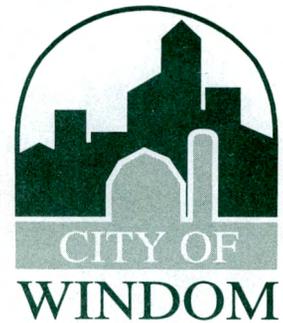


**Council Meeting**  
**Tuesday, March 6, 2018**  
**City Council Chambers**  
**7:30 p.m.**  
**AGENDA**



Call to Order  
Pledge of Allegiance

1. Consent Agenda
  - Minutes
    - Council Minutes – February 20 & March 1, 2018
    - Park & Recreation – February 14, 2018
    - Utility Commission – February 21, 2018
    - EDA – February 22, 2018
  - Regular Bills
2. Department Heads
3. Liquor Store Sunday Hours
4. TIF Interfund Resolution
5. Residential Tax Abatement – Resolution Calling for a Public Hearing
6. Opportunity Zone Resolution of Support
7. Bond Sale – 2018A Resolution
8. DNR Outdoor Grant Application Resolution
9. FEMA Floodplain Data Review – Engineer Agreement
10. Airport Hangar Engineering Services
11. Personnel
  - Liquor Store Manager – Hiring Recommendation
  - Lineperson – Authorization to Advertise for Position
12. Additional 2018 Mayor Appointments and Reappointments
13. Charter Commission Appointment Resolution
14. 2018 Board of Appeal and Equalization Meeting Scheduled for May 14, 2018 at 4:30 p.m.
15. Contractor Payment
  - Rice Lake Contracting Corp #6 Final Payment \$ 31,570.86 - Water Treatment Facility Rehab
16. New Business
17. Old Business
18. Council Comments



Adjourn

**Regular Council Meeting  
City Hall, Council Chamber  
February 20, 2018  
7:30 p.m.**

1. Call to Order:

The meeting was called to order by Mayor Dominic Jones.

2. Roll Call:

Council Present: Mayor Dominic Jones, Bryan Joyce, Marv Grunig, Rod Byam and JoAnn Ray

Council Absent: Jayesun Sherman

City Staff Present: Steve Nasby, City Administrator; Ron Schramel, City Attorney; Scott Peterson, Police Chief; Dawn Aamot, Library Director; and Mike Haugen, Water/Waste Water Superintendent

Pledge of Allegiance

3. Consent Agenda:

- Minutes
  - Council Minutes – February 6, 2018
  - Telecom Commission – December 21, 2017
  - HRA – January 10, 2018
  - Community Center Commission – February 13, 2018
  - Library Board – February 13, 2018
- Regular Bills
- Licenses
  - Dance License - Fire Dept.

**Motion by Byam second by Grunig approving the Consent Agenda. Motion carried 4 – 0.**

4. Department Heads:

None.

5. Resolution Accepting Donations – Friends of the Library:

Dawn Aamot, Library Director, told the Council that in January the Friends of the Library achieved their fund raising goal of \$10,000 for matching funds required for the Library Window Replacement Grant. The full \$10,000 was raised by donations from the community.

**Council member Joyce introduced the Resolution No. 2018-16, entitled  
“AUTHORIZATION TO ACCEPT A DONATION FROM FRIENDS OF THE WINDOM**

**LIBRARY TO THE WINDOM LIBRARY FOR THE WINDOW REPLACEMENT PROJECT”, and moved its adoption. The resolution was seconded by Grunig and on roll call vote: Yes: Byam, Grunig, Ray and Joyce. No: None. Absent: Sherman. Abstain: None. Resolution passed 4 – 0.**

6. Library – Grant Application Resolution:

Aamot informed the Council that she had been notified in January that the Library Construction Grant is accepting applications for Round 2 of competitive grants with \$838,000 in grant funds available for Library construction projects. The Library is requesting assistance for completing restroom accessibility and painting of the entrances and the Children’s Library. The grant application will request \$44,000 for the project. Matching funds for the project include a private donation of \$10,000, Friends of the Library \$5,000, and City Capital Outlay funds of \$7,000.

**Council member Joyce introduced the Resolution No. 2018-17, entitled “A RESOLUTION SUPPORTING THE SUBMISSION OF A GRANT APPLICATION TO THE MINNESOTA DEPARTMENT OF EDUCATION “LIBRARY CONSTRUCTION GRANT PROGRAM” ON BEHALF OF THE CITY OF WINDOM, and moved its adoption. The resolution was seconded by Ray and on roll call vote: Yes: Grunig, Ray, Joyce and Byam. No: None. Absent: Sherman. Abstain: None. Resolution passed 4 – 0.**

7. Plum Creek Library System Agency Agreement:

Nasby reviewed for the Council the history of the relationship with the Plum Creek Library System. The previous Plum Creek Library System Agreement was completed in 2001. The new agreement outlines the responsibilities of the members and Plum Creek Library System Agency. The City Attorney has reviewed the agreement and does not have any changes. There were not any significant changes to the previous agreement. Aamot reviewed the benefits of membership in the Plum Creek Library System.

**Motion by Byam second by Joyce to approve the Plum Creek Library System Agency Agreement as presented. Motion carried 4 – 0.**

8. City Wide Cleanup:

Joyce suggested that to encourage people to recycle old TVs and monitors the cost for recycling be reduced for one year to \$10.00 for a tag. The additional cost for recycling the TVs and monitors would be covered by the surplus of fees collected.

**Motion by Joyce second by Byam to approve conducting the City Wide Cleanup on May 12, 2018. Motion carried 4 – 0.**

**Motion by Joyce second by Grunig to approve the recycling rate of \$10.00 for TVs and monitors for the City Wide Cleanup on May 12, 2018. Motion carried 4 – 0.**

9. Hiring Recommendations:

Joyce updated the Council on the hiring process for the Electric Superintendent position. The City received one internal application for the Electric Superintendent position. A one-year Goals and Expectations document was developed for the position. Joyce noted that discussions are on-going for hiring an Electric Utility Manager.

**Motion by Joyce second by Grunig to approve the hiring of Jason Sykora according to the terms of employment as presented for the Electric Superintendent position effective February 21, 2018. Motion carried 4 – 0.**

**Motion by Joyce second by Ray to approve the hiring of Philip Cenzano for the part-time Liquor Store Clerk position at \$9.65/hour. Motion carried 4 – 0.**

10. CMPAS Representative Appointment:

The City of Windom is a member of the CMPAS agency and has a cooperative arrangement for power purchasing. The City needs to designate the primary and alternate representatives for the CMPAS Board.

**Council member Grunig introduced the Resolution No. 2018-18, entitled “RESOLUTION APPROVING APPOINTMENT OF REPRESENTATIVES TO THE CENTRAL MUNICIPAL POWER AGENCY AND SERVICES (CMPAS) BOARD OF DIRECTORS”, and moved its adoption. The resolution was seconded by Ray and on roll call vote: Yes: Ray, Joyce, Byam and Grunig. No: None. Absent: Sherman, Abstain: None. Resolution passed 4 – 0.**

11. Additional 2018 Mayor Appointments and Reappointments:

**Charter Commission**

Alice Huebert	Donna Gravely
Joe LaCanne	Sonya Johnson
Chuck Severson	Nestor Palm
Tim Hiley	Jeanette Schuur
Josh Sammons	Bruce Torinato
Laura Alvstad	Diane Vellema
Joel Lacanne	

**Motion by Joyce second by Grunig to approve the reappointments to the Charter Commission as presented. Motion carried 4 – 0.**

**Motion by Byam second by Joyce to approve the appointment of Ron Tibodeau to the Charter Commission for a four-year term. Motion carried 4 – 0.**

**Telecom Commission**

J D Palm

**Capital Finance Committee**

Dan McDonald

**Motion by Grunig second by Joyce to approve the appointments to the Telecom Commission and the Capital Finance Committee as presented. Motion carried 4 – 0.**

Capital Finance	JoAnn Ray
Liquor Committee	JoAnn Ray
Utility Commission	Marv Grunig
Street Committee	JoAnn Ray
Economic Development Authority	Rod Byam
Community Center Commission	JoAnn Ray

**Motion by Grunig second by Ray to approve the City Council re-assignments as presented. Motion carried 4 – 0.**

Ray left the meeting.

12. SMART Goals:

SMART Goals were submitted by Department Heads and are provided in the packet as information for the Council. Joyce suggested that all the Boards and Commissions should have an opportunity to review and discuss department smart goals. He felt that the Board and Commissions should be the first check and balance of the goals. The Council discussed community marketing and branding strategies.

13. 2017 Annual Report:

Nasby highlighted items contained in the 2017 Annual Report. Grunig noted there is some really good information in the report. Grunig pointed an item in the Electric report. He said the electric meter count increased by 294 from 1985 to 2017 and this statistic does not bode well for the 5,000 population goal. Byam suggested more housing is needed. Joyce noted that growth is also tied to job increases. Joyce said in Southwest Minnesota, compared to the rest of the state, the area is not growing as quickly. It is not just a Windom growth issue but includes the Southwest Minnesota area.

14. New Business:

None.

15. Old Business:

“Compression Braking” Ordinance –

Nasby reviewed funding for the signs for enforcement of the Ordinance and provided a Resolution to erect the signs and enforce the Ordinance. Grunig noted that funds were available from 2017 unexpended Street funds and the City would not use reserves to pay for the signs. He said several people within the community have contacted him and indicated they are interested in having the signs put up and enforcement of the ordinance.

**Council member Joyce introduced the Resolution No. 2018-19, entitled “RESOLUTION REQUESTING THAT THE MINNESOTA DEPARTMENT OF TRANSPORTATION ERECT SIGNS THAT PROCLAIM THAT VEHICLE NOISE LAWS WILL BE ENFORCED”, with the requirement of costs not to exceed \$5,000 and moved its adoption. The resolution was seconded by Byam and on roll call vote: Yes: Joyce, Byam and Grunig. No: None. Absent: Ray and Sherman. Abstain: None. Resolution passed 3 – 0.**

16. Council Comments:

Joyce – The Hospital Board passed Organizational Goals and requested the goals be shared with the City Council.

1. Working on restoring relationships.
2. Review and evaluate need for implementation of an Urgent Care Program.
3. Position WAH to adopt the Triple Aim Philosophy.
4. Offer maximum value through the quality convenient access and affordability of services that meet the patient needs.
5. Increase the use of technology to have health care technologies remain close to home.

Grunig – Congratulated Jason Sykora in his new position as Electric Superintendent.

Jones – Said he will be a speaker at the Governor’s Press Conference on Water and Wastewater issues tomorrow. Jones was invited to speak at the conference along with three other individuals to comment by written statements, along with follow up questions with representatives from MPCA and the Board of Water and Soil Resources.

Nasby – Will be out of town next week with the CMPAS group attending the American Public Power Association Legislative Meeting in Washington DC representing the City of Windom.

17. Adjournment:

Mayor Jones adjourned the meeting by unanimous consent at 8:39 pm.

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Dominic Jones, Mayor

Attest: \_\_\_\_\_  
Steve Nasby, City Administrator

**Special Council Meeting  
City Hall, Council Chamber  
March 1, 2018  
5:00 p.m.**

1. Call to Order:

The meeting was called to order by Mayor Dominic Jones.

2. Roll Call:

Council Present: Mayor Dominic Jones, Bryan Joyce, Marv Grunig, Rod Byam, Jayesun Sherman and JoAnn Ray

Council Absent: None

City Staff Present: Chelsie Carlson, Finance Director, and Drew Hage, Development Director

3. Extension of Sunday Liquor Store Hours

Mayor Jones explained that the intent of the meeting was to consider extending the existing Sunday Liquor Store hours of operation thru March 4, 2018. The current Council authority for Sunday sales expired on March 1, 2018. The Council had previously requested additional information for review and discussion to determine if Sunday sales hours should be continued.

Jones requested a motion to extend the Sunday sales hours thru March 4, 2018, and to place the item on the next City Council Agenda to allow the Council to discuss and determine a more permanent decision for the Liquor Store's hours of operation.

**Motion by Joyce second by Ray to approve the extension of Sunday Liquor Store hours of operation thru March 4, 2018. Motion carried 5 – 0.**

4. New Business:

None.

5. Adjournment:

Mayor Jones adjourned the meeting by unanimous consent at 5:07 pm.

\_\_\_\_\_  
Dominic Jones, Mayor

Attest: \_\_\_\_\_  
Chelsie Carlson, Finance Director

**Parks & Recreation Commission**  
**Windom Community Center**  
**February 14, 2018**  
**5:30 p.m.**

1. Call to Order:

The meeting was called to order by Acting Chair Jason Kloss at 5:35 PM.

2. Roll Call:

Present: Jason Kloss, Howard Davis, Mari Harries, Dana Anderson, Josh Schunk and Ron Kuecker,

Absent: Jess Smith

Council Liaisons: Bryan Joyce (present) and Rod Byam (absent)

City Staff Present: Al Baloun, Recreation Director and Steve Nasby, City Administrator

Public: Brian Cooley

3. Ron Kuecker, Dana Anderson, and Mari Harries were introduced to all commission members as new members and sworn in.

4. Election of Officers

- a. Chairman- Jason Kloss was elected Chair by unanimous consent.
- b. Vice Chair- Jess Smith was elected Vice Chair by unanimous consent.
- c. Howard Davis was elected Secretary by unanimous consent.

5. Approve Agenda:

**Motion by Kuecker, seconded by Harries Agenda approved 6-0.**

6. Minutes:

**Motion by Davis, second by Kuecker to approve the January 10, 2018 minutes. Motion carried 6 – 0.**

7. Recreation Directors Report:

a. Friends of the Pool Follow-up:

Bryan Joyce updated the commission members that the Friends of the Pool will be holding their next meeting on Tuesday, February 27, 2018 at the City Hall Council Chambers. Tom Schaeffer, US Aquatics will be present to answer questions regarding the pool feasibility study and discuss possible features for a reconstructed or new pool. Updates will be given on Non Profit status for future fund raising.

b. Update on Arena Concrete and Compressor Project:

Commission members were given copies of the 7 bids that were given for the project. Baloun explained that there was much interest in our project and bids were very competitive... The winning bidder approved by the Windom City Council at the January 16, 2018 meeting was Minnesota Ice, LLC for \$943,972 on the base bid and Alternate bid 1. This was well under the engineers estimate. Work on taking out the boards will begin right after the ice show. Construction is expected to be completed by county fair. Three horse shows will still be held during the Summer. The Quarter horse show will be held outside the end of June and Minnesota and South Dakota Palomino will host shows the end of August and second weekend in September.

8. Park Superintendent Report

a. Update on Hiring of Park Superintendent-

Steve Nasby, City Administrator introduced Brian Cooley as the new Parks Superintendent. Brian will begin work on March 1, 2018.

b. DNR Grant Opportunity- Tennis/Pickle ball Courts, Campground, and Restrooms:

1.) Tennis Court/ Pickle Ball Court Locations: Tegels Park and Island Park were discussed as possible locations of the Tennis/Pickle ball Courts. At Island Park the courts would be located east of the shelter house. At Tegels Park the courts would be located end to end up by the pine trees on the west side of the park by the road. Other locations looked at in the past included the soccer field area of the Windom Recreation Area and north of the community center by the overflow parking area.

**Motion by Davis, seconded by Harries to recommend the location of the tennis courts at Island Park, east of the shelter house. Motion passed 6-0.**

2.) DNR Grant Opportunity- Tennis/Pickle ball courts, campground, and restrooms: Maps and cost estimates were given to commission members as designed and estimated by DGR Engineering. Bryan Joyce discussed with commission members of his preference of updating the restrooms (comfort station) before the campgrounds. He felt that a different restroom (comfort station) structure could be designed to lower the cost by removing the showers and eliminating one stall in the ladies and men's restroom. The structure could also be removed from the flood way by moving it to the north side of the baseball field or in an area to the south of the playground. The type of construction materials could be changed if it was removed from the flood way. The maximum that could be applied for in the DNR grant is \$150,000. Money is already set aside for the tennis/ pickle ball courts. This would take care of the grant matching requirement. Steve Nasby was asked to get an updated estimate from DGR Engineering of the restrooms if the above changes were made.

**Motion by Davis, seconded by Kuecker to recommend applying for a \$150,000 DNR grant for tennis/pickle ball courts, restrooms (comfort station) and campgrounds. Prioritizing of the restrooms (comfort station) over campground renovation if costs can be reduced to fit within for grant funding maximum. Motion passed 6-0.**

9. Open Mike

Howard Davis- Asked if "No Piñata" signs have been removed from shelter houses. Park Staff had been instructed to remove them earlier as requested by commission.

10. Meeting adjourned at 6:44 PM by unanimous consent.

**Next Meeting Wednesday, March 14, 2018 Windom City Hall Council Chambers 5:30 PM**

**UTILITY COMMISSION MINUTES**  
**Windom Community Center, Small Meeting Room**  
**February 21, 2018**

**Call Meeting to Order:** The Utility Commission Meeting was called to order at 10:00 a.m. at the Windom Community Center.

**Members Present:** Utility Commission Chairperson: Mike Schwalbach  
Members Present: Tom Riordan, Glen Francis  
Members Absent: None  
City Council Liaison: Marv Grunig  
Staff Present: Mike Haugen, Water/Wastewater Superintendent; Jason Sykora, Electric Superintendent; Glenn Lund, Wastewater Foreman and Denise Nichols, Finance Assistant

**APPROVE MINUTES**

**Motion by Riordan, second by Schwalbach, to approve the January 25, 2018, Minutes. Motion carried 2-0 (Francis absent).**

**WATER/WASTEWATER ITEMS**

**Prime Pork & Windom Wash SIU Amendments** – Mike Haugen, Water/Wastewater Superintendent, reviewed with the Commission the amended agreements for Prime Pork and Windom Wash. The amendments revise the terms of the agreements to extend the termination date to August 1, 2018. This change will allow additional time to determine accurate costs based on funding received. Prime Pork and Windom Wash have reviewed the proposed amendments. Schwalbach questioned if August 1<sup>st</sup> was enough time or if a later date should be selected. Haugen was not sure if all the information would be compiled by August 1<sup>st</sup>. The amendments were approved by unanimous consent.

**2017 WWTP Annual Report** - Mike Haugen and Glenn Lund distributed and reviewed year-end reports and graphs which included BOD, TSS, and TKN daily readings. Prime Pork and Windom Wash flows and loadings were discussed and reviewed.

**Other Water/Wastewater Items** – Haugen reported that he received notification from MPCA that Windom will receive a Certificate of Commendation for the Wastewater Treatment Plant.

Haugen also said that there have been two water main breaks this winter.

Kelly Yahnke will be attending the next meeting in March to review construction permit applications.

**ELECTRIC ITEMS**

**CAT Generator Insurance and Extended Warranty** – The Commission reviewed the Insurance Coverage and Warranty Option information. They discussed level of coverage and usage of the generators. Sykora said there were no significant issues with engines however relays are starting to fail. Fuel is #2 diesel and has been treated.

The Commission questioned if the insurance coverage costs would be the same for each of the CAT Extended Warranty Options and requested additional information regarding the insurance costs. They also asked if the warranty option could be upgraded from Silver Coverage if it was determined that the Commission wanted to modify the warranty coverage level.

**Motion by Francis, second by Schwalbach, to approve the CAT Extended Warranty Silver Coverage. Motion carried 3-0.**

**Distributed Generation Resolution** – The Commission tabled this item and requested that additional information be provided prior to the next meeting.

**Appointment to CMPAS Resolution**

**Motion by Riordan, second by Francis, to adopt Resolution No. 2-1-18, entitled “RESOLUTION APPROVING APPOINTMENT OF REPRESENTATIVES TO THE CENTRAL MUNICIPAL POWER AGENCY AND SERVICES (CMPAS) BOARD OF DIRECTORS”, and moved its adoption. The resolution was seconded by Francis and on roll call vote: Yes: Francis, Riordan and Schwalbach. No: None. Absent None. Resolution passed 3-0.**

**Other Electric Items - None**

**REGULAR BILLS**

**Motion by Riordan, second by Francis, to pay the bills as presented in the packet. Motion carried 3-0.**

**OLD BUSINESS**

Haugen updated the Commission on the proposed dog park location at the old landfill. The park would require an aggregate parking area and fenced area (100’ x 200’) and would be located in the NE corner away from the existing wells. Additional fencing, future maintenance and lighting were discussed.

Grunig said the Council wanted to confirm that Smart Goals were shared and reviewed by each Department’s Commission. The Utility Commission said that they have reviewed the Water and Wastewater goals but have not seen the Electric Department goals. Grunig said a current 2018 goal for the Electric Department includes a Transmission Line Study.

Next meeting was set for Wednesday, March 28, 2018, at 10:00 am.

**ADJOURN**

Schwalbach adjourned the meeting at 11:15 a.m.

\_\_\_\_\_  
Mike Schwalbach, Chairperson

Attest: \_\_\_\_\_  
Steve Nasby, City Administrator

ECONOMIC DEVELOPMENT AUTHORITY OF WINDOM  
MINUTES  
FEBRUARY 22, 2018

1. Call to Order: The meeting was called to order by President Herding at 12:04 p.m.
2. Roll Call & Guest Introductions:  
EDA Commissioners: Betsy Herding, Rick Clerc, Justin Espenson, Marv Grunig, and Rod Byam.  
Also Present: EDA Staff – Drew Hage, EDA Executive Director, and Mary Hensen, Admin. Asst.;  
Mayor Dominic Jones, City Administrator Steve Nasby, and Dave Fjeld (Citizen).
3. Approval of Minutes:  
**Motion by Commissioner Grunig, seconded by Commissioner Espenson, to approve the Minutes of the EDA Meeting held on January 8, 2018. Motion carried 5-0.**
4. Commercial Rehab Program: Director Hage reviewed the program structure and examples of eligible projects. When the program began in 2015, there was approximately \$72,000 available for commercial rehab projects. Most of the funds have been loaned to businesses for approved projects. The current unobligated balance is less than \$1,000. The EDA receives approximately \$521.35 per month in loan repayments. Director Hage is researching other sources for additional funding for the program.
5. North Windom Industrial Park – Phase II
  - A. Update: Following EDA Board approval, the EDA executed a Notice of Exercise of Option to acquire approximately 75.78 acres of real property south of the North Windom Industrial Park on or before March 30, 2018. Director Hage reported that on February 6th, the City Council adopted a resolution authorizing the pre-sale of \$2,110,000 in General Obligation Bonds to finance the purchase of real property for the Economic Development Authority (\$1,015,000) and finance the ice system improvement for the Windom Arena (\$1,095,000). The portion allocated for the EDA’s purchase of the property will cover the balance of the purchase price, bond issuance costs, and capitalized interest. The EDA previously paid the \$10,000 down payment at the time of the execution of the Option Agreement. City Administrator Nasby indicated that the City hopes to close on the sale of the bonds on March 28<sup>th</sup> to provide the funds for the March 30<sup>th</sup> closing. Director Hage advised that tax increment received for TIF 1-19, excluding the portion to be paid to Toro, can be used to acquire the South 75.78 acres for Phase II. The closing on the purchase is scheduled to occur on or before March 30th.
6. Closed Session – Land Negotiations
  - A. Cemstone Development
  - B. North Windom Industrial Park
  - C. Parcels: 250250200, 250250201, 100300200, 100300500, 100310500, 255560060, 25024922

Director Hage announced that because the EDA Board will be discussing negotiations concerning the above parcels, the Board will go into closed session.

Present for Closed Session: Betsy Herding, Rick Clerc, Justin Espenson, Marv Grunig, Rod Byam, Drew Hage, Dominic Jones, Steve Nasby, and Mary Hensen.

Motion by Commissioner Espenson, seconded by Commissioner Grunig, authorizing the Board to go into closed session. Motion carried 5-0.

President Herding closed the meeting to the public at 12:08 p.m.

Motion by Commissioner Espenson, seconded by Commissioner Clerc, authorizing the President to re-open the meeting to the public. Motion carried 5-0.

President Herding re-opened the meeting to the public at 1:10 p.m.

Recap of Closed Session: The EDA discussed options for land for new housing development, the North Windom Industrial Park, and options concerning cash rent for agricultural land to be acquired in March. No action taken.

7. River Bend Property

A. Pro-Shed Lease: Director Hage highlighted provisions of the proposed Lease Agreement between the EDA and Pro-Shed, LLC covering the gravel area of the EDA's River Bend Center property located south of the River Bend Liquor Store. This is an annual lease which begins March 1, 2018, and includes a 60-day written option by either party to terminate the lease. The rent is \$400 per month. Pro-Shed will be responsible for snow removal. The EDA/City will be responsible for mowing the property, controlling weeds, and trimming the trees/bushes on the property. The EDA's "Property for Sale" sign will remain on the property. The City Attorney has reviewed this proposed lease.

**Motion by Commissioner Espenson, seconded by Commissioner Clerc, approving the Lease Agreement with Pro-Shed, LLC and authorizing the EDA President to execute the Lease Agreement on behalf of the EDA.**

8. EDA Board: The current liaisons to the EDA Board are: Liaison from the City Council – Mayor Dominic Jones and WADC Liaison – Kathy Hanson. Director Hage reported that City Economic Development Staff have worked with Cottonwood County and County Commissioners on past projects. He said that County Commissioners have a unique perspective and are able to provide input from county residents and not just one city. Director Hage requested the EDA Board's opinions concerning the addition of a Cottonwood County Commissioner as a third non-voting liaison to the EDA Board. Kevin Stevens and Donna Gravley both represent Windom on the County Board. Director Hage has spoken with Kevin who would be willing to serve as the liaison. He suggested Donna Gravley as the alternate. President Herding shared her knowledge of similar examples in St. James and Madelia. The consensus of the Board was to proceed with this suggestion. Director Hage indicated that he would review the EDA's bylaws and enabling resolutions to make sure there was no restriction on liaisons prior to the EDA Board's formal approval of the new liaison.
9. Opportunity Zones: Director Hage advised that there is a potential new source of funding for affordable and workforce housing and economic development. The program was established by the federal government as part of the "Tax Cuts and Jobs Act of 2017". This program is designated for qualifying Census Tracts across the nation that meet the low income requirements. There are three census tracts in Cottonwood County. Census Tract 270400 includes a portion of Windom (the East Hill). In Minnesota, Governor Dayton can recommend 123 census tracts out of a possible 491 that meet the law's low income requirements for Opportunity Zone designation. Opportunity Zone funds allow U.S. investors holding unrealized gains in stocks and mutual funds to pool their resources in projects located in Opportunity Zones which funds will be invested in rebuilding low-income communities. Reference: <https://mn.gov/deed/business/financing-business/tax-credits/opp-zones/>. The County needs to rank the census tracks and provide recommendations (an application)

to the Governor's Office by March 8, 2018. The EDA is working with the County on the application and securing letters of support from financial institutions, major employers, and regional development agencies.

10. MISCELLANEOUS INFORMATION

- A. EDA Monthly Financial Recap: The Board received copies of the EDA's Account Activity through December 31, 2017.
- B. River Bluff Townhomes – Monthly Financial Report: The Board received copies of the financial reports for December 2017 provided by Van Binsbergen & Associates.
- C. 2018 Schedule of Regular EDA Meetings: A list of the regularly-scheduled EDA Meetings for 2018 was included in the packets.

11. Adjourn. On consensus, President Herding adjourned the meeting at 1:25 p.m.

Attest: \_\_\_\_\_  
Drew Hage, EDA Executive Director

\_\_\_\_\_  
Justin Espenson, EDA Secretary-Treasurer



Windom, MN

# Expense Approval Report

## By Fund

Payment Dates 02/16/2018 - 03/01/2018

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
<b>Fund: 100 - GENERAL</b>					
KARI HUNTER	20180220	02/20/2018	REFUND - STATEMENT CREDIT	100-20191	29.65
DEBBIE NISSEN	20180220	02/20/2018	STATEMENT CREDIT	100-20191	17.07
JENIFFER ROTHSTEIN	20180220	02/20/2018	REFUND - STATEMENT CREDIT	100-20191	13.60
GLORIA HANEFELD	20180220	02/20/2018	REFUND - STATEMENT CREDIT	100-20191	2.62
MN REVENUE	20180215	02/15/2018	SALES TAX - JAN 2018	100-20202	8,240.21
MN REVENUE	20180215	02/15/2018	SALES TAX - JAN 2018	100-20202	19,656.80
MN REVENUE	20180215	02/15/2018	SALES TAX - JAN 2018	100-20202	15.40
					<b>27,975.35</b>
<b>Activity: 41110 - Mayor &amp; Council</b>					
SCHRAMMEL LAW OFFICE	20180201	02/28/2018	LEGAL FEES	100-41110-304	465.00
DOMINIC JONES	20180227	02/27/2018	EXPENSE - GOV DAYTON PRES	100-41110-334	14.04
CITIZEN PUBLISHING CO	20180131	02/06/2018	ADVERTISING	100-41110-350	654.60
<b>Activity 41110 - Mayor &amp; Council Total:</b>					<b>1,133.64</b>
<b>Activity: 41310 - Administration</b>					
INDOFF, INC	3062738	02/02/2018	SUPPLIES	100-41310-200	12.37
INDOFF, INC	3067058	02/13/2018	SUPPLIES	100-41310-200	75.49
COLE PAPERS INC.	9395271	02/05/2018	SUPPLIES	100-41310-200	32.72
SELECTACCOUNT	1218566	02/20/2018	PARTICIPANT FEE	100-41310-217	303.60
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	100-41310-321	140.62
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	100-41310-326	293.30
<b>Activity 41310 - Administration Total:</b>					<b>858.10</b>
<b>Activity: 41910 - Building &amp; Zoning</b>					
INDOFF, INC	3062728	02/02/2018	SUPPLIES	100-41910-200	4.92
INDOFF, INC	3063374	02/05/2018	SUPPLIES	100-41910-200	17.30
INDOFF, INC	3065372	02/07/2018	SUPPLIES	100-41910-200	28.99
INDOFF, INC	3067056	02/13/2018	SUPPLIES	100-41910-200	21.14
CENTURY BUSINESS PRODUCT	410875	02/13/2018	SUPPLIES	100-41910-200	22.65
SCHRAMMEL LAW OFFICE	20180201	02/28/2018	LEGAL FEES	100-41910-304	120.00
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	100-41910-321	105.56
ANDREW SPIELMAN	20180221	02/21/2018	EXPENSE - 2018 ICC & MN BL	100-41910-331	132.98
<b>Activity 41910 - Building &amp; Zoning Total:</b>					<b>453.54</b>
<b>Activity: 41940 - City Hall</b>					
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	100-41940-381	567.71
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	100-41940-382	71.58
MN ENERGY RESOURCES	20180209A	02/15/2018	HEATING #0505105084-00001	100-41940-383	960.43
HOMETOWN SANITATION SER	0000275619	02/01/2018	GARBAGE SERVICE - CITY HAL	100-41940-384	85.04
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	100-41940-385	134.49
<b>Activity 41940 - City Hall Total:</b>					<b>1,819.25</b>
<b>Activity: 42120 - Crime Control</b>					
INDOFF, INC	3063378	02/07/2018	SUPPLIES	100-42120-200	15.18
KIESLER'S POLICE SUPPLY, INC.	00851410	02/07/2018	UNIFORMS	100-42120-218	429.00
GALLS, LLC	009213918	02/07/2018	SUPPLIES	100-42120-218	813.12
SCHRAMMEL LAW OFFICE	20180201	02/28/2018	LEGAL FEES	100-42120-304	165.00
COTTONWOOD CO AUD/TREA	20180215A	02/15/2018	DEPUTY ATTORNEY	100-42120-304	3,957.50
WINDOM AREA HOSPITAL	#30005319 02042018	02/15/2018	SERVICE #3005319	100-42120-305	80.00
UMCPI - UPPER MIDWEST CO	20180227	02/27/2018	REG-CORY HILLESHEIM 870-5	100-42120-308	495.00
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	100-42120-321	69.07
VERIZON WIRELESS	9801267759	02/20/2018	SERVICE FOR LAP TOPS	100-42120-321	105.83
RUNNINGS SUPPLY, INC	#71920 1-24-18	02/20/2018	MAINTENANCE -	100-42120-322	10.17
MIKE'S LLC	159	02/07/2018	SERVICE	100-42120-323	67.50
LEASE FINANCE PARTNERS	#3250 2-20-18	02/27/2018	SERVICE - #3250	100-42120-326	433.00
COTTONWOOD CO SHERIFF	0002	02/27/2018	REAL TIME TRANSLATION FEE	100-42120-327	75.92

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Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
NORTHERN SAFETY TECHNOL	45194	02/07/2018	MAINTENANCE - PASS SIDE M	100-42120-404	294.91
CDW GOVERNMENT	LPQ3683	02/15/2018	MAINTENANCE - MOBILE POC	100-42120-404	361.01
COTTONWOOD CO AUD/TREA	20180213	02/15/2018	RENT	100-42120-412	1,900.00
FLEET SERVICES DIVISION	2018070002	02/27/2018	SERVICE - LEASE	100-42120-419	2,292.76
<b>Activity 42120 - Crime Control Total:</b>					<b>11,564.97</b>

**Activity: 42220 - Fire Fighting**

LUCAN COMMUNITY TV INC	145	02/27/2018	MAINTENANCE - BATTERY	100-42220-215	90.00
WW COMMUNICATIONS AND	3216	02/27/2018	MATERIALS & EQUIPMENT	100-42220-215	130.00
HEIMAN FIRE EQUIP. CO	0865944-IN	02/20/2018	UNIFORMS	100-42220-218	16.00
MN WEST COLLEGE	00226745	02/27/2018	TRAINING - RTK/BBP/CONF	100-42220-308	450.00
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	100-42220-321	41.96
VERIZON WIRELESS	9801267759	02/20/2018	SERVICE FOR LAP TOPS	100-42220-321	21.14
VERIZON WIRELESS	9801267759	02/20/2018	SERVICE FOR LAP TOPS	100-42220-326	10.02
JON JURGENS	20180227	02/27/2018	ALEX FIRE SCHOOL - MILEAGE	100-42220-331	179.30
JON JURGENS	20180227	02/27/2018	ALEX FIRE SCHOOL - LODGING	100-42220-334	284.76
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	100-42220-381	302.52
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	100-42220-382	13.72
MN ENERGY RESOURCES	20180207B	02/15/2018	HEATING #0506419706-0002	100-42220-383	829.90
HOMETOWN SANITATION SER	0000275634	02/07/2018	GARBAGE SERVICE - ESF BUIL	100-42220-384	41.99
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	100-42220-385	29.96
JAY GRANDPREY	20180228	02/28/2018	EXPENSE -	100-42220-404	20.83
<b>Activity 42220 - Fire Fighting Total:</b>					<b>2,462.10</b>

**Activity: 42500 - Civil Defense**

ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	100-42500-381	31.64
<b>Activity 42500 - Civil Defense Total:</b>					<b>31.64</b>

**Activity: 43100 - Streets**

RUNNINGS SUPPLY, INC	#71920 1-24-18	02/20/2018	MAINTENANCE -	100-43100-211	11.98
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	100-43100-217	67.00
BRUCE CALDWELL	20180228	02/28/2018	EXPENSE - OPERATE SNOW PL	100-43100-224	110.00
RUNNINGS SUPPLY, INC	#71920 1-24-18	02/20/2018	MAINTENANCE -	100-43100-241	37.45
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	100-43100-321	45.50
CITIZEN PUBLISHING CO	20180131	02/06/2018	ADVERTISING	100-43100-350	150.00
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	100-43100-381	3,106.84
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	100-43100-381	417.66
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	100-43100-382	18.76
MN ENERGY RESOURCES	20180206A	02/15/2018	HEATING #0505064121-0001	100-43100-383	1,220.25
MN ENERGY RESOURCES	20180206B	02/15/2018	HEATING	100-43100-383	127.41
HOMETOWN SANITATION SER	0000275620	02/01/2018	GARBAGE SERVICE - STREET D	100-43100-384	84.73
HOMETOWN SANITATION SER	0000275621	02/06/2018	GARBAGE SERVICE - SQUARE	100-43100-384	46.12
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	100-43100-385	38.20
GRAHAM TIRE CO	8528570C	02/28/2018	CREDIT - PAID TWICE	100-43100-404	-58.78
MACQUEEN EQUIP. CO.	P10761	02/13/2018	MAINTENANCE - REPAIR PART	100-43100-404	925.06
GRAHAM TIRE CO	8529554	02/05/2018	MAINTENANCE - TIRES	100-43100-405	501.20
WERNER ELECTRIC	S009785066.002	02/28/2018	MAINTENANCE - LIGHT	100-43100-406	300.00
<b>Activity 43100 - Streets Total:</b>					<b>7,149.38</b>

