



CITY COUNCIL MEETING

Tuesday, January 20, 2026 at 7:00 PM

**Council Chambers, Charles S. Crandall Center at City
Hall, 540 West Hills Circle.**

**Roll Call: Council Members Svenby, Voss, Dotson,
Burbank, Boeke, McCann, and Raney**

Prior to the City Council Meeting:

Special Meeting - 4:30 p.m. to discuss Security. This will be a closed-door session as allowed under the Minnesota Open Meeting Laws per Minn. Stat §13D.05, Subd. 3(d).

Study Session - 5:30 p.m. with discussion about Park Land Dedication, and if time permits, updates on various boards and commissions.

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

1.1. Council Agenda

1.2. Mayor Jessop

1.2.1. Accept Resignation - Human Rights Commission Member Mustafe Ismael

2. CONSENT AGENDA ITEMS

2.1. Minutes - Boards/Commissions

2.1.1. Human Rights Commission Meeting - December 9, 2025

2.1.2. EDA Meeting - December 17, 2025

2.1.3. HRA Board Meeting - December 22, 2025

2.1.4. Park Board Meeting - January 5, 2026

2.1.5. Human Rights Commission Meeting - January 13, 2026

2.2. Department Reports

2.2.1. Building Inspections Monthly Report - December 2025

2.2.2. Fire - Monthly Dashboard and Activity Report - December 2025

2.2.3. Police Crime Clock and Activity Report - December 2025

2.2.4. Finance Report

2.3. Miscellaneous

2.3.1. Liability Coverage Waiver - League of Minnesota Cities Insurance Trust (LMCIT)

2.3.2. Canine Agreement - Sale and Transfer of Ownership of Vegas to Casey Martin

3. ACTION ITEMS

3.1. Resolutions

3.1.1. Resolution 17-26 Intent to Reimburse Expenditures From Proceeds of Bonds -
Community Center

3.1.2. Resolution 18-26: Accept Feasibility Report & Set Date for Public Hearing - 2026 Street

& Utility Project

3.2. Miscellaneous

3.2.1. WWTF Expansion Change Orders #26 & #27 - Rice Lake Construction Group

3.2.2. Tobacco License - Owatonna Tobacco, LLC - 1836 S Cedar Avenue

3.2.3. 2026-2028 Audit Services Agreement - BerganKDV

4. STAFF REPORT - City Administration - City Administrator Jenna Tuma

5. PUBLIC COMMENTS: Please limit comments to three (3) 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 three 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



CITY OF
OWATONNA

Mayor Jessop



CITY OF
OWATONNA

Board - Commission Minutes

Owatonna Human Rights Commission
Minutes – December 9, 2025

The Owatonna Human Rights Commission (OHRC) met on Tuesday, December 9, 2025, in the Meeting Room of the Charles S. Crandall Center at City Hall. Chairman Bjore called the meeting to order at 5:30 p.m. Present were Commissioners Bjore, Seykora, Esquivel, and Ismael; City Administrator Tuma; and Administrative Coordinator Clawson. Commissioner Hult was attending remotely, and Commissioners Hill and Hansen were unable to attend.

Following the Pledge of Allegiance, Chairman Bjore welcomed everyone to the meeting. Commissioner Bjore made a motion to approve the Meeting Agenda as presented, Commissioner Seykora seconded the motion, all members present voted aye in approval. After a quick review of the draft of Minutes of the November 12th OHRC Meeting, Commissioner Bjore made a motion to approve as presented, Commissioner Ismael seconded the motion, and all members participating voted aye in approval.

COMMISSION MEMBER UPDATE/COMMENTS

Commissioner Hult commented that his daughter Harper is doing well in NIC Unit in Rochester and is now just over four pounds.

Commissioner Bjore commented that Commissioner Hill is on the mend and plans to participate in future group sessions and the January OHRC Meeting.

City Administrator Tuma commented that a Letter of Resignation from the OHRC was received from Commissioner Hansen. This will be an item on the next City Council Meeting Agenda, December 16, 2025, for Council to accept.

Commissioner Seykora commented that she invited Ibrahim Hussein to the meeting and welcomed him to comment on current concerns of Samali residents. Ibrahim, a previous member of the Owatonna Human Rights Commission owns several businesses within Owatonna. Ibrahim advised the Samali community has been shut down as most are afraid to leave their homes. Yesterday a mosque in Prior Lake was severely damage in an early morning fire and an investigation is in process to determine if the fire was an accident or set intentionally. Last week, Mayor Jessop made a statement of support for the Samali community on social media; this was greatly appreciated and additional messages have been received. One concern is safety at their mosque; they do have security onsite and someone will be in the parking lot watching the building entrance during their daily prayer sessions. Not sure how many members will come for prayers and no other gatherings are planned. Commissioners Seykora, Bjore and Ismael will form a subcommittee to consider additional support opportunities. Ibrahim thanked the OHRC members for offering their support and appreciate any assistance to alleviate current stress within the community.

ITEMS OF DISCUSSION

2026 Pride in the Park - An Event Permit Application was received from Rainbowatonna. Changes in the event's Safety Plan are currently under review with city's Code of Ordinances.

A meeting is planned with the applicants to review their application, City Administrator Tuma will confirm plans for this meeting. When the event details are clarified, the application will go to council for approval.

Commission President Bjore commented she met with the manager at Wells Fargo Bank regarding Commissioner Esquivel bank visit when he was overlooked while standing in line for service. They had a good conversation; she notified her boss and staff of the incident. She acknowledged she hadn't handled the situation well and appreciated the reminder to provide good customer service. She doesn't tolerate racist actions, and her overlooking Commissioner Esquivel was not because of his ethnic origin. The gentleman behind him had made eye contact with her when she left her office, so she helped him, the woman in front of him then made a directed comment which she responded to while Commissioner Esquivel was left waiting. Commissioner Esquivel thanked Commissioner Bjore for following up on his lack of service comment.

2026 MLK Jr. Day Event – Plans in process for this noon event on Monday, January 17, 2026. There will not be a featured speaker, but a multi-member panel responding to questions regarding current concerns. Setup will begin at the Steele County Historical Society at 11:00 a.m. for doors to open at 11:30 a.m. Plan to set round tables to accommodate 120 attending and Plaza Morena will set up a buffet style taco bar as last year. Commissioner Seykora and Bjore will meet to discuss promotions and preparation of panelist information.

OHRC Member Long Sleeve Shirts – Commissioner Bjore presented quotes for various styles of long sleeve shirts. Commissioner Bjore made a motion to purchase a quarter zip fleece from Oak Glenn Gear with cost not to exceed \$500.00. Commissioner Seykora seconded the motion, all members present voted aye in approval.

OHRC Promotional Video – Commissioner Bjore presented two options for promotional video. One from Lori Bugler, Communications Manager at ISD #761 and the other from Aaron Guzman Photography. The video will be shown on the city's website promoting who and what the commission is. During review of the plans, the commissioners discussed Aaron's plan would promote both the community and the commission. He quoted a two-minute video, but Commission President Bjore will ask him to provide shorter segments to cover OHRC activities during the year. Commissioner Seykora made a motion to accept bid from Aaron Guzman Photography of \$1,700 for video services, Commissioner Ismael seconded the motion, all members present voted aye in approval.

T-shirt – 2026 Soccer on the Field – Welcome Week Activity. Commissioner Seykora presented a \$400 quote for game t-shirts from Fischer Specialty Sport and Apparel. The shirts will be like those prepared for the 2025 game. Commissioner Seykora made a motion to purchase these t-shirts, Commissioner Bjore seconded the motion, all members voted aye in approval.

Training Opportunity – During previous discussion, Commissioner Bjore asked consideration be given to ask Gloria Martinez to present Taking Back the Girls. Her speaker fee is \$4,000 and she met with Superintendent Kath to ask if the high school would co-host

this presentation. Unfortunately, the schedule for high school presentation is set and they are unable to offer to students. He offered use of the high school for a community event but it is doubtful if the desired audience would attend. Commissioner Seykora commented this event should be sidestepped and other activities planned given more attention. City Administrator Tuma commented the OHRC 2026 Budget was reduced by \$1,000 to \$5,000.

Commissioner Ismael commented he and Commissioner Esquivel met with David Campana, the Legislative and Policy Director of the Minnesota Council on Latino Affairs at the end of October. This was a good opportunity to hold a face-to-face meeting for introduction and discuss ways to connect with the community. Future meeting with Mayor Jessop will be planned to offer an event focusing on the diversity of our city's residents

ADJOURNMENT

At 6:53p.m., Commissioner Hult made a motion to adjourn, Commissioner Esquivel seconded the motion, and the meeting was adjourned. The next OHRC Meeting is planned for Tuesday, January 13th at 5:30 pm.

Respectfully submitted,
Jeanette Clawson, Administrative Coordinator

**EDA
Minutes
December 17, 2025**

The Owatonna Economic Development Authority met in regular session at 4:00 pm in the Charles S. Crandall Center – Chambers at City Hall with President Voss presiding. Commissioners present: Dan Boeke, Dave Burbank, Andrew Cowell, Brian Savage, and Doug Voss. Commissioners absent: Corey Mensink. Also present were Troy Klecker, Sean Williams, Brad Meier, Lisa Cochran, and Kristen Kopp.

Approval of Minutes. Commissioner Cowell moved approval of the minutes of the November 19, 2025 meeting with second by Commissioner Boeke. All Commissioners voting Aye, the motion passed.

Treasurer's Report. Community Development Director Troy Klecker presented the revenue and expense reports for November. He said that they are pretty much on target for year end numbers. At the Council meeting last night, they approved the Budget for 2026. The EDA Levy portion of the budget will be going up to \$240,000 from \$200,000. One thing that is changing is that TIF reporting was done internally in the past and this will be contracted out. We are still trying to figure out exactly what we have in reserves. There are a couple of property purchases that came out of EDA: Marco Building and the house on Pearl Street. EDA is only paying for half of the Marco building, but in the short term they will come out of the EDA fund and will be reimbursed. We probably won't have total year end numbers until January or February.

Loan Report. OABDC Director Sean Williams presented the Loan Report for November. He said that Wagner's loan is not current as their automatic payment failed. Sean talked to the owner this morning, and said that the check will be coming next week. Selective Looks is also not current, but she pays every other month. Cowell asked if we were going to follow up on the Wagner's loan. Williams said that he will follow up.

OACCT /OPED Report. OACCT President Brad Meier presented the OACCT and OPED reports. He said that Renneberg Hardwoods is about a month out from opening. They are really excited about their location. DoubleTree by Hilton held a ribbon cutting.

OABDC Report. OABDC Director Sean Williams presented the OABDC Report. He said that they have another round of Co-starters starting up. They are partnering with OHS again and are offering the high school version of Co-starters. There are 35 people in the class. This will be the biggest year yet for consulting. Things are moving in the right direction.

EDA Projects. Community Development Director Troy Klecker presented the EDA Projects for November. He said he's working with Brad Spitzack on the Cemstone site purchase. They are at \$185,000 as they would not going any lower. The letter of intent on 117 Bridge Street West is getting close to the end. Renneberg Hardwoods are indicating that they want to do a cold storage building on site next year. Sputtering Components has finished their building and are occupying it. Foremost is still working on trying to get a tenant in there. We are going to hang onto the TIF for now and will see what they come back with. We have closed on 1301 Oak Avenue South so

the City is the owner now. Graif Clothing store will be closing at the end of the year or potentially March. They are the main tenant of that building. We did not specify that it needed to be a clothing store, just retail and offices. The owner is working on finding a potential tenant for that space. There was some discussion of the Cemstone property. Klecker said that that piece we are looking at buying gives us frontage on North Street. There are a lot more possibilities with that property and the frontage.

Old Business:

Review Contracts with OACCT: MainStreet Agreement. Klecker said that there was some discussion of these at the last meeting. We have them all on the agenda and in the packet. They are all fairly short. The first is the contract with the OACCT for the MainStreet Program. That program has been in place for over twenty years. It started without many resources and eventually became a part-time position but has become a full-time position in the last few years. This is funded half by EDA and half by the Chamber. We are not proposing anything different than what was in the last agreement. It is \$50,000 for three years. A motion was made by Commissioner Cowell and seconded by Commissioner Savage to approve the MainStreet Agreement for \$50,000 annually for 2026 through 2028. All Commissioners voting Aye, the motion passed.

Economic Development Agreement. Klecker said that we do economic development as a team with the Chamber. There are a lot of things we can't do and our OPED group is very instrumental in getting things done for economic development. This helps solidify that team mentality toward economic development and is the most efficient way to hand economic development. We have a good thing going. When we went to a full-time MainStreet Director, we split the MainStreet and Economic Development Agreements to ensure money is going where it is intended. Meier said it kept it clean—they have three sets of financials for Chamber, MainStreet, and Tourism. Boeke asked if the Chamber contributes to the MainStreet Director salary. Meier said yes. Boeke asked if the City contributes more to OPED. Klecker said yes. Boeke asked if the City is happy with the results from OPED. Klecker said that the \$30,000 for this agreement isn't all OPED. Part of it is facilitating OPED meetings but it's also for the services of working on economic development items. Klecker said that the \$30,000 is the day-to-day sort of stuff, not just Brad, but the rest of the Chamber staff that are all contributing to economic development. A lot of cities will have the City handle economic development and will be almost working against the Chamber. Klecker said that this is the way he gets a lot of his work done—when he can call anyone on the Chamber staff with questions. He talked about how they work as a team. He said that this is the only model around like this—with all these groups coming together to accomplish economic development. We have had many cities ask us about how we do economic development. It is just a structure that is in place now. Boeke said that staff gets a lot of compliments when developers come in. Klecker said that is correct. A motion was made by Commissioner Boeke and seconded by Commissioner Cowell to approve the Economic Development Agreement for \$30,000 annually for 2026 through 2028. All Commissioners voting Aye, the motion passed.

OABDC Agreement. Klecker said this is for loan services. We have a lot of different loan programs, but the forgivable loan program probably takes the most time. A lot of documentation

has to come in and then there is the payment schedule. Sean Williams keeps track of all of that and it takes a lot off our plate. We have had these contracts in place for well over a decade. Every one of these, the dollar amounts are the same as before. They are not asking for any increases. There was some talk about the amounts and whether they were sufficient. Klecker said that they are amounts that both sides have agreed to, but it's fair to say in three years we could look at increasing them. Boeke asked if the figures provide enough for OABDC to spend enough time doing what they can do. Klecker said that loan administration ebbs and flows. We're at the end of our run with the forgivable loan program. He said for the volume we have, it is probably pretty fair. Williams is on call for us and you have to pay for that availability. You might have three loans in a week and not another one for three months. It is an amount we pay them to be available to do loans for us as they come to us. A motion was made by Commissioner Burban and seconded by Commissioner Cowell to approve the OABDC Agreement for \$20,000 annually for 2026 through 2028. All Commissioners voting Aye, the motion passed.

Schedule Next Meeting. The next EDA meeting is scheduled for **January 21, 2026** at 4:00 pm in Charles S. Crandall Center – Chambers at City Hall.

Adjournment. There being no further business, a motion was made by Commissioner Boeke and seconded by Cowell to adjourn the meeting at 4:46 pm. All Commissioners voting Aye, the motion passed.

MINUTES
HOUSING AND REDEVELOPMENT AUTHORITY OF OWATONNA
REGULAR MEETING on December 22, 2025

The regular meeting of the Owatonna Housing and Redevelopment Authority was called to order at 4:02 pm in the Crandall Small Conference Room by Chairperson Vicki Olivo.

Members present were Nathan Dotson, Julie Fiske, Vicki Olivo, and Lindsay Schultz. Also, present were Community Development Director Troy Klecker, Housing Manager Ghassan Madkour.

Approval of the Minutes: A motion was made by Dotson and seconded by Schultz to approve the minutes of November 24, 2025, HRA Board meeting. All Commissioners voting Aye, the motion carried.

Executive Director's Report: Community Development Director Troy Klecker presented the Executive Director's Report. Klecker said that he is hearing from developers and property owners that everything is full. It goes back to the market—the demand is definitely there. The Aire Apartments are doing well. They are all framed up and are looking at opening by early summer. Mineral Springs Estates is moving along and getting everything recorded toward the end of the year. They plan to start the project in the spring. We have heard that we are not on the funded list for Eastgate 2, which is incredibly disappointing as we have been working on that for three years. A lot of metro projects get funded and rural projects are a little light. This is extremely frustrating. The developer is not giving up on this project yet. This is their first project in town that has not been funded on the first attempt. MN Housing changed all their criteria considerably two years ago, and it's been hard to figure out the formula to get funded. They are still pursuing the Partridge property. Klecker said that he has presented it to the County Board. They have some State Aid dollars they have to put toward affordable housing. We applied for the most you could--\$200,000. They are holding for us to put this project together, but they want to make sure that the project is going to go forward, and they want some safeguards so that someone couldn't just turn around and sell the house. That doesn't still quite fund everything. He said he will come back with the numbers for the HRA. If there is a small gap, he may ask the HRA to help. He said that Stormwater may also pay for a portion of the project. The Single-Family Incentive programs have done well. He will talk to Council to see if they want to do it again in 2026. There was some discussion about Ascend South. Klecker said that it will be 57 apartment units added, which are needed.

Old Business: The Housing Choice Voucher program monthly report was presented by Madkour, including the City of Owatonna monthly balance sheet and revenue/expense report. He said they are trying to get back into a good reserve position before taking on more clients or vouchers. In the meantime, other clients have lost jobs or income, so the reserve is not being built. He said that there are five people asking about porting, but they can't port right now unless the agencies are going to absorb them. He said that the issue with shortfall is that it takes a lot of people to get it cleared. We are currently at 36 clients on Mainstream. We have had the program since Covid. He said he is waiting for the 2025 numbers. He said that Bridges is still on hold. There were three vouchers freed up and so he is taking on three new clients. He said that they are going through MN Prairie for Bridges. The name has changed to AMHI (Adult Mental Health Initiative) Housing Subsidy instead of Bridges Like. He said that Kim is doing fantastic. Right now they are working on getting all the paperwork relabeled. He gave some updates about the Bring It Home Program. It will have its own waitlist. A motion was made by Fiske and seconded by Dotson to approve the reports as presents. All Commissioners voting Aye, the motion carried.

Other / New Business:

Klecker asked the Commissioners what they are hearing about housing in Owatonna. There was some discussion about demand for affordable housing and the demand for apartments.

Next Meeting: The next meeting will be Monday, January 26, 2026.

Adjournment: There being no further business, a motion to adjourn was made by Dotson and seconded by Schultz. All Commissioners voting Aye, the motion carried. The meeting adjourned at 4:50 pm.

Respectfully Submitted,
Ghassan Madkour
Housing Manager

MINUTES - UNAPPROVED
OWATONNA PARKS AND RECREATION
REGULAR PARK BOARD MEETING
January 5, 2026, at 4:30 P.M.

LOCATION: 540 West Hills Circle, Crandall Conference Room 120, Owatonna, MN 55060

OPENING BUSINESS

Call to Order at 4:33 p.m. by Jon Thiel

Executive Members Present: Chair: Jon Thiel, Secretary: Sara Baird

Board Members Present: Tyler Cochran, Carter Klecker, Nancy Ness, Nan Silkunas

Members Absent: Gine McGuire, Vice-Chair

Staff Present: Eric Anderson: Recreation Manager, Dani Licht: Aquatics Supervisor,
Drake Simonson: TPC/Athletics Supervisor, MJ Knudson: Admin Coordinator,
Maureen Lyons: Admin Coordinator

City Council Member: Don McCann

Guests Present: None

APPROVAL OF THE AGENDA

Motion by Nancy Ness to approve agenda. Second by Sara Baird. All members voted aye.

APPROVAL OF DECEMBER 1, 2025, MINUTES

Motion by Nan Silkunas to approve Park Board meeting minutes and bring before the Council. Second by Tyler Cochran. All members voted aye.

PERSONS WISHING TO APPEAR

The public forum is intended to afford the public an opportunity to address topics to the Park Board. The public forum will be no longer than 30 minutes in length, and each presenter will have no more than five (5) minutes to speak. Topics of discussion are restricted to local park and recreation topics. The Park Board will only listen and not take action on public forum presentations. None present

NEW BUSINESS: None

OLD BUSINESS

Deer Management Update MJ Knudson presented final details regarding the 2025 archery hunt in City parks. Total deer taken was 27, ten fewer than the previous year. A review of the highlights and challenges will be taken into consideration when planning for 2026. A request was made for information to be available in various formats prior to the season to educate the public as to the benefits of a deer management program. The suggestion of additional information and/or a QR code on the signage at parks may be an option.

Community Center Task Force update

Tyler Cochran updated the board on recent task force activities regarding the completion of the intended purpose for the group with the Leatherman Scientific Survey. Next step, City Council may choose to move forward to request legislative approval to bring a ½ cent local

tax proposal to voters over the next two years if approved. Don McCann shared that funding for Fire and Safety building proposals is a priority for the Council before the community center.

COMMUNICATIONS

- Park Division and Recreation Division reports were included in the agenda packet. One Park Permit was included at Brown Park on May 30, 2026 for a birthday party that will have a bounce house. Motion was made by Tyler Cochran to approve the Park Permit as submitted. Second by Carter Klecker. All members voted aye.
- Tennis and Pickleball Center season wrap-up along with Youth and Adult Athletics year end reports were provided by Drake Simonson. Board suggestions included advertising Tennis/Pickleball programs/facilities to neighboring communities that don't have similar options, consider a key card/swipe option to more accurately capture the number of users that have passes yet do not reserve court time, and looking into using vetted and trained volunteers to expand the open hours for non-passholder use of City athletics facilities and indoor play space.
- Emergency Disaster Declaration Update: MJ shared that Ed Hoffman is compiling data for the state for the purpose of reimbursement of a percentage of replacement costs for damaged equipment in addition to labor expenses associated with the July 2025 storm.

Communication from Park Board members:

Nan Silkunas expressed support for continuing to have a Parks and Recreation Director. Tyler Cochran shared his appreciation to the staff for all they do to provide park services and recreation programming.

Sara Baird reiterated the message of thanks to staff.

Nancy Ness commented on the beautiful condition of Kaplan's Woods and work that crews have done to clear invasive buckthorn.

Jon Thiel noted that the Park Board website landing page has terminology that needs updating to reflect board positions of Chair and Vice-Chair rather than President and Vice-President. Also noted, the Park Board Meeting Procedures document needs updating.

ADJOURNMENT:

Motion by Tyler Cochran to adjourn. Second by Nancy Ness. All members voted aye.

Meeting adjourned at 6:05 p.m.

After the meeting concluded, staff and board members walked to Vevle Hall for a tour of the newly relocated Parks and Recreation staff offices.

The next board meeting is scheduled for February 2, at 4:30 p.m. 540 West Hills Circle, Conference Room 120.

Owatonna Human Rights Commission
Minutes – January 13, 2026 - DRAFT COPY

The Owatonna Human Rights Commission (OHRC) met on Tuesday, January 13, 2026, in the Meeting Room of the Charles S. Crandall Center at City Hall. Chairman Bjore called the meeting to order at 5:30 p.m. Present were Commissioners Bjore, Seykora, Esquivel, and Hill; City Administrator Tuma and Administrative Coordinator Clawson. Commissioner Hult was attending remotely. Also attending were Mayor Jessop, Sam Bendorf and Clark Gustafson.

Following the Pledge of Allegiance, Chairman Bjore welcomed everyone to the meeting. Commissioner Hill made a motion to approve the Meeting Agenda as presented, Commissioner Seykora seconded the motion, all members present voted aye in approval. After a quick review of the draft of December 9, 2025 OHRC Meeting Minutes, Commissioner Seykora made a motion to approve as presented, Commissioner Bjore seconded the motion, and all members participating voted aye in approval.

2026 MLK Jr. Day Event

Commissioner Bjore reviewed plans for the MLK Jr. Day OHRC Noon Event.

Venue - Steele County History Center, 1700 Austin Road. Set up begins at 11:00 am, three staff members will be there if needed. Jose plans to deliver food shortly after 11:00 am.

Reservations – Preregistration via Google.docs went live last week, planning for 100 to attend. Currently 23 have registered, this count is similar amount last year one week prior to the event.

Doors open at 11:30 a.m.

Lunch served at 12:00 noon – taco bar by Plaza Morena, similar to last year.

Advertisement – flyers delivered around town today at gas stations, churches, banks, schools, and various businesses. Facebook post last week, Newsflash on the City website tomorrow and another Facebook post. Julia will contact the ALC to ask if students plan to attend. Short article in last week's OPU and city newsletters. Tomorrow there will be another article in the Owatonna Update and the Steele County Times.

Video tape – Jessica contacted by Limberg Production, she will follow-up with Scott. City Administrator Busse to follow-up with city staff to film for video to play on the PEG Channel.

Mayor Jessop will make short statement during the event regarding the OHRC and MLK Jr's legacy and his work toward peaceful resistance. Commissioner Seykora asked if a police presence should be present, Commissioners Hult and Hill commented they would prefer. City Administrator Tuma will speak with Chief Mundale asking him to remind officers of this event. Commissioner Esquivel commented many residents are stressed about ICE activities and encouraged everyone to remain calm.

Panelist – panel of four will be asked for their response to various questions. Each OHRC Member prepared three to five questions for panel consideration. Commissioner Bjore shared several questions and others are to send theirs to her to organize. Panelists include Sarah Sanchez, Owatonna resident; Gospel Kordah, Workforce Coordinator at SteeleCoWorks, Martha Sykes, Public Health and current Vice Chair of the Alliance for Grater Equity and

Whitney Harvey, MN Chamber of Commerce Director of Diversity, Equity and Inclusion.
Clean-up – all OHRC Members help clear the area and should be done before 2:00 pm.

2026 OHRC Video Promotion

Commissioners Bjore and Seykora discussed this project with Aaron Guzman of Guzman Photography. Plan to produce two thirty second videos with OHRC activities this year. Unfortunately, Aaron is not able to attend the MLK Jr. Day event. City Administrator Tuma asked them to include Communications Specialist Sheely to confirm brand compliance and also release authorization.

OHRC Membership

During this last month, Letters of Resignation were received from OHRC Commissioner Jennifer Hansen and Mustafe Ismael. Mayor Jessop will make a comment during the MLK Jr Event and at the City Council Meeting next week asking for applications. Commissioners were asked to encourage application for a variety of applicants. Commissioner Bjore made a motion to appoint Commissioner Esquivel as the current OHRC Secretary, Commissioner Seykora seconded the motion. Commissioner Esquivel commented his current term expires at the end of April, new members will be active OHRC Officers are elected annually. Commissioner Esquivel agreed to server as the Secretary over the next four months, all members voted aye in approval.

2026 Activities

Commissioner Bjore commented she spoke with Dom Korbel, Manager at Community Pathways and will pursue OHRC hosting a toilet paper drive this spring. City Administrator commented that the OHRC cannot use budgeted funds to purchase items for another group but can use funds collected for a designated purpose.

Commissioner Bjore commented that she will send out a list of 2026 OHRC activities for members to Save the Dates. There is an operational meeting for the 2026 Pride in the Park Event on January 29th, Commissioners Hult, Hill and Bjore plan to participate. Commissioner Bjore will contact former OHRC Commissioner Hansen regarding the OHRC Human Library sheet.

Public Comments

Sam Bendorf asked if the OHRC will hold an open discussion with opportunity for comments about recent ICE activities. Protester Renee Good was killed in Minneapolis last week and many are concerned. Commissioner Seykora commented OHRC has not made a comment, if contacted she has encouraged callers to review information on the AGE website. Clark Gustafson commented House Representative Finstad issued a statement backing the federal agent activities. Mayor Jessop commented he is preparing a statement similar to his statement supporting the local Somali community. Commissioner Hult commented he

preferred OHRC wait with a statement, that event wasn't local and is currently under investigation. Several commissioners and Mayor Jessop commented they have received calls but are not aware of any current activity within Owatonna. Gustafson commented these activities are getting close to Owatonna, ICE raids were done in Faribault last week and several taken into custody were housed at the Steele County Detention Center. Mayor Jessop reminded everyone to remain calm if similar situations happen.

Adjournment

At 6:40 p.m., Commissioner Bjore made a motion to adjourn, Commissioner Seykora seconded the motion, and the meeting was adjourned. The next OHRC Meeting is planned for Tuesday, February 10th at 5:30 pm.

Respectfully submitted,
Jeanette Clawson, Administrative Coordinator



CITY OF
OWATONNA

Department Reports

COMPARISON REPORT OF BUILDING DONE IN CITY OF OWATONNA IN YEARS 2024 AND 2025												Ken Beck, Building Official			
	DWELLINGS		ACCESSORY		COMMERCIAL		ADD. & ALT.		DUPLEX/APTS		DEMO	TOTAL			
Month	NO.	VALUE	NO.	VALUE	NO.	VALUE	NO.	VALUE	NO.	VALUE	NO.	NO.	VALUE		
Jan '24	0	0	2	6,500	33	7,806,205	95	763,150	0	0	0	130	8,575,855		
Jan '25	0	0	0	0	22	13,865,031	85	566,740	0	0	0	107	14,431,771		
Feb '24	2	700,000	4	7,500	52	8,218,972.00	198	1,725,152.62	0	0	0	256	10,651,624.62		
Feb '25	1	317,000	1	500	40	15,540,396.00	185	1,110,858.11				227	16,968,754.11		
Mar '24	3	940,000	5	8,250	75	10,847,903	289	\$ 2,612,593.78				372	\$ 14,408,746.78		
Mar '25	1	317,000	14	51,721	59	17,995,810	278	\$ 1,975,163.16			2	354	\$ 20,339,694.16		
Apr '24	3	940,000	19	81,750	107	44,321,109	446	\$ 3,981,714.59	0	0	0	575	\$49,324,573.59		
Apr '25	6	1,502,000	25	102,117	73	22,381,515	395	3,025,025.86	0	0	3	502	27,010,657.86		
May '24	3	940,000	38	235,738	125	46,373,553.00	586	5,141,328.01				752	52,690,619.00		
May '25	7	2,068,000	39	170,017	102	31,555,159.00	567	4,993,234.30			4	719	38,786,410.30		
Jun '24	3	940,000	52	338,988.00	141	48,105,001.10	730	6,515,257.09	2	400,000	2	930	56,299,246.19		
Jun '25	8	2,448,000	51	218,624.33	120	34,423,774.00	740	7,382,208.84			4	923	44,472,607.17		
Jul '24	5	2,040,000	67	387,488.00	180	53,277,518.10	888	7,891,334.33	4	980,000	5	1149	64,576,340.43		
Jul '25	10	3,298,000	70	340,568.33	141	37,792,700.00	923	9,366,792.64			4	1148	50,798,060.97		
Aug '24	6	2,290,000	82	479,826.00	210	57,328,157.10	1058	9,938,435.49	4	980,000	5	1,365	71,016,418.59		
Aug '25	10	3,298,000	86	404,032.00	166	41,045,386.00	1075	11,186,236.26			5	1,342	\$55,933,654.26		
Sep '24	8	2,990,000	98	617,836.55	252	66,465,557.10	1187	11,171,273.45	4	980,000	6	1,555	82,224,667.10		
Sep '25	11	3,623,000	102	464,032.00	189	41,567,217.38	1290	13,253,047.25			7	1,599	58,907,296.63		
Oct '24	9	3,325,000	111	734,836.55	275	71,587,459.47	1,344	12,774,301.43	4	980,000	10	1,753	89,401,597.45		
Oct '25	12	4,173,000	118	550,508.77	219	42,658,452.42	1,473	15,124,203.49			9	1,831	62,506,164.68		
Nov '24	10	3,675,000	117	763,486.55	297	73,111,653.47	1,441	13,487,903.07	4	980,000	10	1,879	92,018,043.09		
Nov '25	14	4,613,000	124	561,008.77	230	43,761,000.42	1,615	16,723,718.50			10	1,993	65,658,727.69		
Dec '24	10	3,675,000	121	791,519.55	309	74,198,304	1,542	14,427,159.25	4	980,000	11	1,997	94,071,983.27		
Dec '25	15	4,925,500	125	564,008.77	244	53,804,896.42	1,758	17,666,330.14			10	2,152	76,960,735.33		

**Starting April 2023, Commerical and Industrial are combined

Owatonna Building Inspection Department Comparison Report- Construction to Date 2024/2025

Construction Report for Permits Issued through December, 2025

TYPE OF WORK	2024 PERMITS ISSUED	PERMITS ISSUED FOR CONSTRUCTION COST	Units	2025 PERMITS ISSUED	PERMITS ISSUED FOR CONSTRUCTION COST	Units
NEW DWELLINGS	10	3,675,000		15	4,925,500	
ACCESSORY BUILDINGS (INCLUDES GARAGES, UTIL. BLDGS, SW. POOLS, ETC.)	121	791,519.55		125	564,008.77	
COMMERCIAL AND INDUSTRIAL PR	309	74,198,304.00		244	53,804,896.42	
RESIDENTIAL ADD. & ALT.	1542	14,427,159.25		1758	17,666,330.14	
DUPLEXES & APTS. (INCLUDES ATTACHED SF)	4	980,000	0	0	0	0
DEMOLITION PERMITS	11	0		10	0	
TOTAL PERMITS ISSUED	1,997	94,071,983	0	2,152	76,960,735	0

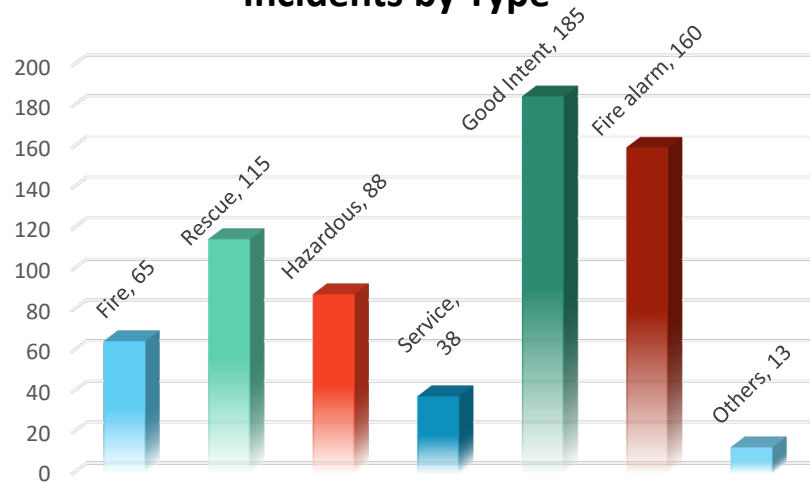
2025 OWATONNA FIRE DEPARTMENT MONTHLY ACTIVITY REPORT

