

**Council Meeting**  
**Tuesday, June 18, 2019**  
**City Council Chambers**  
**6:30 p.m.**  
**AGENDA**



Call to Order  
Pledge of Allegiance

1. Consent Agenda
  - Minutes
    - Council Minutes – June 4, 2019
    - HRA – May 8, 2019
    - Street Committee – June 6, 2019
    - Library Board – June 11, 2019
  - Amplification Permit – Summer Stevens
  - Regular Bills
2. Department Heads
3. Public Hearing Residential Tax Abatement – 3055 Matthew Drive
4. Public Hearing TIF District 1-22
  - Resolution Approving TIF Plan
  - Resolution Approving Interfund Loan
5. 2018 City Audit – Clifton Larson Allen
6. Development Agreement & Resolution– Market Rate Apartments
7. Tax Forfeited Property – 2019 Resolution
8. Electric Department
  - Apprentice Agreement
9. Hiring Recommendations
  - Electric Lineman
  - Community Center On Call
10. Designation of Use - 2005 Jeep
11. New Business
  - July 2, 2019 Council Meeting Schedule
12. Old Business
13. Council Comments
14. Adjourn



**Regular Council Meeting  
City Hall, Council Chamber  
June 4, 2019  
6:30 p.m.**

1. Call to Order:

The meeting was called to order by Mayor Dominic Jones.

2. Roll Call:

Council Present: Mayor Dominic Jones, JoAnn Ray, Marv Grunig, Rod Byam, Jenny Quade and James Nelson

Council Absent: None

City Staff Present: Steve Nasby, City Administrator; Brian Cooley, Street Superintendent; Tim Hogan, Acting Arena/Park & Recreation Director; Drew Hage, Development Director; Dana Wallace, Windom Police Officer; Andrew Spielman, Building & Zoning Official; Mike Haugen, Water/Wastewater Superintendent

3. Pledge of Allegiance

4. Amendment to Agenda:

Mayor Jones would like to add Luke Ewald – Des Moines Valley Health Presentation under Department Head item. Additionally discussion items under New Business to include Tax Forfeited Properties and MN DOT Intersection of 24<sup>th</sup> Street and Hwy 60 turning radius.

**Motion by Ray second by Grunig approving the Amended Agenda. Motion carried 5 – 0.**

5. Consent Agenda:

- Minutes
  - Council Minutes – May 21, 2019
  - Park & Recreation Commission – May 15, 2019
  - Joint Government Meeting – May 20, 2019
  - Utility Commission – May 22, 2019
  - Airport Commission – May 28, 2019
- Regular Bills

**Motion by Byam second by Quade approving the Consent Agenda. Motion carried 5 – 0.**

6. Department Heads:

Brian Cooley, Street & Park Superintendent, stated that the Department has begun fogging for insects. The new chemical formula includes treatment for gnats and mosquitoes. Fogging is scheduled on Monday and Thursday evenings after 8 PM weather permitting. Cooley also mentioned that pothole patching is underway, using 16 tons today alone. He said that the Park &

## Preliminary

Recreation Commission is discussing a dog park. They have tentatively suggested location at Island Park. Cooley informed the Council that June 5<sup>th</sup> is Community Day for the Windom Area Schools and students will be helping with maintenance in various parks.

Grunig asked about when the fogging formula was or will be changed, along with the recommended speed of the truck. Cooley replied they have already changed the chemical formula and the staff is instructed to travel at 10 mph to give proper delivery.

Quade questioned Cooley about the student projects and what they will be doing. Cooley said that they will be raking the beach area at Cottonwood Lake and sand volleyball courts along with painting equipment at Kastle Kingdom.

Byam inquired about City alleys. Cooley stated they will be addressed after potholes are filled.

Ray would like Cooley to elaborate on the "Adopt-A-Park" program. Cooley answered that the Program is for any business, person or organization wanting to assist with the maintenance/upkeep of parks.

Grunig asked if the street patch was completed by City staff for the new school building. Cooley informed the Council that the contractor working at the school completed this repair.

Byam thanked Cooley and his department for all their work to upkeep the City.

Drew Hage, Development Director, stated that Windom received a grant for installation of rain gardens that will be placed in Tegels Park to help with rain runoff into the lake. This will be completed in June/July 2019. The EDA along with BARC partnered together to complete tree plantings and obtain tables through the TORO Foundation.

Tim Hogan, Acting Arena/Park & Recreation Director, updated the Council about the Sand Volleyball league and the concerns that were discussed at the team meeting. Staff is addressing the court maintenance needs by churning sand and watering the courts. Hogan also stated that the digger will be used at Cottonwood Lake Beach to assist in the beach conditions. He mentioned that the pool has started to be filled and is hoping to have it open for a few hours this weekend for Riverfest.

Grunig asked about the pool deck condition after the last winter season. Hogan said that the deck condition is fairly good. The core sample areas that were drilled last year have been patched and touch up painting has been completed.

Jones inquired about the recent horse show at the Arena. Hogan answered it went well. The organizers worked well with staff to address needs and concerns from last year's show. As a result, they had more attendees. Hogan was able to extend their contract and will see the group again in August.

Dana Wallace, Windom Police Officer/School Resource Officer, and Luke Ewald, Des Moines Valley Health & Human Services, provided a presentation "How to Talk with Your Kids about Vaping." Ewald advised the Council on current statistics with e-cigarettes and what impact vaping has on the student population. The Tobacco 21 did not make it in the Omnibus Bill, however, 35 cities have Tobacco 21 policies.

7. Residential Tax Abatement – Public Hearing – 3055 Matthew Drive:

Drew Hage, Development Director, would like to postpone the public hearing for tax abatement on 3055 Matthew Drive to June 18<sup>th</sup> for this property as the notice was not published as planned.

**Motion by Grunig second by Nelson to postpone the Residential Tax Abatement Hearing for 3055 Matthew Drive until June 18<sup>th</sup>, 2019. Motion carried 5 – 0.**

8. TIF District 1-22 – Substandard Building Resolution:

Andrew Spielman, Building & Zoning Official, stated the EDA is working on creating a new redevelopment TIF District at 1405 Cottonwood Lake Drive (Cemstone Parcel). TIF regulations state that parcels that are included in a redevelopment TIF must meet certain criteria, of which must include the presence of substandard buildings. The other requirement is that the structure not be modified to satisfy the current building code at a cost of less than 15% of new construction of the same square footage and type. Spielman recently conducted an inspection of the property and took pictures to solidify his findings of a substandard structure. He is requesting Council to adopt a Resolution declaring the building on 1405 Cottonwood Lake Dr. to be a substandard building.

**Council Member Byam introduced the Resolution No. 2019-35, entitled “RESOLUTION FINDING A PARCEL TO BE OCCUPIED BY IMPROVEMENTS AND A SUBSTANDARD BUILDING” and moved its adoption. The resolution was seconded by Ray and on roll call vote: Yes: Ray, Nelson, Quade, Byam, and Grunig. No: None. Absent: None. Abstain: None. Resolution passed 5 – 0.**

9. Resolution Accepting Donation – Library – Windom Figure Skating Club:

**Council Member Grunig introduced the Resolution No. 2019-36, entitled “AUTHORIZATION TO ACCEPT A DONATION FROM WINDOM FIGURE SKATING CLUB TO THE WINDOM LIBRARY” and moved its adoption. The resolution was seconded by Nelson and on roll call vote: Yes: Nelson, Quade, Byam, Grunig, and Ray. No: None. Absent: None. Abstain: None. Resolution passed 5 – 0.**

Jones thanked the Windom Figure Skating Club for their donation.

10. Resolution for Submission of Budget Request for Consideration in 2020 Legislative Session:

Jones reviewed with Council at their previous meeting that they come up with a project to submit to the State of Minnesota for consideration of State Bonding monies. The Council has considered submitting the Red Leaf Court/18<sup>th</sup> Avenue Storm Water Drainage Project.

Grunig asked if the type of request is reasonable/eligible. Nasby said other cities have submitted infrastructure requests for possible bonding monies such as streets and water retention.

**Council Member Byam introduced the Resolution No. 2019-37, entitled “A LOCAL GOVERNMENT RESOLUTION APPROVING SUBMISSION OF A BUDGET REQUEST TO THE MINNESOTA DEPARTMENT OF MANAGEMENT AND BUDGET FOR CONSIDERATION IN THE 2020 LEGISLATIVE SESSION” and moved its adoption. The resolution was seconded by Grunig and on roll call vote: Yes: Nelson, Quade, Byam, Grunig, and Ray. No: None. Absent: None. Abstain: None. Resolution passed 5 – 0.**

Preliminary

11. Disposition of Equipment – Electric Department:

**Motion by Grunig second by Nelson to approve the disposition of an old bucket truck and assorted equipment/obsolete inventory for the Electric Department. Motion carried 5 – 0.**

12. Swimming Pool – New Hires:

Hogan explained that the presented list is new hires for the City of Windom Pool and Recreation Departments to fill the empty positions. The listed lifeguards have completed the necessary certification. The recreation hires are to fill in as needed.

**Motion by Ray second by Quade to approve the list of New Hires as presented. Motion carried 5 – 0.**

13. New Business:

Nasby recently received a letter from Cottonwood County stating that there is a tax forfeited property that is being offered to the City of Windom for purchase and public use. The parcel is located at 95 5<sup>th</sup> Street and has assessments of \$894. Department staff did not express any interest in this location. Nasby informed Council that a neighbor may purchase it to clean up the neighborhood. Council is not required to take any action if there is not intent on buying this property.

Nasby explained to Council that he has discussed with MN DOT about the 24<sup>th</sup> St and Hwy 60 turning radius. Semi tractor-trailers have worn the sides of the road as insufficient space is available to make a safe turn onto the Highway. MN DOT is proposing pavement be added to the North portion of the road to widen the turn radius at this intersection. The cost for the project would be split 50 percent with the City of Windom with a projected cost estimate of \$30,000.

**Motion by Grunig second by Ray to approve the intersection improvements at 24<sup>th</sup> St and Hwy 60 with a 50/50 cost share with MN DOT and finance it through the General Fund Reserve with the intent of reimbursing the Reserve account. Motion carried 5 – 0.**

14. Old Business:

None.

15. Contractor Payment - Gridor Construction, Inc. - WWTF Improvement Project #7 - \$1,617,896:

Mike Haugen, Water/Wastewater Superintendent, stated the Utility Commission and Project Engineer is recommending Payment #7 be made to Gridor Construction. The project improvements on the pay request include site work, backfill, concrete, rebar and disc filters.

**Motion by Ray second by Grunig to approve pay request #7 to Gridor Construction, Inc. for \$1,617,896.00. Motion carried 5 - 0.**

Haugen noted that the jetting machine is being used on First Avenue along with televising of the lines as part of the Inflow and Infrastructure portion of the PSIG Grant for the Wastewater Treatment Improvement Project. The WWTP is approximately 25-33% complete.

Preliminary

16. Council Comments:

Quade thanked the Electric Department for their quick response to the power outage Friday night due to a transformer malfunction. She informed constituents that there are only 5 employees in the Street/Park Department completing the needed street work, mowing, fogging, parks maintenance and ball field preparation. She thanked the Street and Park Department staff for their work. Quade ended by encouraging everyone to enjoy the Riverfest celebration this week and to watch out for children.

Byam noted that he flew over Cottonwood County on Saturday as part of his Civil Air Patrol duties. He said that Cottonwood County still has flooding areas and sandbags should remain in place as water is still flowing through the County. Byam informed the Council that the Recreation Programs are starting on June 10<sup>th</sup> and run approximately 40 days. He voiced concern for the children that will be at Winfair for breakfast and then travelling to the Windom Rec Area for their ball programs or the Windom Pool. Byam encouraged parents to be responsible and watch for children as they are using the streets and sidewalks. He would like residents to provide input for future camping options and locations.

Nelson, Grunig and Jones urged the public to enjoy the Riverfest activities this week.

Ray mentioned that the school year ends tomorrow and persuaded everyone to be aware of the kids going to and from activities. She also mentioned that properties need attention as the Spring Clean-up program has passed.

17. Adjournment:

**Mayor Jones adjourned the meeting by unanimous consent at 7:45 p.m.**

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

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

REGULAR MEETING OF THE HOUSING AND REDEVELOPMENT AUTHORITY OF WINDOM, MN

May 8, 2019 at 4:00pm

A regular meeting of the Board of Directors was held on Wednesday, May 8, 2019, at the Riverview Apartments Community Room. Board Members present: Linda Jaakola, Margaret McDonald, Pam Dobson, Dan Molitor and Resident Liaison, Mike Meyer. Also present was: Executive Director, Connie Clausen. Absent: Board Member, Tom White.

The Regular Board Meeting was called to order at 4:00 pm with the consent agenda approved (Dobson/McDonald) which included minutes from the previous meeting, the agenda, balance report and bills report.

Scheduled Guests: None

Old business consisted of:

1. The Executive Director presented an update on the monthly turnaround rate. For FYE 03/31/20, we've had 3 unit turns at an average rate of 12 days. The Executive Director presented the February 2019 Fee Accountant reports for review. The Executive Director will be addressing a few questions that were raised.
2. An update was given on the Radon Mitigation Project at Hillside Manor. Thor Wiebe Home Inspections has installed the new radon mitigation system into unit 101 in the amount of \$2,506.18. We have received a pay request for half of the materials in the amount of \$1,229.74. A motion was made to approve and pay the request. (McDonald/Dobson)
3. An update was given on the HS Parking Lot Project. Two bids were received 1.) Nielsen Concrete for \$73,784.00 and 2.) M.R. Paving & Excavating for \$99,331.39. After some discussion, a motion was made to accept the bid from Nielsen Concrete. (McDonald/Dobson) The project is to be completed by 10/01/2019.
4. The Executive Director presented information from Cutler Financial regarding the proposed change in the group retirement plan. Cutler provided comparison information for current holder, Lincoln/PPG and proposed holder, Security Benefits. After the last board meeting, Cutler Financial reached out to the Executive Director and said that there would be a one-time \$250.00 de-conversion fee. After some discussion, a motion was made to move forward with the change. (Dobson/Molitor)
5. The Executive Director gave an update on the Hillside Manor roof issues after ice dams. The Building Inspector recommends heat tape in the gutters as a prevention measure. Staff will gather pricing to present to board later this summer.
6. The Executive Director gave an update on the 957 River Rd. property. Elite Mechanical was there this week installing the new central air unit and furnace. They expect to be completed by the end of the week.
7. The Executive Director gave an update on the Insurance Claim incident from 03/15/2019. North Star Mutual reported no evidence of wrong doing and the claim was denied.
8. The Executive Director gave an update on the Tamper Flow Switch Installation. Brother's Fire is recommending that we replace the existing check valve with an OS & Y control valve and insert flange spacer to accommodate the difference in take outs. The cost for that would be an additional \$2,351.00, bringing the total to \$4,784.00. After some discussion a motion was made to approve the recommendation and move forward with the additional fees, with 2 for the motion and 1 against the motion. (McDonald/Dobson)

New Business consisted of:

1. The Executive Director gave an update for the Jackson HRA. The Sewer Pipe Repair Project will start within 2 weeks. The annual audit for FYE 09/30/18 is scheduled for the week of May 20<sup>th</sup>. Windom maintenance staff will be helping with window repairs at the Hi-Rise. We are waiting to hear from REAC. MN Revenue Recapture audit will start this Friday.
2. The Executive Director reported that she has been contacted by the MN Department of Labor in regard to an investigation from the RV Wall Project. She has had a request for payroll reports from a sub-contractor. She will bring more information as it develops.

3. The Executive Director reported that she has been contacted in regard to a Request for Utility Analysis by SM Engineering Co. After some discussion, the Executive Director is going to research more information and bring it back to the board at the June meeting.
4. The Executive Director reported that AT&T will be upgrading their equipment on the RV roof. There will be no cost to the HRA.
5. The Executive Director presented the board with a list of 5 uncleared checks in the amount of \$1,256.82 that are more than a year old. After some discussion a motion was made to void the checks. (Dobson/Molitor)
6. The Executive Director reported that we will be order new staff t-shirts for the maintenance staff.
7. Staff training is scheduled for 05/29/2019. The subject for the training will be Sexual Harassment.
8. Earth Day Clean-up: We had 14 tenants come out to help clean-up the yard and do some painting followed by a cookout.
9. The Executive Director reports working on the following reports: (Windom) FYE 3/31/19 REAC submission, (Windom & Jackson) Update Environmental Reviews, (Jackson) FYE 09/30/2018 Audit.
10. The Executive Director will be attending MN Nahro Spring Conference May 22<sup>nd</sup>-24<sup>th</sup>
11. The meeting was closed at 5:01 (Molitor/McDonald) for Executive Director contract negotiations. The meeting was reopened at 5:09 (McDonald/Molitor).
12. Upcoming board meetings will be June 12<sup>th</sup> (HS) and July 10<sup>th</sup> (RV).

With no further business, the meeting was adjourned at 5:10pm (Molitor/ McDonald).

Linda Jaakola, Chairman

Connie Clausen, Executive Director

## STREET COMMITTEE MEETING MINUTES

June 6, 2019

**Call to Order** 4:30 p.m. at the Council Chambers in Windom.

### Roll Call:

Members Present: Joan Ray, Jenny Quade, and, Brian Cooley, Street Superintendent  
City Staff Present: Steve Nasby, City Administrator; Mike Haugen, Water\Wastewater Superintendent  
Public Present: Dan Van Schepen, P. E. from DGR Engineering

### 1. **Street Project**

Dan van Schepen handed out the **proposed** street repairs according to the last street survey and test borings done. This is for the 2020 street project. They are as follows:

**Verona Avenue**, between Highland Road and Des Moines Drive - curbs, and Mill and overlay.

**Fairview Avenue**, between Highland Road and Des Moines Drive-Mill and overlay.

**Des Moines Drive**, from a block past Winne Avenue to the intersection of Highland Road – curbs, replace clay sanitary sewer pipes, catch basin and storm sewer work, and mill and overlay.

**Highland Road**, from a block past Fairview Avenue to the intersection of Minnesota State Highway 62 - curbs replace clay sanitary sewer pipes, catch basin and storm sewer work, Mill and overlay.

**\*14<sup>th</sup> Street**, from 6th Avenue to Minnesota State Highway 60- Catch basin repairs, mill and overlay.

**\*15<sup>th</sup> Street**, from 6th Avenue to Minnesota State Highway 60- Catch basin repairs, mill and overlay.

**\*16<sup>th</sup> street**, from MN 60 to Cottonwood Lake Drive- mill and overlay.

**South 6<sup>th</sup> Street**, from the end of the 2017 project to River Bluff Drive – mill and overlay (only our half of the street).

*\*Will need to do soil borings.*

A discussion on the projected cost estimates on doing different types of repairs on the street and there cost savings will be looked at by DGR. Dan will work soil borings and prices for the streets in the estimated costs for each street.

The meeting adjourned at 5:40 pm.

Windom Library Board Meeting

City of Windom Council Chamber

Tuesday, June 11, 2019

5:05 p.m.

1. Call to order: The meeting was called to order by John Duscher
2. Roll Call: Members Present: John Duscher, Kathy Hiley, Steve Fresk, Susan Ebeling and Anita Winkel  
Members Absent: Terri Jones and Kari Scheitel  
Library Staff Present: Dawn Aamot  
City Council Member Present: None

3. Agenda and Minutes:

Motion by Susan Ebeling and seconded by Steve Fresk to approve the agenda and the minutes.

4. Financial Report:

Dawn reviewed the financial report. The donation from the Ice Skating Association is a thank you for allowing them to store their ice show decorations in the library basement. Motion by Susan Ebeling and seconded by Anita Winkel to approve the Financial Report.

5. Librarian's Report:

Dawn reported that this week has been designated as "Love Your Library Week". The Friends of the Windom Library will be serving refreshments as a thank you to current Friend's members for their support and looking to recruit new members.

Summer reading started on June 3. Participants will sign a contract to read 15 minutes per day for 5 days to receive a prize. Lunch Bunch and Storytime started today. There was a good turnout for both. Two entertainers are scheduled for this summer. On June 18, Wonder Weavers will perform at 1 pm at the Community Center. This performance consists of puppets, music and magic. It is paid for by MN Legacy Funds. On June 27, Ralph's World will perform at the Winfair Gym at 10:30 am. He is an Emmy nominee from the Chicago area and was scheduled thru the Plum Creek Library System.

A Book Sale was held at BARC during their Riverfest Rummage Sale. The ALC students brought up the books from the basement. The book sale ran for 2 1/2 days. Dawn will discuss with the Friends group whether to have a final large book sale at BARC. Set up and take down is very time consuming for the monies that are generated. The Friends can continue to hold "Pop Up" book sales at the library.

Motion by Steve Fresk and seconded by Susan Ebeling to approve the librarian's report.

6. Old Business:

Indoff Business products should be finalizing statement on the shelving purchase. Terry Fredin plans to start the bathroom remodel after July 4. Worthington Glass plans to start the window replacement in the

Children's library the end of June. They report that this window replacement won't be as intrusive as the window replacement in the main library. With Mark Peterson's passing, Dawn will be contacting other painters in the area and get new quotes.

7. New Business:

Catholic Charities approved the \$7,500 grant to the Window Friends of the Library. This is a grant for public libraries "brick and mortar" projects. This grant will be designated for the children's library window project.

8. Book Suggestions:

9. Adjourn:

Meeting adjourned at 5:33 p.m.

Respectfully submitted,

Kathy Hiley, recording secretary





Windom, MN

# Expense Approval Report

By Fund

Payment Dates 05312019 - 06132019

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
<b>Fund: 100 - GENERAL</b>					
<b>Activity: 41110 - Mayor &amp; Council</b>					
CITIZEN PUBLISHING CO	20190531	06/05/2019	ADVERTISING	100-41110-350	183.20
<b>Activity 41110 - Mayor &amp; Council Total:</b>					<b>183.20</b>
<b>Activity: 41310 - Administration</b>					
MAIL FINANCE	N7744707	06/04/2019	LEASE PAYMENT	100-41310-200	23.99
TOSHIBA FINANCIAL SERVICES	386126437	06/04/2019	COPIER LEASE 5/20 -6/20	100-41310-217	31.13
CLIFTON-LARSON-ALLEN, LLP	2157259	06/11/2019	AUDIT SERVICE	100-41310-301	460.00
US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD - SKILLPA	100-41310-308	304.38
MCFOA REGION V	20190611	06/11/2019	REGISTRATION-CHELSIE CARL	100-41310-308	30.00
VERIZON WIRELESS	9830522960	06/04/2019	TELEPHONE #486357723-000	100-41310-321	46.16
US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD - CRASH	100-41310-326	10.00
STEVE NASBY	20190530	06/04/2019	EXPENSE - SUPERVISORS TRAI	100-41310-331	105.56
STEVE NASBY	20190605	06/12/2019	EXPENSE - CORRIDER STUDY	100-41310-331	82.94
STEVE NASBY	20190605	06/12/2019	EXPENSE - CORRIDER STUDY	100-41310-334	14.91
CITIZEN PUBLISHING CO	20190531	06/05/2019	ADVERTISING	100-41310-350	119.88
<b>Activity 41310 - Administration Total:</b>					<b>1,228.95</b>
<b>Activity: 41910 - Building &amp; Zoning</b>					
US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD - RUNNI	100-41910-200	61.32
INDOFF, INC	3243528	06/06/2019	SUPPLIES	100-41910-200	2.42
MAIL FINANCE	N7744707	06/04/2019	LEASE PAYMENT	100-41910-200	23.99
US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD - SKILLPA	100-41910-308	152.19
VERIZON WIRELESS	9830522960	06/04/2019	TELEPHONE #486357723-000	100-41910-321	36.16
COTTONWOOD CO SOLID WA	1920053	06/12/2019	REFUSE DISPOSAL - EBELING	100-41910-480	14.50
<b>Activity 41910 - Building &amp; Zoning Total:</b>					<b>290.58</b>
<b>Activity: 41940 - City Hall</b>					
ROBIN SHAW	20190612	06/12/2019	EXPENSE - OFFICE SUPPLIES	100-41940-211	13.84
COLE PAPERS INC.	9547485	05/28/2019	SUPPLIES	100-41940-211	269.01
US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD - SCHWA	100-41940-406	21.64
MELISSA PENAS	20190604	06/04/2019	CLEANING	100-41940-406	407.00
SANDRA HERDER	20190604	06/04/2019	CLEANING	100-41940-406	407.00
<b>Activity 41940 - City Hall Total:</b>					<b>1,118.49</b>
<b>Activity: 42120 - Crime Control</b>					
INDOFF, INC	3248324	06/04/2019	SUPPLIES	100-42120-200	75.17
MAIL FINANCE	N7744707	06/04/2019	LEASE PAYMENT	100-42120-200	23.99
LOUIS NORELL	20190517	06/04/2019	K - 9 TRAINING	100-42120-212	105.75
LOUIS NORELL	20190524	06/04/2019	K-9 TRAINING	100-42120-212	57.00
US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD - GALLS	100-42120-218	47.40
US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD - AXON U	100-42120-218	68.40
US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD - SKILLPA	100-42120-308	152.19
US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD - ALICET	100-42120-308	595.00
MIKE'S LLC	301	05/28/2019	SERVICE	100-42120-323	967.36
MIKE'S LLC	304	06/04/2019	SERVICE - UNIT 19-2	100-42120-323	132.08
ALPHA WIRELESS - MANKATO	698346	06/11/2019	SERVICE #00681	100-42120-323	108.00
LOUIS NORELL	20190517	06/04/2019	K - 9 TRAINING	100-42120-334	29.28
LOUIS NORELL	20190517	06/04/2019	K - 9 TRAINING	100-42120-334	84.01
LOUIS NORELL	20190524	06/04/2019	K-9 TRAINING	100-42120-334	122.18
LOUIS NORELL	20190524	06/04/2019	K-9 TRAINING	100-42120-334	9.46
E & C GRAPHICS INC	19697	06/04/2019	SERVICE	100-42120-404	350.00
E & C GRAPHICS INC	19711	06/04/2019	SERVICE	100-42120-404	50.00
TOSHIBA FINANCIAL SERVICES	386126437	06/04/2019	COPIER LEASE 5/20 -6/20	100-42120-404	15.57
NORTHERN SAFETY TECHNOL	47647	06/04/2019	MAINTENANCE	100-42120-404	224.52
US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD - WEATH	100-42120-405	190.79

## Expense Approval Report

Payment Dates: 05312019 - 06132019

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
P.M. REPAIR & DETAILING	9102	06/04/2019	SERVICE ON 79580 UNIT 15-1	100-42120-405	61.44
FORD MOTOR CREDIT CO LLC	1667448	06/04/2019	VEHICLE PAYMENT	100-42120-419	663.95
FLEET SERVICES DIVISION	2019100002	06/04/2019	SERVICE #A00WIN	100-42120-419	1,715.55
MN BOARD OF PEACE OFFICE	20190531	06/11/2019	LICENSE RENEWAL - DONNA	100-42120-433	90.00
MN BOARD OF PEACE OFFICE	20190601	06/11/2019	LICENSE RENEWAL - LOUIS NO	100-42120-433	90.00
US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD -	100-42120-480	100.00
BLUE CROSS/BLUE SHIELD	20190611	06/11/2019	INSURANCE PREM- JULY 2019	100-42120-480	596.50
<b>Activity 42120 - Crime Control Total:</b>					<b>6,725.59</b>
<b>Activity: 42220 - Fire Fighting</b>					
US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD - SCHWA	100-42220-211	50.55
AMERIPRIDE SERVICES INC.	2801030739	05/28/2019	MERCHANDISE	100-42220-211	31.77
MUNICIPAL EMERGENCY SER	IN1341940	06/04/2019	SUPPLIES	100-42220-215	610.04
RUNNINGS SUPPLY, INC	#71920 5-24-19	06/06/2019	MAINTENANCE #71920	100-42220-404	7.99
TOSHIBA FINANCIAL SERVICES	386126437	06/04/2019	COPIER LEASE 5/20 - 6/20	100-42220-404	24.91
US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD - SCHWA	100-42220-406	179.77
<b>Activity 42220 - Fire Fighting Total:</b>					<b>905.03</b>
<b>Activity: 43100 - Streets</b>					
MAIL FINANCE	N7744707	06/04/2019	LEASE PAYMENT	100-43100-200	23.99
CLARKE MOSQUITO CONTROL	5086144	05/22/2019	SERVICE #W00444	100-43100-214	13,815.40
RUNNINGS SUPPLY, INC	#71920 5-24-19	06/06/2019	MAINTENANCE #71920	100-43100-217	-29.98
MID-AMERICAN RESEARCH C	0665953-IN	06/04/2019	#00-3304990 - SUPPLIES	100-43100-217	395.89
US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD - SKILLPA	100-43100-308	152.19
VERIZON WIRELESS	9830522960	06/04/2019	TELEPHONE #486357723-000	100-43100-321	44.48
MILLER SELLNER EQUIP	#01436 5-25	06/04/2019	MAINTENANCE	100-43100-404	3,715.00
RUNNINGS SUPPLY, INC	#71920 5-24-19	06/06/2019	MAINTENANCE #71920	100-43100-404	78.95
RUNNINGS SUPPLY, INC	#71920 5-24-19	06/06/2019	MAINTENANCE #71920	100-43100-404	69.99
GMS INDUSTRIAL SUPPLIES, I	050054	06/04/2019	MAINTENANCE	100-43100-404	127.38
WINDOM FARM SERVICE	20190531	06/12/2019	REPAIRS	100-43100-404	293.46
KRIS ENGINEERING, INC	31898	05/22/2019	MAINTENANCE	100-43100-404	2,843.54
RUNNINGS SUPPLY, INC	#71920 5-24-19	06/06/2019	MAINTENANCE #71920	100-43100-405	3.88
EMERGENCY AUTOMOTIVE TE	DL051519-21	05/20/2019	MAINTENANCE	100-43100-405	145.05
BLUE CROSS/BLUE SHIELD	20190611	06/11/2019	INSURANCE PREM- JULY 2019	100-43100-480	596.50
<b>Activity 43100 - Streets Total:</b>					<b>22,275.72</b>
<b>Activity: 43210 - Sanitation</b>					
CITIZEN PUBLISHING CO	20190531	06/05/2019	ADVERTISING	100-43210-340	860.00
KDOM RADIO	#0951 5-31-19	06/05/2019	ADVERTISING #0951	100-43210-384	328.32
US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD - HY VEE	100-43210-480	4.81
<b>Activity 43210 - Sanitation Total:</b>					<b>1,193.13</b>
<b>Activity: 45120 - Recreation</b>					
MAIL FINANCE	N7744707	06/04/2019	LEASE PAYMENT	100-45120-200	23.99
US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD - RAMBO	100-45120-215	303.50
TOSHIBA FINANCIAL SERVICES	386126437	06/04/2019	COPIER LEASE 5/20 - 6/20	100-45120-217	15.57
CITIZEN PUBLISHING CO	20190531	06/05/2019	ADVERTISING	100-45120-340	166.50
<b>Activity 45120 - Recreation Total:</b>					<b>509.56</b>
<b>Activity: 45202 - Park Areas</b>					
MAIL FINANCE	N7744707	06/04/2019	LEASE PAYMENT	100-45202-200	23.99
US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD - MENAR	100-45202-217	291.23
US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD - ULINES	100-45202-217	-168.21
US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD - ULINES	100-45202-217	162.28
RUNNINGS SUPPLY, INC	#71920 5-24-19	06/06/2019	MAINTENANCE #71920	100-45202-405	53.25
COTTONWOOD CO SOLID WA	1919676	06/12/2019	REFUSE DISPOSAL	100-45202-406	10.00
COTTONWOOD CO SOLID WA	1919678	06/12/2019	REFUSE DISPOSAL	100-45202-406	10.00
<b>Activity 45202 - Park Areas Total:</b>					<b>382.54</b>
<b>Fund 100 - GENERAL Total:</b>					<b>34,812.79</b>
<b>Fund: 211 - LIBRARY</b>					
<b>Activity: 45501 - Library</b>					
US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD - AMAZO	211-45501-200	-7.89
US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD - AMAZO	211-45501-200	-17.00

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US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD - AMAZO	211-45501-200	26.55
US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD - AMAZO	211-45501-200	60.05
DEMCO	6615463	06/04/2019	SUPPLIES	211-45501-200	263.63
TOSHIBA FINANCIAL SERVICES	386126437	06/04/2019	COPIER LEASE 5/20 - 6/20	211-45501-217	7.78
US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD - SKILLPA	211-45501-308	152.19
MELISSA PENAS	20190604	06/04/2019	CLEANING	211-45501-402	418.00
SANDRA HERDER	20190604	06/04/2019	CLEANING	211-45501-402	418.00
US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD - NATION	211-45501-433	39.00
INGRAM INDUSTRIES	20190601	06/11/2019	BOOKS #20042	211-45501-435	1,595.07
				<b>Activity 45501 - Library Total:</b>	<b>2,955.38</b>
				<b>Fund 211 - LIBRARY Total:</b>	<b>2,955.38</b>

**Fund: 225 - AIRPORT****Activity: 45127 - Airport**

RED ROCK RURAL WATER	20190610	06/12/2019	SERVICE	225-45127-200	2.00
RED ROCK RURAL WATER	20190610	06/12/2019	SERVICE	225-45127-200	27.00
CITIZEN PUBLISHING CO	20190531	06/05/2019	ADVERTISING	225-45127-217	121.20
SOUTH CENTRAL ELECTRIC	#367400 4-30-19	06/04/2019	SERVICE #367400 #26-12-112	225-45127-381	171.00
SOUTH CENTRAL ELECTRIC	#367403 4-30-19	06/04/2019	SERVICE #367403	225-45127-381	260.23
GDF ENTERPRISES, INC	A15936	06/04/2019	SERVICE - MAINTENANCE	225-45127-404	241.44
O'DAY EQUIPMENT, LLC	SRVCE0077311	05/28/2019	MAINTENANCE	225-45127-404	2,120.34
ELITE MECHANICAL SYSTEMS,	4607	06/04/2019	MAINTENANCE	225-45127-409	106.87
				<b>Activity 45127 - Airport Total:</b>	<b>3,050.08</b>
				<b>Fund 225 - AIRPORT Total:</b>	<b>3,050.08</b>

**Fund: 230 - POOL****Activity: 45124 - Pool**

HAWKINS, INC	4504866	06/04/2019	CHEMICALS	230-45124-216	1,178.20
RUNNINGS SUPPLY, INC	#71920 5-24-19	06/06/2019	MAINTENANCE #71920	230-45124-217	71.92
TOSHIBA FINANCIAL SERVICES	386126437	06/04/2019	COPIER LEASE 5/20 - 6/20	230-45124-217	7.78
WINDOM FIRE & SAFETY	7054	06/04/2019	SERVICE - SWIMMING POOL	230-45124-217	30.00
NEGEN CONSTRUCTION LLC	20190603	06/11/2019	SERVICE - MAINTENANCE	230-45124-402	165.00
				<b>Activity 45124 - Pool Total:</b>	<b>1,452.90</b>
				<b>Fund 230 - POOL Total:</b>	<b>1,452.90</b>

**Fund: 235 - AMBULANCE**

AMERICAN ACCOUNTS & ADV	WIN01-1 5-31-19	06/06/2019	REIMBURSING FOR AN NSF C	235-34205	60.00
					<b>60.00</b>

**Activity: 42153 - Ambulance**

MAIL FINANCE	N7744707	06/04/2019	LEASE PAYMENT	235-42153-200	23.99
US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD - AMAZO	235-42153-217	53.76
BRITTANY ESPENSON - RIVERS	1036	06/04/2019	SERVICE	235-42153-217	210.00
VAN PAPER COMPANY INC	500953-00	05/28/2019	OPERATING SUPPLIES	235-42153-217	71.56
EMSRB	546895	06/06/2019	#21 - MNSTAR FORMS	235-42153-217	112.00
US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD - GALLS	235-42153-218	270.83
WINDOM AREA HEALTH	734-0024-05-19-0024	06/12/2019	NURSING STAFF	235-42153-312	3,553.45
VERIZON WIRELESS	9830522960	06/04/2019	TELEPHONE #486357723-000	235-42153-321	108.48
EXPERT BILLING	5736	05/20/2019	SERVICE	235-42153-326	2,660.00
REAL TIME TRANSLATION, INC	113855	06/06/2019	SERVICE	235-42153-327	34.00
MEGAN BRAMSTEDT	20190604	06/04/2019	EXPENSE - AMBULANCE	235-42153-334	40.71
JIM AXFORD	20190604	06/04/2019	EXPENSE - AMBULANCE	235-42153-334	61.40
KDOM RADIO	#0281 5-31-19	06/06/2019	ADVERTISING #0281	235-42153-340	250.00
US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD - POSITIV	235-42153-340	397.50
WINDOM FARM SERVICE	20190531	06/12/2019	REPAIRS - UNIT #29 - HIT DEE	235-42153-405	650.84
GRAHAM TIRE CO	8564696	05/21/2019	#27 MAINTENANCE	235-42153-405	212.88
GRAHAM TIRE CO	8564952	05/21/2019	#27 MAINTENANCE	235-42153-405	89.95
P.M. REPAIR & DETAILING	9235	05/21/2019	#27 MAINTENANCE	235-42153-405	512.74
AMERIPRIDE SERVICES INC.	2801030739	05/28/2019	MERCHANDISE	235-42153-406	21.18
				<b>Activity 42153 - Ambulance Total:</b>	<b>9,335.27</b>
				<b>Fund 235 - AMBULANCE Total:</b>	<b>9,395.27</b>

