



CITY COUNCIL MEETING
Tuesday, March 4, 2025 at 7:00 PM
Council Chambers, City Hall at 540 West Hills Circle
Roll Call: Council Members Dotson, Burbank, Boeke,
McCann, Svenby, Voss, and Raney

PLEASE NOTE: At 5:30 p.m. Council will meet in a Study Session in Council Chambers, City Hall at 540 West Hills Circle. Council will receive a presentation from the Red-Pine Group regarding a Municipal Cannabis Permit and then an update regarding a Public Safety Center. If time permits, there will also be updates about various boards and commissions.

1. INTRODUCTORY ACTIONS: Call to Order; Roll Call and Pledge of Allegiance

- 1.1. Council Agenda
- 1.2. Swearing-In Ceremony - Police and Fire Promotions
- 1.3. Mayor Jessop
 - 1.3.1. Proclamation - Owatonna Business Women Woman of Achievement Month
- March 2025

2. CONSENT AGENDA ITEMS

- 2.1. Minutes – Council Meeting – February 18, 2025
- 2.2. Board/Commission Meeting Minutes
 - 2.2.1. OPU Commission Meeting - January 23, 2025
 - 2.2.2. Human Rights Commission Meeting - February 11, 2025
- 2.3. Licenses/Permits
 - 2.3.1. Retail Fireworks License - Fleet Farm
 - 2.3.2. Exempt Permit - Purse Bingo - Owatonna Early Edition Rotary - May 2, 2025
 - 2.3.3. Temporary Liquor License - Two River Habitat for Humanity - April 5, 2025
 - 2.3.4. Temporary Liquor Permit - Knights of Columbus at Corky's Earlybird Softball Tournament - May 2-4, 2025
 - 2.3.5. Event Permit - Cinco de Mayo Celebration - May 3, 2025
- 2.4. Miscellaneous
 - 2.4.1. Instrumentation and Control Support Services Agreement - AE2S
 - 2.4.2. Obstruction Permit at Federated Insurance - Benike Construction
 - 2.4.3. T-Hangar Lease Agreements: Jake Schile; Dahle Avenue Aviation, LLC; and Jake Thurnbeck, Scenic Concepts
 - 2.4.4. 1-Year & 2-Year Farmland Lease Agreements
 - 2.4.5. Pay Equity Compliance Report

3. ACTION ITEMS

3.1. Finance Report

3.2. Ordinances

- 3.2.1. Second/Final Reading Proposed Ordinance 25-04: Amend Chapter 90, Animals - Prohibit Roosters

3.3. Resolutions:

- 3.3.1. Resolution 10-25 Pension Increase Request - Owatonna Fire Fighters Relief Association
- 3.3.2. Amend Resolution 129-24: State Appropriation - Acquire Flood Prone Properties

3.4. Miscellaneous

- 3.4.1. Professional Services Agreement - Airport Taxilane and Parking Lot Design - SEH, Inc.
- 3.4.2. Change Order No. 1 - Dome Hangar Roof Replacement Project - Equity Builders
- 3.4.3. Food & Beverage Vendor Agreement - Chill-aqui at Brooktree
- 3.4.4. On-Sale Liquor with Sunday Sales and Tobacco Licenses - Chill-Aqui at Brooktree - 1369 Rose Street
- 3.4.5. Cedardale and Autumn Hills Lift Stations SCADA Programming Services
- 3.4.6. Agreement - Frontage Road and Heritage Drive Lift Station Electrical Improvements - Advanced Engineering and Environmental Services, LLC
- 3.4.7. Personnel Policy Revisions
- 3.4.8. Request for Letter of Intent - Retail Cannabis Business - Red Pine Group, LLC

4. STAFF REPORTS

- 5. PUBLIC COMMENTS:** Please limit comments to 2 minutes. Please approach the microphone, sign-in and state your name and address for the record after being acknowledged by the Council President. Speakers will be limited to two minutes to deliver their comments. Those speaking are asked to conduct themselves in a respectful manner as they deliver their comments. Audience members are asked to refrain from reacting to comments. The City Council will not respond directly to comments in this venue or take immediate action in response to them.

6. COUNCIL COMMENT AND GENERAL INFORMATION

7. ADJOURN

SWEARING IN CEREMONY



March 4th, 2025; 7:00 pm

Charles S. Crandall Center

PROGRAM



Presentation of Colors: *Owatonna Police Honor Guard*

National Anthem: *Mercy Mwanga*

Welcome: *City Administrator Kris Busse*

Introductions: *Fire Chief Ed Hoffman for Benjamin Staska*
Police Chief Jeff Mundale for Tracy DuChene

The Badge *Police Chief Jeff Mundale*

Badge Pinning

Oath of Office: *Mayor Matthew Jessop*

Promotional Candidate: *Commander Benjamin Staska*

Promotional Candidate: *Captain Tracy DuChene*

Chaplain Prayer: *Owatonna Police Chaplain Rev. Brent Carlson*

Public reception to follow in Owatonna Arts Center.



CITY OF
OWATONNA

Mayor Jessop



Mayor's Proclamation

WHEREAS throughout history, women have played an integral role in shaping the Owatonna community, contributing to its growth, prosperity, and well-being; and

WHEREAS the countless achievements, sacrifices, and leadership of women in Owatonna have significantly advanced our city's development and progress; and

WHEREAS we recognize the invaluable contributions of women from all walks of life: pioneers, educators, activists, entrepreneurs, artists, caregivers, and beyond who have enriched our community with their talents, ideas and resilience; and

WHEREAS on this month and every month, we honor the spirit and the determination of women who have worked tirelessly to build a bright future for generations to come; and

WHEREAS we affirm our commitment to fostering an inclusive, equitable and supportive environment where all individuals, regardless of gender, can thrive and contribute to the success of Owatonna; and

WHEREAS the Owatonna Business Women will recognize women in all areas of their careers at the annual Woman of Achievement event on March 15, naming:

Young Careerist: Madeleine Haberman

Lifetime Achievement Recipient: Bev Cashman

Nominated for Woman of Achievement:

Lisa Cochran, Cheryl Deason, Stacy Hanson, Holly Jorgensen and Nancy Williams

NOW THEREFORE I, Matt Jessop, Mayor of the great city of Owatonna, hereby proclaim the month of March 2025 to be:

OWATONNA BUSINESS WOMEN WOMAN OF ACHIEVEMENT MONTH

in the city of Owatonna and I urge all citizens to join in this recognition and celebration of the important role of women in our community.

Dated: March 4, 2025

By:

Matthew T. Jessop, Mayor





CITY OF
OWATONNA

Council Minutes

Owatonna City Council Minutes
February 18, 2025 – Draft Copy

On Tuesday, February 18, 2025, at 7:00 p.m., Council President Raney called the regular session of the Owatonna City Council to order in the Chambers of the Charles S. Crandall Center. Present were Council Members Voss, Dotson, Burbank, Boeke, McCann, Svenby and Raney; Mayor Jessop; City Attorney Walbran; Public Works Director Murphy; Finance Director Burns; Fire Chief Hoffman; Library Director Blando; Police Sergeant Hunt; Assistant City Administrator Tuma, IT Technology Specialist Inz; City Administrator Busse and Administrative Coordinator Clawson.

Following the Pledge of Allegiance, Council President Raney welcomed everyone. Council Member Boeke made a motion to approve the agenda as presented, Council Member Svenby seconded the motion, all members voted aye in approval.

Public Hearing – Preliminary Assessment – 2025 Street & Utility Project

Council President Raney advised there would be a public hearing and explained the hearing procedure. Public Works Director Murphy commented that this public hearing is to consider the making of the 2025 Street and Utility Project with improvements to Linn Drive and Oakdale Street SW. Project information was presented and explained at an informational meeting held on February 12, 2025, the 39 property owners affected by this project were invited to attend. If the project is approved, project completion is anticipated to be in the Fall of 2025. The next step in the construction process is to direct the Engineering Staff to finalize plans and specifications for the 2025 Street & Utility Project. Total Project Cost is currently estimated at \$2,306,715.35; current estimate of cost to be assessed, approximately 10% of the total project cost is \$234,916.24. At 7:03 p.m. a public hearing was opened.

Steve Lacount, 1975 Lemond Drive made two requests for council consideration:

- 1) Eliminate special assessments as property taxes should cover needed improvements.
- 2) Renew the city's policy on how Special Assessments are calculated. Linn Drive is irregular shaped with ten properties on the inside curve, they have a lot more front footage than other properties. There should be more equitable calculations such as using the property lot's square footage amount as the basis for special assessment calculation.

Jeanette Raichle, 212 Oakdale Street commented she has spoken to several of her neighbors and mostly concur that more of these improvement costs should be paid by property taxes and not special assessments as in other cities. If special assessments are required, she requested no interest be charged similar. Many of her neighbors told her they cannot afford a special assessment and request that Council reconsider how special assessments are done.

At 7:10 pm, with no additional comments heard, Council Member Voss a motion to close the public hearing, Council Member Dotson seconded the motion, all members voted aye for approval.

Council Member Dotson commented council has held discussions about eliminating special assessments and council must decide if assessments should continue and if not, how this change will be handled. He is advocating moving away from the assessment process; as each year, assessments cover a smaller percentage of the total project cost and assessment processing would be eliminated.

Council Members Boeke commented that this process is not as simple as adopting a new fee; there are properties currently paying assessments so a policy change would create a snowball effect, and we want and need to be fair to all property owners.

Council Member Raney agreed that the Council has discussed eliminating special assessments and the council is also tasked with keeping property taxes low, If special assessments are eliminated, more project improvement costs would be paid from the General Budget which all property owners city-wide contribute to.

Resolution 8-25 Street & Utility Project – Authorize Plans and Order Improvement

Public Work Director Murphy requested approval of Resolution 8-25 regarding the 2025 Street & Utility Project to authorize the plans and order the improvement. Council Member Boeke made a motion for approval, Council Member McCann seconded the motion.

Council Member Voss asked if there was an option to change the calculation of the Preliminary Special Assessments? Director Murphy responded that staff prepared the special assessments based on the city's current assessment policy and do not have the option to change the calculation of a preliminary assessment amount. City Administrator Busse commented there is a formal process to appeal an assessment amount after it has been approved. Council Member Dotson commented that if a property owner questions how their special assessment was calculated, they should talk with staff members as there have been exceptions and a few changes made within the formal appeal process. Property owners may also have the option to defer a special assessment; City Administrator Busse confirmed property owners meeting income, age or disability requirements can request a deferment of their special assessment. Council Member Raney questioned what rate of interest will be charged on these special assessments. City Administrator Busse commented that the terms of the assessment (length and interest rate) are set by resolution following a public hearing after completion of the project. Usually, the interest rate charged for special assessments is 2% higher than the rate of the city's last bonds; this year, that amount was 4.25% so recommendation to charge special assessments will be 6.25%. With no additional comments, all members voted aye for approval of Resolution 8-25.

Owatonna Public Library – Quasquicentennial Plans

Library Director Mark Blando commented the kickoff event for the library's 125th celebration will be this Saturday, February 22nd beginning at 2:00 pm in the Adult Reading Room. This is the anniversary date to begin the 125th year, staff have a variety of activities planned during

this next year. This weekend, the original Children's Room will be open for the public to view. Several speakers will participate in the event and refreshments are available.

Consent Agenda Items

Council President Raney explained council members review the Consent Agenda items prior to the meeting for approval in one motion. Consent Agenda items for this meeting include:

- Minutes – Council Meeting – February 4, 2025
- Building Inspections Monthly Report- January 2025
- Fire - Monthly Activity Report - January 2025
- Event Permit - Great River Greening Tree Project - May 10, 2025
- Event Permit - Owatonna Bike Blessing - May 4, 2025
- Accept Donations for the Owatonna Human Rights Commission
 - Riverland Community College - \$500 donation
 - Alliance for Greater Equity - \$250 donation
 - Rainbowatonna - \$100 donation

Set Date of 2025 Local Board of Appeal and Equalization Meeting - April 15, 2025

Council Member Voss made a motion to approve these Consent Agenda items, Council Member Dotson seconded the motion; all members voted aye for approval.

Finance Report

Council Member Voss recapped payments made for amounts greater than \$20,000 during this period.

\$ 23,514.76	Fareway Stores - hospital redevelopment TIF (year 10 out of 26)
61,016.44	MTI Distributing Inc - 4520 Kubota tractor with accessories - park
32,721.96	Owatonna Motor Company
	- 2025 Ford F-350 - street - \$31,732.76
	- misc. parts \$989.20
141,003.79	Nero Engineering - WWTF upgrade & expansion project - January 2025
881,384.54	Rice Lake Construction Group - WWTP Expansion pay est #32
26,160.00	Versaterm Public Safety US Inc - Body, desk & interview room annual subscription renewal
<u>341,919.37</u>	Other Expenditures
\$1,507,720.86	Total Expenditures Presented for Approval

Council Member Svenby made a motion to approve payment of all bills presented, Council Member Burbank seconded the motion, all members voted aye in approval.

Second Readings Proposed Ordinance 25-01: Amend Section 93.029 - Noise in Public Parks and Ordinance 25-02: Amend Chapter 95, Noise Control

City Attorney Walbran commented on the first readings of these proposed ordinances received approval during the last City Council Meeting; there have been no changes since. The first ordinance will update reference to modern-day audio devices and amends to

include listing the current city parks. The second ordinance adds MPCA Standards with noise area clarifications and additional restrictions to public nuisance noises prohibited increasing the ease of law enforcement compliance.

Council Member Voss made a motion to approve Proposed Ordinance 25-01 to amend Section 93.025 regarding noise in public parks, Council Member Boeke seconded the motion. With a roll call vote, voting aye were Council Members Svenby, Voss, Burbank, Boeke, and Raney; No Nays; the motion carried. This will be known as Ordinance 1669 to be effective upon publication within the next week.

Council Member Boeke made a motion to approve Proposed Ordinance 25-02 to amend Chapter 95 regarding Noise Control, Council Member McCann seconded the motion. With a roll call vote, voting aye were Council Members Svenby, Voss, Burbank, Boeke, and Raney; No Nays; the motion carried. This will be known as Ordinance 1670 to be effective upon publication within the next week.

First Reading Proposed Ordinance 25-04: Amend Chapter 90, Animals – Prohibit Roosters

City Attorney Walbran presented Proposed Ordinance 25-04 to prohibit roosters within the city limits. A current city ordinance prohibits nuisances caused by animals. A rooster's crow is a loud noise which constitutes a nuisance. This amendment adds the word "crow" to prohibitive sounds and "roosters" will be shown as a prohibited animal. Council Member Svenby made a motion for approval, Council Member Boeke seconded the motion.

Council Member Boeke commented that he will vote for passage of this proposed ordinance but wishes it contained more restrictions on chickens. He has received questions about the number of chickens allowed, the amount of confinement space required, accumulation of wastes, the possibility of Bird Flu; none of these concerns have been addressed within this proposed ordinance. Council Member Svenby commented he has also received requests to limit the size of chicken coops, and the number of chickens allowed. With no additional comments a roll call vote was taken, voting aye were Council Members Voss, Dotson, Burbank, Boeke, McCann, Svenby and Raney; No Nays; the motion carried. The second/final reading of this proposed ordinance will be heard at the next Council Meeting on March 4th.

Resolution 9-25 Accept Bids & Award Contract - 2025 CIPPS Project

Public Works Director Murphy presented four quotes received for the 2025 Cured in Place Pipe System (CIPPS) Project:

Hydro-Klean, LLC of Des Moines, IA	\$312,791.34
Visu-Sewer, LLC of Pewaukee, WI	\$342,287.80
SAK Construction, LLC of O'Fallon, MO	\$459,357.00
Insituform Technologies USA, LLC of Chesterfield, MO	\$473,749.99

Murphy presented Resolution 9-25 accepting these quotes and awarding the project to Hydro-Klean with the low bid of \$312,791.34, 36% below the engineer's estimate. Council

Member Voss commented bids received for the 2024 CIPPS Project were unfavorable and rejected. Director Murphy added that this year, staff began the project process earlier and a larger quantity is proposed as no project was done last year. Council Member Burbank asked how many years are needed to complete this project; Murphy responded, at the current rate, it will take 30 years to complete. With no additional comments, all members voted for approval of Resolution 9-25.

On-Sale Liquor with Sunday Sales License - LaMain Capital Group LLC, dba DoubleTree by Hilton Owatonna - 2365 NW 43rd Street

City Administrator Busse requested approval of the application received from LaMain Capital Group LLC for an On-Sale Intoxicating Liquor with Sunday Sales License. They will operate as doing business as the DoubleTree by Hilton Owatonna at 2365 NW 43rd Street. Site renovations are in process; they request this liquor license become effective April 1st. Council approved the license application contingent on issuance of a Certificate of Occupancy to be issued by the City's Building Official. Council Member Burbank made a motion for approval with the requested contingency. Council Member McCann seconded the motion, and all members present voted aye for approval.

Rivers Springs Water Park Facility Assessment – ICS

Assistant City Administrator Tuma requested approval of a proposal received from ICS for a Rivers Springs Water Park Enhanced Facilities Assessment. The facility is 16 years old, some of its amenities are approaching the end of their lifecycle. To assess the overall condition of the park, a comprehensive evaluation will identify the facility's needs and equip the city with information necessary for planning improvements and developing future Capital Improvement Projects (CIP). In 2022, a mechanical project was included in a CIP Project to update key components of the pool's operating system, including the sand filtration system, screening baskets, pool features, and circulation pumps. This assessment will cover the following areas to establish a baseline:

Building Systems & Components:

- Facility Site (including parking lots, sidewalks, and grounds)
- Building Envelope (brick, metal panel, sealants, windows, roofs, etc.)
- Building Interior Finishes (flooring, walls & ceilings)
- Ancillary Items (Pool structure, equipment, and structures)
- Mechanical Systems (HVAC, plumbing, controls, etc.)
- Electrical Systems (service, power distribution, lighting, etc.)
- Life Safety Systems (PA, fire alarm, fire protection, security, etc.)
- Accessibility Issues (building and site)
- Furniture, Fixtures & Equipment (FFE)

This assessment will take 4 to 6 weeks to complete in the spring. The assessment cost is \$21,660. Council Member McCann made a motion for approval, Council Member Voss seconded the motion.

Council Member Svenby asked if staff could do some of the proposed tasks. Tuma responded yes, but all tasks were included in the plan as staff input would be minimal and

doubt they would create substantial savings. Council Member Dotson questioned if any of these repairs would hinder opening for the season, Tuma the necessary projects should be done and allow a timely opening. Council Member Voss commented he would like to see the waterpark remain open longer for the season and not close mid-August. With no additional comments, all members voted aye approving the agreement with ICS for this assessment proposal.

Professional Services Agreement - 18th Street SE Reconstruction & Trail Project - SEH, Inc.

Public Works Director Murphy requested approval of an agreement for Design Services and Construction Administration/Observation from SEH, Inc. for the 18th Street SE Reconstruction and Trail Project. The section of 18th Street between Austin Road and just past Cornerstone Lane up to the new roundabout connection is currently planned for reconstruction in 2026. Projects will consist of a phased approach to reconstruct the roadway in an efficient manner to minimize construction costs, impacts on local property owners, and the traveling public. Construction is expected to include complete replacement of the corridor, including but not limited to; pavement, curb and gutter, sidewalk, multi-use bituminous trail, driveways, water main, sanitary sewer, and storm sewer.

Three proposals were received and after review, Engineering Staff recommends the proposal from SEH, which included a thorough understanding of the project, a team of highly qualified individuals, a timeline that involved meeting critical deadlines and time constraints relating to the Federal Funding Process along with construction limitations due to the Steele County Free Fair and beginning of the 2026 school year.

Construction Administration and Observation Services were included as an alternate item. It is beneficial to have the same firm provide Design Services and Construction Administration/Observation as they have a thorough understanding of the design and project history. The design process will begin immediately upon Council approval. Plans are anticipated to be in review this fall and bidding to take place in early 2026. Construction is expected to commence in the summer of 2026. The total cost of the Design Services and Construction Administration/Observation agreement is not to exceed \$864,170.00 without prior authorization. The SEH proposal includes costs for Easement and ROW Services, which may be reduced upon design and determination if all estimated temporary and/or permanent easements are necessary.

Council Member Voss questioned if SEH would submit the required federal project documentation and how the city's engineering staff would be involved in the process. Murphy responded that this is a significant project which will require a lot of communication, the agreement includes regular updates; specific design meetings and weekly meetings for construction administration,

Council Member Svenby asked about the 2025 18th Street Trail Project. Director Murphy responded the 2025 18th Street Trail Project will complete the trail section between Linn Drive and Austin Road. With no additional comments, Council Member Boeke made a

motion for approval, Council Member Mcann seconded the motion, and all members voted aye for approval.

Bioretention Practice Maintenance Agreement - Halla Construction & Landscaping

Public Works Director Murphy requested approval of an agreement with Halla Construction & Landscaping, LLC for 2025-2028 Bioretention Practice Maintenance. Current bioretention practices are placed in effort to reduce stormwater run-off and pollutants from discharging to local waterways including the raingardens and filtration basins located at the Rose Street Parking lot, Mosher Avenue, Mineral Springs Park, and the West Hills Tennis Center. This agreement provides services by a qualified contractor to perform agreed-upon tri-annual routine services (Spring, Summer, and Fall) that include vegetation management, debris and trash removal, inspection completion, documentation, and other non-routine services that may incur a cost with approval of the Stormwater Division.. Annual cost for services is estimated at \$13,500. Council Member Boeke made a motion for approval, Council Member Svenby seconded the motion, and all members voted aye in approval.

STAFF COMMENTS

Fire Chief Hoffman thanked council for their support in the property inspection process. Several months ago, he requested Council declare two properties with dangerous conditions. Safety updates are almost finished on one of the properties and he is working with City Attorney Walbran on the city's next step with the other property. This is the second year, Fire Training was offered at the high school, he recently met with the principal to evaluate the program, there are some financial constraints so discussing future of this program; hoping the course will be offered again. Fire staff participate in on-going training: Department Training, Full-time Training and Squad training. Fire fighters can also attend Regional Fire Schools or receive technical training. Lat year members participated in confined space training, trench training, low angle rescues, live house burns or prairie fires and online safety courses. During 2024, 35 fire staff members each received an average of 118.5 training hours.

Council President Raney thanked the city's first responders for their services, the quality of their services is result of their extensive training. Both our Fire Chief and Police Chief encourage staff to complete training requirements. Chief Hoffman commented they value training opportunities with their enforcement partners, they collaborated with the Police Department for active violence training and are currently preparing for ice rescue training with the Sheriff's Department.

PUBLIC COMMENTS

Kesiah Winters, 345 Broadway Street commented she is opposed to the proposed ordinance prohibiting roosters within city limits. She has raised chickens since 2020, the covid pandemic. She has received only one noise complaint about her roosters over the last five years, she cannot rectify a problem if she is unaware of the problem. She recently measured the decibel level of her rooster's crow; it is eighty-five decibels and lasts for only

two seconds. She believes it would be a shame to lose her hobby because of this ordinance amendment.

Matt Sennott, 2519 Stony Creek Drive commented he speaks on behalf of 100s of residents deeply concerned about the location of the proposed East-side corridor. They have received 580 signatures on a petition and have come united to protect the safety and peace of their neighborhood and formally present this petition to the council and will seek this to be a matter of public record in regard to this project. This project proposed on 29th Avenue is placing a highway close to established homes putting our children and families in harm's way, safety should never be an afterthought. The noise from a truck engine and jake brakes is ninety-five decibels, the city's new ordinance for noise levels in public parks should also be observed in residential areas. This is not a desired environment for our Owatonna families. This project is unprecedented, there has never been a road built adjacent to an existing neighborhood with the city or within Steele County. We ask council members to stand up for your constituents, that is why we are all here this evening,

Melissa Zimmerman, 2525 Stony Creek Drive, commented that our neighborhood recently presented a petition with 580 signatures of supporters for placement of the east-side corridor on 34th Avenue. This request may seem premature, but we want to be sure our petition will be considered at the right time. Our support remains strong and continues to grow. Through Data Requests we have uncovered several critical concerns which we addressed within this petition. Peter Roscoe, a State Noise Analyst strongly recommended elected officials and residents receive education on impact of noise and a noise wall within this type of project. The decision on a noise wall rests entirely on the decision of the residents, there are 4-12 homes affected along the proposed 29th Avenue route which will vote to require a noise wall. After last week's county meeting, I was told this project could be voted on within the next month. Even WSB staff advised they would vote in favor of a noise wall if they resided in our neighborhood. Also, the two-road narrative, e-mails state it would be hard to build just 29th Avenue as residents are pushing for use of 34th Avenue. 34th Avenue was mapped to preserve as an inner corridor and then he then sought a way to justify why both roads were mapped with no supporting data. Minor differences but we do not need two \$30 million roads with only minor differences. A vote for 34th Avenue is the most fiscally responsible decision, the city is a partner in this project, you hold a vote tied to taxpayer decisions. We are willing to meet to discuss further findings.

Tyrel Alastair Hunter, 2595 Mossy Creek Drive commented he wanted to express concern regarding meetings held by select city county council members and select county commissioners about the east-side corridor project, referred to as the Transportation Committee. Based on e-mails now made public, it appears these discussions affect how this project will proceed. If decisions are being made, then residents deserve full transparency in these discussions. Minnesota Open Meeting Laws requires business to be conducted openly. These meetings do not appear to have any public notice or public documentation. Council cannot respond to my comments tonight, but I respectfully request these meetings be addressed at the next Council Meeting, Our community deserves to be fully informed about decisions affecting the east-side corridor.

Seth Muir, 2551 Mossy Creek Drive stated the east side corridor highway being proposed on 29th Avenue with speeds up to 55 miles per hour is too close to homes and complete disregard to the safety of the people you represent. The route on 29th Avenue is being forced into a space insufficient to support sound and safety mitigations. There is no longer a one hundred' easement as there was in 1999, lots were sold and homes built on part of that easement. Current plans jeopardize residents' safety and very much affect the homes' resale value. Putting a 55 mile per hour speed limit within 17 feet of existing homes is unprecedented and unacceptable. Beyond being dangerous this plan is shortsighted and does not align with Owatonna's plan for growth. Additionally, you don't want to spend \$2 million more on a huge sound wall that will be required if you build a highway that is too close to homes. Furthermore, how is putting a tall unsightly wall conducive to Owatonna's future development? Do not mindlessly trust WSB engineering company, which has not always provided 100% accurate information, or which has not followed every rule at the state and federal levels. Think of the safety of the people you represent, think of wellbeing of the people of Owatonna, think of the future growth of Owatonna. Putting a highway at 29th Avenue is not OK.

Colin Whalen, 2435 Briarwood Place commented that in regard to the proposed east-side corridor project the process has been a long and winding road. Thanks to recent truths we have seen come to light, we are seeing a clear picture of non-transparency forming a Joint Transportation Committee to hold secret non-public meetings about the project in violation of Minnesota's Open Meeting Law and several documented cases of deception as it relates to past feasibility studies and where we are at now. This petition represents 580 concerned voices that need to be heard. Putting this highway at 29th Avenue will affect the safety, peace, and wellbeing of our established neighborhood. We are asking for responsible, thoughtful, and transparent planning. The 34th Avenue route offers the safest most fiscally responsible and best option for our citizens. Our support has not waned, we are more than two or three voices. Please do the right thing for your constituents and consider our petition and the voices of many to move this road out.

Curt Orchard: 1060 Countryview commented that when they first had the pleasure to move to Owatonna, they lived in the El Dorado townhomes, right off Highway 14. They were less than 100 feet off of Highway 14 and blessed that they did not have children or animals at that point. It was extremely difficult to enjoy any outdoor activities, we were 80 feet from the highway and most conversations we had to repeat or yell to be heard because it was much closer to living establishments than what it should have been but that was built before, we knew about this. I feel for you all having to navigate a road that you did not start planning and because of plans that the city had and then sold off extra land to developers you are now having to navigate this. I ask that you take into consideration the many people that have signed this petition, almost 2% of the population of Owatonna that you are here represent when you are making this decision and please take into consideration the lives you are going to impact and try to make the decision which will have the least amount of impact on the people within your community.

Susan Mullenbach, 2535 Mossy Creek commented that more than 20 years ago, she and her husband Don built their forever home on Mossy Creek. When she looks at plans for the 29th Avenue Road, she sees her back yard butts up to the road. The highway comes very close to her back door. This will negatively impact her property and quality of life. They signed this petition, let's consider this petition with 580 signatures, 580 residents and your constituents signed this petition. They came forward put their name and shared contact information on that petition and stand together to oppose 29th Avenue location. Just think 580 residents oppose the 29th Street location, just think 580 people oppose that location.

Kris Whitehead, 410 Elm Ave S commented she is speaking in regard to the proposed No Rooster ordinance. Her husband served in the army for 17 years, one of the things they dreamed about when renting houses on posts, within the states or Germany, was to someday have their own little plot, to be able to raise their own food and be self-sustainable, so not having to rely on others to feed ourselves and our family. Our chickens do that for us. We have twins, 14 years old, they are in 4-H two years ago my daughter showed two of our chickens. Wouldn't it be great if she could continue to show a breeding pen, which is male and two females. At the fairgrounds, the 4-H kids show breeding pens during the fair you can hear those roosters crowing two blocks away. By removing the opportunity to have roosters in town, you will be taking away that opportunity to show a breeding pen at the fair. You will also be taking away freedoms that my husband fought for, his friends died for like being able to be self-sustainable. By having roosters on our property, so we can protect Heritage Breeds, we can make a sustainable living by selling chicks. We do not need roosters to make eggs, but they do provide protection from hawks and other predators, cats, eagles. My roosters help protect the flock along with the runs and coops that we have. Before worrying about decibels and worrying about the noise ordinances, take a look at the bigger picture. It is not about what is comfortable for you individually but about the community coming together. Do you know what I do with my eggs, I help feed my neighbors, they have kids, they have babies. So, if you reduce my flock and get rid of my roosters you are taking livelihood away from me, my children, and other people in this town.

Gary Jones, 995 Ridge Road commented that this is the thirtieth Council Meeting he has spoken in regard to the City's Deer Management Program. He will be making a fun presentation and asks everyone to keep an open mind. When you look at an internet listing for the City of Owatonna, the top three points of interest are the Louie Sullivan Bank, Mineral Springs Park, and the State School Museum. Now if there were a large number of pigeons sitting on the roof of the bank and in Central Park, and there is beginning to be a mess of pigeon droppings, would Park & Rec set up a hunting season with the DNR to allow you to make your own rules to reduce the number of pigeons? Could fifty people line up on top of bank with shotguns at any time to remove the pigeons? People would be concerned and ask how people can hunt there within the park. Think how ridiculous this sounds, deadly weapons in Central Park, hunting from the roof of our bank, it sounds ridiculous but that is what you are allowing in Mineral Springs Park, but you are just being quiet about it.

Chad Parrish, 558 East Academy Street commented he is strongly opposed to the proposed ordinance banning roosters in our city. While I understand the concerns that have been raised but I believe this ban is unnecessary and not fair and harmful to many

responsible residents. First let's recognize that roosters are an important part of sustainable farming and backyard poultry keeping. Many residents rely on roosters to maintain healthy flocks, fertilize eggs and protect hens from predators. Banning them outright punishes responsible animal owners who follow best practices for keeping their birds. Second concerns about noise can and should be addressed by reasonable regulations and not an outright ban just as you regulate barking dogs or loud music we can set reasonable guidelines for rooster care such as limiting the number per household, requiring proper enclosures or setting quiet hours. A blanket ban is an overreach as it unfairly targets a small segment of our community. Finally, this ordinance disproportionately affects people engaged in small scale farming, cultural traditions, and food independence. Many families, especially those from agricultural or immigrant backgrounds have kept roosters for generations as part of their way of life. Stripping them from that right without offering them fair alternatives is simply not the answer, I urge the council to consider a more balanced approach, one that addresses a more reasonable approach. let's work together for a solution that is respectful of our community's needs and our citizen's rights.

MAYOR AND COUNCIL COMMENTS:

Council Member Dotson commented his support for the rooster ban was not very high, but acknowledged that enforcement will complaint based.

Council Member Boeke commented responsible owners respond and should know what is going on with their animals. It is common for council members to get calls because someone is not wanting to knock on their neighbor's door to complain. We get calls from constituents when they are upset. It is unfortunate it has come to this, but we have received too many calls.

Council Member Svenby thanked the leaders and members of the Boy Scout Troop 351 for attending tonight's meeting.

Council President Raney also thanked the Boy Scout Troop attending and commented that last week, City Administrator Busse announced her plans to retire in August. Staff are working with Human Resources Director Thamert as we prepare plans for her replacement.

At 8:24 p.m., Council Member Dotson made a motion to adjourn, Council Member Boeke seconded the motion and with no objection, the meeting ended.

Respectfully submitted,
Jeanette Clawson, Administrative Coordinator



CITY OF
OWATONNA

Board - Commission Minutes

The Owatonna Public Utilities Commission met in rescheduled session in the Morehouse Conference Room at the Owatonna Public Utilities. Present were Commissioners Zirngible, Rossi, Johnson, Vetter and McLane. Also present were General Manager Warehime; City Administrator Busse; Director, Field Operations Fenstermacher; Director, Information Technology & Metering Baum; Supervisor, Accounting Linders; Executive, Communications & Administration Coordinator Schmoll; Accountant Lori Jerpbak; and Accounting Specialist Shanda Meier. Other guests included customer Roger Wacek.

President Zirngible called the meeting to order and led the Pledge of Allegiance. He then asked for any changes to, and/or approval of, the agenda and consent agenda. The consent agenda items consisted of the Minutes from the Commission meeting of November 26, 2024 (there was not a December meeting); contributed services reports as of December 31, 2024, and November 30, 2024; annual policy review of the Distributed Generation Rules; and the annual approval of the Four Season's Building utilities to be considered contributed services up to \$100,000. Commissioner Vetter moved to approve the agenda and consent agenda items. Commissioner Rossi seconded the motion. All Commissioners voting Aye, the motion passed.

Committee Reports

Finance Committee – Commissioner Johnson reported the Finance Committee met, reviewed, and approved vouchers totaling \$7,614,619.53 for December 2024 and \$7,302,722.55 for November 2024. He further reported 38 work orders were carried over into 2025. Thirty-one work orders were closed in 2024 coming in under budget by 10.5%. Overall, financials ended up \$1.5 million above budget.

Personnel Committee – Commissioner Rossi reported the Personnel Committee met and received a staffing up. There were two positions open Meter Serviceworker – AMI and the Energy Conservation/Key Accounts Officer. The first position has been filled and the person will be starting on February 3rd. The Personnel Committee also discussed the succession planning program. Mr. Rossi noted, the Director, Finance & Administration Olson will be retiring on April 1st. Even though it is Mr. Olson's official retirement date, he has agreed to help with the transition to a new Director for six months.

City Administrator's Report

City Administrator Busse reported the new Mayor and new City Council members have been sworn in and she gave an update to City staffing. She reported a new Assistant City Engineer was hired, but a civil engineer has left. The focus for 2025 will be on the public safety center. The City Council has decided to move forward with getting an architect to begin concept work on the public safety center. Ms. Busse also provided an update on the work being done by the Community Center task force and the wastewater treatment plant.

2025 Strategic Plan Update

General Manager Warehime discussed the 2025 Strategic Plan with the Commission. He discussed the picture of the future, 2025 key initiatives and other key projects that will be the focus in 2025.

General manager/Staff Report

Water Tower Designs – Director, Engineering & Field Operations Fenstermacher presented several renderings of customized water tower designs. After discussion, the Commission's feedback was to focus on Owatonna as a community, and to have the legs be blue to match the underbelly of the tower.

February Commission Meeting date – General Manager Warehime will not be at the February Commission meeting. It was decided the meeting date will stay the same and Director, Engineering & Field Operations Fenstermacher will run the meeting.

Commission Roundtable

Commissioner McLane shared a compliment she heard regarding the customer newsletter. She also commended the electric line crew and anyone else involved with keeping the power on and the heat flowing especially in the winter.

Audience Comments

Customer, Roger Wacek, shared his thoughts on mandating all electricity be 100% renewable. He feels it is possible, affordable and reliable. He followed up his comments with emails to OPU management and Commissioners.

Adjournment

There being no further business to come before the Commission, the meeting adjourned at 4:58 p.m.