INSPECTION SERVICES	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2025	2024
Fire code inspections	214	151	349	270	129	131	270	238	357	347	309	127	2892	2953
Fire alarm inspections	4	1	1	4	2	5	0	2	3	3	2	3	30	13
Sprinkler system inspections	7	3	1	4	12	1	3	3	8	7	3	1	53	66
Nuisance inspections	2	4	4	9	47	10	26	12	17	14	4	5	154	266
Weed inspections	0	0	0	0	140	179	161	169	120	34	1	2	806	742
Sprinkler system permits issued	3	2	3	2	1	4	4	2	1	0	1	2	25	26
Fire alarm system permits issued	1	1	0	3	3	0	3	2	0	3	3	1	20	21
Hood/Suppression system permits issued	1	1	0	0	0	0	0	0	0	0	0	0	2	2
Plan reviews	10	6	7	10	7	6	11	8	5	11	5	5	91	98
Code reviews	3	4	4	3	2	3	3	2	1	2	2	0	29	34
# Knox boxes checked	0	1	0	0	2	2	3	0	0	0	4	0	12	10
PUBLIC EDUCATION SERVICES	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2025	2024
# people given tours	0	0	0	20	0	0	37	40	0	257	0	0	354	460
# people given extinguisher demos	0	0	0	0	0	0	0	100	0	14	0	0	114	207
# people at truck visits	0	0	0	0	300	410	0	535	0	371	101	0	1717	1840
# people fire safety information	30	0	50	0	0	20	0	0	0	200	0	0	300	1289
# people juvenile firesetters	0	0	0	0	1	0	0	0	0	0	0	0	1	2
EMERGENCY RESPONSE SERVICES	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2025	2024
Incidents														
City incidents	51	34	39	39	50	46	64	59	47	49	36	43	557	521
Rural incidents	4	7	10	14	8	4	8	9	7	9	9	12	101	70
Mutual aid given	2	0	0	1	0	0	0	1	0	0	1	1	6	3
Monthly Totals	57	41	49	54	58	50	72	69	54	58	46	56	664	594
Type of Incidents														
Fire	10	6	5	5	5	4	10	3	0	5	9	3	65	48
Rescue calls	5	5	9	6	8	14	6	15	14	12	10	11	115	117
Hazardous conditions	4	9	6	3	10	8	18	4	4	7	6	9	88	77
Service calls	4	4	7	2	5	3	3	1	1	1	4	3	38	38
Good intent calls	16	7	15	20	20	11	12	22	18	15	7	22	185	131
Fire alarms	17	10	7	16	7	10	20	22	17	16	10	8	160	179
Others	1	0	0	2	3	0	3	2	0	2	0	0	13	4
Monthly Totals	57	41	49	54	58	50	72	69	54	58	46	56	664	594
Total training hours	320.34	372.66	411.83	330.18	329.31	397.50	239.67	282.08	345.82	381.99	293.05	171.25	3876	4209
SAFETY SERVICES	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2025	2024
# injury reports	0	0	0	0	0	0	0	0	0	0	0	0	0	3
# lost work hours	0	0	0	0	0	0	0	0	0	0	0	0	0	0
# fire extinguishers serviced	70	19	20	57	0	15	69	9	79	0	22	0	360	240
TOTAL HOURS														
Full-time shift hours worked	1528.00	1344.00	1797.75	1561.00	1585.25	1464.00	1562.25	1689.00	1692.00	1536.00	1450.75	1606.00	18816.00	20009.00
Full-time overtime hours worked	244.50	163.08	52.02	173.54	178.83	297.50	175.27	59.78	123.80	223.61	192.53	215.67	2100.13	1636.58
Paid-on-Call hours worked	388.25	389.75	447.00	408.50	376.75	390.75	376.00	345.25	357.60	455.75	353.00	228.63	4517.23	4671.00
Monthly Hours Worked Total	2160.75	1896.83	2296.77	2143.04	2140.83	2152.25	2113.52	2094.03	2173.40	2215.36	1996.28	2050.30	25433.36	26316.58

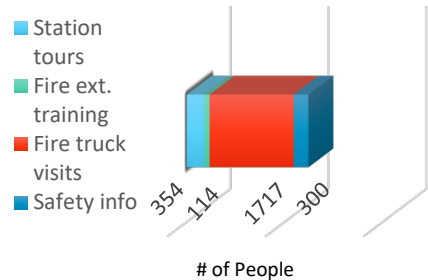
OWATONNA FIRE DEPARTMENT DASHBOARD

2025 STATISTICS

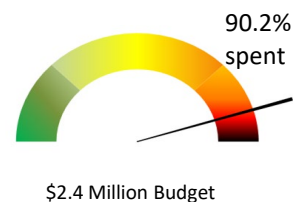
Incidents by Type



Public Education

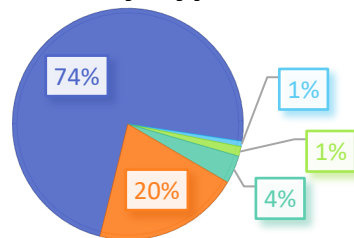


Expenditures



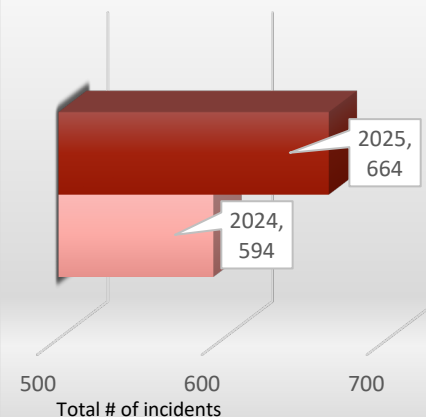
Inspections by Type

- Fire code
- Fire alarm system
- Sprinkler system
- Nuisance complaints
- Weed complaints

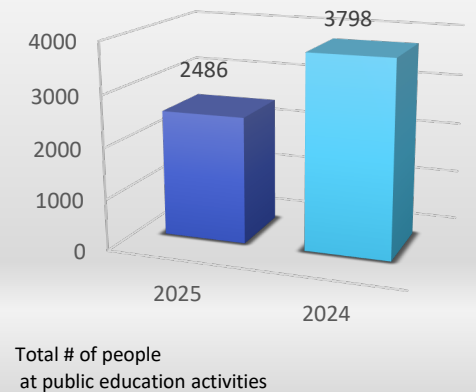


2025 VS 2024 STATISTICS

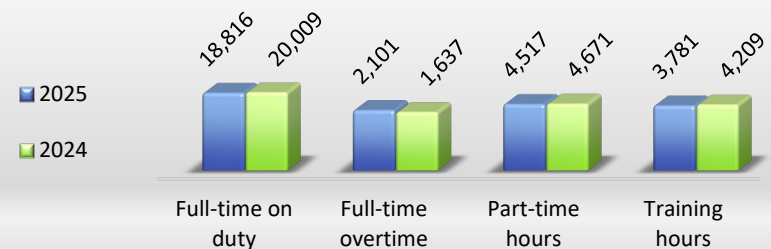
Incidents



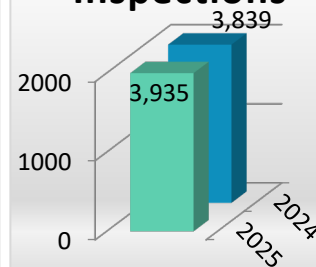
Public Education



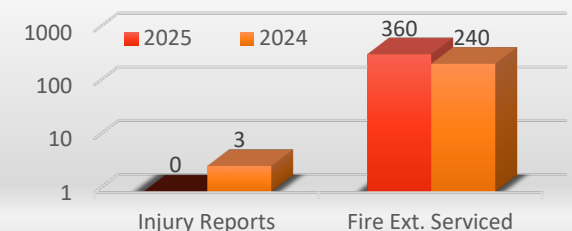
Staff Hours



Inspections

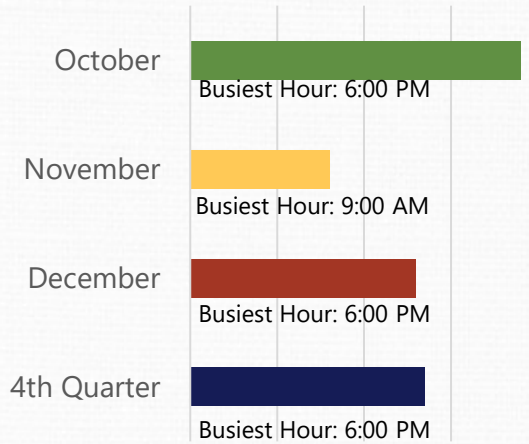


Safety Services

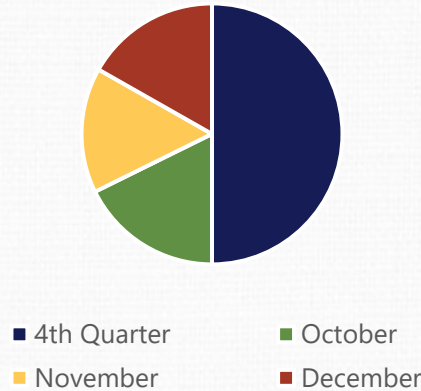


Owatonna Police Department 4th Quarter 2025 Service Analysis

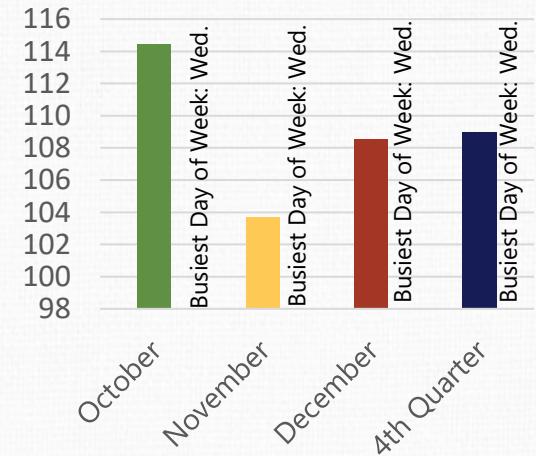
Average Events Per Hour



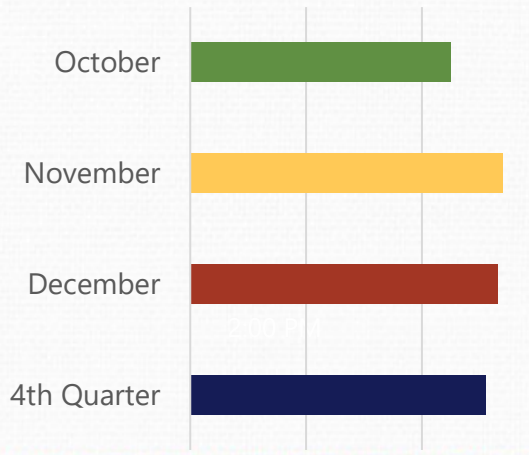
Total Events



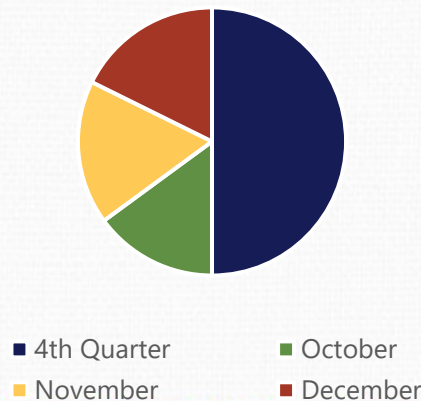
Average Events Per Day



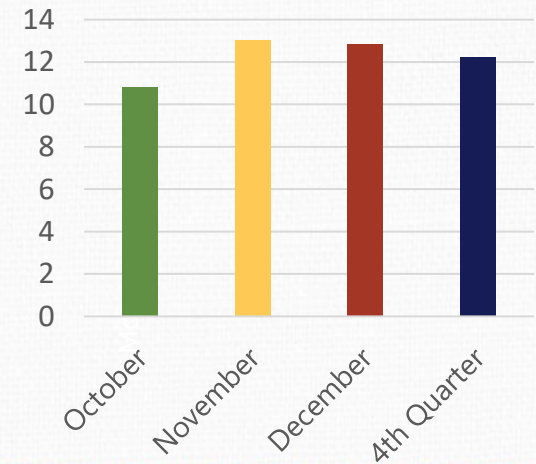
Average Traffic Stops Per Hour



Traffic Stops

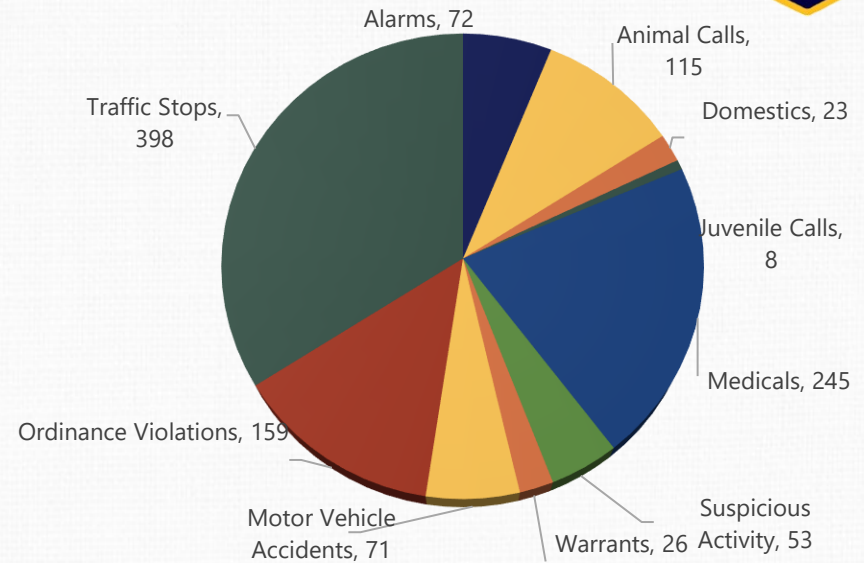
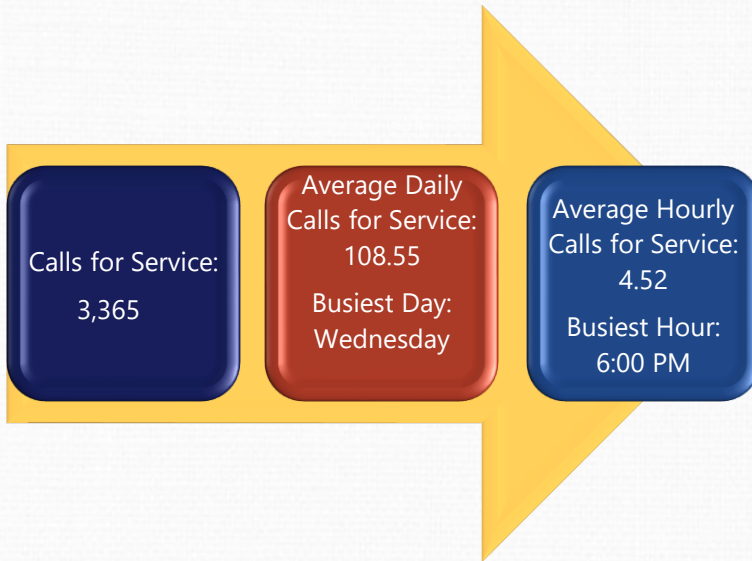


Average Traffic Stops Per Day

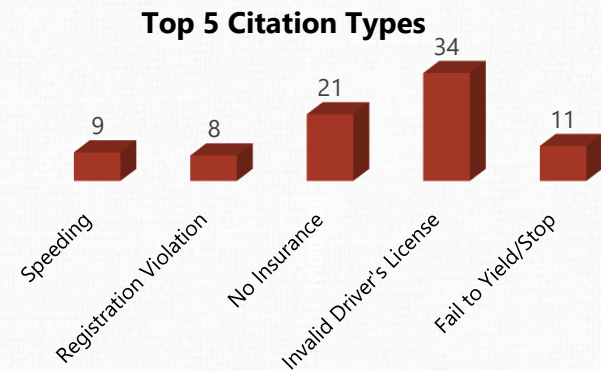


Owatonna Police Department Crime Clock

December 2025



The Owatonna Police Department issued a total of citations and warnings in December.



The above statistics are based on calls for service reports compiled monthly. Official crime data can be found via [Minnesota Crime Data Explorer](https://www.mn.gov/minnecrime).



Owatonna Police Department

December 2025 Crime Statistics

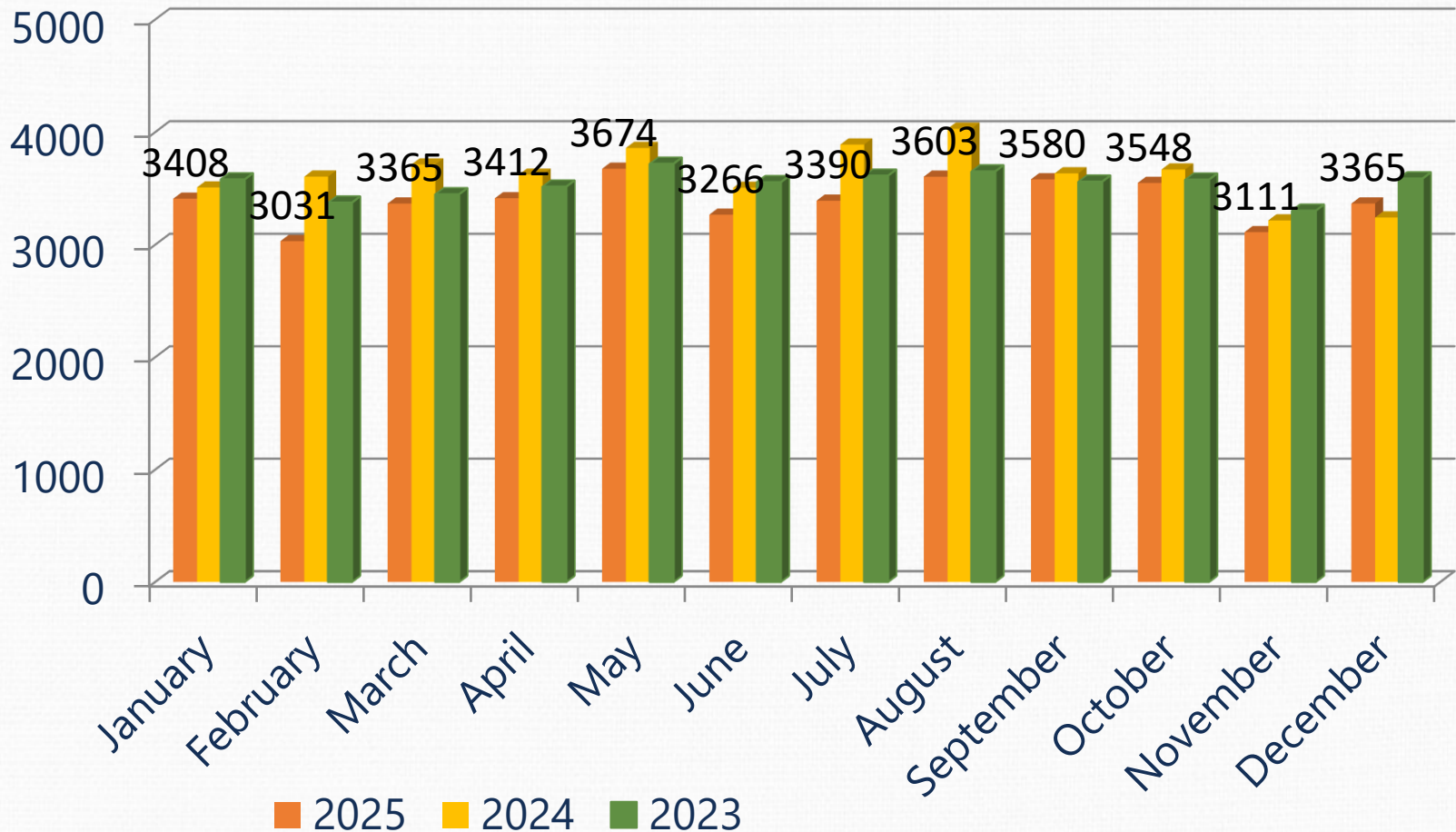


CITY OF
OWATONNA

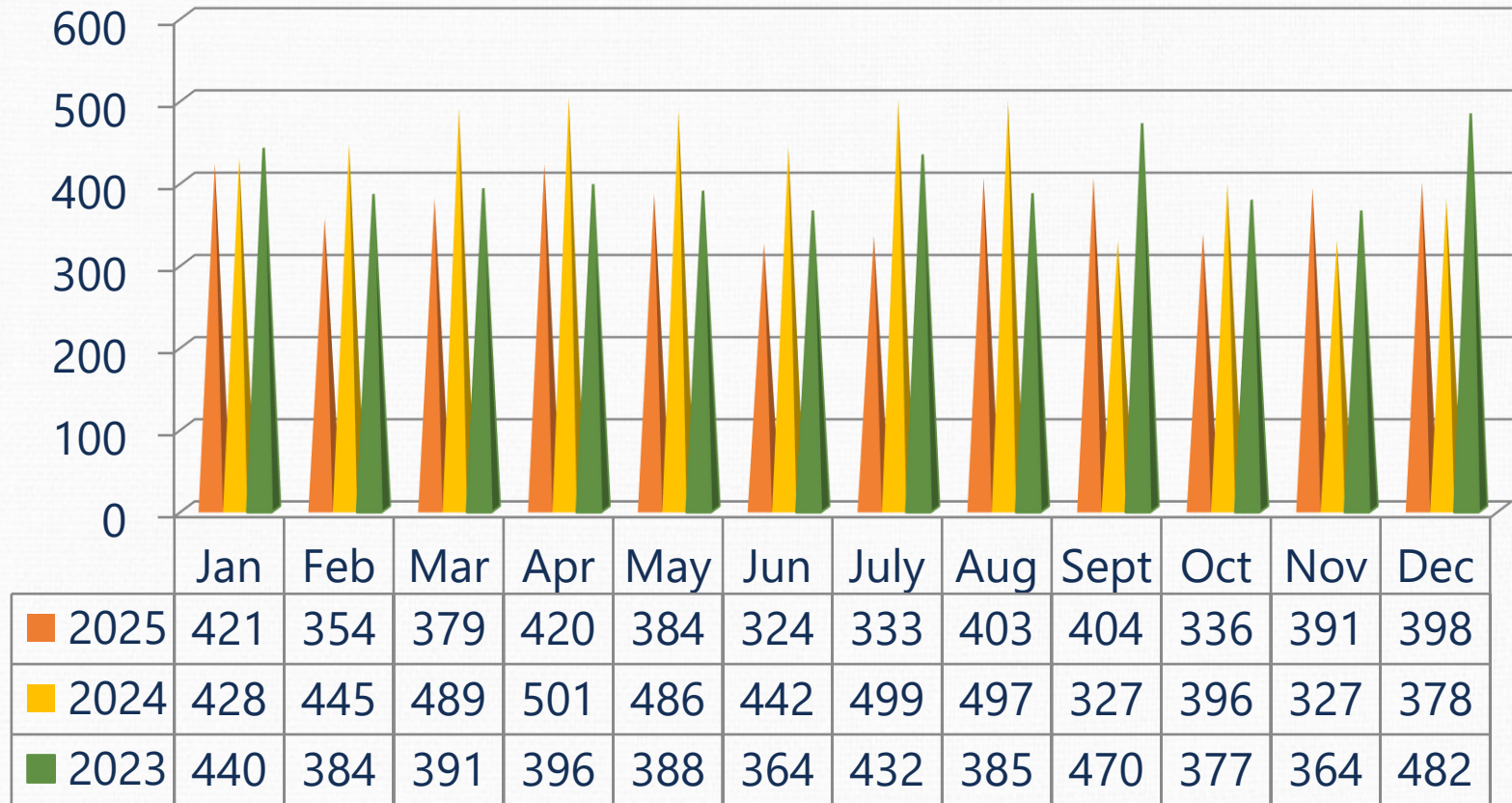


**The following statistics are based on calls for service reports compiled monthly.
Official crime data can be found via [Minnesota Crime Data Explorer](#).**

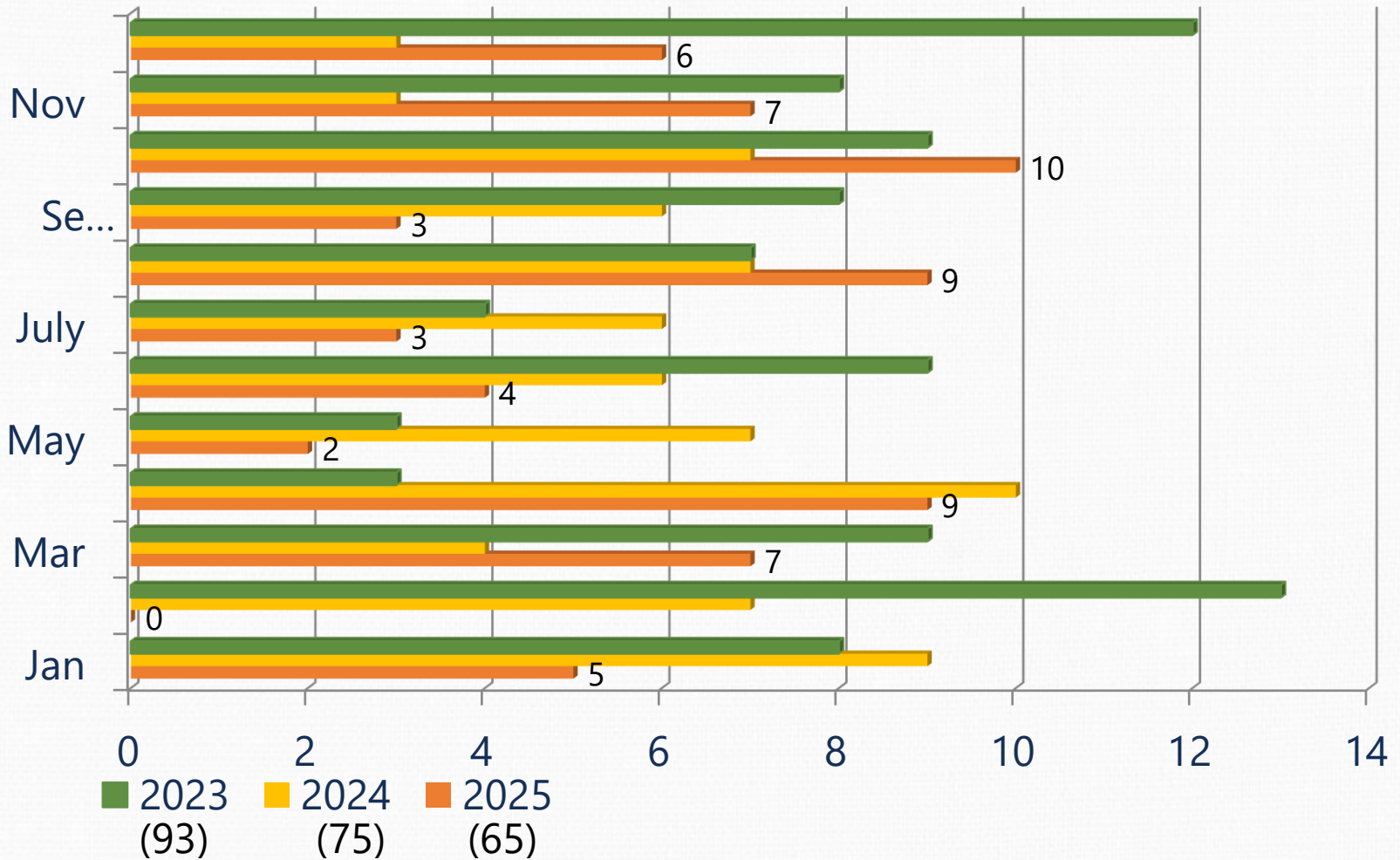
Total Calls for Service



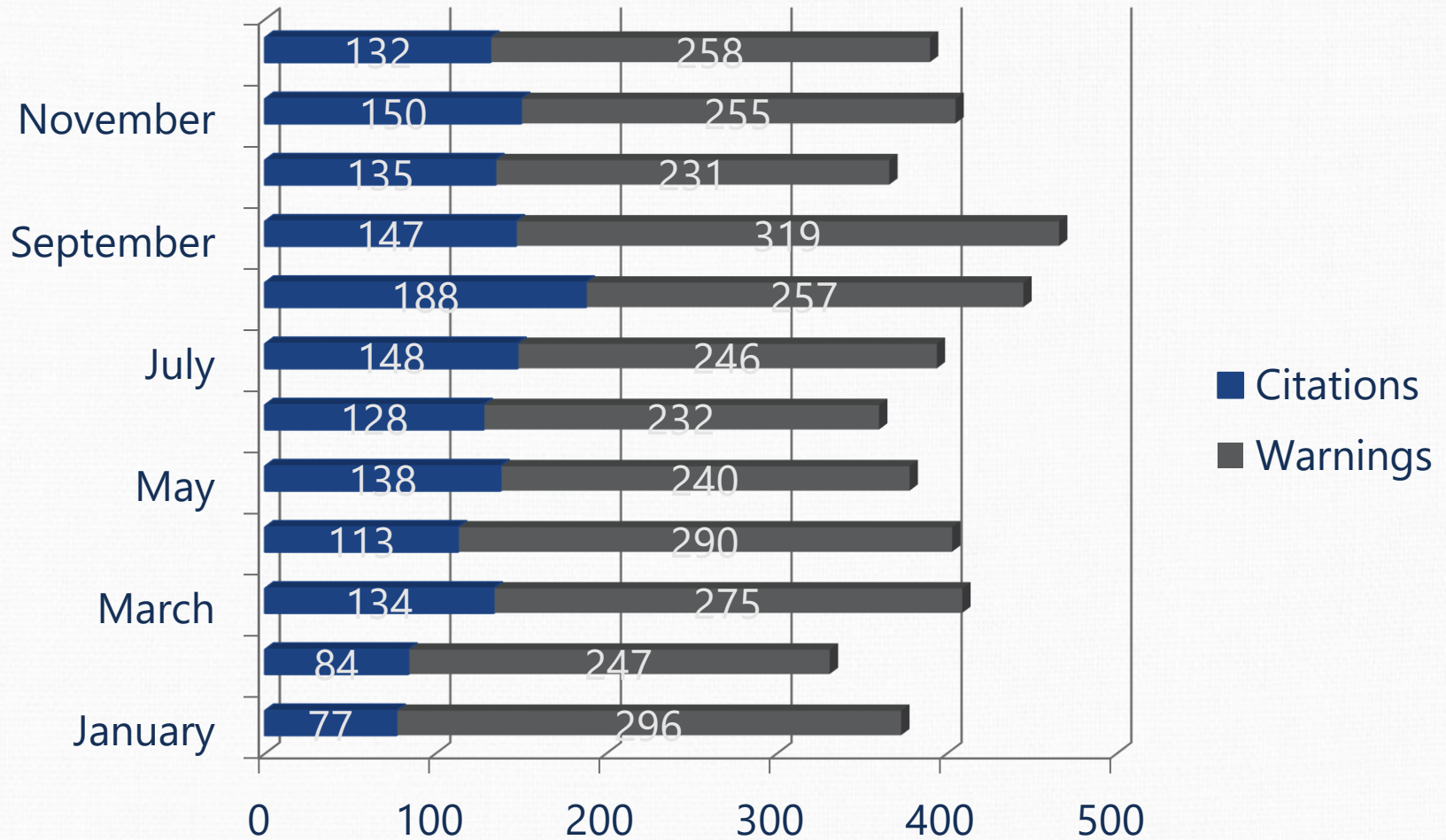
Traffic Stops



DWI



Citations and Warnings



Group A Crimes

Murder and Non-Negligent Manslaughter	0	Pocket-Picking	14	Identity Theft	13
Kidnapping/Abduction	1	Shoplifting	32	Hacking/Computer Invasion	1
Rape	12	Theft From Building	5	Embezzlement	6
Sodomy	0	Theft From Coin-Operated Machine or Device	1	Stolen Property Offenses	3
Fondling	14	Theft From Motor Vehicle	31	Destruction/Damage/Vandalism of Property	67
Robbery	5	Theft of Motor Vehicle Parts or Accessories	2	Drug/Narcotic Violations	32
Aggravated Assault	34	All Other Larceny	52	Drug Equipment Violations	0
Simple Assault	89	Motor Vehicle Theft	28	Incest	1
Intimidation (Assault)	64	Counterfeiting/Forgery	15	Pornography/Obscene Material	6
Arson	1	False Pretenses/Swindle/Confidence Game	30	Weapon Law Violations	21
Extortion/Blackmail	0	Credit Card/Automated Teller Machine Fraud	9	Human Trafficking, Commercial Sex Acts	0
Burglary/Breaking & Entering	14	Wire Fraud	7	Animal Cruelty	1
TOTAL: 611					

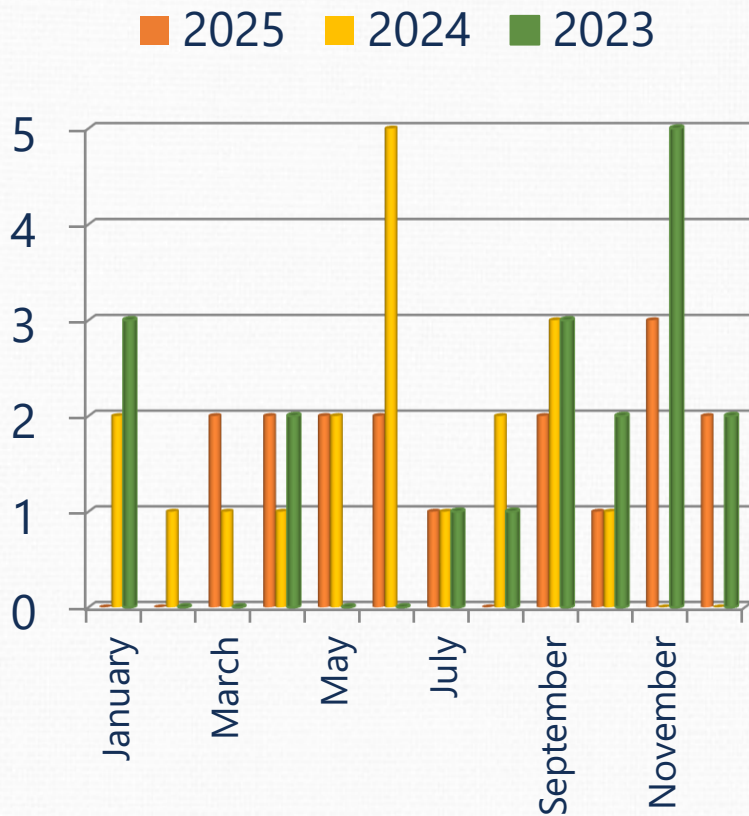
Group B Crimes

Curfew/Loitering/Vagrancy Violations	12
Disorderly Conduct	66
Driving Under the Influence	125
Family Offenses, Nonviolent	7
Liquor Law Violations	37
Trespass of Real Property	14
All Other Offenses	172