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<b>Fund: 250 - EDA GENERAL</b>					
<b>Activity: 46520 - EDA</b>					
INDOFF, INC	3243528	06/06/2019	SUPPLIES	250-46520-200	2.41
MAIL FINANCE	N7744707	06/04/2019	LEASE PAYMENT	250-46520-200	23.99
US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD - EDA OF	250-46520-308	415.00
US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD - COMM	250-46520-308	69.00
US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD - SKILLPA	250-46520-308	152.19
VERIZON WIRELESS	9830522960	06/04/2019	TELEPHONE #486357723-000	250-46520-321	26.88
DREW HAGE	20190610	06/12/2019	EXPENSE - TED / TEDI WORKS	250-46520-331	81.20
US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD - SUITES	250-46520-334	231.68
CITIZEN PUBLISHING CO	20190531	06/05/2019	ADVERTISING	250-46520-340	688.70
WINDOM QUICK PRINT	20190604	06/04/2019	SUPPLIES	250-46520-340	199.00
CITIZEN PUBLISHING CO	20190531	06/05/2019	ADVERTISING	250-46520-350	79.50
FEDERATED RURAL ELECTRIC	#112954 5-28-19	06/04/2019	SERVICE #112954	250-46520-381	14.00
ELECTRIC FUND	20190612	06/12/2019	FAST GLOBAL @ 1925 REDDIN	250-46520-382	219.48
ELECTRIC FUND	20190612	06/12/2019	FAST GLOBAL @ 1925 REDDIN	250-46520-385	219.48
US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD - HYVEE	250-46520-438	21.21
<b>Activity 46520 - EDA Total:</b>					<b>2,443.72</b>
<b>Activity: 49980 - Debt Service</b>					
FULDA CREDIT UNION	20190610	06/11/2019	SPEC BLDG LOAN - JUNE 2019	250-49980-602	2,335.76
FULDA CREDIT UNION	20190610	06/11/2019	SPEC BLDG LOAN - JUNE 2019	250-49980-612	1,024.24
<b>Activity 49980 - Debt Service Total:</b>					<b>3,360.00</b>
<b>Fund 250 - EDA GENERAL Total:</b>					<b>5,803.72</b>
<b>Fund: 254 - NORTH IND PARK</b>					
<b>Activity: 46520 - EDA</b>					
MICKY MASTERS	20190531	06/06/2019	SERVICE - NWIP MOWING	254-46520-406	448.88
NEGEN CONSTRUCTION LLC	20190603A	06/12/2019	SERVICE	254-46520-406	189.50
<b>Activity 46520 - EDA Total:</b>					<b>638.38</b>
<b>Fund 254 - NORTH IND PARK Total:</b>					<b>638.38</b>
<b>Fund: 266 - TIF 1-10 RUNNINGS</b>					
<b>Activity: 46530 - TIF Districts</b>					
J & R PARTNERSHIP	20190610	06/11/2019	TIF DIST NO 1-10 #16 RUNNIN	266-46530-482	21,003.46
<b>Activity 46530 - TIF Districts Total:</b>					<b>21,003.46</b>
<b>Fund 266 - TIF 1-10 RUNNINGS Total:</b>					<b>21,003.46</b>
<b>Fund: 268 - TIF 1-12 PM WINDOM/PRIME PORK</b>					
<b>Activity: 46530 - TIF Districts</b>					
PRIME PORK	20190610	06/12/2019	TIF DIST NO 1-12 COUNTY #21	268-46530-482	144,280.56
<b>Activity 46530 - TIF Districts Total:</b>					<b>144,280.56</b>
<b>Fund 268 - TIF 1-12 PM WINDOM/PRIME PORK Total:</b>					<b>144,280.56</b>
<b>Fund: 275 - TIF 1-15 FULDA AREA CREDIT UNION</b>					
<b>Activity: 46530 - TIF Districts</b>					
FULDA CREDIT UNION	20190611	06/11/2019	TIF DIST NO 1-15	275-46530-482	14,288.96
<b>Activity 46530 - TIF Districts Total:</b>					<b>14,288.96</b>
<b>Fund 275 - TIF 1-15 FULDA AREA CREDIT UNION Total:</b>					<b>14,288.96</b>
<b>Fund: 276 - TIF 1-20 NEW VISION</b>					
<b>Activity: 46530 - TIF Districts</b>					
NEW VISION COOP	20190611	06/11/2019	TIF DIST NO 1-20 - NEW VISIO	276-46530-482	16,701.94
<b>Activity 46530 - TIF Districts Total:</b>					<b>16,701.94</b>
<b>Fund 276 - TIF 1-20 NEW VISION Total:</b>					<b>16,701.94</b>
<b>Fund: 401 - GENERAL CAPITAL PROJECTS</b>					
<b>Activity: 49950 - Capital Outlay</b>					
COTTONWOOD CO SOLID WA	20190522	06/12/2019	#1920168, 1920166, 1920162	401-49950-509	491.06
COTTONWOOD CO SOLID WA	20190522	06/12/2019	#1920168, 1920166, 1920162	401-49950-509	406.80
COTTONWOOD CO SOLID WA	20190522	06/12/2019	#1920168, 1920166, 1920162	401-49950-509	355.69
COTTONWOOD CO SOLID WA	20190522	06/12/2019	#1920168, 1920166, 1920162	401-49950-509	381.24
COTTONWOOD CO SOLID WA	20190522A	06/12/2019	#1920157, 1920156, 1920155	401-49950-509	325.99

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COTTONWOOD CO SOLID WA	20190522A	06/12/2019	#1920157, 1920156, 1920155	401-49950-509	357.07
COTTONWOOD CO SOLID WA	20190522A	06/12/2019	#1920157, 1920156, 1920155	401-49950-509	365.36
COTTONWOOD CO SOLID WA	20190522A	06/12/2019	#1920157, 1920156, 1920155	401-49950-509	387.46
COTTONWOOD CO SOLID WA	20190522B	06/12/2019	#1920153, 1920152, 1920151	401-49950-509	415.78
COTTONWOOD CO SOLID WA	20190522B	06/12/2019	#1920153, 1920152, 1920151	401-49950-509	411.63
COTTONWOOD CO SOLID WA	20190522B	06/12/2019	#1920153, 1920152, 1920151	401-49950-509	365.36
COTTONWOOD CO SOLID WA	20190529	06/12/2019	#1920258, 1920254, 1920172	401-49950-509	288.70
COTTONWOOD CO SOLID WA	20190529	06/12/2019	#1920258, 1920254, 1920172	401-49950-509	207.89
COTTONWOOD CO SOLID WA	20190529	06/12/2019	#1920258, 1920254, 1920172	401-49950-509	477.94
COTTONWOOD CO SOLID WA	20190529	06/12/2019	#1920258, 1920254, 1920172	401-49950-509	321.16
<b>Activity 49950 - Capital Outlay Total:</b>					<b>5,559.13</b>
<b>Fund 401 - GENERAL CAPITAL PROJECTS Total:</b>					<b>5,559.13</b>

**Fund: 601 - WATER****Activity: 49400 - Water**

MAIL FINANCE	N7744707	06/04/2019	LEASE PAYMENT	601-49400-200	23.99
MN AWWA	200004206	06/12/2019	SW DIST WATER OPERATOR S	601-49400-308	35.00
SANFORD LABORATORIES	305141962	06/06/2019	SERVICE #70000675	601-49400-310	42.01
MN VALLEY TESTING	974616	05/21/2019	TESTING	601-49400-310	77.00
VERIZON WIRELESS	9830522960	06/04/2019	TELEPHONE #486357723-000	601-49400-321	96.51
FEDERATED RURAL ELECTRIC	#112843 5-28-19	06/04/2019	SERVICE #112843	601-49400-381	26.00
FAITH WILLARD CLEANING	20190529	06/04/2019	CLEANING	601-49400-404	15.00
TOSHIBA FINANCIAL SERVICES	386126437	06/04/2019	COPIER LEASE 5/20 - 6/20	601-49400-404	31.13
CORE & MAIN LP	K521421	06/12/2019	MAINTENANCE	601-49400-408	760.68
ADVANTAGE COLLECTION PR	#3796 6-1-19	06/06/2019	COLLECTIONS - FEE	601-49400-432	37.77
<b>Activity 49400 - Water Total:</b>					<b>1,145.09</b>
<b>Fund 601 - WATER Total:</b>					<b>1,145.09</b>

**Fund: 602 - SEWER**

BOLTON & MENK, INC.	0233654	06/12/2019	PROJECT T22.113672 - WIND	602-16200	32,010.00
AMERICAN ENGINEERING TES	806576	06/12/2019	#WINO21 - BUILDINGS	602-16200	5,530.20
<b>Fund 602 - SEWER Total:</b>					<b>37,540.20</b>

**Activity: 49450 - Sewer**

MAIL FINANCE	N7744707	06/04/2019	LEASE PAYMENT	602-49450-200	23.99
MN VALLEY TESTING	974265	05/21/2019	TESTING	602-49450-310	158.40
MN VALLEY TESTING	974506	05/21/2019	TESTING	602-49450-310	244.80
MN VALLEY TESTING	975316	05/21/2019	TESTING	602-49450-310	158.40
MN VALLEY TESTING	975707	05/28/2019	TESTING	602-49450-310	129.60
MN VALLEY TESTING	975724	05/28/2019	TESTING	602-49450-310	244.80
MN VALLEY TESTING	976506	05/29/2019	TESTING	602-49450-310	158.40
VERIZON WIRELESS	9830522960	06/04/2019	TELEPHONE #486357723-000	602-49450-321	71.78
RUNNINGS SUPPLY, INC	#71920 5-24-19	06/06/2019	MAINTENANCE #71920	602-49450-404	153.32
US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD - OLSEN	602-49450-404	489.90
US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD - HACH	602-49450-404	315.89
MID-AMERICAN RESEARCH C	0665952-IN	06/04/2019	#00-3304989 - SUPPLIES	602-49450-404	701.34
FAITH WILLARD CLEANING	20190529	06/04/2019	CLEANING	602-49450-404	30.00
WINDOM FARM SERVICE	20190531	06/12/2019	REPAIRS	602-49450-404	250.95
TOSHIBA FINANCIAL SERVICES	386126437	06/04/2019	COPIER LEASE 5/20 - 6/20	602-49450-404	24.91
ADVANTAGE COLLECTION PR	#3796 6-1-19	06/06/2019	COLLECTIONS - FEE	602-49450-432	37.77
JOSEPH JOHN ROSENHAMME	20190514	06/04/2019	SERVICE - HAUL SLUDGE	602-49450-446	9,250.00
<b>Activity 49450 - Sewer Total:</b>					<b>12,444.25</b>
<b>Fund 602 - SEWER Total:</b>					<b>49,984.45</b>

**Fund: 604 - ELECTRIC**

BORDER STATES	917853954	06/12/2019	INVENTORY	604-14200	705.00
INTEGRITY CONTRACTING INC	1069	06/06/2019	CIRCUIT 7	604-16300	8,030.00
ELECTRIC FUND	20190604	06/04/2019	CAPITAL LABOR - CIRCUIT 6	604-16300	3,609.81
ELECTRIC FUND	20190604	06/04/2019	CAPITAL LABOR - CIRCUIT 7	604-16300	6,396.33
WESCO DISTRIBUTION, INC	641461	05/28/2019	NEW CONSTRUCTION - CIRCU	604-16300	50,180.00
RAILPROS FIELD SERVICES, IN	IC138561905	06/12/2019	NEW CIRCUIT 7	604-16300	998.00

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US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD - LANO E	604-16400	2,175.00	
					<b>72,094.14</b>	
<b>Activity: 49550 - Electric</b>						
MAIL FINANCE	N7744707	06/04/2019	LEASE PAYMENT	604-49550-200	23.99	
US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD - HYVEE	604-49550-211	2.99	
COLE PAPERS INC.	9547486	06/04/2019	SUPPLIES	604-49550-211	46.83	
ULINE SHIPPING SUPPLY SPECI	108666091	06/04/2019	SERVICE #25367767 #108666	604-49550-217	1,344.72	
BORDER STATES	917769916	06/04/2019	UNIFORMS	604-49550-218	203.48	
US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD - SKILLPA	604-49550-308	152.19	
MN MUNICIPAL UTILITIES ASS	53384	05/22/2019	TRAINING - L.BUNTING & L.CH	604-49550-308	1,220.00	
RUNNINGS SUPPLY, INC	#71920 5-24-19	06/06/2019	MAINTENANCE #71920	604-49550-310	86.03	
VERIZON WIRELESS	9830522960	06/04/2019	TELEPHONE #486357723-000	604-49550-321	131.20	
CITIZEN PUBLISHING CO	20190531	06/05/2019	ADVERTISING	604-49550-340	466.20	
RUNNINGS SUPPLY, INC	#71920 5-24-19	06/06/2019	MAINTENANCE #71920	604-49550-404	2.41	
GRUNEWALD FRAME & GLASS	2019-194	05/28/2019	MAINTENANCE	604-49550-404	154.00	
SKARSHAUG TESTING LAB	235610	05/22/2019	MAINTENANCE	604-49550-404	212.79	
ADVANCE AUTO PARTS	2789-342432	06/12/2019	MAINTENANCE	604-49550-404	143.68	
TOSHIBA FINANCIAL SERVICES	386126437	06/04/2019	COPIER LEASE 5/20 - 6/20	604-49550-404	31.13	
RUNNINGS SUPPLY, INC	#71920 5-24-19	06/06/2019	MAINTENANCE #71920	604-49550-405	12.99	
RUNNINGS SUPPLY, INC	#71920 5-24-19	06/06/2019	MAINTENANCE #71920	604-49550-406	344.50	
JORDAN BUSSA	010	06/06/2019	CLEANING	604-49550-406	184.60	
RAGE INC - CAMPUS CLEANER	05-011581	06/06/2019	SERVICE - POWER PLANT	604-49550-406	34.17	
RAGE INC - CAMPUS CLEANER	05-0410631	06/06/2019	SERVICE - POWER PLANT	604-49550-406	34.17	
RUNNINGS SUPPLY, INC	#71920 5-24-19	06/06/2019	MAINTENANCE #71920	604-49550-408	229.99	
US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD - K HARL	604-49550-408	1,941.92	
ELECTRIC FUND	290	06/04/2019	EL - DISTRIBUTION	604-49550-408	2,134.87	
ELECTRIC FUND	291	06/04/2019	EL - TRUCK STOCK	604-49550-408	48.70	
ELECTRIC FUND	292	06/06/2019	EL - DISTRIBUTION	604-49550-408	573.38	
ADVANTAGE COLLECTION PR	#3796 6-1-19	06/06/2019	COLLECTIONS - FEE	604-49550-432	37.77	
MN DEPT OF COMMERCE	1000042137	06/12/2019	1ST Q FY 2020 INDIRECT ASS	604-49550-433	261.08	
MN DEPT OF COMMERCE	1000042137	06/12/2019	1ST Q FY 2020 INDIRECT ASS	604-49550-450	979.21	
US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD - CREDIT-	604-49550-480	-2,030.61	
WINDOM AREA DEVELOPME	JUNE 2019	06/06/2019	INDUSTRIAL DEVELOPMENT -	604-49550-491	1,200.00	
					<b>Activity 49550 - Electric Total:</b>	<b>10,208.38</b>
					<b>Fund 604 - ELECTRIC Total:</b>	<b>82,302.52</b>

## Fund: 609 - LIQUOR STORE

## Activity: 49751 - Liquor Store

ZABINSKI BUSINESS SERVICES,	2064	06/12/2019	SERVICE	609-49751-200	660.00
MAIL FINANCE	N7744707	06/04/2019	LEASE PAYMENT	609-49751-200	23.99
AH HERMEL COMPANY	772015	05/28/2019	MERCHANDISE	609-49751-217	132.08
BELLBOY CORP	0069784500	05/28/2019	MERCHANDISE	609-49751-251	957.46
VINOPIA, INC	0232566-IN	05/21/2019	MERCHANDISE	609-49751-251	439.59
BREAKTHRU BEVERAGE MN	1080971329	05/20/2019	MERCHANDISE	609-49751-251	2,587.15
JOHNSON BROS.	1289428	05/21/2019	MERCHANDISE	609-49751-251	3,568.94
JOHNSON BROS.	1294765	05/28/2019	MERCHANDISE	609-49751-251	3,462.03
SOUTHERN GLAZER'S OF MN	1820050	05/21/2019	MERCHANDISE	609-49751-251	1,366.48
SOUTHERN GLAZER'S OF MN	1822810	05/28/2019	MERCHANDISE	609-49751-251	1,195.62
PHILLIPS WINE & SPIRITS	2554268	05/21/2019	MERCHANDISE	609-49751-251	4,696.16
JOHNSON BROS.	545178	06/11/2019	CREDIT - MERCHANDISE	609-49751-251	-24.26
JOHNSON BROS.	547090	06/12/2019	CREDIT - MERCHANDISE	609-49751-251	-18.33
BEVERAGE WHOLESALERS	061508	06/04/2019	MERCHANDISE	609-49751-252	378.60
BEVERAGE WHOLESALERS	061864	06/04/2019	MERCHANDISE	609-49751-252	9,735.90
BEVERAGE WHOLESALERS	062883	06/11/2019	MERCHANDISE	609-49751-252	411.00
BEVERAGE WHOLESALERS	063018	06/11/2019	MERCHANDISE	609-49751-252	11,000.90
LOCHER BROS., INC.	1131235	05/28/2019	MERCHANDISE	609-49751-252	233.30
JOHNSON BROS.	1289430	05/21/2019	MERCHANDISE	609-49751-252	315.75
ARTISAN BEER COMPANY	3345008	05/20/2019	MERCHANDISE	609-49751-252	365.10
ARTISAN BEER COMPANY	3346790	05/28/2019	MERCHANDISE	609-49751-252	101.60
DOLL DISTRIBUTING, LLC	680876	05/28/2019	MERCHANDISE	609-49751-252	13,439.35

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Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
DOLL DISTRIBUTING, LLC	680877	05/28/2019	MERCHANDISE	609-49751-252	55.00
DOLL DISTRIBUTING, LLC	685513	06/04/2019	MERCHANDISE	609-49751-252	5,053.55
BELLBOY CORP	0069784500	05/28/2019	MERCHANDISE	609-49751-253	104.00
VINOPIA, INC	0232566-IN	05/21/2019	MERCHANDISE	609-49751-253	316.00
JOHNSON BROS.	1289429	05/21/2019	MERCHANDISE	609-49751-253	1,705.28
JOHNSON BROS.	1294766	05/28/2019	MERCHANDISE	609-49751-253	1,121.79
PHILLIPS WINE & SPIRITS	2554269	05/21/2019	MERCHANDISE	609-49751-253	194.35
PAUSTIS WINE COMPANY	51329	05/28/2019	MERCHANDISE	609-49751-253	599.00
JOHNSON BROS.	539121	06/12/2019	CREDIT - MERCHANDISE	609-49751-253	-37.20
JOHNSON BROS.	545179	06/11/2019	CREDIT - MERCHANDISE	609-49751-253	-82.75
JOHNSON BROS.	546421	06/12/2019	CREDIT - MERCHANDISE	609-49751-253	-44.00
JOHNSON BROS.	547089	06/12/2019	CREDIT - MERCHANDISE	609-49751-253	-40.00
JOHNSON BROS.	547090	06/12/2019	CREDIT - MERCHANDISE	609-49751-253	-41.68
WINE MERCHANTS	7236018	05/28/2019	MERCHANDISE	609-49751-253	207.00
BEVERAGE WHOLESALERS	061508	06/04/2019	MERCHANDISE	609-49751-254	83.50
BEVERAGE WHOLESALERS	061864	06/04/2019	MERCHANDISE	609-49751-254	-30.00
BEVERAGE WHOLESALERS	063018	06/11/2019	MERCHANDISE	609-49751-254	116.00
JOHNSON BROS.	1289429	05/21/2019	MERCHANDISE	609-49751-254	37.00
PBC - PEPSI BEVERAGES COM	17466623	05/21/2019	CREDIT - MERCHANDISE	609-49751-254	-60.00
ATLANTIC COCA-COLA	2017156	05/28/2019	MERCHANDISE	609-49751-254	156.74
PHILLIPS WINE & SPIRITS	2554269	05/21/2019	MERCHANDISE	609-49751-254	50.50
PBC - PEPSI BEVERAGES COM	27760758	05/15/2019	MERCHANDISE	609-49751-254	204.08
DOLL DISTRIBUTING, LLC	685513	06/04/2019	MERCHANDISE	609-49751-254	14.00
AH HERMEL COMPANY	772015	05/28/2019	MERCHANDISE	609-49751-254	46.35
AH HERMEL COMPANY	772015	05/28/2019	MERCHANDISE	609-49751-256	87.61
ARCTIC GLACIER U.S.A. INC	1947914202	05/28/2019	MERCHANDISE	609-49751-257	92.60
ARCTIC GLACIER U.S.A. INC	19489135032	05/20/2019	MERCHANDISE	609-49751-257	54.20
ARCTIC GLACIER U.S.A. INC	1948914404	05/28/2019	MERCHANDISE	609-49751-257	250.50
BELLBOY CORP	0099515600	05/28/2019	MERCHANDISE	609-49751-261	42.00
BEVERAGE WHOLESALERS	061864	06/04/2019	MERCHANDISE	609-49751-261	-50.00
AH HERMEL COMPANY	772015	05/28/2019	MERCHANDISE	609-49751-261	18.93
US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD - SKILLPA	609-49751-308	152.19
BELLBOY CORP	0069784500	05/28/2019	MERCHANDISE	609-49751-333	22.00
BELLBOY CORP	0099515600	05/28/2019	MERCHANDISE	609-49751-333	4.21
VINOPIA, INC	0232566-IN	05/21/2019	MERCHANDISE	609-49751-333	14.00
BREAKTHRU BEVERAGE MN	1080971329	05/20/2019	MERCHANDISE	609-49751-333	39.16
JOHNSON BROS.	1289428	05/21/2019	MERCHANDISE	609-49751-333	91.73
JOHNSON BROS.	1289429	05/21/2019	MERCHANDISE	609-49751-333	65.25
JOHNSON BROS.	1294765	05/28/2019	MERCHANDISE	609-49751-333	59.16
JOHNSON BROS.	1294766	05/28/2019	MERCHANDISE	609-49751-333	36.54
SOUTHERN GLAZER'S OF MN	1820050	05/21/2019	MERCHANDISE	609-49751-333	13.15
SOUTHERN GLAZER'S OF MN	1822810	05/28/2019	MERCHANDISE	609-49751-333	32.80
ARCTIC GLACIER U.S.A. INC	1948914404	05/28/2019	MERCHANDISE	609-49751-333	1.00
PHILLIPS WINE & SPIRITS	2554268	05/21/2019	MERCHANDISE	609-49751-333	68.29
PHILLIPS WINE & SPIRITS	2554269	05/21/2019	MERCHANDISE	609-49751-333	7.39
PAUSTIS WINE COMPANY	51329	05/28/2019	MERCHANDISE	609-49751-333	10.50
JOHNSON BROS.	539121	06/12/2019	CREDIT - MERCHANDISE	609-49751-333	-1.74
JOHNSON BROS.	545178	06/11/2019	CREDIT - MERCHANDISE	609-49751-333	-0.15
JOHNSON BROS.	545179	06/11/2019	CREDIT - MERCHANDISE	609-49751-333	-1.74
JOHNSON BROS.	546421	06/12/2019	CREDIT - MERCHANDISE	609-49751-333	-1.74
JOHNSON BROS.	547089	06/12/2019	CREDIT - MERCHANDISE	609-49751-333	-1.74
WINE MERCHANTS	7236018	05/28/2019	MERCHANDISE	609-49751-333	1.74
AH HERMEL COMPANY	772015	05/28/2019	MERCHANDISE	609-49751-333	4.95
KDOM RADIO	#0229 5-31-19	06/12/2019	ADVERTISING #0229	609-49751-340	865.47
CITIZEN PUBLISHING CO	20190531	06/05/2019	ADVERTISING	609-49751-340	1,099.50
US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD - O'REILL	609-49751-404	21.36
TOSHIBA FINANCIAL SERVICES	386126437	06/04/2019	COPIER LEASE 5/20 - 6/20	609-49751-404	31.13
US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD - TORO G	609-49751-406	113.96

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Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
RITA HACKER -CREATIVE DESI	698	06/12/2019	SERVICE -	609-49751-480	84.00
				<b>Activity 49751 - Liquor Store Total:</b>	<b>68,085.13</b>
				<b>Fund 609 - LIQUOR STORE Total:</b>	<b>68,085.13</b>
<b>Fund: 614 - TELECOM</b>					
INTERNAL REVENUE SERVICE	20190606	06/11/2019	EXCISE TAX POSTING - MAY 20	614-20201	395.22
INTERNAL REVENUE SERVICE	20190607	06/11/2019	EXCISE TAX POSTING - JUNE 2	614-20201	500.00
MN 9-1-1 PROGRAM	20190606	06/06/2019	911 SERVICE - JUNE 2019	614-20206	1,201.21
					<b>2,096.43</b>
<b>Activity: 49870 - Telecom</b>					
AMAZON CAPITAL SERVICES, I	1PNW-J1TK-XLLM	06/04/2019	#A2Q0YJ8ZLN2YT - SUPPLIES	614-49870-200	6.49
ADVANCED SYSTEMS, INC.	679920	05/22/2019	SUPPLIES	614-49870-200	52.80
MAIL FINANCE	N7744707	06/04/2019	LEASE PAYMENT	614-49870-200	23.99
AMAZON CAPITAL SERVICES, I	1X73-TYXY-YKRD	06/04/2019	#A2Q0YJ8ZLN2YT - SUPPLIES	614-49870-217	60.95
RUNNINGS SUPPLY, INC	#71920 5-24-19	06/06/2019	MAINTENANCE #71920	614-49870-227	12.99
POWER & TEL	6686768-00	06/04/2019	SERVICE	614-49870-227	92.40
POWER & TEL	6689345-00	05/22/2019	MAINTENANCE	614-49870-227	102.97
MN DEPT OF COMMERCE	1000041828	06/11/2019	WINDOM #6412 - 1ST Q.FY 20	614-49870-304	284.26
OLSEN THIELEN & CO.,LTD	48756	06/04/2019	SERVICE #947000	614-49870-304	1,530.00
US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD - SKILLPA	614-49870-308	211.94
US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD - MN EL	614-49870-308	275.00
VERIZON WIRELESS	9830522960	06/04/2019	TELEPHONE #486357723-000	614-49870-321	300.44
NEUSTAR, INC.	L-0000028598	06/11/2019	NUMBER PORTS #10202	614-49870-326	3.25
US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD - ARROW	614-49870-334	267.30
TOSHIBA FINANCIAL SERVICES	386126437	06/04/2019	COPIER LEASE 5/20 - 6/20	614-49870-404	46.69
ADVANTAGE COLLECTION PR	#3796 6-1-19	06/06/2019	COLLECTIONS - FEE	614-49870-432	37.78
CENTURY LINK	7242105D-D-19137	06/04/2019	CABS PAYMENT #5142105DD	614-49870-441	44.45
SHOWTIME NETWORKS INC	10193	05/21/2019	SUBSCRIBER	614-49870-442	274.89
AZAR COMPUTER SOFTWARE	141650	06/06/2019	CATV SUPPORT 7/1 - 9/2019	614-49870-442	2,145.00
NEXSTAR BROADCASTING GR	1806-1135	05/15/2019	SUBSCRIBER	614-49870-442	3,332.75
DISPLAY SYSTEMS INTERNATI	18224	06/04/2019	SERVICE U-LU130.1	614-49870-442	198.44
NATIONAL CABLE TV COOP	19050561	06/04/2019	SUBSCRIBER	614-49870-442	44,142.95
ADARA TECHNOLOGIES INC	AP100223CW-38	06/04/2019	SET TOP BOX HOSTING 6-1 TO	614-49870-442	10,500.00
NEXSTAR BROADCASTING GR	APRIL 2019	06/05/2019	SUBSCRIBER	614-49870-442	3,366.75
E-911 - INDEPENDENT EMERG	#100-0141 6-1-19	06/05/2019	MONTHLY 911 SERVICE - JUNE	614-49870-445	40.00
WOODSTOCK COMMUNICATI	10104716	06/04/2019	SERVICE #17668-1	614-49870-445	205.10
ONVOY, LLC dba INTELIGENT	190602008508	06/06/2019	SS7 #1555600262	614-49870-445	1,292.01
MANKATO NETWORKS, LLC	388576	06/11/2019	SERVICE	614-49870-447	911.89
HURRICANE ELECTRIC LLC	98309914-IN	06/04/2019	10 GB INTERNET NCC OMAHA	614-49870-447	2,300.00
HURRICANE ELECTRIC LLC	98309914-INA	06/04/2019	10 GB INTERENT MIN1 MINN	614-49870-447	1,800.00
US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD - DREAM	614-49870-448	139.00
SWWC - SOUTHWEST WEST C	60711	05/08/2019	SERVICE #1-1849	614-49870-448	950.00
ONVOY, LLC dba INTELIGENT	190602009045	06/06/2019	SWITCHING SERVICES #15536	614-49870-451	3,015.67
				<b>Activity 49870 - Telecom Total:</b>	<b>77,968.15</b>
				<b>Fund 614 - TELECOM Total:</b>	<b>80,064.58</b>
<b>Fund: 615 - ARENA</b>					
<b>Activity: 49850 - Arena</b>					
MAIL FINANCE	N7744707	06/04/2019	LEASE PAYMENT	615-49850-200	23.99
RUNNINGS SUPPLY, INC	#71920 5-24-19	06/06/2019	MAINTENANCE #71920	615-49850-215	71.46
RUNNINGS SUPPLY, INC	#71920 5-24-19	06/06/2019	MAINTENANCE #71920	615-49850-217	1,379.71
NEGEN CONSTRUCTION LLC	20190522	06/04/2019	SERVICE - ARENA	615-49850-217	1,555.00
TOSHIBA FINANCIAL SERVICES	386126437	06/04/2019	COPIER LEASE 5/20 - 6/20	615-49850-217	28.02
RUNNINGS SUPPLY, INC	#71920 5-24-19	06/06/2019	MAINTENANCE #71920	615-49850-260	44.22
TIM HOGAN	20190604	06/04/2019	BILLING - MAY 2019	615-49850-301	5,200.00
CLIFTON-LARSON-ALLEN, LLP	2157259	06/11/2019	AUDIT SERVICE	615-49850-301	770.00
US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD - SKILLPA	615-49850-308	152.19
VERIZON WIRELESS	9830522960	06/04/2019	TELEPHONE #486357723-000	615-49850-321	58.50
COTTONWOOD CO SOLID WA	1919656	06/12/2019	REFUSE DISPOSAL	615-49850-384	21.75
COTTONWOOD CO SOLID WA	1919657	06/12/2019	REFUSE DISPOSAL	615-49850-384	19.50
COTTONWOOD CO SOLID WA	1919661	06/12/2019	REFUSE DISPOSAL	615-49850-384	21.50

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Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
COTTONWOOD CO SOLID WA	1919662	06/12/2019	REFUSE DISPOSAL	615-49850-384	16.00
COTTONWOOD CO SOLID WA	1919665	06/12/2019	REFUSE DISPOSAL	615-49850-384	16.00
ELITE MECHANICAL SYSTEMS,	4601	06/04/2019	MAINTENANCE	615-49850-402	1,970.87
				<b>Activity 49850 - Arena Total:</b>	<b>11,348.71</b>
				<b>Fund 615 - ARENA Total:</b>	<b>11,348.71</b>

## Fund: 617 - M/P CENTER

## Activity: 49860 - M/P Center

INDOFF, INC	3244864	05/21/2019	SUPPLIES	617-49860-200	14.74
COLE PAPERS INC.	9547484	05/29/2019	SUPPLIES #84948800	617-49860-200	440.27
MAIL FINANCE	N7744707	06/04/2019	LEASE PAYMENT	617-49860-200	23.99
RAGE INC - CAMPUS CLEANER	05-011582	05/29/2019	SERVICE - COMM CENTER	617-49860-211	59.50
INDOFF, INC	3248335	06/06/2019	SUPPLIES	617-49860-211	23.47
MN DEPT OF HEALTH	801902	06/06/2019	SHF UID: 164 LIC 3021 -WIN	617-49860-217	40.00
RIVER BEND LIQUOR	20190606	06/06/2019	COMM CENTER	617-49860-251	585.30
RIVER BEND LIQUOR	20190606	06/06/2019	COMM CENTER	617-49860-252	588.92
US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD - HY VEE	617-49860-254	82.09
US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD - HY VEE	617-49860-254	86.13
US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD - HY VEE	617-49860-254	14.95
US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD - HY VEE	617-49860-254	3.98
RIVER BEND LIQUOR	20190606	06/06/2019	COMM CENTER	617-49860-259	8.54
RIVER BEND LIQUOR	20190606	06/06/2019	COMM CENTER	617-49860-261	2.45
VERIZON WIRELESS	9830522960	06/04/2019	TELEPHONE #486357723-000	617-49860-321	40.88
KDOM RADIO	#0563 5-31-19	06/06/2019	#0563 ADVERTISING	617-49860-340	192.78
US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD -	617-49860-340	298.73
CITIZEN PUBLISHING CO	20190531	06/05/2019	ADVERTISING	617-49860-340	333.04
WINDOM QUICK PRINT	20190606	06/06/2019	SUPPLIES	617-49860-350	309.00
SCHWICKERT'S TECTA AMERIC	5510050335	06/12/2019	SERVICE	617-49860-402	1,963.88
US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD - THINK V	617-49860-404	262.97
TOSHIBA FINANCIAL SERVICES	386126437	06/04/2019	COPIER LEASE 5/20 - 6/20	617-49860-404	60.00
TOSHIBA FINANCIAL SERVICES	386126437	06/04/2019	COPIER LEASE 5/20 - 6/20	617-49860-404	15.57
US BANK	#8263 5-20-19	06/06/2019	#8263 CREDIT CARD - AMAZO	617-49860-409	34.52
ELECTRIC FUND	20190528	06/06/2019	COMM CENTER	617-49860-409	10.64
TOWN 'N COUNTRY	9080	06/06/2019	MAINTENANCE	617-49860-409	479.99
AGC NETWORKS, INC.	9100008585	06/11/2019	SERVICE #10006666 #300037	617-49860-409	1,559.83
BLUE CROSS/BLUE SHIELD	20190611	06/11/2019	INSURANCE PREM- JULY 2019	617-49860-480	596.50
				<b>Activity 49860 - M/P Center Total:</b>	<b>8,132.66</b>
				<b>Fund 617 - M/P CENTER Total:</b>	<b>8,132.66</b>

## Fund: 651 - RIVERLBUFF TOWNHOMES

## Activity: 46520 - EDA

CLIFTON-LARSON-ALLEN, LLP	2157259	06/11/2019	AUDIT SERVICE	651-46520-480	770.00
				<b>Activity 46520 - EDA Total:</b>	<b>770.00</b>
				<b>Fund 651 - RIVERLBUFF TOWNHOMES Total:</b>	<b>770.00</b>

## Fund: 700 - PAYROLL

Internal Revenue Service-Payr	INV0001604	06/07/2019	Federal Tax Withholding	700-21701	9,837.03
MN Department of Revenue -	INV0001605	06/07/2019	State Withholding	700-21702	5,066.96
Internal Revenue Service-Payr	INV0001604	06/07/2019	Social Security	700-21703	13,835.48
MN Pera	INV0001601	06/07/2019	PERA	700-21704	13,925.52
MN Pera	INV0001601	06/07/2019	PERA	700-21704	415.00
MN Pera	INV0001601	06/07/2019	PERA	700-21704	764.42
MN Pera	INV0001601	06/07/2019	PERA	700-21704	6,743.19
MN State Deferred	INV0001602	06/07/2019	Deferred Roth	700-21705	535.00
MN State Deferred	INV0001602	06/07/2019	Deferred Compensation	700-21705	6,577.28
BLUE CROSS/BLUE SHIELD	20190611	06/11/2019	INSURANCE PREM- JULY 2019	700-21706	52,809.50
MN CHILD SUPPORT PAYMEN	INV0001603	06/07/2019	Child Support Payment	700-21709	113.52
Internal Revenue Service-Payr	INV0001604	06/07/2019	Medicare Withholding	700-21711	3,886.58
FURTHER (Select Account)	39055362	06/04/2019	FLEX SPENDING	700-21712	551.03
FURTHER (Select Account)	39066890	06/11/2019	FLEX SPENDING	700-21712	800.01
MII LIFE	20190611	06/11/2019	VEBA - JUNE 2019	700-21720	104.17

Expense Approval Report

Payment Dates: 05312019 - 06132019

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
MII LIFE	20190611	06/11/2019	VEBA - JUNE 2019	700-21720	11,875.15
MII LIFE	20190611	06/11/2019	VEBA - JUNE 2019	700-21722	2,812.54
FURTHER (Select Account)	INV0001600	06/07/2019	HSA Employee Contribution	700-21723	360.23
					<u>131,012.61</u>
				<b>Fund 700 - PAYROLL Total:</b>	<b>131,012.61</b>
				<b>Grand Total:</b>	<b>692,788.32</b>

## Report Summary

## Fund Summary

Fund	Payment Amount
100 - GENERAL	34,812.79
211 - LIBRARY	2,955.38
225 - AIRPORT	3,050.08
230 - POOL	1,452.90
235 - AMBULANCE	9,395.27
250 - EDA GENERAL	5,803.72
254 - NORTH IND PARK	638.38
266 - TIF 1-10 RUNNINGS	21,003.46
268 - TIF 1-12 PM WINDOM/PRIME PORK	144,280.56
275 - TIF 1-15 FULDA AREA CREDIT UNION	14,288.96
276 - TIF 1-20 NEW VISION	16,701.94
401 - GENERAL CAPITAL PROJECTS	5,559.13
601 - WATER	1,145.09
602 - SEWER	49,984.45
604 - ELECTRIC	82,302.52
609 - LIQUOR STORE	68,085.13
614 - TELECOM	80,064.58
615 - ARENA	11,348.71
617 - M/P CENTER	8,132.66
651 - RIVERLBUFF TOWNHOMES	770.00
700 - PAYROLL	131,012.61
<b>Grand Total:</b>	<b>692,788.32</b>