Respectfully submitted,

Tammy Schmoll
Executive, Communications & Administration Coordinator

Owatonna Human Rights Commission
Minutes – February 11, 2025 – DRAFT COPY

The Owatonna Human Rights Commission (OHRC) met on Tuesday, February 11, 2025, in the Meeting Room of the Charles S. Crandall Center. Chairman Jim Gunderson called the meeting to order at 5:34 p.m. Commissioner Hansen took roll call, present were Commission Members Jim Gunderson, Jessica Bjore, Jennifer Hansen, and Sherry Hill and Administrative Coordinator Clawson. Commissioners Mustafe Ismael, Julia Seykora and Edgar Esquivel were unable to attend

Following the Pledge of Allegiance, Commissioner Gunderson welcomed everyone to the meeting. Commissioner Hill made a motion to approve the agenda as presented, Commissioner Gunderson seconded the motion, all members present voted aye in approval.

After review of the January 14, 2025, OHRC Meeting Minutes, Commissioner Hill made a motion for approval, Commissioner Gunderson seconded the motion, all members present voted aye in approval.

ITEM OF DISCUSSION – Recap 2025 MLK Jr Day Event - Monday, January 20, 2025

Commissioner Hansen presented a spreadsheet detailing registration and attendance, seventy-nine attended the event. Everyone agreed the event went well and thanked Commissioner Seykora for bringing speakers to enhance the audio volume. Commissioner Gunderson will follow-up with Jose for the final Plaza Morena invoice and RCC regarding their donation.

Commissioners will begin planning the 2026 MLK Jr. Day during their next meeting. Hopefully, decisions on the venue and speaker can be completed within the next few months. Commissioner Hansen asked everyone to reach out to community leaders and groups for speaker recommendations and topics and reminded everyone that Human Rights is not just race, other issues should also be addressed.

ITEM OF DISCUSSION – 2025 OHRC Activities

- 1) February 11th – OCLA Cultural & Diversity at the Library after lunch. Today, Commissioners Gunderson, Hansen and Seykora presented information about the OHRC. The suggested PowerPoint presentation be prepared to share information about the OHRC at future meetings. The presentation slides will list OHRC members, the OHRC Mission Statement, and recap recent events and planned activities.
- 2) March 18th – HomeTown Credit Union Annual Meeting. Their Board Director, Ethan Cords has chosen OHRC as recipient of a \$500 donation, each of their directors could select a local non-profit organization to support with a financial donation. OHRC Commission Chairman Gunderson and Vice-Chairman Bjore plan to attend to accept their donation, Secretary Hanson will attend if either is unable to attend.
- 3) April 30th - Owatonna Community Connect at Four Seasons – Commissioner Gunderson has reserved a table for OHRC at this event. He will display the OHRC banner, table cover, and OHRC Brochures. This event offers opportunities to network with other community organizations and he reminded commissioners to bring their OHRC business cards to share.
- 4) Downtown Thursdays – first Thursday of each month during June to September. OHRC will host a human library with plans to offer six new books each month. Commissioner Bjore presented two proposals of the OHRC tent, a navy-blue tent with white logo display or white tent with a full colored logo display. The group consensus was the navy-blue tent with white markings.

Commissioner Bjore will follow up on the OHRC banner when the tent is received; the banner will be fitted to the back of the tent and include information in three languages.

City Administrator Busse joined the meeting at 6:00 p.m.

- 5) 2025 Welcoming Week, September 12-21 – OHRC will use the September Downtown Thursday event to kick off the 2025 Welcome Week activities. Commissioners Ismael and Esquivel are planning a community soccer game like last year and invite additional teams to participate.
- 6) Steele County 2025 Health Fair – September 10th at the Four Seasons Centre. Commissioners agreed this event will also offer opportunities to promote the OHRC. Commissioner Hansen and Bjore are participating with other groups; OHRC participation will be discussed at the March OHRC Meeting.

Commissioner's Comments:

Commissioner Gunderson commented that his term of OHRC appointment will expire on April 30th. He is not eligible for reappointment as this is his second term served. He asked everyone to encourage others to apply when the Member Application is posted on the city's website next month.

Commissioner Bjore requested a review of the services OHRC members can offer if/when contacted about an issue within the community. Commissioner Gunderson commented that many previous requests were the result of miscommunication. He advised the first step should be to confirm the information with both parties and often the situation is resolved; if not, contact City Administrator Busse.

City Administrator Busse commented that often the parties involved prefer to talk with OHRC Commissioners and not city staff. She has met with OHRC members to discuss options for resolution or recommended they contact the state's Human Rights office. OHRC has no legal authority, our Chief of Police has served as a mediator in some previous complaints but if needed, the situation would be referred to the state's Human Rights Commission.

Commissioner Hansen commented that the OHRC should not be focused on only racial issues, there are current and previous LBGQT issues. Commissioner Bjore commented that changes are needed prior to the 2025 Pride in Park event; City Administrator Busse commented the city is in process of amending the city's noise ordinance. Commissioner Hill asked if OHRC could become involved in an immigration matter, City Administrator Busse commented that most would be a federal matter and probably not the city.

ADJOURNMENT

At 6:40 p.m., Commissioner Bjore made a motion to adjourn, Commissioner Hill seconded the motion, and the meeting was adjourned. The next OHRC Meeting is planned for Tuesday, March 11th at 5:30 pm.

Respectfully submitted,
Jeanette Clawson, Administrative Coordinator



CITY OF
OWATONNA

Licenses Permits



DATE: March 4, 2025
TO: Mayor and City Council
FROM: Ed Hoffman, Fire Chief
SUBJECT: Retail Fireworks License - Fleet Farm

Purpose:

Standard retail fireworks license for Fleet Farm for 2025.

Background:

This is a standard retail fireworks license application for Fleet Farm for 2025.

Section 111.03. License Required.

No person shall keep for retail sale or wholesale distribution, sell at retail or wholesale, or otherwise supply or furnish as part of a commercial transaction any permitted consumer fireworks without first having obtained a current license hereunder, paid the required license fee and conspicuously posted the license on the licensed premises.

Section 111.04. License Fee; Term of License.

(A) The annual license fee shall be in the amount duly established by the Council from time to time. The license fee shall cover the administrative and enforcement costs, including the conduct of unannounced compliance checks, inspections by the Fire Chief, inspections by the Police Department or other city department, as well as sampling and testing of the merchandise to ascertain chemical content. Full payment of the required license fee shall accompany the application.

(E) The annual license expires December 31 of each year.

Budget Impact:

Revenue generated for the license is \$100.00.

Staff Recommendation:

Recommend approval of the retail fireworks license.

Attachments:

1. Fleet Farm Fireworks Packet 2025

FW-25-1

Retail Fireworks License

Status: Active

Submitted On: 2/21/2025

Primary Location2121 BRIDGE ST W
Owatonna, Mn 55060**Owner**CHENEY OWATONNA LLC &
LAKE OF THE WOODS
APARTMENTS LLC &**Applicant** Phantom Fireworks Store
Sales, LLC 234-251-3048 hford@fireworks.com 2445 Belmont Ave.
Youngstown, OH 44505

Applicant**First Name***

Fleet Farm #3000

Last Name*

Store Manager: Kayla Farley

Applicant is:*

Corporation

Business Name

Fleet Farm LLC

Mailing Address*

2121 Bridge St W

City, State, Zip Code*

Owatonna, MN 55060

Phone Number*

507-455-1088

E-Mail Address*

hford@fireworks.com

Location Information**Location Name***

Fleet Farm #3000

Street Address*

2121 Bridge St W

Phone Number*

507-455-1088

Hours of Operation*

M-F 8am-9pm Sat 8-8 Sun 9am-6pm

Zoning District

B-2

Property Taxes ?

Yes

Ownership ?

Yes

Description of On-Site Management and Parking Facilities

See Floor Plan

Display & Storage Information

Location of Sales*

In-Store Display

Amount on Display (in pounds)* ?

801.45

Location of Storage*

No storage - all stock will be on display

Amount of Storage (in pounds)* ?

0

Approximate Start Date of Sales*

05/01/2025

Location Management

Full Name* ?

Kayla Farley

Position / Title*

Store Manager

Mailing Address ?

2445 Belmont Ave

City, State, Zip Code

Youngstown OH 44505

Phone Number*

234-251-3048

E-Mail Address*

hford@fireworks.com

Workers' Compensation Insurance Information

Select ONE of the following:

I have a workers' compensation insurance policy.

☒

Insurance Company Name* 

EMC Insurance

Policy Number*

6H14914

Effective Date*

01/01/2025

Expiration Date*

01/01/2026

I am self-insured for workers' compensation.

☐

I am not required to have workers' compensation insurance.

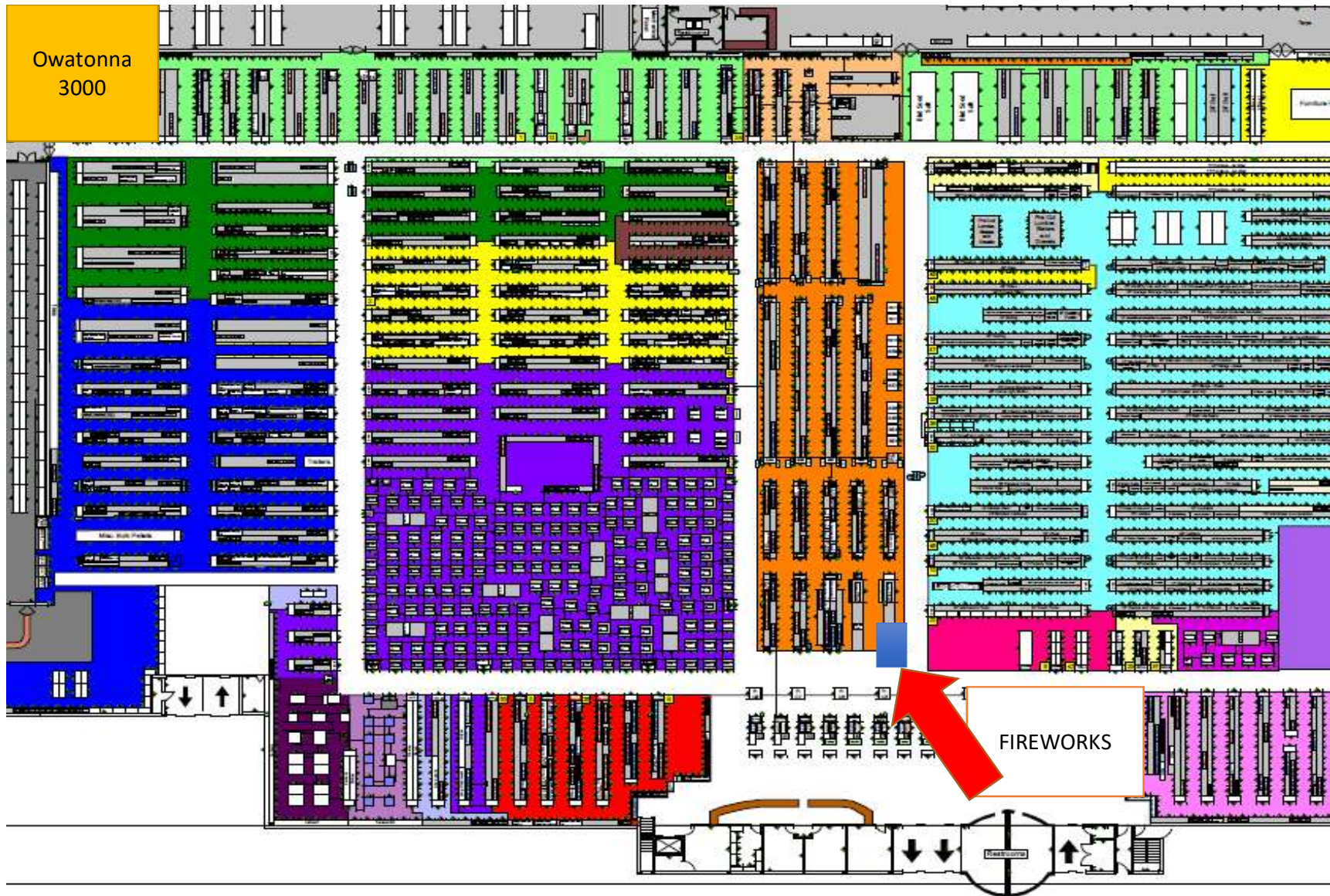
☐

Acknowledgement

I hereby certify that the information provided in this application is true and accurate to the best of my knowledge.

I have reviewed and understand the provisions of the City of Owatonna Fireworks Ordinance Chapter 111, and I agree to obey all the terms, provisions and requirements of said ordinance and all other ordinances of the City of Owatonna and the laws of the State of Minnesota.

Digital Signature: Helen Ford



LG240B Application to Conduct Excluded Bingo**No Fee****ORGANIZATION INFORMATION**

Organization Name: Owatonna Rotary Club - The Early Edition Previous Gambling Permit Number: XB-94946-24-006

Minnesota Tax ID Number, if any: _____ Federal Employer ID Number (FEIN), if any: 91-2079541

Mailing Address: PO Box 394

City: Owatonna State: MN Zip: 55060 County: Steele

Name of Chief Executive Officer (CEO): Kim Schaufenbuel, President -Early Edition Rotary

CEO Daytime Phone: 507-201-5583 CEO Email: kim.schaufenbuel@riverland.edu
(permit will be emailed to this email address unless otherwise indicated below)

Email permit to (if other than the CEO): darrenr@drdarrenowatonna.com or rguthier@owatonna.org

NONPROFIT STATUS

Type of Nonprofit Organization (check one):

☐ Fraternal ☐ Religious ☐ Veterans ☒ Other Nonprofit Organization

Attach a copy of at least one of the following showing proof of nonprofit status:

(DO NOT attach a sales tax exempt status or federal employer ID number, as they are not proof of nonprofit status.)

- ☒ **Current calendar year Certificate of Good Standing**
Don't have a copy? This certificate must be obtained each year from:
MN Secretary of State, Business Services Division
60 Empire Drive, Suite 100
St. Paul, MN 55103
Secretary of State website, phone numbers:
www.sos.state.mn.us
651-296-2803, or toll free 1-877-551-6767
- ☐ **Internal Revenue Service-IRS income tax exemption 501(c) letter in your organization's name**
Don't have a copy? Obtain a copy of your federal income tax exempt letter by having an organization officer contact the IRS at 877-829-5500.
- ☐ **Internal Revenue Service-Affiliate of national, statewide, or international parent nonprofit organization (charter)**
If your organization falls under a parent organization, attach copies of both of the following:
1. IRS letter showing your parent organization is a nonprofit 501(c) organization with a group ruling; and
2. the charter or letter from your parent organization recognizing your organization as a subordinate.

EXCLUDED BINGO ACTIVITYHas your organization held a bingo event in the current calendar year? ☐ Yes ☒ No

If yes, list the dates when bingo was conducted: _____

The proposed bingo event will be:

- ☒ one of four or fewer bingo events held this year. Dates: Friday, May 2, 2025
-OR-
- ☐ conducted on up to 12 consecutive days in connection with a:
- ☐ county fair Dates: _____
- ☐ civic celebration Dates: _____
- ☐ Minnesota State Fair Dates: _____

Person in charge of bingo event: Darren Roemhildt Daytime Phone: 507-451-7580Name of premises where bingo will be conducted: Eagles Club Aerie 1791Premises street address: 141 E Rose STCity: Owatonna If township, township name: _____ County: Steele

LOCAL UNIT OF GOVERNMENT ACKNOWLEDGMENT (required before submitting application to the Minnesota Gambling Control Board)

**CITY APPROVAL
for a gambling premises
located within city limits**

On behalf of the city, I approve this application for excluded bingo activity at the premises located within the city's jurisdiction.

Print City Name: Owatonna

Signature of City Personnel:

Janeth Clawson

Title: Admin Coordinator Date: 2/21/25

**The city or county must sign before
submitting application to the
Gambling Control Board.**

**COUNTY APPROVAL
for a gambling premises
located in a township**

On behalf of the county, I approve this application for excluded bingo activity at the premises located within the county's jurisdiction.

Print County Name: _____

Signature of County Personnel:

Title: _____ Date: _____

TOWNSHIP (if required by the county)

On behalf of the township, I acknowledge that the organization is applying for excluded bingo activity within the township limits. (A township has no statutory authority to approve or deny an application, per Minnesota Statutes, Section 349.213.)

Print Township Name: _____

Signature of Township Officer: _____

Title: _____ Date: _____

CHIEF EXECUTIVE OFFICER'S SIGNATURE (required)

The information provided in this application is complete and accurate to the best of my knowledge.

Chief Executive Officer's Signature: Kim A. Schaufensbuel Date: 2/14/25
(Signature must be CEO's signature; designee may not sign)

Print Name: Kim A. Schaufensbuel

MAIL OR FAX APPLICATION & ATTACHMENTS

Mail or fax application and a copy of your proof of nonprofit status to:

Minnesota Gambling Control Board
1711 West County Road B, Suite 300 South
Roseville, MN 55113
Fax: 651-639-4032

An excluded bingo permit will be mailed to your organization. Your organization must keep its bingo records for 3-1/2 years.

Questions?

Call a Licensing Specialist at 651-539-1900.

Bingo hard cards and bingo number selection devices may be borrowed from another organization authorized to conduct bingo. Otherwise, bingo hard cards, bingo paper, and bingo number selection devices must be obtained from a distributor licensed by the Minnesota Gambling Control Board. A list of licensed distributors is available on the Gambling Control Board's website at www.mn.gov/gcb.

This form will be made available in alternative format (i.e. large print, braille) upon request.

Data privacy notice: The information requested on this form (and any attachments) will be used by the Gambling Control Board (Board) to determine your organization's qualifications to be involved in lawful gambling activities in Minnesota. Your organization has the right to refuse to supply the information; however, if your organization refuses to supply this information, the Board may not be able to determine your organization's qualifications and, as a consequence, may refuse to issue a permit. If your organization supplies the information requested, the Board

will be able to process the application. Your organization's name and address will be public information when received by the Board. All other information provided will be private data about your organization until the Board issues the permit. When the Board issues the permit, all information provided will become public. If the Board does not issue a permit, all information provided remains private, with the exception of your organization's name and address which will remain public. Private data about your organization are available to Board

members, Board staff whose work requires access to the information; Minnesota's Department of Public Safety; Attorney General; Commissioners of Administration, Minnesota Management & Budget, and Revenue; Legislative Auditor, national and international gambling regulatory agencies; anyone pursuant to court order; other individuals and agencies specifically authorized by state or federal law to have access to the information; individuals and agencies for which law or legal order authorizes a new use or sharing of information after this notice was given; and anyone with your written consent.



Minnesota Department of Public Safety
Alcohol and Gambling Enforcement Division
445 Minnesota Street, Suite 1600, St. Paul, MN 55101
651-201-7507 TTY 651-282-6555

**APPLICATION AND PERMIT FOR A 1 DAY
TO 4 DAY TEMPORARY ON-SALE LIQUOR LICENSE**

Name of organization		Date of organization		Tax exempt number	
TWO RIVERS HABITAT FOR HUMANITY		04/1990		1083963	
Organization Address (No PO Boxes)		City	State	Zip Code	
1530 GREENVIEW DRIVE SW, SUITE 107		ROCHESTER	Minnesota	55902	
Name of person making application		Business phone		Home phone	
KRISTIN MACNICOLL		507-252-0849			
Date(s) of event	Type of organization ☐ Microdistillery ☐ Small Brewer				
APRIL 5, 2025	☐ Club ☒ Charitable ☐ Religious ☐ Other non-profit				
Organization officer's name	City	State	Zip Code		
TAYLOR HERMAN	OWATONNA	Minnesota	55060		
Organization officer's name	City	State	Zip Code		
		Minnesota			
Organization officer's name	City	State	Zip Code		
		Minnesota			

Location where permit will be used. If an outdoor area, describe.
FOUR SEASONS CENTER - 1525 S ELM AVE OWATONNA MN 55060

If the applicant will contract for intoxicating liquor service give the name and address of the liquor license providing the service.

If the applicant will carry liquor liability insurance please provide the carrier's name and amount of coverage.
ILLINOIS CASUALTY COMPANY - \$2 MILLION

APPROVAL

APPLICATION MUST BE APPROVED BY CITY OR COUNTY BEFORE SUBMITTING TO ALCOHOL AND GAMBLING ENFORCEMENT

City or County approving the license	Date Approved
Fee Amount	Permit Date
Event in conjunction with a community festival ☐ Yes ☐ No	City or County E-mail Address
Current population of city	

Please Print Name of City Clerk or County Official

Signature City Clerk or County Official

CLERKS NOTICE: Submit this form to Alcohol and Gambling Enforcement Division 30 days prior to event

No Temp Applications faxed or mailed. Only emailed.

ONE SUBMISSION PER EMAIL, APPLICATION ONLY.

**PLEASE PROVIDE A VALID E-MAIL ADDRESS FOR THE CITY/COUNTY AS ALL TEMPORARY
PERMIT APPROVALS WILL BE SENT BACK VIA EMAIL. E-MAIL THE APPLICATION SIGNED BY
CITY/COUNTY TO AGE.TEMPORARYAPPLICATION@STATE.MN.US**



Minnesota Department of Public Safety
Alcohol and Gambling Enforcement Division
445 Minnesota Street, Suite 1600, St. Paul, MN 55101
651-201-7507 TTY 651-282-6555

**APPLICATION AND PERMIT FOR A 1 DAY
TO 4 DAY TEMPORARY ON-SALE LIQUOR LICENSE**

Name of organization Knights of Columbus		Date of organization January 1, 1904		Tax exempt number 960494	
Organization Address (No PO Boxes) 820 S Elm		City Owaotnna	State Minnesota	Zip Code 55060	
Name of person making application Mark Cunningham		Business phone 507-451-6103		Home phone 507-455-1341	
Date(s) of event May 2, 3, 4, 2025		Type of organization ☐ Microdistillery ☐ Small Brewer ☒ Club ☐ Charitable ☐ Religious ☐ Other non-profit			
Organization officer's name Dustin Reese		City Owatonna	State MN	Zip Code 55060	
Organization officer's name David Lax		City Owatonna	State MN	Zip Code 55060	
Organization officer's name Joel Elbert		City Owatonna	State MN	Zip Code 55060	

Location where permit will be used. If an outdoor area, describe.
Farigrounds Park during Corky's Earlybird Softball Tournament,

If the applicant will contract for intoxicating liquor service give the name and address of the liquor license providing the service.
n/a

If the applicant will carry liquor liability insurance please provide the carrier's name and amount of coverage.
Club carries full coverage with Insurance Advisors, \$1,000,000/incident

APPROVAL

APPLICATION MUST BE APPROVED BY CITY OR COUNTY BEFORE SUBMITTING TO ALCOHOL AND GAMBLING ENFORCEMENT

Owatonna	
City or County approving the license	Date Approved
\$50.00	May 2, 3, & 4, 2025
Fee Amount	Permit Date
Event in conjunction with a community festival ☐ Yes ☒ No	jeanetteclawson@owatonna.gov
Estimate 26,647 - April 1, 2023 per Mn State Demographoc Ctr	City or County E-mail Address
Current population of city	
Kris M. Busse, City Administrator	
Please Print Name of City Clerk or County Official	Signature City Clerk or County Official

CLERKS NOTICE: Submit this form to Alcohol and Gambling Enforcement Division 30 days prior to event
No Temp Applications faxed or mailed. Only emailed.
ONE SUBMISSION PER EMAIL, APPLICATION ONLY.
PLEASE PROVIDE A VALID E-MAIL ADDRESS FOR THE CITY/COUNTY AS ALL TEMPORARY
PERMIT APPROVALS WILL BE SENT BACK VIA EMAIL. E-MAIL THE APPLICATION SIGNED BY
CITY/COUNTY TO AGE.TEMPORARYAPPLICATION@STATE.MN.US

Event Summary: Cinco DeMayo

Saturday, May 3rd from noon – 8:00 pm

Set up will begin at 11:00 am and all cleared by 9:00 pm

Central Park and adjacent streets

Applicant: Lisa Cochran, OACC Main Street Director

Host: Alliance for Greater Equity – contact is March Rodriguez

Requesting use of:

- 1) Streets adjacent to three sides of Central Park: West Park, East Park and W Broadway and E Broadway along the north side of the park. Notification of "Road Closure Ahead" will be placed on W Broadway, E Broadway, N Cedar and E Park – see site plan on next page.
- 2) Use of Central Park Stage – Musical group with 6 members. Lisa Cochran will open/close stage.
- 3) 80 large cones
- 4) 7 Barricades
- 5) 40 No-Parking Signs
- 6) Central Park Stage for music from 2 pm-8 pm.

There will be: several food vendors set along the street; alcohol - MSB advised they will file for a Temporary Liquor License; a pinata and maybe dancers.

Department Approval/Review Comments:

Police: Approved. No impact. On duty staff will swing in for visits.

Public Works: Public works will install no parking signs and drop barricades/ cones on 5-2-25 event coordinator is responsible for set up and take down of barricade's- cones and remove no parking signs on day of event. Will pick up on 5-5-25
Approved. Questions call 507-456-5028.

Park & Rec: Approve contingent on Certificate of Insurance provided for amusements.
Note - call for locates before any staking is done. (Prefer for NO staking at all due to irrigation lines, if there are other options.)

Fire: Approved, no comment.

Building & Inspection: Approved, no comment.

Cinco de Mayo Map 5/3/25

W. Rose St.

E. Rose St.

N Cedar Ave.

W. Pearl St

E. Pearl St

W. Vine St.

E. Vine St.

W Broadway

E Broadway

Bridge St

Central Park

Elm Ave

Oak Ave.

W Main St

East Park

West Park

 = barricades



= road closed ahead sign



= cones

• No Parking Signs

Road Closed Ahead sign

Road Closed Ahead

Road Closed Ahead

Traffic can turn right on Broadway

on corner

x30

x30

x10

x10

EP-25-4

Events Permit

Application

Status: Active

Submitted On: 2/26/2025

Primary Location

No location

Owner

No owner information

Applicant Lisa Cochran 507-475-3451 lcochran@owatonna.org 120 S Oak Ave
Owatonna, MN 55060

Event Information

Event Name

Cinco de Mayo

Event Contact*

Marco Rodriguez

Location of Event*

Central Park in Downtown Owatonna

Description of Event* ?

Cinco de Mayo celebration and car show

Event Set Up Date

05/03/2025

Event Set Up Time* ?

11am

Actual Event Date*

05/03/2025

Actual Event Time* ?

noon

Clean Up Date*

05/03/2025

Clean Up Time ?

9pm

Rain Date: In the event of inclement weather, will the event be postponed or canceled?*

Canceled

Estimated Attendance* ?

500

Application Information

Sponsoring Organization Name*

Alliance for Greater Equity

Mailing Address*

PO Box 1015

City*

Owatonna

State*

MN

Zip*

55060

Website Address*

<http://allianceforgreaterequity.org/>

Primary Contact

Name*

Marco Rodriguez

Phone Number*

507-456-7896

Cell Phone

507-456-7896

Email Address*

mrmn1991@gmail.com

Primary On-site Contact

Name*

Marco Rodriguez

Cell Phone*

507-456-7896

Alternate On-site Contact

Name*

Guadalupe Martinez

Cell Phone*

507-363-2578

Refer Media or Citizen Inquiries To:

Name*

Marco Rodriguez

Phone*

507-456-7896

Event Features

City Streets or Right-of-Way*

Yes

Start/End Time*

11am-8pm

Date*

05/03/2025

Name of Requested Street(s)*

East and West Park Square, East and West Broadway, just in front of the park

Alleys*

No

City Sidewalks or Trails*

Yes

Start/End Time*

11am-8pm

Date*

05/03/2025

Public Parking Lots or Spaces*

Yes

Start/End Time*

5am-8pm

Date*

05/03/2025

Parks*

Yes

Start/End Time*

12pm-8pm

Date*

05/03/2025

Name of Requested Park(s)*

Central Park

Will any signs/banners be put up?*

Yes

Number and Size*

2ft by 3ft and 2ft by 1.5ft

Will there be any inflatables?*

Yes

Insurance certificate from rental vendor is required. *No staking without approval*

Will there be entertainment?*

Yes

What Type*

Band, pinata, and maybe dancers

Will sound amplification be used?*

Yes

Type*

the amps that the band has

Hours*

2pm-7pm

Will sound be amplified after 10:00pm?*

No

Sound amplified after 10:00 p.m. will require an Exception to the City's Noise Ordinance. There is a \$150 fee for an Exception to the City's Noise Ordinance which must be paid with this Event Application

Will a stage or tent(s) be set up?*

Yes

Dimensions*

Several 10x10 tents

Fees may apply. No staking without approval.

Will there be temporary fencing?* 

No

Will merchandise/food items be sold?*

Yes

How many vendors expected?*

6

Will food be prepared on site?*

Yes

Will alcohol be sold?*

Yes

Who will be providing the liquor license?*

Compadre Food Truck and Mineral Springs Brewery

Is this a caterer with an alcohol endorsement on their license?*

Yes

Will this event require a Temporary Liquor Permit?*

Yes

Additional documentation and fees are required

Will there be a fireworks display?*

No

Describe power needs and location of power source*

The park will have enough power for what is needed

Describe level of advertisement* ?

Posters, social media, radio, print

Have adjacent property owners been notified of this event?*

Yes

Signatures required.

Will the event need barricade(s)?

Number Needed

Yes

7

Size Needed*

Large

Event organizer is responsible for pickup and return of barricades at the City Shop, 1100 Industrial Blvd., Monday-Friday 7 AM to 3 PM. Please call 507-774-7050 to make arrangements". *Fees may apply.*

Will the event need cones?*

Number Needed*

Yes

80

Size Needed*

Large

Event organizer is responsible for pickup and return of cones at the City Shop, 1100 Industrial Blvd., Monday-Friday 7 AM to 3 PM. Please call 507-774-7050 to make arrangements". *Fees may apply.*

Will Central Park Stage be used?*

Number Needed*

Yes

1

Will there be any horses?*

No

Describe trash removal and cleanup plan during and after event*

We have extra trash cans donated by a local business and they will be picked up at the end of the event

Will event need traffic control?*

No

Describe crowd control procedure to ensure the safety of participants and spectators*

Use amplification to direct, instruct and order crowd to go or do something. There will be at least 6 people that are on the committee that will assist with the crowd

Will "No Parking" signs be needed?*

Number Needed*

Yes

40

Fees may apply, show location(s) on site map.

Will event need security?*

No

Will event need Emergency Medical Services?*

No

Describe the emergency action plan if severe weather should arise?*

We will announce from the stage. We will also have it on the radio and social media

Please provide contact information for responsible party during event to advise of severe weather notifications:

Name*

Lisa Cochran

Phone Number*

507-475-3451

Email*

lcochran@owatonna.org

List any other pertinent information

This is the second year we have hosted this event and it went very smoothly last year except the weather did not cooperate. Lisa Cochran will be in contact with the Farmer's Market vendors to let them know this event is happening again and the protocol for vending and food trucks.

CITY SERVICES - After reviewing the event application, City Services may be required for the event

Central Park Stage Usage Information

Time*

2pm

Open*

2pm

Close*

8pm

Sound or Light Person Needed*

No

Size of Group that will be on stage*

6

Type of Group* ?

musical Band

Name of Person that will be Opening and Closing ?
of Stage*

Lisa Cochran

If Park Staff is needed to Open and Close Stage - fee of \$100 for each operation will be required. Any group larger than 15 people will require use of extenders - 4 people will needed to put on extenders.

Applicant Signature

*The sponsor(s) of this event hereby agrees to save the City, its agents, officials and employees harmless from and against all damages to persons or property, all expenses and other liability that may result from this activity. **Depending on the size of and scope of the event a "Certificate of Insurance" may be required.** If insurance is required, the policy must be kept in force during the event of at least the statutory limits for municipalities covering claims that might be brought against the event that arise out of the events authorized and to name the City as an additional insured on their policy "as their interest may appear." As the sponsor or authorized representative, I certify that the information provided is true to the best of my knowledge and agree to pay the permit fee for this event based upon the information provided in this application. I realize my submittal of this application request constitutes a contract between myself and the City of Owatonna and is a release of Liability.*

Signature of Applicant*

✓ Lisa M Cochran
Feb 25, 2025

Internal Use

🔒 Special Provisions

Police Department Approval / Comments / Notes

Approved. No impact. On duty staff will swing in for visits.

Building & Inspection Approval / Comments / Notes

Approved, no comment.

🔒 Fire Department Approval / Comments / Notes

Approved, no comment

Public Works Department Approval / Comments / Notes

Public works will install no parking signs and drop barricades/ cones on 5-2-25 event coordinator is responsible for set up and take down of barricade's-cones and remove no parking signs on day of event. Will pick up on 5-5-25 Approved. Questions call 507-456-5028.

🔒 Park & Rec. Department Approval / Comments / Notes

Approve contingent on Certificate of Insurance provided for amusements. Note - call for locates before any staking is done. (Prefer for NO staking at all due to irrigation lines, if there are other options.)

To Council: March 4, 2025 City Council Meeting - Consent Agenda Item



CITY OF
OWATONNA

Miscellaneous



DATE: March 4, 2025
TO: Mayor and City Council
FROM: Sean Murphy, Public Works Director
SUBJECT: Instrumentation and Control Support Services Agreement - AE2S

Purpose:

Requesting Council approval of the 2025-2029 SCADA Services Agreement with Advanced Engineering and Environmental Services, LLC (AE2S) to render Instrumentation and Control (I&C) Support Services to the City of Owatonna Wastewater Treatment Facility.

Background:

AE2S will provide services as outlined in the attached agreement from date of approval through December 31, 2029. This multi-year agreement can be terminated at any time with seven days' notice.

Budget Impact:

The agreement shall not exceed \$10,000 annually without prior authorization. Costs will be paid for using Waste Water Treatment Operating Funds.

Staff Recommendation:

Staff recommends approval.

Attachments:

1. Letter of Agreement 2025-2029 General SCADA Services - AE2S



February 10, 2025

City of Owatonna
1155 Industrial Blvd
Owatonna, MN 55060

**RE: Letter Agreement between Client and AE2S
2025-2029 Instrumentation and Control Support Services**

Dear Andrew Fischer:

Advanced Engineering and Environmental Services, LLC (AE2S) proposes to render instrumentation and control services (Assignment) to City of Owatonna (CLIENT).

This Agreement, including Exhibit A, sets forth the terms and conditions under which the CLIENT and AE2S shall be governed regarding the Assignment.

Scope of Basic Services

AE2S will perform the following tasks:

- Supervisory Control and Data Acquisition (SCADA) software programming services as requested by the CLIENT. Programming modifications and troubleshooting for computers, Programmable Logic Controller (PLC), and Human-Machine Interface (HMI) software.
- Instrumentation and Control (I&C) General, Emergency, and Calibration Services
 - Service for system problems will be scheduled in accordance with the severity of the issue. AE2S will work with the CLIENT to assess the severity and discuss an appropriate timeline for a solution.
 - Problems that result in the inability for the operation of the facility will be assessed as soon as possible, inside or outside normal business hours.
 - Non-Emergency problems will be assessed within normal business hours.
 - Technicians will provide all required tools and computer software to perform IO Checkout and Instrumentation Calibrations as needed.
 - Provide service reports to CLIENT indicating the original problem, the testing procedures used to investigate the problem, the resolution to the problem and the time required to resolve the problem.
 - If the replacement of equipment is required to resolve the problem, the technician will discuss with the CLIENT and work to procure and replace the equipment under the CLIENT's direction. Costs of the devices, consumables for installing the devices, or other direct, non-labor expenses are reimbursable and shall be borne by the CLIENT.

Additional Services

Services resulting from significant changes in the general scope, extent, or character of the Assignment are not included as a part of the Scope of Basic Services. If authorized in writing by the CLIENT, AE2S will provide services beyond the scope of this Agreement on an hourly basis in accordance with the Hourly Fee Schedule attached as Exhibit B.