**Activity: 45202 - Park Areas**

RUNNINGS SUPPLY, INC	#71920 1-24-18	02/20/2018	MAINTENANCE -	100-45202-211	8.28
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	100-45202-326	466.67
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	100-45202-381	474.39
WERNER ELECTRIC	S009776147.001	02/28/2018	NEW BALL PARK	100-45202-406	61.29
<b>Activity 45202 - Park Areas Total:</b>					<b>1,010.63</b>

**Fund 100 - GENERAL Total: 54,458.60****Fund: 211 - LIBRARY****Activity: 45501 - Library**

ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	211-45501-321	28.57
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	211-45501-326	205.33
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	211-45501-381	264.14
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	211-45501-382	18.55

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Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
MN ENERGY RESOURCES	20180207	02/13/2018	HEATING #0504542703-00001	211-45501-383	1,404.82
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	211-45501-385	37.56
WERNER ELECTRIC	S009784797.001	02/27/2018	LIBRARY EXPENSE	211-45501-409	620.50
WERNER ELECTRIC	S009784797.002	02/27/2018	LIBRARY EXPENSE	211-45501-409	141.43
GALE	62997087	02/13/2018	BOOKS	211-45501-435	23.39
GALE	63151631	02/27/2018	BOOKS	211-45501-435	39.63
<b>Activity 45501 - Library Total:</b>					<b>2,783.92</b>
<b>Fund 211 - LIBRARY Total:</b>					<b>2,783.92</b>

## Fund: 225 - AIRPORT

## Activity: 45127 - Airport

SOUTHWEST MN BROADBAN	#886 2-15-18	02/27/2018	SERVICE #886	225-45127-321	26.65
O'DAY EQUIPMENT, LLC	SRVCE0064789	02/13/2018	MAINTENANCE - REPAIR	225-45127-404	740.50
RON'S ELECTRIC INC	137008	02/27/2018	MAINTENANCE	225-45127-409	151.65
<b>Activity 45127 - Airport Total:</b>					<b>918.80</b>
<b>Fund 225 - AIRPORT Total:</b>					<b>918.80</b>

## Fund: 230 - POOL

## Activity: 45124 - Pool

ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	230-45124-217	133.33
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	230-45124-321	27.98
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	230-45124-381	29.00
<b>Activity 45124 - Pool Total:</b>					<b>190.31</b>
<b>Fund 230 - POOL Total:</b>					<b>190.31</b>

## Fund: 235 - AMBULANCE

## Activity: 42153 - Ambulance

BOUND TREE MEDICAL, LLC	82756865	02/02/2018	SUPPLIES	235-42153-217	569.57
BOUND TREE MEDICAL, LLC	82763503	02/13/2018	SUPPLIES - OPERATING	235-42153-217	64.47
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	235-42153-321	17.46
VERIZON WIRELESS	9801267759	02/20/2018	SERVICE FOR LAP TOPS	235-42153-321	123.49
EXPERT T BILLING	4146	02/07/2018	SERVICE	235-42153-326	1,782.00
REAL TIME TRANSLATION, INC	112027	02/12/2018	SERVICE	235-42153-327	34.00
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	235-42153-381	201.68
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	235-42153-382	9.14
MN ENERGY RESOURCES	20180207B	02/15/2018	HEATING #0506419706-0002	235-42153-383	551.60
HOMETOWN SANITATION SER	0000275634	02/07/2018	GARBAGE SERVICE - ESF BUIL	235-42153-384	28.00
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	235-42153-385	19.97
ZOLL MEDICAL CORPORATION	2633155	02/07/2018	MAINTENANCE - BATTERY	235-42153-404	808.50
O'REILLY AUTOMOTIVE, INC	#1510318 1-28-18	02/20/2018	MAINTENANCE - AMBULANC	235-42153-405	19.16
O'REILLY AUTOMOTIVE, INC	#1510318 1-28-18	02/20/2018	MAINTENANCE - AMBULANC	235-42153-406	19.99
<b>Activity 42153 - Ambulance Total:</b>					<b>4,249.03</b>
<b>Fund 235 - AMBULANCE Total:</b>					<b>4,249.03</b>

## Fund: 250 - EDA GENERAL

## Activity: 46520 - EDA

INDOFF, INC	3062728	02/02/2018	SUPPLIES	250-46520-200	4.91
INDOFF, INC	3063374	02/05/2018	SUPPLIES	250-46520-200	17.29
INDOFF, INC	3067056	02/13/2018	SUPPLIES	250-46520-200	21.15
CENTURY BUSINESS PRODUCT	410875	02/13/2018	SUPPLIES	250-46520-200	45.31
EHLERS & ASSOC., INC.	76297	02/15/2018	TIF ADMINISTRATION-WINDO	250-46520-301	2,160.00
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	250-46520-321	255.88
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	250-46520-321	105.56
DREW HAGE	20180220	02/20/2018	EXPENSE - MN DOT MEETING	250-46520-331	31.07
CITIZEN PUBLISHING CO	20180131	02/06/2018	ADVERTISING	250-46520-340	81.60
CITIZEN PUBLISHING CO	20180131	02/06/2018	ADVERTISING	250-46520-350	79.50
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	250-46520-381	50.42
<b>Activity 46520 - EDA Total:</b>					<b>2,852.69</b>
<b>Fund 250 - EDA GENERAL Total:</b>					<b>2,852.69</b>

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Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
<b>Fund: 601 - WATER</b>					
<b>Activity: 49400 - Water</b>					
SHI INTERNATIONAL CORP	807728000	02/02/2018	NETWORK COST	601-49400-200	83.00
HAWKINS, INC	4223243	02/07/2018	CHEMICALS	601-49400-216	3,863.71
MN VALLEY TESTING	904098	02/13/2018	TESTING	601-49400-310	67.50
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	601-49400-321	49.90
RUNNINGS SUPPLY, INC	#71920 1-24-18	02/20/2018	MAINTENANCE -	601-49400-322	11.36
INNOVATIVE SYSTEMS LLC	36142	02/05/2018	POSTAGE	601-49400-322	230.78
HP DATAONE, LLC	20180227	02/27/2018	2ND IN 2018	601-49400-326	1,328.13
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	601-49400-326	67.00
INNOVATIVE SYSTEMS LLC	35894	02/05/2018	BILLING SYSTEM MAINTENAN	601-49400-326	760.50
INNOVATIVE SYSTEMS LLC	35923	02/05/2018	BILLING SYSTEM SOFTWARE S	601-49400-326	517.50
INNOVATIVE SYSTEMS LLC	36142	02/05/2018	POSTAGE	601-49400-326	196.00
INNOVATIVE SYSTEMS LLC	36142	02/05/2018	POSTAGE	601-49400-350	1.00
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	601-49400-381	5,085.55
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	601-49400-382	17.92
MN ENERGY RESOURCES	20180212A	02/20/2018	HEATING #0505923431-00001	601-49400-383	738.75
HOMETOWN SANITATION SER	0000275623	02/07/2018	GARBAGE SERVICE - WASTE	601-49400-384	85.04
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	601-49400-385	35.72
WENCK ASSOCIATES, INC.	11800587	02/21/2018	WINDOM LANDFILL #0045-01	601-49400-386	1,480.22
RUNNINGS SUPPLY, INC	#71920 1-24-18	02/20/2018	MAINTENANCE -	601-49400-402	613.51
RUNNINGS SUPPLY, INC	#71920 1-24-18	02/20/2018	MAINTENANCE -	601-49400-404	213.76
LUCAN COMMUNITY TV INC	144	02/27/2018	MAINTENANCE - BATTERY	601-49400-404	40.00
THE GLOBE	177926871 3-14-18	02/27/2018	SUBSCRIPTION #177926871	601-49400-404	45.00
DEZURIK, INC	RPI/64001428	02/07/2018	MAINTENANCE - REPAIR KITS	601-49400-404	196.00
<b>Activity 49400 - Water Total:</b>					<b>15,727.85</b>
<b>Fund 601 - WATER Total:</b>					<b>15,727.85</b>

**Fund: 602 - SEWER**    **Activity: 49450 - Sewer**

SHI INTERNATIONAL CORP	807728000	02/02/2018	NETWORK COST	602-49450-200	83.00
RUNNINGS SUPPLY, INC	#71920 1-24-18	02/20/2018	MAINTENANCE -	602-49450-217	27.99
MN VALLEY TESTING	903521	02/06/2018	TESTING	602-49450-310	144.00
MN VALLEY TESTING	903677	02/06/2018	TESTING	602-49450-310	227.20
MN VALLEY TESTING	903700	02/06/2018	TESTING	602-49450-310	227.20
MN VALLEY TESTING	903737	02/06/2018	TESTING	602-49450-310	144.00
MN VALLEY TESTING	904346	02/13/2018	TESTING	602-49450-310	227.20
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	602-49450-321	172.28
INNOVATIVE SYSTEMS LLC	36142	02/05/2018	POSTAGE	602-49450-322	230.79
HP DATAONE, LLC	20180227	02/27/2018	2ND IN 2018	602-49450-326	1,328.12
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	602-49450-326	67.00
INNOVATIVE SYSTEMS LLC	35894	02/05/2018	BILLING SYSTEM MAINTENAN	602-49450-326	760.50
INNOVATIVE SYSTEMS LLC	35923	02/05/2018	BILLING SYSTEM SOFTWARE S	602-49450-326	517.50
INNOVATIVE SYSTEMS LLC	36142	02/05/2018	POSTAGE	602-49450-326	196.00
STEVE NASBY	20180227	02/27/2018	EXPENSE - CMPAS MTG & GO	602-49450-331	21.80
INNOVATIVE SYSTEMS LLC	36142	02/05/2018	POSTAGE	602-49450-350	0.99
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	602-49450-381	15,797.11
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	602-49450-382	238.83
MN ENERGY RESOURCES	20180206	02/15/2018	HEATING #0506646838-00001	602-49450-383	1,009.08
MN ENERGY RESOURCES	20180209	02/15/2018	HEATING #0506746718-00001	602-49450-383	19.62
MN ENERGY RESOURCES	20180212B	02/20/2018	HEATING #0504488160-00001	602-49450-383	99.09
RUNNINGS SUPPLY, INC	#71920 1-24-18	02/20/2018	MAINTENANCE -	602-49450-404	291.12
RON'S ELECTRIC INC	136963	02/11/2018	MAINTENANCE - BULB	602-49450-404	14.70
THE GLOBE	177926871 3-14-18	02/27/2018	SUBSCRIPTION #177926871	602-49450-404	45.00
SHERMCO INDUSTRIES	PSI04663	02/07/2018	MAINTENANCE - SERVICE	602-49450-404	1,837.00
<b>Activity 49450 - Sewer Total:</b>					<b>23,727.12</b>
<b>Fund 602 - SEWER Total:</b>					<b>23,727.12</b>

**Fund: 604 - ELECTRIC**

UTILITIES PLUS ENERGY SERVI	600467	02/02/2018	SUBSTATION	604-16300	4,561.25
WESCO DISTRIBUTION, INC	960566	02/02/2018	NEW CONSTRUCTION	604-16300	1,960.35

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Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
MN REVENUE	20180215	02/15/2018	SALES TAX - JAN 2018	604-20202	17.20
JENIFFER ROTHSTEIN	20180216	02/20/2018	REFUND - UTILITY PREPAYME	604-22000	300.00
LACEY HABERMAN-BURCH	20180220	02/20/2018	REFUND -UTIL PREPAYMENT-L	604-22000	300.00
MARCIAL CORONADO	20180220	02/20/2018	REFIMD -UTIL PREPAYMENT-	604-22000	297.51
GREGORIO HERNANDEZ	20180220	02/20/2018	REFUND UTIL PREPAY-G.HERN	604-22000	216.42
					7,652.73

## Activity: 49550 - Electric

SHI INTERNATIONAL CORP	807728000	02/02/2018	NETWORK COST	604-49550-200	83.00
O'REILLY AUTOMOTIVE, INC	#1510318 1-28-18	02/20/2018	MAINTENANCE - ELECTRIC	604-49550-217	1.37
RUNNINGS SUPPLY, INC	#71920 1-24-18	02/20/2018	MAINTENANCE -	604-49550-241	36.56
CMP - CENTRAL MUNICIPAL P	06201	02/13/2018	POWER COST - TRANSMISSIO	604-49550-263	149,725.08
CMP - CENTRAL MUNICIPAL P	06201	02/13/2018	POWER COST - ENERGY	604-49550-263	183,710.49
DEPARTMENT OF ENERGY	BFPB000800118	02/07/2018	POWER COST	604-49550-263	67,144.17
MN MUNICIPAL UTILITIES ASS	50851	02/21/2018	SERVICE	604-49550-301	3,600.00
MN MUNICIPAL UTILITIES ASS	50829	02/07/2018	2018 PCB MGMT-RECORDING	604-49550-308	725.00
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	604-49550-321	130.40
INNOVATIVE SYSTEMS LLC	36142	02/05/2018	POSTAGE	604-49550-322	230.78
HP DATAONE, LLC	20180227	02/27/2018	2ND IN 2018	604-49550-326	1,328.12
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	604-49550-326	149.68
INNOVATIVE SYSTEMS LLC	35894	02/05/2018	BILLING SYSTEM MAINTENAN	604-49550-326	1,521.00
INNOVATIVE SYSTEMS LLC	35923	02/05/2018	BILLING SYSTEM SOFTWARE S	604-49550-326	223.90
INNOVATIVE SYSTEMS LLC	36142	02/05/2018	POSTAGE	604-49550-326	196.00
STEVE NASBY	20180227	02/27/2018	EXPENSE - CMPAS MTG & GO	604-49550-331	144.97
INNOVATIVE SYSTEMS LLC	36142	02/05/2018	POSTAGE	604-49550-350	0.99
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	604-49550-381	258.64
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	604-49550-382	19.74
MN ENERGY RESOURCES	20180212C	02/27/2018	HEATING #0506419706-00001	604-49550-383	569.86
HOMETOWN SANITATION SER	0000275624	02/07/2018	GARBAGE SERVICE - ELECTRIC	604-49550-384	84.75
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	604-49550-385	37.41
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	604-49550-386	50.00
O'REILLY AUTOMOTIVE, INC	#1510318 1-28-18	02/20/2018	MAINTENANCE - ELECTRIC - V	604-49550-404	288.73
RUNNINGS SUPPLY, INC	#71920 1-24-18	02/20/2018	MAINTENANCE -	604-49550-404	30.65
MID IOWA SALES	AM1276	02/27/2018	MAINTENANCE - WASH/WAX	604-49550-405	194.18
RUNNINGS SUPPLY, INC	#71920 1-24-18	02/20/2018	MAINTENANCE -	604-49550-406	19.99
RAGE INC - CAMPUS CLEANER	02-010126	02/07/2018	SERVICE - POWER PLANT	604-49550-406	34.17
ULINE SHIPPING SUPPY SPECI	94771397	02/20/2018	MAINTENANCE - TRAFFIC CO	604-49550-408	919.76
WERNER ELECTRIC	5009798253.001	02/27/2018	MAINTENANCE - SIGN, TRANS	604-49550-408	1,240.00
CMP - CENTRAL MUNICIPAL P	06189	02/13/2018	CIP PROGRAM CHARGES	604-49550-450	2,501.13
NORMAN KUEHL	20180220	02/20/2018	ENERGY REBATE	604-49550-450	150.00
KYLE PILLATZKI	20180220	02/20/2018	ENERGY REBATE	604-49550-450	150.00
JEFF MARAS	20180220	02/20/2018	ENERGY REBATE	604-49550-450	150.00
MYRON APPEL	20180227	02/27/2018	ENERGY REBATE	604-49550-450	150.00
DAKOTA SUPPLY GROUP	D431855	02/20/2018	RES STREET LIGHTING	604-49550-450	35,700.00
MN REVENUE	20180215	02/15/2018	SALES TAX - JAN 2018	604-49550-460	28.17
<b>Activity 49550 - Electric Total:</b>					<b>451,528.69</b>
<b>Fund 604 - ELECTRIC Total:</b>					<b>459,181.42</b>

## Fund: 609 - LIQUOR STORE

MN REVENUE	20180215	02/15/2018	SALES TAX - JAN 2018	609-20202	12,688.00
					12,688.00

## Activity: 49751 - Liquor Store

BREAKTHRU BEVERAGE MN	1080757151	02/13/2018	MERCHANDISE	609-49751-251	1,907.07
SOUTHERN GLAZER'S OF MN	1644657	02/05/2018	MERCHANDISE	609-49751-251	1,402.54
JOHNSON BROS.	5929711	02/05/2018	MERCHANDISE	609-49751-251	1,884.58
JOHNSON BROS.	5934821	02/13/2018	MERCHANDISE	609-49751-251	2,015.87
BELLBOY CORP	62664400	02/05/2018	MERCHANDISE	609-49751-251	72.00
ARTISAN BEER COMPANY	3238277	02/05/2018	MERCHANDISE	609-49751-252	140.00
ARTISAN BEER COMPANY	3239776	02/13/2018	MERCHANDISE	609-49751-252	238.50
DOLL DISTRIBUTING, LLC	384901	02/27/2018	MERCHANDISE	609-49751-252	5,874.55
DOLL DISTRIBUTING, LLC	385477	02/27/2018	CREDIT - MERCHANDISE	609-49751-252	-456.00

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Payment Dates: 02/16/2018 - 03/01/2018

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
DOLL DISTRIBUTING, LLC	385478	02/27/2018	MERCHANDISE	609-49751-252	532.00
DOLL DISTRIBUTING, LLC	389888	02/27/2018	MERCHANDISE	609-49751-252	3,865.20
JOHNSON BROS.	5929713	02/05/2018	MERCHANDISE	609-49751-252	43.98
JOHNSON BROS.	5934823	02/13/2018	MERCHANDISE	609-49751-252	366.39
BEVERAGE WHOLESALERS	680965	02/28/2018	MERCHANDISE	609-49751-252	19.20
BEVERAGE WHOLESALERS	692034	02/27/2018	MERCHANDISE	609-49751-252	4,819.90
SOUTHERN GLAZER'S OF MN	1644658	02/05/2018	MERCHANDISE	609-49751-253	158.00
JOHNSON BROS.	5929712	02/05/2018	MERCHANDISE	609-49751-253	2,719.13
JOHNSON BROS.	5934822	02/13/2018	MERCHANDISE	609-49751-253	2,316.68
PAUSTIS WINE COMPANY	8619375-IN	02/13/2018	MERCHANDISE	609-49751-253	597.00
ROUND LAKE VINEYARDS & W	907	02/13/2018	MERCHANDISE	609-49751-253	225.00
BREAKTHRU BEVERAGE MN	1080757151	02/13/2018	MERCHANDISE	609-49751-254	61.83
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	609-49751-321	100.50
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	609-49751-326	625.13
BREAKTHRU BEVERAGE MN	1080757151	02/13/2018	MERCHANDISE	609-49751-333	47.18
SOUTHERN GLAZER'S OF MN	1644657	02/05/2018	MERCHANDISE	609-49751-333	24.81
SOUTHERN GLAZER'S OF MN	1644658	02/05/2018	MERCHANDISE	609-49751-333	4.44
JOHNSON BROS.	5929711	02/05/2018	MERCHANDISE	609-49751-333	24.36
JOHNSON BROS.	5929712	02/05/2018	MERCHANDISE	609-49751-333	88.75
JOHNSON BROS.	5934821	02/13/2018	MERCHANDISE	609-49751-333	28.28
JOHNSON BROS.	5934822	02/13/2018	MERCHANDISE	609-49751-333	76.56
BELLBOY CORP	62664400	02/05/2018	MERCHANDISE	609-49751-333	15.46
PAUSTIS WINE COMPANY	8619375-IN	02/13/2018	MERCHANDISE	609-49751-333	8.75
VIVIAN FLANIGAN DAVIS	20180123	02/27/2018	ADVERTISING	609-49751-340	159.50
CITIZEN PUBLISHING CO	20180131	02/06/2018	ADVERTISING	609-49751-340	1,405.60
MN ENERGY RESOURCES	20180212D	02/27/2018	HEATING - #0507314125-000	609-49751-381	186.99
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	609-49751-381	593.96
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	609-49751-382	19.51
HOMETOWN SANITATION SER	0000275622	02/07/2018	GARBAGE SERVICE - RIVER BE	609-49751-385	96.13
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	609-49751-385	36.81
RAGE INC - CAMPUS CLEANER	02-010569	02/27/2018	SERVICE - RIVER BEND LIQUO	609-49751-406	43.32
RAGE INC - CAMPUS CLEANER	12-012274	02/27/2018	SERVICE - RIVER BEND LIQUO	609-49751-406	43.32
MN REVENUE	20180215	02/15/2018	SALES TAX - JAN 2018	609-49751-460	7.71

Activity 49751 - Liquor Store Total: 32,440.49

Fund 609 - LIQUOR STORE Total: 45,128.49

## Fund: 614 - TELECOM

MN REVENUE	20180215	02/15/2018	SALES TAX - JAN 2018	614-20202	45.79
					<u>45.79</u>

## Activity: 49870 - Telecom

SHI INTERNATIONAL CORP	807728000	02/02/2018	NETWORK COST	614-49870-200	743.00
RUNNINGS SUPPLY, INC	#71920 1-24-18	02/20/2018	MAINTENANCE -	614-49870-218	40.98
RUNNINGS SUPPLY, INC	#71920 1-24-18	02/20/2018	MAINTENANCE -	614-49870-227	2.79
INTERSTATE TRS FUND	82580702185	02/20/2018	ASSESSMENT -499 A FILING F	614-49870-304	227.07
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	614-49870-321	434.75
INNOVATIVE SYSTEMS LLC	36142	02/05/2018	POSTAGE	614-49870-322	230.78
HP DATAONE, LLC	20180227	02/27/2018	2ND IN 2018	614-49870-326	1,328.13
INNOVATIVE SYSTEMS LLC	35894	02/05/2018	BILLING SYSTEM MAINTENAN	614-49870-326	875.00
INNOVATIVE SYSTEMS LLC	35894	02/05/2018	BILLING SYSTEM MAINTENAN	614-49870-326	1,521.00
INNOVATIVE SYSTEMS LLC	35923	02/05/2018	BILLING SYSTEM SOFTWARE S	614-49870-326	1,846.10
INNOVATIVE SYSTEMS LLC	35978	02/05/2018	SDP GIGACENTER SETUP	614-49870-326	1,718.36
INNOVATIVE SYSTEMS LLC	36142	02/05/2018	POSTAGE	614-49870-326	196.00
NEUSTAR, INC.	L--0000023461	02/15/2018	NUMBER PORTS	614-49870-326	13.00
KDOM RADIO	#0073 1-31-18	02/15/2018	#0073 ADVERTISING - WINDO	614-49870-340	100.98
INNOVATIVE SYSTEMS LLC	36142	02/05/2018	POSTAGE	614-49870-350	0.99
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	614-49870-381	2,102.17
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	614-49870-382	18.64
MN ENERGY RESOURCES	20180207A	02/15/2018	HEATING #0507509833-00001	614-49870-383	229.60
HOMETOWN SANITATION SER	0000275625	02/07/2018	GARBAGE SERVICE - TELECOM	614-49870-384	73.92
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	614-49870-385	34.37

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Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
CONSOLIDATED COMMUNICA	#1160904 02012018	02/15/2018	10 GB TRANSPORT - CONNEC	614-49870-442	2,950.00
MLB NETWORK	097438	02/20/2018	SUBSCRIBER	614-49870-442	999.69
TEGNA	1314-1198	02/09/2018	SUBSCRIBER	614-49870-442	7,424.55
NEXSTAR BROADCASTING GR	1381-1108	02/07/2018	SUBSCRIBER	614-49870-442	7,284.15
NATIONAL CABLE TV COOP	18021612	02/28/2018	SUBSCRIBER	614-49870-442	94,731.12
INDEPENDENT COMMUNIATI	20180131	02/15/2018	SUBSCRIBER	614-49870-442	3,705.00
CBS TELEVISION STATIONS	20180131	02/15/2018	SUBSCRIBER	614-49870-442	6,363.90
UNITED COMMUNICATIONS C	20180131	02/15/2018	SUBSCRIBER	614-49870-442	824.95
HUBBARD BROADCASTING IN	20180131	02/15/2018	SUBSCRIBER	614-49870-442	6,953.15
REGISTER OF COPYRIGHTS	20180220	02/21/2018	ROYALTY PAYMENT 2017 - 2N	614-49870-442	2,931.94
REGISTER OF COPYRIGHTS	20180220	02/21/2018	ROYALTY PAYMENT 2017 - 2N	614-49870-442	3,459.35
FOX TELEVISION STATIONS, IN	371-1030	02/15/2018	SUBSCRIBER	614-49870-442	5,303.25
TOWER DISTRIBUTION COMP	656408	02/15/2018	SUBSCRIBER	614-49870-442	663.62
FOX SPORTS	N70683	02/15/2018	SUBSCRIBER	614-49870-442	19,398.24
BTN - BIG TEN NETWORK	N75826	02/15/2018	SUBSCRIBER	614-49870-442	4,168.92
NECA	NECA108788	02/07/2018	SERVICE #NT342	614-49870-443	165.00
UNIVERSAL SERVICE ADMIN C	UBDI0000953834A	02/21/2018	DIFFERENCE OWED ON LAST	614-49870-443	86.73
METASWITCH NETWORKS LTD	INMNL0008988	02/07/2018	ANNUAL SUPPORT PLAN 2/28	614-49870-444	20,461.00
ONVOY, LLC dba INTELIGUENT	180202008508	02/15/2018	SS7 SERVICES 2/2 - 3/1/18	614-49870-445	1,324.63
NEUSTAR, INC.	M-10951671	02/15/2018	SOW SERVICE	614-49870-445	16.82
NEUSTAR, INC.	M-10951672	02/15/2018	LNP SERVICE	614-49870-445	700.71
CONSOLIDATED COMMUNICA	#1160904 02012018	02/15/2018	10 GB TRANSPORT	614-49870-447	5,987.50
NEAR NORTH PARTNERS, LLC	1463	02/07/2018	10 GB INTERNET CONN MSP1-	614-49870-447	1,950.00
SWWC - SOUTHWEST WEST C	56316	02/07/2018	SERVICE-ON CALL SUPPORT	614-49870-448	950.00
ZAYO GROUP, LLC	#114184-002376 2-1-18	02/15/2018	TRANSPORT 2/1 - 2/28	614-49870-451	396.29
ONVOY, LLC dba INTELIGUENT	180202009033	02/15/2018	SWITCHING SERVICES 2/1/18	614-49870-451	3,533.29
MN REVENUE	20180215	02/15/2018	SALES TAX - JAN 2018	614-49870-460	58.72
<b>Activity 49870 - Telecom Total:</b>					<b>214,530.15</b>
<b>Fund 614 - TELECOM Total:</b>					<b>214,575.94</b>

Fund: 615 - ARENA

Activity: 49850 - Arena

SCHRADEL LAW OFFICE	20180201	02/28/2018	LEGAL FEES	615-49850-304	390.00
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	615-49850-321	124.20
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	615-49850-326	335.00
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	615-49850-381	6,798.53
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	615-49850-382	307.54
HOMETOWN SANITATION SER	0000275 626	02/07/2018	GARBAGE SERVICE- ARENA	615-49850-384	130.88
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	615-49850-385	31.05
RUNNINGS SUPPLY, INC	#71920 1-24-18	02/20/2018	MAINTENANCE -	615-49850-404	3.99
MN REVENUE	20180215	02/15/2018	SALES TAX - JAN 2018	615-49850-460	165.00
<b>Activity 49850 - Arena Total:</b>					<b>8,286.19</b>
<b>Fund 615 - ARENA Total:</b>					<b>8,286.19</b>

Fund: 617 - M/P CENTER

MN REVENUE	20180215	02/15/2018	SALES TAX - JAN 2018	617-20202	94.70
					<b>94.70</b>

Activity: 49860 - M/P Center

COLE PAPERS INC.	9395271	02/05/2018	SUPPLIES	617-49860-211	161.18
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	617-49860-321	114.21
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	617-49860-326	400.33
CITIZEN PUBLISHING CO	20180131	02/06/2018	ADVERTISING	617-49860-340	210.00
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	617-49860-381	1,156.18
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	617-49860-382	64.88
MN ENERGY RESOURCES	20180212	02/20/2018	HEATING #0503741572-00001	617-49860-383	1,819.61
ELECTRIC FUND	20180227	02/27/2018	MONTHLY UTILITY & TELECO	617-49860-385	129.72
RAGE INC - CAMPUS CLEANER	02-010127	02/13/2018	SERVICE - COMM CENTER	617-49860-406	59.50
MN REVENUE	20180215	02/15/2018	SALES TAX - JAN 2018	617-49860-460	-52.70
<b>Activity 49860 - M/P Center Total:</b>					<b>4,062.91</b>
<b>Fund 617 - M/P CENTER Total:</b>					<b>4,157.61</b>

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Payment Dates: 02/16/2018 - 03/01/2018

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
<b>Fund: 700 - PAYROLL</b>					
Internal Revenue Service-Payr	INV0001311	02/16/2018	Federal Tax Withholding	700-21701	9,150.94
MN Department of Revenue -	INV0001310	02/16/2018	State Withholding	700-21702	4,443.81
Internal Revenue Service-Payr	INV0001312	02/16/2018	Social Security	700-21703	11,583.64
MN Pera	INV0001304	02/16/2018	PERA	700-21704	12,857.92
MN Pera	INV0001305	02/16/2018	PERA	700-21704	5,955.86
MN Pera	INV0001306	02/16/2018	PERA	700-21704	815.28
MN State Deferred	INV0001307	02/16/2018	Deferred Compensation	700-21705	5,169.11
MN State Deferred	INV0001308	02/16/2018	Deferred Roth	700-21705	475.00
Internal Revenue Service-Payr	INV0001309	02/16/2018	Medicare Withholding	700-21711	3,308.60
SELECTACCOUNT	38601845	02/20/2018	FLEX SPENDING	700-21712	370.87
SELECTACCOUNT	38606772	02/27/2018	FLEX SPENDING	700-21712	499.80
AFLAC	328210	02/20/2018	INSURANCE - FEB 2018 - AFTE	700-21715	204.00
AFLAC	328210	02/20/2018	INSURANCE - FEB 2018 - PRE T	700-21716	334.59
MN BENEFIT ASSOCIATION	2018-0023365	02/15/2018	INSURANCE - PRE TAX	700-21717	4.84
MN BENEFIT ASSOCIATION	2018-0023365	02/15/2018	INSURANCE - AFTER TAX	700-21719	109.17
					<b>55,283.43</b>
<b>Fund 700 - PAYROLL Total:</b>					<b>55,283.43</b>
<b>Grand Total:</b>					<b>891,521.40</b>

## Report Summary

## Fund Summary

Fund	Payment Amount
100 - GENERAL	54,458.60
211 - LIBRARY	2,783.92
225 - AIRPORT	918.80
230 - POOL	190.31
235 - AMBULANCE	4,249.03
250 - EDA GENERAL	2,852.69
601 - WATER	15,727.85
602 - SEWER	23,727.12
604 - ELECTRIC	459,181.42
609 - LIQUOR STORE	45,128.49
614 - TELECOM	214,575.94
615 - ARENA	8,286.19
617 - M/P CENTER	4,157.61
700 - PAYROLL	55,283.43
<b>Grand Total:</b>	<b>891,521.40</b>

## Account Summary

Account Number	Account Name	Payment Amount
100-20191	Unapplied Cash	62.94
100-20202	Sales Tax Payable	27,912.41
100-41110-304	Legal Fees	465.00
100-41110-334	Meals/Lodging	14.04
100-41110-350	Printing & Design	654.60
100-41310-200	Office Supplies	120.58
100-41310-217	Other Operating Supplie	303.60
100-41310-321	Telephone	140.62
100-41310-326	Data Processing	293.30
100-41910-200	Office Supplies	95.00
100-41910-304	Legal Fees	120.00
100-41910-321	Telephone	105.56
100-41910-331	Travel Expense	132.98
100-41940-381	Electric Utility	567.71
100-41940-382	Water Utility	71.58
100-41940-383	Gas Utility	960.43
100-41940-384	Refuse Disposal	85.04
100-41940-385	Sewer Utility	134.49
100-42120-200	Office Supplies	15.18
100-42120-218	Uniforms	1,242.12
100-42120-304	Legal Fees	4,122.50
100-42120-305	Medical & Dental Fees	80.00
100-42120-308	Training & Registrations	495.00
100-42120-321	Telephone	174.90
100-42120-322	Postage	10.17
100-42120-323	Radio Units	67.50
100-42120-326	Data Processing	433.00
100-42120-327	Interpretation Fees	75.92
100-42120-404	Repairs & Maint - M&E	655.92
100-42120-412	Rentals - Building	1,900.00
100-42120-419	Vehicle Lease	2,292.76
100-42220-215	Materials & Equipment	220.00
100-42220-218	Uniforms	16.00
100-42220-308	Training & Registrations	450.00
100-42220-321	Telephone	63.10
100-42220-326	Data Processing	10.02
100-42220-331	Travel Expense	179.30
100-42220-334	Meals/Lodging	284.76
100-42220-381	Electric Utility	302.52

## Account Summary

Account Number	Account Name	Payment Amount
100-42220-382	Water Utility	13.72
100-42220-383	Gas Utility	829.90
100-42220-384	Refuse Disposal	41.99
100-42220-385	Sewer Utility	29.96
100-42220-404	Repairs & Maint - M&E	20.83
100-42500-381	Electric Utility	31.64
100-43100-211	Cleaning Supplies	11.98
100-43100-217	Other Operating Supplie	67.00
100-43100-224	Street Maint Materials	110.00
100-43100-241	Small Tools	37.45
100-43100-321	Telephone	45.50
100-43100-350	Printing & Design	150.00
100-43100-381	Electric Utility	3,524.50
100-43100-382	Water Utility	18.76
100-43100-383	Gas Utility	1,347.66
100-43100-384	Refuse Disposal	130.85
100-43100-385	Sewer Utility	38.20
100-43100-404	Repairs & Maint - M&E	866.28
100-43100-405	Repairs & Maint - Vehicl	501.20
100-43100-406	Repairs & Maint - Groun	300.00
100-45202-211	Cleaning Supplies	8.28
100-45202-326	Data Processing	466.67
100-45202-381	Electric Utility	474.39
100-45202-406	Repairs & Maint - Groun	61.29
211-45501-321	Telephone	28.57
211-45501-326	Data Processing	205.33
211-45501-381	Electric Utility	264.14
211-45501-382	Water Utility	18.55
211-45501-383	Gas Utility	1,404.82
211-45501-385	Sewer Utility	37.56
211-45501-409	Repairs & Maint - Utilitie	761.93
211-45501-435	Books and Pamphlets	63.02
225-45127-321	Telephone	26.65
225-45127-404	Repairs & Maint - M&E	740.50
225-45127-409	Repairs & Maint - Utilitie	151.65
230-45124-217	Other Operating Supplie	133.33
230-45124-321	Telephone	27.98
230-45124-381	Electric Utility	29.00
235-42153-217	Other Operating Supplie	634.04
235-42153-321	Telephone	140.95
235-42153-326	Data Processing	1,782.00
235-42153-327	Interpretation Fees	34.00
235-42153-381	Electric Utility	201.68
235-42153-382	Water Utility	9.14
235-42153-383	Gas Utility	551.60
235-42153-384	Refuse Disposal	28.00
235-42153-385	Sewer Utility	19.97
235-42153-404	Repairs & Maint - M&E	808.50
235-42153-405	Repairs & Maint - Vehicl	19.16
235-42153-406	Repairs & Maint - Groun	19.99
250-46520-200	Office Supplies	88.66
250-46520-301	Auditing & Consulting Se	2,160.00
250-46520-321	Telephone	361.44
250-46520-331	Travel Expense	31.07
250-46520-340	Advertising & Promotion	81.60
250-46520-350	Printing & Design	79.50
250-46520-381	Electric Utility	50.42
601-49400-200	Office Supplies	83.00

