similar submittals, unless the Contractor has specifically notified the Architect of such deviation at

the time of submittal and (1) the Architect has given written approval to the specific deviation as a minor change in the Work, or (2) a Change Order or Construction Change Directive has been issued authorizing the deviation. The Contractor shall not be relieved of responsibility for errors or omissions in Shop Drawings, Product Data, Samples, or similar submittals, by the Architect's approval thereof.

§ 3.12.9 The Contractor shall direct specific attention, in writing or on resubmitted Shop Drawings, Product Data, Samples, or similar submittals, to revisions other than those requested by the Architect on previous submittals. In the absence of such notice, the Architect's approval of a resubmission shall not apply to such revisions.

§ 3.12.10 The Contractor shall not be required to provide professional services that constitute the practice of architecture or engineering unless such services are specifically required by the Contract Documents for a portion of the Work or unless the Contractor needs to provide such services in order to carry out the Contractor's responsibilities for construction means, methods, techniques, sequences, and procedures. The Contractor shall not be required to provide professional services in violation of applicable law.

§ 3.12.10.1 If professional design services or certifications by a design professional related to systems, materials, or equipment are specifically required of the Contractor by the Contract Documents, the Owner and the Architect will specify all performance and design criteria that such services must satisfy. The Contractor shall be entitled to rely upon the adequacy and accuracy of the performance and design criteria provided in the Contract Documents. The Contractor shall cause such services or certifications to be provided by an appropriately licensed design professional, whose signature and seal shall appear on all drawings, calculations, specifications, certifications, Shop Drawings, and other submittals prepared by such professional. Shop Drawings, and other submittals related to the Work, designed or certified by such professional, if prepared by others, shall bear such professional's written approval when submitted to the Architect. The Owner and the Architect shall be entitled to rely upon the adequacy and accuracy of the services, certifications, and approvals performed or provided by such design professionals, provided the Owner and Architect have specified to the Contractor the performance and design criteria that such services must satisfy. Pursuant to this Section 3.12.10, the Architect will review and approve or take other appropriate action on submittals only for the limited purpose of checking for conformance with information given and the design concept expressed in the Contract Documents.

§ 3.12.10.2 If the Contract Documents require the Contractor's design professional to certify that the Work has been performed in accordance with the design criteria, the Contractor shall furnish such certifications to the Architect at the time and in the form specified by the Architect.

§ 3.13 Use of Site

§ 3.13.1 The Contractor shall confine operations at the site to areas permitted by applicable laws, statutes, ordinances, codes, rules and regulations, lawful orders of public authorities, and the Contract Documents and shall not unreasonably encumber the site with materials or equipment.

§ 3.13.2 The Contractor shall coordinate the Contractor's operations with and secure the approval of the Owner and Architect before using any portion of the site.

§ 3.13.3 Except as may be specifically provided in the Contract Documents, the Contractor shall provide all necessary temporary facilities, including power, water, utilities, sanitation, scaffolding, storage, and security. If Owner makes any such facilities available to Contractor, it is without representation or warranty as to their adequacy for Contractor's use, and Contractor shall indemnify, defend, and hold Owner harmless from and against any claims arising out of the Contractor's or Subcontractors' use of such facilities.

§ 3.14 Cutting and Patching

§ 3.14.1 The Contractor shall be responsible for cutting, fitting, or patching required to complete the Work or to make its parts fit together properly. All areas requiring cutting, fitting, or patching shall be restored to the condition existing prior to the cutting, fitting, or patching, unless otherwise required by the Contract Documents. The patching requirements described above will not be described on the construction drawings for areas that are restored to their original condition and are incidental to the work unless clarifications are specifically stated in the GMP.

§ 3.14.2 The Contractor shall not damage or endanger a portion of the Work or fully or partially completed construction of the Owner or Separate Contractors by cutting, patching, or otherwise altering such construction, or by excavation. The Contractor

shall not cut or otherwise alter construction by the Owner or a Separate Contractor except with written consent of the Owner and of the Separate Contractor. Consent shall not be unreasonably withheld. The Contractor shall not unreasonably withhold, from the Owner or a Separate Contractor, its consent to cutting or otherwise altering the Work.

§ 3.15 Cleaning Up

§ 3.15.1 The Contractor must keep the Site and adjacent areas free from accumulation of waste materials or rubbish caused by operations under the Contract, and must keep tools, construction equipment, machinery and surplus materials suitably stored when not in use. If the Contractor fails to do so in a manner reasonably satisfactory to the Owner or the Architect within forty-eight (48) hours after notice or as otherwise required by the Contract Documents, the Owner may clean the Site and back charge the Contractor for all costs associated with the cleaning. The Contractor shall keep the premises and surrounding area free from accumulation of waste materials or rubbish caused by operations under the Contract. At completion of the Work, the Contractor shall promptly cause removal of waste materials, rubbish, the Subcontractors' tools, construction equipment, machinery and surplus materials from and about the Project

§ 3.15.2 If the Contractor fails to clean up as provided in the Contract Documents, the Owner may do so and the Owner shall be entitled to reimbursement from the Contractor.

§ 3.16 Access to Work

The Contractor shall provide the Owner and Architect with access to the Work in preparation and progress wherever located.

§ 3.17 Royalties, Patents and Copyrights

The Contractor shall pay all royalties and license fees. The Contractor shall defend suits or claims for infringement of copyrights and patent rights and shall hold the Owner and Architect harmless from loss on account thereof, but shall not be responsible for defense or loss when a particular design, process, or product of a particular manufacturer or manufacturers is required by the Contract Documents, or where the copyright violations are contained in Drawings, Specifications, or other documents prepared by the Owner or Architect. However, if an infringement of a copyright or patent is discovered by, or made known to, the Contractor, the Contractor shall be responsible for the loss unless the information is promptly furnished to the Architect.

§ 3.18 Indemnification

§ 3.18.1 To the fullest extent permitted by law, the Contractor shall indemnify, defend, and hold harmless the Owner, Architect, Architect's consultants, and agents and employees of any of them from and against claims, damages, losses, and expenses, including but not limited to attorneys' fees, arising out of or resulting from performance of the Work, provided that such claim, damage, loss, or expense is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property (other than the Work itself), but only to the extent caused by the negligent acts or omissions of the Contractor, a Subcontractor, anyone directly or indirectly employed by them, or anyone for whose acts they may be liable, regardless of whether or not such claim, damage, loss, or expense is caused in part by a party indemnified hereunder. Such obligation shall not be construed to negate, abridge, or reduce other rights or obligations of indemnity that would otherwise exist as to a party or person described in this Section 3.18.

§ 3.18.2 In claims against any person or entity indemnified under this Section 3.18 by an employee of the Contractor, a Subcontractor, anyone directly or indirectly employed by them, or anyone for whose acts they may be liable, the indemnification obligation under Section 3.18.1 shall not be limited by a limitation on amount or type of damages, compensation, or benefits payable by or for the Contractor or a Subcontractor under workers' compensation acts, disability benefit acts, or other employee benefit acts.

§ 3.19 Prevailing Wage

Contractor agrees that all laborers or mechanics working on the Project shall receive at least the prevailing wage rate in accordance with Minnesota Statutes, Section 177.42, *et seq.*, and other wage laws as may be set forth in the Contract Documents. Contractor agrees further that it will incorporate any and all necessary contract language in its agreements with any subcontractors to allow Contractor to monitor and enforce the prevailing wage requirement for subcontractors of any tier.

Contractor agrees that all laborers or mechanics working on the Project shall receive at least the prevailing wage rate in accordance with Federal FAA requirements and other wage laws as may be set forth in the Contract Documents, including but not limited to: the Davis-Bacon Act, 40 U.S.C. 276(a) – 276(a)(7), Davis-Bacon Related Acts, 29 CFR Part 5 (Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction); 29 CFR Part 3 (Contractors and

Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States); Copeland Anti-Kickback Act, 40 U.S.C. X276C and 18 U.S.C. § 874; and Contract Work Hours and Safety Standards Act, 40 U.S.C. § 327-333. Contractor agrees further that it will incorporate any and all necessary contract language in its agreements with any subcontractors to allow Contractor to monitor and enforce the prevailing wage requirement for subcontractors of any tier.

ARTICLE 4 ARCHITECT

§ 4.1 General

§ 4.1.1 The Architect is the person or entity retained by the Owner pursuant to Section 2.3.2 and identified as such in the Agreement.

§ 4.1.2 Duties, responsibilities, and limitations of authority of the Architect as set forth in the Contract Documents shall not be restricted, modified, or extended without written consent of the Owner, Contractor, and Architect. Consent shall not be unreasonably withheld.

§ 4.2 Administration of the Contract

§ 4.2.1 The Architect will provide administration of the Contract as described in the Contract Documents and will be an Owner's representative during construction until the date the Architect issues the final Certificate for Payment. The Architect will have authority to act on behalf of the Owner only to the extent provided in the Contract Documents.

§ 4.2.2 The Architect will visit the site at intervals appropriate to the stage of construction, or as otherwise agreed with the Owner, to become generally familiar with the progress and quality of the portion of the Work completed, and to determine in general if the Work observed is being performed in a manner indicating that the Work, when fully completed, will be in accordance with the Contract Documents. However, the Architect will not be required to make exhaustive or continuous on-site inspections to check the quality or quantity of the Work. The Architect will not have control over, charge of, or responsibility for the construction means, methods, techniques, sequences or procedures, or for the safety precautions and programs in connection with the Work, since these are solely the Contractor's rights and responsibilities under the Contract Documents.

§ 4.2.3 On the basis of the site visits, the Architect will keep the Owner reasonably informed about the progress and quality of the portion of the Work completed, and promptly report to the Owner (1) known deviations from the Contract Documents, (2) known deviations from the most recent construction schedule submitted by the Contractor, and (3) defects and deficiencies observed in the Work. The Architect will not be responsible for the Contractor's failure to perform the Work in accordance with the requirements of the Contract Documents. The Architect will not have control over or charge of, and will not be responsible for acts or omissions of, the Contractor, Subcontractors, or their agents or employees, or any other persons or entities performing portions of the Work.

§ 4.2.4 Communications

The Owner and Contractor shall include the Architect in all communications that relate to or affect the Architect's services or professional responsibilities. The Owner shall promptly notify the Architect of the substance of any direct communications between the Owner and the Contractor otherwise relating to the Project. Communications by and with the Architect's consultants shall be through the Architect. Communications by and with Subcontractors and suppliers shall be through the Contractor. Communications by and with Separate Contractors shall be through the Owner. The Contract Documents may specify other communication protocols.

§ 4.2.5 Based on the Architect's evaluations of the Contractor's Applications for Payment, the Architect will review and certify the amounts due the Contractor and will issue Certificates for Payment in such amounts.

§ 4.2.6 The Architect has authority to reject Work that does not conform to the Contract Documents. Whenever the Architect considers it necessary or advisable, the Architect will have authority to require inspection or testing of the Work in accordance with Sections 13.4.2 and 13.4.3, whether or not the Work is fabricated, installed or completed. However, neither this authority of the Architect nor a decision made in good faith either to exercise or not to exercise such authority shall give rise to a duty or responsibility of the Architect to the Contractor, Subcontractors, suppliers, their agents or employees, or other persons or entities performing portions of the Work.

§ 4.2.7 The Architect will review and approve, or take other appropriate action upon, the Contractor's submittals such as Shop

Drawings, Product Data, and Samples, but only for the limited purpose of checking for conformance with information given and the design concept expressed in the Contract Documents. The Architect's action will be taken in accordance with the submittal schedule approved by the Architect or, in the absence of an approved submittal schedule, with reasonable promptness while allowing sufficient time in the Architect's professional judgment to permit adequate review. Review of such submittals is not conducted for the purpose of determining the accuracy and completeness of other details such as dimensions and quantities, or for substantiating instructions for installation or performance of equipment or systems, all of which remain the responsibility of the Contractor as required by the Contract Documents. The Architect's review of the Contractor's submittals shall not relieve the Contractor of the obligations under Sections 3.3, 3.5, and 3.12. The Architect's review shall not constitute approval of safety precautions or of any construction means, methods, techniques, sequences, or procedures. The Architect's approval of a specific item shall not indicate approval of an assembly of which the item is a component.

§ 4.2.8 The Architect will prepare Change Orders and Construction Change Directives, and may order minor changes in the Work as provided in Section 7.4. The Architect will investigate and make determinations and recommendations regarding concealed and unknown conditions as provided in Section 3.7.4.

§ 4.2.9 The Architect will conduct inspections to determine the date or dates of Substantial Completion and the date of final completion; issue Certificates of Substantial Completion pursuant to Section 9.8; receive and forward to the Owner, for the Owner's review and records, written warranties and related documents required by the Contract and assembled by the Contractor pursuant to Section 9.10; and issue a final Certificate for Payment pursuant to Section 9.10.

§ 4.2.10 If the Owner and Architect agree, the Architect will provide one or more Project representatives to assist in carrying out the Architect's responsibilities at the site. The Owner shall notify the Contractor of any change in the duties, responsibilities and limitations of authority of the Project representatives.

§ 4.2.11 The Architect will interpret and decide matters concerning performance under, and requirements of, the Contract Documents on written request of either the Owner or Contractor. The Architect's response to such requests will be made in writing within any time limits agreed upon or otherwise with reasonable promptness.

§ 4.2.12 Interpretations and decisions of the Architect will be consistent with the intent of, and reasonably inferable from, the Contract Documents and will be in writing or in the form of drawings. When making such interpretations and decisions, the Architect will endeavor to secure faithful performance by both Owner and Contractor, will not show partiality to either, and will not be liable for results of interpretations or decisions rendered in good faith.

§ 4.2.13 The Architect's decisions on matters relating to aesthetic effect will be final if consistent with the intent expressed in the Contract Documents.

§ 4.2.14 The Architect will review and respond to requests for information about the Contract Documents. The Architect's response to such requests will be made in writing within any time limits agreed upon or otherwise with reasonable promptness. If appropriate, the Architect will prepare and issue supplemental Drawings and Specifications in response to the requests for information.

ARTICLE 5 SUBCONTRACTORS

§ 5.1 Definitions

§ 5.1.1 A Subcontractor is a person or entity who has a direct contract with the Contractor to perform a portion of the Work at the site. The term "Subcontractor" is referred to throughout the Contract Documents as if singular in number and means a Subcontractor or an authorized representative of the Subcontractor. The term "Subcontractor" does not include a Separate Contractor or the subcontractors of a Separate Contractor.

§ 5.1.2 A Sub-subcontractor is a person or entity who has a direct or indirect contract with a Subcontractor to perform a portion of the Work at the site. The term "Sub-subcontractor" is referred to throughout the Contract Documents as if singular in number and means a Sub-subcontractor or an authorized representative of the Sub-subcontractor.

§ 5.2 Award of Subcontracts and Other Contracts for Portions of the Work

§ 5.2.1 Unless otherwise stated in the Contract Documents, the Contractor, as soon as practicable after award of the Contract, shall notify the Owner and Architect of the persons or entities proposed for each principal portion of the Work, including those who are to furnish materials or equipment fabricated to a special design. Within 14 days of receipt of the information,

the Architect may notify the Contractor whether the Owner or the Architect (1) has reasonable objection to any such proposed person or entity or (2) requires additional time for review. Failure of the Architect to provide notice within the 14-day period shall constitute notice of no reasonable objection. Award of Subcontracts or other contracts for trade work for the project shall be procured in accordance with Minnesota Statutes Section 471.463, subdivision 5(b).

§ 5.2.2 The Contractor shall not contract with a proposed person or entity to whom the Owner or Architect has made reasonable and timely objection. The Contractor shall not be required to contract with anyone to whom the Contractor has made reasonable objection. Any objection by Owner, Architect, or Contractor must not be contrary to the requirements of Minnesota Statutes Section 471.463, subd. 5(b).

§ 5.2.3 If the Owner or Architect has reasonable objection to a person or entity proposed by the Contractor, the Contractor shall propose another to whom the Owner or Architect has no reasonable objection. If the proposed but rejected Subcontractor was reasonably capable of performing the Work, the Contract Sum and Contract Time shall be increased or decreased by the difference, if any, occasioned by such change, and an appropriate Change Order shall be issued before commencement of the substitute Subcontractor's Work. However, no increase in the Contract Sum or Contract Time shall be allowed for such change unless the Contractor has acted promptly and responsively in submitting names as required.

§ 5.2.4 The Contractor shall not substitute a Subcontractor, person, or entity for one previously selected if the Owner or Architect makes reasonable objection to such substitution.

§ 5.3 Subcontractual Relations

By appropriate written agreement, the Contractor shall require each Subcontractor, to the extent of the Work to be performed by the Subcontractor, to be bound to the Contractor by terms of the Contract Documents, and to assume toward the Contractor all the obligations and responsibilities, including the responsibility for safety of the Subcontractor's Work that the Contractor, by these Contract Documents, assumes toward the Owner and Architect. Each subcontract agreement shall preserve and protect the rights of the Owner and Architect under the Contract Documents with respect to the Work to be performed by the Subcontractor so that subcontracting thereof will not prejudice such rights, and shall allow to the Subcontractor, unless specifically provided otherwise in the subcontract agreement, the benefit of all rights, remedies, and redress against the Contractor that the Contractor, by the Contract Documents, has against the Owner. Where appropriate, the Contractor shall require each Subcontractor to enter into similar agreements with Sub-subcontractors. The Contractor shall make available to each proposed Subcontractor, prior to the execution of the subcontract agreement, copies of the Contract Documents to which the Subcontractor will be bound, and, upon written request of the Subcontractor, identify to the Subcontractor terms and conditions of the proposed subcontract agreement that may be at variance with the Contract Documents. Subcontractors will similarly make copies of applicable portions of such documents available to their respective proposed Sub-subcontractors.

§ 5.4 Contingent Assignment of Subcontracts

- § 5.4.1** Each subcontract agreement for a portion of the Work is assigned by the Contractor to the Owner, provided that
- .1 assignment is effective only after termination of the Contract by the Owner for cause pursuant to Section 14.2 and only for those subcontract agreements that the Owner accepts by notifying the Subcontractor and Contractor; and
 - .2 assignment is subject to the prior rights of the surety, if any, obligated under bond relating to the Contract.

When the Owner accepts the assignment of a subcontract agreement, the Owner assumes the Contractor's rights and obligations under the subcontract.

§ 5.4.2 Upon such assignment, if the Work has been suspended for more than 30 days, the Subcontractor's compensation shall be equitably adjusted for increases in cost resulting from the suspension.

§ 5.4.3 Upon assignment to the Owner under this Section 5.4, the Owner may further assign the subcontract to a successor contractor or other entity. If the Owner assigns the subcontract to a successor contractor or other entity, the Owner shall nevertheless remain legally responsible for all of the successor contractor's obligations under the subcontract.

ARTICLE 6 CONSTRUCTION BY OWNER OR BY SEPARATE CONTRACTORS

§ 6.1 Owner's Right to Perform Construction and to Award Separate Contracts

§ 6.1.1 The term "Separate Contractor(s)" shall mean other contractors retained by the Owner under separate agreements. The Owner reserves the right to perform construction or operations related to the Project with the Owner's own forces, and with

Separate Contractors retained under Conditions of the Contract substantially similar to those of this Contract, including those provisions of the Conditions of the Contract related to insurance and waiver of subrogation.

§ 6.1.2 When separate contracts are awarded for different portions of the Project or other construction or operations on the site, the term “Contractor” in the Contract Documents in each case shall mean the Contractor who executes each separate Owner-Contractor Agreement.

§ 6.1.3 The Owner shall provide for coordination of the activities of the Owner’s own forces and of each Separate Contractor with the Work of the Contractor, who shall cooperate with them. The Contractor shall participate with any Separate Contractors and the Owner in reviewing their construction schedules. The Contractor shall make any revisions to its construction schedule deemed necessary after a joint review and mutual agreement. The construction schedules shall then constitute the schedules to be used by the Contractor, Separate Contractors, and the Owner until subsequently revised.

§ 6.1.4 Unless otherwise provided in the Contract Documents, when the Owner performs construction or operations related to the Project with the Owner’s own forces or with Separate Contractors, the Owner or its Separate Contractors shall have the same obligations and rights that the Contractor has under the Conditions of the Contract, including, without excluding others, those stated in Article 3, this Article 6, and Articles 10, 11, and 12.

§ 6.2 Mutual Responsibility

§ 6.2.1 The Contractor shall afford the Owner and Separate Contractors reasonable opportunity for introduction and storage of their materials and equipment and performance of their activities, and shall connect and coordinate the Contractor’s construction and operations with theirs as required by the Contract Documents.

§ 6.2.2 If part of the Contractor’s Work depends for proper execution or results upon construction or operations by the Owner or a Separate Contractor, the Contractor shall, prior to proceeding with that portion of the Work, promptly notify the Architect of apparent discrepancies or defects in the construction or operations by the Owner or Separate Contractor that would render it unsuitable for proper execution and results of the Contractor’s Work. Failure of the Contractor to notify the Architect of apparent discrepancies or defects prior to proceeding with the Work shall constitute an acknowledgment that the Owner’s or Separate Contractor’s completed or partially completed construction is fit and proper to receive the Contractor’s Work. The Contractor shall not be responsible for discrepancies or defects in the construction or operations by the Owner or Separate Contractor that are not apparent.

§ 6.2.3 The Contractor shall reimburse the Owner for costs the Owner incurs that are payable to a Separate Contractor because of the Contractor’s delays, improperly timed activities or defective construction. The Owner shall be responsible to the Contractor for costs the Contractor incurs because of a Separate Contractor’s delays, improperly timed activities, damage to the Work or defective construction.

§ 6.2.4 The Contractor shall promptly remedy damage that the Contractor wrongfully causes to completed or partially completed construction or to property of the Owner or Separate Contractor as provided in Section 10.2.5.

§ 6.2.5 The Owner and each Separate Contractor shall have the same responsibilities for cutting and patching as are described for the Contractor in Section 3.14.

§ 6.3 Owner’s Right to Clean Up

If a dispute arises among the Contractor, Separate Contractors, and the Owner as to the responsibility under their respective contracts for maintaining the premises and surrounding area free from waste materials and rubbish, the Owner may clean up and the Architect will allocate the cost among those responsible.

ARTICLE 7 CHANGES IN THE WORK

§ 7.1 General

§ 7.1.1 Changes in the Work may be accomplished after execution of the Contract, and without invalidating the Contract, by Change Order, Construction Change Directive or order for a minor change in the Work, subject to the limitations stated in this Article 7 and elsewhere in the Contract Documents.

§ 7.1.2 A Change Order shall be based upon agreement among the Owner, Contractor, and Architect. A Construction Change Directive requires agreement by the Owner and Architect and may or may not be agreed to by the Contractor. An order for a

minor change in the Work may be issued by the Architect alone.

§ 7.1.3 Changes in the Work shall be performed under applicable provisions of the Contract Documents. The Contractor shall proceed promptly with changes in the Work, unless otherwise provided in the Change Order, Construction Change Directive, or order for a minor change in the Work.

§ 7.2 Change Orders and Change Proposals

§ 7.2.1 A Change Order is a written instrument prepared by the Architect and signed by the Owner, Contractor, and Architect stating their agreement upon all of the following:

- .1 The change in the Work;
- .2 The amount of the adjustment, if any, in the Contract Sum; and
- .3 The extent of the adjustment, if any, in the Contract Time.

§ 7.2.2 The Contractor must submit Change Proposals to the Architect covering a contemplated Change Order within ten (10) days after request of the Owner, or the Architect or within twenty-one (21) days of the event giving rise to the Contractor's claim for a change in the Contract Sum or Contract Time. No increase in the Contract Sum or extension of the Contract Time will be allowed for the cost or time involved in making Change Proposals. Change Proposals will define or confirm in detail the Work which is proposed to be added, deleted, or changed and must include any adjustment which the Contractor believes to be necessary in (i) the Contract Sum, or (ii) the Contract Time. Any proposed adjustment must include detailed documentation including, but not limited to: cost, properly itemized, including unit prices and quantities where applicable, and supported by sufficient substantiating data to permit evaluation including cost of labor, materials, supplies and equipment, rental cost of machinery and equipment, additional bond cost, plus a fixed fee for profit and overhead (which includes office overhead and Site-specific overhead and general conditions). The Subcontractor's or Sub-subcontractor's overhead and profit in turn must not exceed a total aggregate of ten percent (10%). Change Proposals will be binding upon the Contractor and may be accepted or rejected by the Owner in its discretion. The Owner may, at its option, instruct the Contractor to proceed with the Work involved in the Change Proposal in accordance with this Section 7.2.2 without accepting the Change Proposal in its entirety.

§ 7.2.3 If the Owner determines that a Change Proposal is appropriate, the Architect will prepare and submit a request for a Change Order or Contract Amendment providing for an appropriate adjustment in the Contract Sum or Contract Time, or both, for further action by the Owner. No such change is effective until the Owner and Architect sign the Change Order.

§ 7.3 Construction Change Directives

§ 7.3.1 A Construction Change Directive is a written order prepared by the Architect and signed by the Owner and Architect, directing a change in the Work prior to agreement on adjustment, if any, in the Contract Sum or Contract Time, or both. The Owner may by Construction Change Directive, without invalidating the Contract, order changes in the Work within the general scope of the Contract consisting of additions, deletions, or other revisions, the Contract Sum and Contract Time being adjusted accordingly.

§ 7.3.2 A Construction Change Directive shall be used in the absence of total agreement on the terms of a Change Order.

§ 7.3.3 If the Construction Change Directive provides for an adjustment to the Contract Sum, the adjustment shall be based on one of the following methods:

- .1 Mutual acceptance of a lump sum properly itemized and supported by sufficient substantiating data to permit evaluation;
- .2 Unit prices stated in the Contract Documents or subsequently agreed upon;
- .3 Cost to be determined in a manner agreed upon by the parties and a mutually acceptable fixed or percentage fee; or
- .4 As provided in Section 7.3.4.

§ 7.3.4 If the Contractor does not respond promptly or disagrees with the method for adjustment in the Contract Sum, the Owner and Architect shall determine the adjustment on the basis of reasonable expenditures and savings of those performing the Work attributable to the change, including, in case of an increase in the Contract Sum, an amount for overhead and profit as set forth in the Agreement, or if no such amount is set forth in the Agreement, a reasonable amount. In such case, and also under Section 7.3.3.3, the Contractor shall keep and present, in such form as the Architect may prescribe, an itemized accounting together with appropriate supporting data. Unless otherwise provided in the Contract Documents, costs for the

purposes of this Section 7.3.4 shall be limited to the following:

- .1 Costs of labor, including applicable payroll taxes, fringe benefits required by agreement or custom, workers' compensation insurance, and other employee costs approved by the Architect;
- .2 Costs of materials, supplies, and equipment, including cost of transportation, whether incorporated or consumed;
- .3 Rental costs of machinery and equipment, exclusive of hand tools, whether rented from the Contractor or others;
- .4 Costs of premiums for all bonds and insurance, permit fees, and sales, use, or similar taxes, directly related to the change; and
- .5 Costs of supervision and field office personnel directly attributable to the change.

§ 7.3.5 If the Contractor disagrees with the adjustment in the Contract Time, the Contractor may make a Claim in accordance with applicable provisions of Article 15.

§ 7.3.6 Upon receipt of a Construction Change Directive, the Contractor shall promptly proceed with the change in the Work involved and advise the Architect of the Contractor's agreement or disagreement with the method, if any, provided in the Construction Change Directive for determining the proposed adjustment in the Contract Sum or Contract Time.

§ 7.3.7 A Construction Change Directive signed by the Contractor indicates the Contractor's agreement therewith, including adjustment in Contract Sum and Contract Time or the method for determining them. Such agreement shall be effective immediately and shall be recorded as a Change Order.