**RE: Letter Agreement between Client and AE2S
2025-2029 Instrumentation and Control Support Services**

CLIENT'S Responsibilities

CLIENT shall do the following in a timely manner, so as not to delay the services of AE2S:

1. Designate a person to act as CLIENT's representative with respect to the services to be rendered under this Agreement. Such person shall have authority to transmit instructions, receive information, and interpret and define CLIENT's policies and decisions with respect to services for the Assignment.
2. Provide relevant information regarding requirements for the Assignment. AE2S shall be entitled to use and rely upon all information provided by CLIENT or others in performing AE2S's services under this Agreement.
3. Provide access to the relevant site sufficient for AE2S to perform its services under this Agreement.
4. CLIENT shall, so long as AE2S is not in default, promptly pay AE2S for such services as have been performed satisfactorily hereunder in accordance with the fee terms set forth herein.

CLIENT shall bear all costs incident to compliance with its responsibilities pursuant to this section.

Fees

AE2S shall render services under this Agreement on an hourly basis in accordance with the Fee Schedule attached as Exhibit B, as adjusted annually on January 1, plus reimbursement for all project related expenses, not to exceed \$10,000, each calendar year through the term of this Agreement, without written approval from CLIENT. This Agreement will be effective through December 31, 2029.

Performance Schedule

AE2S shall use commercially reasonable efforts to complete Basic Services within a reasonable time period.

Contract Documents

This Agreement includes the following documents, incorporated herein by reference:

1. Exhibit A - Terms and Conditions;
2. Exhibit B - Hourly Fee and Expense Schedule;
3. Any drawings or specifications provided by the CLIENT in writing; and
4. Any duly executed written amendments.

There are no contract documents other than this Agreement and those documents listed above.

If this Agreement sets forth your understanding of our agreement, including the scope of work desired, fees, terms, and conditions, please sign in the space provided and return a copy to AE2S. Thank you for the opportunity to assist you. We look forward to working with you.

RE: Letter Agreement between Client and AE2S
2025-2029 Instrumentation and Control Support Services

Sincerely,

Anthony Pittman
Lead Instrumentation & Controls Specialist

AE2S

By:



Name: Justin Klabo

Title: Operations Manager

Client

Accepted this ____ day of _____, 2025.

By: _____

Name: _____

Title: _____

Standard Terms and Conditions

The Agreement is supplemented to include the following terms and conditions:

1. Standard of Care

a. The standard of care for all professional services performed or furnished by AE2S under this Agreement will be the care and skill ordinarily used by members of AE2S's profession practicing under similar circumstances at the same time and in the same locality. AE2S makes no warranties, express or implied, under this Agreement or otherwise, in connection with AE2S's services.

b. CLIENT shall be responsible for, and AE2S may rely upon, the accuracy and completeness of all requirements, programs, instructions, reports, data, and other information furnished by CLIENT to AE2S pursuant to this Agreement. AE2S may use such requirements, reports, data, and information in performing or furnishing services under this Agreement.

2. Payments to AE2S

Invoices will be prepared in accordance with AE2S's standard invoicing practices and will be submitted to CLIENT by AE2S monthly, unless otherwise agreed. Invoices are due and payable within 30 days. If CLIENT fails to make any payment due AE2S for services and expenses within 30 days, the amounts due AE2S will be increased at the rate of 1.75% per month (or the maximum rate of interest permitted by law, if less) from said thirtieth day. In addition, AE2S may, after giving seven days written notice to CLIENT, suspend services under this Agreement until AE2S has been paid in full all amounts due for services, expenses, and other related charges. All payments shall be made in United States Dollars. AE2S's compensation is exclusive of any applicable sales or use taxes imposed by any governmental authority on AE2S's compensation under this Agreement. CLIENT shall reimburse AE2S for the cost of such sales or use taxes. AE2S's invoices shall state all such applicable sales or use taxes, if any.

3. Insurance

AE2S will maintain insurance coverage for Workers' Compensation, Professional Liability, General Liability, and Automobile Liability and will provide certificates of insurance to CLIENT upon request.

4. Exclusion of Special, Incidental, Indirect, and Consequential Damages

To the fullest extent permitted by law, and notwithstanding any other provision in the Agreement, AE2S and AE2S's officers, directors, partners, employees, agents, and Consultants, or any of them, shall not be liable to CLIENT or anyone claiming by, through, or under CLIENT for any special, incidental, indirect, or consequential damages whatsoever arising out of, resulting from, or in any way related to the Assignment or this Agreement, from any cause or causes, including but not limited to any such damages caused by the negligence, professional errors or omissions, strict liability, breach of contract or warranties, express or implied, of AE2S or AE2S's officers, directors, partners, employees, agents, or AE2S's Consultants, or any of them.

5. Limit of Liability

To the fullest extent permitted by law, notwithstanding any other provision of this Agreement, the total liability, in the aggregate, of AE2S and AE2S's officers, directors, partners, employees, agents, and AE2S's Consultants, and any of them, to CLIENT and anyone claiming by, through, or under CLIENT for any and all claims, losses, costs, or damages whatsoever arising out of, resulting from or in any way related to the Project or the Agreement from any cause or causes, including but not limited to the negligence, professional errors or omissions, strict liability or breach of contract, or warranty express or implied of AE2S or AE2S's officers, directors, partners, employees, agents, or AE2S's Consultants, or any of them, shall not exceed total compensation received by AE2S as part of this Agreement.

6. Termination of Contract

Either party may at any time, upon seven days prior written notice to the other party, terminate this Agreement. Upon such termination, CLIENT shall pay to AE2S all amounts owing to AE2S under this Agreement, for all work performed up to the effective date of termination, plus reasonable termination costs.

7. Access

CLIENT shall arrange for safe access to and make all provisions for AE2S and AE2S's Consultants to enter upon public and private property as required for AE2S to perform services under this Agreement.

8. Patents

AE2S shall not conduct patent searches in connection with its services under this Agreement and assumes no responsibility for any patent or copyright infringement arising therefrom. Nothing in this Agreement shall be construed as a warranty or representation that anything made, used, or sold arising out of the services performed under this Agreement will be free from infringement of patents or copyrights.

9. Ownership and Reuse of Documents

All documents prepared or furnished by AE2S pursuant to this Agreement are instruments of service, and AE2S shall retain an ownership and property interest therein. Reuse of any such documents by CLIENT shall be at CLIENT's sole risk; and CLIENT agrees to indemnify, and hold AE2S harmless from all claims, damages, and expenses including attorney's fees arising out of such reuse of documents by CLIENT or by others acting through CLIENT.

10. Limited Equipment Warranty

AE2S MAKES NO REPRESENTATIONS OR WARRANTIES WITH RESPECT TO ANY PRODUCTS MANUFACTURED BY A THIRD PARTY, INCLUDING ANY (a) WARRANTY OF MERCHANTABILITY; (b) WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; (c) WARRANTY OF TITLE; OR (d) WARRANTY AGAINST INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS OF A THIRD PARTY; WHETHER EXPRESS OR IMPLIED BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE OR OTHERWISE. AE2S'S SOLE RESPONSIBILITY TO CLIENT WITH RESPECT TO ANY EQUIPMENT OR COMPONENTS AND PARTS MANUFACTURED BY A THIRD PARTY AND INCORPORATED INTO THE EQUIPMENT SHALL BE TO PASS THROUGH TO CLIENT SUCH ORIGINAL EQUIPMENT MANUFACTURER'S AVAILABLE PRODUCT WARRANTY. THE REMEDIES SET FORTH IN THE MANUFACTURER'S TERMS SHALL BE THE CLIENT'S SOLE AND EXCLUSIVE REMEDY AND AE2S'S ENTIRE LIABILITY FOR ANY BREACH OF THIS LIMITED WARRANTY

11. Contractors

AE2S shall not at any time supervise, direct, control, or have authority over any contractor's work, nor shall AE2S have authority over or be responsible for the means, methods, techniques, sequences, or procedures of construction selected or used by any contractor, or the safety precautions and programs incident thereto, for security or safety at a project site, nor for any failure of a contractor to comply with laws and regulations applicable to such contractor's furnishing and performing of its work. AE2S neither guarantees the performance of any contractor nor assumes responsibility for any contractor's failure to furnish and perform its work in accordance with the contract between CLIENT and such contractor. AE2S shall not be responsible for the acts or omissions of any contractor, subcontractor, or supplier, or of any of their agents or employees or of any other persons (except AE2S's own employees) at a project site or otherwise furnishing or performing any construction work; or for any decision made regarding the construction contract requirements, or any application,

- interpretation, or clarification of the construction contract other than those made by AE2S.
12. **Force Majeure**
AE2S shall not be liable for any loss or damage due to failure or delay in rendering any service called for under this Agreement resulting from any cause beyond AE2S's reasonable control.
 13. **No Third Party Beneficiaries**
All duties and responsibilities undertaken pursuant to this Agreement will be for the sole and exclusive benefit of CLIENT and AE2S and not for the benefit of any other party. Nothing contained in this Agreement shall create a contractual relationship with or a cause of action in favor of a third party against either CLIENT or AE2S. AE2S's services under this Agreement are being performed solely for CLIENT's benefit, and no other entity shall have any claim against AE2S because of this Agreement or the performance or nonperformance of services hereunder.
 14. **Assignment**
Neither party shall assign its rights, interests or obligations under this Agreement without the express written consent of the other party.
 15. **Binding Effect**
This Agreement shall bind, and the benefits thereof shall inure to the respective parties hereto, their legal representatives, executors, administrators, successors, and assigns.
 16. **Severability and Waiver of Provisions**
Any provision or part of the Agreement held to be void or unenforceable under any laws or regulations shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon CLIENT and AE2S, who agree that the Agreement shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision. Non-enforcement of any provision by either party shall not constitute a waiver of that provision, nor shall it affect the enforceability of that provision or of the remainder of this Agreement.
 17. **Survival**
All express representations, indemnifications, or limitations of liability included in this Agreement will survive its completion or termination for any reason.
 18. **Headings**
The headings used in this Agreement are for general reference only and do not have special significance.
 19. **Controlling Law**
This Agreement is to be governed by the law of the State of Minnesota without regard to its conflicts of laws principles.
 20. **Notices**
Any notice required under this Agreement will be in writing, addressed to the appropriate party at its address on the signature page, or if to AE2S at 4050 Garden View Drive, Grand Forks, ND 58201, and given personally, or by registered or certified mail postage prepaid, or by a commercial courier service. All notices shall be effective upon the date of receipt.
 21. **Executed in Counterparts**
This Agreement may be executed in counterparts, each of which together will constitute one and the same instrument. Delivery of an executed counterpart of this Agreement shall constitute effective delivery of this Agreement. Each party agrees that the delivery of the Agreement by facsimile or electronic mail shall have the same force and effect as delivery of original signature and that each party may use such facsimile or electronic mail signatures as evidence of the execution and delivery of the Agreement by the parties to the same extent that an original signature could be used.

This is EXHIBIT B, consisting of 2 pages, referred to in and part of the Agreement between CLIENT and AE2S dated February 10, 2025.

Hourly Fee and Expense Schedule

Reimbursable Expenses and Standard Hourly rates in effect on the date of the Agreement are set forth below. Rates are subject to annual adjustment effective January 1.

Labor Rates*

Administrative 1	\$70.00	I&C Assistant 1	\$108.00
Administrative 2	\$85.00	I&C Assistant 2	\$134.00
Administrative 3	\$99.00	I&C 1	\$160.00
		I&C 2	\$189.00
Communications Specialist 1	\$113.00	I&C 3	\$213.00
Communications Specialist 2	\$132.00	I&C 4	\$226.00
Communications Specialist 3	\$152.00	I&C 5	\$237.00
Communications Specialist 4	\$183.00		
Communications Specialist 5	\$202.00	IT 1	\$140.00
		IT 2	\$189.00
		IT 3	\$232.00
Construction Services 1	\$135.00	Land Surveyor Assistant	\$103.00
Construction Services 2	\$165.00	Land Surveyor 1	\$124.00
Construction Services 3	\$183.00	Land Surveyor 2	\$150.00
Construction Services 4	\$203.00	Land Surveyor 3	\$169.00
Construction Services 5	\$224.00	Land Surveyor 4	\$186.00
		Land Surveyor 5	\$205.00
Engineering Assistant 1	\$91.00	Operations Specialist 1	\$108.00
Engineering Assistant 2	\$107.00	Operations Specialist 2	\$135.00
Engineering Assistant 3	\$135.00	Operations Specialist 3	\$167.00
Engineer 1	\$146.00	Operations Specialist 4	\$191.00
Engineer 2	\$175.00	Operations Specialist 5	\$214.00
Engineer 3	\$205.00		
Engineer 4	\$237.00	Project Coordinator 1	\$125.00
Engineer 5	\$254.00	Project Coordinator 2	\$140.00
Engineer 6	\$269.00	Project Coordinator 3	\$156.00
		Project Coordinator 4	\$172.00
Engineering Technician 1	\$90.00	Project Coordinator 5	\$194.00
Engineering Technician 2	\$113.00		
Engineering Technician 3	\$136.00	Project Manager 1	\$221.00
Engineering Technician 4	\$152.00	Project Manager 2	\$242.00
Engineering Technician 5	\$174.00	Project Manager 3	\$259.00
		Project Manager 4	\$274.00
Financial Analyst 1	\$121.00	Project Manager 5	\$293.00
Financial Analyst 2	\$137.00	Project Manager 6	\$307.00
Financial Analyst 3	\$165.00		
Financial Analyst 4	\$180.00	Sr. Designer 1	\$192.00
Financial Analyst 5	\$201.00	Sr. Designer 2	\$213.00
		Sr. Designer 3	\$229.00
GIS Specialist 1	\$113.00		
GIS Specialist 2	\$137.00	Sr. Financial Analyst 1	\$227.00
GIS Specialist 3	\$162.00	Sr. Financial Analyst 2	\$248.00
GIS Specialist 4	\$181.00	Sr. Financial Analyst 3	\$269.00
GIS Specialist 5	\$202.00		
		Technical Expert 1	\$348.00
		Technical Expert 2	Negotiable

Reimbursable Expense Rates

Transportation	\$0.75/mile
Survey Vehicle	\$0.95/mile
Laser Printouts/Photocopies	\$0.30/copy
Plotter Printouts	\$1.00/s.f.
UAS - Photo/Video Grade	\$100.00/day
UAS – Survey	\$50.00/hour
Total Station – Robotic	\$35.00/hour
Mapping GPS	\$25.00/hour
Fast Static/RTK GPS	\$50.00/hour
All-Terrain Vehicle/Boat	\$100.00/day
Cellular Modem	\$75.00/month
Web Hosting	\$26.00/month
Legal Services Reimbursement	\$291.00/hour
Outside Services	cost * 1.15
Geotechnical Services	cost * 1.30
Out of Pocket Expenses	cost * 1.15
Rental Car	cost * 1.20
Project Specific Equipment	Negotiable

*Position titles are for labor rate grade purposes only.

These rates are subject to adjustment each year on January 1.



DATE: March 4, 2025
TO: Mayor and City Council
FROM: Sean Murphy, Public Works Director
SUBJECT: Obstruction Permit at Federated Insurance - Benike Construction

Purpose:

Requesting City Council consideration of a request from Benike Construction to obtain an extended Obstruction Permit on Broadway Street East.

Background:

Permits for Obstructions located within the City Right of Way are valid for 2 weeks upon issuance with a 2-week extension period.

Benike Construction and Federated Insurance have requested an extended obstruction permit from February to October, 32 weeks. Benike Construction intends to block two parking spaces on Broadway Street East in front of Federated Insurance to facilitate building renovations.

The permit holder acknowledges that the area around the obstruction must be maintained and when pedestrian access is disrupted appropriate signage and protection must be in place.

Budget Impact:

The permit fee will be \$800; \$25 per week for 32 weeks.

Staff Recommendation:

Staff recommends approval.

Attachments:

1. Benike Construction Obstruction Permit Application
2. Benike Construction Obstruction Permit Site Plan

Obstruction Permit

OBS-25-4

Submitted On: Feb 21, 2025

Applicant

 Nick Cunningham
 507-884-1914
 nickc@benike.com

Primary Location

121 PARK SQR E
Owatonna, Mn 55060

Work Information

Nature of Work

Obstruction permit for duration of the Middle 3 and Penthouse work. Benike is requesting the use of 2 parking spaces from March to October.

Permit Fee: \$50 for the first 14 calendar days, \$7.50 per day when number of days exceeds 14.

Company

Benike Construction

Total Number of Calendar Days

227

Start Date

02/25/2025

Completion Date

10/07/2025

Additional Information

Please see attached site plan.

Onsite Contact Information

Is the Onsite Contact Information the same as the applicant's?

No

Name

Jeff Anderson

Title

Site Superintendent

Phone

507-456-1534

Email

jeffa@benike.com

Site Information

Will traffic detouring be necessary?

No

Acknowledgement

I accept the terms and conditions of the City of Owatonna and agree to fully comply to the satisfaction of the City Engineer.

Digital Signature

true



Federated Insurance

Middle 3/Penthouse Site Plan

Site Address

121 E Park Square

Owatonna, MN 55060

Right-of-Way/Obstruction Permitting

- Crane will be in use the weekends of March 7th, March 29th, April 5th, and April 12th. [Obstruction/Right-of-Way]
- Crane will primarily be in use during weekends, but Nick Cunningham will give public works a notice if in use during a weekday or if the above referenced dates change.
- Lull will be active in place of crane from May 12th - Early June.
- The two spaces clouded will need an obstruction permit from February 14th - October 3rd. [Obstruction]
- Pedestrian protection and signage will be in place during right of way disturbance timelines.
- Construction fencing will be installed around the perimeter of the site plan (shown in red).

Pedestrian Signage for R/W





DATE: March 4, 2025
TO: Mayor and City Council
FROM: David Beaver, Airport Manager
SUBJECT: T-Hangar Lease Agreements: Jake Schile; Dahle Avenue Aviation, LLC; and Jake Thurnbeck, Scenic Concepts

Purpose:

To approve T-hangar rental agreements for units located at the Owatonna Degner Regional Airport as follows:

Lessee	Resident	Unit	Monthly Rental Fee	Term
James Schlie	Montgomery, MN	Building 4, Unit I	\$230.00	1 year
Dahle Avenue Aviation, LLC	Faribault, MN	Building 2, Unit B	\$185.00	2 year
Jake Thurnbeck, Scenic Concepts, LLC	Prior Lake, MN	Building 1, Unit K	\$185.00	8 months
			\$600.00	Per Month

Background:

The agreements provide for the rental of T-hangar units at the airport and are typically a one-to-two-year term. The agreements are standard T-hangar lease forms used for this purpose and have been reviewed by the City Attorney.

Budget Impact:

The rental fees provided for in the agreements represent a total of \$6,460.00 of annual rental revenue.

Staff Recommendation:

Staff recommends approval subject to receiving all Certificates of Insurance as required in the lease.

Attachments:

1. T-Hangar Lease Agreement Template

OWATONNA DEGNER REGIONAL AIRPORT
T-HANGAR LEASE AGREEMENT

The City of Owatonna, a municipal corporation of the State of Minnesota, hereinafter referred to as "Lessor", hereby leases to _____, a resident of the City of _____ County of _____, State of Minnesota, hereinafter referred to as "Lessee", that T-Hangar unit situated in an aircraft hangar located at the Owatonna Degner Regional Airport which is more particularly described as follows, to-wit:

HANGAR #1, UNIT "____"
(See attached Exhibit "A")

1. **TERM OF LEASE.** The initial term of this lease shall be for a period commencing _____ and ending _____. Upon the mutual agreement of the parties hereto, the lease may be renewed for up to two (2) additional periods of one (1) year each. The agreement to renew shall be entered into by the parties prior to the expiration of each term and will be subject to the T-Hangar Rental Policy in effect or applicable at time of renewal. The agreement to renew shall be in writing and signed by the parties hereto specifying the rental fee and the date of expiration.
2. **RENTAL FEE.** During the term of this lease, Lessee shall pay to Lessor a monthly rental fee of _____. All rental payments shall be made at Owatonna Degner Regional Airport, 3400 West Frontage Road, Owatonna, Minnesota, or such other place as Lessor may designate. All rental payments shall be due by the 10th day of the month for which they are made. Upon expiration of this lease the rental fee may be adjusted by the City Council of the City of Owatonna.
3. **TAXES.** Any and all taxes assessed by any governmental unit shall be the responsibility of the Lessee.
4. **PROHIBITIONS.** Lessee shall be subject to all airport rules and regulations, including but not limited to, the following:
 - (A) No private locks of any type will be allowed on individual pedestrian doors. If private locks are installed, they will be removed at the discretion of the City of Owatonna.
 - (B) All items detrimental to the environment shall be disposed of properly. The Lessee of each T-Hangar unit shall be responsible for the proper disposal of all materials generated from or within that unit. The cost of cleaning up any materials improperly disposed of on airport properties shall be charged to the Lessee of the unit which generated or was the source of the material.
 - (C) Lessee's private vehicle shall be allowed to be placed in a T-Hangar when the aircraft is removed for a trip. Parking on the apron or grass will not be permitted.

(D) Lessee shall be responsible for cleanliness of the T-Hangar unit. When, in the opinion of the City of Owatonna, a safety hazard is found to exist within a T-Hangar unit, Lessee will be provided with notice providing for cleanup within seven (7) days, or by such date as the City of Owatonna shall demand. If the cleanup is not completed within the designated time, the City of Owatonna will perform all cleanup, which, in its discretion, it deems necessary, and the cost of which shall be charged to the Lessee.

(E) Lessee at own expense, must maintain hangar in a safe, non-hazardous, and sanitary condition. No explosive, flammable or hazardous materials shall be stored in the leased hangar, provided, however, that materials incidental to the use and maintenance of the aircraft stored in hangar may be kept in the hangar in such amounts as are reasonable for the above described purposes. Storage and use of such materials shall, at all times, comply with all federal, state, and local laws, ordinances and regulations. Improper handling or disposal of hazardous materials shall be grounds for termination of this agreement.

(F) The Lessor, or its agent, will provide snow removal services to the area of the leased hangar and taxi-lanes as close to the leased hangar entrance as possible, the Lessee will be primarily responsible for removal of snow and ice immediately in front of the leased premises.

(G) The Lessee is responsible for ensuring the hangar door is closed at all times, except when entering or exiting the hangar.

(H) Engine run-up and taxiing out of the T-Hangars is not allowed.

(I) This lease shall not be sold, assigned, or in any manner transferred or encumbered by Lessee, nor shall the leased premises or any part thereof be sublet without the prior consent of Lessor in writing. Lessee shall keep and use the T-Hangar primarily for aircraft storage purposes and for no unlawful purpose whatsoever.

(J) T-Hangar units shall be used primarily for the storage of active and operational aircraft. Active and operational aircraft shall be defined to mean all aircraft currently licensed and flyable which are flown to and from the Owatonna Degner Regional Airport periodically during the year.

(K) Lessee shall possess proof of ownership of the aircraft being stored in leased hangar and aircraft must be properly registered and certified for flight. If Lessee sells the aircraft, the Lessor must be notified in writing within ten (10) days of the sale, and Lessee has ninety (90) days in which to replace said aircraft. One ninety (90) day extension may be allowed, if requested in writing from Lessor. If an aircraft is not owned at the time the hangar lease is consummated, Lessee has ninety (90) days to obtain an aircraft. Prior to placing any aircraft in a T-Hangar

unit, Lessee shall provide Lessor in writing the following information: (See attached Exhibit "B")

1. Aircraft Type
2. Serial Number
3. Registration Number
4. Present Condition of Aircraft (Is the aircraft presently airworthy?)
5. Present Market Value of Aircraft
6. Insurance Carrier (Including type of coverage, limits, and policy number.)

(L) Lessee shall comply with the Owatonna Degner Regional Airport Minimum Standards now existing or as hereafter amended or adopted by the City of Owatonna.

(M) Hangar Door to be Closed. The Lessee is responsible for ensuring that the bi-fold hangar door is closed and latched at all times, except when entering or exiting the hangar. The Lessee agrees not to operate the bi-fold door in wind conditions gusting in excess of 30mph (26 knots). The Lessee is responsible for, and holds the City harmless from, any damage or destruction to the door or to the hangar attributable to or caused wholly or partly by the Lessee's failure to comply with this provision.

5. **ELECTRIC SERVICE.** Electricity is available in each unit. The City of Owatonna reserves the right to install individual meters to each unit and the cost of electricity for each unit may then be billed to Lessee by the City on a periodic basis. Engine heaters shall be of such size as to not overload the electric system. Fuel-fired, hot-air type heaters are permitted if attended on a continuous basis while in use. Electric space heaters are prohibited.

6. **RIGHT OF ENTRY.** Lessor reserves the right for itself or agents to go on, into, and have access at all times during the existence of this lease, to said premises for the purpose, including, but not limited to, inspection and showing of the building.

7. **INSURANCE.** Lessee shall maintain the following insurance coverages:

A. Lessee shall carry aircraft liability insurance with limits of coverage not less than as required pursuant to the Minnesota Statue Section 360.59 Subdivision 10, and may be amended.

B. Lessee shall carry hull insurance on each aircraft stored on the leased premises. The limits of the insurance shall be in an amount equal to or greater than the current value of the aircraft, instruments, and accessories. On or before the date of this lease, Lessee shall provide a Certificate of Insurance to the City of Owatonna indicating the

required coverage for the entire term of the lease and providing for a minimum of thirty (30) days notice to a change or cancellation of that coverage.

C. In lieu of carrying hull insurance, Lessee covenants and agrees that he will not hold the City of Owatonna or any of its agents, employees, or Airport Commission members responsible for any loss occasioned by fire, theft, rain, windstorm, hail, or from any other cause whatsoever, whether said cause be the direct, indirect, or merely a contributing factor in producing the loss to any airplane, automobile, personal property, parts, or surplus that may be located or stored in the T-hangars, aprons, field, or any other location at the airport; and Lessee agrees the plane and the contents are to be stored, whether on the field or in the hangars, at Lessee's risk.

D. Comprehensive general liability insurance insuring Lessee against any liability arising out of this lease agreement, or the use, occupancy, or maintenance of the demised premises and all areas appurtenant to the demised premises. Such insurance shall be in the amount of not less than One Million (1,000,000.00) per occurrence for property damage, bodily injuries, or deaths of persons occurring in and about the premises, not necessarily caused by aircraft, or in or about the Airport if caused by the act or omission of Tenant or those for whom Tenant is responsible. Such insurance may provide for a sub limit of not less than One Hundred Thousand (\$100,000) per person. The insurance policy shall insure the hazards of the demised premises and operations conducted in and on the demised premises, independent contractors, contractual liability (covering the indemnity included in this lease agreement), and shall name Lessor as an additionally insured party. Lessor shall be furnished with a copy of the certificate of insurance. The liability insurance policy also showing endorsements requiring thirty (30) days' written notice to Lessor prior to any cancellation or any reduction in the amount of coverage.

E. In accordance with the subrogation provisions of the standard property insurance contract, it is hereby understood and agreed by and between the undersigned parties that they do jointly and separately waive any or all right of recovery against the other for insured loss occurring to the real property owned by City of Owatonna and personal property owned by the Lessee all while located at the leased premises.

Any policy issued to the City of Owatonna providing duplicate or similar coverage shall be deemed excess over Tenant's policies. Tenant waives any subrogation rights against the City of Owatonna on all claims and insurance policies.

Tenant shall not use or permit the Premises to be used in any manner that would void Tenant's or the City of Owatonna's insurance or increase the insurance risk. Tenant shall comply with all requirements imposed by the insurers for the City of Owatonna and Tenant.

8. **INDEMNIFICATION.** To the fullest extent permitted by law, Lessee agrees to indemnify, defend, save and hold completely harmless the City of Owatonna or any of its agents, employees, or Airport Commission members responsible for any and all

liabilities, losses, damages, suits, actions, claims, judgments, settlements, fines or demands of any person arising by reason of injury or death of any person, or damage to any property occasioned by fire, theft, rain, windstorm, hail, or from any other cause whatsoever, whether said cause be the direct, indirect, or merely a contributing factor in producing the loss to any airplane, automobile, personal property, parts, or surplus that may be located or stored in the T-Hangars, aprons, field, or any other location at the airport; and Lessee agrees that the planes and the contents are to be stored, whether on the field or in the hangars, at Lessee's risk.

The provisions of this section shall survive expiration or earlier termination of this lease. The furnishing of the required insurance shall not be deemed to limit Tenant's obligations under this Section.

The Tenant shall defend, indemnify and hold the City of Owatonna harmless from any claims or liabilities as a result of Tenant's failure to procure and to keep in force the insurance required in the Lease.

9. **ATTORNEY FEES.** Lessee shall pay and discharge all costs, attorney fees, and expenses arising from enforcing any covenants or forfeiture hereof.

10. **TERMINATION.** In case Lessee shall fail to make any of the above-mentioned payments as specified or fail to keep and perform any of the covenants and agreements herein contained, Lessor may immediately and without notice terminate this lease and re-enter and repossess said premises, without prejudice, to its claims for earned cash rent. The following by way of illustration but not by limitation shall constitute a default under this lease:

- (1) Tenant fails to pay money owed to the City of Owatonna under this Lease when due, and such failure continues for ten (10) days after written notice from the City of Owatonna.
- (2) Tenant uses the Premises for any purpose not expressly authorized by this Lease and such default continues for ten (10) days following written notice from the City of Owatonna.
- (3) Tenant assigns, subleases or transfers this Lease except as otherwise permitted, and such default continues for ten (10) days following written notice from the City of Owatonna.
- (4) Tenant fails to carry the insurance required under this Lease; any insurance required under this Lease is cancelled, terminated, expires, or is reduced or materially changed so as not to comply with this Lease; or the City of Owatonna receives such notice of any such conditions pursuant to Section 7., and such failure continues for a period of ten (10) days following written notice from the City of Owatonna to Tenant.

(5) Tenant vacates or abandons the Premises, and such default continues for ten (10) days following written notice from the City of Owatonna to Tenant.

(6) Tenant fails to abide by any applicable federal, state, or municipal statutes, regulation, ordinance, rule, or airport policy

(7) Any other action or inaction on the tenant's part which the City determines is in breach of the lease.

IN WITNESS HEREOF, the parties hereto have executed this lease this _____ day of _____, 20____.

Lessee

CITY OF OWATONNA, MINNESOTA

By: _____
Its Mayor

By: _____
Its City Administrator

STATE OF MINNESOTA)
) ss.
COUNTY OF STEELE)

The foregoing was acknowledged before me this _____ day of _____, 20____,
by _____ and _____,
the Mayor and City Administrator of the City of Owatonna, a municipal corporation
under the laws of the State of Minnesota, on behalf of the City of Owatonna,
Minnesota.

Notary Public

STATE OF MINNESOTA)
) ss.
COUNTY OF STEELE)

The foregoing was acknowledged before me this _____ day of _____, 20____,
by _____.

Notary Public

EXHIBIT "A"

T-HANGAR NO. 1

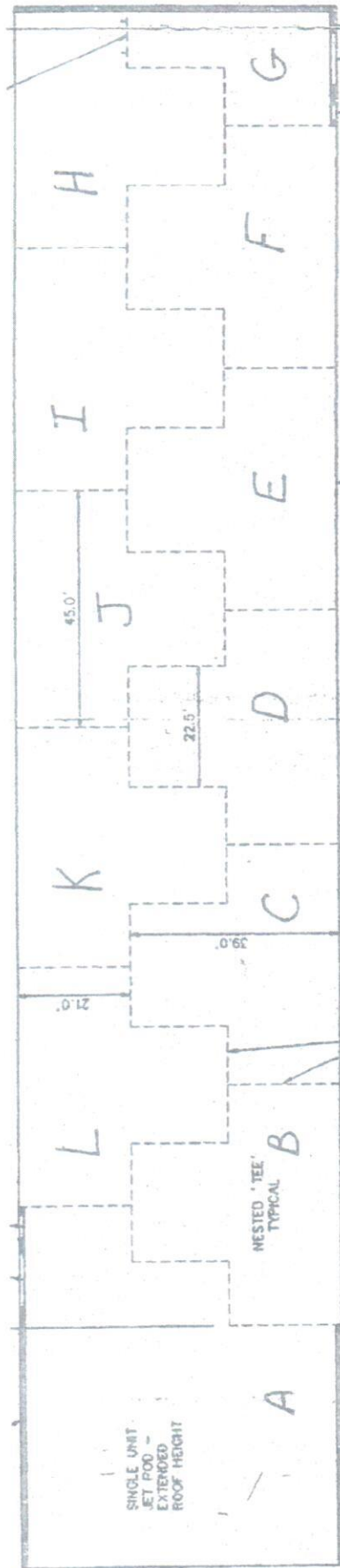


EXHIBIT "B"

- _____ 1. Aircraft Type _____
- _____ 2. Serial Number _____
- _____ 3. Registration Number _____
- _____ 4. Present Condition of Aircraft _____
- _____ 5. Present Market Value _____
- _____ 6. Insurance Carrier _____

Attach Copy of Insurance Certificate



DATE: March 4, 2025
 TO: Mayor and City Council
 FROM: David Beaver, Airport Manager
 SUBJECT: 1-Year & 2-Year Farmland Lease Agreements

Purpose:

To approve farm land lease agreements.

Background:

The City of Owatonna has 276 acres rented under farm land lease agreements that are currently available for public bid on a two-year schedule. Bids were received for seven parcels as follows:

Renter	Years	Bid	Annual Payment
Levi Hunt	2025-2026	13A x \$341.00 (EDA)	\$ 4,433.00
Levi Hunt	2025-2026	13A x \$341.00 (EDA)	\$ 4,433.00
Levi Hunt	2025-2026	62A x \$361.00 (EDA)	\$ 22,382.00
David Janke	2025-2026	45A x \$359.00	\$ 16,155.00
Andrew Hunt	2025-2026	88A x 408.00	\$ 35,904.00
Andrew Hunt	2025-2026	31A x \$371.00	\$ 11,501.00
Andrew Hunt	2025-2026	24A x \$381.00	\$ 9,144.00
Total			\$103,952.00

There are also 117.5 acres of farm land divided into several parcels located at the airport that are not included in the bid process. Historically, these parcels have not been included in the biennial bid process for various reasons related to each piece including access, size and shape, and adjacent property considerations. For these parcels, the Airport Commission recommends a rate of \$255.00/acre for 2025 based on University of MN Extension office data, parcel farmability, and other market considerations. The lease form has been previously reviewed by the City Attorney and the following leases have been prepared:

Renter	Year	\$255.00/Acre	Annual Payment
Bob Cole	2025	50A x \$255.00	\$12,750.00
Tyler Morgan	2025	23A x \$255.00	\$ 5,865.00
Alison Jaster	2025	16A x \$255.00	\$ 4,080.00
Duane Schroeder	2025	20.5A x \$255.00	\$ 5,227.50
Andy Michaletz	2025	8A x \$255.00	\$ 2,040.00
Total			\$29,962.50

The agreements provide that the City reserves the right to take possession of all or part of the rented property if needed for other purposes. In that event, the tenant shall be compensated for any lost or damaged crop for that year.

Budget Impact:

<u>Description</u>	<u>2025</u>	<u>2026</u>
EDA Land (Industrial Park)	\$ 29,040.00	\$ 31,248.00
Airport	92,115.50	102,666.50
Total	\$121,155.50	\$133,914.50

Staff Recommendation:

Staff recommends acceptance of the high bids received and approval of the agreements as presented for crop years 2025 and 2026.

Attachments:

1. Farm Land Lease Template

FARM LEASE, Cash Rent, Installments, Security Interest Clause

THIS AGREEMENT made this 4th day of March, 2025, by and between City of Owatonna, Lessor, and _____, of the County of Steele, and State of Minnesota, Lessee.

1. Description. Lessor, in consideration of the rents and covenants hereinafter mentioned, does hereby rent to Lessee the following described premises situated in the County of Steele, and State of Minnesota, to-wit:

Approximately _____ Acres more or less
Owatonna Airport

in Section Number _____, Township Number _____, Range Number _____, containing _____ acres, more or less, of which the Lessee hereby agrees to plow and put in crops of not less than _____ acres each year during the continuation of this Lease.

2. Term. The term of this Lease shall run from March 4, 2025 to December 1, 2026.

3. Rent. Lessee agrees to pay as rent for the above mentioned premises, for and during the full term of this Lease, the sum of _____, payable at Owatonna City Administration, 540 West Hills Circle, Owatonna, MN 55060 in four (4) installments, as follows:

\$ _____ on or before April 1, 2025
\$ _____ on or before December 1, 2025
\$ _____ on or before April 1, 2026
\$ _____ on or before December 1, 2026

4. Default. That should the Lessee fail to make the above mentioned payments as herein specified, or to pay any of the rent aforesaid when due, or fail to fulfill any of the covenants herein contained, then and in that case Lessor may re-enter and take possession of the above rented premises, and hold and enjoy the same without such re-entering working a forfeiture of the rents to be paid by the Lessee for the full term of this Lease.