## Account Summary

Account Number	Account Name	Payment Amount
601-49400-216	Chemicals and Chemical	3,863.71
601-49400-310	Lab Testing	67.50
601-49400-321	Telephone	49.90
601-49400-322	Postage	242.14
601-49400-326	Data Processing	2,869.13
601-49400-350	Printing & Design	1.00
601-49400-381	Electric Utility	5,085.55
601-49400-382	Water Utility	17.92
601-49400-383	Gas Utility	738.75
601-49400-384	Refuse Disposal	85.04
601-49400-385	Sewer Utility	35.72
601-49400-386	Landfill	1,480.22
601-49400-402	Repairs & Maint - Struct	613.51
601-49400-404	Repairs & Maint - M&E	494.76
602-49450-200	Office Supplies	83.00
602-49450-217	Other Operating Supplie	27.99
602-49450-310	Lab Testing	969.60
602-49450-321	Telephone	172.28
602-49450-322	Postage	230.79
602-49450-326	Data Processing	2,869.12
602-49450-331	Travel Expense	21.80
602-49450-350	Printing & Design	0.99
602-49450-381	Electric Utility	15,797.11
602-49450-382	Water Utility	238.83
602-49450-383	Gas Utility	1,127.79
602-49450-404	Repairs & Maint - M&E	2,187.82
604-16300	Improvements Other Th	6,521.60
604-20202	Sales Tax Payable	17.20
604-22000	Prepayments	1,113.93
604-49550-200	Office Supplies	83.00
604-49550-217	Other Operating Supplie	1.37
604-49550-241	Small Tools	36.56
604-49550-263	Merchandise for Resale -	400,579.74
604-49550-301	Auditing & Consulting Se	3,600.00
604-49550-308	Training & Registrations	725.00
604-49550-321	Telephone	130.40
604-49550-322	Postage	230.78
604-49550-326	Data Processing	3,418.70
604-49550-331	Travel Expense	144.97
604-49550-350	Printing & Design	0.99
604-49550-381	Electric Utility	258.64
604-49550-382	Water Utility	19.74
604-49550-383	Gas Utility	569.86
604-49550-384	Refuse Disposal	84.75
604-49550-385	Sewer Utility	37.41
604-49550-386	Landfill	50.00
604-49550-404	Repairs & Maint - M&E	319.38
604-49550-405	Repairs & Maint - Vehicl	194.18
604-49550-406	Repairs & Maint - Groun	54.16
604-49550-408	Repairs & Maint - Distrib	2,159.76
604-49550-450	Conservation	38,801.13
604-49550-460	Miscellaneous Taxes	28.17
609-20202	Sales Tax Payable	12,688.00
609-49751-251	Liquor	7,282.06
609-49751-252	Beer	15,443.72
609-49751-253	Wine	6,015.81
609-49751-254	Soft Drinks & Mix	61.83
609-49751-321	Telephone	100.50

## Account Summary

Account Number	Account Name	Payment Amount
609-49751-326	Data Processing	625.13
609-49751-333	Freight and Express	318.59
609-49751-340	Advertising & Promotion	1,565.10
609-49751-381	Electric Utility	780.95
609-49751-382	Water Utility	19.51
609-49751-385	Sewer Utility	132.94
609-49751-406	Repairs & Maint - Groun	86.64
609-49751-460	Miscellaneous Taxes	7.71
614-20202	Sales Tax Payable	45.79
614-49870-200	Office Supplies	743.00
614-49870-218	Uniforms	40.98
614-49870-227	Utility System Maint Sup	2.79
614-49870-304	Legal Fees	227.07
614-49870-321	Telephone	434.75
614-49870-322	Postage	230.78
614-49870-326	Data Processing	7,497.59
614-49870-340	Advertising & Promotion	100.98
614-49870-350	Printing & Design	0.99
614-49870-381	Electric Utility	2,102.17
614-49870-382	Water Utility	18.64
614-49870-383	Gas Utility	229.60
614-49870-384	Refuse Disposal	73.92
614-49870-385	Sewer Utility	34.37
614-49870-442	Subscriber Fees	167,161.83
614-49870-443	Intergovernmental Fees	251.73
614-49870-444	License Fees	20,461.00
614-49870-445	Switch Fees	2,042.16
614-49870-447	Internet Expense	7,937.50
614-49870-448	On-Call Support	950.00
614-49870-451	Call Completion	3,929.58
614-49870-460	Miscellaneous Taxes	58.72
615-49850-304	Legal Fees	390.00
615-49850-321	Telephone	124.20
615-49850-326	Data Processing	335.00
615-49850-381	Electric Utility	6,798.53
615-49850-382	Water Utility	307.54
615-49850-384	Refuse Disposal	130.88
615-49850-385	Sewer Utility	31.05
615-49850-404	Repairs & Maint - M&E	3.99
615-49850-460	Miscellaneous Taxes	165.00
617-20202	Sales Tax Payable	94.70
617-49860-211	Cleaning Supplies	161.18
617-49860-321	Telephone	114.21
617-49860-326	Data Processing	400.33
617-49860-340	Advertising & Promotion	210.00
617-49860-381	Electric Utility	1,156.18
617-49860-382	Water Utility	64.88
617-49860-383	Gas Utility	1,819.61
617-49860-385	Sewer Utility	129.72
617-49860-406	Repairs & Maint - Groun	59.50
617-49860-460	Miscellaneous Taxes	-52.70
700-21701	Federal Withholding	9,150.94
700-21702	State Withholding	4,443.81
700-21703	FICA Tax Withholding	11,583.64
700-21704	PERA Contributions	19,629.06
700-21705	Retirement	5,644.11
700-21711	Medicare Tax Withholdi	3,308.60
700-21712	Flex Account	870.67

**Account Summary**

Account Number	Account Name	Payment Amount
700-21715	Individual Insurance-Afla	204.00
700-21716	Individual Insurance-Afla	334.59
700-21717	Individual Insurance-MB	4.84
700-21719	Individual Insurance-MB	109.17
	<b>Grand Total:</b>	<u>891,521.40</u>

**Project Account Summary**

Project Account Key	Payment Amount
**None**	891,521.40
<b>Grand Total:</b>	<u>891,521.40</u>

3-1-18  
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# ACTION ITEM



**CITY OF WINDOM**  
444 9th Street  
Windom, MN 56101  
Phone: 507-831-6129  
Fax: 507-831-6127  
[www.windom-mn.com](http://www.windom-mn.com)

**TO:** City Council  
**FROM:** Chelsie Carlson, Finance Director  
**DATE:** 3/6/2018  
**RE:** Sunday Liquor Sales  
**DEPT:**  
**CONTACT:** Chelsie Carlson, Finance Director [chelsie.carlson@windommn.com](mailto:chelsie.carlson@windommn.com)

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## Recommendations/Options/Action Requested

Staff recommends that the City Council take the following action regarding Sunday Liquor Sales:

1. Continue Sunday Liquor Store hours of 1-5 pm and make Sunday hours part of the permanent store hours for Riverbend Liquor.

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## Issue Summary/Background

In July 2017 the State of Minnesota permitted Sunday off-sale liquor sales. On June 20, 2017 Council approved a trial period of Sunday sales between the hours of 1-5 pm. Riverbend Liquor has been operating every Sunday from July 2, 2017 through March 4, 2018.

A review of weekly sales data shows a consistent increase in sales revenue compared to when the store was not open on Sundays. The data suggest that the additional store hours on Sunday at Riverbend Liquor are resulting in overall sales growth for the store.

The Windom Police Chief was asked if there has been an increase in Sunday arrests since the Liquor Store has been open on Sundays and no increase was noticed.

Staff is recommending Council approve continuation of the Sunday store hours at Riverbend Liquor of 1-5pm and make Sunday part of the permanent store hours for Riverbend Liquor.

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## Fiscal Impact

During the 34 week trial period total sales at Riverbend Liquor increased by \$101,327 compared to the same period in the prior year. Sales on Sunday during this trial period averaged \$2,300 resulting in a total of \$79,775.14.

The Sunday hours result in approximately 9 hours of staff time at an average of \$11.00/hour for a total operating expense of around \$100.00 for Sunday operations.

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## Attachments

1. Riverbend Liquor Sales Data

**RIVERBEND LIQUOR SALES DATA**

	<b>Weekly Sales 2016</b>	<b>Weekly Sales 2017</b>	<b>Sales Variance</b>	<b>Sunday Sales</b>	
Week 27	33,747.03	47,912.32	14,165.29	4,495.57	7/2/2017
Week 28	37,321.16	42,071.97	4,750.81	1,820.48	7/9/2017
Week 29	39,229.18	39,765.52	536.34	2,264.29	7/16/2017
Week 30	38,534.50	39,798.47	1,263.97	1,654.40	7/23/2017
Week 31	39,148.32	39,029.88	(118.44)	2,006.22	7/30/2017
Week 32	38,071.80	36,994.01	(1,077.79)	1,869.76	8/6/2017
Week 33	33,674.32	36,535.32	2,861.00	1,213.32	8/13/2017
Week 34	34,171.91	35,734.85	1,562.94	2,076.42	8/20/2017
Week 35	40,933.32	41,094.29	160.97	1,592.74	8/27/2017
Week 36	27,819.15	33,482.33	5,663.18	3,513.38	9/3/2017
Week 37	34,554.73	34,767.02	212.29	1,864.72	9/10/2017
Week 38	34,207.59	40,579.14	6,371.55	1,779.40	9/17/2017
Week 39	31,233.97	34,201.86	2,967.89	1,679.03	9/24/2017
Week 40	33,116.66	35,359.50	2,242.84	1,443.43	10/1/2017
Week 41	33,632.37	38,479.90	4,847.53	1,868.76	10/8/2017
Week 42	31,759.80	34,542.85	2,783.05	1,551.28	10/15/2017
Week 43	30,748.46	35,491.00	4,742.54	1,751.58	10/22/2017
Week 44	34,761.86	34,475.82	(286.04)	1,461.93	10/29/2017
Week 45	32,427.18	36,904.88	4,477.70	1,731.08	11/5/2017
Week 46	31,554.16	33,731.35	2,177.19	1,957.48	11/12/2017
Week 47	43,246.14	48,010.93	4,764.79	2,440.10	11/19/2017
Week 48	30,891.01	34,091.28	3,200.27	2,287.54	11/26/2017
Week 49	33,015.75	35,586.11	2,570.36	2,058.38	12/3/2017
Week 50	35,775.53	39,044.10	3,268.57	1,856.41	12/10/2017
Week 51	58,568.22	59,767.42	1,199.20	1,821.96	12/17/2017
Week 52	43,127.56	43,075.25	(52.31)	6,147.88	12/24/2017
	<b>2017</b>	<b>2018</b>			
Week 1	27,742.46	32,876.11	5,133.65	6,737.94	12/31/2017
Week 2	30,528.64	33,115.24	2,586.60	1,777.61	1/7/2018
Week 3	29,154.93	35,172.88	6,017.95	2,424.77	1/14/2018
Week 4	30,124.07	33,674.92	3,550.85	4,306.84	1/21/2018
Week 5	33,783.96	33,276.91	(507.05)	1,537.42	1/28/2018
Week 6	28,486.37	32,527.57	4,041.20	3,540.84	2/4/2018
Week 7	30,355.59	33,998.77	3,643.18	1,638.66	2/11/2018
Week 8	30,497.13	32,102.41	1,605.28	1,603.52	2/18/2018
	<b>1,175,944.83</b>	<b>1,277,272.18</b>	<b>101,327.35</b>	<b>79,775.14</b>	

# ACTION ITEM



**CITY OF WINDOM**  
444 9th Street  
Windom, MN 56101  
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[www.windom-mn.com](http://www.windom-mn.com)

**TO:** CITY COUNCIL  
**FROM:** DREW HAGE, DEVELOPMENT DIRECTOR  
**CC MEETING DATE:** MARCH 6, 2018  
**RE:** INTERFUND LOAN RESOLUTION  
**DEPT:** ECONOMIC DEVELOPMENT AUTHORITY OF WINDOM  
**CONTACT:** DREW HAGE ([drew.hage@windommn.com](mailto:drew.hage@windommn.com)) (507-832-8661)

---

## **Recommendations/Options/Action Requested**

Staff recommends that the City Council take the following action regarding a potential new TIF District:

1. Adopt attached RESOLUTION approving an Interfund Loan (IFL).
- 

## **Issue Summary/Background**

On May 16, 2017, the City Council approved the fill agreements with both The Mathiowetz Construction Company (“Mathiowetz”) and Cemstone Concrete Materials, LLC (“Cemstone”) for the purchase, placement, and compaction of fill on the east, west, and south sides of the Cemstone property. The agreement with Mathiowetz sets forth the payment schedule for this project. (This payment schedule is shown in Exhibit “B” attached to the Resolution.)

No tax increment financing (“TIF”) District has been established to date for this property (referred to as the “South Cottonwood Lake Development”). However, TIF regulations require that the City Council adopt an Interfund Loan Resolution to allow the City to reimburse itself for eligible expenses advanced by the City in connection with a new or potential TIF District. This Resolution must be adopted **before** these expenses are advanced or within ninety days of the payment of an eligible expense. This resolution would enable the City to recover some of its eligible costs after the TIF District has been established and tax increment is generated.

The project payment made in June 2017 would not be eligible for reimbursement. However, the payment of \$100,000 made in December 2017 and the future payments for this project are eligible for reimbursement through future tax increment if this IFL Resolution is adopted.

## **Fiscal Impact**

**Amount:** Reimbursement of up to \$256,800 of City’s expenditures for TIF eligible costs. These expenses would be reimbursed by future tax increment generated by this potential TIF District.

## **Attachments**

1. Resolution Authorizing an Interfund Loan for Advance of Certain Costs in Connection with a Tax Increment Financing District.

## RESOLUTION # 2018-

INTRODUCED:

SECONDED:

VOTED: AYE:

NAY:

ABSENT:

### RESOLUTION AUTHORIZING AN INTERFUND LOAN FOR ADVANCE OF CERTAIN COSTS IN CONNECTION WITH A TAX INCREMENT FINANCING DISTRICT

BE IT RESOLVED by the City Council (the "Council") of the City of Windom, Minnesota, (the "City") as follows:

#### Section 1. Background.

1.01. The City heretofore intends to establish a tax increment financing district on Parcel No. 25-025-0200, described in Exhibit "A" attached hereto, (the "TIF District") in an area within the City known as the "South Cottonwood Lake Development" for the purpose of financing certain improvements within the TIF District.

1.02. The City has determined to pay for certain costs of land/building acquisition, site improvements/preparation, public utilities, streets and sidewalks, other improvements, interest and administrative costs (collectively, the "Qualified Costs"), which costs may be financed on a temporary basis from City funds available for such purposes.

1.03. Under Minnesota Statutes, Section 469.178, Subd. 7, the City is authorized to advance or loan money from the City's general fund or any other fund from which such advances may be legally authorized, in order to finance the Qualified Costs.

1.04. The City intends to reimburse itself for the Qualified Costs from tax increments derived from the TIF District in accordance with the terms of this resolution (which terms are referred to collectively as the "Interfund Loan").

#### Section 2. Terms of Interfund Loan.

2.01. The City hereby authorizes the advance of up to \$256,800 from the City's General Fund and City's Reserves or so much thereof as may be paid as Qualified Costs. The City's total advance for the project is \$381,800. A down payment of \$125,000 was made prior to June 30, 2017. The authorized advance for which the City shall reimburse itself is the sum of \$256,800 plus interest at the rate stated below. (See Exhibit "B" attached hereto for recap of qualified costs.) Interest accrues on the principal amount from the date of each advance. The maximum rate of interest permitted to be charged is limited to the greater of the rates specified under Minnesota Statutes, Section 270C.40 or Section 549.09 as of the date the loan or advance is authorized, unless the written agreement states that the maximum interest rate will fluctuate as the interest rates specified under Minnesota Statutes, Section 270C.40 or Section 549.09 are from time to time adjusted. The interest rate shall be 4% and will not fluctuate.

2.02. Principal and interest ("Payments") on the Interfund Loan shall be paid semi-annually on or before each August 1st and December 15th (each a "Payment Date"), commencing on the first Payment Date on which the City has Available Tax Increment (defined below), or on any other dates determined by the City Administrator, through the date of last receipt of tax increment from the TIF District.

2.03. Payments on this Interfund Loan are payable solely from "Available Tax Increment," which shall mean, on each Payment Date, tax increment available after other obligations have been paid, or as determined by the City Administrator, generated in the preceding six (6) months with respect to the property within the TIF District and remitted to the City by Cottonwood County, all in accordance with Minnesota Statutes, Sections 469.174 to 469.1799, all inclusive, as amended. Payments on this Interfund Loan may be subordinated to any outstanding or future bonds, notes or contracts secured in whole or in part with Available Tax Increment, and are on parity with any other outstanding or future interfund loans secured in whole or in part with Available Tax Increment.

2.04. The principal sum and all accrued interest payable under this Interfund Loan are pre-payable in whole or in part at any time by the City without premium or penalty. No partial prepayment shall affect the amount or timing of any other regular payment otherwise required to be made under this Interfund Loan.

2.05. This Interfund Loan is evidence of an internal borrowing by the City in accordance with Minnesota Statutes, Section 469.178, Subd. 7, and is a limited obligation payable solely from Available Tax Increment pledged to the payment hereof under this resolution. This Interfund Loan and the interest hereon shall not be deemed to constitute a general obligation of the State of Minnesota or any political subdivision thereof, including, without limitation, the City. Neither the State of Minnesota, nor any political subdivision thereof shall be obligated to pay the principal of or interest on this Interfund Loan or other costs incident hereto except out of Available Tax Increment, and neither the full faith and credit nor the taxing power of the State of Minnesota or any political subdivision thereof is pledged to the payment of the principal of or interest on this Interfund Loan or other costs incident hereto. The City shall have no obligation to pay any principal amount of the Interfund Loan or accrued interest thereon, which may remain unpaid after the final Payment Date.

2.06. The City may amend the terms of this Interfund Loan at any time by resolution of the City Council, including a determination to forgive the outstanding principal amount and accrued interest to the extent permissible under law.

Section 3. Effective Date. This resolution is effective upon the date of its approval.

Adopted this 6th day of March, 2018.

\_\_\_\_\_  
Dominic Jones, Mayor

ATTEST: \_\_\_\_\_  
Steven Nasby, City Administrator

EXHIBIT "A"

**Legal Description – Parcel No. 25-025-0200:**

Government Lot 2 of Section 25, Township 105 North, Range 36 West in the City of Windom, Cottonwood County, Minnesota, **EXCEPTING THEREFROM** the following described parcel:

Part of Government Lot 2 in Section 25, Township 105 North, Range 36 West in the City of Windom, Cottonwood County, Minnesota, described as follows: Commencing at an existing iron monument at the Southeast corner of Government Lot 2 in said Section 25; thence North 00 Degrees 15 Minutes 17 Seconds East, bearing based on Cottonwood County Coordinate System, along the East line of said Government Lot 2 a distance of 663.37 feet to the Point of Beginning; thence North 89 Degrees 44 Minutes 43 Seconds West a distance of 466.00 feet; thence North 00 Degrees 15 Minutes 17 Seconds East parallel with the East line of said Government Lot 2 a distance of 320 feet, more or less, to the shoreline of Cottonwood Lake; thence Easterly and Northeasterly along the shoreline of said Cottonwood Lake a distance of 500 feet, more or less, to a point that bears North 00 Degrees 15 Minutes 17 Seconds East from the point of beginning; thence South 00 Degrees 15 Minutes 17 Seconds West along the East line of said Government Lot 2 a distance of 424 feet, more or less, to the point of beginning.

And Also Reserving and Excepting from said Government Lot 2 of Section 25, a 30-foot wide utilities access easement benefiting the above 3.5 acre tract, the exact location to be mutually agreed between the Grantor (The Bosshart Company) and Grantee (Consolidated Ready Mix, Inc.).

**MAP - PARCEL IDENTIFICATION NUMBER 25-025-0200**



EXHIBIT "B"

PARCEL IDENTIFICATION NUMBER 25-025-0200

Excerpt from Amendment to Fill Agreement – City of Windom & Mathiowetz Construction

NOW THEREFORE THE PARTIES AGREE AS FOLLOWS:

1. Placement of Fill. The placement of fill, slope ratio, and cost for placement and compaction of the fill is amended as set forth in the following chart.

Location	Fill	Slope Ratio	Placement Cost	Compaction Cost
East Bank	18,300 cubic yards - clay	2:1 slope ratio	\$62,220	\$8,235
West Bank	15,700 cubic yards - clay	2:1 slope ratio	\$53,380	\$7,065
South Bank	6,000 cubic yards - clay	2:1 slope ratio	\$20,400	\$2,700
East, West & South Bank	6,500 cubic yards – black dirt (east 2,000; west 2,250; south 2,250)	6" to 8" (inches)	\$22,100	No Compaction
Stock Pile	45,000 cubic yards – clay		\$153,000	No Compaction
Stock Pile	15,500 cubic yards – black dirt		\$52,700	No Compaction
Totals			\$363,800	\$18,000

2. Paragraph 9. "Payment" is amended to read as follows: The CITY shall pay MATHIOWETZ CONSTRUCTION the sum of \$381,800 for delivery of 107,000 cubic yards of fill and compaction of 40,000 cubic yards of fill (east and west banks). This payment shall be divided into five separate installments. No interest will accrue on the unpaid balance of these installments.

3. Paragraph 10. "Payment Schedule" is amended to read as follows:

Installments payments for the fill and compaction shall be made by the CITY as follows:

<u>Date of Payment</u>	<u>Amount of Payment</u>
Down Payment – On or Before June 30, 2017	\$125,000
January 2, 2018	\$100,000
June 1, 2018	\$ 60,000
January 2, 2019	\$ 60,000
March 31, 2019	\$ <u>36,800</u>
TOTAL	\$381,800

# ACTION ITEM



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Windom, MN 56101  
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[www.windom-mn.com](http://www.windom-mn.com)

**TO:** CITY COUNCIL  
**FROM:** DREW HAGE, DEVELOPMENT DIRECTOR  
**CC MEETING DATE:** MARCH 6, 2018  
**RE:** CALL FOR PUBLIC HEARING – RESIDENTIAL TAX ABATEMENT  
**DEPT:** ECONOMIC DEVELOPMENT AUTHORITY OF WINDOM  
**CONTACT:** DREW HAGE ([drew.hage@windommn.com](mailto:drew.hage@windommn.com)) (507-832-8661)

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## **Recommendations/Options/Action Requested**

Staff recommends that the City Council take the following action regarding a request for tax abatement:

1. Adopt attached RESOLUTION setting the public hearing on an application for residential tax abatement.
- 

## **Issue Summary/Background**

Minnesota Statutes gives authority to cities to grant an abatement of taxes imposed by the City if certain criteria are met.

In 2016, Cottonwood County established a “home initiative program” which provides guidelines and a program through which the County, City, and School can grant abatement of real estate taxes for new residential housing. The purpose of this initiative is to provide incentives to encourage construction of new owner-occupied and rental residential housing units including single-family homes, duplexes, and multi-family complexes.

The program provides for a five-year abatement of real estate taxes on the increased market value of the property generated by the new home, duplex, or multi-family building. The abatement commences on the first year of taxes payable on the increased assessed value of the property. The abatement does not include the real estate taxes on the land.

On October 18, 2016, the City of Windom adopted a resolution approving the Cottonwood County Home Initiative Guidelines and approving participation in the Cottonwood County Home Initiative Program.

The EDA has now received the first request for abatement of City real estate taxes on a proposed new home to be constructed by David and Jody Derickson on property at 1261 River Road. The Dericksons purchased the property and demolished the existing old home and other outbuildings in preparation for this new construction.

Based on an estimated market value of \$200,000 for the new home and the 2017 tax rates, the estimated tax abatement for the City would be the sum of \$1,609 per year for an estimated total abatement of \$8,045 over the five-year period. However, these are only estimates because the market value for the new home will not be known until completion of the construction and the tax rates change each year.

Example: The estimated tax abatement for a \$200,000 homestead property: County \$617; Windom Public Schools \$198; Windom \$ 1,609. Estimated Total 5-year tax abatement: \$12,120.

Pursuant to Minnesota Statutes, it is necessary to hold a public hearing on any proposed abatement of real estate taxes. Attached is a proposed Resolution calling for a public hearing to be held at the next City Council Meeting.

## **Fiscal Impact**

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**Amount:** No fiscal impact in calling for the public hearing. If the tax abatement is granted following the public hearing, the estimated abatement of real estate taxes by the City for the five-year period is \$8,045.

**Attachments**

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1. Resolution Calling for Public Hearing on Proposed Tax Abatement for New Residential Project.



property would be approximately \$1,609 per year. The total estimated tax abatement by the City of Windom for the five-year period is approximately \$8,045. (These figures were calculated using 2017 tax rates. The market value for the project is only an estimate, since the building has not yet been constructed. The tax rates will also change each year.)

WHEREAS, Minnesota Statutes require that a public hearing be held prior to the approval of the proposed tax abatement.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WINDOM, MINNESOTA, AS FOLLOWS:

1. Public Hearing. A public hearing to consider the proposed tax abatement, as set forth above, shall be held on Tuesday, March 20, 2018, in the Windom City Hall Council Chambers during the regular City Council Meeting which begins at 7:30 p.m.

2. Notice of Public Hearing. The City Administrator is authorized and directed to cause notice of the hearing to be published once in the official newspaper of the City at least ten (10) days prior to the date of hearing. The public hearing notice shall include a description of the property for which the abatement is being considered and the total estimated amount of the proposed tax abatement based on current information.

Adopted by the City Council this 6th day of March, 2018.

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Dominic Jones, Mayor

Attest: \_\_\_\_\_  
Steven Nasby, City Administrator

# ACTION ITEM



**CITY OF WINDOM**  
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**TO:** CITY COUNCIL  
**FROM:** DREW HAGE, DEVELOPMENT DIRECTOR  
**CC MEETING DATE:** MARCH 6, 2018  
**RE:** RESOLUTION IN SUPPORT – OPPORTUNITY ZONE APPLICATION  
**DEPT:** ECONOMIC DEVELOPMENT AUTHORITY OF WINDOM  
**CONTACT:** DREW HAGE ([drew.hage@windommn.com](mailto:drew.hage@windommn.com)) (507-832-8661)

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## **Recommendations/Options/Action Requested**

Staff recommends that the City Council take the following action regarding support of the County's application:

1. Adopt attached RESOLUTION supporting Cottonwood County's submission of an application in the "Opportunity Zones" Program.
- 

## **Issue Summary/Background**

Opportunity Zone Funds allow U.S. investors holding unrealized gains in stocks and mutual funds to pool their resources in projects located in Opportunity Zones which will be invested in rebuilding low-income communities.

Development possibilities within the zone in the next 5 years include affordable and workforce housing and economic development.

In Minnesota, Governor Dayton can recommend 123 census tracts out of a possible 491 that meet the law's low income requirements for Opportunity Zone designation. There are 250 census tracts in the most distressed criteria category. Census Tract 270400 is in the "Most Distressed Census Tracts" according to DEED's Opportunity Zone Designation Map. Census Tract 270400 covers the eastern and south sections of Windom and Bingham Lake. The poverty rate in Census Tract 270400 is 25.60 percent.

Attached is a proposed Resolution of support which provides that:

- The City of Windom supports Cottonwood County's application in the "Opportunity Zones" Program on behalf of Census Tract No. 270400 and authorizes the EDA to work with Cottonwood County on the submission of this application.
- If Census Tract No. 270400 is selected to participate in the Opportunity Zones Program, the City of Windom and EDA are authorized to work with Cottonwood County concerning the documentation necessary to implement the program.
- The City of Windom certifies that it will comply with all applicable laws and regulations as stated in the implementation documents.

## **Fiscal Impact**

**Amount:** New source of funding for affordable and workforce housing and economic development. (Qualifying Census Tracts)

## **Attachments**

Resolution in Support of Cottonwood County's Submission of an Application in the "Opportunity Zones" Program.

## RESOLUTION #2018-

**INTRODUCED:**

**SECONDED:**

**VOTED:     Aye:**  
              **Nay:**  
              **Absent:**

### RESOLUTION IN SUPPORT OF COTTONWOOD COUNTY'S SUBMISSION OF AN APPLICATION IN THE "OPPORTUNITY ZONES" PROGRAM

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**WHEREAS**, as part of the "Tax Cuts and Jobs Act of 2017", the federal government established a new economic development program entitled "Opportunity Zones" to encourage long-term private investments in low-income communities; and

**WHEREAS**, U.S. investors holding unrealized gains in stocks and mutual funds can pool their resources in projects located in Opportunity Zones which will be invested in rebuilding low-income communities; and

**WHEREAS**, census tracts have been created nationwide which encompass low-income urban and rural communities; and

**WHEREAS**, there are three eligible Census Tracts in Cottonwood County (Nos. 270100, 270200, and 270400); and

**WHEREAS**, pursuant to the guidelines of the program, Cottonwood County is asked to use specific principles including, but not limited to, "development possibilities within the zone in the next 5 years including affordable and workforce housing and economic development", to prioritize and rank the opportunity zones within the County; and

**WHEREAS**, there is only one Census Tract in Cottonwood County in the "Most Distressed Census" category (No. 270400) which tract encompasses a portion of Windom in the "East Hill" area; and

**WHEREAS**, Governor Mark Dayton will make the final decision concerning which census tracts will be selected to participate in the Opportunity Zones Program; and

**WHEREAS**, the Economic Development Authority of Windom ("EDA") has obtained information on this new program and has been working with Cottonwood County on submission of recommendations (an application) to the Governor's Office which is due on or before March 8, 2018; and

**WHEREAS**, numerous financial institutions and regional development agencies have agreed to provide letters of support to Cottonwood County for submission with its application; and

**WHEREAS**, it is in the best interests of the citizens of Windom to support Cottonwood County's application in the Opportunity Zones Program.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of Windom, Minnesota, as follows:

1. The City of Windom supports Cottonwood County’s application in the “Opportunity Zones” Program on behalf of Census Tract No. 270400 and authorizes the EDA to work with Cottonwood County on the submission of this application.

2. If Census Tract No. 270400 is selected to participate in the Opportunity Zones Program, the City of Windom and EDA are authorized to work with Cottonwood County concerning the documentation necessary to implement the program.

3. The City of Windom certifies that it will comply with all applicable laws and regulations as stated in the implementation documents.

Adopted this 6th day of March, 2018.

\_\_\_\_\_  
Dominic Jones, Mayor

ATTEST: \_\_\_\_\_  
Steven Nasby, City Administrator

STATE OF MINNESOTA :  
SS  
COUNTY OF COTTONWOOD:

-----  
The undersigned, being the duly qualified and acting City Administrator of the City of Windom, Cottonwood County, Minnesota, hereby certifies that I have carefully reviewed the foregoing Resolution with the original thereof on file and of record in my office, and find the same to be a full, true and complete transcript of the Resolution adopted by the Windom City Council at its meeting on March 6, 2018.

DATED this \_\_\_\_\_ day of March, 2018.

\_\_\_\_\_  
Steven Nasby, City Administrator

Subscribed and sworn to before me this \_\_\_\_\_ day of March, 2018, by the said Steven Nasby.

\_\_\_\_\_  
Notary Public in and for the State of Minnesota

## ACTION ITEM



**CITY OF WINDOM**  
444 9th Street  
Windom, MN 56101  
Phone: 507-831-6129  
Fax: 507-831-6127  
[www.windom-mn.com](http://www.windom-mn.com)

**TO:** City Council  
**FROM:** Denise Nichols, Deputy City Clerk/Finance Assistant  
**DATE:** March 1, 2018  
**RE:** **GO 2018A Bond Sale**  
**DEPT:** Administration  
**CONTACT:** Denise Nichols 832-8652

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### **Recommendations/Options/Action Requested**

The City Council adopts the Resolution Providing for the Issuance, Sale and Delivery of \$2,110,000 General Obligation Bonds Series 2018A.

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### **Issue Summary/Background**

The attached resolution is a preliminary resolution for the Sale of 2018A Bonds. Once final sale numbers are received from Ehlers, a complete and final resolution will be prepared by Fryberger, Buchanan, Smith & Frederick, P.A. On Tuesday afternoon the final resolution will be provided for Council consideration for the March 6, 2018 meeting.

### **Fiscal Impact**

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Previously reviewed by the Council.

### **Attachments**

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1. Resolution Providing for the Issuance, Sale and Delivery of \$2,110,000 General Obligation Bonds, Series 2018A.
2. Bond Pre-Sale Report – On table at Council Meeting

## RESOLUTION #2018-

**INTRODUCED:**

**SECONDED:**

**VOTED: Aye:**

**Nay:**

**Absent:**

### RESOLUTION PROVIDING FOR THE ISSUANCE, SALE AND DELIVERY OF \$2,110,000 GENERAL OBLIGATION BONDS, SERIES 2018A

---

**BE IT RESOLVED**, by the City Council of the City of Windom, Cottonwood County, Minnesota (the "Issuer"), as follows:

Section 1. Purpose, Authorization, and Award.

1.01 Authority; Purpose.

A. TIF District. Pursuant to authority contained in Minnesota Statutes, Sections 469.124 through 469.133 and Sections 469.174 through 469.1794 (collectively, the "TIF Act") and the Issuer's Charter, the Issuer has approved the acquisition of approximately 76-acres of land south of the North Windom Industrial Park for future development within Tax Increment Financing District No. 1-19 (the "TIF District") and the Tax Increment Financing Plan (the "Plan") for the TIF District (the "TIF Project").

B. Authority. Pursuant to authority contained in the TIF Act and Minnesota Statutes, Sections 410.32 and 412.301 and Chapter 475 (the "Act") and the Issuer's Charter, the Issuer is authorized to issue its obligations to provide funds for: (i) the TIF Project; and (ii) the purchase of capital equipment having an expected useful life at least as long as the terms of the obligations issued to finance the capital equipment, including but not limited to the replacement of the Freon system to the Issuer's ice arena (the "Equipment Project" and together with the TIF Project, the "Projects").

1.02 Findings.

A. The Issuer determines that it is necessary, expedient and in the best interest of the residents of the Issuer that the Issuer issue and sell its General Obligation Bonds, Series 2018A, in the original principal amount of \$2,110,000 (the "Bonds") for the purpose of financing the Projects and for payment of part of the interest costs and part of the issuance costs of the Bonds.

- (i) the principal of and interest along with the allocable portion of the issuance costs for the TIF Project portion of the Bonds (the "TIF Portion") shall be paid primarily from tax increment resulting from increases in the taxable value of real property in the TIF District (the "Tax Increments");

(ii) the principal of and interest along with the allocable portion of the issuance costs for the Equipment Project portion of the Bonds (the "Equipment Portion") shall be paid primarily from ad valorem taxes (the "Taxes") (the Tax Increments and Taxes are collectively referred to as the "Pledged Revenues").

B. The principal amount of the Equipment Portion of the Bonds exceeds 0.25% of the market value of taxable property in the Issuer. The City Council adopted a resolution expressing its intent to issue the Equipment Project portion of the Bonds on February 6, 2018 (the "Initial Resolution") and published the Initial Resolution on February 14, 2018.

C. Upon publication of the Initial Resolution and the passing of ten days during which no petition for an election on the issuance of the Bonds has been filed with the Administrator, all acts, conditions and things required by the Constitution and laws of the State of Minnesota to be done, to happen and to be performed precedent to the issuance of the Bonds having been done, having happened and having been performed in regular and due form, time and manner as required by law.

D. It is necessary for the Issuer to establish the form and terms of the Bonds, to provide for the security thereof, and to provide for the issuance of the Bonds forthwith.

1.04 Municipal Advisor. The Issuer has retained the services of Ehlers & Associates, Inc. as its municipal advisor.

1.05 Award of Sale. The Issuer has received an offer from \_\_\_\_\_, of \_\_\_\_\_, \_\_\_\_\_, (the "Purchaser"), to purchase the Bonds at a cash price of \$ \_\_\_\_\_ plus accrued interest on the total principal amount from April 1, 2018, to the date of delivery of the Bonds (the "Accrued Interest") and upon condition that the Bonds mature and bear interest at the times and annual rates set forth in Section 2. The Issuer, after due consideration, finds such offer reasonable and proper and the offer of the Purchaser is hereby accepted. The actions of the Mayor and the Administrator taken with respect to execution on the part of the Issuer of a contract for the sale of the Bonds in accordance with the Purchaser's proposal are hereby ratified and approved.

Section 2. Terms of the Bonds.

2.01. Date, Maturities and Interest Rates. The Bonds shall be dated April 1, 2018, as the date of original issue, shall be issued in the denomination of \$5,000, or any integral multiple thereof, in fully registered form and lettered and numbered R-1 and upward. The Bonds shall bear interest at the annual rates indicated below and shall mature on February 1 in the following respective years and amounts:

[REDACTED]				

[REDACTED]				

C. The maturities of the Bonds, together with the maturities of all other outstanding general obligation bonds of the Issuer, meet the requirements of Minnesota Statutes, Section 475.54.

2.02 Redemption. A. The Bonds maturing prior to February 1, 2027 shall not be subject to redemption and prepayment before maturity. Bonds maturing on or after February 1, 2028 are callable on February 1, 2027 or any date thereafter at a price equal to the principal amount thereof plus accrued interest to the redemption date.