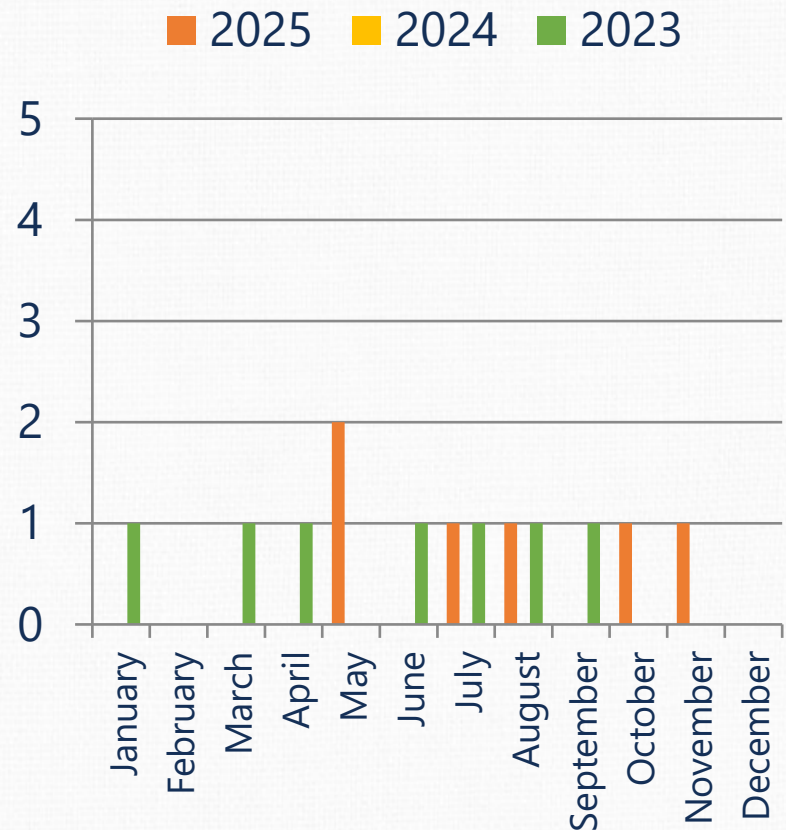
Total: 433

Disorderly and Nuisance Violations

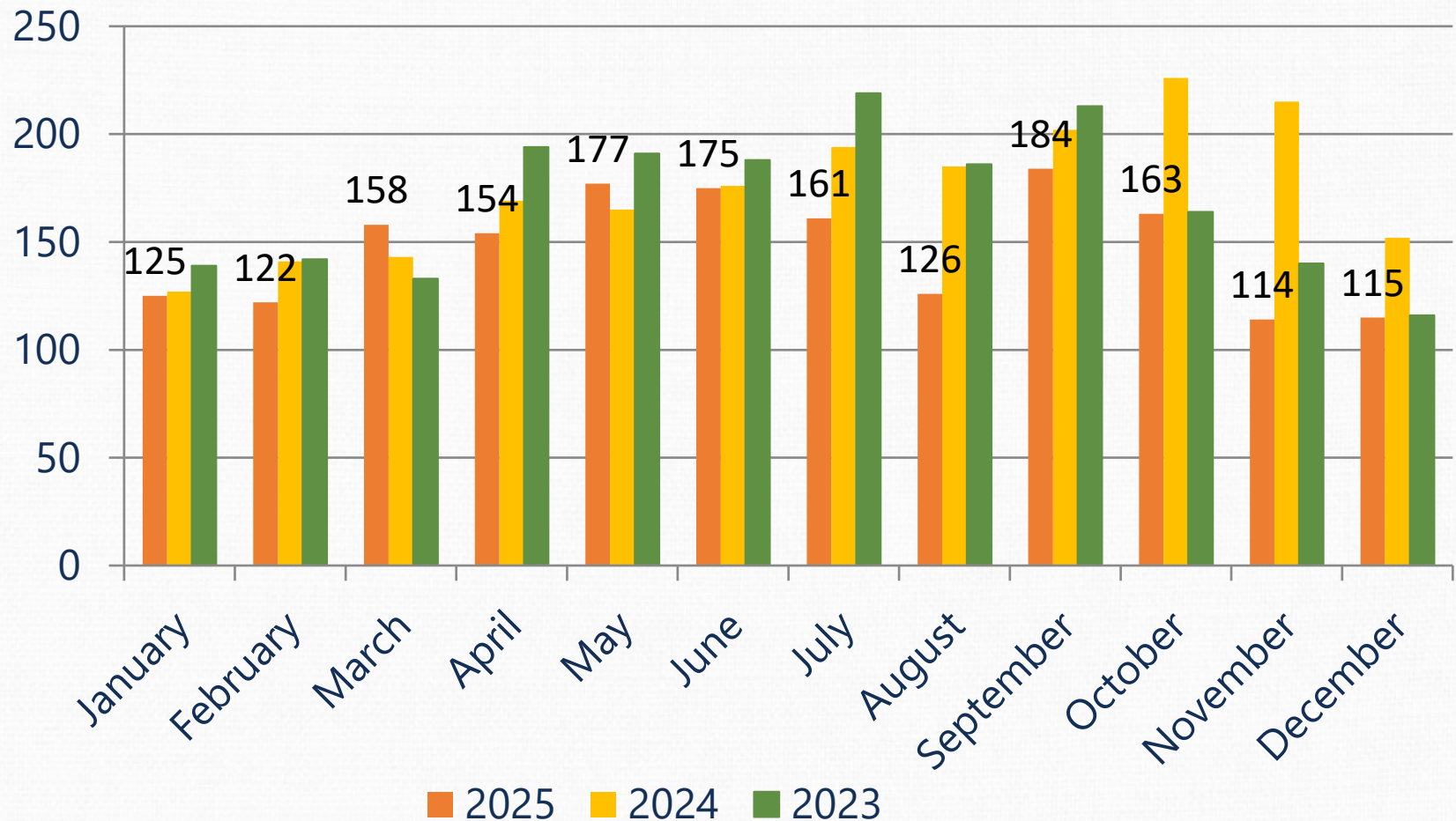
Disorderly Violations



Nuisance Violations



Animal Control Calls



RECAP:

Amount	Vendor	Description
\$	47,700.00 APEX INDUSTRIES INC	AIRPORT PAINTING - LABOR, MATERIALS, AND EQUIPMENT
	57,535.36 DELL MARKETING LP	DELL MARKETING LLP - COMPUTERS, MONITORS, ETC
	310,146.00 FLEXIBLE PIPE TOOLS & EQUIP	2025 FORD TRANSIT & 2025 ARIES CCTV VOYAGER
	30,993.76 HAWKINS INC	COMMAND CENTER
		CHEMICALS
	154,209.52 INTEGRATED PROCESS SOLUTIONS I	FRONTAGE ROAD AND HERITAGE LIFT STATATIONS
	57,989.28 NERO ENGINEERING	WWFT UPGRADE & EXPANSION
	178,249.64 OPENGOV INC	2026 SUBSCRIPTION
	36,390.93 OWATONNA MOTOR COMPANY	2024 FORD EDGE
	23,705.99 PAAPE COMPANIES INC	VELVE HALL CARD ACCESS SYSTEM
		RICE LAKE CONSTRUCTION GROUP - WWTP
	538,711.95 RICE LAKE CONSTRUCTION GROUP	EXPANSION - PAY EST #43
	56,815.95 WENCL CONSTRUCTION INC	23005 VINE STREET LOT - PAY EST #6
	23,024.15 WINTER SERVICES LLC	TREATED SALT
	179,996.63 OTHER EXPENDITURES	
	<u>1,695,469.16</u> SUBTOTAL	
	- HRA HOUSING ASSISTANCE PAYMENTS	
	<u><u>1,695,469.16</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					
385847	01/13/26	ACME ELECTIRC MOTOR INC	230.00	0	Regular
385848	01/13/26	AEROTECH COMPANIES LLC	3,500.00	0	Regular
385849	01/13/26	ALEXANDER LUMBER COMPANY	1,546.98	0	Regular
385850	01/13/26	AMERICAN BACKFLOW PRODUCTS CO	707.10	0	Regular
385851	01/13/26	AMERICAN RED CROSS	1,210.00	0	Regular
385852	01/13/26	ANHORN'S GAS & TIRE	410.59	0	Regular
385853	01/13/26	APEX INDUSTRIES INC	47,700.00	0	Regular
385854	01/13/26	APG MEDIA OF SO MINNESOTA LLC	233.75	0	Regular
385855	01/13/26	APPLE INC	8,924.00	0	Regular
385856	01/13/26	BARR ENGINEERING CO	1,092.00	0	Regular
385857	01/13/26	BLUE AND BROWN BACKGROUNDS	300.00	0	Regular
385858	01/13/26	BOLTON & MENK INC	13,162.00	R	ACH
385859	01/13/26	BRODART CO	379.23	0	Regular
385860	01/13/26	CELLEBRITE	8,820.00	0	Regular
385861	01/13/26	CENTRAL FARM SERVICE	18,028.31	0	Regular
385862	01/13/26	CENTURY LEATHER PRODUCTS	40.00	0	Regular
385863	01/13/26	CHARTER LEROC	50.00	0	Regular
385864	01/13/26	CHRISTIAN SKJEVELAND	173.75	0	Regular
385865	01/13/26	CITY OF OWATONNA	48.00	0	Regular
385866	01/13/26	COVERALL OF THE TWIN CITIES	2,455.00	R	ACH
385867	01/13/26	CRYSTEEL TRUCK EQUIP	1,266.00	R	ACH
385868	01/13/26	CULLIGAN OF OWATONNA	31.08	R	ACH
385869	01/13/26	CURT'S TRUCK & DIESEL SERVICE	18.70	R	ACH
385870	01/13/26	CYBER ADVISORS	1,087.16	0	Regular
385871	01/13/26	DABELLA	77.04	0	Regular
385872	01/13/26	DELL MARKETING LP	57,535.36	R	ACH
385873	01/13/26	DENISE STEWART	203.40	R	ACH
385874	01/13/26	DLT SOLUTIONS LLC	6,883.04	R	ACH
385875	01/13/26	DMC WEAR PARTS	8,700.00	0	Regular
385876	01/13/26	EARL F ANDERSEN & ASSOC	243.75	0	Regular
385877	01/13/26	EHLERS & ASSOCIATES INC	16,328.75	0	Regular
385878	01/13/26	EPA AUDIO VISUAL INC	2,025.00	R	ACH
385879	01/13/26	FIRST SUPPLY OWATONNA	579.37	R	ACH
385880	01/13/26	FLEXIBLE PIPE TOOLS & EQUIP	310,146.00	R	ACH
385881	01/13/26	FORCE AMERICA	1,159.73	R	ACH
385882	01/13/26	FOUR SEASONS ELECTRIC	56.62	R	ACH
385883	01/13/26	FREEBORN COUNTY ATTORNEY	100.00	0	Regular
385884	01/13/26	GENUINE PARTS COMPANY - NAPA	178.30	R	ACH
385885	01/13/26	HAWKINS INC	30,993.76	R	ACH
385886	01/13/26	HELEY, DUNCAN & MELANDER, PLLP	4,290.00	0	Regular
385887	01/13/26	HERITAGE CRYSTAL CLEAN LLC	908.14	0	Regular
385888	01/13/26	HILLYARD INC	184.34	0	Regular
385889	01/13/26	HUBER SUPPLY CO INC	20.15	0	Regular
385890	01/13/26	I U O E LOCAL 70	2,891.50	0	Regular

Check Number	Check Date	Vendor Name	Net Check Amount	Check Status	Check Type
385891	01/13/26	INFINITE CREATIVE ENTERPRISES	4,999.00	0	Regular
385892	01/13/26	INGRAM LIBRARY SERVICES LLC	19.79	0	Regular
385893	01/13/26	INNOVATIVE OFFICE SOLUTIONS	401.29	0	Regular
385894	01/13/26	INSTY PRINTS	114.78	R	ACH
385895	01/13/26	INTEGRATED PROCESS SOLUTIONS I	154,209.52	R	ACH
385896	01/13/26	INTERSTATE SERVICES INC	500.00	R	ACH
385897	01/13/26	JACK MARTIN	1,437.50	0	Regular
385898	01/13/26	JARDINE LOGAN & O'BRIEN	1,567.50	0	Regular
385899	01/13/26	JASON MARSHALL STAYTON	275.00	R	ACH
385900	01/13/26	KARI MARIE JACOTT LPCC	750.00	0	Regular
385901	01/13/26	KATHRYN MOUW MSW LICSW LADC	150.00	R	ACH
385902	01/13/26	KEEKER INC	2,000.00	R	ACH
385903	01/13/26	KOWZ-FM	500.00	R	ACH
385904	01/13/26	KWIK TRIP INC	124.18	0	Regular
385905	01/13/26	LAWSON PRODUCTS	130.94	0	Regular
385906	01/13/26	LEICA GEOSYSTEMS INC	12,019.18	0	Regular
385907	01/13/26	Linder Digital	1,180.00	R	ACH
385908	01/13/26	LITTLE FALLS MACHINE INC	1,118.00	R	ACH
385909	01/13/26	MACQUEEN EQUIPMENT CO	387.37	R	ACH
385910	01/13/26	MARCO TECHNOLOGIES LLC	329.75	R	ACH
385911	01/13/26	MCMASTER-CARR SUPPLY CO	35.41	R	ACH
385912	01/13/26	METAL SERVICES OF BP INC	530.95	0	Regular
385913	01/13/26	METRONET SYSTEMS HOLDINGS LLC	570.90	R	ACH
385914	01/13/26	MIDWEST TAPE LLC	2,339.19	R	ACH
385915	01/13/26	MINNESOTA ELEVATOR INC	619.18	R	ACH
385916	01/13/26	MN CHIEFS OF POLICE ASSN	225.00	R	ACH
385917	01/13/26	MN DEPT OF LABOR AND INDUSTRY	25.00	0	Regular
385918	01/13/26	MN DRIVER & VEHICLE SERVICES	15.25	0	Regular
385919	01/13/26	MN PUBLIC EMPLOYEES ASSOC	1,296.00	R	ACH
385920	01/13/26	NERO ENGINEERING	57,989.28	0	Regular
385921	01/13/26	OPENGOV INC	178,249.64	R	ACH
385922	01/13/26	OWATONNA HEATING & COOLING INC	1,820.00	R	ACH
385923	01/13/26	OWATONNA MOTOR COMPANY	36,390.93	0	Regular
385924	01/13/26	OWATONNA PUBLIC UTILITIES	3,279.51	R	ACH
385925	01/13/26	OWT HARDWARE	384.91	0	Regular
385926	01/13/26	PAAPE COMPANIES INC	23,705.99	R	ACH
385927	01/13/26	PRESENCE TELEHEALTH PLLC	212.00	R	ACH
385928	01/13/26	RDO EQUIPMENT CO	155.07	R	ACH
385929	01/13/26	RICE LAKE CONSTRUCTION GROUP	538,711.95	R	ACH
385930	01/13/26	ROCHESTER AIRPORT COMPANY	2,569.05	0	Regular
385931	01/13/26	ROCON INCORPORATED	1,312.50	0	Regular
385932	01/13/26	ROOT RIVER HARDWOODS INC	4,467.50	0	Regular
385933	01/13/26	RS AMERICAS INC	290.19	0	Regular
385934	01/13/26	SAFE-FAST INC	211.55	R	ACH
385935	01/13/26	SELCO	2,410.69	R	ACH

Check Number	Check Date	Vendor Name	Net Check Amount	Check Status	Check Type
385936	01/13/26	SHI INTERNATIONAL CORP	1,423.42	0	Regular
385937	01/13/26	SPARETIME ENTERTAINMENT LLC	4,354.00	0	Regular
385938	01/13/26	SPHERION STAFFING LLC	1,452.22	0	Regular
385939	01/13/26	STEVE JAMES EXCAVATING INC	2,065.00	R	ACH
385940	01/13/26	SWEET TOWING	135.00	0	Regular
385941	01/13/26	THOMPSON SANITATION INC	236.40	R	ACH
385942	01/13/26	TJD REPAIR & SERVICE	99.87	0	Regular
385943	01/13/26	TRAF-SYS INC	360.00	0	Regular
385944	01/13/26	TREASURY DIVISION, FINANCE	50.00	0	Regular
385945	01/13/26	TURFWERKS	355.66	R	ACH
385946	01/13/26	UNITED STATES GOLF ASSN	175.00	0	Regular
385947	01/13/26	UNITED WAY	75.00	0	Regular
385948	01/13/26	UTILITY CONSULTANTS INC	7,365.70	R	ACH
385949	01/13/26	VAN METER INC	110.13	0	Regular
385950	01/13/26	VENTURE HYDRAULICS INC	11.10	R	ACH
385951	01/13/26	VERIZON WIRELESS	813.73	0	Regular
385952	01/13/26	VESTIS GROUP INC	296.56	0	Regular
385953	01/13/26	WEN-COL INC	512.44	0	Regular
385954	01/13/26	WENCL CONSTRUCTION INC	56,815.95	0	Regular
385955	01/13/26	WEST PUBLISHING CORPORATION	641.03	R	ACH
385956	01/13/26	WINTER SERVICES LLC	23,024.15	0	Regular
385957	01/13/26	ZEP MANUFACTURING CO	147.46	R	ACH

63	Checks total:	343,346.95
48	ACH total:	1,352,122.21
0	EFTPS total:	
0	Wire transfer total:	
0	Payment Manager total:	
111	GRAND TOTALS	1,695,469.16



CITY OF
OWATONNA

Miscellaneous



DATE: January 20, 2026
TO: Mayor and City Council
FROM: Emily Thamert, Assistant City Administrator
SUBJECT: Liability Coverage Waiver - League of Minnesota Cities Insurance Trust (LMCIT)

Purpose:

Each year when the city renews its property and liability insurance policy with the League of Minnesota Cities Insurance Trust (LMCIT), it must decide on whether or not to waive the statutory tort liability limits to the extent of the coverage purchased.

Background:

Currently, Minnesota Statute limits a city's tort liability to a maximum of \$500,000 per claimant and \$1.5 million per occurrence. The limits apply whether the claim is against the city, against an individual officer or employee, or against both. These limits only apply to claims in which the statutory tort limits apply.

The LMCIT gives cities options for structuring their liability coverage. The city can choose either to waive or not to waive the monetary limits that Minnesota Statutes 466.04 provides. If the city does not waive the statutory tort limits, an individual claimant would be able to recover no more than \$500,000 on any claim to which the statutory tort limit applies. If the city waives the statutory tort limits, a single claimant could potentially recover up to \$2.0 million.

It is in the best interest of the city not to waive the statutory tort liability limits.

Budget Impact:

No impact on the current budget if the city does not waive the limits.

Staff Recommendation:

Staff recommends that the Council approves the recommendation not to waive the monetary limits on municipal tort liability established by Minnesota Statutes 466.04

Attachments:

1. 2026 Liability-Coverage-Waiver-Form

LIABILITY COVERAGE WAIVER FORM

Members who obtain liability coverage through the League of Minnesota Cities Insurance Trust (LMCIT) must complete and return this form to LMCIT before their effective date of coverage. [Email completed form to your city's underwriter, to pstech@lmc.org](mailto:pstech@lmc.org), or fax to 651.281.1298.

The decision to waive or not waive the statutory tort limits must be made annually by the member's governing body, in consultation with its attorney if necessary.

Members who obtain liability coverage from LMCIT must decide whether to waive the statutory tort liability limits to the extent of the coverage purchased. The decision has the following effects:

- *If the member does not waive the statutory tort limits*, an individual claimant could recover no more than \$500,000 on any claim to which the statutory tort limits apply. The total all claimants could recover for a single occurrence to which the statutory tort limits apply would be limited to \$1,500,000. These statutory tort limits would apply regardless of whether the member purchases the optional LMCIT excess liability coverage.
- *If the member waives the statutory tort limits and does not purchase excess liability coverage*, a single claimant could recover up to \$2,000,000 for a single occurrence (under the waive option, the tort cap liability limits are only waived to the extent of the member's liability coverage limits, and the LMCIT per occurrence limit is \$2,000,000). The total all claimants could recover for a single occurrence to which the statutory tort limits apply would also be limited to \$2,000,000, regardless of the number of claimants.
- *If the member waives the statutory tort limits and purchases excess liability coverage*, a single claimant could potentially recover an amount up to the limit of the coverage purchased. The total all claimants could recover for a single occurrence to which the statutory tort limits apply would also be limited to the amount of coverage purchased, regardless of the number of claimants.

Claims to which the statutory municipal tort limits do not apply are not affected by this decision.

LMCIT Member Name: City of Owatonna

Check one:

☒ The member **DOES NOT WAIVE** the monetary limits on municipal tort liability established by [Minn. Stat. § 466.04](#).

☐ The member **WAIVES** the monetary limits on municipal tort liability established by [Minn. Stat. § 466.04](#), to the extent of the limits of the liability coverage obtained from LMCIT.

Date of member's governing body meeting: 1/20/26

Signature: _____

Position: City Administrator



DATE: January 20, 2026
TO: Mayor and City Council
FROM: Jeffrey Mundale, Police Chief
SUBJECT: Canine Agreement - Sale and Transfer of Ownership of Vegas to Casey Martin

Purpose:

Seeking council approval to dispose of city property.

Background:

Canine Vegas was purchased by the City of Owatonna as a police canine in August of 2019. Vegas was assigned to handler/Officer Casey Martin and trained in narcotics and apprehension work. Vegas retired from service during the January 6, 2026 city council meeting.

Per Owatonna Police Department General Order 232, it says in part, upon the canine's retirement, the handler may have the first opportunity to obtain and continue care of the canine. Officer Martin has expressed that desire. Absence his interest, the General Order further states, should the handler not choose to obtain the dog, the Chief of Police may have the animal disposed of as he/she deems appropriate.

An agreement is attached between the City and Officer Martin.

Budget Impact:

No ibudget impact.

Staff Recommendation:

Staff recommends council approval.

Attachments:

1. Canine Agreement

AGREEMENT BETWEEN CITY OF OWATONNA
AND CASEY MARTIN, PATROL OFFICER

THIS AGREEMENT made _____, 2026 by the City of Owatonna (“City”) and Casey Martin (“Officer Martin”), Patrol Officer.

1. The City is the Owner of a Police Canine dog known by the name of “Vegas”.
2. Officer Martin has been the designated handler of Vegas since August, 2019.
3. On January 6, 2026, Vegas will be retired from active police service.
4. Vegas has been trained specifically and exclusively for police purposes and is not suitable for placement with an alter.
5. The City agrees to sell Vegas to Officer Martin for \$1.00. This price is based on the City’s inability to place Vegas with a second handler and Officer Martin’s agreement to accept the responsibility of owning Vegas.
6. Officer Martin agrees (a) to accept ownership of Vegas “AS IS”; (b) to be responsible for her ongoing care, custody, and maintenance, including veterinary expenses; and (c) to defend, indemnify, and hold harmless, the City, its officers and employees from and against any claims for damages caused by Vegas after the transfer of her ownership to Officer Martin.
7. Upon execution of this Agreement, ownership of Vegas is transferred to Officer Martin, and the City will have no further obligation for her care or responsibility for her actions.
8. Upon Officer Martin’s request, the City will provide him with copies of all veterinary records related to Vegas.
9. This Agreement shall serve as a Bill of Sale for Vegas.

CITY OF OWATONNA

By: _____
Chief of Police

Dated: _____

By: _____
Officer Casey Martin

Dated: _____



CITY OF
OWATONNA

Action Items



CITY OF
OWATONNA

Resolutions



DATE: January 20, 2026
TO: Mayor and City Council
FROM: Jenna Tuma, City Administrator
SUBJECT: Resolution 17-26 Intent to Reimburse Expenditures From Proceeds of Bonds - Community Center

Purpose:

Request Council approval or Resolution 17-26 approving reimbursement of expenditures from future bond proceeds.

Background:

When the City uses its funds to cover the upfront costs of a project to later reimburse those costs from future tax-exempt bond proceeds, the IRS requires a formal declaration of this intent. A Reimbursement Resolution fulfills this requirement by documenting the city's plan to reimburse itself for eligible expenses once long-term financing is secured. Adopting this Reimbursement Resolution protects the city's ability to recover early project costs and provides flexibility in managing cash flow for capital projects.

Although the Community Center Project is still in the proposed stage, some resources are being allocated to it. If the project progresses, these expenses will be eligible for reimbursement.

Budget Impact:

No budget impact.

Staff Recommendation:

Staff recommends approval.

Attachments:

1. Owatonna 2026 Reimbursement_Resolution Community Center

CITY OF OWATONNA, MINNESOTA

RESOLUTION NO. 17-26

**DECLARING THE OFFICIAL INTENT OF THE CITY OF OWATONNA
TO REIMBURSE CERTAIN EXPENDITURES FROM THE PROCEEDS
OF BONDS TO BE ISSUED BY THE CITY**

WHEREAS, the Internal Revenue Service has issued Treasury Regulation § 1.150-2 (the "Reimbursement Regulations") providing that proceeds of tax-exempt bonds used to reimburse prior expenditures will not be deemed spent unless certain requirements are met; and

WHEREAS, the City of Owatonna, Minnesota (the "City") expects to incur certain expenditures that may be financed temporarily from sources other than bonds, and reimbursed from the proceeds of a tax-exempt bond; and

WHEREAS, the City has determined to make this declaration of official intent (the "Declaration") to reimburse certain costs from proceeds of bonds in accordance with the Reimbursement Regulations; and

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

1. The City proposes to undertake the construction of capital improvements in the City, including a proposed Community Center (the "Project").
2. The City reasonably expects to reimburse the expenditures made for certain costs of the Project from the proceeds of bonds in an estimated maximum principal amount of \$75,000,000. All reimbursed expenditures will be capital expenditures, costs of issuance of the bonds, or other expenditures eligible for reimbursement under Section 1.150-2(d)(3) of the Reimbursement Regulations.
3. This Declaration has been made not later than 60 days after payment of any original expenditure to be subject to a reimbursement allocation with respect to the proceeds of bonds, except for the following expenditures: (a) costs of issuance of bonds; (b) costs in an amount not in excess of \$100,000 or 5 percent of the proceeds of an issue; or (c) "preliminary expenditures" up to an amount not in excess of 20 percent of the aggregate issue price of the issue or issues that finance or are reasonably expected by the City to finance the project for which the preliminary expenditures were incurred. The term "preliminary expenditures" includes architectural, engineering, surveying, bond issuance, and similar costs that are incurred prior to commencement of acquisition, construction or rehabilitation of a project, other than land acquisition, site preparation, and similar costs incident to commencement of construction.

4. This Declaration is an expression of the reasonable expectations of the City based on the facts and circumstances known to the City as of the date hereof. The anticipated original expenditures for the Project and the principal amount of the bonds described in Paragraph 2, above, are consistent with the City's budgetary and financial circumstances. No sources other than proceeds of bonds to be issued by the City are, or are reasonably expected to be, reserved, allocated on a long-term basis, or otherwise set aside pursuant to the City's budget or financial policies to pay such Project expenditures.

5. This Declaration is intended to constitute a declaration of official intent for purposes of the Reimbursement Regulations.

Approved this ____ day of January, 2026, by the City Council of the City of Owatonna, Minnesota.

Mayor

ATTEST:

City Administrator/City Clerk



DATE: January 20, 2026
TO: Mayor and City Council
FROM: Sean Murphy, Public Works Director
SUBJECT: Resolution 18-26: Accept Feasibility Report & Set Date for Public Hearing - 2026 Street & Utility Project

Purpose:

Requesting City Council approval of Resolution 18-26: Approving the 2026 Street & Utility Project Feasibility Report.

Background:

During the January 6, 2026, City Council Meeting Resolution 05-26, Order Feasibility Report — 2026 Street & Utility Project, was approved. A feasibility report has been prepared by city staff and is presented in the attachments. The report discusses the reconstruction of Cardinal Drive SE and Ivy Street SE. The need for this project is driven by aging infrastructure and involves various levels of reconstruction, including water, sanitary and storm sewer, curb and pavement replacement.

A Preliminary Assessment Hearing is requested for February 17, 2026.

Budget Impact:

The project will be paid for by a combination of assessments, sanitary sewer funds, stormwater funds, OPU funds and the general fund. Costs are summarized in the attached report; the estimate of Total Project Cost is \$2,688,354.12 and the Preliminary Assessment total is \$255,868.60.

Staff Recommendation:

Staff recommends approval.

Attachments:

1. Resolution 18-26: Approve Report - Set Date for PH 2026 Street & Utility
2. Feasibility Report - 26001 Street & Utility

RESOLUTION NO. 18-26
A RESOLUTION RECEIVING FEASIBILITY REPORT AND SETTING
DATE FOR IMPROVEMENT HEARING

WHEREAS, pursuant to Resolution 05-26, adopted by the council on January 6th, 2026, a feasibility report has been prepared by Sean Murphy, City Engineer, with reference to proposed improvement for the 2026 Street & Utility Project and this report was received by the council on January 20th, 2026. The following areas are affected:

- Cardinal Drive SE
- Ivy Street SE

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

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

1. The council will consider the improvement of such street in accordance with the report and the assessment of abutting property for all or a portion of the cost of the improvement pursuant to Minnesota Statutes, Chapter 429 at an estimated total cost of the improvement of \$2,688,354.12.
2. A public hearing shall be held on such proposed improvement on the 17th day of February 2026 in the council chambers of the city hall at 7:00 p.m. The clerk shall give mailed and published notice of such hearing and improvement as required by law.

Passed and adopted this ____ day of _____, 2026, with the following vote:

Aye ____; No ____; Absent ____.

Approved and signed this ____ day of _____, 2026.

Matthew T. Jessop, Mayor

ATTEST

Jenna M. Tuma, City Administrator/City Clerk



Feasibility Report For the 2026 Street and Utility Improvement Project January 16, 2026

Streets included in the 2026 Street and Utility Improvement Project:

- Cardinal Drive SE
- Ivy Street SE



Feasibility Report
For the
2026 Street and Utility Improvement Project

Bituminous Pavement Reconstruction

- Cardinal Drive SE
- Ivy Street SE

I hereby certify that this feasibility report was prepared by me or under my direct supervision and I am a duly Licensed Professional Engineer under the laws of the state of Minnesota.

Sean Murphy Digitally signed by Sean Murphy
DN: C=US, E=sean.murphy@owatonna.gov,
OU=City of Owatonna, CN=Sean Murphy
Date: 2026.01.16 13:02:51-06'00'

Sean Murphy, PE
License No. 56604
01/16/2026
Date

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Appendix A Letter Announcing February 12, 2026 Informational Meeting & February 17, 2026
Public Hearing

Appendix B Project Cost Summary

Appendix C Assessment Breakdown Examples

Purpose

The City Council has designated 2 streets for reconstruction under the 2026 Street and Utility Improvement Project. On January 6th, 2026, the City Council adopted Resolution No. 05-26 ordering preparation of this feasibility report.

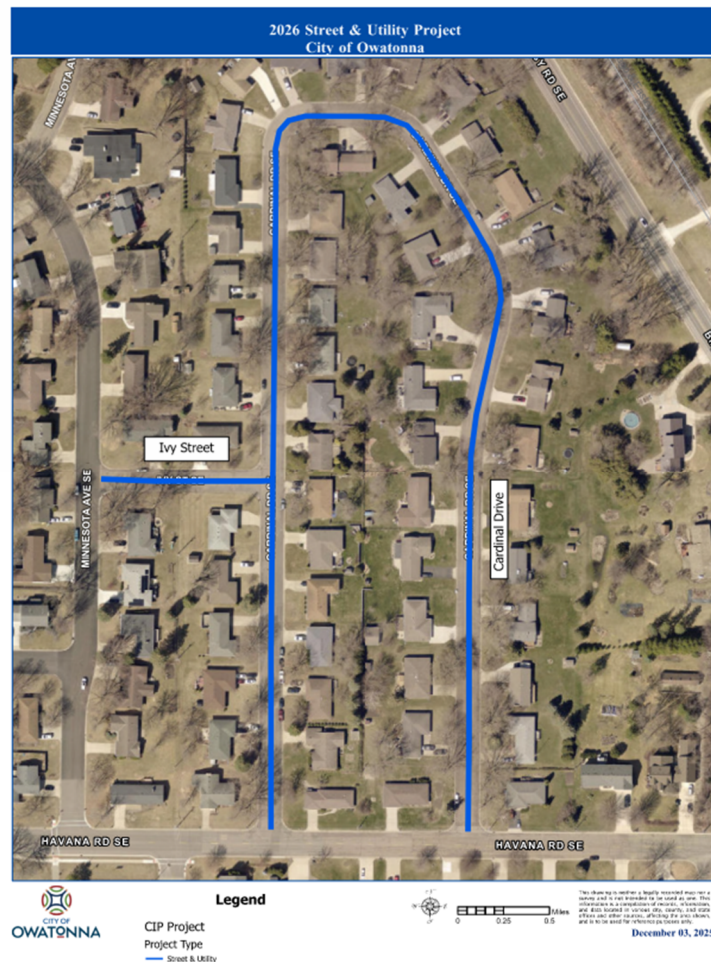
The streets proposed for bituminous reconstruction included in the 2026 Street and Utility Improvement Project as shown in Exhibit 1 are:

- Cardinal Drive SE
- Ivy Street SE

Project Scope

The purpose of this report is to analyze the proposed streets and to determine the engineering and fiscal feasibility of constructing the necessary improvements. The existing infrastructure conditions, proposed improvements, estimated construction costs and overhead costs (i.e. administration, engineering, fiscal, and legal expenses), will be presented in this report. Current public improvement policies adopted by the Owatonna City Council will be used as a guideline to determine the financing methods of the proposed improvements.

The proposed project will affect 57 properties.



Existing Conditions and Proposed Improvements

The streets included in the proposed 2026 Street and Utility Improvement Project are deteriorating and in need of both pavement rehabilitation as well as utility (water, sanitary sewer and storm sewer) upgrades.

The current condition of the infrastructure and proposed improvements are outlined as follows:

Watermain

- Cardinal Drive SE - The cast iron watermain was installed in 1960, 1965, 1967, and 1971 and has a history of breaks. The watermain is proposed for replacement on the Cardinal Dr. SE loop from Havana Rd to Havana Rd.
- Ivy Street SE - The cast iron watermain was installed in 1960 and has a history of breaks. The watermain is proposed for replacement on Ivy between Minnesota Ave SE and Cardinal Dr. SE.

Sanitary Sewer

The sanitary sewer mains in the proposed project area have been televised to determine the condition.

- Cardinal Drive SE - Sections of this clay pipe sanitary sewer were placed between 1960 and 1991. One section, on the east leg of Cardinal Dr. SE, has been lined. Conditions were found to be poor to fair with segments of lateral cracking, broken pipe, and several sags. The worst segments were on the west leg of Cardinal Dr. SE where pipe separations and significant joint offsets were discovered. The sanitary sewer is proposed for replacement.
- Ivy Street SE - The reinforced concrete pipe from Cardinal Drive to Minnesota Ave was installed in 1965. Conditions were found to be poor to fair with segments of lateral cracking. The sanitary sewer is proposed for replacement.

