

PLEASE NOTE: At 5:30 p.m. Council will meet in a Study Session in Council Chambers, City Hall at 540 West Hills Circle. Items of discussion will include an update on the Wastewater Treatment Plant Project and Council Member's board/committee assignments during 2023. If time allows, there will be a general update on board and commission activities.



OWATONNA CITY COUNCIL MEETING

Tuesday, January 3, 2023 at 7:00 PM

Council Chambers, City Hall at 540 West Hills Circle

**Roll Call: Council Members Boeke, Raney, Svenby,
Voss, Dotson, Burbank, & Schultz**

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

1.1. Oath of Office - City Officials Election in 2022 General Election: Council Members Dan Boeke, Nate Dotson, David Burbank and Brent Svenby

1.2. Council Agenda

1.3. 2023 Organizational Meeting

1.3.1. Resolution 1-23: Designate 2023 Depositories and Authorize Signatories

1.3.2. Resolution 2-23: Designate 2023 Responsible Authority for Data Practices

1.3.3. Designate Newspaper for 2023 Official City Business

1.3.4. Appoint 2023 Weed Inspector

1.3.5. 2023 Council Meeting Dates

1.3.6. Council Representation on Various Boards/Commissions during 2023

1.4. Mayor Kuntz

1.4.1. Proclamations - Eagle Scouts - Trenton M Lower and Dylan M Meiners

2. CONSENT AGENDA ITEMS

2.1. Minutes – December 20, 2022 Council Meeting

2.2. Board/Commission Minutes

2.2.1. OPU Meeting Minutes - November 22, 2022

2.2.2. HRA Meeting Minutes - November 28, 2022

2.3. Licenses/Permits

2.3.1. Exempt Permit - Owatonna Area Chamber of Commerce & Tourism Raffle at SpareTime Entertainment - February 18, 2023.

2.4. Miscellaneous

2.4.1. Software Subscription - DebtBook

3. ACTION ITEMS

3.1. Finance Report

3.2. Ordinances

3.2.1. Second/Final Reading Proposed Ordinance 22-14: Vacate Portion of Utility Easement - Curt's Truck and Diesel

3.2.2. First Reading Proposed Ordinance 23-01: Electric Franchise Agreement - Northern States Power

3.2.3. First Reading Proposed Ordinance 23-02: Electric Franchise Fees - Northern States Power

3.3. Resolutions:

3.3.1. Resolution 3-23: Labor Agreement - IUOE - Local 70

3.3.2. Resolution 4-23: Labor Agreement - Minnesota Public Employees Association - Patrol Officers

3.3.3. Resolutions 5-23: Labor Agreement - Minnesota Public Employees Association - Sergeants

3.4. Miscellaneous

3.4.1. Wage Adjustments - Non-Union Employees

3.4.2. Purchase Agreement - 104 18th Street SW to Roosevelt Lake Holdings, LLC

4. STAFF REPORTS AND COMMENTS

4.1. Flyer - Morehouse Skating

4.2. Flyer - Indoor Walking Program

5. PUBLIC COMMENTS: (Please limit comments - 2 minutes and items not on the agenda.)

6. COUNCIL COMMENT AND GENERAL INFORMATION

7. ADJOURN



2023 Organizational Meeting



Finance Department

DATE: January 3, 2023
TO: Mayor and City Council
FROM: Rhonda Moen, Director
SUBJECT: Resolution 1-23: Designate 2023 Depositories and Authorize Signatories

Purpose:

To list authorized signatories and depositories for 2023.

Background:

The Office of the State Auditor recommends that the City annually designate depositories for the upcoming year and formally appoint individuals authorized to disperse funds. This resolution authorizes the mayor, city administrator, finance director, senior accountant and accounting technician to disperse funds through check, electronic funds transfer, wire, or ACH.

Budget Impact:

There is no budget impact.

Staff Recommendation:

Staff recommends approval.

Attachments:

1. Resolution 1-23 Designate 2023 Depositories & Authorize Signatures

RESOLUTION NO. 1-23

A RESOLUTION DESIGNATING DEPOSITORIES FOR THE CITY OF OWATONNA
AND PERSONS AUTHORIZED TO SIGN ORDERS THEREON.

BE IT RESOLVED by the City Council of the City of Owatonna, Minnesota, that

- US Bank
- Wells Fargo Bank
- Profinium, Inc.
- Bremer Bank
- United Prairie Bank
- Community Bank Owatonna
- West Bank
- Stifel
- RBC Wealth Management
- Wells Fargo Advisors
- Municipal Money Market Fund (LMC 4M Fund), hereinafter called "Financial Institutions and/or Brokers,"

be, and hereby are, designated as depositories for the deposits and safekeeping of said City for such amounts as may be deposited herein.

BE IT FURTHER RESOLVED that orders or checks of the City of Owatonna drawn on said Financial Institutions in whatever form shall be signed by two of the following officers:

Thomas A. Kuntz, Mayor
Kris M. Busse, City Administrator
Rhonda L. Moen, Finance Director

BE IT FURTHER RESOLVED that said Financial Institutions be, and hereby are, authorized and directed to honor and pay any orders or checks so drawn and signed as above set forth, whether or not such checks be payable to the order of one of the foregoing persons, either in his individual or in his official capacity, or deposited to his individual credit, whether or not such signatures are followed by the title or office of the person signing.

BE IT FURTHER RESOLVED that said Financial Institutions and/or Brokers be, and hereby are, authorized and directed to honor transfer of funds through wire, ACH, and electronic funds transfer from one of the above officers or from JoAnn Matejcek, Accounting Technician or Holli Mabry, Senior Accountant in the Finance Department.

BE IT FURTHER RESOLVED that the Finance Director is authorized to approve any claims needing to be paid in between regularly scheduled council meetings providing these are all submitted for council approval at their next regularly scheduled meeting.

Passed and adopted this _____ day of _____, 2023, with the following vote:

Aye _____; No ____; Absent ____.

Approved and signed this ____ day of _____, 2023.

Thomas A. Kuntz, Mayor

ATTEST:

Kris M. Busse, City Administrator/City Clerk



Administration Department

DATE: January 3, 2023
TO: Mayor and City Council
FROM: Jeanette Clawson, Administrative Specialist
SUBJECT: Resolution 2-23: Designate 2023 Responsible Authority for Data Practices

Purpose:

Council to approve Resolution 2-23 to designate the City's 2023 Responsible Authority to administer the requirements for government data with the City.

Background:

Per the Minnesota Government Data Practices Act, the City must annually designate an individual as a responsible authority; typically the chief administrative official serves in this capacity.

Budget Impact:

None

Staff Recommendation:

Staff recommends approval of Resolution 2-23 to reappointment Kris M. Busse, City Administrator, as the 2023 Responsible Authority for Data Practices with the City.

Attachments:

1. Resolution 2-23 Designate 2023 RA Data Practices

RESOLUTION NO. 2-23

A RESOLUTION APPOINTING RESPONSIBLE AUTHORITY
FOR DATA PRACTICES COMPLIANCE

WHEREAS, the Minnesota Statutes, Section 13.02, Subdivision 16, requires that the City of Owatonna appoint an employee as the Responsible Authority to administer the requirements for government data with the City and,

WHEREAS, the Owatonna City Council shares concern expressed by the Legislature on the responsible use of all City data and wishes to satisfy this concern by immediately appointing an administratively qualified Responsible Authority as required under the statute for the year 2023.

BE IT RESOLVED, the City Council of Owatonna appoints Kris M. Busse, an employee of the City, as the Responsible Authority for the purposes of meeting all requirements of Minnesota Statutes, Chapter 13 and with Minnesota Rules, Chapter 1205.

Passed and adopted this _____ day of _____, 2023, with the following vote:

Aye____; No____; Absent_____.

Approved and signed this _____ day of _____, 2023.

Thomas A. Kuntz, Mayor

ATTEST:

Kris M. Busse, City Administrator/City Clerk



Administration Department

DATE: January 3, 2023
TO: Mayor and City Council
FROM: Kris Busse, City Administrator
SUBJECT: Designate Newspaper for 2023 Official City Business

Purpose:

Section 4.7 of our City Charter requires that each year during the first regular council meeting, "Council designates a newspaper of general circulation in the City as the official paper for publication of all matters required by law".

Background:

All public notices are to be published in a qualified newspaper that is likely to give notice in the affected area or to the persons to whom the notice is directed. The Owatonna Peoples Press provides local news coverage within the city.

Budget Impact:

None.

Staff Recommendation:

Staff recommends appointment of the Owatonna Peoples Press as the City's 2023 Official Newspaper.

Attachments:

None



Administration Department

DATE: January 3, 2023
TO: Mayor and City Council
FROM: Kris Busse, City Administrator
SUBJECT: Appoint 2023 Weed Inspector

Purpose:

To assign the duties of the Weed Inspector for 2023.

Background:

The duties of the Weed Inspector have been fulfilled by our Fire Chief, Ed Hoffman. This has worked well and offers a good point of contact for residents with concerns regarding weeds and nuisance vegetation.

Budget Impact:

None.

Staff Recommendation:

Staff recommends the reappointment of Fire Chief Ed Hoffman as the 2023 Weed Inspector for the City.

Attachments:

None



Administration Department

DATE: January 3, 2023
TO: Mayor and City Council
FROM: Kris Busse, City Administrator
SUBJECT: 2023 Council Meeting Dates

Purpose:

Request Council change the dates of their first meetings in July and August and also set the date of the Local Board of Appeal and Equalization Meeting for 2023.

Background:

The City Council meets on the first and third Tuesday of each month. This year, the first Tuesday in July is July 4th and we can not hold a public meeting on a federal holiday. The first Tuesday in August is also National Night Out, in which many staff, Mayor and Council members will participate. I request these two City Council meetings be moved one day and be held on Wednesday during the first week of these two months:

The Tuesday, July 4, 2023 meeting changed to Wednesday, July 5, 2023.

The Tuesday, August 1, 2023 meeting changed to Wednesday, August 2, 2023.

Currently, no elections are planned during 2023 so no changes are needed to comply with the Election Calendar.

Also, request the Council set the date of the 2023 Local Board of Appeal and Equalization for Tuesday, April 18, 2023 at 6:00 p.m. This meeting will be held in the Gainey Room at the Library as Council Meetings will be held there during the Council Chamber Renovation Project which will begin early spring.

Budget Impact:

None.

Staff Recommendation:

Staff recommends approval of these meeting dates.

Attachments:

None



Administration Department

DATE: January 3, 2023
TO: Mayor and City Council
FROM: Kris Busse, City Administrator
SUBJECT: Council Representation on Various Boards/Commissions during 2023

Purpose:

Each year, Council Members are appointed to various Boards and Commissions during the Annual Organizational Meeting.

Background:

Council Member's current Board/Commission Assignments:

Economic Development Authority (EDA) - Kevin P. Raney, Dan Boeke &
Doug Voss

Owatonna Area Business Development Center (The Center) - Brent Svenby &
Doug Voss

Law Enforcement Center (LEC) Committee - Dave Burbank & Greg Schultz

Highway 14 Partnership - Kevin P. Raney

Joint Powers Board (911 Board) - Dave Burbank and Nate Dotson

Joint County/City Transportation Committee – Greg Schultz & Kevin P. Raney

Housing & Redevelopment Authority (HRA) – Nate Dotson

Budget Impact:

None.

Staff Recommendation:

Council will discuss their Committee Assignments during the Study Session prior to this Council Meeting.

Attachments:

None



Proclamation

WHEREAS The Boy Scouts of America is an integral part of our community and benefits youth extensively, giving them a springboard for life; and

WHEREAS The mission of the Boy Scouts of America is to prepare young people to make ethical choices over their lifetime by instilling in them the values of the Scout Oath and Law; and

WHEREAS Trenton Matthew Lower, a member of Boy Scouts of America Troop 253 of Owatonna, has completed the requirements which find him worthy of the rank of Eagle Scout, the highest rank in the Boy Scouts of America; and

WHEREAS Trenton serves as an example to our community's youth through his high level of personal achievement, leadership and community service.

NOW THEREFORE I, Thomas A Kuntz, Mayor of the City of Owatonna, on behalf of the entire City Council and all our citizens, do hereby recognize and congratulate

Trenton Matthew Lower

for this outstanding accomplishment, extending our deepest appreciation for his service and best wishes for continued success in all his future endeavors. Witness my hand and the Official Seal of the City of Owatonna, MN on this 4th day of January, 2023.

By: _____
Thomas A. Kuntz, Mayor



Proclamation

WHEREAS The Boy Scouts of America is an integral part of our community and benefits youth extensively, giving them a springboard for life; and

WHEREAS The mission of the Boy Scouts of America is to prepare young people to make ethical choices over their lifetime by instilling in them the values of the Scout Oath and Law; and

WHEREAS Dylan Matthew Meiners, a member of Boy Scouts of America Troop 253 of Owatonna, has completed the requirements which find him worthy of the rank of Eagle Scout, the highest rank in the Boy Scouts of America; and

WHEREAS Dylan serves as an example to our community's youth through his high level of personal achievement, leadership and community service.