## Account Summary

Account Number	Account Name	Payment Amount
100-41110-350	Printing & Design	183.20
100-41310-200	Office Supplies	23.99
100-41310-217	Other Operating Supplie	31.13
100-41310-301	Auditing & Consulting Se	460.00
100-41310-308	Training & Registrations	334.38
100-41310-321	Telephone	46.16
100-41310-326	Data Processing	10.00
100-41310-331	Travel Expense	188.50
100-41310-334	Meals/Lodging	14.91
100-41310-350	Printing & Design	119.88
100-41910-200	Office Supplies	87.73
100-41910-308	Training & Registrations	152.19
100-41910-321	Telephone	36.16
100-41910-480	Other Miscellaneous	14.50
100-41940-211	Cleaning Supplies	282.85
100-41940-406	Repairs & Maint - Groun	835.64
100-42120-200	Office Supplies	99.16
100-42120-212	Motor Fuels	162.75
100-42120-218	Uniforms	115.80
100-42120-308	Training & Registrations	747.19
100-42120-323	Radio Units	1,207.44
100-42120-334	Meals/Lodging	244.93
100-42120-404	Repairs & Maint - M&E	640.09
100-42120-405	Repairs & Maint - Vehicl	252.23
100-42120-419	Vehicle Lease	2,379.50
100-42120-433	Dues & Subscriptions	180.00
100-42120-480	Other Miscellaneous	696.50
100-42220-211	Cleaning Supplies	82.32
100-42220-215	Materials & Equipment	610.04
100-42220-404	Repairs & Maint - M&E	32.90
100-42220-406	Repairs & Maint - Groun	179.77
100-43100-200	Office Supplies	23.99

## Account Summary

Account Number	Account Name	Payment Amount
100-43100-214	Pest Control	13,815.40
100-43100-217	Other Operating Supplie	365.91
100-43100-308	Training & Registrations	152.19
100-43100-321	Telephone	44.48
100-43100-404	Repairs & Maint - M&E	7,128.32
100-43100-405	Repairs & Maint - Vehicl	148.93
100-43100-480	Other Miscellaneous	596.50
100-43210-340	Advertising & Promotion	860.00
100-43210-384	Refuse Disposal	328.32
100-43210-480	Other Miscellaneous	4.81
100-45120-200	Office Supplies	23.99
100-45120-215	Materials & Equipment	303.50
100-45120-217	Other Operating Supplie	15.57
100-45120-340	Advertising & Promotion	166.50
100-45202-200	Office Supplies	23.99
100-45202-217	Other Operating Supplie	285.30
100-45202-405	Repairs & Maint - Vehicl	53.25
100-45202-406	Repairs & Maint - Groun	20.00
211-45501-200	Office Supplies	325.34
211-45501-217	Other Operating Supplie	7.78
211-45501-308	Training & Registrations	152.19
211-45501-402	Repairs & Maint - Struct	836.00
211-45501-433	Dues & Subscriptions	39.00
211-45501-435	Books and Pamphlets	1,595.07
225-45127-200	Office Supplies	29.00
225-45127-217	Other Operating Supplie	121.20
225-45127-381	Electric Utility	431.23
225-45127-404	Repairs & Maint - M&E	2,361.78
225-45127-409	Repairs & Maint - Utilitie	106.87
230-45124-216	Chemicals and Chemical	1,178.20
230-45124-217	Other Operating Supplie	109.70
230-45124-402	Repairs & Maint - Struct	165.00
235-34205	Ambulance Revenues -	60.00
235-42153-200	Office Supplies	23.99
235-42153-217	Other Operating Supplie	447.32
235-42153-218	Uniforms	270.83
235-42153-312	Nursing	3,553.45
235-42153-321	Telephone	108.48
235-42153-326	Data Processing	2,660.00
235-42153-327	Interpretation Fees	34.00
235-42153-334	Meals/Lodging	102.11
235-42153-340	Advertising & Promotion	647.50
235-42153-405	Repairs & Maint - Vehicl	1,466.41
235-42153-406	Repairs & Maint - Groun	21.18
250-46520-200	Office Supplies	26.40
250-46520-308	Training & Registrations	636.19
250-46520-321	Telephone	26.88
250-46520-331	Travel Expense	81.20
250-46520-334	Meals/Lodging	231.68
250-46520-340	Advertising & Promotion	887.70
250-46520-350	Printing & Design	79.50
250-46520-381	Electric Utility	14.00
250-46520-382	Water Utility	219.48
250-46520-385	Sewer Utility	219.48
250-46520-438	Meeting Expense	21.21
250-49980-602	Other Long-Term Obliga	2,335.76
250-49980-612	Other Interest	1,024.24
254-46520-406	Repairs & Maint - Groun	638.38

## Account Summary

Account Number	Account Name	Payment Amount
266-46530-482	TIF Payments	21,003.46
268-46530-482	TIF Payments	144,280.56
275-46530-482	TIF Payments	14,288.96
276-46530-482	TIF Payments	16,701.94
401-49950-509	Capital Outlay - Administ	5,559.13
601-49400-200	Office Supplies	23.99
601-49400-308	Training & Registrations	35.00
601-49400-310	Lab Testing	119.01
601-49400-321	Telephone	96.51
601-49400-381	Electric Utility	26.00
601-49400-404	Repairs & Maint - M&E	46.13
601-49400-408	Repairs & Maint - Distrib	760.68
601-49400-432	Uncollectible	37.77
602-16200	Buildings	37,540.20
602-49450-200	Office Supplies	23.99
602-49450-310	Lab Testing	1,094.40
602-49450-321	Telephone	71.78
602-49450-404	Repairs & Maint - M&E	1,966.31
602-49450-432	Uncollectible	37.77
602-49450-446	Sludge Hauling	9,250.00
604-14200	Inventory	705.00
604-16300	Improvements Other Th	69,214.14
604-16400	Machinery & Equipment	2,175.00
604-49550-200	Office Supplies	23.99
604-49550-211	Cleaning Supplies	49.82
604-49550-217	Other Operating Supplie	1,344.72
604-49550-218	Uniforms	203.48
604-49550-308	Training & Registrations	1,372.19
604-49550-310	Lab Testing	86.03
604-49550-321	Telephone	131.20
604-49550-340	Advertising & Promotion	466.20
604-49550-404	Repairs & Maint - M&E	544.01
604-49550-405	Repairs & Maint - Vehicl	12.99
604-49550-406	Repairs & Maint - Groun	597.44
604-49550-408	Repairs & Maint - Distrib	4,928.86
604-49550-432	Uncollectible	37.77
604-49550-433	Dues & Subscriptions	261.08
604-49550-450	Conservation	979.21
604-49550-480	Other Miscellaneous	-2,030.61
604-49550-491	Payments to Other Orga	1,200.00
609-49751-200	Office Supplies	683.99
609-49751-217	Other Operating Supplie	132.08
609-49751-251	Liquor	18,230.84
609-49751-252	Beer	41,090.05
609-49751-253	Wine	4,001.79
609-49751-254	Soft Drinks & Mix	618.17
609-49751-256	Tobacco Products	87.61
609-49751-257	Ice	397.30
609-49751-261	Other Merchandise	10.93
609-49751-308	Training & Registrations	152.19
609-49751-333	Freight and Express	464.76
609-49751-340	Advertising & Promotion	1,964.97
609-49751-404	Repairs & Maint - M&E	52.49
609-49751-406	Repairs & Maint - Groun	113.96
609-49751-480	Other Miscellaneous	84.00
614-20201	Excise Tax Payable	895.22
614-20206	911 TAP & TACIP Fees Cl	1,201.21
614-49870-200	Office Supplies	83.28

**Account Summary**

<b>Account Number</b>	<b>Account Name</b>	<b>Payment Amount</b>
614-49870-217	Other Operating Supplie	60.95
614-49870-227	Utility System Maint Sup	208.36
614-49870-304	Legal Fees	1,814.26
614-49870-308	Training & Registrations	486.94
614-49870-321	Telephone	300.44
614-49870-326	Data Processing	3.25
614-49870-334	Meals/Lodging	267.30
614-49870-404	Repairs & Maint - M&E	46.69
614-49870-432	Uncollectible	37.78
614-49870-441	Transmission Fees	44.45
614-49870-442	Subscriber Fees	63,960.78
614-49870-445	Switch Fees	1,537.11
614-49870-447	Internet Expense	5,011.89
614-49870-448	On-Call Support	1,089.00
614-49870-451	Call Completion	3,015.67
615-49850-200	Office Supplies	23.99
615-49850-215	Materials & Equipment	71.46
615-49850-217	Other Operating Supplie	2,962.73
615-49850-260	Concessions	44.22
615-49850-301	Auditing & Consulting Se	5,970.00
615-49850-308	Training & Registrations	152.19
615-49850-321	Telephone	58.50
615-49850-384	Refuse Disposal	94.75
615-49850-402	Repairs & Maint - Struct	1,970.87
617-49860-200	Office Supplies	479.00
617-49860-211	Cleaning Supplies	82.97
617-49860-217	Other Operating Supplie	40.00
617-49860-251	Liquor	585.30
617-49860-252	Beer	588.92
617-49860-254	Soft Drinks & Mix	187.15
617-49860-259	Non- Alcoholic	8.54
617-49860-261	Other Merchandise	2.45
617-49860-321	Telephone	40.88
617-49860-340	Advertising & Promotion	824.55
617-49860-350	Printing & Design	309.00
617-49860-402	Repairs & Maint - Struct	1,963.88
617-49860-404	Repairs & Maint - M&E	338.54
617-49860-409	Repairs & Maint - Utilitie	2,084.98
617-49860-480	Other Miscellaneous	596.50
651-46520-480	Other Miscellaneous	770.00
700-21701	Federal Withholding	9,837.03
700-21702	State Withholding	5,066.96
700-21703	FICA Tax Withholding	13,835.48
700-21704	PERA Contributions	21,848.13
700-21705	Retirement	7,112.28
700-21706	Medical Insurance	52,809.50
700-21709	Wage Levy	113.52
700-21711	Medicare Tax Withholdi	3,886.58
700-21712	Flex Account	1,351.04
700-21720	VEBA Contributions	11,979.32
700-21722	HSA Contribution	2,812.54
700-21723	HSA Employee Contribu	360.23
	<b>Grand Total:</b>	<b>692,788.32</b>

**Project Account Summary**

<b>Project Account Key</b>	<b>Payment Amount</b>
**None**	692,788.32

**Project Account Summary**

Project Account Key  
\*\*None\*\*

Payment Amount

Grand Total:

692,788.32



GA  
b-13-2019

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**MEMORANDUM**

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**TO:** City Council Members & Steve Nasby, City Administrator  
**FROM:** Chelsie Carlson, Finance Director/Controller  
**SUBJECT:** City of Windom Summer 2019 Intern Position

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City Staff has selected Carter Squires for the summer 2019 Internship Program. Carter is a 2019 graduate for Windom Area High School. He plans to attend SDU in the fall for Computer Science.

In June, the pool will be short staffed due to many of the staff participating in the upcoming Washington DC trip. To accommodate the needs of the pool and to allow Carter to start his internship City Staff has developed a plan that would allow Carter to work his previously scheduled pool hours in June while also working in the Internship position.

As part of the Internship position, Carter will be utilized by various City Departments including City Hall, Library, Liquor Store, Community Center, and Wastewater Treatment plant.

# 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:** Development Department  
**DATE:** June 18, 2019 (City Council Meeting Date)  
**RE:** Public Hearing – Residential Tax Abatement – 3055 Matthew Drive  
**DEPT:** Development Department  
**CONTACT:** Drew Hage, Development Director at 832-8661 or [drew.hage@windommn.com](mailto:drew.hage@windommn.com)

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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. Hold Public Hearing on the proposed residential tax abatement.
  2. Adopt attached RESOLUTION approving the tax abatement for a new single-family home to be constructed at 3055 Matthew Drive, Windom, MN 56101.
- 

## Issue Summary/Background

On May 21, 2019, the Windom City Council adopted a resolution calling for a Public Hearing to be held on June 4, 2019, to discuss the Cottonwood County Home Initiative Application for a new single-family home to be constructed at 3055 Matthew Drive, Windom, MN 56101. (Inadvertently the public hearing notice was not published on May 22<sup>nd</sup> and the City Council continued the public hearing until June 18<sup>th</sup>. The public hearing notice was published on June 5<sup>th</sup>.)

The Applicants have met all statutory requirements outlined in Minnesota Statutes §469.1813 and the County's Home Initiative guidelines necessary for approval of the tax abatement request.

Background: Minnesota Statutes give 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.

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 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.

## **Fiscal Impact**

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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 \$15,320.

## **Attachments**

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1. Cottonwood County Home Initiative Application Packet – 3055 Matthew Drive, Windom, MN
2. Public Hearing Notice
3. Resolution Approving Tax Abatement for Certain Property Pursuant to Minn. Stat. §469.1813

May 13, 2019

To: Cottonwood County Home Initiative Administrator  
c/o Drew Hage, Executive Director  
Economic Development Authority of Windom  
444 Ninth Street  
P. O. Box 38  
Windom, MN 56101

Re: Request for Residential Tax Abatement

Dear Drew:

We plan to construct a new single-family home on property at 3055 Matthew Drive in Windom, Minnesota. We are requesting residential tax abatement for the new home pursuant to the Cottonwood County Home Initiative. Our plans are to begin construction of the new home in June.

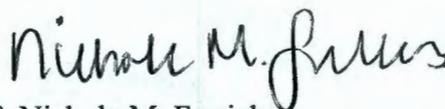
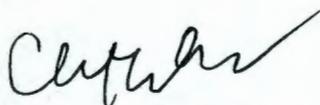
Our application includes:

1. Letter requesting abatement,
2. Legal description, address, and Parcel ID No. of the property;
3. Aerial or plat map showing the lot lines of the property,
4. A site plan showing the proposed location of the new home on the property,
5. Construction plans for the new home,
6. Estimated market value of the new home.

A copy of the Building Permit issued by the Windom Building & Zoning Office will be provided when available.

Should you have any questions or need additional information, please contact us.

Sincerely,



Applicants: Chad S. Frericks & Nichole M. Frericks  
Current Address: 804 Fifth Avenue, Windom, MN 56101  
Contact Phone Nos.: 507-360-3984

ATTACHMENT  
to  
COTTONWOOD COUNTY HOME INITIATIVE APPLICATION

Applicants: Chad S. Frericks and Nichole M. Frericks (husband and wife)

Parcel ID No.: 25-456-0020

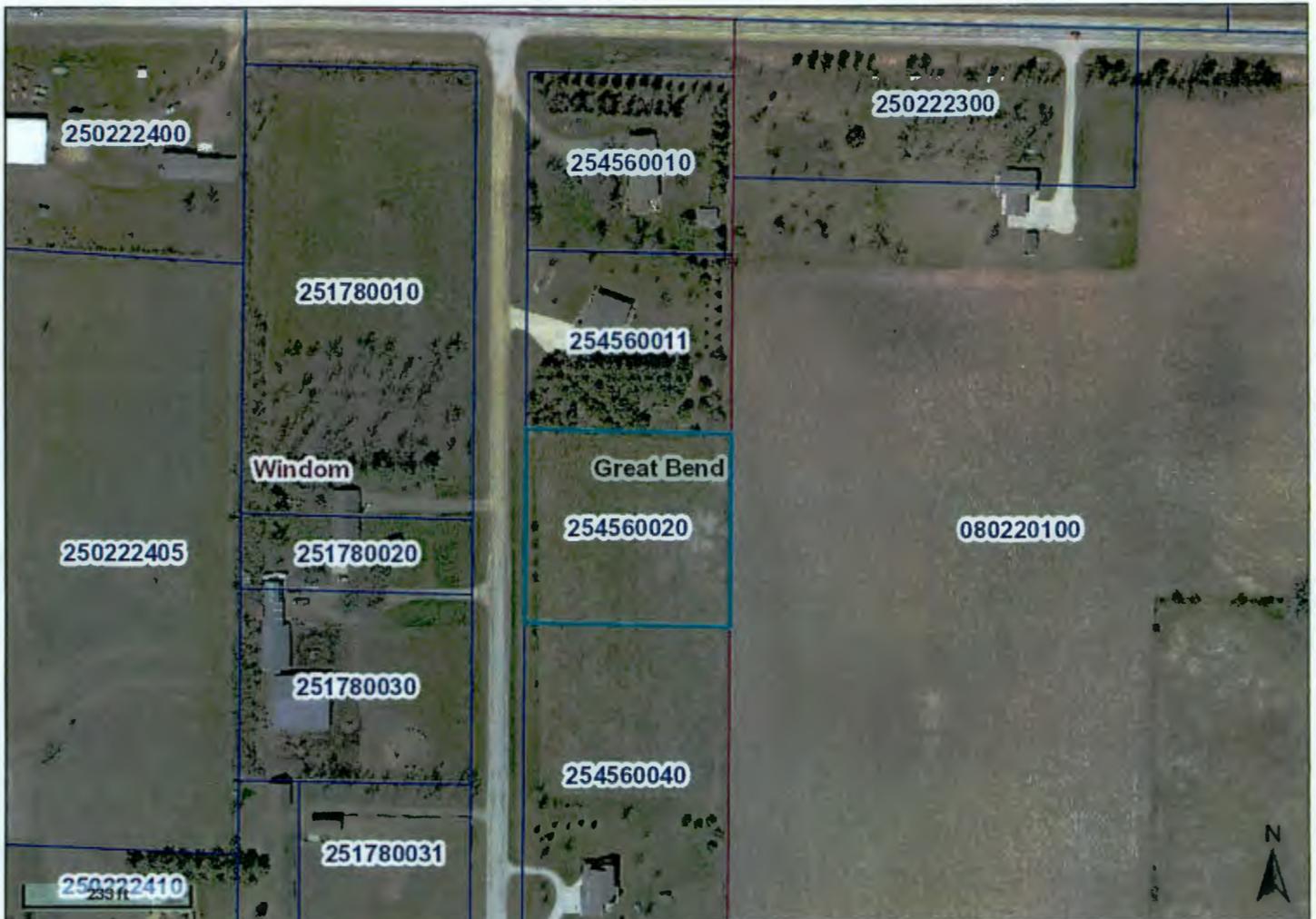
Address of the Property: 3055 Matthew Drive, Windom, Minnesota

Legal Description of the Property:

**Lot 2 in Block 1 of Kountry Acres Subdivision No. 3 in the City of Windom, Cottonwood County, Minnesota.**

Utilities: Utilities are provided to the property by the City of Windom and Minnesota Energy Resources.

Estimated Market Value of the Land and New Home (per appraisal): \$380,000.



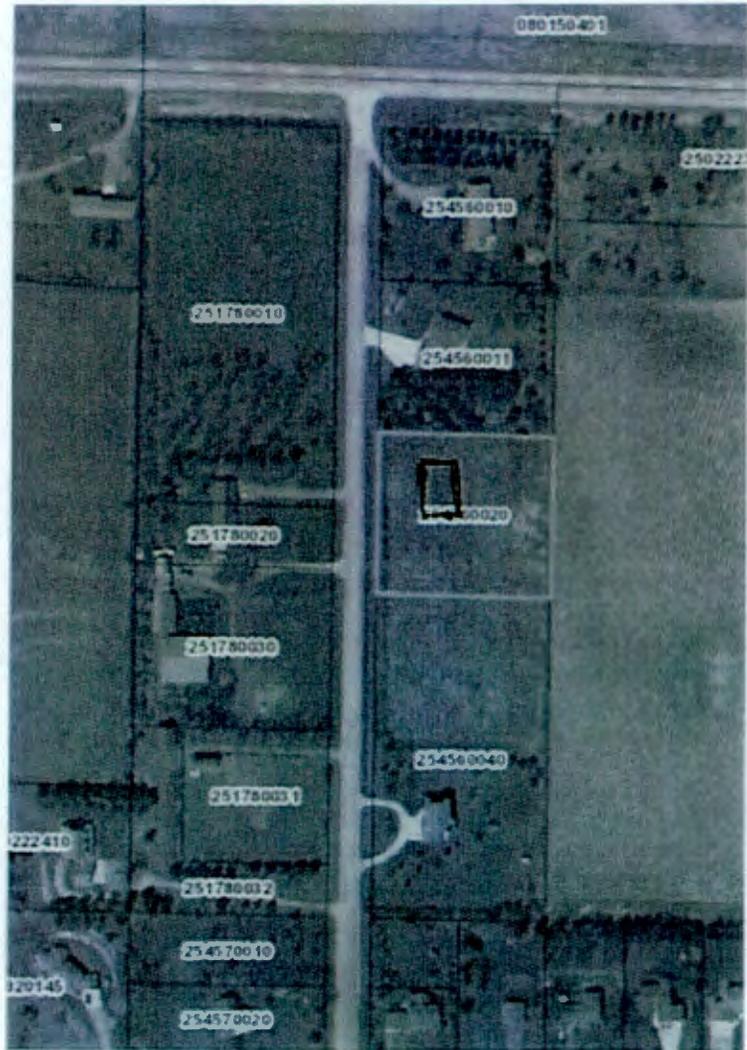
Parcel ID	254560020	Alternate ID	n/a
Sec/Twp/Rng	0-0-0	Class	RESIDENTIAL\ SINGLE UNIT
Property Address	MATTHEW DR	Acreage	1.62
	56101		

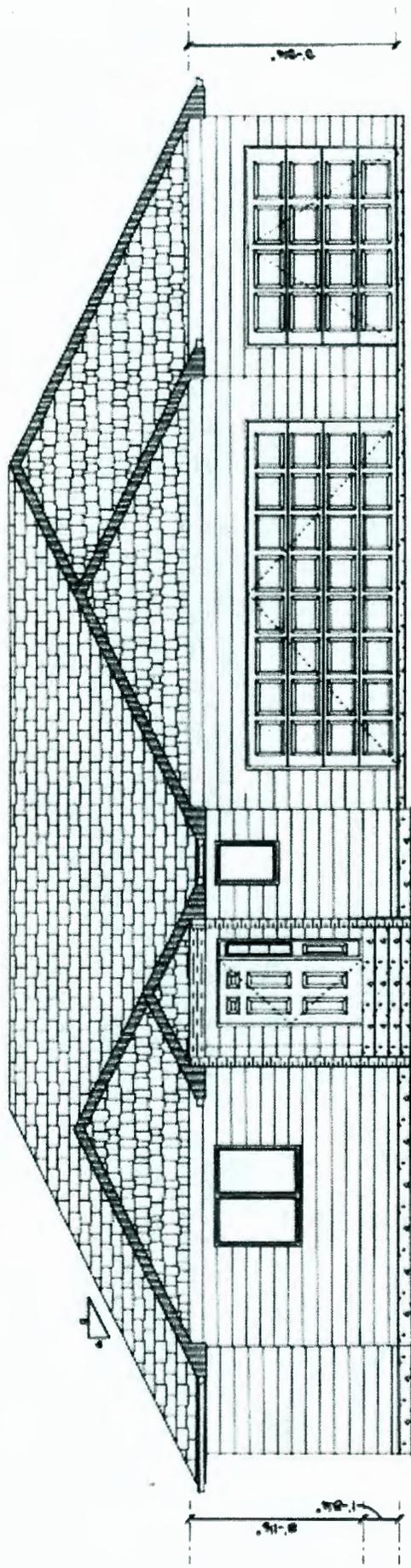
District	n/a
Brief Tax Description	n/a

(Note: Not to be used on legal documents)

Date created: 5/8/2019  
 Last Data Uploaded: 5/7/2019 7:07:57 PM

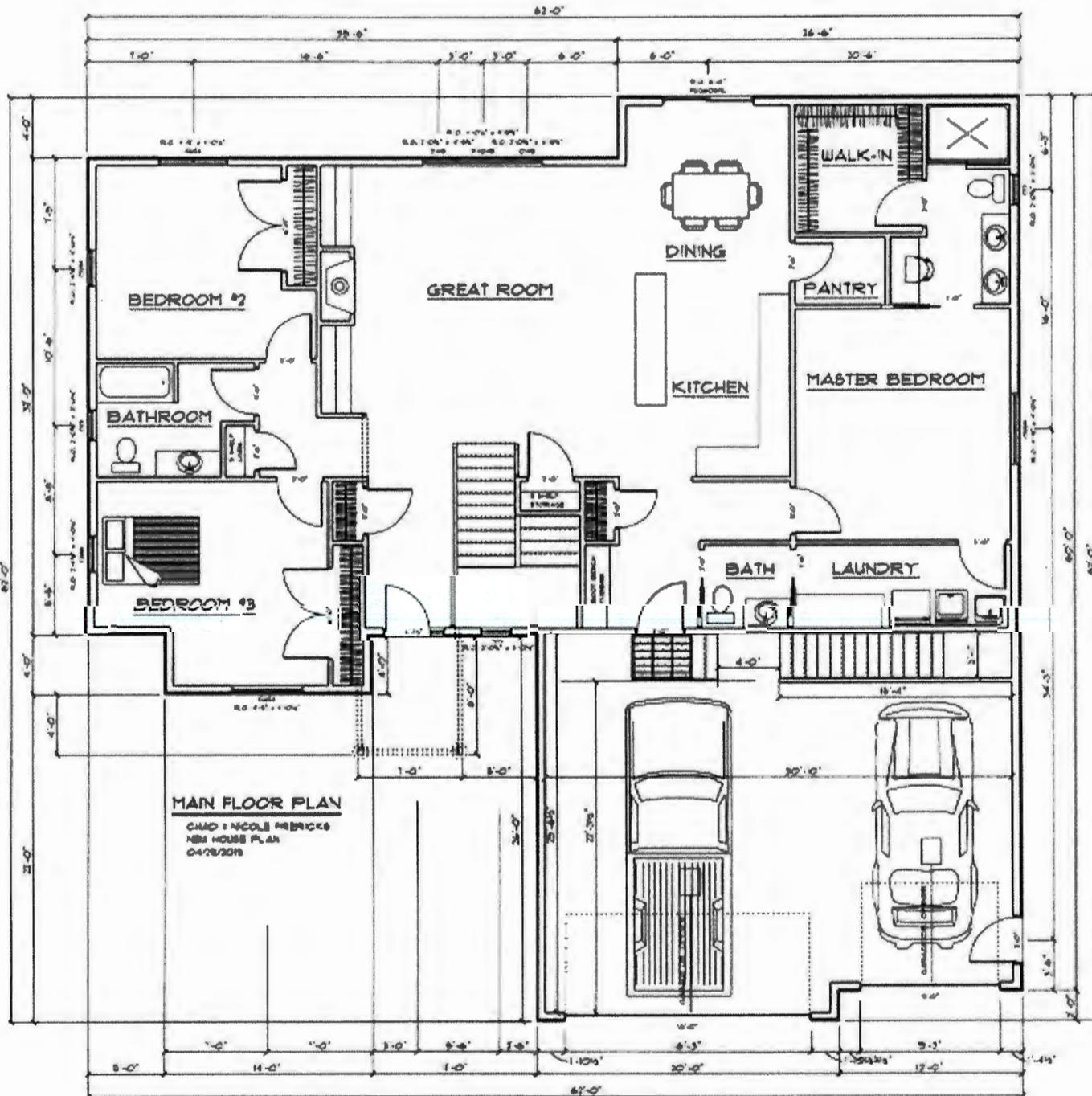
Developed by  **Schneider**  
 GEOSPATIAL

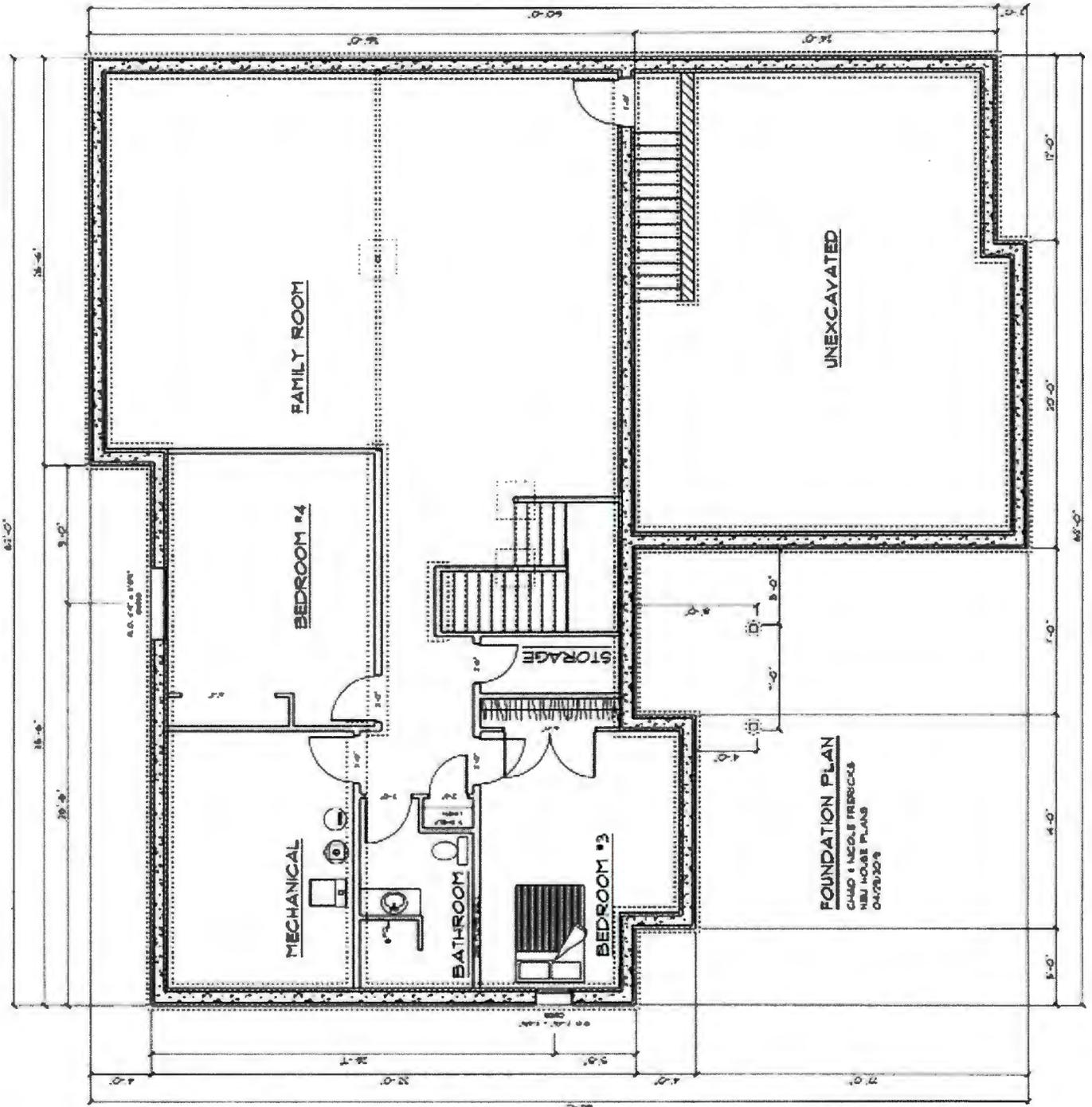




**FRONT ELEVATION**

CHAD & NICOLE PRERICKS  
NEW HOUSE PLAN  
04/25/2018







**APPRAISAL OF REAL PROPERTY**

**LOCATED AT:**

2859 Matthew Dr  
Lot 2 Block 1 Kountry Acres Subd 3  
Windom, MN 56101

**FOR:**

Bank Midwest  
1920 Center Creek Drive  
Fairmont, MN 56031

**AS OF:**

05/08/2019

**BY:**

Jay Grandprey  
Grandprey Appraisal Service  
740 12th Street  
Windom, MN 56101  
507-831-2290

Grandprey Appraisal Service

Uniform Residential Appraisal Report

6002000623
File # 28322032

The purpose of this summary appraisal report is to provide the lender/client with an accurate, and adequately supported, opinion of the market value of the subject property.
Property Address 2859 Matthew Dr City Windom State MN Zip Code 56101
Borrower Chad & Nichole Frericks Owner of Public Record Chad S & Nichole M Frericks County Cottonwood
Legal Description Lot 2 Block 1 Kountry Acres Subd 3 Tax Year 2019 R.E Taxes \$ 632
Assessor's Parcel # 25-456-0020 Map Reference Windom Census Tract 2703.00
Neighborhood Name Windom
Occupant [ ] Owner [ ] Tenant [X] Vacant Special Assessments \$ 0 [ ] PUD HOA \$ 0 [ ] per year [ ] per month
Property Rights Appraised [X] Fee Simple [ ] Leasehold [ ] Other (describe)
Assignment Type [ ] Purchase Transaction [ ] Refinance Transaction [X] Other (describe) Construction
Lender/Client Bank Midwest Address 1920 Center Creek Drive, Fairmont, MN 56031
Is the subject property currently offered for sale or has it been offered for sale in the twelve months prior to the effective date of this appraisal? [X] Yes [ ] No
Report data source(s) used, offering price(s), and date(s). DOM Unk; The property was previously offered for sale for \$55,000 on 08/29/2019 then expired on 02/28/2019 183 days on market. The borrower contacted a real estate agent & made an offer to purchase which sold 04/10/2019 \$55,000.
I [ ] did [ ] did not analyze the contract for sale for the subject purchase transaction. Explain the results of the analysis of the contract for sale or why the analysis was not performed.
Contract Price \$ Date of Contract Is the property seller the owner of public record? [ ] Yes [ ] No Data Source(s)
Is there any financial assistance (loan charges, sale concessions, gift or downpayment assistance, etc.) to be paid by any party on behalf of the borrower? [ ] Yes [ ] No
If yes, report the total dollar amount and describe the items to be paid.
Note: Race and the racial composition of the neighborhood are not appraisal factors.
Neighborhood Characteristics: Location [X] Urban [ ] Suburban [ ] Rural
One-Unit Housing Trends: Property Values [ ] Increasing [X] Stable [ ] Declining
One-Unit Housing: PRICE \$ (000) 250
Present Land Use %: One-Unit 95%
Neighborhood Description: This is a Urban location with all services available. The present land use is predominantly single family residential.
There are no apparent adverse factors including environmental hazards present. Properties typically are in good condition and state of maintenance. Marketability of properties in the neighborhood is average and remains stable.
Market Conditions (including support for the above conclusions) Supply/demand remain stable. Property values are influenced by substitution - the cost of acquiring an equally desirable substitute property. Financing is available in the 5% interest area for FHA & conventional 15-30 yr mortgages.
Property values remain stable. Seller concessions not common. Listing/sales price ratio is estimated at 90-95%. Marketing time is 3-6 months.
Dimensions 260'x 273' Area 1.63 ac Shape Rectangular View N;Res;
Specific Zoning Classification AO Zoning Description Agricultural Open
Zoning Compliance [X] Legal [ ] Legal Nonconforming (Grandfathered Use) [ ] No Zoning [ ] Illegal (describe)
Is the highest and best use of subject property as improved (or as proposed per plans and specifications) the present use? [X] Yes [ ] No If No, describe Present use of single family residential is highest and best use.
Utilities: Electricity [X] Public [ ] Other (describe) 200 Amp CB Water [X] Public [ ] Other (describe)
Off-site Improvements - Type: Street Bituminous [X] Public [ ] Private [ ]
Gas [ ] Natural Gas Sanitary Sewer [X] Alley None
FEMA Special Flood Hazard Area [ ] Yes [X] No FEMA Flood Zone C FEMA Map # 2706220180B FEMA Map Date 01/02/1981
Are the utilities and off-site improvements typical for the market area? [X] Yes [ ] No If No, describe
Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? [ ] Yes [X] No If Yes, describe
No special assessments, common & typical, does not negatively affect value or marketability. No adverse easements, encroachments, environmental conditions, land uses, etc that would affect the market value or the marketability of the subject property. Single Family Residential is a permitted use in the AO zone.
General Description: Units [X] One [ ] One with Accessory Unit
Foundation: [X] Concrete Slab [ ] Crawl Space
Exterior Description: Foundation Walls Concrete /G
Interior: Floors Carpet/Tile /G
# of Stories 1
Basement: [X] Full Basement [ ] Partial Basement
Exterior Walls LP Smart /G
Walls DryWall /G
Type [X] Det. [ ] Att. [ ] S-Det./End Unit
Basement Area 2,146 sq.ft.
Roof Surface Composite /G
Trim/Finish Wood /G
[ ] Existing [X] Proposed [ ] Under Const.
Basement Finish 30 %
Gutters & Downspouts Metal /G
Bath Floor Tile /G
Design (Style) 1 Story
[ ] Outside Entry/Exit [X] Sump Pump
Window Type Casement /G
Ban wain scot Tile & Fiberglass /G
Year Built 2019
Evidence of [ ] Infestation None
Storm Sash/Insulated Combination /G
Gr Storage [ ] None
Effective Age (Yrs) 0
[ ] Dampness [ ] Settlement
Screens Screens /G
[X] Driveway # of Cars 3
Attic: [ ] None
Heating [X] FWA [ ] HWBB [ ] Radiant
Amenities [ ] Woodstove(s) # 0
Driveway Surface Concrete
[ ] Drop Stair [ ] Stairs
[ ] Other Fuel Natural Gas
Fireplace(s) # 1
Fence None
Garage # of Cars 3
[ ] Floor [X] Scuttle
Cooling [X] Central Air Conditioning
[X] Patio/Deck Deck [X] Porch Porch
[ ] Carport # of Cars 0
[ ] Finished [ ] Heated
[ ] Individual [ ] Other
[ ] Pool None [ ] Other None
[X] Att. [ ] Det. [ ] Built-in
Appliances [ ] Refrigerator [ ] Range/Oven [X] Dishwasher [X] Disposal [X] Microwave [ ] Washer/Dryer [X] Other (describe) Center Island
Finished area above grade contains: 6 Rooms 3 Bedrooms 2.1 Bath(s) 2,146 Square Feet of Gross Living Area Above Grade
Additional features (special energy efficient items, etc.) Forced air gas energy efficient furnace, central air, air to air exchanger, electric water heater, water softener, dishwasher, microwave, disposal, center island, covered porch, deck, fireplace, 3 ceiling fans & 3 car attached garage.
Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.) C1; No updates in the prior 15 years; Physical depreciation, age life cycle with no deferred maintenance. External obsolescence considered in a smaller market place in SW Minnesota.
Proposed construction, never occupied, the entire structure is new and there is no physical depreciation. Construction quality Average Q3, 9' ceilings, hip roof, good quality windows & best quality cabinetry, many materials & finishes upgraded from "stock" standards.
Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? [ ] Yes [X] No If Yes, describe
There are no known or apparent adverse physical deficiencies and or adverse conditions that would negatively impact on the value of the subject property, including the livability, soundness or structural integrity of the property.
Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? [X] Yes [ ] No If No, describe
Property conforms to the neighborhood. The use of the property and real estate is single family residential.