Storm Sewer

The storm sewer system has been evaluated for deficiency.

- Cardinal Drive SE - The storm system was installed between 1965 and 1987 and is generally in fair to poor condition with structures and pipe sections in need of replacement. The 2022 Surface Water Management Plan conducted by WHKS identified Cardinal Drive as the number one priority stormwater infrastructure improvement area due to increased flood risk and the aged, undersized storm sewer system currently in place. Proposed improvements include replacement and upsizing of the storm sewer system to adequately meet the identified drainage needs of the area.
- Ivy Street SE - There are no storm sewer mains or structures located on this street. There is short segment of storm pipe coming off Cardinal Drive.

The presence and location of sump pump service lines will be verified in areas being improved and stub in connections to the stormsewer system will be installed.

Street Pavements and Concrete Curb – Bituminous Pavement Reconstruction

The bituminous pavements planned for replacement were constructed in the following years:

- Cardinal Drive SE – Segments constructed in 1965, 1971, 1990; Overlays: 1993, 1998, 2000 curb and gutter between 1966 and 1974.
- Ivy Street SE – Constructed in 1960. Overlays were completed in 2000. Surface conditions were found to be poor.

The existing roadway has a width of 40' from face-of-curb to face-of-curb. This is wider than necessary for a residential area. The proposed improvements include reducing the overall width by 4' to 36' from face-of-curb to face-of-curb. This reduction in width also reduces the impervious surface of the corridor and improves drainage conditions.

Sidewalk & Trail Improvements

- There will be no sidewalk or trail additions with this project.

Private Driveways

If the concrete curb is removed next to the driveway and the driveway needs repair, it will be replaced to the existing width. This may include any or all driveways along the project. Should driveway aprons require replacement, property owners may have the option to widen their respective aprons to the maximum width allowed in zoning code. Any increase in driveway apron width from the existing shall be paid directly to the contractor by the property owner.

Private Utility Improvements

Private utilities are not affected by this construction. A utility coordination meeting will be held in conjunction with utility owners where the proposed improvements will be discussed.

Project Summary

In summary, the proposed project includes the following pavement repairs to each street:

- Cardinal Drive SE - Full reconstruction of street with the replacement of the sanitary sewer, storm sewer, and water main & services. The curb will be replaced throughout the project.
- Ivy Street SE – Full reconstruction of street with full replacement of water main, sanitary sewer, sump main and their respective services. The curb will be completely replaced.

Permits

An NPDES permit through the MPCA will be necessary for this project. The Engineering Department will ensure all necessary permits are obtained.

Public Informational Meeting

A public informational meeting where property owners will have the opportunity to meet with staff to discuss plans will be held prior to the improvement hearing. An example of the proposed letter sent to residents announcing the neighborhood meeting and public hearing is included in Appendix A.

Estimated Project Costs

The estimated total project improvement cost is \$2,688,354.12. Based on experience with similar projects in the city, the overhead costs have been estimated at 15% of the total construction cost. The overhead costs include engineering, project administration, fiscal and legal costs, and contingencies. Normal inflation has been accounted for; however, the current construction market and costs are volatile, and we will not know current prices until the project is bid. The cost estimate for the proposed improvements is broken down in Table 1.

Financing and Assessments

The 2026 Street and Utility Improvement Project is proposed to be financed through a combination of city utility funds, street reconstruction funds and special assessments to benefited properties (according to the City's Assessment Policy). The proposed cost allocation by item is as follows:

- Watermains improvements will be funded by Owatonna Public Utilities.
- Sanitary sewer improvements will be funded by the City Sewer Fund.
- The street reconstruction and storm sewer facility improvements will be funded by a combination of the City General Fund and special assessments to property owners.

A preliminary opinion of the probable cost for the proposed assessments per assessable foot (plus applicable cost of sanitary sewer and water services) is as follows:

Project Costs by Street	Street	Sanitary	Storm	Watermain	Total	Assessable
Cardinal Drive SE	\$1,187,498.24	\$421,453.38	\$493,545.02	\$355,677.32	\$2,458,173.94	\$1,229,086.97
Ivy Street SE	\$161,389.57	\$24,924.34	\$9,431.38	\$34,434.89	\$230,180.18	\$115,090.09
Total	\$1,348,887.81	\$446,377.72	\$502,976.40	\$390,112.21	\$2,688,354.12	\$1,344,177.06

Assessment Costs by Street	Actual	Proposed
Cardinal Drive SE	\$255.49/ft	\$52.00/ft
Ivy Street SE	\$1,047.42/ft	\$52.00/ft

Property owners receiving benefits from the proposed improvements and who would be assessed for all, or a portion of the improvements are listed on the Preliminary Assessment Roll on file with the Office of the City Clerk. The assessment roll indicates the parcel identification number (PIN), owner, property address, the assessable footage of the property and the amount of the proposed assessment.

The City's assessment policy for public improvements allows for the distribution of the proposed assessment for residential properties over a 10-year period. A sample breakdown of the annual payments on assessment for several assessment amounts based on an interest rate of **6 percent is included** in Appendix C.

The City's assessment policy also allows for deferred payment of special assessments for qualified property owners. The deferment policy is available at the City's website www.owatonna.gov and on file with the Office of the City Clerk.

Project Schedule

The proposed project schedule is as follows:

City Council Orders Feasibility Report	January 6, 2026
City Council receives Feasibility Report	January 20, 2026
City Council Sets date for Public Hearing on Improvement	
Neighborhood Meeting to discuss project plans and answer questions	February 12, 2026
City Council holds Public Hearing on Improvement	February 17, 2026
City Council orders Plans and Specifications	
City Council Approves Plans and Specifications	March 3, 2026
City Council authorizes Advertisement for Bids	
Bids Opened	April 1, 2026
City Council awards bids	April 7, 2026
Begin Construction	May 2026
Construction Substantially Complete	October 2026
City Council Sets date for Assessment Hearing	November 2026
City Council holds Assessment Hearing	December 2026
Final Completion	December 2026

Feasibility, Necessity and Cost-Effectiveness

The proposed improvements included in the 2026 Street and Utility Improvement Project consisting of watermain, sanitary sewer, storm sewer, street and sidewalk reconstruction are feasible from an engineering standpoint, necessary, and cost effective if constructed under a single project as proposed. These improvements would greatly improve the level of public service to the residents of the areas and enhance the safety and appearance of the neighborhoods. The improvements can most effectively and economically be constructed if undertaken through a coordinated contract that would cause the improvements to be installed in the proper sequence.

Recommendation

Our recommendation to the City Council is to accept the feasibility report and order improvements to be constructed to all streets and that the watermain, sanitary sewer, storm sewer, streets and sidewalks be installed as proposed in this feasibility report. The estimated cost of these improvements, including the proposed assessments, is reasonable and comparable with similar improvements being constructed in other cities.

Next Steps

1. If the City Council approves the project, then staff will complete the design of the project, including the preparation of construction plans and specifications.
2. The City Council will be asked to authorize the project for bids, receive and review bids and award a contract to the lowest responsive and responsible bidder.

Appendix A

Letter Announcing February 12, 2026, Neighborhood Meeting and
February 17, 2026, Improvement Hearing



Date

Property Owner
Mailing Address
Mailing City State Zip

Dear Property Owner:

Your property located at Property Address in Owatonna, MN is included in the 2026 Street & Utility Project. The 2026 Street & Utility Project limits are shown in the attached map. This improvement will be subject to assessments.

A Neighborhood Meeting is planned for February 12, 2025, from 4:00 pm until 6:00 pm. This informal meeting will be held in Council Chambers at the Charles S. Crandall Center at 540 West Hills Circle. Staff will present project plans and answer questions.

A Public Hearing for this improvement project will be held on February 17, 2026, during the City Council Meeting beginning at 7:00 p.m. Council Meetings are held in the Council Chambers at the Charles S. Crandall Center at 540 West Hills Circle. Any person who has a desire to be heard concerning the proposed improvement will be heard at this meeting. Public Hearing Notice will be given, and a copy is enclosed for you. The estimated cost of this improvement is \$2,688,354.12 The preliminary assessment total is \$255,868.60.

A reasonable estimate of the impact of an assessment for Parcel ID# located at Property for this project will be:

Assessable Footage Length: Front Footage Rate: \$52/foot Preliminary Assessment Amount: \$

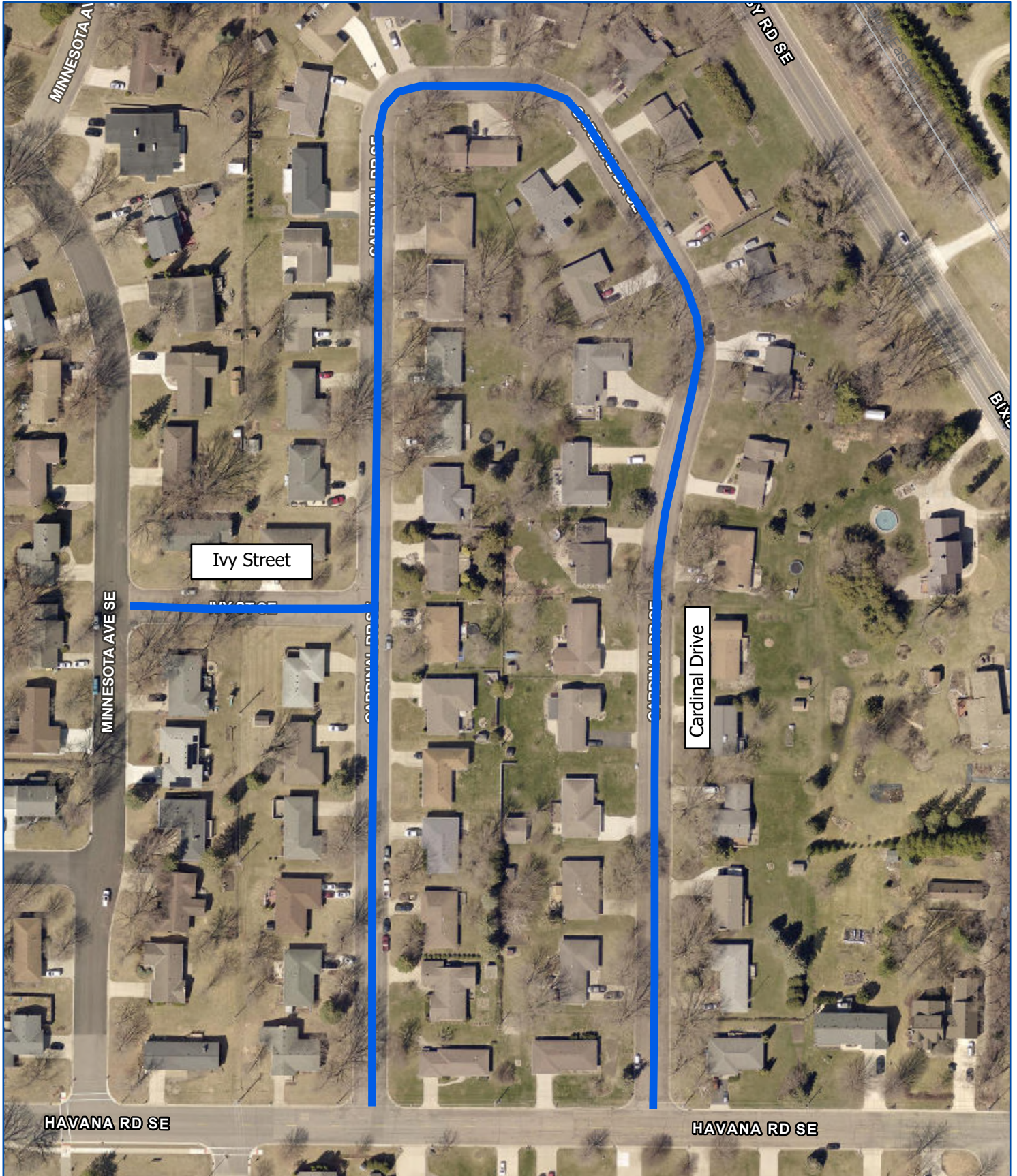
If this repair is approved by Council, another public hearing will be held when the project is completed. At that time Council will consider the Proposed Assessment amount to charge to your property. The Proposed Assessment amount could be lower than the Preliminary Assessment Amount shown above if project costs are less than currently estimated. The Proposed Assessment cannot be more than this Preliminary Assessment Amount without prior agreement by the property owner. Terms of payment will be set following the public hearing after project completion.

Sincerely,

Sean Murphy, PE
City Engineer
City of Owatonna
O: 507.774.7306

SPM/amn

2026 Street & Utility Project City of Owatonna



Legend

CIP Project
Project Type
— Street & Utility



0 0.25 0.5 Miles

This drawing is neither a legally recorded map nor a survey and is not intended to be used as one. This information is a compilation of records, information, and data located in various city, county, and state offices and other sources, affecting the area shown, and is to be used for reference purposes only.

December 03, 2025

Appendix B

Project Cost Summary

Project Costs by Street	Street	Sanitary	Storm	Watermain	Total	Assessable
Cardinal Drive SE	\$1,187,498.24	\$421,453.38	\$493,545.02	\$355,677.32	\$2,458,173.94	\$1,229,086.97
Ivy Street SE	\$161,389.57	\$24,924.34	\$9,431.38	\$34,434.89	\$230,180.18	\$115,090.09
Total	\$1,348,887.81	\$446,377.72	\$502,976.40	\$390,112.21	\$2,688,354.12	\$1,344,177.06

Assessment Costs by Street	Actual	Proposed
Cardinal Drive SE	\$255.49/ft	\$52.00/ft
Ivy Street SE	\$1,047.42/ft	\$52.00/ft

Appendix C

Sample Assessment Breakdown

Interest	6.00%					
Year	Principal	Payment		Year	Principal	Payment
1	\$2,500.00	\$400.00		1	\$5,000.00	\$800.00
2	\$2,250.00	\$385.00		2	\$4,500.00	\$770.00
3	\$2,000.00	\$370.00		3	\$4,000.00	\$740.00
4	\$1,750.00	\$355.00		4	\$3,500.00	\$710.00
5	\$1,500.00	\$340.00		5	\$3,000.00	\$680.00
6	\$1,250.00	\$325.00		6	\$2,500.00	\$650.00
7	\$1,000.00	\$310.00		7	\$2,000.00	\$620.00
8	\$750.00	\$295.00		8	\$1,500.00	\$590.00
9	\$500.00	\$280.00		9	\$1,000.00	\$560.00
10	\$250.00	\$265.00		10	\$500.00	\$530.00
Year	Principal	Payment		Year	Principal	Payment
1	\$7,500.00	\$1,200.00		1	\$10,000.00	\$1,600.00
2	\$6,750.00	\$1,155.00		2	\$9,000.00	\$1,540.00
3	\$6,000.00	\$1,110.00		3	\$8,000.00	\$1,480.00
4	\$5,250.00	\$1,065.00		4	\$7,000.00	\$1,420.00
5	\$4,500.00	\$1,020.00		5	\$6,000.00	\$1,360.00
6	\$3,750.00	\$975.00		6	\$5,000.00	\$1,300.00
7	\$3,000.00	\$930.00		7	\$4,000.00	\$1,240.00
8	\$2,250.00	\$885.00		8	\$3,000.00	\$1,180.00
9	\$1,500.00	\$840.00		9	\$2,000.00	\$1,120.00
10	\$750.00	\$795.00		10	\$1,000.00	\$1,060.00



CITY OF
OWATONNA

Miscellaneous



DATE: January 20, 2026
TO: Mayor and City Council
FROM: Sean Murphy, Public Works Director
SUBJECT: WWTF Expansion Change Orders #26 & #27 - Rice Lake Construction Group

Purpose:

Requesting City Council approval of Change Orders #26 and #27 for the Wastewater Treatment Facility Expansion Project.

Background:

Work Change Directives (WCDs) are created to address construction issues, design clarifications, and interdisciplinary coordination, or errors and/or omissions. Change Order #26 consists of one WCD:

- 166 - DIP Spools - Price Escalation

Change Order #27 consists of eleven WCDs:

- 154 - Additional Contaminated Soil Disposal
- 164 - MLS Seal Water Credit
- 165 - Primary Digester Removed Pipe and Supports
- 167 - Digester Overflow Piping Modification and Manway Hinge Installation
- 168 - Additional Biogas Piping for Connection to OPU
- 169 - Digester 1 Manway Repair
- 170 - Bituminous Changes
- 171 - Fence Gate Addition
- 172 - SCADA Allowance Credit
- 173 - Admin Floor Credit
- 174 - Digester 1 Lid Credit

For additional detailed information regarding any of the work change directives, please contact the Engineering Department.

Budget Impact:

The total budget impact of Change Order 26 is an increase of \$5,919.84 and Change Order 27 is an increase of \$2,876.25. The total revised contract amount following Change Orders 26

and 27 is \$58,977,571.09 (5.85% increase from original contract). Costs will be paid for using Sanitary Sewer Funds.

Staff Recommendation:

Staff recommends approval.

Attachments:

1. Owatonna WWTF - Change Order No. 26
2. Owatonna WWTF - Change Order No. 27
3. Change Order Log - 12-23-2025
4. Work Change Directives

CHANGE ORDER NO. 26

Owner: City of Owatonna Owner's Project No.: 17017
Engineer: Nero Engineering Engineer's Project No.: 10044
Contractor: Rice Lake Construction Group Contractor's Project No.: 2214
Project: Owatonna WWTF Upgrade and Expansion
Contract Name: Owatonna WWTF Upgrade and Expansion
Date Issued: Effective Date of Change Order: 12/23/2025

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

Description:

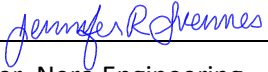
Price escalation of ductile iron spools for RWC and DTC areas.

Attachments:

WCD No. 161.

Change in Contract Price	Change in Contract Times
Original Contract Price: \$ 55,720,600.00	Original Contract Times: Substantial Completion: 03/31/2025 Ready for final payment: 06/30/2025
[Increase] [Decrease] from previously approved Change Orders No. 0 to No. 25: \$ 3,248,175.00	[Increase] [Decrease] from previously approved Change Orders No.0 to No. 25: Substantial Completion: 270 days Ready for final payment: 270 days
Contract Price prior to this Change Order: \$ 58,968,775.00	Contract Times prior to this Change Order: Substantial Completion: 12/26/2025 Ready for final payment: 03/27/2026
[Increase] [Decrease] this Change Order: \$ 5,919.84	[Increase] [Decrease] this Change Order: Substantial Completion: _____ Ready for final payment: _____
Contract Price incorporating this Change Order: \$ 58,974,694.84	Contract Times with all approved Change Orders: Substantial Completion: 12/26/2025 Ready for final payment: 03/27/2026

Recommended by Engineer (if required)

By: Jennifer Svennes, PE 
Title: Lead Process Engineer, Nero Engineering
Date: 12/23/2025

Authorized by Owner	Approved by Funding Agency (if applicable)
By: _____	_____
Title: _____	_____
Date: _____	_____

EJCDC® C-941, Change Order.

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CHANGE ORDER NO. 27

Owner: City of Owatonna Owner's Project No.: 17017
Engineer: Nero Engineering Engineer's Project No.: 10044
Contractor: Rice Lake Construction Group Contractor's Project No.: 2214
Project: Owatonna WWTF Upgrade and Expansion
Contract Name: Owatonna WWTF Upgrade and Expansion
Date Issued: Effective Date of Change Order: 12/23/2025

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

Description:

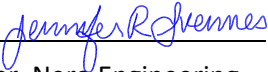
Work Change Directives Nos. 154, 164, 165, 167-174.

Attachments:

WCD Log – 12-23-2025. Change Order Log – 12-23-2025.

Change in Contract Price	Change in Contract Times
Original Contract Price: \$ 55,720,600.00	Original Contract Times: Substantial Completion: 03/31/2025 Ready for final payment: 06/30/2025
[Increase] [Decrease] from previously approved Change Orders No. 0 to No. 26: \$ 3,254,094.84	[Increase] [Decrease] from previously approved Change Orders No.0 to No. 26: Substantial Completion: 270 days Ready for final payment: 270 days
Contract Price prior to this Change Order: \$ 58,974,694.84	Contract Times prior to this Change Order: Substantial Completion: 12/26/2025 Ready for final payment: 03/27/2026
[Increase] [Decrease] this Change Order: \$ 2,876.25	[Increase] [Decrease] this Change Order: Substantial Completion: _____ Ready for final payment: _____
Contract Price incorporating this Change Order: \$ 58,977,571.09	Contract Times with all approved Change Orders: Substantial Completion: 12/26/2025 Ready for final payment: 03/27/2026

Recommended by Engineer (if required)

By: Jennifer Svennes, PE 
Title: Lead Process Engineer, Nero Engineering
Date: 12/23/2025

Authorized by Owner	Approved by Funding Agency (if applicable)
By: _____	_____
Title: _____	_____
Date: _____	_____

EJCDC® C-941, Change Order.

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Original Contract Cost

\$55,720,600.00

CO #	WCD No.	Date	Description	WCD Cost	Approved	CO Cost	Revised Contract Cost
1	15	5/30/2022	SUEZ Price Escalation	\$252,500.00	Yes	\$252,500.00	\$55,973,100.00
2	2	8/19/2022	Field Order No.1 - Admin Kitchen Layout	\$581.15	Yes	-\$89,899.14	\$55,883,200.86
	3	8/22/2022	Field Order No.3 - FSB Drain and Equipment Pads, Remove BFVs at	-\$12,511.72			
	4	8/19/2022	Field Order No.4 - Plumbing System Changes for DLI Comments	\$53,409.75			
	5	8/25/2022	Field Order No.2 - FSB and STB Door and Transom Heights	\$3,329.18			
	7	8/25/2022	RFI #29 - Move 30" RAS offsets to exterior of AB tank	-\$11,092.99			
	8	9/30/2022	MBR Tank Drain Valves	\$16,853.62			
	9	9/30/2022	Field Order No.9 - MBR Beam Schedule	\$9,613.92			
	10	9/30/2022	Grating Width Changes and Perm Wall Pipe	-\$6,944.33			
	12	10/25/2022	Backwash Tank and Chemical Storage Building - Opt. 1&2	\$75,579.50			
	13	10/25/2022	RFI #25 - Add two 10" check valves to Peak Flow pumps	\$13,737.58			
	14	10/16/2022	Additional Window in Admin Building	\$21,862.56			
	16	11/28/2022	Directionally Drill 10" MBR Drain Line	-\$17,903.83			
	17	11/28/2022	Increase Size of Tunnel Opening at RWC	\$3,835.98			
	19	12/22/2022	RFI No. 45 - Hardware Material Change	-\$240,249.52			
3		6/22/2023	Wage Rate Update	\$0.00	Yes	\$0.00	\$55,883,200.86
4	1	6/23/2023	Contaminated Soil Removal	\$193,738.62	Yes	\$265,957.79	\$56,149,158.65
	6	6/23/2023	Additional Granular Fill	\$72,219.17			
5	32	6/23/2023	Vaughan Price Escalation	\$3,535.00	Yes	\$3,535.00	\$56,152,693.65
6	18	4/3/2023	Field Order No. 8 - Hydrant and Storm Changes	\$60,677.57	Yes	\$116,244.44	\$56,268,938.09
	21	12/22/2022	Additional Pipe Support for Increased Size of Tunnel Opening at RWC	\$3,786.97			
	22	2/17/2023	FO #12 - Omit Ductwork in Tunnel between RWC and DTC	-\$12,442.85			
	24	2/17/2023	Add MBR Blower Inlet Dampers	\$2,042.52			
	26	3/7/2023	AB Blower Piping Expansion Joints	\$34,243.47			
	27	4/3/2023	MLS Bonnetless Knife Gate Valves	-\$49,439.50			
	29	4/12/2023	FSB Roof Drain Piping	\$7,125.53			
	33	6/23/2023	RFI #117 - Weirs and Anchors	\$13,435.27			
	34	6/23/2023	Field Order Directive #14 - Sampler Changes	\$3,659.69			
	35	6/23/2023	Field Order Directive #13 - Hydronic System Controls	\$33,902.50			
	36	6/23/2023	MBR Influent Channel additional grout	\$16,029.48			
	37	6/23/2023	FSB Flexible Chutes	\$3,223.79			
7	41	9/14/2023	Coating System Changes	\$115,116.46	Yes	\$115,116.46	\$56,384,054.55
8	48	9/20/2023	Ductile Iron Pipe Price Escalation	\$25,919.20	Yes	\$25,919.20	\$56,409,973.75

CO #	WCD No.	Date	Description	WCD Cost	Approved	CO Cost	Revised Contract Cost
9	23	7/31/2023	AB Blower Piping Change	\$22,330.34	Yes	\$85,144.89	\$56,495,118.64
	38	6/29/2023	Hydronic System RFI #128 and #135	\$10,786.50			
	39	9/11/2023	Field Order # 17- Tunnel Parapet and Lockers	\$47,508.35			
	40	8/15/2023	Hydronic System Water Treatment	-\$3,317.46			
	42	9/13/2023	FSB Chutes	\$1,645.22			
	43	9/13/2023	RFI #154 - Fan Starters	\$5,410.46			
	44	9/13/2023	Removal of Select Granual Fills	-\$42,916.93			
	45	9/20/2023	MBR RAS Pump Discharge Reducers	\$42,690.51			
	49	9/21/2023	Field Order # 19 - Plumbing Revisions	-\$7,478.34			
	50	9/21/2023	Field Order # 20 - Admin Water Softener	\$11,056.65			
	52	9/29/2023	Remove Handrail at AB basin	-\$93,600.24			
	53	10/6/2023	Field Order 21 - AB Structural Changes	\$17,335.49			
	54	9/29/2023	Field Order # 22 - Admin Hydronic System Piping	\$20,874.24			
	56	10/13/2023	Asbestos Removal	\$15,557.54			
	57	10/27/2023	Clean Aeration Basins	\$29,931.27			
	60	10/31/2023	Replace Solenoid Valves for Existing MLS Screen	\$7,331.29			
10	61	12/8/2023	Casework Material Change	\$24,162.43	Yes	\$191,149.45	\$56,686,268.09
	62	12/8/2023	Field Order 23- Roof Drain Routing Insulation	\$6,907.35			
	63	11/20/2023	OPU Water Hydrant	\$4,757.48			
	64	12/8/2023	MBR Lab Vacuum Pump	\$2,651.59			
	66	12/26/2023	MBR Masonry to Full Height Around Mechanical Room	\$7,028.25			
	67	12/26/2023	STB Roof Insulation Depth Change	\$56,756.00			
	68	1/2/2024	Door Changes	\$83,704.09			
	69	1/4/2024	Additional Light Switches in MBR Cassette Room	\$5,182.25			
11	65	4/2/2024	Field Order 16 - Site Changes	\$219,304.53	Yes	\$223,024.85	\$56,909,292.94
	72	2/16/2024	Peak Flow Overflow Box	\$3,720.32			
12	74	4/5/2024	FO 25 - Hydronic Valve and Control Changes	\$15,254.90	Yes	\$117,963.80	\$57,027,256.74
	75	4/8/2024	Remove Pressure Washing ABs 1&2	-\$20,200.43			
	76	4/11/2024	Add influent and effluent pH sensors	\$21,046.32			
	77	4/26/2024	Revise PB blower piping per RFI 172	-\$10,862.10			
	80	4/29/2024	Remove pipe to eductor pump location - RFI 174	-\$1,894.14			
	82	5/28/2024	Admin - Masonry Infill and Floor System Add	\$10,989.02			
	83	6/4/2024	Mud Valve Replacement	\$41,097.92			
	84	5/17/2024	FO 29 - Install Manway in Secondary Digester	\$23,784.28			
	85	6/7/2024	FO 30 - Septage Receiving Station Changes	\$38,748.03			

CO #	WCD No.	Date	Description	WCD Cost	Approved	CO Cost	Revised Contract Cost
13	87	6/28/2024	Admin Building Materials Price Escalation	\$9,276.28	Yes	\$9,276.28	\$57,036,533.02
14	88	6/28/2024	MBR Grating Modifications	\$11,361.04	Yes	\$47,854.80	\$57,084,387.82
	89	6/28/2024	FO 31 - RWC Electrical Gear Relocation	\$6,592.85			
	91	7/18/2024	PB Generator Feed Reroute	-\$2,889.75			
	92	8/1/2024	Secondary Digester Interior Coatings	\$32,790.66			
15	93	8/2/2024	DIP Spools - Price Escalation	\$22,008.91	Yes	\$22,008.91	\$57,106,396.73
16	94	8/14/2024	Additional Eyewashes for MBR Chem Room	\$15,405.13	Yes	\$202,203.73	\$57,308,600.46
	95	8/14/2024	Fiber Loop Revision	\$7,836.45			
	96	8/14/2024	Fire Alarm Submittal Comments	\$16,958.78			
	97	8/20/2024	Additional Exterior Doors	\$40,019.36			
	98	8/20/2024	Weld Plates over Secondary Digester Roller Box Openings	\$9,350.58			
	99	8/27/2024	Caulk existing construction joints in Secondary Digester	\$3,499.65			
	100	8/29/2024	Additional Sidewalks	\$39,040.92			
	102	8/30/2024	FSB and MLS Waste Drains	\$18,205.45			
	103	9/13/2024	Hydronic Pump Control Changes	\$14,252.46			
	104	9/17/2024	Additional Interior Admin Doors	\$28,263.76			
	105	9/25/2024	MLS Fiberglass Door	\$9,371.20			
17	106	10/28/2024	Replace Corroded Piping & Hardware in Digester 2	\$8,169.58	Yes	\$83,648.58	\$57,392,249.04
	107	10/28/2024	Add Dryer Vent per RFI 190	\$1,852.24			
	108	11/7/2024	Scanning and Select Demolition	\$3,870.07			
	109	10/28/2024	Change Admin Curtain Wall System	\$13,189.44			
	110	10/28/2024	STB Plumbing Modifications	\$18,931.28			
	111	11/11/2024	DTC Transformer Relocation	\$11,327.32			
	112	10/30/2024	Admin Building Electrical Changes	\$16,561.61			
	113	11/18/2024	Air Content Deviation	-\$437.62			
	114	11/21/2024	EWR - NPW Check Valve	\$10,184.66			
18		3/5/2025	Completion Date Extension	\$0.00	Yes	\$0.00	\$57,392,249.04

CO #	WCD No.	Date	Description	WCD Cost	Approved	CO Cost	Revised Contract Cost
19	115	12/5/2024	Secondary Digester Manway Repair	\$3,485.57	Yes	\$192,478.87	\$57,584,727.91
	116	1/14/2025	DTC Generator Room Changes	\$21,685.49			
	117	12/5/2024	Unit Heater Relocation (RFI 187)	\$2,308.55			
	118	12/5/2024	Admin Building Plumbing Changes	\$8,921.64			
	119	12/5/2024	FO 39 - Admin Building HVAC Changes	\$11,889.82			
	120	12/5/2024	Admin Building Existing Floor Repair per RFI 206	\$3,209.99			
	121	12/5/2024	Fabricated Metal Support for Admin GVH-2	\$4,425.69			
	122	12/30/2024	STB Additional Bends for TSS Sensor	\$2,762.82			
	123	1/3/2025	Fire Alarm Device Replacement in Admin Garage	\$13,527.16			
	124	1/6/2025	Add Deco Quartz Flooring to Admin Stairs and Landing	\$4,091.83			
	125	1/6/2025	Add Coatings to Admin Corridor 188	\$2,720.39			
	126	1/13/2025	Watermain Replacement for MBR Drain Install	\$29,953.88			
	127	1/13/2025	Admin Light Gauge Framing Changes	\$5,552.94			
	128	1/13/2025	Add Railing to Roof of Primary Digester	\$7,672.08			
	129	2/10/2025	Add 8" Blind Flanges in DPS	\$1,098.09			
	130	2/10/2025	Add Column and Walkway Removal in Final Clarifiers	\$28,048.11			
	131	2/10/2025	Secondary Digester Corbel Demolition	\$5,827.01			
	132	3/6/2025	Admin Window Blinds	\$3,345.68			
	133	3/6/2025	Exterior Door Sweeps	\$4,316.93			
	134	3/6/2025	Add Deco Quartz Flooring to Admin Vestibule and Janitor's Closet	\$708.20			
	135	3/6/2025	Remove and Replace 6" Expansion Joints in RWC	\$18,709.03			
	136	3/6/2025	STB Field Modifications	\$8,217.97			
20	137	3/28/2025	Replace 24" Air Piping between PB and AB	\$465,219.59	Yes	\$586,291.62	\$58,171,019.53
	139	3/18/2025	Biogas Area Changes	\$121,072.03			
21	138	3/17/2025	RSS Retaining Wall	\$390,754.62	Yes	\$465,902.72	\$58,636,922.25
	141	5/8/2025	RWC EQ Pipe and Control Valves	\$61,836.36			
	143	4/17/2025	MJ Caps for Existing Scum Lines	\$1,429.86			
	145	4/29/2025	Digester No. 2 Additional Manway Repair	\$3,298.29			
	146	5/5/2025	Admin Building Door Stoops	\$7,637.98			
	147	5/5/2025	Digester Manway Gaskets	\$945.61			

CO #	WCD No.	Date	Description	WCD Cost	Approved	CO Cost	Revised Contract Cost
22	140	4/17/2025	Existing Exterior Wall Refinish	\$19,164.39	Yes	\$36,004.63	\$58,672,926.88
	142	6/2/2025	RWC Pump Connections	\$12,146.03			
	144	5/19/2025	MBR and DTC HVAC Modifications	\$4,463.92			
	148	6/2/2025	Admin Sidewalk Modifications	\$3,663.46			
	150	6/5/2025	DTC Pipe Modifications	\$2,594.19			
	151	7/1/2025	FO 46 Biogas Odorizer Wiring	\$10,185.43			
	155	7/9/2025	Classified Overhead Door Operator	\$2,774.35			
	156	7/9/2025	Digester 1 Fluidizing Line Replacement	\$4,472.53			
	157	7/11/2025	FO 47 - TSS Sensor Modifications	\$14,743.89			
	158	7/21/2025	Admin Cabinet Credit	-\$37,370.00			
	159	7/21/2025	DTC Coating Credit	-\$833.55			
23	149	6/2/2025	DIP Spools - Price Escalation	\$20,358.81	Yes	\$30,607.22	\$58,703,534.10
	153	7/8/2025	Concrete - Price Escalation	\$10,248.41			
24	160	7/22/2025	Primary Digester Lid Removal	\$231,806.80	Yes	\$231,806.80	\$58,935,340.90
25	161	8/1/2025	Sludge Storage Building Power Refeed	\$33,434.09	Yes	\$33,434.09	\$58,968,775.00
26	166	9/17/2025	DIP Spools - Price Escalation	\$5,919.84	No	\$5,919.84	\$58,974,694.84
27	154	8/1/2025	Additional Contaminated Soil Disposal	27,607.78	No	\$2,876.25	\$58,977,571.09
	164	9/4/2025	MLS Seal Water Credit	-\$3,025.96			
	165	9/10/2025	Primary Digester Removed Pipe and Supports	-\$4,314.99			
	167	9/10/2025	Digester Overflow Piping Modification and Manway Hinge Installat	\$10,950.54			
	168	9/26/2025	Additional Biogas Piping for Connection to OPU	\$6,295.62			
	169	10/10/2025	Digester 1 Manway Repair	\$4,254.83			
	170	11/21/2025	Bituminous Changes	\$12,260.94			
	171	11/21/2025	Fence Gate Addition	\$4,260.45			
	172	11/21/2025	SCADA Allowance Credit	-\$34,591.46			
	173	11/26/2025	Admin Floor Credit	-\$12,500.00			
	174	12/22/2025	Digester 1 Lid Credit	-\$8,321.50			