§ 7.3.8 The amount of credit to be allowed by the Contractor to the Owner for a deletion or change that results in a net decrease in the Contract Sum shall be actual net cost as confirmed by the Architect. When both additions and credits covering related Work or substitutions are involved in a change, the allowance for overhead and profit shall be figured on the basis of net increase, if any, with respect to that change.

§ 7.3.9 Pending final determination of the total cost of a Construction Change Directive to the Owner, the Contractor may request payment for Work completed under the Construction Change Directive in Applications for Payment. The Architect will make an interim determination for purposes of monthly certification for payment for those costs and certify for payment the amount that the Architect determines, in the Architect's professional judgment, to be reasonably justified. The Architect's interim determination of cost shall adjust the Contract Sum on the same basis as a Change Order, subject to the right of either party to disagree and assert a Claim in accordance with Article 15.

§ 7.3.10 When the Owner and Contractor agree with a determination made by the Architect concerning the adjustments in the Contract Sum and Contract Time, or otherwise reach agreement upon the adjustments, such agreement shall be effective immediately and the Architect will prepare a Change Order. Change Orders may be issued for all or any part of a Construction Change Directive.

§ 7.4 Minor Changes in the Work

The Architect may order minor changes in the Work that are consistent with the intent of the Contract Documents and do not involve an adjustment in the Contract Sum or an extension of the Contract Time. The Architect's order for minor changes shall be in writing. If the Contractor believes that the proposed minor change in the Work will affect the Contract Sum or Contract Time, the Contractor shall notify the Architect and shall not proceed to implement the change in the Work. If the Contractor performs the Work set forth in the Architect's order for a minor change without prior notice to the Architect that such change will affect the Contract Sum or Contract Time, the Contractor waives any adjustment to the Contract Sum or extension of the Contract Time.

ARTICLE 8 TIME

§ 8.1 Definitions

§ 8.1.1 Unless otherwise provided, Contract Time is the period of time, including authorized adjustments, allotted in the Contract Documents for Substantial Completion of the Work.

§ 8.1.2 The date of commencement of the Work is the date established in the Agreement.

§ 8.1.3 The date of Substantial Completion is the date certified by the Architect in accordance with Section 9.8.

§ 8.1.4 The term “day” as used in the Contract Documents shall mean calendar day unless otherwise specifically defined.

§ 8.2 Progress and Completion

§ 8.2.1 Time limits stated in the Contract Documents are of the essence of the Contract. By executing the Agreement, the Contractor confirms that the Contract Time is a reasonable period for performing the Work.

§ 8.2.2 The Contractor shall not knowingly, except by agreement or instruction of the Owner in writing, commence the Work prior to the effective date of insurance required to be furnished by the Contractor and Owner.

§ 8.2.3 The Contractor shall proceed expeditiously with adequate forces and shall achieve Substantial Completion within the Contract Time.

§ 8.2.4 The Contractor must conform to the most recently submitted schedule. The Contractor must cause the Subcontractor’s to complete the indicated Work or achieve the required percentage of completion, as applicable, within any interim completion dates established in the most recently approved Progress Schedule.

§ 8.2.5 The Contractor must maintain at the Site, available to the Owner and the Architect for their reference during the progress of the Work, a copy of the schedule and any approved revisions thereto. The Contractor must keep current records of and mark on a copy of the approved Schedule the actual commencement date, progress and completion date of each scheduled activity indicated on the Progress Schedule.

§ 8.2.6 If the Contractor’s progress is not maintained in accordance with the approved schedule, or the Owner determines that the Contractor is not diligently proceeding with the Work or has evidence reasonably indicating that the Contractor will not be able to conform to the most recent schedule, the Contractor must, promptly and at no additional cost to the Owner, take all measures necessary to accelerate its progress to overcome the delay and ensure that there will be no further delay in the progress of the Work and notify the Owner.

§ 8.2.7 The Owner reserves the right to issue a written directive to accelerate the Work that may be subject to an appropriate adjustment, if any, in the Contract Sum. If the Owner requires an acceleration of the schedule and no adjustment is made in the Contract Sum, or if the Contractor disagrees with any adjustment made, the Contractor must file a claim as provided in Article 15 or the same will be deemed to be conclusively waived.

§ 8.3 Delays and Extensions of Time

§ 8.3. If the Contractor is delayed at any time in the commencement or progress of the Work by (1) an act or neglect of the Owner or Architect, of an employee of either, or of a Separate Contractor; (2) by changes ordered in the Work; (3) by Pandemic or Epidemic, labor disputes, terrorist acts, acts of God, fire or other unavoidable casualty, unusual delay in deliveries or availability of fuel or materials, adverse weather conditions documented in accordance with Section 15.1.6.2, or other causes beyond the Contractor’s control; (4) by delay authorized by the Owner pending mediation and litigation; or (5) by other causes that the Contractor asserts, and the Architect determines, justify delay, then the Contract Time shall be extended for such reasonable time and the Contract Sum may be increased as the Architect may determine.

§ 8.3.2 Claims relating to time shall be made in accordance with applicable provisions of Article 15.

§ 8.3.3 This Section 8.3 does not preclude recovery of damages for delay by either party under other provisions of the Contract Documents.

ARTICLE 9 PAYMENTS AND COMPLETION

§ 9.1 Contract Sum

§ 9.1.1 The Contract Sum is stated in the Agreement and, including authorized adjustments, is the total amount payable by the Owner to the Contractor for performance of the Work under the Contract Documents.

§ 9.1.2 If unit prices are stated in the Contract Documents or subsequently agreed upon, and if quantities originally contemplated are materially changed so that application of such unit prices to the actual quantities causes substantial inequity to the Owner or Contractor, the applicable unit prices shall be equitably adjusted.

§ 9.2 Schedule of Values

Where the Contract is based on a stipulated sum or Guaranteed Maximum Price, the Contractor shall submit a schedule of values to the Architect before the first Application for Payment, allocating the entire Contract Sum to the various portions of the Work. The schedule of values shall be prepared in the form, and supported by the data to substantiate its accuracy, required by the Architect. This schedule, unless objected to by the Architect, shall be used as a basis for reviewing the Contractor's Applications for Payment. Any changes to the schedule of values shall be submitted to the Architect and supported by such data to substantiate its accuracy as the Architect may require, and unless objected to by the Architect, shall be used as a basis for reviewing the Contractor's subsequent Applications for Payment.

§ 9.3 Applications for Payment

§ 9.3.1 At least ten days before the date established for each progress payment, the Contractor shall submit to the Architect an itemized Application for Payment prepared in accordance with the schedule of values, if required under Section 9.2, for completed portions of the Work. The application shall be notarized, if required, and supported by all data substantiating the Contractor's right to payment that the Owner or Architect require, such as copies of requisitions, and releases and waivers of liens from Subcontractors and suppliers, and shall reflect retainage if provided for in the Contract Documents.

§ 9.3.1.1 As provided in Section 7.3.9, such applications may include requests for payment on account of changes in the Work that have been properly authorized by Construction Change Directives, or by interim determinations of the Architect, but not yet included in Change Orders.

§ 9.3.1.2 Applications for Payment shall not include requests for payment for portions of the Work for which the Contractor does not intend to pay a Subcontractor or supplier, unless such Work has been performed by others whom the Contractor intends to pay. The Contractor's payments to Subcontractors must comply with the applicable provisions of Minnesota Statutes, Section 471.425 ("Prompt Payment Act").

§ 9.3.2 Unless otherwise provided in the Contract Documents, payments shall be made on account of materials and equipment delivered and suitably stored at the site for subsequent incorporation in the Work. If approved in advance by the Owner, payment may similarly be made for materials and equipment suitably stored off the site at a location agreed upon in writing. Payment for materials and equipment stored on or off the site shall be conditioned upon compliance by the Contractor with procedures satisfactory to the Owner to establish the Owner's title to such materials and equipment or otherwise protect the Owner's interest, and shall include the costs of applicable insurance, storage, and transportation to the site, for such materials and equipment stored off the site.

§ 9.3.3 The Contractor warrants that title to all Work covered by an Application for Payment will pass to the Owner no later than the time of payment. The Contractor further warrants that upon submittal of an Application for Payment all Work for which Certificates for Payment have been previously issued and payments received from the Owner shall, to the best of the Contractor's knowledge, information, and belief, be free and clear of liens, claims, security interests, or encumbrances, in favor of the Contractor, Subcontractors, suppliers, or other persons or entities that provided labor, materials, and equipment relating to the Work.

§ 9.3.4 The Contractor must submit to the Architect and Owner itemized Applications for Payment for Work completed on a monthly basis in accordance with a schedule approved by the Owner. Each Application for Payment must be consistent with the approved Schedule of Values. In order to expedite the review and approval of Applications for Payment, the Contractor may submit to and review with the Owner a draft Application for Payment at a progress meeting prior to submitting a formal Application for Payment.

§ 9.3.5 The form of Application for Payment must be AIA Document G702, Application and Certificate for Payment, supported by AIA Document G703, Continuation Sheet (latest edition), or such other form as may be prescribed by the Owner. The Application must be notarized and supported by sufficient data to demonstrate the Contractor's right to payment and compliance with the payment provisions of the Contract to the satisfaction of the Owner and Architect, such as copies of requisitions from Subcontractors and material suppliers, partial lien waivers, releases and other documents. Each Application for Payment must reflect approved Contract Modifications and the Contract retainage provided for in the Contract Documents.

§ 9.3.6 Applications for Payment may include materials and equipment delivered and suitably stored at the Site for subsequent incorporation in the Work. The Owner has no obligation or responsibility to pay for materials stored off the Site. If specifically approved in writing in advance by the Owner, an Application for Payment may include materials and equipment stored off the Site at a location agreed upon in writing. Payment for materials and equipment stored on or off the Site is conditioned upon

compliance by the Contractor with procedures satisfactory to the Owner to protect the Owner's interests. Payment for materials and equipment stored off the Site will, in addition, be conditioned upon the Contractor's provision of applicable insurance, storage and transportation to the Site.

§ 9.3.7 The Contractor shall also furnish with each Application for Payment Certified Payroll Statements, setting forth the wages and benefits paid each employee during the time period covered by the Application for Payment, specifying for each employee: name; identifying number; prevailing wage master job classification; hours worked each day; total hours; rate of pay; gross amount earned; each deduction for taxes; total deductions; net pay for week; dollars contributed per hour for each benefit, including name and address of administrator; benefit account number; and telephone number for health and welfare, vacation or holiday, apprenticeship training, pension, and other benefit programs.

§ 9.4 Certificates for Payment

§ 9.4.1 The Architect will, within seven days after receipt of the Contractor's Application for Payment, either (1) issue to the Owner a Certificate for Payment in the full amount of the Application for Payment, with a copy to the Contractor; or (2) issue to the Owner a Certificate for Payment for such amount as the Architect determines is properly due, and notify the Contractor and Owner of the Architect's reasons for withholding certification in part as provided in Section 9.5.1; or (3) withhold certification of the entire Application for Payment, and notify the Contractor and Owner of the Architect's reason for withholding certification in whole as provided in Section 9.5.1.

§ 9.4.2 The issuance of a Certificate for Payment will constitute a representation by the Architect to the Owner, based on the Architect's evaluation of the Work and the data in the Application for Payment, that, to the best of the Architect's knowledge, information, and belief, the Work has progressed to the point indicated, the quality of the Work is in accordance with the Contract Documents, and that the Contractor is entitled to payment in the amount certified. The foregoing representations are subject to an evaluation of the Work for conformance with the Contract Documents upon Substantial Completion, to results of subsequent tests and inspections, to correction of minor deviations from the Contract Documents prior to completion, and to specific qualifications expressed by the Architect. However, the issuance of a Certificate for Payment will not be a representation that the Architect has (1) made exhaustive or continuous on-site inspections to check the quality or quantity of the Work; (2) reviewed construction means, methods, techniques, sequences, or procedures; (3) reviewed copies of requisitions received from Subcontractors and suppliers and other data requested by the Owner to substantiate the Contractor's right to payment; or (4) made examination to ascertain how or for what purpose the Contractor has used money previously paid on account of the Contract Sum.

§ 9.5 Decisions to Withhold Certification

§ 9.5.1 The Architect may withhold a Certificate for Payment in whole or in part, to the extent reasonably necessary to protect the Owner, if in the Architect's opinion the representations to the Owner required by Section 9.4.2 cannot be made. If the Architect is unable to certify payment in the amount of the Application, the Architect will notify the Contractor and Owner as provided in Section 9.4.1. If the Contractor and Architect cannot agree on a revised amount, the Architect will promptly issue a Certificate for Payment for the amount for which the Architect is able to make such representations to the Owner. The Architect may also withhold a Certificate for Payment or, because of subsequently discovered evidence, may nullify the whole or a part of a Certificate for Payment previously issued, to such extent as may be necessary in the Architect's opinion to protect the Owner from loss for which the Contractor is responsible, including loss resulting from acts and omissions described in Section 3.3.2, because of

- .1 defective Work not remedied;
- .2 third party claims filed or reasonable evidence indicating probable filing of such claims, unless security acceptable to the Owner is provided by the Contractor;
- .3 failure of the Contractor to make payments properly to Subcontractors or suppliers for labor, materials or equipment for which Owner has paid Contractor;
- .4 failure to submit Certified Payroll Statements as required by the Contract Documents;
- .5 damage to the Owner or a Separate Contractor caused by Contractor;
- .6 reasonable evidence that the Work will not be completed within the Contract Time, and that the unpaid balance would not be adequate to cover actual or liquidated damages for the anticipated delay; or
- .7 repeated failure to carry out the Work in accordance with the Contract Documents.

§ 9.5.2 When the Contractor disputes the Architect's decision regarding a Certificate for Payment under Section 9.5.1, in whole or in part, the Contractor may submit a Claim in accordance with Article 15.

§ 9.5.3 When the reasons for withholding certification are removed, certification will be made for amounts previously withheld.

§ 9.5.4 If the Architect withholds certification for payment under Section 9.5.1.3, the Owner may, at its sole option, issue joint checks to the Contractor and to any Subcontractor or supplier to whom the Contractor failed to make payment for Work properly performed or material or equipment suitably delivered. If the Owner makes payments by joint check, the Owner shall notify the Architect and the Contractor shall reflect such payment on its next Application for Payment.

§ 9.6 Progress Payments

§ 9.6.1 After the Architect has issued a Certificate for Payment, the Owner shall make payment in the manner and within the time provided in the Contract Documents, and shall so notify the Architect.

§ 9.6.2 The Contractor shall pay each Subcontractor, in accordance with the Prompt Payment Act, after receipt of payment from the Owner, the amount to which the Subcontractor is entitled, reflecting percentages actually retained from payments to the Contractor on account of the Subcontractor's portion of the Work. The Contractor shall, by appropriate agreement with each Subcontractor, require each Subcontractor to make payments to Sub-subcontractors in a similar manner.

§ 9.6.3 The Architect will, on request, furnish to a Subcontractor, if practicable, information regarding percentages of completion or amounts applied for by the Contractor and action taken thereon by the Architect and Owner on account of portions of the Work done by such Subcontractor.

§ 9.6.4 The Owner has the right to request written evidence from the Contractor that the Contractor has properly paid Subcontractors and suppliers amounts paid by the Owner to the Contractor for subcontracted Work. If the Contractor fails to furnish such evidence within seven days, the Owner shall have the right to contact Subcontractors and suppliers to ascertain whether they have been properly paid. Neither the Owner nor Architect shall have an obligation to pay, or to see to the payment of money to, a Subcontractor or supplier, except as may otherwise be required by law.

§ 9.6.5 The Contractor's payments to suppliers shall be treated in a manner similar to that provided in Sections 9.6.2, 9.6.3 and 9.6.4.

§ 9.6.6 A Certificate for Payment, a progress payment, or partial or entire use or occupancy of the Project by the Owner shall not constitute acceptance of Work not in accordance with the Contract Documents.

§ 9.6.7 Unless the Contractor provides the Owner with a payment bond in the full penal sum of the Contract Sum, payments received by the Contractor for Work properly performed by Subcontractors or provided by suppliers shall be held by the Contractor for those Subcontractors or suppliers who performed Work or furnished materials, or both, under contract with the Contractor for which payment was made by the Owner. Nothing contained herein shall require money to be placed in a separate account and not commingled with money of the Contractor, create any fiduciary liability or tort liability on the part of the Contractor for breach of trust, or entitle any person or entity to an award of punitive damages against the Contractor for breach of the requirements of this provision.

§ 9.6.8 The Contractor shall provide payment and performance bonds as required by the Contract Documents and applicable law. Provided the Owner has fulfilled its payment obligations under the Contract Documents, the Contractor shall defend and indemnify the Owner from all loss, liability, damage or expense, including reasonable attorney's fees and litigation expenses, arising out of any lien claim or other claim for payment by any Subcontractor or supplier of any tier. Upon receipt of notice of a lien claim or other claim for payment, the Owner shall notify the Contractor. If approved by the applicable court, when required, the Contractor may substitute a surety bond for the property against which the lien or other claim for payment has been asserted.

§ 9.7 Failure of Payment

If the Architect does not issue a Certificate for Payment, through no fault of the Contractor, within seven days after receipt of the Contractor's Application for Payment, or if the Owner does not pay the Contractor as awarded by binding dispute resolution, then the Contractor may, upon seven additional days' notice to the Owner and Architect, stop the Work until payment of the amount owing has been received. The Contract Time shall be extended appropriately and the Contract Sum shall be increased by the amount of the Contractor's reasonable costs of shutdown, delay and start-up, plus interest as provided for in the Contract Documents.

§ 9.8 Substantial Completion

§ 9.8.1 Substantial Completion is the stage in the progress of the Work when the Work or designated portion thereof is sufficiently complete in accordance with the Contract Documents so that the Owner can occupy or utilize the Work for its intended use.

§ 9.8.2 When the Contractor considers that the Work, or a portion thereof which the Owner agrees to accept separately, is substantially complete, the Contractor shall prepare and submit to the Architect a comprehensive list of items to be completed or corrected prior to final payment. Failure to include an item on such list does not alter the responsibility of the Contractor to complete all Work in accordance with the Contract Documents.

§ 9.8.3 Upon receipt of the Contractor's list, the Architect will make an inspection to determine whether the Work or designated portion thereof is substantially complete. If the Architect's inspection discloses any item, whether or not included on the Contractor's list, which is not sufficiently complete in accordance with the Contract Documents so that the Owner can occupy or utilize the Work or designated portion thereof for its intended use, the Contractor shall, before issuance of the Certificate of Substantial Completion, complete or correct such item upon notification by the Architect. In such case, the Contractor shall then submit a request for another inspection by the Architect to determine Substantial Completion.

§ 9.8.4 When the Work or designated portion thereof is substantially complete, the Architect will prepare a Certificate of Substantial Completion that shall establish the date of Substantial Completion; establish responsibilities of the Owner and Contractor for security, maintenance, heat, utilities, damage to the Work and insurance; and fix the time within which the Contractor shall finish all items on the list accompanying the Certificate. Warranties required by the Contract Documents shall commence on the date of Substantial Completion of the Work or designated portion thereof unless otherwise provided in the Certificate of Substantial Completion.

§ 9.8.5 The Certificate of Substantial Completion shall be submitted to the Owner and Contractor for their written acceptance of responsibilities assigned to them in the Certificate. Upon such acceptance, and consent of surety if any, the Owner shall make payment of retainage applying to the Work or designated portion thereof. Such payment shall be adjusted for Work that is incomplete or not in accordance with the requirements of the Contract Documents.

§ 9.9 Partial Occupancy or Use

§ 9.9.1 The Owner may occupy or use any completed or partially completed portion of the Work at any stage when such portion is designated by separate agreement with the Contractor, provided such occupancy or use is consented to by the insurer and authorized by public authorities having jurisdiction over the Project. Such partial occupancy or use may commence whether or not the portion is substantially complete, provided the Owner and Contractor have accepted in writing the responsibilities assigned to each of them for payments, retainage, if any, security, maintenance, heat, utilities, damage to the Work and insurance, and have agreed in writing concerning the period for correction of the Work and commencement of warranties required by the Contract Documents. When the Contractor considers a portion substantially complete, the Contractor shall prepare and submit a list to the Architect as provided under Section 9.8.2. Consent of the Contractor to partial occupancy or use shall not be unreasonably withheld. The stage of the progress of the Work shall be determined by written agreement between the Owner and Contractor or, if no agreement is reached, by decision of the Architect.

§ 9.9.2 Immediately prior to such partial occupancy or use, the Owner, Contractor, and Architect shall jointly inspect the area to be occupied or portion of the Work to be used in order to determine and record the condition of the Work.

§ 9.9.3 Unless otherwise agreed upon, partial occupancy or use of a portion or portions of the Work shall not constitute acceptance of Work not complying with the requirements of the Contract Documents.

§ 9.10 Final Completion and Final Payment

§ 9.10.1 Upon receipt of the Contractor's notice that the Work is ready for final inspection and acceptance and upon receipt of a final Application for Payment, the Architect will promptly make such inspection. When the Architect finds the Work acceptable under the Contract Documents and the Contract fully performed, the Architect will promptly issue a final Certificate for Payment stating that to the best of the Architect's knowledge, information and belief, and on the basis of the Architect's on-site visits and inspections, the Work has been completed in accordance with the Contract Documents and that the entire balance found to be due the Contractor and noted in the final Certificate is due and payable. The Architect's final Certificate for Payment will constitute a further representation that conditions listed in Section 9.10.2 as precedent to the

Contractor's being entitled to final payment have been fulfilled.

§ 9.10.2 Neither final payment nor any remaining retained percentage shall become due until the Contractor submits to the Architect (1) an affidavit that payrolls, bills for materials and equipment, and other indebtedness connected with the Work for which the Owner or the Owner's property might be responsible or encumbered (less amounts withheld by Owner) have been paid or otherwise satisfied, including but not limited to completed IC-134 forms, (2) a certificate evidencing that insurance required by the Contract Documents to remain in force after final payment is currently in effect, (3) a written statement that the Contractor knows of no reason that the insurance will not be renewable to cover the period required by the Contract Documents, (4) consent of surety, if any, to final payment, (5) documentation of any special warranties, such as manufacturers' warranties or specific Subcontractor warranties, (6) a complete set of redlined as-built drawings, indicating changes to the Construction Documents during construction, and (7) if required by the Owner, other data establishing payment or satisfaction of obligations, such as receipts and releases and waivers of liens, claims, security interests, or encumbrances arising out of the Contract, to the extent and in such form as may be designated by the Owner. If a Subcontractor refuses to furnish a release or waiver required by the Owner, the Contractor may furnish a bond satisfactory to the Owner to indemnify the Owner against such lien, claim, security interest, or encumbrance. If a lien, claim, security interest, or encumbrance remains unsatisfied after payments are made, the Contractor shall refund to the Owner all money that the Owner may be compelled to pay in discharging the lien, claim, security interest, or encumbrance, including all costs and reasonable attorneys' fees.

§ 9.10.3 If, after Substantial Completion of the Work, final completion thereof is materially delayed through no fault of the Contractor or by issuance of Change Orders affecting final completion, and the Architect so confirms, the Owner shall, upon application by the Contractor and certification by the Architect, and without terminating the Contract, make payment of the balance due for that portion of the Work fully completed, corrected, and accepted. If the remaining balance for Work not fully completed or corrected is less than retainage stipulated in the Contract Documents, and if bonds have been furnished, the written consent of the surety to payment of the balance due for that portion of the Work fully completed and accepted shall be submitted by the Contractor to the Architect prior to certification of such payment. Such payment shall be made under terms and conditions governing final payment, except that it shall not constitute a waiver of Claims.

§ 9.10.4 The making of final payment shall constitute a waiver of Claims by the Owner except those arising from

- .1 liens, Claims, security interests, or encumbrances arising out of the Contract and unsettled;
- .2 failure of the Work to comply with the requirements of the Contract Documents;
- .3 terms of special warranties required by the Contract Documents; or
- .4 audits performed by the Owner, if permitted by the Contract Documents, after final payment.

§ 9.10.5 Acceptance of final payment by the Contractor, a Subcontractor, or a supplier, shall constitute a waiver of claims by that payee except those previously made in writing and identified by that payee as unsettled at the time of final Application for Payment.

§ 9.10.6 When the Contractor has completed or corrected all items on the final Punch List and considers that the Work is complete and ready for final acceptance, the Contractor must give written notice to the Owner and the Architect and request a final inspection of the Work as provided in Section 9.10.2. The Contractor's notice and request for a final inspection must be accompanied by a final Application for Payment and the Submittals required by Section 9.10.3.

§ 9.10.7 Upon receipt of the Contractor's notice and request for final inspection, the Owner and Architect will promptly make such inspection and, when the Owner and Architect concur that the Work has been fully completed and is acceptable under the Contract Documents, Architect will issue a Certificate of Final Completion to the Owner. The Contractor's notice and request for final inspection constitutes a representation by the Contractor to the Owner that the Work has been completed in full accordance with terms and conditions of the Contract Documents. The Architect will promptly notify the Contractor if the Owner or Architect does not concur that the Work is finally complete. In such case, the Contractor must bear the cost of any necessary additional professional services of the Owner or Architect until the Work is determined to be finally complete.

ARTICLE 10 PROTECTION OF PERSONS AND PROPERTY

§ 10.1 Safety Precautions and Programs

The Contractor shall be responsible for initiating, maintaining, and supervising all safety precautions and programs in connection with the performance of the Contract.

§ 10.2 Safety of Persons and Property

§ 10.2.1 The Contractor shall take reasonable precautions for safety of, and shall provide reasonable protection to prevent damage, injury, or loss to

- .1 employees on the Work and other persons who may be affected thereby;
- .2 the Work and materials and equipment to be incorporated therein, whether in storage on or off the site, under care, custody, or control of the Contractor, a Subcontractor, or a Sub-subcontractor; and
- .3 other property at the site or adjacent thereto, such as trees, shrubs, lawns, walks, pavements, roadways, structures, and utilities not designated for removal, relocation, or replacement in the course of construction.

§ 10.2.2 The Contractor shall comply with, and give notices required by applicable laws, statutes, ordinances, codes, rules and regulations, and lawful orders of public authorities, bearing on safety of persons or property or their protection from damage, injury, or loss.

§ 10.2.3 The Contractor shall implement, erect, and maintain, as required by existing conditions and performance of the Contract, reasonable safeguards for safety and protection, including posting danger signs and other warnings against hazards; promulgating safety regulations; and notifying the owners and users of adjacent sites and utilities of the safeguards.

§ 10.2.4 When use or storage of explosives or other hazardous materials or equipment, or unusual methods are necessary for execution of the Work, the Contractor shall exercise utmost care and carry on such activities under supervision of properly qualified personnel.

§ 10.2.5 The Contractor shall promptly remedy damage and loss (other than damage or loss insured under property insurance required by the Contract Documents) to property referred to in Sections 10.2.1.2 and 10.2.1.3 caused in whole or in part by the Contractor, a Subcontractor, a Sub-subcontractor, or anyone directly or indirectly employed by any of them, or by anyone for whose acts they may be liable and for which the Contractor is responsible under Sections 10.2.1.2 and 10.2.1.3. The Contractor may make a Claim for the cost to remedy the damage or loss to the extent such damage or loss is attributable to acts or omissions of the Owner or Architect or anyone directly or indirectly employed by either of them, or by anyone for whose acts either of them may be liable, and not attributable to the fault or negligence of the Contractor. The foregoing obligations of the Contractor are in addition to the Contractor's obligations under Section 3.18.