NOW THEREFORE I, Thomas A Kuntz, Mayor of the City of Owatonna, on behalf of the entire City Council and all our citizens, do hereby recognize and congratulate

Dylan Matthew Meiners

for this outstanding accomplishment, extending our deepest appreciation for his service and best wishes for continued success in all his future endeavors. Witness my hand and the Official Seal of the City of Owatonna, MN on this 4th day of January, 2023.

By: _____
Thomas A. Kuntz, Mayor

Owatonna City Council Minutes – DRAFT Copy

Council President Schultz called the regular session of the Owatonna City Council to order on Tuesday, December 20, 2022, at 7:00 p.m. in Council Chambers at City Hall. Present were Council Members Boeke, Raney, Voss, Dotson, Svenby, Burbank and Schultz; Assistant City Engineer Murphy; Finance Director Moen; Community Development Director Klecker; Parks, Recreation & Facilities Director Tuma; Communications Manager Sheely; City Attorney Walbran; City Administrator Busse, and Administrative Specialist Clawson. Mayor Kuntz was unable to attend this meeting.

Agenda

Following the Pledge of Allegiance, Council President Schultz welcomed everyone to the meeting. Council Member Svenby made a motion to approve the agenda as presented, Council Member Voss seconded the motion, all members voted aye for approval.

Consent Agenda Items

Minutes – Council Meeting – December 6, 2022

Minutes - Truth-in-Taxation Meeting - December 6, 2022

Monthly Building Inspection Report - November 2022

Fire Department Monthly Dashboard and Activity Report - November 2022

Renew 31 Annual Tobacco Licenses

NAME OF BUSINESS	LOCAL ADDRESS
CASEY'S GENERAL STORE #2194	475 18th St
CASEY'S GENERAL STORE #2418	590 State Avenue
CASH WISE #3014	495 W North Street
CASH WISE LIQUOR #7037	495 W North Street
DOLLAR GENERAL 21536	205 N Oak Avenue
FAREWAY STORES INC #139	831 S Oak Avenue
FAREWAY SPIRITS AND MORE #139	831 S Oak Avenue
FIRE HOUSE LIQUOR	120 26th St NW
FLEET FARM FUEL	2121 W Bridge St
HOLIDAY STATIONSTORE #373	695 W Bridge Street
HOLIDAY STATIONSTORE #2746519	330 W North St
HY-VEE	1620 S Cedar Avenue
HY-VEE GAS #5511	1720 S Cedar Avenue
HY-VEE WINE & SPIRITS	1620 S Cedar Avenue
J&B LIQUOR INC.	202 S Oak Street
KWIK TRIP #237	135 Landmark Drive
KWIK TRIP #403	2270 46th Street NW
KWIK TRIP #435	1075 W Frontage Rd
KWIK TRIP #641	1220 S Oak Avenue
KWIK TRIP #806	320 Mineral Springs
KWIK TRIP #1088	410 Hoffman Drive
KWIK SPIRITS #1088	410 Hoffman Drive
LION'S DEN ADULT BOUTIQUE	1178 W Frontage Rd
MEDFORD TOBACCO PLUS, INC	2350 43rd St NW
OWATONNA MARATHON	401 N Cedar Avenue
OT SMOKE SHOP PLUS	1100 Frontage Rd
OWATONNA SMOKE SHOP	641 W Bridge St

REGGIE'S BREWHOUSE LLC	218 N Cedar Avenue
SMOKE N VAPE INC	1407 S Oak Avenue
WALGREENS #9095	125 18th Street SE
WALMART #982	1130 W Frontage Rd

Renew 11 Annual Garbage & Refuse Haulers Licenses

Business Name	City/State	# Vehicles Permitted
GreenRU LLC	Blairsburg IA	1
Thompson Sanitation Inc	Clarks Grove MN	5
LJP Waste Solutions	North Mankato MN	5
Skjeveland Enterprises	Owatonna MN	8
Stewart Companies, Inc. dba Stewart Sanitation	Owatonna MN	15
Waste Management of Southern MN	Clarks Grove MN	6
Veit Disposal Systems	Rogers MN	3
Kruckeberg Fleet Services	Blooming Prairie MN	2
West Central Sanitation Inc	Willmar MN	1
Select Milling	Claremont MN	1
Archambault Brothers Disposal	Faribault MN	2

Renew 3 Annual Taxi Licenses

Business Name	City/State	# Vehicles Permitted
Access on Time Companies Inc. dba First Choice Shuttle	Blairsburg IA	1
Tonna Taxi Service	Owatonna MN	1
Straight River Taxi	Owatonna MN	3

Temporary Liquor Permit - Andrew Lawrence Chili Cookoff at the Armory, January 28th - Knights of Columbus

Proposal for Geotechnical Services for 2023 Construction Projects - American Engineering Testing, Inc. - The proposed fee for geotechnical services is \$16,292.00.

Contractor - Owner Agreement - Chamber Renovation Project - Ebert, Inc. This contract with Ebert, Inc. in the amount of \$1,626,400 includes the base bid and Alternate No. 2.

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

Finance Report

Council Vice President Raney recapped payments made more than \$20,000 for this period. Bills presented for payment totaled \$1,601,901.10. Council Member Svenby Boeke made a motion to approve payment of these bills, Council Member /Svenby seconded the motion. Council

Member Dotson commented the TIF payments are reimbursements of taxes paid by these property owners. With no further comments, all members voted aye for approval.

Ordinance 22-13: Adjust Sanitary Sewer Rates

Assistant City Engineer Murphy requested approval of proposed Ordinance 22-13 to adjust the Sanitary Sewer Rates effective January 1, 2023. This annual rate adjustment is necessary to maintain adequate funding for future operations and to fund the costs of the wastewater treatment facility expansion. Council approved the first reading of this proposed ordinance during the November 15, 2022 Council Meeting and there have been no changes since. Council Member Raney made a motion for approval, Council Member Dotson seconded the motion. With a roll call vote, voting aye were Burbank, Boeke, Raney, Svenby, Voss, Dotson, and Schultz; the motion carried. This will be known as Ordinance 1640 and become effective January 1, 2023.

Ordinance 22-14: Vacate Portion of Utility Easement – Curt's Truck and Diesel

Community Development Director Klecker requested approval of the first reading of proposed Ordinance 22-14 to vacate a portion of a drainage and utility easement for Curt's Truck and Diesel. Curt Johnson on behalf of the Johnson Family Revocable Trust requests a portion of a drainage and utility easement at 370 24th Avenue NW be vacated to allow combination of two lots and construction of a new cold storage building to the north of the existing building. The proposed location is currently a property line with a ten' easement on each side of it. The easement will be retained all the way through the west property line. There are no utilities located within the easement area. This will have no effect on the existing street or utilities in the area. The Planning Commission held a public hearing on this request and recommend approval. Council Member Svenby made a motion for approval as recommended by the Planning Commission; Council Member Boeke seconded the motion. With a roll call vote, voting aye were Burbank, Boeke, Raney, Svenby, Voss, Dotson, and Schultz; the motion carried. The second reading of this proposed ordinance is planned during the January 3, 2023 Council Meeting.

Resolution 97-22: Turtle Creek Addition Final Plat

Council President Schultz recused himself and Vice-President Raney took over the meeting.

Community Development Director Klecker requested approval of Resolution 97-22 approving the Final plat of the Turtle Creek Addition. Greg Schultz, Turtle Creek Development, requested approval of Turtle Creek Addition, a two-lot commercial plat at 490 /496 West North Street. The applicant was approved for a minor PUD in 1997 to allow for two buildings to be constructed on one lot. Now, they desire to split the property to allow them to split and sell the buildings separately if they want in the future. Due to these properties being developed in this manner, they have several utilities that cross over the proposed property lines as well as the parking and access drives. All utilities have been identified and addressed; the applicant is proposing to dedicate a ten' utility easement along the entire perimeter of each lot of the plat. This easement will be recorded with the final plat. The applicant's attorney has prepared an easement document that covers all of the shared items. The Planning Commission held a public hearing on this request and recommend approval with these conditions: The Planning Commission held a public hearing on this request and recommend approval with these conditions:

- 1) The final plat shall be recorded within 60 days of this approval.

- 2) The title opinion shall be approved by the City Attorney prior to recording of the final plat.
- 3) The easement agreement shall be recorded along with the final plat.

Council Member Burbank made a motion to approve Resolution 97-22, Council Member Boke seconded the motion, all members voted aye in approval.

Council President Schultz returned to his chair to preside over the meeting.

Resolution 98-22: VAR - 1 Tri-plex Variance Request at 415 S Cedar Avenue - Triton Properties, LLC

Community Development Director Klecker presented Resolution 98-22 to act on Application VAR-1 received from Sam Haque, Triton Properties, LLC. This is a request to allow a tri-plex on an 8,676 square foot lot at 415 S Cedar Avenue where 13,000 square feet is required for a three unit building in the R-6, High Density Residential District. There are three units, Unit 1 is a two-bedroom unit and units 2 and 3 are both one-bedroom units. The property has always been used as a tri-plex, but one unit has been owner occupied and they did not register as a tri-plex for several years. The Fire Department administers the City's Rental Registration Program, their records show this property was initially registered in 2004 with three units. This license was renewed in 2006, 2008, 2010, 2012, and 2014 which expired in 2016. The Planning Commission held a public hearing on this request and recommend approval with these provisions:

- 1) All three units shall be registered with the Rental Registration program.
- 2) The property shall not contain more than three units at any one time.
- 3) All units shall be inspected and approved within the Rental Registration process. If any repairs are needed, they shall be completed to be in full compliance with the Rental Registration License.
- 4) Handrails / guardrails on all entrances shall be installed or repaired to meet all requirements of the building code.

Council Member Raney made a motion to approve Resolution 98-22, Council Member Boke seconded the motion, all members voted aye in approval.

Resolution 99-22: CUP-2 at 104 18th St NW - Pennington Square, Inc.

Council approval of Resolution 99-22 to act on Conditional Use No. CUP-2 received from Macy Merkel, Hagstrom Engineering, on behalf of Pennington Square Inc. This is a request to construct a 670 square foot drive-thru coffee shop on the subject property located at 104 18th Street SW as a Scooter's Coffee Drive Thru CUP. If approved, staff will prepare a Purchase Agreement for Council consideration during the next meeting. The Planning Commission held a public hearing on this request and recommend approval with the following conditions:

- 1) Prior to issuance of the building permit, the City and Owatonna Public Utilities shall approve all grading, drainage, and utility plans.
- 2) All signs shall have a sign permit issued.
- 3) The applicant shall revise the landscaping plan to include groupings of shrubbery to strategically block headlights and provide some visual interest.
- 4) Prior to issuance of the Certificate of Occupancy a ten' wide utility easement centered on the relocated electric line shall be provided and recorded in favor of the City of Owatonna.

Council Member Dotson made a motion to approve Resolution 99-22, Council Member Burbank seconded the motion, all members vote aye in approval

Resolution 100-22: Joint Resolution with Owatonna Township - Annex Jindra Property at 2401 26th St NE

Community Development Director Klecker requested approval of Resolution 100-22 approving a Joint Resolution with Owatonna Township regarding annexation of property located at 2401 26th Street NE. Current property owner, Dan Jindra requests annexation of this property due to the need for municipal services, primarily water. He has spoken with the City and Owatonna Township; the Township will be acting on this Joint Resolution at their December meeting. The property owner will be required to connect to municipal utilities by the end of next construction season. He has been working with James Bros., as well as the City and OPU, to obtain a bid for the required work to connect the water and sewer. It is currently located to the west of Majestic Lane. A sewer main will need to be extended to the north, ending in a manhole, and the sanitary service line connecting into the property. The City will reimburse \$518.80 to the Township for 2.5 years of the township's share of property taxes. Council Member Raney made a motion to approve Resolution 100-22, Council Member Boeke seconded the motion, all members voted aye in approval.

Resolution 101-22: Decertification of TIF 1-1 Metro Plains (Cedar Run)

Finance Director Moen presented Resolution 101-22 to decertify Tax Increment Financing (TIF) District 1-1, Metro Plains (Cedar Run). This TIF district was formed as an economic development district in 1997. The developer constructed a 24-unit rental apartment project and received tax increment assistance on a "pay-as-you-go" (PAYG) basis. The PAYG payments reimbursed the developer for site improvements. This district is required to be decertified by 12/31/2023 per state statute. Since all TIF obligations have been met, it is being decertified one year early. The total market value of this property is estimated at \$1,978,000 for 2023. This includes \$382,900 for the land and \$1,595,100 for the building. This results in a tax capacity of \$14,835. The original tax capacity was \$131. The resulting difference of \$14,704 will be added to the calculations of the City's net tax capacity for 2023. Council Member Dotson made a motion to approve Resolution 101-22, Council Member Boeke seconded the motion, all members voted aye in approval.