WCDP No.	Date	Description	Labor Cost	Material Cost	Equipment Cost	Sub Cost	Cost	Already completed?	Necessary for Design	Beneficial for Long Term	Price Escalation	Approved by Administrator
1	6/23/2023	Contaminated Soil Removal					\$193,738.62	mostly	Yes	Yes	No	Yes
2	8/19/2022	Field Order No.1 - Admin Kitchen Layout	\$0.00	\$0.00	\$0.00	\$548.00	\$581.15	Yes	Yes	yes	No	yes
3	8/22/2022	Field Order No.3 - FSB Drain and Equipment Pads, Remove BFVs at MBR Blowers	\$1,900.00	-\$11,985.98	\$0.00	\$0.00	-\$12,511.72	Yes	Yes	yes	No	yes
4	8/19/2022	Field Order No.4 - Plumbing System Changes for DIU Comments	\$14,841.85	\$22,303.75	\$4,080.00	\$2,272.00	\$53,409.75	Yes	Yes	yes	No	yes
5	8/25/2022	Field Order No.2 - FSB and STB Door and Transom Heights	\$0.00	\$1,887.00	\$0.00	\$940.00	\$3,329.18	Yes	Yes	yes	No	yes
6	6/23/2023	Additional Granular Fill	\$0.00	\$42,388.50	\$0.00	\$0.00	\$72,219.17	Yes	Yes	yes	No	yes
7	8/25/2022	RFI #29 - Move 30" RAS offsets to exterior of AB tank	\$0.00	-\$8,975.00	\$0.00	\$0.00	-\$11,092.99	Yes	Yes	yes	No	yes
8	9/30/2022	MBR Tank Drain Valves	\$2,280.00	\$11,400.00	\$0.00	\$0.00	\$16,853.62	Yes	Yes	yes	No	yes
9	9/30/2022	Field Order No.9 - MBR Beam Schedule	\$760.00	\$6,052.63	\$150.00	\$978.40	\$9,613.92	Yes	Yes	yes	No	yes
10	9/30/2022	Grating Width Changes and Perm Wall Pipe	\$760.00	-\$6,363.70	\$0.00	\$0.00	-\$6,944.33	Yes	Yes	yes	No	yes
11	10/16/2022	Change White Maple Wooden Doors to Oak Finish	\$0.00	\$3,095.00	\$0.00	\$0.00	\$3,594.84	CANCELLED				
12	10/25/2022	Backwash Tank and Chemical Storage Building - Opt. 1&2	\$20,520.00	\$1,650.00	\$5,600.00	\$39,760.00	\$75,579.50	Yes	no	yes	No	yes
13	10/25/2022	RFI #25 - Add two 10" check valves to Peak Flow pumps	\$0.00	\$11,114.66	\$0.00	\$0.00	\$13,737.58	Yes	Yes	yes	No	yes
14	10/16/2022	Additional Window in Admin Building	\$6,196.80	\$5,516.44	\$84.00	\$7,012.00	\$21,862.56	Yes	no	yes	No	yes
15	5/31/2022	Suez Price Escalation - Documented under Cost Escalation					\$252,500.00	Yes	NA	NA	Yes	Yes
16	11/28/2022	Directionally Drill 10" MBR Drain Line	-\$22,800.00	\$1,669.00	\$20,000.00	-\$11,660.00	-\$17,903.83	Yes	Yes	yes	No	yes
17	11/28/2022	Increase Size of Tunnel Opening at RWC	\$190.00	\$0.00	\$3,400.00	\$0.00	\$3,835.98	Yes	Yes	yes	No	yes
18	4/3/2023	Field Order No. 8 - Hydrant and Storm Changes	\$15,808.00	\$22,225.06	-\$139.75	\$13,400.00	\$60,677.57	Yes	Yes	yes	No	yes
19	12/22/2022	RFI No. 45 - Hardware Material Change	\$0.00	\$0.00	\$0.00	-\$237,870.81	-\$240,249.52	Yes	Yes	yes	No	yes
20	12/22/2022	RFI No. 87 - Concrete Sealer	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	CANCELLED				
21	12/22/2022	Additional Pipe Support for Increased Size of Tunnel Opening at RWC	\$1,615.00	\$950.00	\$86.50	\$590.00	\$3,786.97	Yes	Yes	yes	No	yes
22	2/17/2023	FO #12 - Omit Ductwork in Tunnel between RWC and DTC	\$0.00	\$0.00	\$0.00	-\$11,733.00	-\$12,442.85	Yes	Yes	yes	No	yes
23	7/31/2023	AB Blower Piping Change	\$21,330.00	\$21,959.14	\$0.00	-\$1,656.00	\$22,330.34	Yes	Yes	yes	No	Yes
24	2/17/2023	Add MBR Blower Inlet Dampers	\$0.00	\$1,926.00	\$0.00	\$0.00	\$2,042.52	Yes	Yes	yes	No	yes
25	2/22/2023	Storm Water Basin						CANCELLED				
26	3/7/2023	AB Blower Piping Expansion Joints	\$7,695.00	\$18,797.08	\$1,450.00	\$0.00	\$34,243.47	Yes	Yes	yes	No	yes
27	4/3/2023	MLS Bonnetless Knife Gate Valves	\$0.00	-\$40,000.00	\$0.00	\$0.00	-\$49,439.50	Yes	Yes	yes	No	yes
28		Painting and MLS Outside Project						CANCELLED			No	
29	4/12/2023	FSB Roof Drain Piping	\$4,320.00	\$1,528.89	\$0.00	\$0.00	\$7,125.53	Yes	Yes	yes	No	yes
30		Rotary Drum Thickening Equipment	\$0.00	\$3,800.00	\$0.00	\$0.00	\$4,696.75	CANCELLED				
31		Circular Clarifier Center Column Change	\$0.00	\$5,820.00	\$0.00	\$0.00	\$7,193.45	CANCELLED				
32	6/2/2023	Sludge Mixing System Price Inflation - Covered under Price Escalation	\$0.00	\$3,500.00	\$0.00	\$0.00	\$3,535.00	Yes	NA	NA	Yes	yes
33	6/23/2023	RFI #117 - Weirs and Anchors	\$4,320.00	\$6,305.00	\$350.00	\$0.00	\$13,435.27	Yes	Yes	yes	No	yes
34	6/23/2023	Field Order Directive #14 - Sampler Changes	\$1,440.00	\$1,548.89	\$0.00	\$0.00	\$3,659.69	Yes	Yes	yes	No	yes
35	6/23/2023	Field Order Directive #13 - Hydronic System Controls	\$4,950.00	\$5,001.00	\$0.00	\$20,468.44	\$33,902.50	Yes	Yes	yes	No	yes
36	6/23/2023	MBR Influent Channel additional grout	\$2,160.00	\$10,850.89	\$0.00	\$0.00	\$16,029.48	Yes	Yes	yes	No	yes
37	6/23/2023	FSB Flexible Chutes	\$0.00	\$2,972.64	\$0.00	\$0.00	\$3,223.79	Yes	Yes	yes	No	yes
38	6/29/2023	Hydronic System RFI #128 and #135	\$2,070.00	\$6,697.20	\$0.00	\$0.00	\$10,786.50	Yes	Yes	yes	No	Yes
39	9/11/2023	Field Order # 17- Tunnel Parapet and Lockers	\$11,070.00	\$9,926.68	\$200.00	\$20,358.28	\$47,508.35	Yes	Yes	Yes	No	Yes
40	8/15/2023	Hydronic System Water Treatment	\$0.00	-\$2,684.06	\$0.00	\$0.00	-\$3,317.46	Yes	Yes	yes	No	Yes
41	9/13/2023	Painting System Changes	\$10,800.00	\$8,763.75	\$1,250.00	\$107,851.00	\$115,116.46	Yes	no	yes	No	yes
42	9/13/2023	FSB Chutes	\$360.00	\$931.10	\$50.00	\$0.00	\$1,645.22	Yes	Yes	yes	No	Yes
43	9/13/2023	RFI #154 - Fan Starters	\$0.00	\$0.00	\$0.00	\$5,101.80	\$5,410.46	Yes	Yes	yes	No	Yes
44	9/13/2023	Removal of Select Granual Fills	-\$2,700.00	-\$33,282.19	-\$850.00	\$0.00	-\$42,916.93	Yes	Yes	yes	No	Yes
45	9/20/2023	MBR RAS Pump Discharge Reducers	\$4,320.00	\$29,739.60	\$600.00	\$0.00	\$42,690.51	Yes	Yes	yes	No	Yes
46	9/20/2023	Re-paint of RWC pump gallery and tunnel	\$0.00	\$0.00	\$0.00	\$66,250.00	\$70,258.13	CANCELLED				
47	9/20/2023	Full Word Pipe ID Stencils	\$0.00	\$0.00	\$0.00	\$7,110.00	\$7,540.16	CANCELLED				
48	9/20/2023	DIP Spools - Logged under Price Escalation	\$0.00	\$23,899.95	\$0.00	\$0.00	\$25,919.20	Yes	NA	NA	Yes	Yes

WCDP No.	Date	Description	Labor Cost	Material Cost	Equipment Cost	Sub Cost	Cost	Already completed?	Necessary for Design	Beneficial for Long Term	Price Escalation	Approved by Administrator
49	9/21/2023	Field Order # 19 - Plumbing Revisions	-\$3,224.75	-\$2,522.92	\$0.00	-\$425.88	-\$7,478.34	Yes	Yes	Yes	No	Yes
50	9/21/2023	Field Order # 20 - Admin Water Softener	\$3,780.00	\$2,934.39	\$0.00	\$2,685.92	\$11,056.65	Yes	Yes	Yes	No	Yes
51	9/29/2023	Process Building Water Softener	\$2,240.00	\$2,370.39	\$0.00	\$2,381.63	\$9,382.37	CANCELLED				
52	9/29/2023	Remove Handrail at AB basin	-\$12,780.00	-\$66,000.00	-\$1,250.00	\$0.00	-\$93,600.24	Yes	Yes	Yes	No	Yes
53	10/6/2023	Field Order 21 - AB Structural Changes	\$6,660.00	\$5,627.28	\$1,650.00	\$369.50	\$17,335.49	Yes	Yes	Yes	No	Yes
54	9/29/2023	Field Order # 22 - Admin Hydronic System Piping	\$7,650.00	\$6,150.00	\$450.00	\$3,280.00	\$20,874.24	Yes	Yes	Yes	No	Yes
55	9/29/2023	FSB FRP Door Color Change	\$0.00	\$0.00	\$0.00	\$1,820.00	\$1,930.11	No	No	Yes	No	No
56	10/13/2023	Asbestos Removal	\$0.00	\$0.00	\$0.00	\$14,670.00	\$15,557.54	Yes	Yes	Yes	No	Yes
57	10/27/2023	Clean Aeration Basins	\$5,400.00	\$3,764.80	\$1,600.00	\$16,380.00	\$29,931.27	Yes	Yes	Yes	No	Yes
60	10/31/2023	Replace Solenoid Valves for Existing MLS Screen	\$1,620.00	\$3,592.20	\$0.00	\$875.00	\$7,331.29	Yes	Yes	Yes	No	Yes
61	12/8/2023	Casework Material Change	\$0.00	\$0.00	\$0.00	\$22,784.00	\$24,162.43	Yes	No	Yes	No	Yes
62	12/8/2023	Field Order 23- Roof Drain Routing Insulation	\$0.00	\$0.00	\$0.00	\$6,513.30	\$6,907.35	Yes	Yes	Yes	No	Yes
63	11/20/2023	OPU Water Hydrant	\$0.00	\$0.00	\$0.00	\$4,710.38	\$4,757.48	Yes	Yes	Yes	No	Yes
64	12/8/2023	MBR Lab Vacuum Pump	\$0.00	\$0.00	\$0.00	\$2,500.32	\$2,651.59	Yes	Yes	Yes	No	Yes
65	4/2/2024	Field Order 16 - Site Changes	\$73,090.90	\$58,439.57	\$19,867.75	\$34,068.03	\$219,304.53	Yes	Yes	Yes	No	Yes
66	12/26/2023	MBR Masonry to Full Height Around Mechanical Room	\$3,457.74	\$1,961.15	\$356.02	\$0.00	\$7,028.25	Yes	Yes	Yes	No	Yes
67	12/26/2023	STB Roof Insulation Depth Change	\$0.00	\$0.00	\$0.00	\$53,518.15	\$56,756.00	Yes	Yes	Yes	No	Yes
68	1/2/2024	Door Changes					\$83,704.09	Yes	Yes	Yes	No	Yes
69	1/4/2024	Additional Light Switches in MBR Cassette Room	\$0.00	\$0.00	\$0.00	\$4,886.61	\$5,182.25	Yes	Yes	Yes	No	Yes
70	2/13/2024	Bead Blast Floors of Aeration Basins 1 & 2					\$36,776.76	CANCELLED				
71	2/16/2024	Recoat Walls above Water Level of ABs 1&2					\$44,145.38	CANCELLED				
72	2/16/2024	Peak Flow Overflow Box	\$1,800.00	\$1,010.00	\$250.00	\$0.00	\$3,720.32	Yes	Yes	Yes	No	Yes
73	2/19/2024	EWB Temp Booster Pump for FSB					\$7,114.07	CANCELLED				
74	4/5/2024	FO 25 - Hydronic Valve and Control Changes	\$3,060.00	\$3,259.13	\$50.00	\$7,034.29	\$15,254.90	Yes	Yes	Yes	No	Yes
75	4/8/2024	Remove Pressure Washing ABs 1&2	-\$4,500.00	-\$3,764.80	-\$1,600.00	-\$8,190.00	-\$20,200.43	Yes	Yes	Yes	No	Yes
76	4/11/2024	Add influent and effluent pH sensors	\$0.00	\$0.00	\$0.00	\$19,845.65	\$21,046.32	Yes	Yes	Yes	No	Yes
77	4/26/2024	Revise PB blower piping per RFI 172	-\$2,160.00	-\$5,588.40	-\$480.00	-\$735.00	-\$10,862.10	Yes	Yes	Yes	No	Yes
78	4/26/2024	Flow meter cables - Veolia					\$22,865.77	CANCELLED				
79	4/26/2024	Additional couplings for permeate piping					\$20,926.32	CANCELLED				
80	4/29/2024	Remove pipe to eductor pump location - RFI 174	-\$720.00	-\$802.97	-\$25.00	\$0.00	-\$1,894.14	NA	NA	NA	No	Yes
81	5/15/2024	Biogas Odorizer Shed					\$36,490.56	CANCELLED				
82	5/28/2024	Admin - Masonry Infill and Floor System Add	\$3,780.00	\$1,592.58	\$0.00	\$4,186.00	\$10,989.02	Yes	Yes	Yes	No	Yes
83	6/4/2024	Mud Valve Replacement	\$18,900.00	\$13,590.20	\$1,200.00	\$0.00	\$41,097.92	No	No	Yes	No	Yes
84	5/17/2024	FO 29 - Install Manway in Secondary Digester	\$1,845.00	\$12,594.70	\$480.00	\$5,250.00	\$23,784.28	Yes	Yes	Yes	No	Yes
85	6/7/2024	FO 30 - Septage Receiving Station Changes	\$23,580.00	\$861.00	\$5,005.00	\$3,103.80	\$38,748.03	Yes	Yes	Yes	No	Yes
86	6/25/2024	Additional storm manhole						CANCELLED				
87	6/28/2024	Admin Building Materials Price Escalation	\$0.00	\$0.00	\$0.00	\$9,184.44	\$9,276.28	Yes	Yes	Yes	Yes	Yes
88	6/28/2024	MBR Grating Modifications	\$7,200.00	\$1,896.67	\$250.00	\$0.00	\$11,361.04	Yes	Yes	Yes	No	Yes
89	6/28/2024	FO 31 - RWC Electrical Gear Relocation	\$2,340.00	\$460.00	\$0.00	\$3,014.48	\$6,592.85	Yes	Yes	Yes	No	Yes
90	7/16/2024	MBR Bathroom Deco Flake Coating						CANCELLED				
91	7/18/2024	PB Generator Feed Reroute	\$0.00	\$0.00	\$0.00	-\$2,724.89	-\$2,889.75	Yes	NA	NA	No	Yes
92	8/1/2024	Secondary Digester Interior Coatings	\$360.00	\$0.00	\$2,400.00	\$27,880.00	\$32,790.66	Yes	Yes	Yes	No	Yes
93	8/2/2024	DIP Spools - Price Escalation	\$0.00	\$20,294.30	\$0.00	\$0.00	\$22,008.91	Yes	Yes	Yes	Yes	Yes
94	8/14/2024	Additional Eyewashes for MBR Chem Room	\$3,780.00	\$3,202.54	\$250.00	\$6,200.00	\$15,405.13	Yes	Yes	Yes	No	Yes
95	8/14/2024	Fiber Loop Revision	\$0.00	\$0.00	\$0.00	\$7,389.39	\$7,836.45	Yes	Yes	Yes	No	Yes
96	8/14/2024	Fire Alarm Submittal Comments	\$0.00	\$0.00	\$0.00	\$15,991.30	\$16,958.78	Yes	Yes	Yes	No	Yes
97	8/20/2024	Additional Exterior Doors	\$9,180.00	\$18,431.57	\$1,400.00	\$4,230.00	\$40,019.36	Yes	No	Yes	No	Yes
98	8/20/2024	Weld Plates over Secondary Digester Roller Box Openings	\$5,760.00	\$0.00	\$2,040.00	\$0.00	\$9,350.58	Yes	Yes	Yes	No	Yes
99	8/27/2024	Caulk existing construction joints in Secondary Digester	\$0.00	\$0.00	\$0.00	\$3,300.00	\$3,499.65	Yes	Yes	Yes	No	Yes
100	8/29/2024	Additional Sidewalks	\$20,340.00	\$9,604.80	\$1,300.00	\$950.00	\$39,040.92	Yes	No	Yes	No	Yes
101	8/30/2024	MBR Lab Plumbing Changes	\$3,510.00	\$290.31	\$0.00	\$0.00	\$4,612.94	CANCELLED				
102	8/30/2024	FSB and MLS Waste Drains	\$10,440.00	\$2,983.60	\$1,710.00	\$0.00	\$18,205.45	Yes	Yes	Yes	No	Yes
103	9/13/2024	Hydronic Pump Control Changes	\$1,800.00	\$523.00	\$0.00	\$10,895.14	\$14,252.46	Yes	Yes	Yes	No	Yes
104	9/17/2024	Additional Interior Admin Doors	\$6,840.00	\$14,155.58	\$0.00	\$3,240.00	\$28,263.76	Yes	No	Yes	No	Yes
105	9/25/2024	MLS Fiberglass Door	\$1,980.00	\$5,727.10	\$275.00	\$0.00	\$9,371.20	Yes	No	Yes	No	Yes

WCDP No.	Date	Description	Labor Cost	Material Cost	Equipment Cost	Sub Cost	Cost	Already completed?	Necessary for Design	Beneficial for Long Term	Price Escalation	Approved by Administrator
106	10/28/2024	Replace Corroded Piping & Hardware in Digester 2	\$3,060.00	\$3,415.60	\$425.00	\$0.00	\$8,169.58	Yes	Yes	Yes	No	Yes
107	10/28/2024	Add Dryer Vent per RFI 190	\$270.00	\$0.00	\$0.00	\$1,438.00	\$1,852.24	Yes	Yes	Yes	No	Yes
108	11/7/2024	Scanning and Select Demolition	-\$2,160.00	\$0.00	\$0.00	\$6,015.00	\$3,870.07	Yes	Yes	Yes	No	Yes
109	10/28/2024	Change Admin Curtain Wall System	\$0.00	\$0.00	\$0.00	\$0.00	\$13,189.44	Yes	Yes	Yes	No	Yes
110	10/28/2024	STB Plumbing Modifications	\$7,650.00	\$3,342.32	\$727.50	\$4,651.00	\$18,931.28	Yes	Yes	Yes	No	Yes
111	11/11/2024	DTC Transformer Relocation	\$4,410.00	\$1,125.00	\$557.50	\$3,792.55	\$11,327.32	No	Yes	Yes	No	Yes
112	10/30/2024	Admin Building Electrical Changes	\$0.00	\$0.00	\$0.00	\$15,616.79	\$16,561.61	Yes	Yes	Yes	No	Yes
113	11/18/2024	Air Content Deviation	\$0.00	-\$375.00	\$0.00	\$0.00	-\$437.62	Yes	Yes	Yes	No	Yes
114	11/21/2024	EWB - NPW Check Valve	\$4,320.00	\$4,104.35	\$0.00	\$150.00	\$10,184.66	Yes	Yes	Yes	No	Yes
115	12/5/2024	Secondary Digester Manway Repair	\$2,520.00	\$125.00	\$0.00	\$75.00	\$3,485.57	Yes	Yes	Yes	No	Yes
116	1/14/2025	DTC Generator Room Changes	\$9,180.00	\$1,710.76	\$900.00	\$5,819.92	\$21,685.49	Yes	Yes	Yes	No	Yes
117	12/5/2024	Unit Heater Relocation (RFI 187)	\$1,440.00	\$350.00	\$0.00	\$0.00	\$2,308.55	Yes	Yes	Yes	No	Yes
118	12/5/2024	Admin Building Plumbing Changes	\$5,400.00	\$1,350.00	\$175.00	\$0.00	\$8,921.64	Yes	Yes	Yes	No	Yes
119	12/5/2024	FO 39 - Admin Building HVAC Changes	\$3,690.00	\$300.00	\$150.00	\$5,845.84	\$11,889.82	Yes	Yes	Yes	No	Yes
120	12/5/2024	Admin Building Existing Floor Repair per RFI 206	\$1,440.00	\$243.78	\$845.21	\$0.00	\$3,209.99	Yes	Yes	Yes	No	Yes
121	12/5/2024	Fabricated Metal Support for Admin GVH-2	\$2,160.00	\$1,025.00	\$250.00	\$0.00	\$4,425.69	Yes	Yes	Yes	No	Yes
122	12/30/2024	STB Additional Bends for TSS Sensor	\$810.00	\$1,173.55	\$150.00	\$0.00	\$2,762.82	Yes	Yes	Yes	No	Yes
123	1/3/2025	Fire Alarm Device Replacement in Admin Garage	\$0.00	\$0.00	\$0.00	\$12,033.45	\$13,527.16	Yes	Yes	Yes	No	Yes
124	1/6/2025	Add Deco Quartz Flooring to Admin Stairs and Landing	\$0.00	\$0.00	\$0.00	\$3,640.00	\$4,091.83	Yes	No	Yes	No	Yes
125	1/6/2025	Add Coatings to Admin Corridor 188	\$0.00	\$0.00	\$0.00	\$2,420.00	\$2,720.39	Yes	No	Yes	No	Yes
126	1/13/2025	Watermain Replacement for MBR Drain Install	\$8,280.00	\$9,387.20	\$5,700.00	\$0.00	\$29,953.88	Yes	Yes	Yes	No	Yes
127	1/13/2025	Admin Light Gauge Framing Changes	\$0.00	\$0.00	\$0.00	\$4,939.77	\$5,552.94	Yes	Yes	Yes	No	Yes
128	1/13/2025	Add Railing to Roof of Primary Digester	\$1,080.00	\$4,280.00	\$550.00	\$0.00	\$7,672.08	Yes	No	Yes	No	Yes
129	2/10/2025	Add 8" Blind Flanges in DPS	\$270.00	\$502.90	\$75.00	\$0.00	\$1,098.09	Yes	Yes	Yes	No	Yes
130	2/10/2025	Add Column and Walkway Removal in Final Clarifiers	\$17,280.00	\$0.00	\$4,750.00	\$0.00	\$28,048.11	Yes	Yes	Yes	No	Yes
131	2/10/2025	Secondary Digester Corbel Demolition	\$4,320.00	\$0.00	\$225.00	\$0.00	\$5,827.01	Yes	Yes	Yes	No	Yes
132	3/6/2025	Admin Window Blinds	\$0.00	\$0.00	\$0.00	\$2,976.24	\$3,345.68	No	No	Yes	No	Yes
133	3/6/2025	Exterior Door Sweeps	\$0.00	\$3,295.00	\$0.00	\$0.00	\$4,316.93	Yes	Yes	Yes	No	Yes
134	3/6/2025	Add Deco Quartz Flooring to Admin Vestibule and Janitor's Closet	\$0.00	\$0.00	\$0.00	\$630.00	\$708.20	Yes	No	Yes	No	Yes
135	3/6/2025	Remove and Replace 6" Expansion Joints in RWC	\$2,700.00	\$10,882.50	\$0.00	\$750.00	\$18,709.03	Yes	Yes	Yes	No	Yes
136	3/6/2025	STB Field Modifications	\$3,420.00	\$2,561.58	\$0.00	\$450.00	\$8,217.97	Yes	Yes	Yes	No	Yes
137	3/28/2025	Replace 24" Air Piping between PB and AB	\$118,350.00	\$205,814.17	\$26,506.57	\$9,688.91	\$465,219.59	Yes	Yes	Yes	No	Yes
138	3/17/2025	RSS Retaining Wall	\$190,980.00	\$41,521.60	\$38,930.00	\$41,229.74	\$390,754.62	Yes	No	Yes	No	Yes
139	3/18/2025	Biogas Area Changes	\$8,347.31	\$13,646.62	\$1,350.00	\$81,738.23	\$121,072.03	Yes	Yes	Yes	No	Yes

WCDP No.	Date	Description	Labor Cost	Material Cost	Equipment Cost	Sub Cost	Cost	Already completed?	Necessary for Design	Beneficial for Long Term	Price Escalation	Approved by Administrator
140	4/17/2025	Existing Exterior Wall Refinish	\$10,800.00	\$534.10	\$450.00	\$3,590.00	\$19,164.39	Yes	No	Yes	No	Yes
141	5/8/2025	RWC EQ Pipe and Control Valves	\$7,020.00	\$23,802.15	\$5,655.50	\$13,050.38	\$61,836.36	Yes	Yes	Yes	No	Yes
142	6/2/2025	RWC Pump Connections	\$3,150.00	\$4,974.90	\$1,284.37	\$0.00	\$12,146.03	Yes	Yes	Yes	No	Yes
143	4/17/2025	MJ Caps for Existing Scum Lines	\$540.00	\$392.70	\$180.00	\$0.00	\$1,429.86	Yes	Yes	Yes	No	Yes
144	5/19/2025	MBR and DTC HVAC Modifications	\$0.00	\$0.00	\$0.00	\$3,971.00	\$4,463.92	No	Yes	Yes	No	Yes
145	4/29/2025	Digester No. 2 Additional Manway Repair	\$2,070.00	\$238.64	\$265.00	\$0.00	\$3,298.29	Yes	Yes	Yes	No	Yes
146	5/5/2025	Admin Building Door Stoops	\$4,230.00	\$1,198.00	\$515.00	\$0.00	\$7,637.98	Yes	Yes	Yes	No	Yes
147	5/5/2025	Digester Manway Gaskets	\$198.00	\$527.60	\$0.00	\$0.00	\$945.61	Yes	Yes	Yes	No	Yes
148	6/2/2025	Admin Sidewalk Modifications	\$2,250.00	\$331.46	\$275.00	\$0.00	\$3,663.46	Yes	Yes	Yes	No	Yes
149	6/2/2025	DIP Spools - Price Escalation	\$0.00	\$18,772.75	\$0.00	\$0.00	\$20,358.81	Yes	Yes	Yes	Yes	Yes
150	6/5/2025	DTC Pipe Modifications	-\$9,000.00	\$12,838.50	-\$625.00	-\$1,685.00	\$2,594.19	Yes	Yes	Yes	No	Yes
151	7/1/2025	FO 46 Biogas Odorizer Wiring	\$0.00	\$0.00	\$0.00	\$9,060.72	\$10,185.43	Yes	Yes	Yes	No	Yes
152	7/10/2025	Digester 1 Coating						CANCELLED				
153	7/8/2025	Concrete - Price Escalation	\$0.00	\$9,450.00	\$0.00	\$0.00	\$10,248.41	Yes	Yes	Yes	Yes	Yes
154	8/1/2025	Additional Contaminated Soil Disposal	\$0.00	\$0.00	\$0.00	\$0.00	\$27,607.78	Yes	Yes	Yes	No	No
		Soil Quantity (3512.44 TON at \$7.86/TON)					\$27,607.78					
155	7/9/2025	Classified Overhead Door Operator	\$0.00	\$0.00	\$0.00	\$2,468.00	\$2,774.35	No	Yes	Yes	No	Yes
156	7/9/2025	Digester 1 Fluidizing Line Replacement	\$3,420.00	\$60.14	\$0.00	\$0.00	\$4,472.53	No	Yes	Yes	No	Yes
157	7/11/2025	FO 47 - TSS Sensor Modifications	\$1,260.00	\$550.00	\$450.00	\$10,541.95	\$14,743.89	No	Yes	Yes	No	Yes
158	7/21/2025	Admin Cabinet Credit	\$0.00	\$0.00	\$0.00	-\$37,000.00	-\$37,370.00	Yes	No	Yes	No	Yes
159	7/21/2025	DTC Coating Credit	\$0.00	\$0.00	\$0.00	-\$786.00	-\$833.55	Yes	No	Yes	No	Yes
160	7/22/2025	Primary Digester Lid Removal	\$52,560.00	\$1,630.00	\$61,506.50	\$89,250.00	\$231,806.80	Yes	Yes	Yes	No	Yes
161	8/1/2025	Sludge Storage Building Power Rerefed	\$21,600.00	\$19,379.30	\$3,350.00	\$29,742.19	\$33,434.09	Yes	Yes	Yes	No	Yes
162	8/1/2025	Split AC Unit in PB Electrical Room	\$1,350.00	\$700.00	\$600.00	\$22,334.09	\$28,496.61	CANCELLED				
163		Sand fill for existing blower pipe						CANCELLED				
164	9/4/2025	MLS Seal Water Credit	-\$2,160.00	\$0.00	-\$50.00	-\$582.00	-\$3,025.96	NA	NA	NA	No	No
		Remove seal water piping	-\$2,160.00		-\$50.00		-\$2,210.00					
		Seal water piping coating				-\$330.00	-\$330.00					
		Misc small Tools and Mat'l/Labor (5% of Labor)					-\$108.00					
		Sales Tax (7.375%)										
		RL Mark Up on Subs (5%)					-\$16.50					
		RL Mark up on labor, Mat'l, and equip. (15%)					-\$331.50					
		Bond Costs (1%)					-\$29.96					
		RLCG Overhead (6%)										
165	9/10/2025	Primary Digester Removed Pipe and Supports	-\$2,340.00	-\$830.00	-\$275.00	-\$126.00	-\$4,314.99	NA	NA	NA	No	No
		Removed pipe and fittings	-\$1,080.00		-\$125.00		-\$1,205.00					
		Removed supports	-\$1,260.00	-\$830.00	-\$150.00		-\$2,240.00					
		Pipe coating				-\$126.00	-\$126.00					
		Misc small Tools and Mat'l/Labor (5% of Labor)					-\$117.00					
		Sales Tax (7.375%)					-\$61.21					
		RL Mark Up on Subs (5%)					-\$6.30					
		RL Mark up on labor, Mat'l, and equip. (15%)					-\$516.76					
		Bond Costs (1%)					-\$42.72					
		RLCG Overhead (6%)										
166	9/17/2025	DIP Spools - Price Escalation	\$0.00	\$5,458.65	\$0.00	\$0.00	\$5,919.84	Yes	Yes	Yes	Yes	No
		Spool Cost Increase		\$5,458.65			\$5,458.65					
		Misc and Mat'l/Labor (5%)					\$0.00					
		Sales Tax (7.325%)					\$402.58					
		RL Mark up on labor, Mat'l, and equip. (15%)					\$0.00					
		Bond Costs (1%)					\$58.61					
167	9/10/2025	Digester Overflow Piping Modification and Manway Hinge Installation	\$4,500.00	\$3,150.00	\$475.00	\$117,591.00	\$10,950.54	Yes	Yes	Yes	No	No
		Digester overflow pipe	\$2,520.00	\$3,150.00	\$250.00		\$5,920.00					
		Digester manway hinge	\$1,980.00		\$225.00		\$2,205.00					
		Coating				\$407.00	\$407.00					
		Misc small Tools and Mat'l/Labor (5% of Labor)					\$225.00					
		Sales Tax (7.375%)					\$232.31					
		RL Mark Up on Subs (5%)					\$20.35					
		RL Mark up on labor, Mat'l, and equip. (15%)					\$1,218.75					
		Bond Costs (1%)					\$102.29					
		RLCG Overhead (6%)					\$619.84					

WCDP No.	Date	Description	Labor Cost	Material Cost	Equipment Cost	Sub Cost	Cost	Already completed?	Necessary for Design	Beneficial for Long Term	Price Escalation	Approved by Administrator
168	9/26/2025	Additional Biogas Piping for Connection to OPU	\$3,330.00	\$1,211.00	\$350.00	\$58,592.00	\$6,295.62	Yes	Yes	Yes	No	No
		1-1/2" SS Piping	\$3,330.00	\$1,211.00	\$350.00		\$4,891.00					
		Misc small Tools and Mat'l/Labor (5% of Labor)					\$166.50					
		Sales Tax (7.375%)					\$89.31					
		RL Mark Up on Subs (5%)										
		RL Mark up on labor, Mat'l, and equip. (15%)					\$733.65					
		Bond Costs (1%)					\$58.80					
		RLCG Overhead (6%)					\$356.36					
169	10/10/2025	Digester 1 Manway Repair	\$3,240.00	\$0.00	\$75.00	\$29,296.00	\$4,254.83	Yes	Yes	Yes	No	No
		Digester 1 Manway Welding	\$3,240.00		\$75.00		\$3,315.00					
		Misc small Tools and Mat'l/Labor (5% of Labor)					\$162.00					
		Sales Tax (7.375%)										
		RL Mark Up on Subs (5%)										
		RL Mark up on labor, Mat'l, and equip. (15%)					\$497.25					
		Bond Costs (1%)					\$39.74					
		RLCG Overhead (6%)					\$240.84					
170	11/21/2025	Bituminous Changes	\$2,880.00	\$0.00	\$500.00	\$14,648.00	\$12,260.94	Yes	No	Yes	No	No
		Pavement Changes				\$7,068.00	\$7,068.00					
		Subgrade Work	\$2,880.00		\$500.00		\$3,380.00					
		Misc small Tools and Mat'l/Labor (5% of Labor)					\$144.00					
		Sales Tax (7.375%)										
		RL Mark Up on Subs (5%)					\$353.40					
		RL Mark up on labor, Mat'l, and equip. (15%)					\$507.00					
		Bond Costs (1%)					\$114.52					
		RLCG Overhead (6%)					\$694.02					
171	11/21/2025	Fence Gate Addition	\$0.00	\$0.00	\$0.00	\$3,790.00	\$4,260.45	Yes	Yes	Yes	No	No
		Install Mangate by Outfall				\$3,790.00	\$3,790.00					
		Misc small Tools and Mat'l/Labor (5% of Labor)										
		Sales Tax (7.375%)										
		RL Mark Up on Subs (5%)					\$189.49					
		RL Mark up on labor, Mat'l, and equip. (15%)										
		Bond Costs (1%)					\$39.80					
		RLCG Overhead (6%)					\$241.16					
172	11/21/2025	SCADA Allowance Credit	\$0.00	\$0.00	\$0.00	\$0.00	-\$34,591.46	NA	NA	NA	No	No
		Unused Allowance					-\$34,591.46					
		Misc small Tools and Mat'l/Labor (5% of Labor)										
		Sales Tax (7.375%)										
		RL Mark Up on Subs (5%)										
		RL Mark up on labor, Mat'l, and equip. (15%)										
		Bond Costs (1%)										
		RLCG Overhead (6%)										
173	11/26/2025	Admin Floor Credit	\$0.00	\$0.00	\$0.00	\$0.00	-\$12,500.00	NA	NA	NA	No	No
		Credit for Admin Floor					-\$12,500.00					
		Misc small Tools and Mat'l/Labor (5% of Labor)										
		Sales Tax (7.375%)										
		RL Mark Up on Subs (5%)										
		RL Mark up on labor, Mat'l, and equip. (15%)										
		Bond Costs (1%)										
		RLCG Overhead (6%)										
174	12/22/2025	Digester 1 Lid Credit	\$0.00	\$0.00	\$0.00	\$0.00	-\$8,321.50	NA	NA	NA	No	No
		Credit for finishing digester 1 work ahead of schedule					-\$8,321.50					
		Misc small Tools and Mat'l/Labor (5% of Labor)										
		Sales Tax (7.375%)										
		RL Mark Up on Subs (5%)										
		RL Mark up on labor, Mat'l, and equip. (15%)										
		Bond Costs (1%)										
		RLCG Overhead (6%)										

Total WCDs:	\$2,131,336.08	\$775,868.55	\$349,766.45	\$3,248,175.00
Percentage of Original Project Cost:	3.83%	1.39%	0.63%	5.83%
Total WCDs per Column (total "yeses"):			For Approval: \$8,796.09 0.02%	If Approved: \$3,256,971.09 5.85%

WORK CHANGE DIRECTIVE NO.: 154

Owner:	City of Owatonna	Owner's Project No.:	17017
Engineer:	Nero Engineering	Engineer's Project No.:	10044
Contractor:	Rice Lake Construction Group	Contractor's Project No.:	2214
Project:	Owatonna WWTF Upgrade and Expansion		
Contract Name:	Owatonna WWTF Upgrade and Expansion		
Date Issued:		Effective Date of Work Change Directive:	12/23/2025

Contractor is directed to proceed promptly with the following change(s):

Description:

Additional Contaminated Soil Disposal

Attachments:

WCD #154 Proposal.