# Uniform Residential Appraisal Report

600200623  
File # 28322032

There are **2** comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 342,900 to \$ 489,000  
 There are **0** comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 300,000 to \$ 500,000

FEATURE	SUBJECT	COMPARABLE SALE # 1		COMPARABLE SALE # 2		COMPARABLE SALE # 3	
Address	2859 Matthew Dr Windom, MN 56101	2470 Dayton Dr Worthington, MN 56187		2430 Dayton Dr Worthington, MN 56187		1426 11th St N New Ulm, MN 56073	
Proximity to Subject		28.90 miles SW		28.90 miles SW		44.29 miles NE	
Sale Price		\$ 398,206		\$ 372,288		\$ 380,000	
Sale Price/Gross Liv. Area	\$ 92.02 sq.ft.	\$ 245.50 sq.ft.		\$ 182.85 sq.ft.		\$ 192.69 sq.ft.	
Data Source(s)		CRV#930566;DOM Unk		CRV#942137;DOM 89		CRV #871089;DOM 68	
Verification Source(s)		Nobles County Assessor		MLS #6033359, Nobles Co		MLS #7018304, Cottonwood Co	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment
Sales or Financing		Armlth		Armlth		Armlth	
Concessions		Cash;0		Conv;0		Conv;0	
Date of Sale/Time		s03/19;Unk		s04/19;c02/19		s09/18;c08/18	
Location	N;Res;	N;Res;Superior	-19,900	N;Res;Superior	-18,600	N;Res;Superior	-19,000
Leasehold/Fee Simple	Fee Simple	Fee Simple		Fee Simple		Fee Simple	
Site	1.63 ac	16275 sf	+2,500	16490 sf	+2,500	10875 sf	+2,800
View	N;Res;	N;Res;		N;Res;Lake	-5,000	N;Res;	
Design (Style)	DT1;1 Story	DT1;1 Story		DT1;1 Story		DT1;1 Story	
Quality of Construction	Q3	Q3		Q3		Q3	
Actual Age	0	2	+1,000	4	+2,000	8	+4,000
Condition	C1	C1		C2	+20,000	C2	+20,000
Above Grade	Total Bdrms. Baths	Total Bdrms. Baths	+500	Total Bdrms. Baths	+500	Total Bdrms. Baths	+500
Room Count	6 3 2.1	5 2 2.0	+500	5 2 2.0	+500	6 2 2.0	+500
Gross Living Area	2,146 sq.ft.	1,622 sq.ft.	+26,200	2,036 sq.ft.	+5,500	1,970 sq.ft.	+8,800
Basement & Finished	2146sf644sf	1622sf1422sf	-3,900	2036sf1826sf	-5,900	1970sf1773sf	-5,600
Rooms Below Grade	0r1br1.0ba0o	1r2br1.0ba0o	-500	1r2br1.0ba0o	-500	1r1br1.0ba1o	0
Functional Utility	Average	Average		Average		Average	
Heating/Cooling	F.Air/Central Air	F.Air/Central Air		F.Air/Central Air		F.Air/Central Air	
Energy Efficient Items	Eng.Eff.Furn.	Eng.Eff.Furn.		Eng.Eff.Furn.		Eng.Eff.Furn.	
Garage/Carport	3ga3dw	3ga3dw		3ga3dw		2ga2dw	+5,000
Porch/Patio/Deck	Porch, Deck	Porch, Deck		Porch, Deck		Porch, Deck	
Other	Fireplace	2 Fireplace	-1,000	Fireplace		Fireplace	
Other	None	None		None		None	
Other	None	None		None		None	
Net Adjustment (Total)		⊗ + □ - \$	5,400	⊗ + □ - \$	1,000	⊗ + □ - \$	17,000
Adjusted Sale Price		Net Adj. 1.4%		Net Adj. 0.3%		Net Adj. 4.5%	
Adjusted Sale Price of Comparables		Gross Adj. 14.1%	\$ 403,606	Gross Adj. 16.4%	\$ 373,288	Gross Adj. 17.4%	\$ 397,000

I did not research the sale or transfer history of the subject property and comparable sales. If not, explain: The sale and transfer history of the subject and comparable property's have been researched and analyzed.

My research  did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.

Data Source(s) **Public Records, Assessors Office.** The subject has transferred in the previous 3 years, see list below.

My research  did not reveal any prior sales or transfers of the comparable sales for the year prior to the date of sale of the comparable sale.

Data Source(s) **Public Records, Assessors Office.** No transfers of the comparable sales within a year prior to date of sale.

Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).

ITEM	SUBJECT	COMPARABLE SALE #1	COMPARABLE SALE #2	COMPARABLE SALE #3
Date of Prior Sale/Transfer	04/10/2019			
Price of Prior Sale/Transfer	\$55,000			
Data Source(s)	Public Records	Public Records	Public Records	Public Records
Effective Date of Data Source(s)	05/08/2019	05/08/2019	05/08/2019	05/08/2019

Analysis of prior sale or transfer history of the subject property and comparable sales: Prior sales of the subject and comparables have been analyzed. I have personally inspected the exteriors of each of the comparables and taken the photos. No MLS or 3rd party photos have been used in the analysis. The photo accurately depicts the condition of the comparable. Due diligence used in calculating GLA, determining condition and construction quality ratings. There is imperfect data in the market with MLS and public records. I have used best source(s) for information, personal measurements, public records, local realtors & or MLS data. The subject sold \$55,000 04/10/2019 and \$30,000 12/21/2016 bare land.

**Summary of Sales Comparison Approach** These sales are closest and most like the subject and are considered the best indicators of the subjects value. Comparable #1 is most like the subject weighted. I have considered pending sales and contract offerings. No warranty is assumed for the structure or the mechanical elements of the subject property. Some adjustments exceed the industry guidelines, due to property differences. The appraised value is supported by the market value comparisons. 6 sales are within the past year, 2 are over a year and an active listing is provided. Older sales and listing included to provided another C1 & comps from the same neighborhood. Some comparables provided to bracket dominant features. Comprehensive research does not reveal better sales to use in the analysis. Adjustments are based on the markets reaction to any differences. Adjustments are based on multiple factors: paired sales, interviewing market participants and cost less depreciation. Regression analysis is not possible or valid without suitable data.  
 Indicated Value by Sales Comparison Approach \$ 380,000

Indicated Value by: Sales Comparison Approach \$ 380,000 Cost Approach (if developed) \$ 380,133 Income Approach (if developed) \$  
 Sales Comparison Approach is best value indicator. Cost Approach supports the Sales Comparison Approach. The Income Approach to value is irrelevant. The appraisal assignment is not based on a minimum. Personal property is not considered. The appraiser is not a home inspector or acting as such. No liability is given or implied.

This appraisal is made  "as is",  subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed,  subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or  subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair: Appraised "subject to" building new house per plans & specifications as proposed. The intended use is for a mortgage finance transaction. The intended user is the client. Based on a complete visual inspection of the interior and exterior areas of the subject property, defined scope of work, statement of assumptions and limiting conditions, and appraiser's certification, my (our) opinion of the market value, as defined, of the real property that is the subject of this report is \$ 380,000, as of 05/08/2019, which is the date of inspection and the effective date of this appraisal.



**NOTICE OF PUBLIC  
HEARING  
CITY OF WINDOM,  
MINNESOTA  
RESIDENTIAL  
PROPERTY  
TAX ABATEMENT**

**A Public Hearing will be held by the Windom City Council on Tuesday, June 18, 2019, at the City Council Meeting which begins at 6:30 P.M. in the City Council Chambers at the City Hall, 444 Ninth Street, Windom, Minnesota, to consider granting a residential property tax abatement pursuant to Minnesota Statutes §469.1813.**

Request submitted by Chad and Nichole Frericks. Abatement period—5 years commencing on first year of taxes payable for assessed value related to new home. Based on 2018 tax rates, **estimated** total abatement could be approximately \$15,320.

Property Address: 3055 Matthew Drive, Windom, MN 56101

Legal Description of Property: Lot 2 in Block 1 of Kountry Acres Subdivision No. 3 in the City of Windom, Cottonwood County, Minnesota.

Parcel No. 25-456-0020

All parties interested in commenting on this proposed abatement may attend the public hearing or submit written comments to the address below prior to the hearing.

**BY ORDER OF THE  
WINDOM CITY COUNCIL**

Steven Nasby,  
City Administrator  
444 Ninth Street  
P. O. Box 38  
Windom, MN 56101  
Phone: 507-831-6129  
(334—June 5, 2019)



1. The City of Windom does hereby grant an abatement to **Chad S. Frericks and Nichole M. Frericks**, husband and wife, of the City of Windom's share of property taxes upon the above-described parcel based on the proposed construction of a new single-family home on said parcel.
2. The tax abatement will be for no more than five (5) years commencing on the first year of taxes payable for the assessed value related to the capital improvement (new home) as outlined in Cottonwood County Home Initiative Guidelines.
3. The City shall provide the awarded abatement payment following payment by the property owners of the property taxes due annually. One single payment of the City's share of the abatement shall be made to the property owner(s) of record by December 30<sup>th</sup> of that calendar year.
4. The tax abatement shall be for the residential capital improvements only. Land values and the current base value are not eligible and will not be abated.
5. The abatement shall be null and void if construction of the new home is not commenced within six (6) months of the approval of this resolution or if property taxes are not paid on or before the respective annual payment deadlines.

Adopted by the City Council this 18th day of June, 2019.

---

Dominic Jones, Mayor

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

# 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:** DREW HAGE, DEVELOPMENT DIRECTOR  
**CC MEETING DATE:** JUNE 18, 2019  
**RE:** PUBLIC HEARING – TIF DISTRICT 1-22  
**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 potential new TIF District No. 1-22:

1. Hold the Public Hearing.
2. Adopt attached RESOLUTION approving the modification to the Development Program for Development District No. 1, establishing TIF District 1-22, and adopting the tax increment financing plan for TIF District 1-22.
3. Adopt attached RESOLUTION approving an Interfund Loan (IFL) for TIF District 1-22.

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## **Issue Summary/Background**

The Economic Development Authority of Windom (“EDA”) is recommending establishment of a new redevelopment Tax Increment Financing (TIF) District. This new TIF District would encompass the paved parking lot south of the Community Center, the overflow parking lot, the lot where the City’s water plant is situated, that portion of Cottonwood Lake Drive which is adjacent to (and East of) the overflow parking lot and running South to its intersection with County Road 13, and the gravel parking lot and a grassy/gravel drive area adjacent to the City’s water tower located in the Northeast corner of the Windom Recreation Area, the Cemstone property, and property owned by Brian Bosshart and Dennis Rode situated Northeast of the Cemstone property. On April 16, 2019, the City Council approved the inclusion of these areas in the proposed new redevelopment TIF district (TIF 1-22).

On May 7, 2019, the City Council called for a public hearing on the proposed new redevelopment TIF district (TIF 1-22) to be held on June 18, 2019.

Following the public hearing, the EDA is requesting that the City Council review and adopt the attached Resolution, prepared by the EDA’s TIF Consultants, approving the modification to the Development Program for Development District No. 1, establishing TIF District 1-22, and adopting the tax increment financing plan for TIF District 1-22.

The EDA is also requesting that the City Council review and adopt the attached Resolution, prepared by the EDA’s TIF Consultants, approving an interfund loan for this new TIF district. TIF regulations require that the City Council adopt an Interfund Loan Resolution to allow the EDA and the City to reimburse themselves for eligible expenses advanced by the EDA and/or City in connection with the new TIF District. This Resolution must be adopted **before** these expenses are advanced. At this time, the City

does not know the specific amount of these potential future expenses, so an estimate of not to exceed \$500,000 was included in the proposed Resolution.

### **Fiscal Impact**

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Amount: The fiscal impact includes:

(1) Reimbursement of the Developer of the multi-family apartment building (to be constructed on the overflow parking lot) for TIF-eligible expenses from available tax increment generated by this TIF District (pursuant to a development agreement to be reviewed by the City Council);

(2) Allocation of \$500,000 of future tax increment generated by TIF District 1-22 to the EDA/City as reimbursement for potential eligible expenses that they advance on behalf of this TIF District (pursuant to the IFL Resolution); and

(3) Use of future tax increment generated by TIF District 1-22 for other TIF-eligible projects within this TIF District such as installation of infrastructure within this TIF District, improvement projects for portions of streets within this TIF District, paving and repaving of parking lots within this TIF District, etc.

### **Attachments**

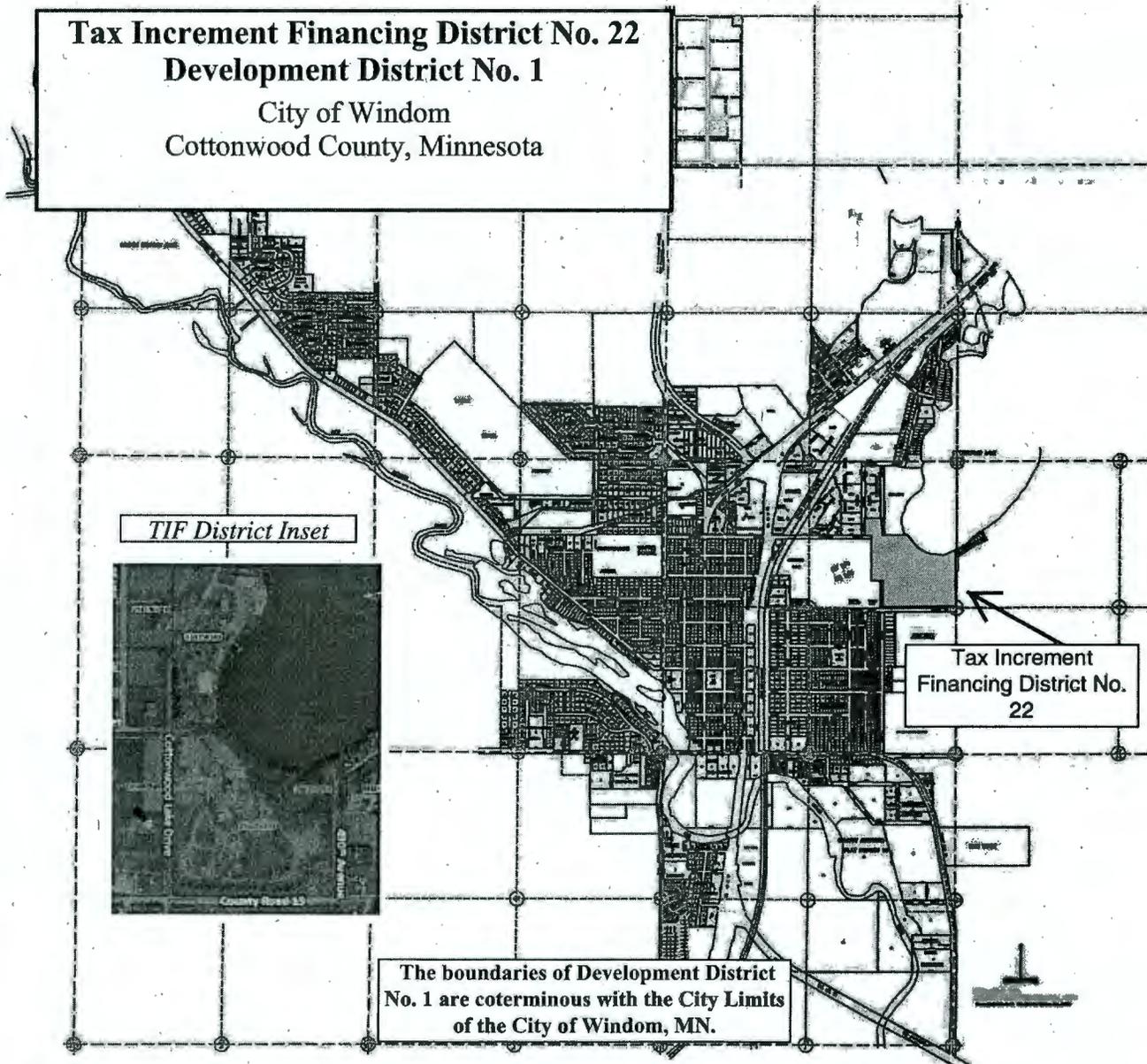
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1. Public Hearing Notice;
2. Modification of Development Program for Development District No. 1 and TIF Plan for TIF District 1-22;
3. Resolution Modifying Development District No. 1, Establishing TIF District 1-22, and Approving TIF Plan for TIF District 1-22;
4. Resolution Authorizing an Interfund Loan...(TIF District 1-22).

**NOTICE OF PUBLIC HEARING  
CITY OF WINDOM  
COTTONWOOD COUNTY  
STATE OF MINNESOTA**

NOTICE IS HEREBY GIVEN that the City Council of the City of Windom (the "City"), Cottonwood County, State of Minnesota, will hold a public hearing on June 18, 2019, beginning at approximately 6:30 PM, at the City Council Chambers at 444—9th Street, Windom, Minnesota, relating to the City's proposed adoption of a Modification to the Development Program (the "Modification") for Development District No. 1 (the "Development District"), the proposed establishment of Tax Increment Financing District No. 22: Cemstone (a redevelopment tax increment financing district) (the "TIF District") within the Development District, and the proposed adoption of a Tax Increment Financing Plan (the "TIF Plan") therefor (collectively, the "Modification and Plan"), pursuant to Minnesota Statutes, 469.124 to 469.133 and Sections 469.174 to 469.1799, all inclusive, as amended. Copies of the Modification and Plan are on file and available for public inspection at the office of the Community Development Director at City Hall.

The property to be included in the TIF District is located within the Development District and the City. A map of the Development District and the TIF District therein is set forth below. Subject to certain limitations, tax increment from the TIF District may be spent on eligible uses within the boundaries of the Development District.



All interested persons may appear at the hearing and present their views orally or prior to the meeting in writing.

BY ORDER OF THE CITY COUNCIL OF  
THE CITY OF WINDOM, MINNESOTA

/s/

Drew Hage, Community Development Director



**MODIFICATION OF THE DEVELOPMENT PROGRAM**  
Development District No. 1

- AND -

**TAX INCREMENT FINANCING PLAN**  
Establishment of the Tax Increment Financing District No. 22:  
Cemstone  
(redevelopment district)

Windom Economic Development Authority  
City of Windom, Cottonwood County, Minnesota

Public Hearing: June 18, 2019



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# Modification to the Development Program for Development District No. 1

## Foreword

The following text represents a Modification to the Development Program for Development District No. 1. This modification represents a continuation of the goals and objectives set forth in the Development Program for Development District No. 1. Generally, the substantive changes include the establishment of Tax Increment Financing District No. 22: Cemstone.

For further information, a review of the Development Program for Development District No. 1 is recommended. It is available from the City Administrator at the City of Windom. Other relevant information is contained in the Tax Increment Financing Plans for the Tax Increment Financing Districts located within Development District No. 1.

# Tax Increment Financing Plan for Tax Increment Financing District No. 22: Cemstone

## Foreword

The Windom Economic Development Authority (the "EDA"), City of Windom (the "City"), staff and consultants have prepared the following information to expedite the establishment of Tax Increment Financing District No. 22: Cemstone (the "District"), a redevelopment tax increment financing district, located in Development District No. 1.

## Statutory Authority

Within the City, there exist areas where public involvement is necessary to cause development or redevelopment to occur. To this end, the EDA and City have certain statutory powers pursuant to *Minnesota Statutes ("M.S."), Sections 469.090 to 469.1082*, inclusive, as amended, and *M.S., Sections 469.174 to 469.1794*, inclusive, as amended (the "Tax Increment Financing Act" or "TIF Act"), to assist in financing public costs related to this project.

This section contains the Tax Increment Financing Plan (the "TIF Plan") for the District. Other relevant information is contained in the Modification to the Development Program for Development District No. 1.

## Statement of Objectives

The District currently consists of seven parcels of land and adjacent and internal rights-of-way. The District is being created to facilitate the development of single-family lake and back-lot homes, duplexes and 4-plexes, a multifamily market-rate apartment building, and parking facilities by the demolition of existing structures, site preparation, and the installation of new infrastructure in the City. The City has not entered into an agreement at the time of this TIF Plan, but has designated Heritage LLC and McMereditth Development Inc as developer of an approximately 42 to 44-unit apartment building that is likely to occur in 2019. This TIF Plan is expected to achieve many of the objectives outlined in the Development Program for Development District No. 1.

The activities contemplated in the Modification to the Development Program and the TIF Plan do not preclude the undertaking of other qualified development or redevelopment activities. These activities are anticipated to occur over the life of Development District No. 1 and the District.

## Development Program Overview

1. Property to be Acquired - Selected property located within the District may be acquired by the EDA or City and is further described in this TIF Plan.

The City owns four parcels included in the TIF District.

2. Relocation - Relocation services, to the extent required by law, are available pursuant to *M.S., Chapter 117* and other relevant state and federal laws.

3. Upon approval of a developer's plan relating to the project and completion of the necessary

legal requirements, the EDA or City may sell to a developer selected properties that it may acquire within the District or may lease land or facilities to a developer.

4. The EDA or City may perform or provide for some or all necessary acquisition, construction, relocation, demolition, and required utilities and public street work within the District.

## Description of Property in the District and Property to be Acquired

The District encompasses all property and adjacent rights-of-way and abutting roadways identified by the parcels listed below:

Parcel number	Address	Owner
25-025-0200	1405 Cottonwood Lk Dr	Consolidated Ready Mix
25-025-0201	Unassigned	Brian Bosshart
25-025-0500	0 Kastle Kingdom	City of Windom
25-839-0010	1625 Redding Ave N	City of Windom
25-839-0015	1685 Redding Ave N	City of Windom
25-839-0020	1750 Cottonwood Lk Dr	City of Windom

Please also see the map in [Appendix A](#) for further information on the location of the District.

The EDA or City may acquire any parcel within the District including interior and adjacent street rights of way. Any properties identified for acquisition will be acquired by the EDA or City only in order to accomplish one or more of the following: storm sewer improvements; provide land for needed public streets, utilities and facilities; carry out land acquisition, site improvements, clearance and/or development to accomplish the uses and objectives set forth in this plan. The EDA or City may acquire property by gift, dedication, condemnation or direct purchase from willing sellers in order to achieve the objectives of this TIF Plan. Such acquisitions will be undertaken only when there is assurance of funding to finance the acquisition and related costs.

## Classification of the District

The EDA and City, in determining the need to create a tax increment financing district in accordance with *M.S., Sections 469.174 to 469.179*, as amended, inclusive, find that the District, to be established, is a **redevelopment district** pursuant to *M.S., Section 469.174, Subd. 10(a)(1)*.

In meeting the statutory criteria, the City relied on the following facts and findings:

- The District is a redevelopment district consisting of seven parcels.
- An inventory shows that parcels consisting of more than 70 percent of the area in the District are occupied by buildings, streets, utilities, paved or gravel parking lots or other similar structures.
- An inspection of the buildings located within the District finds that more than 50 percent of the buildings are structurally substandard as defined in the TIF Act. (See Appendix D).

Pursuant to *M.S., Section 469.176, Subd. 7*, the District does not contain any parcel or part of a parcel that qualified under the provisions of *M.S., Sections 273.111, 273.112, or 273.114* or

Chapter 473H for taxes payable in any of the five calendar years before the filing of the request for certification of the District.

## **Duration and First Year of Tax Increment of the District**

Pursuant to *M.S., Section 469.175, Subd. 1, and Section 469.176, Subd. 1*, the duration and first year of tax increment of the District must be indicated within the TIF Plan. Pursuant to *M.S., Section 469.176, Subd. 1b.*, the duration of the District will be 25 years after receipt of the first increment by the City (a total of 26 years of tax increment). The EDA or City elect to receive the first tax increment in 2021, which is no later than four years following the year of approval of the District. Thus, it is estimated that the District, including any modifications of the TIF Plan for subsequent phases or other changes, would terminate after 2046, or when the TIF Plan is satisfied. The EDA and City reserve the right to decertify the District prior to the legally required date.

## **Original Tax Capacity, Tax Rate and Estimated Captured Net Tax Capacity Value/Increment and Notification of Prior Planned Improvements**

Pursuant to *M.S., Section 469.174, Subd. 7 and M.S., Section 469.177, Subd. 1*, the Original Net Tax Capacity (ONTC) as certified for the District will be based on the market values placed on the property by the assessor in 2018 for taxes payable 2019.

Pursuant to *M.S., Section 469.177, Subds. 1 and 2*, the County Auditor shall certify in each year (beginning in the payment year 2020) the amount by which the original value has increased or decreased as a result of:

1. Change in tax exempt status of property;
2. Reduction or enlargement of the geographic boundaries of the district;
3. Change due to adjustments, negotiated or court-ordered abatements;
4. Change in the use of the property and classification;
5. Change in state law governing class rates; or
6. Change in previously issued building permits.

In any year in which the current Net Tax Capacity (NTC) value of the District declines below the ONTC, no value will be captured, and no tax increment will be payable to the City.

The original local tax rate for the District will be the local tax rate for taxes payable 2019, assuming the request for certification is made before June 30, 2019. The ONTC and the Original Local Tax Rate for the District appear in the table below.

Pursuant to *M.S., Section 469.174 Subd. 4 and M.S., Section 469.177, Subd. 1, 2, and 4*, the estimated Captured Net Tax Capacity (CTC) of the District, within Development District No. 1, upon completion of the projects within the District, will annually approximate tax increment revenues as shown in the table below. The EDA and City request 100 percent of the available increase in tax capacity for repayment of its obligations and current expenditures, beginning in the tax year payable 2021. The Project Tax Capacity (PTC) listed is an estimate of values when the projects within the District are completed.

Project Net Tax Capacity		
Project estimated Tax Capacity upon completion	\$ 245,334	
Original estimated Net Tax Capacity	1,740	
<b>Estimated Captured Tax Capacity</b>	<b>\$ 243,595</b>	
Original Local Tax Rate	147.3050%	Pay 2019
<b>Estimated Annual Tax Increment</b>	<b>\$ 358,827</b>	
Percent Retained by the City	100%	

*Tax capacity includes a 2.00% inflation factor for the duration of the District. The tax capacity included in this chart is the estimated tax capacity of the District in year 25. The tax capacity of the District in year one is estimated to be \$65,215.*

Pursuant to *M.S., Section 469.177, Subd. 4*, the EDA and City shall, after a due and diligent search, accompany its request for certification to the County Auditor or its notice of the District enlargement pursuant to *M.S., Section 469.175, Subd. 4*, with a listing of all properties within the District or area of enlargement for which building permits have been issued during the eighteen (18) months immediately preceding approval of the TIF Plan by the municipality pursuant to *M.S., Section 469.175, Subd. 3*. The County Auditor shall increase the original net tax capacity of the District by the net tax capacity of improvements for which a building permit was issued.

**The EDA and City have reviewed the area to be included in the District and found no parcels for which building permits have been issued during the 18 months immediately preceding approval of the TIF Plan by the City.**

### Sources of Revenue/Bonds to be Issued

The costs outlined in the Uses of Funds will be financed primarily through the annual collection of tax increments. The EDA and City reserve the right to incur bonds or other indebtedness as a result of the TIF Plan. As presently proposed, the projects within the District will be financed by PAYGO and Interfund Loan. Any refunding amounts will be deemed a budgeted cost without a formal TIF Plan Modification. This provision does not obligate the EDA or City to incur debt. The EDA or City will issue bonds or incur other debt only upon the determination that such action is in the best interest of the City.

The total estimated tax increment revenues for the District are shown in the table below:

SOURCES	
Tax Increment	\$ 7,079,939
Interest	707,994
<b>TOTAL</b>	<b>\$ 7,787,933</b>

The EDA or City may issue bonds (as defined in the TIF Act) secured in whole or in part with tax increments from the District in a maximum principal amount of \$7,787,933. It is estimated that approximately \$1,300,000 of bonds will be issued for both the west and east phases. Such bonds may be in the form of pay-as-you-go notes, revenue bonds or notes, general obligation bonds, or interfund loans. This estimate of total bonded indebtedness is a cumulative statement of authority under this TIF Plan as of the date of approval.

## Uses of Funds

Currently under consideration for the District is a proposal to facilitate the development of single-family lake and back-lot homes, duplexes and 4-plexes, a multifamily market-rate apartment building, and parking facilities. The EDA and City have determined that it will be necessary to provide assistance to the project(s) for certain District costs, as described. The EDA and City have studied the feasibility of the development or redevelopment of property in and around the District. To facilitate the establishment and development or redevelopment of the District, this TIF Plan authorizes the use of tax increment financing to pay for the cost of certain eligible expenses. The estimate of public costs and uses of funds associated with the District is outlined in the following table.

<b>USES</b>	
Land/Building Acquisition	\$ 300,000
Site Improvements/Preparation	1,600,000
Affordable Housing	-
Utilities	1,000,000
Other Qualifying Improvements	724,145
Administrative Costs (up to 10%)	707,994
<b>PROJECT AND INTEREST COSTS TOTAL</b>	<b>\$ 4,332,139</b>
Interest	3,455,794
<b>PROJECT AND INTEREST COSTS TOTAL</b>	<b>\$ 7,787,933</b>

The total project cost, including financing costs (interest) listed in the table above does not exceed the total projected tax increments for the District as shown in the Sources of Revenue.

Estimated capital and administrative costs listed above are subject to change among categories by modification of the TIF Plan without hearings and notices as required for approval of the initial TIF Plan, so long as the total capital and administrative costs combined do not exceed the total listed above. Further, the EDA or City may spend up to 25 percent of the tax increments from the District for activities (described in the table above) located outside the boundaries of the District but within the boundaries of the Project (including administrative costs, which are considered to be spend outside the District), subject to all other terms and conditions of this TIF Plan.

## Estimated Impact on Other Taxing Jurisdictions

The estimated impact on other taxing jurisdictions assumes that the redevelopment contemplated by the TIF Plan would occur without the creation of the District. However, the EDA and City have determined that such development or redevelopment would not occur "but for" tax increment financing and that, therefore, the fiscal impact on other taxing jurisdictions is \$0. The estimated fiscal impact of the District would be as follows if the "but for" test was not met:

Impact on Tax Base			
	2018/Pay 2019 Total Net Tax Capacity	Estimated Captured Tax Capacity (CTC) upon completion	Percent of CTC to Entity Total
Cottonwood County	27,865,341	243,595	0.8742%
City of Windom	2,452,750	243,595	9.9315%
Windom ISD #177	10,075,375	243,595	2.4177%

Impact on Tax Rates				
	Pay 2019 Extension	Percent of Total	CTC	Potential Taxes
Cottonwood County	37.3150%	25.3318%	243,595	\$ 90,897
City of Windom	82.8450%	56.2405%	243,595	201,806
Windom ISD #177	26.9970%	18.3273%	243,595	65,763
Other	0.1480%	0.1005%	243,595	361
	147.3050%	100%		\$ 358,827

The estimates listed above display the captured tax capacity when all construction is completed. The tax rate used for calculations is the Pay 2019 rate. The total net capacity for the entities listed above are based on Pay 2019 figures. The District will be certified under the Pay 2019 rates.

Pursuant to M.S. Section 469.175 Subd. 2(b):

(1) Estimate of total tax increment. It is estimated that the total amount of tax increment that will be generated over the life of the District is \$7,079,939;

(2) Probable impact of the District on city provided services and ability to issue debt. An impact of the District on police protection is expected. With any addition of new residents or businesses, police calls for service will be increased. New developments add an increase in traffic, and additional overall demands to the call load. The City does not expect that the proposed development, in and of itself, will necessitate new capital investment in vehicles or facilities.

The probable impact of the District on fire protection is not expected to be significant. Typically, new buildings generate few calls, if any, and are of superior construction. The existing buildings, which will be eliminated by the new development, have public safety concerns that include several unprotected old buildings with issues such as access, hydrant locations, and converted structures. The City does not expect that the proposed development, in and of itself, will necessitate new capital investment in vehicles or or facilities.

The impact of the District on public infrastructure is expected to be minimal. The development is not expected to significantly impact any traffic movements in the area. The current infrastructure for sanitary sewer, storm sewer and water will be able to handle the additional volume generated from the proposed development. Based on the development plans, there are no additional costs associated with street maintenance, sweeping, plowing, lighting and sidewalks. The development in the District is expected to contribute sanitary sewer (SAC) and water (WAC) connection fees.

The probable impact of any District general obligation tax increment bonds on the ability to issue debt for general fund purposes is expected to be minimal.

(3) Estimated amount of tax increment attributable to school district levies. It is estimated that the amount of tax increments over the life of the District that would be attributable to school district levies, assuming the school district's share of the total local tax rate for all taxing jurisdictions remained the same, is \$1,297,561;

(4) Estimated amount of tax increment attributable to county levies. It is estimated that the amount of tax increments over the life of the District that would be attributable to county levies, assuming the county's share of the total local tax rate for all taxing jurisdictions remained the same, is \$1,793,476;

(5) Additional information requested by the county or school district. The City is not aware of any standard questions in a county or school district written policy regarding tax increment districts and impact on county or school district services. The county or school district must request additional information pursuant to *M.S. Section 469.175 Subd. 2(b)* within 15 days after receipt of the tax increment financing plan.

No requests for additional information from the county or school district regarding the proposed development for the District have been received.

## **Supporting Documentation**

Pursuant to *M.S. Section 469.175, Subd. 1 (a), clause 7* the TIF Plan must contain identification and description of studies and analyses used to make the determination set forth in *M.S. Section 469.175, Subd. 3, clause (b)(2)* and the findings are required in the resolution approving the District.

- (i) In making said determination, reliance has been placed upon (1) written representation made by the developer to such effects; and (2) City staff awareness of the feasibility of developing the project site within the District, which is further outlined in the City Council resolution approving the establishment of the TIF District and Appendix C.
- (ii) A comparative analysis of estimated market value both with and without establishment of the TIF District and the use of tax increments has been performed. Such analysis is included with the cashflow in Appendix B and indicates that the increase in estimated market value of the proposed development (less the indicated subtractions) exceeds the estimated market value of the site absent the establishment of the TIF District and the use of tax increments.

## **Administration of the District**

Administration of the District will be handled by the Economic Development Director.

## **Appendix A: Map of Development District No. 1 and the District**

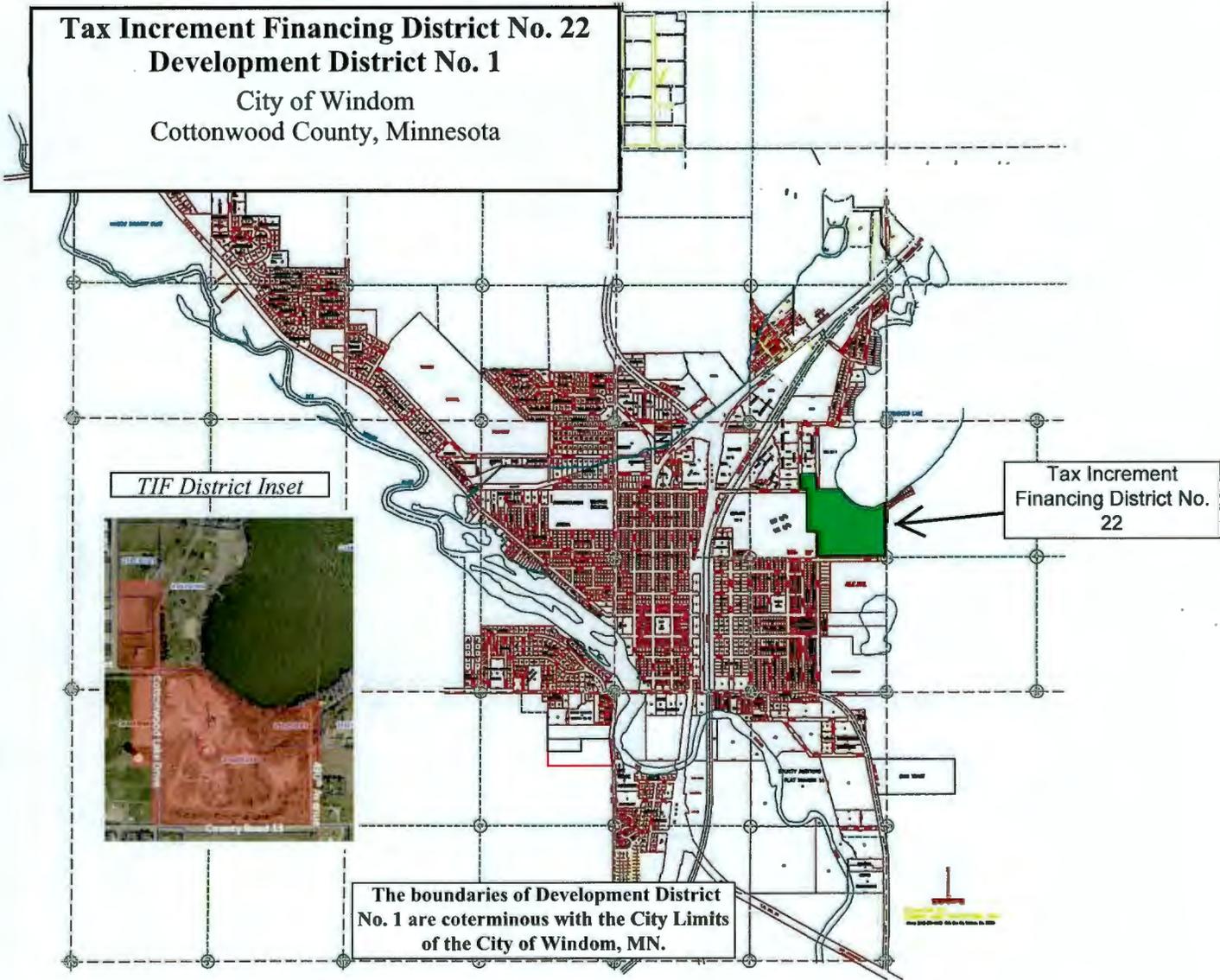
**Tax Increment Financing District No. 22**  
**Development District No. 1**  
City of Windom  
Cottonwood County, Minnesota

*TIF District Inset*



Tax Increment Financing District No. 22

The boundaries of Development District No. 1 are coterminous with the City Limits of the City of Windom, MN.