Resolution 102-22: Decertification of TIF 3-5 (Sputtering Components)

Finance Director Moen presented Resolution 102-22 to decertify TIF District 3-5, Sputtering Components. This TIF district was formed as an economic development district in 2012. The developer constructed a 20,000 square foot expansion to its manufacturing facility to accommodate growth and create efficiencies. They received tax increment assistance on a "pay-as-you-go" (PAYG) basis. The PAYG payments reimbursed the developer for site improvements. As the final tax increments will be received in 2022, it is now time to decertify this district as required by state statute. The final tax increment payment which was received from Steele County resulted in excess tax increment. When a TIF district generates more increment than the TIF plan allotted for, it results in excess tax increment. The excess of \$8,500 was refunded to Steele County. This will then be redistributed to all taxing jurisdictions (City, School, and County). The total market value of this property is estimated at \$1,649,000 for 2023. This

includes \$277,000 for the land and \$1,372,000 for the building. This results in a tax capacity of \$32,230. The original tax capacity prior to the expansion project was \$11,102. The resulting difference of \$21,128 will be added to the calculations of the City's net tax capacity for 2023. Council Member Raney made a motion to approve Resolution 102-22, Council Member Burbank seconded the motion, all members voted aye in approval.

Resolution 103-22: 2023 City Budget and Levy

Finance Director Moen requested approval of Resolution 103-22 to set the 2023 Levy and adopt the 2023 Budget. The 2023 budget of \$42,888,755 is consistent with the City's strategic plan. The 2023 levy includes an increase of 9%, the City strives to have its levy increase follow growth, the current year's estimated growth rate is 17%. Levied upon all the taxable property in the City of Owatonna will be a direct ad valorem tax in the amount of \$14,637,570 for general government, \$196,327 PERA rate change, and \$1,835,900 for debt retirement, which shall be spread upon the tax rolls and collected in the year 2023. Council Member Raney made a motion to approve Resolution 103-22, Council Member Burbank seconded the motion. Council Member Boeke commented he is struggling to approve this; he believes a 9% increase is too much. We need to maintain our level of services and believe this could be done with a 6% increase. Council Member Dotson commented he would also want to see a lower levy amount but has received minimal input opposing a 9% increase so to meet long range plans, he will support this 9% increase request. Council Member Voss commented everyone gets frustrated with taxes and encouraged application for property tax rebates, Finance Director Moen commented these forms are available on the Mn Department of Revenue website. Council Member Schultz commented he also struggles with a 9% levy increase but has not received any comments and needed to continue offering the current level of services. If the levy request is lower, services will decrease and will be requested back. Council Member Raney commented nobody likes a 9% increase, Council has done the required due diligence and he also believes this increase is needed for current services to remain in place. He is out in the community every day and has not received any negative comments about the proposed increase. There are some expenses planned at West Hills that need to be done and it is Council's responsibility to take care of when need arises. Council Member Svenby commented he too does not like the proposed 9% increase and has not received any negative comments. With increasing engagement opportunities, he hopes next year he will receive more input from community members. With no additional comments, a vote was taken Resolution 103-22 was approved with a vote of 5-2, voting nay were Svenby and Boeke.

Resolution 104-22: Housing and Redevelopment Authority (HRA) 2023 Levy and Budget

Finance Director Moen presented Resolution 104-22 approving the final 2023 HRA levy and budget at \$195,000 each. The HRA is considered a special taxing district and its levy is adopted separately from the City levy. The amount of the levy shall be an amount approved by the governing body of the city, but not to exceed 0.0185 percent of estimated market value. Per the County Auditor & Assessor, the 2021 estimated market value was \$2,183,994,200. The allowable levy would be \$404,039 compared to the requested levy of \$195,000, a \$5,000 increase from 2022. Council Member Boeke commented the proposed HRA budget and levy are less than half of the allowed amount. Council Member Raney made a motion to approve

Resolution 104-22, Council Member Boeke seconded the motion, all members voted aye in favor.

Resolution 105-22: Set Date for Public Hearing on Proposed Assessments - Delinquent Utility Accounts

City Administrator Busse requested Council approve Resolution 105-22 setting a public hearing on January 17, 2023 to consider proposed assessment on delinquent utility accounts on property at 2365 43rd Street NW. Council Member Dotson made a motion to approve Resolution 105-22, Council Member Burbank seconded the motion, all members voted aye in approval.

Resolution 106-22: 2023 Election Polling Sites

City Administrator Busse presented Resolution 106-22 designating polling sites for public elections held during 2023. State Statute requires Minnesota municipalities designate precinct polling places for their elections by December 31 for the upcoming year and 90 days prior to a planned election. Currently, no elections are planned during 2023 but we must have sites named in the event a special election is called for. The city does have the ability to change a polling location mid-year for an emergency or if the polling place becomes unavailable. The city's ten 2023 Polling Site locations are the same sites used during 2022:

- Ward 1/Precinct 1 - Trinity Lutheran Church, 609 Lincoln Avenue
- Ward 1/Precinct 2 - Associated Church, 800 Havana Road
- Ward 2/Precinct 1 - Owatonna Public Library, 105 N Elm Avenue
- Ward 2/Precinct 2 - Bethel Church, 1611 Hemlock Ave
- Ward 3/Precinct 1 - Owatonna Arts Center, 540 West Hills Circle
- Ward 3/Precinct 2 - Emmanuel Lutheran Church, 750 Jeffrey Street
- Ward 4 /Precinct 1 - Sacred Heart Parish Center, 739 S Cedar Avenue
- Ward 4/Precinct 2 - Steele County History Center, 1700 Austin Road
- Ward 5/Precinct 1 - Grace Baptist Church, 265 26th St NE
- Ward 5 /Precinct 2- Our Savior's Lutheran Church, 1909 St Paul Road

Council Member Raney made a motion to approve Resolution 106-22, Council Member Dotson seconded the motion, all members voted aye for approval.

Resolution 107-22: Set Date for Public Hearing to Amend Assessments - 2018 Downtown Parking Lot & Alley Project

Council President Schultz recused himself and Vice-President Raney took over the meeting.

Assistant City Engineer Murphy requested approval of Resolution 107-22 setting a public hearing on Tuesday, January 17, 2023 to amend one assessment included in the 2018 Downtown Parking Lot & Alley Project. During the 2021 North Cedar Streetscape Project, alleys in the 100, 200, and 300 blocks were converted to pedestrian walkways. Staff recommended alley assessments be removed from the project funding due to the restriction of vehicular access and added amenities for gathering spaces. The west one hundred block alley on Cedar Avenue North, was resurfaced during the 2018 Downtown Parking and Alley Project, received significant improvements, and added amenities, including pedestrian lighting. A request was received from property owner of 114 Cedar Avenue North to remove assessments levied on properties abutting the one hundred block alley pedestrian improvements. The requested hearing will address striking 112 Cedar Avenue North from the assessment roll and declare no further

consideration of assessments at 114 Cedar Avenue North. Council Member Dotson made a motion to approve Resolution 107-22, Council Member Svenby seconded the motion, all members voted aye in favor.

Council President Schultz returned to his chair to preside over the remainder of meeting.

Letter Agreement for Bridge Street Lift Station SCADA Improvements - Advanced Engineering and Environmental Services, LLC

Assistant City Engineer Murphy requested Council approve a Letter Agreement with Advanced Engineering and Environmental Services, LLC (AE2S) for professional services relating to the West Bridge Street Lift Station SCADA Improvements. Under the agreement, AE2S will perform Control Panel Modifications and SCADA Programming Services. Control panel modifications will include removal of old equipment and installation of new equipment. These control panel updates will allow the lift station to be monitored by the existing SCADA system. The SCADA Programming Services consist of professional programming services for the Programmable Logic Controllers (PLCs), Operator Interface Terminal (OIT), cellular communications equipment, level transmitter and SCADA software related to the Project. AE2S shall render services under this Agreement on an hourly basis in accordance with the Hourly Fee Schedule shown, not to exceed \$29,850 without written authorization from the City of Owatonna.

Task	Professional Fees
Control Panel Modifications Equipment	\$16,100
SCADA Programming Services	<u>\$13,750</u>
Total Fee	\$29,850

Council Member Raney made a motion to approve this agreement, Council Member Boeke seconded the motion, all members voted aye for approval.

Staff Updates

Troy Klecker, Community Development Director commented staff has issued Certificates of Occupancy for the State Street Storage, Holiday Gas Station, and the airport hangar. Progression reports on various projects including Monson Eye Clinic, Meadowview Apartments, Baldwin Supply, Deml's storage building, Cemstone, CDI, Unique Apartments, and Profinium Bank. Condolences to the family of Sandy Rickerl who passed away this last week, Sandy retired after working 42 years for the City in the Building and Inspection Department and then worked part-time training new staff members during the last three years. She worked with the Planning Commission for many years will be missed.

Rhonda Moen, Finance Director commented staff is busy preparing for year-end activities. Last week, she locked in the interest rate on the Wastewater Treatment Plant expansion project at one-half (1/2) percent less than anticipated. This lower interest rate will result a significant lower interest expense on the 35-million-dollar loan. Bond council is preparing the project's financing documents which will be brought to Council at a future meeting. Council Member Raney asked when he would receive a 2023 Budget Book, Moen responded budget information is all available online and no budget books will be printed this year.

Sean Murphy, Assistant City Engineer commented it will be nice when the financing for the WWTP is completed. There is a new drone video available on the city's website showing progress of the WWTP project. He asked everyone to be cautious when snowplows are out, give them some room and extra time to get the streets cleared.

Jenna Tuma, Parks, Recreation & Facilities Director introduced Jesse Wilker, Parks Manager and Kevin Nelson, Laborer/Equipment Operator. Wilker commented staff is removing snow at the ice rinks, there is currently 5-6 inches of ice so hoping will be able to open next week. Snowshoe and cross-country ski trails are currently open, anticipating snow and wind this week but will continue to open the trails when we can. We began using the load and pack this year, Kevin Nelson has been the main operator on this machine which does provide safety and efficiency in trash removal. Kevin commented it is nice to be able to drive to the container, pick it up and empty it without having to touch it. Council Member Raney commented this is a great tool, we have a lot of parks and collect a lot of garbage, this machine allows our employee to stay in the cab and not out in the cold trying to manage the cold cans. Council Member Boeke commented this has been a win for Kevin's position and also for the parks and all citizens of Owatonna. Tuma commented beginning January 1st, an annual pass will be available for use of the gym.

Deanna Sheely, Communications Manager commented Marketing Communication Plans have been prepared for the Riverfront Development project and the Chamber Renovation project. Other items she has been working on include: Internal Communication Plan; Culture Team Meetings; internal employee newsletter; OpenGov; WWTP Expansion Project; 2023 Budget (last year there were nine deliverables and this year to date, there have been 34 so people should know about our city budget); State of the City Address; Community Wide Branding Project; evaluating two-way communication platforms, TIF FAQs and power point presentation; Recruitment Profile, Legal THC, Roundabouts, P&R 2023 advertising campaign for Brooktree Golf Course, River Springs Water Park, Summer Fun in Owatonna. Working with staff to maintain established communication channels:

Owatonna Chronicles is newsletter published monthly in the Owatonna Peoples Press

Focus on Owatonna is newsletter published weekly in the Steele County Times

City Spotlight Video is prepared monthly

Straight Talk Interview with Limberg Production is done monthly

Talk of the Town – radio interview is monthly

OPU Newsletter – City Spot article each month

and postings to the city's website, Facebook, and PEG Channel

Sheely reminded everyone City offices will be closed Friday, December 23 and Monday, December 26th for Christmas and on Monday, January 2nd for New Years.

Public Comments

None were heard.

Council/Administration Comments and General Information

Council Member Burbank thanked the police officer for attending tonight's meeting and thanked Finance Director for providing Council a meal prior to the meeting. He asked everyone to be careful if traveling for the holiday.

Council Member Boeke wished everyone a Merry Christmas and Happy Holidays.

Council Member Raney commented the data in tonight's packet from the Fire Department shows they were less labor, and overtime paid this last year, it appears Chief Hoffman is paying attention to detail, and he appreciates receiving this detailed report. He received several calls about the N Cedar Streetscape Project and hopes resolution can be made if property owners were double billed for plumbing services. He then wished everyone a Merry Christmas and added it looks like there will be snow on the rooftops for Santa Claus.

Council Member Svenby wished everyone Happy Holidays.

Council Member Voss commented the parks are in great shape. He was out in the ravine last weekend with snowshoes on where it was quiet and quite beautiful. He hopes everyone gets the opportunity to get out and enjoy this area. He asked everyone to be safe and have a Merry Christmas.

Council Member Dotson wished everyone enjoys their holidays.

Council President Schultz also wished everyone a Merry Christmas and Happy New Year

Adjournment

At 8:05 p.m., Council Member Raney made a motion to adjourn, Council Member Dotson seconded the motion, all members voted aye in approval.

Respectfully Submitted,

Jeanette Clawson, Administrative Specialist



Board - Commission Minutes

The Owatonna Public Utilities Commission met in regular session in the Morehouse Conference Room at the Owatonna Public Utilities. Present were Commissioners Johnson, Zirngible, Kottke, Rossi and Doyal. Also present were General Manager Warehime; City Administrator Busse; Director, Finance & Administration Olson; Director, Engineering & Field Operations Fenstermacher; Director, Information Technology & Metering Baum; Manager, Facilities, Gas & Water Engineering & Operations Prokopec; Supervisor, Accounting Linders; Executive, Communications & Administration Coordinator Schmoll; Key Account and Energy Conservation Officer Hendricks; and OPU employees Lori Jerpbak, Shanda Meier, Samuel Bahl, and Lance Diderrich. Virtual attendee included Rick Naymark, Q Market Research.