Purpose for the Work Change Directive:

WCD No. 1 adjusted the contaminated soil quantity to an estimated 35,148.68 tons. There has been an additional 3,512.44 tons required to be removed to complete the original project scope which was largely due to additional soils removed to complete the RSS wall.

☐ Non-agreement on pricing of proposed change. ☒ Necessity to proceed for schedule or other reasons.

Estimated Change in Contract Price and Contract Times (non-binding, preliminary):

Contract Price: \$27,607.78 ~~[increase] [decrease] [not yet estimated].~~

Contract Time: 0 days ~~[increase] [decrease] [not yet estimated].~~

Basis of estimated change in Contract Price:

☒ Lump Sum ☐ Unit Price ☐ Cost of the Work ☐ Other

Recommended by Engineer

Authorized by Owner

By: Jennifer Svennes, PE 

Title: Lead Process Engineer

Date: 12/23/2025

WORK CHANGE DIRECTIVE NO.: 164

Owner: City of Owatonna Owner's Project No.: 17017
Engineer: Nero Engineering Engineer's Project No.: 10044
Contractor: Rice Lake Construction Group Contractor's Project No.: 2214
Project: Owatonna WWTF Upgrade and Expansion
Contract Name: Owatonna WWTF Upgrade and Expansion
Date Issued: Effective Date of Work Change Directive: 12/23/2025

Contractor is directed to proceed promptly with the following change(s):

Description:

MLS Seal Water Credit

Attachments:

WCD #164 Proposal.

Purpose for the Work Change Directive:

The seal water assemblies for the RWW pumps were shown to be replaced in the project. Replacement at this time was determined to be unnecessary since they have had recently been replaced by the City so the parts were turned over to the City and the labor to install was removed from the project.

☐ Non-agreement on pricing of proposed change. ☒ Necessity to proceed for schedule or other reasons.

Estimated Change in Contract Price and Contract Times (non-binding, preliminary):

Contract Price: \$3,025.96 ~~[increase] [decrease] [not yet estimated]~~

Contract Time: 0 days ~~[increase] [decrease] [not yet estimated]~~

Basis of estimated change in Contract Price:

☒ Lump Sum ☐ Unit Price ☐ Cost of the Work ☐ Other

Recommended by Engineer

Authorized by Owner

By: Jennifer Svennes, PE 

Title: Lead Process Engineer

Date: 12/23/2025

WORK CHANGE DIRECTIVE NO.: 165

Owner:	City of Owatonna	Owner's Project No.:	17017
Engineer:	Nero Engineering	Engineer's Project No.:	10044
Contractor:	Rice Lake Construction Group	Contractor's Project No.:	2214
Project:	Owatonna WWTF Upgrade and Expansion		
Contract Name:	Owatonna WWTF Upgrade and Expansion		
Date Issued:		Effective Date of Work Change Directive:	12/23/2025

Contractor is directed to proceed promptly with the following change(s):

Description:

Primary Digester Removed Pipe and Supports

Attachments:

WCD #165 Proposal. Digester 1 Piping and Supports Revisions email.

Purpose for the Work Change Directive:

There was a conflict with the routing of the 4" DSL pipe within Digester 1 as designed. The design revised to remove part of the piping and supports resulting in a credit.

☐ Non-agreement on pricing of proposed change. ☒ Necessity to proceed for schedule or other reasons.

Estimated Change in Contract Price and Contract Times (non-binding, preliminary):

Contract Price:	\$4,314.99	[increase] [decrease] [not yet estimated]
Contract Time:	0 days	[increase] [decrease] [not yet estimated]

Basis of estimated change in Contract Price:

☒ Lump Sum ☐ Unit Price ☐ Cost of the Work ☐ Other

Recommended by Engineer

Authorized by Owner

By: Jennifer Svennes, PE 

Title: Lead Process Engineer

Date: 12/23/2025

WORK CHANGE DIRECTIVE NO.: 166

Owner: City of Owatonna Owner's Project No.: 17017
Engineer: Nero Engineering Engineer's Project No.: 10044
Contractor: Rice Lake Construction Group Contractor's Project No.: 2214
Project: Owatonna WWTF Upgrade and Expansion
Contract Name: Owatonna WWTF Upgrade and Expansion
Date Issued: Effective Date of Work Change Directive: 12/23/2025

Contractor is directed to proceed promptly with the following change(s):

Description:

Ductile Iron Pipe Price Escalation

Attachments:

WCD #166 Proposal.

Purpose for the Work Change Directive:

This WCD covers price escalation of ductile iron pipe for areas of the RWC and DTC. Certain sections of piping need to be ordered after equipment is set and field measurements can be obtained. All the piping and fittings that could be ordered without field measurement was done so as soon as possible after the project bid. Since then, there has been price escalation for DIP and this WCD is for the spools that required field measurement. This is the last WCD for DIP price escalation.

☐ Non-agreement on pricing of proposed change. ☒ Necessity to proceed for schedule or other reasons.

Estimated Change in Contract Price and Contract Times (non-binding, preliminary):

Contract Price: \$5,919.84 ~~[increase] [decrease] [not yet estimated]~~

Contract Time: 0 days ~~[increase] [decrease] [not yet estimated]~~

Basis of estimated change in Contract Price:

☒ Lump Sum ☐ Unit Price ☐ Cost of the Work ☐ Other

Recommended by Engineer

Authorized by Owner

By: Jennifer Svennes, PE 

Title: Lead Process Engineer

Date: 12/23/2025

WORK CHANGE DIRECTIVE NO.: 167

Owner:	City of Owatonna	Owner's Project No.:	17017
Engineer:	Nero Engineering	Engineer's Project No.:	10044
Contractor:	Rice Lake Construction Group	Contractor's Project No.:	2214
Project:	Owatonna WWTF Upgrade and Expansion		
Contract Name:	Owatonna WWTF Upgrade and Expansion		
Date Issued:		Effective Date of Work Change Directive:	12/23/2025

Contractor is directed to proceed promptly with the following change(s):

Description:

Digester Overflow Piping Modification and Manway Hinge Installation

Attachments:

WCD #167 Proposal.

Purpose for the Work Change Directive:

The overflow pipe on Digester 2 needed to be modified so both digesters have the same overflow elevation. Hinges were added to the existing manway on Digester 2 so it could be used more easily by operators in the future.

☐ Non-agreement on pricing of proposed change. ☒ Necessity to proceed for schedule or other reasons.

Estimated Change in Contract Price and Contract Times (non-binding, preliminary):

Contract Price: \$10,950.54 ~~[increase] [decrease] [not yet estimated].~~

Contract Time: 0 days ~~[increase] [decrease] [not yet estimated].~~

Basis of estimated change in Contract Price:

☒ Lump Sum ☐ Unit Price ☐ Cost of the Work ☐ Other

Recommended by Engineer

Authorized by Owner

By: Jennifer Svennes, PE

Title: Lead Process Engineer

Date: 12/23/2025

WORK CHANGE DIRECTIVE NO.: 168

Owner:	City of Owatonna	Owner's Project No.:	17017
Engineer:	Nero Engineering	Engineer's Project No.:	10044
Contractor:	Rice Lake Construction Group	Contractor's Project No.:	2214
Project:	Owatonna WWTF Upgrade and Expansion		
Contract Name:	Owatonna WWTF Upgrade and Expansion		
Date Issued:		Effective Date of Work Change Directive:	12/23/2025

Contractor is directed to proceed promptly with the following change(s):

Description:

Additional Biogas Piping for Connection to OPU

Attachments:

WCD #168 Proposal.

Purpose for the Work Change Directive:

The location of where the treated biogas from the WWTF connects to the OPU piping was changed to be at the odorizer equipment as opposed to in the biogas treatment room which required additional SS piping.

☐ Non-agreement on pricing of proposed change. ☒ Necessity to proceed for schedule or other reasons.

Estimated Change in Contract Price and Contract Times (non-binding, preliminary):

Contract Price: \$6,295.62 ~~[increase] [decrease] [not yet estimated].~~

Contract Time: 0 days ~~[increase] [decrease] [not yet estimated].~~

Basis of estimated change in Contract Price:

☒ Lump Sum ☐ Unit Price ☐ Cost of the Work ☐ Other

Recommended by Engineer

Authorized by Owner

By: Jennifer Svennes, PE 

Title: Lead Process Engineer

Date: 12/23/2025

WORK CHANGE DIRECTIVE NO.: 169

Owner:	City of Owatonna	Owner's Project No.:	17017
Engineer:	Nero Engineering	Engineer's Project No.:	10044
Contractor:	Rice Lake Construction Group	Contractor's Project No.:	2214
Project:	Owatonna WWTF Upgrade and Expansion		
Contract Name:	Owatonna WWTF Upgrade and Expansion		
Date Issued:		Effective Date of Work Change Directive:	12/23/2025

Contractor is directed to proceed promptly with the following change(s):

Description:

Digester 1 Manway Repair

Attachments:

WCD #169 Proposal.

Purpose for the Work Change Directive:

After the manway on Digester 1 was sandblasted in preparation for coating, there were areas of corrosion exposed. Additional welding and metal were required to repair the manway.

☐ Non-agreement on pricing of proposed change. ☒ Necessity to proceed for schedule or other reasons.

Estimated Change in Contract Price and Contract Times (non-binding, preliminary):

Contract Price:	\$4,254.83	[increase] [decrease] [not yet estimated]
Contract Time:	0 days	[increase] [decrease] [not yet estimated]

Basis of estimated change in Contract Price:

☒ Lump Sum ☐ Unit Price ☐ Cost of the Work ☐ Other

Recommended by Engineer

Authorized by Owner

By: Jennifer Svennes, PE 

Title: Lead Process Engineer

Date: 12/23/2025

WORK CHANGE DIRECTIVE NO.: 170

Owner:	City of Owatonna	Owner's Project No.:	17017
Engineer:	Nero Engineering	Engineer's Project No.:	10044
Contractor:	Rice Lake Construction Group	Contractor's Project No.:	2214
Project:	Owatonna WWTF Upgrade and Expansion		
Contract Name:	Owatonna WWTF Upgrade and Expansion		
Date Issued:		Effective Date of Work Change Directive:	12/23/2025

Contractor is directed to proceed promptly with the following change(s):

Description:

Bituminous Changes

Attachments:

WCD #170 Proposal.

Purpose for the Work Change Directive:

Areas in front of the MLS and Admin garages were changed from light duty to heavy duty pavement which required additional bituminous.

☐ Non-agreement on pricing of proposed change. ☒ Necessity to proceed for schedule or other reasons.

Estimated Change in Contract Price and Contract Times (non-binding, preliminary):

Contract Price:	\$12,260.94	[increase] [decrease] [not yet estimated]
Contract Time:	0 days	[increase] [decrease] [not yet estimated]

Basis of estimated change in Contract Price:

☒ Lump Sum ☐ Unit Price ☐ Cost of the Work ☐ Other

Recommended by Engineer

Authorized by Owner

By: Jennifer Svennes, PE

Title: Lead Process Engineer

Date: 12/23/2025

WORK CHANGE DIRECTIVE NO.: 171

Owner:	City of Owatonna	Owner's Project No.:	17017
Engineer:	Nero Engineering	Engineer's Project No.:	10044
Contractor:	Rice Lake Construction Group	Contractor's Project No.:	2214
Project:	Owatonna WWTF Upgrade and Expansion		
Contract Name:	Owatonna WWTF Upgrade and Expansion		
Date Issued:		Effective Date of Work Change Directive:	12/23/2025

Contractor is directed to proceed promptly with the following change(s):

Description:

Fence Gate Addition

Attachments:

WCD #171 Proposal.

Purpose for the Work Change Directive:

A man gate was needed to be added in the new fence by the outfall so operators can access the outfall manhole which is outside the WWTF fenced area.

☐ Non-agreement on pricing of proposed change. ☒ Necessity to proceed for schedule or other reasons.

Estimated Change in Contract Price and Contract Times (non-binding, preliminary):

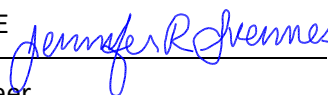
Contract Price:	\$4,260.45	[increase] [decrease] [not yet estimated]
Contract Time:	0 days	[increase] [decrease] [not yet estimated]

Basis of estimated change in Contract Price:

☒ Lump Sum ☐ Unit Price ☐ Cost of the Work ☐ Other

Recommended by Engineer

Authorized by Owner

By: Jennifer Svennes, PE 

Title: Lead Process Engineer

Date: 12/23/2025

WORK CHANGE DIRECTIVE NO.: 172

Owner:	City of Owatonna	Owner's Project No.:	17017
Engineer:	Nero Engineering	Engineer's Project No.:	10044
Contractor:	Rice Lake Construction Group	Contractor's Project No.:	2214
Project:	Owatonna WWTF Upgrade and Expansion		
Contract Name:	Owatonna WWTF Upgrade and Expansion		
Date Issued:		Effective Date of Work Change Directive:	12/23/2025

Contractor is directed to proceed promptly with the following change(s):

Description:

SCADA Allowance Credit

Attachments:

WCD #172 Proposal.

Purpose for the Work Change Directive:

The project included a SCADA allowance of \$260,000.00. The actual cost incurred was \$225,408.54 so the unused allowance is returned to the City.

☐ Non-agreement on pricing of proposed change. ☒ Necessity to proceed for schedule or other reasons.

Estimated Change in Contract Price and Contract Times (non-binding, preliminary):

Contract Price:	\$34,591.46	[increase] [decrease] [not yet estimated]
Contract Time:	0 days	[increase] [decrease] [not yet estimated]

Basis of estimated change in Contract Price:

☒ Lump Sum ☐ Unit Price ☐ Cost of the Work ☐ Other

Recommended by Engineer

Authorized by Owner

By: Jennifer Svennes, PE 

Title: Lead Process Engineer

Date: 12/23/2025

WORK CHANGE DIRECTIVE NO.: 173

Owner:	City of Owatonna	Owner's Project No.:	17017
Engineer:	Nero Engineering	Engineer's Project No.:	10044
Contractor:	Rice Lake Construction Group	Contractor's Project No.:	2214
Project:	Owatonna WWTF Upgrade and Expansion		
Contract Name:	Owatonna WWTF Upgrade and Expansion		
Date Issued:		Effective Date of Work Change Directive:	12/23/2025

Contractor is directed to proceed promptly with the following change(s):

Description:

Admin Floor Credit

Attachments:

WCD #173 Proposal.

Purpose for the Work Change Directive:

The Deco-Quartz floor in the Admin building is rough and difficult to maintain. A credit is being offered for the City to accept it in its current condition.

☐ Non-agreement on pricing of proposed change. ☒ Necessity to proceed for schedule or other reasons.

Estimated Change in Contract Price and Contract Times (non-binding, preliminary):

Contract Price:	\$12,500.00	[increase] [decrease] [not yet estimated]
Contract Time:	0 days	[increase] [decrease] [not yet estimated]

Basis of estimated change in Contract Price:

☒ Lump Sum ☐ Unit Price ☐ Cost of the Work ☐ Other

Recommended by Engineer

Authorized by Owner

By: Jennifer Svennes, PE

Title: Lead Process Engineer

Date: 12/23/2025

WORK CHANGE DIRECTIVE NO.: 174

Owner:	City of Owatonna	Owner's Project No.:	17017
Engineer:	Nero Engineering	Engineer's Project No.:	10044
Contractor:	Rice Lake Construction Group	Contractor's Project No.:	2214
Project:	Owatonna WWTF Upgrade and Expansion		
Contract Name:	Owatonna WWTF Upgrade and Expansion		
Date Issued:		Effective Date of Work Change Directive:	12/23/2025

Contractor is directed to proceed promptly with the following change(s):

Description:

Digester 1 Lid Credit

Attachments:

WCD #174 Proposal.

Purpose for the Work Change Directive:

The work associated with the cover of Digester 1 was finished ahead of the time estimated by Rice Lake in WCD 160, and so a credit is owed to the City to reflect the actual time. In WCD 160, Rice Lake had provided a credit for the rental of a Vics crane to pick the existing cover because it was anticipated that Veit would not need it. The crane was actually needed due to the weight of the cover and the reach needed to pick it based on site constraints, and so the cost to rent the larger crane was included in this change.

☐ Non-agreement on pricing of proposed change. ☒ Necessity to proceed for schedule or other reasons.

Estimated Change in Contract Price and Contract Times (non-binding, preliminary):

Contract Price:	\$8,321.50	[increase] [decrease] [not yet estimated]
Contract Time:	0 days	[increase] [decrease] [not yet estimated]

Basis of estimated change in Contract Price:

☒ Lump Sum ☐ Unit Price ☐ Cost of the Work ☐ Other

Recommended by Engineer

Authorized by Owner

By: Jennifer Svennes, PE 

Title: Lead Process Engineer

Date: 12/23/2025



DATE: January 20, 2026
TO: Mayor and City Council
FROM: Jeanette Clawson, Administrative Coordinator
SUBJECT: Tobacco License - Owatonna Tobacco, LLC - 1836 S Cedar Avenue

Purpose:

Request approval of the application received from Sulaiman Hamouda for a Tobacco Permit for Owatonna Tobacco, Inc.

Background:

Owatonna Tobacco, Inc. is currently in the process of acquiring operation of the tobacco store at 1836 S Cedar Avenue, currently known as Cekoo Tobacco. They plan to continue operation as a tobacco store with the transfer of operations planned for January 21, 2026. We have received the required insurance, applications and payment of fees for this license.

A background verification was completed and Chief Mundale has no objection to the issuance of this license.

Budget Impact:

\$300 - \$50 application fee, \$100 background verification fee and \$150 annual Tobacco Permit fee.

Staff Recommendation:

Staff recommends approval.

Attachments:

None



DATE: January 20, 2026
TO: Mayor and City Council
FROM: Jenna Tuma, City Administrator
SUBJECT: 2026-2028 Audit Services Agreement - BerganKDV

Purpose:

Seek Council's approval for a three-year audit service with BerganKDV.

Background:

Minnesota cities are required to conduct an annual independent financial audit to ensure transparency, accountability, and compliance with state law. According to Minnesota statutes, cities with a population exceeding 2,500 residents are required to have their annual audit performed by an independent certified public accountant who follows Generally Accepted Accounting Principles (GAAP). The Minnesota Office of the State Auditor establishes and oversees all audit requirements, sets standards, reviews audit reports, and ensures that public funds are appropriately accounted for.

The annual audit also provides reassurance to residents, elected officials, bondholders, and state and federal agencies that the City's financial statements are accurate, that internal controls are effective, and that public resources are managed responsibly. The audit serves as a cornerstone of effective local government and the City's value of Community Stewardship.

For best pricing, a three-year agreement that includes both the City and HRA audits is recommended. Two proposals were received. Although the BerganKDV is higher in cost, the additional year-round services better meet the city's needs.

Firm	*Approx. 2025 City & HRA Audit Total Fees
BerganKDV	\$90,000
Conway, Deuth & Schmiesing, PLLP	\$78,000

* See attached proposals for additional fee details.

Budget Impact:

This service is included in the 2026 Financial Budget, exceeding the allotted amount, staff will budget accordingly.

Staff Recommendation:

Staff recommends approval of BerganKDV.

Attachments:

1. City of Owatonna - BerganKDV Audit Proposal
2. BerganKDV Audit with HRA Agreement
3. CDS AUDIT with HRA Proposal



PROPOSAL FOR AUDIT SERVICES

City of Owatonna, MN

December 5, 2025



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Transmittal Letter

Jodi Bursheim
City of Owatonna
540 West Hills Circle
Owatonna, MN 55060

Dear Ms. Bursheim,

On behalf of BerganKDV, I am pleased to submit this proposal for audit services for the City of Owatonna, Minnesota. We appreciate the opportunity to bid these services.

The attached proposal addresses the information you requested, including the unique qualifications of BerganKDV, the depth and breadth of the services we will provide your City, and our commitment to providing the highest-quality work through a process that is both efficient and effective.

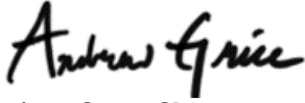
Our services would include, but not be limited to, the following for the fiscal years ending December 31, 2025, with the option of auditing the financial statements for each of the two (2) subsequent fiscal years.

1. Performing an audit of the City in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards*, and other federal, state, and local requirements, as applicable.
2. Providing an opinion on the City's basic financial statements and an "in-relation to" report on the supporting schedules.
3. Providing an in-relation-to opinion on the City's schedule of federal expenditures, if applicable.
4. Preparing the City's Annual Comprehensive Financial Report and the related note disclosures and supplemental schedules.
5. Reviewing, documenting, and providing recommendations on improving the City's internal control and financial operations.
6. Providing verbal and written guidance on new and ongoing Governmental Accounting Standards Board (GASB) Statements.
7. Meeting with City finance personnel and administration to review the financial statements and a draft of our Communications Letter.
8. Presenting the financial statements and Communications Letter to the City Council.
9. Providing bound copies of the report to the City, including a searchable pdf of the report, and the communications letter.
10. Being available during the year to provide a wide range of consulting services and answer your questions as they arise.

Our Government Market team is located throughout BerganKDV offices. These individuals work only on our governmental entity clients. We have outlined your upper management team in the "Qualifications" section. In addition to these individuals, we will utilize associate level individuals. We will determine a mix of on-site and remote auditing based on preferences of your team. As further discussed in the Audit Approach section, we utilize Suralink, a workflow management software that improves efficiency by streamlining our audit request process.

We will work with your representatives to schedule specific fieldwork dates to ensure we are meeting your deadlines. The undersigned is a partner and is authorized to make representations for the firm. This proposal is a firm and irrevocable offer for 60 days.

Sincerely,

A handwritten signature in black ink that reads "Andrew Grice". The signature is written in a cursive, flowing style.

Andrew Grice, CPA
Bloomington, MN // 952.563.6862 // andy.grice@creativeplanning.com

Executive Summary

Here are a few benefits of working with BerganKDV:

- ◆ **A Responsive Firm Who is there for You.** We believe we are your auditors not just at year-end but throughout the year. This means being there for you when issues arise, available when you need us and being responsive to your requests. We demonstrate this through same-day callbacks and in-depth research to get to the heart of your questions. We take a collaborative approach in all our interactions with you.
- ◆ **Respect Your Time.** We have the resources to perform your audit and meet with your board to ensure you receive information in a timely manner. We are clear with you on things we need for the audit including timing and deadlines. In addition, at BerganKDV, we strive for a three-week turnaround, from fieldwork to meeting-ready documents. You will have a draft copy of your financial statements and communication letter within this timeframe.
- ◆ **Effective Communication.** BerganKDV has set high internal standards for responding and communicating with our clients. Providing support exactly when and where you need it is the value our team brings. Your time is valuable; we will be clear and efficient in our communications, work to eliminate surprises and meet agreed-upon deadlines. We have a proven track record of performing client's requests based on their preferred timetable and delivering reports to our clients in advance of deadlines. Our staff will work patiently with your team for effective results.
- ◆ **A Personalized Approach to the Audit.** Our audit process includes an annual planning meeting with you to discuss any challenges and changes in the City over the past year, and to build future strategies. We enjoy learning about your City and will work to understand your City from an overall operational standpoint. We are not afraid to "roll up our sleeves" and delve into the details of your operations. This allows us to personalize our audit approach each year, bring best practices, and be a resource for you when it comes to GASB and other reporting standards.
- ◆ **Value for Time and Fees Invested.** Receiving value for your fee investment is critical in local government. In addition to offering highly competitive fees, we work diligently to not incur fee surprises. We encourage frequent calls throughout the year, **always at no cost to you.** Our goal is to be your first call when you experience organizational challenges, and our current clients report that this has helped them save time, reduce costs, and build confidence when solving issues.
- ◆ **Government Finance Expertise.** Your audit firm needs to understand how municipalities operate and how the environment in which they function is regulated. Your audit firm also needs to understand the intricacies of these entities and how decisions that are made and affect the community. BerganKDV audit professionals are dedicated to your industry beyond the audit; we strive to be your trusted resource in all areas.
- ◆ **Innovative thinking and solutions driven.** When working with BerganKDV, clients find that we focus on earning their trust by being actively involved and focused on helping them be successful in all they do. We solve problems. Whether that problem is technology, financial or operations related, we will find a way to help.

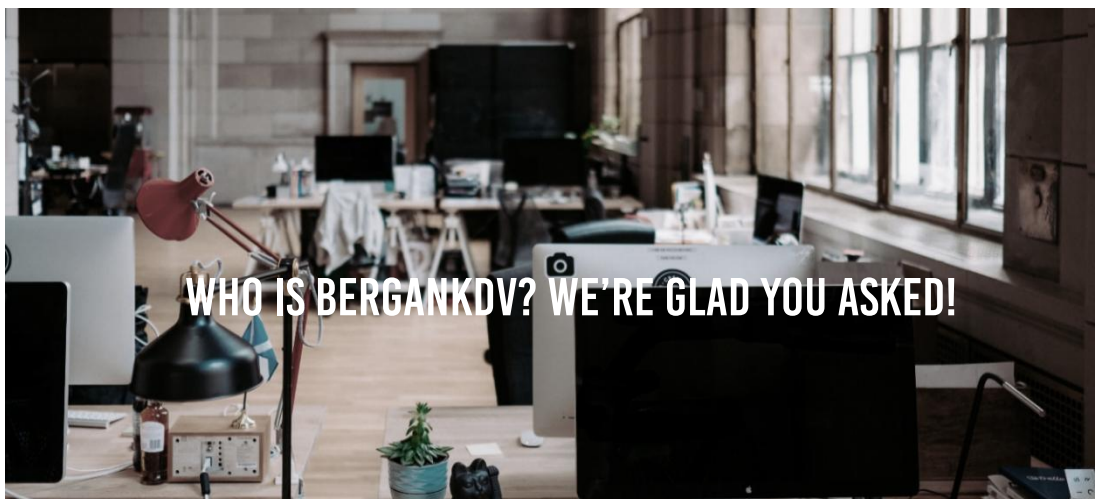
If there are any matters not adequately covered in this proposal, please feel free to contact us. Thank you for the opportunity to respond to your proposal request.

Sincerely,

A handwritten signature in black ink that reads "Andrew Grice". The signature is written in a cursive, flowing style.

Andrew Grice, CPA
Bloomington, MN // 952.563.6862 // andy.grice@creativeplanning.com

Firm Profile



We have an extensive background in working with clients through a strategic approach in all aspects; we don't just keep pace with the trends; we stay ahead of the curve. We explore new ways to reduce costs and operate more efficiently.

THE BACKSTORY

The history of our firm began in 1945, and since the beginning, BerganKDV has been firmly rooted in community. Today we are a Top 100 Firm, we operate in multiple states in nine different offices, employ over 450 experts, and service clients across the country. As we continue to grow, we acknowledge that we are not in the business to provide one-size-fits-all solutions. Every client is different - from business problems to personal preferences. We invest the time to understand your needs and customize our services and solutions to meet them. Our playbook consists of business advisory, tax, assurance and accounting, workforce management, technology, wealth management and turnaround management services. Sure, we offer a robust and competitive service portfolio and notable processes but what really makes us different?

As of July 1, 2023, BerganKDV has joined forces with Creative Planning, LLC, one of the largest and most highly respected independent wealth management firms in the country. BerganKDV will continue to provide audit and other attest services to clients, while creative planning business services entities will provide tax advisory and consulting services to clients. We remain committed to serving governments with our renowned industry expertise, all while having greater resources and expanded connections to further achieve our client's unique goals. From tax and audit to payroll and strategic planning, we offer an array of business services to transform organizations with a long, tenured understanding of governments.

OUR PEOPLE

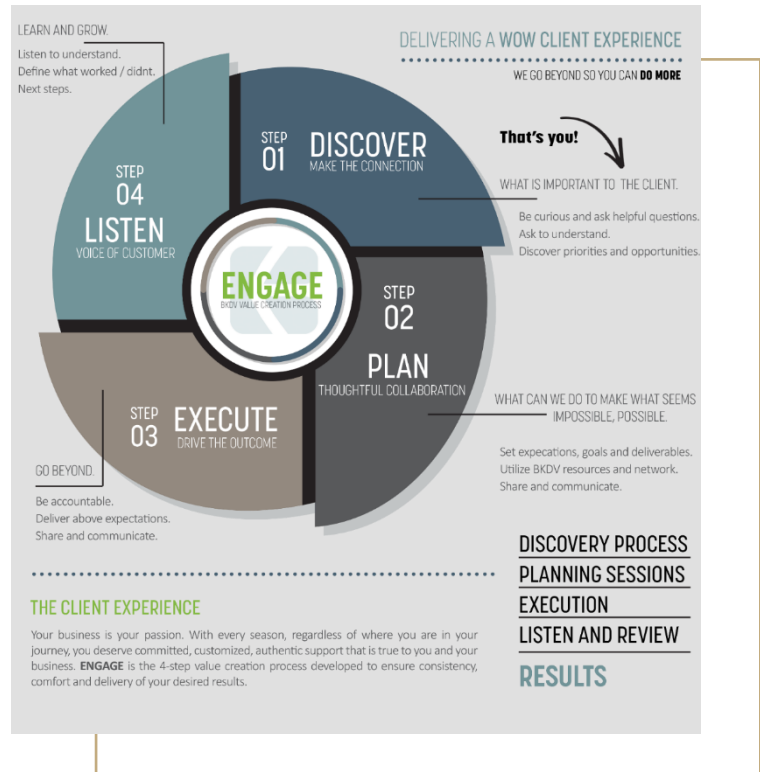
Relationships are at the core of everything we do, and our products and services are designed to meet the specific needs of our clients. When working with BerganKDV, clients find that we focus on earning their trust by being actively involved and focused on helping them be successful in all they do.

PERSONALIZED SERVICE

Our philosophy is to provide timely, quality services that exceed the expectations of our clients. Outstanding client service requires a successful team effort within our firm and with our clients. Providing outstanding service involves enthusiastic, dependable and knowledgeable personnel who are responsible for knowing, understanding and caring about our clients. Our firm believes that outstanding service is a continual process that is refined and enhanced with each client contact.

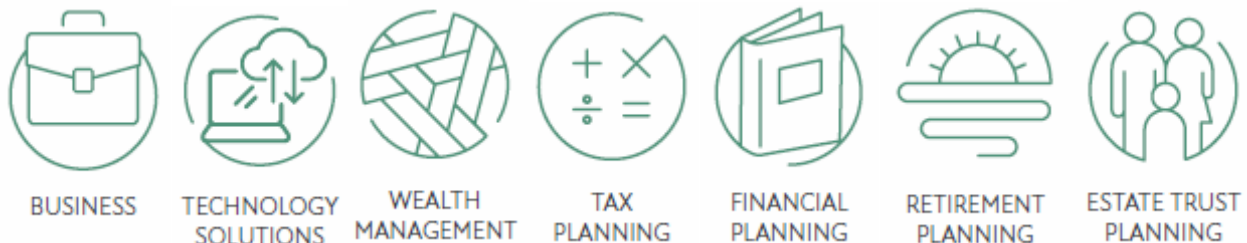
ENGAGE® | Our Proven Value Creation Process

We have aligned our team around our core values and are driven in our commitment to help clients and team members achieve their potential. We help clients reach their goals by utilizing our value creation process. Results of this process have led to more robust client relationships - deeper trust, enhanced communication and minimization of time for all. This process is a key component of our strategy in supporting and helping our clients further their organizations.