5. Holding Over. That if Lessee remains in possession of said premises after the expiration of the term for which they are hereby leased, such possession shall not be construed to be a renewal of this Lease, but to be a tenancy at the will of the Lessor, which may be terminated upon ten days' notice, given by the Lessor in writing, either delivered to Lessee or sent to him in a sealed envelope, duly stamped and directed to him at _____ which is hereby declared by Lessee to be his usual post-office address.

6. Sale of Property. If the Lessor sells or otherwise requires possession of the leased premises, or any part thereof, at any time during the term of the Lease *before the*

crop is in but after Lessee has paid the rent, the rent will be reimbursed to Lessee. In consideration of the rental amount, Lessee agrees that this will be his/her sole reimbursement for damages.

If the Lessor sells or otherwise requires possession of the premises, or any part thereof, *after the crops in the ground but before the crop is harvested*, Lessor will reimburse Lessee the value of the growing crop taken based upon the average yield per acre multiplied by the market price of the crop taken on December 1st of the year the crop is taken. The Lessee agrees the Lessor may reimburse Lessee by way of a credit against the second half of the rent due.

7. Assignment. Lessee shall not assign this Lease or underlet the above rented premises or any part thereof, without first obtaining the written consent of the Lessor and that he will, at the expiration of the time as herein recited, quietly yield and surrender the aforesaid premises to the Lessor, his heirs or assigns, in as good condition and repair as when taken, reasonable wear and tear and damage by the elements alone excepted.

8. Maintenance. Lessee also covenants and agrees to cultivate the hereby leased premises in a careful and husband-like manner, and to maintain and keep up the fences so as to protect all crops from injury and waste, and to protect the fruit and shade trees thereon, and to cut no green trees and to commit no waste or damage on said real estate and to suffer none to be done; and to keep up and maintain in good repair all buildings, stables, cribs, fences and improvements on said farm; and further agrees not to remove any straw or manure from said farm, but to spread upon said premises all manure made thereon.

9. Weeds. Lessee shall also destroy all Russian Thistles and other noxious weeds growing on said land, declared by statute to be common nuisances, within the times prescribed by law, and shall keep all roadways and other parts of the land, not in crop, mowed and free from growing weeds.

10. Reports. If requested by Lessor, Lessee shall Furnish to the Owner by December 1st an annual report including 1) a summary of fertilizer, lime, and pesticide application records and 2) production or yield information about harvested crops each year, such as may be required for participation in Farm Service Agency programs or for setting crop insurance actual production history yields, and to use measurement methods acceptable for these purposes.

11. Soil Erosion. Lessee shall do what is reasonably necessary to control soil erosion including, but not limited to, providing labor and normal farm equipment for the maintenance of existing watercourses, waterways, ditches, drainage areas, terraces and tile drains, and abstaining from any practice which will cause damage to the Real Estate. The Operator's responsibility does not include major reconstruction of such improvements made necessary by normal wear and tear or other natural causes.

12. Inspection. Lessor or his agents shall have the right to enter upon said premises at any time, without injury to the standing crops, for the purpose of making any improvements, or to prepare for the succeeding crop, or for any other purpose whatsoever.

13. Quiet Enjoyment. Lessor covenants that the Lessee, on paying the rent and performing the covenants aforesaid, shall peaceably and quietly have, hold and enjoy the said demised premises and the Lessee agrees to reside and occupy the buildings thereon for the term aforesaid. In the event of any rents due hereon being collected by suit, the Lessee further agrees to pay all expenses which may be incurred thereby.

14. Security Interest. As security for the payment of the rents herein specified and the faithful performance and strict fulfillment of all the covenants of Lessee in this Lease contained, Lessee does hereby grant a security interest to Lessor in all crops grown or growing on said premises during the term of this Lease and in products and contract rights with respect thereto and all proceeds of each. Upon any default on the part of Lessee in paying said rent or in performing any of the covenants of this Lease, and at any time thereafter, Lessor shall have, in addition to the rights and remedies granted hereby, all rights and remedies of a secured party under the Uniform Commercial Code or other applicable law, and Lessor may require Lessee to assemble said property and make it available to Lessor at a place to be designated by Lessor that is reasonably convenient to both parties. Expenses of retaking, holding, preparing for sale, selling and the like, shall include the reasonable attorneys' fees and legal expenses of Lessor.

IN TESTIMONY WHEREOF, both parties have hereunto set their hands the date and year first above written.

CITY OF OWATONNA, LESSOR _____, LESSEE

By: _____
Matthew Jessop, its Mayor

By: _____

By: _____
Kris M. Busse, its City Administrator

By: _____

STATE OF MINNESOTA)
) ss.
COUNTY OF STEELE)

On this ____ day of _____, 20____, before me, a notary public within and for said County and State, personally appeared _____ to me known to be the person described in and who executed the foregoing instrument, and acknowledged that ___he___ executed the same as _____ free act and deed.

STATE OF MINNESOTA)
) ss.
COUNTY OF STEELE)

Notary Public

On this ____ day of _____, 20____, before me, a notary public within and for said County and State, personally appeared Matthew Jessop and Kris M. Busse, the Mayor and City Administrator of the City of Owatonna, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged that they executed the same as their free act and deed on behalf of the City of Owatonna.

Notary Public



DATE: March 4, 2025
TO: Mayor and City Council
FROM: Emily Thamert, Human Resources Director
SUBJECT: Pay Equity Compliance Report

Purpose:

Accept the 2025 Minnesota Pay Equity Compliance Report

Background:

In 1984, the Minnesota Legislature passed the Local Government Pay Equity Act. All jurisdictions were placed on a three-year reporting cycle. The Pay Equity Compliance Report for the City of Owatonna was approved by City Council January 21, 2025 and filed for 2025. The report involves four tests: Completeness and Accuracy Test, Statistical Analysis Test, Salary Range Test, and Exceptional Service Pay Test. The City of Owatonna received notification that they met the requirements of the Local Government Pay Equity Act M.S. 471.991 - 471.999 and Minnesota rules Chapter 3920 and are in compliance.

Budget Impact:

None

Staff Recommendation:

Staff recommends accepting the 2025 Minnesota Pay Equity Compliance Report.

Attachments:

1. In Compliance Letter
2. In Compliance Certificate
3. Statistical Test Results

January 23, 2025

Local Government Official
Owatonna
540 West Hills Circle

Owatonna, MN 55060

Dear Local Government Official:

Congratulations! I am very pleased to send you the attached notification of compliance with the Local Government Pay Equity Act. Since the law was passed in 1984, jurisdictions have worked diligently to meet compliance requirements and your work is to be commended.

Minnesota Rules Chapter 3920 specifies the procedure and criteria for measuring compliance and your jurisdiction's results are attached. You may find a copy of our "Guide to Understanding Pay Equity Compliance" and other resources on our Local Government Pay Equity webpage at: <https://mn.gov/mmb/employee-relations/compensation/laws/local-gov/local-gov-pay-equity/>.

This notice and results of the compliance review are public information and must be supplied upon request to any interested party.

If you have questions or need assistance, please contact Angela Garrity-Scharffbillig at (651) 259-3727, or by email: pay.equity@state.mn.us

Again, congratulations on your achievement!

Sincerely,
Angela Garrity-Scharffbillig
Pay Equity Coordinator



Notice of Pay Equity Compliance

Presented to

Owatonna

For successfully meeting the requirements of the Local Government Pay Equity Act M.S. 471.991 - 471.999 and Minnesota rules Chapter 3920. This notice is a result of an official review of your 2025 pay equity report by Minnesota Management & Budget.

Your cooperation in complying with the local government pay equity requirements is greatly appreciated.

January 23, 2025

Date

A handwritten signature in blue ink, reading 'Jim Schowalter'.

Jim Schowalter, Commissioner

Results of Tests for Pay Equity Compliance

Date: January 23, 2025

Jurisdiction: Owatonna

ID#: 922

1. Completeness and Accuracy Test

- ☒ Passed. Required information was submitted accurately and on time.
- ☐ Passed by Exception. Request for Reconsideration approved.

2. Statistical Analysis Test

- ☐ Passed. Jurisdiction had more than three male classes and an underpayment ratio of 80% or more.
- ☒ Passed. Jurisdiction had at least six male classes, at least one class with a salary range, an underpayment ratio below 80% but a t-test that was not statistically significant.
- ☐ Passed by Exception. Request to Reconsideration approved

3. Salary Range Test

- ☐ Passed. Too few classes had an established number of years to move through a salary range.
- ☒ Passed. Salary range test showed a score of 80% or more.
- ☐ Passed by Exception. Request for Reconsideration approved.

4. Exceptional Service Pay Test

- ☒ Passed. Too few classes received exceptional service pay.
- ☐ Passed. Exceptional service pay test showed a score of 80% or more.
- ☐ Passed by Exception. Request for Reconsideration approved.

If you have questions or need assistance, please contact Angela Garrity-Scharffbillig at (651) 259-3727, or by email: pay.equity@state.mn.us



CITY OF
OWATONNA

Finance Report

RECAP:

\$	23,273.33	Cargill Inc - road salt
	27,178.55	Owatonna Area Chamber of Commerce
		- Lodging Tax December 2024 - \$17,178.55
		- EDA forgivable loan - exterior improvements \$10,000.00
	118,851.06	SHI International Corp
		- Annual Microsoft Renewal - \$114,712.67
		- WWTP admin screens & KVM switch - \$4,138.39
	151,939.22	Southeast Service Cooperative - February 2025 health ins premiums
	20,032.89	Steele County Auditor - 4th qtr LEC expenditures
	45,675.79	UKG Inc
		- Nov-April contract minimum fee - \$28,041.92
		- July-January usage overage - \$17,385.99
		- 2024-W2 shipping/postage - \$247.88
	25,000.00	Uncaged VR & Game Lounge - EDA loan tier 1 & 2
	35,510.20	US Bank - Entire organization monthly credit card purchases Dec 2024/Jan 2025
	<u>226,551.29</u>	OTHER EXPENDITURES
\$	674,012.33	<i>SUBTOTAL</i>
	<u>108,734.06</u>	HRA HOUSING ASSISTANCE PAYMENTS
\$	<u><u>782,746.39</u></u>	TOTAL EXPENDITURES PRESENTED FOR APPROVAL

NOTE: Checks over \$20,000 are detailed out individually

Check Number	Check Date	Vendor Name	Net Check Amount	Check Status	Check Type
Cash Account: 999-19100-000-000-000000					
381910	02/20/25	CLOVER CONNECT	259.50	R	Wire Transfer
381911	02/20/25	GLOBAL PAYMENTS INTEGRATED	2,998.03	R	Wire Transfer
381912	02/20/25	MN DEPT OF LABOR AND INDUSTRY	4,950.03	R	Wire Transfer
381913	02/20/25	MN DEPT OF REVENUE	1,904.22	R	Wire Transfer
381914	02/20/25	PAYMENTECH	27.50	R	Wire Transfer
381915	02/20/25	SOUTHEAST SERVICE COOPERATIVE	151,939.22	R	Wire Transfer
381916	02/20/25	UNCAGED VR & GAME LOUNGE	25,000.00	0	Regular
381917	02/20/25	US BANK	35,510.20	R	Wire Transfer
381918	02/20/25	WEX BANK	1,951.45	R	Wire Transfer
381919	02/20/25	WEX HEALTH INC	352.00	R	Wire Transfer
381920	02/25/25	ACUSHNET COMPANY	1,276.93	0	Regular
381921	02/25/25	ADVANCED ENGINEERING & ENVIRON	495.36	0	Regular
381922	02/25/25	ALEXANDER LUMBER COMPANY	1,099.92	0	Regular
381923	02/25/25	AMERICAN RED CROSS	80.00	0	Regular
381924	02/25/25	APG MEDIA OF SO MINNESOTA LLC	405.63	0	Regular
381925	02/25/25	AVFUEL CORPORATION	12,267.98	R	ACH
381926	02/25/25	AWARDS DIRECT INC	454.00	0	Regular
381927	02/25/25	BAKER & TAYLOR BOOKS	995.31	R	ACH
381928	02/25/25	BLUE AND BROWN BACKGROUNDS	300.00	0	Regular
381929	02/25/25	CARGILL INC	23,273.33	0	Regular
381930	02/25/25	CAVALIER COACHES INC	2,440.00	0	Regular
381931	02/25/25	COALITION OF GREATER MN CITIES	765.00	0	Regular
381932	02/25/25	CORPORATE RECOGNITION	1,463.48	R	ACH
381933	02/25/25	COURT SPORTS AND MORE	88.00	R	ACH
381934	02/25/25	COVERALL OF THE TWIN CITIES	2,455.00	R	ACH
381935	02/25/25	CRAIG L HAVELKA	15.00	0	Regular
381936	02/25/25	CULLIGAN OF OWATONNA	55.75	R	ACH
381937	02/25/25	DAGRY TOOLING INC	974.00	R	ACH
381938	02/25/25	DEAN'S WESTSIDE TOWING	80.00	R	ACH
381939	02/25/25	DEML FORD INC	223.25	0	Regular
381940	02/25/25	DENISE STEWART	242.50	0	Regular
381941	02/25/25	DISH	276.19	0	Regular
381942	02/25/25	DTN LLC	2,156.49	R	ACH
381943	02/25/25	EARL F ANDERSEN & ASSOC	700.00	0	Regular
381944	02/25/25	EMERALD COAST MANUFACTURING LL	181.10	R	ACH
381945	02/25/25	ENTENMANN-ROVIN CO	704.65	R	ACH
381946	02/25/25	FARIBAULT CO SHERIFF'S OFFICE	5,389.84	0	Regular
381947	02/25/25	FARIBAULT DAILY NEWS	444.60	0	Regular
381948	02/25/25	FASTENAL COMPANY	317.67	R	ACH
381949	02/25/25	FIRST HOSPITAL LABORATORIES IN	500.00	0	Regular
381950	02/25/25	FIRST SUPPLY OWATONNA	338.63	R	ACH
381951	02/25/25	FLAHERTY & HOOD PA	3,603.75	R	ACH
381952	02/25/25	FOUR SEASONS ELECTRIC	1,626.23	R	ACH
381953	02/25/25	GALLAGHER BENEFIT SERVICES INC	5,041.67	R	ACH

Check Number	Check Date	Vendor Name	Net Check Amount	Check Status	Check Type
381954	02/25/25	GILL ID SYSTEMS	550.00	0	Regular
381955	02/25/25	HACH COMPANY	3,323.10	0	Regular
381956	02/25/25	HAWKINS INC	10,152.80	R	ACH
381957	02/25/25	HILLYARD INC	366.68	0	Regular
381958	02/25/25	IFACS	526.98	R	ACH
381959	02/25/25	INNOVATIVE OFFICE SOLUTIONS	366.03	0	Regular
381960	02/25/25	INSTY PRINTS	171.82	R	ACH
381961	02/25/25	JARDINE LOGAN & O'BRIEN	6,550.00	0	Regular
381962	02/25/25	JESSICA MOTL	67.99	0	Regular
381963	02/25/25	JOHN DEERE CREDIT	577.14	0	Regular
381964	02/25/25	JOHN LONG	396.00	0	Regular
381965	02/25/25	JTH GARAGE DOOR LLC	892.60	0	Regular
381966	02/25/25	KENNEDY & GRAVEN CHARTERED	15,604.06	0	Regular
381967	02/25/25	LAWSON AUTOMOTIVE LLC	1,084.39	R	ACH
381968	02/25/25	LAWSON PRODUCTS	563.46	0	Regular
381969	02/25/25	LEVELWEAR INC	1,687.78	0	Regular
381970	02/25/25	LITTLE FALLS MACHINE INC	43.79	R	ACH
381971	02/25/25	LOCKRIDGE GRINDAL NAUEN PLLP	3,333.33	0	Regular
381972	02/25/25	M2 POWERSPORTS LLC	77.10	0	Regular
381973	02/25/25	MACQUEEN EQUIPMENT CO	15,031.12	R	ACH
381974	02/25/25	MARCO TECHNOLOGIES LLC	653.25	R	ACH
381975	02/25/25	MCNEILUS STEEL INC	124.89	R	ACH
381976	02/25/25	MEI TOTAL ELEVATOR SOLUTIONS	7,303.61	0	Regular
381977	02/25/25	MESERB	525.00	0	Regular
381978	02/25/25	METRO SALES INC	780.57	0	Regular
381979	02/25/25	METRONET SYSTEMS HOLDINGS LLC	1,883.23	R	ACH
381980	02/25/25	MIKE'S MARINE & SMALL ENG REP	93.09	0	Regular
381981	02/25/25	MINT GREEN GROUP USA	955.33	0	Regular
381982	02/25/25	MN DEPT OF LABOR AND INDUSTRY	10.00	0	Regular
381983	02/25/25	MN UNEMPLOYMENT INS FUND	982.86	0	Regular
381984	02/25/25	MN VALLEY TESTING LABS INC	800.50	R	ACH
381985	02/25/25	MOHS CONTRACTING INC	261.22	0	Regular
381986	02/25/25	MTI DISTRIBUTING INC	268.40	R	ACH
381987	02/25/25	NAPA AUTO PARTS	795.93	R	ACH
381988	02/25/25	NORTHERN SAFETY TECHNOLOGY INC	1,120.56	R	ACH
381989	02/25/25	NORTHLAND FARM SYSTEMS	64.16	R	ACH
381990	02/25/25	OLYMPIC FIRE PROTECTION CORP	497.50	R	ACH
381991	02/25/25	OWATONNA AREA CHAMBER OF COMM	27,178.55	0	Regular
381992	02/25/25	OWATONNA GLASS LLC	58.42	0	Regular
381993	02/25/25	OWATONNA HEATING & COOLING INC	1,302.39	R	ACH
381994	02/25/25	OWATONNA MOTOR COMPANY	2,225.66	0	Regular
381995	02/25/25	OWATONNA PUBLIC UTILITIES	14,065.80	R	ACH
381996	02/25/25	OWT HARDWARE	305.91	0	Regular
381997	02/25/25	PAAPE COMPANIES INC	184.50	R	ACH
381998	02/25/25	PDI	46.66	0	Regular

Check Number	Check Date	Vendor Name	Net Check Amount	Check Status	Check Type
381999	02/25/25	PICKUP PARTS UNLIMITED MN LLC	2,950.00	0	Regular
382000	02/25/25	PRECISION LINING & SEWER LLC	336.00	R	ACH
382001	02/25/25	QUADIENT FINANCE USA INC	62.01	0	Regular
382002	02/25/25	ROCON INCORPORATED	336.00	0	Regular
382003	02/25/25	ROOT RIVER HARDWOODS INC	640.32	0	Regular
382004	02/25/25	RSBS MANAGEMENT INC	336.00	0	Regular
382005	02/25/25	SCOTT F LIMBERG	550.00	R	ACH
382006	02/25/25	SELCO	2,192.63	R	ACH
382007	02/25/25	SHEILA MULLEN	246.96	0	Regular
382008	02/25/25	SHERWIN WILLIAMS COMPANY	34.94	0	Regular
382009	02/25/25	SHI INTERNATIONAL CORP	118,851.06	0	Regular
382010	02/25/25	SHORT ELLIOTT HENDRICKSON INC	8,846.00	R	ACH
382011	02/25/25	SIGN PRO OF OWATONNA	135.65	R	ACH
382012	02/25/25	SOUTHERN MN INITIATIVE FOUND	5,000.00	0	Regular
382013	02/25/25	SPLIT ROCK MANAGEMENT INC	3,440.00	R	ACH
382014	02/25/25	ST CROIX RECREATION CO	309.00	R	ACH
382015	02/25/25	STEELE COUNTY AUDITOR	20,032.89	0	Regular
382016	02/25/25	STEELE COUNTY TREASURER	6,245.00	0	Regular
382017	02/25/25	T & N ACQUISTION CO	139.85	0	Regular
382018	02/25/25	TAYLOR MADE GOLF COMPANY INC	2,497.71	0	Regular
382019	02/25/25	TELUS HEALTH LTD	5,200.00	R	ACH
382020	02/25/25	TOR SPERLING	2,110.23	R	ACH
382021	02/25/25	TREASURY DIVISION, FINANCE	1,858.90	0	Regular
382022	02/25/25	TRI M GRAPHICS	866.95	R	ACH
382023	02/25/25	TURFWERKS	3,629.17	R	ACH
382024	02/25/25	UKG INC	45,675.79	R	ACH
382025	02/25/25	ULINE	2,172.62	0	Regular
382026	02/25/25	ULTRA PERFORMANCE FLOORS LLC	4,156.25	0	Regular
382027	02/25/25	UNITED WAY	80.00	0	Regular
382028	02/25/25	VAN METER INC	4.49	0	Regular
382029	02/25/25	VENTURE HYDRAULICS INC	565.42	R	ACH
382030	02/25/25	VERIZON WIRELESS-VSAT	75.00	0	Regular
382031	02/25/25	VESTIS GROUP INC	132.35	0	Regular
382032	02/25/25	WALBRAN & FURNESS CHARTERED	5,123.45	R	ACH
382033	02/25/25	WASECA CO ATTORNEY'S OFFICE	3,717.80	0	Regular
382034	02/25/25	WEN-COL INC	1,417.67	0	Regular
382035	02/26/25	MN DEPT OF LABOR AND INDUSTRY	100.00	0	Regular
382036	02/26/25	SYNCHRONY BANK	11.98	0	Regular
382037	02/26/25	T-MOBILE	868.35	0	Regular
382038	02/26/25	VERIZON WIRELESS	3,306.53	0	Regular
382039	02/26/25	XCEL ENERGY	279.79	0	Regular
382040	03/01/25	A & K LLC	395.00	R	ACH
382041	03/01/25	A&H PROPERTIES	1,360.00	R	ACH
382042	03/01/25	ACADEMY APARTMENTS OF OWA LLC	2,069.00	R	ACH
382043	03/01/25	ALL AREA MANAGEMENT LLC	1,635.00	R	ACH

Check Number	Check Date	Vendor Name	Net Check Amount	Check Status	Check Type
382044	03/01/25	APACHE APARTMENTS	607.00	R	ACH
382045	03/01/25	ATM PROPERTIES LLC	1,082.00	R	ACH
382046	03/01/25	AUSTIN HRA	1,456.00	0	Regular
382047	03/01/25	BARRY GILLESPIE	319.00	R	ACH
382048	03/01/25	BROWN CYNTHIA	524.00	R	ACH
382049	03/01/25	BRYCEN GREGOR	2,828.00	R	ACH
382050	03/01/25	CAPELLE COMPANIES LLC	870.00	R	ACH
382051	03/01/25	CEDAR HILLS ESTATES LLC	3,592.00	R	ACH
382052	03/01/25	CEDAR RIDGE APARTMENTS	64.00	R	ACH
382053	03/01/25	CEDAR ROSE ASSOCIATES LLC	1,260.00	R	ACH
382054	03/01/25	CEDAR RUN TOWN HOMES MDI #41	3,418.00	R	ACH
382055	03/01/25	CEDARDALE NORTH APARTMENTS	1,007.00	R	ACH
382056	03/01/25	CEDARDALE SOUTH APARTMENTS	549.00	R	ACH
382057	03/01/25	CEDARDALE WEST APARTMENTS	600.00	R	ACH
382058	03/01/25	CHAD STANNARD	436.00	R	ACH
382059	03/01/25	CHASE BLUM	598.00	R	ACH
382060	03/01/25	CHRIS PROHASKI	1,222.00	R	ACH
382061	03/01/25	COMMON CENTS PROPERTIES LLC	595.00	R	ACH
382062	03/01/25	COOPERS COURT LLC	597.00	R	ACH
382063	03/01/25	DAKOTA COUNTY CDA	1,856.16	R	ACH
382064	03/01/25	DANIEL SCHLEGEL	486.00	R	ACH
382065	03/01/25	DSBMT, LLC	595.00	R	ACH
382066	03/01/25	EEK LLC	818.00	R	ACH
382067	03/01/25	FREDRICKSON PROPERTIES	2,257.00	R	ACH
382068	03/01/25	G & H MANAGEMENT CO LLC	1,197.00	R	ACH
382069	03/01/25	IMAGE APARTMENT	3,570.00	R	ACH
382070	03/01/25	JANESVILLE APARTMENTS	765.00	R	ACH
382071	03/01/25	JBLL EQUITIES LLC	482.00	R	ACH
382072	03/01/25	JPF PROPERTIES	473.00	R	ACH
382073	03/01/25	JULIE WERSAL	705.00	R	ACH
382074	03/01/25	KEG INVESTMENTS LLC	1,727.00	R	ACH
382075	03/01/25	KEITH MARTIN	1,400.00	R	ACH
382076	03/01/25	KLEVOS GREG	769.00	R	ACH
382077	03/01/25	L&L LEGACY PROPERTIES	610.00	R	ACH
382078	03/01/25	LINCOLN SQUARE APARTMENTS	6,681.00	R	ACH
382079	03/01/25	LINDSAY MACHT	53.00	R	ACH
382080	03/01/25	LWO LIMITED PARTNERSHIP #116	4,169.00	R	ACH
382081	03/01/25	MARQUARDT DENNIS	2,356.00	R	ACH
382082	03/01/25	MARTIN ALLAN	2,623.00	R	ACH
382083	03/01/25	MARTIN FAMILY LLC	982.00	R	ACH
382084	03/01/25	MCCAULEY CONSTRUCTION	434.00	R	ACH
382085	03/01/25	MIDWEST INVEST LLC	573.00	R	ACH
382086	03/01/25	MOSSEE PROP INV LLC	646.00	R	ACH
382087	03/01/25	NECHVILLE SUSAN	3,029.00	R	ACH
382088	03/01/25	NORTHCOURT APARTMENTS	725.00	R	ACH

Check Number	Check Date	Vendor Name	Net Check Amount	Check Status	Check Type
382089	03/01/25	NORTHGATE	2,010.00	R	ACH
382090	03/01/25	NORTHSTAR HOLDINGS LLC	595.00	R	ACH
382091	03/01/25	NORTHWEST MANOR	1,510.00	R	ACH
382092	03/01/25	OWATONNA GATEWAY LLC	299.00	R	ACH
382093	03/01/25	OWATONNA PUBLIC UTILITIES	297.00	R	ACH
382094	03/01/25	PARKVIEW OWATONNA LLC	1,387.00	R	ACH
382095	03/01/25	PEACH INVESTMENTS LLC	218.00	R	ACH
382096	03/01/25	PETER BIEL	693.00	R	ACH
382097	03/01/25	POSITIVE SHARE LLC	552.00	R	ACH
382098	03/01/25	PROHASKI PROPERTIES	1,299.00	R	ACH
382099	03/01/25	QUALITY RENTALS OF OWATONNA LL	858.00	R	ACH
382100	03/01/25	REDLINE DEVELOPMENT GRP LLC	827.00	R	ACH
382101	03/01/25	RICHARD ELLINGSON	905.00	R	ACH
382102	03/01/25	SCOTT COUNTY CDA	5,322.32	R	ACH
382103	03/01/25	SIXSPARKS LLC	627.00	R	ACH
382104	03/01/25	SMITH REAL ESTATE LLC	1,148.00	R	ACH
382105	03/01/25	SMITH VENTURES LLC	895.00	R	ACH
382106	03/01/25	SPERO	3,216.00	R	ACH
382107	03/01/25	ST CLOUD HRA	538.58	R	ACH
382108	03/01/25	SUMMIT MANOR	450.00	R	ACH
382109	03/01/25	SUSAN I JOHNSON	4,286.00	R	ACH
382110	03/01/25	USDA RURAL DEVELOPMENT	590.00	0	Regular
382111	03/01/25	USDA RURAL DEVELOPMENT	476.00	0	Regular
382112	03/01/25	WILLOW RUN I MDI #58	4,225.00	R	ACH
382113	03/01/25	WILLOW RUN II MDI #85	4,143.00	R	ACH
382114	03/01/25	YOUNGDAHL DEVELOPMENT LLC	2,529.00	R	ACH
382115	03/01/25	ZK INVESTORS LLC	1,774.00	R	ACH

76	Checks total:	316,540.17
121	ACH total:	266,314.07
0	EFTPS total:	
9	Wire transfer total:	199,892.15
0	Payment Manager total:	
206	GRAND TOTALS	782,746.39



CITY OF
OWATONNA

Ordinances

PURPOSE MEMO

TO: Mayor, City Council, City Administrator
FROM: Mark M. Walbran
DATE: February 19, 2025
RE: Proposed Ordinance Prohibiting Roosters Within Corporate Limits

Purpose: Second/Final reading of Proposed Ordinance 25-04 amending Chapter 90, Title IX, of the 2015 Ordinance Code entitled “Animals” by amending Section 90.07 entitled “Obligation to Prevent Nuisances” prohibiting roosters within the corporate limits.

Background: Council approved the first reading of this proposed ordinance during their last meeting on February 18, 2025. Presence of roosters within the corporate limits of the city is a nuisance to the neighborhoods where the roosters are kept. The proposed ordinance is an amendment to our existing ordinance entitled “Obligation to Prevent Nuisances” by making it clear that a rooster is included among the animals regulated under City Ordinance Code § 90.07.

Budget Impact: None.

City Staff Recommendation: City staff recommend approval

Attachment: Proposed Ordinance 25-04 to amend Chapter 90, “Animals”.

ORDINANCE NO. _____

AN ORDINANCE AMENDING CHAPTER 90 OF TITLE IX OF THE 2015 ORDINANCE CODE OF THE CITY OF OWATONNA, AS AMENDED, ENTITLED “ANIMALS” BY AMENDING § 90.07 ENTITLED “OBLIGATION TO PREVENT NUISANCES”, BY ADDING THERETO A PROHIBITION OF KEEPING ROOSTERS WITHIN THE CORPORATE LIMITS OF THE CITY .

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF OWATONNA, MINNESOTA, DO ORDAIN:

Section 1. Chapter 90 of Title IX of the 2015 Ordinance Code of the City of Owatonna entitled “Animals” is hereby amended by amending § 90.07 entitled “Obligation to Prevent Nuisances” to read as follows:

§ 90.07 OBLIGATION TO PREVENT NUISANCES.

A. It shall be the obligation and responsibility of the owner or custodian of any animal in the city, whether permanently or temporarily therein, to prevent such animal from committing any act which constitutes a nuisance. For purposes hereof, the Council finds, declares and determines that it shall be deemed a nuisance for any animal to habitually or frequently bark, bay, howl, cry, or crow to the detriment of the peace and quietude of neighbors of its owner or custodian or the public in general, to frequent school grounds, parks or public beaches, to chase vehicles, to molest or annoy any person if such person is not on the property of the owner or custodian of such animal or to molest, defile or destroy any property, public or private. Failure on the part of the owner or custodian to prevent his or her animals from committing an act of nuisance shall be subject to the penalty hereinafter provided.

B. No person may own, keep, harbor or maintain a rooster within the corporate limits of the City.

Section 2. Effective date. This ordinance shall be in full force and effect from and after its passage and publication.

Passed and adopted this _____ day of _____, 2025 with the following vote: Aye _____; No _____; Absent _____.

Approved and signed this _____ day of _____, 2025.

Mayor

ATTEST:

City Clerk/Treasurer

UNDERLINING INDICATES NEW LANGUAGE. ~~STRIKEOUTS~~ INDICATE DELETIONS.



CITY OF
OWATONNA

Resolutions



Owatonna Fire Fighters Relief Association

107 West Main Street
Owatonna MN 55060-2913

Nic Thamert
Treasurer
Phone (507)676-1448

DATE: February 20, 2025

TO: City Council Members, Mayor Jessop, and City Administrator Busse

FROM: Nic Thamert, Treasurer

SUBJECT: Pension Increase

Purpose:

Approval Resolution 10-25 approving an increase of \$1,000.00 in retirement pension.

Background:

Annually, the Relief Association reviews the percent funded of the account. Guidelines previously approved by council are as follows. Currently fund requirements are a minimum of 120% funded with additional fund percentages to increase the pension lump sum. After the proposed increase of \$1,000, the fund will still be over 142% funded.

Budget Impact:

This Increase should not affect nor impact city budget unless said fund becomes underfunded in the 85% funded range. Revenue for the increase is funded by receiving 2% insurance premium, and supplemental government aid from the State of Minnesota, and investments within the association.

Staff Recommendation:

Staff recommends approval of Resolution 10-25.

If you have any questions or concerns regarding this issue, please contact me.

Sincerely,

Nic Thamert
Nic Thamert, Treasurer

RESOLUTION NO. 10-25

A RESOLUTION APPROVING AN INCREASE
FOR FIRE FIGHTERS PENSION

WHEREAS, the Owatonna Firefighters Relief Association has served as a collective arm of the Owatonna Fire Department since 1895; and

WHEREAS, the Owatonna Firefighters Relief Association manages the pension account for the Owatonna Fire Fighters; and

WHEREAS, the City of Owatonna has set guidelines for management of the fire fighters pension account which requires a minimum of 120% funded, and

WHEREAS, the Owatonna Firefighters Relief Association has reviewed the current fund balance and request a pension increase of \$1,000 per year to \$12,500 as a level of benefit.

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

The Owatonna Firefighters Pension amount will receive an increase by \$1,000 to \$12,500 benefit level for 2025.

Passed and adopted this ____ day of _____, 2025, with the following vote:

Aye ____; No ____; Absent ____.

Approved and signed this ____ day of _____, 2025.

Matt Jessop, Mayor

ATTEST:

Kris M. Busse, City Administrator/City Clerk



DATE: March 4, 2025
TO: Mayor and City Council
FROM: Troy Klecker, Community Development Director
SUBJECT: Amend Resolution 129-24: State Appropriation - Acquire Flood Prone Properties

Purpose:

Amend Resolution 129-24 for State Appropriations for Acquisition of Flood Prone Property.

Background:

Over the last two decades, the City has applied for, been awarded and administered numerous flood grants to remove structures in the floodplain. To date, 30 homes and a business have been removed from the floodplain utilizing FEMA Flood Hazard Mitigation Grants and DNR Flood Damage Reduction Grants. Removing structures from the floodplain is one of the most effective flood mitigation efforts the City has undertaken. Even with the number of structures that have been removed from the floodplain, there are still a number of structures that need to be removed.

In December, the City Council approved Resolution 129-24 to secure \$120,000 in hazard mitigation funds from the DNR that will be used to acquire and remove the home at 315 Lemond Road, which is within the floodplain. These funds cover 50% of the costs of the project. Staff would like to submit an amended application for an additional \$72,452.77, which is the remaining amount of funds that are currently available in the DNR program, to acquire another property in the floodplain. As part of the application, the City must amend the previously approved resolution verifying the City will match the grant funds.

Budget Impact:

Staff estimate cost of acquiring and removing another property from within the floodplain to be \$225,000. The grant would cover about a third of the project cost and the City responsible for the balance.

Staff Recommendation:

Staff recommends amending Resolution 129-24.

Attachments:

1. Amended Resolution 129-24

Amended Resolution No. 129-24

RESOLUTION FOR STATE APPROPRIATIONS FOR THE CITY OF OWATONNA
ACQUISITION OF FLOOD PRONE PROPERTY

BE IT FURTHER RESOLVED that the City of Owatonna, hereinafter referred to as the "Applicant" act as legal sponsor for the flood risk reduction project or phase described in the Flood Hazard Mitigation Grant Assistance Program Application submitted on January 10, 2025 and that Troy Klecker, Community Development Director, is hereby authorized to apply to the Department of Natural Resources for funding of this project on behalf of the Applicant.

BE IT FURTHER RESOLVED that the Applicant has the legal authority to apply for financial assistance, and the institutional, administrative, and managerial capability to ensure adequate acquisition, maintenance and protection of the proposed project.

BE IT FURTHER RESOLVED that the Applicant has the financial capability to provide any required matching funds necessary to complete the project or phase, and that the source of the Applicant's funds shall be \$272,547.23 held in the City's DNR Grant Fund account 401-29210-000-0000000, and will not include other State funding sources.

BE IT FURTHER RESOLVED that the Applicant hereby pledges to complete the project or phase if it exceeds the total funding provided by the Department of Natural Resources and the required local match.