§ 10.2.6 The Contractor shall designate a responsible member of the Contractor's organization at the site whose duty shall be the prevention of accidents. This person shall be the Contractor's superintendent unless otherwise designated by the Contractor in writing to the Owner and Architect.

§ 10.2.7 The Contractor shall not permit any part of the construction or site to be loaded so as to cause damage or create an unsafe condition.

§ 10.2.8 Injury or Damage to Person or Property

If the Contractor or a Subcontractor suffers injury or damage to person or property because of an act or omission of the Owner, or of others for whose acts the Owner is legally responsible, notice of the injury or damage, whether or not insured, shall be given to the Owner within a reasonable time not exceeding 21 days after discovery. The notice shall provide sufficient detail to enable the Owner to investigate the matter. Nothing in this paragraph 10.2.8 is intended to apply to or in any way limit the Owner's right to provide notice of injury or damage to persons or property because of an act or omission of Contractor or Subcontractor. Owner's notice shall be promptly given within a reasonable time after discovery.

§ 10.3 Hazardous Materials and Substances

§ 10.3.1 The Contractor is responsible for compliance with any requirements included in the Contract Documents regarding hazardous materials or substances. If the Contractor encounters a hazardous material or substance not addressed in the Contract Documents and if reasonable precautions will be inadequate to prevent foreseeable bodily injury or death to persons resulting from a material or substance, including but not limited to asbestos or polychlorinated biphenyl (PCB), encountered on the site by the Contractor, the Contractor shall, upon recognizing the condition, immediately stop Work in the affected area and notify the Owner and Architect of the condition.

§ 10.3.2 Upon receipt of the Contractor's notice, the Owner shall obtain the services of a licensed laboratory to verify the presence or absence of the material or substance reported by the Contractor and, in the event such material or substance is found to be present, to cause it to be rendered harmless. Unless otherwise required by the Contract Documents, the Owner

shall furnish in writing to the Contractor and Architect the names and qualifications of persons or entities who are to perform tests verifying the presence or absence of the material or substance or who are to perform the task of removal or safe containment of the material or substance. The Contractor and the Architect will promptly reply to the Owner in writing stating whether or not either has reasonable objection to the persons or entities proposed by the Owner. If either the Contractor or Architect has an objection to a person or entity proposed by the Owner, the Owner shall propose another to whom the Contractor and the Architect have no reasonable objection. When the material or substance has been rendered harmless, Work in the affected area shall resume upon written agreement of the Owner and Contractor. By Change Order, the Contract Time shall be extended appropriately and the Contract Sum shall be increased by the amount of the Contractor's reasonable additional costs of shutdown, delay, and start-up.

§ 10.3.3 To the fullest extent permitted by law, the Owner shall indemnify and hold harmless the Contractor, Subcontractors, Architect, Architect's consultants, and agents and employees of any of them from and against claims, damages, losses, and expenses, including but not limited to attorneys' fees, arising out of or resulting from performance of the Work on Owner's property if in fact the material or substance presents the risk of bodily injury or death as described in Section 10.3.1 and has not been rendered harmless, provided that such claim, damage, loss, or expense is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property (other than the Work itself), except to the extent that such damage, loss, or expense is due to the fault or negligence of the party seeking indemnity.

§ 10.3.4 The Owner shall not be responsible under this Section 10.3 for hazardous materials or substances the Contractor brings to the site unless such materials or substances are required by the Contract Documents. The Owner shall be responsible for hazardous materials or substances required by the Contract Documents, except to the extent of the Contractor's fault or negligence in the use and handling of such materials or substances.

§ 10.3.5 The Contractor shall reimburse the Owner for the cost and expense the Owner incurs (1) for remediation of hazardous materials or substances the Contractor brings to the site and negligently handles, or (2) where the Contractor fails to perform its obligations under Section 10.3.1, except to the extent that the cost and expense are due to the Owner's fault or negligence.

§ 10.3.6 If, without negligence on the part of the Contractor, the Contractor is held liable by a government agency for the cost of remediation of a hazardous material or substance solely by reason of performing Work as required by the Contract Documents, the Owner shall reimburse the Contractor for all cost and expense thereby incurred.

§ 10.4 Emergencies

In an emergency affecting safety of persons or property, the Contractor shall act, at the Contractor's discretion, to prevent threatened damage, injury, or loss. Additional compensation or extension of time claimed by the Contractor on account of an emergency shall be determined as provided in Article 15 and Article 7.

ARTICLE 11 INSURANCE AND BONDS

§ 11.1 Contractor's Insurance and Bonds

§ 11.1.1 The Contractor shall purchase and maintain insurance of the types and limits of liability, containing the endorsements, and subject to the terms and conditions, as described in the Agreement or elsewhere in the Contract Documents. The Contractor shall purchase and maintain the required insurance from an insurance company or insurance companies lawfully authorized to issue insurance in the jurisdiction where the Project is located. The Owner, Architect, and Architect's consultants shall be named as additional insureds under the Contractor's commercial general liability policy or as otherwise described in the Contract Documents.

§ 11.1.2 The insurance required by Section 11.1.1 shall be written for not less than limits of liability specified in the Contract Documents or required by law, whichever coverage is greater. Coverages, whether written on an occurrence or claims-made basis, shall name the Owner and Architect as additional insureds, and shall be maintained without interruption from the date of commencement of the Work until the date of final payment through the completed operations period. Completed operations shall be the period within which any claims may be brought for damages arising out of the Project Work.

§ 11.1.3 The Contractor shall provide surety bonds of the types, for such penal sums, and subject to such terms and conditions as required by the Contract Documents. The Contractor shall purchase and maintain the required bonds from a company or companies lawfully authorized to issue surety bonds in the jurisdiction where the Project is located.

§ 11.1.4 Upon the request of any person or entity appearing to be a potential beneficiary of bonds covering payment of

obligations arising under the Contract, the Contractor shall promptly furnish a copy of the bonds or shall authorize a copy to be furnished.

§ 11.1.5 Notice of Cancellation or Expiration of Contractor's Required Insurance. Within three (3) business days of the date the Contractor becomes aware of an impending or actual cancellation or expiration of any insurance required by the Contract Documents, the Contractor shall provide notice to the Owner of such impending or actual cancellation or expiration. Upon receipt of notice from the Contractor, the Owner shall, unless the lapse in coverage arises from an act or omission of the Owner, have the right to stop the Work until the lapse in coverage has been cured by the procurement of replacement coverage by the Contractor. The furnishing of notice by the Contractor shall not relieve the Contractor of any contractual obligation to provide any required coverage.

§ 11.2 Owner's Insurance

§ 11.2.1 The Owner shall purchase and maintain insurance of the types and limits of liability, containing the endorsements, and subject to the terms and conditions, as described in the Agreement or elsewhere in the Contract Documents. The Owner shall purchase and maintain the required insurance from an insurance company or insurance companies lawfully authorized to issue insurance in the jurisdiction where the Project is located.

§ 11.2.2 Failure to Purchase Required Property Insurance. If the Owner fails to purchase and maintain the required property insurance, with all of the coverages and in the amounts described in the Agreement or elsewhere in the Contract Documents, the Owner shall inform the Contractor in writing prior to commencement of the Work. Upon receipt of notice from the Owner, the Contractor may delay commencement of the Work and may obtain insurance that will protect the interests of the Contractor, Subcontractors, and Sub-Subcontractors in the Work. When the failure to provide coverage has been cured or resolved, the Contract Sum and Contract Time shall be equitably adjusted. In the event the Owner fails to procure coverage, the Owner waives all rights against the Contractor, Subcontractors, and Sub-subcontractors to the extent the loss to the Owner would have been covered by the insurance to have been procured by the Owner. The cost of the insurance shall be charged to the Owner by a Change Order. If the Owner does not provide written notice, and the Contractor is damaged by the failure or neglect of the Owner to purchase or maintain the required insurance, the Owner shall reimburse the Contractor for all reasonable costs and damages attributable thereto.

§ 11.2.3 Notice of Cancellation or Expiration of Owner's Required Property Insurance. Within three (3) business days of the date the Owner becomes aware of an impending or actual cancellation or expiration of any property insurance required by the Contract Documents, the Owner shall provide notice to the Contractor of such impending or actual cancellation or expiration. Unless the lapse in coverage arises from an act or omission of the Contractor: (1) the Contractor, upon receipt of notice from the Owner, shall have the right to stop the Work until the lapse in coverage has been cured by the procurement of replacement coverage by either the Owner or the Contractor; (2) the Contract Time and Contract Sum shall be equitably adjusted; and (3) the Owner waives all rights against the Contractor, Subcontractors, and Sub-subcontractors to the extent any loss to the Owner would have been covered by the insurance had it not expired or been cancelled. If the Contractor purchases replacement coverage, the cost of the insurance shall be charged to the Owner by an appropriate Change Order. The furnishing of notice by the Owner shall not relieve the Owner of any contractual obligation to provide required insurance.

§ 11.3 Waivers of Subrogation

§ 11.3.1 The Owner and Contractor waive all rights against (1) each other and any of their subcontractors, sub-subcontractors, agents, and employees, each of the other; (2) the Architect and Architect's consultants; and (3) Separate Contractors, if any, and any of their subcontractors, sub-subcontractors, agents, and employees, for damages caused by fire, or other causes of loss, to the extent those losses are covered by property insurance required by the Agreement or other property insurance applicable to the Project, except such rights as they have to proceeds of such insurance. The Owner or Contractor, as appropriate, shall require similar written waivers in favor of the individuals and entities identified above from the Architect, Architect's consultants, Separate Contractors, subcontractors, and sub-subcontractors. The policies of insurance purchased and maintained by each person or entity agreeing to waive claims pursuant to this section 11.3.1 shall not prohibit this waiver of subrogation. This waiver of subrogation shall be effective as to a person or entity (1) even though that person or entity would otherwise have a duty of indemnification, contractual or otherwise, (2) even though that person or entity did not pay the insurance premium directly or indirectly, or (3) whether or not the person or entity had an insurable interest in the damaged property.

§ 11.3.3 If during the Project construction period the Owner insures properties, real or personal or both, at or adjacent to the site by property insurance under policies separate from those insuring the Project, or if after final payment property insurance

is to be provided on the completed Project through a policy or policies other than those insuring the Project during the construction period, to the extent permissible by such policies, the Owner waives all rights in accordance with the terms of Section 11.3.1 for damages caused by fire or other causes of loss covered by this separate property insurance.

§11.4 Adjustment and Settlement of Insured Loss

§ 11.4.1 A loss insured under the property insurance required by the Agreement shall be adjusted by the Owner as fiduciary and made payable to the Owner as fiduciary for the insureds, as their interests may appear, subject to requirements of any applicable mortgagee clause and of Section 11.5.2. The Owner shall pay the Architect and Contractor their just shares of insurance proceeds received by the Owner, and by appropriate agreements the Architect and Contractor shall make payments to their consultants and Subcontractors in similar manner.

§ 11.4.2 Prior to settlement of an insured loss, the Owner shall notify the Contractor of the terms of the proposed settlement as well as the proposed allocation of the insurance proceeds. The Contractor shall have 14 days from receipt of notice to object to the proposed settlement or allocation of the proceeds. If the Contractor does not object, the Owner shall settle the loss and the Contractor shall be bound by the settlement and allocation. Upon receipt, the Owner shall deposit the insurance proceeds in a separate account and make the appropriate distributions. Thereafter, if no other agreement is made or the Owner does not terminate the Contract for convenience, the Owner and Contractor shall execute a Change Order for reconstruction of the damaged or destroyed Work in the amount allocated for that purpose. If the Contractor timely objects to either the terms of the proposed settlement or the allocation of the proceeds, the Owner may proceed to settle the insured loss, and any dispute between the Owner and Contractor arising out of the settlement or allocation of the proceeds shall be resolved pursuant to Article 15. Pending resolution of any dispute, the Owner may issue a Construction Change Directive for the reconstruction of the damaged or destroyed Work.

ARTICLE 12 UNCOVERING AND CORRECTION OF WORK

§ 12.1 Uncovering of Work

§ 12.1.1 If a portion of the Work is covered contrary to the Architect's request or to requirements specifically expressed in the Contract Documents, it must, if requested in writing by the Architect, be uncovered for the Architect's examination and be replaced at the Contractor's expense without change in the Contract Time.

§ 12.1.2 If a portion of the Work has been covered that the Architect has not specifically requested to examine prior to its being covered, the Architect may request to see such Work and it shall be uncovered by the Contractor. If such Work is in accordance with the Contract Documents, the Contractor shall be entitled to an equitable adjustment to the Contract Sum and Contract Time as may be appropriate. If such Work is not in accordance with the Contract Documents, the costs of uncovering the Work, and the cost of correction, shall be at the Contractor's expense.

§ 12.2 Correction of Work

§ 12.2.1 Before Substantial Completion

The Contractor shall promptly correct Work rejected by the Architect or failing to conform to the requirements of the Contract Documents, discovered before Substantial Completion and whether or not fabricated, installed or completed. Costs of correcting such rejected Work, including additional testing and inspections, the cost of uncovering and replacement, and compensation for the Architect's services and expenses made necessary thereby, shall be at the Contractor's expense.

§ 12.2.2 After Substantial Completion

§ 12.2.2.1 In addition to the Contractor's obligations under Section 3.5, if, within one year after the date of Substantial Completion of the Work or designated portion thereof or after the date for commencement of warranties established under Section 9.9.1, or by terms of any applicable special warranty required by the Contract Documents, any of the Work is found to be not in accordance with the requirements of the Contract Documents, the Contractor shall correct it promptly after receipt of notice from the Owner to do so, unless the Owner has previously given the Contractor a written acceptance of such condition. The Owner shall give such notice promptly after discovery of the condition. During the one-year period for correction of Work, or by the terms of any applicable warranty, whichever is longer, if the Owner fails to notify the Contractor and give the Contractor an opportunity to make the correction, the Owner waives the rights to require correction by the Contractor and to make a claim for breach of warranty. If the Contractor fails to correct nonconforming Work within a reasonable time during that period after receipt of notice from the Owner or Architect, the Owner may correct it in accordance with Section 2.5.

§ 12.2.2.2 The one-year period for correction of Work shall be extended with respect to portions of Work first performed after Substantial Completion by the period of time between Substantial Completion and the actual completion of that portion of the

Work.

§ 12.2.2.3 With respect to any corrective work performed during the Correction Period, the Correction Period for that corrective work shall be extended for one (1) year from the date the Corrective Work was completed.

§ 12.2.3 The Contractor shall remove from the site portions of the Work that are not in accordance with the requirements of the Contract Documents and are neither corrected by the Contractor nor accepted by the Owner.

§ 12.2.4 The Contractor shall bear the cost of correcting destroyed or damaged construction of the Owner or Separate Contractors, whether completed or partially completed, caused by the Contractor's correction or removal of Work that is not in accordance with the requirements of the Contract Documents.

§ 12.2.5 Nothing contained in this Section 12.2 shall be construed to establish a period of limitation with respect to other obligations the Contractor has under the Contract Documents. Establishment of the one-year period for correction of Work as described in Section 12.2.2 relates only to the specific obligation of the Contractor to correct the Work, and has no relationship to the time within which the obligation to comply with the Contract Documents may be sought to be enforced, nor to the time within which proceedings may be commenced to establish the Contractor's liability with respect to the Contractor's obligations other than specifically to correct the Work.

§ 12.3 Acceptance of Nonconforming Work

If the Owner prefers to accept Work that is not in accordance with the requirements of the Contract Documents, the Owner may do so instead of requiring its removal and correction, in which case the Contract Sum will be reduced as appropriate and equitable. Such adjustment shall be effected whether or not final payment has been made.

ARTICLE 13 MISCELLANEOUS PROVISIONS

§ 13.1 Governing Law

The Contract shall be governed by the law of the place where the Project is located, excluding that jurisdiction's choice of law rules.

§ 13.2 Successors and Assigns

§ 13.2.1 The Owner and Contractor respectively bind themselves, their partners, successors, assigns, and legal representatives to covenants, agreements, and obligations contained in the Contract Documents. Except as provided in Section 13.2.2, neither party to the Contract shall assign the Contract as a whole without written consent of the other. If either party attempts to make an assignment without such consent, that party shall nevertheless remain legally responsible for all obligations under the Contract.

§ 13.2.2 The Owner may, without consent of the Contractor, assign the Contract to a lender providing construction financing for the Project, if the lender assumes the Owner's rights and obligations under the Contract Documents. The Contractor shall execute all consents reasonably required to facilitate the assignment.

§ 13.3 Rights and Remedies

§ 13.3.1 Duties and obligations imposed by the Contract Documents and rights and remedies available thereunder shall be in addition to and not a limitation of duties, obligations, rights, and remedies otherwise imposed or available by law.

§ 13.3.2 No action or failure to act by the Owner, Architect, or Contractor shall constitute a waiver of a right or duty afforded them under the Contract, nor shall such action or failure to act constitute approval of or acquiescence in a breach thereunder, except as may be specifically agreed upon in writing.

§ 13.4 Tests and Inspections

§ 13.4.1 Tests, inspections, and approvals of portions of the Work shall be made as required by the Contract Documents and by applicable laws, statutes, ordinances, codes, rules, and regulations or lawful orders of public authorities. Unless otherwise provided, the Contractor shall make arrangements for such tests, inspections, and approvals with an independent testing laboratory or entity acceptable to the Owner, or with the appropriate public authority, and shall bear all related costs of tests, inspections, and approvals. The Contractor shall give the Architect timely notice of when and where tests and inspections are to be made so that the Architect may be present for such procedures. The Owner shall bear costs of tests, inspections, or approvals that do not become requirements until after bids are received or negotiations concluded. The Owner shall directly

arrange and pay for tests, inspections, or approvals where building codes or applicable laws or regulations so require.

§ 13.4.2 If the Architect, Owner, or public authorities having jurisdiction determine that portions of the Work require additional testing, inspection, or approval not included under Section 13.4.1, the Architect will, upon written authorization from the Owner, instruct the Contractor to make arrangements for such additional testing, inspection, or approval, by an entity acceptable to the Owner, and the Contractor shall give timely notice to the Architect of when and where tests and inspections are to be made so that the Architect may be present for such procedures. Such costs, except as provided in Section 13.4.3, shall be at the Owner's expense.

§ 13.4.3 If procedures for testing, inspection, or approval under Sections 13.4.1 and 13.4.2 reveal failure of the portions of the Work to comply with requirements established by the Contract Documents, all costs made necessary by such failure, including those of repeated procedures and compensation for the Architect's services and expenses, shall be at the Contractor's expense.

§ 13.4.4 Required certificates of testing, inspection, or approval shall, unless otherwise required by the Contract Documents, be secured by the Contractor and promptly delivered to the Architect.

§ 13.4.5 If the Architect is to observe tests, inspections, or approvals required by the Contract Documents, the Architect will do so promptly and, where practicable, at the normal place of testing.

§ 13.4.6 Tests or inspections conducted pursuant to the Contract Documents shall be made promptly to avoid unreasonable delay in the Work.

§ 13.5 Interest

All payments to the Contractor shall be governed by the Prompt Payment Act, provided, however, that the interest rate for payments due but unpaid shall be eight percent (8.00%) per annum.

§ 13.6 Record Keeping—Availability and Retention

Pursuant to Minnesota Statutes, Section 16C.05, subd. 5, Contractor agrees that the books, records, documents and accounting procedures and practices of Contractor, that are relevant to the Contract or transaction, are subject to examination by the Owner and the state auditor for a minimum of six (6) years. Contractor shall maintain such records for a minimum of six (6) years after final payment.

§ 13.7 Data Practices

Pursuant to Minnesota Statutes, Section 13.05, subd. 11, all of the data created, collected, received, stored, used, maintained, or disseminated by Contractor in performing this contract is subject to the requirements of the Minnesota Government Data Practices Act ("MGDPA"), Minnesota Statutes Chapter 13, and Contractor must comply with those requirements as if it were a government entity. The remedies in Minnesota Statutes, Section 13.08 apply to Contractor. Contractor does not have a duty to provide access to public data to the public if the public data are available from the Owner, except as required by the terms of this contract.

§ 13.8 Non-Discrimination

Pursuant to Minnesota Statutes, Section 181.59, the Contractor will take affirmative action to ensure that applicants are selected, and that employees are treated during employment, without regard to their race, color, creed, religion, national origin, sex, sexual orientation, marital status, status with regard to public assistance, membership or activity in a local civil rights commission, disability or age. The Contractor agrees to be bound by the provisions of Minnesota Statutes, Section 181.59, that prohibits certain discriminatory practices and the terms of said section are incorporated into this contract.

ARTICLE 14 TERMINATION OR SUSPENSION OF THE CONTRACT

§ 14.1 Termination by the Contractor

§ 14.1.1 The Contractor may terminate the Contract if the Work is stopped for a period of 30 consecutive days through no act or fault of the Contractor, a Subcontractor, a Sub-subcontractor, their agents or employees, or any other persons or entities performing portions of the Work, for any of the following reasons:

- .1 Issuance of an order of a court or other public authority having jurisdiction that requires all Work to be stopped;
- .2 An act of government, such as a declaration of national emergency, that requires all Work to be stopped; or
- .3 Because the Architect has not issued a Certificate for Payment and has not notified the Contractor of the reason

for withholding certification as provided in Section 9.4.1, or because the Owner has not made payment on a Certificate for Payment within the time stated in the Contract Documents.

§ 14.1.2 The Contractor may terminate the Contract if, through no act or fault of the Contractor, a Subcontractor, a Sub-subcontractor, their agents or employees, or any other persons or entities performing portions of the Work, repeated suspensions, delays, or interruptions of the entire Work by the Owner as described in Section 14.3, constitute in the aggregate more than 100 percent of the total number of days scheduled for completion, or 120 days in any 365-day period, whichever is less.

§ 14.1.3 If one of the reasons described in Section 14.1.1 or 14.1.2 exists, the Contractor may, upon seven days' notice to the Owner and Architect, terminate the Contract and recover from the Owner payment for Work executed.

§ 14.1.4 If the Work is stopped for a period of 60 consecutive days through no act or fault of the Contractor, a Subcontractor, a Sub-subcontractor, or their agents or employees or any other persons or entities performing portions of the Work because the Owner has repeatedly failed to fulfill the Owner's obligations under the Contract Documents with respect to matters important to the progress of the Work, the Contractor may, upon seven additional days' notice to the Owner and the Architect, terminate the Contract and recover from the Owner as provided in Section 14.1.3.

§ 14.2 Termination by the Owner for Cause

§ 14.2.1 The Owner may terminate the Contract if the Contractor

- .1 repeatedly refuses or fails to supply enough properly skilled workers or proper materials;
- .2 fails to make payment to Subcontractors or suppliers in accordance with the respective agreements between the Contractor and the Subcontractors or suppliers;
- .3 repeatedly disregards applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of a public authority; or
- .4 otherwise is guilty of substantial breach of a provision of the Contract Documents.

§ 14.2.2 When any of the reasons described in Section 14.2.1 exist, the Owner may, without prejudice to any other rights or remedies of the Owner and after giving the Contractor and the Contractor's surety, if any, seven days' notice, terminate employment of the Contractor and may, subject to any prior rights of the surety:

- .1 Exclude the Contractor from the site and take possession of all materials, equipment, tools, and construction equipment and machinery thereon owned by the Contractor;
- .2 Accept assignment of subcontracts pursuant to Section 5.4; and
- .3 Finish the Work by whatever reasonable method the Owner may deem expedient. Upon written request of the Contractor, the Owner shall furnish to the Contractor a detailed accounting of the costs incurred by the Owner in finishing the Work.

§ 14.2.3 When the Owner terminates the Contract for one of the reasons stated in Section 14.2.1, the Contractor shall not be entitled to receive further payment until the Work is finished.

§ 14.2.4 If the unpaid balance of the Contract Sum exceeds costs of finishing the Work, including compensation for the Architect's services and expenses made necessary thereby, and other damages incurred by the Owner and not expressly waived, such excess shall be paid to the Contractor. If such costs and damages exceed the unpaid balance, the Contractor shall pay the difference to the Owner. The amount to be paid to the Contractor or Owner, as the case may be, shall be certified by the Initial Decision Maker, upon application, and this obligation for payment shall survive termination of the Contract.

§ 14.3 Suspension by the Owner for Convenience

§ 14.3.1 The Owner may, without cause, order the Contractor in writing to suspend, delay or interrupt the Work, in whole or in part for such period of time as the Owner may determine.

§ 14.3.2 The Contract Sum and Contract Time shall be adjusted for increases in the cost and time caused by suspension, delay, or interruption under Section 14.3.1. No adjustment shall be made to the extent

- .1 that performance is, was, or would have been, so suspended, delayed, or interrupted, by another cause for which the Contractor is responsible; or
- .2 that an equitable adjustment is made or denied under another provision of the Contract.

§ 14.4 Termination by the Owner for Convenience

§ 14.4.1 The Owner may, at any time, terminate the Contract for the Owner's convenience and without cause.

§ 14.4.2 Upon receipt of notice from the Owner of such termination for the Owner's convenience, the Contractor shall

- .1 cease operations as directed by the Owner in the notice;
- .2 take actions necessary, or that the Owner may direct, for the protection and preservation of the Work; and
- .3 except for Work directed to be performed prior to the effective date of termination stated in the notice, terminate all existing subcontracts and purchase orders and enter into no further subcontracts and purchase orders.

§ 14.4.3 In case of such termination for the Owner's convenience, the Owner shall pay the Contractor for Work properly executed; costs incurred by reason of the termination, including costs attributable to termination of Subcontracts; and the termination fee, if any, set forth in the Agreement.

§ 14.5 No Right to Stop Work for Non-Payment

§ 14.5.1 The Contractor has no right to stop Work of its Subcontractors or allow them to stop Work as a consequence of non-payment. In the event of any disagreement between the Contractor and Owner involving the Contractor's entitlement to payment, the Contractor's only remedy is to file a Claim in accordance with Article 15. The Contractor must diligently proceed with the Work pending resolution of the Claim. If, however, an Application for Payment has been approved for payment by the Owner, and the Owner fails to make payment within sixty (60) days of the approval for payment by the Owner, the Contractor may upon ten (10) days written notice to the Owner, stop work if payment is not made by the Owner within ten (10) days following the notice.

ARTICLE 15 CLAIMS AND DISPUTES

§ 15.1 Claims

§ 15.1.1 Definition

A Claim is a demand or assertion by the Contractor seeking, as a matter of right, payment of money, a change in the Contract Time, or other relief with respect to the terms of the Contract. The responsibility to substantiate Claims shall rest with the Contractor. This Section 15.1.1 does not require the Owner to file a Claim in order to impose liquidated damages in accordance with the Contract Documents. Nothing in this paragraph 15.1.1 is intended to apply to or in any way limit the Owner's right to make Claims related to or arising out of the Contract.

§ 15.1.2 Time Limits on Claims

The Owner and Contractor shall commence all causes of action against the other and arising out of or related to the Contract, whether in contract, tort, breach of warranty or otherwise, in accordance with the requirements of the binding dispute resolution method selected in the Agreement and within the time period specified by applicable law.

§ 15.1.3 Notice of Claims

§ 15.1.3.1 Claims by the Contractor, where the condition giving rise to the Claim is first discovered prior to expiration of the period for correction of the Work set forth in Section 12.2.2, shall be initiated by written notice to the Owner and to the Initial Decision Maker with a copy sent to the Architect, if the Architect is not serving as the Initial Decision Maker. Claims by the Contractor under this Section 15.1.3.1 shall be initiated within 21 days after occurrence of the event giving rise to such Claim or within 21 days after the Contractor first recognizes the condition giving rise to the Claim, whichever is later. As a condition to making a claim for additional costs, the Contractor shall maintain and produce accurate records to substantiate all additional costs actually incurred and such substantiation shall be made within a reasonable time to be entitled to the relief requested.