President Johnson opened the meeting by asking for approval of the agenda and the consent agenda items. The consent agenda items consisted of the Minutes from the special budget meeting of November 7, 2022; the regular Commission meeting of October 25, 2022 and the Contributed Services report as of October 31, 2022. Commissioner Doyal moved to approve the agenda and consent agenda. Commissioner Zirngible seconded the motion. All members voting Aye, the motion passed.

Committee Reports

Personnel Committee – Commissioner Rossi reported the Personnel Committee did not meet.

Finance Committee Update – Commissioner Kottke reported the Finance Committee met, reviewed, and approved Vouchers totaling \$4,961,657.96. He further noted 4 work orders were closed coming in more than 10% under budget. 43 work orders remain open and \$6.2M has been spent of \$10.8 approved. With interest rates rising about \$1.5M of reserves was invested in new CD's with rates above 4%. All three utilities have net incomes higher than budget and are doing well.

City Administrator's Report

City Administrator Busse reported the final budget and levy is scheduled to be acted upon by the City Council on December 20th. The budget included a \$1.6 million upgrade to the Council Chambers.

Customer Satisfaction Survey

Rick Naymark from Q Market Research discussed the results and the key findings of the most recent customer satisfaction survey. He noted, the Net Promoter Score is the one most looked at and currently OPU's is 57.4 which is in the excellent range.

2023 Budget, 2024-2027 Forecast

Director, Finance & Administration Olson presented the 2023 Budget and 2024-2027 Forecast to the Commission. Commissioner Kottke noted he feels there are some things in the budget that qualify as "nice to have" versus "need to have". With the increase in fixed costs Mr. Kottke feels now is not the time to do some of the "nice to have" projects. One of the projects that Mr. Kottke feels should be put on hold is the new AV system for the Morehouse Room. Mr. Kottke also asked for a 5-7 year technology outlook based on the Technology budget going from \$30,000 to \$500,000. The Commission needs a better understanding of what is included in these dollar amounts. Director, Information Technology and Metering Baum noted, beginning in January, the IT department will bring more information to the Commission regarding IT projects.

The other item the Commission voiced concerns about is the increased dollar amount for the Corridor Beautification project. They noted, in previous years, \$100,000 was set aside for Corridor Beautification beginning with Oak Ave. being the main focus to help encourage development in the south part of town. Then, we decided to shift some of those dollars into the Streetscape project. While the Commission understands

there are specific projects these dollars are assigned to, they do not feel the amount needed for these projects should quadruple. Director, Engineering & Field Operations Fenstermacher discussed the two different components associated with the projects in the budget. He noted there is the street light component that comes into play regarding parking lots and streets and then there is the underground component whereby OPU tries to coordinate with the City projects so streets only have to be opened up one time which leads to less inconvenience for our customers. The majority of this budget item is infrastructure which about \$150,000 being set aside for corridor restructure. After more discussion on the Riverfront project, Commissioner Kottke moved to approve the presented budget with a cap of \$200,000 on the corridor beautification item, and the removal of some of the information technology items previously discussed. Commissioner Zirngible seconded the motion. Four Commissioners voted approval, one Commissioner voted against. The motion passed.

Director, Finance and Administration Olson noted the discussed changes will be made and work orders will be brought to the next Finance Committee meeting.

Rate Policies

Director, Finance and Administration Olson presented the rate policies to the Commission. The policies included:

- 501.81 ER99 Residential Electric Rates
- 501.82 EC99 Commercial Electric Rates
- 501.33 EM05 TOU Electric Rates – Secondary Meters
- 501.34 EMP5 TOU Electric Rates – Primary Meters
- 501.83 ES05 TOU Electric Rates – Secondary Meters – Winter Peaking
- 501.84 ESP5 TOU Electric Rates – Primary Meters – Winter Peaking
- 501.80 EM6 TOU Electric Rates – Municipal Water Pumping
- Residential, Commercial and Industrial Water Rates
- 503.10 GR99 Residential Gas Rates
- 503.20 GC99 Commercial Gas Rates
- 503.51 GB50 Small Industrial Gas Rates
- 503.52 GB60 Medium Industrial Gas Rates
- 503.53 GB70 Large Industrial Gas Rates
- 503.30 GB98 Large Industrial Hedged Gas Rates
- 503.90 GC07 Crop Drying Gas Rates

After discussion regarding reserves and the purchased gas adjustment, Commissioner Kottke moved to approve the rate policies as presented with the understanding the Commission will review the impact on rates on a monthly basis and will make adjustments, as necessary. Commissioner Zirngible seconded the motion. All Commissioners voting Aye, the motion passed.

General Manager/Staff Report

General Manager Warehime introduced lineworkers Samuel Bahl and Lance Diderrich who presented to the Commission on their mutual aid trip to Florida. They recapped Hurricane Ian, their drive to Florida, the work they performed while there, and how the crew met OPU's core values while there including coming home safely with NO injuries.

Director, Engineering & Field Operations Fenstermacher updated the Commission on supply chain issues. He noted, product prices are beginning to soften but lead times on transformers continues to be an issue. On the 70 single phase and 12 3-phase transformers we have ordered, the lead time is 31 to 75 weeks.

Mr. Fenstermacher also updated the Commission on how the data being collected from the AMI system is helping to better size our existing transformers to better utilize the transformer stock we have.

Director, Finance & Administration Olson updated the Commission on the Feasibility Study. He noted, after Leo A. Daly reported to the Commission in September, the take aways from that meeting were passed along and they have been asked to come up with other options including leaving building #4 intact with a possible repurpose. The new report will be shared with the Commission once it is received.

General Manager Warehime encouraged the Commissioners to attend the State of the Utility meeting on December 9th.

Commission Roundtable

Commissioner Rossi expressed appreciation for the conversation surrounding the budget.

Commissioner Kottke thanked the linemen for their work in Florida and for their presentation, the team that supported the decision for them to go, as well as the ones who stayed behind to cover the work here. He noted, it reinforces the Owatonna Proud mentality.

Commissioner Zirngible complimented OPU on the customer service survey and encouraged them to keep up the good work.

Commissioner Doyal expressed how proud he is of OPU and its employees. The presentation on the hurricane mutual aid was impressive.

President Johnson added, great job on the customer service survey, noting it is very impressive. He thanked the linemen for their presentation on the hurricane mutual aid and for going there to perform the work. He concluded by thanking staff for the budget and all the work that went into it.

Adjournment

There being no further business to come before the Commission, the meeting adjourned at 5:36 p.m.

Respectfully submitted,

Tammy Schmoll,
Executive, Communications & Administration Coordinator

MINUTES
OWATONNA HOUSING AND REDEVELOPMENT AUTHORITY
REGULAR MEETING on NOVEMBER 28, 2022

The regular meeting of the Owatonna Housing and Redevelopment Authority was called to order at 4:00 p.m. in the 2nd Floor Conference Room by Chairperson Olivo.

Members present were John Hole, Shari Kropp, Vicky Olivo, and Hussein Osman. Also present were Housing Manager Ghassan Madkour, and Community Development Director Troy Klecker.

Approval of the Minutes: Chairperson Olivo called for a motion to approve the minutes of the October 24, 2022, meeting. A motion was made by Hussein and seconded by Kropp to approve the minutes. All Commissioners voting Aye, the motion carried.

Executive Directors Report: Klecker gave project updates. He said that the garages are starting to go up at Westlake Meadows. The apartment building on 26th Street and Cedar Avenue North is having some issues. The plumbing was not done according to plan, so they will have to go back to the architect to verify that what they did will work, or else they will have to redo it. He said they've had discussions with developers on Eastgate 2. They're looking at modular construction. He said he spoke with another property owner in town about an apartment building, and they're investigating that. There is some good interest in apartments. They're also working with a developer on a single-family development near the water park. They've seen a layout of that property. He said he and Karina Schmitz, MN Prairie, met with Colonial Manor. They talked about the vacant lots that they have and how they may be able to best fill them. She may have some ways of working with a developer that would put units in those vacant lots and then rent them out. Colonial Manor is open to doing that. Some of the vacant lots are tougher because they are next to older units. They were going to do some work on enforcement and clean up to make the vacant lots more appealing. They also talked about expansion of the Mobile Home Park. Klecker explained that the difference between Colonial Manor and Skyline Gardens is that the streets and utilities for Colonial Manor are all public, whereas Skyline Gardens is private. This means Colonial Manor can keep their lot rents down. He said that if they do expand, they would like to do it so that the rents can be kept at a lower rate. He said that they have started the platting process of the lot that we own. It was actually attached to another parcel, so it might take more time. We have to do it regardless. They are physically separated but have the same parcel number. Now they have to go through a legal process to figure it out. Klecker said that the Riverfront project is a redevelopment project that Redline Development is doing. It's taking that whole block north of Vine Street and West of Oak, including the Chamber of Commerce and demolishing them and vacating the street and constructing a new multi-use building that will include a bank, MSB, underground parking, commercial space, and four floors of apartments. They're calling them luxury apartments. They aren't starter units or for families but are more one and two-bedrooms, but they could open up some houses as people move into the apartments. He said more housing is better, especially if you can create options that don't currently exist. Construction would start in the spring and would be about 18 months, so it would be open the fall of 2024.

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. Program utilization: The Housing Voucher program for October totaled 122. Total year to date assistance and administration costs were \$588,325.60 and revenues were \$533,883.95. The Housing Choice Voucher Program fund balance at October month end is \$174,051.83. Madkour provided City of Owatonna HRA monthly balance sheet and revenue/expense reports for the HRA General Fund including the Bridges Programs. The HRA Revenues year to date total is \$396,022.45 and the expenses total \$339,925.95 The HRA General Fund balance is \$484,997.94.

Madkour said he's been putting out more applications for HCV. He's still mailing Mainstream voucher applications as people are qualified. Currently we have 10 Bridges clients shopping and 11 HCV clients shopping and three of those are Mainstream. He's receiving applications from all directions. He has eight

new waitlist applications to add. There are two people coming on board, but unfortunately, we lost two in two weeks to deaths. We have had three that are on board that passed away and an additional two that were out searching for units that passed away. He said he will provide a breakdown of all of the clients in January. He will also have a list of EOP, End of Participation – people who were on the program. He said that case workers outside of our city that he's never heard of have been calling. They're from the Cities, Austin, Iowa, etc. They're moving forward looking into the homeownership program. HCV Ownership only applies to people on the program, so they have to be active HCV clients. They would have to qualify based on their income, and it would have to pass an initial inspection. It does go through USDA for loans. This is a step forward for people to be able to have homeownership.

A motion was made by Hole and seconded by Osman to approve the reports as presented. All Commissioners voting Aye, the motion carried.

Other Business: Olivo said that the December meeting will be cancelled.

The next meeting will be Monday, January 23, 2023.

Adjournment: There being no further business, a motion to adjourn was made by Hole, seconded by Kropp. All Commissioners voting Aye, the motion carried. The meeting adjourned at 4:36 p.m.

Respectfully Submitted,
Ghassan Madkour
Housing Manager



Licenses - Permits

LG220 Application for Exempt Permit

An exempt permit may be issued to a nonprofit organization that:

- conducts lawful gambling on five or fewer days, and
- awards less than \$50,000 in prizes during a calendar year.

If total raffle prize value for the calendar year will be \$1,500 or less, contact the Licensing Specialist assigned to your county by calling 651-539-1900.

Application Fee (non-refundable)

Applications are processed in the order received. If the application is postmarked or received 30 days or more before the event, the application fee is **\$100**; otherwise the fee is **\$150**.

Due to the high volume of exempt applications, payment of additional fees prior to 30 days before your event will not expedite service, nor are telephone requests for expedited service accepted.

ORGANIZATION INFORMATION

Organization Name: Owatonna Area Chamber of Commerce & Tourism Previous Gambling Permit Number: X-74012-21-019
 Minnesota Tax ID Number, if any: 9124510 Federal Employer ID Number (FEIN), if any: 41-0639369
 Mailing Address: 320 Hoffman Drive
 City: Owatonna State: MN Zip: 55060 County: Steele
 Name of Chief Executive Officer (CEO): Brad Meier
 CEO Daytime Phone: 5074517970 CEO Email: bmeier@owatonna.org
 (permit will be emailed to this email address unless otherwise indicated below)
 Email permit to (if other than the CEO): _____

NONPROFIT STATUS

Type of Nonprofit Organization (check one):

☐ Fraternal ☐ Religious ☐ Veterans ☒ Other Nonprofit Organization

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

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

☐ **A current calendar year Certificate of Good Standing**

Don't have a copy? Obtain this certificate from:

MN Secretary of State, Business Services Division
 60 Empire Drive, Suite 100
 St. Paul, MN 55103

Secretary of State website, phone numbers:

www.sos.state.mn.us

651-296-2803, or toll free 1-877-551-6767

☐ **IRS income tax exemption (501(c)) letter in your organization's name**

Don't have a copy? To obtain a copy of your federal income tax exempt letter, have an organization officer contact the IRS toll free at 1-877-829-5500.

☐ **IRS - Affiliate of national, statewide, or international parent nonprofit organization (charter)**

If your organization falls under a parent organization, attach copies of both of the following:

1. IRS letter showing your parent organization is a nonprofit 501(c) organization with a group ruling; and
2. the charter or letter from your parent organization recognizing your organization as a subordinate.