B. In the event any of the Bonds are called for redemption, notice thereof identifying the Bonds to be redeemed will be given by the Bond Registrar by mailing a copy of the redemption notice by first class mail (postage prepaid) not more than 60 and not less than 30 days prior to the date fixed for redemption to the registered owner of each Bond to be redeemed at the address shown on the registration books kept by the Bond Registrar and by publishing the notice of redemption, if required by law, in the manner required by Minnesota Statutes, Section 475.54, Subdivision 4; provided, however, that so long as the Bonds are registered in the name of Cede & Co., notice of redemption shall be given in accordance with the terms of the Representation Letter. Failure to give notice by mail to any registered owner, or any defect therein, will not affect the validity of any proceeding for the redemption of Bonds not affected by such defect or failure. Bonds so called for redemption will cease to bear interest after the specified redemption date, provided that the funds for the redemption are on deposit with the place of payment at that time.

C. If less than all the Bonds of a maturity are called for redemption while the Bonds are registered in the name of Cede & Co., the Issuer or the Bond Registrar designated below will notify DTC of the particular amount of such maturity to be prepaid. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interest in such maturity to be redeemed. If less than all the Bonds of a maturity are called for redemption and the Bonds are not registered in the name of Cede & Co., the Bond Registrar will determine by lot or other manner deemed fair, the amount of each maturity to be redeemed. All prepayments shall be at a price equal to the principal amount thereof plus accrued interest.

D. The Bonds maturing on February 1 in the years \_\_\_\_, \_\_\_\_, \_\_\_\_ and \_\_\_\_ shall be subject to mandatory redemption prior to maturity pursuant to the requirements of this Section 2.02D at a redemption price equal to the stated principal amount thereof plus interest accrued thereon to the redemption date, without premium. The Bond Registrar, as designated below, shall select for redemption, by lot or other manner deemed fair, on February 1 in each of the following years the following stated principal amounts:

For Bonds maturing on February 1, 20\_\_:

Year	Amount

For Bonds maturing on February 1, 20\_\_:

Year	Amount

For Bonds maturing on February 1, 20\_\_:

Year	Amount

For Bonds maturing on February 1, 20\_\_:

Year	Amount

2.03 Interest Payment Dates. The Bonds shall bear interest at the annual rates stated therefor in Section 2.01. The interest shall be payable semiannually on February 1 and August 1 in each year (each herein referred to as an "Interest Payment Date") commencing on February 1, 2019. Interest will be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to the rules of the Municipal Securities Rulemaking Board. The Bond Registrar appointed below shall make all interest payments with respect to the Bonds by check or draft mailed to the registered owners of the Bonds shown on the bond registration records maintained by the Bond Registrar at the close of business on the 15th day (whether or not on a business day) of the month next preceding the Interest Payment Date at such owners' addresses shown on such bond registration records.

2.04 Preparation and Execution. A. The Bonds shall be prepared for execution in accordance with the approved form and shall be signed by the manual or facsimile signature of the Mayor and attested by the manual or facsimile signature of the Administrator. The corporate seal of the Issuer may be omitted from the Bonds as permitted by law. In case any officer whose signature shall appear on the Bonds shall cease to be an officer before delivery of the Bonds, such signature shall nevertheless be valid and sufficient for all purposes, the same as if he or she had remained in office until delivery.

B. The Administrator is authorized and directed to obtain a copy of the proposed approving legal opinion of Fryberger, Buchanan, Smith & Frederick, P.A., Duluth, Minnesota, which is to be complete and cause the opinion to be attached to the Bonds.

2.05 Appointment and Duties of Bond Registrar; Record Date. The Council hereby appoints Northland Trust Services, Inc., of Minneapolis, Minnesota, as registrar, authenticating agent, paying agent and transfer agent for the Bonds (such bank or its successor is herein referred to as the "Bond Registrar"). No Bond shall be valid or obligatory for any purpose unless or until either (i) the Bond Registrar's authentication certificate on such Bond, substantially set forth in Section 2.08 hereof, shall have been duly executed by an authorized representative of the Bond Registrar or (ii) the Bonds have been manually executed by at least one officer of the Issuer. Authentication certificates on different Bonds need not be signed by the same representative. The executed Authentication Certificate or the manual signature of at least one officer of the Issuer on each Bond shall be conclusive evidence that it has been authenticated and delivered under this Resolution.

2.06 Global Book Entry. A. There has been previously submitted to this City Council a form of Blanket Issuer Letter of Representations (the "Representation Letter") between the Issuer and the Depository setting forth various matters relating to the Depository and its role with respect to the Bonds. The terms and conditions of the Representation Letter are ratified.

B. All of the Bonds shall be registered in the name of Cede & Co., as nominee for DTC. Payment of interest on and principal of any Bond registered in the name of Cede & Co. shall be made by wire transfer or New York Clearing House or equivalent same day funds by 10:00 a.m. CT or as soon as possible thereafter following the Bond Registrar's receipt of funds from the Issuer on each Interest Payment Date to the account of Cede & Co. on each Interest Payment Date at the address indicated in or pursuant to the Representation Letter.

C. So long as DTC is the Depository or it or its nominee is the Holder of any Bonds, the Issuer shall comply with the provisions of the Representation Letter, as it may be amended or supplemented from time to time.

D. Additional matters with respect to, among other things, notices, consents and approvals by Holders and payments on the Bonds are set forth in the Representation Letter.

E. The provisions in the Representation Letter are incorporated herein by reference and made a part of this resolution, and if and to the extent any such provisions are inconsistent with the other provisions of this resolution, the provisions in the Representation Letter shall control.

2.07 Registration, Transfer and Exchange. A. The Issuer shall cause to be kept at the principal corporate office of the Bond Registrar a bond register in which, subject to such reasonable regulations as the Bond Registrar may prescribe, the Issuer shall provide for the registration of the Bonds and the registration of transfers of the Bonds entitled to be registered or transferred as herein provided. In the event of the resignation or removal of the Bond Registrar

or its incapability of acting as such, the bond registration records shall be maintained at the office of the successor Bond Registrar as may be appointed by the Council.

B. Upon surrender for transfer of any Bond at the principal corporate office of the Bond Registrar, the Issuer shall execute and the Bond Registrar shall authenticate if required by this Resolution and deliver, in the names(s) of the designated transferee(s), one or more new bonds of a like aggregate principal amount, as requested by the transferor.

C. At the option of the registered owners, the Bonds may be exchanged for other Bonds of any authorized denomination, of a like aggregate principal amount, maturing upon the same date, upon surrender of the Bonds to be exchanged at the principal corporate office of the Bond Registrar. Whenever any Bonds are so surrendered for exchange, the Issuer shall execute and the Bond Registrar shall authenticate if required by this Resolution and deliver the Bonds which the registered owner making the exchange is entitled to receive.

D. All Bonds surrendered upon the exchange provided for in this Resolution shall be promptly cancelled by the Bond Registrar and thereafter disposed of as directed by the Council.

E. All Bonds issued in exchange for or upon transfer of the Bonds shall be valid obligations of the Issuer evidencing the same debt and entitled to the same benefits under this Resolution as the Bonds surrendered for such exchange or transfer.

F. Every Bond presented for a transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer, in form satisfactory to the Issuer and the Bond Registrar, duly executed by the registered owner thereof or the owner's attorney duly authorized in writing.

G. The Issuer may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with the transfer or exchange of the Bonds, other than exchange expressly provided in this Resolution to be made, without expense or without charge to the registered owner.

H. If a Bond becomes mutilated or is destroyed, stolen or lost, the Bond Registrar will deliver a new Bond of like amount, number, maturity date and tenor in exchange and substitution for and upon cancellation of the mutilated Bond or in lieu of and in substitution for any Bond destroyed, stolen or lost, upon the payment of the reasonable expenses and charges of the Bond Registrar and the Issuer in connection therewith, including the cost of printing new Bonds; and, in the case of a Bond destroyed, stolen or lost, upon filing with the Bond Registrar and the Issuer of evidence satisfactory to them that the Bond was destroyed, stolen or lost, and of the ownership thereof, and upon furnishing to the Bond Registrar and the Issuer of an appropriate bond or indemnity in form, substance and amount satisfactory to them and as provided by law, in which both the Issuer and the Bond Registrar must be named as obligees. Bonds so surrendered to the Bond Registrar will be canceled by the Bond Registrar and evidence of such cancellation must be given to the Issuer. If the mutilated, destroyed, stolen or lost Bond has already matured or been called for redemption in accordance with its terms, it is not necessary to issue a new Bond prior to payment.

2.08 Authentication. Each Bond delivered upon transfer of or in exchange for or in lieu of any other Bond shall carry all of the rights to interest, accrued and unpaid and to accrue, which are carried by such other Bond. Each Bond shall be dated by the Bond Registrar as of the date of its authentication or manual execution, as the case may be. The Issuer and the Bond Registrar shall not be required to make any transfer or exchange of any Bonds called for redemption or to make any such exchange or transfer of the Bonds during the 15 days next preceding the date of the first publication or the mailing (if there is no publication) of notice of redemption in the case of a proposed redemption of the Bonds.

2.09 Payment. A. The Issuer and the Bond Registrar may treat the person in whose name any Bond is registered as the owner of such Bond for the purpose of receiving payment of principal of and interest on such Bond and for all other purposes whatsoever, whether or not such Bond be overdue, and neither the Issuer nor the Bond Registrar shall be affected by notice to the contrary.

B. The principal of and interest on the Bonds shall be payable by the Bond Registrar in such funds as are legal tender for the payment of debts due the United States of America. The Issuer shall pay the reasonable and customary charges of the Bond Registrar for the disbursement of principal and interest.

2.10 Delivery. Delivery of the Bonds and payment of the purchase price shall be made at a place mutually satisfactory to the Issuer and the Purchaser. Printed or typewritten and executed Bonds shall be furnished by the Issuer without cost to the Purchaser. The Bonds, when prepared in accordance with this Resolution and executed, shall be delivered by or under the direction of the Administrator to the Purchaser upon receipt of the purchase price plus accrued interest.

Section 3. Form of the Bonds.

3.01 The Bonds shall be typewritten in substantially the following form:

UNITED STATES OF AMERICA  
STATE OF MINNESOTA  
COUNTY OF COTTONWOOD

R-1 \$2,110,000

CITY OF WINDOM  
GENERAL OBLIGATION BONDS, SERIES 2018A

<u>Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
_____	February 1, 20____	April 1, 2018	_____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: \_\_\_\_\_ DOLLARS

The City of Windom, Cottonwood County, Minnesota (the "Issuer"), for value received, promises to pay to the registered owner specified above, or registered assigns, the principal amount specified above, on the maturity date specified above, and to pay interest on said principal amount to the registered owner hereof from April 1, 2018, or from the most recent Interest Payment Date to which interest has been paid or duly provided for, until the principal amount is paid or discharged, said interest being at the interest rate per annum specified above.

**Payment.** Interest is payable semiannually on February 1 and August 1 of each year (each referred to herein as an "Interest Payment Date") commencing on February 1, 2019. Both principal hereof and interest hereon are payable in lawful money of the United States of America by check or draft at the main office of Northland Trust Services, Inc., in Minneapolis, Minnesota, as registrar, paying agent, authenticating agent and transfer agent (the "Bond Registrar"), or at the office of such successor bond registrar as may be designated by the Issuer. The Bond Registrar shall make all interest payments with respect to this Bond directly to the registered owner hereof shown on the bond registration records maintained on behalf of the Issuer by the Bond Registrar at the close of business on the 15th day of the month next preceding the Interest Payment Date (whether or not a business day) at such owner's address shown on said bond registration records, without, except for payment of principal on the Bond, the presentation or surrender of this Bond, and all such payments shall discharge the obligations of the Issuer to the extent of the payments so made. Payment of principal shall be made upon presentation and surrender of this Bond to the Bond Registrar when due. For the prompt and full payment of such principal and interest as they become due, the full faith and credit of the Issuer are irrevocably pledged.

**Authority; Purpose.** This Bond comprises the entire amount of this series issued by the Issuer as one fully registered Bond without coupons, in the aggregate amount of \$2,110,000, pursuant to: (i) the authority contained in Minnesota Statutes, Chapters 410/412, 469 and 475 and the Issuer's Charter; (ii) the Constitution of the State of Minnesota and all other laws thereunto enabling; and (iii) an authorizing resolution adopted by the governing body of the Issuer on March 6, 2018 (the "Resolution"), and is issued for the purpose of financing the (i) acquisition of land for future development within Tax Increment Financing District No. 1-19 and the replacement of the Freon system to the Issuer's indoor ice arena. The principal of and interest on the Bonds are payable primarily from (i) tax increment resulting from increases in the taxable value of real property in the Issuer's Tax Increment Financing District No. 1-19; and (ii) from ad valorem taxes hereinafter levied, as set forth in the Resolution to which reference is made for a full statement of rights and powers thereby conferred.

**Optional Redemption.** The Bonds maturing prior to February 1, 2027 shall not be subject to redemption and prepayment before maturity. Bonds

maturing on or after February 1, 2028 are callable on February 1, 2027 or any date thereafter at a price equal to the principal amount thereof plus accrued interest to the redemption date.

**Mandatory Sinking Fund Redemption.** The Bonds maturing on February 1 in the years \_\_\_\_, \_\_\_\_, \_\_\_\_ and \_\_\_\_ shall be subject to mandatory redemption prior to maturity pursuant to the requirements of the Resolution at a redemption price equal to the stated principal amount thereof plus interest accrued thereon to the redemption date, without premium.

**Notice of Redemption.** In the event any of the Bonds are called for redemption, notice thereof identifying the Bonds to be redeemed will be given by the Bond Registrar by mailing a copy of the redemption notice by first class mail (postage prepaid) not more than 60 and not less than 30 days prior to the date fixed for redemption to the registered owner of each Bond to be redeemed at the address shown on the registration books kept by the Bond Registrar and by publishing the notice of redemption, if required by law, in the manner required by Minnesota Statutes, Section 475.54, Subdivision 4; provided, however, that so long as the Bonds are registered in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC"), notice of redemption shall be given in accordance with the terms of the Blanket Letter of Representations between the issuer and DTC. Failure to give notice by mail to any registered owner, or any defect therein, will not affect the validity of any proceeding for the redemption of Bonds not affected by such defect or failure. Bonds so called for redemption will cease to bear interest after the specified redemption date, provided that the funds for the redemption are on deposit with the place of payment at that time.

If less than all of the bonds of a maturity are called for redemption while the Bonds are registered in the name of Cede & Co., the Issuer or the Bond Registrar designated below will notify DTC of the particular amount of such maturity to be prepaid. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interest in such maturity to be redeemed. If less than all the Bonds of a maturity are called for redemption and the Bonds are not registered in the name of Cede & Co., the Bond Registrar will determine by lot or other manner deemed fair, the amount of each maturity to be redeemed. All prepayments shall be at a price equal to the principal amount thereof plus accrued interest.

**Transfer and Exchange.** The Bonds of this series are issued as fully registered bonds without coupons, in the denomination of \$5,000 or any integral multiple thereof. The Issuer will, at the request of the registered owner, issue one or more new fully registered Bonds in the name of the registered owner in the aggregate principal amount equal to the unpaid principal balance of this Bond, and of like tenor except as to number and principal amount. This Bond is transferable by the registered owner hereof upon surrender of this Bond for

transfer at the principal corporate office of the Bond Registrar, duly endorsed or accompanied by a written instrument of transfer in form satisfactory to the Bond Registrar and executed by the registered owner hereof or the owner's attorney duly authorized in writing. Thereupon the Issuer shall execute and the Bond Registrar shall authenticate, if required by the Resolution, and deliver, in exchange for this Bond, one or more new fully registered Bonds in the name of the transferee, of an authorized denomination, in an aggregate principal amount equal to the principal amount of this Bond, of the same maturity, and bearing interest at the same rate. No service charge shall be made for any transfer or exchange hereinbefore referred to but the Issuer may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

**Qualified Tax Exempt Obligations.** The Bonds of this issue have been designated by the Issuer as "qualified tax exempt obligations" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended, relating to the deduction of interest expenses allocable to the Bonds by financial institutions.

**Authentication.** This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Resolution until the Bond Registrar's Authentication Certificate hereon shall have been executed by the Bond Registrar by one of its authorized representatives or this Bond has been manually executed by at least one officer of the Issuer.

IT IS CERTIFIED AND RECITED that all acts and conditions required by laws and the Constitution of the State of Minnesota to be done and to exist precedent to and in the issuance of this Bond, in order to make it a valid and binding general obligation of the Issuer in accordance with its terms, have been done and do exist in form, time and manner as so required; that all taxable property within the corporate limits of the Issuer is subject to the levy of ad valorem taxes to the extent needed to pay the principal hereof and the interest hereon when due, without limitation as to rate or amount; and that the issuance of this Bond does not cause the indebtedness of the Issuer to exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, the City of Windom, Cottonwood County, Minnesota, by its governing body, has caused this Bond to be executed in its name by the manual or facsimile signatures of the Mayor and the Administrator.

ATTEST:

(form – no signature required)  
Administrator

(form – no signature required)  
Mayor

REGISTRATION CERTIFICATE

This Bond must be registered as to both principal and interest in the name of the owner on the books to be kept by Northland Trust Services, Inc. of Minneapolis, Minnesota, as Bond Registrar. No transfer of this Bond shall be valid unless made on said books by the registered owner or the owner's attorney thereunto duly authorized and similarly noted on the registration books. The ownership of the unpaid principal balance of this Bond and the interest accruing thereon is registered on the books of the Bond Registrar, in the name of the registered owner last noted below.

<u>Date</u>	<u>Registered Owner</u>	<u>Signature of Bond Registrar</u>
4/1/2018	Cede & Co. c/o The Depository Trust Company 570 Washington Blvd. Jersey City, NJ 07310 Federal Taxpayer I.D. No.: 13-2555119	_____

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto \_\_\_\_\_

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 (Name and Address of Assignee)

\_\_\_\_\_  
 \_\_\_\_\_  
 Social Security or Other  
 Identifying Number of Assignee

the within Bond and all rights thereunder and does hereby irrevocably constitute and appoint \_\_\_\_\_ attorney to transfer the said Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: \_\_\_\_\_

\_\_\_\_\_  
 \_\_\_\_\_  
 NOTICE: The signature to this assignment must correspond with the name of the registered owner as it appears upon the face of the within Bond in every particular,

without alteration or enlargement or any change whatsoever.

Signature Guaranteed:

\_\_\_\_\_  
(Bank, Trust Company, member of  
National Securities Exchange)

*Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL, inasmuch as the registered owner hereof, Cede & Co., has an interest herein.*

Section 4. Covenants, Accounts and Tax Levies.

4.01 Covenants. The Issuer covenants with the holders from time to time of the Bonds as follows:

A. It is recognized that the Issuer's liability on the Bonds is not limited to the Pledged Revenues pledged herein, and the City Council covenants and agrees that in the event of any current or anticipated deficiency in Pledged Revenues, it will levy upon all taxable property within the Issuer and cause to be extended, assessed, and collected, any additional taxes found necessary for full payment of the principal of and interest on the Bonds, without limitation as to rate or amount.

B. The Issuer will keep complete and accurate books and records showing receipts and disbursements in connection with the Tax Increments and other funds appropriated for payment of the Bonds, collections and disbursements thereof, monies on hand and the balance of Tax Increments.

C. The City Council covenants and agrees with the holders of the Bonds and with its taxpayers that not less than 20 percent of the cost of the Project is to be paid from Tax Increments estimated to be received, all within the meaning of Minnesota Statutes, Section 475.58, Subdivision 1(3).

D. The Issuer will cause its books and records to be audited and will furnish copies of such audit reports to any interested person upon request.

E. Notwithstanding anything in this Resolution to the contrary, the Issuer warrants, represents and covenants that: (a) the Tax Increments will be spent only in accordance with the

Plan; and (b) the Tax Increments will only be spent for payment of debt service on bonds issued to finance improvements within the tax increment financing district from which the Tax Increments are derived or bonds issued to refund such bonds, unless otherwise specifically provided by law.

4.02 The Fund. There is created a special fund to be designated the "2018A General Obligation Bonds Fund" (the "Fund") to be administered and maintained by the Administrator as a bookkeeping account separate and apart from all other funds maintained in the official financial records of the Issuer. The Fund shall be maintained in the manner herein specified until all of the Bonds and the interest thereon have been fully paid. There shall be maintained in the Fund two (2) separate accounts, to be designated the "Project Account" and "Debt Service Account" respectively:

A. *Project Account*. The Bonds, less: (a) amounts used to pay a part of the interest cost of the issue as allowed by Section 475.56 of the Act (the "Additional Interest"); (b) amounts necessary to pay capitalized interest (the "Capitalized Interest"); and (c) accrued interest paid by the Purchaser upon closing and delivery of the Bonds (the "Accrued Interest") are hereby appropriated to the Project Account. The monies in the Project Account shall be used solely to pay public development costs of the Project, including the cost of any cooperative construction contracts and all other costs incurred and to be incurred of the kind authorized in the Plan, Section 475.65 of the Act and the TIF Act and the money in said fund shall be used for no other purpose except as otherwise provided by law.

B. *Debt Service Account*. The Tax Increments and Taxes are pledged to the Debt Service Account to pay the principal and interest on the Bonds as the same become due and payable (the "Debt Service"). There is appropriated to the Debt Service Account the Additional Interest, Capitalized Interest, and Accrued Interest. The money in the Debt Service Account shall be used for no purpose other than the payment of Debt Service; provided, however, that if any payment of principal or interest shall become due when there is not sufficient money in the Debt Service Account, the Administrator shall pay the same from any other fund of the City, which fund shall be reimbursed from the Debt Service Account when the balance therein is sufficient.

4.03 Tax Levy. A. For the prompt and full payment of the principal and interest on the Bonds when due, the full faith and credit and taxing power of the Issuer are irrevocably pledged. There is levied a direct annual ad valorem tax upon all taxable property in the Issuer which shall be spread upon the tax rolls and collected with and as part of other general property taxes in the Issuer. Said levies are for the years and in the amounts set forth in Exhibit A hereto, which is incorporated by reference as though fully set forth herein.

B. The tax levies are such that if collected in full they, together with estimated collections of investment earnings and the Tax Increments herein pledged for payment of the Bonds, will produce at least 5% in excess of the amount needed to meet when due the principal and interest payments on the Bonds.

C. The tax levies shall be irrevocable so long as any of the Improvement Portion of the Bonds are outstanding and unpaid; provided, however, that on November 30 of each year, while any Bonds remain outstanding, the City Council shall reduce or cancel the above levies to the extent of funds available in the Debt Service Account to pay principal and interest due during the ensuing year, and shall direct the County Auditor to reduce the levy for such calendar year by that amount.

4.04 Investments. Monies on deposit in the Project Account and in the Debt Service Account may, at the discretion of the Administrator, be invested in securities permitted by Minnesota Statutes, Chapter 118A, that any such investments shall mature at such times and in such amounts as will permit for payment of project costs and/or payment of the principal and interest on the Bonds when due.

#### Section 5. Tax Covenants.

5.01 General. A. The Issuer covenants and agrees with the holders of the Bonds that the Issuer will (i) take all action on its part necessary to cause the interest on the Bonds to be exempt from federal income taxes including, without limitation, restricting, to the extent necessary, the yield on investments made with the proceeds of the Bonds and investment earnings thereon, making required payments to the federal government, if any, and maintaining books and records in a specified manner, where appropriate, and (ii) refrain from taking any action which would cause interest on the Bonds to be subject to federal income taxes, including, without limitation, refraining from spending the proceeds of the Bonds and investment earnings thereon on certain specified purposes.

B. No portion of the proceeds of the Bonds shall be used directly or indirectly to acquire higher yielding investments or to replace funds which were used directly or indirectly to acquire higher yielding investments, except (i) for a reasonable temporary period until such proceeds are needed for the purpose for which the Bonds were issued, and (ii) in addition to the above, in an amount not greater than the lesser of five percent of the proceeds of the Bonds or \$100,000. To this effect, any proceeds of the Bonds and any sums from time to time held in the Debt Service Account (or any other Issuer account which will be used to pay principal and interest to become due on the Bonds) in excess of amounts which under the applicable federal arbitrage regulations may be invested without regard as to yield shall not be invested at a yield in excess of the applicable yield restrictions imposed by the arbitrage regulations on such investments after taking into account any applicable temporary periods of minor portion made available under the federal arbitrage regulations. In addition, the proceeds of the Bonds and money in the Debt Service Account shall not be invested in obligations or deposits issued by, guaranteed by or insured by the United States or any agency or instrumentality thereof if and to the extent that such investment would cause the Bonds to be federally guaranteed within the meaning of Section 149(b) of the Internal Revenue Code of 1986, as amended (the "Code").

5.02 Rebate Exemption. For purposes of qualifying for the small issuer exception to the federal arbitrage rebate requirements, the Issuer hereby finds, determines and declares that the aggregate face amount of the tax exempt obligations (other than private activity bonds) issued by the Issuer (and all subordinate entities of the Issuer) during the calendar year in which

the Bonds are issued is not reasonably expected to exceed \$5,000,000, all within the meaning of Section 148(f)(4)(D) of the Internal Revenue Code of 1986, as amended (the "Code").

5.03 Bank Qualification. In order to qualify the Bonds as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code, the Issuer hereby makes the following factual statements and representations:

- A. the Bonds are not "private activity bonds" as defined in Section 141 of the Code;
- B. the Issuer hereby designates the Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code;
- C. the reasonably anticipated amount of tax-exempt obligations (other than private activity bonds, treating qualified 501(c)(3) bonds as not being private activity bonds) which will be issued by the Issuer (and all entities whose obligations will be aggregated with those of the Issuer) during the calendar year in which the Bonds are being issued will not exceed \$10,000,000; and
- D. not more than \$10,000,000 of obligations issued by the Issuer during the calendar year in which the Bonds are being issued have been designated for purposes of Section 265(b)(3) of the Code.

#### Section 6. Miscellaneous.

6.01 Filing with County Auditor. The Administrator is directed to file with the County Auditor an original or certified copy of this Resolution and such other information as the County Auditor may require, and to obtain from the County Auditor a certificate stating that the Bonds herein authorized have been duly entered on the Auditor's register.

6.02 Certified Proceedings. The officers of the Issuer are authorized and directed to prepare and furnish to the Purchaser of the Bonds and to bond counsel certified copies of all proceedings and records of the Issuer relating to the authorization and issuance of the Bonds and other affidavits and certificates as may reasonably be requested to show the facts relating to the legality and marketability of the Bonds as such facts appear from the official books and records of the officers' custody or otherwise known to them. All of such certified copies, certificates and affidavits, including any heretofore furnished, constitute representations of the Issuer as to the correctness of facts recited therein and the actions stated therein to have been taken.

6.03 Offering Materials. The Mayor and the Administrator are authorized and directed to certify that they have examined the offering materials prepared and circulated in connection with the reoffering of the Bonds by the Purchaser and that to the best of their knowledge and belief the offering materials are a complete and accurate representation of the facts and representations made therein as of the date of the offering materials.

6.04 Absent or Disabled Officers. In the event of the absence or disability of the Mayor or Administrator, such officers or members of the Issuer as in the opinion of the Issuer's attorney may act in their behalf shall, without further act or authorization, execute and deliver the

Bonds, and do all things and execute all instruments and documents required to be done or executed by such absent or disabled officers.

Section 7. Post-Issuance Compliance Policy and Procedures. The Issuer has previously approved a Pre- and Post-Issuance Compliance Policy and Procedures which applies to qualifying obligations to provide for compliance with all applicable federal regulations for tax-exempt obligations or tax-advantaged obligations (collectively, the "Policy and Procedures"). The Issuer hereby ratifies the Policy and Procedures for the Bond. The Administrator continues to be designated to be responsible for post-issuance compliance in accordance with the Policy and Procedures.

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Adopted: March 6, 2018

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Dominic Jones, Mayor

ATTEST:

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Steve Nasby, City Administrator

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**EXTRACT OF MINUTES OF A MEETING OF THE  
CITY COUNCIL OF THE  
CITY OF WINDOM, MINNESOTA  
HELD: March 6, 2018**

Pursuant to due call and notice thereof, a meeting of the City Council of the City of Windom, Cottonwood County, Minnesota, was duly held in council chambers on March 6, 2018, at \_\_\_\_ P.M.

The following members were present:

and the following were absent:

Member \_\_\_\_\_ introduced the following resolution and moved its adoption:

**RESOLUTION AUTHORIZING THE ISSUANCE, SALE AND DELIVERY  
OF \$2,110,000 GENERAL OBLIGATION BONDS, SERIES 2018A**

The motion for the adoption of the foregoing resolution was duly seconded by member \_\_\_\_\_ and upon a vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

Whereupon the resolution was declared duly passed and adopted.

STATE OF MINNESOTA            )  
  ) ss.  
COUNTY OF COTTONWOOD        )

I, the duly qualified and acting City Administrator of the City of Windom, Minnesota, do hereby certify that I am the official custodian of the records of the City, and that I have compared the attached copy with the original records of the City, and that it is a true and correct transcript taken from the records of the proceedings of the regular meeting of the Council, held at the City of Windom, Minnesota, on March 6, 2018.

IN WITNESS WHEREOF, I have hereunto set my hand this 6<sup>th</sup> day of March, 2018.

\_\_\_\_\_  
Steve, Nasby, City Administrator

# S&P Global Ratings

130 East Randolph  
Street  
Suite 2900  
Chicago, IL 60601  
tel 312-233-7000  
reference no.: 1516552

February 27, 2018

City of Windom  
444 9th Street  
P. O. Box 38  
Windom, MN 56101--0038  
Attention: Mr. Steven Nasby, City Administrator

Re: *US\$2,110,000 City of Windom, Minnesota, (Cottonwood County), General Obligation Bonds, Series 2018A, dated: March 28, 2018, due: February 01, 2038*

Dear Mr. Nasby:

Pursuant to your request for an S&P Global Ratings rating on the above-referenced obligations, S&P Global Ratings has assigned a rating of "A+" . S&P Global Ratings views the outlook for this rating as stable. A copy of the rationale supporting the rating is enclosed.

This letter constitutes S&P Global Ratings' permission for you to disseminate the above-assigned ratings to interested parties in accordance with applicable laws and regulations. However, permission for such dissemination (other than to professional advisors bound by appropriate confidentiality arrangements) will become effective only after we have released the rating on [standardandpoors.com](http://standardandpoors.com). Any dissemination on any Website by you or your agents shall include the full analysis for the rating, including any updates, where applicable.

To maintain the rating, S&P Global Ratings must receive all relevant financial and other information, including notice of material changes to financial and other information provided to us and in relevant documents, as soon as such information is available. Relevant financial and other information includes, but is not limited to, information about direct bank loans and debt and debt-like instruments issued to, or entered into with, financial institutions, insurance companies and/or other entities, whether or not disclosure of such information would be required under S.E.C. Rule 15c2-12. You understand that S&P Global Ratings relies on you and your agents and advisors for the accuracy, timeliness and completeness of the information submitted in connection with the rating and the continued flow of material information as part of the surveillance process. Please send all information via electronic delivery to: [pubfin\\_statelocalgovt@spglobal.com](mailto:pubfin_statelocalgovt@spglobal.com). If SEC rule 17g-5 is applicable, you may post such information on the appropriate website. For any information not available in electronic format or posted on the applicable website,

Please send hard copies to:  
S&P Global Ratings  
Public Finance Department  
55 Water Street  
New York, NY 10041-0003

The rating is subject to the Terms and Conditions, if any, attached to the Engagement Letter applicable to the rating. In the absence of such Engagement Letter and Terms and Conditions, the rating is subject to the attached Terms and Conditions. The applicable Terms and Conditions are incorporated herein by reference.

S&P Global Ratings is pleased to have the opportunity to provide its rating opinion. For more information please visit our website at [www.standardandpoors.com](http://www.standardandpoors.com). If you have any questions, please contact us. Thank you for choosing S&P Global Ratings.

Sincerely yours,

S&P Global Ratings  
a division of Standard & Poor's Financial Services LLC

mh  
enclosures

cc: **Mr. Keith Schmitz**  
**Ms. Silvia Johnson**  
**Mr. Todd Hagen**

# **S&P Global Ratings**

## **S&P Global Ratings**

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No Third Party Beneficiaries. Nothing in any credit rating engagement, or a credit rating when issued, is intended or should be construed as creating any rights on behalf of any third parties, including, without limitation, any recipient of a credit rating. No person is intended as a third party beneficiary of any credit rating engagement or of a credit rating when issued.

# RatingsDirect®

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**Summary:**

## Windom, Minnesota; Appropriations; General Obligation; Non-School State Programs

**Primary Credit Analyst:**

Scott Nees, Chicago (1) 312-233-7064; scott.nees@spglobal.com

**Secondary Contact:**

Angel A Bacio, Centennial 303-721-4671; angel.bacio@spglobal.com

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**Summary:**

# Windom, Minnesota; Appropriations; General Obligation; Non-School State Programs

Credit Profile		
US\$2.11 mil GO bnds ser 2018A dtd 03/28/2018 due 02/01/2038		
<i>Long Term Rating</i>	A+/Stable	New
Windom communication sys annual approp rfdg bnds		
<i>Long Term Rating</i>	A-/Stable	Downgraded
Windom GO		
<i>Long Term Rating</i>	A+/Stable	Affirmed

## Rationale

S&P Global Ratings assigned its 'A+' rating to Windom, Minn.'s series 2018A general obligation (GO) bonds. At the same time, we lowered our rating on the city's series 2012B communication system annual appropriation refunding bonds to 'A-' from 'A'. The outlook is stable.

The downgrade on the city's series 2012B bonds reflects the application of our criteria "Issue Credit Ratings Linked to U.S. Public Finance Obligors' Creditworthiness" (published on RatingsDirect on Jan. 22, 2018). The 2012B bonds are secured by net revenues of the city's municipal broadband system and by legally available funds of the city, on an appropriation basis. Under the new criteria, we rate the 2012B series two notches below the city's GO rating to reflect our view of the degree of appropriation risk associated with the bonds. We are placing the rating two notches below the GO in large part because of the nonbasic, auxiliary services provided by the enterprise that is primarily supporting the debt and in part because the intended payment source for the bonds includes revenues not tied as directly to the obligor's core functions.

The series 2018A bonds are secured by the city's unlimited-tax GO pledge and by tax-increment revenues from the city's tax-increment financing district No. 1-19, though we rate the bonds to the city's GO pledge. Officials will use bond proceeds to finance the acquisition of capital equipment for the replacement of the Freon system in the city's indoor ice arena and for the acquisition of land in tax-increment district 1-19.

As part of the current rating action, we also affirmed our 'A+' ratings on several GO bonds secured by multiple revenue streams, though in each case we rate to the city's GO pledge.

The 'A+' rating reflects our view of the city's:

- Weak economy, with projected per capita effective buying income (EBI) at 83.0% of the national level and market value per capita of \$60,099;
- Strong management, with "good" financial policies and practices under our Financial Management Assessment (FMA) methodology;

- Adequate budgetary performance, with operating results that we expect could deteriorate in the near term relative to fiscal 2016, which closed with operating surpluses in the general fund and at the total governmental fund level;
- Very strong budgetary flexibility, with an available fund balance in fiscal 2016 of 93% of operating expenditures;
- Very strong liquidity, with total government available cash at 1.9x total governmental fund expenditures and 13.9x governmental debt service, and access to external liquidity we consider strong;
- Very weak debt and contingent liability position, with debt service carrying charges at 13.6% of expenditures and net direct debt that is 263.6% of total governmental fund revenue; and
- Strong institutional framework score.

### **Weak economy**

We consider Windom's economy weak. The city, with an estimated population of 4,731, is in Cottonwood County. The city has a projected per capita EBI of 83.0% of the national level and per capita market value of \$60,099. Overall, market value grew by 19.2% over the past year to \$284.3 million in 2017. The county unemployment rate was 7.3% in 2016.

Due primarily to growth in commercial and industrial properties (42% of the tax base), market value increased significantly in 2017. Management expects continued growth in 2018, although at a lower rate of between 3%-5%. The city is expecting additional job growth from its major employers over the next few years and the development of a new 47-room hotel. The tax base is somewhat concentrated among its top ten taxpayers, which accounted for 25.7% of net tax capacity in 2017. If taxpayer concentration were to increase, it could weaken our view of the economy.

### **Strong management**

We view the city's management as strong, with "good" financial policies and practices under our FMA methodology, indicating financial practices exist in most areas, but that governance officials might not formalize or monitor all of them on a regular basis.

In developing the budget, management uses three years of historical data, outside data sources, and line-item estimates. The council receives monthly budget-to-actual reports and budget amendments can be made throughout the year. For planning purposes, the city maintains a five-year capital improvement that includes sources and uses, and five year financial forecast that is updated annually. It has an investment management policy but not a debt management policy. Investment holdings are reported annually through the audit. Its general fund reserve policy is to maintain a minimum of 35% to 60% of expenditures, a policy it has historically followed.