§ 15.1.3.2 Claims by either the Owner or Contractor, where the condition giving rise to the Claim is first discovered after expiration of the period for correction of the Work set forth in Section 12.2.2, shall be initiated by notice to the other party. In such event, no decision by the Initial Decision Maker is required.

§ 15.1.4 Continuing Contract Performance

§ 15.1.4.1 Pending final resolution of a Claim, except as otherwise agreed in writing or as provided in Section 9.7 and Article 14, the Contractor shall proceed diligently with performance of the Contract and the Owner shall continue to make payments in accordance with the Contract Documents.

§ 15.1.4.2 The Contract Sum and Contract Time shall be adjusted in accordance with the Initial Decision Maker's decision, subject to the right of either party to proceed in accordance with this Article 15. The Architect will issue Certificates for Payment in accordance with the decision of the Initial Decision Maker.

§ 15.1.5 Claims for Additional Cost

If the Contractor wishes to make a Claim for an increase in the Contract Sum, written notice as provided in Section 15.1.3 shall be given before proceeding to execute the portion of the Work that is the subject of the Claim. Prior notice is not required for Claims relating to an emergency endangering life or property arising under Section 10.4.

§ 15.1.6 Claims for Additional Time

§ 15.1.6.1 If the Contractor wishes to make a Claim for an increase in the Contract Time, notice as provided in Section 15.1.3 shall be given. The Contractor's Claim shall include an estimate of cost and of probable effect of delay on progress of the Work. In the case of a continuing delay, only one Claim is necessary.

§ 15.1.6.2 If adverse weather conditions are the basis for a Claim for additional time, such Claim shall be documented by data substantiating that weather conditions were abnormal for the period of time, could not have been reasonably anticipated, and had an adverse effect on the scheduled construction.

§ 15.1.7 Waiver of Claims for Consequential Damages

The Construction Manager's maximum liability to the Owner for consequential damages shall be limited to:

- a. one half (50%) of the total fees paid to the Construction Manager pursuant to § 6.1.2 of the A133-2019 Standard Form of Agreement Between Owner and Construction Manager as Constructor; and
- b. all consequential damages arising from the acts or omissions of subcontractors and suppliers, but only to the extent such damages are collectable from subcontractors or suppliers.

The Owner will hold harmless and indemnify the Construction Manager from and against any and all claims from subcontractors or suppliers that the Construction Manager is jointly and severally liable to Owner to pay consequential damages in any amount exceeding the cap in § 15.1.7(a). The scope of this hold harmless agreement is strictly limited to claims for consequential damages.

§ 15.2 Initial Decision

§ 15.2.1 Claims by the Contractor, excluding those where the condition giving rise to the Claim is first discovered after expiration of the period for correction of the Work set forth in Section 12.2.2 or arising under Sections 10.3, 10.4, and 11.5, shall be referred to the Initial Decision Maker for initial decision. The Architect will serve as the Initial Decision Maker, unless otherwise indicated in the Agreement. Except for those Claims excluded by this Section 15.2.1, an initial decision shall be required as a condition precedent to binding dispute resolution of any Claim. If an initial decision has not been rendered within 30 days after the Claim has been referred to the Initial Decision Maker, the party asserting the Claim may demand mediation and binding dispute resolution without a decision having been rendered. Unless the Initial Decision Maker and all affected parties agree, the Initial Decision Maker will not decide disputes between the Contractor and persons or entities other than the Owner.

§ 15.2.2 The Initial Decision Maker will review Claims by the Contractor and within ten days of the receipt of a Claim take one or more of the following actions: (1) request additional supporting data from the Contractor or a response with supporting data from the other party, (2) reject the Claim in whole or in part, (3) approve the Claim, (4) suggest a compromise, or (5) advise the parties that the Initial Decision Maker is unable to resolve the Claim if the Initial Decision Maker lacks sufficient information to evaluate the merits of the Claim or if the Initial Decision Maker concludes that, in the Initial Decision Maker's sole discretion, it would be inappropriate for the Initial Decision Maker to resolve the Claim.

§ 15.2.3 In evaluating Claims, the Initial Decision Maker may, but shall not be obligated to, consult with or seek information from either party or from persons with special knowledge or expertise who may assist the Initial Decision Maker in rendering a decision. The Initial Decision Maker may request the Owner to authorize retention of such persons at the Owner's expense.

§ 15.2.4 If the Initial Decision Maker requests a party to provide a response to a Claim or to furnish additional supporting data, such party shall respond, within ten days after receipt of the request, and shall either (1) provide a response on the requested supporting data, (2) advise the Initial Decision Maker when the response or supporting data will be furnished, or (3) advise the

Initial Decision Maker that no supporting data will be furnished. Upon receipt of the response or supporting data, if any, the Initial Decision Maker will either reject or approve the Claim in whole or in part.

§ 15.2.5 The Initial Decision Maker will render an initial decision approving or rejecting the Claim, or indicating that the Initial Decision Maker is unable to resolve the Claim. This initial decision shall (1) be in writing; (2) state the reasons therefor; and (3) notify the parties and the Architect, if the Architect is not serving as the Initial Decision Maker, of any change in the Contract Sum or Contract Time or both. The initial decision shall be final and binding on the parties but subject to mediation and, if the parties fail to resolve their dispute through mediation, to binding dispute resolution.

§ 15.2.6 In the event of a claim against the Contractor, the Owner may, but is not obligated to notify the surety, if any, of the nature and amount of the claim. If the claim relates to a possibility of a Contractor's default, the Owner may, but is not obligated to notify the surety and request the surety's assistance in resolving the controversy.

§ 15.2.6.1 Either party may, within 30 days from the date of receipt of an initial decision, demand in writing that the other party file for mediation. If such a demand is made and the party receiving the demand fails to file for mediation within 30 days after receipt thereof, then both parties waive their rights to mediate or pursue binding dispute resolution proceedings with respect to the initial decision.

§ 15.2.7 In the event of a Claim against the Contractor, the Owner may, but is not obligated to, notify the surety, if any, of the nature and amount of the Claim. If the Claim relates to a possibility of a Contractor's default, the Owner may, but is not obligated to, notify the surety and request the surety's assistance in resolving the controversy.

§ 15.2.8 If a Claim relates to or is the subject of a mechanic's lien, the party asserting such Claim may proceed in accordance with applicable law to comply with the lien notice or filing deadlines.

§ 15.3 Mediation

§ 15.3.1 Any claim, dispute or other matter in question or arising out of or related to this Agreement shall be subject to mediation. Mediation is not a condition precedent to commencing litigation, but if litigation is commenced, the parties agree to mediate before any dispositive motions or trial. The parties shall share equally the mediator's fee and any filing fees. Mediation shall be held in the place where the Project is located unless another location is mutually agreed upon. Agreements reached in mediation and ratified by the Owner's governing body shall be enforceable as settlement agreements in any court having proper jurisdiction.



AGENDA RECOMMENDATION

City Council Regular Meeting

5. P.

Meeting Date: 06/08/2026

Agenda Item:

Motion authorizing the City Manager to execute the Naming Rights Agreement for Vetter Stone Amphitheater.

Recommendation/Action(s):

Motion approving Naming Rights Agreement.

Summary:

The City of Mankato currently has a naming rights agreement with Vetter Stone Company for the naming rights of the Amphitheater. The agreement will expire in 2027, and a new agreement has been created.

The new agreement runs through December 31, 2036, is in the amount of \$20,000 per year with 3% annual increases and Vetter Stone will have the ability to donate product towards the Amphitheater remodel in the first three years of the agreement.

Staff recommend approval of the agreement.



AGENDA RECOMMENDATION

City Council Regular Meeting

5. Q.

Meeting Date: 06/08/2026

Agenda Item:

Resolution authorizing the Department of Public Safety to apply for a Staffing for Adequate Fire and Emergency Response (SAFER) Grant.

Recommendation/Action(s):

Adoption of the attached resolution.

Summary:

The Department of Public Safety is seeking authorization to apply for a Staffing for Adequate Fire and Emergency Response (SAFER) Grant through the Department of Homeland Security's Federal Emergency Management Agency (FEMA). Having previously utilized this federal grant program successfully, the department aims to address the growing service demands of the community by improving staffing levels.

The primary objective of the SAFER Grant is to fully staff two fire stations 24 hours a day, improving the department's capacity to respond to emergencies and ensuring our citizens receive adequate protection from medical, fire and other related emergencies. By increasing staffing and our deployment capabilities, the department aims to achieve more effective and safer emergency responses. This will ultimately lead to reduced response times and an increased number of trained personnel available at emergency scenes.

This year's SAFER Grant funds 75% of the regular salary and benefits for firefighters hired under the grant for the first two years and 35% of the regular salary and benefits for the third year of the performance period. There is no additional cost or employment obligation beyond the 36-month period of performance.

Attachments

Resolution

**RESOLUTION AUTHORIZING THE APPLICATION FOR A FY 2025 FEMA
STAFFING FOR ADEQUATE FIRE AND EMERGENCY RESPONSE (SAFER)
GRANT**

WHEREAS, the Mankato Department of Public Safety has identified a need to staff two fire stations continuously to maintain adequate response times and emergency personnel; and

WHEREAS, the department has adjusted its staffing model to open two fire stations on a part time basis beginning in December of 2023; and

WHEREAS, the National Fire Protection Association (NFPA) standard 1720 describes a goal of 15 firefighters on scene of a fire within 9 minutes of dispatch; and

WHEREAS, the Federal Emergency Management Agency (FEMA) has appropriated \$324 million in grant funds to support the goal of enhancing the safety of the public and firefighters with respect to fire and fire related hazards; and

WHEREAS, the SAFER Program provides funding directly to fire departments to assist in increasing the number of firefighters to help communities meet industry minimum standards and attain 24-hour staffing to provide adequate fire protection; and

WHEREAS, if awarded, the grant reimburses 75% of firefighter salary and benefits for a period of two years, and 35% of firefighter salary and benefits for the third year; and

NOW THEREFORE BE IT RESOLVED by the City Council for the City of Mankato that the City Manager be and hereby is authorized to apply for grant funding under the SAFER program.

This Resolution shall become effective upon its passage and without further publication.

Dated this 8th day of June 2026

Najwa Massad
Mayor

Attest: _____
Renae Kopischke
City Clerk



AGENDA RECOMMENDATION

City Council Regular Meeting

5. R.

Meeting Date: 06/08/2026

Agenda Item:

Resolution authorizing the City Manager to accept a cash donation from North Star Aviation for Firefighter Training.

Recommendation/Action(s):

Adoption of the attached resolution.

Summary:

The City of Mankato has received notice of a donation by North Star Aviation of \$3,000 toward aircraft firefighting training that is planned at the Mankato Regional Airport.

Aircraft firefighting presents a unique and high-risk environment that demands specialized, hands-on training using realistic aircraft scenarios, advanced suppression techniques, and coordinated response practices. The training will provide our firefighters with critical skills in aircraft incident mitigation, rapid fire suppression, and rescue operations. The cost associated with delivering this level of specialized instruction is approximately \$10,000 for our 70 firefighters. The cost is for instructors, specialized equipment, aircraft training props, fuel, and logistical support. The training is planned to occur in 2026.

Attachments

Resolution

CITY OF MANKATO
RESOLUTION ACCEPTING DONATION
FROM NORTH STAR AVIATION FOR FIREFIGHTER TRAINING
AT THE MANKATO REGIONAL AIRPORT

WHEREAS, the Mankato Fire Department is planning training at the Mankato Regional Airport addressing aircraft fires; and

WHEREAS, this work connects to the priorities of the Mankato Strategic Plan outlines in both Goal 4: Community Safety and Goal 6: Adaptive Organization; and

WHEREAS, North Star Aviation has indicated they wish to donate \$3,000 toward firefighter training at the Mankato Regional Airport that is planned for 2026.

NOW THEREFORE BE IT RESOLVED by the City Council for the City of Mankato accepts the donation from North Star Aviation and directs its use for Aircraft Training at the Mankato Regional Airport.

This resolution shall become effective upon its adoption.

Passed this 8th day of June, 2026

Najwa Massad
Mayor

ATTEST: _____
Renaë Kopischke, MMC
City Clerk



AGENDA RECOMMENDATION

City Council Regular Meeting

5. S.

Meeting Date: 06/08/2026

Agenda Item:

Resolution authorizing the Department of Public Safety to apply for an Assistance to Firefighters (AFG) Grant.

Recommendation/Action(s):

Adoption of the attached resolution.

Summary:

The Department of Public Safety is seeking authorization to apply for an Assistance to Firefighters Grant (AFG) through the Department of Homeland Security's Federal Emergency Management Agency (FEMA). Having previously utilized this Federal grant program successfully, the department aims to improve the response ability of its firefighters and their wellness.

The objective of the AFG grant application would be to obtain funding to upgrade the public address (PA) system that is used to notify firefighters when there is an emergency call. All three fire stations would be upgraded to a system that would integrate with Computer-Aided Dispatch to reduce dispatch delays, ensuring a prompt response. Safety features would include "ramped tones" that gradually increase in volume to prevent sudden adrenaline spikes and reduce cardiovascular stress.

The AFG grant would fund 90% of the \$300,000 projected cost.

Attachments

Resolution

**RESOLUTION AUTHORIZING THE APPLICATION FOR A FY 2025 FEMA
ASSISTANCE TO FIREFIGHTERS GRANT (AFG)**

WHEREAS, the Mankato Department of Public Safety has identified a need to upgrade the Public Address (PA) system at the three fire stations; and

WHEREAS, the PA system is used to notify firefighters when there is an emergency call; and

WHEREAS, the upgraded PA system would integrate with Computer-Aided Dispatch to reduce dispatch delays, ensuring a prompt response. Safety features would include “ramped tones” that gradually increase in volume to prevent sudden adrenaline spikes and reduce cardiovascular stress; and

WHEREAS, the Federal Emergency Management Agency (FEMA) has appropriated \$291 million in grant funds to support the development of health, wellness, and resiliency initiatives to prepare responders for incidents, improve operational efficiency, promote interoperability, and strengthen community resilience; and

WHEREAS, if awarded, the grant reimburses 90% of actual program costs; and

NOW THEREFORE BE IT RESOLVED by the City Council for the City of Mankato that the City Manager be and hereby is authorized to apply for grant funding under the AFG program.

This Resolution shall become effective upon its passage and without further publication.

Dated this 8th day of June 2026

Najwa Massad
Mayor

Attest: _____
Renae Kopischke
City Mankato



AGENDA RECOMMENDATION

City Council Regular Meeting

5. T.

Meeting Date: 06/08/2026

Agenda Item:

Resolution requesting allocation of Public Safety Aid Funding.

Recommendation/Action(s):

Adoption of the attached resolution.

Summary:

To continue advancing public safety preparedness, operational readiness, responder safety, and professional development within the City of Mankato, several pieces of critical equipment, training, and infrastructure needs have been identified by the Mankato Department of Public Safety. These initiatives are intended to strengthen emergency response capabilities for police, fire, and emergency management operations while supporting long-term organizational resiliency and succession planning. Adequate funding exists in the Public Safety Aid account to procure the proposed request, while ensuring capacity for future appropriations. Staff recommend that the City Council authorize the use of Public Safety Aid funding to support the following public safety investments.

Specialized Safety Equipment: \$35,000

Mankato Police Officers serving on the regional Minnesota River Valley Tactical Response Team require updated protective equipment to safely respond to high-risk incidents, including armed barricades, warrant services, active violence incidents, and other tactical operations. Proposed purchases include advanced ballistic shielding systems and upgraded ballistic helmets designed to improve officer survivability, mobility, and operational effectiveness during critical incidents. These improvements enhance regional response capabilities while ensuring personnel are equipped to meet modern safety standards. The department's current ballistic armor and protective

helmets have exceeded their recommended five-year service life and are now beyond their established replacement cycle. Replacement of this equipment is necessary to ensure personnel continue to have access to protective gear that meets current safety standards.

Civil Disturbance Protective Equipment: \$34,000

Current civil disturbance protective equipment utilized by Mankato Police Officers has reached the point where replacement and modernization are necessary. Updated protective equipment will improve officer safety during large incidents involving elevated public safety risks. Proposed upgrades include modern protective gear systems designed to provide improved mobility, comfort, communication compatibility, and protection while allowing officers to effectively maintain public order and safety when necessary. Currently issued protective equipment was acquired approximately 25 years ago through federal grant funding. Due to the age of the equipment and advances in protective technology and safety standards, replacement is necessary to ensure personnel are provided with reliable equipment that offers an appropriate level of protection

Aircraft Rescue and Firefighting (ARFF) Certification Training: \$27,000

Mankato Firefighters will participate in internationally recognized Aircraft Rescue and Firefighting certification coursework that includes both classroom instruction and hands-on practical skill development. This specialized training enhances firefighter preparedness for aircraft emergencies, mass casualty incidents, fuel fires, rescue operations, and airport-related response scenarios. Hosting this collaborative training locally also provides opportunities for regional partnership participation and strengthens emergency preparedness capabilities throughout the area. This training is to ensure preparation and readiness for the department's response to the Mankato Airport.

Public Safety Leadership and Management Development Education: \$25,000

As part of continued succession planning and organizational development efforts within Mankato Public Safety, leadership and management education opportunities have been identified for supervisory and emerging leadership personnel. Coursework will focus on public safety leadership principles, personnel management, organizational communication, budgeting, decision-making, and operational leadership development. Investing in professional development helps ensure successful transitions in supervision and leadership while supporting long-term organizational stability and effectiveness. Leadership development has now been identified through evidence-based data as the second most important tool to reduce risk and litigation by the League of MN Cities Insurance Trust for public safety.

Mobile Command Center Improvements: \$32,500

Following deployment and operational evaluation of the Mobile Command Center, several improvement opportunities were identified to enhance its effectiveness during emergency incidents, large-scale public events, disaster response operations, and unified command situations. Proposed renovations and upgrades include improved interior workspace configurations for conference and teleworking capabilities, updated computer and network systems, enhanced communication interoperability features, and improved monitoring technology. These enhancements will improve multi-agency coordination, command functionality, and operational efficiency during critical incidents.

Rifle Rated Ballistic Armor Systems: \$62,500

The department is seeking the purchase of rifle-rated ballistic armor systems intended for deployment during active violence incidents and other high-threat public safety responses. These protective systems provide enhanced ballistic protection for officers and emergency responders operating in dangerous and rapidly evolving situations involving high-powered firearms. The acquisition of this equipment supports responder safety and improves operational readiness during active threat incidents.

Dynamic Fire Training Prop: \$8,000

The Fire Division proposes the purchase of a reusable indoor dynamic fire behavior training prop designed to simulate realistic fire conditions and demonstrate changes in fire behavior in real time. Made by Flashpoint Fire Equipment, the prop includes multiple room configurations, movable doors and windows, and allows firefighters to observe fire growth, smoke movement, ventilation effects, and fire development in a controlled environment. In addition to firefighter training, the prop may also be utilized during community education and public fire prevention demonstrations to stop fire conditions. This equipment will significantly enhance hands-on training opportunities while improving firefighter safety and operational knowledge.

Public Safety Aid Account Balance (including as proposed):

Initial Funding \$1,955,560

Description	Allocated
Traffic Officer Position	\$128,000
Traffic Officer vehicle purchase	\$65,000
Bike Patrol	\$30,000
Bluetooth radio microphone	\$14,500
Fire radio encryption	\$131,000
Training up to \$25k/year	Up to \$25,000 annually
Reward up to \$25k/year	Up to \$25,000 annually

Portable license plate readers	\$95,000
Mobile command center	\$125,000
Total Committed	\$638,500
Total Balance	\$1,317,060

Proposed Specialized Safety Equipment	\$35,000
Proposed Civil District Protection Equipment	\$34,000
Proposed Aircraft Rescue Training	\$27,000
Proposed Public Safety Leadership Education	\$25,000
Proposed Mobile Command Improve	\$32,500
Proposed Rifle Armor	\$62,500
Proposed Dynamic Fire Prop	\$8,000
PROPOSED TOTAL	\$224,000
Total Proposed Balance	\$1,093,060

Attachments

Resolution

**RESOLUTION RELATING TO AUTHORIZING THE ALLOCATION OF PUBLIC
SAFETY AID FUNDING FOR PUBLIC SAFETY EQUIPMENT, TRAINING, AND
OPERATIONAL IMPROVEMENTS**

WHEREAS, the State of Minnesota has provided Public Safety Aid funding to support local public safety operations, preparedness, responder safety, and community safety initiatives; and

WHEREAS, the City of Mankato recognizes the importance of investing in public safety equipment, training, infrastructure, technology, and professional development to maintain effective emergency response capabilities and operational readiness; and

WHEREAS, the Mankato Department of Public Safety has identified several critical needs intended to improve officer and firefighter safety, strengthen emergency response operations, enhance regional interoperability and coordination, support organizational resiliency and succession planning, and improve community safety services; and

WHEREAS, proposed investments include specialized tactical safety equipment, civil disturbance protective equipment, Aircraft Rescue and Firefighting (ARFF) certification training, leadership and management development training, mobile command center improvements, rifle-rated ballistic armor systems, and a dynamic fire training prop; and

WHEREAS, these investments support the City's continued commitment to public safety preparedness, operational effectiveness, transparency, emergency management capabilities, responder safety, and regional collaboration; and

WHEREAS, the City Council finds that the use of Public Safety Aid funding for these purposes serves a valid public purpose and directly supports the safety and wellbeing of the Mankato community;

NOW THEREFORE BE IT RESOLVED by the City Council for the City of Mankato that Public Safety Aid funding is hereby authorized and appropriated to support the identified public safety equipment purchases, operational improvements, and training initiatives as outlined in the attached agenda recommendation dated May 26, 2026.

This Resolution shall become effective upon its passage and without further publication.

Dated this 8th day of June 2026.

Najwa Massad
Mayor

Attest: _____
Rena Kopischke
City Clerk/Admin. Coordinator



AGENDA RECOMMENDATION

Planning Commission 6. A.

City Council Regular Meeting

Meeting Date: 06/08/2026

Agenda Item:

Resolution approving a Conditional Use Permit to allow for a modification to the approved subdivision grading plan that will allow the construction of a patio home on a lot that was graded for a walkout basement; Lot 3, Block 1, Miller Creek 1st Addition (112 Butler Falls Road); by request of Cherry Creek, Inc.

Recommendation/Action(s):

At the May 27, 2026, meeting, the Planning Commission recommended approval of the conditional use permit.

Summary:

Cherry Creek, Inc. is requesting a conditional use permit to allow for a modification to the approved subdivision grading plan that will allow the construction of a patio home on a lot that was graded for a walkout basement, requiring fill in excess of 25 cubic yards to be moved into the property. The subject property is located at 112 Butler Falls Road and is legally described as Lot 3, Block 1, Miller Creek 1st Addition, Mankato, MN 56001.

Mankato City Code [Section 10-1498](#). (Substantial land alteration) requires that a Conditional Use Permit be obtained where the excavation, grading, and filling of any land would result in the movement of earth and materials in excess of 25 cubic yards and would significantly change the existing ground contour and existing drainage, or cause flooding or erosion.

[Per Section 10-1498, Subd b](#), a conditional use permit would not be required for subdivisions or development projects with an approved grading/drainage plan, which would typically apply to the subject property, as Miller Creek 1st Addition has an approved grading & drainage plan on file with the City. But the approved grading & drainage plans on file with the City differs from the proposed scope of work, as the approved plans state that the subject property was designed for a walk-out or look-out

structure only. As the applicant proposes to construct a slab-on-grade single-family home, substantial modifications to the ground contour/grading of the lot would be required for the proposed home style. Additionally, these grading alterations would notably alter the drainage condition of the lot and differ from the proposed drainage condition depicted in the approved Miller Creek 1st Addition drainage plan.

Because of these circumstances, the conditional use permit requirement is requested to allow for construction of the proposed single-family dwelling in the manner desired by the applicant.

The subject property is currently a vacant residential lot with a stormwater main with riprap. The applicant intends to develop a single-family dwelling on the subject property and has provided plans with that intent in mind. The applicant provided Site & Grading Plan shows significant alteration to the existing ground contours, which the applicant intends to accomplish by bringing a substantial amount of fill. The proposed grading changes will notably impact the existing site drainage. The proposed drainage (indicated as standalone arrows on the plan), shows that the proposed development will drain the eastern portion of the property to Butler Falls Road, and the central and western portions of the property to the Drainage & Utility Easement areas along the south & west property boundaries.

The proposed concept plan & exterior rendering shows a proposed 2,214.3 Sq. Ft. slab-on-grade single-family home with a 669.8 Sq. Ft. attached garage, front stoop, and elevated rear yard deck. Additionally, a two-tiered retaining wall is shown along the north-west dwelling boundary with steps. This retaining wall is proposed in order to ensure that the proposed site drainage remains onsite and does not impact adjacent residential lots. Note that maintenance of the subject property located between the retaining wall and adjacent lot will fully be the responsibility of the property owners. The applicant has provided written permission from the property owner of the adjacent property to allow Cherry Creek, Inc. and its subcontractors, temporary access through adjacent lots in order to complete the proposed onsite development.

Of note, the site includes environmentally sensitive areas, including slopes/bluffs as well as a wetland (a creek/freshwater pond) that traverses the western portion of the subject lot. The applicant provided Survey & Site Plan depicts the Bluff Line and 10' bluff setback and shows that the proposed plan conforms with this setback. During construction of proposed site improvements, the bluff shall be physically represented on the subject property to ensure no impacts to the bluff area shall occur as a result of the proposed project. Provided plans depict the estimated wetland boundary of the creek along the western extent of the subject property. A 16.5' wetland boundary buffer/setback must be maintained from the edge of the wetland boundary; within said buffer area, no work shall occur to prevent any impact to said wetland. Because of the presence of the wetland, the applicant shall be required to install code-compliant wetland signage along the wetland boundary prior to work occurring on site. This shall be done to ensure that no impacts occur on the adjacent wetland.

Attachments

Resolution

General Location Map

Aerial

Site and Grading Plan

**RESOLUTION OF THE MANKATO CITY COUNCIL
GRANTING A CONDITIONAL USE PERMIT UNDER
THE MANKATO ZONING ORDINANCE**

WHEREAS, the applicant of the following property located in the City of Mankato, to wit:

Lot 3, Block 1, Miller Creek 1st Addition, Mankato (112 Butler Falls Road).

Abstract

Has applied for a Conditional Use Permit to allow for a modification to the approved subdivision grading plan that will allow the construction of a patio home on a lot that was graded for a walkout basement, requiring fill in excess of 25 cubic yards to be moved into the property; and

WHEREAS, the Planning Agency of the City of Mankato has completed a review of the application and made a report pertaining to said request (CY 23-26), a copy of which has been presented to the City Council; and

WHEREAS, the Planning Commission of the City, on the 27th day of May, 2026, following proper notice, held a public hearing regarding the request, and following said public hearing, adopted a recommendation that the request for a conditional use permit be approved; and

WHEREAS, the minutes of such public hearing and recommendation of the Commission have been presented to the City Council; and

WHEREAS, based upon the Planning Agency report, minutes, and recommendation, the City Council hereby finds that:

1. Mankato City Code Section 10-1498. (substantial land alteration) requires that a Conditional Use Permit be obtained where the excavation, grading, and filling of any land would result in the movement of earth and materials in excess of 25 cubic yards and would significantly change the existing ground contour and existing drainage, or cause flooding or erosion. The proposed development results in the filling of land beyond 25 cubic yards and significantly alters the existing ground contours of the site.
2. The request is in keeping with the comprehensive planning policies of the City, as the proposed use, a single-family residential dwelling, is not contemplated to change and is in keeping with the low-density residential use, as designated in the City of Mankato's Zoning Map and Land Use Plan.
3. The proposal does not interfere with or diminish the use of property in the immediate vicinity.
4. The primary structure will be served by public facilities and services.
5. The proposal does not cause undue traffic congestion as no changes are proposed to the density of the property or the public street system.
6. There are no known historical or architectural resources on the site.