Our Business Lines

BerganKDV has a strong bench of resources and expertise available based on needs of the client. This ensures the most effective and efficient results are delivered!



Community Support

At BerganKDV, we believe in giving back. We support the organizations our people and clients are actively involved with. On average, we support multiple events a week in our communities. This year we supported over 35 civic, 15 health and wellness, 10 youth and four arts organizations. BerganKDV's culture promotes community involvement by providing employees with paid volunteer time off.

Vision And Values

We are powered by people who do business the Midwest way delivering comprehensive business, financial and technology solutions. Our firm consists of highly talented individuals that put relationships before business deals and clients before profits. Our values drive our decisions.



Our Focus and Our Promise

Empowering people and creating a wow experience for our clients.

We go beyond so you can **DO MORE**.

We continue to align BerganKDV team member core values and sense of purpose with our firm core values and mission. We hire towards our core values and manage performance through real time feedback corresponding to our core values. We've found that this work results in more open conversations at BerganKDV which impacts employee engagement and client care.

Value Added Services

Our goal is to be your first call when you experience organizational challenges. We believe this can occur only when a relationship is developed and nurtured through strong communication and a thorough understanding of your mission, programs, and operations. We are unwavering in our commitment to our clients and make it our mission to ask the right questions, listen actively, understand your expectations, and deliver results. You can expect a partnership with professionals who value trust, integrity, and relationships.

Extensive Governmental Auditing and Consulting Experience

With over **50 years of experience** serving the government community, we have a great appreciation for the unique issues and complexities that you face. We currently work with over 150 governmental entities, including cities, charter schools, school districts, colleges and universities, and other governmental entities, providing a wide array of services including accounting, auditing, and consulting services.

We are dedicated to **keeping informed** of significant developments in the government community and the impact of those developments on our clients. We accomplish this through formal training, including annual seminars, workshops and professional sponsored classes on governmental accounting, auditing, and reporting requirements. We are a member of the Governmental Audit Quality Center of the American Institute of Certified Public Accountants. The Center maintains standards for quality control in governmental audits for CPA firms nationwide.

In addition, many employees of our firm are members and have participated as instructors and speakers at seminars. These presentations have included GASB implementations, auditing standards updates, levy process and related accounting, property taxes and general fund budget, budget issues related to the state budget deficit, accounting and finance policies and procedures and fraud.

Peer Review

Our firm is a member of the Private Companies Section of the AICPA Division for CPA Firms. This Division was founded in 1977 by the AICPA to promote CPA excellence and to provide a voluntary, objective means of monitoring adherence to professional standards. Each member firm is required to periodically subject its audit and accounting practice to a comprehensive quality review by specially trained outside CPAs. Our last such review was just performed recently, and we received a clean report on our practices and methods. A copy of our last peer review report is included on page 22.

Assistance with Certificate of Achievement

Our firm is very familiar with the requirements necessary to obtain the Certificate of Achievement. We currently assist several of our clients with preparation of their annual comprehensive financial report to meet the criteria for GFOA's Certificate of Achievement for Excellence in Financial Reporting. We assisted several of these clients with their initial application, and all three were successful on their initial and all subsequent submissions. Additionally, your engagement partner is one of the few professional reviewers throughout the United States for the National Association of School Business Officials Certificate of Excellence program.

Certifications and Independence

We recognize when we audit a governmental entity, we are required to be familiar with certain rules, regulations, and requirements and, as a firm we are required to meet certain requirements. In that regard, we make the following affirmations:

- ◆ Our firm meets the independence requirements relating to the City defined by auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States.
- ◆ Our firm and all assigned key professional staff are properly licensed to practice in the State of Minnesota.
- ◆ Our firm is a member of the American Institute of Certified Public Accountants and the Minnesota CPA Society.
- ◆ Our firm has never had a report rejected or classified as substandard by any state or federal agency, or by the Government Finance Officers Association.
- ◆ Our firm has never had and currently does not have any pending disciplinary actions or investigations for alleged improper, fraudulent, disreputable, or unfair activities against our firm with state regulatory bodies or professional organizations.
- ◆ We accept the professional obligation concerning the American Institute of Certified Public Accountants Interpretation 501-3 “Failure to Follow Standards and/or Procedures or Other Requirements in Governmental Audits.”
- ◆ Our professional personnel have received adequate continuing education to follow *Government Auditing Standards* and have received adequate continuing professional education over the past three years.
- ◆ Our firm is an equal opportunity employer and does not discriminate in employment of persons upon the basis of race, color, creed, national origin, sex, age, or physical handicap, and have an affirmative action plan in place.
- ◆ We do not expect any potential audit problems and are not aware of any conflicts of interest about any work performed by the firm for the City.
- ◆ We acknowledge and have adequate personnel to comply with the audit schedule provided in the request for proposals.

Proposal for Audit Services

Dedicated Service Team



Andrew Grice, CPA, Partner

Education: Bachelor of Science in Accounting from St. Cloud State University, graduated Cum Laude

Experience, Professional and Civic Activities:

- ◆ Eighteen years of experience with financial reporting in accordance with GAAP, ACFR requirements, analysis of internal control, performing audits of financial statements and single audits in accordance with OMB Circulars and Uniform Guidance.
- ◆ Responsible for the planning, fieldwork and reports for numerous audits of cities, school districts, utilities, charter schools, and other government entities.
- ◆ Attends continuing education, workshops and conferences on city and school district accounting and reporting requirements on an annual basis that qualifies as “yellow book” continuing professional education and on governmental and single audit accounting, auditing, and reporting.
- ◆ Extensive use of computer and software applications to assist in the preparation and performance of the audit process.
- ◆ Presents audit reports, financial statements, and communications letters to management, school boards and city councils.
- ◆ Instructor for the Minnesota Municipal Clerks Institute Fund Accounting and Budgeting course.
- ◆ Instructor for the Government Finance Officers Association Intermediate Governmental Accounting course.
- ◆ Presenter of the annual ACFR Comment Review for the Minnesota Government Finance Officers Association.
- ◆ Presenter at the Minnesota Society of CPAs Audit Conference in 2023 and 2024.
- ◆ Develops internal training for BerganKDV government auditors.
- ◆ Certified Public Accountant, licensed to practice in the State of Minnesota.
- ◆ Minnesota Society of Certified Public Accountants.
- ◆ American Society of Certified Public Accountants.
- ◆ Minnesota Association of School Business Officials.
- ◆ Minnesota Government Finance Officers Association.

Dedicated Service Team



Brianna Schlicht, CPA, Audit Manager

Education: Bachelor of Science in Accounting from Southwest Minnesota State University, graduated Cum Laude

Experience, Professional and Civic Activities:

- ◆ Eight years of experience with financial reporting in accordance with GAAP, ACFR requirements, analysis of internal control, performing audits of financial statements and single audits in accordance with OMB Circulars and Uniform Guidance.
- ◆ Responsible for the planning, fieldwork and reports for numerous audits of cities, school districts, charter schools, and other government entities.
- ◆ Attends continuing education, workshops and conferences on city and school district accounting and reporting requirements on an annual basis that qualifies as “yellow book” continuing professional education and on governmental and single audit accounting, auditing, and reporting.
- ◆ Financial statement and communication letter preparation
- ◆ Extensive use of computer and software applications to assist in the preparation and performance of the audit process.
- ◆ Certified Public Accountant, licensed to practice in the State of Minnesota.
- ◆ Attends workshops on governmental and single audit accounting, auditing, and reporting on an annual basis.
- ◆ Minnesota Society of Certified Public Accountants.
- ◆ American Institute of Certified Public Accountants.

Dedicated Service Team

Office Performing Audit

As mentioned earlier in the Letter of Transmittal, our governmental team is located throughout BergankDV's offices. This team consists of 6 audit partners, 6 audit managers/directors, 1 director of consulting, 10 supervisors/seniors and 16 associates, all that primarily focus on governmental entities. In addition, we have another partner, a manager, and 5 associates that all have experience working on governmental audits. This team will allow us to meet your reporting deadline. In addition to individual resumes listed on pages 11-12, we will utilize 3 associate level members on your audit engagement. All partners, directors and managers are CPA's.

Commitment to Staff Continuity and Training

To keep continuity and efficiencies high, we believe that consistent team members are advantageous for both our firm and your organization. We pride ourselves on maintaining the right balance of continuity on each of our engagements to ensure a "fresh" look at the annual audit process. Rotation of senior level staff only occurs after the merits of such rotation have been discussed and approved by your organization. We provide semi-annual department training for our team members and ensure team members are adequately supervised during each engagement for continual training opportunities.

Independence

Our firm has no conflict of interest regarding any other work performed by our firm for your organization. Our firm meets the independence requirements relating to your organization as defined by auditing standards generally accepted in the United States of America. We annually review independence related to all our client relationships as part of our internal control compliance process.



Audit Approach and Timeline

Our goal for you is to create value and to minimize surprises. We do this through a specific, well planned audit. What makes BerganKDV unique from other firms is that we continually improve our audit process beyond what is expected by our profession. A few of the BerganKDV advantages:

- ◆ **Collaborative Audit Process.** We see the audit process as a joint effort with you and BerganKDV. We want to work together to make it as painless as possible.
- ◆ **A comprehensive view of the City's financial health.** Through our extensive government experiences, we understand a City's health is not only about the finances. The vision, mission and programming provide the blueprint for the City's direction. We review this information in relation to the financial statements and provide our observations based on a comprehensive view of the City's health.
- ◆ **Technology resource on internal controls.** Technology experts from the BerganKDV Technology Group can assist in evaluating your technology controls. Their expert advice has proven to be a valuable resource as they answer technical questions and offer specific recommendations.
- ◆ **Supervisors, managers and partners on-site.** The involvement of our supervisors, managers and partners in the field is essential to being a trusted partner and delivering an exceptional client experience. We believe it is important to be on-site and available to answer questions. This also allows our managers and partners to review documentation throughout the process.
- ◆ **Meeting communications.** Our presentations are designed to capture information that is useful and meaningful. Our presentations are focused on audit results, trends, and other information relevant to your City and related entities, not details of the financial statement amounts.

Beyond Expectations

BerganKDV takes a four-phased audit approach that gets results by:

- ◆ Leveraging what is working well.
- ◆ Focusing on pre audit planning, collaboration, and communication.
- ◆ Staying accountable to a schedule.
- ◆ Meeting with you and your team to ensure every detail has been finalized and the audit is complete.
- ◆ Exchanging information regarding our performance, opportunities to enhance experiences and future strategic opportunities.

Our audits are designed to focus our energy and our audit tests on the areas of your operations that contain the most risk. This equates to a better product for the City.

Phase One - Initial Planning and Program Development

Our main objective is to get to know the City as a resident or employee would. We want to understand not only your finances, but also your operational goals and objectives. What makes you City unique? How can that knowledge help us perform the best audit possible? When those questions are answered, we know we achieved our goal for Phase One.

During this phase, we gather the information we need to create an effective audit program and make preliminary judgments of materiality. Highlights include:

- ◆ Reviewing your internal control documents and interviewing your key employees and representatives to gain operational information.
- ◆ Discussing your goals, objectives, and the current challenges facing your operations; those are then shared across your BerganKDV team and incorporated into our audit plan.
- ◆ Obtaining population sizes ranging from 25-60 for certain transactions-based finance systems and selecting which transactions we will test for internal control and compliance testing. Selections will be based on our data analysis results, analyzing transactions on a risk-based level.
- ◆ Obtaining your current financial reports and budgets and perform overall analytical review procedures.
- ◆ Obtaining applicable City organizational charts, policies, bond documents, leases, and other legal contracts.
- ◆ Reviewing with your staff our audit documentation requests. **We audit and request information that is used internally by your staff to manage operations, we do not require specific templates to be used.**

We will work with the management team to determine the preferred means of communication, whether phone or email. In addition, we utilize Suralink, a workflow management software that improves efficiency by streamlining our audit request process. The simple interface includes team assignments and deadlines, so there are no misunderstandings on expectations.

Our audit process incorporates automated audit tools (Knowledge Coach) and work papers to provide our clients with timely information and effective and efficient audits. In addition, we use CCH's TeamMate Analytics, an Excel add-on used to extract and analyze data quickly and efficiently. We also subscribe to various benchmarking and data analysis providers.

Your Expected Role: Provide BerganKDV with policies, internal control documents and a preliminary trial balance; provide contact information for all board members and staff so we may set up appointments/interviews with selected representatives; begin to gather documentation for fieldwork.

Phase Two - Audit Program Execution

Project execution is performing the procedures outlined in your audit plan as developed in Phase One. Our audit procedures will include examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. We will discuss potential ideas and best practices with your personnel relating to our recommendations for improving internal control, procedures and compliance with laws and regulations. Any issues identified, proposed audit adjustments, or other recommendations will be discussed with management throughout the execution of our audit procedures. We perform test work with as little disruption as possible to City staff's regular duties.

Highlights of this phase include:

- ◆ Auditing year-end account balances, testing internal control, assessing compliance to determine if your systems and controls are functioning as designed.
- ◆ Using sampling techniques to test areas including transactions, internal controls and legal compliance using the scope mandated by the Office of the State Auditor. Sample sizes range from 25-60 based on our risk assessment.
- ◆ Using IDEAS data mining software, we look for trends and anomalies in your payroll, vendor payment, and cash receipts process.

Your Expected Role: Be available to answer questions during scheduled audit fieldwork, provide audit workpapers or reconciliations with documentation that is reasonable and reviewed during Phase One.

Phase Three - Post-Audit Critique and Exit Conference

This phase of the audit includes reviewing all the components of the financial statements and prepare the communications letter and relevant financial trend data for the Board presentation. Finally, opinions on the financial statements, Government Auditing Standards and Single Audit, if required, will be prepared.

We will then present this information to management allowing you time to review the financial statement reporting package including the draft financial statements and any internal control findings or recommendations that arise during the audit. This phase allows you time to assess, discuss and develop a corrective action plan, if needed.

Your Expected Role: Provide preliminary financial statements and review our reports to provide BerganKDV with input and feedback.

Phase Four - Presentation of Audit Report

The final phase of the process is the presentation of the reports to the City Commission. The presentation provides the governing body with information about the year's financial activity compared to past trends and expected results. We also provide other relevant and interesting observations relating to your financial statistics that will help provide the governing board with a deeper understanding of your operations. We understand all organizations have individual needs and we look forward to getting your feedback on graphs and statistics.

Professional standards require that we provide you with information regarding the auditor's responsibility under generally accepted auditing standards, significant accounting policies, accounting estimates and management judgments, significant audit adjustments, other information in documents containing audited financial statements, disagreements with management, consultation with other auditors, major issues discussed with management prior to retention as auditors and difficulties encountered in performing the audit. We will provide this information in written form via the communications letter and will discuss with administration during the review of the preliminary audit report.

Your Expected Role: *Provide BerganKDV with information and feedback for presentation preferences.*

Fees

Our fees for the services are based on the amount of time and the level of experience of the individuals who perform the services. In addition, we assume that the City's accounting personnel will provide the appropriate workpapers, documents, schedules, and clerical assistance and will prepare the financial statements, notes and other annual comprehensive financial report sections, and that we will not encounter any significant or unusual circumstances which will affect the scope of our engagement, and no significant changes to the City's operations will occur. However, if situations arise, including the implementation of new accounting standards, which affect the scope of the engagement, we will discuss them with you prior to incurring the additional cost. **At no time will we bill the City for extra time or charges unless we have verbal communication regarding the issues, your options, and an agreement for additional fees.**

Billing and Collection Expectations

Our fees are due as services progress and are generally billed at the completion of each phase of the audit. These invoices are payable on presentation. Invoices are delinquent if not paid within 60 days.

Off-season Communication

We encourage questions throughout the year and ask our clients to submit to us their monthly financial statements and board of director minutes, so we can stay abreast of their operations, and identify/resolve any issues prior to year-end. We will not invoice additional amounts unless substantial research or work is required, in which case, we will discuss the scope of any additional work and proceed only after we have reached a mutually agreeable fee arrangement.

Out of Scope Professional Services

We do not surprise bill. If during our engagement you request additional services which require more than a minimum amount of time, we will provide an engagement letter with the fees and services specified, only after we have verbal communication and agreement. Additional special projects and consulting requested during the year will be billed at an hourly rate commensurate with the level of experience required.

See attachment A for a breakdown of fees for the fiscal years ending December 31, 2025, with the option of auditing the financial statements for each of the two (2) subsequent fiscal years.

Client References

A few of our municipality clients serviced by your team are listed below and we encourage you to contact them.

Joel Merry
City of Minnetonka
952.939.8254

Gina Foschi
City of New Brighton
651.638.2105

Joe Rueb
City of Maplewood
651.249.2903



Below is a list of our city audit clients.

Recipients of a certificate of Achievement for Excellence in Financial Reporting are marked with an asterisk (*).

Minnesota Cities

Population (0-2,000)	Population (2,001-5,000)	Population (5,001-15,000)	Population (15,001+)
Clear Lake	Clearwater	Baxter*	Albert Lea*
Dundas	Cold Spring	Big Lake*	Brooklyn Park*
Eden Valley	Elko-New Market	Cloquet*	Crystal*
Hilltop	Hanover	Detroit Lakes*	Eden Prairie*
Richmond	Independence	Fairmont*	Edina*
Silver Bay	Le Seuer	Falcon Heights*	Elk River*
Watkins	Mora	Fergus Falls*	Faribault*
	Nowthen	Mendota Heights	Forest Lake*
	Rockville	Oak Grove	Ham Lake*
	Two Harbors	Osseo	Hastings*
	Waverly	Otsego*	Maplewood*
		Sauk Rapids	Minnetonka*
		St. Joseph	New Brighton*
		Wyoming	Richfield*
			St. Cloud*
			Sartell
			Woodbury*

Iowa Cities

Population (0-2,000)	Population (2,001-5,000)	Population (5,001-15,000)	Population (15,001+)
North English	Cascade	Fort Madison	Coralville
	Center Pointe	Independence	Marion
	Dyersville	Knoxville	North Liberty
	Epworth	Le Mars	Ottumwa*
	Evansdale	Pella	Sioux City*
	Peosta	Red Oak	Waterloo*
		Tiffin	

Nebraska Cities

Population (0-2,000)	Population (2,001-5,000)	Population (5,001-15,000)	Population (15,001+)
Boys Town	Ashland	Gering	Columbus
	Bennington	Gretna	Grand Island
		Scottsbluff	Kearney
			La Vista*

Missouri Cities

Population (0-2,000)	Population (2,001-5,000)	Population (5,001-15,000)	Population (15,001+)
	Riverside*		Washington*

PLAINSIGHT

POWERED BY CREATIVE PLANNING

EMPOWER AND PROTECT



With Creative Planning's PlainSight, you can empower your employees to speak up when they witness fraudulent activity through an easily accessible and completely anonymous hotline system. Based on the tip criteria, our certified team of fraud professionals is available to investigate and report back with next steps if fraudulent evidence is discovered.

A Tip Could Be All It Takes

You can rest assured as a business leader that your employees are equipped with a powerful and safe service that protects your company against those who wish to harm it.

Our Promise to You

We'll work directly with you to establish an implementation and use strategy that fits your needs and coordinate with you when tips become viable signs of potential fraudulent activity. Safety and anonymity are our main priorities for your business. Our goal is to highly encourage hotline usage and promote the idea that no tip is too small to make a difference.

It's estimated that organizations lose 5% of revenue each year due to fraud with average losses being around \$1.5 million. **Don't foot the bill to fraudsters.**

More Than a Phone Line

What other services are included when you utilize PlainSight for your fraud detecting needs?

- ◆ Easy to use web submission site
- ◆ Communication packages to educate and inform your employees
- ◆ On-demand employee training for how to use the service and signs of fraud
- ◆ Admin-level access to review items and communicate with our Forensic Team

Let our team of specialists grant you peace of mind and educate your employees to make the call today that may save you tomorrow.

FIND YOUR PEACE OF MIND

[CREATIVEPLANNING.COM](https://creativeplanning.com) | PLAINSIGHT@CREATIVEPLANNING.COM

Peer Review



Report on the Firm's System of Quality Control

To the Partners of
BerganKDV, Ltd.
and the Minnesota Society of CPAs Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of BerganKDV, Ltd. (the Firm) in effect for the year ended March 31, 2023. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitation of, and the procedures performed in a system review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported on in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported on in conformity with the requirements of applicable professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of and compliance with the firm's system of quality control based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act, and audits of employee benefit plans.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of BerganKDV, Ltd. in effect for the year ended March 31, 2023, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)*, or *fail*. BerganKDV, Ltd. has received a peer review rating of *pass*.

A handwritten signature in black ink that reads "Landmark PLC".

Little Rock, Arkansas
September 19, 2023

Landmark PLC, Certified Public Accountants

200 W Capitol Ave, Ste 1700 | Little Rock, AR 72201 | Telephone (501) 375-2025 | Fax (501) 375-8704 | www.landmarkcpas.com

Client Requested Documents

ATTACHMENT A

**SCHEDULE OF PROFESSIONAL FEES AND EXPENSES
FOR THE AUDIT OF THE DECEMBER 31, 2025 FINANCIAL STATEMENTS**

Position	Hours	Standard Hourly Rates	Quoted Hourly Rates	Not-to-Exceed Cost Total
Partner	25	\$ 440	\$ 400	\$ 10,000
Manager	35	300	270	9,450
Senior	75	200	180	13,500
Staff	120	165	150	18,000

Subtotal 255

Total all-inclusive maximum price for 2025 City Audit \$ 50,950

Total all-inclusive maximum price for 2026 City Audit \$ 53,000

Total all-inclusive maximum price for 2027 City Audit \$ 55,200

Preparation of the Annual Comprehensive Financial Report* \$6,000

*Excludes Transmittal Letter, MD&A, and Statistical Sections. Includes printing.

Annual increases will be consistent with audit increases.

Single Audit Fee per Major Federal Program** \$5,000 - \$6,000

**Includes Single Audit Report, SEFA Preparation, and Preparation of Form SF-SAC

Fees stated above based on a 3-year contract term. Fees stated below based on a 1-year contract term.

Total all-inclusive maximum price for 2025 City Audit \$ 61,000

Preparation of the Annual Comprehensive Financial Report* \$ 8,700

Single Audit Fee per Major Federal Program** \$5,000 - \$6,000



THANK YOU.

952.563.6862 | ANDY.GRICE@CREATIVEPLANNING.COM



This presentation is provided for general information purposes only and should not be construed as investment, tax, or legal advice, and does not constitute an attorney/client relationship. Past performance of any market results is no assurance of future performance. The information contained herein has been obtained from sources deemed reliable but is not guaranteed.



PROPOSAL FOR AUDIT SERVICES

Owatonna Housing and Redevelopment Authority

January 13, 2026



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Transmittal Letter

Jodi Bursheim
Owatonna Housing and Redevelopment Authority
540 West Hills Circle
Owatonna, MN 55060

Dear Ms. Bursheim,

On behalf of BerganKDV, I am pleased to submit this proposal for audit services for the Owatonna Housing and Redevelopment Authority (HRA). We appreciate the opportunity to bid these services.

The attached proposal addresses the information you requested, including the unique qualifications of BerganKDV, the depth and breadth of the services we will provide your Organization, and our commitment to providing the highest-quality work through a process that is both efficient and effective.

Our services would include, but not be limited to, the following for the fiscal years ending December 31, 2025, with the option of auditing the financial statements for each of the two (2) subsequent fiscal years.

1. Performing an audit of the HRA in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards*, and other federal, state, and local requirements, as applicable.
2. Providing an opinion on the HRA's basic financial statements and an "in-relation to" report on the supporting schedules.
3. Providing an in-relation-to opinion on the HRA's schedule of federal expenditures, if applicable.
4. Preparing the HRA's basic financial statements and the related note disclosures and supplemental schedules.
5. Reviewing, documenting, and providing recommendations on improving the HRA's internal control and financial operations.
6. Providing verbal and written guidance on new and ongoing Governmental Accounting Standards Board (GASB) Statements.
7. Meeting with HRA finance personnel and administration to review the financial statements and a draft of our Communications Letter.
8. Presenting the financial statements and Communications Letter to the HRA Board.
9. Providing bound copies of the report to the HRA, including a searchable pdf of the report, and the communications letter.
10. Being available during the year to provide a wide range of consulting services and answer your questions as they arise.
11. Completing the attestation procedures for REAC reporting. Management will be responsible for preparing the financial data schedules and REAC submissions.

Our Government Market team is located throughout BerganKDV offices. These individuals work only on our governmental entity clients. We have outlined your upper management team in the "Qualifications" section. In addition to these individuals, we will utilize associate level individuals. We will determine a mix of on-site and remote auditing based on preferences of your team. As further discussed in the Audit Approach section, we utilize Suralink, a workflow management software that improves efficiency by streamlining our audit request process.

We will work with your representatives to schedule specific fieldwork dates to ensure we are meeting your deadlines. The undersigned is a partner and is authorized to make representations for the firm. This proposal is a firm and irrevocable offer for 60 days.

Sincerely,

A handwritten signature in black ink that reads "Andrew Grice". The signature is written in a cursive, flowing style.

Andrew Grice, CPA
Bloomington, MN // 952.563.6862 // andy.grice@creativeplanning.com

Executive Summary

Here are a few benefits of working with BerganKDV:

- ◆ **A Responsive Firm Who is there for You.** We believe we are your auditors not just at year-end but throughout the year. This means being there for you when issues arise, available when you need us and being responsive to your requests. We demonstrate this through same-day callbacks and in-depth research to get to the heart of your questions. We take a collaborative approach in all our interactions with you.
- ◆ **Respect Your Time.** We have the resources to perform your audit and meet with your board to ensure you receive information in a timely manner. We are clear with you on things we need for the audit including timing and deadlines. In addition, at BerganKDV, we strive for a three-week turnaround, from fieldwork to meeting-ready documents. You will have a draft copy of your financial statements and communication letter within this timeframe.
- ◆ **Effective Communication.** BerganKDV has set high internal standards for responding and communicating with our clients. Providing support exactly when and where you need it is the value our team brings. Your time is valuable; we will be clear and efficient in our communications, work to eliminate surprises and meet agreed-upon deadlines. We have a proven track record of performing client's requests based on their preferred timetable and delivering reports to our clients in advance of deadlines. Our staff will work patiently with your team for effective results.
- ◆ **A Personalized Approach to the Audit.** Our audit process includes an annual planning meeting with you to discuss any challenges and changes in the HRA over the past year, and to build future strategies. We enjoy learning about your HRA and will work to understand your HRA from an overall operational standpoint. We are not afraid to "roll up our sleeves" and delve into the details of your operations. This allows us to personalize our audit approach each year, bring best practices, and be a resource for you when it comes to GASB and other reporting standards.
- ◆ **Value for Time and Fees Invested.** Receiving value for your fee investment is critical in local government. In addition to offering highly competitive fees, we work diligently to not incur fee surprises. We encourage frequent calls throughout the year, **always at no cost to you.** Our goal is to be your first call when you experience organizational challenges, and our current clients report that this has helped them save time, reduce costs, and build confidence when solving issues.
- ◆ **Government Finance Expertise.** Your audit firm needs to understand how municipalities operate and how the environment in which they function is regulated. Your audit firm also needs to understand the intricacies of these entities and how decisions that are made and affect the community. BerganKDV audit professionals are dedicated to your industry beyond the audit; we strive to be your trusted resource in all areas.
- ◆ **Innovative thinking and solutions driven.** When working with BerganKDV, clients find that we focus on earning their trust by being actively involved and focused on helping them be successful in all they do. We solve problems. Whether that problem is technology, financial or operations related, we will find a way to help.

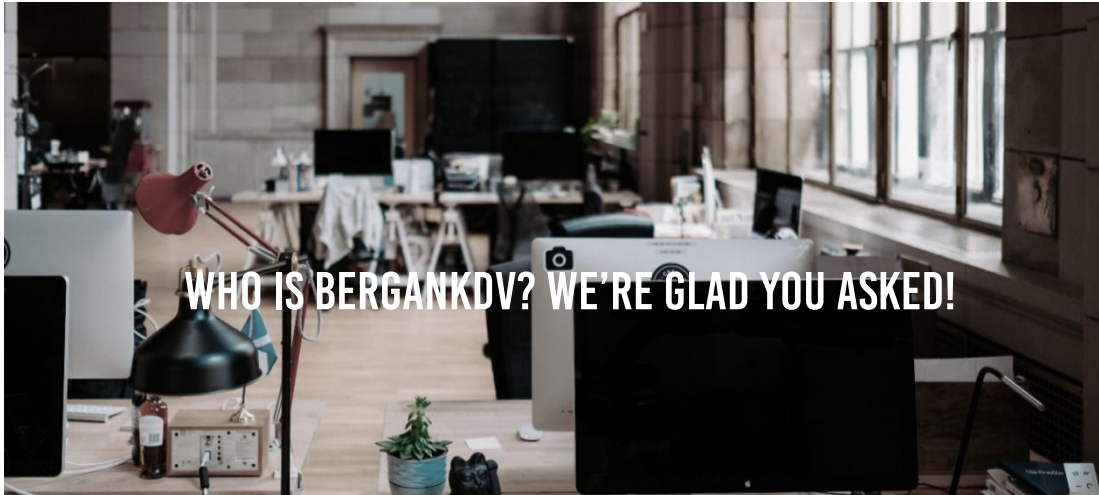
If there are any matters not adequately covered in this proposal, please feel free to contact us. Thank you for the opportunity to respond to your proposal request.

Sincerely,

A handwritten signature in black ink that reads "Andrew Grice". The signature is written in a cursive, flowing style.

Andrew Grice, CPA
Bloomington, MN // 952.563.6862 // andy.grice@creativeplanning.com

Firm Profile



We have an extensive background in working with clients through a strategic approach in all aspects; we don't just keep pace with the trends; we stay ahead of the curve. We explore new ways to reduce costs and operate more efficiently.

THE BACKSTORY

The history of our firm began in 1945, and since the beginning, BerganKDV has been firmly rooted in community. Today we are a Top 100 Firm, we operate in multiple states in nine different offices, employ over 450 experts, and service clients across the country. As we continue to grow, we acknowledge that we are not in the business to provide one-size-fits-all solutions. Every client is different - from business problems to personal preferences. We invest the time to understand your needs and customize our services and solutions to meet them. Our playbook consists of business advisory, tax, assurance and accounting, workforce management, technology, wealth management and turnaround management services. Sure, we offer a robust and competitive service portfolio and notable processes but what really makes us different?

As of July 1, 2023, BerganKDV has joined forces with Creative Planning, LLC, one of the largest and most highly respected independent wealth management firms in the country. BerganKDV will continue to provide audit and other attest services to clients, while creative planning business services entities will provide tax advisory and consulting services to clients. We remain committed to serving governments with our renowned industry expertise, all while having greater resources and expanded connections to further achieve our client's unique goals. From tax and audit to payroll and strategic planning, we offer an array of business services to transform organizations with a long, tenured understanding of governments.

OUR PEOPLE

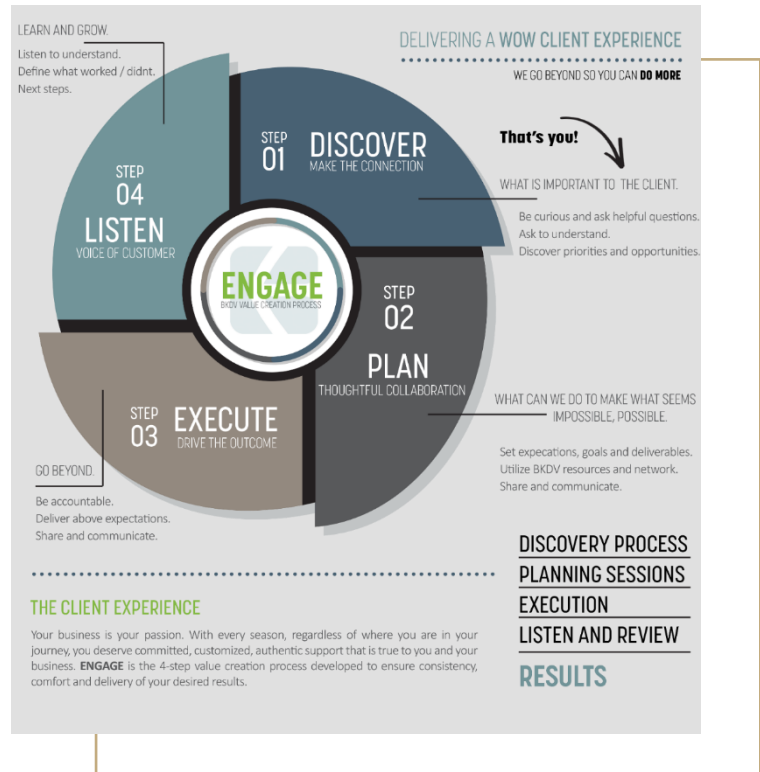
Relationships are at the core of everything we do, and our products and services are designed to meet the specific needs of our clients. When working with BerganKDV, clients find that we focus on earning their trust by being actively involved and focused on helping them be successful in all they do.

PERSONALIZED SERVICE

Our philosophy is to provide timely, quality services that exceed the expectations of our clients. Outstanding client service requires a successful team effort within our firm and with our clients. Providing outstanding service involves enthusiastic, dependable and knowledgeable personnel who are responsible for knowing, understanding and caring about our clients. Our firm believes that outstanding service is a continual process that is refined and enhanced with each client contact.

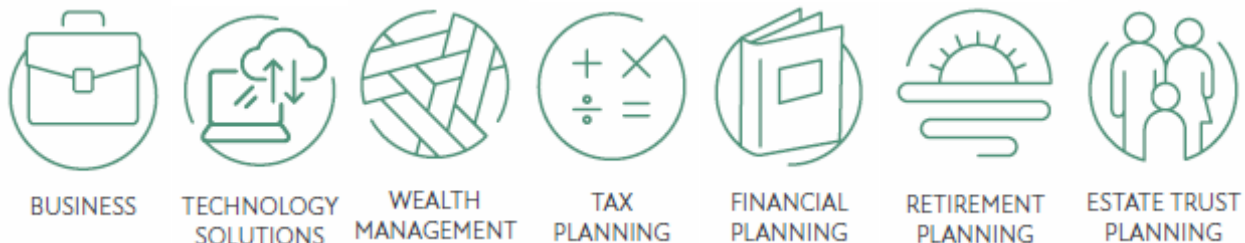
ENGAGE® | Our Proven Value Creation Process

We have aligned our team around our core values and are driven in our commitment to help clients and team members achieve their potential. We help clients reach their goals by utilizing our value creation process. Results of this process have led to more robust client relationships - deeper trust, enhanced communication and minimization of time for all. This process is a key component of our strategy in supporting and helping our clients further their organizations.