## **Appendix B: Estimated Cash Flow for the District**



**New Redevelopment TIF District - Cemstone (Ready Mix) Site - With Inflation**  
 City of Windom, Minnesota

Mixed-Use Development - South Lake Addition (ALL Phases)

**ASSUMPTIONS AND RATES**

Redevelopment		Tax Rates	
District Type:	TIF 22	Exempt Class Rate (Exempt)	0.00%
District Name/Number:	TBD	Commercial Industrial Preferred Class Rate (C/I Pref.)	
County District #:	2019	First \$150,000	1.50%
First Year Construction or Inflation on Value	2019	Over \$150,000	2.00%
Existing District - Specify No. Years Remaining	NA	Commercial Industrial Class Rate (C/I)	2.00%
Inflation Rate - Every Year:	5.00%	Rental Housing Class Rate (Rental)	1.25%
Interest Rate:	5.50%	Affordable Rental Housing Class Rate (Aff. Rental)	
Present Value Date:	1-Feb-20	First \$150,000	0.75%
First Period Ending	1-Aug-20	Over \$150,000	0.25%
Tax Year District was Certified:	Pay 2019	Non-Homestead Residential (Non-H Res. 1 Unit)	
Cashflow Assumes First Tax Increment For Development:	2021	First \$500,000	1.00%
Years of Tax Increment	26	Over \$500,000	1.25%
Assumes Last Year of Tax Increment	2046	Homestead Residential Class Rate (Hmstd. Res.)	
Fiscal Disparities Election (Outside (A), Inside (B), or NA)	NA	First \$500,000	1.00%
Incremental or Total Fiscal Disparities		Over \$500,000	1.25%
Fiscal Disparities Contribution Ratio	0.0000% Pay 2019	Agricultural Non-Homestead	1.00%
Fiscal Disparities Metro-Wide Tax Rate	0.0000% Pay 2019		
Maximum/Frozen Local Tax Rate:	147.305% Pay 2019		
Current Local Tax Rate: (Use lesser of Current or Max.)	147.305% Pay 2019		
State-wide Tax Rate (Comm./Ind. only used for total taxes)	42.4160% Pay 2019		
Market Value Tax Rate (Used for total taxes)	0.26767% Pay 2019		

**BASE VALUE INFORMATION (Original Tax Capacity)**

Map ID	PID	Owner	Address	Land Market Value	Building Market Value	Total Market Value	Percentage Of Value Used for District	Original Market Value	Tax Year Original Market Value	Property Tax Class	Current Original Tax Capacity	Class After Conversion	After Conversion Orig. Tax Cap.	Area/Phase
1A	25-025-0200	solidated Ready1405	Cottonwood Lk D	62,900	104,700	167,000	10%	15,700	Pay 2019	C/I	334	Rental	209	1A
1B	25-025-0200	solidated Ready1405	Cottonwood Lk D	62,900	104,700	167,000	90%	150,300	Pay 2019	C/I Pref.	2,256	Hmstd. Res.	1,503	1B
1B	25-025-0201	Brian Bosshart	Unassigned	2,800	0	2,800	100%	2,800	Pay 2019	Rental	35	Hmstd. Res.	28	1B
2	25-025-0500	City of Windom	0 Kastle Kingdom	128,800	277,300	406,100	15%	60,915	Pay 2019	Exempt	-	Exempt	-	2
3	25-839-0010	City of Windom	1625 Redding Ave N	82,500	263,200	345,700	100%	345,700	Pay 2019	Exempt	-	Exempt	-	3
4	25-839-0015	City of Windom	1685 Redding Ave N	81,900	0	81,900	100%	81,900	Pay 2019	Exempt	-	Exempt	-	4
5	25-839-0020	City of Windom	1790 Cottonwood Lk D	219,100	2,417,400	2,636,500	5%	131,825	Pay 2019	Exempt	-	Exempt	-	5
				<b>810,100</b>	<b>3,101,300</b>	<b>3,911,500</b>		<b>790,140</b>			<b>2,625</b>		<b>1,740</b>	

**Note:**

1. Base values are for pay 2019 based upon review of County website on April 25, 2019.



**New Redevelopment TIF District - Cemstone (Ready Mix) Site - With Inflation**  
 City of Windom, Minnesota  
 Mixed-Use Development - South Lake Addition (ALL Phases)

PROJECT INFORMATION (Project Tax Capacity)														
Area/Phase	New Use	Estimated Market Value Per Sq. Ft./Unit	Taxable Market Value Per Sq. Ft./Unit	Total Sq. Ft./Units	Total Taxable Market Value	Property Tax Class	Project Tax Capacity	Project Tax Capacity/Unit	Percentage Completed 2019	Percentage Completed 2020	Percentage Completed 2021	Percentage Completed 2022	First Year Full Taxes Payable	
1	Apartment	97,826	97,826	46	4,500,000	Rental	56,250	1,223	100%	100%	100%	100%	2021	
1	Lake Lots	350,000	344,260	2	688,520	Hmstd. Res.	6,885	3,443	100%	100%	100%	100%	2021	
1	City Lots	225,000	208,010	1	208,010	Hmstd. Res.	2,080	2,080	100%	100%	100%	100%	2021	
2	Lake Lots	350,000	344,260	3	1,032,780	Hmstd. Res.	10,328	3,443	100%	100%	100%	100%	2022	
2	City Lots	225,000	208,010	7	1,456,070	Hmstd. Res.	14,561	2,080	100%	100%	100%	100%	2022	
2	Duplexes	300,000	289,760	2	579,520	Hmstd. Res.	5,795	2,898	100%	100%	100%	100%	2022	
3	Lake Lots	350,000	344,260	3	1,032,780	Hmstd. Res.	10,328	3,443	100%	100%	100%	100%	2023	
3	County Lots	250,000	235,260	3	705,780	Hmstd. Res.	7,058	2,353	100%	100%	100%	100%	2023	
3	4-Plexes	600,000	600,000	2	1,200,000	Hmstd. Res.	12,500	6,250	100%	100%	100%	100%	2023	
4	Lake Lots	350,000	344,260	3	1,032,780	Hmstd. Res.	10,328	3,443	100%	100%	100%	100%	2024	
4	County Lots	250,000	235,260	2	470,520	Hmstd. Res.	4,705	2,353	100%	100%	100%	100%	2024	
4	Duplexes	300,000	289,760	2	579,520	Hmstd. Res.	5,795	2,898	100%	100%	100%	100%	2024	
4	4-Plexes	600,000	600,000	1	600,000	Hmstd. Res.	6,250	6,250	100%	100%	100%	100%	2024	
<b>TOTAL</b>					<b>14,086,280</b>		<b>152,863</b>							
Subtotal Residential				77	14,086,280		152,863							
Subtotal Commercial/Ind.				0	0		0							

**Note:**  
 1. Market values are based upon estimates supplied by City/EDA Staff. Needs to be confirmed by County Assessor.

New Use	TAX CALCULATIONS								Total Taxes	Taxes Per Sq. Ft./Unit
	Total Tax Capacity	Fiscal Disparities Tax Capacity	Local Tax Capacity	Local Property Taxes	Fiscal Disparities Taxes	State-wide Property Taxes	Market Value Taxes	Market Value Taxes		
Apartment	56,250	0	56,250	82,859	0	0	12,945	95,804	2,082.70	
Lake Lots	6,885	0	6,885	10,142	0	0	1,981	12,123	6,061.45	
City Lots	2,080	0	2,080	3,064	0	0	598	3,662	3,662.47	
Lake Lots	10,328	0	10,328	15,213	0	0	2,971	18,184	6,061.45	
City Lots	14,561	0	14,561	21,449	0	0	4,189	25,637	3,662.47	
Duplexes	5,795	0	5,795	8,537	0	0	1,667	10,204	5,101.86	
Lake Lots	10,328	0	10,328	15,213	0	0	2,971	18,184	6,061.45	
County Lots	7,058	0	7,058	10,398	0	0	2,030	12,427	4,142.27	
4-Plexes	12,500	0	12,500	18,413	0	0	3,452	21,865	10,932.58	
Lake Lots	10,328	0	10,328	15,213	0	0	2,971	18,184	6,061.45	
County Lots	4,705	0	4,705	6,931	0	0	1,354	8,285	4,142.27	
Duplexes	5,795	0	5,795	8,537	0	0	1,667	10,204	5,101.86	
4-Plexes	6,250	0	6,250	9,207	0	0	1,726	10,933	10,932.58	
<b>TOTAL</b>	<b>152,863</b>	<b>0</b>	<b>152,863</b>	<b>225,175</b>	<b>0</b>	<b>0</b>	<b>40,522</b>	<b>265,697</b>		

**Note:**  
 1. Taxes and tax increment will vary significantly from year to year depending upon values, rates, state law and other factors which cannot be predicted.

WHAT IS EXCLUDED FROM TIF?	
Total Property Taxes	265,697
less State-wide Taxes	0
less Fiscal Disp. Adj.	0
less Market Value Taxes	(40,522)
less Base Value Taxes	(2,563)
<b>Annual Gross TIF</b>	<b>222,612</b>

MARKET VALUE BUT / FOR ANALYSIS	
Current Market Value - Est.	790,140
New Market Value - Est.	14,086,280
Difference	13,296,140
Present Value of Tax Increment	3,251,875
Difference	10,044,265
Value likely to occur without Tax Increment is less than:	10,044,265



## Appendix C: Findings Including But/For Qualifications

The reasons and facts supporting the findings for the adoption of the Tax Increment Financing Plan (TIF Plan) for Tax Increment Financing District No. 1-22 (District), as required pursuant to Minnesota Statutes, Section 469.175, Subdivision 3 are as follows:

1. *Finding that Tax Increment Financing District No. 1-22 is a redevelopment district as defined in Minn. Stat., Section 469.174, Subd. 10.*

The District consists of 6 parcels, with plans to redevelop the area for housing purposes. At least 70 percent of the area of the parcels in the District are occupied by buildings, streets, utilities, paved or gravel parking lots or other similar structures and more than 50 percent of the buildings in the District, not including outbuildings, are structurally substandard to a degree requiring substantial renovation or clearance. (See Appendix D of the TIF Plan.)

2. *Finding that the proposed development, in the opinion of the City Council, would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future and that the increased market value of the site that could reasonably be expected to occur without the use of tax increment financing would be less than the increase in the market value estimated to result from the proposed development after subtracting the present value of the projected tax increments for the maximum duration of the District permitted by the TIF Plan.*

*The proposed development, in the opinion of the City, would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future:* This finding is supported by the fact that the redevelopment proposed in the TIF Plan meets the City's objectives for redevelopment. Due to the high cost of redevelopment on the parcels currently occupied by substandard buildings, the limited amount of residential property for expansion adjacent to the existing project, the incompatible land uses at close proximity, and the cost of financing the proposed improvements, this project is feasible only through assistance, in part, from tax increment financing. The developer has asked for tax increment assistance with demolition, fill remediation, and lot elevation to help redevelopment of the site.

*The increased market value of the site that could reasonably be expected to occur without the use of tax increment financing would be less than the increase in market value estimated to result from the proposed development after subtracting the present value of the projected tax increments for the maximum duration of the District permitted by the TIF Plan:* This finding is justified on the grounds that the cost of site and public improvements and utilities add to the total redevelopment cost. Historically, site and public improvements costs in this area have made redevelopment infeasible without tax increment assistance. This site has been in need of redevelopment for many years. The City reasonably determines that no other redevelopment of similar scope is anticipated on this site without substantially similar assistance being provided to the development.

Therefore, the City concludes as follows:

- a. The City's estimate of the amount by which the market value of the entire District will increase without the use of tax increment financing is \$0.

- b. If the proposed development occurs, the total increase in market value will be \$13,296,140.
- c. The present value of tax increments from the District for the maximum duration of the district permitted by the TIF Plan is estimated to be \$3,251,875.
- d. Even if some development other than the proposed development were to occur, the Council finds that no alternative would occur that would produce a market value increase greater than \$10,044,265 (the amount in clause b less the amount in clause c) without tax increment assistance.

*3. Finding that the TIF Plan for the District conforms to the general plan for the development or redevelopment of the municipality as a whole.*

The City Council reviewed the TIF Plan and found that the TIF Plan conforms to the general development plan of the City.

*4. Finding that the TIF Plan for the District will afford maximum opportunity, consistent with the sound needs of the City as a whole, for the development or redevelopment of Development District No. 1 by private enterprise.*

The project to be assisted by the District will result in housing opportunities in the City and the State of Minnesota, the renovation of substandard properties, increased tax base of the State and add a high-quality development to the City.

## **Appendix D: Redevelopment Qualifications for the District**

May 20, 2019

Re: Substandard Building Inspection

Property Address: 1405 Cottonwood Lake Drive  
Property Owner: Consolidated Ready Mix, Inc.  
Contract Purchaser: Cemstone Concrete Materials, LLC  
Parcel No: 25-025-0200

TO WHOM IT MAY CONCERN:

On May 17, 2019, I conducted an inspection of the building located at 1405 Cottonwood Lake Drive. The building is currently occupied by Cemstone Concrete Materials, LLC. The building is used as a shop area, material storage, office, and concrete batch plant. The building is approximately 5,000 square feet and was constructed in the early 1970's. The building has block exterior walls with a wood-framed flat roof and concrete floor.

The inspection revealed the following deficiencies:

1. There are cracks and mortar missing in the block. The block has face shells that are cracked, spalling and deteriorated. The entire building needs tuck-pointing, holes patched and repair of the block.
2. Several exterior door frames are rusted through. These doors are not sealed to prevent air and moisture from entering the building.
3. The roof drains are not plumbed to the storm sewer and are not guttered and directed away from the building, leading to excess moisture at the face of the building.
4. Several glass block are cracked or broken and missing mortar. The operable windows have saturated wood frames with peeling paint and inadequate caulking.
5. The drywall joints on the shop ceiling are not taped per fire code. The ceiling in the remaining shop area is covered with poly and has areas of exposed insulation which does not meet fire code.
6. The ceiling shows signs of water leaks in the roof.
7. Doors between shop area, the office, and break room are not fire rated.
8. There are improper fittings on plumbing drains and vents. Disconnected plumbing is not properly capped. The floor drains in the shop area do not appear to be properly vented or installed to current code. The plumbing does not meet current code and should be updated.
9. There are loose electrical conduit and wires, uncovered electrical boxes, and electrical splices that are not in junction boxes. The electrical does not meet code and should be updated.
10. The restrooms are not handicap-accessible.
11. Because of the size and use of the building and the material that is stored in the building, there should be a fire sprinkler system installed to meet the current code.

Substandard Building Inspection – 1405 Cottonwood Lake Drive

May 20, 2019

Page Two

12. With the condition of the exterior doors and windows and lack of insulation, the building would not meet current energy codes.
13. Exit signs and emergency lighting should be properly installed. Exit doors do not have approved hardware.
14. Air conditioner and shop heater are likely near the end of their useful lives.
15. The ventilation in the shop area does not meet current code.

From my inspection, I have made the following findings: More than 15 percent of the parcel is occupied by buildings and parking areas. The building does not meet the current Minnesota Building Code, Plumbing Code, Mechanical Code, Electrical Code, Energy Code, or Fire Code requirements. Although the main building is safe to occupy and serves its current purpose, it is in need of substantial repair and renovation. The building could not be brought up to the current Minnesota State Codes, as listed herein, for less than fifteen percent of the costs of a new building of the same size and type.

Should you have any questions concerning this report, please contact me.

Respectfully submitted,

Andrew Spielman, Building and Zoning Official

Cemstone – Main Plant – 1405 Cottonwood Lake Drive, Windom, MN



MAY 22, 2019 03:50 PM  
Andrew Spielman



The following pictures include a representative sample from the collection of pictures taken of the property.



May 17, 2019 10:12AM  
Andrew Spielman



May 17, 2019 10:20AM  
Andrew Spielman



May 17, 2019 10:09AM  
Andrew Spielman



May 17, 2019 10:20AM  
Andrew Spielman



May 17, 2019 10:13AM  
Andrew Spielman



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May 17, 2019 11:00AM  
Andrew Spielman



May 17, 2019 11:11AM  
Andrew Spielman



May 17, 2019 10:56AM  
Andrew Spielman

## RESOLUTION # 2019-

INTRODUCED:

SECONDED:

VOTED:     AYE:

              NAY:

              ABSENT:

**RESOLUTION ADOPTING A MODIFICATION TO THE DEVELOPMENT PROGRAM FOR DEVELOPMENT DISTRICT NO. 1, AND ESTABLISHING TAX INCREMENT FINANCING DISTRICT NO. 1-22 THEREIN, AND ADOPTING A TAX INCREMENT FINANCING PLAN THEREFOR.**

---

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

Section 1.     Recitals

1.01. The Board of Commissioners of the Economic Development Authority of Windom (the "EDA") has heretofore established Development District No. 1 and adopted the Development Program therefor. It has been proposed by the EDA and the City that the City adopt a Modification to the Development Program (the "Development Program Modification") for Development District No. 1 (the "Project Area") and establish Tax Increment Financing District No. 1-22 (the "District") therein and adopt a Tax Increment Financing Plan (the "TIF Plan") therefor (the Development Program Modification and the TIF Plan are referred to collectively herein as the "Program and Plan"); all pursuant to and in conformity with applicable law, including Minnesota Statutes, Sections 469.090 to 469.1082 and Sections 469.174 to 469.1794, all inclusive, as amended, (the "Act") all as reflected in the Program and Plan, and presented for the Council's consideration.

1.02. The EDA and City have investigated the facts relating to the Program and Plan and have caused the Program and Plan to be prepared.

1.03. The EDA and City have performed all actions required by law to be performed prior to the establishment of the District and the adoption and approval of the proposed Program and Plan, including, but not limited to, notification of Cottonwood County and Independent School District No. 177 having taxing jurisdiction over the property to be included in the District, approval of the Program and Plan by the EDA on June 7, 2019, and the holding of a public hearing upon published notice as required by law.

1.04. Certain written reports (the "Reports") relating to the Program and Plan and to the activities contemplated therein have been prepared by staff and consultants and submitted to the Council and/or made a part of the City files and proceedings on the Program and Plan. The Reports, including the redevelopment qualifications reports and planning documents, include data, information and/or substantiation constituting or relating to the basis for the other findings and determinations made in this resolution. The Council hereby confirms, ratifies and adopts the Reports, which are incorporated into and made part of this resolution to the same extent as if set forth in full herein.

1.05 The City is not modifying the boundaries of Development District No. 1, but is however, modifying the Development Program therefor.

Section 2. Findings for the Adoption and Approval of the Development Program Modification.

2.01. The Council approves the Development Program Modification, and specifically finds that: (a) the land within the Project Area would not be available for redevelopment without the financial aid to be sought under this Development Program; (b) the Development Program, as modified, will afford maximum opportunity, consistent with the needs of the City as a whole, for the development of the Project Area by private enterprise; and (c) that the Development Program, as modified, conforms to the general plan for the development of the City as a whole.

Section 3. Findings for the Establishment of Tax Increment Financing District No. 1-22

3.01. The Council finds that the District is in the public interest and is a "redevelopment district" under Minnesota Statutes, Section 469.174, Subd. 10 of the Act.

3.02. The Council further finds that (a) the proposed redevelopment would not occur solely through private investment within the reasonably foreseeable future and that the increased market value of the site that could reasonably be expected to occur without the use of tax increment financing would be less than the increase in the market value estimated to result from the proposed development after subtracting the present value of the projected tax increments for the maximum duration of the District permitted by the Tax Increment Financing Plan;(b) that the Program and Plan conform to the general plan for the development or redevelopment of the City as a whole; and (c) that the Program and Plan will afford maximum opportunity consistent with the sound needs of the City as a whole, for the development or redevelopment of the District by private enterprise.

3.03. The Council further finds, declares and determines that the City made the above findings stated in this Section and has set forth the reasons and supporting facts for each determination in writing, attached hereto as Exhibit A.

Section 4. Public Purpose

4.01. The adoption of the Program and Plan conforms in all respects to the requirements of the Act and will help fulfill a need to develop an area of the City which is

already built up, to provide employment opportunities, to improve the tax base and to improve the general economy of the State and thereby serves a public purpose. For the reasons described in Exhibit A, the City believes these benefits directly derive from the tax increment assistance provided under the TIF Plan. A private developer will receive only the assistance needed to make this development financially feasible. As such, any private benefits received by a developer are incidental and do not outweigh the primary public benefits.

Section 5. Approval and Adoption of the Program and Plan

5.01. The Program and Plan, as presented to the Council on this date, including without limitation the findings and statements of objectives contained therein, are approved, ratified, established, and adopted and shall be placed on file in the Office of the City Administrator.

5.02. The staff of the City, the City's advisors and legal counsel are authorized and directed to proceed with the implementation of the Program and Plan and to negotiate, draft, prepare and present to this Council for its consideration all further plans, resolutions, documents and contracts necessary for this purpose.

5.03 The Auditor of Cottonwood County is requested to certify the original net tax capacity of the District, as described in the Program and Plan, and to certify in each year thereafter the amount by which the original net tax capacity has increased or decreased; and the Economic Development Authority of Windom is authorized and directed to transmit this request to the County Auditor in such form and content as the Auditor may specify, together with a list of all properties within the District, for which building permits have been issued during the 18 months immediately preceding the adoption of this resolution.

5.04. The City Administrator is further authorized and directed to file a copy of the Program and Plan with the Commissioner of the Minnesota Department of Revenue and the Office of the State Auditor pursuant to Minnesota Statutes 469.175, Subd. 4a.

Adopted this 18<sup>th</sup> day of June, 2019.

---

Dominic Jones, Mayor

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

## EXHIBIT A

### RESOLUTION NO. \_\_\_\_\_

The reasons and facts supporting the findings for the adoption of the Tax Increment Financing Plan (TIF Plan) for Tax Increment Financing District No. 1-22 (District), as required pursuant to Minnesota Statutes, Section 469.175, Subdivision 3 are as follows:

1. *Finding that Tax Increment Financing District No. 1-22 is a redevelopment district as defined in Minn. Stat., Section 469.174, Subd. 10.*

The District consists of 6 parcels with plans to redevelop most of the area for housing purposes. At least 70 percent of the area of the parcels in the District is occupied by buildings, streets, utilities, paved or gravel parking lots or other similar structures and more than 50 percent of the buildings in the District, not including outbuildings, are structurally substandard to a degree requiring substantial renovation or clearance. (See Appendix D of the TIF Plan.)

2. *Finding that the proposed development, in the opinion of the City Council, would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future and that the increased market value of the site that could reasonably be expected to occur without the use of tax increment financing would be less than the increase in the market value estimated to result from the proposed development after subtracting the present value of the projected tax increments for the maximum duration of the District permitted by the TIF Plan.*

*The proposed development, in the opinion of the City, would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future: This finding is supported by the fact that the redevelopment proposed in the TIF Plan meets the City's objectives for redevelopment. Due to the high cost of redevelopment on the parcels currently occupied by substandard buildings, the limited amount of residential property for expansion adjacent to the existing project, the incompatible land uses at close proximity, and the cost of financing the proposed improvements, this project is feasible only through assistance, in part, from tax increment financing. The developer has asked for tax increment assistance with demolition, fill remediation, and lot elevation to help redevelopment of the site.*

*The increased market value of the site that could reasonably be expected to occur without the use of tax increment financing would be less than the increase in market value estimated to result from the proposed development after subtracting the present value of the projected tax increments for the maximum duration of the District permitted by the TIF Plan: This finding is justified on the grounds that the cost of site and public improvements and utilities add to the total redevelopment cost. Historically, site and public improvements costs in this area have made redevelopment infeasible without tax increment assistance. This site has been in need of redevelopment for many years. The City reasonably determines that no other redevelopment of similar scope is anticipated on this site without substantially similar assistance being provided to the development.*

Therefore, the City concludes as follows:

- a. The City's estimate of the amount by which the market value of the entire District will increase without the use of tax increment financing is \$0.
  - b. If the proposed development occurs, the total increase in market value will be \$13,296,140.
  - c. The present value of tax increments from the District for the maximum duration of the district permitted by the TIF Plan is estimated to be \$3,251,875.
  - d. Even if some development other than the proposed development were to occur, the Council finds that no alternative would occur that would produce a market value increase greater than \$10,044,265 (the amount in clause b less the amount in clause c) without tax increment assistance.
3. *Finding that the TIF Plan for the District conforms to the general plan for the development or redevelopment of the municipality as a whole.*

The City Council reviewed the TIF Plan and found that the TIF Plan conforms to the general development plan of the City.

4. *Finding that the TIF Plan for the District will afford maximum opportunity, consistent with the sound needs of the City as a whole, for the development or redevelopment of Development District No. 1 by private enterprise.*

The project to be assisted by the District will result in housing opportunities in the City and the State of Minnesota, the renovation of substandard properties, increased tax base of the State and add a high-quality development to the City.

## RESOLUTION # 2019-

INTRODUCED:

SECONDED:

VOTED: AYE:

NAY:

ABSENT:

### RESOLUTION AUTHORIZING AN INTERFUND LOAN FOR ADVANCE OF CERTAIN COSTS IN CONNECTION WITH TAX INCREMENT FINANCING DISTRICT NO. 1-22.

---

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 has previously approved the establishment of Tax Increment Financing District No. 1-22 (the "TIF District") within Development District No. 1 (the "Project"), and has adopted a Tax Increment Financing Plan (the "TIF Plan") for the purpose of financing certain improvements within the Project.

1.02. The City has determined to pay for certain costs identified in the TIF Plan consisting of land/building acquisition, site improvements/preparation, public utilities, other qualifying 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 \$500,000 from the EDA fund and City's funds, or so much thereof as may be paid as Qualified Costs. The EDA and City shall reimburse themselves for such advances together with interest at the rate stated below. 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 5% and will not fluctuate.

2.02. Principal and interest ("Payments") on the Interfund Loan shall be paid annually on each December 31 (each a "Payment Date"), commencing on the first Payment Date on which the Authority 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 twelve (12) 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 469.1794, 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 18<sup>th</sup> day of June, 2019.

---

Dominic Jones, Mayor

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

# 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:** DREW HAGE, DEVELOPMENT DIRECTOR  
**CC MEETING DATE:** JUNE 18, 2019  
**RE:** **CONTRACT FOR PRIVATE REDEVELOPMENT – TIF DISTRICT 1-22**  
**DEPT:** ECONOMIC DEVELOPMENT AUTHORITY OF WINDOM  
**CONTACT:** DREW HAGE ([dhage@windom-mn.com](mailto:dhage@windom-mn.com)) (507-832-8661)

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

Staff recommends that the City Council take the following action regarding a Contract for Private Redevelopment covering property in TIF District No. 1-22:

1. Review the proposed Contract for Private Redevelopment with Heritage LLC and McMereditth Development Inc. (the “Developer”).
2. Adopt attached RESOLUTION approving assistance to the Developer and approving the proposed Contract for Private Redevelopment.

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## **Issue Summary/Background**

On May 21, 2019, the City Council selected Heritage LLC/McMereditth Development Inc. as the preferred developer for the purpose of construction of a market-rate, multi-family apartment building on property owned by the City located at 1685 North Redding Avenue.

Also on May 21, 2019, the City Council adopted an Ordinance authorizing the sale of the property at 1685 North Redding Avenue (the “Property”) to the Developer.

The City Council will be holding a Public Hearing on June 18<sup>th</sup> concerning the establishment of a new TIF District (the “Cemstone District”) which includes the property at 1685 North Redding Avenue. Following the public hearing if the City Council adopts the Resolution establishing this new TIF District, it is necessary to enter into a Contract for Private Redevelopment with the Developer concerning the terms for development of the Property and reimbursement of the Developer for TIF-eligible expenses such as land acquisition, site improvements, footings, foundations, parking lot, and other TIF-eligible expenses. The Developer is required to provide the City with proof of the Developer’s payment of TIF-eligible expenses.

The EDA’s TIF Attorney has prepared a proposed Contract for Private Redevelopment (the “Contract”) for review by the City Council. If the City Council approves the proposed Contract, a Resolution has been prepared to approve the terms of the proposed Contract and authorize signatures by the Mayor and City Administrator on the Contract and other required documents.

## **Fiscal Impact**

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The Contract provides for reimbursement of the Developer in an amount up to \$675,000 for TIF-eligible expenses. The payments to the Developer would be made from available tax increment generated by the construction of a market-rate, multi-family apartment building on the Property. The City is not obligated to make payments to the Developer from any source other than the tax increment generated by the new improvements to be constructed on the Property. Tax increment generated by TIF District 1-22 (in excess of the amount to be paid to the Developer) can be used for other infrastructure improvements within TIF District 1-22.

## **Attachments**

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1. Contract for Private Redevelopment,
2. Resolution Approving Assistance to Heritage LLC and McMeredit Development, Inc.

*Draft: 6/14/2019*

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**CONTRACT FOR PRIVATE REDEVELOPMENT**

**by and among**

**CITY OF WINDOM, MINNESOTA**

**and**

**HERITAGE LLC**

**And**

**MCMEREDITH DEVELOPMENT, INC.**

**dated as of**

\_\_\_\_\_, 2019

---

This instrument was drafted by:

Fryberger, Buchanan, Smith & Frederick, P.A.  
302 West Superior Street, Suite 700  
Duluth, Minnesota 55802

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## CONTRACT FOR PRIVATE REDEVELOPMENT

This CONTRACT FOR PRIVATE REDEVELOPMENT (this "Agreement") is made as of \_\_\_\_\_, 2019, by and among the CITY OF WINDOM, MINNESOTA, a municipal corporation and political subdivision, (the "City"), HERITAGE LLC, a Minnesota limited liability company ("Heritage") and McMeredit Development Inc., a Minnesota corporation ("McMeredit" and collectively with Heritage, the "Developer").

### RECITALS

A. The City is authorized to exercise development and redevelopment powers within its jurisdiction pursuant to Minnesota Statutes, Sections 469.124 through 469.133 (the "Development District Act"), and Minnesota Statutes, Sections 469.174 through 469.1794, as amended (the "TIF Act").

B. In furtherance of the objectives of the Development District Act, the City has undertaken a program to stimulate new development in areas of the City that are already built up in order to provide employment opportunities; to improve the tax base; to improve the general economy of the State of Minnesota (the "State"); to provide impetus for commercial development; to protect pedestrians from vehicle traffic and inclement weather; to provide the necessary linkage between peripheral parking facilities and places of employment and shopping; to provide off-street parking to serve the shoppers and employees of the district; to provide open space relief within the district; and to provide other facilities as are outlined in the Development Program (the "Development Program") for Redevelopment District No. 1, as amended, (the "Development District") approved by the City.

C. The City has additionally established Tax Increment Financing District No. 1-22 (a Redevelopment District) located in the Development District (hereinafter referred to as the "TIF District") pursuant to the TIF Act and adopted a Tax Increment Financing Plan therefor (hereinafter referred to as the "TIF Plan") prepared in accordance with the TIF Act.

D. In order to further the objectives of the Development Program, the City is prepared to convey for fair market value to the Developer certain real property located in the TIF District, more particularly described in **Exhibit B** (the "Development Property"), on which the Developer intends to construct a market-rate multifamily residential rental apartment building.

E. In order to achieve the objectives of the Development Program, the City is considering providing substantial aid and assistance through tax increment financing to finance the redevelopment of the Development Property.

F. The City believes that the redevelopment of the Development Property pursuant to this Agreement, and fulfillment generally of this Agreement, are in the vital and best interests of the City and the health, safety and welfare of its residents, and in accord with the public purposes and provisions of the applicable state and local laws and requirements.

G. This Agreement was approved by the City Council on June 18, 2019.

### AGREEMENT

NOW, THEREFORE, in consideration of the mutual obligations of the parties hereto, each of them covenant and agree as follows:

## ARTICLE I DEFINITIONS; EXHIBITS; RECITALS

**Section 1.1 Definitions.** As used in this Agreement, the following terms have the following respective meanings:

*“Act”* means collectively the Development District Act and the TIF Act.

*“Agreement”* means this Contract for Private Redevelopment, as originally executed or as it may from time to time be modified, amended or supplemented pursuant to the provisions hereof.

*“Auditor-Treasurer”* means the Cottonwood County Auditor-Treasurer.

*“Available Tax Increment”* means 90 percent of the Tax Increment received by the City from the County with respect to the Project from the TIF District during the six months preceding any Payment Date.

*“Certificate of Completion”* means the Certificate of Completion, in substantially the form attached hereto as **Exhibit A**, to be provided by the City to the Developer pursuant to this Agreement as set forth in Section 5.4 hereof.

*“City”* means the City of Windom, Minnesota, a municipal corporation and political subdivision.

*“City Administrator”* means the Administrator of the City.

*“City Council”* means the City Council of the City of Windom, Minnesota.

*“Completion Date”* means the date when the Developer receives a certificate of occupancy from the City for the Project, which shall occur on or before December 31, 2020.

*“Construction Plans”* means the plans, specifications, drawings and related documents on the construction work to be performed by the Developer on the Development Property which (a) shall be the plans and drawings and related documents in conformance with City’s building and zoning requirements which documents have been or will be submitted for approval to the City’s Building & Zoning Official and Development Director, and (b) shall include at least the following: (i) site plan; (ii) foundation plan; (iii) utility plan, (iv) grading and drainage plan, (v) structural, electrical, and plumbing plans for the building, (vi) floor plan for each floor; (vii) cross sections of the building (length and width) and elevations (all sides); (viii) landscape plan; and (ix) a narrative description on exterior building materials.

*“County”* means Cottonwood County, Minnesota.

*“Developer”* means collectively, Heritage and McMereditth.

*“Development District”* means Development District No. 1 established by the City pursuant to the Development District Act on July 31, 1984.

*“Development District Act”* means Minnesota Statutes, Sections 469.124 through 469.133, both inclusive, as amended.

*“Development Program”* means the Development Program for the Development District approved by the City for the Development District, as amended and modified and as may be further amended or modified.

*“Development Property”* means the real property described in **Exhibit B** of this Agreement.

*“Event of Default”* has the meaning provided in Section 8.1 hereof.

*“Heritage LLC”* a Minnesota limited liability company, or its permitted successors or assigns under this Agreement.

*“Indemnified Parties”* has the meaning provided in Section 6.3 hereof.

*“McMeredith Development Inc.”* a Minnesota corporation, or its permitted successors or assigns under this Agreement.

*“Minimum Improvements”* has the meaning provided in Section 2.3 hereof.

*“Net Proceeds”* means the net proceeds of any insurance award to the Developer with respect to damage of the Minimum Improvements.

*“Payment Date”* means on or before August 1<sup>st</sup> and December 31<sup>st</sup> of each year, which are payment dates under the TIF Note, and are expected to commence on August 1, 2021, and continue through the earlier of (i) December 31, 2029, or (ii) the date the Developer has been paid the Reimbursement Amount.

*“Project”* means the Development Property, the Site Improvements and the Minimum Improvements.

*“Purchase Price”* means the purchase price to be paid by the Developer for the Development Property in the amount of \$75,000, which shall be invoiced by the City with its final payment under the TIF Note, as determined by the City in its sole discretion.

*“Reimbursement Amount”* means an amount not to exceed the lesser of (i) the amount actually expended on Site Improvement Costs prior to the Completion Date; or (ii) \$675,000.

*“Remedial Work”* has the meaning provided in Section 2.2(l) hereof.

*“Site Improvements”* means the activities identified on **Exhibit C** hereto.

*“Site Improvement Costs”* means the costs identified in **Exhibit C** hereto.

*“State”* means the State of Minnesota.

*“Tax Official”* means any County Assessor, County or State Board of Equalization, the County Auditor-Treasurer, the Commissioner of Revenue of the State or any State or federal district court, the tax court of the State or the State Supreme Court.

*“Tax Increment”* means that portion of the real property taxes which are paid with respect to the Development Property and the improvements thereon, subject to Section 4.3 hereof, and which are remitted to the City as tax increment of the TIF District pursuant to the TIF Act. The term Tax Increment does not include any amounts retained by or payable to the State Auditor under Section 469.177, Subd. 11 of the TIF Act or any amounts retained or payable to the County for administrative fees

*“Termination Date”* means the earlier of (i) December 31, 2029, or (ii) the date that the TIF Note is paid in full.

*“TIF Act”* means Minnesota Statutes, Sections 469.174 to 469.1794, as amended.

*“TIF District”* means Tax Increment Financing District No. 1-22 located within the Development District which qualifies as a redevelopment district under the TIF Act.

*“TIF Note”* means the Tax Increment Revenue Note which is expected to be executed and delivered by the City to Developer pursuant to Section 4.2 to provide the funds for payment of a portion of the Site Improvement Costs, as described in Section 4.2 hereto; the definition of the TIF Note shall include any notes thereafter issued to refund the TIF Note.