GAMBLING PREMISES INFORMATION

Name of premises where the gambling event will be conducted
 (for raffles, list the site where the drawing will take place): SpareTime Entertainment

Physical Address (do not use P.O. box): 333 SE 18th Street

Check one:

☒ City: Owatonna Zip: 55060 County: Steele
☐ Township: _____ Zip: _____ County: _____

Date(s) of activity (for raffles, indicate the date of the drawing): Sunday, February 19, 2023

Check each type of gambling activity that your organization will conduct:

☐ Bingo ☐ Paddlewheels ☐ Pull-Tabs ☐ Tipboards ☒ Raffle

Gambling equipment for bingo paper, bingo boards, raffle boards, paddlewheels, pull-tabs, and tipboards must be obtained from a distributor licensed by the Minnesota Gambling Control Board. EXCEPTION: Bingo hard cards and bingo ball selection devices may be borrowed from another organization authorized to conduct bingo. To find a licensed distributor, go to www.mn.gov/gcb and click on **Distributors** under the **List of Licensees** tab, or call 651-539-1900.

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

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

- ☒ The application is acknowledged with no waiting period.
- ☐ The application is acknowledged with a 30-day waiting period, and allows the Board to issue a permit after 30 days (60 days for a 1st class city).
- ☐ The application is denied.

Print City Name: Owatonna

Signature of City Personnel:

Jeannette Clawson
Title: Administrator Date: 12/20/2022
Specialist

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

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

- ☐ The application is acknowledged with no waiting period.
- ☐ The application is acknowledged with a 30-day waiting period, and allows the Board to issue a permit after 30 days.
- ☐ The application is denied.

Print County Name: _____

Signature of County Personnel: _____

Title: _____ Date: _____

TOWNSHIP (if required by the county)

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

Print Township Name: _____

Signature of Township Officer: _____

Title: _____ Date: _____

CHIEF EXECUTIVE OFFICER'S SIGNATURE (required)

The information provided in this application is complete and accurate to the best of my knowledge. I acknowledge that the financial report will be completed and returned to the Board within 30 days of the event date.

Chief Executive Officer's Signature: Bradley Meier Date: 12-20-2022
(Signature must be CEO's signature; designee may not sign)

Print Name: Brad Meier

REQUIREMENTS

Complete a separate application for:

- all gambling conducted on two or more consecutive days; or
- all gambling conducted on one day.

Only one application is required if one or more raffle drawings are conducted on the same day.

Financial report to be completed within 30 days after the gambling activity is done:

A financial report form will be mailed with your permit. Complete and return the financial report form to the Gambling Control Board.

Your organization must keep all exempt records and reports for 3-1/2 years (Minn. Statutes, section 349.166, subd. 2(f)).

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

application. Your organization's name and address will be public information when received by the Board. All other information provided will be private data about your organization until the Board issues the permit. When the Board issues the permit, all information provided will become public. If the Board does not issue a permit, all information provided remains private, with the exception of your organization's name and address which will remain public. Private data about your organization are available to Board members, Board staff whose work requires access to the information; Minnesota's Depart-

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

MAIL APPLICATION AND ATTACHMENTS

Mail application with:

- _____ a copy of your proof of nonprofit status; and
- _____ application fee (non-refundable). If the application is postmarked or received 30 days or more before the event, the application fee is **\$100**; otherwise the fee is **\$150**. Make check payable to **State of Minnesota**.

To: Minnesota Gambling Control Board
1711 West County Road B, Suite 300 South
Roseville, MN 55113

Questions?

Call the Licensing Section of the Gambling Control Board at 651-539-1900.

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

An equal opportunity employer



Miscellaneous



Finance Department

DATE: January 3, 2023
TO: Mayor and City Council
FROM: Rhonda Moen, Director
SUBJECT: Software Subscription - DebtBook

Purpose:

Council approval of an agreement for software subscription with DebtBook.

Background:

The City has nearly 75 lease agreements. Utilizing software to track all of these leases and their different lease terms will be very beneficial for the City. Governmental Accounting Standards Board (GASB) 87 Leases is effective for 2022 for the City. This software will aid in meeting the reporting requirements of GASB 87. The reporting requirements are complex and it became apparent that we would need to utilize something to aid in meeting these requirements. DebtBook came highly recommended by several other government organizations, including Steele County.

Budget Impact:

There will be a cost of \$10,125 for the first year, which includes implementation costs. The second year of the subscription will have a cost of \$9,750. These funds have been included in the 2023 budget.

Staff Recommendation:

Staff recommends approval.

Attachments:

1. DebtBook Order Form - Owatonna, MN - unsigned

ORDER FORM

Fifth Asset, Inc., d/b/a DebtBook ("**DebtBook**") is pleased to provide Owatonna, MN ("**Customer**") with the Services subject to the terms established in this Order Form, including DebtBook's Price Quote attached as **Exhibit A** and incorporated herein by this reference (the "**DebtBook Quote**"). This Order Form may be modified or replaced from time to time by a subsequent Order Form duly executed and delivered by each party in connection with any Renewal Term.

The Services are subject to DebtBook's General Terms & Conditions, which have been provided to Customer (the "**Terms & Conditions**"), and the Incorporated Documents referenced in the Terms & Conditions. Each capitalized term used but not defined in this Order Form has the meaning given in the Terms & Conditions.

Order Form Details	
Effective Date: 12/28/22	Billing Frequency: Annually
Initial Term End Date: 12/27/23	Payment Terms: Net 30
Initial Pricing Tier: Tier 2	See the DebtBook Quote for more details

Services. Subject to the terms described in this Order Form, DebtBook will grant Customer access to the Application Services during the Initial Term described above and, if applicable, each subsequent Renewal Term. As part of the onboarding process, DebtBook will provide Customer with the Onboarding Services and, if requested, the Implementation Services. DebtBook will also provide Customer with the Support Services throughout the Term.

Fees. DebtBook will charge Customer (1) a recurring Subscription Fee for Customer's access to the Onboarding Services, the Application Services, and the Support Services and (2) if applicable, an Implementation Fee for the Implementation Services, in each case as set forth in the DebtBook Quote and this Order Form.

Generally, DebtBook sets Fees using its standard pricing schedule for the Services based on the Customer's applicable Pricing Tier, which is based on the total number and amount of the Customer's Application Obligations at the time of determination. DebtBook's current pricing schedule and Pricing Tiers are set forth in the DebtBook Quote (the "**Current Pricing**"), which will remain in effect with respect to Customer throughout the Initial Term and for one additional 12-month Renewal Term (the "**Initial Renewal Term**").

The Initial Pricing Tier indicated above is based on Customer's good faith estimate of its Application Obligations as of the Effective Date. The Subscription Fees to be charged as provided in the DebtBook Quote will not change during the Initial Term, regardless of any change to the actual number or amount of the Customer's Application Obligations during the Initial Term.

Implementation Services. At Customer's request, DebtBook will provide Implementation Services to Customer for a 12-month period, with each such period beginning, if applicable, on the Effective Date and on each anniversary of the Effective Date thereafter (each, an "**Implementation Period**"). Customer may request Implementation Services at any time during the Term.

If Implementation Services are requested for any Implementation Period, then the Implementation Fee will be based on the aggregate number and amount of the Customer's Application Obligations at the beginning of such Implementation Period. The Implementation Fee will be due and payable at the later of (1) the beginning of the applicable Implementation Period or (2) the date on which Customer requests Implementation Services for such Implementation Period, and will entitle Customer, in each case, to Implementation Services at the applicable Pricing Tier through the end of the Implementation Period then in effect.

For any Implementation Period, if the total number or amount of Customer's Application Obligations implemented causes Customer's applicable Pricing Tier to increase, then DebtBook will charge Customer an additional Implementation Fee such that the total Implementation Fee charged for such Implementation Period equals the Implementation Fee applicable to the increased Pricing Tier as set forth in the DebtBook Quote.

Billing. Unless otherwise provided in the Order Form or the Customer Terms, all Fees will be due and payable in advance on the terms indicated above, and each invoice will be emailed to the Customer's billing contact indicated below.

Renewal Term. For the Initial Renewal Term, the Agreement is subject to renewal at the Customer's discretion based on DebtBook's Current Pricing and the aggregate number and amount of the Customer's Application Obligations at the time of such renewal. After the Initial Renewal Term, the Agreement is subject to renewal on the terms set forth in the Terms & Conditions. The Pricing Tier applicable for each subsequent Renewal Term will be determined based on the aggregate number and amount of the Customer's Application Obligations at the time of renewal.

Termination. The Agreement is subject to early termination on the terms set forth in the Terms & Conditions.

Entire Agreement. By executing this Order Form, each party agrees to be bound by this Order Form, the Terms & Conditions, the Incorporated Documents, and any Customer Terms.

This Order Form, the Customer Terms, the Terms & Conditions, and the Incorporated Documents constitute the complete "Agreement" between the parties and supersede any prior discussion or representations regarding the Customer's purchase and use of the Services.

Intellectual Property. Except for the limited rights and licenses expressly granted to Customer under this Order Form and the Terms & Conditions, nothing in the Agreement grants to Customer or any third party any intellectual property rights or other right, title, or interest in or to the DebtBook IP.

Important Disclaimers & Limitations. EXCEPT FOR THE WARRANTIES SET FORTH IN THE TERMS & CONDITIONS, DEBTBOOK IP IS PROVIDED "AS IS," AND DEBTBOOK DISCLAIMS ALL WARRANTIES, WHETHER EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE, INCLUDING ALL IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, AND NON-INFRINGEMENT AND ALL WARRANTIES ARISING FROM COURSE OF DEALING, USAGE, OR TRADE PRACTICE. IN ADDITION, TO THE EXTENT PERMITTED BY APPLICABLE LAW, THE PARTIES' LIABILITIES UNDER THE AGREEMENT ARE LIMITED AS SET FORTH IN THE TERMS & CONDITIONS.

Notices. Any Notice delivered under the Agreement will be delivered to the address below each party's signature below.

Authority; Execution. Each of the undersigned represents that they are authorized to (1) execute and deliver this Order Form on behalf of their respective party and (2) bind their respective party to the terms of the Agreement. This Order Form and any other documents executed and delivered in connection with the Agreement may be executed in counterparts, each of which is deemed an original, but all of which together are deemed to be one and the same agreement. To the extent permitted by applicable law, electronic signatures may be used for the purpose of executing the Order Form by email or other electronic means. Any document delivered electronically and accepted is deemed to be "in writing" to the same extent and with the same effect as if the document had been signed manually.

FIFTH ASSET, INC., D/B/A DEBTBOOK

Owatonna, MN

By: Tyler Traudt
Name: Tyler Traudt
Title: CEO

By: _____
Name: _____
Title: _____

Notice Address

300 W. Summit Avenue, Suite 110
Charlotte, NC 28203
Attention: Chief Executive Officer
tyler.traudt@debtbook.com

Notice Address

540 West Hills Circle
Owatonna, MN 55060
Attention: Rhonda Moen, Finance Director
rhonda.moen@ci.owatonna.mn.us

Billing Contact

Same as above

Exhibit A
DebtBook Quote

[See attached.]

DebtBook Quote - Owatonna, MN

Rhonda Moen

rhonda.moen@ci.owatonna.mn.us

(507) 774-7350

Quote created: December 9, 2022

Quote expires: December 30, 2022

Quote created by: Phil Hidy

Sales Director

phil.hidy@debtbook.com

Comments from Phil Hidy

Products & Services

Item & Description	SKU	Quantity	Unit Price	Total
22 Subscription Fee Tier 2 This represents the annual subscription fee your organization pays for the Application Services, Onboarding Services, and Support Services. This includes unlimited users and external sharing.	22ST2-3	1	\$9,750.00 / year	\$8,125.00 / year after \$1,625.00 discount for 1 year
22 White Glove Implementation Fee Tier 2 This covers the cost of our White Glove Implementation process for your organization.	22WGI2-3	1	\$2,000.00	\$2,000.00 for 1 year
			Total	\$10,125.00

2022 Pricing Tiers

The below tiers represent DebtBook's 2022 Pricing Tiers.

TIER	DEBT, LEASE & SBITA AGREEMENTS (# AND \$)	ANNUAL	White Glove Implementation	Guided Implementation
1	Up to 15 and \$50 million	\$6,500	\$0	\$0
2	Up to 75 or \$200 million	\$9,750	\$2,000	\$0
3	Up to 150 or \$1 billion	\$15,000	\$3,000	\$0
4	Up to 225 or \$2 billion	\$25,000	\$4,000	\$0
5	Up to 300 or \$5 billion	\$40,000	\$5,000	\$0
6	Up to 400 or \$7 billion	\$55,000	\$6,000	\$0
7	Up to 600 or \$8.5 billion	\$65,000	\$8,000	\$0
8	Up to 800 or \$10 billion	\$75,000	\$10,000	\$0

Questions? Contact me

DEBTBOOK'S GENERAL TERMS & CONDITIONS

Please carefully read these General Terms and Conditions (these “**Terms & Conditions**”) which govern the Customer's access and use of the Services described in the Order Form.

By executing the Order Form and using any of the Services, the Customer agrees to be bound by these Terms.

1. Definitions.

“**Aggregated Statistics**” means data and information related to Customer's use of the Services that is used by DebtBook in an aggregate and anonymized manner, including statistical and performance information related to the Services.