### **Adequate budgetary performance**

Windom's budgetary performance is adequate, in our opinion. The city had operating surpluses of 3.0% of expenditures in the general fund and 3.3% across all governmental funds in fiscal 2016. Our assessment accounts for the fact that we expect budgetary results could deteriorate somewhat from 2016 results in the near term.

Despite originally anticipating a deficit in 2016, general fund results were positive due to reimbursement from the capital projects fund and higher-than-anticipated development revenues. While the city budgeted for a deficit in 2017, due primarily to expenditures staying below the budget and favorable building permit revenues, management estimates a year-end surplus of approximately \$321,000 (11% of expenditures). For 2018, management indicated it may draw up to \$500,000 in general fund reserves for one-time capital projects, though aside from nonrecurring capital, the budget is structured with minimal changes over prior years and a small deficit, as in prior years. Total

governmental fund performance has fluctuated in recent years, but overall, we expect budgetary performance to remain at least adequate.

Primary general fund revenue sources include intergovernmental revenues (53%), property taxes (27%), and charges for services (11%). In assessing budgetary performance, we adjusted certain one-time capital expenses in the capital projects fund. We also adjusted recurring transfers to be treated as revenues.

### **Very strong budgetary flexibility**

Windom's budgetary flexibility is very strong, in our view, with an available fund balance in fiscal 2016 of 93% of operating expenditures, or \$3.1 million. We expect the available fund balance to remain above 30% of expenditures for the current and next fiscal years, which we view as a positive credit factor. The available fund balance includes \$2.6 million (77.9% of expenditures) in the general fund and \$496,000 (15%) that is outside the general fund but legally available for operations.

The city may draw down up to \$500,000 in general fund reserves in 2018 for one-time capital expenditures. However, we expect budgetary flexibility to remain at a very strong level. In evaluating its budgetary flexibility, we included the cash available in its liquor fund in addition to the general fund.

### **Very strong liquidity**

In our opinion, Windom's liquidity is very strong, with total government available cash at 1.9x total governmental fund expenditures and 13.9x governmental debt service in 2016. In our view, the city has strong access to external liquidity if necessary.

The city's \$12.1 million in cash and investments (net of our adjustments for restricted cash) were held primarily in bank deposits and certificates of deposit, which we do not consider aggressive investments. The city's semi-frequent issuance of GO debt within the past 20 years supports our view that its access to external liquidity is strong. In 2016, the city entered into a \$2 million lease-purchase agreement with a private bank. While payment acceleration is provided as a default remedy under the lease, it is limited to the amounts due in the fiscal year of default. Given the relatively small debt service due in each year—about \$135,000—we do not consider this lease a liquidity risk. We expect liquidity to remain very strong.

### **Very weak debt and contingent liability profile**

In our view, Windom's debt and contingent liability profile is very weak. Total governmental fund debt service is 13.6% of total governmental fund expenditures, and net direct debt is 263.6% of total governmental fund revenue.

The city may issue additional GO debt for wastewater improvements within the next two years. The total project is estimated to cost between \$14 million-\$15 million, although the city expects state and federal grants will offset the majority of project costs, with the remainder being covered by new money debt issuance.

Windom's pension contributions totaled 4.0% of total governmental fund expenditures in 2016. The city made its full annual required pension contribution in 2016.

The city participates in the General Employees Retirement Fund (GERF) and the Public Employees Police and Fire Fund (PEPFF), both cost-sharing, multiemployer pension plans administered by the state Public Employees Retirement

*Summary: Windom, Minnesota; Appropriations; General Obligation; Non-School State Programs*

Association. In 2017, the GERP and PEPFF were 75.9% and 85.4% funded, respectively. The combined net pension liability for these plans was \$10.5 million. Based on the city's relatively low pension carrying charges, and taxing flexibility, its pension plans do not weaken our view of its debt and contingent liability profile. However, if pension funding levels were to decrease materially or pension carrying charges increase significantly, our view on this issue could change.

The city also participates in a single-employer pension plan administered by the Windom Firefighters Relief Association. In 2016, the plan was 142% funded and had a net pension asset of \$360,000. The city reports no other postemployment benefits, but subsidizes retiree health coverage via an implicit rate subsidy.

### **Strong institutional framework**

The institutional framework score for Minnesota cities with a population greater than 2,500 is strong.

## **Outlook**

The stable outlook reflects our view that Windom will maintain reserves at or above its reserve policy amount, at least adequate budgetary performance, and very strong liquidity. We do not expect a rating change within the two-year outlook period.

### **Upside scenario**

We could raise the rating if the economy improved to levels commensurate with higher rated peers and taxpayer concentration and debt levels moderated.

### **Downside scenario**

We could lower the rating if, due to budgetary imbalance, available reserves declined significantly.

## **Related Research**

- S&P Public Finance Local GO Criteria: How We Adjust Data For Analytic Consistency, Sept. 12, 2013
- Alternative Financing: Disclosure Is Critical To Credit Analysis In Public Finance, Feb. 18, 2014
- Incorporating GASB 67 And 68: Evaluating Pension/OPEB Obligations Under Standard & Poor's U.S. Local Government GO Criteria, Sept. 2, 2015

### **Ratings Detail (As Of February 28, 2018)**

Windom GO equip certs ser 2017B dtd 06/15/2017 due 02/01/2027		
<i>Long Term Rating</i>	A+/Stable	Affirmed
Windom GO imp bnds ser 2013B dtd 06/04/2013 due 02/01/2017 2019 2021 2023		
<i>Long Term Rating</i>	A+/Stable	Affirmed
Windom GO imp rfdg bnds		
<i>Long Term Rating</i>	A+/Stable	Affirmed
Windom GO rfdg bnds		
<i>Long Term Rating</i>	A+/Stable	Affirmed

Summary: Windom, Minnesota; Appropriations; General Obligation; Non-School State Programs

Ratings Detail (As Of February 28, 2018) (cont.)

Windom GO wtr & swr rev bnds		
<i>Long Term Rating</i>	AA+/Stable	Affirmed
<i>Underlying Rating for Credit Program</i>	A+/Stable	Affirmed
Windom GO wtr & swr rev bnds ser 2011A dtd 12/08/2011 due 02/01/2014-2029		
<i>Long Term Rating</i>	AA+/Stable	Affirmed
<i>Underlying Rating for Credit Program</i>	A+/Stable	Affirmed

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at [www.standardandpoors.com](http://www.standardandpoors.com) for further information. Complete ratings information is available to subscribers of RatingsDirect at [www.capitaliq.com](http://www.capitaliq.com). All ratings affected by this rating action can be found on the S&P Global Ratings' public website at [www.standardandpoors.com](http://www.standardandpoors.com). Use the Ratings search box located in the left column.

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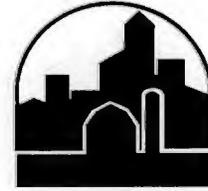
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## ACTION ITEM



**CITY OF WINDOM**

444 9th Street

Windom, MN 56101

Phone: 507-831-6129

Fax: 507-831-6127

[www.windom-mn.com](http://www.windom-mn.com)

**TO:** City Council  
**FROM:** Al Baloun, Recreation Director  
**DATE:** March 1, 2018  
**RE:** City of Windom Applying for DNR for Outdoor Recreation Grant  
**DEPT:** Parks  
**CONTACT:** Al Baloun 507-822-0514 (e-mail- [winarena@windomnet.com](mailto:winarena@windomnet.com))

---

### **Recommendations/Options/Action Requested**

Staff recommends that the City Council take the following action regarding the City of Windom Applying for a DNR Outdoor Recreation Grant:

- 1.) Move to allow the City of Windom to apply for a DNR Outdoor Recreation Grant for \$150,000 for construction of Tennis/Pickle ball Courts, park bathroom and campground improvements.
- 

### **Issue Summary/Background**

The City of Windom lost their tennis courts due to construction of the Emergency Services Building. With the popularity of pickle ball, it is being explored to create tennis courts that could also be used for pickle ball courts. The restrooms at Island Park are in need of updating. At the January 10, 2018 Parks and Recreation Commission meeting a motion was made to apply for \$150,000 to the DNR for an Outdoor Recreation grant for Tennis/ Pickle Ball Courts, Park bathroom shower facilities, and Campground Improvements.

### **Fiscal Impact**

---

The City Council has budgeted for \$200,000 to replace the tennis courts in a different location. Also \$35,000 is currently in the budget for restroom improvements.

### **Attachments**

---

1. Parks and Recreation Commission Minutes, February 14, 2018
2. Price Estimates

**RESOLUTION #2018-**

**INTRODUCED:**

**SECONDED:**

**VOTED:**      **Aye:**  
                  **Nay:**  
                  **Absent:**

**A LOCAL GOVERNMENT RESOLUTION APPROVING APPLICATION TO THE MINNESOTA DEPARTMENT OF NATURAL RESOURCES OUTDOOR RECREATION GRANT PROGRAM**

---

**WHEREAS**, the City Council of Windom, Minnesota, supports the Windom Park and Recreation Commission in its efforts in pursuing funding through the Minnesota Outdoor Recreation Grant Program for funds to build a tennis court, comfort station and other amenities within Island Park; and

**WHEREAS**, the estimated total project cost for the project is Three Hundred Ninety-Four Thousand Dollars (\$394,000); and

**WHEREAS**, if the grant is awarded, funds will reimburse up to 50% of the total eligible costs. The maximum grant award amount is \$150,000. The remaining costs for the project will be the local match share; and

**WHEREAS**, the City of Windom has allocated capital funding for the improvement projects required for the local match requirement.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF WINDOM, MINNESOTA, AS FOLLOWS:**

1. The City of Windom will act as legal sponsor for the project described in the Department of Natural Resources Outdoor Recreation Grant application. The Mayor and the City Administrator are hereby authorized to submit the grant application on behalf of the City of Windom.
2. The City of Windom has legal authority to apply for financial assistance, and the institutional, managerial, and financial capacity to ensure adequate project administration, compliance with the grant requirements and completion of the proposed project.
3. The City of Windom has title to the site and buildings where the project will be located.
4. The sources and amounts of the local match, identified in the application, are committed to the project upon acceptance of the grant by the Windom City Council.
5. The City of Windom understands and agrees to adhere to the list of assurances as stated in the grant application.
6. The City of Windom has not violated any Federal, State, or local laws pertaining to fraud, bribery, graft, kickbacks, collusion, conflict of interest or other unlawful or corrupt practice.
7. Upon approval of the application, the City of Windom certifies that it will comply with all applicable laws, policies and regulations as stated in the application and subsequent agreements.
8. That upon approval of its application by the State, the City of Windom may enter into an agreement for the above-referenced project, and the City of Windom certifies that it will comply with all applicable laws and regulations as stated in the grant agreement.
9. The Mayor and City Administrator are hereby authorized, on behalf of the City of Windom, to execute such agreements and contracts as are necessary to implement the project.

ADOPTED this 6th day of March, 2018.

\_\_\_\_\_  
Dominic Jones, Mayor

ATTEST: \_\_\_\_\_  
Steve Nasby, City Administrator

**Island Park Improvements- Windom, Mn  
Preliminary Construction Cost Opinion**

February 8, 2018

ITEM NO.	NO. OF UNITS	ITEM DESCRIPTION	UNIT COST	TOTAL ITEM COST
<i>Island Park Campground utilities, 14 RV Sites (No On-site sewer connections)</i>				
1.	1 L.S.	Mobilization & Traffic Control	\$6,000.00 /L.S. =	\$6,000.00
2.	1 L.S.	Clearing and Grubbing	\$2,000.00 /L.S. =	\$2,000.00
3.	250 cu. yd.	Excavation and Embankment	\$10.00 /cu. yd. =	\$2,500.00
4.	350 cu. yd.	Topsoil Borrow	\$15.00 /cu. yd. =	\$5,250.00
5.	1,000 sq. yd.	Subgrade Preparation	\$2.50 /sq. yd. =	\$2,500.00
6.	2,000 tons	Surface Aggregate	\$15.00 /ton =	\$30,000.00
7.	14 each	Yard Hydrant	\$500.00 /ea. =	\$7,000.00
8.	1,200 lin. ft.	Water Service Line	\$22.00 /lin. ft. =	\$26,400.00
9.	14 each	Electrical Hookup	\$1,500.00 /ea. =	\$21,000.00
10.	1 each	Electrical Service Transformer	\$2,000.00 /ea. =	\$2,000.00
11.	800 lin. ft.	Electrical Circuit	\$8.00 /lin. ft. =	\$6,400.00
12.	35 lin. ft.	Sanitary Sewer Service	\$24.00 /lin. ft. =	\$840.00
13.	1 each	RV Dump	\$1,200.00 /ea. =	\$1,200.00
14.	0.50 acre	Seeding, Fertilizing and Mulching	\$5,000.00 acre =	\$2,500.00
<b>Construction Subtotal</b>				<b>\$115,590.00</b>
Contingency (10%)				\$11,410.00
<b>Estimated Construction Cost</b>				<b>\$127,000.00</b>
Engineering & Testing Cost				\$19,000.00
<b>Total Estimated RV Utility Cost</b>				<b>\$146,000.00</b>

*Island Park- Dual Tennis Court, Dual Pickleball Court, New 5" PCC Paving, 119'x125'*

1.	1,800 sq. yd.	12" Subgrade Preparation	\$3.00 /sq. yd. =	\$5,400.00
2.	300 cu. yd.	Excavation and Embankment	\$8.00 /cu. yd. =	\$2,400.00
3.	300 cu. yd.	Topsoil Stripping, Stockpiling, and Spreading	\$3.00 /cu. yd. =	\$900.00
4.	2 ea.	Remove Tree	\$750.00 /ea. =	\$1,500.00
5.	80 sq. yd.	4" PCC Sidewalk Access	\$50.00 /sq. yd. =	\$4,000.00
6.	1,655 sq. yd.	5" PCC Pavement*	\$35.00 /sq. yd. =	\$57,925.00
7.	1,655 sq. yd.	PCC Reinforcement (1'x1')*	\$12.00 /sq. yd. =	\$19,860.00
8.	1,655 sq. yd.	Court Surfacing and Marking	\$6.00 /sq. yd. =	\$9,930.00
9.	1,800 sq. yd.	Class 5 Granular Subbase	\$5.00 /sq. yd. =	\$9,000.00
10.	1,800 sq. yd.	Base Fabric****	\$5.00 /sq. yd. =	\$9,000.00
11.	480 lin. ft.	10' Chain Link Fencing	\$30.00 /lin. ft. =	\$14,400.00
12.	3 ea.	Chain Link Entrance	\$350.00 /ea. =	\$1,050.00
13.	550 lin. ft.	6" HDPE Drintile	\$7.00 /lin. ft. =	\$3,850.00
14.	1 ea.	Drintile Outlet	\$250.00 /ea. =	\$250.00
15.	1 ea.	Inlet Protection	\$250.00 /ea. =	\$250.00
16.	6 ea.	Electrical Pole, Base & Luminar	\$5,000.00 /ea. =	\$30,000.00
17.	700 lin. ft.	Buried Electrical Cable	\$5.00 /lin. ft. =	\$3,500.00
18.	2 ea.	Tennis Court Net, Poles, Sleeves & Bases	\$2,000.00 /ea. =	\$4,000.00
19.	2 ea.	Pickleball Court Net, Poles, Sleeves & Bases	\$2,000.00 /ea. =	\$4,000.00
20.	480 lin. ft.	Wind Screen***	\$8.00 /lin. ft. =	\$3,840.00
21.	200 lin. ft.	Silt Fence	\$6.00 /lin. ft. =	\$1,200.00
22.	0.3 ac.	Seeding, Fertilizing, and Mulching	\$5,000.00 /acre =	\$1,500.00
23.	1 L.S.	Traffic Control	\$250.00 /L.S. =	\$250.00
24.	1 L.S.	Mobilization	\$7,000.00 /L.S. =	\$7,000.00
<b>Subtotal</b>				<b>\$195,005.00</b>
Contingencies (10%)				\$18,995.00
<b>Estimated Construction Cost</b>				<b>\$214,000.00</b>
Estimated Engineering & Testing				\$30,000.00
<b>Total Estimated Tennis Court Cost</b>				<b>\$244,000.00</b>

**Combined Estimated Cost (RV and Tennis Court Imp.)**

**\$390,000.00**

Note: Estimated costs are based on bidding all items to one general Contractor for the entire project, anticipated 2018 cost, future prices will vary.

\* Work does not include Pre or Post tensioned reinforcement (recommended by many sport court contractors)

\*\* Estimate does not include any costs for parking pavement

\*\*\*Optional items

\*\*\*\*Only if necessary

\*\*\*\*\*Estimate does not include costs for seating or bleachers

**Island Park Improvements- Windom, Mn  
Preliminary Construction Cost Opinion**

**February 8, 2018**

ITEM NO.	NO. OF UNITS	ITEM DESCRIPTION	UNIT COST	TOTAL ITEM COST
<i>Island Park Comfort Station- Future planned Park Expansion</i>				
1.	1 L.S.	Mobilization & Traffic Control	\$6,000.00 /L.S. =	\$6,000.00
2.	1 L.S.	Shower/Restroom/Shelter Facility (40'x24')	\$240,000.00 /L.S. =	\$240,000.00
3.	35 lin. ft.	Water Service Line	\$22.00 /lin. ft. =	\$770.00
4.	1 each	Curb Stop/Corp Stop	\$500.00 /ea. =	\$500.00
5.	35 lin. ft.	Sanitary Sewer Service	\$24.00 /lin. ft. =	\$840.00
6.	1 each	Connect to Sanitary Sewer	\$300.00 /ea. =	\$300.00
7.	100 cu. yd.	Excavation and Embankment	\$6.00 /cu. yd. =	\$600.00
8.	100 tons	Surface Aggregate	\$15.00 /ton =	\$1,500.00
9.	1 L.S.	Lighting Improvements	\$1,500.00 /L.S. =	\$1,500.00
10.	0.1 acre	Seeding, Fertilizing and Mulching	\$5,000.00 acre =	\$500.00
		<b>Construction Subtotal</b>		<b>\$252,510.00</b>
		Contingency (10%)		\$25,490.00
		<b>Estimated Construction Cost</b>		<b>\$278,000.00</b>
		Engineering & Testing Cost		\$50,000.00
		<b>Total Estimated Comfort Station Cost</b>		<b>\$328,000.00</b>

**Cost Summary**

<b>Island Park Campground, 14 RV Sites</b>	<b>\$146,000.00</b>
<b>Island Park Sport Court</b>	<b>\$244,000.00</b>
<b>Island Park Campground &amp; Comfort Station</b>	<b>\$328,000.00</b>
	<b>\$718,000.00</b>



## ACTION ITEM



**CITY OF WINDOM**  
444 9th Street  
Windom, MN 56101  
Phone: 507-831-6129  
Fax: 507-831-6127  
[www.windom-mn.com](http://www.windom-mn.com)

**TO:** City Council  
**FROM:** Steve Nasby, City Administrator  
**DATE:** February 23, 2018  
**RE:** Flood Plain Mapping  
**DEPT:** Administration  
**CONTACT:** Steve Nasby: [Steve.Nasby@windommn.com](mailto:Steve.Nasby@windommn.com)

A handwritten signature in blue ink, appearing to read "Steve", is written over the "FROM:" line of the header.

---

### **Recommendations/Options/Action Requested**

Staff recommends that the City Council take the following action:

1. Approve engagement with SEH Engineering for services related to reviewing FEMA flood plain data.
2. Forward fund this as a 2019 project.

---

### **Issue Summary/Background**

The City's flood plain maps from FEMA are dated and in need revisions. Revisions are necessary as geographical data is available in greater detail (LiDAR data) than it was decades ago and the dam has been replaced with rock riffles. City Council has discussed how to update this data for several years and requests had been placed with FEMA and other agencies without success.

A new project undertaken by FEMA and the MN DNR is looking at the flood plains outside of the City of Windom. The City Administrator and Development Director attended a FEMA meeting last year to request inclusion of Windom in this study. The scope of the FEMA study was determined not to include Windom. To take advantage and participate in the review being done City staff contacted SEH Engineering for assistance. SEH Engineering has been in contact with FEMA and MN DNR about ways Windom may participate. Based on that discussion Windom could obtain access to data and provide information to FEMA for their review.

The scope of this project would be to obtain and review flood plain maps and compare them to the new LiDAR data. A new map based on LiDAR would identify properties that may be incorrectly included or excluded in the flood plain (by parcel). Additional work would include further data review and discussions with FEMA\MN DNR and to provide comments pertaining to the data.

This project will not re-draw the FEMA flood plain maps but will make available data to the City and property owners to pursue Letters of Map Adjustment (LOMA) enabling them to get properties designated as out of the flood plain.

## **Fiscal Impact**

---

The cost of this phase of the project is \$13,000. Staff is recommending forward funding this from the 2019 budget through the Development Department.

## **Attachments**

---

1. SEH Engineering letter of engagement.



Building a Better World  
for All of Us®

February 21, 2018

RE: Windom & Cottonwood Co.  
FEMA Floodplain Data Review  
SEH No. COTTO 143557 14.00

Steve Nasby  
City Administrator  
City of Windom  
444 9th Street P.O. Box 38  
Windom, MN 56101

Dear Mr. Nasby:

We appreciate the opportunity to provide this proposal for professional services for review of the revised FEMA floodplain data. We understand that the City of Windom and Cottonwood County have been notified that FEMA is collaborating with the Minnesota DNR and STARR II to develop and distribute new floodplain data. The following sequence has been identified by the DNR for this map update process:

1. Kick-off meeting (Done – January 2017)
2. FEMA modeling and mapping work and "work map" preparation (Currently Ongoing)
3. Flood Risk Review meeting to discuss work map (Anticipated Spring 2018)
4. Revisions based on comments received at Flood Risk Review meeting
5. Finalize flood risk database

Based on recent correspondence with the DNR, the draft floodplain data will be provided to the City and County approximately one to two weeks before a FEMA-organized Flood Risk Review meeting, which is anticipated in spring 2018. The tasks described in the scope of services below have been developed to assist the City and County with their review of the draft floodplain data (referred to as a "work map" above), and to prepare for the Flood Risk Review meeting.

## SCOPE OF SERVICES

### Phase 1 – Identify Anticipated Floodplain Changes

#### Task 1 – Prepare Map of Anticipated Floodplain Changes

The DNR has indicated that within the City of Windom, the revised floodplain maps will be prepared by using the current modeling (without any updates) and LiDAR data. Since this information is readily available, SEH proposes to prepare a map of the anticipated floodplain changes within the City of Windom using the same procedure described by the DNR. This map can be reviewed by the City prior to receiving the draft FEMA data, and can be used to develop comments for the Flood Risk Review meeting.

Deliverable: Map of anticipated map changes for the City of Windom.

Engineers | Architects | Planners | Scientists

Short Elliott Hendrickson Inc., 11 Civic Center Plaza, Suite 200, Mankato, MN 56001-7710  
SEH is 100% employee-owned | [sehinc.com](http://sehinc.com) | 507.388.1989 | 877.316.7636 | 888.908.8166 fax

#### Task 2 – Identify Changes by Parcel

With the SEH map described in Task 1, SEH proposes to identify parcels within the City which may be added to or removed from the FEMA 100-year floodplain. It is our understanding that parcel data can be provided by Cottonwood County at no charge for this use.

Deliverable: List of parcels within the City of Windom which are expected to be removed from or added to the 100-yr floodplain.

#### Phase 2 – Technical Review of FEMA-Provided Draft Floodplain Data

##### Task 1 – Review FEMA-Provided Draft Floodplain Data

The DNR has indicated that the draft floodplain data will be provided in both PDF and GIS-based formats. Using the GIS-based data, SEH proposes to compare the FEMA draft floodplain data to the SEH map described in Phase 1 of this proposal to identify significant changes to the 100-year floodplain and Regulatory Floodway within the City of Windom. SEH also proposes to review the draft floodplain data throughout Cottonwood County, comparing it to LiDAR data to identify areas which may have been mapped incorrectly, or which have unreasonable flood elevations.

Deliverable: A letter summarizing significant changes to the 100-year floodplain and Regulatory Floodway within the City, and identifying potential errors or issues with the FEMA draft floodplain data within the City and County.

##### Task 2 – Assist City with GIS Data Review

Although the draft floodplain data will be provided in both PDF and GIS-based formats, the DNR has indicated that the final products will only be provided in a GIS-based format. SEH recommends that the City use ArcGIS Earth, which is a free ESRI product which allows users to view GIS data such as parcels, LiDAR-based contours, aerial images, and the FEMA floodplain data. By using this software, the City can overlay data more seamlessly, improving current workflows. SEH proposes to have an informal training session with the City to provide guidance on the use of the program, including providing an overview of the main tools available in the software. SEH also proposes to prepare the parcel, contour and floodplain data within the City so that it can be easily loaded into ArcGIS Earth. Long-term support from SEH of ArcGIS Earth is not included in this proposal.

#### Phase 3 – Meetings

##### Task 1 – Flood Risk Review Preparation Meeting

SEH proposes to facilitate a Flood Risk Review preparation meeting for the City and County to identify all items to be discussed during the FEMA Flood Risk Review meeting. DNR attendance will be requested.

Deliverable: SEH will prepare a meeting agenda and meeting minutes which will be distributed to all attendees.

##### Task 2 – Flood Risk Review Meeting

SEH proposes to attend the FEMA Flood Risk Review meeting to provide additional support to the City and County. SEH will also follow up with FEMA and/or the DNR as needed following the meeting.

#### Phase 4 – Technical Review of FEMA-Provided Final Floodplain Data

##### Task 1 – Review FEMA-Provided Final Floodplain Data

SEH proposes to provide a technical review of the final floodplain data provided by FEMA to determine how the City and County comments have been addressed. If it is determined that critical comments have

Steve Nasby  
February 21, 2018  
Page 3

not been addressed, and require additional effort, SEH discuss with you and may request a scope change and fee adjustment at that time.

**Additional Services Not Included in Scope**

Through previous discussions with the City and County, additional services have been requested including: (1) Conducting a flood risk reduction exercise to identify opportunities to reduce flood risk within the City of Windom, and (2) Assisting the City with the LOMA process by reviewing elevation data to identify potential LOMA candidates. It is recommended that these tasks be completed after the FEMA floodplain data has been revised. Therefore, these tasks are not included in this scope of services.

**Compensation**

SEH will perform the work outlined herein on an hourly basis with a fee not to exceed \$13,000. Compensation will be based on the rates in effect at the time the work is completed plus reimbursable expenses, including mileage, reproductions, and equipment.

We appreciate the opportunity to provide our proposal to you. Please feel free to contact us if you have any questions or to discuss our proposal in more detail.

Sincerely,

SHORT ELLIOTT HENDRICKSON INC.



Rachel Pichelmann  
Project Engineer

c: Alec Boyce (SEH)  
Brad Woznak (SEH)

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ARCHITECT/ENGINEER AGREEMENT  
Between

City of Windom

---

(OWNER)

and

Short Elliott Hendrickson Inc.

---

(CONSULTANT)

for

PROFESSIONAL SERVICES

THIS AGREEMENT made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2018, by and between the City of Windom, hereinafter referred to as the OWNER, and Short Elliott Hendrickson Inc.® (SEH), with a regular place of business at 3535 Vadnais Center Drive, St. Paul, Minnesota 55110, hereinafter referred to as the CONSULTANT.

WITNESSETH:

That the OWNER and CONSULTANT, for the consideration hereinafter named, agree as follows:

ARTICLE 1. GENERAL DESCRIPTION OF WORK TO BE DONE

The OWNER agrees to and hereby does retain and employ CONSULTANT and CONSULTANT agrees to perform Architectural, Engineering and/or other Professional Services for the project at the Windom Municipal Airport, entitled:

2018 Hangar Additions & Taxilane Extension,

hereinafter referred to as the Project.

The Project and those services to be performed hereunder are more particularly described in ATTACHMENT A, a part hereof, and may be financed in part by grant-in-aid programs of the Minnesota Department of Transportation (Mn/DOT), Office of Aeronautics, and/or the Federal Aviation Administration (FAA) as described in Article 14.

## ARTICLE 2. PERIOD OF SERVICE

Compensation for CONSULTANT'S services as provided elsewhere in this Agreement has been agreed to in anticipation of an orderly and continuous progress of CONSULTANT'S services through completion. In this regard, if the services covered by this Agreement have not been completed within 24 months of the date hereof, through no fault of CONSULTANT, any lump sum or maximum payment amounts shall be equitably adjusted.

## ARTICLE 3. COMPENSATION TO CONSULTANT

A. Compensation to CONSULTANT for services described in this Agreement shall be on a Lump Sum basis, Cost Reimbursement Plus Fixed Fee basis and/or an Hourly Rate basis, as designated in the box below, and in ATTACHMENT B and as hereinafter described.

1. A Lump Sum method of payment for CONSULTANT'S services shall typically apply to all or parts of a work scope here CONSULTANT'S tasks can be readily defined and/or where the level of effort required to accomplish such tasks can be estimated with a reasonable degree of accuracy. The OWNER shall make monthly payments to CONSULTANT within 30 calendar days of date of invoice based on an estimated percentage of completion of CONSULTANT'S services.

Reimbursement for Direct Expenses incurred in the performance of the work shall be included in the Lump Sum amount, unless otherwise set forth in ATTACHMENT B.

2. A Cost Reimbursement Plus Fixed Fee method of payment for CONSULTANT'S services shall typically apply to all or parts of work scope where CONSULTANT'S tasks cannot be readily defined and/or where the level of effort required to accomplish such tasks cannot be established with any reasonable degree of accuracy. Under a Cost Reimbursement Plus Fixed Fee method of payment, the CONSULTANT shall be paid for the actual costs of providing required services plus a fixed fee payment as defined in FAA Advisory Circular 150/5100-14E, dated September 30, 2014, and as further defined as follows:

- a. Direct Salary Costs incurred by CONSULTANT for employee's time directly chargeable to the Project, and in accordance with the CONSULTANT'S SALARY SCHEDULE included in ATTACHMENT B. Periodic revisions to the schedule may be made and any such revisions shall be submitted by CONSULTANT to the OWNER for approval.
- b. Overhead Costs including overhead on direct labor including, but not limited to, employment taxes, fringe benefits, holidays, vacation, and sick leave and all allowable general and administrative overhead costs. Overhead Costs shall be calculated as a percentage of Direct Salary Costs, with such percentage based on CONSULTANT'S audited records. The Overhead Rate to be applied to this Agreement and any special provisions relating thereto shall be set forth in ATTACHMENT B.
- c. Direct Non-Salary Expenses incurred by CONSULTANT for costs directly chargeable to the project, including but not limited to:
  - 1) Travel and subsistence.

- 2) Computer services.
  - 3) Outside professional and technical services.
  - 4) Identifiable reproduction and reprographic charges.
  - 5) Expendable field supplies and special field equipment rental.
  - 6) Other acceptable costs for such additional items and services as may be required by the OWNER to fulfill the terms of this Agreement.
- d. Fixed Fee. In addition to the above reimbursement of costs, CONSULTANT shall be paid a fixed fee in the amount set forth in Attachment B. It is agreed that the fixed fee will be subject to adjustment in case of a work scope change, abandonment of the work prior to completion, or deletion of specific tasks.

The OWNER shall make monthly payments to CONSULTANT within 30 calendar days of date of invoice based on computations made in accordance with the above charges for services provided and expenses incurred to date, including a proportionate amount of the fixed fee. Invoices shall be accompanied by supporting evidence as required.

3. If no Federal funds are involved in this Agreement, an Hourly Rate method of payment for CONSULTANT'S services may be utilized as an alternative to the Lump Sum or Cost Reimbursement Plus Fixed Fee methods. Under an Hourly Rate method of payment, CONSULTANT shall be paid for the actual hours worked on the Project by CONSULTANT'S technical personnel times an hourly billing rate established for each employee. Hourly billing rates shall include compensation for all salary costs, payroll burden, general and administrative overhead and professional fee. A rate schedule shall be furnished by CONSULTANT to OWNER upon request.

In addition to the foregoing, CONSULTANT shall be reimbursed at cost for the following Direct Expenses when incurred in the performance of the work:

- a. Travel and subsistence.
- b. Computer services.
- c. Owner approved outside professional and technical services.
- d. Identifiable reproduction and reprographic charges.
- e. Expendable field supplies and special field equipment rental.
- f. Other acceptable costs for such additional items and services as may be required by the Owner to fulfill the terms of this Agreement.

The OWNER shall make monthly payments to CONSULTANT within 30 calendar days of date of invoice based on computations made in accordance with the above charges for services provided and expenses incurred to date, accompanied by support evidence as required.

- B. The OWNER, The Mn/DOT, Office of Aeronautics, the FAA, or their authorized representatives shall have access to CONSULTANT'S records for the purpose of accounting and audit. The CONSULTANT shall maintain all records relative to this Agreement for a period of not less than three years, subsequent to the OWNER'S final payment to CONSULTANT and until the project is financially closed-out by the FAA.

#### ARTICLE 4. EXTRA WORK AND SERVICES NOT INCLUDED IN THIS CONTRACT

If CONSULTANT is of the opinion that any services it has been directed to perform is beyond the Scope of this Agreement, or that the level of effort required significantly exceeds that estimated due to changed conditions and thereby constitutes extra work, it shall promptly notify the OWNER of that fact. Extra work, additional compensation for same, and extension of time for completion shall be covered by a Supplemental Agreement entered into by both parties and approved by Mn/DOT and FAA, prior to proceeding with any extra work or related expenditures.

#### ARTICLE 5. ABANDONMENT, CHANGE OF PLAN AND TERMINATION

Either Party has the right to terminate this Agreement upon seven calendar days' written notice. In addition, the OWNER may at any time, reduce the scope of this Agreement. Such reduction in scope shall be set forth in a written notice from the OWNER to CONSULTANT. In the event of unresolved dispute over change in scope or changed conditions, this Agreement may also be terminated, upon seven calendar days' written notice as provided above.

In the event of termination, all documents finished or unfinished, prepared by CONSULTANT under this Agreement shall be made available by CONSULTANT to the OWNER pursuant to Article 7, and there shall be no further obligation of the OWNER to CONSULTANT under this Agreement, except for payment of amounts due and owing for work performed and expenses incurred to the date and time of termination, computed in accordance with Article 3.

In the event of a reduction in scope of the Project work, CONSULTANT shall be paid for the work performed and expenses incurred on the project work thus reduced and for any completed and abandoned work for which payment has not been made, computed in accordance with Article 3.

#### ARTICLE 6. DISPUTE RESOLUTION

In the event of an irreconcilable dispute under this Agreement, which is not resolvable through informal means, the parties may, upon written agreement, submit to the resolution process set out in this provision. Once the parties have agreed to the resolution process, each party shall have seven (7) calendar days to designate one representative, who shall have authority to act on this Agreement. If either party fails within that time to inform the other party in writing of its designation, the other party is free to pursue all other legal and equitable remedies. Within ten (10) calendar days of designation of the representative, the representatives shall meet and shall entertain such presentation of testimony and other evidence as the CONSULTANT and the OWNER may wish to present with respect to the dispute. Within seven (7) calendar days after the close of such presentation, the representative shall resolve the dispute or either party is free to pursue all other legal and equitable remedies. When the representatives resolve the dispute, their decision shall be final and conclusive. Should the representatives be unable to agree on a resolution of the dispute, then the parties are free to pursue all other legal and equitable remedies. Each party's costs for the dispute resolution shall be borne by the respective party.

If the parties do not agree in writing to the resolution process set out above, either party is entitled to pursue any other legal or equitable remedies available.

## ARTICLE 7. DISPOSITION OF PLANS, REPORTS, AND OTHER DATA

At the time of completion or termination of the work, CONSULTANT shall make available to the OWNER, all maps, tracings, reports, resource materials and other documents pertaining to the work or to the Project. All such documents are not intended or represented to be suitable for reuse by the OWNER or others on extension of the Project or any other project. Any reuse without written verification or adaptation by CONSULTANT for the specific purpose intended will be at OWNER'S sole risk and without liability or legal exposure to CONSULTANT. In this regard, the OWNER will indemnify and hold harmless CONSULTANT from any and all suits or claims of third parties arising out of such reuse, which is not specifically verified, adapted or authorized by CONSULTANT.

## ARTICLE 8. DOCUMENTS FORMING THE CONTRACT

The contract documents shall be deemed to include this Agreement with all accompanying attachments of part hereof.