*“TIF Plan”* means the Tax Increment Financing Plan for the TIF District, as such plan may be amended or modified.

*“Transfer”* has the meaning provided in Article VI hereof.

*“Unavoidable Delays”* means delays, outside the control of the party claiming its occurrence, which are the direct result of strikes, other labor troubles, material shortages, severe or prolonged bad weather, acts of nature, fire or other casualty to the Minimum Improvements, litigation commenced by third parties which, by injunction or other similar judicial action, directly results in delays, or acts of any federal, state, or local government unit (other than the City) which directly result in delays, and any delays resulting from other causes which are beyond the reasonable control of the party to be excused.

**Section 1.2 Recitals.** The foregoing recitals are true and accurate and incorporated by reference herein.

**Section 1.3 Exhibits.** The Exhibits to this Agreement are the following:

- (a) Exhibit A: Form of Certificate of Completion
- (b) Exhibit B: Legal Description of Development Property
- (c) Exhibit C: Site Improvements and Site Improvement Costs
- (d) Exhibit D: Form of Tax Increment Note

## **ARTICLE II – REPRESENTATIONS AND WARRANTIES; MINIMUM IMPROVEMENTS**

**Section 2.1 Representations, Warranties and Covenants by the City.** The City represents, warrants and covenants that:

(a) The City has authority to exercise economic development powers under the Development District Act and the TIF Act and has the power to enter into this Agreement and to carry out its obligations hereunder.

(b) The Development District was created, adopted and approved in accordance with the terms of the Development District Act.

(c) TIF District No. 1-22 is a redevelopment district within the meaning of Section 469.174, Subdivision 10 of the TIF Act and was created, adopted and approved in accordance with the terms of the TIF Act.

(d) No part of this Agreement shall be construed as a representation or warranty of the City as to the condition (including soil condition) of the Development Property or as to its suitability for the Developer's purposes and needs.

(e) The City will act in a timely manner, consistent with statutory and the City's procedural requirements, with regard to all approvals required under this Agreement.

(f) Based on the information provided to the City by the Developer, the City has determined that the financial assistance contemplated by this Agreement is not considered a business subsidy under Minnesota Statutes, Sections 116J.993 through 116J.995, also commonly referred to as the State's Business Subsidy Act, because this financial assistance is for housing.

(g) No job and wage goals are being imposed as part of this Agreement for the Project.

**Section 2.2 Representations, Warranties and Covenants by the Developer.** The Developer represents, warrants, covenants, acknowledges and agrees that:

(a) Heritage is a Minnesota limited liability company duly organized and existing under the laws of the State, is qualified to do business in the State, and is not in violation of any provisions of law or regulations of the State.

(b) McMeredit is a Minnesota corporation duly organized and existing under the laws of the State, is qualified to do business in the State, and is not in violation of any provisions of law or regulations of the State.

(c) The Developer will construct, operate and maintain the Minimum Improvements upon the Development Property (or will cause the Project to be constructed, operated and maintained) in accordance with the terms of this Agreement, the Development Program, and all local, state, and federal laws and regulations (including, but not limited to, environmental, zoning, building code and public health laws and regulations).

(d) Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement is prevented or limited by, or in conflict with or will result in a breach of, the terms, conditions or provisions of any evidence of indebtedness, agreement or instrument of whatever nature to which the Developer is now a party or by which it is bound, or will constitute a default under any of the foregoing.

(e) The Developer will promptly advise the City in writing of and cooperate with the City with respect to any litigation commenced with respect to the Development Property or the Minimum Improvements, except for litigation in which the City and the Developer are adverse parties.

(f) The Developer reasonably believes that the financing commitments which are available to the Developer to finance construction and equipping of the Minimum Improvements, together with the Developer's equity, will be sufficient to enable the Developer to successfully complete the Minimum Improvements in conformance with the Construction Plans and in accordance with the schedule contemplated in this Agreement.

(g) The construction of the Minimum Improvements would not be undertaken by the Developer, and in the opinion of the Developer would not be economically feasible within the reasonably foreseeable future, without the assistance and benefit to the Developer provided for in this Agreement.

(h) The Developer expects that, barring Unavoidable Delays, the Minimum Improvements will be substantially completed in accordance with the timelines set forth in Section 5.3 hereof.

(i) The Developer will obtain, in a timely manner, all required permits, licenses and approvals, and will meet, in a timely manner, all requirements of all applicable local, state and federal laws and regulations which must be obtained or met before the Minimum Improvements may be lawfully constructed.

(j) The Developer has not received any notice or communication from local, state or federal officials or any private party that the Developer's activities respecting the Development Property or the construction of the Minimum Improvements on the Development Property may or will be in violation of any law or regulation (including environmental laws and regulations).

(k) The Developer has relied on its own estimate or verification of the fair market value of the Minimum Improvements and the Development Property, the estimate of taxes and the Available Tax Increment, and has not relied on any estimates provided by the City.

(l) The Developer agrees that there shall be no discrimination related to the Project because of race, sex, age, sexual orientation or religious, political or other similar affiliations.

(m) If any investigation, site monitoring, containment, clean-up, removal, restoration, or other remedial work (the "Remedial Work") of any kind is necessary under any applicable local, State or federal laws or regulations, or is required by any governmental entity or other third person because of or in connection with the presence or suspected presence of Hazardous Substance on or under the Development Property, the Developer shall assume responsibility for

all such Remedial Work resulting from the Developer's activities on the Development Property and all costs and expenses of such Remedial Work shall be paid by the Developer. Without limiting the foregoing, nothing contained in this paragraph shall be construed or interpreted in such a way to adversely affect the ability of the Developer to seek reimbursement of the cost of any Remedial Work undertaken by the Developer from the federal government, State or other third party.

(n) Developer will work with the City to coordinate pedestrian access to and from the Project to improve safety and pedestrian access. Said pedestrian accesses would work towards connections with the Windom Recreation Area and Tegel's Park.

(o) Developer will not sell or transfer the Project within 5 years from the date of receipt of the Certificate of Completion, without written consent from the City.

(p) Developer will continue to operate (or cause to be operated) the Project as a market-rate apartment building for a period of 25 years from the date of receipt of the Certificate of Completion.

(q) Developer will promptly pay the Purchase Price for the Development Property within 30 days of receipt an invoice from the City.

**Section 2.3 Minimum Improvements.** The Project shall include the following minimum improvements (the "Minimum Improvements"):

(a) A market-rate (non-subsidized) multifamily residential apartment building (the "Apartment Building") with a minimum of 40 units.

(b) The quality of materials used in constructing the Apartment Building shall meet the following minimum requirements: i) quality exterior siding consisting of no-maintenance life-time product, (predominately steel siding) and including stone or other masonry materials; ii) roofing with a minimum 20-year guaranteed life; iii) no maintenance, quality brand windows; and iv) durable signage.

(c) The Apartment Building shall include, but not be limited to, the following common amenities: i) community room/party room; ii) exercise room; iii) security system; iv) elevator capable of holding a regular sized gurney; and v) utilize Windomnet fiber-optic internet access.

(d) Each unit in the Apartment Building shall include a dedicated balcony or patio space.

(e) A minimum of 36 garage stalls and also comply with the City's parking requirement. (The parking requirement for multi-family housing in the City is 2 parking spots per unit, which includes garage stalls.)

(f) Comply with the City's greenspace requirement. (The greenspace requirement for R-3 in the City is a minimum of 350 square feet of greenspace per unit.)

### **ARTICLE III – CONDITIONS PRECEDENT; ACKNOWLEDGMENT**

**Section 3.1 Conditions Precedent.** The City’s obligation to aid and assist the Developer’s proposed redevelopment of the Development Property in accordance with the Development Program, the TIF Plan and this Agreement, including through the assistance of tax increment financing to finance certain Site Improvement Costs described in Section 4.1 herein, shall be subject to the following conditions precedent:

(a) The Developer shall be in material compliance with all terms and provisions of this Agreement.

(b) The Developer shall have submitted evidence, in a form reasonably acceptable to the City, of financing for the Project for the construction and equipping of the Minimum Improvements.

(c) The Construction Plans for the Minimum Improvements have been submitted and approved pursuant to Section 5.2 hereof.

(d) The Developer shall have entered into a contract or contracts for construction of all or substantially all of the Minimum Improvements.

(e) The Project is in full compliance with all applicable planning, zoning and subdivision regulations of the City.

(f) The City Administrator has issued and delivered a Certificate of Completion to the Developer.

The Developer agrees that if the conditions precedent provided above are not satisfied by Completion Date, the City shall have no obligation under this Agreement.

**Section 3.2 Payment of Administrative Costs.** The Developer will reimburse the City for all out-of-pocket costs incurred by the City in connection with review and analysis of the development proposed under this Agreement and negotiation of this Agreement and any related agreements and documents, including all costs of the City incurred with respect to establishing the TIF District (collectively, the “Administrative Costs”). The Administrative Costs include fees paid to attorneys and to the City’s financial advisor. The City will be reimbursed for all costs of the City incurred with respect to administering the TIF District from Tax Increment retained by the City. Such costs include, but are not limited to legal fees, postage, publication costs, long distance telephone charges, printing and photo duplication costs, fees and disbursements of the City’s financial and tax increment advisor, legal fees and recording fees, among others.

### **ARTICLE IV – SITE IMPROVEMENT COSTS; PAYMENTS**

**Section 4.1 Site Improvement Costs.** In order to complete the Minimum Improvements, the Developer agrees that it will need to complete, and that it will complete, certain Site Improvements to the Development Property, including earth work (the “Site Improvements”). Before commencement of the Site Improvements to be reimbursed with the TIF Note, the Developer must furnish to the City Administrator copies of the construction

contract or contracts for such Site Improvements then in existence and all subcontracts, if any, together with a list of the names and addresses of all contractors and subcontractors for the Site Improvements, and a written certificate from a licensed architect or engineer that the costs of such contracts are commercially reasonable. As the Developer enters into additional contracts for such Site Improvements, it shall provide or update the information required in the previous sentence. At reasonable intervals during construction of the Site Improvements, or at any time upon request of the City, the Developer shall submit to the City, in a form satisfactory to the City Administrator, written evidence of costs incurred and paid for Site Improvements, the presently estimated costs for which are set forth in **Exhibit C**. Such evidence shall include, at a minimum, paid invoices or comparable evidence of payment. By no later than 60 days after the date required for completion of the Minimum Improvements under Section 5.3 hereof, the Developer shall have submitted evidence for all Site Improvement Costs. The Developer will pay or reimburse the Developer for the Site Improvement Costs in accordance with the terms and conditions set forth in Section 4.2 hereof.

#### **Section 4.2 Financing for Certain Site Improvement Costs.**

(a) The Developer certifies that the Site Improvement Costs and land acquisition costs will not be less than \$675,000. Accordingly, and in consideration of the Developer's obligations and performance under this Agreement, and in order to defray a portion of such costs over time, the City shall execute and deliver to the Developer the TIF Note in the form attached to this Agreement as Exhibit D. The TIF Note shall be executed and delivered by the City to Developer no later than 30 days after the Developer complies with paragraph (c) of this Section 4.2 so long as no Event of Default exists which has not been cured under this Agreement:

(b) The Developer acknowledges and agrees, as provided in the TIF Note, that payments under the TIF Note are to be made only as and to the extent that the City shall be able to receive and retain Available Tax Increment on the Payment Dates specified in the TIF Note. The City shall not be obligated to make any payment or any further payment or payments as provided in the TIF Note if:

(i) There is an Event of Default by the Developer under this Agreement that has not been cured as of the Payment Date; or

(ii) There is a Transfer without prior approval from the City as provided in Article VI hereof.

(c) The Developer further acknowledges and agrees that the City has no obligation to issue and deliver to the Developer the TIF Note until:

(i) The Developer has provided the City with documentation satisfactory to the City (invoices, receipts, canceled checks, etc.) showing payment of at least \$675,000 in costs authorized under the TIF Plan and Section 4.1 of this Agreement, or such lesser amount as may be approved by the City, in which case the TIF Note shall reflect a lesser amount as the maximum principal amount equal to the costs authorized herein; and

(ii) The City has issued the Certificate of Completion for the Minimum Improvements.

(d) The TIF Note will be issued without registration under the State or federal securities laws pursuant to an exemption for such issuance; and, accordingly, the TIF Note may not be assigned or transferred in whole or in part, except in accordance with applicable exemptions from such registration requirements and with the consent of the City. Each assignment or transfer of the TIF Note shall attest full compliance with applicable State and federal security laws.

**Section 4.3 No Representation Regarding Available Tax Increment.** The City's financial commitment for payment of the TIF Note under this Agreement is a revenue obligation only and will be paid by the City only out of Available Tax Increment for the TIF Note. The City makes no representations or warranties that the Available Tax Increment will be sufficient to pay the Developer on the TIF Note. The Developer acknowledges that Available Tax Increment is subject to calculation by the County and changes in State law and that some or all of the TIF Note may not be paid prior to the Termination Date, maturity of the TIF Note. The Developer acknowledges that the estimates of Available Tax Increment which may have been made by the City or its agents, officers or employees are estimates only, are made for the sole use and benefit of the City, and are not intended for the Developer's reliance.

## **ARTICLE V – CONSTRUCTION OF MINIMUM IMPROVEMENTS**

**Section 5.1 Construction of Minimum Improvements.** The Developer agrees that it will construct the Minimum Improvements on the Development Property in conformance with approved Construction Plans. The Developer agrees that at all times it will operate and maintain, preserve and keep the Minimum Improvements or cause such improvements to be maintained, preserved and kept with the appurtenances and every part and parcel thereof in good repair and condition. The Developer agrees that the scope and scale of the Minimum Improvements to be constructed shall not be significantly less than the scope and scale of the Minimum Improvements as detailed and outlined in the Construction Plans. The City shall have no obligation whatsoever to operate or maintain the Minimum Improvements.

### **Section 5.2 Construction Plans.**

(a) Before commencement of construction of the Minimum Improvements, the Developer shall submit to the City the Construction Plans. The Construction Plans provide for construction of the Minimum Improvements and shall be in substantial conformity with the Development Program, this Agreement, and all applicable State and local building and zoning laws and regulations. The Building & Zoning Official and Development Director, on behalf of the City, shall review and approve the Construction Plans in writing if: (i) the Construction Plans substantially conform in all material respects to all applicable federal, State and local laws, ordinances, rules, and regulations and (ii) the Construction Plans are adequate to provide for construction of the Minimum Improvements. Review of the Construction Plans includes a review of the types and quality of building materials, colors and other features on the exterior of the building or on-site. The Development Director shall verify that the Construction Plans substantially conform in all material respects to the terms and conditions of this Agreement relating thereto and no Event of Default has occurred and remains uncured. As soon as the plans for construction of the Minimum Improvements are complete, copies shall be filed with the City Building & Zoning Official.

(b) No approval by the City Building & Zoning Official or Development Director shall relieve the Developer of the obligation to comply with the terms of this Agreement or of the Development Program, applicable federal, state and local laws, ordinances, rules and regulations, or to construct the Minimum Improvements in accordance therewith. If approval of the Construction Plans is requested by the Developer in writing at the time of submission, such Construction Plans shall be deemed approved unless rejected in writing by the City Building & Zoning Official and Development Director, in whole or in part, within 30 days after the date of their receipt by the City. Such rejection shall set forth in detail the reasons therefor. If the City Building & Zoning Official or Development Director rejects any Construction Plans in whole or in part, the Developer shall submit new or corrected Construction Plans within 30 days after written notification to the Developer of the rejection. The provisions of this Section relate to approval, rejection and resubmission of corrected, amended or changed Construction Plans and shall continue to apply until the Construction Plans have been approved by the City. The City Building & Zoning Official's and Development Director's approvals shall not be unreasonably withheld. Said approvals shall constitute a conclusive determination that the Construction Plans (and the Minimum Improvements constructed in accordance with said plans) comply to the City's satisfaction with the provisions of this Agreement relating thereto.

(c) If prior to the issuance of the Certificate of Completion for the Minimum Improvements, the Developer desires to make any material change (a change proposing to decrease the construction cost of the Minimum Improvements by an amount in excess of \$100,000, unless the change is due only to a decrease in the cost of a specific product or material) in the Construction Plans after their approval by the City, the Developer shall submit the proposed change to the City for its approval. The process for approval of the material change to the Construction Plans shall be as described above.

(d) The Developer certifies that the Construction Plans are in conformance with the Development Program, this Agreement and all applicable State and local building and zoning laws and regulations. The Developer agrees to indemnify, defend and hold harmless the City from any and all claims or causes of action resulting from any alleged defect in the design or construction of the Site Improvements and the Minimum Improvements, subject to the limitations imposed by law.

**Section 5.3 Commencement and Completion of Construction.** Subject to Unavoidable Delays, the Developer shall commence construction of the Minimum Improvements by September 15, 2019 and complete construction of the Minimum Improvements by the Completion Date, or on such other date to which the parties shall mutually agree in writing. Notwithstanding the foregoing, if physical construction (including, at a minimum, excavation for foundations or the installation or erection of improvements) on the Development Property has not commenced within 180 days of closing on the conveyance of the Development Property, the Development Property will be returned to the City and the purchase price will be refunded, less closing costs.

**Section 5.4 Certificate of Completion.**

(a) Promptly after completion of the Minimum Improvements, in accordance with the provisions of this Agreement, and upon written request made by the Developer, the City will furnish the Developer with a Certificate of Completion in substantially the form set forth in

**Exhibit A** attached hereto. Compliance by the Developer with all the terms of this Agreement shall be a condition precedent to the issuance of the Certificate of Completion. The Certificate of Completion for the Minimum Improvements shall be a conclusive determination of satisfaction and termination of the agreements and covenants in this Agreement with respect to the obligations of the Developer to construct the Minimum Improvements. Such Certificate of Completion shall be filed with the Cottonwood County Recorder. The Developer shall pay any filing costs.

(b) If the City determines that it cannot issue the Certificate of Completion, it shall, within ten days after written request by the Developer, provide the Developer with a written statement indicating in adequate detail in what respect the Developer has failed to complete either the Minimum Improvements in accordance with the provisions of this Agreement or is otherwise in default under the terms of this Agreement, and what measures or acts it will be necessary for the Developer to take or perform in order to obtain the respective Certificate of Completion.

#### **Section 5.5 Insurance; Destruction of the Project.**

(a) The Developer will provide and maintain, or cause its contractors to provide and maintain, at all times during the process of constructing the Minimum Improvements, an All Risk Broad Form Basis Insurance Policy in amounts and with such coverages as are commercially reasonable for undertakings of similar scope and nature to the Project.

(b) The Developer agrees to notify the City immediately in the case of damage exceeding \$100,000 in amount to or destruction of the Minimum Improvements or any portion thereof resulting from fire or other casualty. In such event, the Developer will forthwith repair, reconstruct and restore the Minimum Improvements to substantially the same or an improved condition or value as they existed prior to the event causing such damage; and, subject to the rights of the Developer's lender, to the extent necessary to accomplish such repair, reconstruction, and restoration, the Developer will apply the Net Proceeds received by the Developer to the payment or reimbursement of the cost thereof. The Developer shall complete the repair, reconstruction and restoration of the Minimum Improvements whether or not the Net Proceeds received by Developer for such purposes are sufficient to pay for the same. Any Net Proceeds remaining after completion of such repairs, reconstruction and restoration shall be the property of the Developer.

### **ARTICLE VI – PROHIBITIONS AGAINST ASSIGNMENT AND TRANSFER; INDEMNIFICATION**

**Section 6.1 Representation as to Redevelopment.** The Developer represents and agrees that its undertakings with respect to the Development Property pursuant to the Agreement are and will be used for the purpose of redevelopment of the Development Property.

**Section 6.2 Prohibitions Against Transfer of Development Property and Assignment of Agreement.** The Developer represents and agrees that prior to completion of the Minimum Improvements and prior to the issuance of the Certificate of Completion for the Minimum Improvements:

(a) Except only by way of security for the purposes of obtaining financing necessary to enable the Developer or any successor in interest to the Development Property, or any part thereof, to perform its obligations with respect to completing the Minimum Improvements under this Agreement, the Developer has not made or created and will not make or create or suffer to be made or created any total or partial sale, assignment, conveyance, or any trust or power, or transfer in any other mode or form of or with respect to the Agreement or the Development Property or any part thereof or any interest therein, or any contract or agreement to do any of the same (collectively, a "Transfer"), without the prior written approval of the City, which approval shall not be unreasonably withheld. In the event the City approves a Transfer, the City will complete a written statement indicating whether the Developer, before or at the time of the Transfer, has been or is in default as to any of the obligations of this Agreement, and stating that this Agreement is in full force and effect between the transferee and the City.

(b) In the event the Developer, upon Transfer, seeks to be released from and seeks to assign its rights and obligations under this Agreement, the City shall be entitled to require, except as otherwise provided in this Agreement, as conditions to any such approval that: (i) any proposed transferee shall have the qualifications and financial responsibility, as determined by the City, necessary and adequate to fulfill the obligations undertaken in this Agreement by the Developer; (ii) any proposed transferee, by instrument in writing satisfactory to the City and in form recordable among the land records, shall for itself and its successors and assigns, and expressly for the benefit of the City, have expressly assumed all the obligations of the Developer under this Agreement; and (iii) there shall be submitted to the City for review all instruments and other legal documents involved in effectuating transfers described herein; and if approved by the City its approval shall be indicated to the Developer in writing. In the absence of specific written agreement by the City to the contrary, no such Transfer approval by the City hereof shall be deemed to relieve the Developer, or any other party bound in any way by this Agreement or otherwise with respect to the construction of the Minimum Improvements, from any of its obligations with respect thereto. Nor shall the Developer or any other party bound by this Agreement be released from any obligations hereunder without the written release of the City.

(c) After issuance of the Certificate of Completion on the Minimum Improvements, the Developer may transfer or assign any portion of the Development Property or the Minimum Improvements or the Developer's interest in this Agreement without the consent of the City, provided that the transferee or assignee is bound by all the Developer's obligations remaining hereunder. The Developer shall submit to the City written evidence of any such transfer or assignment, including the transferee or assignee's express assumption of the Developer's obligations under this Agreement. If the Developer fails to provide such evidence of transfer and assumption, the Developer shall remain bound by all its obligations under this Agreement.

### **Section 6.3 Release and Indemnification Covenants.**

(a) The Developer releases from and covenants and agrees that the City and its governing body members, officers, agents, including its independent contractors, consultants, legal counsel, and employees (hereinafter, for purposes of this Section, collectively the "Indemnified Parties") shall not be liable for and agrees to indemnify and hold harmless the Indemnified Parties against any loss or damage to property or any injury to or death of any person resulting from any defect in the Project, except for loss or damage to property or any injury to or death of any person resulting from any defect in the Project resulting from the

negligence, any willful misrepresentation or any willful or wanton misconduct of the Indemnified Parties.

(b) Except for the negligence, any willful misrepresentation or any willful or wanton misconduct of the Indemnified Parties, the Developer agrees to protect and defend the Indemnified Parties now and forever and further agrees to hold the aforesaid harmless from any claim, demand, suit, action or other proceeding whatsoever by any person or entity whatsoever arising or purportedly arising from this Agreement, or the transactions contemplated hereby or the acquisition, construction, installation, ownership, and operation of the Project, provided that this indemnification shall not apply to the warranties made or obligations undertaken by the City in this Agreement.

(c) The City and the Indemnified Parties shall not be liable for any damage or injury to the persons or property of the Developer or officers, agents, servants, or employees or any other person who may be about the Development Property or the Minimum Improvements due to any act of negligence of any person, except the Indemnified Parties.

(d) All covenants, stipulations, promises, agreements and obligations of the City contained herein shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the City, and not of any governing body member, officer, agent, servant or employee of the City.

(e) This Section 6.3 shall survive the termination of this Agreement.

## ARTICLE VII – REAL ESTATE TAXES

**Section 7.1 Real Estate Taxes.** The Developer shall pay when due, and prior to the imposition of penalty, all real estate taxes and installments of special assessments, if any, payable with respect to the Development Property and the improvements thereon for real estate taxes due and payable in 2019 and thereafter.

**Section 7.2 Tax Increment.** In order to complete the Minimum Improvements, the Developer agrees that certain improvements are needed to prepare the Development Property for completion and operation of the Minimum Improvements. Accordingly, and in consideration of the Developer's obligations and performance under this Agreement, and in order to defray a portion of such costs, the City shall issue the TIF Note to reimburse the Developer for a portion of the Site Improvement Costs.

**Section 7.3. Requests for Reduction of Real Estate Taxes.** The Developer acknowledges that the sole source of money to make the payments on the TIF Note is the Available Tax Increment derived from the Development Property and Minimum Improvements. The Developer shall notify the City of any administrative or judicial review affecting the market value of the Development Property and the improvements thereon for real estate tax purposes. In such event, the City will continue to make payments under the TIF Note to the Developer but reduced based upon the Developer's requested reduction in assessed market value and/or real estate taxes, with any additional Tax Increment available for payment being withheld from the Developer until such time that the administrative or judicial review affecting the Development Property and the improvements thereon is finally determined.

**Section 7.4 Qualification of the TIF District.**

(a) The TIF District constitutes a redevelopment tax increment financing district.

(b) If the City receives notice at any time during the duration of the TIF District from the State Department of Revenue, the State Auditor, Tax Official, or any court of competent jurisdiction that the TIF District does not or ceases to qualify as a redevelopment district, this Agreement shall terminate and the Developer agrees to repay Available Tax Increment in the amounts necessary to satisfy the requirements of State Department of Revenue, the State Auditor, Tax Official, or any court of competent jurisdiction. The Developer shall indemnify the City for any costs or expenses the City incurs as a result of such non-qualification of the TIF District as a redevelopment district.

**Section 7.5 Available Tax Increment Deficiencies.** The Developer understands and acknowledges that the City makes no representations or warranties regarding the amount of Available Tax Increment that will be generated by the Minimum Improvements or that Available Tax Increment will be sufficient to make the payments under Section 4.2 hereunder when due. Any estimates of Available Tax Increment prepared by the City, its financial advisors, or its other officers, agents or employees in connection with the TIF District or this Agreement are for the benefit of the City and are not intended as representation on which the Developer may rely.

**ARTICLE VIII – EVENTS OF DEFAULT**

**Section 8.1 Events of Default Defined.** The following shall be “Events of Default” under this Agreement and the term “Event of Default” shall mean, whenever it is used in this Agreement, any one or more of the following events, but only if the subject event has not been cured within 30 days after receipt of written notice of such failure from the City, or if the event is by its nature incurable within 30 days, the Developer does not, within such 30-day period, provide assurances reasonably satisfactory to the City that the failure will be cured as soon as reasonably possible:

(a) Failure by the Developer to observe or perform any material covenant, condition, obligation or agreement on its part to be observed or performed under this Agreement; or

(b) If the Developer shall:

(1) File any petition in bankruptcy or for any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under the United States Bankruptcy Act or under any similar federal or State law;

(2) Make an assignment for benefit of its creditors;

(3) Admit in writing its inability to pay its debts generally as they become due; or

(4) Be adjudicated a bankrupt or insolvent.

**Section 8.2 Remedies on Default.** Whenever any Event of Default referred to in Section 8.1 of this Agreement occurs and is continuing, the City may exercise the following rights under this Section 8.2:

(a) The City may suspend its performance under the Agreement and until it receives assurances from the Developer, deemed adequate by the City, that the Developer will cure its default and continue its performance under the Agreement.

(b) The City may cancel and rescind the Agreement.

(c) The City may withhold the Certificate of Completion and the payments under Section 4.2 hereof.

(d) The City may take whatever action, including legal, equitable or administrative action, which may appear necessary or desirable to the City to collect any payments due under this Agreement, or to enforce the performance and observance of any obligation, agreement, or covenant of the Developer under this Agreement.

**Section 8.3 Modification for Benefit of Mortgagees.** In order to facilitate the obtaining of financing for this construction of the Minimum Improvements, the City agrees to any reasonable modification of Section 5.5 with respect to the disposition of the Net Proceeds to accommodate the interests of the holder of a first mortgage; provided, however, that the City determines, in its reasonable judgment, that any such modification will adequately protect the legitimate interests and security of the City with respect to the Project.

**Section 8.4 No Remedy Exclusive.** No remedy herein conferred upon or reserved to the City is intended to be exclusive of any other available remedy or remedies, but each and every remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.

**Section 8.5 No Additional Waiver Implied by One Waiver.** In the event any agreement contained in this Agreement should be breached by any party and thereafter waived by any other party hereto, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other concurrent, previous or subsequent breach hereunder.

**Section 8.6 Agreement to Pay Attorneys' Fees and Expenses.** Whenever any Event of Default occurs and the City shall employ attorneys or incur other expenses for the collection of payments due or to become due or for the enforcement of performance or observance of any obligation or agreement on the part of the Developer herein contained, the Developer agrees that it shall, on demand therefor, pay to the City the reasonable fees of such attorneys and such other expenses so incurred by the City.

## ARTICLE IX – ADDITIONAL PROVISIONS

**Section 9.1 Restrictions on Use.** The Developer agrees for itself, its successors and assigns and every successor in interest to the Development Property, or any part thereof, that the

Developer and such successor and assigns shall devote and use the Development Property for market rate, non-subsidized rental housing for a minimum period of 25 years from the date of conveyance of the Development Property to the Developer.

**Section 9.2 Titles of Articles and Sections.** Any titles of the several parts, Articles and Sections of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of the provisions hereof.

**Section 9.3 Notices and Demands.** Except as otherwise expressly provided in this Agreement, a notice, demand or other communication under the Agreement by one party to the others shall be sufficiently given or delivered if sent by registered or certified mail, postage prepaid, return receipt requested, or delivered personally; and

(a) In the case of Heritage, is mailed to or delivered personally to Heritage LLC, \_\_\_\_\_, \_\_\_\_\_, Minnesota \_\_\_\_\_; Attention: \_\_\_\_\_;

(b) In the case of McMeredith, is mailed to or delivered personally to McMeredith Development Inc., \_\_\_\_\_, \_\_\_\_\_, Minnesota \_\_\_\_\_; Attention: \_\_\_\_\_;

(c) In the case of the City, is mailed to or delivered personally to 444 Ninth Street, P.O. Box 38, Windom, Minnesota 56101-0038; Attention: City Administrator;

Or at such other address with respect to either such party hereto as that party may, from time to time, designate in writing and forward to the other as provided in this Section.

**Section 9.4 Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall constitute one and the same instrument.

**Section 9.5 Law Governing.** This Agreement will be governed by and construed in accordance with the laws of the State of Minnesota.

**Section 9.6 Amendments.** This Agreement may be amended in writing upon mutual agreement of the City and the Developer.

**Section 9.7 Recording.** The Developer or the City on behalf of the Developer shall record this Agreement and any amendments thereto with the Cottonwood County Recorder. The Developer shall pay all costs for recording.

**Section 9.8 Survival.** All of the terms, representations, warranties and covenants in this Agreement shall survive and remain in force for the benefit of the parties after the delivery to the Developer of the Deed and the Certificate of Completion as provided herein, except for those covenants and restrictions specifically released by the Certificate of Completion.

**Section 9.9 Termination of Agreement.** This Agreement shall terminate on the earlier of (i) the Termination Date; (ii) the date the Agreement is canceled and rescinded under Section 3.1 or 8.2 hereof; (iii) payment in full by the City of amounts due under Section 4.2 hereof; (iv) the date the TIF District ceases to qualify as such through no fault of the Developer; or (v) such other date as is mutually agreeable to the parties hereto. Except for Section 6.3, the

Developer shall have no obligations under this Agreement after the Termination Date. At the request of the Developer, the City shall provide an acknowledgment, in recordable form, that the Termination Date has occurred.

*(remainder of this page intentionally left blank)*

IN WITNESS WHEREOF, the City and the Developer have caused this Agreement to be duly executed as of the date first above written.

CITY OF WINDOM, MINNESOTA

By \_\_\_\_\_  
Its Mayor

By \_\_\_\_\_  
Its City Administrator

STATE OF MINNESOTA            )  
  ) ss.  
COUNTY OF COTTONWOOD    )

The foregoing instrument was acknowledged before me on \_\_\_\_\_, 2019, by \_\_\_\_\_ and \_\_\_\_\_, the Mayor and City Administrator, respectively, of the City of Windom, Minnesota, a municipal corporation and political subdivision, on behalf of the City.

\_\_\_\_\_  
Notary Public



(Signature page to Contract for Private Redevelopment by and among the City of Windom, Minnesota, Heritage LLC and McMereditth Development Inc.)

MCMEREDITH DEVELOPMENT INC.

By \_\_\_\_\_  
Its \_\_\_\_\_

STATE OF MINNESOTA    )  
  ) ss.  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me on \_\_\_\_\_, 2019, by \_\_\_\_\_, the \_\_\_\_\_ of McMereditth Development Inc., a Minnesota corporation, on behalf of the corporation.

\_\_\_\_\_  
Notary Public

**EXHIBIT A**  
**FORM OF CERTIFICATE OF COMPLETION**

WHEREAS, the City of Windom, Minnesota, a municipal corporation and political subdivision (the "City"), has entered into a Contract for Private Redevelopment dated as of \_\_\_\_\_, 2019, with Heritage LLC, a Minnesota limited liability company and McMeredit Development Inc. (collectively, the "Developer"), recorded in the Office of the County Recorder in and for the County of Cottonwood and the State of Minnesota, as Document No. \_\_\_\_\_, regarding the land described on Attachment A attached hereto in the County of Cottonwood and the State of Minnesota (collectively, the "Property").

WHEREAS, said Contract for Private Redevelopment incorporated and contained certain covenants and restrictions with regard to the completion of the Minimum Improvements as defined therein; and

WHEREAS, the Developer has, to the present date, performed such covenants and conditions insofar as it is able in a manner deemed sufficient by the City to permit the execution and recording of this Certificate.

NOW, THEREFORE, this is to certify that (1) all building construction and other physical improvements on the Minimum Improvements specified to be done and made by the Developer on the Property have been completed; (2) the covenants and conditions in the Contract for Private Redevelopment have been performed by the Developer; and (3) that the provisions for completion of the Minimum Improvements contained therein are released absolutely and forever insofar as they apply to the Property; and (4) the County Recorder - - in and for the County of Cottonwood and State of Minnesota is authorized to accept for recording and to record this instrument as a conclusive determination of the satisfactory termination of the covenants and conditions of the Contract for Private Redevelopment relating to the completion of the construction of the Minimum Improvements.

CITY OF WINDOM, MINNESOTA

By \_\_\_\_\_  
Its Mayor

By \_\_\_\_\_  
Its City Administrator

STATE OF MINNESOTA            )  
  ) ss.  
COUNTY OF COTTONWOOD    )

The foregoing instrument was acknowledged before me on \_\_\_\_\_, \_\_\_\_\_, by \_\_\_\_\_ and \_\_\_\_\_, the Mayor and City Administrator, respectively, of the City of Windom, Minnesota, a municipal corporation and political subdivision, on behalf of the City.

\_\_\_\_\_  
Notary Public

This instrument was drafted by:  
  
Fryberger, Buchanan, Smith & Frederick, P.A.  
302 West Superior Street, Suite 700  
Duluth, Minnesota 55802

**ATTACHMENT A**  
**to**  
**CERTIFICATE OF COMPLETION**

**Lot 2, Block 1, Windom Industrial Park Subdivision to the City of Windom, Cottonwood  
County, Minnesota**

**(PIN: 25-839-0015)**

**EXHIBIT B**  
**LEGAL DESCRIPTION**

Lot 2, Block 1, Windom Industrial Park Subdivision to the City of Windom, Cottonwood  
County, Minnesota

(PIN: 25-839-0015)



**EXHIBIT D**  
**FORM OF TAX INCREMENT REVENUE NOTE**

No. R-\_\_\_

UNITED STATES OF AMERICA  
STATE OF MINNESOTA  
COUNTY OF COTTONWOOD

CITY OF WINDOM, MINNESOTA

TAX INCREMENT REVENUE NOTE, SERIES 20\_\_

<u>Principal Amount</u>	<u>Annual Rate</u>
\$ _____	0.00%

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE FEDERAL SECURITIES ACT OF 1933 AND MAY NOT BE SOLD OR OTHERWISE DISPOSED OF FOR VALUE, OR TRANSFERRED, WITHOUT (i) AN OPINION OF COUNSEL APPROVED BY THE ISSUER THAT SUCH SALE, DISPOSITION OR TRANSFER MAY LAWFULLY BE MADE WITHOUT REGISTRATION UNDER THE FEDERAL SECURITIES ACT OF 1933 AND UNDER APPLICABLE STATE SECURITIES LAWS, OR (ii) SUCH REGISTRATION. THE TRANSFERABILITY OF THIS NOTE IS SUBJECT TO RESTRICTIONS (a) REQUIRED BY FEDERAL AND STATE SECURITIES LAWS AND THE RULES, REGULATIONS, AND INTERPRETATIONS OF THE GOVERNMENTAL AGENCIES ADMINISTERING SUCH LAWS, AND THE PROCEDURE ESTABLISHED BY THE ISSUER TO EFFECT COMPLIANCE THEREWITH, GOVERNING UNREGISTERED SECURITIES, AND (b) AGREED TO BY THE OWNER OF SUCH SECURITIES.

THIS NOTE HAS NOT BEEN REGISTERED UNDER CHAPTER 80A OF THE MINNESOTA SECURITIES LAWS OR APPLICABLE STATE BLUE SKY LAWS AND MAY NOT BE SOLD, TRANSFERRED, OR OTHERWISE DISPOSED OF FOR VALUE EXCEPT PURSUANT TO REGISTRATION OR OPERATION OF LAW.

The CITY OF WINDOM, MINNESOTA, a municipal corporation and political subdivision of the State of Minnesota (the "City"), hereby acknowledges itself to be indebted and, for value received, hereby promises to pay the Principal Amount specified above (the "Payment Amount"), to Heritage LLC, a Minnesota limited liability company and McMeredit Development Inc. (the "Registered Owner"), or its registered assigns, but only in the manner, at the times, from the sources of revenue, and to the extent hereinafter provided.