BE IT FURTHER RESOLVED that the Applicant has not incurred any reimbursable expenses prior to the effective date of the appropriation.

BE IT FURTHER RESOLVED that the Applicant has not violated any Federal, State, or local laws pertaining to fraud, bribery, graft, kickbacks, collusion, conflict of interest or other unlawful or corrupt practice.

BE IT FURTHER RESOLVED that upon approval of its application by the state, the Applicant may enter into an agreement with the State of Minnesota for the above-referenced project, and the Applicant certifies that it will comply with all applicable laws and regulations as stated in the contract agreement.

NOW THEREFORE BE IT RESOLVED that the Community Development Director is hereby authorized to execute such agreements as are necessary to implement the project on behalf of the Applicant.

Passed and adopted this ____ day of _____, 2025 with the following vote:

Aye ____; No ____; Absent ____.

Approved and signed this ____ day of _____, 2025.

Attest:

Matthew Jessop, Mayor

Kris M. Busse, City Administrator/City Clerk



CITY OF
OWATONNA

Miscellaneous



DATE: March 4, 2025
TO: Mayor and City Council
FROM: David Beaver, Airport Manager
SUBJECT: Professional Services Agreement - Airport Taxilane and Parking Lot Design - SEH, Inc.

Purpose:

To approve the Supplemental Letter Agreement with SEH, Inc. for professional engineering services for the design of airport taxilane and parking lot reconstruction.

Background:

The scope of services provided for in the agreement includes the final design work, program coordination, preparation of construction plans and bidding documents, bidding services, and project management. A detailed scope of services is further described in the attached agreement. The project consists of the reconstruction of two pavement surfaces at the airport:

1. Taxilane Reconstruction. This involves the reconstruction of pavement in the hangar area identified as TLA-002 in the MnDOT Aeronautics Pavement Condition Report indicating a very poor Pavement Condition Index (PCI) rating. Distresses include alligator, block, and longitudinal and transverse cracking. (See figure in agreement for location depiction)
2. Parking Lot Reconstruction. This involves the reconstruction and expansion of the main airport parking lot and access road. The pavement has undergone a number of pavement maintenance crack sealing and sealcoats but has deteriorated to the point that the airport engineering firm now recommends reconstruction. Project will also expand the parking lot as planned to allow for additional parking areas for existing use and future development.

Budget Impact:

The professional services agreement for the design phase of the work is for a total lump sum fee of \$66,500.00 as reflected in the attached supplemental letter agreement. These costs are eligible for a combination of FAA and MnDOT Aeronautics grant funding. The project grant eligibility is generally 95% federal with an additional 2.5% state funding. There are certain portions of the work that are not federally eligible but would be state eligible. Based on these eligibility determinations, the local share of the design agreement is anticipated to be \$3,725.00.

Staff Recommendation:

Staff recommends approval of the Supplemental Letter Agreement contingent upon securing FAA/MnDOT grant funding participation.

Attachments:

1. Supplemental Letter Agreement & Design Proposal - 2025 Taxi Lane and Parking Lot Project

Supplemental Letter Agreement

In accordance with the Master Agreement for Professional Services between City of Owatonna ("Client"), and Short Elliott Hendrickson Inc. ("Consultant"), effective March 6, 2024, this Supplemental Letter Agreement dated February 18, 2025 authorizes and describes the scope, schedule, and payment conditions for Consultant's work on the Project described as: 2025 Taxilane and Parking Lot Reconstruction.

Client's Authorized Representative: _____

Address: 540 W Hills Cir, Owatonna, Minnesota 55060, United States

Telephone: _____ **email:** _____

Project Manager: Jake Jorgenson

Address: 3535 Vadnais Center Drive, St. Paul, Minnesota 55110

Telephone: 612.219.8858 **email:** jjorgenson@sehinc.com

Scope: The Services to be provided by Consultant:

A detailed scope of services can be found in attachment A-1 and A-2.

The lump sum fee is \$66,500 including expenses and equipment, found in Attachment B-1 and B-2.

Other Terms and Conditions: Other or additional terms contrary to the Master Agreement for Professional Services that apply solely to this project as specifically agreed to by signature of the Parties and set forth herein: None.

Short Elliott Hendrickson Inc.

City of Owatonna

By: _____



By: _____

Full Name: Shawn McMahon

Full Name: _____

Title: Principal

Title: _____

Exhibit A-2
to Supplemental Letter Agreement
Between City of Owatonna (Client)
and
Short Elliott Hendrickson Inc. (Consultant)
Dated February 18, 2025

Payments to Consultant for Services and Expenses
Using the Lump Sum Basis Option

The Agreement for Professional Services is amended and supplemented to include the following agreement of the parties:

A. Lump Sum Basis Option

The Client and Consultant select the Lump Sum Basis for Payment for services provided by Consultant. During the course of providing its services, Consultant shall be paid monthly based on Consultant's estimate of the percentage of the work completed. Necessary expenses and equipment are provided as a part of Consultant's services and are included in the initial Lump Sum amount for the agreed upon Scope of Work. Total payments to Consultant for work covered by the Lump Sum Agreement shall not exceed the Lump Sum amount without written authorization from the Client.

The Lump Sum amount includes compensation for Consultant's services and the services of Consultant's Consultants, if any for the agreed upon Scope of Work. Appropriate amounts have been incorporated in the initial Lump Sum to account for labor, overhead, profit, expenses and equipment charges. The Client agrees to pay for other additional services, equipment, and expenses that may become necessary by amendment to complete Consultant's services at their normal charge out rates as published by Consultant or as available commercially.

B. Expenses Not Included in the Lump Sum

The following items involve expenditures made by Consultant employees or professional consultants on behalf of the Client and shall be paid for as described in this Agreement.

1. Expense of overtime work requiring higher than regular rates, if authorized in advance by the Client.
2. Other special expenses required in connection with the Project.
3. The cost of special consultants or technical services as required. The cost of subconsultant services shall include actual expenditure plus 10% markup for the cost of administration and insurance.

The Client shall pay Consultant monthly for expenses not included in the Lump Sum amount.

ATTACHMENT A1
SCOPE OF ENGINEERING SERVICES – FAA ELIGIBLE AREAS
2025 TAXILANE AND PARKING LOT RECONSTRUCTION
OWATONNA DEGNER REGIONAL AIRPORT
OWATONNA, MINNESOTA

PROJECT SCOPE: Schedule A

This project consists of reconstruction of a taxilane pavement section in the building area. The pavement is identified as TLA-002 in the MnDOT Pavement Condition Report. The taxilane being reconstructed is also shown in Figure 1 below. Major aspects of the construction include grading, import of select granular, import of base material, and paving. The overall site will be graded to drain following existing drainage patterns. Select granular material will be imported to construct a stable section for the new taxiway. Import of base material will follow the import of the select granular to continue construction of the stable section. Once the new taxilane is brought to grade with the aggregate base they will be paved with asphalt in multiple lifts. In addition to the taxilanes the parking lot and access road are also in poor condition and in need of reconstruction. The parking lot and access road will follow the same reconstruction methods as the Taxilane.

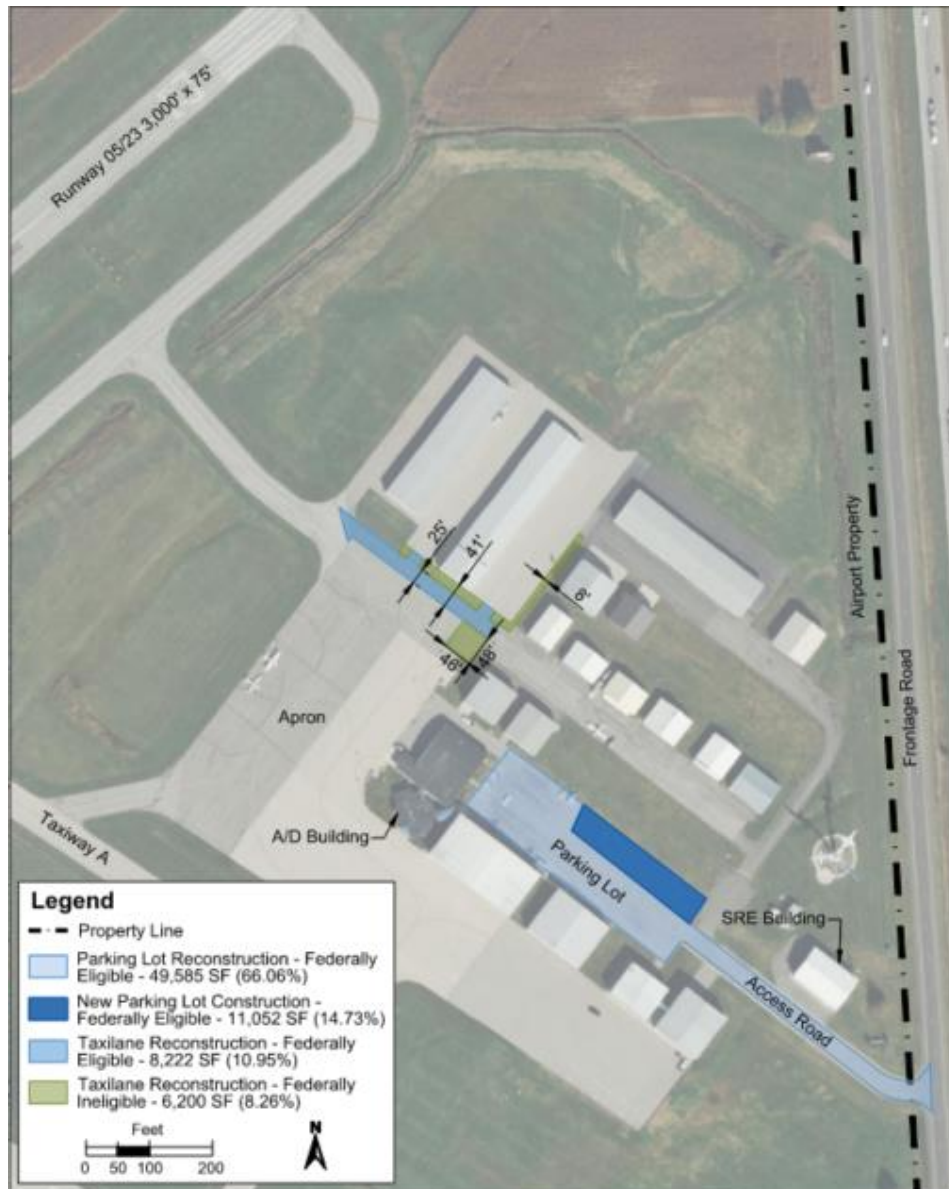


Figure 1: Taxilane Eligible and Ineligible Areas

SCOPE OF SERVICES:

Services to be provided include program coordination, final design, preparation of bidding documents, bidding and award, and project management.

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

Final Design – Taxilane Reconstruction:

1. Scoping and Project Formulation: Completion of the project and grant pre-application, cost breakdowns and eligibility determinations. The required categorical exclusion checklist and letter will also be submitted to the FAA for approval. An engineer's design report will be completed and submitted as part of the FAA grant process.
2. Construction Safety Plan / Airspace Analysis: A construction safety and phasing plan will be prepared for the Project and submitted to the FAA. A safety checklist form and an airspace analysis during construction are required to be submitted with the safety plan.
3. Topographic Survey: A comprehensive field survey will be completed to obtain topographical information including building corners, storm sewer inlets, existing pavement, and relevant ground elevations.
4. Detailed Design: Detailed design includes the taxilanes design, drainage, pavement design, and typical sections.
5. Final Construction Plans: Prepare construction drawings consisting of approximately the following plan sheets.
 - Title sheet
 - Construction Safety Plan
 - Construction Phasing Plan
 - Statement of Estimated Quantities
 - Details and Construction Notes
 - Erosion Control Plan and Details
 - Typical Section(s)
 - Removal Plan
 - SWPPP
 - Site Plan drawings
 - Plan and Profile Drawings
 - Pavement Marking Plan and Details
6. Quantity Calculations and Cost Estimate: Quantities will be calculated for use on the bid form and for updating the construction cost estimates.
7. Bidding Package: Prepare a bid package that will include general conditions, bid form, contract, wage rate requirements, technical specifications, and drawings showing the scope of work and necessary details.
8. Quality Control Reviews: Provide quality control reviews and final review of the plans and specifications. QA/QC includes the time required by the Consultant for the overall administration of the project, including internal meetings; quality control and assurance; reviews; and coordination with the Owner, FAA, Mn/DOT, and other regulatory agencies and utilities.
9. Bidding and Award: Assist the Owner with obtaining construction bids for proposed improvements. Assist the Owner with securing a grant from the Federal Aviation Administration and MnDOT Aeronautics for this project. Make a recommendation to the Owner on award of construction contract.

10. Subcontractor Coordination: Scheduling, coordination, project site escorting, and review of subcontractor deliverables, including subcontracts, reports and design data.
11. Project Management: Overall administration of the project, including internal and external meetings, coordination of plan and specification review with the Owner, MnDOT Office of Aeronautics, FAA, and other regulatory agencies as required.

Subconsultants performing work under this proposal include the following:

1. Braun Intertec - Braun will perform geotechnical tests including borings of the pavement section.

ATTACHMENT A2
SCOPE OF ENGINEERING SERVICES – FAA INELIGIBLE AREAS
2025 TAXILANE AND PARKING LOT RECONSTRUCTION
OWATONNA DEGNER REGIONAL AIRPORT

PROJECT SCOPE: Schedule B

Schedule B includes the portion of the tasks that are not federally eligible, and the work required to complete the federally ineligible portions of work. These tasks include the design efforts required to construct the pavement directly adjacent to the T-Hangars in the building area, shown below in Figure 1.

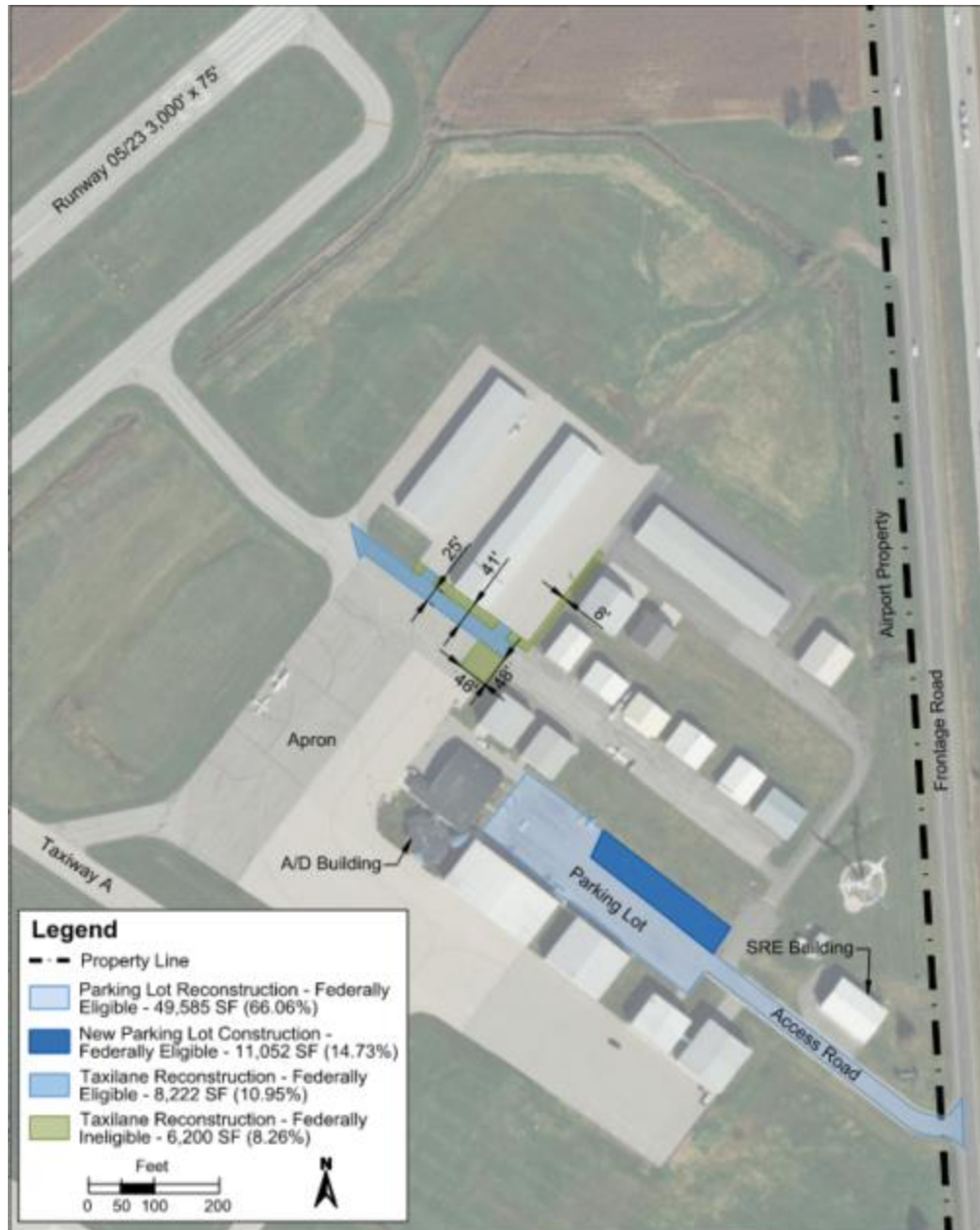


Figure 1: Ineligible Pavement Areas

The pavement adjacent to the T-Hangars in the existing building area is in “Very Poor” condition and needs reconstruction. This portion of the project consists of reconstruction of the pavement sections in front of the T-Hangars located in the building area. Major aspects of the construction include grading,

import of select granular, import of aggregate base, and paving. The overall site will be graded to drain following existing drainage patterns. Select granular material will be imported to construct a stable section for the new taxiway. Import of aggregate base will follow the import of the select to continue construction of the stable section. Once the new taxilanes are brought to grade with the aggregate base they will be paved with asphalt in multiple lifts.

SCOPE OF SERVICES:

Services to be provided include program coordination, final design, preparation of bidding documents, bidding and award through quotation process, and project management, specific to the T-Hangar apron area (FAA ineligible areas)

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

Preliminary and Final Design – Taxilane Reconstruction:

1. Scoping and Project Formulation: Completion of cost breakdowns and eligibility determinations. This task includes coordination with MnDOT for MnDOT eligible grant areas.
2. Topographic Survey: A comprehensive field survey will be completed to obtain topographical information including building corners, existing pavement, and relevant ground elevations.
3. Detailed Design: Detailed design includes grading, typical section, and pavement design for the T-Hangar area pavement.
4. Final Construction Plans: Prepare construction drawings consisting of approximately the following plan sheets to incorporate the T-Hangar work into the project.
 - Construction Safety Plan
 - Statement of Estimated Quantities (Schedule B for FAA ineligible quantities)
 - Erosion Control Plan and Details
 - Typical Section(s)
 - Removal Plan
 - SWPPP
 - Site Plan drawings
5. Quantity Calculations and Cost Estimate: Quantities will be calculated for use on the bid form and for updating the construction cost estimates.
6. Quality Control Reviews: Provide quality control reviews and final review of the plans and specifications. QA/QC includes the time required by the Consultant for the overall administration of the T-hangar project, including internal meetings; quality control and assurance; reviews; and coordination with the Owner, FAA, Mn/DOT, and other regulatory agencies and utilities.
7. Project Management: Overall administration of the project, including internal and external meetings, coordination of plan and specification review with the Owner, MnDOT Office of Aeronautics, and other regulatory agencies as required.

Subconsultants performing work under this proposal include the following:

1. No subconsultants are anticipated for this work.

ATTACHMENT B-1
ESTIMATED FEES AND EXPENSES - FAA ELIGIBLE
2025 TAXILANE & PARKING LOT RECONSTRUCTION
ENGINEER'S DESIGN REPORT, FINAL DESIGN, PLANS AND SPECIFICATIONS, BIDDING
OWATONNA DEGNER REGIONAL AIRPORT (OWA)
OWATONNA, MN

Task No.	Task Description	Project Manager	Project Engineer	Environmental Scientist	Senior Technician	Survey Crew Chief	Instrument Operator	Admin Technician
<i>Final Design - Taxi Lane Reconstruction</i>								
1.0	Scoping and Project Formulation	8	8	10				4
2.0	Construction Safety Plan/ Airspace Analysis	2	8					
3.0	Topographic Survey				2	10	10	
4.0	Detailed Design	2	50	20	8			
5.0	Final Construction Plans	2	8	8	20			2
6.0	Quantity Calculations	2	8					
7.0	Bidding Package	4	12					8
8.0	Quality Control Reviews	8	2	8				2
9.0	Bidding and Award	2	2	6				4
10.0	Subcontractor Coordination	2	1	4				
11.0	Project Management	8	1	4				
Total hours per labor category		40	100	60	30	10	10	20

ESTIMATE OF LABOR COSTS:

Labor Category	Hours	Rate	Extension
Project Manager	40	\$53.41	\$2,136.40
Project Engineer	100	\$46.88	\$4,688.00
Environmental Scientist	60	\$65.04	\$3,902.40
Senior Technician	30	\$48.13	\$1,443.90
Survey Crew Chief	10	\$42.88	\$428.80
Instrument Operator	10	\$42.88	\$428.80
Admin Technician	20	\$35.44	\$708.80

Total Direct Labor Costs:	270	\$13,737.10
Direct Salary Costs plus Overhead		\$26,100.49
Total Labor Costs		\$39,837.59

Fixed Fee on Labor Costs (15%) **\$5,975.64**

ESTIMATE OF EXPENSES:

Direct Expenses	Quantity	Rate	Extension
Subconsultant - Soil Borings (Braun Intertec)	1	\$9,930.00	\$9,930.00
Survey Equipment (Total Station and GPS)	12	\$45.00	\$540.00
Survey Van	12	\$4.90	\$58.80
Computer Charge	270	\$5.55	\$1,498.50
Employee Mileage	1000	\$0.70	\$700.00
Reproductions / Miscellaneous	1	\$500.00	\$500.00

Total Expenses **\$13,227.30**

SUMMARY:

Total Labor Costs + Expenses + Fixed Fee	\$59,040.53
Estimated Total	\$59,000.00

ATTACHMENT B2
ESTIMATED FEES AND EXPENSES - FAA INELIGIBLE
2025 TAXILANE AND PARKING LOT RECONSTRUCTION
ENGINEER'S DESIGN REPORT, FINAL DESIGN, AND PLANS AND SPECIFICATIONS
OWATONNA DEGNER REGIONAL AIRPORT (OWA)
OWATONNA, MN

Task No.	Task Description	Project Manager	Project Engineer	Senior Technician	Admin Technician			
Project Formulation								
1.1	Scoping, Review, and Coordination	1	1					
1.2	Project Formulation	1	1					
Engineer's Design Report								
2.1	General Scope of Work	1	1	2				
2.17	Engineer's Estimate of Probably Cost		1					
2.18	Preliminary Project Budget		1					
Plan Drawings								
3.4	Detailed Final Design	1	4	4				
3.5	Construction Plan Sheets	1	4	6	2			
Quality Control								
5.1	Quantity Calculations and Final Engineer's Estimate		2					
5.2	Quality Control Reviews	1	2					
Project Management and Meetings								
6.1	Design Team Meetings	1	1	1				
6.5	Overall Project Management	1			2			
Total hours per labor category		8	18	13	4	0	0	0

ESTIMATE OF LABOR COSTS:

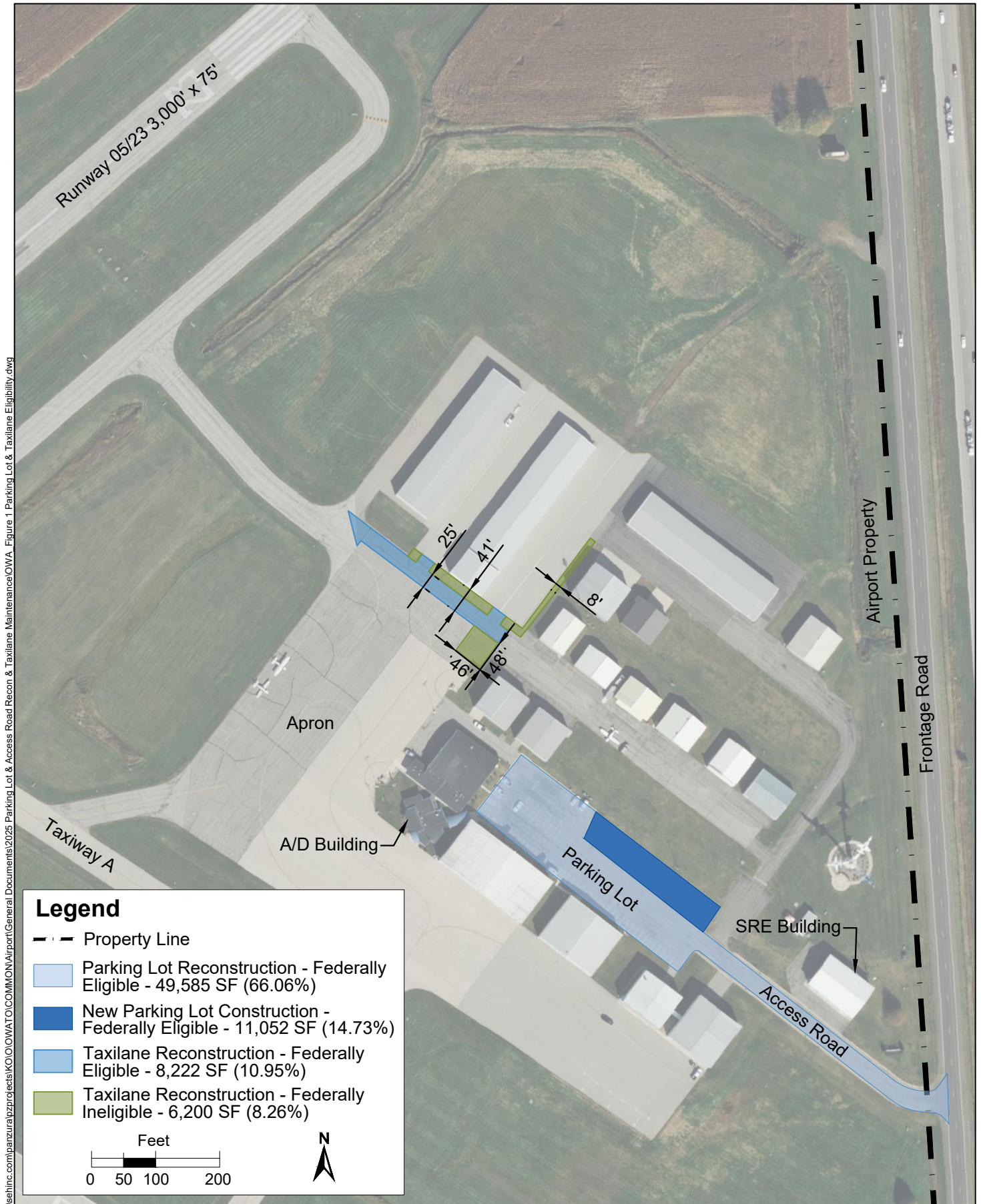
Labor Category	Hours	Rate	Extension
Project Manager	8	\$53.41	\$427.28
Project Engineer	18	\$46.88	\$843.84
Senior Technician	13	\$48.13	\$625.69
Admin Technician	4	\$35.44	\$141.76
			\$0.00
			\$0.00
Admin Technician			\$0.00
Total Direct Labor Costs:		43	\$2,038.57
Direct Salary Costs plus Overhead			\$3,873.28
Total Labor Costs			\$5,911.85
Fixed Fee on Labor Costs (15%)			\$886.78

ESTIMATE OF EXPENSES:

Direct Expenses	Quantity	Rate	Extension
Employee Mileage	500	\$0.70	\$350.00
Computer Charge	43	\$5.55	\$238.65
Reproductions / Miscellaneous	1	\$100.00	\$100.00
Total Expenses			\$688.65

SUMMARY:

Total Labor Costs + Expenses + Fixed Fee	\$7,487.28
Estimated Total	\$7,500.00



February 7, 2025

Proposal QTB210289

Jake Jorgenson, PE
Short Elliott Hendrickson, Inc.
3535 Vadnais Center Drive
Saint Paul, MN 55110

Re: Proposal for a Geotechnical Evaluation
Proposed Taxilane, Parking Lot, and Access Road Reconstruction
Owatonna Degner Regional Airport
3400 West Frontage Road
Owatonna, Minnesota

Dear Mr. Jorgenson:

Braun Intertec Corporation respectfully submits this proposal to complete a geotechnical evaluation for the proposed reconstruction of the taxilane, parking lot, and access road at the referenced site.

Project Information

Per our correspondence and the provided preliminary design plan, the project will include reconstruction of the taxilane southwest of the T-Hangars, parking lot, and access road at the Owatonna Degner Regional Airport. The pavements planned to be reconstructed are currently bituminous surfaced. We anticipate the taxilane will be designed in accordance with Federal Aviation Association (FAA) design and construction standards for aircrafts less than 60,000 pounds. The locations of the soil borings will be surveyed and staked by Short Elliott Hendrickson, Inc. (SEH) prior to our drilling.

Purpose

The purpose of our geotechnical evaluation will be to characterize existing pavement and subsurface geologic conditions at selected exploration locations and evaluate their impact on the design and construction of the taxilane, parking lot, and access road pavements.

Scope of Services

We propose the following tasks to help achieve the stated purpose. If we encounter unfavorable or unforeseen conditions during the completion of our tasks that lead us to recommend an expanded scope of services, we will contact you to discuss the conditions before resuming our services.

Site Access

Based on aerial photographs and previous site visits, it appears that the boring locations are accessible to a truck drill rig. SEH will coordinate with the airport to ensure any required Notice to Airmen (NOTAM) is in place while field work is conducted. Our drill crew will attach an orange and white checkered flag to the top of our mast and have beacons on top of support vehicles while on the airfield.

AA/EOE

We assume there will be no cause for delays in accessing the exploration locations. Depending on access requirements, ground conditions or potential utility conflicts, our field crew may alter the exploration locations from those proposed to facilitate accessibility.

Utility Clearance

Prior to drilling or excavating, we will contact Gopher State One Call and arrange for notification of the appropriate utility vendors to mark and clear the exploration locations of public underground utilities. You, or your authorized representative, are responsible to notify us before we begin our work of the presence and location of any underground objects or private utilities that are not the responsibility of public agencies.

Pavement Coring

We will core pavements at the six soil boring locations. The cores will be extracted and visually evaluated. Thicknesses and pavement condition of the cores will be reported. Since water is required for our coring, this work will need to take place when temperatures are moderate (typically above freezing).

Penetration Test Borings

As requested, we will drill six standard penetration test (SPT) borings for the project, extending them each to a depth of 10 feet. Standard penetration tests will be performed continuously in the upper 5 feet and at 2 1/2-foot vertical intervals at greater depths. We will collect bag samples from the auger cuttings of the subgrade for laboratory testing.

If the borings encounter groundwater during or immediately after drilling of each boring, we will record the observed depth on the boring logs.

If the intended boring depths do not extend through unsuitable material, we will extend the borings at least 5 feet into suitable material at greater depths. If we identify a need for deeper (or additional) borings, we will contact you prior to increasing our total estimated drilled footage and submit a Change Order summarizing the anticipated additional effort and the associated cost, for your review and authorization.

MDH Notification and Sealing Record

Since our planned exploration will be less than 15 feet in depth, the Minnesota Statutes will not require that we complete any notifications or sealing records. If we extend any of the borings to a depth of 15 feet or greater, the Statutes requires that we seal the boreholes and complete a Sealing Record. If 25 feet or greater, the Statutes also require us to complete a Sealing Notification Form. If the Record or Form are required, we will contact you to discuss the additional fees and sealing requirements.

Borehole Backfill

After completing the soil borings, the borings will be backfilled with cuttings and patched with bituminous cold patch. Over time, subsidence of borehole backfill may occur, requiring patches to be replaced. Braun Intertec is not assuming responsibility for re-patching subsequent to initial backfilling.

Sample Review and Laboratory Testing

We will return recovered samples to our laboratory, where a geotechnical engineer will visually classify and log them. To help classify the materials encountered and estimate the engineering properties

necessary to our analyses, we anticipate performing six moisture content tests, two mechanical analyses (through a #200 sieve only), an Atterberg limits test, a sieve hydrometer analysis, a standard Proctor test, and a California Bearing Ratio test. We will adjust the actual number and type of tests based on the results of our borings.

Report

We will prepare a report including:

- A sketch showing the boring locations.
- Logs of the borings describing the materials encountered and presenting the results of our groundwater measurements and laboratory tests.
- A summary of the subsurface profile and groundwater conditions.
- Discussion identifying the subsurface conditions that will impact pavement design and construction.
- Discussion regarding the reuse of on-site materials during construction.
- Recommendations for preparing pavement subgrades, and the selection, placement, and compaction of fill.
- Recommended CBR value to aid in pavement design.

We will only submit an electronic copy of our report to you unless you request otherwise. At your request, we can also send the report to additional project team members.

Schedule

We anticipate performing our work according to the following schedule.

- Drill rig mobilization – within about 5 weeks following receipt of written authorization
- Field exploration – 1 day on site to complete the work
- Classification and laboratory testing – within 3 weeks after completion of field exploration
- Preliminary results – within 2 weeks after completion of field exploration
- Final report submittal – within 4 weeks after completion of field exploration

If we cannot complete our proposed scope of services according to this schedule due to circumstances beyond our control, we may need to revise this proposal prior to completing the remaining tasks.

Fees

We will furnish the services described in this proposal for a lump sum fee of \$9,930, Please note that our drilling/field services were budgeted to occur within our normal work hours of 7:00 a.m. to 5:00 p.m., Monday through Friday. We have budgeted for nighttime work for a portion of the field work. If conditions occur that require us to work outside of these hours discussed, we will request additional fees to cover our additional costs. Our work may extend over several invoicing periods. As such, we will submit partial progress invoices for work we perform during each invoicing period.

General Remarks

We will be happy to meet with you to discuss our proposed scope of services further and clarify the various scope components.

We appreciate the opportunity to present this proposal to you. Please sign and return a copy to us in its entirety.

We based the proposed fee on the scope of services described and the assumptions that you will authorize our services within 30 days and that others will not delay us beyond our proposed schedule.

Our services will be provided under the terms of our Master Subcontract for Services with SEH dated March 19, 2024.

To have questions answered or schedule a time to meet and discuss our approach to this project further, please contact Colin Anderson at 320.305.0628 (coanderson@braunintertec.com).

Sincerely,

BRAUN INTERTEC CORPORATION



Colin L. Anderson, PE
Project Engineer



Philip E. Bailey, PE
Associate Director, Senior Engineer

The proposal is accepted, and you are authorized to proceed.

Authorizer's Firm

Authorizer's Signature

Authorizer's Name (please print or type)

Authorizer's Title

Date

ATTACHMENT C

ACCESS TO RECORDS AND REPORTS

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

BREACH OF CONTRACT TERMS

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

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

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

GENERAL CIVIL RIGHTS PROVISIONS

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

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

Title VI Solicitation Notice:

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

Compliance with Nondiscrimination Requirements

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

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

notified by the contractor of the contractor's obligations under this contract and the Nondiscrimination Acts And Authorities on the grounds of race, color, or national origin.

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

Title VI List of Pertinent Nondiscrimination Acts and Authorities

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

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.*, 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation—Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 *et seq.*), as amended, (prohibits discrimination on the basis of disability); and 49 CFR part 27;
- The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 *et seq.*), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131 – 12189) as implemented by Department of Transportation regulations at 49 CFR parts 37 and 38;

- The Federal Aviation Administration's Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. 1681 et seq).

CLEAN AIR AND WATER POLLUTION CONTROL

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

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

CERTIFICATION OF OFFERER/BIDDER REGARDING DEBARMENT

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

CERTIFICATION OF LOWER TIER CONTRACTORS REGARDING DEBARMENT

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

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

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

DISADVANTAGED BUSINESS ENTERPRISES

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

Prompt Payment (§26.29) - The prime contractor agrees to pay each subcontractor under this prime contract for satisfactory performance of its contract no later than {specify number} days from the receipt of each payment the prime contractor receives from {Name of recipient}. The prime contractor agrees further to return retainage payments to each subcontractor within {specify the same number as above} days after the subcontractor's work is satisfactorily completed. Any delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of the {Name of Recipient}. This clause applies to both DBE and non-DBE subcontractors.