7. The site contains bluff and wetland areas as natural or environmental features on the site. With the recommended conditions, it is intended that impacts to these areas will be avoided and minimized.
8. It will not cause a negative cumulative effect and effect on the City as a whole.
9. To the extent known, the development, when considered with the recommended conditions, conforms with all other applicable regulations of the district, and other applicable ordinances.
10. The proposal will not jeopardize the public's health, safety, or general welfare.
11. The applicant has provided a signed approval form from the adjacent property owner, Richard Wethe, to allow Cherry Creek Inc. and other employed subcontractors, access through the adjacent residential lots during construction of the home.
12. The applicant has made a request to Braun Intertec to provide additional geotechnical report information. The results of their geotechnical analysis will be provided to the City Engineer once completed.

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Mankato that the conditional use permit to allow for a modification to the approved subdivision grading plan that will allow the construction of a patio home on a lot that was graded for a walkout basement, requiring fill in excess of 25 cubic yards to be moved into the property be approved subject to the following conditions:

1. The applicant shall obtain a building permit prior to any work occurring on site.
2. The applicant shall install permanent code-compliant wetland signage along the wetland setback boundary prior to any work occurring on site. Applicant shall coordinate with City Staff to ensure signage installation compliance.
3. All proposed work shall remain a minimum of 16.5' from the previously delineated wetlands. No work shall occur within the required wetland buffer.
4. For the duration of any construction activities on site, the bluff shall be physically represented on the property to ensure no impacts occur to the bluff or bluff setback area.
5. Maintenance of the property located between the retaining wall and adjacent lot will fully be the responsibility of the owners of the subject property.
6. An erosion control and turf establishment plan shall be provided with building permit application.
7. The applicant shall continue to work with City of Mankato Engineering/ Construction Services Staff to ensure code compliance throughout the entirety of the development process.

Signatures on the following page

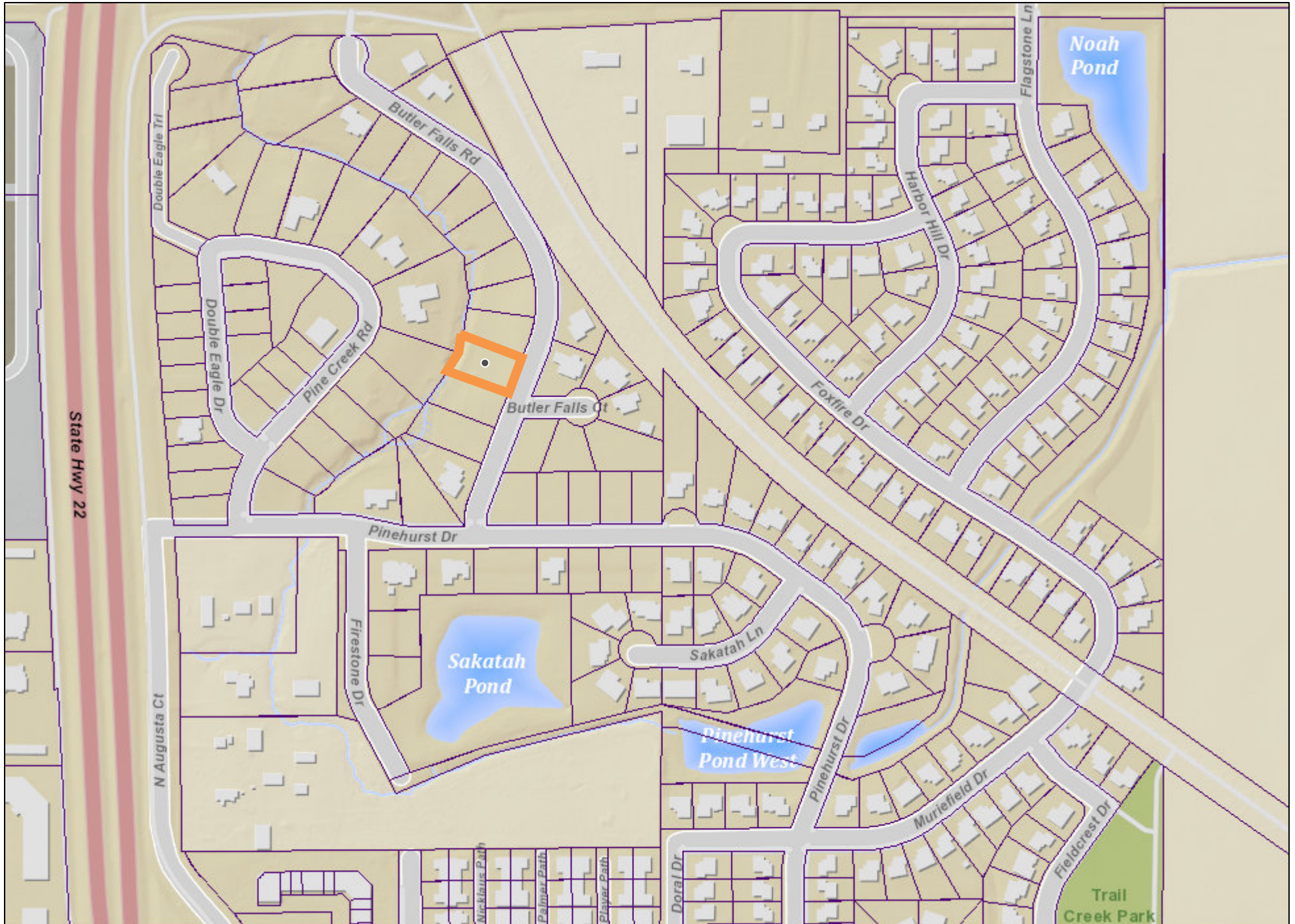
This resolution shall become effective immediately upon passage.

Dated this _____ day of _____, 2026.

Najwa Massad
Mayor

ATTEST: _____
Renae Kopischke, MMC
City Clerk

General Location Map



Date: May 2026

Author:

This information is to be used for reference purposes only. The City of Mankato does not guarantee accuracy of the material contained herein and is not responsible for misuse or misinterpretation.

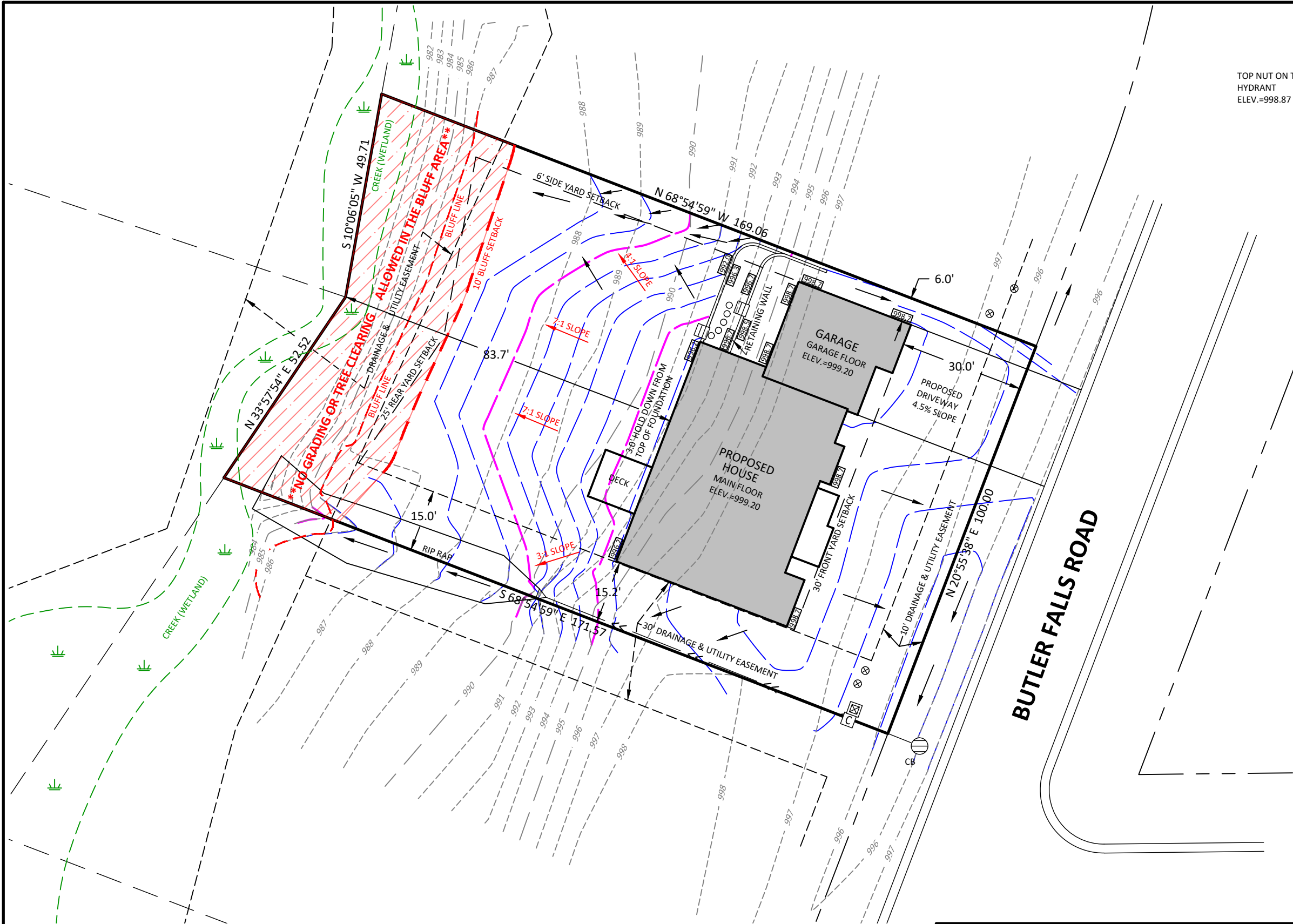
Aerial Map



Date: May 2026

Author:

This information is to be used for reference purposes only. The City of Mankato does not guarantee accuracy of the material contained herein and is not responsible for misuse or misinterpretation.



02550

SCALE IN FEET

TOP NUT ON THE
HYDRANT
ELEV.=998.87

INDICATES DRAINAGE
DIRECTION.

INDICATES IRON PIPE
MONUMENTS FOUND.

INDICATES FLAGGED NAILS
SET AT BUILDING CORNERS
AND OFFSETS AS SHOWN.

1000.00 INDICATES PROPOSED SPOT ELEVATION

(PROPOSED GRADES ARE BASED FROM THE
WENCK ASSOCIATES APPROVED GRADING PLAN)

NOTES:

- DRIVEWAY SLOPE = 4.5%
- HOUSE ELEVATION DATA:
 - HOUSE TYPE = SLAB ON GRADE
 - LOT TYPE = WALKOUT/LOOKOUT
 - BASEMENT WALL HEIGHT = NA
 - PROPOSED GARAGE FLOOR ELEV. = 999.20
 - PROPOSED TOP OF BLOCK ELEV. = 999.20
 - PROPOSED LOWEST FLOOR ELEV. = 999.20
 - LOWEST FOUNDATION OPENING ELEV. = 999.20

TOPOGRAPHIC SURVEY DATA PROVIDED BY
MADSEN LAND SURVEYING. SURVEY DATA
COLLECTED ON NOVEMBER 21, 2025.

SURVEYOR'S CERTIFICATION

I hereby certify that this survey, plan, or report was prepared
by me or under my direct supervision and that I am a duly
Licensed Land Surveyor under the laws of the State of
Minnesota.

Michael M. Eichers
License Number 46564

11/26/2025
Date

REVISED GRADING PLAN May 19, 2026

PROPOSED GRADING PLAN
MANKATO, MINNESOTA



**BOLTON
& MENK**

1960 PREMIER DRIVE
MANKATO, MN 56001
(507) 625-4171

LOT 3, BLOCK 1, MILLER CREEK 1ST ADDITION

112 BUTLER FALLS ROAD

FOR: CHERRY CREEK, INC.



AGENDA RECOMMENDATION

Planning Commission 6. B.

City Council Regular Meeting

Meeting Date: 06/08/2026

Agenda Item:

Resolution approving a Conditional Use Permit allowing an assisted living facility serving elderly and disabled adults in the B-3, Highway Business District, and for a Certificate of Design Compliance for exterior modifications in the Highway Gateway Overlay District; Lot 4, Block 1, Venstar Subdivision (1731 Premier Drive); by request of Brad Bass on behalf of Bridgewater Group.

Recommendation/Action(s):

At the May 27, 2026, meeting, the Planning Commission recommended approval of the conditional use permit.

Summary:

The applicant is seeking a Conditional Use Permit to allow an Assisted Living Facility in the B-3, Highway Commercial, zoning district, and a Certificate of Design Compliance for exterior façade changes in the Highway Gateway Overlay District.

The applicant is proposing to utilize the current three-story Motel 6 hotel building located at 1731 Premier Drive to provide affordable residential housing with assisted living services on the property. The proposed business is identified as "Bridgewater", which provides assisted living care and similar services within Blue Earth County.

Motel 6's current 66 hotel room units will be modified into approximately 60 affordable housing units (shown as 63-units) to serve disabled adults and the elderly. In order to modify the existing hotel, interior changes to the facility will include the addition of a licensed commercial kitchen and dining facilities to provide meals and eating spaces for residents, as well as a separate 2nd-floor social space. The provided narrative explains that the suites within the building offer a larger living area for residents not found in traditional congregate housing settings, that suites range in size, and that they can be easily adapted to provide for changes needed whilst aging in place.

The applicant states that the physical condition of the property is exceptional, as a less than 10-year-old building. They state, due to this exceptional condition, reuse of the hotel into an assisted living facility would be compatible and highly cost-efficient. The applicant intends to broadly maintain the existing mechanical equipment, air exchange units, elevator, fire alarms and automated sprinkler systems, as well as the flooring, interior paint, fixtures, and furnishings. The applicant explained that they traditionally provide furniture and bedding for their tenants, and that the condition of the existing furnishings would align well with this practice.

The applicant has indicated that the facility will be a "Congregate Care Facility" / "Assisted Living Facility". Mankato City Code [Section 10-2](#) defines "Congregate Housing" as: *"a residential facility for four or more elderly persons (aged 60 years or older) within which are provided living and sleeping facilities, meal preparation, laundry services, and room cleaning. Such facilities may also provide other services, such as transportation for routine social and medical appointments, and counseling. The term "congregate housing" may also be referred to as an assisted living facility"* , which appears to apply to the proposed reuse of the subject property.

The facility will provide board and lodge, nursing, and activities of daily living within a smoke-free facility. The applicant attests that they intend to provide the following list of services at the proposed assisted living facility: (EW) Elderly Waiver, (CADI) Community Access for Disability Inclusion Waiver, 24-hour care givers, on staff nursing services, 24-hour on call nursing services, pendant call light system, 3 meals and 2 snacks per day, and assistance in activities of daily living (ADL's), Including but not limited to:

- Dressing, Bathing, Grooming, Toileting, Walking, Transfers, and Mobility Assistance
- Medication Management
- Diabetic Care- Insulin Assistance and Glucose Monitoring
- Basic wound care, CPAP/BIPAP Assistance
- Weight and Vital Checks
- Safety and Wellness checks as needed
- Dedicated space for: PT/OT/Speech Therapy
- Daily in-house Activities program including Scheduled Community Outings
- Transportation Management (Note: the applicant may utilize the City's Paratransit/Mobility Bus service)
- Laundry & Housekeeping

In order to reuse the existing hotel for Congregate Housing (aka an Assisting Living Facility), the applicant proposes to modify the existing interior spaces to better suit the intended use. On the first/ground floor, the applicant proposes to remodel the shared common spaces and staff spaces. This will involve demolishing the existing restrooms, vending area, and two existing hotel suites in order to construct a commercial kitchen and resident dining space. The proposed 1st floor shows 16 resident suites/units, a unisex bathroom, a commercial kitchen with a walk-in freezer & dry storage, an open dining space, large laundry room, office spaces, a lobby area, and an entry vestibule with a per-suite mailbox area. Resident suites/units are shown to largely remain in their

current state, with a singular small living/sleeping space and a full bathroom. No kitchen space will be provided within the units themselves, but each suite will contain personal refrigerators and microwaves. Notably, the applicant states that residents will have 24/7 access to food, as the 24/7 staff will assist with the residents' food needs per the parameters of the residents service plan. Access to the upper floors will continue to be provided with an elevator and two stairwells. The second and third floors are largely similar layouts. The second floor is proposed to contain 22 residential units, as well as a small laundry room and newly designated social space. The existing second floor layout will be modified to remove a suite and an office space, which will be converted into the aforementioned social space. The third floor will primarily remain as, and is proposed to comprise 25 residential suites and a small office space.

Exterior modifications include removal of the current Motel 6 marquee and replacement of the current red color of the building with brown. In addition, the applicant intends to provide a partially enclosed outdoor green space on the subject property, which will be designed and built to include privacy fencing, raised garden beds, and a gazebo with tabled seating areas. A separate outdoor designated smoking area will be provided off the north-east corner of the building.

The existing property includes a covered front entry / vehicle loading area, perimeter and interior landscaping, a trash enclosure, and a private sidewalk network. The private sidewalk network has an existing connection to the public trail along Highway 22 as well as a private connection to the sidewalk network for the property located to the south (known as "The Paw"). The applicant proposes the addition of a sidewalk along the north side of the existing parking lot to provide access into the private outdoor green space.

There are no plans to connect to the public sidewalk network on the western side of Premier Drive and no sidewalk exists along the eastern portion of Premier Drive, within this area. City of Mankato staff noted that mid-block pedestrian crossings create safety concerns, hence why, at this time, City staff do not recommend that a private sidewalk be installed to serve this connection. In the future, if sidewalk network improvements occur along the east side of Premier Drive, the applicant has agreed to be a willing petitioner and to provide a private connection to said sidewalk for residents.

The existing onsite parking lot provides 78 off-street parking stalls (including 3 accessible parking stalls; excluding truck parking). The existing truck parking area will be utilized for snow storage until such time that the applicant seeks to construct a maintenance and storage building on that portion of the subject property.

Existing landscaping will remain and continue to provide screening for the parking areas. An existing refuse enclosure is located within the property and existing exterior lighting will be retained as is. The existing refuse enclosure is constructed of colored rock-faced CMU & EverGrain composite boards mimicking weathered wood. Additionally, any existing or proposed ground-level mechanical equipment shall be fully screened from public Right-Of-Ways.

For the purposes of calculating off-street parking requirements, the proposed use

would continue to be defined as "Congregate Housing", which requires one-half space per dwelling unit. With a proposed unit count of 60, only 30 off-street parking stalls would be required, although the actual 63-unit count would require 32 off-street parking stalls. The existing/proposed 78 off-street stalls (including 3 accessible parking stalls; excluding truck parking), exceed the minimum parking requirement. The existing truck parking area will be utilized for snow storage until such time that the applicant seeks to construct a maintenance and storage building on that portion of the subject property.

Bicycle parking achieving Mankato City Code standards will be required. Based on the number of off-street automobile spaces, a minimum of four off-street bicycle parking stalls shall be provided on site. The applicant proposes to install a 4-stall bicycle rack on a concrete pad near the south-east corner of the building, just off the trail connection.

The existing Motel 6 monument sign located along Premier Drive is intended to be reused by the proposed facility. Sign permits will be required prior to installation, and all signage must comply with Code standards.

The applicant has provided a narrative. Within this narrative, the applicant states that they currently provide 100% waived services in Blue Earth and Nicollet County. The applicant intends to be licensed through the Minnesota Department of Health as an Assisted Living Facility. They assert that they will only provide permanent housing options and will not provide transitional housing at this property. They also note that all residents and employees must have a background study prior to residency or employment within the organization.

Certificate of Design Compliance:

The subject property is located within the Highway Gateway Overlay District and alterations to the building facades are proposed.

Exterior work will be limited to removal of the current Motel 6 marquee and repainting of the current red portions of the building with a neutral brown color. Existing exterior elevations consist primarily of EIFS, and the applicant does not propose any modifications to the exterior finishes at this time.

Use:

The subject property is located within the B-3, Highway Business District. The current use of the property as a hotel is considered a Permitted Use in the B-3 Zoning District, but the proposed Congregate Housing use is not listed as either a permitted or conditional use in the B-3 Zoning District. The applicant has attested that the proposed use is of the same general character as a multifamily development, as the use is similar in manner to other high density residential developments. In the B-3, such residential uses are considered Conditional Uses, but are subject to specific standards, as outlined in Mankato City Code [Section 10-659](#).

Mankato City Code allows, with a Conditional Use Permit, for "*Other commercial and residential uses determined by the planning agency to be of the same general*

character as the permitted and conditional uses above and found not to be detrimental to existing uses and to the general public health, safety, and welfare". The applicant has provided the following statement describing how they believe the proposed Assisted Living Facility is of the same general character as a multifamily use in the B-3 Zoning District: "The recent building of Multifamily Housings near the subject property has created a residential hub that is growing rapidly. The increased volume of residential activity in and around the property offers a multifamily environment that our residents can thrive from. The area surrounding the parcel are properties with local business' providing individual based services. The nearby businesses are focused on personal use and geared towards personal activities such as pet services, personal storage options, shopping, and convenience options such as Kwik Trip. Our residents can directly benefit from the surrounding services offered nearby. Bridgewater will offer a community-based service which will complement the neighborhood for seniors who may need assistance. The property lends itself to provide affordable housing options for individuals needing Assisted Living. Location is close to healthcare, emergency services, transportation services, local shopping and entertainment/restaurants, and multifamily neighborhoods. Location provides good local employment opportunities for health care employees offering both part time and full time (long term care) career opportunities".

Note that, if the proposed Congregate Housing use is to be considered to be of the same general character as multifamily (apartment) uses in the B-3, the City of Mankato may determine that the proposed project be subject to the additional standards outlines in Mankato City Code [Section 10-659](#).

This proposal seeks consideration for a conditional use permit allowed based on the determination that the proposed use is of the same general character as other conditional uses allowed in the B-3 zoning district.

Change in Use:

Due to the requested change in use, a full code review for compliance with all applicable Minnesota Codes will be required and plans submitted at the time of building permit application shall be signed by a licensed architect. Additionally, the existing utility account will change from a taxable account to a non-taxable account, they will be subject to SAC & WAC fees based on the City assessment policy and fee schedule, the applicant will need to coordinate with the Mankato Post Office for mail delivery services, and existing parking areas will need to be reviewed for code compliance (Including ADA standards) and updated if necessary.

Letters of Support:

The applicant has provided two letters of support for the proposed project from Blue Earth County Staff. These staff include Erika Sletten, Blue Earth County Human Services Supervisor and Lynnsey Standahl, Blue Earth County Adult & Disability Services Supervisor. Both County staff attest that the proposed Assisted Living Facility targeting low income and disabled individuals is greatly needed and that completion of the proposed project would directly benefit the residents of Blue Earth County. In line with these statements, the [City of Mankato 2025 Comprehensive Housing Needs](#)

[Analysis](#) underpins the testament that the proposed facility supports a specific housing needed within the Greater Mankato Area.

Tentative Future Site Improvements:

The applicant noted that in the future they intend to construct a storage and maintenance building to be located in the area of the existing truck parking stalls. The applicant acknowledges the code requirement that no outside storage would be permitted on this property, hence why they intend to construct enclosed storage in the future. The proposed building is only in the preliminary stage at this point in time, so the applicant has worked with City Staff to separate this proposed structure from the current request. If the applicant intends to construct an accessory structure in the future, it shall be reviewed independently for conformance with the B-3 and Highway Gateway Overlay Standards, which require any said structure to be materially complementary to the primary structure.

Attachments

Resolution
General Location Map
Aerial
Site Plan
Floor Plans
Rendering
Narrative
Letter of Support

**RESOLUTION OF THE MANKATO CITY COUNCIL
GRANTING A CONDITIONAL USE PERMIT AND CERTIFICATE OF DESIGN
COMPLIANCE UNDER
THE MANKATO ZONING ORDINANCE**

WHEREAS, the applicant of the following property located in the City of Mankato, to wit:

Lot 4, Block 1, Venstar Subdivision, Mankato (1731 Premier Drive). **Abstract**

Has applied for a Conditional Use Permit to repurpose the Motel 6 structure to allow an assisted living/affordable housing with services facility serving elderly and disabled adults in the B-3, Highway Business District, and for a Certificate of Design Compliance for exterior modifications in the Highway Gateway Overlay District; and

WHEREAS, the Planning Agency of the City of Mankato has completed a review of the application and made a report pertaining to said request (CY25-26), a copy of which has been presented to the City Council; and

WHEREAS, the Planning Commission of the City, on the 27th day of May, 2026, following proper notice, held a public hearing regarding the request, and following said public hearing, adopted a recommendation that the request for a conditional use permit and certificate of design compliance be approved with conditions; and

WHEREAS, the minutes of such public hearing and recommendation of the Commission have been presented to the City Council; and

WHEREAS, based upon the Planning Agency report, minutes, and recommendation, the City Council hereby finds that:

1. The proposed use, an Assisted Living Facility (also known as congregate housing), is of similar character to other uses listed in the B-3 district. Apartments, which are also multifamily dwellings in nature, are conditional uses within the B-3 zoning district, and thus this proposal is considered a conditional use.
2. The request is in keeping with the comprehensive planning policies of the City as the underlying land use plan identifies this parcel as "Commercial", and in said land use district, residential uses similar in character to this use are identified in Code as a conditional use.
3. The proposal does not interfere with or diminish the use of property in the immediate vicinity. The applicant proposes only minor modifications to the exterior of the structure and the proposed alteration of use type should not fundamentally differ from the existing use.
4. The primary structure will continue to be served by public facilities and services, and no utility service provider changes are proposed with this proposal.

5. The proposal does not cause undue traffic congestion. No changes are proposed to the public street system or private parking/driving areas. The applicant has attested that no significant change with respect to trip generation, site operations and overall traffic impact to the area shall occur with the proposed reuse of the subject property.
6. There are no known historical or architectural resources on the site.
7. There are no known natural or environmental features on the site.
8. It will not cause a negative cumulative effect and effect on the City as a whole.
9. The proposal will not jeopardize the public's health, safety, or general welfare.
10. To the extent known, the development, when considered with the recommended conditions, conforms with all other applicable regulations of the district, and other applicable ordinances.
11. The property is located in the Highway Gateway Overlay District and proposes exterior modifications to the existing structure.
12. The building elevations conform to the guidelines of the Highway Gateway Overlay District. The proposed project presents no modification to the exterior materials of the existing structure, only removal of signage and repainting of some surfaces. Existing exterior finishes include primarily EIFS, glass, and metal. All sides of the building visible to the public will be treated consistently with quality materials and finishes.
13. In the event that any future storage and maintenance building is proposed, it shall be excluded from this CUP / CDC review process and thus shall be independently reviewed for conformance.

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Mankato that the conditional use permit and certificate of design compliance be approved subject to the following conditions:

1. Any proposed future storage & maintenance building shall meet Mankato City Code standards. As the applicant has not provided sufficient review materials prior to Planning Commission review of the request, the originally proposed future storage & maintenance building must be reviewed separately from the current request.
2. Any proposed future storage or maintenance building on site shall conform to the standards of the Highway Gateway Overlay District, including exterior finishes which are complementary to the exterior finishes utilized on the primary structure.