The Payment Amounts due on this Note shall be payable solely from, and to the extent that the City shall receive, the Available Tax Increment as hereinafter defined.

For purposes of this Note, Available Tax Increment shall mean ninety percent (90%) of the Tax Increment received by the City from Cottonwood County with respect to the

Development Property, described on Exhibit A hereto, and improvements thereon located in the City's Tax Increment Financing District No. 1-22 (a Redevelopment District) (the "TIF District") within its Development District No. 1 during the six months preceding any Payment Date specified below and which the City is entitled to retain pursuant to the provisions of Minnesota Statutes, Sections 469.174 through 469.1794, as the same may be amended or supplemented from time to time (the "TIF Act") (after deduction of the State Auditor fee and the County Auditor fee) and subject to Section 4.3 of the Agreement. The payments on this Note shall be made by the City on a semi-annual basis on or before August 1<sup>st</sup> and December 31<sup>st</sup> each year commencing on August 1, 2021, and continuing through December 31, 2029, (each referred to herein as a "Payment Date") or until payment in full of the amount due on this Note, or as provided herein, whichever occurs earliest. This Note shall terminate and be of no further force and effect on December 31, 2029, or upon payment in full of the principal on this Note, or on any date upon which the City shall have terminated the Agreement (hereinafter defined), whichever occurs earliest ("Maturity").

The City's obligation hereunder to pay each Payment Amount on the respective Payment Dates shall be further conditioned on the fact that there shall not at the time have occurred and be continuing an Event of Default under that certain Contract for Private Redevelopment, dated as of \_\_\_\_\_, 2019, as the same may be amended from time to time (the "Agreement"), by and among the City and the Registered Owner; and, further, if pursuant to the occurrence of an Event of Default under the Agreement the City elects to cancel and rescind the Agreement, the City shall have no further debt or obligation under this Note whatsoever. Reference is hereby made to the provisions of the Agreement for the definitions of Tax Increment and Available Tax Increment and the rights and obligations of the City to pay the Payment Amounts of this Note, and said provisions are hereby incorporated into this Note as though set out in full herein.

This Note is a revenue obligation and not a general obligation of the City and is payable by the City only from the sources and subject to the qualifications stated or referenced herein. Neither the full faith and credit nor the taxing powers of the City are pledged to the payment of the principal on this Note and no property or other asset of the City, save and except the above-referenced Available Tax Increment, is or shall be a source of payment of the City's obligations hereunder.

This Note is issued by the City in aid of financing a project pursuant to and in full conformity with the Constitution and laws of the State of Minnesota, including the TIF Act. The obligations on this Note are payable solely from Eligible Tax Increment as defined in the Agreement derived from the City's Tax Increment Financing District No. 1-22 (a Redevelopment District) which the City duly established within its Development District No. 1.

Except as hereinafter qualified and subject to Section 6.2 of the Agreement, this Note may not be assigned except as provided in said Agreement; and upon such assignment, the assignor shall promptly notify the City at the Office of the City Administrator by registered mail, and the assignee shall surrender the same to the City Administrator either in exchange for a new fully registered note or for transfer of this Note on the registration records for the Note maintained by the City. Each permitted assignee shall take this Note subject to the foregoing conditions and subject to all provisions stated or referenced herein including the provisions in the Agreement.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions, and things required by the Constitution and laws of the State of Minnesota to be done, to have happened, and to be performed precedent to and in the issuance of this Note have been done, have happened, and have been performed in regular and due form, time, and manner as required by law; and that this Note, together with all other indebtedness of the City outstanding on the date hereof and on the date of this Note's actual issuance and delivery, does not cause the indebtedness of the City to exceed any constitutional or statutory limitation thereon.

IN WITNESS WHEREOF, the City of Windom, Minnesota, by its City Council, has caused this Note to be executed by the manual signatures of the Mayor of the City of Windom, Minnesota, and attested by its City Administrator, and has caused this Note to be issued on and dated \_\_\_\_\_, \_\_\_\_\_.

CITY OF WINDOM, MINNESOTA

By \_\_\_\_\_  
Its Mayor

ATTEST:

By \_\_\_\_\_  
Its City Administrator

## CERTIFICATE OF REGISTRATION

It is hereby certified that the foregoing Note, as originally issued on \_\_\_\_\_, \_\_\_\_\_, was on said date registered in the name of Heritage LLC and McMereditth Development Inc. and that, at the request of the Registered Owner of this Note, the undersigned has this day registered the Note in the name of such Registered Owner, as indicated in the registration blank below, on the books kept by the undersigned for such purposes.

<b>Registered Owner</b>	<b>Date of Registration</b>	<b>Signature of City Administrator</b>
Heritage LLC McMereditth Development Inc. _____ _____ Federal Tax ID No.: _____		

**ASSIGNMENT**

For value received, the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_ the within Note and all rights thereunder, and does hereby irrevocably constitute and appoint \_\_\_\_\_ attorney to transfer the said Note on the books kept for registration of the within Note, with full power of substitution in the premises.

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

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Note in every particular, without alteration or any change whatsoever.

The City Administrator will not effect transfer of this Note unless the information concerning the assignee requested below is provided.

Name and Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Taxpayer Identification Number: \_\_\_\_\_

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE FEDERAL SECURITIES ACT OF 1933 AND MAY NOT BE SOLD OR OTHERWISE DISPOSED OF FOR VALUE, OR TRANSFERRED, WITHOUT (i) AN OPINION OF COUNSEL APPROVED BY THE ISSUER THAT SUCH SALE, DISPOSITION OR TRANSFER MAY LAWFULLY BE MADE WITHOUT REGISTRATION UNDER THE FEDERAL SECURITIES ACT OF 1933 AND UNDER APPLICABLE STATE SECURITIES LAWS, OR (ii) SUCH REGISTRATION. THE TRANSFERABILITY OF THIS NOTE IS SUBJECT TO RESTRICTIONS (a) REQUIRED BY FEDERAL AND STATE SECURITIES LAWS AND THE RULES, REGULATIONS, AND INTERPRETATIONS OF THE GOVERNMENTAL AGENCIES ADMINISTERING SUCH LAWS, AND THE PROCEDURE ESTABLISHED BY THE ISSUER TO EFFECT COMPLIANCE THEREWITH, GOVERNING UNREGISTERED SECURITIES, AND (b) AGREED TO BY THE OWNER OF SUCH SECURITIES.

THIS NOTE HAS NOT BEEN REGISTERED UNDER CHAPTER 80A OF THE MINNESOTA SECURITIES LAWS OR APPLICABLE STATE BLUE SKY LAWS AND MAY NOT BE SOLD, TRANSFERRED, OR OTHERWISE DISPOSED OF FOR VALUE EXCEPT PURSUANT TO REGISTRATION OR OPERATION OF LAW.

**EXHIBIT A**  
**TO TAX INCREMENT REVENUE NOTE**  
**Development Property**

Lot 2, Block 1, Windom Industrial Park Subdivision to the City of Windom, Cottonwood  
County, Minnesota

(PIN: 25-839-0015)

**RESOLUTION # 2019-**

**INTRODUCED:**

**SECONDED:**

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

**CITY OF WINDOM, MINNESOTA**

**RESOLUTION APPROVING ASSISTANCE TO HERITAGE LLC  
AND MCMEREDITH DEVELOPMENT, INC.**

**WHEREAS**, on June 18, 2019, the City Council established Tax Increment Financing (TIF) District 1-22 covering real property and improvements in the Cemstone District in Windom, Minnesota, including property owned by the City of Windom located at 1685 North Redding Avenue (“the Property”); and

**WHEREAS**, on May 21, 2019, the City Council selected Heritage LLC/McMeredith Development Inc. (“Developer”) as the preferred developer for the purpose of construction of a market-rate, multi-family apartment building (the “Project”) on the Property; and

**WHEREAS**, on May 21, 2019, the City Council approved an ordinance authorizing the sale of the Property to the Developer for the construction of the Project; and

**WHEREAS**, the Developer has requested tax increment financing (“TIF”) assistance in the amount of Six Hundred Seventy-five Thousand Dollars (\$675,000), through tax increment to be generated by the Property, as partial reimbursement for eligible expenses including land acquisition, site improvements, footings, foundations, parking lot, sidewalks, and other TIF-eligible expenses incurred in the development of the Property; and

**WHEREAS**, it is necessary to set forth the terms of the sale of the Property to the Developer, requirements for the construction of the Project, and other terms of the agreement between the City of Windom and the Developer; and

**WHEREAS**, a Contract for Private Redevelopment (the “Contract”) has been prepared which sets forth the terms of agreement between the City of Windom and the Developer concerning the sale and development of the Property, reimbursement of the Developer for TIF-eligible expenses, and other required terms between the parties; and

**WHEREAS**, the City Council has reviewed the proposed Contract and determined that granting of the proposed assistance and approval of the proposed Contract are in the best interests of the City of Windom and the citizens of Windom.

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

1. The granting of assistance to Heritage LLC and McMereditth Development Inc. (the "Developer") in an amount of up to \$675,000 payable in the form of tax increment from TIF District 1-22, which is generated by the Property, is hereby approved.

2. The primary public purposes sought to be accomplished through the granting of the assistance to the Developer are encouraging the redevelopment of property in the City that is currently underutilized and expanding the tax base of the City and State, and not job creation and wage goals. Therefore, wage and job goals are set at zero.

3. In exchange for the granting of the requested assistance, Developer shall fulfill the following goals:

A. Developer will not sell or transfer the Property or the Project within 5 years from the date of receipt of the Certificate of Completion for the Project without written consent from the City of Windom.

B. Developer will continue to operate (or cause to be operated) the Project as a market-rate apartment building for a period of 25 years from the date of receipt of the Certificate of Completion.

4. The proposed Contract for Private Redevelopment between the City of Windom and the Developer is hereby approved; and the Mayor and City Administrator are hereby authorized to execute said document on behalf of the City of Windom and to execute any other documents required for the granting of this assistance including, but not limited to, a deed of conveyance of the Property.

Adopted this 18th day of June, 2019.

---

Dominic Jones, Mayor

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

**RESOLUTION #2019-**

**INTRODUCED:**

**SECONDED:**

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

**A RESOLUTION APPROVING THE SALE OF  
TAX-FORFEITED PARCEL AT PUBLIC AUCTION**

---

**WHEREAS**, the City Council of the City of Windom has received correspondence from the Cottonwood County Auditor/Treasurer listing tax-forfeited parcels; and

**WHEREAS**, the parcel on the list that is located in the City of Windom is described as follows:

Parcel # 25-717-0080 - 95 5<sup>th</sup> Street

**WHEREAS**, the City Council has considered the value of this parcel to the City of Windom in terms of location, size, and desirability; and

**WHEREAS**, it would be in the best interest of the City that the parcel be sold at a public auction.

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

1. That the tax-forfeited parcel listed above is approved for public auction pursuant to Minnesota Statute §282.01.
2. The City of Windom waives any statutory time requirements contained therein.
3. It is the intention of City of Windom to **reassess all special assessments.**

**Adopted this 18th day of June, 2019.**

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

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

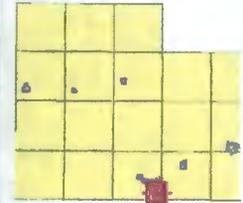
LIST OF TAX-FORFEITED LAND #20 FOR PUBLIC SALE

MUNICIPALITY ADDRESS	PID #	VALUE	ASSESSMENTS BEFORE FORFEITURE
204 Moffett Ave N, Jeffers	21-414-0660	100.00	Misc. – 1,425.00
Whited St W, Jeffers	21-414-1100	100.00	2010 Street Impr. – 489.22
429 – 10 <sup>th</sup> St, Mt. Lake	22-161-0250	100.00	Utilities – 2,690.48 2006 Street/Utility – 1,072.00 <b>Assmt. Total = 3,762.48</b>
610 – 2 <sup>nd</sup> Ave, Mt. Lake	22-413-0100	100.00	2012/13 Infrastructure – 511.29
617 – 2 <sup>nd</sup> Ave, Mt. Lake	22-413-0190	100.00	2012/13 Infrastructure – 402.34
1518 – 2 <sup>nd</sup> Ave, Mt. Lake	22-610-0240	100.00	Utilities – 665.20 Mowing – 225.00 2012/13 Infrastructure – 593.03 <b>Assmt. Total = 1,483.23</b>
724 – 10 <sup>th</sup> St, Mt. Lake	22-611-0620	100.00	Unpaid 2016 utility – 1,186.48
251 Sorenson St, Storden	23-715-0130	100.00	0
1051 – 5 <sup>th</sup> St, Westbrook	24-828-0190	100.00	City mowing – 825.00 2010 street – 69.01 <b>Assmt. Total = 894.01</b>
95 – 5 <sup>th</sup> St, Windom	25-717-0080	100.00	2013 assmts – 606.99
<b>Has radon testing occurred on the property?</b> Cottonwood County is not aware of any radon testing conducted on this property.	<b>Radon records available?</b> No.	<b>Radon concentration levels:</b> Unknown	<b>Is a radon mitigation system in place on the property?</b> No.

Complete legal descriptions are available at the Cottonwood County Auditor/Treasurer Office located in Cottonwood County Court House, 900 - 3<sup>rd</sup> Ave, Windom, MN. 56101 or call (507) 831-1905.



Overview



Legend

- Corporate Limits
- Political Township
- Parcels

Parcel ID	257170080	Alternate ID	n/a	Owner Address	SELL/DUWAINE & NANCY
Sec/Twp/Rng	0-0-0	Class	RESIDENTIAL\ SINGLE UNIT		97 5TH ST
Property Address	95 5TH ST	Acreage	n/a		WINDOM MN 56101
	56101				

District n/a  
 Brief Tax Description WEST 50'

(Note: Not to be used on legal documents)

Windom

Date created: 1/24/2019  
 Last Data Uploaded: 1/23/2019 8:17:53 PM

Developed by Schneider  
 GEOSPATIAL

# 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:** Jason Sykora, Electric Superintendent  
**DATE:** June 12, 2019  
**RE:** Apprenticeship Agreement  
**DEPT:** Electric  
**CONTACT:** Jason Sykora: [Jason.Sykora@windommn.com](mailto:Jason.Sykora@windommn.com)

---

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

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Staff recommends that the City Council take the following action:

1. Motion to accept Standards of Apprenticeship Agreement

## **Issue Summary/Background**

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In May of 2018, the City of Windom enrolled the newly-hired Apprentice Linemen in the MMUA Apprenticeship Program. For the City and Apprentice Linemen to obtain the full benefit of the program, Windom must have an approved Apprenticeship Agreement with the State. The Agreement sets minimum requirements for obtaining a Journey Lineworkers License. Without this Agreement, our Linemen would not be able to obtain their State license. Windom is one of a handful of Utilities that does not have a State-recognized training program. Having an approved Apprentice program in place helps attract potential employees.

Due to turn over at the Department of Labor, this has become a long drawn-out process. With the help of MMUA, we have been able to obtain State approval of the City of Windom's Standards of Apprenticeship.

The Agreement has been reviewed by the Personnel Committee and was approved by the Utility Commission at the May 22<sup>nd</sup> Meeting.

## **Fiscal Impact**

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There is no cost to the City associated with approval and implementation of this Standards of Apprenticeship Agreement.

## **Attachments**

---

1. Standards of Apprenticeship Agreement

**mn** DEPARTMENT OF  
LABOR AND INDUSTRY

# STANDARDS OF APPRENTICESHIP

FOR

SPONSOR INFORMATION:	
NAME:	CITY OF WINDOM
STREET ADDRESS:	1105 First Avenue
CITY, STATE, ZIP:	Windom, MN 56101
COUNTY:	Cottonwood
CONTACT NAME:	Jason Sykora
PHONE:	507.831.6151
EMAIL:	jason.sykora@windommn.com

FOR THE OCCUPATION(S) OF:

OCCUPATION:	Power Lineworker
-------------	------------------

OFFICE USE ONLY:	
STANDARD NUMBER:	
DATE APPROVED:	

FORM EFFECTIVE 01/2016

Apprenticeship Division  
Minnesota Department of Labor & Industry  
443 Lafayette Road N, St. Paul, MN 55155  
dli.state.mn/appr  
651-284-5090

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Attachment - #6	Apprenticeship Committee Members and Sponsor Jurisdiction

## Section 1. DEFINITIONS

1. **Apprentice.** "Apprentice" means an individual who is employed by **City of Windom**, meets the qualifications in the Standards of Apprenticeship, has signed an Apprenticeship Agreement, and is registered and employed to learn an apprenticeable trade or occupation in a registered apprenticeship program under Minnesota Statutes Chapter 178.
2. **Apprenticeship Advisory Board.** "Apprenticeship Advisory Board" or "board" means the Apprenticeship Advisory Board established under Minnesota Statute 178.02 and the State Apprenticeship Council as defined in Code of Federal Regulations, title 29, section 29.2.
3. **Apprenticeship Program.** "Apprenticeship program" means a program registered under Minnesota Statute Chapter 178 that includes standards containing all terms and conditions for the qualification, recruitment, selection, employment and training of apprentices.
4. **Commissioner.** "Commissioner" means the commissioner of labor and industry or his/her duly designated representative employed by the department.
5. **Department.** "Department" means the Minnesota Department of Labor and Industry.
6. **Director.** "Director" means the person who oversees the activities of the Apprenticeship and Labor Standards business units.
7. **Division.** "Division" means the department's Labor Standards and Apprenticeship Division.
8. **Employer.** "Employer" is **City of Windom**, the entity employing an apprentice under the Standards of Apprenticeship.
9. **Journeyworker.** "Journeyworker" means a person who has attained a level of skill, abilities, and competencies recognized within an industry as having mastered the skills and competencies required for the trade or occupation.
10. **Registered apprenticeship agreement.** "Registered apprenticeship agreement" or "apprenticeship agreement" means a written agreement, complying with Minnesota Statutes Chapter 178 between the division, sponsor, and apprentice, and, if the apprentice is a minor, the minor's parent or guardian, which contains the terms and conditions of the employment and training of the apprentice.
11. **Related instruction.** "Related instruction" means an organized and systematic form of instruction designed to provide the apprentice with the knowledge of the theoretical and technical subjects related to the apprentice's trade or occupation, or industrial courses or, when of equivalent value, by correspondence, electronic media, or other forms of self-study approved by the commissioner.
12. **Sponsor.** "Sponsor" is **City of Windom**, the entity responsible for operating the apprenticeship program and in whose name the program is or is to be registered or approved.

## Section 2. REGISTRATION OF APPRENTICESHIP PROGRAMS

1. **Application.** To apply for the registration of an apprenticeship program, a sponsor shall submit a completed application to the division on a form provided by the commissioner, which shall include standards of apprenticeship. Sponsors may submit standards provided by the division that comply with C.F.R. 29.5 and Minnesota Statute Ch.178 for approval.
2. **Provisional Approval.** The Division shall grant a provisional approval period of one year to an applicant demonstrating that the standards submitted meet the requirements. The Division may review each program granted provisional approval for quality and for conformity with requirements at any time, but not less than biannually, during the provisional approval period.
  - (a) A program that conforms to the requirements of Minnesota Statute Ch.178 may be approved, or may continue to be provisionally approved through the first full training cycle.
  - (b) A program not in operation or not conforming to the requirements of this chapter during the provisional approval period shall be deregistered.

The Division shall inform the applicant of the results of its review in writing at least 30 days prior to the expiration of the provisional approval period.

3. **Review.** The Division shall review all programs for quality and for conformity of Minnesota Statutes Chapter 178 at the end of the first full training cycle. Subsequent review of a registered program must be conducted at least annually. Programs not in operation or not conforming to this chapter at the time of review may be recommended for deregistration.
4. **Program modification.** To apply for modification of or change to a registered program, a sponsor shall submit a written request for modification to the Division. The Division shall approve or disapprove a modification request within 90 days from the date of receipt. If approved, the modification or change must be recorded and acknowledged within 90 days of its approval as an amendment to the registered program. If not approved, the Division shall notify the sponsor in writing of the disapproval and the reason for the disapproval. The Division may provide technical assistance to the sponsor seeking to modify or change a registered program.

All revisions shall automatically become a part of the Apprenticeship Agreement in effect on the date of the revisions, and all parties to the agreement be notified of all such revisions. Revisions of these standards and procedures become effective upon approval by the employer, the union, and the Minnesota Apprenticeship Council.

5. **Notice.** When an application is submitted by an employer or employers' association, and where the standards, collective bargaining agreement, or other instrument provides for the participation by a union in any manner in the operation of the substantive matters of the apprenticeship program, and the participation is exercised, a written statement specifying that the union is in agreement or has no objection to the registration is required. Where no union participation is evidenced and practiced, the employer or employer's association shall simultaneously furnish to the union, if any, which functions as the collective bargaining agent of the employees to be trained, a copy of its application for registration and the apprenticeship program. The commissioner shall provide a reasonable time of not less than 30 days nor more than 60 days for receipt of union comments, if any, before final action on the application for

registration is taken. Union comments must be submitted to the Division during the time period specified by the commissioner.

6. **Certificate of Registration.** Upon registration of a program, the commissioner shall issue a certificate of registration to the sponsor. Within 30 days after the certificate is mailed or otherwise delivered to the sponsor, the sponsor must submit to the commissioner a copy of at least one executed apprenticeship agreement.
7. **Policy Requirement.** It is the policy of the employer and sponsor that the recruitment, selection, employment, and training of apprentices during their apprenticeship must be without discrimination due to race, color, creed, religion, national origin, sex, sexual orientation, marital status, physical or mental disability, receipt of public assistance, or age. The employer and sponsor must take affirmative action to provide equal opportunity in apprenticeship and must operate the apprenticeship program as required under the Code of Federal Regulations, title 29, part 30, and under the Minnesota Plan for equal opportunity in apprenticeship.

### **Section 3. STANDARDS OF APPRENTICESHIP**

1. **Federal Uniformity.** Each program must have an organized, written plan of program standards embodying the terms and conditions of employment, training and supervision of one or more apprentices in an apprenticeable trade or occupation, that is subscribed to by a sponsor an employer who has undertaken to carry out the apprentice training program. The program standards must contain the provisions that address each item identified in the Code of Federal Regulations, title 29, part 29, section 29.5(b). An apprenticeable trade or occupation is defined in 29 CFR 29, section 29.4.
2. **Related Instruction.** Program provides a minimum of 144 hours of related instruction is required in each training cycle. Time spent in related instruction is not considered hours of work as required by the job process schedule. Every apprenticeship instructor must meet the Department of Education's requirements for a vocational-technical instructor or be a subject matter expert, which is an individual such as a journeyworker who is recognized within the industry as having expertise in a specific trade or occupation. (Attachment #1)
3. **Safety Instruction.** Program provides 50 hours minimum of related safety instruction is required during the term of apprenticeship.
  - a. Safety being of paramount importance to management and all City of Windom employees, the study of utility safety practices and their application to specific jobs shall be required in all phases of apprentice training.
  - b. The City of Windom subscribes to the standards of the Occupational Safety and Health Act (OSHA) and will be governed according to these standards.
4. **Workers Compensation Certification.** Certification of compliance with MN Workers Compensation Laws is required to ensure the apprentices are properly insured during their apprenticeship training program. (Attachment #3)
5. **Job Process Schedule.** Each apprentice must be given work experience and instruction according to the applicable job process schedule. Training experience need not be in the exact

order as listed in the job process schedule. (Attachment #4)

- a. Skill training need not be in the exact order as above. For purposes of statewide program consistency and training, 20% of the hours identified may be substituted with the sponsor specific processes at any time. The remaining 80% of the hours would be taught to the apprentice during the training program. Upon completion of apprenticeship, the apprentice will have become proficient in all operations which make up the journeyman classification.
  - b. A Job Training Program (see Attachment #1) is established with minimum requirements as to the number of hours of training to be spent in the related phases of work. It is recognized that these standards will be applied with some flexibility depending upon type of work available at a given time.
  - c. All work shall be performed in compliance with WMU standards and specific job rules.
  - d. Every effort shall be made to rotate the apprentice's training through all the tasks indicated in the training schedule so that upon completion of the apprenticeship, the apprentice will have become proficient in all operations which make up the journeyman classification.
  - e. Once a training project or group of training projects have been started, the apprentice shall, so far as it is practical to do so, be kept on the project until the training is completed. When the needs of the department require assignment to other work prior to the completion of training, such work will take precedence and apprenticeship training will then continue in the temporary assignment.
  - f. Whenever the needs of the department require an apprentice to work in an assignment in which the apprentice has completed the on-the-job training, this assignment shall take precedence until such time as it is practical to release the apprentice for further on-the-job training in other phases of the training schedule.
  - g. All apprentices shall complete the on-the-job training. Exceptions may be made for apprentices who have had previous training in the prescribed work or course and they will be given credit for same.
  - h. The apprentice shall be under the direct supervision of their immediate supervisor, or an employee who has established journeyman qualifications.
6. **Ratios.** If the apprentice is covered by a collective bargaining agreement, the employer must follow the provisions of the collective bargaining agreement regarding the maximum number of apprentices to be employed at the work site for each journeyworker employed at the same work site. In the absence of a collective bargaining agreement, for the purposes of direct supervision and safety and instruction of the apprentice, the ratio shall be:
- a. One apprentice for the first journeyworker employed at the work site plus one apprentice for each additional three journeyworkers employed at the work site;
  - b. The work site ratio utilized by the majority of registered apprenticeship agreements in

- the same trade or occupation; or
- c. A program specific ratio that has been approved by the Apprenticeship Advisory Board.

The specific ratio that applies is:

According to collective bargaining agreement every effort will be made to maintain a ratio of journeymen to apprentices of 3:1.

- 7. Graduated Schedule of Wages.** The graduated schedule of wages for an apprentice program shall be calculated as a percentage of the journeyworker rate in the majority of registered apprenticeship agreements in the same trade or occupation in the state. If an apprenticeship agreement entered into after January 1, 2015, does not specify fringe benefits, the journeyworker wage rate upon which the apprentice wage rate is calculated must be the total rate listed in the wage determination. If there is no Minnesota prevailing wage rate determination for the same trade or occupation in the county in which the apprentice's employer is located, the journeyworker wage may be determined by the sponsor with the approval of the division in accordance with Minnesota Statute Chapter 178.044 Subd. 3 (1) (2).

Apprentice Wage Step Increment refers to the pay of the apprentice at a particular stage of training. It is expected that the apprentice who progresses at the normal rate would obtain an increase in hourly wage each six months, in accordance with the Job Training Program (processes) contained in Attachment #1.

Wage schedule is based on IBEW Union Contract Grade 15 Lineman

**2019 Wage Rates**

1 <sup>st</sup>	6 Months – Hours%	\$25.52	Step 1
2 <sup>nd</sup>	6 Months – Hours%	\$26.59	Step 3
3 <sup>rd</sup>	6 Months – Hours%	\$27.12	Step 4
4 <sup>th</sup>	6 Months – Hours%	\$28.25	Step 6
5 <sup>th</sup>	6 Months – Hours%	\$28.83	Step 7
6 <sup>th</sup>	6 Months – Hours%	\$30.07	Step 9
7 <sup>th</sup>	6 Months – Hours%	\$30.67	Step 10
8 <sup>th</sup>	6 Months – Hours%	\$31.97	Step 12

Journeyworker wage rate on 01/2019 with benefits was \$40.69.

**8. Probationary Period.**

A period of probation of not more than 500 hours of employment and instruction extending over not more than four months, during which time the apprenticeship agreement shall be terminated by the director upon written request of either party, and providing that after such probationary period the apprenticeship agreement may be terminated by the director by mutual agreement of all parties thereto, or terminated by the director for good and sufficient reason.

- 9. Dispute Resolution.** The program standards must include a provision that controversies or differences concerning the terms of apprenticeship agreement which cannot be resolved by the

parties thereto, or which are not covered by a collective bargaining agreement, may be submitted to the commissioner for determination as provided for by Minnesota Statute 178.09 Identify the specific dispute resolution provision:

- a. Controversies or differences concerning the terms of this Apprenticeship Agreement that cannot be resolved by the parties hereto, or that are not covered by the collective bargaining agreement, may be submitted to the Director of Voluntary Apprenticeship for determination.

**10. Term of Apprenticeship.** The term of apprenticeship may be measured either through:

The time based approach, which requires completion of at least 2000 work hours of on-the-job training.

The competency-based approach, which requires the attainment of competency.

The hybrid approach, which is a blend of the time based and competency-based approaches.

- a. The term of apprenticeship shall be designated in hours, months, or years for the individual trades included in these standards. For each trade to be so included, a job process schedule, including the total training term applicable thereto, shall be attached to these standards as Attachment #1.
- b. An apprentice whose training is interrupted by compulsory or voluntary service in the U.S. Armed Forces shall have the right to return to the apprenticeship program after the expiration date of their first tour of duty, in accordance with applicable provisions of state and federal rules and regulations.
- c. The apprenticeship classifications are those contained in the current Labor Agreement between the parties. Said list is a part of these standards (see Attachment #1).

**11. Credit for Previous Experience.** Credit may be awarded for previous experience and/or training which is applicable to training program requirements. If credit is awarded, the apprentice shall be advanced in the graduated wage schedule accordingly.

- a. Management may grant advance standing in an apprenticeship to any applicant who has had previous training and/or experience directly related to the classification wherein the apprenticeship is sought.
- b. Advance standing credit must be established prior to the applicant signing the Apprenticeship Agreement

**12. Training Cycle.** The training cycle for related instruction must be designated in hours, days, or months for each individual trade or occupation included in the standards.

**13. Responsibilities of the Apprentice.** An apprentice employed under the program standards shall agree to be punctual and regular in attendance, and to endeavor to the best of the apprentice's ability to perfect the required skills for the trade or occupation.

- a. Apprentices may be required to attend off-the-job supplementary training during the entire period of their apprenticeship in subjects relating to their field of endeavor. This could include evening schools, correspondence school courses, in-plant courses, or on-site classes. Exceptions may be made for apprentices who have had previous schooling in the prescribed courses and they may be given credit for same.
- b. Whenever a prescribed supplementary training subject is not available, the apprentice will enroll in an optional subject listed for that classification or will otherwise be assigned a different job-related subject.
- c. Whenever supplementary training is not available for class study or an apprentice's work prevents attendance at school, the apprentice will complete equivalent training with approved correspondence courses.
- d. An apprentice must complete the prescribed supplementary training program even though it may for any reason extend beyond the completion of his apprenticeship.
- e. Time spent by apprentices in supplementary training or in related instruction shall not be considered as hours of work and shall not be paid for unless the apprentice is required to attend classes during regular hours of work.

**Tuition**

- a. The policy will be for the apprentices to pay 100% of the tuition cost at enrollment. Upon satisfactory completion of the course, the apprentice will receive 100% refund.
- b. The City of Windom will also include any fees that the student must absolutely pay in order to take the course.

- 14. Coordination of Apprentices.** At the time an apprentice is assigned under this program, they shall be furnished a complete copy of the Standards and Procedures for the program as well as a schedule outlining the on-the-job training program which applies to their respective apprenticeship, and shall also be furnished a schedule of the schooling or supplemental training requirements for the apprenticeship involved. The apprentice shall also be advised that they should feel free at any time to consult their immediate supervisor, or the union committee member in their division regarding various matters that may arise that would apply to the program (see Attachment #1).

The sponsor shall designate a qualified individual as a coordinator of apprentices who shall:

- (a) Maintain an adequate record of progress in training each apprentice.
- (b) Be responsible for assuring that the requirements of the applicable learning program are met during the prescribed training term.
  - a. Perform other duties as may be assigned by the sponsor relative to the development and operation of an effective program of apprenticeship.
  - b. Each apprentice will have a performance appraisal every six months while on apprenticeship. It will be administered by the immediate supervisor

15. **Maintenance of Records.** The sponsor shall keep and maintain records of each apprentice's progress records on an ongoing basis from the beginning to the completion of an apprenticeship. These progress records must be kept on the sponsor's premises and must be accessible to all authorized personnel of the Division of Apprenticeship. Under the Minnesota Plan for equal opportunity in apprenticeship, it is also the obligation of the sponsor to maintain records pertaining to individual applicants for apprenticeship whether selected or rejected for five years and be made available upon request to authorized personal of the Division of Apprenticeship. These records must be maintained in a manner that permits the identification of minority and female participants. The Division of Apprenticeship must be notified of the current address where records are kept and the person responsible for the records. Permanent records will be retained at the WMU Office, 1105 First Ave N, Windom, MN 56101.

Name of the person responsible for record keeping and coordination of apprentices:

Jason Sykora, Electric Superintendent

16. **Certificate of Completion of Apprenticeship.** Upon successful completion of the apprenticeship term and the related training requirements, and upon appropriate written recommendation by the sponsor, the Division must issue to the apprentice a certificate of completion of apprenticeship.

The Approval Agency shall furnish approved copies of said agreement to:

1. The employer
2. The local union
3. The apprentice

City of Windom Program Coordinator will provide the records to MNDVA and will enroll the apprentices for the GI bill benefits.

17. **Equal Opportunity Pledge.** Minnesota State and Federal Guidelines for Equal Employment Opportunity, Freedom from Discrimination, and the Minnesota Human Right Act Guidelines.

**The Minnesota Human Rights Act**

**363A of the 2018 Minnesota Statutes**

Every person in Minnesota is protected by the Human Rights Act as every person, based on their personal characteristics such as a person's race or sex, belongs to one or more of the **Protected Classes:** Race, Color, Creed, Religion, National Origin, Sex, Marital Status, Familial Status, Disability, Public Assistance Status, Age, Sexual Orientation, and Local Human Rights Commission Activity.

**363A.02 PUBLIC POLICY**

Subdivision 1. Freedom from discrimination. (a) It is the public policy of this state to secure for persons in this state, freedom from discrimination: in employment because of race, color, creed, religion, national origin, sex, marital status, disability, status with regard to public assistance, sexual orientation, and age.

**US Department of Labor Employment and Training Administration, Office of Apprenticeship  
29 CFR § 30.3(c)(1), "Equal Opportunity Pledge"**

The City of Windom will not discriminate against apprenticeship applicants or apprentices based on race, color, religion, national origin, sex (including pregnancy and gender identity), sexual orientation, genetic information, or because they are an individual with a disability or a person 40 years old or older. The City of Windom will take affirmative action to provide equal opportunity in apprenticeship and will operate the apprenticeship program as required under Title 29 of the Code of Federal Regulations, part 30.

**18. Compliance with Minnesota Plan for Equal Employment Opportunity in Apprenticeship.**

Programs with fewer than five apprentices must submit the following: two copies of the proposed program, and include in its standards the approved equal opportunity pledge.

Programs with five or more apprentices must submit the following: two copies of the proposed program, including in its standards the approved equal opportunity pledge and a written affirmative action plan adopting one of the following four approved selection procedures under the Minnesota Plan for Equal Opportunity in Apprenticeship. (Attachment #5)

- (a) selection on a basis of rank from pool of eligible applicants;
- (b) random selection from pool of eligible applicants;
- (c) selection from pool of current employees; or
- (d) alternative selection procedure.

**Equal Opportunity Complaint Procedure.** It is against the law for a sponsor of an apprenticeship program registered for Federal purposes to discriminate against an apprenticeship applicant or apprentice based on race, color, religion, national origin, sex (including pregnancy and gender identity), sexual orientation, age (40 years or older), genetic information, or disability. The sponsor must ensure equal opportunity with regard to all terms, conditions, and privileges associated with apprenticeship.

If an apprentice thinks that they have been subjected to discrimination, he/she may file a complaint within 90 days from the date of the alleged discrimination or failure to follow the equal opportunity standards with:

**Minnesota Department of Labor and Industry  
Division of Labor Standards and Apprenticeship  
443 Lafayette Road North  
St. Paul, MN 55155**

He/she may also be able to file complaints directly with the EEOC, or State fair employment practices agency. If those offices have jurisdiction over the sponsor/employer, their contact information is listed below.

**Minnesota Department of Human Rights (FEPA)  
Sibley Square at Mears Park  
190 East 5<sup>th</sup> Street, Suite 700  
St. Paul, MN 55101**

**EACH COMPLAINT FILED MUST BE MADE IN WRITING AND INCLUDE THE FOLLOWING INFORMATION:**

1. Complainant's name, address, and telephone number, or other means of contact, for contacting the complainant.
  2. The identity of the respondent (i.e. the name, address, and telephone number of the individual or entity that the complainant alleges is responsible for the discrimination).
  3. A short description of the events that the complainant believes were discriminatory, including but not limited to when the events took place, what occurred, and why the complainant believes the actions were discriminatory (for example, because of his/her race, color, religion, sex (including pregnancy and gender identity), sexual orientation, national origin, age (40 or older), genetic information, or disability).
  4. The complainant's signature or the signature of the complainant's authorized representative.
- 19. Hours of Work.** The maximum number of hours of work per week shall not exceed either the number prescribed by law or the customary regular number of hours per week for the employees of the company by which the apprentice is employed. Time spent in related and supplemental instruction for any apprentice shall not be included in the maximum number of hours per workweek.
- 20. Overtime.** An apprentice may be allowed to work overtime provided that the overtime work does not conflict with related instruction course attendance. All time in excess of the number of hours of work per week as specified in the apprenticeship agreement shall be considered overtime. For overtime the apprentice's rate of pay shall be increased by the same percentage as the Journeyworker rate of pay for overtime is increased in the same industry or establishment.
- a. The apprentice will receive pay at one and one-half times (1.5) base rate of pay for overtime incurred while performing related on-the-job training.
  - b. Time spent by apprentices in supplementary training or in related instruction shall not be paid for at the overtime rate of one and one-half (1.5) times regular pay (see Section 14 e.).
- 21. Journeyworker wage rate.** If the apprentice is not covered by a collective bargaining agreement, the journeyworker wage rate upon which the apprentice agreement graduated schedule of wages is calculated may be determined by the sponsor with the approval of the Division.
- 22. Qualifications of Apprentices.** In the interest of developing competent journeymen in this program, entrance requirements have been established. These requirements are as follows:
- a. Selection of apprentices under this program shall be made from qualified applicants who were initially hired by the City of Windom on a completely non-discriminatory basis without regard to race, color, creed, religion, national origin, sex, disability, age, marital status, or status with regard to public assistance. The successful candidates will be selected in compliance with the Labor Agreement between City of Windom and Local 949. All hiring will be done on a non-discriminating basis.