“**Agreement**” means, collectively and to the extent applicable, the Order Form, any Customer Terms, these Terms & Conditions, and the Incorporated Documents, in each case as may be amended from time to time in accordance with their terms.

“**Application Obligations**” means, collectively, Customer's debt, lease, and other financial obligations relevant to the Application Services.

“**Application Services**” means DebtBook's debt, lease, and financial obligation management and compliance software-as-a-service application.

“**Appropriate Security Measures**” means, collectively, commercially reasonable technical and physical controls and safeguards intended to protect Customer Data against destruction, loss, unauthorized disclosure, or unauthorized access by employees or contractors employed by DebtBook.

“**Authorized User**” means any of Customer's employees, consultants, contractors, or agents who are authorized by Customer to access and use any of the Services.

“**Customer**” means the person or entity purchasing the Services as identified in the Order Form.

“**Customer Data**” means, other than Aggregated Statistics, information, data, and other content, in any form or medium, that is transmitted by or on behalf of Customer or an Authorized User through the Services.

“**Customer Terms**” means any terms or agreements provided by Customer and applicable to the Services but only to the extent such terms or agreements are expressly referenced and incorporated into the Order Form. For the avoidance of doubt, “Customer Terms” does not include any purchase order or similar document generated by Customer unless such document is expressly referenced and incorporated into the Order Form.

“**DebtBook**” means Fifth Asset, Inc., d/b/a DebtBook, a Delaware corporation, and its permitted successor and assigns.

“**DebtBook IP**” means (1) the Services, Documentation, and Feedback, including all ideas, concepts, discoveries, strategies, analyses, research, developments, improvements, data, materials, products, documents, works of authorship, processes, procedures, designs, techniques, inventions, and other intellectual property, whether or not patentable or copyrightable, and all embodiments and derivative works of each of the foregoing in any form and media, that are developed, generated or produced by DebtBook arising from or related to the Services, Documentation, or Feedback; and (2) any intellectual property provided to Customer or any Authorized User in connection with the foregoing other than Customer Data.

“**Documentation**” means DebtBook's end user documentation and content, regardless of media, relating to the Services made available from time to time on DebtBook's website at <https://support.debtbook.com>.

“**Feedback**” means any comments, questions, suggestions, or similar feedback transmitted in any manner to DebtBook, including suggestions relating to features, functionality, or changes to the DebtBook IP.

“**Governing State**” means, if Customer is a Government Entity, the state in which Customer is located. If Customer is not a Government Entity, “Governing State” means the State of North Carolina.

“**Government Entity**” means any unit of state or local government, including states, counties, cities, towns, villages, school districts, special purpose districts, and any other political or governmental subdivisions and municipal corporations, and any agency, authority, board, or instrumentality of any of the foregoing.

“Implementation Services” means, if requested by Customer, the additional implementation services provided to Customer on an annual basis, including tailored implementation support, review of Application Obligations, and entry of relevant Customer Data.

“Incorporated Documents” means, collectively, the Privacy Policy, the SLA, and the Usage Policy, as each may be updated from time to time in accordance with their terms. The Incorporated Documents, as amended, are incorporated into these Terms & Conditions by this reference. Current versions of the Incorporated Documents are available at <https://www.debtbook.com/legal>.

“Initial Term” means the Initial Term of the Services beginning on the Effective Date and ending on the Initial Term End Date, as established in the Order Form.

“Onboarding Services” means onboarding services, support, and training as required to make the Application Services available to the Customer during the Initial Term.

“Order Form” means (1) the order document executed and delivered by DebtBook and Customer for the Initial Term or (2) to the extent applicable, any subsequent order document executed and delivered by DebtBook and Customer for any Renewal Term.

“Pricing Tier” means the Customer’s applicable pricing tier, determined based on the number and amount of Application Obligations at the time of determination, as set forth in the schedule included as part of the Order Form.

“Privacy Policy” means, collectively, DebtBook’s privacy policy and any similar data policies generally applicable to all users of the Application Services, in each case as posted to DebtBook’s website and as updated from time to time in accordance with their terms.

“Renewal Term” means any renewal term established in accordance with the terms of the Agreement.

“Services” means, collectively, the Application Services, the Onboarding Services, the Implementation Services, and the Support Services.

“SLA” means the Service Level Addendum generally applicable to all users of the Application Services, as posted to DebtBook’s website and as updated from time to time in accordance with its terms.

“Support Services” means the general maintenance services and technical support provided in connection with the Application, as more particularly described in the SLA.

“Term” means, collectively, the Initial Term and, if applicable, each successive Renewal Term.

“Usage Policy” means, collectively, DebtBook’s acceptable usage policy, any end user licensing agreement, or any similar policy generally applicable to all end users accessing the Application Services, in each case as posted to DebtBook’s website and as updated from time to time in accordance with its terms.

Each capitalized term used but not otherwise defined in these Terms & Conditions has the meaning given to such term in the applicable Order Form.

2. Access and Use.

(a) Provision of Access. Subject to the terms and conditions of the Agreement, DebtBook grants Customer and Customer’s Authorized Users a non-exclusive, non-transferable (except as permitted by these Terms) right to access and use the Application Services during the Term, solely for Customer’s internal use and for the Authorized Users’ use in accordance with the Agreement. DebtBook will provide to Customer the necessary passwords and network links or connections to allow Customer to access the Application Services.

(b) Documentation License. Subject to the terms and conditions of the Agreement, DebtBook grants to Customer and Customer’s Authorized Users a non-exclusive, non-sublicensable, non-transferable (except as permitted by these Terms) license to use the Documentation during the Term solely for Customer’s and its Authorized User’s internal business purposes in connection with its use of the Services.

(c) Customer Responsibilities. Customer is responsible and liable for its Authorized Users’ access and use of the Services and Documentation, regardless of whether such use is permitted by the Agreement. Customer must use reasonable efforts to make all Authorized Users aware of the provisions applicable to their use of the Services, including the Incorporated Documents.

(d) **Use Restrictions.** Customer may not at any time, directly or indirectly through any Authorized User, access or use the Services in violation of the Usage Policies, including any attempt to (1) copy, modify, or create derivative works of the Services or Documentation, in whole or in part; (2) sell, license, or otherwise transfer or make available the Services or Documentation except as expressly permitted by the Agreement; or (3) reverse engineer, disassemble, decompile, decode, or otherwise attempt to derive or gain access to any software component of the Services, in whole or in part. Customer will not knowingly transmit any personally identifiable information to DebtBook or any other third-party through the Services.

(e) **Suspension.** Notwithstanding anything to the contrary in the Agreement, DebtBook may temporarily suspend Customer's and any Authorized User's access to any or all of the Services if: (1) Customer is more than 45 days late in making any payment due under, and in accordance with, the terms of the Agreement, (2) DebtBook reasonably determines that (A) there is a threat or attack on any of the DebtBook IP; (B) Customer's or any Authorized User's use of the DebtBook IP disrupts or poses a security risk to the DebtBook IP or to any other customer or vendor of DebtBook; (C) Customer, or any Authorized User, is using the DebtBook IP for fraudulent or other illegal activities; or (D) DebtBook's provision of the Services to Customer or any Authorized User is prohibited by applicable law; or (3) any vendor of DebtBook has suspended or terminated DebtBook's access to or use of any third-party services or products required to enable Customer to access the Services (any such suspension, a "**Service Suspension**"). DebtBook will use commercially reasonable efforts to (i) provide written notice of any Service Suspension to Customer, (ii) provide updates regarding resumption of access to the Services, and (iii) resume providing access to the Services as soon as reasonably possible after the event giving rise to the Service Suspension is cured. DebtBook is not liable for any damage, losses, or any other consequences that Customer or any Authorized User may incur as a result of a Service Suspension.

(f) **Aggregated Statistics.** Notwithstanding anything to the contrary in the Agreement, DebtBook may monitor Customer's use of the Services and collect and compile Aggregated Statistics. As between DebtBook and Customer, all right, title, and interest in Aggregated Statistics, and all intellectual property rights therein, belong to and are retained solely by DebtBook. DebtBook may compile Aggregated Statistics based on Customer Data input into the Services. DebtBook may (1) make Aggregated Statistics publicly available in compliance with applicable law, and (2) use Aggregated Statistics as permitted under applicable law so long as, in each case, DebtBook's use of any Aggregated Statistics does not identify the Customer or disclose Customer's Confidential Information.

3. **Service Levels and Support.** Subject to the terms and conditions of the Agreement, DebtBook will use commercially reasonable efforts to make the Application Services and Support Services available in accordance with the SLA.

4. **Fees and Payment.**

(a) **Fees.** Customer will pay DebtBook the fees ("**Fees**") set forth in the Order Form. DebtBook will invoice Customer for all Fees in accordance with the invoicing schedule and requirements set forth in the Order Form. Customer must pay all Fees in US dollars, and all Fees are fully earned once paid. To the extent permitted by applicable law, if Customer fails to make any payment when due, DebtBook may, without limiting any of its other rights, charge interest on the past due amount at the lowest of (1) the rate of 1.5% per month, (2) the rate established in any Customer Term, or (3) the maximum rate permitted under applicable law.

(b) **Taxes.** All Fees and other amounts payable by Customer under the Agreement are exclusive of taxes and similar assessments. Unless Customer is exempt from making any such payment under applicable law or regulation, Customer is responsible for all applicable sales, use, and excise taxes, and any other similar taxes, duties, and charges of any kind imposed by any federal, state, or local governmental or regulatory authority on any amounts payable by Customer under the Agreement, other than any taxes imposed on DebtBook's income.

5. **Confidential Information.**

(a) From time to time during the Term, either party (the "**Disclosing Party**") may disclose or make available to the other party (the "**Receiving Party**") information about the Disclosing Party's business affairs, products, confidential intellectual property, trade secrets, third-party confidential information, and other sensitive or proprietary information, whether in written, electronic, or other form or media, that is marked, designated, or otherwise identified as "confidential", or which a reasonable person would understand to be confidential or proprietary under the circumstances (collectively, "**Confidential Information**"). For the avoidance

of doubt, DebtBook's Confidential information includes the DebtBook IP and the Application Services source code and specifications. As used in the Agreement, "Confidential Information" expressly excludes any information that, at the time of disclosure is (1) in the public domain; (2) known to the receiving party at the time of disclosure; (3) rightfully obtained by the Receiving Party on a non-confidential basis from a third party; or (4) independently developed by the Receiving Party.

(b) To the extent permitted by applicable law, the Receiving Party will hold the Disclosing Party's Confidential Information in strict confidence and may not disclose the Disclosing Party's Confidential Information to any person or entity, except to the Receiving Party's employees, officers, directors, agents, subcontractors, financial advisors, and attorneys who have a need to know the Confidential Information for the Receiving Party to exercise its rights or perform its obligations under the Agreement or otherwise in connection with the Services. Notwithstanding the foregoing, each party may disclose Confidential Information to the limited extent required (1) in order to comply with the order of a court or other governmental body, or as otherwise necessary to comply with applicable law, provided that the party making the disclosure pursuant to the order must first give written notice to the other party; or (2) to establish a party's rights under the Agreement, including to make required court filings.

(c) On the expiration or termination of the Agreement, the Receiving Party must promptly return to the Disclosing Party all copies of the Disclosing Party's Confidential Information, or destroy all such copies and, on the Disclosing Party's request, certify in writing to the Disclosing Party that such Confidential Information has been destroyed.

(d) Each party's obligations under this Section are effective as of the Effective Date and will expire three years from the termination of the Agreement; provided, however, with respect to any Confidential Information that constitutes a trade secret (as determined under applicable law), such obligations of non-disclosure will survive the termination or expiration of the Agreement for as long as such Confidential Information remains subject to trade secret protection under applicable law.

(e) Notwithstanding anything in this Section to the contrary, if Customer is a Government Entity, then DebtBook expressly agrees and understands that Customer's obligations under this Section are subject in all respects to, and only enforceable to the extent permitted by, the public records laws, policies, and regulations of the Governing State.

6. Intellectual Property.

(a) **DebtBook IP.** As between Customer and DebtBook, DebtBook owns all right, title, and interest, including all intellectual property rights, in and to the DebtBook IP.

(b) **Customer Data.** As between Customer and DebtBook, Customer owns all right, title, and interest, including all intellectual property rights, in and to the Customer Data. Customer hereby grants to DebtBook a non-exclusive, royalty-free, worldwide license to reproduce, distribute, sublicense, modify, prepare derivative works based on, and otherwise use and display the Customer Data and perform all acts with respect to the Customer Data as may be necessary or appropriate for DebtBook to provide the Services to Customer.

(c) **Effect of Termination.** Without limiting either party's obligations under Section 5 of the Agreement, DebtBook, at no further charge to Customer, will (1) provide Customer with temporary access to the Application Services for up to 60 days after the termination of the Agreement to permit Customer to retrieve its Customer Data in a commercially transferrable format and (2) use commercially reasonable efforts to assist Customer, at Customer's request, with such retrieval. After such period, DebtBook may destroy any Customer Data in accordance with DebtBook's data retention policies.