3. The proposed exterior “outdoor activity area” privacy fencing shall conform with Mankato City Code. A fence permit shall be obtained prior to installation of any fencing.
4. The gazebo shall be installed with a separate building permit and shall conform to Mankato City Code accessory structure standards.
5. The applicant shall obtain a sign permit for any desired site signage prior to fabrication and installation.
6. The applicant shall fully screen any existing or proposed mechanical equipment from public right-of-ways.
7. Bicycle parking achieving Mankato City Code standards will be required. A minimum of four off-street bicycle parking stalls shall be provided on site.
8. Due to the proposed change in use, a full code review for compliance with all applicable Minnesota Codes will be required. Plans submitted at the time of the building permit application shall be signed by a licensed architect.
9. The applicant shall agree to be a willing petitioner for any future sidewalk network improvements along the east side of Premier Drive. At such time as a sidewalk is constructed, a private sidewalk connection to the building shall be developed within the site.
10. Applicant shall coordinate with City of Mankato Construction Services Staff to determine code conformance of current accessible parking stalls. Any modification deemed necessary to achieve ADA compliant stalls shall be performed prior to unit occupancy. Additionally, any parking area shown to be non-compliant with current Mankato City Code standards, shall be updated to conform to code.
11. If the applicant intends to modify the existing exterior lighting, a Photometric Plan and Lighting cut sheets shall be provided that confirm compliance with full-cut, fully shielded fixture requirements and other applicable Mankato City Code standards.
12. If any existing landscaping will be modified or removed as part of this project, the applicant shall provide a landscaping plan that demonstrates conformance with Mankato City Code.
13. No outside storage shall be allowed on the subject property.
14. All amenity spaces shall be completed prior to unit occupancy.
15. The applicant shall be subject to SAC & WAC fees based on the City of Mankato assessment policy and fee schedule.

Signatures on the following page

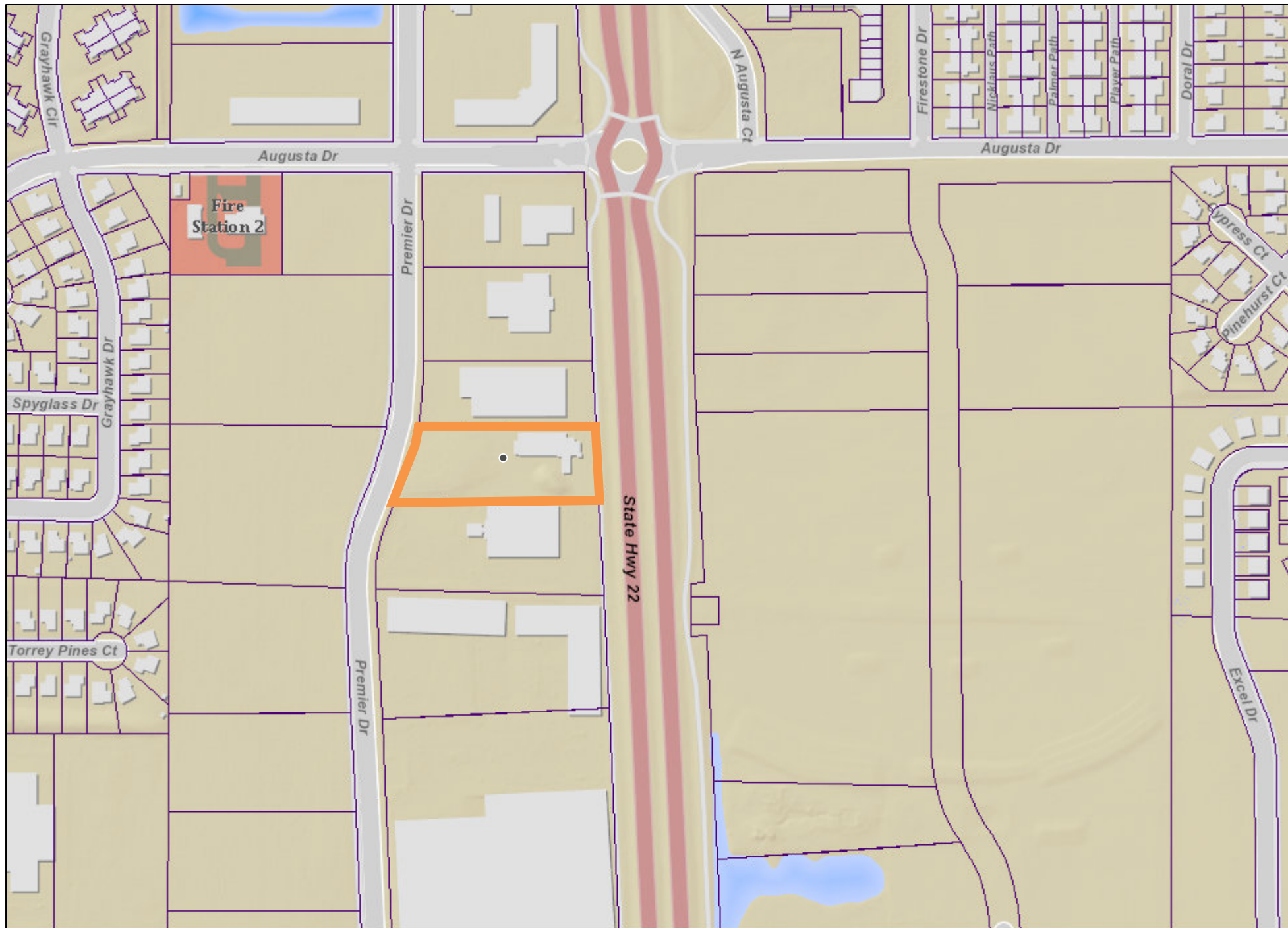
This resolution shall become effective immediately upon passage.

Dated this _____ day of _____, 2026.

Najwa Massad
Mayor

ATTEST: _____
Rena Kopischke, MMC
City Clerk

General Location Map



Date: May 2026

Author:

This information is to be used for reference purposes only. The City of Mankato does not guarantee accuracy of the material contained herein and is not responsible for misuse or misinterpretation.

Aerial Map

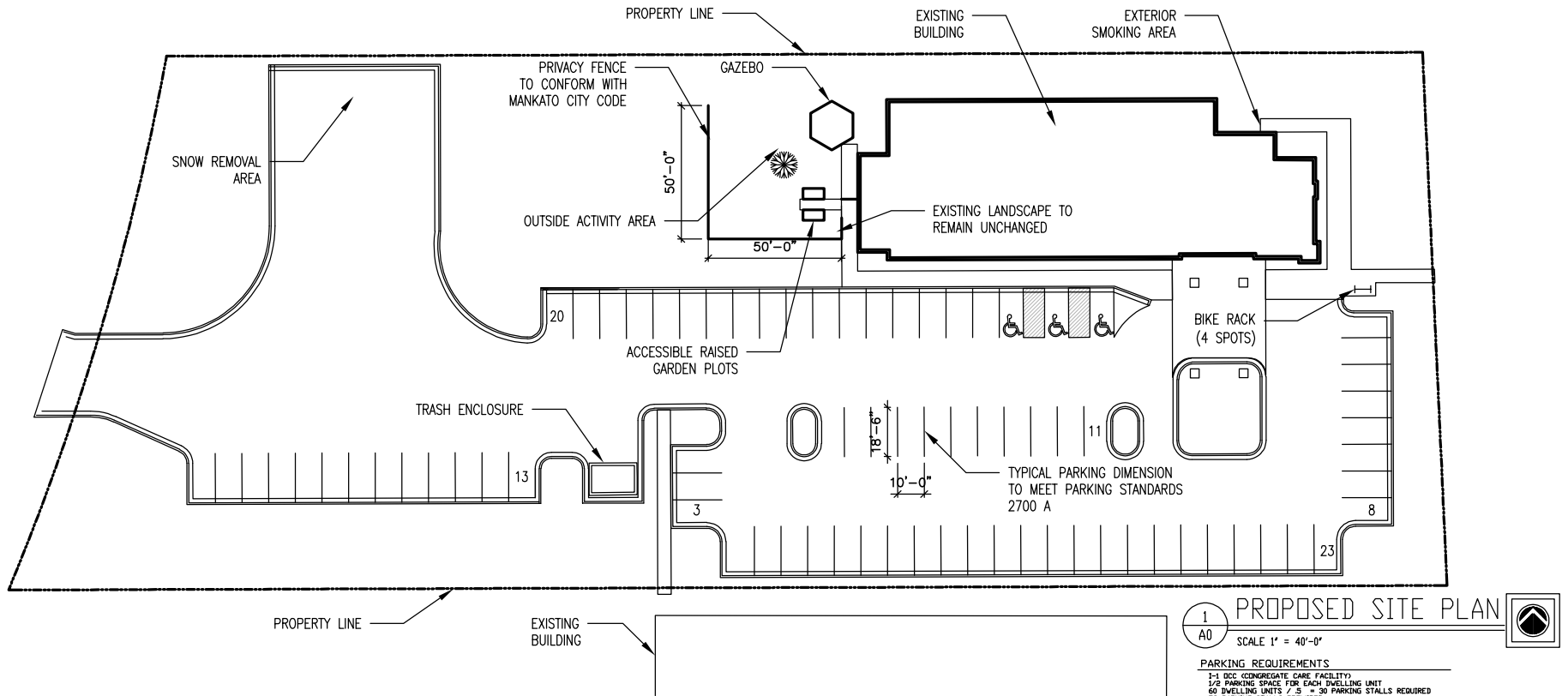


Date: May 2026

Author:

This information is to be used for reference purposes only. The City of Mankato does not guarantee accuracy of the material contained herein and is not responsible for misuse or misinterpretation.





DESIGN CONSULTANT

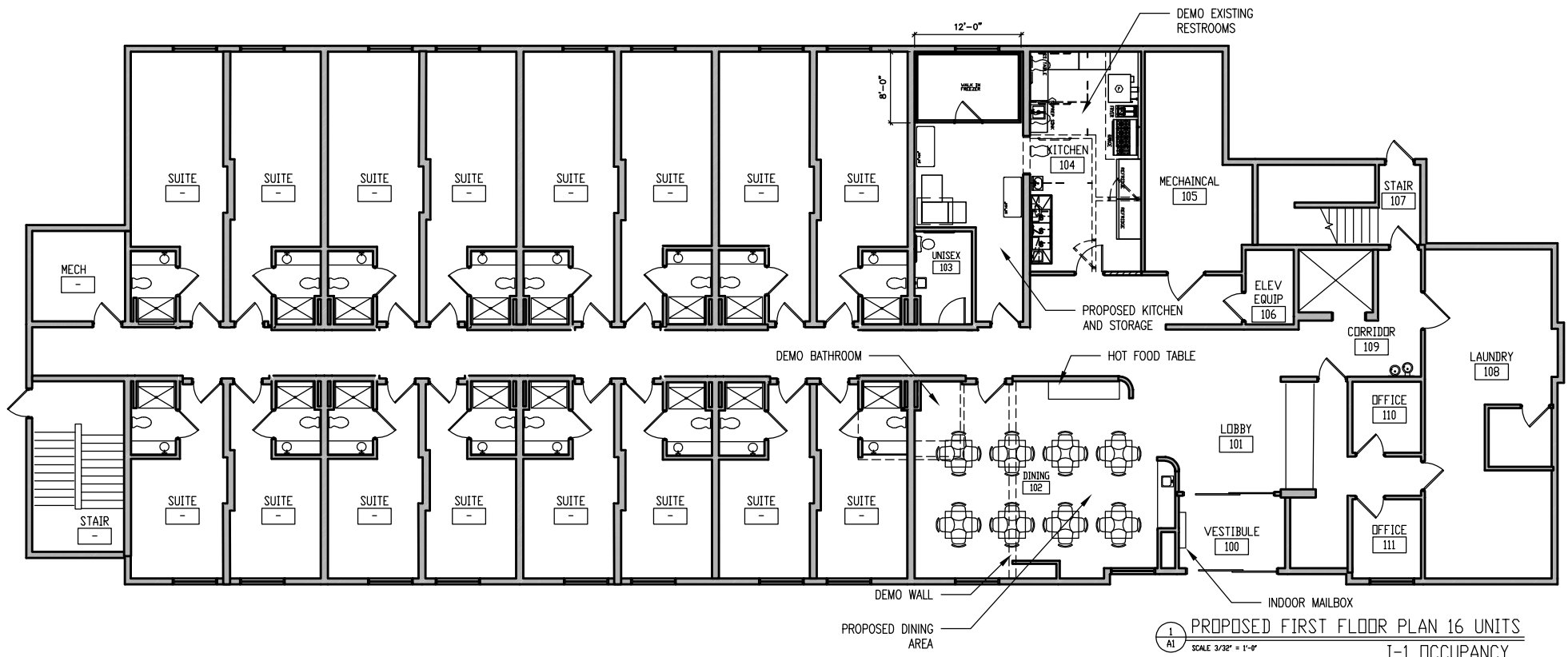
SITE PLAN **BRIDGEWATER** 1731 PREMIER DRIVE MANKATO, MINNESOTA 56001

DATE

05/18/2026

SHEET NO.

A0



DESIGN CONSULTANT

INTERIOR ALATERATIONS BRIDGEWATER

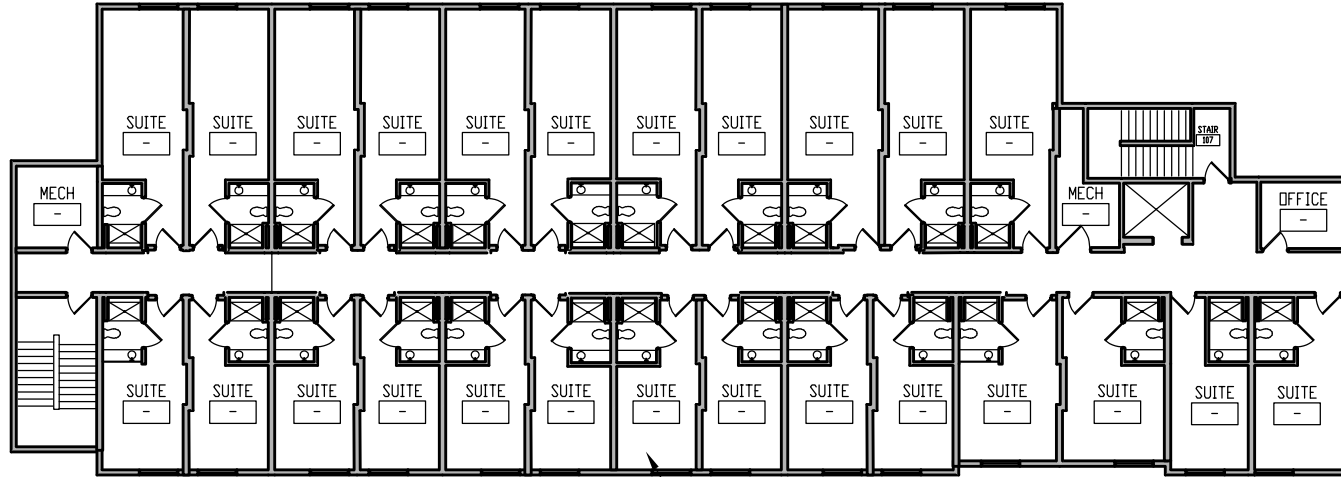
1731 PREMIER DRIVE
MANKATO, MINNESOTA 56001

DATE

05/18/2026

SHEET NO.

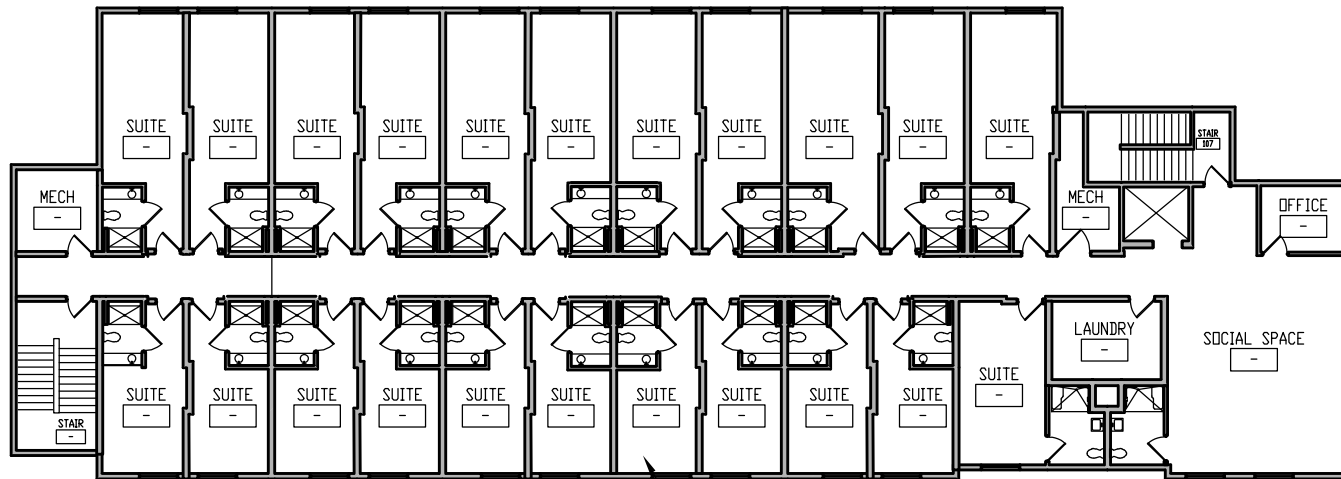
A1



NO CHANGE
TO THIRD FLOOR

2
A2

PROPOSED THIRD FLOOR PLAN - 25 UNITS
SCALE 1/16" = 1'-0"



NO CHANGE
TO SECOND FLOOR

1
A2

PROPOSED SECOND FLOOR PLAN 24 UNITS
SCALE 1/16" = 1'-0"

DESIGN CONSULTANT

INTERIOR ALTERATIONS BRIDGEWATER

1731 PREMIER DRIVE
MANKATO, MINNESOTA 56001

DATE

05/18/2026

SHEET NO.

A2



PAINT EXTERIOR

REMOVE EXISTING
SIGNAGE

DESIGN CONSULTANT

EXTERIOR RENDERING BRIDGEWATER

1731 PREMIER DRIVE
MANKATO, MINNESOTA 56001

DATE

05/18/2026

SHEET NO.

A3

Bridgewater of Mankato

Bridgewater of Mankato is family owned and operated by Brad and Heather Bass.

Services have included Adult Foster Care, Adult Day Care Services, Dementia care, Ventilator Care, Independent Housing with Services, Assisted Living services and Senior Cooperative Housing developments throughout MN and WI.

Brad and Heather have provided senior services in Blue Earth County for nearly 30 years.

SUMMARY:

We intend on purchasing the Motel 6 located at 1731 Premier Dr Mankato Mn 56001. Our proposal is to expand our current operations in Mankato and repurpose the Motel 6 's current 66 units to approximately 60+ affordable housing units to serve the elderly and disable adults.

Motel 6 is Currently ZONED B-3. We are requesting a conditional use permit to provide affordable residential housing with services and assisted living services on the property. A licensed commercial kitchen and dining center will be added to provide meals, in addition to an outdoor greenspace on the interior of the property. We are also requesting a Certificate of Design Compliance for the exterior color changes to the building. We will be removing the Motel 6 Marquee and color scheme (RED) to a more neutral residential brown to match neighboring structures and developments. We will re-use the existing monument sign to identify Bridgewater.

Bridgewater will provide board & lodge, nursing, and activities of daily living. We currently provide 100% waived services with an increasingly higher demand in Blue Earth and Nicollet County. We will be licensed through the MN Dept. of Health as an Assisted Living Facility. We offer permanent housing options, we do not provide transitional housing. All residents and employees must have a background study prior to residency or employment within our organization.

National Criminal Database check, National Sex Offender Registry, MN BCA (Bureau of Criminal Apprehension), and also a MN State Court check.

Criminal Check w/MN State Court:

SSN Trace

OFAC Watchlist

National Sex Offender Registry (50 State)

National Criminal SuperSearch*

MN BCA Criminal Check

MN State Court (87 county)

Criminal Check w/Evictions and MN State Court:

SSN Trace

OFAC Watchlist

National Sex Offender Registry (50 State)

National Criminal SuperSearch*

MN BCA Criminal Check

MN State Court (87 county)

National Court Evictions

Services Provided:

(EW) Elderly Waiver

(CADI) Community Access for Disability Inclusion Waiver

24 Hour Care givers

On Staff Nursing Services

24 Hour on call nursing services

Pendant call light system

3 meals and 2 snacks per day

Assistance in activities of daily living (ADL's)

Including but not limited to:

Dressing, Bathing, Grooming, Toileting, Walking, Transfers, and Mobility assistance

Medication Management

Diabetic Care- Insulin Assistance and Glucose Monitoring

Basic wound care, CPAP/BIPAP Assistance

Weight and Vital Checks

Safety and Wellness checks as needed

Dedicated space for: PT/OT/Speech Therapy

Daily in house Activities program including Scheduled Community Outings

Transportation Management

Laundry & Housekeeping

Smoke Free Facility

Condition of the Property

The condition of the property is exceptional. The cost per unit to repurpose the existing space vs to build new is 50% less in today's building market. Motel 6 is less than 10 yrs old. It is energy efficient and fully up to code with the highest life safety options – all mechanicals, air exchange units, elevator, fire alarms and automated sprinkler systems are in pristine condition. The interior flooring, paint, fixtures, and furnishings are like new and have been very well maintained. Many elders who we serve do not have good furniture or bedding which we traditionally will provide.

The suites within the building offer a larger living area for residents not found in traditional congregate housing settings. Suites range in sizes and can be easily adaptable to provide for changes needed while aging in place.

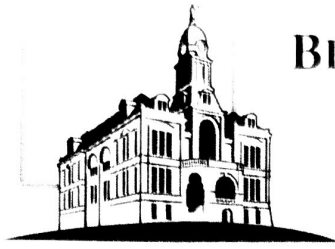
Outdoor greenspace areas will be designed and built to include privacy fencing, gardens, sitting areas with a Gazebo, and picnic tables. Designated smoking areas will be provided.

Why we feel this can meet the B-3 conditional permit use

The recent building of Multifamily Housings near the subject property has created a residential hub that is growing rapidly. The increased volume of residential activity in and around the property offers a multifamily environment that our residents can thrive from.

The area surrounding the parcel are properties with local business' providing individual based services. The nearby business' are focused on personal use and geared towards personal activities such as pet services, personal storage options, shopping, and convenience options such as Kwik Trip. Our residents can directly benefit from the surrounding services offered nearby. Bridgewater will offer a community based service which will complement the neighborhood for seniors who may need assistance.

The property lends itself to provide affordable housing options for individuals needing Assisted living. Location is close to healthcare, emergency services, transportation services, local shopping and entertainment/restaurants, and multifamily neighborhoods. Location provides good local employment opportunities for health care employees offering both part time and full time (long term care) career opportunities.



BLUE EARTH COUNTY

*Effectively and Efficiently
Delivering Essential Services*

www.blueearthcountymn.gov

COMMISSIONERS

District 1 Patty O' Connor
District 2 Vance Stuehrenberg
District 3 Mark Piepho
District 4 Kevin Paap
District 5 Kip Bruender

April 20, 2026

To Whom It May Concern,

I am writing to endorse my full support for Heather & Brad Bass to be approved, to buy a property in Blue Earth County. This property would be converted to an assisted living facility. This project will allow up to 60 units with studio suites, in this community where housing for older adults is greatly needed.

In addition, there is a need for waived services in Blue Earth County and Bridgewater Assisted Living (owned by Heather & Brad Bass) currently provides services to clients in Blue Earth County.

Brad and Heather Bass have provided service services for Blue Earth County since 1997, starting with their adult day center. The Bass' have also provided corporate foster care services and numerous assisted livings options for low income community members.

Please consider approving this conditional use permit as the residents of Blue Earth County need more housing options. The Bass' have been long standing partners in this community, with a particular focus on serving low income residents. This facility is needed to increase the housing problems in the community.

Sincerely,

Erika Sletten

Erika Sletten, LICSW

Blue Earth County Human Services Supervisor

Phone: (507) 304-4331



BLUE EARTH COUNTY

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Delivering Essential Services*

www.blueearthcountymn.gov

COMMISSIONERS

District 1 Patty O' Connor
District 2 Vance Stuehrenberg
District 3 Mark Plepho
District 4 Kevin Paap
District 5 Kip Bruender

April 22, 2026

To Whom it May Concern:

This letter is written in support of Bridgewater of Mankato expanding their operations by purchasing property in Mankato. Bridgewater currently provides assisted living services to low income, disabled individuals in Blue Earth County. Assisted living services continue to be vital for individuals we support in Blue Earth County and an increase in need is projected as we see increases in individuals with disabilities needing supported living settings. The number of individuals with disabilities who need supported living settings exceeds the current available settings. Bridgewater has demonstrated their commitment to providing person-centered care for the individuals they support. Blue Earth County has appreciated Bridgewater's ability to provide these important services to our population and to express interest in expanding their services in Mankato.

Sincerely,

Lynnsey Standahl

Blue Earth County

Adult & Disability Services Supervisor

410 S 5th Street

Mankato, MN 56002

507-304-4353



AGENDA RECOMMENDATION

Public Hearings 7. A.

City Council Regular Meeting

Meeting Date: 06/08/2026

Agenda Item:

Resolution adopting the City of Mankato 2026 Community Development Block Grant (CDBG) Annual Action Plan.

Recommendation/Action(s):

Adoption of attached resolution.

Summary:

On May 27, 2025, the City Council adopted the City of Mankato 2025-2029 Consolidated Plan for the utilization of Community Development Block Grant (CDBG) funding. The plan details how the expected annual funding from the U.S. Department of Housing and Urban Development (HUD) will be used in conformance with CDBG guidelines and guides the use of funds for each annual action plan. The first year of the plan ends on June 30, 2026, and the City is required to adopt a new Annual Action Plan to guide CDBG utilization for the next program year, which begins on July 1, 2026.

The City of Mankato is an entitlement grantee for the CDBG program, and receives an annual allocation of funds from HUD. Activities must primarily benefit low and moderate income (LMI) residents of Mankato, which is defined as having an income equal to or less than 80 percent of the area median income, adjusted for household size.

The funding level for the 2026 program year is \$415,169. The table below summarizes the funding and proposed activities:

2026 Action Plan Activity	Use	CDBG Funding
Owner-Occupied Housing Rehabilitation	It is proposed to complete 4 units of owner-occupied housing rehabilitation.	\$179,169
Rental Housing Rehabilitation	It is proposed to complete 2 units of rental housing rehabilitation.	\$24,000
Affordable Housing	It is proposed to support affordable housing projects by providing leverage towards site acquisition costs for projects that create additional affordable housing units or projects that preserve existing affordable housing units.	\$100,000
Public Services	Similar to past years, would be awarded through requests for proposals for public service activities that meet a community need as identified during the public engagement for the Consolidated Plan and that also primarily benefit low to moderate income households. The CDBG program limits funding for public service grants to 15 percent of the total grant collection.	\$62,000
Administration and Planning	Costs associated with administering the CDBG program, along with possible consultant fees. This may include preparation of required reports, completing environmental reviews, fees to publish required public notices, and preparation of plans to support goals identified in the 2025-2029 Consolidated Plan.	\$50,000
TOTAL		\$415,169

Proposed activities within the 2026 Action Plan are similar to previous years. For housing rehabilitation activities, dwelling units will be located within targeted areas. The targeted areas were determined based on the slum and blight analysis that was prepared in [2022](#). The targeted areas are neighborhoods with the highest population of low to moderate income households and with older housing stock, which have a greater need for rehabilitation compared to newer homes. There continues to be a need for housing rehabilitation.