## ARTICLE 9. OWNER'S RESPONSIBILITY

- A. To permit CONSULTANT to perform the services required hereunder, the OWNER shall supply in proper time and sequence, the following at no expense to CONSULTANT.
1. Provide all necessary information regarding its requirements as necessary for orderly progress of the work.
  2. Designate in writing, a person to act as OWNER'S representative with respect to the services to be rendered under this Agreement. Such person shall have authority to transmit instructions, receive instructions, receive information, interpret, and define OWNER'S policies with respect to CONSULTANT'S services.
  3. Furnish, as required for performance of CONSULTANT'S services (except to the extent provided otherwise in ATTACHMENT A), data prepared by or services of others, including without limitation, core borings, probings and subsurface explorations, hydrographic and geohydrologic surveys, laboratory tests and inspections of samples, materials and equipment; appropriate professional interpretations of all of the foregoing; environmental assessment and impact statements; property, boundary, easement, right-of-way, topographic and utility surveys; property descriptions; zoning, deed and other land use restriction; and other special data not covered in ATTACHMENT A.
  4. Provide access to, and make all provisions for CONSULTANT to enter upon publicly- and privately-owned property as required to perform the work.
  5. Act as liaison with other agencies to carry out necessary coordination and negotiations; furnish approvals and permits from all governmental authorities having jurisdiction over the Project and such approvals and consents from others as may be necessary for completion of the Project.
  6. Examine all reports, sketches, drawings, specifications and other documents prepared and presented by CONSULTANT, obtain advice of an attorney, insurance counselor or others as OWNER deems necessary for such examination and render in writing, decisions pertaining thereto within a reasonable time so as not to delay the services of CONSULTANT.

7. Give prompt written notice to CONSULTANT whenever OWNER observes or otherwise becomes aware of any development that affects the scope or timing of CONSULTANT'S services or any defect in the work of Construction Contractor(s), Consultants or CONSULTANT.
8. Initiate action, where appropriate, to identify and investigate the nature and extent of asbestos and/or pollutant in the Project and to abate and/or remove the same as may be required by federal, state or local statute, ordinance, code, rule, or regulation now existing or hereinafter enacted or amended. For purposes of these General Provisions, "pollution" shall mean any solid, liquid, gaseous, or thermal irritant or contaminant, including smoke, vapor, soot, alkalis, chemicals and hazardous or toxic waste. Hazardous or toxic waste means any substance, waste, pollutant or contaminant now or hereafter included within such terms under any federal, state or local statute, ordinance, code, rule or regulation now existing or hereinafter enacted or amended.

If CONSULTANT encounters, or reasonably suspects that it has encountered, asbestos, or pollution, including soil contamination in the project area, CONSULTANT shall cease activity in said area and promptly notify the OWNER who shall proceed as set forth above. Unless otherwise specifically provided in ATTACHMENT A, the services to be provided by CONSULTANT do not include identification of asbestos or pollution, including soil contamination and CONSULTANT has no duty to identify or attempt to identify the same in the project area.

9. Provide such accounting, independent cost estimating and insurance counseling services as may be required for the Project, such legal services as OWNER may require or CONSULTANT may reasonably request with regard to legal issues pertaining to the Project and such auditing services as OWNER may require to ascertain how or for what purpose any Contractor has used the monies paid under the construction contract.
  10. Provide such inspection services (except to the extent provided otherwise in ATTACHMENT A) as OWNER may require to ascertain that Contractor (s) are complying with any law, rule, regulation, ordinance, code or order applicable to their furnishing and performing the work.
  11. Provide "record" drawings and specifications for all existing physical plants or facilities which are pertinent to the Project.
  12. Provide written notice to CONSULTANT when the project has been financially closed-out by FAA.
  13. Provide other services, materials, or data as may be set forth in ATTACHMENT A.
- B. CONSULTANT shall be entitled to rely on the accuracy and completeness of information or services furnished by the OWNER. If CONSULTANT finds that any information or services furnished by the OWNER is in error or is inadequate for its purpose, CONSULTANT shall promptly notify the OWNER.

#### ARTICLE 10. OPINIONS OF COST

Opinions of probable project cost, construction cost, financial evaluations, feasibility studies, economic analyses of alternate solutions and utilitarian considerations of operations and

maintenance costs provided for in ATTACHMENT A, a part hereof, are to be made on the basis of CONSULTANT'S experience and qualifications and represent CONSULTANT'S best judgement as an experienced and qualified design professional. It is recognized, however, that CONSULTANT does not have control over the cost of labor, material, equipment or services furnished by others or over market conditions or contractor's methods of determining their prices, and that any evaluation of any facility to be constructed or reacquired, or work to be performed on the basis of CONSULTANT'S cost opinions, must of necessity, be speculative until completion of construction or acquisition. Accordingly, CONSULTANT cannot and does not guarantee that proposals, bids, or actual costs will not substantially vary from opinions, evaluations or studies submitted by CONSULTANT to OWNER hereunder.

#### ARTICLE 11. CONSTRUCTION PHASE SERVICES

OWNER acknowledges that it is customary for the architect or engineer who is responsible for the preparation and furnishing of Drawings and Specifications and other construction-related documents to be employed to provide professional services during the Bidding and Construction Phases of the Project, (1) to interpret and clarify the documentation so furnished and to modify the same as circumstances revealed during bidding and construction may dictate, (2) in connection with acceptance of substitute or equal items of materials and equipment proposed by bidders and contractor(s), (3) in connection with approval of shop drawings and same submittals, and (4) as a result of and in response to CONSULTANT'S detecting in advance of performance of affected work inconsistencies or irregularities in such documentation. OWNER agrees that if CONSULTANT is not employed to provide such professional services during the Bidding (if the work is put out for bids) and the Construction Phases of the Project, CONSULTANT will not be responsible for, and OWNER shall indemnify and hold CONSULTANT (and CONSULTANT'S professional associates and consultants) harmless from, all claims, damages, losses and expenses including attorneys' fees arising out of, or resulting from, any interpretation, clarification, substitution acceptance, shop drawing or sample approval or modification of such documentation issued or carried out by OWNER or others. Nothing contained in this paragraph shall be construed to release CONSULTANT (or CONSULTANT'S professional associates or consultants) from liability for failure to perform in accordance with professional standards any duty or responsibility which CONSULTANT has undertaken or assumed under this Agreement.

#### ARTICLE 12. INSURANCE

CONSULTANT shall procure and maintain insurance for protection from claims against it under workers' compensation acts, claims for damages because of bodily injury including personal injury, sickness or disease or death of any and all employees or of any person other than such employees, and from claims for damages against it because of injury to or destruction of property including loss of use resulting therefrom.

Also, CONSULTANT shall procure and maintain professional liability insurance for protection from claims arising out of performance of professional services caused by any negligent act, error, or omission for which CONSULTANT is legally liable. However, CONSULTANT hereby states and the OWNER acknowledges, that CONSULTANT has no professional liability (errors and omissions) or other insurance, and is unable to reasonably obtain such insurance, for claims arising out of the performance or failure to perform professional services, including but not limited to the preparation of reports, designs, drawings and specifications, related to the investigation, detection, abatement, replacement, modification, removal or disposal of (1) pollutants or of (2) products, materials or processes containing asbestos. Pollutants herein under (1) above meaning any solid, liquid, gaseous, or thermal irritant or contaminant, including smoke, vapor, soot, alkalis, chemicals and hazardous or toxic waste. Accordingly, the OWNER hereby agrees to bring no claim for non-negligent services, breach of contract, or other cause of action against CONSULTANT, its

principals, employees, agents and consultants if such claim in any way arises out of the actual, alleged or threatened discharge, dispersal, release or escape of pollutants, or the investigation of or remedial work related to such pollutants or asbestos in the project. Certificates of insurance will be provided to the OWNER upon request.

#### ARTICLE 13. INDEPENDENT CONTRACTOR

The CONSULTANT in performance of work hereunder operates as an independent contractor and covenants and agrees that it will conduct itself consistent with such status, that is will neither hold itself out as nor claim to be an officer or employee of the OWNER by reason hereof, and that it will not by reason hereby, make any claim, demand or shall it apply for any right or privilege applicable to an officer or employee of the OWNER, including, but not limited to, worker's compensation coverage, unemployment insurance benefits, social security coverage or retirement membership or credit.

#### ARTICLE 14. FEDERAL AND STATE PARTICIPATION

Work performed under this Agreement may be financed in part by State and Federal funds. However, payments to CONSULTANT will be made by the OWNER.

The State of Minnesota and the United States are not parties to this Contract and no reference herein to the Mn/DOT, Office of Aeronautics, and to the FAA or any representatives thereof makes the State of Minnesota or the United States a party to the Contract.

#### ARTICLE 15. COVENANT AGAINST CONTINGENT FEES

The CONSULTANT warrants that no person or legal entity has been employed or retained to solicit or secure this contract upon an Agreement or understanding for a commission, percentage, brokerage, or contingent fee excepting bona-fide employees or bona-fide established commercial or selling agencies maintained by CONSULTANT for the purpose of securing business. For breach or violation of this warranty, the OWNER shall have the right to annul this Agreement without liability or in its discretion to deduct from payment to CONSULTANT the full amount of each commission, percentages, brokerage, or contingent fee.

#### ARTICLE 16. FEDERAL CONTRACT CLAUSES

If this Agreement is to be financed in part by Federal funds, certain federally-required, contract clauses must be incorporated. These federally-required, contract clauses, included as ATTACHMENT C, are hereby incorporated herein and made a part of this Agreement. The ATTACHMENT C incorporated is for Non-Construction Contract of (check as appropriate):

- \$10,000 or less
- \$10,001 to \$25,000
- \$25,001 to \$100,000 or
- \$100,001 and over

The term "contractor" as used in said ATTACHMENT is understood to mean CONSULTANT.

#### ARTICLE 17. ASSIGNMENT

This Agreement, being intended to secure the personal service of the individuals employed by and through whom CONSULTANT performs work hereunder, shall not be assigned, sublet or transferred without written consent of the OWNER.

ARTICLE 18. NOTICES

All notices required by law or by this Agreement to be given to the CONSULTANT must be written and may be given personally or by depositing the same in the United States mail, postage prepaid, and addressed to CONSULTANT at such premises and at the following address:

Short Elliott Hendrickson Inc.  
3535 Vadnais Center Drive  
St. Paul, Minnesota 55110

All notices required or permitted to be given to the OWNER hereunder shall be given by United States mail, postage prepaid, and addressed to:

City Administrator  
City of Windom  
444 9<sup>th</sup> Street  
Windom, MN 56101

Notice shall be deemed given as of the date said notice is deposited in the mail or personally delivered.

The parties must notify each other promptly in the event of a change in name or address.

ARTICLE 19. CONTROLLING LAW

This Agreement is to be governed by the laws of the State of Minnesota.

ARTICLE 20. SPECIAL CONDITIONS

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written.

**City of Windom**  
\_\_\_\_\_  
OWNER

**Short Elliott Hendrickson Inc.**  
\_\_\_\_\_  
CONSULTANT

By \_\_\_\_\_

By \_\_\_\_\_

Attest \_\_\_\_\_

Attachments: A, B, C

**ATTACHMENT A**  
**SUMMARY**  
**2018 HANGAR ADDITIONS & TAXILANE EXTENSION**  
**WINDOM MUNICIPAL AIRPORT (MWM)**  
**CITY OF WINDOM**

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This scope of work consists of engineering services for design of additions to two city owned hangars. The hangars will be comprised of one until each with a bi-fold door. The project also includes the extension and widening to an existing taxilane, the northeast lane. The taxilane will be constructed to accommodate type B-II aircraft and will be 35 feet in width. Grading and site preparation within the Taxilane Object Free Area (TOFA) will be included with this project as well.

Additionally, grading and site preparation for a future multi-unit hangar outside of the TOFA will be completed. This portion of work is not included in the FAA grant, these items are eligible for MnDOT state funding only.

Compensation by the Owner to the Consultant shall be a lump sum amount as follows:

2018 Hangar Additions & Taxilane Extension – FAA Eligible Items	\$50,400.00
Site Preparation – MnDOT-Eligible Items	\$ 4,600.00
<b>Total Contract Amount</b>	<b>\$55,000.00</b>

A description of the services to be provided is included in Attachments A-I, A-II.

A detailed estimate of labor cost and expenses is included in Attachments B-I, B-II.

**PROJECTED DATES**

The anticipated dates are:

April 19, 2018	Advertisement for Bids
May 10, 2018	Bid Opening
June 1, 2018	Contract Award Recommendation
June 15, 2018	Grant Request Submittal

**ATTACHMENT A-1  
PROPOSAL FOR ENGINEERING SERVICES**

**2018 Hangar Additions & Taxilane Extension – FAA ELIGIBLE ITEMS  
WINDOM MUNICIPAL AIRPORT  
AIP No. 3-27-0113-12-18**

**PROJECT SCOPE:**

This project consists of design engineering services for construction of a city-owned hangar addition, unit F2 & F3, on the previously constructed 4-unit hangars. The hangars will be comprised of one unit each with bi-fold doors opening to the southwest. The hangar structure will be an unheated steel-framed building assembled from standard components of a manufacturer. Additional hangar features and options will be identified during the design process.

This project also includes a taxilane extension and widening to the far northeast taxilane for future hangar construction. The taxilane will be constructed to accommodate type B-II aircraft, and will be 35 feet in width with an obstacle free area of 115 feet. The pavement design will include FAA specifications for excavation, embankment, base, and pavement. Improvements will be constructed to facilitate increased drainage throughout the project site. Proposed drainage improvements may include culverts, storm sewers, or valley gutter installation. Additionally, site preparations and grading will be completed beyond the edge of the taxilane pavement within the limits of the TOFA. FAA ineligible items are covered under a separate scope of work, Attachment A-2.

**SCOPE OF SERVICES:**

Services to be provided include program coordination, final design, preparation of bidding documents, bidding and award, and project management. This contract does not include construction observation.

Specific tasks to be performed by the Consultant are as follows:

1. **Scoping, Review and Project Coordination:** Detailed project scoping, including review and coordination with MnDOT, FAA, and other regulatory agencies. Update scope as needed based on input received.
2. **Project Formulation:** Completion of the project and grant pre-application, cost breakdowns and eligibility determinations. The required categorical exclusion checklist and letter will also be submitted to the FAA for approval. An Engineer's Design Report will be completed and submitted as part of the FAA grant process.
3. **Disadvantaged Business Enterprise (DBE) Program and Goal:** Prepare the required DBE program and DBE goal to determine the level of use of DBE companies necessary to meet all applicable requirements for federally-funded projects.
4. **Topographical Survey:** A comprehensive field survey will be completed to obtain topographical information including building corners, storm sewer inlets, existing pavement, and relevant ground elevations.
5. **Construction Safety Plan / Airspace Analysis:** A Construction Safety and Phasing Plan will be prepared for the Project and submitted to the FAA. A safety checklist form and an airspace analysis, including submission of an FAA Form 7460, will be submitted with the safety plan.
6. **Detailed Design:** Detailed design including pavement design for grade plan, concrete hangar floor, hangar structure, electrical coordination, building code requirements, and federally eligible building options.
7. **Final Construction Plans:** Prepare construction drawings consisting of approximately the following plan sheets.

Proposal for 2018 Hangar Addition, Taxilane Extension & Widening, & Site Prep - Design Services  
Windom Municipal Airport

- Title sheet
  - Construction Safety Plan
  - Construction Phasing Plan
  - Statement of Estimated Quantities
  - Typical Sections
  - Erosion Control Plan and Details
  - Topography and Construction Plan drawings for new pavements
  - Pavement Jointing Plan and Details
  - Hangar Floor Plan
  - Hangar Elevations
  - Electrical Plan
  - Details, Standard Plates, Construction Notes
8. Quantity Calculations and Cost Estimate: Quantities will be calculated for use on the bid form and for updating the construction cost estimates.
  9. Construction Bidding Documents: Prepare a project manual consisting of ad for bids, table of contents, MnDOT / FAA requirements, proposal documents, specifications, special provisions, wage rates and schedule of prices.
  10. Quality Control Reviews: Provide quality control reviews and final review of the plans and specifications. QA/QC includes the time required by the Consultant for the overall administration of the project, including internal meetings; quality control and assurance; reviews; and coordination with the Owner, FAA, Mn/DOT, and other regulatory agencies and utilities.
  11. Bidding and Award: Assist the Owner with obtaining construction bids for proposed improvements. Assist the Owner with securing a grant from the Federal Aviation Administration for this project. Attend bid opening. Make a recommendation to the Owner on award of construction contract.
  12. Subconsultant Coordination: Coordination with subconsultants, including contracting, scheduling, utility coordination, and airport inspection and investigation.
  13. Project Management: Overall administration of the project, including internal and external meetings, coordination of plan and specification review with the Owner, MnDOT Office of Aeronautics, FAA, and other regulatory agencies as required.

Subconsultants performing work under this proposal include the following:

1. Barr Engineering, Bloomington, Minnesota. Barr Engineering will complete the electrical design for the proposed hangar.
2. Braun Intertec. Standard penetration soil borings, and a geotechnical analysis will be performed by Braun Intertec of St. Cloud, Minnesota.

**ATTACHMENT A-2  
PROPOSAL FOR ENGINEERING SERVICES**

**2018 Hangar Site Prep – FAA INELIGIBLE ITEMS  
WINDOM MUNICIPAL AIRPORT  
AIP No. 3-27-0113-12-18**

**PROJECT SCOPE:**

This project consists of design engineering services for construction of the site preparation area outside of the Taxilane Object Free Area (TOFA), that is not eligible for FAA funding support. These items are eligible for MnDOT state funding. The items to be designed under this scope and anticipated for state funding include grading, excavation, embankment, and drainage design for site preparation for future hangars.

**SCOPE OF SERVICES:**

Services to be provided include program coordination, final design, preparation of bidding documents, bidding and award, and project management. This contract does not include construction observation.

Specific tasks to be performed by the Consultant are as follows:

1. **Detailed Design:** Detailed design including design of the grading plan.
2. **Final Construction Plans:** Prepare construction drawings related to the site preparation for the grading beyond the TOFA limits.
3. **Quantity Calculations and Cost Estimate:** Quantities will be calculated for use on the bid form and for updating the construction cost estimates.
4. **Construction Bidding Documents:** Prepare required sections to bid FAA ineligible areas. Incorporate MnDOT requirements, proposal documents, specifications, special provisions, wage rates and schedule of prices as needed.
5. **Quality Control Reviews:** Provide quality control reviews and final review of the plans and specifications. QA/QC includes the time required by the Consultant for the overall administration of the project, including internal meetings; quality control and assurance; reviews; and coordination with the Owner, FAA, Mn/DOT, and other regulatory agencies and utilities.
6. **Bidding and Award:** Assist the Owner with obtaining construction bids for proposed improvements as a bid alternate. Make a recommendation to the Owner on award of alternate to the construction contract.
7. **Project Management:** Overall administration of the project, including internal and external meetings, coordination of plan and specification review with the Owner, MnDOT Office of Aeronautics, FAA, and other regulatory agencies as required.

Subconsultants performing work under this proposal include the following:

1. **Braun Intertec.** Standard penetration soil borings, and a geotechnical analysis will be performed by Braun Intertec of St. Cloud, Minnesota.

**ESTIMATED FEES AND EXPENSES**  
**ATTACHMENT "B-1"**  
**2018 Hangar Additions & Taxiway Extension**  
**Windom Municipal Airport**

Task No.	Task Description	Project Manager	Project Engineer	Survey Crew Chief	Instrument Operator	Architect	Senior Technician	Admin Technician
1.	Scoping, Review and Coordination	8	2	0	0	8	0	0
2.	Project Formulation	8	10	0	0	0	0	0
3.	DBE Program and Goal	2	4	0	0	0	0	4
4.	Topographical Surveying	2	10	20	20	0	0	0
5.	Construction Safety Plan/Airspace Analysis	2	10	0	0	0	8	0
6.	Detailed Design	4	30	0	0	15	16	0
7.	Final Construction Plans	2	30	0	0	15	16	0
8.	Quantity Calculations and Cost Estimates	4	4	0	0	5	0	0
9.	Construction Bidding Documents	8	16	0	0	5	0	2
10.	Quality Control Reviews	4	0	0	0	2	0	2
11.	Bidding and Award	4	4	0	0	0	0	2
12.	Subconsultant Coordination	4	0	0	0	0	0	0
13.	Project Management	8	0	0	0	0	0	0
<b>Total hours per labor category</b>		<b>60</b>	<b>120</b>	<b>20</b>	<b>20</b>	<b>50</b>	<b>40</b>	<b>10</b>

**ESTIMATE OF LABOR COSTS:**

Labor Category	Hours	Rate	Extension
Project Manager	60	\$49.47	\$2,968.20
Project Engineer	120	\$31.38	\$3,765.60
Survey Crew Chief	20	\$37.77	\$755.40
Instrument Operator	20	\$29.35	\$587.00
Architect	50	\$46.44	\$2,322.00
Senior Technician	40	\$34.33	\$1,373.20
Admin Technician	10	\$25.15	\$251.50

Total Direct Labor Costs:	320	\$12,022.90
Salary Overhead (34%)		\$4,087.79
General and Administrative Overhead (138%)		\$16,591.60
<b>Total Labor Costs</b>		<b>\$32,702.29</b>
<b>Fee (15%)</b>		<b>\$4,905.34</b>

Direct Expenses	Quantity	Rate	Extension
Equipment Usage	320	\$3.00	\$960.00
Travel - Mileage	650	\$0.54	\$351.00
Survey Equipment (Total Station)	20	\$30.00	\$600.00
Survey Equipment (GPS)	20	\$30.00	\$600.00
Survey Van	20	\$5.00	\$100.00
Electrical Design (Barr)	1	\$3,700.00	\$3,700.00
Geotechnical Investigation (Braun Intertec)	1	\$4,975.00	\$4,975.00
Flight	1	\$1,200.00	\$1,200.00
Reproductions / Miscellaneous	1	\$400.00	\$400.00
<b>Total Expenses</b>			<b>\$12,886.00</b>

**SUMMARY:**

Total (Labor Costs + Fee + Expenses)	\$50,493.63
<b>Estimated Total</b>	<b>\$50,400.00</b>

**ESTIMATED FEES AND EXPENSES**  
**ATTACHMENT "B-2"**  
**2018 Hangar Site Prep**  
**Windom Municipal Airport**

Task No.	Task Description	Project Manager	Project Engineer	Senior Technician	Admin Technician
1.	Detailed Design	1	2	2	0
2.	Final Construction Plans	2	8	6	0
3.	Quantity Calculations and Cost Estimates	1	2	0	0
4.	Construction Bidding Documents	2	4	0	2
5.	Quality Control Reviews	1	0	0	1
6.	Bidding and Award	1	0	0	1
7.	Project Management	2	0	0	0
	Total hours per labor category	10	16	8	4

**ESTIMATE OF LABOR COSTS:**

Labor Category	Hours	Rate	Extension
Project Manager	10	\$49.47	\$494.70
Project Engineer	16	\$31.38	\$502.08
Senior Technician	8	\$34.33	\$274.64
Admin Technician	4	\$25.15	\$100.60

Total Direct Labor Costs:	38	<u>\$1,372.02</u>
Salary Overhead (34%)		\$466.49
General and Administrative Overhead (138%)		\$1,893.39
<b>Total Labor Costs</b>		<u><b>\$3,731.90</b></u>
<b>Fee (15%)</b>		<b>\$559.79</b>

Direct Expenses	Quantity	Rate	Extension
Equipment Usage	38	\$3.00	\$114.00
Geotechnical Investigation (Braun Intertec)	1	\$275.00	\$275.00
<b>Total Expenses</b>			<u><b>\$389.00</b></u>

**SUMMARY:**

Total (Labor Costs + Fee + Expenses)	\$4,680.69
<b>Estimated Total</b>	<b><u>\$4,600.00</u></b>

## ATTACHMENT C

### ACCESS TO RECORDS AND REPORTS

The Contractor must maintain an acceptable cost accounting system. The Contractor agrees to provide the sponsor, the Federal Aviation Administration, and the Comptroller General of the United States or any of their duly authorized representatives, access to any books, documents, papers, and records of the contractor which are directly pertinent to the specific contract for the purpose of making audit, examination, excerpts and transcriptions. The Contractor agrees to maintain all books, records and reports required under this contract for a period of not less than three years after final payment is made and all pending matters are closed.

### BREACH OF CONTRACT TERMS

Any violation or breach of terms of this contract on the part of the contractor or its subcontractors may result in the suspension or termination of this contract or such other action that may be necessary to enforce the rights of the parties of this agreement.

Owner will provide Consultant written notice that describes the nature of the breach and corrective actions the Consultant must undertake in order to avoid termination of the contract. Owner reserves the right to withhold payments to Contractor until such time the Contractor corrects the breach or the Owner elects to terminate the contract. The Owner's notice will identify a specific date by which the Consultant must correct the breach. Owner may proceed with termination of the contract if the Consultant fails to correct the breach by deadline indicated in the Owner's notice.

The duties and obligations imposed by the Contract Documents and the rights and remedies available thereunder are in addition to, and not a limitation of, any duties, obligations, rights and remedies otherwise imposed or available by law.

### GENERAL CIVIL RIGHTS PROVISIONS

The contractor agrees to comply with pertinent statutes, Executive Orders and such rules as are promulgated to ensure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance.

This provision binds the contractor and subtier contractors from the bid solicitation period through the completion of the contract. This provision is in addition to that required of Title VI of the Civil Rights Act of 1964.

#### Title VI Solicitation Notice:

The **Sponsor**, in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4) and the Regulations, hereby notifies all bidders that it will affirmatively ensure that any contract entered into pursuant to this advertisement, disadvantaged business enterprises will be afforded full and fair opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award.

#### Compliance with Nondiscrimination Requirements

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "contractor") agrees as follows:

1. **Compliance with Regulations:** The contractor (hereinafter includes consultants) will comply with the Title VI List of Pertinent Nondiscrimination Acts And Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.
2. **Non-discrimination:** The contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR part 21.
3. **Solicitations for Subcontracts, Including Procurements of Materials and Equipment:** In all solicitations, either by competitive bidding, or negotiation made by the contractor for work to be performed under a subcontract,

including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the contractor of the contractor's obligations under this contract and the Nondiscrimination Acts And Authorities on the grounds of race, color, or national origin.

4. **Information and Reports:** The contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the sponsor or the Federal Aviation Administration to be pertinent to ascertain compliance with such Nondiscrimination Acts And Authorities and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish the information, the contractor will so certify to the sponsor or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.
5. **Sanctions for Noncompliance:** In the event of a contractor's noncompliance with the Non-discrimination provisions of this contract, the sponsor will impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to:
  - a. Withholding payments to the contractor under the contract until the contractor complies; and/or
  - b. Cancelling, terminating, or suspending a contract, in whole or in part.
6. **Incorporation of Provisions:** The contractor will include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. The contractor will take action with respect to any subcontract or procurement as the sponsor or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the contractor may request the sponsor to enter into any litigation to protect the interests of the sponsor. In addition, the contractor may request the United States to enter into the litigation to protect the interests of the United States.

#### **Title VI List of Pertinent Nondiscrimination Acts and Authorities**

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "contractor") agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.*, 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation—Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 *et seq.*), as amended, (prohibits discrimination on the basis of disability); and 49 CFR part 27;
- The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 *et seq.*), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);

- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131 – 12189) as implemented by Department of Transportation regulations at 49 CFR parts 37 and 38;
- The Federal Aviation Administration's Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. 1681 et seq).

#### **CLEAN AIR AND WATER POLLUTION CONTROL**

Contractor agrees to comply with all applicable standards, orders, and regulations issued pursuant to the Clean Air Act (42 U.S.C. § 740-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. § 1251-1387). The Contractor agrees to report any violation to the Owner immediately upon discovery. The Owner assumes responsibility for notifying the Environmental Protection Agency (EPA) and the Federal Aviation Administration.

Contractor must include this requirement in all subcontracts that exceeds \$150,000.

#### **CERTIFICATION OF OFFERER/BIDDER REGARDING DEBARMENT**

By submitting a bid/proposal under this solicitation, the bidder or offeror certifies that neither it nor its principals are presently debarred or suspended by any Federal department or agency from participation in this transaction.

#### **CERTIFICATION OF LOWER TIER CONTRACTORS REGARDING DEBARMENT**

The successful bidder, by administering each lower tier subcontract that exceeds \$25,000 as a "covered transaction", must verify each lower tier participant of a "covered transaction" under the project is not presently debarred or otherwise disqualified from participation in this federally assisted project. The successful bidder will accomplish this by:

1. Checking the System for Award Management at website: <http://www.sam.gov>
2. Collecting a certification statement similar to the Certificate Regarding Debarment and Suspension (Bidder or Offeror), above.
3. Inserting a clause or condition in the covered transaction with the lower tier contract

If the FAA later determines that a lower tier participant failed to disclose to a higher tier participant that it was excluded or disqualified at the time it entered the covered transaction, the FAA may pursue any available remedies, including suspension and debarment of the non-compliant participant.

#### **DISADVANTAGED BUSINESS ENTERPRISES**

**Contract Assurance (§ 26.13)** - The contractor or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy, as the recipient deems appropriate.

**Prompt Payment (§26.29)** - The prime contractor agrees to pay each subcontractor under this prime contract for satisfactory performance of its contract no later than {specify number} days from the receipt of each payment the prime contractor receives from {Name of recipient}. The prime contractor agrees further to return retainage payments to each subcontractor within {specify the same number as above} days after the subcontractor's work is satisfactorily completed.

Any delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of the {Name of Recipient}. This clause applies to both DBE and non-DBE subcontractors.

#### **A1.1.1 RACE/GENDER NEUTRAL LANGUAGE**

The requirements of 49 CFR part 26 apply to this contract. It is the policy of the **Sponsor** to practice nondiscrimination based on race, color, sex or national origin in the award or performance of this contract. The Owner encourages participation by all firms qualifying under this solicitation regardless of business size or ownership.

#### **TEXTING WHEN DRIVING**

In accordance with Executive Order 13513, "Federal Leadership on Reducing Text Messaging While Driving" (10/1/2009) and DOT Order 3902.10 "Text Messaging While Driving" (12/30/2009), the FAA encourages recipients of Federal grant funds to adopt and enforce safety policies that decrease crashes by distracted drivers, including policies to ban text messaging while driving when performing work related to a grant or sub-grant.

In support of this initiative, the Owner encourages the Contractor to promote policies and initiatives for its employees and other work personnel that decrease crashes by distracted drivers, including policies that ban text messaging while driving motor vehicles while performing work activities associated with the project. The Contractor must include the substance of this clause in all sub-tier contracts exceeding \$3,500 and involve driving a motor vehicle in performance of work activities associated with the project.

#### **ENERGY CONSERVATION REQUIREMENTS**

Contractor and Subcontractor agree to comply with mandatory standards and policies relating to energy efficiency as contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (42 U.S.C. 6201 *et seq.*).

#### **FEDERAL FAIR LABOR STANDARDS ACT**

All contracts and subcontracts that result from this solicitation incorporate by reference the provisions of 29 CFR part 201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers.

The Consultant has full responsibility to monitor compliance to the referenced statute or regulation. The Consultant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division

#### **CERTIFICATION REGARDING LOBBYING**

The bidder or offeror certifies by signing and submitting this bid or proposal, to the best of his or her knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the Bidder or Offeror, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- (3) The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

### **OCCUPATIONAL SAFETY AND HEALTH ACT**

All contracts and subcontracts that result from this solicitation incorporate by reference the requirements of 29 CFR Part 1910 with the same force and effect as if given in full text. Contractor must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. The Contractor retains full responsibility to monitor its compliance and their subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (20 CFR Part 1910). Contractor must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

### **RIGHTS TO INVENTIONS**

Contracts or agreements that include the performance of experimental, developmental, or research work must provide for the rights of the Federal Government and the Owner in any resulting invention as established by 37 CFR part 401, Rights to Inventions Made by Non-profit Organizations and Small Business Firms under Government Grants, Contracts, and Cooperative Agreements. This contract incorporates by reference the patent and inventions rights as specified within in the 37 CFR §401.14. Contractor must include this requirement in all sub-tier contracts involving experimental, developmental or research work.

### **Termination for Convenience (Professional Services)**

The Owner may, by written notice to the Consultant, terminate this Agreement for its convenience and without cause or default on the part of Consultant. Upon receipt of the notice of termination, except as explicitly directed by the Owner, the Contractor must immediately discontinue all services affected.

Upon termination of the Agreement, the Consultant must deliver to the Owner all data, surveys, models, drawings, specifications, reports, maps, photographs, estimates, summaries, and other documents and materials prepared by the Engineer under this contract, whether complete or partially complete.

Owner agrees to make just and equitable compensation to the Consultant for satisfactory work completed up through the date the Consultant receives the termination notice. Compensation will not include anticipated profit on non-performed services.

Owner further agrees to hold Consultant harmless for errors or omissions in documents that are incomplete as a result of the termination action under this clause.

### **Termination for Default (Professional Services)**

Either party may terminate this Agreement for cause if the other party fails to fulfill its obligations that are essential to the completion of the work per the terms and conditions of the Agreement. The party initiating the termination action must allow the breaching party an opportunity to dispute or cure the breach.

The terminating party must provide the breaching party [7] days advance written notice of its intent to terminate the Agreement. The notice must specify the nature and extent of the breach, the conditions necessary to cure the breach, and the effective date of the termination action. The rights and remedies in this clause are in addition to any other rights and remedies provided by law or under this agreement.

a) **Termination by Owner:** The Owner may terminate this Agreement in whole or in part, for the failure of the Consultant to:

1. Perform the services within the time specified in this contract or by Owner approved extension;
2. Make adequate progress so as to endanger satisfactory performance of the Project;
3. Fulfill the obligations of the Agreement that are essential to the completion of the Project.

Upon receipt of the notice of termination, the Consultant must immediately discontinue all services affected unless the notice directs otherwise. Upon termination of the Agreement, the Consultant must deliver to the Owner all data,

surveys, models, drawings, specifications, reports, maps, photographs, estimates, summaries, and other documents and materials prepared by the Engineer under this contract, whether complete or partially complete.

Owner agrees to make just and equitable compensation to the Consultant for satisfactory work completed up through the date the Consultant receives the termination notice. Compensation will not include anticipated profit on non-performed services.

Owner further agrees to hold Consultant harmless for errors or omissions in documents that are incomplete as a result of the termination action under this clause.

If, after finalization of the termination action, the Owner determines the Consultant was not in default of the Agreement, the rights and obligations of the parties shall be the same as if the Owner issued the termination for the convenience of the Owner.

b) **Termination by Consultant:** The Consultant may terminate this Agreement in whole or in part, if the Owner:

1. Defaults on its obligations under this Agreement;
2. Fails to make payment to the Consultant in accordance with the terms of this Agreement;
3. Suspends the Project for more than [180] days due to reasons beyond the control of the Consultant.

Upon receipt of a notice of termination from the Consultant, Owner agrees to cooperate with Consultant for the purpose of terminating the agreement or portion thereof, by mutual consent. If Owner and Consultant cannot reach mutual agreement on the termination settlement, the Consultant may, without prejudice to any rights and remedies it may have, proceed with terminating all or parts of this Agreement based upon the Owner's breach of the contract.

In the event of termination due to Owner breach, the Engineer is entitled to invoice Owner and to receive full payment for all services performed or furnished in accordance with this Agreement and all justified reimbursable expenses incurred by the Consultant through the effective date of termination action. Owner agrees to hold Consultant harmless for errors or omissions in documents that are incomplete as a result of the termination action under this clause.

#### TRADE RESTRICTION CERTIFICATION

By submission of an offer, the Offeror certifies that with respect to this solicitation and any resultant contract, the Offeror

- a. is not owned or controlled by one or more citizens of a foreign country included in the list of countries that discriminate against U.S. firms as published by the Office of the United States Trade Representative (U.S.T.R.);
- b. has not knowingly entered into any contract or subcontract for this project with a person that is a citizen or national of a foreign country included on the list of countries that discriminate against U.S. firms as published by the U.S.T.R.; and
- c. has not entered into any subcontract for any product to be used on the Federal on the project that is produced in a foreign country included on the list of countries that discriminate against U.S. firms published by the U.S.T.R.

This certification concerns a matter within the jurisdiction of an agency of the United States of America and the making of a false, fictitious, or fraudulent certification may render the maker subject to prosecution under Title 18, United States Code, Section 1001.

The Offeror/Contractor must provide immediate written notice to the Owner if the Offeror/Contractor learns that its certification or that of a subcontractor was erroneous when submitted or has become erroneous by reason of changed circumstances. The Contractor must require subcontractors provide immediate written notice to the Contractor if at any time it learns that its certification was erroneous by reason of changed circumstances.