7. Limited Warranties.

(a) **Functionality & Service Levels.** During the Term, the Application Services will operate in a manner consistent with general industry standards reasonably applicable to the provision of the Application Services and will conform in all material respects to the Documentation and service levels set forth in the SLA when accessed and used in accordance with the Documentation. Except as expressly stated in the SLA, DebtBook does not make any representation, warranty, or guarantee regarding availability of the Application Services, and the remedies set forth in the SLA are Customer's sole remedies and DebtBook's sole liability under the limited warranty set forth in this paragraph.

(b) Security. DebtBook has implemented Appropriate Security Measures and has made commercially reasonable efforts to ensure its licensors and hosting providers, as the case may be, have implemented Appropriate Security Measures intended to protect Customer Data.

(c) EXCEPT FOR THE WARRANTIES SET FORTH IN THIS SECTION, DEBTBOOK IP IS PROVIDED “AS IS,” AND DEBTBOOK HEREBY DISCLAIMS ALL WARRANTIES, WHETHER EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE. DEBTBOOK SPECIFICALLY DISCLAIMS ALL IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, AND NON-INFRINGEMENT, AND ALL WARRANTIES ARISING FROM COURSE OF DEALING, USAGE, OR TRADE PRACTICE. EXCEPT FOR THE LIMITED WARRANTY SET FORTH IN THIS SECTION, DEBTBOOK MAKES NO WARRANTY OF ANY KIND THAT THE DEBTBOOK IP, OR ANY PRODUCTS OR RESULTS OF THE USE THEREOF, WILL MEET CUSTOMER’S OR ANY OTHER PERSON’S REQUIREMENTS, OPERATE WITHOUT INTERRUPTION, ACHIEVE ANY INTENDED RESULT, BE COMPATIBLE OR WORK WITH ANY SOFTWARE, SYSTEM, OR OTHER SERVICES, OR BE SECURE, ACCURATE, COMPLETE, FREE OF HARMFUL CODE, OR ERROR FREE.

(d) DebtBook exercises no control over the flow of information to or from the Application Service, DebtBook’s network, or other portions of the Internet. Such flow depends in large part on the performance of Internet services provided or controlled by third parties. At times, actions or inactions of such third parties can impair or disrupt connections to the Internet. Although DebtBook will use commercially reasonable efforts to take all actions DebtBook deems appropriate to remedy and avoid such events, DebtBook cannot guarantee that such events will not occur. ACCORDINGLY, DEBTBOOK DISCLAIMS ANY AND ALL LIABILITY RESULTING FROM OR RELATING TO ALL SUCH EVENTS, AND EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THE AGREEMENT, ANY OTHER ACTIONS OR INACTIONS CAUSED BY OR UNDER THE CONTROL OF A THIRD PARTY.

8. Indemnification.

(a) DebtBook Indemnification.

(i) DebtBook will indemnify, defend, and hold harmless Customer from and against any and all losses, damages, liabilities, costs (including reasonable attorneys’ fees) (collectively, “**Losses**”) incurred by Customer resulting from any third-party claim, suit, action, or proceeding (“**Third-Party Claim**”) that the Application Services, or any use of the Application Services in accordance with the Agreement, infringes or misappropriates such third party’s US patents, copyrights, or trade secrets, provided that Customer promptly notifies DebtBook in writing of the Third-Party Claim, reasonably cooperates with DebtBook in the defense of the Third-Party Claim, and allows DebtBook sole authority to control the defense and settlement of the Third-Party Claim.

(ii) If such a claim is made or appears possible, Customer agrees to permit DebtBook, at DebtBook’s sole expense and discretion, to (A) modify or replace the DebtBook IP, or component or part of the DebtBook IP, to make it non-infringing, or (B) obtain the right for Customer to continue use. If DebtBook determines that neither alternative is reasonably available, DebtBook may terminate the Agreement in its entirety or with respect to the affected component or part, effective immediately on written notice to Customer, so long as, in each case, DebtBook promptly refunds or credits to Customer all amounts Customer paid with respect to the DebtBook IP that Customer cannot reasonably use as intended under the Agreement.

(iii) DebtBook’s indemnification obligation under this Section will not apply to the extent that the alleged infringement arises from Customer’s use of the Application Services in combination with data, software, hardware, equipment, or technology not provided or authorized in writing by DebtBook or modifications to the Application Services not made by DebtBook.

(b) Sole Remedy. SECTION 8(a) SETS FORTH CUSTOMER’S SOLE REMEDIES AND DEBTBOOK’S SOLE LIABILITY FOR ANY ACTUAL, THREATENED, OR ALLEGED CLAIMS THAT THE SERVICES INFRINGE, MISAPPROPRIATE, OR OTHERWISE VIOLATE ANY THIRD PARTY’S INTELLECTUAL PROPERTY RIGHTS. IN NO EVENT WILL DEBTBOOK’S LIABILITY UNDER SECTION 8(a) EXCEED \$1,000,000.

(c) Customer Indemnification. To the extent permitted by applicable law, Customer will indemnify, hold harmless, and, at DebtBook’s option, defend DebtBook from and against any Losses resulting from any Third-Party Claim that the Customer Data, or any use of the Customer Data in accordance with the Agreement, infringes or misappropriates such third party’s intellectual property rights and any Third-Party Claims based on Customer’s or any Authorized User’s negligence or willful misconduct or use of the Services

in a manner not authorized by the Agreement. Provided in no event will Customer's liability under section 8(c) exceed \$1,000,000.

9. **Limitations of Liability.** EXCEPT AS EXPRESSLY OTHERWISE PROVIDED IN THIS SECTION, IN NO EVENT WILL EITHER PARTY BE LIABLE UNDER OR IN CONNECTION WITH THE AGREEMENT UNDER ANY LEGAL OR EQUITABLE THEORY, INCLUDING BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, AND OTHERWISE, FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, EXEMPLARY, SPECIAL, ENHANCED, OR PUNITIVE DAMAGES, REGARDLESS OF WHETHER EITHER PARTY WAS ADVISED OF THE POSSIBILITY OF SUCH LOSSES OR DAMAGES OR SUCH LOSSES OR DAMAGES WERE OTHERWISE FORESEEABLE. EXCEPT AS EXPRESSLY OTHERWISE PROVIDED IN THIS SECTION, IN NO EVENT WILL THE AGGREGATE LIABILITY OF EITHER PARTY ARISING OUT OF OR RELATED TO THE AGREEMENT UNDER ANY LEGAL OR EQUITABLE THEORY, INCLUDING BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, AND OTHERWISE EXCEED \$1,000,000.

10. **Term and Termination.**

(a) **Term.** Except as the parties may otherwise agree in the Order Form, or unless terminated earlier in accordance with the Agreement:

(i) the Initial Term of the Agreement will begin on the Effective Date and end on the Initial Term End Date;

(ii) the Agreement will automatically renew for successive 12-month Renewal Terms unless either party gives the other party written notice of non-renewal at least 30 days before the expiration of the then-current term; and

(iii) each Renewal Term will be subject to the same terms and conditions established under the Agreement, with any Fees determined in accordance with DebtBook's then-current pricing schedule published on DebtBook's website and generally applicable to all users of the Services, as provided to Customer at least 60 days before the expiration of the then-current term.

(b) **Termination.** In addition to any other express termination right set forth in the Agreement:

(i) DebtBook may terminate the Agreement immediately if Customer breaches any of its obligations under Section 2 or Section 5;

(ii) Customer may terminate the Agreement in accordance with the SLA;

(iii) either party may terminate the Agreement, effective on written notice to the other party, if the other party materially breaches the Agreement, and such breach: (A) is incapable of cure; or (B) being capable of cure, remains uncured 30 days after the non-breaching party provides the breaching party with written notice of such breach;

(iv) if (1) Customer is a governmental entity and (2) sufficient funds are not appropriated to pay for the Application Services, then Customer may terminate the Agreement at any time without penalty following 30 days prior written notice to DebtBook; or

(v) either party may, to the extent permitted by law, terminate the Agreement, effective immediately on written notice to the other party, if the other party becomes insolvent or is generally unable to pay, or fails to pay, its debts as they become due or otherwise becomes subject, voluntarily or involuntarily, to any proceeding under any domestic or foreign bankruptcy or insolvency law.

(c) **Survival.** Only this Section and Section 1 (Definitions), Sections 4 through 6 (Fees; Confidential Information; Intellectual Property), Section 7(c) (Disclaimer of Warranties), and Sections 8, 9 and 12 (Indemnification; Limitations of Liability; Miscellaneous) will survive any termination or expiration of the Agreement.

11. **Independent Contractor.** The parties to the Agreement are independent contractors. The Agreement does not create a joint venture or partnership between the parties, and neither party is, by virtue of the Agreement, authorized as an agent, employee, or representative of the other party.

12. **Miscellaneous.**

(a) **Governing Law; Submission to Jurisdiction.** The Agreement will be governed by and construed in accordance with the laws of the Governing State, without regard to any choice or conflict of law provisions, and any claim arising out of the Agreement may be brought in the state or federal courts located in the Governing State. Each party irrevocably submits to the jurisdiction of such courts in any such suit, action, or proceeding.

(b) **Entire Agreement; Order of Precedence.** The Order Form, any Customer Terms, the Terms & Conditions, and the Incorporated Documents constitute the complete Agreement between the parties and supersede any prior discussion or representations regarding the Customer's purchase and use of the Services.

To the extent any conflict exists between the terms of the Agreement, the documents will govern in the following order or precedence: (1) the Order Form (2) the Customer Terms, (3) the Terms & Conditions, and (4) the Incorporated Documents. No other purchasing order or similar instrument issued by either party in connection with the Services will have any effect on the Agreement or bind the other party in any way.

(c) **Amendment; Waiver.** No amendment to the Order Form, the Terms & Conditions, or the Customer Terms will be effective unless it is in writing and signed by an authorized representative of each party. DebtBook may update the Incorporated Documents from time-to-time following notice to Customer so long as such updates are generally applicable to all users of the Services. No waiver by any party of any of the provisions of the Agreement will be effective unless explicitly set forth in writing and signed by the party so waiving. Except as otherwise set forth in the Agreement, no failure to exercise, delay in exercising, or any partial exercise of any rights, remedy, power, or privilege arising from the Agreement will in any way waive or otherwise limit the future exercise of any right, remedy, power, or privilege available under the Agreement.

(d) **Notices.** All notices, requests, consents, claims, demands, and waivers under the Agreement (each, a "Notice") must be in writing and addressed to the recipients and addresses set forth for each party on the Order Form (or to such other address as DebtBook or Customer may designate from time to time in accordance with this Section). All Notices must be delivered by personal delivery, nationally recognized overnight courier (with all fees pre-paid), or email (with confirmation of transmission), or certified or registered mail (in each case, return receipt requested, postage pre-paid).

(e) **Force Majeure.** In no event will either party be liable to the other party, or be deemed to have breached the Agreement, for any failure or delay in performing its obligations under the Agreement (except for any obligations to make payments), if and to the extent such failure or delay is caused by any circumstances beyond such party's reasonable control, including acts of God, flood, fire, earthquake, pandemic, epidemic, problems with the Internet, shortages in materials, explosion, war, terrorism, invasion, riot or other civil unrest, strikes, labor stoppages or slowdowns or other industrial disturbances, or passage of law or any action taken by a governmental or public authority, including imposing an embargo.

(f) **Severability.** If any provision of the Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability will not affect any other term or provision of the Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

(g) **Assignment.** Either party may assign its rights or delegate its obligations, in whole or in part, on 30 days prior written notice to the other party, to an affiliate or an entity that acquires all or substantially all of the business or assets of such party, whether by merger, reorganization, acquisition, sale, or otherwise. Except as stated in this paragraph, neither party may assign any of its rights or delegate any of its obligations under the Agreement without the prior written consent of the other party, which consent may not be unreasonably withheld, conditioned, or delayed. The Agreement is binding on and inures to the benefit of the parties and their permitted successors and assigns.

(h) **Marketing.** Neither party may issue press releases related to the Agreement without the other party's prior written consent. Either party may include the name and logo of the other party in lists of customers or vendors.

(i) **State-Specific Certifications & Agreements.** To the extent required under the laws of the Governing State, DebtBook hereby certifies and agrees as follows:

(i) DebtBook has not been designated by any applicable government authority or body as a company engaged in the boycott of Israel under the laws of the Governing State;

(ii) DebtBook is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in the Agreement by any governmental department or agency of the Governing State;

(iii) DebtBook will not discriminate against any employee or applicant for employment because of race, ethnicity, gender, gender identity, sexual orientation, age, religion, national origin, disability, color, ancestry, citizenship, genetic information, political affiliation or military/veteran status, or any other status protected by federal, state, or local law; and

(iv) DebtBook will verify the work authorization of its employees using the federal E-Verify program and standards as promulgated and operated by the United States Department of Homeland Security and, if applicable, will require its subcontractors to do the same.

(j) Execution. Any document executed and delivered in connection with the Agreement may be executed in counterparts, each of which is deemed an original, but all of which together are deemed to be one and the same agreement. To the extent permitted by applicable law, electronic signatures may be used for the purpose of executing the Order Form by email or other electronic means. Any document delivered electronically and accepted is deemed to be "in writing" to the same extent and with the same effect as if the document had been signed manually.