HUD requires a 30-day public comment period and a public hearing to occur prior to approving the Action Plan. The 2026 CDBG Action Plan was posted for public comment May 8, 2026, through June 7, 2026. All comments received will be taken into consideration. At the time this memo was written, no public comments were received. Any additional comments made at the public hearing can still be considered by the City Council and if it is determined that a change to the plans is warranted, City staff will modify the plans prior to submission to HUD.

Attachments

Resolution

Draft 2026 CDBG Action Plan

Resolution Adopting the 2026
Community Development Block Grant Action Plan

WHEREAS, the U.S. Department of Housing and Urban Development (HUD) requires Entitlement Communities to develop and submit a five year Consolidated Plan before participation in the Community Development Block Grant Program and;

WHEREAS, the City of Mankato has researched the needs in the community, obtained citizen input, and has provided the opportunity for citizens to comment; and

WHEREAS, the City of Mankato approved the Consolidated Plan on May 27, 2025; and

WHEREAS, HUD requires an annual action plan to be developed based on the Consolidated Plan; and

WHEREAS, the City has prepared a draft action plan for the 2026 program year and solicited comments from stakeholders; and

WHEREAS, the plan conforms to the goals of the Consolidated Plan.

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Mankato approves the 2026 Community Development Block Grant Action Plan and directs the City Manager to file the plan with HUD.

This resolution shall become effective immediately upon passage.

Dated this 8th day of June, 2026.

Najwa Massad
Mayor

Attest: _____
Rena Kopischke, MMC
City Clerk



2026 ANNUAL ACTION PLAN

Community Development Block Grant (CDBG)

City of Mankato
10 Civic Center Plaza
Mankato, MN 56001

507-387-8600
www.mankatomn.gov

Executive Summary

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

The 2026 Annual Action Plan establishes the goals for the 2026 program year, based on the needs identified in the 2025-2029 Consolidated Plan. This Action Plan covers the second year of the Consolidated Plan and formulates a plan to achieve many of the objectives and outcomes stated in the Consolidated Plan

2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

For the 2026 Action Plan, the following objectives are proposed:

- Objective 1: Owner-Occupied Housing Rehabilitation \$179,169
- Objective 2: Rental Housing Rehabilitation \$24,000
- Objective 3: Affordable Housing \$100,000
- Objective 4: Public Services \$62,000
- Objective 5: Planning and Administration \$50,000

3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

The City of Mankato continues to work with shelter providers as they continue to search for opportunities to expand shelter beds and also provide additional shelter beds that are available year-round 24/7.

The owner-occupied housing rehabilitation program and rental housing rehabilitation program has been effective in preserving affordable housing stock as well as improving the quality of life for low-to-moderate income households.

Public service dollars were spent benefitting low to moderate income residents for food support, transportation and chore services to elderly and disabled, provide medical care, education services, youth services, child care.

The need for affordable housing continues in Mankato. Within the last five years, funds were used to leverage four affordable housing projects that were also awarded Low Income Housing Tax Credits through Minnesota Housing. Rehabilitation was completed at Colonial Square preserving 77 units of affordable housing, rehabilitation was completed at the Alma (formerly known as Walnut Towers) preserving 86 units of affordable housing, Lewis Lofts constructed 64 units of affordable senior housing, and construction is currently underway on Poplar Apartments which will construct 40 units of supportive affordable housing. Additionally, funds were used to leverage site acquisition costs of real property for the Partnership Community Land Trust to purchase two dwelling units benefitting two low to moderate income households.

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

A draft of the 2026 Action Plan was made available on the City's website and copies were also available for review upon request. A 30-day public comment period occurred from May 8, 2026 until June 7, 2026. Notice of the public comment period was published in the Mankato Free Press on May 8, 2026. A public hearing for the 2026 Annual Action Plan will be held on June 8, 2026. Notice of public hearing was sufficiently detailed for citizens to identify the content of the hearing and the types of programs or services eligible for CDBG funding. Records will be kept available for a minimum of five years prior to being placed in file storage for closed projects or closed program years.

5. Summary of public comments

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

6. Summary of comments or views not accepted and the reasons for not accepting them

7. Summary

In summary, goals for the 2026 program year include completing 4 owner occupied housing rehabilitation projects, 2 units of rental housing rehabilitation, affordable housing, administration and planning, and public services.

PR-05 Lead & Responsible Agencies – 91.200(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

Describe the agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	MANKATO	Community Development Department

Table 1 – Responsible Agencies

Narrative (optional)

The City Manager designated the Community Development Department as the lead for overseeing the development of the plan and the major public and private agencies responsible for administering programs covered by the Consolidated Plan. To help identify community needs and gaps in delivery of services, the City of Mankato has worked with a number of public and private agencies to develop the 2026 Action Plan

Consolidated Plan Public Contact Information

The public can contact the Community Development Department of the City of Mankato with questions or comments about the action plan. Specific staff can be reached: Courtney Kramlinger, Economic Development Coordinator, 10 Civic Center Plaza, Mankato, MN 56001; 507-387-8711; ckramlinger@mankatomn.gov

AP-10 Consultation – 91.100, 91.200(b), 91.215(l)

1. Introduction

Provide a concise summary of the jurisdiction’s activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l))

The Community Development Department of the City of Mankato maintains strong working relationships with supportive housing providers, public housing agencies, healthcare organizations, mental health providers, and social service agencies throughout the region. The Mankato Economic Development Authority (EDA) has cooperative agreements with Blue Earth County Human Services to provide supportive services to individuals and families experiencing long-term homelessness through programs at the Breckenridge Townhomes and the regional Bridges Program. Additionally, the EDA has a Memorandum of Understanding with the Southwest Minnesota Housing Partnership to provide supportive services at Cherry Ridge Apartments using Continuum of Care funding.

The City also partners closely with the U.S. Department of Veterans Affairs to assist veterans experiencing homelessness through the Veterans Affairs Supportive Housing (VASH) voucher program. Staff participate in the National Association of Housing and Redevelopment Officials (NAHRO) and regularly collaborate with regional housing providers administering federal and state assisted housing programs.

Through administration of the Housing Choice Voucher (HCV) Program, staff maintain regular communication with landlords, social service agencies, and neighboring housing authorities. Local EDA staff, supportive housing providers, transitional housing providers, and emergency shelter operators meet biweekly through the local homeless response system to coordinate services and reduce the length of homelessness in the community.

In addition, staff participate in monthly meetings with the local mental health initiative and collaborate with mental health professionals to case conference complex situations and develop best practices for service delivery and housing stability.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

City staff actively participate in the regional Continuum of Care (CoC) and collaborate with partners to address the needs of persons experiencing homelessness, including chronically homeless individuals and families, families with children, veterans, unaccompanied youth, and persons at risk of homelessness.

The City administers and supports several CoC-endorsed programs designed to address homelessness and housing instability, including Continuum of Care funding at Cherry Ridge Apartments, supportive housing at Breckenridge Townhomes, Bridges vouchers, Veterans Affairs Supportive Housing (VASH), Emergency Housing Vouchers (EHV), Stability Vouchers, and Coordinated Entry housing navigation services.

The Mankato EDA has established local preferences within the Housing Choice Voucher (HCV) Program that prioritizes households referred through the CoC's Coordinated Entry System (CES), as well as individuals and families transitioning from supportive housing and transitional housing programs into permanent housing. In addition, the Bridges Program provides rental assistance for individuals with serious mental illness who are being discharged from institutional or residential treatment settings, helping to prevent homelessness and support housing stability.

The City has also supported Partners for Housing through rehabilitation assistance for transitional housing units and capital improvements to emergency shelter facilities, including the Welcome Inn and Theresa House.

Staff participate in CoC committees, assist in ranking projects for regional funding applications, and have contributed to the development and implementation of the Coordinated Entry System (CES) referral process. Staff also participate in monthly coordination meetings focused on CES best practices, case conferencing, and staff training. In collaboration with public safety agencies and emergency shelter providers, staff have also helped develop a local street outreach team to engage unsheltered individuals and connect them with housing and supportive services.

The regional Continuum of Care Plan for the 20-county area that includes Mankato addresses discharge planning for individuals leaving publicly funded institutions or systems of care to reduce discharges into homelessness. This includes coordination and placement assistance for individuals exiting healthcare and mental health facilities. Additional details regarding discharge planning are included in the Homeless Facilities and Services section of this plan.

Coordination among the City, County, local EDAs, Partners for Housing, and Trellis Company created the foundation for the development of a new 40-unit supportive housing community expected to open within the next year. The project combines multiple funding and support sources that collectively made the development possible. The EDA committed project-based housing vouchers to provide long-term rental assistance for all units, ensuring affordability and operational stability. Partners for Housing secured Continuum of Care (CoC) funding for supportive services, along with additional City CDBG funds and County American Rescue Plan Act (ARPA) funding to support wraparound case management and resident services. The City also contributed discounted publicly owned land, demonstrating a significant local commitment to the project's success. These coordinated local investments strengthened the project's competitiveness for Low-Income Housing Tax Credits (LIHTCs) and capital financing through the

Minnesota Housing Finance Agency. Upon completion, the development will provide permanent supportive housing for individuals and households transitioning from homelessness or unstable living situations. The project demonstrates how sustained collaboration among local governments, housing agencies, nonprofit partners, and community organizations can create long-term solutions to homelessness and expand access to stable, affordable housing for future generations.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

City staff actively coordinate with the regional Continuum of Care (CoC) regarding the administration of Emergency Solutions Grant (ESG) funds and the operation of the Homeless Management Information System (HMIS). As active CoC members, staff participate in committee meetings and collaborative planning efforts that support housing and service projects for individuals experiencing homelessness throughout the Southeast Minnesota region.

The City works closely with CoC partners to help establish performance standards, policies, and procedures related to ESG-funded activities and HMIS administration. These standards are developed collaboratively by CoC staff and member agencies and are formally approved through the CoC governance process.

City staff also support the Continuum of Care's annual Point-in-Time (PIT) count and Housing Inventory Count (HIC), which provide critical data used to assess regional homelessness trends, identify service and housing gaps, and inform funding priorities and strategic planning efforts.

In addition, City staff participate in the preparation, coordination, and review of funding applications prior to submission to HUD, helping ensure regional alignment, compliance with federal requirements, and strategic investment in programs that address homelessness and housing instability.

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdiction's consultations with housing, social service agencies and other entities

The Community Development Department of the City of Mankato maintains strong working relationships and ongoing coordination with a broad range of agencies, organizations, and service providers involved in housing, homelessness response, healthcare, mental health services, and supportive services throughout the region. Agencies and organizations participating in the consultation and planning process include the Mankato Economic

Development Authority (EDA), Blue Earth County Human Services, Southwest Minnesota Housing Partnership, Partners for Housing, local emergency shelter and transitional housing providers, public housing agencies, healthcare organizations, mental health providers, the U.S. Department of Veterans Affairs, regional housing authorities, local landlords and property owners, and members of the regional Continuum of Care (CoC). The local Homeless Response Team has approximately 60 services providers that meet month to collaborate local resources.

The City works closely with the U.S. Department of Veterans Affairs to assist veterans experiencing homelessness through the Veterans Affairs Supportive Housing (VASH) voucher program. Through administration of the Housing Choice Voucher (HCV) Program, staff regularly communicate with landlords, social service agencies, neighboring housing authorities, and supportive housing providers regarding housing needs, service coordination, and housing stability strategies.

Local EDA staff, supportive housing providers, transitional housing programs, and emergency shelter operators participate in biweekly meetings through the local homeless response system to coordinate services, reduce barriers to housing placement, and reduce the length of homelessness within the community. Staff also participate in monthly meetings with the local mental health initiative and collaborate with mental health professionals to case conference complex situations, coordinate services, and develop best practices related to housing stability and supportive services.

In collaboration with public safety agencies and emergency shelter providers, staff have helped develop a local street outreach team to engage unsheltered individuals and connect them with housing and supportive services.

Coordination among the City, County, local EDAs, Partners for Housing, and Trellis Company also contributed to the development of a new 40-unit supportive housing community expected to open within the next year. The project combines project-based vouchers, Continuum of Care funding, City CDBG funds, County ARPA funds, and Low-Income Housing Tax Credits to create permanent supportive housing for individuals and households transitioning from homelessness or unstable living situations.

Table 2 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	Partners for Housing
	Agency/Group/Organization Type	Housing Services - Housing Services-Children Services-Persons with Disabilities Services-homeless
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Unaccompanied youth Homelessness Strategy Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	City staff work regularly with Partners for Housing to move homeless households from the shelter to permanent affordable housing. City staff have also assisted Partners for Housing with rehab of their transitional rental units and homeless shelters. The City has been collaborating with Partners for Housing on strategies to increase shelter beds in Mankato and for the development of a new supportive housing project that is currently under construction that will include 40 units of supportive housing. Partners participate in a local street outreach navigating homelessness within the community. Partners for Housing participated in the community engagement too.

2	Agency/Group/Organization	BLUE EARTH COUNTY
	Agency/Group/Organization Type	Housing PHA Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Victims of Domestic Violence Services-homeless Services-Health Services-Employment Service-Fair Housing Services - Victims Health Agency Child Welfare Agency Other government - County
	What section of the Plan was addressed by Consultation?	Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Anti-poverty Strategy

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Community Development department (Mankato Economic Development Authority, EDA) of the City of Mankato works daily with social services staff at Blue Earth County. The City and County have several cooperative agreements where the City provides the rental subsidy and the County provides the supportive services needed to help long-term homeless stay housed. Programs that these agreements cover include the administration of Blue Earth County's housing assistance programs; public housing, Housing Choice Voucher, Bridges, Continuum of Care funding, and Breckenridge supportive housing units. Staff from Blue Earth County participate on the Board of Advisors for the Family Self-Sufficiency Program. Blue Earth County staff attended and provided comments during the community engagement. Blue Earth County Staff serve on the Affordable Housing Trust Fund Advisory Board and make recommendations to the EDA that support affordable housing activities.
3	Agency/Group/Organization	Open Door Health Care Clinic
	Agency/Group/Organization Type	Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-Health Health Agency Publicly Funded Institution/System of Care
	What section of the Plan was addressed by Consultation?	Medical care for underinsured
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Staff from Open Door Health Clinic participated in the community engagement. Also, Open Door has been a recipient of CDBG funds in the past, providing medical care to low-income residents who are underinsured.

4	Agency/Group/Organization	Minnesota Council of Churches Mankato Area Refugee Services
	Agency/Group/Organization Type	Services - Housing Services-Children Services-Persons with Disabilities Services-Education Service-Fair Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	This organization works closely with City staff on the Tapestry Program that helps orient new legal/documentated immigrants in the community. Minnesota Council of Churches' Tapestry Program has been a recipient of CDBG funds in the past.
5	Agency/Group/Organization	Committee Against Domestic Abuse, CADA House
	Agency/Group/Organization Type	Services - Housing Services-Victims of Domestic Violence
	What section of the Plan was addressed by Consultation?	Housing for victims of domestic violence
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	CADA provides shelter and advocacy for victims of domestic abuse. Staff have consulted with them in the past to expand shelter space. CADA staff attended the community engagement.
6	Agency/Group/Organization	Mankato Salvation Army
	Agency/Group/Organization Type	Services - Housing Services-homeless

	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homelessness Needs - Veterans
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Staff from the Mankato Salvation Army attended the community engagement. Participate in a local street outreach navigating homelessness within the community.
7	Agency/Group/Organization	Minnesota Assistance Council for Veterans
	Agency/Group/Organization Type	Housing Services-homeless Services-Employment Regional organization
	What section of the Plan was addressed by Consultation?	Homelessness Needs - Veterans
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Staff work closely with MAC-V to provide the VASH program and to assist homeless veterans who come through out doors.
8	Agency/Group/Organization	Minnesota Valley Action Council Inc
	Agency/Group/Organization Type	Housing Services - Housing Services-Children Services-Elderly Persons Services-homeless Regional organization

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	MVAC works with City staff in the provision of our rehabilitation programs. MVAC staff consult with City staff through participation of the CoC and the FSS Board of Advisors. City staff communicate regularly with MVAC staff who administer the homeless prevention program when we see people in need. MVAC staff participated in the community engagement.
9	Agency/Group/Organization	South Central Minnesota Multi-County HRA
	Agency/Group/Organization Type	Housing Services - Housing Services-Elderly Persons Services-Persons with Disabilities Regional organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Housing Choice Voucher program administrator
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The South Central Minnesota Multi-County HRA (SCMMCHRA) participated in the public engagement. City staff also work regularly with the SCMMHRA staff in porting vouchers between jurisdictions.

10	Agency/Group/Organization	House of Hope
	Agency/Group/Organization Type	Housing Services - Housing Services-Persons with Disabilities Services-homeless Housing for those overcoming addictions
	What section of the Plan was addressed by Consultation?	Adult treatment facility for those with chemical and mental health needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	House of Hope works to provide services to long-term homeless families leased in the City's Continuum of Care program.
11	Agency/Group/Organization	Southwest Minnesota Housing Partnership
	Agency/Group/Organization Type	Housing Services - Housing Regional organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis Economic Development Affordable Housing
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Staff from Southwest Minnesota Housing Partnership (SWMHP) participated in the public engagement. City staff also work closely with SWMHP on furthering affordable housing in Mankato, including through the Partnership Community Land Trust and Homebuyer Education and Counseling.

12	Agency/Group/Organization	Habitat for Humanity
	Agency/Group/Organization Type	Housing Services - Housing
	What section of the Plan was addressed by Consultation?	Affordable Housing
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Habitat for Humanity communicates with City staff and refers potential homebuyers to the City's Home Stretch program. Habitat for Humanity staff participated in the public engagement and is a past recipient of CDBG funds.
13	Agency/Group/Organization	Lloyd Management
	Agency/Group/Organization Type	Housing
	What section of the Plan was addressed by Consultation?	Housing provider
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Lloyd Management administers many market rate and affordable rental units in Mankato. City staff work with Lloyd Management to house long-term homeless and disabled persons.
14	Agency/Group/Organization	Lutheran Social Service (Mankato)
	Agency/Group/Organization Type	Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-homeless Services-Education
	What section of the Plan was addressed by Consultation?	Financial literacy, child care

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Lutheran Social Service participated in the public engagement and is a past recipient of CDBG funds. LSS provides local residents financial counseling and budgeting.
15	Agency/Group/Organization	Greater Mankato Area United Way
	Agency/Group/Organization Type	Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Victims of Domestic Violence Services-homeless Services-Health Services-Education Services-Employment Regional organization
	What section of the Plan was addressed by Consultation?	Public services
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Staff from the United Way participated in the public engagement.
16	Agency/Group/Organization	ECHO Food Shelf
	Agency/Group/Organization Type	Food shelf
	What section of the Plan was addressed by Consultation?	Food shelf

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Staff communicate regularly with EHCO Food Shelf staff which is a past recipient of CDBG funds. ECHO staff participated in the public engagement.
17	Agency/Group/Organization	ISJ Mayo Health Systems
	Agency/Group/Organization Type	Services-Health
	What section of the Plan was addressed by Consultation?	Health Services
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Mayo Health Systems participated in the public engagement.
18	Agency/Group/Organization	Feeding Our Communities
	Agency/Group/Organization Type	Services-Children Food services
	What section of the Plan was addressed by Consultation?	Public Services
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Feeding Our Communities Partners is a past recipient of CDBG funds to provide nutrition and food to children of low to moderate income households. Feeding Our Communities Partners was invited to the public engagement sessions.
19	Agency/Group/Organization	SMILES
	Agency/Group/Organization Type	Services-Persons with Disabilities
	What section of the Plan was addressed by Consultation?	Services to persons with disabilities

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	SMILES is committed to providing a wide variety of services that assist individuals with disabilities to live independently, pursue meaningful goals, and enjoy the same opportunities and choices as all persons. SMILES serves Southern Minnesota Region 9 area. SMILES participated in the public engagement.
20	Agency/Group/Organization	SMRLS
	Agency/Group/Organization Type	Legal assistance
	What section of the Plan was addressed by Consultation?	Legal assistance
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Southern Minnesota Regional Legal Services (SMRLS) provides free legal services to low-income individuals in critical civil matters. SMRLS staff participated in the public engagement.
21	Agency/Group/Organization	Mankato EDA
	Agency/Group/Organization Type	Housing PHA Services - Housing Services-homeless Other government - Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Strategy Economic Development

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Mankato Economic Development Authority (EDA) is an arm of the City of Mankato. The EDA provides permanent affordable housing through the management of public housing and the Housing Choice Voucher Programs, serve the homeless through the Bridges, Continuum of Care funding, and VASH supportive Housing and Breckenridge Townhomes. The EDA administers the state funded Bring It Home rental voucher program and seeks to expand the federal Housing Choice Voucher Program. Staff also move residents to self-sufficiency by providing the Family Self-Sufficiency Program, the Voucher Homeownership Program, and coordinating Home buyer education. The EDA administers the local Affordable Housing Trust Fund and works to expand affordable housing opportunities in the community.
22	Agency/Group/Organization	VINE Faith in Action
	Agency/Group/Organization Type	Services-Elderly Persons
	What section of the Plan was addressed by Consultation?	Public Services
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Staff from VINE participated in the public engagement. Currently, VINE is a recipient of CDBG funds to provide transportation and chore services to low income seniors and disabled persons. City staff communicate regularly with VINE.
23	Agency/Group/Organization	CommonBond
	Agency/Group/Organization Type	Housing Services - Housing Service-Fair Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	CommonBond participated in the public engagement. CommonBond is also the owner/operator of Dublin Crossing and Dublin Heights which are affordable housing units that were developed with assistance from Low Income Housing Tax Credits and is a past recipient of CDBG funds.
24	Agency/Group/Organization	Beyond Brink
	Agency/Group/Organization Type	Services - Housing
	What section of the Plan was addressed by Consultation?	Sober housing
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Beyond Brink was invited to participate in the public engagement and is a past CDBG recipient.
25	Agency/Group/Organization	MY Place
	Agency/Group/Organization Type	Services-Children Services-Education
	What section of the Plan was addressed by Consultation?	Public Services
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Staff from MY Place was invited to participate in the public engagement and is a past CDBG recipient.
26	Agency/Group/Organization	CITY OF MANKATO
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Resiliency consultation (hazard mitigation)

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	City staff in our public works department who manage the flood control system and city utilities (water, sanitary, storm) were consulted. The City also owns land which is used for public parks, infrastructure (roads, utilities, drainage, flood control system, etc.), leasing for industrial and commercial uses, and for public housing.
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Identify any Agency Types not consulted and provide rationale for not consulting

No known groups were excluded from consultation

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	River Valley Continuum of Care	The River Valley CoC strives to increase housing resources and services for the homeless in southeast Minnesota. The City of Mankato has included the need for expanded shelter space in the plan.
Mankato Area Housing Study Update	City of Mankato	Community Partners Research conducted a housing study in 2025 to provide needed information to guide local developers as well as planning organizations and the Mankato EDA as to the housing needs in the City of Mankato.

Table 3 – Other local / regional / federal planning efforts

AP-12 Participation – 91.105, 91.200(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation Summarize citizen participation process and how it impacted goal-setting

A draft of the 2026 Action Plan was made available on the City's website. Copies were also available for review by request. A 30-day public comment period will occur from May 8, 2026 through June 7, 2026. Notice of public comment period was published in the Mankato Free Press on May 8, 2026. A public hearing for the 2026 Action Plan will be held on June 8, 2026. Notice of the public hearing will be published in the Mankato Free Press. The City Council agendas are also published online on the City's website. Notices of public hearings are sufficiently detailed for citizens to identify the content of the hearing and the types of programs or services eligible for CDBG funding.

City staff utilized the City of Mankato 2025-2029 Consolidated Plan to guide the goals of the 2026 Action Plan. The City of Mankato engaged the community when developing the plan. In seeking input for the 2025-2029 Consolidated Plan, notification was made to neighborhood associations, flyers were distributed to local groups (ranged from homeless and housing providers, social service agencies, economic development/government), City of Mankato website, City of Mankato social media pages, and press releases.

A request for proposals process was used to reach providers of public services and provide the opportunity to access the public service funds. A news release was made notifying the public of the request for proposals for public service grants. The application was made available on the City's website and sent to Mankato public service providers and past applicants. Selection criteria for proposals identified for funding were based on quality services provided that would meet needs identified in the 2025-2029 Consolidated Plan, would provide high benefit to low-income persons; maximize use of outside funds or leveraging and services which are coordinated with other public and private efforts; clearly defined scope, location, need, budget, goals, and means for evaluation of program progress; help people with special needs achieve better access to and use of existing services; demonstrate capacity of application and capability to be carried out successfully; clearly stated goals and evaluation criteria that are specific, measurable, and realistic; support or coordination with other community development efforts; present a reasonable and sound budget.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Public Hearing	Non-targeted/broad community				
2	Newspaper Ad	Non-targeted/broad community				

Table 4 – Citizen Participation Outreach

Expected Resources

AP-15 Expected Resources – 91.220(c)(1,2)

Introduction

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	415,169.00	0.00	0.00	415,169.00	0.00	The 2026 program year allocation of CDBG is \$415,169. It is proposed to complete 4 units of owner occupied housing rehabilitation, 2 units of rental housing rehabilitation, affordable housing to assist with rehabilitation or acquisition of real property, public services, and administration and planning.
Other	public - local	Economic Development	0.00	0.00	0.00	0.00	0.00	

Table 5 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how

matching requirements will be satisfied

For public services, it is required that each agency receiving funds provide a 50% match. For the owners of rental property receiving CDBG funds, a 50% match is also required. Low-income homeowners pay a match based on ability to pay; this requirement is waived for extremely low-income homeowners. Social services (case management) is leveraged by the Continuum of Care funding and VASH programs to keep long term homeless persons in a housed condition.

The federal funding leveraged additional funding from Minnesota Housing including the Bridges rental assistance program serving those with mental illness and the Bring It Home rental assistance program serving families. The Local Homeless Prevention Aid funding from the Minnesota Department of Treasury has been leveraged with federal Homework Starts with Home funding and the Mankato Public Schools to serve families with children who are homeless or at risk of homelessness.

If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

In the past, the City has made land owned by the City available to address needs identified in the Consolidated Plan. This includes the sale of property creation of new affordable housing units for Sinclair Flats (38 units of affordable housing and 10 units of market rate housing), Lewis Lofts (64 units of affordable senior housing), and Poplar Apartments (40 units of affordable supportive housing that is currently under construction).

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Annual Goals and Objectives

AP-20 Annual Goals and Objectives

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Owner Occupied Housing	2025	2029	Affordable Housing Non-Homeless Special Needs	Lincoln Park Tourtellotte Park Hilltop Washington Park Sibley Park Germainia Park North Highland Park West Mankato	Owner Occupied Housing Rehabilitation	CDBG: \$152,169.00	Homeowner Housing Rehabilitated: 4 Household Housing Unit

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
2	Rental Housing	2025	2029	Affordable Housing Non-Homeless Special Needs	Lincoln Park Tourtellotte Park Hilltop Washington Park Sibley Park Germainia Park North Highland Park West Mankato	Rental Housing Rehabilitation	CDBG: \$24,000.00	Rental units rehabilitated: 2 Household Housing Unit
3	Public Services	2025	2029	Homeless Non-Homeless Special Needs		Public Services	CDBG: \$62,000.00	Public service activities for Low/Moderate Income Housing Benefit: 150 Households Assisted
4	Affordable Housing	2025	2029	Affordable Housing		Affordable Housing	CDBG: \$100,000.00	Homeowner Housing Added: 4 Household Housing Unit

Table 6 – Goals Summary

Goal Descriptions

1	Goal Name	Owner Occupied Housing
	Goal Description	Funds will be provided for owner occupied housing rehabilitation, benefitting low to moderate income households. Lead-based paint hazards will be removed and housing conditions will be improved.