- b. Applicants for the apprenticeship must be at least eighteen (18) years of age.
- c. Applicants for the apprenticeship may be required to take a job-related examination pertaining to the apprenticeship job involved.
- d. Applicants shall have a high school education or the equivalent. In those cases when management records are not complete with regard to the establishment of the fact that a prospective apprentice has completed high school, it will be necessary for the prospective apprentice to satisfy management of such equivalency.
- e. Preference may be given to applicants who have attended an Apprentice Training Program.
- f. Applicants shall be physically able to perform the requirements of the classification as listed in the job description.
- g. Records of the selection process shall be retained for a period of five years.

**23. Termination, Cancellation or Transfer of Apprenticeship Agreements.** Written notice. The Division of Apprenticeship must be notified in writing within 45 days by the sponsor of all terminations, cancellations, or transfer to apprenticeship agreements. All terminations shall be approved by the Division.

- a. It is recognized by both management and the union that before an apprentice can become a qualified journeyman, the apprentice must successfully complete the on-the-job and supplementary training program for their apprenticeship classification as prescribed within these standards. It is agreed that an apprentice cannot be permanently classified as a journeyman until the entire apprenticeship training is completed.
- b. If an apprentice, in the opinion of The Department Head, fails to show proper progress under the Apprenticeship Training Program during any phase of the training, this will be called to the attention of the apprentice who will be given a specified period of time (mutually agreed upon) to bring themselves into compliance with the standards of this program. Management, however, recognizes that there may be extreme cases wherein sickness or other extenuating circumstances may justify an extension of this time period; but for practical purposes, it is the intention to apply the mutually agreed time period.
- c. When it is determined that an apprentice is behind in the correspondence course or is not maintaining the minimum passing requirements of the evening school, the apprentice is said to be delinquent in the supplementary training and will not be advanced to the next step until the acceptable standards are met. Procedures for administering this detail are:

1. The Apprenticeship Program Director will review all individual progress cards and quarterly evening school reports.

2. If the Apprenticeship Program Director finds any apprentice to be delinquent, the department head will be notified. The department head will then notify the apprentice's immediate supervisor, who will notify the apprentice of being delinquent in meeting the standards.
  3. Failure by an apprentice to comply with these requirements will be just cause for employment termination.
- d. If a last step apprentice is delinquent, that apprentice will be held on the last apprenticeship step until all supplementary training has met the program standards.
  - e. If the supplementary training is satisfactorily completed within ninety days of the end of the apprentice's normal apprenticeship date, the completion date, for purpose of seniority, shall be made retroactive to the normal date of the end of the apprenticeship.
  - f. After 90 days, the Apprenticeship may be cancelled and employment may be subject to termination.
  - g. The pay shall not be retroactive.
  - h. Satisfactory completion of a supplementary school subject is contingent upon the rules of the school regarding admissibility, attendance, grades, and student conduct.
  - i. Upon successful completion of the formal apprenticeship program as detailed in these standards, the apprentice shall be issued a certificate of completion of the apprenticeship.
  - j. Procedure for termination or transfer of apprenticeship agreements.
    1. The Minnesota Division of Apprenticeship shall be notified in writing by the Apprenticeship sponsor of all terminations, cancellations or transfer of apprenticeship agreements.
  - k. All terminations, cancellations, and transfers shall be approved by the Windom City Council per the recommendation of The City Administrator, Electric Utility Manager or the Utility Commission. The Apprenticeship Program Director shall notify the sponsor and all other concerned parties in writing. Any decision to terminate, cancel or transfer an agreement by the Windom City Council may be appealed under the Voluntary Apprenticeship Law, Section 178.09
- 24. Director to Approve Apprenticeship Agreements.** Every apprenticeship agreement is subject to approval by the Director and shall be signed by the committee, the employer, an association of employers, or an organization of employees, and by the apprentice.
- a. The apprentice shall sign the properly completed Apprenticeship Agreement, which shall also be signed by the employer and submitted for approval to the Approval Agency. The Apprenticeship Agreement shall contain a clause making the Standards and Procedures a part of said agreement.

**25. Apprenticeship Committees and Programs (if applicable).** Establishment of committees. Apprenticeship committees may be established by the Director to supervise the operation of apprenticeship programs. Establishment of a committee may be considered justified if either of the following conditions is met:

- a. When the employers and employees in a trade or trades are parties to a collective bargaining agreement requiring joint participation in program operation; or
- b. When five or more apprentices are enrolled under a program.
- c. The total number of members on a committee may range from four to twelve.
- d. In joint participation there shall be equal representation of employers and employees.
- e. Members shall be selected by the group or groups they represent subject to approval by the Director.
- f. A committee may have as one of its employee representatives, an active apprentice of record provided that the apprentice has completed a minimum of 6,000 hours of an apprenticeship term or has entered the fourth year of a term.
- g. Adoption of apprenticeship committee rules or changes must be submitted to the Director in writing for approval.
- h. The sponsor shall provide the names and addresses of the joint committee members listed according to representative groups. This list shall also indicate the secretary and chairperson of the committee and the jurisdictional area covered by the committee. (Attachment #6)
- i. Labor-Management Relations Committee (LMRC):

1. The Committee shall consist of two (2) representatives from the bargaining unit and two (2) representatives from management.

2. The Committee shall meet at mutually agreed upon times and locations as necessary to accomplish the purposes of the Committee. A minimum of one (1) meeting shall be held per year.

3. The Chairperson shall be selected from rotating the role every other year from the bargaining unit one year and from management the following year. The Secretary shall be provided by management.

4. The purposes of the Committee are as follows:

- i. To discuss and, where possible, reach mutually acceptable solutions for common problems and concerns relative to the intent and administration of the Agreement.
- ii. To discuss and develop training programs for recommendations to the Apprenticeship Program Director.
- iii. To discuss such other matters that are of mutual benefit and concern.

**26. Complaint Procedure.** Upon the complaint of any interested person or upon the Directors own initiative the Director may investigate to determine if there has been a violation of the terms of an apprentice agreement made under this chapter. Complaints must be made in writing within 60 days of the events giving rise to the complaint and must set forth the specific matters complained together with relevant facts and circumstances. Copies of pertinent documents and correspondence must accompany the complaint. The Division may conduct such proceedings as

are necessary for that investigation and determination. All such proceedings shall be on a fair and impartial basis and in accordance with Minnesota Statutes Chapter 178.

If an apprentice wishes to file a complaint, the written complaint must contain the following information:

1. Complainant's name, address, and telephone number, or other means of contact, for contacting the complainant.
2. The identity of the respondent (i.e. the name, address, and telephone number of the individual or entity that the complainant alleges is responsible for the behavior which led to the complaint).
3. A short description of the events, including but not limited to when the events took place, and what occurred.
4. The complainant's signature or the signature of the complainant's authorized representative.

All information must be mailed to:

**Minnesota Department of Labor and Industry  
Division of Labor Standards and Apprenticeship  
443 Lafayette Road North  
St. Paul, MN 55155**

**27. Signature Page:**

\_\_\_\_\_  
Signature of Sponsor

\_\_\_\_\_  
Please Print Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature - Union Representative

\_\_\_\_\_  
Title

\_\_\_\_\_  
Name of Union

\_\_\_\_\_  
Date

\_\_\_\_\_  
Address of Union

APPROVED:

\_\_\_\_\_  
Director of Apprenticeship State of Minnesota

\_\_\_\_\_  
Approval Date

\_\_\_\_\_  
Effective Date

**ATTACHMENT # 1 Related Training Instruction**

Related training of at least 144 hours annually for all apprentices under this program will be as follows:

COURSE	LOCATION	HOURS OF CREDIT
<b>1<sup>st</sup> YEAR RTI</b>		
<b>CORRESPONDENCE*</b>		
<b>REQUIRED CORRESPONDENCE Northwest Line College</b>	<b>MODULE #1</b>	<b>146</b>
This course work will be offered as per Northwest Line College academic year.	1:1 Book One Introduction to Power Delivery <ul style="list-style-type: none"> <li>• History of Delivery</li> <li>• Types of Companies</li> <li>• Positions/Career Paths</li> <li>• Agencies/Organizations</li> </ul>	
	1:2 Book Two Intro To safety <ul style="list-style-type: none"> <li>• PPE</li> <li>• Hazards</li> <li>• Safety Attitude</li> <li>• Accident Review</li> </ul>	
	1:3 Book Three Working In Elevated Positions <ul style="list-style-type: none"> <li>• Fall Protection</li> <li>• Wood Poles &amp; Ariel Lifts</li> <li>• Steel Structures &amp; Ladders</li> <li>• Rescuing the Injured</li> </ul>	
	1:4 Book Four Knots, Splices & Rope <ul style="list-style-type: none"> <li>• Rope Types</li> <li>• Knots</li> <li>• Splices</li> <li>• Slings, Chain, Shackles</li> </ul>	
	1:5 Book Five Electrical Systems <ul style="list-style-type: none"> <li>• Overview</li> <li>• Generation</li> <li>• Transmission</li> <li>• Distribution</li> <li>• Substations</li> </ul>	
	1:6 Book Six First Aid <ul style="list-style-type: none"> <li>• Electric Burns</li> <li>• Heat &amp; Cold Illness</li> <li>• Stings &amp; Bites</li> <li>• Sight &amp; Hearing Injuries</li> <li>• Elevated Rescue</li> </ul>	

1 <sup>st</sup> YEAR - CONTINUED	1:7 Book Seven Applied Mathematics <ul style="list-style-type: none"> <li>• Whole Numbers</li> <li>• Fractions, Decimals, Percents</li> <li>• Powers &amp; Roots</li> <li>• Algebra &amp; Geometry</li> <li>• Trig &amp; Binary Systems</li> </ul>	
	1:8 Book Eight Basic Electric Theory <ul style="list-style-type: none"> <li>• Atomic Structure</li> <li>• Magnetism/Static Electricity</li> <li>• Voltage &amp; Amperage</li> <li>• OHMS &amp; Watts</li> </ul>	
	1:9 Book Nine Transformer Basics <ul style="list-style-type: none"> <li>• Identification</li> <li>• Anatomy</li> <li>• Theory</li> <li>• Nameplates</li> <li>• Transformer Installation</li> </ul>	
	1:10 Book Ten OSHA 1 <ul style="list-style-type: none"> <li>• Intro</li> <li>• Job Briefings</li> <li>• Into to PPE</li> <li>• Intro to Hand &amp; Power Tools &amp; Material Handling &amp; Storage</li> </ul>	
	<b>TOTAL REQUIRED RTI</b>	<b>146</b>
<p><b>MMUA SUPPLEMENTAL RTI - Minnesota Municipal Utilities Assoc. Program – Apprentice Lineworker Training Program</b></p> <p>The MMUA portion of the RTI is designed as supplementary training.</p> <p>The four schools are taught at the MMUA Marshall Training Facility. If the apprentice is able to attend the classes, he/she does so. If their work schedule is such that it does not allow them to attend, the apprentice does not attend this portion of the MMUA training this year.</p> <p>The in-house training is offered at each municipality by a MMUA instructor. It is designed to accommodate the needs of each specific municipality.</p> <p><i>It is not required to make-up missed MMUA RTI training.</i></p>	<p>Comprised of 4 Schools – Marshall Training facility</p> <ul style="list-style-type: none"> <li>• Meter School - February</li> <li>• Underground School - May</li> <li>• Overhead School - September</li> <li>• Transformer School - December</li> </ul> <p>In-House training offered over the 4 years of Apprenticeship Program Include:</p> <ul style="list-style-type: none"> <li>• Basic Electric Theory</li> <li>• 3-Phase AC Circuits &amp; Transformer Banking</li> <li>• Pole Climbing/Construction</li> <li>• Electrical Distrib. I</li> <li>• Electrical Distrib. II</li> <li>• Electrical Distrib. III</li> <li>• Care &amp; Use of Insulated Equip.</li> <li>• Protective Equip.</li> <li>• Electrical Lineworker Course Review</li> </ul>	<p>This portion of RTI is individualized, based on the need of the apprentice. This RTI is required of MMUA, but are not tracked as part of these Standards.</p> <p>These hours are individualized, based on the needs of each municipality. This RTI is required of MMUA, but are not tracked as part of these Standards.</p>
	<b>GRAND TOTAL RTI 1<sup>st</sup> YEAR</b>	<b>146</b>

2nd YEAR RTI	CORRESPONDENCE*	HOURS OF CREDIT
<b>REQUIRED CORRESPONDENCE Northwest Line College</b>	<b>MODULE #2</b>	<b>169</b>
This course work will be offered as per Northwest Line College academic year.	2:1 Book One Safety 2 <ul style="list-style-type: none"> <li>• Safety Meetings</li> <li>• Poor Safety</li> <li>• Public Safety</li> <li>• Communications</li> <li>• Accident review</li> </ul>	
	2:2 Book Two AC Fundamentals <ul style="list-style-type: none"> <li>• AC Generation</li> <li>• Series &amp; Parallel Circuits</li> <li>• Inductance</li> <li>• Capacitance &amp; Power factor</li> </ul>	
	2:3 Book Three Personal Protective Grounding <ul style="list-style-type: none"> <li>• General Information</li> <li>• Overhead Distribution</li> <li>• Underground Distribution</li> <li>• Transmission</li> <li>• Substations</li> </ul>	
	2:4 Book Four Live-Line Equip. & Methods <ul style="list-style-type: none"> <li>• Live-Line Work Overview</li> <li>• Live-Line Tools</li> <li>• Protective Equipment</li> <li>• Rubber Gloves Methods</li> <li>• Hot Stick Methods</li> <li>• Barehand Methods</li> </ul>	
	2:5 Book Five Rigging <ul style="list-style-type: none"> <li>• Weights &amp; Loads</li> <li>• Sling Angles</li> <li>• Parted Blocks</li> <li>• Snatch Blocks</li> <li>• Applications</li> </ul>	
	2:6 Book Six Underground Conductors <ul style="list-style-type: none"> <li>• Conductor Types &amp; Specs</li> <li>• Substructure &amp; Cable Install</li> <li>• Pulling Underground Cables</li> <li>• Splicing/Terminating/Marking</li> <li>• Transmission &amp; Underwater Install</li> </ul>	

<b>2<sup>nd</sup> YEAR - CONTINUED</b>	2:7 Book Seven Overhead Conductors <ul style="list-style-type: none"> <li>• Conductor Basics</li> <li>• Conductor Types</li> <li>• Conductor Selection</li> <li>• Stringing &amp; Sagging</li> <li>• Splicing &amp; Attaching</li> </ul>	
	2:8 Book Eight Electrical Test Equip. <ul style="list-style-type: none"> <li>• Low-Voltage Test Equip.</li> <li>• High-Voltage Test Equip.</li> <li>• Cable &amp; fault Locating Equip</li> <li>• Substation Test Equip</li> <li>• Specialized Test Equip</li> </ul>	
	2:9 Book Nine Intro To Substations <ul style="list-style-type: none"> <li>• Substations and Overview</li> <li>• Circuit Breakers/Disconnects</li> <li>• Transformers</li> <li>• Regulator/LTC</li> <li>• Relays &amp; Metering</li> </ul>	
	2:10 Book Ten OSHA 2 <ul style="list-style-type: none"> <li>• Ladders &amp; Platforms</li> <li>• Live-Line Tools</li> <li>• Exposed Energized Parts</li> <li>• De-Energizing for Protection</li> <li>• Line-Clearance Tree Trim</li> </ul>	
	<b>TOTAL REQUIRED RTI</b>	<b>169</b>
<p><b>MMUA SUPPLEMENTAL RTI - Minnesota Municipal Utilities Assoc. Program – Apprentice Lineworker Training Program</b></p> <p>The MMUA portion of the RTI is designed as supplementary training.</p> <p>The four schools are taught at the MMUA Marshall Training Facility. If the apprentice is able to attend the classes, he/she does so. If their work schedule is such that it does not allow them to attend, the apprentice does not attend this portion of the MMUA training this year.</p> <p>The in-house training is offered at each municipality by a MMUA instructor. It is designed to accommodate the needs of each specific municipality.</p> <p><i>It is not required to make-up missed MMUA RTI training.</i></p>	<p>Comprised of 4 Schools – Marshall Training Facility</p> <ul style="list-style-type: none"> <li>• Meter School - February</li> <li>• Underground School - May</li> <li>• Overhead School - September</li> <li>• Transformer School - December</li> </ul> <p>In-House Training offered over the 4 years of Apprenticeship Program Include:</p> <ul style="list-style-type: none"> <li>• Basic Electric Theory</li> <li>• 3-Phase AC Circuits &amp; Transformer Banking</li> <li>• Pole Climbing/Construction</li> <li>• Electrical Distrib. I</li> <li>• Electrical Distrib. II</li> <li>• Electrical Distrib. III</li> <li>• Care &amp; Use of Insulated Equip.</li> <li>• Protective Equip.</li> <li>• Electrical Lineworker Course Review</li> </ul>	<p>This portion of RTI is individualized, based on the need of the apprentice. This RTI is required of MMUA, but are not tracked as part of these Standards.</p> <p>These hours are individualized, based on the needs of each municipality. This RTI is required of MMUA, but are not tracked as part of these Standards.</p>
	<b>GRAND TOTAL RTI 2<sup>nd</sup> YEAR</b>	<b>169</b>

3 <sup>rd</sup> YEAR RTI	CORRESPONDENCE*	HOURS OF CREDIT
<b>REQUIRED CORRESPONDENCE</b> <b>Northwest Line College</b>	<b>MODULE #3</b>	<b>145</b>
This course work will be offered as per Northwest Line College academic year.	3:1 Book One Safety 3 <ul style="list-style-type: none"> <li>• Job Briefing</li> <li>• Trench Safety</li> <li>• Electric &amp; Magnetic Fields</li> <li>• Oil Spills</li> <li>• Safety Data Sheets</li> </ul>	
	3:2 Book Two Special Elements 1 <ul style="list-style-type: none"> <li>• Power Quality</li> <li>• Streetlights</li> <li>• Line Inspections</li> <li>• Helicopter Utilizations</li> <li>• Hydraulics</li> </ul>	
	3:3 Book Three Metering <ul style="list-style-type: none"> <li>• Metering-An Overview</li> <li>• Self-Contained Meters</li> <li>• Transformer-Rated Metering</li> <li>• Auto Metering Systems</li> <li>• Testing Meters</li> <li>• Smart Home</li> </ul>	
	3:4 Book Four System Power Flow <ul style="list-style-type: none"> <li>• Power Flow Fundamentals</li> <li>• Transmission Power Flow</li> <li>• Distrib. Power Flow</li> <li>• Customer Power Flow</li> <li>• Customer Power Flow</li> <li>• Power System Losses</li> </ul>	
	3:5 Book Five Advanced Transformers <ul style="list-style-type: none"> <li>• Winding Designations</li> <li>• 3-Phase Connections</li> <li>• Fusing &amp; Loading</li> <li>• Transformer Vectors</li> <li>• Installation</li> </ul>	

<b>3<sup>rd</sup> YEAR - CONTINUED</b>	3:6 Book Six Maps & Standards <ul style="list-style-type: none"> <li>• Mapping Basics</li> <li>• Distrib. Mapping</li> <li>• Transmission Mapping</li> <li>• Substation Mapping</li> <li>• Construction Standards</li> </ul>	
	3:7 Book Seven System Protection <ul style="list-style-type: none"> <li>• System Protection Fundamentals</li> <li>• Distrib. System Protection</li> <li>• Distrib. Substation Protection</li> <li>• Transmission Protection</li> <li>• Reporting/Monitoring Svc</li> </ul>	
	3:8 Book Eight NESC 1 <ul style="list-style-type: none"> <li>• Applying the NESC</li> <li>• Inspection of Utility Facilities</li> <li>• Grounding</li> <li>• Electrical Supply Stations &amp; Equipment</li> <li>• Underground Lines</li> <li>• Work Rules</li> </ul>	
	3:9 Book Nine NESC 2 <ul style="list-style-type: none"> <li>• Overhead Lines &amp; Equip.</li> <li>• Conductor Move/Clearances</li> <li>• Conductor Move/Clearances</li> <li>• Clearance Btw Crossing &amp; Parallel Lines</li> <li>• Clearances to Buildings &amp; Other Installations</li> <li>• Clearances Between Wires, Conductors &amp; Cables</li> <li>• Overhead Strengths &amp; Loading</li> </ul>	
	3:10 Book Ten OSHA 3 <ul style="list-style-type: none"> <li>• Enclosed Spaces</li> <li>• Excavations</li> <li>• Mech. Equip.</li> <li>• Overhead Lines</li> <li>• Undergrd Electric Installations</li> <li>• Substations</li> <li>• Special Conditions</li> </ul>	

<b>3<sup>rd</sup> YEAR - CONTINUED</b>	<b>TOTAL REQUIRED RTI</b>	<b>145</b>
<p><b>MMUA SUPPLEMENTAL RTI - Minnesota Municipal Utilities Assoc. Program – Apprentice Lineworker Training Program</b></p> <p>The MMUA portion of the RTI is designed as supplementary training.</p> <p>The four schools are taught at the MMUA Marshall Training Facility. If the apprentice is able to attend the classes, he/she does so. If their work schedule is such that it does not allow them to attend, the apprentice does not attend this portion of the MMUA training this year.</p> <p>The in-house training is offered at each municipality by a MMUA instructor. It is designed to accommodate the needs of each specific municipality.</p> <p><i>It is not required to make-up missed MMUA RTI training.</i></p>	<p>Comprised of 4 Schools – Marshall Training Facility</p> <ul style="list-style-type: none"> <li>• Meter School - February</li> <li>• Underground School - May</li> <li>• Overhead School - September</li> <li>• Transformer School - December</li> </ul> <p>In-House Training offered over the 4 years of Apprenticeship Program Include:</p> <ul style="list-style-type: none"> <li>• Basic Electric Theory</li> <li>• 3-Phase AC Circuits &amp; Transformer Banking</li> <li>• Pole Climbing/Construction</li> <li>• Electrical Distrib. I</li> <li>• Electrical Distrib. II</li> <li>• Electrical Distrib. III</li> <li>• Care &amp; Use of Insulated Equip.</li> <li>• Protective Equip.</li> <li>• Electrical Lineworker Course Review</li> </ul>	<p>This portion of RTI is individualized, based on the need of the apprentice. This RTI is required of MMUA, but are not tracked as part of these Standards.</p> <p>These hours are individualized, based on the needs of each municipality. This RTI is required of MMUA, but are not tracked as part of these Standards.</p>
	<b>GRAND TOTAL RTI 3<sup>rd</sup> YEAR</b>	<b>145</b>

4 <sup>th</sup> YEAR RTI	CORRESPONDENCE*	HOURS OF CREDIT
<b>REQUIRED CORRESPONDENCE Northwest Line College</b>	<b>MODULE #4</b>	<b>148</b>
This course work will be offered as per Northwest Line College academic year.	4:1 Book One Safety <ul style="list-style-type: none"> <li>• Blood Borne Pathogens</li> <li>• Ergonomics</li> <li>• Safety Audits</li> <li>• Equipment Safety</li> <li>• Key Safety Considerations</li> </ul>	
	4:2 Book Two Communication Systems <ul style="list-style-type: none"> <li>• Communications Basics</li> <li>• Systems Used by Power Companies</li> <li>• Services Offered by Power Companies</li> <li>• Distrib. Fiber Install</li> </ul>	
	4:3 Book Three Special Elements 2 <ul style="list-style-type: none"> <li>• Customer Relations</li> <li>• Corrosion</li> <li>• Flame Resistant Clothing</li> <li>• Security</li> <li>• Disaster Restoration</li> </ul>	
	4:4 Book Four Vegetation Management <ul style="list-style-type: none"> <li>• Overview</li> <li>• Vegetation Control</li> <li>• Pruning Methods</li> <li>• Safety Standards</li> </ul>	
	4:5 Book Five System Operation <ul style="list-style-type: none"> <li>• System Operator</li> <li>• Clearing Line/Equipment</li> <li>• Distrib. Operation</li> <li>• Transmission Operation</li> </ul>	
	4:6 Book Six System Automation <ul style="list-style-type: none"> <li>• Overview</li> <li>• Key Equipment</li> <li>• Substation Automation</li> <li>• Distrib. Automation</li> <li>• Automated Meter Reads</li> </ul>	
<b>4<sup>th</sup> YEAR - CONTINUED</b>	4:7 Book Seven Overhead Line Design <ul style="list-style-type: none"> <li>• Line Routes</li> <li>• Structure Design</li> </ul>	

	<ul style="list-style-type: none"> <li>• Insulation &amp; Equipment</li> <li>• Transformers/Svcs/Secondary</li> <li>• Transmission</li> </ul>	
	4:8 Book Eight Underground Line Design <ul style="list-style-type: none"> <li>• Fundamental Design</li> <li>• Location/Trench Design</li> <li>• Substructure Design</li> <li>• Switches &amp; Protective Equip.</li> <li>• Transformers/Secondary/Svcs</li> </ul>	
	4:9 Book Nine Trouble Investigation <ul style="list-style-type: none"> <li>• Communications</li> <li>• Investigating Complaints</li> <li>• Transformer Trouble Investigation</li> <li>• Radio/TV Interference</li> <li>• Case Studies</li> </ul>	
	4:10 Book Ten Crew Leadership <ul style="list-style-type: none"> <li>• Background</li> <li>• Resources</li> <li>• Knowledge/Skills/Abilities</li> <li>• Job Responsibilities</li> <li>• Assisting Crew Leader</li> </ul>	
	<b>TOTAL RTI 4<sup>th</sup> YEAR</b>	<b>148</b>
<b>MMUA SUPPLEMENTAL RTI -</b> Minnesota Municipal Utilities Assoc. Program – Apprentice Lineworker Training Program  The MMUA portion of the RTI is designed as supplementary training.  The four schools are taught at the MMUA Marshall Training Facility. If the apprentice is able to attend the classes, he/she does so. If their work schedule is such that it does not allow them to attend, the apprentice does not attend this portion of the MMUA training this year.  The in-house training is offered at each municipality by a MMUA instructor. It is designed to accommodate the needs of each specific municipality.  <i>It is not required to make-up missed  MMUA RTI training.</i>	Comprised of 4 Schools – Marshall Training Facility <ul style="list-style-type: none"> <li>• Meter School - February</li> <li>• Underground School - May</li> <li>• Overhead School - September</li> <li>• Transformer School - December</li> </ul>	This portion of RTI is individualized, based on the need of the apprentice. This RTI is required of MMUA, but are not tracked as part of these Standards.
	In-House Training offered over the 4 years of Apprenticeship Program Include: <ul style="list-style-type: none"> <li>• Basic Electric Theory</li> <li>• 3-Phase AC Circuits &amp; Transformer Banking</li> <li>• Pole Climbing/Construction</li> <li>• Electrical Distrib. I</li> <li>• Electrical Distrib. II</li> <li>• Electrical Distrib. III</li> <li>• Care &amp; Use of Insulated Equip.</li> <li>• Protective Equip.</li> <li>• Electrical Lineworker Course Review</li> </ul>	These hours are individualized, based on the needs of each municipality. This RTI is required of MMUA, but are not tracked as part of these Standards.
	<b>GRAND TOTAL RTI 4<sup>th</sup> YEAR</b>	<b>148</b>

## **ATTACHMENT #2 – Required Text**

MMUA/Northwest Lineman College  
Lineworker Certification Program

### **TEXTBOOKS**

(Most Recent Edition)

DELMAR'S STANDARD TEXTBOOK OF ELECTRICITY

Executive Woods

5 Maxwell Dr.

Clifton Park, NJ 12065

(Most Recent Edition)

THE LINEMAN'S AND CABLEMAN'S HANDBOOK by Kurtz

McGraw-Hill, Inc.

MMUA or NREA SPECIFICATIONS & DRAWINGS FOR 7.2/12.5 KV LINE  
CONSTRUCTION

Minnesota Municipal Utilities Association

3025 Harbor Lane North, Suite 400

Plymouth, MN 55447

REA Form 804

Superintendent of Documents

US Government Printing Office

Washington, DC 20402

(Most Recent Edition)

APPA SAFETY MANUAL FOR AN ELECTRIC UTILITY by Chris Knox

Black & Veatch

11401 Lamar

Overland Park, Kansas

### **CORRESPONDENCE CURRICULUM**

The curriculum component of lineworker apprentice training shall be a 4-year correspondence program. Along with other supplemental specialized training it shall provide for a minimum training of 144 hours per year.

Review session shall be held during and after each yearly program period. The purpose of the review session is as follows:

1. Assisting applications with their training.
2. Lectures with the use of specific aids.
3. Testing over previous program period. \*
4. Final testing after completion of 4<sup>th</sup> year.

It is recommended that the Northwest Lineman College – Lineworker Certification Program or an approved equivalent be contracted, purchased, or developed for use here.

\*All monthly lesson plans must be completed prior to an apprentice taking the final exam for the year.



**ATTACHMENT #4 - Job Process OJT Schedule**

**JOB PROCESS SCHEDULE – MMUA**

	TOTAL 8,000 HOURS
<b>A. Personal Protective Equipment &amp; Job Safety</b>	<b>400</b>
1. Safety procedures	
2. Testing and inspection of PPE (personal protective equipment)	
3. Installing, removing and use of rubber protective equipment	
4. Use and care of live line equipment	
5. Use and care of mechanical jumpers	
6. Grounding lines and equipment	
7. Signs and barricades	
<b>B. Use and Care of Mechanical Equipment</b>	<b>300</b>
1. Rotating derrick trucks	
2. Aerial lift trucks	
3. Cable plows and trenchers	
4. Backhoes	
5. Earth boring and tamping equipment	
6. Care and maintenance of tools	
<b>C. Operations</b>	<b>600</b>
1. Dispatching – operational and procedural manuals	
2. Line protective equipment	
3. System conditioning equipment	
4. System switching – S.O.S. procedures	
5. Pollution control program	
6. Substation equipment and switching procedures	
<b>D. Overhead</b>	<b>3200</b>
1. Construction and maintenance	
a. Setting and removing poles	
b. Installing and removing:	
(i) Primary and secondary supports	
(ii) Secondary and service conductors	
(iii) Primary conductors	
(iv) Guys and anchors	
(v) Transformers	
(vi) Arrestors and grounds	
(vii) Cutouts	
(viii) Line protective equipment	

**ATTACHMENT # 4 – Job Process OJT Schedule - continued**

**JOB PROCESS SCHEDULE – MMUA - continued**

<b>D. Overhead - continued</b>	
2. Sectionalizing Equipment, Capacitors, and Regulators	<b>100</b>
a. Installing and removing:	
(i) Gang operated switches	
(ii) Reclosers and sectionalizers	
(iii) Capacitors	
(iv) Regulators	
3. Hot line work over 600 volts	<b>150</b>
a. Personal use of:	
(i) Gloves and sleeves	
(ii) Hot sticks	
<b>E. Underground</b>	
<b>2500</b>	
1. Construction and Maintenance	
a. Installing and removing	
(i) Secondary conductors	
(ii) Primary conductors	
(iii) Secondary terminations	
(iv) Primary terminations	
(v) Single-phase and three-phase transformers	
(vi) Cable locating	
b. Primary conductor fault finding	
c. Secondary conductor fault finding	
d. Troubleshooting	
2. Sectionalizing Equipment	<b>300</b>
a. Installing and removing switching centers	
b. Switching and switching procedures	
<b>F. Street and Security Lighting</b>	
<b>50</b>	
1. Installing and removing overhead street lighting	
2. Installing and removing underground street lighting	
3. Installing and removing overhead security lighting	
4. Installing and removing underground security lighting	
5. Maintenance of street lighting	
6. Maintenance of security lighting	
<b>G. Metering</b>	
<b>50</b>	
1. Testing and analyzing voltage and load	
2. Checking and marking rotation	
3. Testing electrical use meters	
4. Installing instrument transformer metering	
<b>H. Tree Trimming</b>	
<b>300</b>	
1. Procedures and methods	
2. Use and care of tree trimming equipment	

<b>I. Public Relations</b>		<b>50</b>
1. Proper courtesy and deportment with the public		
2. Handling customer complaints		

**Total Hours: 8,000**

Skill training need not be in the exact order as above. For purposes of statewide program consistency and training, 20% of the hours identified may be substituted with the sponsor specific processes at any time. The remaining 80% of the hours would be taught to the apprentice during the training program.

**ATTACHMENT # 5**

**REGISTERED APPRENTICESHIP AFFIRMATIVE ACTION  
AND SELECTION PROCEDURE**

**Affirmative Action:**

The Sponsor will:

1. Communicate the sponsor's equal opportunity pledge in such a manner as to foster understanding, acceptance and support among the companies various officers, supervisors, employees and members as to encourage such persons to take the necessary actions and aid the sponsor in meeting its obligations under this plan.
2. Grant advanced standing or credit on the basis of previously acquired skills, experience, training or aptitude for all applicants equally.
3. When applicants are needed, information will be provided to the following groups regarding entry requirements, availability of apprentice openings and the place where applications will be received.

MN. Division of Apprenticeship

Attach list additional agencies and groups that receive dissemination material.

**Qualifications of Applicants:**

1. Applicants must be 18 years of age.
2. Applicants must be physically able to perform the work of the trade.
3. Applicants must have high school diploma or GED.
4. Applicants must be current employees of The City of Windom.

**Selection Procedure:**

Selection procedures must conform to one of the four options under the Minnesota Plan for Equal Employment in Apprenticeship. Check the selection procedure that applies and provide an attachment describing the procedure.

1. Selection on the basis of rank from a pool of eligible applicants
2. Random selection from a pool of eligible applicants
3. **Selection from a pool of current employees**
4. Alternative selection method

**Records will include:**

1. A summary of the interview of each applicant with the basis for selection or disqualification and identifying minority and female candidates.
2. Original application of each of the candidates.
3. Records of applications and selection will be maintained for five years.

**CITY OF WINDOM**

**JOINT APPRENTICESHIP COMMITTEE**

Representing Labor

Representing Management

Mike Bregel - Chairperson

Jeff Dahna Secretary

Preston Rossow

Brian Cooley

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Indicate the Chairperson and Secretary of the Committee:

Provide the Jurisdictional area covered by the JAC:

City of Windom Power Lineworker Apprenticeship Program

# 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:** Jason Sykora, Electric Superintendent  
**DATE:** June 13, 2019  
**RE:** Electric Line Worker – Hiring Recommendation  
**DEPT:** Electric  
**CONTACT:** 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. Subject to approval by the Utility Commission, hire Connor Knigge as an Apprentice Line Worker.

## **Issue Summary/Background**

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A vacancy in the Electric Department was recently created when Lucas Christians accepted a position with the City of Redwood Falls. He gave his two weeks' notice on June 5<sup>th</sup>. He will be using up his accrued comp and vacation time which has made his last working day June 6<sup>th</sup>.

Since the department will be short staffed during the busy summer construction season, staff would like to move quickly in rehiring. When reviewing the previous applications that were received last spring, Connor was the next candidate for consideration for the opening last May.

In 2017, Connor as a seasonal employee for the Electric Department and is familiar with the current staff. Since leaving the position with Windom, he has expanded his experience and has been working for a contractor in Texas. His work experience has included line repair for various storm jobs.

## **Fiscal Impact**

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The Electric Department budget contains funds for four (4) Line Workers.

## **Attachments**

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1. None

## 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:** Spencer Winzenried, Community Center Director  
**DATE:** 6/12/19  
**RE:** Community Center Part-Time On-Call Help Hiring  
**DEPT:** Community Center  
**CONTACT:** Spencer Winzenried [Spencer.Winzenried@windommn.com](mailto:Spencer.Winzenried@windommn.com)

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

Staff recommends that the City Council approve the hiring of Juana Solu as On-Call Help at the Non-Union part-time new hire rate \$12.50.

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### **Issue Summary/Background**

The Community Center is in need of temporary staffing for upcoming events. The hours for this position will not be consistent and will be called in as needed. Interviews were conducted and the position was extended to Juana Solu.

### **Fiscal Impact**

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As part of the annual budgeting process the City Council had allocated funding for the part-time On-Call Help positions.

### **Attachments**

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1. None

## ACTION ITEM



**CITY OF WINDOM**  
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**TO:** City Council  
**FROM:** Steve Nasby, City Administrator   
**DATE:** June 6, 2019  
**RE:** Re-assignment of 2005 Jeep  
**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. Designate use of the 2005 Jeep.

### **Issue Summary/Background**

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The 2005 Jeep was purchased new in 2005 for the Police Department. Since that time it has been primarily used by the Police Department except for a brief time it was used as a general fleet vehicle for any departments wanting to use it.

Earlier this year the Windom Police Department took receipt of a couple new vehicles and rotated the Chevy Tahoe to the Investigator. As such, the 2005 Jeep is now available for other City uses.

When the Jeep became available my intent was to replace the early-mid 1990's Airport Courtesy car (which is an old squad car). This use was supported by the Airport Manager as the Courtesy car is an important asset for pilots utilizing the Windom Airport. During the City Facilities Tour in April 2019 Council member Byam informed me that the Community Center would like to have the Jeep for their use in sales calls/marketing.

Staff is requesting that the City Council discuss these potential uses and re-assign the 2005 Jeep.

### **Fiscal Impact**

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None. The City already maintains the 2005 Jeep and carries insurance.

### **Attachments**

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1. None