Unless the restrictions of this clause are waived by the Secretary of Transportation in accordance with 49 CFR 30.17, no contract shall be awarded to an Offeror or subcontractor:

- (1) who is owned or controlled by one or more citizens or nationals of a foreign country included on the list of countries that discriminate against U.S. firms published by the U.S.T.R. or
- (2) whose subcontractors are owned or controlled by one or more citizens or nationals of a foreign country on such U.S.T.R. list or
- (3) who incorporates in the public works project any product of a foreign country on such U.S.T.R. list;

Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the certification required by this provision. The knowledge and information of a contractor is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

The Offeror agrees that, if awarded a contract resulting from this solicitation, it will incorporate this provision for certification without modification in all lower tier subcontracts. The contractor may rely on the certification of a prospective subcontractor that it is not a firm from a foreign country included on the list of countries that discriminate against U.S. firms as published by U.S.T.R, unless the Offeror has knowledge that the certification is erroneous.

This certification is a material representation of fact upon which reliance was placed when making an award. If it is later determined that the Contractor or subcontractor knowingly rendered an erroneous certification, the Federal Aviation Administration may direct through the Owner cancellation of the contract or subcontract for default at no cost to the Owner or the FAA.

#### **VETERAN'S PREFERENCE**

In the employment of labor (excluding executive, administrative, and supervisory positions), the contractor and all sub-tier contractors must give preference to covered veterans as defined within Title 49 United States Code Section 47112. Covered veterans include Vietnam-era veterans, Persian Gulf veterans, Afghanistan-Iraq war veterans, disabled veterans, and small business concerns (as defined by 15 U.S.C. 632) owned and controlled by disabled veterans. This preference only applies when there are covered veterans readily available and qualified to perform the work to which the employment relates.

## ACTION ITEM



**CITY OF WINDOM**  
444 9th Street  
Windom, MN 56101  
Phone: 507-831-6129  
Fax: 507-831-6127  
[www.windom-mn.com](http://www.windom-mn.com)

**TO:** City Council  
**FROM:** Steve Nasby, City Administrator *See*  
**DATE:** February 23, 2018  
**RE:** Engineering Services Agreement – Airport Hanger Project  
**DEPT:** Airport  
**CONTACT:** Steve Nasby: [Steve.Nasby@windommn.com](mailto:Steve.Nasby@windommn.com)

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### **Recommendations/Options/Action Requested**

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Staff recommends that the City Council take the following action:

1. Approve the contract between the City and SEH Engineering for design services for the Windom Airport Hanger Construction Project.

### **Issue Summary/Background**

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The Airport Commission has identified additional hanger space as a priority project as there are more aircraft wanting to be based at the airport than available space. We have a waiting list and hanger space is needed to support aircraft which are serving local businesses.

In 2006 a major renovation to the Windom airport was completed and two new hangers were built, which are 4-bay units. These two hangers were intended to be 5-bay hangers but were not finished due to budget constraints; however, the land is prepped for both 1-bay extensions.

The anticipated project will construct two bays on to our existing hangers using Federal and State funds along with match from the Airport budget. To move the project forward the Airport Commission is seeking to engage our airport consulting engineers (SEH, Inc) for design work.

### **Fiscal Impact**

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The not to exceed amount of the design services is \$55,000 and will be paid for via Federal and State funds along with a 10% match from the City of Windom. This expenditure was anticipated within the 2018 Airport budget.

### **Attachments**

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1. Engineering agreement between the City of Windom and SEH Inc.

ARCHITECT/ENGINEER AGREEMENT  
Between

City of Windom

---

(OWNER)

and

Short Elliott Hendrickson Inc.

---

(CONSULTANT)

for

PROFESSIONAL SERVICES

THIS AGREEMENT made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2018, by and between the City of Windom, hereinafter referred to as the OWNER, and Short Elliott Hendrickson Inc.® (SEH), with a regular place of business at 3535 Vadnais Center Drive, St. Paul, Minnesota 55110, hereinafter referred to as the CONSULTANT.

WITNESSETH:

That the OWNER and CONSULTANT, for the consideration hereinafter named, agree as follows:

ARTICLE 1. GENERAL DESCRIPTION OF WORK TO BE DONE

The OWNER agrees to and hereby does retain and employ CONSULTANT and CONSULTANT agrees to perform Architectural, Engineering and/or other Professional Services for the project at the Windom Municipal Airport, entitled:

2018 Hangar Additions & Taxilane Extension,

hereinafter referred to as the Project.

The Project and those services to be performed hereunder are more particularly described in ATTACHMENT A, a part hereof, and may be financed in part by grant-in-aid programs of the Minnesota Department of Transportation (Mn/DOT), Office of Aeronautics, and/or the Federal Aviation Administration (FAA) as described in Article 14.

## ARTICLE 2. PERIOD OF SERVICE

Compensation for CONSULTANT'S services as provided elsewhere in this Agreement has been agreed to in anticipation of an orderly and continuous progress of CONSULTANT'S services through completion. In this regard, if the services covered by this Agreement have not been completed within 24 months of the date hereof, through no fault of CONSULTANT, any lump sum or maximum payment amounts shall be equitably adjusted.

## ARTICLE 3. COMPENSATION TO CONSULTANT

A. Compensation to CONSULTANT for services described in this Agreement shall be on a Lump Sum basis, Cost Reimbursement Plus Fixed Fee basis and/or an Hourly Rate basis, as designated in the box below, and in ATTACHMENT B and as hereinafter described.

1. A Lump Sum method of payment for CONSULTANT'S services shall typically apply to all or parts of a work scope here CONSULTANT'S tasks can be readily defined and/or where the level of effort required to accomplish such tasks can be estimated with a reasonable degree of accuracy. The OWNER shall make monthly payments to CONSULTANT within 30 calendar days of date of invoice based on an estimated percentage of completion of CONSULTANT'S services.

Reimbursement for Direct Expenses incurred in the performance of the work shall be included in the Lump Sum amount, unless otherwise set forth in ATTACHMENT B.

2. A Cost Reimbursement Plus Fixed Fee method of payment for CONSULTANT'S services shall typically apply to all or parts of work scope where CONSULTANT'S tasks cannot be readily defined and/or where the level of effort required to accomplish such tasks cannot be established with any reasonable degree of accuracy. Under a Cost Reimbursement Plus Fixed Fee method of payment, the CONSULTANT shall be paid for the actual costs of providing required services plus a fixed fee payment as defined in FAA Advisory Circular 150/5100-14E, dated September 30, 2014, and as further defined as follows:

- a. Direct Salary Costs incurred by CONSULTANT for employee's time directly chargeable to the Project, and in accordance with the CONSULTANT'S SALARY SCHEDULE included in ATTACHMENT B. Periodic revisions to the schedule may be made and any such revisions shall be submitted by CONSULTANT to the OWNER for approval.
- b. Overhead Costs including overhead on direct labor including, but not limited to, employment taxes, fringe benefits, holidays, vacation, and sick leave and all allowable general and administrative overhead costs. Overhead Costs shall be calculated as a percentage of Direct Salary Costs, with such percentage based on CONSULTANT'S audited records. The Overhead Rate to be applied to this Agreement and any special provisions relating thereto shall be set forth in ATTACHMENT B.
- c. Direct Non-Salary Expenses incurred by CONSULTANT for costs directly chargeable to the project, including but not limited to:

- 1) Travel and subsistence.

- 2) Computer services.
  - 3) Outside professional and technical services.
  - 4) Identifiable reproduction and reprographic charges.
  - 5) Expendable field supplies and special field equipment rental.
  - 6) Other acceptable costs for such additional items and services as may be required by the OWNER to fulfill the terms of this Agreement.
- d. Fixed Fee. In addition to the above reimbursement of costs, CONSULTANT shall be paid a fixed fee in the amount set forth in Attachment B. It is agreed that the fixed fee will be subject to adjustment in case of a work scope change, abandonment of the work prior to completion, or deletion of specific tasks.

The OWNER shall make monthly payments to CONSULTANT within 30 calendar days of date of invoice based on computations made in accordance with the above charges for services provided and expenses incurred to date, including a proportionate amount of the fixed fee. Invoices shall be accompanied by supporting evidence as required.

3. If no Federal funds are involved in this Agreement, an Hourly Rate method of payment for CONSULTANT'S services may be utilized as an alternative to the Lump Sum or Cost Reimbursement Plus Fixed Fee methods. Under an Hourly Rate method of payment, CONSULTANT shall be paid for the actual hours worked on the Project by CONSULTANT'S technical personnel times an hourly billing rate established for each employee. Hourly billing rates shall include compensation for all salary costs, payroll burden, general and administrative overhead and professional fee. A rate schedule shall be furnished by CONSULTANT to OWNER upon request.

In addition to the foregoing, CONSULTANT shall be reimbursed at cost for the following Direct Expenses when incurred in the performance of the work:

- a. Travel and subsistence.
- b. Computer services.
- c. Owner approved outside professional and technical services.
- d. Identifiable reproduction and reprographic charges.
- e. Expendable field supplies and special field equipment rental.
- f. Other acceptable costs for such additional items and services as may be required by the Owner to fulfill the terms of this Agreement.

The OWNER shall make monthly payments to CONSULTANT within 30 calendar days of date of invoice based on computations made in accordance with the above charges for services provided and expenses incurred to date, accompanied by support evidence as required.

- B. The OWNER, The Mn/DOT, Office of Aeronautics, the FAA, or their authorized representatives shall have access to CONSULTANT'S records for the purpose of accounting and audit. The CONSULTANT shall maintain all records relative to this Agreement for a period of not less than three years, subsequent to the OWNER'S final payment to CONSULTANT and until the project is financially closed-out by the FAA.

#### ARTICLE 4. EXTRA WORK AND SERVICES NOT INCLUDED IN THIS CONTRACT

If CONSULTANT is of the opinion that any services it has been directed to perform is beyond the Scope of this Agreement, or that the level of effort required significantly exceeds that estimated due to changed conditions and thereby constitutes extra work, it shall promptly notify the OWNER of that fact. Extra work, additional compensation for same, and extension of time for completion shall be covered by a Supplemental Agreement entered into by both parties and approved by Mn/DOT and FAA, prior to proceeding with any extra work or related expenditures.

#### ARTICLE 5. ABANDONMENT, CHANGE OF PLAN AND TERMINATION

Either Party has the right to terminate this Agreement upon seven calendar days' written notice. In addition, the OWNER may at any time, reduce the scope of this Agreement. Such reduction in scope shall be set forth in a written notice from the OWNER to CONSULTANT. In the event of unresolved dispute over change in scope or changed conditions, this Agreement may also be terminated, upon seven calendar days' written notice as provided above.

In the event of termination, all documents finished or unfinished, prepared by CONSULTANT under this Agreement shall be made available by CONSULTANT to the OWNER pursuant to Article 7, and there shall be no further obligation of the OWNER to CONSULTANT under this Agreement, except for payment of amounts due and owing for work performed and expenses incurred to the date and time of termination, computed in accordance with Article 3.

In the event of a reduction in scope of the Project work, CONSULTANT shall be paid for the work performed and expenses incurred on the project work thus reduced and for any completed and abandoned work for which payment has not been made, computed in accordance with Article 3.

#### ARTICLE 6. DISPUTE RESOLUTION

In the event of an irreconcilable dispute under this Agreement, which is not resolvable through informal means, the parties may, upon written agreement, submit to the resolution process set out in this provision. Once the parties have agreed to the resolution process, each party shall have seven (7) calendar days to designate one representative, who shall have authority to act on this Agreement. If either party fails within that time to inform the other party in writing of its designation, the other party is free to pursue all other legal and equitable remedies. Within ten (10) calendar days of designation of the representative, the representatives shall meet and shall entertain such presentation of testimony and other evidence as the CONSULTANT and the OWNER may wish to present with respect to the dispute. Within seven (7) calendar days after the close of such presentation, the representative shall resolve the dispute or either party is free to pursue all other legal and equitable remedies. When the representatives resolve the dispute, their decision shall be final and conclusive. Should the representatives be unable to agree on a resolution of the dispute, then the parties are free to pursue all other legal and equitable remedies. Each party's costs for the dispute resolution shall be borne by the respective party.

If the parties do not agree in writing to the resolution process set out above, either party is entitled to pursue any other legal or equitable remedies available.

## ARTICLE 7. DISPOSITION OF PLANS, REPORTS, AND OTHER DATA

At the time of completion or termination of the work, CONSULTANT shall make available to the OWNER, all maps, tracings, reports, resource materials and other documents pertaining to the work or to the Project. All such documents are not intended or represented to be suitable for reuse by the OWNER or others on extension of the Project or any other project. Any reuse without written verification or adaptation by CONSULTANT for the specific purpose intended will be at OWNER'S sole risk and without liability or legal exposure to CONSULTANT. In this regard, the OWNER will indemnify and hold harmless CONSULTANT from any and all suits or claims of third parties arising out of such reuse, which is not specifically verified, adapted or authorized by CONSULTANT.

## ARTICLE 8. DOCUMENTS FORMING THE CONTRACT

The contract documents shall be deemed to include this Agreement with all accompanying attachments of part hereof.

## ARTICLE 9. OWNER'S RESPONSIBILITY

- A. To permit CONSULTANT to perform the services required hereunder, the OWNER shall supply in proper time and sequence, the following at no expense to CONSULTANT.
1. Provide all necessary information regarding its requirements as necessary for orderly progress of the work.
  2. Designate in writing, a person to act as OWNER'S representative with respect to the services to be rendered under this Agreement. Such person shall have authority to transmit instructions, receive instructions, receive information, interpret, and define OWNER'S policies with respect to CONSULTANT'S services.
  3. Furnish, as required for performance of CONSULTANT'S services (except to the extent provided otherwise in ATTACHMENT A), data prepared by or services of others, including without limitation, core borings, probings and subsurface explorations, hydrographic and geohydrologic surveys, laboratory tests and inspections of samples, materials and equipment; appropriate professional interpretations of all of the foregoing; environmental assessment and impact statements; property, boundary, easement, right-of-way, topographic and utility surveys; property descriptions; zoning, deed and other land use restriction; and other special data not covered in ATTACHMENT A.
  4. Provide access to, and make all provisions for CONSULTANT to enter upon publicly- and privately-owned property as required to perform the work.
  5. Act as liaison with other agencies to carry out necessary coordination and negotiations; furnish approvals and permits from all governmental authorities having jurisdiction over the Project and such approvals and consents from others as may be necessary for completion of the Project.
  6. Examine all reports, sketches, drawings, specifications and other documents prepared and presented by CONSULTANT, obtain advice of an attorney, insurance counselor or others as OWNER deems necessary for such examination and render in writing, decisions pertaining thereto within a reasonable time so as not to delay the services of CONSULTANT.

7. Give prompt written notice to CONSULTANT whenever OWNER observes or otherwise becomes aware of any development that affects the scope or timing of CONSULTANT'S services or any defect in the work of Construction Contractor(s), Consultants or CONSULTANT.
8. Initiate action, where appropriate, to identify and investigate the nature and extent of asbestos and/or pollutant in the Project and to abate and/or remove the same as may be required by federal, state or local statute, ordinance, code, rule, or regulation now existing or hereinafter enacted or amended. For purposes of these General Provisions, "pollution" shall mean any solid, liquid, gaseous, or thermal irritant or contaminant, including smoke, vapor, soot, alkalis, chemicals and hazardous or toxic waste. Hazardous or toxic waste means any substance, waste, pollutant or contaminant now or hereafter included within such terms under any federal, state or local statute, ordinance, code, rule or regulation now existing or hereinafter enacted or amended.

If CONSULTANT encounters, or reasonably suspects that it has encountered, asbestos, or pollution, including soil contamination in the project area, CONSULTANT shall cease activity in said area and promptly notify the OWNER who shall proceed as set forth above. Unless otherwise specifically provided in ATTACHMENT A, the services to be provided by CONSULTANT do not include identification of asbestos or pollution, including soil contamination and CONSULTANT has no duty to identify or attempt to identify the same in the project area.

9. Provide such accounting, independent cost estimating and insurance counseling services as may be required for the Project, such legal services as OWNER may require or CONSULTANT may reasonably request with regard to legal issues pertaining to the Project and such auditing services as OWNER may require to ascertain how or for what purpose any Contractor has used the monies paid under the construction contract.
  10. Provide such inspection services (except to the extent provided otherwise in ATTACHMENT A) as OWNER may require to ascertain that Contractor (s) are complying with any law, rule, regulation, ordinance, code or order applicable to their furnishing and performing the work.
  11. Provide "record" drawings and specifications for all existing physical plants or facilities which are pertinent to the Project.
  12. Provide written notice to CONSULTANT when the project has been financially closed-out by FAA.
  13. Provide other services, materials, or data as may be set forth in ATTACHMENT A.
- B. CONSULTANT shall be entitled to rely on the accuracy and completeness of information or services furnished by the OWNER. If CONSULTANT finds that any information or services furnished by the OWNER is in error or is inadequate for its purpose, CONSULTANT shall promptly notify the OWNER.

#### ARTICLE 10. OPINIONS OF COST

Opinions of probable project cost, construction cost, financial evaluations, feasibility studies, economic analyses of alternate solutions and utilitarian considerations of operations and

maintenance costs provided for in ATTACHMENT A, a part hereof, are to be made on the basis of CONSULTANT'S experience and qualifications and represent CONSULTANT'S best judgement as an experienced and qualified design professional. It is recognized, however, that CONSULTANT does not have control over the cost of labor, material, equipment or services furnished by others or over market conditions or contractor's methods of determining their prices, and that any evaluation of any facility to be constructed or reacquired, or work to be performed on the basis of CONSULTANT'S cost opinions, must of necessity, be speculative until completion of construction or acquisition. Accordingly, CONSULTANT cannot and does not guarantee that proposals, bids, or actual costs will not substantially vary from opinions, evaluations or studies submitted by CONSULTANT to OWNER hereunder.

#### ARTICLE 11. CONSTRUCTION PHASE SERVICES

OWNER acknowledges that it is customary for the architect or engineer who is responsible for the preparation and furnishing of Drawings and Specifications and other construction-related documents to be employed to provide professional services during the Bidding and Construction Phases of the Project, (1) to interpret and clarify the documentation so furnished and to modify the same as circumstances revealed during bidding and construction may dictate, (2) in connection with acceptance of substitute or equal items of materials and equipment proposed by bidders and contractor(s), (3) in connection with approval of shop drawings and same submittals, and (4) as a result of and in response to CONSULTANT'S detecting in advance of performance of affected work inconsistencies or irregularities in such documentation. OWNER agrees that if CONSULTANT is not employed to provide such professional services during the Bidding (if the work is put out for bids) and the Construction Phases of the Project, CONSULTANT will not be responsible for, and OWNER shall indemnify and hold CONSULTANT (and CONSULTANT'S professional associates and consultants) harmless from, all claims, damages, losses and expenses including attorneys' fees arising out of, or resulting from, any interpretation, clarification, substitution acceptance, shop drawing or sample approval or modification of such documentation issued or carried out by OWNER or others. Nothing contained in this paragraph shall be construed to release CONSULTANT (or CONSULTANT'S professional associates or consultants) from liability for failure to perform in accordance with professional standards any duty or responsibility which CONSULTANT has undertaken or assumed under this Agreement.

#### ARTICLE 12. INSURANCE

CONSULTANT shall procure and maintain insurance for protection from claims against it under workers' compensation acts, claims for damages because of bodily injury including personal injury, sickness or disease or death of any and all employees or of any person other than such employees, and from claims for damages against it because of injury to or destruction of property including loss of use resulting therefrom.

Also, CONSULTANT shall procure and maintain professional liability insurance for protection from claims arising out of performance of professional services caused by any negligent act, error, or omission for which CONSULTANT is legally liable. However, CONSULTANT hereby states and the OWNER acknowledges, that CONSULTANT has no professional liability (errors and omissions) or other insurance, and is unable to reasonably obtain such insurance, for claims arising out of the performance or failure to perform professional services, including but not limited to the preparation of reports, designs, drawings and specifications, related to the investigation, detection, abatement, replacement, modification, removal or disposal of (1) pollutants or of (2) products, materials or processes containing asbestos. Pollutants herein under (1) above meaning any solid, liquid, gaseous, or thermal irritant or contaminant, including smoke, vapor, soot, alkalis, chemicals and hazardous or toxic waste. Accordingly, the OWNER hereby agrees to bring no claim for non-negligent services, breach of contract, or other cause of action against CONSULTANT, its

principals, employees, agents and consultants if such claim in any way arises out of the actual, alleged or threatened discharge, dispersal, release or escape of pollutants, or the investigation of or remedial work related to such pollutants or asbestos in the project. Certificates of insurance will be provided to the OWNER upon request.

#### ARTICLE 13. INDEPENDENT CONTRACTOR

The CONSULTANT in performance of work hereunder operates as an independent contractor and covenants and agrees that it will conduct itself consistent with such status, that is will neither hold itself out as nor claim to be an officer or employee of the OWNER by reason hereof, and that it will not by reason hereby, make any claim, demand or shall it apply for any right or privilege applicable to an officer or employee of the OWNER, including, but not limited to, worker's compensation coverage, unemployment insurance benefits, social security coverage or retirement membership or credit.

#### ARTICLE 14. FEDERAL AND STATE PARTICIPATION

Work performed under this Agreement may be financed in part by State and Federal funds. However, payments to CONSULTANT will be made by the OWNER.

The State of Minnesota and the United States are not parties to this Contract and no reference herein to the Mn/DOT, Office of Aeronautics, and to the FAA or any representatives thereof makes the State of Minnesota or the United States a party to the Contract.

#### ARTICLE 15. COVENANT AGAINST CONTINGENT FEES

The CONSULTANT warrants that no person or legal entity has been employed or retained to solicit or secure this contract upon an Agreement or understanding for a commission, percentage, brokerage, or contingent fee excepting bona-fide employees or bona-fide established commercial or selling agencies maintained by CONSULTANT for the purpose of securing business. For breach or violation of this warranty, the OWNER shall have the right to annul this Agreement without liability or in its discretion to deduct from payment to CONSULTANT the full amount of each commission, percentages, brokerage, or contingent fee.

#### ARTICLE 16. FEDERAL CONTRACT CLAUSES

If this Agreement is to be financed in part by Federal funds, certain federally-required, contract clauses must be incorporated. These federally-required, contract clauses, included as ATTACHMENT C, are hereby incorporated herein and made a part of this Agreement. The ATTACHMENT C incorporated is for Non-Construction Contract of (check as appropriate):

- \$10,000 or less
- \$10,001 to \$25,000
- \$25,001 to \$100,000 or
- \$100,001 and over

The term "contractor" as used in said ATTACHMENT is understood to mean CONSULTANT.

#### ARTICLE 17. ASSIGNMENT

This Agreement, being intended to secure the personal service of the individuals employed by and through whom CONSULTANT performs work hereunder, shall not be assigned, sublet or transferred without written consent of the OWNER.

ARTICLE 18. NOTICES

All notices required by law or by this Agreement to be given to the CONSULTANT must be written and may be given personally or by depositing the same in the United States mail, postage prepaid, and addressed to CONSULTANT at such premises and at the following address:

Short Elliott Hendrickson Inc.  
3535 Vadnais Center Drive  
St. Paul, Minnesota 55110

All notices required or permitted to be given to the OWNER hereunder shall be given by United States mail, postage prepaid, and addressed to:

City Administrator  
City of Windom  
444 9<sup>th</sup> Street  
Windom, MN 56101

Notice shall be deemed given as of the date said notice is deposited in the mail or personally delivered.

The parties must notify each other promptly in the event of a change in name or address.

ARTICLE 19. CONTROLLING LAW

This Agreement is to be governed by the laws of the State of Minnesota.

ARTICLE 20. SPECIAL CONDITIONS

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written.

**City of Windom**  
\_\_\_\_\_  
OWNER

**Short Elliott Hendrickson Inc.**  
\_\_\_\_\_  
CONSULTANT

By \_\_\_\_\_

By \_\_\_\_\_

Attest \_\_\_\_\_

Attachments: A, B, C

**ATTACHMENT A**  
**SUMMARY**  
**2018 HANGAR ADDITIONS & TAXILANE EXTENSION**  
**WINDOM MUNICIPAL AIRPORT (MWM)**  
**CITY OF WINDOM**

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This scope of work consists of engineering services for design of additions to two city owned hangars. The hangars will be comprised of one until each with a bi-fold door. The project also includes the extension and widening to an existing taxilane, the northeast lane. The taxilane will be constructed to accommodate type B-II aircraft and will be 35 feet in width. Grading and site preparation within the Taxilane Object Free Area (TOFA) will be included with this project as well.

Additionally, grading and site preparation for a future multi-unit hangar outside of the TOFA will be completed. This portion of work is not included in the FAA grant, these items are eligible for MnDOT state funding only.

Compensation by the Owner to the Consultant shall be a lump sum amount as follows:

2018 Hangar Additions & Taxilane Extension – FAA Eligible Items	\$50,400.00
Site Preparation – MnDOT-Eligible Items	\$ 4,600.00
<b>Total Contract Amount</b>	<b>\$55,000.00</b>

A description of the services to be provided is included in Attachments A-I, A-II.

A detailed estimate of labor cost and expenses is included in Attachments B-I, B-II.

**PROJECTED DATES**

The anticipated dates are:

April 19, 2018	Advertisement for Bids
May 10, 2018	Bid Opening
June 1, 2018	Contract Award Recommendation
June 15, 2018	Grant Request Submittal

**ATTACHMENT A-1  
PROPOSAL FOR ENGINEERING SERVICES**

**2018 Hangar Additions & Taxilane Extension – FAA ELIGIBLE ITEMS  
WINDOM MUNICIPAL AIRPORT  
AIP No. 3-27-0113-12-18**

**PROJECT SCOPE:**

This project consists of design engineering services for construction of a city-owned hangar addition, unit F2 & F3, on the previously constructed 4-unit hangars. The hangars will be comprised of one unit each with bi-fold doors opening to the southwest. The hangar structure will be an unheated steel-framed building assembled from standard components of a manufacturer. Additional hangar features and options will be identified during the design process.

This project also includes a taxilane extension and widening to the far northeast taxilane for future hangar construction. The taxilane will be constructed to accommodate type B-II aircraft, and will be 35 feet in width with an obstacle free area of 115 feet. The pavement design will include FAA specifications for excavation, embankment, base, and pavement. Improvements will be constructed to facilitate increased drainage throughout the project site. Proposed drainage improvements may include culverts, storm sewers, or valley gutter installation. Additionally, site preparations and grading will be completed beyond the edge of the taxilane pavement within the limits of the TOFA. FAA ineligible items are covered under a separate scope of work, Attachment A-2.

**SCOPE OF SERVICES:**

Services to be provided include program coordination, final design, preparation of bidding documents, bidding and award, and project management. This contract does not include construction observation.

Specific tasks to be performed by the Consultant are as follows:

1. **Scoping, Review and Project Coordination:** Detailed project scoping, including review and coordination with MnDOT, FAA, and other regulatory agencies. Update scope as needed based on input received.
2. **Project Formulation:** Completion of the project and grant pre-application, cost breakdowns and eligibility determinations. The required categorical exclusion checklist and letter will also be submitted to the FAA for approval. An Engineer's Design Report will be completed and submitted as part of the FAA grant process.
3. **Disadvantaged Business Enterprise (DBE) Program and Goal:** Prepare the required DBE program and DBE goal to determine the level of use of DBE companies necessary to meet all applicable requirements for federally-funded projects.
4. **Topographical Survey:** A comprehensive field survey will be completed to obtain topographical information including building corners, storm sewer inlets, existing pavement, and relevant ground elevations.
5. **Construction Safety Plan / Airspace Analysis:** A Construction Safety and Phasing Plan will be prepared for the Project and submitted to the FAA. A safety checklist form and an airspace analysis, including submission of an FAA Form 7460, will be submitted with the safety plan.
6. **Detailed Design:** Detailed design including pavement design for grade plan, concrete hangar floor, hangar structure, electrical coordination, building code requirements, and federally eligible building options.
7. **Final Construction Plans:** Prepare construction drawings consisting of approximately the following plan sheets.

Proposal for 2018 Hangar Addition, Taxiway Extension & Widening, & Site Prep - Design Services  
Windom Municipal Airport

- Title sheet
  - Construction Safety Plan
  - Construction Phasing Plan
  - Statement of Estimated Quantities
  - Typical Sections
  - Erosion Control Plan and Details
  - Topography and Construction Plan drawings for new pavements
  - Pavement Jointing Plan and Details
  - Hangar Floor Plan
  - Hangar Elevations
  - Electrical Plan
  - Details, Standard Plates, Construction Notes
8. Quantity Calculations and Cost Estimate: Quantities will be calculated for use on the bid form and for updating the construction cost estimates.
9. Construction Bidding Documents: Prepare a project manual consisting of ad for bids, table of contents, MnDOT / FAA requirements, proposal documents, specifications, special provisions, wage rates and schedule of prices.
10. Quality Control Reviews: Provide quality control reviews and final review of the plans and specifications. QA/QC includes the time required by the Consultant for the overall administration of the project, including internal meetings; quality control and assurance; reviews; and coordination with the Owner, FAA, Mn/DOT, and other regulatory agencies and utilities.
11. Bidding and Award: Assist the Owner with obtaining construction bids for proposed improvements. Assist the Owner with securing a grant from the Federal Aviation Administration for this project. Attend bid opening. Make a recommendation to the Owner on award of construction contract.
12. Subconsultant Coordination: Coordination with subconsultants, including contracting, scheduling, utility coordination, and airport inspection and investigation.
13. Project Management: Overall administration of the project, including internal and external meetings, coordination of plan and specification review with the Owner, MnDOT Office of Aeronautics, FAA, and other regulatory agencies as required.

Subconsultants performing work under this proposal include the following:

1. Barr Engineering, Bloomington, Minnesota. Barr Engineering will complete the electrical design for the proposed hangar.
2. Braun Intertec. Standard penetration soil borings, and a geotechnical analysis will be performed by Braun Intertec of St. Cloud, Minnesota.

**ATTACHMENT A-2  
PROPOSAL FOR ENGINEERING SERVICES**

**2018 Hangar Site Prep – FAA INELIGIBLE ITEMS  
WINDOM MUNICIPAL AIRPORT  
AIP No. 3-27-0113-12-18**

**PROJECT SCOPE:**

This project consists of design engineering services for construction of the site preparation area outside of the Taxilane Object Free Area (TOFA), that is not eligible for FAA funding support. These items are eligible for MnDOT state funding. The items to be designed under this scope and anticipated for state funding include grading, excavation, embankment, and drainage design for site preparation for future hangars.

**SCOPE OF SERVICES:**

Services to be provided include program coordination, final design, preparation of bidding documents, bidding and award, and project management. This contract does not include construction observation.

Specific tasks to be performed by the Consultant are as follows:

1. **Detailed Design:** Detailed design including design of the grading plan.
2. **Final Construction Plans:** Prepare construction drawings related to the site preparation for the grading beyond the TOFA limits.
3. **Quantity Calculations and Cost Estimate:** Quantities will be calculated for use on the bid form and for updating the construction cost estimates.
4. **Construction Bidding Documents:** Prepare required sections to bid FAA ineligible areas. Incorporate MnDOT requirements, proposal documents, specifications, special provisions, wage rates and schedule of prices as needed.
5. **Quality Control Reviews:** Provide quality control reviews and final review of the plans and specifications. QA/QC includes the time required by the Consultant for the overall administration of the project, including internal meetings; quality control and assurance; reviews; and coordination with the Owner, FAA, Mn/DOT, and other regulatory agencies and utilities.
6. **Bidding and Award:** Assist the Owner with obtaining construction bids for proposed improvements as a bid alternate. Make a recommendation to the Owner on award of alternate to the construction contract.
7. **Project Management:** Overall administration of the project, including internal and external meetings, coordination of plan and specification review with the Owner, MnDOT Office of Aeronautics, FAA, and other regulatory agencies as required.

Subconsultants performing work under this proposal include the following:

1. **Braun Intertec.** Standard penetration soil borings, and a geotechnical analysis will be performed by Braun Intertec of St. Cloud, Minnesota.

**ESTIMATED FEES AND EXPENSES**  
**ATTACHMENT "B-1"**  
**2018 Hangar Additions & Taxiway Extension**  
**Windom Municipal Airport**

Task No.	Task Description	Project Manager	Project Engineer	Survey Crew Chief	Instrument Operator	Architect	Senior Technician	Admin Technician
1.	Scoping, Review and Coordination	8	2	0	0	8	0	0
2.	Project Formulation	8	10	0	0	0	0	0
3.	DBE Program and Goal	2	4	0	0	0	0	4
4.	Topographical Surveying	2	10	20	20	0	0	0
5.	Construction Safety Plan/Airspace Analysis	2	10	0	0	0	8	0
6.	Detailed Design	4	30	0	0	15	16	0
7.	Final Construction Plans	2	30	0	0	15	16	0
8.	Quantity Calculations and Cost Estimates	4	4	0	0	5	0	0
9.	Construction Bidding Documents	8	16	0	0	5	0	2
10.	Quality Control Reviews	4	0	0	0	2	0	2
11.	Bidding and Award	4	4	0	0	0	0	2
12.	Subconsultant Coordination	4	0	0	0	0	0	0
13.	Project Management	8	0	0	0	0	0	0
<b>Total hours per labor category</b>		<b>60</b>	<b>120</b>	<b>20</b>	<b>20</b>	<b>50</b>	<b>40</b>	<b>10</b>

**ESTIMATE OF LABOR COSTS:**

Labor Category	Hours	Rate	Extension
Project Manager	60	\$49.47	\$2,968.20
Project Engineer	120	\$31.38	\$3,765.60
Survey Crew Chief	20	\$37.77	\$755.40
Instrument Operator	20	\$29.35	\$587.00
Architect	50	\$46.44	\$2,322.00
Senior Technician	40	\$34.33	\$1,373.20
Admin Technician	10	\$25.15	\$251.50

Total Direct Labor Costs:	320	\$12,022.90
Salary Overhead (34%)		\$4,087.79
General and Administrative Overhead (138%)		\$16,591.60
<b>Total Labor Costs</b>		<b>\$32,702.29</b>
<b>Fee (15%)</b>		<b>\$4,905.34</b>

Direct Expenses	Quantity	Rate	Extension
Equipment Usage	320	\$3.00	\$960.00
Travel - Mileage	650	\$0.54	\$351.00
Survey Equipment (Total Station)	20	\$30.00	\$600.00
Survey Equipment (GPS)	20	\$30.00	\$600.00
Survey Van	20	\$5.00	\$100.00
Electrical Design (Barr)	1	\$3,700.00	\$3,700.00
Geotechnical Investigation (Braun Intertec)	1	\$4,975.00	\$4,975.00
Flight	1	\$1,200.00	\$1,200.00
Reproductions / Miscellaneous	1	\$400.00	\$400.00
<b>Total Expenses</b>			<b>\$12,886.00</b>

**SUMMARY:**

Total (Labor Costs + Fee + Expenses)	\$50,493.63
<b>Estimated Total</b>	<b>\$50,400.00</b>

**ESTIMATED FEES AND EXPENSES**

**ATTACHMENT "B-2"**

**2018 Hangar Site Prep  
Windom Municipal Airport**

Task No.	Task Description	Project Manager	Project Engineer	Senior Technician	Admin Technician
1.	Detailed Design	1	2	2	0
2.	Final Construction Plans	2	8	6	0
3.	Quantity Calculations and Cost Estimates	1	2	0	0
4.	Construction Bidding Documents	2	4	0	2
5.	Quality Control Reviews	1	0	0	1
6.	Bidding and Award	1	0	0	1
7.	Project Management	2	0	0	0
	<b>Total hours per labor category</b>	<b>10</b>	<b>16</b>	<b>8</b>	<b>4</b>

**ESTIMATE OF LABOR COSTS:**

Labor Category	Hours	Rate	Extension
Project Manager	10	\$49.47	\$494.70
Project Engineer	16	\$31.38	\$502.08
Senior Technician	8	\$34.33	\$274.64
Admin Technician	4	\$25.15	\$100.60

Total Direct Labor Costs:	38	\$1,372.02
Salary Overhead (34%)		\$466.49
General and Administrative Overhead (138%)		\$1,893.39
<b>Total Labor Costs</b>		<b>\$3,731.90</b>
<b>Fee (15%)</b>		<b>\$559.79</b>

Direct Expenses	Quantity	Rate	Extension
Equipment Usage	38	\$3.00	\$114.00
Geotechnical Investigation (Braun Intertec)	1	\$275.00	\$275.00
<b>Total Expenses</b>			<b>\$389.00</b>

**SUMMARY:**

Total (Labor Costs + Fee + Expenses)	\$4,680.69
<b>Estimated Total</b>	<b>\$4,600.00</b>

## ATTACHMENT C

### ACCESS TO RECORDS AND REPORTS

The Contractor must maintain an acceptable cost accounting system. The Contractor agrees to provide the sponsor, the Federal Aviation Administration, and the Comptroller General of the United States or any of their duly authorized representatives, access to any books, documents, papers, and records of the contractor which are directly pertinent to the specific contract for the purpose of making audit, examination, excerpts and transcriptions. The Contractor agrees to maintain all books, records and reports required under this contract for a period of not less than three years after final payment is made and all pending matters are closed.