A1.1.1 RACE/GENDER NEUTRAL LANGUAGE

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

TEXTING WHEN DRIVING

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

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

ENERGY CONSERVATION REQUIREMENTS

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

FEDERAL FAIR LABOR STANDARDS ACT

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

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

CERTIFICATION REGARDING LOBBYING

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

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

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

OCCUPATIONAL SAFETY AND HEALTH ACT

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

RIGHTS TO INVENTIONS

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

CERTIFICATION OF OFFERER/BIDDER REGARDING TAX DELINQUENCY AND FELONY CONVICTIONS

The applicant must complete the following two certification statements. The applicant must indicate its current status as it relates to tax delinquency and felony conviction by inserting a checkmark (✓) in the space following the applicable response. The applicant agrees that, if awarded a contract resulting from this solicitation, it will incorporate this provision for certification in all lower tier subcontracts.

Certifications

- a) The applicant represents that it is () is not (✓) a corporation that has any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability.
- b) The applicant represents that it is () is not (✓) is not a corporation that was convicted of a criminal violation under any Federal law within the preceding 24 months.

Note

If an applicant responds in the affirmative to either of the above representations, the applicant is ineligible to receive an award unless the sponsor has received notification from the agency suspension and debarment official (SDO) that the SDO has considered suspension or debarment and determined that further action is not required to protect the Government's interests. The applicant therefore must provide information to the owner about its tax liability or conviction to the Owner, who will then notify the FAA Airports District Office, which will then notify the agency's SDO to facilitate completion of the required considerations before award decisions are made.

Term Definitions

Felony conviction: Felony conviction means a conviction within the preceding twentyfour (24) months of a felony criminal violation under any Federal law and includes conviction of an offense defined in a section of the U.S. code that specifically classifies the offense as a felony and conviction of an offense that is classified as a felony under 18 U.S.C. § 3559.

Tax Delinquency: A tax delinquency is any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted, or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability.

Termination for Convenience (Professional Services)

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

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

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

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

Termination for Default (Professional Services)

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

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

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

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

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

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

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

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

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

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

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

In the event of termination due to Owner breach, the Engineer is entitled to invoice Owner and to receive full payment for all services performed or furnished in accordance with this Agreement and all justified reimbursable expenses incurred by the Consultant through the effective date of termination action. Owner agrees to hold

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

TRADE RESTRICTION CERTIFICATION

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

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

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

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

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

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

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

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

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

VETERAN'S PREFERENCE

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



DATE: March 4, 2025
TO: Mayor and City Council
FROM: David Beaver, Airport Manager
SUBJECT: Change Order No. 1 - Dome Hangar Roof Replacement Project - Equity Builders

Purpose:

To authorize approval of Change Order No. 1.

Background:

During the demolition of the existing roof on the dome hangar (Hangar 10), an additional layer of roofing was discovered. This unexpected finding required the contractor to remove the extra layer, resulting in the need for additional labor and materials to create a proper surface for the new roof installation.

Furthermore, while installing the new roof, it became evident that the existing structure lacked hurricane clips, which are necessary for the new roof system. To ensure the manufacturer's warranty compliance and durability, the installation of these clips was required.

This unforeseen work was not included in the original project bid but it is required to deliver a long-lasting and reliable roofing system.

The airport engineering consultant has prepared and recommends approval of Change Order No. 1. The Airport Commission has reviewed and recommends approval.

Budget Impact:

Change Order No. 1 results in a construction contract increase of \$44,358.70. It is anticipated that the additional cost will be eligible for up to 70% MnDOT grant funding participation already in place for this project. MnDOT policies allow them to amend the original agreement by 15% of the total project costs (\$264,931) which totals \$39,514.65 and therefore would not cover the entire requested amount. There is a chance that a portion of the additional cost would not be funded by MnDOT. They have indicated, however, that the request for the entire amount would be considered case by case if submitted beyond the 15% amendment limitation.

The anticipated local share of the cost of this Change Order is approximately \$13,307.61 with full MnDOT 70% participation or \$16,540.95 with partial MnDOT participation. The overall project cost is below the budgeted CIP amount allowing for sufficient funds to cover the cost.

Staff Recommendation:

Staff recommends approval.

Attachments:

1. Change Order 1



Building a Better World
for All of Us®

CHANGE ORDER

City of Owatonna

OWNER

1057920

GRANT AGREEMENT NO.

2024 Dome Hangar (Hangar 10) Roof Replacement

PROJECT DESCRIPTION

2/5/2025

DATE

01

CHANGE ORDER NO.

71.50

SEH FILE NO.

The following changes shall be made to the contract documents:

Description:

An additional roof (Modified Bituminous) was found under the existing roof during demolition requiring additional labor efforts including material (ie dumpsters).

Hurricane clips were also not present during demolition. Hurricane clips are required by the manufacture to have a valid manufactures warranty.

Purpose of Change Order:

The purpose of this change order is to have a suitable surface and structure to install the new roof.

Basis of Cost: ☒ Actual ☐ Estimated

Attachments (list supporting documents)

	Time	Cost
Contract Status		
Original Contract	60 Days	\$224,631.00
Net Change Prior C.O.'s _____ to _____	0 Days	0
Change this C.O.	0 Days	\$44,358.70
Revised Contract	60 Days	\$268,989.70

Recommended for Approval: **Short Elliott Hendrickson Inc.** by  Jacob Jorgenson

Agreed to by Contractor:

Jacob Roy – President

BY

President

Approved for Owner:

BY

City of Owatonna

TITLE

Distribution

Contractor

Owner

Project Representative

TITLE

SEH Office

document2

Engineers | Architects | Planners | Scientists

Short Elliott Hendrickson Inc., 10 North Bridge Street, Chippewa Falls, WI 54729-2550

715.720.6200 | 800.472.5881 | 888.908.8166 fax | sehinc.com

SEH is 100% employee-owned | Affirmative Action–Equal Opportunity Employer

EQUITY BUILDERS
& Construction Services, Inc.

Phone: 612-280-4024

Email: jakeroy@equitybuilderscompany.com

12204 S. Robert Trl. Rosemount, MN 55068

Change Order Request No. 01

Date: 2/5/25

To: Brian Bergstrom & Jacob Jorgenson - SEH Inc.

From: Jacob Roy

Job No.: 181179

Project Name: 2024 Dome Hangar (Hangar 10) Roof Replacement

Pricing for this Change Order is as follows:

R1 Roof: An additional roof (Mod-Bit) was found during demolition beneath the existing roof.

R1 Roof: Rotted decking was found in certain areas.

R2 Roof: Plywood Sheathing Installation over existing 1/2" plywood decking

R2 Roof: An additional roof (Mod-Bit) was found during demolition beneath the existing roof.

R2 Roof: Rotted decking was found in certain areas

(additional demo work completed between 12/12-12/18)

Contractor/Vendor	Description	Amount
Equity Builders	R1 & R2 Roofs: Additional demolition labor: 327 man hours x \$125 per hour =	\$40,875
	Additional 3 dumpsters: \$750 ea. =	\$2,250
Equity Builders	R1 Roof: Decking Replacement: 156 sq. ft. x \$25 =	\$3900
	R2 Roof: Decking Replacement: 220 sq. ft. x \$25 =	\$5500
	R1 Roof: Hurricane Clips: 160 clips	\$3,440
Equity Builders	R2 Roof: Additional plywood sheathing installation: 3,200 sq. ft. x \$7.50 =	\$24,000
Equity Builders	Subtotal for additional work =	\$79,965.00
	Profit/Overhead (15%) =	\$11,994.75
	Bonding Fees (3%) =	\$2,398.95
	Total	\$44,358.70
	Subtraction for roofing allowance in base bid = \$50,000.00	
	We Request <u>0</u> Days be added to the Contract Time	

To expedite the approval process, we request that you sign and return a copy of this proposal as our authorization to proceed. We cannot proceed without written approval.

This Change Order Proposal is subject to change if not accepted in NA calendar days.

Approval is requested by: **Jerry Roy- Project Manager**

Presented by:



Jacob G. Roy - President

Accepted by:



Date



DATE: March 4, 2025
TO: Mayor and City Council
FROM: Therron Dieckmann, Park & Rec Director
SUBJECT: Food & Beverage Vendor Agreement - Chill-aqui at Brooktree

Purpose:

Approval of a Food & Beverage Agreement with Chill-aqui for operations at the Brooktree Clubhouse.

Background:

Staff have sought a new food & beverage vendor for Brooktree Golf Course since December 2024. Chill-aqui is a local vendor interested in our operation year-round and do have food & beverage experience. Chill-aqui used to operate a coffee shop on the north side of Owatonna that also served breakfast and lunch. If approved by council, they will operate as "Chill-aqui at Brooktree". The proposed agreement is for three years with two additional one-year options for a total of five years.

Budget Impact:

None. They will pay a monthly rental fee to the City to operate their business at Brooktree Clubhouse.

Staff Recommendation:

Staff recommends approval.

Attachments:

1. Independent Contractor Agreement - Chill-aqui at Brooktree

INDEPENDENT CONTRACTOR AGREEMENT

THIS LEASE AGREEMENT, is made this 4th day of March, 2025, by and between the City of Owatonna, a municipal corporation organized under the laws of the State of Minnesota, located at 540 West Hills Circle, Owatonna, Minnesota 55060, hereinafter referred to as “City” and Chill-aqui Corp 1369 Cherry St. Owatonna, Minnesota 55060, hereinafter referred to as “Contractor.”

RECITALS

1. City is owner of the Brooktree Municipal Golf Course and the Brooktree Clubhouse building and restaurant, bar and grill located there.
2. The City desires to maintain the quality of its operations and to offer to the public a public restaurant service.
3. Contractor desires to undertake and perform the restaurant and food and beverage service for the Brooktree Golf Course.

IN CONSIDERATION of the foregoing and of the mutual promises and covenants hereinafter provided, the City and Contractor agree as follows:

ARTICLE 1 – OPERATION AND MANAGEMENT SERVICES

- 1.01 Contractor agrees to provide professional staff for the management of the food and beverage services at the Brooktree Golf Course.
- 1.02 Contractor shall provide trained staff to effectively manage and operate the food and beverage service.
- 1.03 Contractor shall provide coordinated services between the food and beverage services and the golf operations.
- 1.04 Contractor shall provide coordinated services within the community to promote the Brooktree restaurant.

ARTICLE 2 – GRANT OF LEASE

- 2.01 City hereby demises and leases the Premises to Contractor and Contractor hereby leases and accepts the Premises from City, to have and to hold during the Term, subject to the terms and conditions of this Lease.
- 2.02 City shall warrant and defend Contractor in the quiet enjoyment and possession of the Premises during the Term, subject to the terms and conditions of this Lease.
- 2.03 City covenants to observe and perform all of the terms and conditions to be observed and performed by City under this Lease. Contractor covenants to pay the Rent when

due under this Lease and to observe and perform all the terms and conditions to be observed and performed by Contractor under this Lease.

- 2.04** “Premises” is defined as the Brooktree Restaurant at 1369 Cherry Street, Owatonna, Minnesota, including kitchen, bar, dining room, patio, and restaurant storage areas in the Clubhouse and outside maintenance building as space is available. Contractor shall have non-exclusive use of Common Areas such as entrances, hallways, restrooms, etc. which are shared with the Brooktree golf operation.

ARTICLE 3 – TERM AND POSSESSION

- 3.01 Term.** The Term of this Lease shall begin March 5, 2025 and terminating on December 31, 2027 with an additional two 1-year, automatically renewable option years (2028, 2029). Notwithstanding the term of this Lease either party may cancel this Lease after the first year by giving written notice to the other party of the notice of intention to cancel the agreement by November 1 of the current year.

ARTICLE 4 – PERSONAL PROPERTY

- 4.01 Ownership.** City is the owner of kitchen fixtures and equipment, tables, chairs, patio furniture and other personal property and fixtures, all as listed in Appendix “A”. All of the property described in Appendix “A” shall remain at the Premises for Contractor’s use and is leased to Contractor during the Term of this Lease. This property shall be maintained in a good condition and kept in good repair by the Contractor as is reasonably necessary to maintain the individual inventory. All repair costs shall be paid for by the City as provided in Sections 7.05 and 7.06. Contractor shall, at its own expense, provide all other personal property required to operate a catering operation, bar, and grill. Contractor has indicated their intention to purchase and provide new dining room chairs which will continue to be Contractor’s property.
- 4.02 Telephone.** Contractor will provide its own telephone line.
- 4.03 Point of sale system.** Contractor will provide its own dedicated internet service and its own point of sale system.
- 4.04 Wi-Fi.** Contractor will provide wi-fi for dining room operations and guest usage.

ARTICLE 5 – USE OF PREMISES

- 5.01 Use.** The Premises shall be used and occupied as a bar, restaurant, grill, banquet facility, and catering business open to the public or for such any other purpose as City and Contractor authorize. Contractor agrees to operate and maintain the Premises in a professional manner.

5.02 Hours of Operation. Contractor shall operate the bar and grill year-round. Contractor shall have the option as to how early or late to be open for business, except that without written authority from the City, Contractor shall be open for business a minimum of the following schedule:

Golf Course Season - Seven days a week, including Holidays:

March	9:00 a.m. - 8:00 p.m.
April	9:00 a.m. - 8:00 p.m.
May	8:00 a.m. - 9:00 p.m.
June	7:00 a.m. - 9:30 p.m.
July	7:00 a.m. - 9:30 p.m.
August	7:00 a.m. - 9:30 p.m.
September	9:00 a.m. - 8:00 p.m.
October	9:00 a.m. - 7:00 p.m.

Exceptions: On Saturdays and other days when tournaments or other special events are scheduled, Contractor shall open earlier to meet the needs of the events.

Off-Season (November 1 - March 31) – Contractor shall operate the bar and grill year-round. Off-season hours TBD in coordination with City staff.

5.03 Liquor. Contractor shall apply for and maintain, at Contractor's expense, an on-sale intoxicating liquor license for the Premises and the golf course area Brooktree Golf Course, 1369 Cherry Street. Contractor shall further maintain dram shop insurance as required by Section Minn. Stat. sec. 340A.409 and section 9.02 of this Agreement.

5.04 Tobacco. Contractor shall apply for and maintain, at Contractor's expense, a tobacco sales license from the City for the Premises and the golf course area Brooktree Golf Course, 1369 Cherry Street.

5.05 Off Season. During the off season, estimated as November 1 through March 31 (depending on weather), the booking and scheduling of events shall be the responsibility of the Contractor. At any event scheduled during the off season, Contractor, or its duly authorized representative, shall be in attendance, save and except for events sponsored solely by the City of Owatonna; and in such event the City of Owatonna shall be responsible for the maintenance and cleaning of the premises. For scheduled City events, the City reserves the right to use the facility at no charge, and will prior notice to the Contractor.

5.06 Catering. The primary purpose of this Agreement is to provide quality food and beverage service for the golfing community. The contractor may cater non golf related events, for example private parties, wedding receptions, business meetings, etc. Contractor may retain proceeds from the sale of food and beverages. Catered events may be scheduled during the golf season provided that quality food and

beverage service shall continue to be available to meet the needs of the golfers during such events and without closing the lobby.

- 5.07 Compliance with Laws.** The Premises shall be used and occupied in a safe, careful and proper manner, and subject to all Federal and State laws and regulations and City ordinances, regulations, orders, or the requirements of the City’s insurance carriers.
- 5.08 Abandonment.** Contractor shall not vacate or abandon the Premises or cease to operate the banquet facilities, bar, grill or catering operation at any time during the Term without the City’s written consent.
- 5.09 Nuisance.** Contractor shall not cause or maintain any nuisance in or about the Premises and shall keep the Premises free of debris, rodents, vermin, insects and anything of a dangerous, noxious or offensive nature or which would create a fire hazard (through undue load on electrical circuits or otherwise) or undue vibration, heat or noise. City shall contract with a vendor engaged in the business of pest control and shall periodically, on an as needed basis, cause said vendor to perform services at, in or around the building upon which the demised premises are located.
- 5.10 Kitchen Equipment.** Contractor will have the use of all kitchen equipment on site. Contractor shall provide any additional equipment at Contractor’s expense.
- 5.11 Vending Machines.** Contractor, may with the written permission of the City, install food, candy or beverage vending machines within the Clubhouse or any such places at Brooktree Golf Course, as may be approved by City; and, if any such vending machines are installed, same shall be maintained by Contractor and Contractor shall keep same in a good and orderly condition and any sales therefrom shall be included in “Gross Sales.”

ARTICLE 6 – RENT

- 6.01 Rent.** The annual rent for use of the premises shall be as follows:

Year 2025: 6/1/25-12/31/25	\$1000 monthly (no rent March, April or May)
Year 2026: 1/1/26-12/31/26	\$1100 monthly
Year 2027: 1/1/27-12/01/27	\$1200 monthly
Year 2028: 1/1/28-12/01/28	\$1200 monthly (autorenew year if both parties agree)
Year 2029: 1/1/29-12/01/29	\$1200 monthly (autorenew year if both parties agree)

The rent shall be paid by the 1st of each month.

- 6.02 Payment of Rent – General.** All amounts payable by Contractor to City under this Lease shall be deemed to be Rent and shall be payable and recoverable as Rent in the manner herein provided, and City shall have all rights against Contractor for default in any such payment as in the case of arrears of Rent. Rent shall be paid to City without deduction or set-off at the address of City as set forth in the beginning of this Lease, or to such other person or at such other address as City may from time to time

designate in writing. Contractor's obligation to pay Rent shall survive the expiration or earlier termination of this Lease.

6.03 Real Estate Tax. Contractor shall be responsible to pay the real estate tax attributable to the leased premises as determined by the Steele County Assessor. Property Tax Statements are available on the Steele County website for review.

A. Square Footage

1. Brooktree Clubhouse Total Square Footage = 4000 square feet
2. Contractor Leased Square Footage = 1716 square feet (43 percent of total square feet)

B. Payment shall be paid on May 15 and October 15 each year. The Real Estate Tax amount shall be as follows:

	May 15	October 15	
Year 2025:	3 months	6 months	
Year 2026:	6 months	6 months	
Year 2027:	6 months	6 months	
Year 2028:	6 months	6 months	(autorenew year if both parties agree)
Year 2029:	6 months	6 months	(autorenew year if both parties agree)

**ARTICLE 7 – SERVICES, MAINTENANCE, REPAIR
AND ALTERATIONS BY CITY AND CONTRACTOR**

7.01 Operation of Clubhouse. During the Term of this Lease, City shall operate and maintain the Clubhouse in accordance with all applicable laws and regulations and the requirements of City's insurance carriers.

7.02 Services to Premises. City shall provide (and Contractor shall contribute to the payment of expenses as provided in Section 7.06 in the Premises):

1. Heat, ventilation and cooling as required for the comfortable use and occupancy of the Premises during normal business hours.
2. Electric power.
3. Domestic running water.
4. Maintenance, repair and replacement as set out in Section 7.05.
5. At least one on-course beverage cart. These will be required for leagues, special events and tournaments in coordination with the City. Contractor may also use them during general play as well.

7.03 Building Services. City shall provide in and around the Clubhouse:

1. Access to and egress from the Premises.
2. Heat, ventilation, cooling, lighting, electric power, domestic running water and janitor service in those areas of the Clubhouse required by Contractor for access to the Premises during normal business hours of Contractor, but under the exclusive control of City.
3. Sidewalk and parking lot maintenance and snow removal and maintenance of the exterior of the Clubhouse. Provided, however, that sidewalk cleaning and

snow removal shall be provided by City only during regular City business hours.

4. Maintenance, repair and replacement as set out in Section 7.06.
5. Walk off rugs, with the number provided and location placed to be determined by facility staff.
6. City shall be responsible for the cleaning of both the interior and exterior window surfaces, as well as the restroom facilities.

7.04 Sidewalk and Parking Lot Maintenance and Maintenance of the Exterior of the Clubhouse. During winter, City shall remove snow from at least 80 parking stalls in the parking lot within 24 hours after commencement of snow removal operations subsequent to a snowfall; and remove snow from the sidewalks within 48 hours of commencing snow removal operations subsequent to a snowfall.

7.05 Maintenance, Repair and Replacement by City. Except as provided in Section 7.06, City shall operate, maintain, repair and replace the building systems, facilities and equipment necessary for the proper operation of the Clubhouse and for the provision of City's services under Section 7.02 and 7.03 and shall be responsible for and shall expeditiously maintain and repair the foundations, structure and roof of the Clubhouse, concealed plumbing, grease trap (cleaned 2x per year), electrical, gas and sewer lines, provided that City shall have a reasonable time in which to complete the necessary repair or replacement and that City shall use reasonable diligence in carrying out its obligations but shall not be liable under any circumstances for any consequential damage to any person or property for any failure to do so. No interruption of such services under this Section 7.05 shall be construed as an eviction of Contractor except as otherwise specifically provided in this Lease, or release Contractor from any obligation of Contractor under this Lease. This Section is subject to the provisions of this Lease pertaining to damage by fire or other casualty.

7.06 Maintenance and Repair of Furniture, Fixtures and Equipment by Contractor; Operating Expenses; Cleaning Services; Sidewalks. Contractor shall:

1. Maintain all equipment, furnishings and trade fixtures used on the Premises in a good, clean and sanitary condition; and any repairs required to be made to any of those items shall be made by Contractor. The cost of minor repairs shall be paid by Contractor. Repairs exceeding \$3,000 shall be paid by City but no such repairs shall be made unless prior approval therefor is given by City. Repairs to be paid for by City are contemplated to be the larger repair items which are necessary for the Contractor to conduct its business on the Premises; and, the minor day-to-day repairs are to be made and paid for by Contractor. If any appliance or fixture listed on Appendix 'A', (for example, a refrigerator), breaks down and requires repairs in an amount more than the cost of replacement or otherwise outlives its useful life, the City will replace the same.
2. Provide janitor and cleaning services as reasonably required to keep the Leased Premises in a clean and wholesome condition and in compliance with all

applicable license requirements and regulations. Equipment and spaces included are (but not inclusive to):

- a. Daily cleaning and mopping of the kitchen and bar area floors.
 - b. Daily cleaning of kitchen equipment, such as grill, flat top, and fryers, to preserve the equipment lifespan.
 - c. Weekly removal and cleaning of the kitchen hood vents.
3. Provide such sidewalk cleaning of snow removal as may be necessary during hours in which cleaning and snow removal are not provided by the City pursuant to Section. 7.03 if the Contractor elects to open the facility.

7.07 Alterations by City. City may from time to time:

1. Make repairs, replacements, changes or additions to the structure, system and facilities in the Premises where necessary to serve the Premises or other parts of the buildings.
2. Make changes in or additions to any part of the Clubhouse not included in the Premises.

7.08 Right of Entry. Contractor shall permit Lessor, its agents, and other employees, to have access to and to enter the demised premises at all reasonable and necessary times to inspect the demised premises for any purpose connected with the repair, improvement, care and management of the demised premises and the building in which the demised premises are situated, or for any other purpose reasonably connected with Lessor's interest in the demised premises.

1. City shall provide the Contractor with up to five (5) Card Access Security Badges for its employees to gain access into leased and common spaces.

7.09 Technology Services. Contractor shall provide its own Internet service, Phone service and Point of Sale system. Contractor may utilize the City's Club Car Connect GPS Technology Food and Beverage module.

7.10 Dishwasher and Glasswasher leases. Contractor is responsible for the Dishwasher and Glasswasher leases.

7.11 Kitchen Hood and Suppression System. Contractor is responsible for two semi-annual (March and September) inspections/testing of the kitchen suppression system. The Contractor is also responsible for one annual kitchen hood cleaning. Documentation of paid invoices and any signed agreements will be provided to the City to keep on record.

**ARTICLE 8 – MAINTENANCE, REPAIR, ALTERATIONS, AND
IMPROVEMENTS BY CONTRACTOR**

8.01 Conditions of Premises. Except to the extent that City is specifically responsible therefor under this Lease, Contractor shall maintain the Premises and all improvements therein in good order and condition, including:

1. Making repairs and maintenance of the leased Premises shall be the obligation of Contractor including the replacement of any windows damaged or broken by Contractor, its agents, employees or business invitees. If Contractor fails to perform these obligations, then on thirty (30) days' notice to Contractor, City may enter the Premises and perform such obligation without liability to Contractor for any loss or damage to Contractor and Contractor shall pay City for the cost thereof within ten (10) days of receipt of City's invoice therefore.
2. Contractor shall be responsible for the semi-annual hood cleaning and semi-annual kitchen drain and drain tape cleaning service fees. The City shall arrange for this cleaning and bill the Contractor accordingly.

8.02 Alterations by Contractor. Contractor may from time to time at its own expense make changes, additions and improvements in the Premises to better adapt the same to its business, provided that any such change, addition or improvement shall:

1. Comply with the requirements of any governmental authority and with the requirements of City's insurance carriers.
2. Be made only with the prior written consent of City.
3. Be carried out only by persons selected by Contractor and approved in writing by City under terms and conditions reasonably required by City.

8.03 Trade Fixtures and Personal Property. Contractor may install on the Premises its usual trade fixtures and personal property in a proper manner, providing that no such installation shall interfere with, or damage the mechanical or electrical systems or the structure of, the building. If Contractor is not then in default hereunder, trade fixtures and personal property installed on the Premises by Contractor may be removed from the Premises from time to time in the ordinary course of Contractor's business or alteration of the Premises by Contractor, and during a reasonable period prior to the expiration of the Term, provided that Contractor promptly repairs at its own expense any damage to the Premises or Building resulting from such installation or removal. (Repairs of any of the fixtures or personal property as set forth in this Section 8.03 shall be at Contractor's expense).

8.04 Mechanic's Liens. Contractor shall pay before delinquency occurs all costs for work done or caused to be done by Contractor to the Premises which could result in a lien or encumbrance on City's interest in the land or Clubhouse or any part thereof, and shall keep the title to the land or Clubhouse and every part thereof, free and clear of any lien or encumbrance in respect of such work, and shall indemnify and hold

harmless City against any claim, loss, costs, demand in legal or other expense arising out of the supply of material, services or labor for such work.

- 8.05 Signs.** All exterior and interior Contractor signs and fixtures must be approved by City.

ARTICLE 9 – INSURANCE

- 9.01 City's Insurance.** During the Term, City shall maintain boiler and machinery insurance, comprehensive general liability and fire insurance with extended coverage on the Clubhouse. City shall also provide business personal property insurance for personal property at the Premises owned by City.

Policies for such insurance shall waive any right of subrogation against Contractor and all individuals and entities to whom Contractor is responsible in law.

- 9.02 Contractor's Insurance.** During the Term, Contractor shall maintain, at its own expense, comprehensive general liability insurance for Contractor's business in an amount of not less than \$1 Million combined single limit together with umbrella coverage of not less than \$1 Million combined single limit. Contractor shall also maintain automobile liability insurance with limits not less than \$1 Million combined single limit. Contractor shall also maintain worker's compensation insurance covering its employees and business personal property insurance for personal property owned by Contractor in accordance with Minnesota Law. Contractor shall also maintain, at its own expense, liquor liability insurance in an amount not less than \$500,000.00 combined single limit. Contractor shall cause City of Owatonna to be named as an additional insured on all policies.

The Contractor must also provide Workers' Compensation Insurance for all its employees in accordance with the statutory requirements of the State of Minnesota. The Contractor shall provide Employer's Liability Insurance with minimum limits as follows: \$500,000-bodily injury by disease per employee, \$500,000-bodily injury by disease aggregate, \$500,000–bodily injury by accident.

All such policies shall name the City of Owatonna as an additional insured.

Policies for such insurance shall be in a form and with an insurer reasonably acceptable to City and shall require at least thirty (30) calendar days written notice to City of termination or material alteration during the Term and shall waive any right of subrogation against City and all individuals and entities to whom City is responsible in law. Contractor shall deliver on the commencement of the Term and on each anniversary thereof to City copies of such policies or certificates of coverage.

ARTICLE 10 – ASSIGNMENT AND SUBLETTING

- 10.01 Assignment and Subletting.** Contractor shall not sublet the bar and restaurant area at the Clubhouse without the City's prior written consent and at City's sole discretion.

ARTICLE 11 – SURRENDER

- 11.01 Possession.** Upon the expiration or other termination of the Term, Contractor shall immediately quit and surrender possession of the Premises in substantially the condition in which Contractor is required to maintain the Premises excepting only reasonable wear and tear and shall thoroughly clean the walls and floors. Upon such surrender, all right, title, and interest of the Contractor in the Premises shall cease.
- 11.02 Trade, Fixtures, Personal Property and Improvements.** Subject to Contractor's rights under Section 8.03, after the expiration or other termination of the Term, all of Contractor's trade fixtures, personal property, and improvements remaining in the Premises shall be deemed conclusively to have been abandoned by the Contractor and may be appropriated, sold, destroyed, or otherwise disposed of by City without notice or obligation to compensate Contractor or to account therefor, and Contractor shall pay to City on written demand all costs incurred by City in connection therewith.

ARTICLE 12 – HOLDING OVER

- 12.01 Tenancy of Sufferance.** If without City's written consent Contractor remains in possession of the Premises after the expiration or other termination of the Term, Contractor shall be deemed to be occupying the Premises upon a tenancy at sufferance only, at a monthly Rent equal to 1.5 times the Rent determined in accordance with Article 5. Such tenancy at sufferance may be terminated by City at any time by notice of termination to Contractor and by Contractor on the last day of any calendar month by at least thirty (30) days advance written notice of termination to City.

ARTICLE 13 – DAMAGE BY FIRE OR OTHER CASUALTY

- 13.01 Limited Damage to Premises.** If all or part of the Premises are rendered unusable by damage from fire or other casualty which, in the reasonable opinion of an architect selected by City and approved by Contractor, can be substantially repaired under applicable laws and governmental regulations within 120 days from the date of such casualty (employing normal construction methods without overtime or other premium), upon approval of the City Council, City shall forthwith at its own expense repair such damage including damage to equipment, furniture, trade fixtures and other chattels owned by City, but excluding damage to improvements, furniture, chattels or trade fixtures owned by Contractor, which shall be repaired forthwith by Contractor at its own expense.

- 13.02 Major Damage to Premises.** If all or part of the Premises are rendered unusable by damage from fire or to other casualty which, in the reasonable opinion of an architect acceptable to the City and Contractor, cannot be substantially repaired under applicable laws and government regulations within 120 days from the date of such casualty (employing normal construction methods without overtime or other premium), then either City or Contractor may elect to terminate this Lease as of the date of such casualty by written notice delivered to the other not more than ten (10) days after receipt of such architect's opinion, failing which City shall forthwith at its own expense repair such damage other than damage to improvements, furniture chattels or trade fixtures, which shall be repaired forthwith by Contractor at its own expense.
- 13.03 Abatement.** If City is required to repair damage to all or part of the Premises under Sections 13.01 and 13.02, the Rent payable by Contractor hereunder shall be proportionately reduced to the extent that the Premises are thereby rendered unusable from the date of such casualty until five (5) days after the completion by City of the repairs to the Premises (or the part thereof rendered unusable) in its business, whichever first occurs.
- 13.04 Major Damage to Building.** If all or a substantial part (whether or not including the Premises) of the Clubhouse is rendered unusable by damage from fire or other casualty to such a material extent that in the reasonable opinion of City the Clubhouse must be totally or partially demolished, whether or not to be reconstructed in whole or in part, City may elect to terminate this Lease as of the date of such casualty (or on the date of notice if the Premises are unaffected by such casualty) by written notice delivered to Contractor not more than sixty (60) days after the date of such casualty.
- 13.05 Limitation on City's Liability.** Except as specifically provided in this Article 13, there shall be no reduction of Rent and City shall have no liability to Contractor by reason of any injury to or interference with Contractor's business or property arising from fire or other casualty, howsoever caused, or from the making of any repairs resulting therefrom in or to any portion of the Clubhouse or the Premises. Notwithstanding anything contained herein, rent payable by Contractor hereunder shall not be abated if the damage is caused by a negligence of Contractor, its agents, servants or employees.
- 13.06 Demolition or Substantial Renovation.** Notwithstanding anything contained in this Lease, City may terminate this Lease at any time if it is City's intention to demolish or substantially renovate the Clubhouse. City will give Contractor twelve (12) calendar months' notice of termination of the Lease.

ARTICLE 14 – NOTICES

14.01 Notices. Any notice from one party to the other hereunder shall be in writing and shall be deemed duly served if delivered personally to the persons named below, or if mailed by registered or certified mail addressed to Contractor at the Premises (whether or not Contractor has departed from, vacated, or abandoned the same) or to City at the place from time to time established for the payment of Rent. Any notice shall be deemed to have been given at the time of actual receipt or, if mailed, three (3) days after the date of mailing thereof. Either party shall have the right to designate by notice, in the manner above set forth, a different address to which notices are to be mailed.

City's Agents

TW Dieckmann	540 West Hills Circle, Owatonna MN 55060	507-444-4321
Kris M. Busse	540 West Hills Circle, Owatonna MN 55060	507-774-7340
Contractor's Agent		

Brandon De La Rosa	1369 Cherry Street, Owatonna MN 55060	507-774-9423
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ARTICLE 15 – DEFAULT

15.01 Late Payment. Contractor shall pay monthly to City a late charge of 4% on all Rent required to be paid hereunder which is more than ten (10) calendar days overdue when paid. Contractor shall indemnify City against all costs and charges (including legal fees) lawfully and reasonably incurred in enforcing payment thereof, and in obtaining possession of the Premises after default of Contractor or upon expiration or earlier termination of the Term of this Lease, or in enforcing any covenant, provision or agreements of Contractor herein contained.

15.02 Right of City to Perform Covenants. All covenants and agreements to be performed by Contractor under any of the terms of this Lease shall be performed by Contractor, at Contractor's sole cost and expense, and without any abatement of Rent. If Contractor shall fail to perform any act on its part to be performed hereunder, and such failure shall continue for ten (10) calendar days after notice thereof from City, City may (but shall not be obligated so to do) perform such act without waiving or releasing Contractor from any of its obligations relative thereto. All sums paid or costs incurred by City in so performing such acts under this Section 15.02, together with interest thereon at the rate of 10% per year from the date each such payment was made or each such cost incurred by City, shall be payable by Contractor to City on demand.

15.03 Events of Default. The following events shall be deemed events of default by Contractor under the Lease:

1. Part or all of the Rent hereby required is not paid within 10 calendar days of when due, or

2. Any goods, chattels, or equipment of Contractor is taken in execution or in attachment, or a writ of execution is issued against Contractor, or
3. Contractor becomes insolvent or commits an act of bankruptcy or becomes bankrupt or takes the benefit of any statute that may be in force for bankrupt or insolvent debtors or becomes involved in voluntary or involuntary winding up proceedings or if a receiver shall be appointed for the business, property, affairs or revenues of Contractor, or
4. Contractor moves or commences, attempts, or threatens to move its goods, chattels, and equipment out of the Premises (other than in the normal course of its business) or ceases to conduct business from the Premises, or
5. Contractor fails to observe, perform and keep each and every of the covenants, agreements, provisions, stipulations and conditions herein contained to be observed, performed and kept by Contractor (other than payment of Rent).

Any shorter period of time for cure provided by law notwithstanding, and in lieu thereof, Contractor may cure any default under Section 15.03(3) at any time within ten (10) calendar days after written notice of default is received by Contractor from City; and Contractor may cure any default under Section 15.03(5) above, within ten (10) calendar days after written notice of default is received by Contractor from City, provided that if such non-monetary default is curable but is of such a nature that the cure cannot be completed within thirty (30) calendar days, Contractor shall be allowed to cure the default if Contractor promptly commences the cure upon receipt of the notice and diligently prosecutes the same to completion as promptly as reasonably possible thereafter.

City's notice of default may be accomplished by, and shall not be in addition to, any notice required by law.