Our Business Lines

BerganKDV has a strong bench of resources and expertise available based on needs of the client. This ensures the most effective and efficient results are delivered!



Community Support

At BerganKDV, we believe in giving back. We support the organizations our people and clients are actively involved with. On average, we support multiple events a week in our communities. This year we supported over 35 civic, 15 health and wellness, 10 youth and four arts organizations. BerganKDV's culture promotes community involvement by providing employees with paid volunteer time off.

Vision And Values

We are powered by people who do business the Midwest way delivering comprehensive business, financial and technology solutions. Our firm consists of highly talented individuals that put relationships before business deals and clients before profits. Our values drive our decisions.



Our Focus and Our Promise

Empowering people and creating a wow experience for our clients.

We go beyond so you can **DO MORE**.

We continue to align BerganKDV team member core values and sense of purpose with our firm core values and mission. We hire towards our core values and manage performance through real time feedback corresponding to our core values. We've found that this work results in more open conversations at BerganKDV which impacts employee engagement and client care.

Value Added Services

Our goal is to be your first call when you experience organizational challenges. We believe this can occur only when a relationship is developed and nurtured through strong communication and a thorough understanding of your mission, programs, and operations. We are unwavering in our commitment to our clients and make it our mission to ask the right questions, listen actively, understand your expectations, and deliver results. You can expect a partnership with professionals who value trust, integrity, and relationships.

Extensive Governmental Auditing and Consulting Experience

With over **50 years of experience** serving the government community, we have a great appreciation for the unique issues and complexities that you face. We currently work with over 150 governmental entities, including cities, charter schools, school districts, colleges and universities, and other governmental entities, providing a wide array of services including accounting, auditing, and consulting services.

We are dedicated to **keeping informed** of significant developments in the government community and the impact of those developments on our clients. We accomplish this through formal training, including annual seminars, workshops and professional sponsored classes on governmental accounting, auditing, and reporting requirements. We are a member of the Governmental Audit Quality Center of the American Institute of Certified Public Accountants. The Center maintains standards for quality control in governmental audits for CPA firms nationwide.

In addition, many employees of our firm are members and have participated as instructors and speakers at seminars. These presentations have included GASB implementations, auditing standards updates, levy process and related accounting, property taxes and general fund budget, budget issues related to the state budget deficit, accounting and finance policies and procedures and fraud.

Peer Review

Our firm is a member of the Private Companies Section of the AICPA Division for CPA Firms. This Division was founded in 1977 by the AICPA to promote CPA excellence and to provide a voluntary, objective means of monitoring adherence to professional standards. Each member firm is required to periodically subject its audit and accounting practice to a comprehensive quality review by specially trained outside CPAs. Our last such review was just performed recently, and we received a clean report on our practices and methods. A copy of our last peer review report is included on page 22.

Assistance with Certificate of Achievement

Our firm is very familiar with the requirements necessary to obtain the Certificate of Achievement. We currently assist several of our clients with preparation of their annual comprehensive financial report to meet the criteria for GFOA's Certificate of Achievement for Excellence in Financial Reporting. We assisted several of these clients with their initial application, and all three were successful on their initial and all subsequent submissions.

Certifications and Independence

We recognize when we audit a governmental entity, we are required to be familiar with certain rules, regulations, and requirements and, as a firm we are required to meet certain requirements. In that regard, we make the following affirmations:

- ◆ Our firm meets the independence requirements relating to the HRA defined by auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States.
- ◆ Our firm and all assigned key professional staff are properly licensed to practice in the State of Minnesota.
- ◆ Our firm is a member of the American Institute of Certified Public Accountants and the Minnesota CPA Society.
- ◆ Our firm has never had a report rejected or classified as substandard by any state or federal agency, or by the Government Finance Officers Association.
- ◆ Our firm has never had and currently does not have any pending disciplinary actions or investigations for alleged improper, fraudulent, disreputable, or unfair activities against our firm with state regulatory bodies or professional organizations.
- ◆ We accept the professional obligation concerning the American Institute of Certified Public Accountants Interpretation 501-3 "Failure to Follow Standards and/or Procedures or Other Requirements in Governmental Audits."
- ◆ Our professional personnel have received adequate continuing education to follow *Government Auditing Standards* and have received adequate continuing professional education over the past three years.
- ◆ Our firm is an equal opportunity employer and does not discriminate in employment of persons upon the basis of race, color, creed, national origin, sex, age, or physical handicap, and have an affirmative action plan in place.
- ◆ We do not expect any potential audit problems and are not aware of any conflicts of interest about any work performed by the firm for the HRA.
- ◆ We acknowledge and have adequate personnel to comply with the audit schedule provided in the request for proposals.

Proposal for Audit Services

Dedicated Service Team



Andrew Grice, CPA, Partner

Education: Bachelor of Science in Accounting from St. Cloud State University, graduated Cum Laude

Experience, Professional and Civic Activities:

- ◆ Eighteen years of experience with financial reporting in accordance with GAAP, ACFR requirements, analysis of internal control, performing audits of financial statements and single audits in accordance with OMB Circulars and Uniform Guidance.
- ◆ Responsible for the planning, fieldwork and reports for numerous audits of cities, school districts, utilities, charter schools, and other government entities.
- ◆ Attends continuing education, workshops and conferences on city and school district accounting and reporting requirements on an annual basis that qualifies as “yellow book” continuing professional education and on governmental and single audit accounting, auditing, and reporting.
- ◆ Extensive use of computer and software applications to assist in the preparation and performance of the audit process.
- ◆ Presents audit reports, financial statements, and communications letters to management, school boards and city councils.
- ◆ Instructor for the Minnesota Municipal Clerks Institute Fund Accounting and Budgeting course.
- ◆ Instructor for the Government Finance Officers Association Intermediate Governmental Accounting course.
- ◆ Presenter of the annual ACFR Comment Review for the Minnesota Government Finance Officers Association.
- ◆ Presenter at the Minnesota Society of CPAs Audit Conference in 2023 and 2024.
- ◆ Develops internal training for BerganKDV government auditors.
- ◆ Certified Public Accountant, licensed to practice in the State of Minnesota.
- ◆ Minnesota Society of Certified Public Accountants.
- ◆ American Society of Certified Public Accountants.
- ◆ Minnesota Association of School Business Officials.
- ◆ Minnesota Government Finance Officers Association.

Dedicated Service Team



Brianna Schlicht, CPA, Audit Manager

Education: Bachelor of Science in Accounting from Southwest Minnesota State University, graduated Cum Laude

Experience, Professional and Civic Activities:

- ◆ Eight years of experience with financial reporting in accordance with GAAP, ACFR requirements, analysis of internal control, performing audits of financial statements and single audits in accordance with OMB Circulars and Uniform Guidance.
- ◆ Responsible for the planning, fieldwork and reports for numerous audits of cities, school districts, charter schools, and other government entities.
- ◆ Attends continuing education, workshops and conferences on city and school district accounting and reporting requirements on an annual basis that qualifies as “yellow book” continuing professional education and on governmental and single audit accounting, auditing, and reporting.
- ◆ Financial statement and communication letter preparation
- ◆ Extensive use of computer and software applications to assist in the preparation and performance of the audit process.
- ◆ Certified Public Accountant, licensed to practice in the State of Minnesota.
- ◆ Attends workshops on governmental and single audit accounting, auditing, and reporting on an annual basis.
- ◆ Minnesota Society of Certified Public Accountants.
- ◆ American Institute of Certified Public Accountants.

Dedicated Service Team

Office Performing Audit

As mentioned earlier in the Letter of Transmittal, our governmental team is located throughout BerganKDV's offices. This team consists of 6 audit partners, 6 audit managers/directors, 1 director of consulting, 10 supervisors/seniors and 16 associates, all that primarily focus on governmental entities. In addition, we have another partner, a manager, and 5 associates that all have experience working on governmental audits. This team will allow us to meet your reporting deadline. In addition to individual resumes listed on pages 11-12, we will utilize and 3 associate level members on your audit engagement. All partners, directors and managers are CPA's.

Commitment to Staff Continuity and Training

To keep continuity and efficiencies high, we believe that consistent team members are advantageous for both our firm and your organization. We pride ourselves on maintaining the right balance of continuity on each of our engagements to ensure a "fresh" look at the annual audit process. Rotation of senior level staff only occurs after the merits of such rotation have been discussed and approved by your organization. We provide semi-annual department training for our team members and ensure team members are adequately supervised during each engagement for continual training opportunities.

Independence

Our firm has no conflict of interest regarding any other work performed by our firm for your organization. Our firm meets the independence requirements relating to your organization as defined by auditing standards generally accepted in the United States of America. We annually review independence related to all our client relationships as part of our internal control compliance process.



Audit Approach and Timeline

Our goal for you is to create value and to minimize surprises. We do this through a specific, well planned audit. What makes BerganKDV unique from other firms is that we continually improve our audit process beyond what is expected by our profession. A few of the BerganKDV advantages:

- ◆ **Collaborative Audit Process.** We see the audit process as a joint effort with you and BerganKDV. We want to work together to make it as painless as possible.
- ◆ **A comprehensive view of the HRA's financial health.** Through our extensive government experiences, we understand a HRA's health is not only about the finances. The vision, mission and programming provide the blueprint for the HRA's direction. We review this information in relation to the financial statements and provide our observations based on a comprehensive view of the HRA's health.
- ◆ **Technology resource on internal controls.** Technology experts from the BerganKDV Technology Group can assist in evaluating your technology controls. Their expert advice has proven to be a valuable resource as they answer technical questions and offer specific recommendations.
- ◆ **Supervisors, managers and partners on-site.** The involvement of our supervisors, managers and partners in the field is essential to being a trusted partner and delivering an exceptional client experience. We believe it is important to be on-site and available to answer questions. This also allows our managers and partners to review documentation throughout the process.
- ◆ **Meeting communications.** Our presentations are designed to capture information that is useful and meaningful. Our presentations are focused on audit results, trends, and other information relevant to your HRA and related entities, not details of the financial statement amounts.

Beyond Expectations

BerganKDV takes a four-phased audit approach that gets results by:

- ◆ Leveraging what is working well.
- ◆ Focusing on pre audit planning, collaboration, and communication.
- ◆ Staying accountable to a schedule.
- ◆ Meeting with you and your team to ensure every detail has been finalized and the audit is complete.
- ◆ Exchanging information regarding our performance, opportunities to enhance experiences and future strategic opportunities.

Our audits are designed to focus our energy and our audit tests on the areas of your operations that contain the most risk. This equates to a better product for the HRA.

Phase One - Initial Planning and Program Development (January/February)

Our main objective is to get to know the HRA as a resident or employee would. We want to understand not only your finances, but also your operational goals and objectives. What makes your HRA unique? How can that knowledge help us perform the best audit possible? When those questions are answered, we know we achieved our goal for Phase One.

During this phase, we gather the information we need to create an effective audit program and make preliminary judgments of materiality. Highlights include:

- ◆ Reviewing your internal control documents and interviewing your key employees and representatives to gain operational information.
- ◆ Discussing your goals, objectives, and the current challenges facing your operations; those are then shared across your BerganKDV team and incorporated into our audit plan.
- ◆ Obtaining population sizes ranging from 25-60 for certain transactions-based finance systems and selecting which transactions we will test for internal control and compliance testing. Selections will be based on our data analysis results, analyzing transactions on a risk-based level.
- ◆ Obtaining your current financial reports and budgets and perform overall analytical review procedures.
- ◆ Obtaining applicable HRA organizational charts, policies, bond documents, leases, and other legal contracts.
- ◆ Reviewing with your staff our audit documentation requests. **We audit and request information that is used internally by your staff to manage operations, we do not require specific templates to be used.**

We will work with the management team to determine the preferred means of communication, whether phone or email. In addition, we utilize Suralink, a workflow management software that improves efficiency by streamlining our audit request process. The simple interface includes team assignments and deadlines, so there are no misunderstandings on expectations.

Our audit process incorporates automated audit tools (Knowledge Coach) and work papers to provide our clients with timely information and effective and efficient audits. In addition, we use CCH's TeamMate Analytics, an Excel add-on used to extract and analyze data quickly and efficiently. We also subscribe to various benchmarking and data analysis providers.

Your Expected Role: *Provide BerganKDV with policies, internal control documents and a preliminary trial balance; provide contact information for all board members and staff so we may set up appointments/interviews with selected representatives; begin to gather documentation for fieldwork.*

Phase Two - Audit Program Execution (April/May)

Project execution is performing the procedures outlined in your audit plan as developed in Phase One. Our audit procedures will include examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. We will discuss potential ideas and best practices with your personnel relating to our recommendations for improving internal control, procedures and compliance with laws and regulations. Any issues identified, proposed audit adjustments, or other recommendations will be discussed with management throughout the execution of our audit procedures. We perform test work with as little disruption as possible to HRA staff's regular duties.

Highlights of this phase include:

- ◆ Auditing year-end account balances, testing internal control, assessing compliance to determine if your systems and controls are functioning as designed.
- ◆ Using sampling techniques to test areas including transactions, internal controls and legal compliance using the scope mandated by the Office of the State Auditor. Sample sizes range from 25-60 based on our risk assessment.
- ◆ Using IDEAS data mining software, we look for trends and anomalies in your payroll, vendor payment, and cash receipts process.

Your Expected Role: Be available to answer questions during scheduled audit fieldwork, provide audit workpapers or reconciliations with documentation that is reasonable and reviewed during Phase One.

Phase Three - Post-Audit Critique and Exit Conference (May-June)

This phase of the audit includes reviewing all the components of the financial statements and prepare the communications letter and relevant financial trend data for the Board presentation. Finally, opinions on the financial statements, Government Auditing Standards and Single Audit, if required, will be prepared.

We will then present this information to management allowing you time to review the financial statement reporting package including the draft financial statements and any internal control findings or recommendations that arise during the audit. This phase allows you time to assess, discuss and develop a corrective action plan, if needed.

Your Expected Role: Provide preliminary financial statements and review our reports to provide BerganKDV with input and feedback.

Phase Four - Presentation of Audit Report (by June 15th)

The final phase of the process is the presentation of the reports to the HRA Board. The presentation provides the governing body with information about the year's financial activity compared to past trends and expected results. We also provide other relevant and interesting observations relating to your financial statistics that will help provide the governing board with a deeper understanding of your operations. We understand all organizations have individual needs and we look forward to getting your feedback on graphs and statistics.

Professional standards require that we provide you with information regarding the auditor's responsibility under generally accepted auditing standards, significant accounting policies, accounting estimates and management judgments, significant audit adjustments, other information in documents containing audited financial statements, disagreements with management, consultation with other auditors, major issues discussed with management prior to retention as auditors and difficulties encountered in performing the audit. We will provide this information in written form via the communications letter and will discuss with administration during the review of the preliminary audit report.

Your Expected Role: Provide BerganKDV with information and feedback for presentation preferences.

Fees

Our fees for the services are based on the amount of time and the level of experience of the individuals who perform the services. In addition, we assume that the HRA's accounting personnel will provide the appropriate workpapers, documents, schedules, and clerical assistance and will prepare the financial statements, notes and other annual comprehensive financial report sections, and that we will not encounter any significant or unusual circumstances which will affect the scope of our engagement, and no significant changes to the HRA's operations will occur. However, if situations arise, including the implementation of new accounting standards, which affect the scope of the engagement, we will discuss them with you prior to incurring the additional cost. **At no time will we bill the HRA for extra time or charges unless we have verbal communication regarding the issues, your options, and an agreement for additional fees.**

Billing and Collection Expectations

Our fees are due as services progress and are generally billed at the completion of each phase of the audit. These invoices are payable on presentation. Invoices are delinquent if not paid within 60 days.

Off-season Communication

We encourage questions throughout the year and ask our clients to submit to us their monthly financial statements and board of director minutes, so we can stay abreast of their operations, and identify/resolve any issues prior to year-end. We will not invoice additional amounts unless substantial research or work is required, in which case, we will discuss the scope of any additional work and proceed only after we have reached a mutually agreeable fee arrangement.

Out of Scope Professional Services

We do not surprise bill. If during our engagement you request additional services which require more than a minimum amount of time, we will provide an engagement letter with the fees and services specified, only after we have verbal communication and agreement. Additional special projects and consulting requested during the year will be billed at an hourly rate commensurate with the level of experience required.

See attachment A and B for a breakdown of fees for the fiscal years ending December 31, 2025, with the option of auditing the financial statements for each of the two (2) subsequent fiscal years.

Client References

A few of our municipality clients serviced by your team are listed below and we encourage you to contact them.

Joel Merry
City of Minnetonka
952.939.8254

Gina Foschi
City of New Brighton
651.638.2105

Joe Rueb
City of Maplewood
651.249.2903



Below is a list of our governmental audit clients.

Recipients of a certificate of Achievement for Excellence in Financial Reporting are marked with an asterisk (*).

Minnesota Cities

Population (0-2,000)	Population (2,001-5,000)	Population (5,001-15,000)	Population (15,001+)
Clear Lake	Clearwater	Baxter*	Albert Lea*
Dundas	Cold Spring	Big Lake*	Brooklyn Park*
Eden Valley	Elko-New Market	Cloquet*	Crystal*
Hilltop	Hanover	Detroit Lakes*	Eden Prairie*
Richmond	Independence	Fairmont*	Edina*
Silver Bay	Le Seuer	Falcon Heights*	Elk River*
Watkins	Mora	Fergus Falls*	Faribault*
	Nowthen	Mendota Heights	Forest Lake*
	Osseo	Oak Grove	Ham Lake*
	Rockville	Otsego*	Hastings*
	Two Harbors	Sauk Rapids	Maplewood*
		St. Joseph	Minnetonka*
		Wyoming	New Brighton*
			Richfield*
			St. Cloud*
			Sartell

Iowa Cities

Population (0-2,000)	Population (2,001-5,000)	Population (5,001-15,000)	Population (15,001+)
North English	Cascade	Fort Madison	Coralville
	Center Point	Independence	Marion
	Dyersville	Knoxville	North Liberty
	Epworth	Le Mars	Ottumwa*
	Evansdale	Pella	Sioux City*
	Peosta	Red Oak	Waterloo*
		Tiffin	

Nebraska Cities

Population (0-2,000)	Population (2,001-5,000)	Population (5,001-15,000)	Population (15,001+)
Boys Town	Ashland	Gering	Columbus
	Bennington	Gretna	Grand Island
		Scottsbluff	Kearney
			La Vista*

Missouri Cities

Population (0-2,000)	Population (2,001-5,000)	Population (5,001-15,000)	Population (15,001+)
	Riverside*		Washington*

PLAINSIGHT

POWERED BY CREATIVE PLANNING

EMPOWER AND PROTECT



With Creative Planning's PlainSight, you can empower your employees to speak up when they witness fraudulent activity through an easily accessible and completely anonymous hotline system. Based on the tip criteria, our certified team of fraud professionals is available to investigate and report back with next steps if fraudulent evidence is discovered.

A Tip Could Be All It Takes

You can rest assured as a business leader that your employees are equipped with a powerful and safe service that protects your company against those who wish to harm it.

Our Promise to You

We'll work directly with you to establish an implementation and use strategy that fits your needs and coordinate with you when tips become viable signs of potential fraudulent activity. Safety and anonymity are our main priorities for your business. Our goal is to highly encourage hotline usage and promote the idea that no tip is too small to make a difference.

It's estimated that organizations lose 5% of revenue each year due to fraud with average losses being around \$1.5 million. **Don't foot the bill to fraudsters.**

More Than a Phone Line

What other services are included when you utilize PlainSight for your fraud detecting needs?

- ◆ Easy to use web submission site
- ◆ Communication packages to educate and inform your employees
- ◆ On-demand employee training for how to use the service and signs of fraud
- ◆ Admin-level access to review items and communicate with our Forensic Team

Let our team of specialists grant you peace of mind and educate your employees to make the call today that may save you tomorrow.

FIND YOUR PEACE OF MIND

[CREATIVEPLANNING.COM](https://creativeplanning.com) | PLAINSIGHT@CREATIVEPLANNING.COM

Peer Review



Report on the Firm's System of Quality Control

To the Partners of
BerganKDV, Ltd.
and the Minnesota Society of CPAs Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of BerganKDV, Ltd. (the Firm) in effect for the year ended March 31, 2023. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitation of, and the procedures performed in a system review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported on in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported on in conformity with the requirements of applicable professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of and compliance with the firm's system of quality control based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act, and audits of employee benefit plans.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of BerganKDV, Ltd. in effect for the year ended March 31, 2023, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)*, or *fail*. BerganKDV, Ltd. has received a peer review rating of *pass*.

A handwritten signature in black ink that reads "Landmark PLC".

Little Rock, Arkansas
September 19, 2023

Landmark PLC, Certified Public Accountants

200 W Capitol Ave, Ste 1700 | Little Rock, AR 72201 | Telephone (501) 375-2025 | Fax (501) 375-8704 | www.landmarkcpas.com

Client Requested Documents

ATTACHMENT A

**SCHEDULE OF PROFESSIONAL FEES AND EXPENSES
FOR THE AUDIT OF THE DECEMBER 31, 2025 FINANCIAL STATEMENTS**

Position	Hours	Standard Hourly Rates	Quoted Hourly Rates	Not-to-Exceed Cost Total*
Partner	15	\$ 440	\$ 400	\$ 6,000
Manager	20	\$ 300	\$ 270	\$ 5,400
Senior	35	\$ 200	\$ 180	\$ 6,300
Staff	48	\$ 165	\$ 150	\$ 7,200
Subtotal	<u>118</u>			

Total all-inclusive maximum price for 2025 HRA Audit \$ 24,900

Total all-inclusive maximum price for 2026 HRA Audit \$ 25,900

Total all-inclusive maximum price for 2027 HRA Audit \$ 27,000

*Fees include the preparation of the basic financial statements.

REAC Attestation Procedures** \$ 3,000

**Management will be responsible for preparing the financial data schedules and REAC submissions.

Annual increases will be consistent with audit increases.

Single Audit Fee per Major Federal Program, if required*** \$5,000 - \$6,000

***Includes Single Audit Report, SEFA Preparation, and Preparation of Form SF-SAC

Fees stated above based on a 3-year contract term. Fees stated below based on a 1-year contract term.

Total all-inclusive maximum price for 2025 HRA Audit * \$ 30,750

REAC Attestation Procedures** \$ 3,750

Single Audit Fee per Major Federal Program*** \$5,000 - \$6,000

ATTACHMENT B

**SCHEDULE OF PROFESSIONAL FEES AND EXPENSES
FOR THE AUDIT OF THE DECEMBER 31, 2025 FINANCIAL STATEMENTS**

Princing Below is Dependent on the Award of the City of Owatonna's Audit Engagement to BerganKDV

Position	Hours	Standard Hourly Rates	Quoted Hourly Rates	Not-to-Exceed Cost Total*
Partner	15	\$ 440	\$ 325	\$ 4,875
Manager	20	\$ 300	\$ 235	\$ 4,700
Senior	35	\$ 200	\$ 140	\$ 4,900
Staff	48	\$ 165	\$ 115	\$ 5,520
Subtotal	<u>118</u>			

Total all-inclusive maximum price for 2025 HRA Audit	\$ 19,995
Total all-inclusive maximum price for 2026 HRA Audit	\$ 20,800
Total all-inclusive maximum price for 2027 HRA Audit	\$ 21,700

*Fees include the preparation of the basic financial statements.

REAC Attestation Procedures** \$ 3,000

**Management will be responsible for preparing the financial data schedules and REAC submissions.
Annual increases will be consistent with audit increases.

Single Audit Fee per Major Federal Program, if required*** \$5,000 - \$6,000

***Includes Single Audit Report, SEFA Preparation, and Preparation of Form SF-SAC

Fees stated above based on a 3-year contract term. Fees stated below based on a 1-year contract term.

Total all-inclusive maximum price for 2025 HRA Audit *	\$ 25,000
REAC Attestation Procedures**	\$ 3,750
Single Audit Fee per Major Federal Program***	\$5,000 - \$6,000



THANK YOU.

952.563.6862 | ANDY.GRICE@CREATIVEPLANNING.COM



This presentation is provided for general information purposes only and should not be construed as investment, tax, or legal advice, and does not constitute an attorney/client relationship. Past performance of any market results is no assurance of future performance. The information contained herein has been obtained from sources deemed reliable but is not guaranteed.

YOUR AUDIT EXPERTS

Proposal for Audit Services for City of Owatonna

**FOR THE YEAR ENDING
DECEMBER 31, 2025
WITH THE OPTION OF YEARS ENDING
DECEMBER 31, 2026
DECEMBER 31, 2027**

CONTACT PERSON

Justin McGraw, CPA and Partner

Direct (320) 221-8016

Fax (320) 235-7071

Toll-free (888) 388-1040

jmcgraw@cdscpa.com

Date Submitted: January 9, 2026

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January 9, 2026

Jenna Tuma
City Administrator
City of Owatonna

Dear Ms. Tuma:

On behalf of Conway, Deuth & Schmiesing, PLLP (CDS), we are pleased to submit this one-year proposal for the preparation and audit of the financial statements for the City of Owatonna and the Housing and Redevelopment Authority for the fiscal year ending December 31, 2025, with the additional option of fiscal years ending December 31, 2026 and 2027. We appreciate the opportunity to bid these services and your consideration of our firm.

The attached proposal addresses the qualifications of our firm, the depth and breadth of the services we will provide your City, and our commitment to perform the work within the time period while providing the highest quality work through a process that is both efficient and effective.

If you have any questions regarding the content of our proposal, please feel free to call me at (320) 221-8016. We look forward to hearing from you soon.

Sincerely,

CONWAY, DEUTH & SCHMIESING, PLLP

A handwritten signature in black ink, appearing to read "Justin McGraw".

Justin McGraw, CPA
Partner

Willmar Office
331 Third St SW, Ste 2
PO Box 570
Willmar, MN 56201
(320) 235-3311
(888) 388-1040

Benson Office
1209 Pacific Ave, Ste 3
Benson, MN 56215
(320) 843-2302

Morris Office
401 Atlantic Ave
Morris, MN 56267
(320) 589-2602

Litchfield Office
820 Sibley Ave N
Litchfield, MN 55355
(320) 693-7975

Sartell Office
Ste 110
2351 Connecticut Ave
Sartell, MN 56377
(320) 252-7565
(800) 862-1337

visit us online at cbs.cpa

OUR SERVICES FOR CITY OF OWATONNA

Our services would include the following:

- » Performing an audit of your financial statements for the fiscal year December 31, 2025, with the option of December 31, 2026 and 2027, in accordance with generally accepted auditing standards; *Government Auditing Standards*; and Uniform Guidance, and other federal, state, and local requirements, as applicable.
- » Issuing a report on the fair presentation of the financial statements and an "in-relation to" report on the supporting schedules in conformity with generally accepted accounting principles.
- » Providing separate reports required by *Government Auditing Standards*, the Uniform Guidance (as applicable), and the Minnesota Office of the State Auditor pursuant to *Minnesota Statutes*.
- » Preparing and submitting the Federal Audit Clearinghouse Form, if applicable.
- » Providing information on upcoming GASB Statements.
- » Preparation of the financial statements for your City and Housing and Redevelopment Authority.
- » Presenting audit results and comments relating to your financial statements and internal controls to the City Council including an Independent Management letter with any reportable conditions and a separate letter reporting the non-reportable conditions.
- » Additional accounting and analyzing services requested would be discussed with you prior to completing the tasks.
- » Ongoing access throughout the year to answer your questions.

INDEPENDENCE STATEMENT AND LICENSED TO PRACTICE

INDEPENDENCE STATEMENT

We confirm that CDS is independent with regard to City of Owatonna as defined by the generally accepted auditing standard/the U.S. General Accounting Office's *Government Auditing Standards*. We have no professional relationships involving City of Owatonna or any of its agencies or component units.

LICENSED TO PRACTICE IN STATE OF MINNESOTA

All of our Certified Public Accountants are licensed to practice in Minnesota and meet the continuing education requirements. This is achieved by using various resources available, including conferences, continuing education classes and self-study continuing education

FIRM QUALIFICATIONS AND EXPERIENCE

CDS is a local, multi-office firm with offices in Willmar, Benson, Morris, Litchfield, and Sartell, Minnesota. Our team is ninety-five strong, including twelve partners, and thirty-one Certified Public Accountants.

We have a dedicated audit team that is aware of and committed to meeting your City's needs and the reporting deadlines. Our governmental audit team consists of nine individuals, including two Partners, one Manager, two Senior Accountants, four Staff Accountants, with a total of three Certified Public Accountants. Our team has been providing audit services to Cities in Minnesota for thirty years. Our team is current with CPE requirements, including government standards for auditors. The proposed audit engagement for City of Owatonna would be served by staff from our Willmar and Litchfield offices. Justin McGraw, CPA, and Partner, will be the person in charge of your engagement. Additionally, one Manager and one Quality Technical Review Partner will be assigned to the engagement. Only the Quality Technical Reviewer would be employed on a part-time basis. The quality of staff, over the term of the engagement, will be evaluated after each year of audit work completion and new staff will be assigned as necessary to assure the quality of our services.

We are members of the American Institute of Certified Public Accountants (AICPA), Minnesota Society of Certified Public Accountants (MNCPA), Minnesota Association of School Business Officials (MASBO), Minnesota Clerks and Finance Officers Association (MCFOA), National Government Finance Officers Association (GFOA), Minnesota Government Finance Officers Association (MNGFOA), Association of Certified Fraud Examiners (ACFE), and Governmental Audit Quality Center through the AICPA.

We are best qualified to perform the engagement for City of Owatonna based on our core values which are at the foundation of our firm.

OUR CORE VALUES

guide our actions everyday

»	INTEGRITY
»	QUALITY
»	COLLABORATION
»	INNOVATION
»	KINDNESS

ENGAGEMENT TEAM

QUALIFICATIONS AND EXPERIENCE

Our experienced team will provide you with the highest standard of excellence throughout your engagement. The following staff from our Willmar and Litchfield offices would be assigned to work on your engagement for the term of this proposal.



In Charge of Engagement and Partner – Justin McGraw, CPA, joined CDS in 2014. Prior to CDS, he worked in auditing for over two years. He graduated from University of North Dakota in Grand Forks, ND with a Bachelor of Accountancy degree. In 2015, Justin was promoted to Senior Accountant and in 2017, he was promoted to Manager. Justin was admitted as a Partner in 2021. He specializes in governmental, quasi-governmental, and non-profit auditing.



Quality Technical Review Partner – Kari Steinbeisser, CPA, CFE, joined CDS in 2011. She graduated from St. Cloud State University in St. Cloud, MN, with a Bachelor of Science degree in Accounting. In 2014, Kari was promoted to Senior Accountant, and in 2015, to Manager. She was admitted as a Partner in 2021. Kari specializes in governmental, quasi-governmental, and non-profit auditing and forensic accounting.



Manager – Crystal Vossen Seiffert, CPA, joined CDS in 2024 as a Manager. Prior to CDS, she worked in accounting and auditing for nine years, including operating as a Controller and Chief Financial Officer for a for profit company for four years. Crystal graduated from Minnesota State University Mankato in Mankato, MN with Bachelor of Science degrees in Accounting and Corporate Finance, with a minor in Business Administration. She specializes in governmental auditing.

REFERENCES

All listed references below are current audited cities of Conway, Deuth & Schmiesing, PLLP.

- » **Hutchinson Utilities Commission**
Engagement Partner: Justin McGraw
Contact: Jared Martig
Financial Manager
320-234-0512

- » **City of Litchfield (Including Utilities Operation)**
Engagement Partner: Justin McGraw
Contact: Joyce Spreiter
Assistant City Administrator
320-693-7201

- » **City of Adrian (Including Utilities Operation)**
Engagement Partner: Justin McGraw
Contact: Rita Boltjes
Deputy Clerk/Treasurer
507-483-2849

PROFESSIONAL FEE SCHEDULE

Firm Name: Conway, Deuth & Schmiesing, PLLP

Date: January 9, 2026

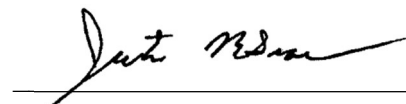
One-Year Proposal Fee Schedule With the Option of Two Additional Years	All-Inclusive Audit Fees	First Year Setup Fee	Total Fees
Year Ended December 31, 2025	\$65,000	\$3,000	\$68,000
Year Ended December 31, 2026	\$68,500	N/A	\$68,500
Year Ended December 31, 2027	\$72,000	N/A	\$72,000

Fee for Single Audit would be \$5,000, if applicable. This fee includes one major program. Each additional program will be \$1,500 each.

We would be available throughout the year for any additional accounting and consulting services at your request. We are a full-service firm able to assist you with a wide variety of tasks. These services would be billed at our normal hourly rates of \$50 - \$300. Rates for accounting and consulting services vary according to the degree of experience of the personnel assigned. Additional accounting services requested or required will be discussed with you prior to procedures performed.

Payment will be made upon successful conclusion and acceptance of the audit by the City Council and distribution of paper and electronic final audit documents.

I certify that I am entitled to represent Conway, Deuth & Schmiesing, PLLP (CDS), empowered to submit this bid, and authorized to sign a contract with City of Owatonna.


Justin McGraw, CPA and Partner

PEER REVIEW

The firm participates in the American Institute of Certified Public Accountants Peer Review program as administered by the Minnesota Society of Certified Public Accountants. The last review was for the year ended June 30, 2023, and was accepted by the administering body on February 16, 2024. One of the objectives of the Peer Review Program is to ensure that the financial statements issued by our office are performed with the utmost professional care and quality. The firm received an unqualified opinion and no letter of comments. There have been no federal, state desk, or field reviews of our audit engagements during the past three years. In addition, there have been no disciplinary actions taken nor are any pending against our firm by state regulatory bodies or professional organizations. The firm does not conduct any SEC engagements and as a result, no SEC engagements were included as part of this peer review. We have attached a copy of our most recent External Quality Control Review Report at the end of this report.



Report on the Firm's System of Quality Control

December 12, 2023

To the Owners of Conway, Deuth & Schmiesing, PLLP
and the Peer Review Committee of the Minnesota Society of CPAs.

We have reviewed the system of quality control for the accounting and auditing practice of Conway, Deuth & Schmiesing, PLLP (the firm) in effect for the year ended June 30, 2023. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a system review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with the requirements of applicable professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of and compliance with the firm's system of quality control based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice Conway, Deuth & Schmiesing, PLLP in effect for the year ended June 30, 2023, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Conway, Deuth & Schmiesing, PLLP has received a peer review rating of *pass*.

Copeland Buhl & Company PLLP

COPELAND BUHL & COMPANY PLLP