### BREACH OF CONTRACT TERMS

Any violation or breach of terms of this contract on the part of the contractor or its subcontractors may result in the suspension or termination of this contract or such other action that may be necessary to enforce the rights of the parties of this agreement.

Owner will provide Consultant written notice that describes the nature of the breach and corrective actions the Consultant must undertake in order to avoid termination of the contract. Owner reserves the right to withhold payments to Contractor until such time the Contractor corrects the breach or the Owner elects to terminate the contract. The Owner's notice will identify a specific date by which the Consultant must correct the breach. Owner may proceed with termination of the contract if the Consultant fails to correct the breach by deadline indicated in the Owner's notice.

The duties and obligations imposed by the Contract Documents and the rights and remedies available thereunder are in addition to, and not a limitation of, any duties, obligations, rights and remedies otherwise imposed or available by law.

### GENERAL CIVIL RIGHTS PROVISIONS

The contractor agrees to comply with pertinent statutes, Executive Orders and such rules as are promulgated to ensure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance.

This provision binds the contractor and subtier contractors from the bid solicitation period through the completion of the contract. This provision is in addition to that required of Title VI of the Civil Rights Act of 1964.

#### Title VI Solicitation Notice:

The **Sponsor**, in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4) and the Regulations, hereby notifies all bidders that it will affirmatively ensure that any contract entered into pursuant to this advertisement, disadvantaged business enterprises will be afforded full and fair opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award.

#### Compliance with Nondiscrimination Requirements

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "contractor") agrees as follows:

1. **Compliance with Regulations:** The contractor (hereinafter includes consultants) will comply with the Title VI List of Pertinent Nondiscrimination Acts And Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.
2. **Non-discrimination:** The contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR part 21.
3. **Solicitations for Subcontracts, Including Procurements of Materials and Equipment:** In all solicitations, either by competitive bidding, or negotiation made by the contractor for work to be performed under a subcontract,

including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the contractor of the contractor's obligations under this contract and the Nondiscrimination Acts And Authorities on the grounds of race, color, or national origin.

4. **Information and Reports:** The contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the sponsor or the Federal Aviation Administration to be pertinent to ascertain compliance with such Nondiscrimination Acts And Authorities and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish the information, the contractor will so certify to the sponsor or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.
5. **Sanctions for Noncompliance:** In the event of a contractor's noncompliance with the Non-discrimination provisions of this contract, the sponsor will impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to:
  - a. Withholding payments to the contractor under the contract until the contractor complies; and/or
  - b. Cancelling, terminating, or suspending a contract, in whole or in part.
6. **Incorporation of Provisions:** The contractor will include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. The contractor will take action with respect to any subcontract or procurement as the sponsor or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the contractor may request the sponsor to enter into any litigation to protect the interests of the sponsor. In addition, the contractor may request the United States to enter into the litigation to protect the interests of the United States.

#### **Title VI List of Pertinent Nondiscrimination Acts and Authorities**

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "contractor") agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.*, 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation—Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 *et seq.*), as amended, (prohibits discrimination on the basis of disability); and 49 CFR part 27;
- The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 *et seq.*), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);

- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131 – 12189) as implemented by Department of Transportation regulations at 49 CFR parts 37 and 38;
- The Federal Aviation Administration's Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. 1681 et seq).

#### **CLEAN AIR AND WATER POLLUTION CONTROL**

Contractor agrees to comply with all applicable standards, orders, and regulations issued pursuant to the Clean Air Act (42 U.S.C. § 740-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. § 1251-1387). The Contractor agrees to report any violation to the Owner immediately upon discovery. The Owner assumes responsibility for notifying the Environmental Protection Agency (EPA) and the Federal Aviation Administration.

Contractor must include this requirement in all subcontracts that exceeds \$150,000.

#### **CERTIFICATION OF OFFERER/BIDDER REGARDING DEBARMENT**

By submitting a bid/proposal under this solicitation, the bidder or offeror certifies that neither it nor its principals are presently debarred or suspended by any Federal department or agency from participation in this transaction.

#### **CERTIFICATION OF LOWER TIER CONTRACTORS REGARDING DEBARMENT**

The successful bidder, by administering each lower tier subcontract that exceeds \$25,000 as a "covered transaction", must verify each lower tier participant of a "covered transaction" under the project is not presently debarred or otherwise disqualified from participation in this federally assisted project. The successful bidder will accomplish this by:

1. Checking the System for Award Management at website: <http://www.sam.gov>
2. Collecting a certification statement similar to the Certificate Regarding Debarment and Suspension (Bidder or Offeror), above.
3. Inserting a clause or condition in the covered transaction with the lower tier contract

If the FAA later determines that a lower tier participant failed to disclose to a higher tier participant that it was excluded or disqualified at the time it entered the covered transaction, the FAA may pursue any available remedies, including suspension and debarment of the non-compliant participant.

#### **DISADVANTAGED BUSINESS ENTERPRISES**

**Contract Assurance (§ 26.13)** - The contractor or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy, as the recipient deems appropriate.

**Prompt Payment (§26.29)** - The prime contractor agrees to pay each subcontractor under this prime contract for satisfactory performance of its contract no later than {specify number} days from the receipt of each payment the prime contractor receives from {Name of recipient}. The prime contractor agrees further to return retainage payments to each subcontractor within {specify the same number as above} days after the subcontractor's work is satisfactorily completed.

Any delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of the {Name of Recipient}. This clause applies to both DBE and non-DBE subcontractors.

#### **A1.1.1 RACE/GENDER NEUTRAL LANGUAGE**

The requirements of 49 CFR part 26 apply to this contract. It is the policy of the Sponsor to practice nondiscrimination based on race, color, sex or national origin in the award or performance of this contract. The Owner encourages participation by all firms qualifying under this solicitation regardless of business size or ownership.

#### **TEXTING WHEN DRIVING**

In accordance with Executive Order 13513, "Federal Leadership on Reducing Text Messaging While Driving" (10/1/2009) and DOT Order 3902.10 "Text Messaging While Driving" (12/30/2009), the FAA encourages recipients of Federal grant funds to adopt and enforce safety policies that decrease crashes by distracted drivers, including policies to ban text messaging while driving when performing work related to a grant or sub-grant.

In support of this initiative, the Owner encourages the Contractor to promote policies and initiatives for its employees and other work personnel that decrease crashes by distracted drivers, including policies that ban text messaging while driving motor vehicles while performing work activities associated with the project. The Contractor must include the substance of this clause in all sub-tier contracts exceeding \$3,500 and involve driving a motor vehicle in performance of work activities associated with the project.

#### **ENERGY CONSERVATION REQUIREMENTS**

Contractor and Subcontractor agree to comply with mandatory standards and policies relating to energy efficiency as contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (42 U.S.C. 6201 *et seq.*).

#### **FEDERAL FAIR LABOR STANDARDS ACT**

All contracts and subcontracts that result from this solicitation incorporate by reference the provisions of 29 CFR part 201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers.

The Consultant has full responsibility to monitor compliance to the referenced statute or regulation. The Consultant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division

#### **CERTIFICATION REGARDING LOBBYING**

The bidder or offeror certifies by signing and submitting this bid or proposal, to the best of his or her knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the Bidder or Offeror, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- (3) The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

### **OCCUPATIONAL SAFETY AND HEALTH ACT**

All contracts and subcontracts that result from this solicitation incorporate by reference the requirements of 29 CFR Part 1910 with the same force and effect as if given in full text. Contractor must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. The Contractor retains full responsibility to monitor its compliance and their subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (20 CFR Part 1910). Contractor must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

### **RIGHTS TO INVENTIONS**

Contracts or agreements that include the performance of experimental, developmental, or research work must provide for the rights of the Federal Government and the Owner in any resulting invention as established by 37 CFR part 401, Rights to Inventions Made by Non-profit Organizations and Small Business Firms under Government Grants, Contracts, and Cooperative Agreements. This contract incorporates by reference the patent and inventions rights as specified within in the 37 CFR §401.14. Contractor must include this requirement in all sub-tier contracts involving experimental, developmental or research work.

#### **Termination for Convenience (Professional Services)**

The Owner may, by written notice to the Consultant, terminate this Agreement for its convenience and without cause or default on the part of Consultant. Upon receipt of the notice of termination, except as explicitly directed by the Owner, the Contractor must immediately discontinue all services affected.

Upon termination of the Agreement, the Consultant must deliver to the Owner all data, surveys, models, drawings, specifications, reports, maps, photographs, estimates, summaries, and other documents and materials prepared by the Engineer under this contract, whether complete or partially complete.

Owner agrees to make just and equitable compensation to the Consultant for satisfactory work completed up through the date the Consultant receives the termination notice. Compensation will not include anticipated profit on non-performed services.

Owner further agrees to hold Consultant harmless for errors or omissions in documents that are incomplete as a result of the termination action under this clause.

#### **Termination for Default (Professional Services)**

Either party may terminate this Agreement for cause if the other party fails to fulfill its obligations that are essential to the completion of the work per the terms and conditions of the Agreement. The party initiating the termination action must allow the breaching party an opportunity to dispute or cure the breach.

The terminating party must provide the breaching party [7] days advance written notice of its intent to terminate the Agreement. The notice must specify the nature and extent of the breach, the conditions necessary to cure the breach, and the effective date of the termination action. The rights and remedies in this clause are in addition to any other rights and remedies provided by law or under this agreement.

- a) **Termination by Owner:** The Owner may terminate this Agreement in whole or in part, for the failure of the Consultant to:
1. Perform the services within the time specified in this contract or by Owner approved extension;
  2. Make adequate progress so as to endanger satisfactory performance of the Project;
  3. Fulfill the obligations of the Agreement that are essential to the completion of the Project.

Upon receipt of the notice of termination, the Consultant must immediately discontinue all services affected unless the notice directs otherwise. Upon termination of the Agreement, the Consultant must deliver to the Owner all data,

surveys, models, drawings, specifications, reports, maps, photographs, estimates, summaries, and other documents and materials prepared by the Engineer under this contract, whether complete or partially complete.

Owner agrees to make just and equitable compensation to the Consultant for satisfactory work completed up through the date the Consultant receives the termination notice. Compensation will not include anticipated profit on non-performed services.

Owner further agrees to hold Consultant harmless for errors or omissions in documents that are incomplete as a result of the termination action under this clause.

If, after finalization of the termination action, the Owner determines the Consultant was not in default of the Agreement, the rights and obligations of the parties shall be the same as if the Owner issued the termination for the convenience of the Owner.

b) **Termination by Consultant:** The Consultant may terminate this Agreement in whole or in part, if the Owner:

1. Defaults on its obligations under this Agreement;
2. Fails to make payment to the Consultant in accordance with the terms of this Agreement;
3. Suspends the Project for more than [180] days due to reasons beyond the control of the Consultant.

Upon receipt of a notice of termination from the Consultant, Owner agrees to cooperate with Consultant for the purpose of terminating the agreement or portion thereof, by mutual consent. If Owner and Consultant cannot reach mutual agreement on the termination settlement, the Consultant may, without prejudice to any rights and remedies it may have, proceed with terminating all or parts of this Agreement based upon the Owner's breach of the contract.

In the event of termination due to Owner breach, the Engineer is entitled to invoice Owner and to receive full payment for all services performed or furnished in accordance with this Agreement and all justified reimbursable expenses incurred by the Consultant through the effective date of termination action. Owner agrees to hold Consultant harmless for errors or omissions in documents that are incomplete as a result of the termination action under this clause.

#### TRADE RESTRICTION CERTIFICATION

By submission of an offer, the Offeror certifies that with respect to this solicitation and any resultant contract, the Offeror

- a. is not owned or controlled by one or more citizens of a foreign country included in the list of countries that discriminate against U.S. firms as published by the Office of the United States Trade Representative (U.S.T.R.);
- b. has not knowingly entered into any contract or subcontract for this project with a person that is a citizen or national of a foreign country included on the list of countries that discriminate against U.S. firms as published by the U.S.T.R.; and
- c. has not entered into any subcontract for any product to be used on the Federal on the project that is produced in a foreign country included on the list of countries that discriminate against U.S. firms published by the U.S.T.R.

This certification concerns a matter within the jurisdiction of an agency of the United States of America and the making of a false, fictitious, or fraudulent certification may render the maker subject to prosecution under Title 18, United States Code, Section 1001.

The Offeror/Contractor must provide immediate written notice to the Owner if the Offeror/Contractor learns that its certification or that of a subcontractor was erroneous when submitted or has become erroneous by reason of changed circumstances. The Contractor must require subcontractors provide immediate written notice to the Contractor if at any time it learns that its certification was erroneous by reason of changed circumstances.

Unless the restrictions of this clause are waived by the Secretary of Transportation in accordance with 49 CFR 30.17, no contract shall be awarded to an Offeror or subcontractor:

- (1) who is owned or controlled by one or more citizens or nationals of a foreign country included on the list of countries that discriminate against U.S. firms published by the U.S.T.R. or
- (2) whose subcontractors are owned or controlled by one or more citizens or nationals of a foreign country on such U.S.T.R. list or
- (3) who incorporates in the public works project any product of a foreign country on such U.S.T.R. list;

Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the certification required by this provision. The knowledge and information of a contractor is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

The Offeror agrees that, if awarded a contract resulting from this solicitation, it will incorporate this provision for certification without modification in all lower tier subcontracts. The contractor may rely on the certification of a prospective subcontractor that it is not a firm from a foreign country included on the list of countries that discriminate against U.S. firms as published by U.S.T.R, unless the Offeror has knowledge that the certification is erroneous.

This certification is a material representation of fact upon which reliance was placed when making an award. If it is later determined that the Contractor or subcontractor knowingly rendered an erroneous certification, the Federal Aviation Administration may direct through the Owner cancellation of the contract or subcontract for default at no cost to the Owner or the FAA.

#### **VETERAN'S PREFERENCE**

In the employment of labor (excluding executive, administrative, and supervisory positions), the contractor and all sub-tier contractors must give preference to covered veterans as defined within Title 49 United States Code Section 47112. Covered veterans include Vietnam-era veterans, Persian Gulf veterans, Afghanistan-Iraq war veterans, disabled veterans, and small business concerns (as defined by 15 U.S.C. 632) owned and controlled by disabled veterans. This preference only applies when there are covered veterans readily available and qualified to perform the work to which the employment relates.

# ACTION ITEM



**CITY OF WINDOM**  
444 9th Street  
Windom, MN 56101  
Phone: 507-831-6129  
Fax: 507-831-6127  
[www.windom-mn.com](http://www.windom-mn.com)

**TO:** City Council  
**FROM:** Liquor Store Manager Interview Team  
**DATE:** February 24, 2018  
**RE:** Liquor Store Manager – Hiring Recommendation  
**DEPT:** Administration  
**CONTACT:** Steve Nasby: [Steve.Nasby@windommn.com](mailto:Steve.Nasby@windommn.com)

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## **Recommendations/Options/Action Requested**

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Staff recommends that the City Council take the following action:

1. Offer the position of Liquor Store Manager to John Nelson.

## **Issue Summary/Background**

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In January 2018 the position of Liquor Store Manager became vacated due to Mr. Audette's resignation to accept a position in Elk River, MN. The City Council authorized staff to place an advertisement to refill this position.

A total of 19 applications were received for the position by the January 22, 2018 deadline. It was a strong field of applicants offering a wide range of experience. On February 6, 2018 the City Council named Council members Sherman and Ray along with Tom Riordan (Utility Commission and Personnel Committee) as the interview team with staffing by the City Administrator. Applicants were reviewed and ranked by the interview team. Five applicants were interviewed on February 23, 2018.

The interview team is recommending the hiring of John Nelson as Windom's Liquor Store Manager. Mr. Nelson current resides in Madelia, MN. He previously worked for the Madelia Liquor Store for over nine years and has also been working at Madelia-Lake Crystal Mutual Insurance Co for about seven years. Additionally, he is currently a member of the Madelia Fire and EMS squads.

## **Fiscal Impact**

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The 2018 liquor store budget has anticipated a salary and benefits for this position. Due to Mr. Nelson's tenure there will be some savings in the budget as his step on the Supervisory pay plan is lower than was that of the departing Liquor Store Manager.

## **Attachments**

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1. Employment offer

**MEMORANDUM**



CITY OF WINDOM  
444 9th Street  
P. O. Box 38  
Windom, MN 56101  
Phone: 507-831-6129  
Fax: 507-831-6127

**TO:** John Nelson  
**FROM:** Steve Nasby, City Administrator  
**DATE:** February 24, 2018  
**RE:** Liquor Store Manager – Terms of Employment

The City Council and I are excited about having you on board as our new Liquor Store Manager. Per our discussion, I have outlined terms of the employment offer. These terms and the formal offer of employment are subject to final approval by the City Council on March 6, 2018.

Salary	\$52,582, Step 3 on the 2018 Supervisory pay scale. Then go to Step 4 on September 19, 2018 with successful passage of probation period. Then Step 5 on March 19, 2019. This is an exempt position.
Starting Date	On or before March 22, 2018.
Vacation Accrual	Vacation accrual according to City Policy starting on Year 1.
Holidays	Eleven paid holidays (City Policy)
Sick Leave	One day per month (City Policy).
Retirement	State of Minnesota – PERA
Deferred Compensation	State of Minnesota (employee’s option – no City matching)
Health Insurance	City Health Plan Options w\VEBA or HSA of \$1200 or \$2400
Medical\Dependent Care Flex Acct	Available (employee’s option – no City contribution)
Life Insurance	City Plan (decreasing term life policy for employee & family)
Probation Period	6 months (terms according to City Policy)

I acknowledge that I have read the employment offer as outlined above and the terms are acceptable to me.

\_\_\_\_\_  
Steve Nasby, City Administrator

 02/24/2018  
\_\_\_\_\_  
John Nelson

# ACTION ITEM



**CITY OF WINDOM**  
444 9th Street  
Windom, MN 56101  
Phone: 507-831-6129  
Fax: 507-831-6127  
[www.windom-mn.com](http://www.windom-mn.com)

**TO:** City Council  
**FROM:** Steve Nasby, City Administrator and Jason Sykora, Electric Superintendent  
**DATE:** February 23, 2018  
**RE:** Vacant Electric Line Position  
**DEPT:** Electric  
**CONTACT:** Steve Nasby: [Steve.Nasby@windommn.com](mailto:Steve.Nasby@windommn.com) or Jason Sykora: [Jason.Sykora@windommn.com](mailto:Jason.Sykora@windommn.com)

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## Recommendations/Options/Action Requested

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Staff recommends that the City Council take the following action:

1. City Council approve staff to start the hiring process for re-filling the Electric Lineperson position that was vacated by the recent promotion of Jason Sykora to Electric Superintendent.

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## Issue Summary/Background

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On February 20, 2018 the City Council approved the promotion of Jason Sykora to Electric Superintendent. This action created a vacancy in the Electric Department for a line person position. The department has historically operated with a foreperson and three line persons which insured adequate coverage for operations at our municipal utility, on-call coverage and annual construction\maintenance.

Staff is requesting approval to start the hiring process to fill the vacant line person position.

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## Fiscal Impact

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The Electric Department's 2018 budget had anticipated a six full-time positions (Supervisor, Foreman, three Line persons and an Inventory Clerk) so re-filling the vacant line person position will not have an unanticipated impact to the budget.

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## Attachments

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1. Line person job description.

**CITY OF WINDOM, MN**  
**ELECTRIC LINEWORKER**

**Job SUMMARY:**

*This position is responsible for the construction, operation, maintenance, repair and installation of electrical generation and distribution systems and related equipment under the direction of the Electric Department Foreman, Electric Superintendent and/or Electric Utility Manager. Responsibilities include investigating service calls; connecting, disconnecting, and replacing service lines; inspecting transmission and distribution lines in severe weather; electric generation; servicing transformers and other electrical equipment; operating vehicles and related equipment and meter readings.*

**TYPICAL CLASS ESSENTIAL DUTIES:** (These duties are a representative sample only and not an inclusive list as position assignments and duties may vary.)

1. *Constructs, maintains, operates and repairs electrical overhead and underground distribution system and substations, performing duties which include stringing wires, setting poles and anchors, hanging transformers, lightning arrestors, cutouts, crossarms, and insulators, installing underground duct systems, vaults, cables, padmounted transformers, switches, switchgear and other electrical system components.*
2. *Locates trouble in primary and secondary systems, replaces or re-sets fuses, maintains or replaces transformers, and clears faulted circuits and systems.*
3. *Responds to and resolves customer complaints; and explains program, policies, and procedures.*
4. *Installs, connects, disconnects, and replaces service lines as requested and/or needed.*
5. *Performs installation, operation, maintenance and repair of overhead and underground electrical power lines and systems including working in severe weather.*
6. *Tests, reads, and repairs electric meters.*
7. *Performs other duties of a similar nature or level.*

**Training and Experience** (positions in this class typically require):

*Associate's Degree or two year technical certificate in Power Line or equivalent and four years apprenticeship experience.*

**Licensing Requirements** (positions in this class typically require):

**Licensing Requirements:**

- *Commercial Driver's License*

**CITY OF WINDOM, MN**  
**ELECTRIC LINeworker**

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**Knowledge** (position requirements at entry):

**Knowledge of:**

- *Applicable Federal, State, and local laws, rules, regulations, standards, and codes;*
- *Electric utility operating methods;*
- *Manpower, equipment, and material management and utilization principles;*
- *Preventive and corrective maintenance concepts and programs;*
- *Emergency operating procedures;*
- *Principles and practices in assigned area of responsibility;*
- *Problem solving techniques;*
- *Safety principles and practices;*
- *Equipment and tools utilized in the trade.*

**Skills** (position requirements at entry):

**Skill in:**

- *Applying applicable Federal, State, and/or Local laws, rules, and regulations;*
- *Handling multiple tasks simultaneously;*
- *Managing projects;*
- *Analyzing situations and making appropriate recommendations based on findings;*
- *Reading, analyzing, and interpreting reports, procedures, policies, and manuals;*
- *Providing customer service;*
- *Communication, interpersonal skills as applied to interaction with coworkers, supervisor, the general public, etc. sufficient to exchange or convey information and to receive work direction.*

**Physical Requirements:**

*Positions in this class typically require: climbing, balancing, stooping, kneeling, crouching, reaching, standing, walking, lifting, fingering, grasping, feeling, talking, hearing, seeing and repetitive motions.*

*Very Heavy Work: Exerting in excess of 100 pounds of force occasionally, and/or in excess of 50 pounds of force frequently, and/or in excess of 20 pounds of force constantly to move objects.*

*Incumbents may be subjected to moving mechanical parts, electrical currents, dusts, gases, poor ventilation, chemicals, and extreme temperatures.*

**NOTE:**

*The above job description is intended to represent only the key areas of responsibilities; specific position assignments will vary depending on the business needs of the department. This is a non-exempt position and is within the IBEW union bargaining unit.*

**RESOLUTION #2018-**

**Introduced:**

**Seconded:**

**Voted: Aye:**

**Nay:**

**Absent:**

**A RESOLUTION SELECTING CERTAIN FREEHOLDERS IN THE CITY OF  
WINDOM FOR PRESENTATION TO THE DISTRICT JUDGE FOR  
APPOINTMENT TO A CHARTER COMMISSION**

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**WHEREAS**, on April 1, 2014, the following persons' Charter Commission Terms expired:

Alice Huebert	Joseph LaCanne
Chuck Severson	Tim Hiley
Josh Sammons	Joel LaCanne

**WHEREAS**, on April 1, 2016, the following persons' Charter Commission Terms expired:

Laura Alvstad	Donna Gravley
David Farber	Sonya Johnson
Nestor Palm	Jeanette Schuur
Bruce Toninato	Dianne Vellema

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WINDOM, MINNESOTA, AS FOLLOWS:**

1. The following freeholders are hereby selected by the Mayor and confirmed by the City Council for presentation to the District Judge for appointment to the Charter Commission for the City of Windom to fill a two-year term which shall expire April 1, 2020:

Alice Huebert	Joseph LaCanne
Chuck Severson	Tim Hiley
Josh Sammons	Joel LaCanne

2. The following freeholders are hereby selected by the Mayor and confirmed by the City Council for presentation to the District Judge for appointment to the Charter Commission for the City of Windom to fill a four-year term which shall expire April 1, 2022:

Laura Alvstad	Donna Gravley
Ron Tibodeau	Sonya Johnson
Nestor Palm	Jeanette Schuur
Bruce Toninato	Dianne Vellema

Adopted this 6th day of March, 2018.

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**Dominic Jones, Mayor**

**Attest:**

Steven Nasby, City Administrator

February 14, 2018

TO: Township Boards, City Councils, and Local Assessors  
 SUBJECT: 2018 Local Boards of Appeal and Equalization

Below is the schedule of the dates and times for the 2018 Local Boards of Appeal and Equalization Meetings. If the date assigned to your board of equalization will not work for your district, please let me know immediately and we can reschedule it. Please make sure your board members are aware of the district's meeting date and are able to attend.

You will need to post three (3) notices of the meeting in three conspicuous locations at least ten (10) days prior to the scheduled meeting date (enclosed). Each notice should contain the meeting date, time and location. Please make note of the date that you post these notices for the Board of Equalization record.

As in the past, my office will be taking care of the newspaper advertising for all of the districts. If you have any questions, please contact my office.

Gale Bondhus  
 Cottonwood County Assessor

<b>Cottonwood County 2018 Local Boards of Appeal and Equalization</b>				
<b>Day</b>	<b>Date</b>	<b>Township/City</b>	<b>Time</b>	<b>Location/Assessor</b>
Friday	April 20, 2018	Amboy Township	10:00-10:30 a.m.	Amboy Town Hall
Friday	April 20, 2018	Amo Township	2:00-2:30 p.m.	Storden Community Center
Friday	April 20, 2018	Ann Township	11:00-11:30 a.m.	Storden Community Center
Wednesday	April 18, 2018	Carson Township	3:30-4:00 p.m.	Laurie Bartsch Home
Thursday	April 19, 2018	Dale Township	6:30-7:00 p.m.	Charles Dewanz Home
Thursday	April 19, 2018	Delton Township (Open Book Meeting)	5:00-5:30 p.m.	Delton Town Hall
Wednesday	April 18, 2018	Germantown Township	5:30-6:00 p.m.	Sanborn ADM Elevator
Monday	April 16, 2018	Great Bend Township	4:00-4:30 p.m.	Cottonwood County LEC
Friday	April 20, 2018	Highwater Township	1:00-1:30 p.m.	Storden Community Center
Wednesday	April 18, 2018	Lakeside Township	10:00-10:30 a.m.	Lakeside Town Hall
Wednesday	April 18, 2018	Midway Township	1:00-1:30 p.m.	Mountain Lake Fire Department
Wednesday	April 18, 2018	Mountain Lake Township	11:00-11:30 a.m.	Mountain Lake Town Hall
Friday	April 20, 2018	Rosehill Township	4:00-4:30 p.m.	Storden Community Center
Wednesday	April 18, 2018	Selma Township	2:30-3:00 p.m.	Selma Town Hall
Thursday	April 19, 2018	Southbrook Township	9:00-9:30 a.m.	Ann Harms Home
Thursday	April 19, 2018	Springfield Township	10:30-11:00 a.m.	Springfield Town Hall
Friday	April 20, 2018	Storden Township	3:00-3:30 p.m.	Storden Community Center
Friday	April 20, 2018	Westbrook Township	5:00-5:30 p.m.	Westbrook Town Hall
Monday	April 9, 2018	Bingham Lake (City)	6:00-6:30 p.m.	Bingham Lake City Hall
Monday	April 23, 2018	Comfrey (City)	7:00-7:30 p.m.	Comfrey City Hall
Wednesday	May 2, 2018	Jeffers (City)	5:00-5:30 p.m.	Jeffers City Hall
Thursday	May 3, 2018	Mountain Lake (City)	5:30-6:00 p.m.	Mountain Lake City Hall
Tuesday	May 1, 2018	Storden (City)	5:00-5:30 p.m.	Storden Community Center
Monday	May 7, 2018	Westbrook (City)	5:30-6:00 p.m.	Westbrook City Hall
Monday	May 14, 2018	Windom	4:30-5:00 p.m.	Windom City Hall
Tuesday	June 19, 2018	County Equalization	6:00 p.m.	Cottonwood County Courthouse

**IMPORTANT INFORMATION REGARDING PROPERTY ASSESSMENTS**

**\*\* THIS MAY AFFECT YOUR 2019 PROPERTY TAXES. \*\***

THE BOARD OF APPEAL AND EQUALIZATION FOR THE CITY OF WINDOM WILL MEET ON MONDAY, MAY 14TH, 2018, FROM 4:30 TO 5:00 PM, AT THE WINDOM CITY HALL IN SAID TOWNSHIP OR CITY. THE PURPOSE OF THIS MEETING IS TO DETERMINE WHETHER PROPERTY IN THE JURISDICTION HAS BEEN PROPERLY VALUED AND CLASSIFIED BY THE ASSESSOR.

IF YOU BELIEVE THE VALUE OR CLASSIFICATION OF YOUR PROPERTY IS INCORRECT, PLEASE CONTACT YOUR ASSESSOR'S OFFICE TO DISCUSS YOUR CONCERNS. IF YOU DISAGREE WITH THE VALUATION OR CLASSIFICATION AFTER DISCUSSING IT WITH YOUR ASSESSOR, YOU MAY APPEAR BEFORE THE LOCAL BOARD OF APPEAL AND EQUALIZATION. THE BOARD WILL REVIEW YOUR ASSESSMENTS AND MAY MAKE CORRECTIONS AS NEEDED. GENERALLY, YOU MUST APPEAL TO THE LOCAL BOARD BEFORE APPEALING TO THE COUNTY BOARD OF APPEAL & EQUALIZATION.

GIVEN UNDER MY HAND THIS 20<sup>th</sup> DAY OF Lebony, 2018

[Signature]  
CLERK OF THE City OF Win Jon



**BOLTON  
& MENK**

Real People. Real Solutions.

12224 Nicollet Avenue  
Burnsville, MN 55337-1649

Ph: (952) 890-0509  
Fax: (952) 890-8065  
Bolton-Menk.com

February 16, 2018

Via Email

Mr. Mike Haugen  
Water - Sewer Superintendent  
444 9<sup>th</sup> Street  
PO Box 38  
Windom, MN 56101

Re: Payment Request No. 6 - FINAL  
Water Treatment Facility Rehabilitation  
Windom, Minnesota  
BMI Project No. T22.113308

Dear Mike:

Please find attached Application for Payment No. 6 – FINAL from Rice Lake Contracting Corp. for the work completed to date for the construction of the Water Treatment Facility Rehabilitation. We reviewed this application and find it acceptable for payment. We recommend making a payment of \$31,570.86 to Rice Lake Contracting Corp. Please sign the first page of the application, forward copy along with the payment to Rice Lake Contracting Corp., a copy to Bolton & Menk, and keep one copy for your records.

Also attached are copies of the IC 134's, Lien Waivers and Consent of Surety for your records.

Sincerely,

**Bolton & Menk, Inc.**

R. Kelly Yahnke  
Project Manager

RKY

Enclosure

## Contractor's Application For Payment No. 6

Application Period To:	1/31/2018	Application Date:	2/13/2018
To (Owner): City of Windom, Minnesota	From (Contractor): Rice Lake Contracting Corp.	Via (Engineer): Bolton Menk	
Project: Water Treatment Facility (WTF) Rehabilitation	Contract: All Construction		
Owner's Contract No.: T22.113308 - Windom, MN	Contractor's Project No.: 1706		

**Application for Payment**

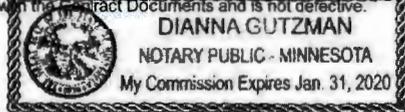
**Change Order Summary**

Approved Change Orders		
Number	Additions	Deductions
1 - CO1 Install new Underdrains	\$ 192,017.16	
2 - Contract Extension from 11/17/17 to 12/22/17 for work performed for CO 1.	\$ -	
<b>TOTALS</b>		
	<b>\$192,017.16</b>	<b>\$0.00</b>
<b>NET CHANGE BY CHANGE ORDERS</b>		<b>\$192,017.16</b>

1. ORIGINAL CONTRACT PRICE	\$439,400.00
2. Net change by Change Orders	\$192,017.16
3. CURRENT CONTRACT PRICE (Line 1 ± 2)	\$631,417.16
4. TOTAL COMPLETED AND STORED TO DATE (Column F on Progress Estimate)	\$631,417.16
5. RETAINAGE:	
a. 5% x \$0.00 Work Completed	\$0.00
b. 5% x \$0.00 Stored Materials	\$0.00
c. Total Retainage (Line 5a + Line 5b)	\$0.00
6. AMOUNT ELIGIBLE TO DATE (Line 4 - Line 5c)	\$631,417.16
7. LESS PREVIOUS PAYMENTS (Line 6 from prior Application)	\$599,846.30
8. AMOUNT DUE THIS APPLICATION	\$31,570.86
9. BALANCE TO FINISH, PLUS RETAINAGE (Column G on Progress Estimate + Line 5 above)	\$0.00

**Contractor's Certification**

The undersigned Contractor certifies that: (1) all previous progress payments received from Owner on account of Work done under the Contract have been applied on account to discharge Contractor's legitimate obligations incurred in connection with Work covered by prior Applications for Payment; (2) title of all Work, materials and equipment incorporated in said Work or otherwise listed in or covered by this Application for Payment will pass to Owner at time of payment free and clear of all Liens, security interests and encumbrances (except such as are covered by a Bond acceptable to Owner indemnifying Owner against any such Liens, security interest or encumbrances); and (3) all Work covered by this Application for Payment is in accordance with the Contract Documents and is not defective.



*Dianna Gutzman*

By: *Jan [Signature]* Date: 2-13-2018

Payment of: \$31,570.86  
(Line 8 or other - attach explanation of other amount)

is recommended by: *R. Kelly Walsh* 02-16-2018  
(Engineer) (Date)

Payment of: \_\_\_\_\_  
(Line 8 or other - attach explanation of other amount)

is approved by: \_\_\_\_\_  
(Public Works Director) (Date)

Approved by: \_\_\_\_\_  
Funding Agency (if applicable) (Date)

Rice Lake Construction, Schedule of Values

Date of application 2/13/2018

Pay App #1

Work completed through: 1/31/2018

Pay Item Number	Description	B Scheduled Value	C From Previous Application (C+D)	D This Period	E Materials Presently Stored (not in Col D)	Total Completed and Stored to Date (C + D + E)	% (E)	Balance to Finish
1	Mobilization	\$39,300.00	\$39,300.00	\$0.00	\$0.00	\$39,300.00	100	\$0.00
2	Mechanical Direct Backwash Piping Revision	\$161,400.00	\$161,400.00	\$0.00		\$161,400.00	100	\$0.00
0	Filter Media and Underdrain System	\$104,800.00	\$104,800.00	\$0.00	\$0.00	\$104,800.00	100	\$0.00
4	Base Bid Electrical	\$13,100.00	\$13,100.00	\$0.00		\$13,100.00	100	\$0.00
5	Electrical - Controls and Instrumentation	\$63,000.00	\$63,000.00	\$0.00		\$63,000.00	100	\$0.00
6	Add Item 1 - Well Flow Meters	\$32,800.00	\$32,800.00	\$0.00	\$0.00	\$32,800.00	100	\$0.00
7	Design Allowances	\$0.00	\$0.00	\$0.00		\$0.00	100	\$0.00
								\$0.00
								\$0.00
								\$0.00
								\$0.00
	Design Allowances							
01001	Proposal Request 1 - Well Check Valves	\$4,884.57	\$4,884.57	\$0.00		\$4,884.57	100	\$0.00
01002	Proposal Request 2A - Backwash Piping Modification	\$4,676.97	\$4,676.97	\$0.00		\$4,676.97	100	\$0.00
01003	Install 6" spool and owner supplied Flow Meter	\$806.29	\$806.29	\$0.00		\$806.29	100	\$0.00
01004	Install 12" shipon pipes in Filters 1-4	\$12,435.13	\$12,435.13			\$12,435.13	100	\$0.00
01005	(2) Compact SeeSnake Camera Rentals and Pipe Clean Up	\$2,197.04	\$2,197.04	\$0.00		\$2,197.04	100	\$0.00
	Change Orders							
1	Install Underdrain Systems	\$192,017.16	\$192,017.16	\$0.00	\$0.00	\$192,017.16	100	\$0.00
		\$631,417.16	\$631,417.16	\$0.00	\$0.00	\$631,417.16	100	\$0.00

EJCDC No. C-620 (2002 Edition)  
 Prepared by the Engineers' Joint Contract Documents Committee and endorsed by the Associated General Contractors of America and the Construction Specifications Institute.