15.04 Remedies Upon Default. Upon the occurrence of any event of default by Contractor, City shall have, in addition to any other remedies available to City under this Lease or at law or in equity, the option to pursue any one or more of the following remedies (each and all of which shall be cumulative and non-exclusive) without any notice or demand whatsoever:

1. Terminate this Lease, in which event Contractor shall immediately surrender the Premises to City, and if Contractor fails to do so City may, without prejudice to any other remedy which it may have for possession or arrearages in Rent, subject to applicable law, enter upon and take possession of the Premises and expel or remove Contractor and any other person who may be occupying the Premises or any part thereof. Contractor hereby waives any rights it may have to make any claim or assess any damages against City for such entry and/or expulsion and City may recover from Contractor the following:

- A. Any unpaid Rent which has been earned at the time of such termination; plus

- B. The amount of any unpaid Rent which would have been earned after termination until the time of the award; plus
- C. The amount of any unpaid Rent for the balance of the Term after the time of the award; plus
- D. Any other amount necessary to compensate City for all the damages proximately caused by Contractor's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom.
- E. At City's election, such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by applicable law.

The term "Rent" as used in this Section 14.01 (1) shall be deemed to be and to mean all sums of every nature required to be paid by Contractor pursuant to the terms of this Lease, whether to City or to others.

- 2. If City does not elect to terminate this Lease on account of any default by Contractor, City may, from time to time, without terminating this Lease, enforce all of its rights and remedies under this Lease, including the right to recover all Rent as it becomes due.

15.05 Surrender of Premises. Upon the expiration of the Term of this Lease, Contractor shall, subject to the provisions for this Article 15, quit and surrender possession of the Premises to City in as good order and condition as when Contractor took possession and as thereafter improved by City and/or Contractor, reasonable wear and tear and repairs which are specifically made the responsibility of City hereunder excepted. Upon such expiration or termination, Contractor shall, without expense to City, remove or cause to be removed from the Premises all debris and rubbish, and such items of furniture, equipment, free-standing cabinet work, movable partitions and other articles of personal property owned by Contractor or installed or placed by Contractor at its expense on the Premises, and such similar articles of any other persons claiming under Contractor, as City may, in its sole discretion require to be removed, the Contractor shall repair at its own expense all damage to the Premises and Clubhouse resulting from such removal.

15.06 Disposition of Personal Property. Whenever City shall re-enter the Premises as provided in this Lease, any personal property of Contractor not removed by Contractor upon the expiration of the Term of this Lease, or within 48 hours after a termination by reason of Contractor's default as provided in this Lease, shall be deemed abandoned by Contractor and may be disposed of by City in accordance with the law of the jurisdiction in which the Clubhouse is located.

15.07 Remedies Cumulative. No reference to nor exercise of any specific right or remedy by City shall prejudice or preclude City from exercising or invoking any other remedy in respect thereof, whether allowed at law or in equity or expressly provided for herein. No such remedy shall be exclusive or dependent upon any other such remedy, but City may from time to time exercise any one or more of such remedies

independently or in combination. A default under this Lease shall be deemed to be a default under any other agreement between Contractor (or its affiliates) and City (or its affiliates) shall be deemed to be a default under this Lease.

ARTICLE 16 – MISCELLANEOUS

- 16.01 Relationship of Parties.** Nothing contained in this Lease shall create any relationship between the parties hereto other than that of City and Contractor, and it is acknowledged and agreed that City does not in any way or for any purpose become a partner of Contractor in the conduct of its business, or a joint venture or a member of a joint or common enterprise with Contractor.
- 16.02 Consent Not Unreasonably Withheld.** Except as otherwise specifically provided, whenever consent or approval of City or Contractor is required under the terms of this Lease, such consent or approval shall not be unreasonably withheld or delayed. Contractor's sole remedy if City unreasonably withholds or delays consent or approval shall be an action for specific performance and City shall not be liable for damages. If either party withholds any consent or approval, such party shall on written request deliver to the other party a written statement giving the reasons therefor.
- 16.03 Applicable Law and Construction.** This Lease shall be governed by and construed under the laws of the State of Minnesota, and its provisions shall be construed as a whole according to their common meaning and not strictly for or against City or Contractor. The words City and Contractor shall include the plural as well as the singular. If this Lease is executed by more than one Contractor, Contractor's obligations hereunder shall be joint and several obligations of such Contractors. Time is of the essence of this Lease and each of its provisions. The captions of the Articles are included for convenience only and shall have no effect upon the construction or interpretations of this Lease.
- 16.04 Entire Agreement.** "Lease" means the Lease, and every properly executed instrument which by its terms amends, modifies, or supplements this Lease. This Lease contains the entire agreement between the parties hereto with respect to the subject matter of this Lease. Contractor acknowledges and agrees that it has not relied upon any statement, representation, agreement or warranty except such as are set out in this Lease.
- 16.05 Amendment or Modification.** Unless otherwise specifically provided in this Lease, no amendment, modification or supplement to this Lease shall be valid or binding unless set out in writing and executed by the parties hereto in the same manner as the execution of this Lease.
- 16.06 Construed Covenants and Severability.** All of the provisions of this Lease are to be construed as covenants and agreements as though the words importing such covenant and agreements were used in each separate Article hereof. Should any

provision of this Lease be or become invalid, void, illegal or not enforceable, it shall be considered separate and severable from the Lease and the remaining provisions shall remain in force and be binding upon the parties hereto as though such provisions had not been included.

- 16.07 No Implied Surrender or Waiver.** No provisions of this Lease shall be deemed to have been waived by City unless such waiver is in writing signed by City. City's waiver of a breach of any term or condition of this lease shall not prevent a subsequent act, which would have originally constituted a breach, from having all the force and effect of any original breach. City's receipt of Rent with knowledge of a breach by Contractor of any term or condition of this Lease shall not be deemed a waiver of such breach. No act or thing done by City, its agents or employees during the Term shall be deemed an acceptance of a surrender of the Premises, and no agreement to accept a surrender of the Premises shall be valid, unless in writing signed by City. The delivery of keys to any of the City's agents or employees shall not operate as a termination of this Lease or a surrender of the Premises. No payment by Contractor, or receipt by City, of a lesser amount than the Rent due hereunder shall be deemed to be other than on account of the earliest stipulated Rent, nor shall any endorsement or statement on any check or any letter accompanying any check, or payment as Rent, be deemed an accord and satisfaction, and City may accept such check or payment without prejudice to City's right to recover the balance or such Rent or pursue any other remedy available to City.
- 16.08 Successors Bound.** Except as otherwise specifically provided, the covenants, terms and conditions contained in this Lease shall apply to and bind the heirs, successors, executor, administrators and assigns of the parties hereto.
- 16.09 Acceptance.** Upon execution by Contractor and delivery of this document to City, City shall have until March 21, 2025 to accept this Agreement. Contractor acknowledges that City will rely on Contractor's irrevocable offer in awarding contracts for the construction of the Premises.
- 16.10 Exclusive Rights.** Contractor shall have the exclusive right to serve food and beverages to persons using the Premises owned by City.
- 16.11 City's Covenants.** City covenants that Contractor, on performing all of its obligations under this Lease may peacefully and quietly have, hold and enjoy the demised premises for the Term of this Lease.
- 16.12 Name of Operations; Phone Number.** Contractor shall use the words "at Brooktree" following the name they choose as the name of its operations at the Premises. The words "at Brooktree" may be used by City to designate any operations on the Premises after the termination or expiration of this Lease. Contractor shall execute any consent to the use of the name "at Brooktree" which may be required by the Minnesota Secretary of State under Minnesota Statutes, Chapter 302A and 333, in order for a future Contractor of the Premises to use the words "at Brooktree" in its

corporate or trade name. Contractor's telephone listing for the Premises shall also be transferred to City upon termination of this Lease.

16.13 Mutual Waiver of Subrogation. City hereby releases Contractor, and Contractor hereby releases City and their respective officers, agents, and employees from any and all liability for loss, damage or injury to the property of the other in or about the Leased Premises or the Property, caused by or results from a peril or event or happening which is covered by insurance actually carried and in force at the time of the loss by the party sustaining such loss; provided, however, that such waiver shall be effective only to the extent permitted by the insurance covering such loss and to the extent such insurance is not prejudiced thereby.

IN WITNESS WHEREOF, the City and Contractor have properly executed this Lease the day and year first above written.

CITY OF OWATONNA

By: _____
Kris M. Busse, its City Administrator

CONTRACTOR
Chill-aqui at Brooktree

By:  02-20-2025
Brandon De La Rosa, Contractor's Agent

STATE OF MINNESOTA)
) ss.
COUNTY OF STEELE)

The foregoing instrument was acknowledged before me this ____ day of March 2025, by Kris M. Busse, City Administrator of the City of Owatonna, a municipal corporation organized under the laws of the State of Minnesota, on behalf of the City of Owatonna.

Notary Public

STATE OF MINNESOTA)

) ss.

COUNTY OF STEELE)

The foregoing instrument was acknowledged before me this _____ day of March 2025,
by Brandon de la Rosa, Contractor's Agent for Chill-aqui Corp organized under the laws of
the State of Minnesota.

Notary Public



DATE: March 4, 2025
TO: Mayor and City Council
FROM: Jeanette Clawson, Administrative Coordinator
SUBJECT: On-Sale Liquor with Sunday Sales and Tobacco Licenses - Chill-Aqui at Brooktree - 1369 Rose Street

Purpose:

Request Council approval of applications received from Imanol De La Rosa for liquor and tobacco license at the Brooktree Golfcourse.

Background:

Under a separate Agenda Item, staff requested approval of the Independent Contractor Agreement for Chili-aqui at Brooktree to provide food and beverage services at the Brooktree Golf Course. Council approval is also required for issuance of an On-Sale Liquor with Sunday Sales License and a Tobacco License.

Background verification was completed and Chief Mundale has no objection to the issuance of these licenses. Applicant in process of securing the required insurance for licensures.

Budget Impact:

Payment totaling \$1,137.50 for fees to issue these licenses to be effective April 1, 2025.

Application Fee	\$ 50.00
Back Ground Verification	100.00
On-Sale Liquor License (\$250/mo)	750.00
Sunday Sales	200.00
Tobacco License (\$12.50/mo)	<u>37.50</u>
Total:	\$1,137.50

Staff Recommendation:

Staff requests council approve contingent on receipt of the Certificate of Insurance.

Attachments:

None



DATE: March 4, 2025
TO: Mayor and City Council
FROM: Sean Murphy, Public Works Director
SUBJECT: Cedardale and Autumn Hills Lift Stations SCADA Programming Services

Purpose:

Requesting City Council approval an agreement with Advanced Engineering and Environmental Services, LLC (AE2S) for Cedardale and Autumn Hills Lift Stations SCADA Programming Services.

Background:

The Cedardale and Autumn Hills Lift Stations have been undergoing rehabilitation to update panels and components that will allow for SCADA integration to improve efficiency in management of the collections system. As part of the upgrade and SCADA integration, the panels will require programming. The SCADA Programming Services consist of professional programming services for the Programmable Logic Controllers (PLCs), Operator Interface Terminal (OIT), cellular communications equipment, and SCADA software related to the Project.

Budget Impact:

Services are not to exceed \$43,400 without prior authorization. Costs will be paid for using Sanitary Sewer Funds.

Staff Recommendation:

Staff recommends approval.

Attachments:

1. Cedardale and Autumn Hills Programming Services - AE2S



February 18, 2025

City of Owatonna
1155 Industrial Blvd
Owatonna, MN 55060

**RE: Letter Agreement between Client and AE2S
Cedardale Lift Station and Autumn Hills Lift Station SCADA Programming Services**

Dear Andrew Fischer:

Advanced Engineering and Environmental Services, LLC (AE2S) proposes to render professional services for the Cedardale Lift Station and Autumn Hills Lift Station Supervisory Controls and Data Acquisition (SCADA) Programming Services (Assignment) to City of Owatonna (CLIENT).

This Agreement, including Exhibit A, sets forth the terms and conditions under which the CLIENT and AE2S shall be governed regarding the Assignment.

Scope of Basic Services

AE2S will perform the following tasks:

1. Cedardale Lift Station SCADA Programming Services
2. Autumn Hills Lift Station SCADA Programming Services

Cedardale Lift Station SCADA Programming Services

The SCADA Programming Services consist of professional programming services for the Programmable Logic Controllers (PLCs), Operator Interface Terminal (OIT), cellular communications equipment, and SCADA software related to the Project, including:

- Programming Lift Station PLC for level-based duplex pump operation and monitoring.
- Programming Lift Station OIT for level-based duplex pump operation and monitoring.
- Adding Lift Station telemetry programming to existing Wastewater Treatment Facility (WWTF) Administration Building PLC.
- Programming existing WWTF SCADA application for monitoring and alarming of the lift station.
- Configuring existing firewall at WWTF for communications to the lift station.
- Configuring lift station cellular router for communications to WWTF.
- Review field Input/Output (I/O) scheme for proper operation, provide I/O checkout and verify proper operation and control of system components outlined above.
- Commission, test, and demonstrate proper operation and control of system components.
- SCADA system and site/process operational training.

Autumn Hills Lift Station SCADA Programming Services

The SCADA Programming Services consist of professional programming services for the Programmable Logic Controllers (PLCs), Operator Interface Terminal (OIT), cellular communications equipment, and SCADA software related to the Project, including:

- Programming Lift Station PLC for level-based triplex pump operation and monitoring.

- Programming Lift Station OIT for level-based triplex pump operation and monitoring.
- Adding Lift Station telemetry programming to existing WWTF Administration Building PLC.
- Programming existing WWTF SCADA application for monitoring and alarming of the lift station.
- Configuring existing firewall at WWTF for communications to the lift station.
- Configuring lift station cellular router for communications to WWTF.
- Review field Input/Output (I/O) scheme for proper operation, provide I/O checkout and verify proper operation and control of system components outlined above.
- Commission, test, and demonstrate proper operation and control of system components.
- SCADA system and site/process operational training.

NOTE – This agreement does not include supply of any equipment or data services.

Additional Services

Services resulting from significant changes in the general scope, extent, or character of the Assignment are not included as a part of the Scope of Basic Services. If authorized in writing by the CLIENT, AE2S will provide services beyond the scope of this Agreement on an hourly basis in accordance with the Hourly Fee Schedule attached as Exhibit B.

CLIENT'S Responsibilities

CLIENT shall do the following in a timely manner, so as not to delay the services of AE2S:

1. Designate a person to act as CLIENT's representative with respect to the services to be rendered under this Agreement. Such person shall have authority to transmit instructions, receive information, and interpret and define CLIENT's policies and decisions with respect to services for the Assignment.
2. Provide relevant information regarding requirements for the Assignment. AE2S shall be entitled to use and rely upon all information provided by CLIENT or others in performing AE2S's services under this Agreement.
3. Provide access to the relevant site sufficient for AE2S to perform its services under this Agreement.
4. CLIENT shall, so long as AE2S is not in default, promptly pay AE2S for such services as have been performed satisfactorily hereunder in accordance with the fee terms set forth herein.
5. Provide all equipment for project, and data service plan for cellular communications equipment.

CLIENT shall bear all costs incident to compliance with its responsibilities pursuant to this section.

RE: Letter Agreement between Client and AE2S
Cedardale Lift Station and Autumn Hills Lift Station SCADA Programming Services

Fees

AE2S shall render services under this Agreement on an hourly basis in accordance with the Hourly Fee Schedule attached as Exhibit B not to exceed \$43,400.00 without written authorization from CLIENT.

Task	Professional Fees
<i>Cedardale Lift Station SCADA Programming Services</i>	<i>\$20,700</i>
<i>Autumn Hills Lift Station SCADA Programming Services</i>	<i>\$22,700</i>
Total Fee	\$43,400

Performance Schedule

AE2S shall use commercially reasonable efforts to complete Basic Services within a reasonable time period.

Contract Documents

This Agreement includes the following documents, incorporated herein by reference:

1. Exhibit A - Terms and Conditions;
2. Exhibit B - Hourly Fee and Expense Schedule;
3. Any drawings or specifications provided by the CLIENT in writing; and
4. Any duly executed written amendments.

There are no contract documents other than this Agreement and those documents listed above.

If this Agreement sets forth your understanding of our agreement, including the scope of work desired, fees, terms, and conditions, please sign in the space provided and return a copy to AE2S. Thank you for the opportunity to assist you. We look forward to working with you.

RE: Letter Agreement between Client and AE2S
Cedardale Lift Station and Autumn Hills Lift Station SCADA Programming Services

Sincerely,

Anthony Pittman
Lead Instrumentation & Controls Specialist

AE2S

By: 

Name: Justin Klabo

Title: Operations Manager

Client

Accepted this ____ day of _____, 2025.

By: _____

Name: _____

Title: _____

Standard Terms and Conditions

The Agreement is supplemented to include the following terms and conditions:

1. **Standard of Care**
 - a. The standard of care for all professional services performed or furnished by AE2S under this Agreement will be the care and skill ordinarily used by members of AE2S's profession practicing under similar circumstances at the same time and in the same locality. AE2S makes no warranties, express or implied, under this Agreement or otherwise, in connection with AE2S's services.
 - b. CLIENT shall be responsible for, and AE2S may rely upon, the accuracy and completeness of all requirements, programs, instructions, reports, data, and other information furnished by CLIENT to AE2S pursuant to this Agreement. AE2S may use such requirements, reports, data, and information in performing or furnishing services under this Agreement.
2. **Payments to AE2S**

Invoices will be prepared in accordance with AE2S's standard invoicing practices and will be submitted to CLIENT by AE2S monthly, unless otherwise agreed. Invoices are due and payable within 30 days. If CLIENT fails to make any payment due AE2S for services and expenses within 30 days, the amounts due AE2S will be increased at the rate of 1.75% per month (or the maximum rate of interest permitted by law, if less) from said thirtieth day. In addition, AE2S may, after giving seven days written notice to CLIENT, suspend services under this Agreement until AE2S has been paid in full all amounts due for services, expenses, and other related charges. All payments shall be made in United States Dollars. AE2S's compensation is exclusive of any applicable sales or use taxes imposed by any governmental authority on AE2S's compensation under this Agreement. CLIENT shall reimburse AE2S for the cost of such sales or use taxes. AE2S's invoices shall state all such applicable sales or use taxes, if any.
3. **Insurance**

AE2S will maintain insurance coverage for Workers' Compensation, Professional Liability, General Liability, and Automobile Liability and will provide certificates of insurance to CLIENT upon request.
4. **Exclusion of Special, Incidental, Indirect, and Consequential Damages**

To the fullest extent permitted by law, and notwithstanding any other provision in the Agreement, AE2S and AE2S's officers, directors, partners, employees, agents, and Consultants, or any of them, shall not be liable to CLIENT or anyone claiming by, through, or under CLIENT for any special, incidental, indirect, or consequential damages whatsoever arising out of, resulting from, or in any way related to the Assignment or this Agreement, from any cause or causes, including but not limited to any such damages caused by the negligence, professional errors or omissions, strict liability, breach of contract or warranties, express or implied, of AE2S or AE2S's officers, directors, partners, employees, agents, or AE2S's Consultants, or any of them.
5. **Limit of Liability**

To the fullest extent permitted by law, notwithstanding any other provision of this Agreement, the total liability, in the aggregate, of AE2S and AE2S's officers, directors, partners, employees, agents, and AE2S's Consultants, and any of them, to CLIENT and anyone claiming by, through, or under CLIENT for any and all claims, losses, costs, or damages whatsoever arising out of, resulting from or in any way related to the Project or the Agreement from any cause or causes, including but not limited to the negligence, professional errors or omissions, strict liability or breach of contract, or warranty express or implied of AE2S or AE2S's officers, directors, partners, employees, agents, or AE2S's Consultants, or any of them, shall not exceed total compensation received by AE2S as part of this Agreement.
6. **Termination of Contract**

Either party may at any time, upon seven days prior written notice to the other party, terminate this Agreement. Upon such termination, CLIENT shall pay to AE2S all amounts owing to AE2S under this Agreement, for all work performed up to the effective date of termination, plus reasonable termination costs.
7. **Access**

CLIENT shall arrange for safe access to and make all provisions for AE2S and AE2S's Consultants to enter upon public and private property as required for AE2S to perform services under this Agreement.
8. **Patents**

AE2S shall not conduct patent searches in connection with its services under this Agreement and assumes no responsibility for any patent or copyright infringement arising therefrom. Nothing in this Agreement shall be construed as a warranty or representation that anything made, used, or sold arising out of the services performed under this Agreement will be free from infringement of patents or copyrights.
9. **Ownership and Reuse of Documents**

All documents prepared or furnished by AE2S pursuant to this Agreement are instruments of service, and AE2S shall retain an ownership and property interest therein. Reuse of any such documents by CLIENT shall be at CLIENT's sole risk; and CLIENT agrees to indemnify, and hold AE2S harmless from all claims, damages, and expenses including attorney's fees arising out of such reuse of documents by CLIENT or by others acting through CLIENT.
10. **Limited Equipment Warranty**

AE2S MAKES NO REPRESENTATIONS OR WARRANTIES WITH RESPECT TO ANY PRODUCTS MANUFACTURED BY A THIRD PARTY, INCLUDING ANY (a) WARRANTY OF MERCHANTABILITY; (b) WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; (c) WARRANTY OF TITLE; OR (d) WARRANTY AGAINST INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS OF A THIRD PARTY; WHETHER EXPRESS OR IMPLIED BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE OR OTHERWISE. AE2S'S SOLE RESPONSIBILITY TO CLIENT WITH RESPECT TO ANY EQUIPMENT OR COMPONENTS AND PARTS MANUFACTURED BY A THIRD PARTY AND INCORPORATED INTO THE EQUIPMENT SHALL BE TO PASS THROUGH TO CLIENT SUCH ORIGINAL EQUIPMENT MANUFACTURER'S AVAILABLE PRODUCT WARRANTY. THE REMEDIES SET FORTH IN THE MANUFACTURER'S TERMS SHALL BE THE CLIENT'S SOLE AND EXCLUSIVE REMEDY AND AE2S'S ENTIRE LIABILITY FOR ANY BREACH OF THIS LIMITED WARRANTY
11. **Contractors**

AE2S shall not at any time supervise, direct, control, or have authority over any contractor's work, nor shall AE2S have authority over or be responsible for the means, methods, techniques, sequences, or procedures of construction selected or used by any contractor, or the safety precautions and programs incident thereto, for security or safety at a project site, nor for any failure of a contractor to comply with laws and regulations applicable to such contractor's furnishing and performing of its work. AE2S neither guarantees the performance of any contractor nor assumes responsibility for any contractor's failure to furnish and perform its work in accordance with the contract between CLIENT and such contractor. AE2S shall not be responsible for the acts or omissions of any contractor, subcontractor, or supplier, or of any of their agents or employees or of any other persons (except AE2S's own employees) at a project site or otherwise furnishing or performing any construction work; or for any decision made regarding the construction contract requirements, or any application,

interpretation, or clarification of the construction contract other than those made by AE2S.

12. **Force Majeure**
AE2S shall not be liable for any loss or damage due to failure or delay in rendering any service called for under this Agreement resulting from any cause beyond AE2S's reasonable control.
13. **No Third Party Beneficiaries**
All duties and responsibilities undertaken pursuant to this Agreement will be for the sole and exclusive benefit of CLIENT and AE2S and not for the benefit of any other party. Nothing contained in this Agreement shall create a contractual relationship with or a cause of action in favor of a third party against either CLIENT or AE2S. AE2S's services under this Agreement are being performed solely for CLIENT's benefit, and no other entity shall have any claim against AE2S because of this Agreement or the performance or nonperformance of services hereunder.
14. **Assignment**
Neither party shall assign its rights, interests or obligations under this Agreement without the express written consent of the other party.
15. **Binding Effect**
This Agreement shall bind, and the benefits thereof shall inure to the respective parties hereto, their legal representatives, executors, administrators, successors, and assigns.
16. **Severability and Waiver of Provisions**
Any provision or part of the Agreement held to be void or unenforceable under any laws or regulations shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon CLIENT and AE2S, who agree that the Agreement shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision. Non-enforcement of any provision by either party shall not constitute a waiver of that provision, nor shall it affect the enforceability of that provision or of the remainder of this Agreement.
17. **Survival**
All express representations, indemnifications, or limitations of liability included in this Agreement will survive its completion or termination for any reason.

18. **Headings**
The headings used in this Agreement are for general reference only and do not have special significance.
19. **Controlling Law**
This Agreement is to be governed by the law of the State of Minnesota without regard to its conflicts of laws principles.
20. **Notices**
Any notice required under this Agreement will be in writing, addressed to the appropriate party at its address on the signature page, or if to AE2S at 4050 Garden View Drive, Grand Forks, ND 58201, and given personally, or by registered or certified mail postage prepaid, or by a commercial courier service. All notices shall be effective upon the date of receipt.
21. **Executed in Counterparts**
This Agreement may be executed in counterparts, each of which together will constitute one and the same instrument. Delivery of an executed counterpart of this Agreement shall constitute effective delivery of this Agreement. Each party agrees that the delivery of the Agreement by facsimile or electronic mail shall have the same force and effect as delivery of original signature and that each party may use such facsimile or electronic mail signatures as evidence of the execution and delivery of the Agreement by the parties to the same extent that an original signature could be used.

This is EXHIBIT B, consisting of 2 pages, referred to in and part of the Agreement between CLIENT and AE2S dated February 18, 2025.

Hourly Fee and Expense Schedule

Reimbursable Expenses and Standard Hourly rates in effect on the date of the Agreement are set forth below. Rates are subject to annual adjustment effective January 1.

Labor Rates*

Administrative 1	\$70.00	I&C Assistant 1	\$108.00
Administrative 2	\$85.00	I&C Assistant 2	\$134.00
Administrative 3	\$99.00	I&C 1	\$160.00
		I&C 2	\$189.00
Communications Specialist 1	\$113.00	I&C 3	\$213.00
Communications Specialist 2	\$132.00	I&C 4	\$226.00
Communications Specialist 3	\$152.00	I&C 5	\$237.00
Communications Specialist 4	\$183.00		
Communications Specialist 5	\$202.00	IT 1	\$140.00
		IT 2	\$189.00
		IT 3	\$232.00
Construction Services 1	\$135.00	Land Surveyor Assistant	\$103.00
Construction Services 2	\$165.00	Land Surveyor 1	\$124.00
Construction Services 3	\$183.00	Land Surveyor 2	\$150.00
Construction Services 4	\$203.00	Land Surveyor 3	\$169.00
Construction Services 5	\$224.00	Land Surveyor 4	\$186.00
		Land Surveyor 5	\$205.00
Engineering Assistant 1	\$91.00	Operations Specialist 1	\$108.00
Engineering Assistant 2	\$107.00	Operations Specialist 2	\$135.00
Engineering Assistant 3	\$135.00	Operations Specialist 3	\$167.00
Engineer 1	\$146.00	Operations Specialist 4	\$191.00
Engineer 2	\$175.00	Operations Specialist 5	\$214.00
Engineer 3	\$205.00		
Engineer 4	\$237.00	Project Coordinator 1	\$125.00
Engineer 5	\$254.00	Project Coordinator 2	\$140.00
Engineer 6	\$269.00	Project Coordinator 3	\$156.00
		Project Coordinator 4	\$172.00
Engineering Technician 1	\$90.00	Project Coordinator 5	\$194.00
Engineering Technician 2	\$113.00		
Engineering Technician 3	\$136.00	Project Manager 1	\$221.00
Engineering Technician 4	\$152.00	Project Manager 2	\$242.00
Engineering Technician 5	\$174.00	Project Manager 3	\$259.00
		Project Manager 4	\$274.00
Financial Analyst 1	\$121.00	Project Manager 5	\$293.00
Financial Analyst 2	\$137.00	Project Manager 6	\$307.00
Financial Analyst 3	\$165.00		
Financial Analyst 4	\$180.00	Sr. Designer 1	\$192.00
Financial Analyst 5	\$201.00	Sr. Designer 2	\$213.00
		Sr. Designer 3	\$229.00
GIS Specialist 1	\$113.00		
GIS Specialist 2	\$137.00	Sr. Financial Analyst 1	\$227.00
GIS Specialist 3	\$162.00	Sr. Financial Analyst 2	\$248.00
GIS Specialist 4	\$181.00	Sr. Financial Analyst 3	\$269.00
GIS Specialist 5	\$202.00		
		Technical Expert 1	\$348.00
		Technical Expert 2	Negotiable

Reimbursable Expense Rates

Transportation	\$0.75/mile
Survey Vehicle	\$0.95/mile
Laser Printouts/Photocopies	\$0.30/copy
Plotter Printouts	\$1.00/s.f.
UAS - Photo/Video Grade	\$100.00/day
UAS – Survey	\$50.00/hour
Total Station – Robotic	\$35.00/hour
Mapping GPS	\$25.00/hour
Fast Static/RTK GPS	\$50.00/hour
All-Terrain Vehicle/Boat	\$100.00/day
Cellular Modem	\$75.00/month
Web Hosting	\$26.00/month
Legal Services Reimbursement	\$291.00/hour
Outside Services	cost * 1.15
Geotechnical Services	cost * 1.30
Out of Pocket Expenses	cost * 1.15
Rental Car	cost * 1.20
Project Specific Equipment	Negotiable

*Position titles are for labor rate grade purposes only.

These rates are subject to adjustment each year on January 1.



DATE: March 4, 2025
TO: Mayor and City Council
FROM: Sean Murphy, Public Works Director
SUBJECT: Agreement - Frontage Road and Heritage Drive Lift Station Electrical Improvements - Advanced Engineering and Environmental Services, LLC

Purpose:

Requesting City Council approval of an agreement with Advanced Engineering and Environmental Services, LLC (AE2S) to provide professional engineering services for the Frontage Road and Heritage Drive Lift Stations Electrical Improvements.

Background:

The City of Owatonna has been working with AE2S to update the City's lift station's components to allow for SCADA integration to improve efficiency in management of the collections system. The Frontage Road and Heritage Drive Lift Stations are the next two lift stations slated for these improvements. AE2S will provide professional services related to the design, bidding, construction administration, and programming of these updates.

See the attached agreement for the full scope of services.

Budget Impact:

The total is not to exceed \$78,800 without prior approval from the City of Owatonna. Costs will be paid by the Wastewater Enterprise Fund as a Capital Improvement.

Staff Recommendation:

Staff recommends approval.

Attachments:

1. Frontage Road and Heritage Drive Lift Station Improvement Services - AE2S

SHORT FORM OF AGREEMENT BETWEEN OWNER AND ENGINEER FOR PROFESSIONAL SERVICES

THIS IS AN AGREEMENT effective as of February 12, 2025 (“Effective Date”) between City of Owatonna (“Owner”) and Advanced Engineering and Environmental Services, LLC (“Engineer”). Owner’s Project, of which Engineer’s services under this Agreement are a part, is generally identified as Owatonna Frontage Road and Heritage Lift Station Electrical Improvements (“Project”). Engineer’s services under this Agreement (“Services”) are generally identified as: preliminary design phase; final design phase; bidding and negotiation phase, and construction phase services, further defined in Attachment 1.

Owner and Engineer further agree as follows:

1.01 *Services of Engineer*

- A. Engineer shall provide or furnish the Services set forth in this Agreement, and any Additional Services authorized by Owner and consented to by Engineer.

2.01 *Owner's Responsibilities*

- A. Owner shall provide Engineer with existing Project-related information and data in Owner’s possession and needed by Engineer for performance of Engineer’s Services. Owner will advise the Engineer of Project-related information and data known to Owner but not in Owner’s possession. Engineer may use and rely upon Owner-furnished information and data in performing its Services, subject to any express limitations applicable to the furnished items.
 - 1. Following Engineer’s assessment of initially-available Project information and data, and upon Engineer’s request, Owner shall obtain, furnish, or otherwise make available (if necessary through retention of specialists or consultants) such additional Project-related information and data as is reasonably required to enable Engineer to complete its Services; or, with consent of Engineer, Owner may authorize the Engineer to obtain or provide all or part of such additional information and data as Additional Services.
- B. Owner shall provide necessary direction and make decisions, including prompt review of Engineer’s submittals, and carry out its other responsibilities in a timely manner so as not to delay Engineer’s performance. Owner shall give prompt notice to Engineer whenever Owner observes or otherwise becomes aware of (1) any relevant, material defect or nonconformance in Engineer’s Services, or (2) any development that affects the scope or time of performance of Engineer’s Services.

3.01 *Schedule for Rendering Services*

- A. Engineer shall complete its Services within the following specific time period: N/A. If no specific time period is indicated, Engineer shall complete its Services within a reasonable period of time.
- B. If, through no fault of Engineer, such periods of time or dates are changed, or the orderly and continuous progress of Engineer’s Services is impaired, or Engineer’s Services are delayed or suspended, then the time for completion of Engineer’s Services, and the rates and amounts of Engineer’s compensation, shall be adjusted equitably.

4.01 *Invoices and Payments*

- A. *Invoices:* Engineer shall prepare invoices in accordance with its standard invoicing practices and submit the invoices to Owner on a monthly basis. Invoices are due and payable within 30 days of receipt.

- B. *Obligation to Pay:* Owner's obligation to pay for Engineer's services under this Agreement is not contingent on Owner's ability to obtain financing, third-party payments, governmental or regulatory agency approval, permits, final adjudication of lawsuit in which Engineer is not involved, Owner's successful completion of a project, or any other event. No retainage will be withheld. Engineer's compensation is exclusive of any applicable sales or use taxes imposed by any governmental authority on Engineer's compensation under this Agreement. Owner shall reimburse Engineer for the cost of such sales or use taxes. Engineer's invoices shall state all such applicable sales or use taxes, if any.
- C. *Payment:* As compensation for Engineer providing or furnishing Services and Additional Services, Owner shall pay Engineer as set forth in this Paragraph 4.01, Invoices and Payments. If Owner disputes an invoice, either as to amount or entitlement, then Owner shall promptly advise Engineer in writing of the specific basis for doing so, may withhold only that portion so disputed, and must pay the undisputed portion. All payments under this Agreement shall be in United States Dollars.
- D. *Failure to Pay:* If Owner fails to make any payment due Engineer for Services, Additional Services, and expenses within 30 days after receipt of Engineer's invoice, then (1) the amounts due Engineer will be increased at the rate of .66% per month (or the maximum rate of interest permitted by law, if less) from said thirtieth day; (2) in addition Engineer may, after giving seven days' written notice to Owner, suspend Services under this Agreement until Engineer has been paid in full all amounts due for Services, Additional Services, expenses, and other related charges, and in such case Owner waives any and all claims against Engineer for any such suspension; and (3) if any payment due Engineer remains unpaid after 90 days, Engineer may terminate the Agreement for cause pursuant to Paragraph 5.01.A.2. Payments will be credited first to interest and then to principal.
- E. *Reimbursable Expenses:* Engineer is entitled to reimbursement of expenses only if so indicated in Paragraph 4.01.F. If so entitled, and unless expressly specified otherwise, the amounts payable to Engineer for reimbursement of expenses will be the Project-related internal expenses actually incurred or allocated by Engineer, plus all invoiced external expenses allocable to the Project, including Engineer's subconsultant charges, all equal to the rates stated in Appendix 1.
- F. *Basis of Payment*
1. *Hourly Rates:* Owner shall pay Engineer for Services as follows:
 - a. An amount equal to the cumulative hours charged to the Project by Engineer's employees times standard hourly rates for each applicable billing class, plus reimbursement of expenses incurred in connection with providing the Services.
 - b. Engineer's Standard Hourly Rates and Reimbursable Expenses are attached as Appendix 1.
 - c. The total compensation for Services and reimbursement of expenses is estimated to be \$78,800.
- G. *Additional Services:* For Additional Services, Owner shall pay Engineer an amount equal to the cumulative hours charged in providing the Additional Services by Engineer's employees, times standard hourly rates for each applicable billing class; plus reimbursement of expenses incurred in connection with providing the Additional Services. Engineer's standard hourly rates and reimbursable expenses are attached as Appendix 1.

5.01 Termination

A. Termination for Cause

1. Either party may terminate the Agreement for cause upon 30 days' written notice in the event of substantial failure by the other party to perform in accordance with the terms of the Agreement, through no fault of the terminating party.