2	Goal Name	Rental Housing
	Goal Description	Funds will be provided for rental housing rehabilitation benefitting low to moderate income households.
3	Goal Name	Public Services
	Goal Description	Funds will be provided to support public service activities for continuing services or to expand services to meet identified community needs. A Request for Proposals will be used to determine which organizations will be funded. Selection criteria for proposals identified for funding will be based on quality services provided that would meet the needs identified in the 2025-2029 Consolidated Plan.
4	Goal Name	Affordable Housing
	Goal Description	Funds will be used to support affordable housing projects that will create or preserve affordable housing units. CDBG funds will be used for site acquisition costs or housing rehabilitation costs, benefitting low to moderate income households.

Projects

AP-35 Projects – 91.220(d)

Introduction

Projects planned for the 2026 program year are based on identified community needs and include owner occupied housing rehabilitation, rental housing rehabilitation, affordable housing, public services, and administration and planning.

Projects

#	Project Name
1	Owner Occupied Housing Rehabilitation
2	Rental Housing Rehabilitation
3	Affordable Housing
4	Public Services
5	Administration and Planning

Table 7 - Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

Allocation priorities were made based on input received as to needs in the community. Allocation priorities were established based on documented community needs, public input, and local planning efforts. Funding emphasis was placed on housing rehabilitation, affordable housing development, public services, and planning activities because these areas were consistently identified as the most pressing needs through stakeholder engagement, resident feedback, and analysis conducted as part of the community's Affordable Housing Action Plan and the 2025 Housing Study completed by Maxfield Research. The priorities also align with goals identified in the Mankato Annual Strategic Plan and regional housing initiatives focused on maintaining safe, affordable, and accessible housing opportunities.

Owner-occupied housing rehabilitation was prioritized to preserve the existing housing stock, address deferred maintenance, improve energy efficiency, and allow low- and moderate-income homeowners, including seniors and persons with disabilities, to remain safely in their homes. Rental rehabilitation and affordable housing activities were prioritized due to rising housing costs, limited rental availability, aging housing inventory, and the increasing gap between wages and housing affordability. Public service funding was prioritized to support vulnerable populations experiencing housing instability, economic hardship, and barriers to accessing supportive services.

AP-38 Project Summary

Project Summary Information

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1	Project Name	Owner Occupied Housing Rehabilitation
	Target Area	Lincoln Park Tourtellotte Park Hilltop Washington Park Sibley Park Germainia Park North Highland Park West Mankato
	Goals Supported	Owner Occupied Housing
	Needs Addressed	Owner Occupied Housing Rehabilitation
	Funding	CDBG: \$179,164.00
	Description	Rehabilitation will be completed on four units of owner occupied housing to benefit low to moderate income households.
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	It is estimated four low to moderate income households will benefit from the proposed activities.
	Location Description	Specific addresses are not known at this time. Properties would be located within one of the local targeted areas. The targeted areas are neighborhoods with a high population of low to moderate income households and the City's oldest housing stock with greater needs for rehabilitation.
2	Planned Activities	Rehabilitation to owner occupied housing to include exterior, energy efficiency
	Project Name	Rental Housing Rehabilitation
	Target Area	Lincoln Park Tourtellotte Park Hilltop Washington Park Sibley Park Germainia Park North Highland Park West Mankato
	Goals Supported	Rental Housing

	Needs Addressed	Rental Housing Rehabilitation
	Funding	CDBG: \$24,000.00
	Description	Rehabilitation to two units of rental housing to benefit low to moderate income households. The property owner will be required to enter into specific rental agreements to assure that rents are affordable to low and moderate income households for a five year period.
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	It is estimated two low to moderate income households will benefit from the proposed activities.
	Location Description	Specific addresses are not known at this time. Properties would be located within one of the local targeted areas. The targeted areas are neighborhoods with a high population of low to moderate income households and the city's oldest housing stock.
	Planned Activities	Rehabilitation to rental housing to include exterior, energy efficiency, and building code improvements. Lead based paint assessments will be completed on the units and lead hazards will be abated as part of the project.
3	Project Name	Affordable Housing
	Target Area	
	Goals Supported	Affordable Housing
	Needs Addressed	Affordable Housing
	Funding	CDBG: \$100,000.00
	Description	Funds will be used to towards site acquisition costs for projects that create additional affordable housing units or that preserve existing affordable housing units.
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	It is estimated four low to moderate income households will benefit from the proposed activities.
	Location Description	Specific addresses are not yet known, but would be located within the city limits of Mankato.

	Planned Activities	CDBG funds will be used for site acquisition costs or rehabilitation to preserve existing affordable housing.
4	Project Name	Public Services
	Target Area	
	Goals Supported	Public Services
	Needs Addressed	Public Services
	Funding	CDBG: \$62,000.00
	Description	Funds will be used to provide public service grants to organizations through a Request for Proposals process for services that meet identified community needs.
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	It is estimated 300 low to moderate income households will benefit from the proposed activities.
	Location Description	
5	Planned Activities	A Request for Proposals process will be used to award public service grants to organizations that meet identified community needs. Services may include transportation, child care, medical care, rental assistance, homeless shelter operations, youth services, senior services, or chore services.
	Project Name	Administration and Planning
	Target Area	
	Goals Supported	Owner Occupied Housing Rental Housing Public Services Affordable Housing
	Needs Addressed	Affordable Housing Rental Housing Rehabilitation Owner Occupied Housing Rehabilitation Public Services
	Funding	CDBG: \$50,000.00
	Description	Costs associated with administering the CDBG program.

	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	Costs associated with administering the CDBG program.

AP-50 Geographic Distribution – 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

For the 2026 CDBG Action Plan, 49% of CDBG funds will be spent on owner-occupied and rental housing rehabilitation within targeted areas of Mankato which include Germania Park, Hilltop, Lincoln Park, North Highland Park, Sibley Park, Tourtellotte Park, Washington Park, and West Mankato. Applications from any of the targeted neighborhoods will be considered

Geographic Distribution

Target Area	Percentage of Funds
Lincoln Park	
Tourtellotte Park	
Hilltop	
Washington Park	
Sibley Park	
Germania Park	
North Highland Park	
West Mankato	

Table 8 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

The targeted areas were selected based on neighborhoods with the largest concentration of low to moderate income households, the City's oldest housing stock, and the greatest needs for rehabilitation.

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

CDBG funds will be used to rehabilitate four owner-occupied housing units and two rental housing units to assist with preserving the City's affordable housing stock. CDBG funds will also be used for site acquisition costs or rehabilitation costs to create or preserve affordable housing.

One Year Goals for the Number of Households to be Supported	
Homeless	0
Non-Homeless	10
Special-Needs	0
Total	10

Table 9 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	0
The Production of New Units	0
Rehab of Existing Units	6
Acquisition of Existing Units	4
Total	10

Table 10 - One Year Goals for Affordable Housing by Support Type

AP-60 Public Housing – 91.220(h)

Introduction

The Mankato EDA manages 179 public housing units within the City of Mankato, as well as three units of affordable market rate housing. The public housing portfolio is comprised of 101 units at Orness Plaza, 98 of which are one bedrooms, three are two-bedrooms. There are 78 family units that range in size from two-bedrooms, three-bedrooms, four-bedrooms, and five-bedrooms, which are scattered throughout the City. The EDA also administers 431 Housing Choice Vouchers, 10 Veteran's Administration Supportive Housing (VASH) vouchers, 113 Mainstream vouchers, 15 Emergency vouchers, 12 Foster Youth to Independence vouchers, 5 Stability vouchers and 8 Continuum of Care vouchers. The VASH and Continuum of Care programs are targeted towards homeless families and individuals and include services to help keep these families housed. The Housing Choice Voucher program has developed preferences that allow the EDA to prioritize households transitioning from supportive housing and services a percentage of households from the Coordinated Entry system. The EDA also strives to move program participants to self-sufficiency through the administration of the Family Self-Sufficiency Program, the Housing Choice Voucher Homeownership Program, and through the provision of homebuyer education.

Actions planned during the next year to address the needs to public housing

Routine maintenance occurs as needed and is funded by rents received and the annual operating subsidy provided by HUD. Capital improvements are planned annually and on a five year basis and are paid for by the Public Housing Capital Fund Program. Public housing units are rehabilitated when needed, including replacing flooring, HVAC, bathrooms, kitchens, energy efficiency improvements, and paint when units are vacant, landscaping as needed, and roofs as scheduled for replacement.

A RAD/Section 18 conversion of public housing properties to long-term, project-based Section 8 rental assistance was submitted in 2024. The Mankato Section 18 units were converted in April 2025 and the remaining units are anticipated to be converted by the end of 2026. The goal of the RAD/Section 18 conversion includes preservation and improvements of units through enabling access to private and public debts and equity to address immediate and long-term capital needs through long term replacement reserve abilities. RAD will also increase housing choice after the conversion which includes opportunities for economic self-sufficiency and homeownership.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

The EDA provides annual meetings to obtain input on program activities for the Agency Plan. For the residents of the family units, the City offers first time homebuyer education in coordination with the Southwest MN Housing Partnership. The Mankato EDA has been very successful in moving families to self-sufficiency and homeownership and expanded the Partnership Community Land Trust into

Mankato.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

The PHA is not designated as troubled.

AP-65 Homeless and Other Special Needs Activities – 91.220(i)

Introduction

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

Staff will continue to seek ways to hear needs directly from people experiencing homelessness. The following activities are planned or are currently underway:

- The City of Mankato continues to participate in our homeless response system. We continue to case conference with local service and housing providers as well as interview and engage with people experiencing homelessness about their experiences and needs.
- Staff participates in the community events that provide resources to the homeless; the Project Community Connect and Veteran's Standdown.
- Staff continue to hold listening sessions with those currently experiencing homelessness or those with lived experience to learn what needs exist. Staff have been holding listening sessions to assist with the building plans for a new supportive housing project that broke ground spring 2026. The listening sessions also help inform staff of needs from those experiencing homelessness to aid with improving the shelter response and working towards having a 24/7, 365 day shelter.
- Staff in the City's Community Development and Public Safety departments conduct street outreach regularly to connect individuals with resources.

Addressing the emergency shelter and transitional housing needs of homeless persons

Staff will continue to administer programs for the homeless and will expand the programs if the opportunity arises. The following activities are planned or are currently underway:

- Staff participate with public safety and local shelters to conduct street outreach and navigation for those who are homeless and support them into shelter and stable and affordable housing.
- Staff participates in a bi-weekly case conferencing call with other shelter providers to try to work through shelter options as soon as possible. This began as a response to the COVID-19 pandemic and has helped to more efficiently provide shelter.
- Staff participates in the Homeless Response Team for Blue Earth County, including a monthly

meeting to share information among homeless providers.

- Changes to the preferences in the Housing Choice Voucher program have provided a pathway to utilize a portion of our vouchers for people experiencing homelessness who have been referred through Coordinated Entry and those graduating from supportive and transitional housing programs.
- Awarded 25 Bridges vouchers to assist clients with mental health with long term affordable housing while they wait for a Housing Choice Voucher.
- Awarded 150 Bring It Home rental assistance vouchers through MN Housing that prioritizes families with children and income below 30% of area median income.
- The City released an RFP to find a developer to seek Low Income Housing Tax Credits (LIHTC) to construct a supportive housing project. The project was awarded LIHTC and 40 units of supportive housing will be constructed. Construction began spring 2026.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

Staff will continue to administer programs targeted to homeless families and individuals and expand these programs if the opportunity should arise. These programs include Continuum of Care funding, Bridges, VASH, stability vouchers, Mainstream vouchers, Foster Youth to Independence vouchers, and the long-term homeless units at Breckenridge Townhomes. Partnerships with service providers who assist with homeless will be maintained: MN Assistance Council for Veteran's, Blue Earth County Human Services, CADA House, Partners for Housing, Horizon Homes, Salvation Army, and Connections Shelter.

Utilized Local Homeless Prevention Aid from the State of Minnesota in coordination with Mankato Area Public School's social workers to provide stable housing for 34 families with youth in the school system identified as homeless through the use of the Coordinated Entry preference for the Housing Choice Voucher program.

The need for landlord and tenant education and for a program to build relationships with landlords and assistance with rental deposits and rental assistance is a need that was identified during the public engagement. Local housing providers, SMRLS, and Lloyd Property Management have been meeting monthly to coordinate and engage.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities,

foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

The EDA under the Mainstream vouchers and Bridges program, provides priority preference to eligible households with serious mental illness who are homeless, leaving health care centers, mental health treatment centers, ERTS, correctional facilities, and or institutions. Staff start working with households prior to release to assist them in securing housing as they leave these segregated settings. The EDA revised its administrative policies and practices that have loosened the requirements around criminal histories and provides opportunity to appeal terminations based on criminal background. The EDA encourages participation in the Family Self Sufficiency program which supports increased income and employment.

The EDA seeks out opportunities to expand the availability of rental assistance and is accepting the voluntary transfer of Housing Choice Voucher programs, made up of over 650 vouchers, from the Pipestone HRA and the South Central Minnesota Multi-County HRA and will assist families throughout the region.

AP-75 Barriers to affordable housing – 91.220(j)

Introduction:

The Analysis of Impediments to Fair Housing report completed for the City of Mankato reports public policies, procedures, and practices are in compliance with Federal Fair Housing guidelines and do not adversely affect citizens' housing choices. The City of Mankato has never been involved in a housing discrimination lawsuit with the Department of Justice, Minnesota Attorney General's Office, or any other private party.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

No policies, land use controls, zoning ordinances, building codes, fees and charges, or other regulations have been identified that present a barrier to affordable housing. The following activities are being addressed in the Action Plan:

- Support efforts to provide funding for owner occupied housing rehabilitation for low income households.
- Support efforts to create new affordable housing units.
- Continue to partner with agencies that provide services and housing to homeless individuals and families; the administration of Continuum of Care, VASH, and Bridges programs will continue.
- Address underserved needs to foster and maintain affordable housing such as providing community services to low to moderate income households to increase and maintain the number of individuals who are able to remain in their current homes and afford housing. An RFP process will be followed to provide
- City Council approved an ordinance amendment reducing the parking requirements for multi-family buildings.
- City Council approved an ordinance amendment that allows apartments on the ground floor in the B-3, Highway Business District. Previously, apartments were only allowed above the ground floor in the B-3 zoning district.

AP-85 Other Actions – 91.220(k)

Introduction:

Efforts will continue in the 2026 program year to address community needs, including affordable housing, providing safe living conditions, and reducing the number of poverty level families and enhancing coordination of service providers.

Actions planned to address obstacles to meeting underserved needs

One of the largest underserved needs identified by the community was the lack of shelter space and need for additional affordable housing. The City of Mankato regularly communicates with shelter providers to identify needs and partner together to meet the needs of the community. The City of Mankato and Blue Earth County are working with area shelter providers and a consultant to develop a new shelter that would be open 24/7 year round. The City is also working with a developer and Partners for Housing for the construction of 40 units of supportive housing which began construction spring 2026. The Mankato Economic Development Authority approved a request from Connections Shelter to use the EDA's Housing Trust Fund to assist with costs that would allow the shelter to remain open through the summer months meeting a critical community need. Connections Shelter has operated as a seasonal shelter that typically closes between May and October. CDBG funds will also be used to assist with a portion of the costs to allow the shelter to remain open during the summer months.

Actions planned to foster and maintain affordable housing

The City's existing public housing will require continued maintenance so the units can be preserved. As turnover of units occurs, the housing units are rehabilitated to assist with their preservation. Efforts to rehabilitate the stock of affordable housing will continue as well, including providing information on resources for rehabilitation to homeowners. The EDA is converting the public housing units through a RAD/Section 18 Small PHA Blend that will provide more local control over resources and support continued affordable housing through Project Based voucher funding.

Actions planned to reduce lead-based paint hazards

Through the rehabilitation of owner occupied housing and rental housing using CDBG funds, lead-based paint hazards will be abated.

Actions planned to reduce the number of poverty-level families

CDBG funds will be used on public services that will improve the lives of low to moderate income residents. Services may include providing food, medical care and health services, substance abuse services, mental health services, services for people with disabilities, senior services, transportation to work and medical appointments, youth services, child care, education services, rental assistance,

homeless shelter operations, and landlord/tenant education. Funds outside of the CDBG program help low-income renters and emerging market families purchase a first home and provide adequate and affordable housing, economic opportunity to life low income households out of poverty. The City identifies housing needs in the community and collaborates with local, state, and federal resources to meet those needs. Our community provides programs for housing and homeownership too.

Actions planned to develop institutional structure

To meet most of the goals defined in the Consolidated Plan, the institutional structure is in place. Coordination with community providers will occur should new programs move forward in the future.

Actions planned to enhance coordination between public and private housing and social service agencies

The existing partnerships in place to provide supportive housing to long term homeless persons will continue with the construction of Poplar Apartments. These partnerships, with the Mankato EDA providing rental assistance and Blue Earth County Human Services, MAC-V, Horizon Homes, the Veteran's Administration, and CADA House, providing needed social services has worked well to eliminate long term homelessness in the Mankato area is in collaboration with the regional Continuum of Care in providing our local homeless response. A relationship with Minnesota Valley Action Council (MVAC) was created to teach financial literacy to low-income renters and emerging market households, as well as to begin a pilot program to replace substandard manufactured homes. The City also partners with Southwest Minnesota Housing Partnership to provide homebuyer education and counseling.

The Mankato EDA became a subrecipient of local homeless prevention aid to provide rental assistance and other related housing expenses to families with children. Coordination occurs with Independent School District #77 and Minnesota Valley Action Council under Homework Starts at Home Program to identify families with children living in crowded conditions, rent burdened, or lacking a fixed nighttime residence. The Mankato EDA will provide rental assistance and housing stability and navigation services. Families and youth will transition from the LHPA using the move up preference and obtain a Housing Choice Voucher.

The Mankato EDA receive additional rental assistance vouchers under Minnesota State Rental Assistance Program (Bring It Home). The State rental assistance program serves low-income households who are experiencing homelessness and households paying more than 30% of their annual income on rent. Administration of the program is similar to that of the Housing Choice Voucher Program.

The City of Mankato established a local Housing Trust Fund and is dedicating local public revenue for housing and ending homelessness. Housing Trust Funds are a consistent, flexible resource for housing within local jurisdiction. Trust funds help communities leverage public and private resources and jumpstart projects that draw investment and jobs. Local Housing Trust Funds enable prioritizing

developments that maximize benefit to the community.

Program Specific Requirements

AP-90 Program Specific Requirements – 91.220(I)(1,2,4)

Introduction:

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.220(I)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	0

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	88.00%



AGENDA RECOMMENDATION

City Manager's Report 8. A.

City Council Regular Meeting

Meeting Date: 06/08/2026

Agenda Item:

Resolution authorizing Community Development Block Grant support for Phase VI of the Partnership Community Land Trust seeking MN Housing Impact Funding.

Recommendation/Action(s):

Adoption of the attached resolution.

Summary:

The Southwest Minnesota Housing Partnership (SWMHP) is preparing an application to the Minnesota Housing Impact Fund Program to support Phase VI of the Partnership Community Land Trust (PCLT) single-family homeownership initiative. The application deadline is July 9, 2026.

Phase VI advances the City's housing goals by expanding affordable homeownership opportunities through the development of up to 10 newly constructed homes, anticipated for completion in 2028. The PCLT model provides long-term affordable homeownership opportunities for income-qualified households while promoting housing stability and community inclusion. Participating homebuyers will have the flexibility to select homes that best meet their household needs.

The program is expected to serve households earning up to 80% of Blue Earth County Area Median Income (AMI) and to comply with CDBG income guidelines.

To support a competitive application, SWMHP is requesting partnership commitments from the City of Mankato and Blue Earth County. The proposed Phase VI funding sources include:

Funding Source	Amount
City of Mankato Affordable Housing Trust Fund	\$200,000
Blue Earth County Affordable Housing Trust Fund	\$100,000

Community Development Block Grant (CDBG)	\$100,000
Minnesota Housing Impact Fund	\$2,000,000
Total	\$2,400,000

Local investment has historically leveraged significant additional funding from Minnesota Housing, the Greater Minnesota Housing Fund, philanthropic partners, SWMHP, local development partners, and the Housing Partnership Network's New Markets Tax Credit (NMTC) program. SWMHP is also pursuing an additional NMTC allocation that could support future phases of affordable homeownership development in Mankato.

SWMHP is requesting that the AHTF and Community Development Block Grant contributions remain flexible to address financing gaps and coordinate with other funding sources available at the time of sale. The overall request will not exceed the granted cost allocated for Phase VI. The proposed funding structure for Phase VI is as follows:

Funding Source	Per Home Contribution
City Affordable Housing Trust Fund	\$20,000
County Affordable Housing Trust Fund	\$10,000
CDBG	\$10,000
Minnesota Housing Impact Fund	\$200,000

Recommendation

Staff recommends approval of a resolution and letter of support committing up to \$100,000 from the Community Development Block Grant Funding for Phase VI of the Partnership Community Land Trust, contingent upon SWMHP receiving Minnesota Housing Impact Fund financing.

The commitment would be provided on a pay-as-you-go basis as homes are completed and sold, with funding available through December 31, 2029.

Attachments

Resolution
Letter of Support

RESOLUTION OF SUPPORT FOR COMMUNITY LAND TRUST PHASE VI
APPLICATION AND RECOGNIZING THAT
THE PROJECT WILL MEET AN IDENTIFIED HOUSING NEED

WHEREAS, the City of Mankato is a municipal corporation and political subdivision duly organized and existing under the Constitution and laws of the State of Minnesota; and

WHEREAS, the Council of the City of Mankato has adopted a Consolidated Plan and affordable housing is identified as a community need; and

WHEREAS, a need has been identified for additional affordable housing in the City, based on 2025 Housing Study commissioned by the City of Mankato and the 2023 Housing Action Plan; and

WHEREAS, the City of Mankato has undertaken a variety action steps to promote the development and preservation of affordable housing; and

WHEREAS, a community land trust is one strategy to promote and preserve single family affordable housing; and

WHEREAS, Southwest Minnesota Housing Partnership (SWMHP) operates the Partnership Community Land Trust (PCLT) in the region; and

WHEREAS, SWMHP has expanded their PCLT in Mankato to create affordable homeownership and preserving the affordability of homeownership for future owners; and

WHEREAS, five Phases of the PCLT have been approved by the City of Mankato since July 25, 2022, to implement the community land trust, provide education, outreach, and to purchase up to 33 homes in the City of Mankato; and

WHEREAS, SWMHP will be applying to the Minnesota Housing Finance Agency under the Super RFP for Impact Funding on July 9, 2026, for Phase VI of the PCLT in the City of Mankato; and

WHEREAS, it is anticipated that successful development of the project will require participation from the City through financial support for up to ten (10) new homes at 80% of Blue Earth County AMI using Community Development Block Grant funding. The total funding request is \$100,000.

NOW, THEREFORE, BE IT RESOLVED, that the City of Mankato finds that the project will meet an identified need by creating and preserving affordable homeownership and, subject to approval of the applications to Minnesota Housing, will provide \$100,000 in Community Development Block Grant funding through a future agreement with PCLT.

This resolution shall become effective immediately upon passage and without publication.

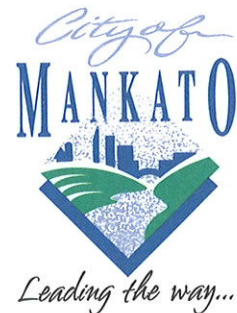
Adopted this 8th day of June 2026.

Najwa Massad, Mayor

Attest: _____
Susan MH Arntz, Executive Director

10 Civic Center Plaza
Post Office Box 3368
Mankato, Minnesota 56002-3368

Phone: (507) 387-8600
Fax: (507) 388-7530
www.mankatomn.gov



June 8, 2026

Minnesota Housing Finance Agency
400 Sibley Street, Suite 300
Saint Paul, MN 55101

RE: Letter of Support for the Community Land Trust Application

To Whom It May Concern:

At its meeting on June 8, 2025, the City of Mankato reviewed and endorsed the Southwest Minnesota Housing Partnership Community Land Trust proposal that proposes up to 10 homes for new construction in the city of Mankato. This endorsement is based upon the findings that the project will meet locally identified housing needs and that the proposed housing is in short supply in the local housing market. This need is evidenced by the 2025 Housing Study and the 2023 Affordable Housing Action Plan commissioned by the City of Mankato.

The City designates the Economic Development Coordinator as program contact person:

Contact: Courtney Kramlinger
Title: Economic Development Coordinator
Address: 10 Civic Center Plaza, PO Box 3368, Mankato, MN 56002-3368
Phone: 507-387-8711
Email: ckramlinger@mankatomn.gov

As part of its endorsement, the City of Mankato will provide financial support to the Southwest MN Housing Partnership for this Community Land Trust application in the amount of \$100,000 from the Community Development Block Grant Fund. These funds will be spent by December 31, 2029. The grant fund commitment will be a pipeline of funding available on a pay as you go, ongoing basis upon sale of each home.

This endorsement is evidenced by the City Council approved Resolution included with this letter.

Sincerely,

Susan MH Arntz
City Manager

Enclosure



AGENDA RECOMMENDATION

City Council Regular Meeting

8. B.

Meeting Date: 06/08/2026

Agenda Item:

Consideration of Emergency Ordinance Continuing to Clarify Requirements for Law Enforcement Agencies and Officers within the City.

Recommendation/Action(s):

Staff are seeking direction on next steps with the Emergency Ordinance.

Summary:

On February 23, 2026, the City Council adopted an Emergency Ordinance (found here: Mankato Emergency Ordinance) regulating Law Enforcement Activity in the community, adding the following requirements:

- Notification of Law Enforcement Presence: Law enforcement agencies intending to operate within the City should make a good faith effort to notify the Mankato Department of Public Safety of their intended presence before engaging in law enforcement activity.
- Wearing of Portable Recording Device: Any law enforcement agency operating within the City, who use portable recording devices in their own jurisdiction shall require its personnel to wear and use a portable recording system while engaging in law enforcement activity within the City.
- Facial Covering Prohibition: Except for when allowed pursuant to Minn. Stat. §609.735, a law enforcement officer shall not wear a facial covering that conceals or obscures the officer's facial identity in the course of their duties while within the City.
- Identification upon Request: A law enforcement officer engaging in law enforcement activities within the City shall provide identifying information, including but not limited to the officer's last name and badge number or a similar identifier, when requested by a member of the public or by City personnel. This provision does exclude law enforcement officers working.

At the April 13, 2026, City Council Meeting, the Council adopted an updated emergency ordinance (found here: Mankato Emergency Ordinance) that went into effect on April 24, 2026, and will expire on the 61st day following the effective date, or

June 25, 2026. The updated ordinance clarified the definition of “Law Enforcement Activity” to mean any effort by state, federal or local law enforcement agencies, as defined herein, to enforce local, state, or federal laws, including, but not limited to, stops, detention, execution of warrants, execution of searches or arrests.

As of the writing of this memo, the City has had no instances where we have issued a citation for a violation of the Emergency Ordinance.

Staff is requesting the Council to discuss the status of the ordinance and provide direction that may be considered at the June 22, 2026, City Council Meeting.