- a. Notwithstanding the foregoing, this Agreement will not terminate under Paragraph 5.01.A.1 if the party receiving such notice begins, within 7 days of receipt of such notice, to correct its substantial failure to perform and proceeds diligently to cure such failure within no more than 30 days of receipt thereof; provided, however, that if and to the extent such substantial failure cannot be reasonably cured within such 30-day period, and if such party has diligently attempted to cure the same and thereafter continues diligently to cure the same, then the cure period provided for herein will extend up to, but in no case more than, 60 days after the date of receipt of the notice.
 2. In addition to its termination rights in Paragraph 5.01.A.1, Engineer may terminate this Agreement for cause upon 7 days' written notice (a) if Owner demands that Engineer furnish or perform services contrary to Engineer's responsibilities as a licensed professional, (b) if Engineer's services for the Project are delayed or suspended for more than 90 days for reasons beyond Engineer's control, (c) if payment due Engineer remains unpaid for 90 days, as set forth in Paragraph 4.01.C, or (d) as the result of the presence at the Site of undisclosed Constituents of Concern as set forth in Paragraph 6.01.I.
 3. Engineer will have no liability to Owner on account of any termination by Engineer for cause.
- B. *Termination for Convenience:* Owner may terminate this Agreement for convenience, effective upon Engineer's receipt of notice from Owner.
- C. *Payments Upon Termination:* In the event of any termination under Paragraph 5.01, Engineer will be entitled to invoice Owner and to receive full payment for all services performed or furnished in accordance with this Agreement, and to reimbursement of expenses incurred through the effective date of termination. Upon making such payment, Owner will have the limited right to the use of all deliverable documents, whether completed or under preparation, subject to the provisions of Paragraph 6.01.F, at Owner's sole risk.
1. If Owner has terminated the Agreement for cause and disputes Engineer's entitlement to compensation for services and reimbursement of expenses, then Engineer's entitlement to payment and Owner's rights to the use of the deliverable documents will be resolved in accordance with the dispute resolution provisions of this Agreement or as otherwise agreed in writing.
 2. If Owner has terminated the Agreement for convenience, or if Engineer has terminated the Agreement for cause, then Engineer will be entitled, in addition to the payments identified above, to invoice Owner and receive payment of a reasonable amount for services and expenses directly attributable to termination, both before and after the effective date of termination, such as reassignment of personnel, costs of terminating contracts with Engineer's subcontractors or sub-consultants, and other related close-out costs, using methods and rates for Additional Services as set forth in Paragraph 4.01.F.

6.01 *General Considerations*

- A. The standard of care for all professional engineering and related services performed or furnished by Engineer under this Agreement will be the care and skill ordinarily used by members of the subject profession practicing under similar circumstances at the same time and in the same locality. Engineer makes no warranties, express or implied, under this Agreement or otherwise, in connection with any services performed or furnished by Engineer. Subject to the foregoing standard of care, Engineer may use or rely upon design elements and information ordinarily or customarily furnished by others, including, but not limited to, specialty contractors, manufacturers, suppliers, and the publishers of technical standards.
- B. Engineer shall not at any time supervise, direct, control, or have authority over any Contractor's work, nor will Engineer have authority over or be responsible for the means, methods, techniques, sequences,

or procedures of construction selected or used by any Contractor, or the safety precautions and programs incident thereto, for security or safety at the Project site, nor for any failure of a Contractor to comply with laws and regulations applicable to that Contractor's furnishing and performing of its work. Engineer shall not be responsible for the acts or omissions of any Contractor.

- C. Engineer neither guarantees the performance of any Contractor nor assumes responsibility for any Contractor's failure to furnish and perform its work.
- D. Engineer's opinions of probable construction cost (if any) are to be made on the basis of Engineer's experience, qualifications, and general familiarity with the construction industry. However, because Engineer has no control over the cost of labor, materials, equipment, or services furnished by others, or over contractors' methods of determining prices, or over competitive bidding or market conditions, Engineer cannot and does not guarantee that proposals, bids, or actual construction cost will not vary from opinions of probable construction cost prepared by Engineer. If Owner requires greater assurance as to probable construction cost, then Owner agrees to obtain an independent cost estimate.
- E. Engineer shall not be responsible for any decision made regarding the construction contract requirements, or any application, interpretation, clarification, or modification of the construction contract documents, other than those made by Engineer.
- F. All documents prepared or furnished by Engineer are instruments of service, and Engineer retains an ownership and property interest (including the copyright and the right of reuse) in such documents, whether or not the Project is completed. Engineer grants to Owner a limited license to use the deliverable documents on the Project, extensions of the Project, and for related uses of the Owner, subject to receipt by Engineer of full payment due and owing for all Services and Additional Services relating to preparation of the deliverable documents, and subject to the following limitations:
 - 1. Owner acknowledges that such documents are not intended or represented to be suitable for use on the Project unless completed by Engineer, or for use or reuse by Owner or others on extensions of the Project, on any other project, or for any other use or purpose, without written verification or adaptation by Engineer;
 - 2. any such use or reuse, or any modification of the documents, without written verification, completion, or adaptation by Engineer, as appropriate for the specific purpose intended, will be at Owner's sole risk and without liability or legal exposure to Engineer or to its officers, directors, members, partners, agents, employees, and subconsultants;
 - 3. Owner shall indemnify and hold harmless Engineer and its officers, directors, members, partners, agents, employees, and subconsultants from all claims, damages, losses, and expenses, including attorneys' fees, arising out of or resulting from any use, reuse, or modification of the documents without written verification, completion, or adaptation by Engineer; and
 - 4. such limited license to Owner shall not create any rights in third parties.
- G. Owner and Engineer agree to transmit, and accept, Project-related correspondence, documents, text, data, drawings, information, and graphics, in electronic media or digital format, either directly, or through access to a secure Project website, in accordance with a mutually agreeable protocol.
- H. Waiver of Damages; Limitation of Liability: To the fullest extent permitted by law, Owner and Engineer (1) waive against each other, and the other's officers, directors, members, partners, agents, employees, subconsultants, and insurers, any and all claims for or entitlement to special, incidental, indirect, or consequential damages arising out of, resulting from, or in any way related to this Agreement or the Project, from any cause or causes, and (2) agree that Engineer's total liability to Owner under this Agreement shall be limited to \$50,000 or the total amount of compensation received by Engineer, whichever is greater.

- I. The parties acknowledge that Engineer's Services do not include any services related to unknown or undisclosed Constituents of Concern. If Engineer or any other party encounters, uncovers, or reveals an unknown or undisclosed Constituent of Concern, then Engineer may, at its option and without liability for consequential or any other damages, suspend performance of Services on the portion of the Project affected thereby until such portion of the Project is no longer affected, or terminate this Agreement for cause if it is not practical to continue providing Services.
- J. Owner and Engineer agree to negotiate each dispute between them in good faith during the 30 days after notice of dispute, after which, if such negotiations are unsuccessful, the parties may exercise their rights at law.
- K. This Agreement is to be governed by the law of the State of Minnesota, without regard to its conflicts of laws principles.
- L. Engineer's Services do not include: (1) serving as a "municipal advisor" for purposes of the registration requirements of Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (2010) or the municipal advisor registration rules issued by the Securities and Exchange Commission; (2) advising Owner, or any municipal entity or other person or entity, regarding municipal financial products or the issuance of municipal securities, including advice with respect to the structure, timing, terms, or other similar matters concerning such products or issuances; (3) providing surety bonding or insurance-related advice, recommendations, counseling, or research, or enforcement of construction insurance or surety bonding requirements; or (4) providing legal advice or representation.

7.01 *Definitions*

- A. Contractor—Any person or entity (not including the Engineer, its employees, agents, representatives, subcontractors, and subconsultants), performing or supporting construction activities relating to the Project, including but not limited to contractors, subcontractors, suppliers, Owner's work forces, utility companies, construction managers, testing firms, shippers, and truckers, and the employees, agents, and representatives of any or all of them.
- B. Constituent of Concern—Asbestos, petroleum, radioactive material, polychlorinated biphenyls (PCBs), lead based paint (as defined by the HUD/EPA standard), hazardous waste, and any substance, product, waste, or other material of any nature whatsoever that is or becomes listed, regulated, or addressed pursuant to laws and regulations regulating, relating to, or imposing liability or standards of conduct concerning, any hazardous, toxic, or dangerous waste, substance, or material.

8.01 *Successors, Assigns, and Beneficiaries*

A. *Successors and Assigns*

- 1. Owner and Engineer are hereby bound and the successors, executors, administrators, and legal representatives of Owner and Engineer (and to the extent permitted by Paragraph 8.01.A.2 the assigns of Owner and Engineer) are hereby bound to the other party to this Agreement and to the successors, executors, administrators, and legal representatives (and said assigns) of such other party, in respect of all covenants, agreements, and obligations of this Agreement.
- 2. Neither Owner nor Engineer may assign, sublet, or transfer any rights under or interest (including, but without limitation, money that is due or may become due) in this Agreement without the written consent of the other party, except to the extent that any assignment, subletting, or transfer is mandated by law. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement.

- B. *Beneficiaries*: Unless expressly provided otherwise, nothing in this Agreement shall be construed to create, impose, or give rise to any duty owed by Owner or Engineer to any Contractor, other third-party individual or entity, or to any surety for or employee of any of them. All duties and

responsibilities undertaken pursuant to this Agreement will be for the sole and exclusive benefit of Owner and Engineer and not for the benefit of any other party.

9.01 *Total Agreement*

- A. This Agreement, including any expressly incorporated attachments, constitutes the entire agreement between Owner and Engineer and supersedes all prior written or oral understandings. This Agreement may only be amended, supplemented, modified, or canceled by a duly executed written instrument.
- B. Attachments expressly incorporated into this Agreement:
 - 1. Appendix 1, Engineer's Standard Hourly Rates and Reimbursable Expenses

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, the Effective Date of which is indicated on page 1.

OWNER:

City of Owatonna

By:

Date:

Name:

Title:

Address for giving notices:

City of Owatonna

Designated Representative:

Name:

Title:

Address:

Phone:

Email:

ENGINEER:

Advanced Engineering and Environmental Services, LLC

By:



Date: February 26, 2025

Name: Justin Klabo

Title: Operations Manager

Address for giving notices:

Advanced Engineering and
Environmental Services, LLC
4050 Garden View Drive, Suite 200
Grand Forks, ND 58201

Designated Representative

Name: Justin Klabo

Title: Operations Manager

Address:

Water Tower Place Business Center
6901 East Fish Lake Road, Suite 184
Maple Grove, MN 55369

Phone: 763-463-5036

Email: justin.klabo@ae2s.com

This is **Appendix 1, Engineer's Standard Hourly Rates and Reimbursable Expenses**, referred to in and part of the Short Form of Agreement between Owner and Engineer for Professional Services dated February 12, 2025.

Engineer's Standard Hourly Rates and Reimbursable Expenses

Labor Rates*

Administrative 1	\$70.00	I&C Assistant 1	\$108.00
Administrative 2	\$85.00	I&C Assistant 2	\$134.00
Administrative 3	\$99.00	I&C 1	\$160.00
		I&C 2	\$189.00
Communications Specialist 1	\$113.00	I&C 3	\$213.00
Communications Specialist 2	\$132.00	I&C 4	\$226.00
Communications Specialist 3	\$152.00	I&C 5	\$237.00
Communications Specialist 4	\$183.00		
Communications Specialist 5	\$202.00	IT 1	\$140.00
		IT 2	\$189.00
Construction Services 1	\$135.00	IT 3	\$232.00
Construction Services 2	\$165.00		
Construction Services 3	\$183.00	Land Surveyor Assistant	\$103.00
Construction Services 4	\$203.00	Land Surveyor 1	\$124.00
Construction Services 5	\$224.00	Land Surveyor 2	\$150.00
		Land Surveyor 3	\$169.00
Engineering Assistant 1	\$91.00	Land Surveyor 4	\$186.00
Engineering Assistant 2	\$107.00	Land Surveyor 5	\$205.00
Engineering Assistant 3	\$135.00		
Engineer 1	\$146.00	Operations Specialist 1	\$108.00
Engineer 2	\$175.00	Operations Specialist 2	\$135.00
Engineer 3	\$205.00	Operations Specialist 3	\$167.00
Engineer 4	\$237.00	Operations Specialist 4	\$191.00
Engineer 5	\$254.00	Operations Specialist 5	\$214.00
Engineer 6	\$269.00		
		Project Coordinator 1	\$125.00
Engineering Technician 1	\$90.00	Project Coordinator 2	\$140.00
Engineering Technician 2	\$113.00	Project Coordinator 3	\$156.00
Engineering Technician 3	\$136.00	Project Coordinator 4	\$172.00
Engineering Technician 4	\$152.00	Project Coordinator 5	\$194.00
Engineering Technician 5	\$174.00		
		Project Manager 1	\$221.00
Financial Analyst 1	\$121.00	Project Manager 2	\$242.00
Financial Analyst 2	\$137.00	Project Manager 3	\$259.00
Financial Analyst 3	\$165.00	Project Manager 4	\$274.00
Financial Analyst 4	\$180.00	Project Manager 5	\$293.00
Financial Analyst 5	\$201.00	Project Manager 6	\$307.00
GIS Specialist 1	\$113.00	Sr. Designer 1	\$192.00
GIS Specialist 2	\$137.00	Sr. Designer 2	\$213.00
GIS Specialist 3	\$162.00	Sr. Designer 3	\$229.00
GIS Specialist 4	\$181.00		
GIS Specialist 5	\$202.00	Sr. Financial Analyst 1	\$227.00
		Sr. Financial Analyst 2	\$248.00
		Sr. Financial Analyst 3	\$269.00
		Technical Expert 1	\$348.00
		Technical Expert 2	Negotiable

Reimbursable Expense Rates

Transportation	\$0.75/mile
Survey Vehicle	\$0.95/mile
Laser Printouts/Photocopies	\$0.30/copy
Plotter Printouts	\$1.00/s.f.
UAS - Photo/Video Grade	\$100.00/day
UAS – Survey	\$50.00/hour
Total Station – Robotic	\$35.00/hour
Mapping GPS	\$25.00/hour
Fast Static/RTK GPS	\$50.00/hour
All-Terrain Vehicle/Boat	\$100.00/day
Cellular Modem	\$75.00/month
Web Hosting	\$26.00/month
Legal Services Reimbursement	\$291.00/hour
Outside Services	cost * 1.15
Geotechnical Services	cost * 1.30
Out of Pocket Expenses	cost * 1.15
Rental Car	cost * 1.20
Project Specific Equipment	Negotiable

* Position titles are for labor rate grade purposes only.

These rates are subject to adjustment each year on January 1.

Attachment 1 – Scope of Services

Engineer will perform the following tasks required for Lift Station improvements related to Control Panel replacement and electrical system updates for both Frontage Road and Heritage Lift Stations:

1. Final Design Phase

- Perform preliminary engineering calculations to size associated electrical system(s).
- Review Preliminary Design documents with Owner, make changes and updates as required.
- Prepare 90 Percent construction drawings, specifications, and probable cost estimate based upon review of preliminary design documents.
- 90 Percent Design Completion Milestone:
 - Prepare a revised set of drawings.
 - Prepare draft specifications.
 - Prepare an updated opinion of probable construction cost.
 - Submit to Owner review copy of 90 Percent Design PDF for Owner review.
 - Meeting to discuss final quote package.
 - Review 90 Percent Design documents with Owner, make updates as appropriate.
 - Prepare Final construction drawings, specifications, and probable cost estimate based upon review of 90 Percent Design documents.
 - Submit electronic copies format (PDF) of Final bidding documents to the Owner.

2. Bidding Phase Services

- Preparing a single quote package for lift station control panel replacement.
- Pre-bid administration services – solicit quotes from contractors and respond to questions.
- Provide bidding support services including communications with Owner representatives, bidders, suppliers, and others as necessary.
- Provide addendums and clarifications to the quote documents, if required.
- Facilitate the tabulation of quotes
- Supply a letter of recommendation to the Owner for the recommendation of a contractor to complete the work.

3. Construction Administration Services

- Construction Kickoff Meeting – attend kickoff meeting with Contractor to review the scope of work. (5 hours)
- Project management, support and communications with Owner, Contractor(s), and all other project team members. Review, recommend action, and process of contractor pay requests. (8 hours)
- Attend site during panel startup to provide oversight and providing installation clarifications. (8 hours)
- Shop Drawing and O&M manual Review – review equipment data for installed equipment. (10 hours)
- Visit site upon project completion and create punch list or list of items to be completed by contractor to meet the requirements of final completion of the project. (5 hours)
- Installation Documentation – complete record drawings. (6 hours).

4. Programming and SCADA integration Services:

The SCADA Programming Services consist of professional programming services of the Programmable Logic Controllers (PLCs), Operator Interface Terminals (OITs), cellular communications equipment, and SCADA software related to the West Frontage Road Lift Station and Heritage Lift Station, including:

- Programming two (2) Lift Station's PLC for level-based duplex pump operation and monitoring.
- Programming two (2) Lift Station's OIT for level-based duplex pump operation and monitoring.
- Adding two (2) Lift Station's telemetry programming to existing WWTF Administration Building PLC.
- Programming existing WWTF SCADA application for monitoring and alarming of the two (2) lift stations.
- Configuring existing firewall at WWTF for communications to the two (2) lift stations.
- Configuring lift station cellular router for communications to WWTF, at each of the two (2) lift stations.
- Review field Input/Output (I/O) scheme for proper operation, provide I/O checkout and verify proper operation and control of system components outlined above, at each of the two (2) lift stations.
- Commission, test, and demonstrate proper operation and control of system components, at each of the two (2) lift stations.
- SCADA system and site/process operational training, for each of the two (2) lift stations.

NOTE – This agreement does not include supply of any equipment or cellular data services. CLIENT to provide all equipment for project, and data service plans for cellular communications equipment.

Breakdown of fee:

Task	Professional Fees
Design, Bidding, and Construction Phase Engineering services (West Frontage Rd LS)	\$19,100
Design, Bidding, and Construction Phase Engineering services (Heritage LS)	\$18,300
SCADA Programming Services (West Frontage Rd LS)	\$20,700
SCADA Programming Services (Heritage LS)	\$20,700
Total Fee	\$78,800



DATE: March 4, 2025
TO: Mayor and City Council
FROM: Emily Thamert, Human Resources Director
SUBJECT: Personnel Policy Revisions

Purpose:

Adopt the following proposed personnel policy revisions.

- 8.2 Paid Time Off (PTO)
- 6.3 Calculation and Compensation of Overtime
- 6.2 Overtime

Background:

- 8.2 Paid Time Off (PTO) - Allow leave donation for employees receiving workers' compensation or disability leave benefits.
- 6.3 Calculation and Compensation of Overtime - correct policy language to align with prior version approved in 2023.
- 6.2 Overtime – correct policy language to align with prior version approved in 2023.

Budget Impact:

None

Staff Recommendation:

Approve the proposed personnel policy revisions.

Attachments:

1. Proposed Edits Personnel Policy - Q1 2025

8.2 PAID TIME OFF (PTO)

The City of Owatonna strives to provide equity, consistency, and flexibility in the delivery of benefit alternatives to city employees. Where appropriate, certain benefits have also been designed to incorporate employee tenure to recognize and regard long-term service to the city.

While traditional paid vacation, sick leave, medical appointments, and funeral leave have been in place for many years, those programs are very structured, with extensive rules being applied to the actual use of the benefit. With sick leave in particular, these rules often inject the employer into employee's lives and require supervisors to make highly subjective judgments. Utilization of sick leave also varies greatly within the employee population and therefore is difficult to achieve equity across the work force with this particular benefit.

The Paid Time Off (PTO) Plan replaces city policies on vacation, sick leave, medical appointments, and funeral leave and combines these benefits into a single plan. All eligible employees accrue PTO based on tenure. Plan provisions discourage unnecessary utilization by providing conversion and savings incentives.

With the adoption of this plan, the City of Owatonna firmly accepts and endorses the principles of equity, consistency, flexibility, and the recognition of tenure in the delivery of this benefit.

Eligibility

All regular full-time City of Owatonna employees who are eligible for benefits and all eligible part-time employees are eligible to participate in the PTO program.

Participation

All City of Owatonna employees hired after January 1, 2016 who are not covered by a collective bargaining agreement shall be enrolled in the PTO program. Employees hired prior to January 1, 2016 may elect to stay on the old plan or convert to the PTO plan. Conversion election shall take place once a year. Once converted to the PTO plan, an employee may not return to the old plan.

Employee groups covered by collective bargaining agreements must negotiate participation in the PTO program through the collective bargaining process.

Policy

The PTO Plan covers all paid leave previously available under the City's vacation, sick leave, medical appointment, and funeral leave policies.

PTO can be utilized for any purpose, subject only to necessary request/approval

procedures consistent with the City of Owatonna Policies and Procedures Manual and labor contracts.

Accrual Rates

Effective January 1, 2006, PTO will accrue at the following rates for full-time employees:

Years of Service	Annual Accrual Rate (Hours)
1	144
2	152
3	160
4	168
5	176
6-9	184
10	192
11	200
12	208
13	216
14	224

Years of Service	Annual Accrual Rate (Hours)
15	228
16	232
17	236
18	240
19	244
20	248
21	252
22	256
23	260
24+	264

Eligible part-time employees who work at least 20 hours per week on a regular basis will accrue paid time off (PTO) on a prorated basis of the full-time employee schedule. Part-time employees who work less than 20 hours per week on a regular basis, temporary and seasonal employees will not earn or accrue paid time off.

Use of PTO

- PTO is accrued on a per pay period basis and may be used subsequent to the pay period in which it was earned.
- The first eight pay period PTO accruals in the first year of eligible service will be front loaded and made available to the employee at the onset of their PTO eligible position. Per pay period accruals will begin on the ninth pay period thereafter. During an unpaid leave of absence, PTO is not accrued.
- Non-scheduled use must be requested prior to the beginning of a shift or per departmental practices. Non-scheduled PTO requests may be denied depending on staffing needs.
- Good attendance is an essential job function for all employees. If unplanned

absences are excessive, a doctor's certification may be required. The physician's certification is to state the nature and direction of the illness or injury and verify that the employee is unable to perform the duties and responsibilities of their position. A statement attesting to the employee's ability to return to work and perform the essential functions of the job and a description of any work restrictions may also be required before the employee returns to work.

- Probationary employees may use PTO as it is earned.
- Maximum PTO accrual is 720 hours. Hours earned in excess of the stated maximum PTO accrual shall be utilized during the benefit year. Maximums will be enforced on the employees' anniversary date.
- Eligible part-time employees will accrue on a pro-rated bases, based on hours worked. Part-time employees can earn a max of PTO up to their FTE hire rate for the year (example: 0.7 FTE employee may earn a maximum of 504 hours).
- PTO may be used subsequent to the pay period in which it was earned in increments of not less than one hour.
- All employees with two or more years of service shall be required to take a minimum of 80 hours (pro-rated on regular hours of work during the benefit year) of their earned PTO each accrual year based on anniversary date (providing the hours are available - example: required to use 80 hours, only used 68 hours – employee would lose 12 hours). The City Administrator may grant exceptions to this rule based upon extenuating circumstances in a written request. It is the employee's responsibility to monitor these hours.
- Employee's receiving Worker's Compensation benefits may use accrued PTO hours to return to 100% of their net salary.
- Employees may use accrued leave during a medical or parenting leave while the employee has FMLA eligibility remaining, this leave will also count as FMLA leave. The two leaves will run concurrently. A medical leave of absence without FMLA eligibility may be granted only if an employee has exhausted all accumulated leave balances as outlined in the workplace leaves section.
- A personal leave of absence may be granted only if an employee has exhausted all available vacation or PTO as outlined in the workplace leaves section.

Termination Benefits

Upon termination of employment with the City of Owatonna, PTO will be paid at the employee's hourly wage rate x 100% of balance up to the applicable max accrual as outlined above on their last paycheck. For those who meet the eligibility criteria detailed in policy Chapter 7.7 the PTO payout will be deposited into the Health Care Savings Plan.

In the event an employee separates from employment in their first year of a PTO eligible position, the cash out of unused PTO will be prorated based on the pay period in which they separate from employment.

Severance benefits will be paid to employees with Sick Leave Banks in accordance with provisions in the appropriate bargaining agreements or the City of Owatonna Policy Manual.

PTO cannot be used to extend the employee's date of termination beyond the last scheduled workday unless approved by the City Administrator.

Existing Vacation/Sick Leave Balances

Existing vacation and sick leave balances shall be converted to the PTO program in the following manner:

- Unused vacation balances shall be converted to PTO accounts of participating employees.
- Sick leave hours will be converted to the Sick Leave Bank.

Sick Leave Bank

Total unused sick leave hours will be frozen and shall become the Sick Leave Bank. These hours may be used according to sick leave state law.

In the event of each illness, injury, or disability, time off may be taken from the Sick Leave Bank or the PTO account, at the employee's choice.

Employees receiving Worker's Compensation benefits may use the Sick Leave Bank to return to 100% of their current salary.

Upon termination, any remaining balance in the Sick leave Bank will be paid out at 50% of the remaining hours

Donating Leave

The intent of this section is to allow for the transfer of accrued paid time off (PTO) from one employee to the paid time off or vacation account of another employee who has a need for additional paid leave because he/she has exhausted all paid leave and has a serious medical hardship. The donation of accumulated PTO can be done only on a one-for-one basis. The employee requesting donated leave shall submit a written application to the City Administrator describing the medical hardship. The hardship must impact the employee, employee's spouse, employee's children, or the employee's parents. The medical hardship must be supported by a physician's statement to be eligible for consideration. (eff 10/20/15)

The City Administrator reserves the right to determine eligibility for leave transfer on a case- by-case basis. Exercise of the leave donation policy shall not establish precedent or practice and shall not be subject to the grievance procedure.

Terms and Conditions:

- a) Donations may be from accrued vacation or paid time off and will be

credited to the recipient's leave account. Donated leave will be subject to policies that govern the leave, whichever policy (PTO or vacation) is appropriate. Donated Leave Authorization Form is available from the Human Resources Department.

- b) The recipient must first use all accrued leave including sick, vacation, PTO, and compensatory time before being eligible to receive donated leave.
- ~~c) Employees receiving workers' compensation, disability, or other similar benefits are not eligible to receive donated leave.~~
- d) Any donation of leave must be at least four hours and not more than sixteen (16) hours per year from any one donor to any one employee.
- e) The donated leave will be transferred at the donor's pay rate and used at the recipient's pay rate.
- f) Donations may be made retroactively, but no more than sixty days retroactively.
- g) Names of donors and recipients will not be revealed unless the donors and recipients choose to do so in writing.
- h) Donated paid time off will count towards the required minimum time off per year.
- i) Employee is only eligible to receive donated leave for normal work hours lost due to the hardship
- j) All full-time employees and permanent part-time employees working at least 20 hours or more per week will be allowed to receive up to 525 hours of donated leave annually.
- k) Employees receiving donated leave must use the donated leave within 90 days or those hours will be forfeited
- l) Donated hours do not qualify for cash payout upon termination.

Part-Time PTO

Part-time employees are not required to utilize any PTO hours in their first two (2) years of service. After 2 years of service but less than 10 years of service, they are required to take a minimum of 40 hours of their earned PTO each accrual year (providing the hours are available). After 10 years of service, they are required to utilize a minimum of 80 hours during the year. The City Administrator may grant exceptions to this rule based upon extenuating circumstances in a written request.

All other non-conflicting sections in the PTO Policy shall apply to part-time positions.

PLEASE NOTE: All City of Owatonna employees hired after 1/1/06 and not covered by a collective bargaining agreement shall be enrolled in the Paid Time Off (PTO) program instead of the following plans for vacation, sick leave, and funeral leave. The Paid Time Off (PTO) Plan replaces city policies on vacation, sick leave, medical appointments, and funeral leave and combines these benefits into a single plan.

Employees hired prior to 1/1/06 may elect to stay on the following plan or convert to the new PTO plan. Conversion election shall take place once a year. Once converted to the PTO, an employee may not return to the old plan.

6.3 CALCULATION AND COMPENSATION OF OVERTIME

For each hour ~~worked~~ in excess of forty (40) in a regular workweek (Sunday through Saturday), a nonexempt employee shall receive one and one-half (1½) hours of pay or compensatory time off. Compensatory time, if allowed shall be scheduled by department directors. If compensatory time cannot be scheduled, the employee shall be paid one and one-half (1½) times the employee's regular hourly salary for each overtime hour. Overtime pay shall be reflected on the paycheck for the pay period in which it was earned. ~~Vacation, sick leave, used compensatory time, holidays, jury duty, other paid time off, paid leaves of absence, unpaid leaves of absence, rest periods, and lunch periods (if scheduled and not taken), and time spent in contract negotiations shall not count toward the calculation of overtime.~~ Overtime ~~will~~ may not be approved to complete work prior to taking time off or to make up work following paid time off.

All overtime must be recorded on an employee's compensatory timesheet. Both compensatory time accrued and compensatory time used must be recorded on the timesheet.

No more than eighty (80) hours of compensatory time may be accumulated at any time, unless authorization has been received by the department director or unique circumstances exist. All overtime worked after the employee reaches the compensatory time cap will be paid out monetarily.

6.2 OVERTIME

The City of Owatonna recognizes that in order to maintain basic services under unusual circumstances, emergencies, and peak workloads, employees may be required to work overtime.

Eligibility – Exempt vs. Nonexempt Employee Status

It is the policy of the City of Owatonna, consistent with M.S. 177.21 to 177.35, to compensate employees who are "nonexempt" from the provisions of the Minnesota Fair Labor Standards Act (FLSA) for time ~~worked~~ in excess of forty (40) hours in a regular work week. Only nonexempt (N) employees are allowed to accrue overtime pay or compensatory time-off. It is at the discretion of the department director to allow compensatory time rather than overtime pay. The nonexempt employee shall be paid one and one-half (1½) times the employee's

regular hourly salary for each overtime hour or, if it is agreeable to the employee and convenient to the department, arrangements may be made to allow compensatory time at one and one-half (1½) times the hours worked overtime. Nonexempt employees are those employees who do not meet the criteria for "exempt" status defined in M.S. 177.21. Nonexempt employees are eligible for the provisions of the overtime policy.

Exempt employees (E) are not eligible to receive overtime pay or compensatory time-off. Exempt positions may utilize flextime with department director approval, but not necessarily at a rate of one (1) to one (1). Exempt employees are expected to meet the requirements of the position, which may at times involve working less than and more than forty (40) hours per week. Exempt employees are those in positions that are determined to meet one of the following criteria established by the Fair Labor Standards Act:

- 1) Executive
- 2) Administrative
- 3) Professional
- 4) Computer-related occupations.

For exempt employees, there is no payment to be made for accrued flextime either annually, at separation of employment, or retirement. Efforts will be made on a department- by-department basis to accommodate exempt employees who by the nature of the position or workload are required to work an extraordinary amount of time outside of a normal work schedule. Please refer to the job descriptions for exempt and nonexempt positions.



DATE: March 4, 2025
TO: Mayor and City Council
FROM: Kris Busse, City Administrator
SUBJECT: Request for Letter of Intent - Retail Cannabis Business - Red Pine Group, LLC

Purpose:

Council consideration/approval to request received from the Red Pine Group, LLC for a Letter of Intent regarding a retail cannabis business.

Background:

Council will receive a presentation regarding this request during the Study Session prior to this Council Meeting.

Budget Impact:

None.

Staff Recommendation:

Request Council act on this request for staff direction.

Attachments:

1. Business Process Outsourcing Strategy - Red Pine Group, LLC



February 28, 2025
City of Owatonna

Cc: David Asp

Dear Kris, Troy, Greg and Jenna

Thank you for allowing Red Pine Group LLC (hereinafter referred to as RPG) to share the details of our retail cannabis Business Process Outsourcing (BPO) strategy.

Set forth below are the preliminary principal non-binding terms and conditions under which RPG its affiliates, or any of its designees ("RPG") and City of Owatonna, its affiliates, or any of its designees ("Municipality") mutually agree to work towards executing various agreements including but not limited to a Sale-Leaseback performed by Koach Capital (PSA), Operating Agreement, Master Services Agreement (MSA), License Agreement with the State of Minnesota (all agreements hereinafter referred to as the "Transaction") with more specific details as follows:

1.	Terms and Letter of Intent	Contemplated sources & uses and economics of the Transaction are reflected below: 1. Once RPG and the Municipality execute this LOI, Municipality will begin negotiation and enter into a Master Services Agreement (MSA) with RPG or it's assignee through which all business functions, including but not limited to the marketing, accounting, payroll and other expenses will be drawn down and adjusted quarterly and leaving 25% of the profits associated with the location to be distributed to the Municipality or its assignee. 2. RPG will provide details for Municipality to apply for a retail cannabis license directly or will create a for-profit organization (ex. Owatonna RPG) that will apply for and request a retail license by the state under Owatonna RPG. 3. Municipality and RPG will agree upon a location, hours, buildout and operations of a dispensary utilizing license issued by the state. 4. Koach Capital will purchase agreed upon location and provide at least 50% of the tenant improvements for a 15 year lease as part of sale-leaseback transaction. This lease will be 12% or less of the total provided funds (for purchase and tenant improvements). 5. RPG will provide the remaining Tenant Improvements, inventory and other miscellaneous start-up expenses.
2.	Confidentiality / Non-circumvent	The parties mutually agree that all information and/or documents reviewed by the recipient or given to the recipient belong to the disclosure of such information and are to be treated as highly confidential. The parties agree that it shall at all times do everything that is necessary to safeguard the said confidentiality and it shall not divulge the confidential information to any third party (other than the recipient's advisors) and further agree that it shall not use the confidential information in any manner whatsoever, be it directly or indirectly. Furthermore, Municipality agrees to a Non-circumvent and No-shop for four (4) months: The Municipality shall not, and shall cause (to the extent it has the Legal Right) its Affiliates and its and their directors, officers and similar agents not to, (i) solicit, initiate or encourage the submission of any proposal or offer from any Person relating to the acquisition of any of the Acquired Municipality Equity Interests or any substantial portion of the Acquired Municipality Assets (including any acquisition structured as a merger,



		consolidation or share exchange) or (ii) participate in any discussions or negotiations regarding, furnish any information with respect to, assist or participate in, or facilitate in any other manner any effort or attempt by any Person to do or seek any of the foregoing. The Municipality will use commercially reasonable efforts to cause its financial advisors and other representatives not to do any of the foregoing. Nor will the Municipality seek to go-around RPG and directly communicate with any parties introduced or identified to seek to go-around RPG and directly communicate with any parties introduced or identified to Municipality.
3.	Expenses	a) RPG and Municipality shall pay its own costs and expenses incurred (including any broker's fees, finder's fees and the fees and expenses of its lawyers and other advisors). b) All incurred fees shall be mutually agreed upon such as acquisition fees, closing costs and advisors, will be included in enterprise value and deducted from proceeds at closing.
4.	Termination	This LOI will terminate ("Termination Date") upon the following conditions: Municipality or RPG in writing, gives notices to terminate this LOI.
5.	Non-Binding Agreement	The matters set forth in this letter agreement constitute an expression of the parties' mutual intent only and do not constitute a binding agreement among the parties with respect to the proposed Transaction or otherwise impose any obligations on the parties. Any such obligation shall only arise upon execution and delivery by the parties of a Definitive Agreement with respect to the actual MSA, and only to the extent provided therein. No party may bring any claim or action against any other party as a result of a failure to agree on or enter into a Definitive Agreement as contemplated hereby. Without limiting the foregoing, the provisions of this letter agreement are subject to completion of due diligence and subject to agreement by RPG and Municipality. Except with respect to Paragraph 2 above upon the execution of this letter agreement which is intended to be binding between the parties, this letter agreement is a non-binding expression of the parties' present interest and does not create legally binding obligations between the parties.
6.	Schedule/ Requirements	Due Diligence and completion of entity docs and offering typically takes significant time for RPG to complete. Upon signing this LOI, RPG will establish a mutually accessible data room where Municipality will have ongoing access the following: 1. Background information of all associated parties 2. Municipality Overview, Branding, and all 3rd party Licensing agreements. 3. Operating Agreements w/Cap Tables, Corporate Resolutions, Minnesota State License Details. 4. Detailed proforma on the location. 5. Property addresses and details, including surveys, appraisals, title policies, insurance policies, mortgages and or leases. 6. Banking records and Tax returns. 7. List of vendors and breakdown of cost of goods sold.
7.	Counterparts	This letter agreement may be executed in one or more counterparts which may be delivered by facsimile transmission, each of which will be deemed to be an original and all of which, taken together, will constitute one and the same agreement. The term "including" shall have the inclusive meaning of "including without limitation" in this letter.



Acknowledged and Agreed as of February 28, 2025:

MUNICIPALITY

By: _____

Name:

Title:

Date: February 28, 2025

RED PINE GROUP LLC

By: _____

Name: Zander Abrams

Title: Manager

Date: February 28, 2025