RECAP:

119,433.20	Nero Engineering - November WWTP expansion
3,370,854.45	Rice Lake Const Group - November WWTF Expansion Est 6
43,415.33	Employee Strategies - culture work, leadership training 2022-2023
28,955.00	Heiman Inc - turnout gear (8 sets)
<u>197,162.44</u>	OTHER EXPENDITURES
\$ 3,759,820.42	<i>SUBTOTAL</i>
<u>80,561.20</u>	HRA HOUSING ASSISTANCE PAYMENTS
\$ <u><u>3,840,381.62</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					
371512	01/01/23	ACADEMY APARTMENTS OF OWATONNA	197.00	R	ACH
371513	01/01/23	ALL AREA MANAGEMENT LLC	543.00	R	ACH
371514	01/01/23	APACHE APARTMENTS	602.00	R	ACH
371515	01/01/23	ARNFELT RENTS	271.00	R	ACH
371516	01/01/23	ATM PROPERTIES LLC	853.00	R	ACH
371517	01/01/23	AUSTIN HRA	1,940.00	O	Regular
371518	01/01/23	B-GROVE LLC	683.00	R	ACH
371519	01/01/23	BB BROTHERS HOLDINGS LLC	80.00	R	ACH
371520	01/01/23	BROWN CYNTHIA	460.00	R	ACH
371521	01/01/23	BRYCEN GREGOR	941.00	R	ACH
371522	01/01/23	CEDAR HILLS ESTATES	665.00	R	ACH
371523	01/01/23	CEDAR RIDGE APARTMENTS	732.00	R	ACH
371524	01/01/23	CEDAR ROSE ASSOCIATES LLC	254.00	R	ACH
371525	01/01/23	CEDAR RUN TOWN HOMES MDI #41	2,612.00	R	ACH
371526	01/01/23	CEDARDALE NORTH APARTMENTS	348.00	R	ACH
371527	01/01/23	CEDARDALE SOUTH APARTMENTS	262.00	R	ACH
371528	01/01/23	CEDARDALE WEST APARTMENTS	579.00	R	ACH
371529	01/01/23	CHRIS PROHASKI	803.00	R	ACH
371530	01/01/23	COMMON CENTS PROPERTIES LLC	371.00	R	ACH
371531	01/01/23	DAFYDD GWYN WILLIAMS	1,450.00	R	ACH
371532	01/01/23	DAN NECHVILLE	644.00	R	ACH
371533	01/01/23	EEL LLC	460.00	R	ACH
371534	01/01/23	ELLINGSON RICHARD	746.00	R	ACH
371535	01/01/23	ESSO PROPERTIES LLC	722.00	R	ACH
371536	01/01/23	FITZGERALD TLS PROPERTIES LLC	466.00	R	ACH
371537	01/01/23	GERALD BESSER & JANET BESSER	457.00	R	ACH
371538	01/01/23	IMAGE APARTMENT	2,602.00	R	ACH
371539	01/01/23	JBLL EQUITIES LLC	1,584.00	R	ACH
371540	01/01/23	JOHN & DENISE SCHROEDER	485.00	R	ACH
371541	01/01/23	JOHNSON WINDOW & SIDING INC	3,046.00	R	ACH
371542	01/01/23	JPF PROPERTIES	1,100.00	R	ACH
371543	01/01/23	JULIE WERSAL	437.00	R	ACH
371544	01/01/23	KEG INVESTMENTS LLC	243.00	R	ACH
371545	01/01/23	KEITH MARTIN	469.00	R	ACH
371546	01/01/23	KLEVOS GREG	837.00	R	ACH
371547	01/01/23	LAXMAN S SUNDAE	707.00	R	ACH
371548	01/01/23	LEE ANNA	705.00	R	ACH
371549	01/01/23	LINCOLN SQUARE APARTMENTS	5,456.00	R	ACH
371550	01/01/23	LOFTS ON 3RD	565.00	R	ACH
371551	01/01/23	LWO LIMITED PARTNERSHIP #116	1,725.00	R	ACH
371552	01/01/23	MANCINI NICHOLAS	693.00	R	ACH
371553	01/01/23	MARQUARDT DENNIS	1,598.00	R	ACH
371554	01/01/23	MARTIN ALLAN	2,000.00	R	ACH
371555	01/01/23	MARTIN FAMILY LLC	566.00	R	ACH

Check Number	Check Date	Vendor Name	Net Check Amount	Check Status	Check Type
371556	01/01/23	MCCAULEY PATRICK	747.00	R	ACH
371557	01/01/23	MIDWEST INVEST LLC	485.00	R	ACH
371558	01/01/23	MINNEAPOLIS PHA	917.40	R	ACH
371559	01/01/23	NECHVILLE SUSAN	1,807.00	R	ACH
371560	01/01/23	NORTH VIEW APARTMENTS	1,040.00	R	ACH
371561	01/01/23	NORTHCOURT APARTMENTS	1,654.00	R	ACH
371562	01/01/23	NORTHGATE	1,763.00	R	ACH
371563	01/01/23	NORTHWEST MANOR	1,162.00	R	ACH
371564	01/01/23	OWATONNA PUBLIC UTILITIES	31.00	R	ACH
371565	01/01/23	PARK PLAZA LLC	1,067.00	R	ACH
371566	01/01/23	PARKVIEW OWATONNA LLC	325.00	R	ACH
371567	01/01/23	POSITIVE SHARE LLC	1,408.00	R	ACH
371568	01/01/23	PROHASKI PROPERTIES	1,782.00	R	ACH
371569	01/01/23	QUALITY RENTALS OF OWATONNA LL	656.00	R	ACH
371570	01/01/23	RAYMOND WILLMOTT	1,446.00	R	ACH
371571	01/01/23	SCOTT COUNTY CDA	2,402.80	R	ACH
371572	01/01/23	SMITH REAL ESTATE LLC	1,144.00	R	ACH
371573	01/01/23	SOUTH CENTRAL HUMAN RELATIONS	3,768.00	R	ACH
371574	01/01/23	SUBLAND INVESTMNTS & LIFESTYLE	600.00	R	ACH
371575	01/01/23	SUMMIT MANOR	293.00	R	ACH
371576	01/01/23	T & M RENTALS	421.00	R	ACH
371577	01/01/23	TM RENTALS II LLC	483.00	R	ACH
371578	01/01/23	TREND REALTY LLC	570.00	R	ACH
371579	01/01/23	USDA RURAL DEVELOPMENT	530.00	0	Regular
371580	01/01/23	USDA RURAL DEVELOPMENT	436.00	0	Regular
371581	01/01/23	WILLOW RUN I MDI #58	3,290.00	R	ACH
371582	01/01/23	WILLOW RUN II MDI #85	3,680.00	R	ACH
371583	01/01/23	YOUNGDAHL DEVELOPMENT LLC	1,613.00	R	ACH
371584	01/01/23	ZK INVESTORS LLC	2,081.00	R	ACH
371585	12/29/22	APG MEDIA OF SO MINNESOTA LLC	295.00	0	Regular
371586	12/29/22	BCT MINNEAPOLIS	27.00	0	Regular
371587	12/29/22	BLOCK PLUMBING & HEATING	5,700.00	0	Regular
371588	12/29/22	CCP INDUSTRIES INC	211.94	0	Regular
371589	12/29/22	HOMELAND HEALTH SPECIALIST INC	102.00	0	Regular
371590	12/29/22	I U O E LOCAL 70	5,473.20	0	Regular
371591	12/29/22	I+S GROUP INC	13,762.15	0	Regular
371592	12/29/22	INNOVATIVE OFFICE SOLUTIONS	123.60	0	Regular
371593	12/29/22	ISUZU DIESEL MIDWEST	455.99	0	Regular
371594	12/29/22	JESSICA LARSON	22.40	0	Regular
371595	12/29/22	JJD COMPANIES LLC	10,241.80	0	Regular
371596	12/29/22	MN NCPERS GROUP LIFE INSURANCE	960.00	0	Regular
371597	12/29/22	MN PUBLIC EMPLOYEES ASSOC	2,574.00	R	ACH
371598	12/29/22	MOTION PICTURE LICENSING CORP	252.53	0	Regular
371599	12/29/22	NERO ENGINEERING	119,433.20	0	Regular
371600	12/29/22	NORTHERN SAFETY TECHNOLOGY INC	89.38	0	Regular

Check Number	Check Date	Vendor Name	Net Check Amount	Check Status	Check Type
371601	12/29/22	OPG-3 INC	10,443.00	0	Regular
371602	12/29/22	PREMIER CARBIDE SAW & TOOL INC	522.21	0	Regular
371603	12/29/22	PUMP AND METER SERVICE, INC	1,126.70	0	Regular
371604	12/29/22	RICE LAKE CONSTRUCTION GROUP	3,370,854.45	0	Regular
371605	12/29/22	ROBERT NELSON	99.00	0	Regular
371606	12/29/22	RUBEN LOPEZ	500.00	0	Regular
371607	12/29/22	RYAN KRENKE	48.00	0	Regular
371608	12/29/22	SARAH ZIMMERMAN	41.00	0	Regular
371609	12/29/22	STEELE COUNTY RECORDER	112.00	0	Regular
371610	12/29/22	STEELE COUNTY TREASURER	5,799.25	0	Regular
371611	12/29/22	SWENSON JODI	150.00	0	Regular
371612	12/29/22	T-MOBILE	100.00	0	Regular
371613	12/29/22	T-MOBILE	100.00	0	Regular
371614	12/29/22	T-MOBILE	100.00	0	Regular
371615	12/29/22	UNITED WAY	456.00	0	Regular
371616	12/29/22	USABUEBOOK	1,569.59	0	Regular
371617	12/29/22	WALBRAN & FURNESS CHARTERED	4,573.25	0	Regular
371618	12/29/22	ZARNOTH BRUSH WORKS	1,060.00	0	Regular
371619	01/03/23	ALEXANDER LUMBER COMPANY	8.75	0	Regular
371620	01/03/23	AMAZON.COM	24.56	0	Regular
371621	01/03/23	APG MEDIA OF SO MINNESOTA LLC	445.50	0	Regular
371622	01/03/23	ARROW ACE HARDWARE	24.07	0	Regular
371623	01/03/23	BAKER & TAYLOR BOOKS	3,110.88	0	Regular
371624	01/03/23	BLACKSTONE PUBLISHING	103.24	0	Regular
371625	01/03/23	BLOCK PLUMBING & HEATING	176.00	0	Regular
371626	01/03/23	BOLTON & MENK INC	1,000.00	0	Regular
371627	01/03/23	CARQUEST	28.59	0	Regular
371628	01/03/23	CENGAGE LEARNING INC/GALE	227.95	0	Regular
371629	01/03/23	CENTER POINT PUBLISHING	181.14	0	Regular
371630	01/03/23	Chinmoy Gulrajani	10,700.00	0	Regular
371631	01/03/23	CLAREMONT SERVICE CENTER INC	25.00	0	Regular
371632	01/03/23	COALITION OF GREATER MN CITIES	510.00	0	Regular
371633	01/03/23	COLLAB SUMMER LIBRARY PROG	925.80	0	Regular
371634	01/03/23	COURT SPORTS & MORE	1,039.00	0	Regular
371635	01/03/23	CRW ARCHITECTURE + DESIGN GROU	13,220.00	0	Regular
371636	01/03/23	CURT'S TRUCK & DIESEL SERVICE	61.58	0	Regular
371637	01/03/23	ELIZABETH GRUENHAGEN	205.36	0	Regular
371638	01/03/23	Employee Strategies	43,415.33	0	Regular
371639	01/03/23	FARMERS FEED AND PET SUPPLY	171.94	0	Regular
371640	01/03/23	FIRST SUPPLY OWATONNA	10.04	0	Regular
371641	01/03/23	FLAHERTY & HOOD PA	2,556.25	0	Regular
371642	01/03/23	FOUR SEASONS ELECTRIC	1,378.75	0	Regular
371643	01/03/23	GREATLAND CORPORATION	99.00	0	Regular
371644	01/03/23	HDS LLC	240.00	0	Regular
371645	01/03/23	HEIMAN INC	28,955.00	0	Regular

Check Number	Check Date	Vendor Name	Net Check Amount	Check Status	Check Type
371646	01/03/23	IFACS	696.06	0	Regular
371647	01/03/23	INNOVATIVE OFFICE SOLUTIONS	80.70	0	Regular
371648	01/03/23	JAMES A BOWEY	1,737.11	0	Regular
371649	01/03/23	JOHN DEERE CREDIT	28.14	0	Regular
371650	01/03/23	LARRY THORNHILL	268.00	0	Regular
371651	01/03/23	LEGACY SIGNS INC	86.00	0	Regular
371652	01/03/23	LOKEN EXCAVATING & DRAINAGE	117.00	0	Regular
371653	01/03/23	MANKE'S OUTDOOR EQUIP & APPL	1,188.17	0	Regular
371654	01/03/23	MARTIN-MCALLISTER	1,300.00	0	Regular
371655	01/03/23	MARVIN PURRIER CONCRETE & MAS	17,250.00	0	Regular
371656	01/03/23	MEDFORD SAND AND GRAVEL LLC	1,101.96	0	Regular
371657	01/03/23	MICHAEL BEACH COACHING & CONSU	1,000.00	0	Regular
371658	01/03/23	MN CLERKS & FIN OFFICERS ASSN	50.00	0	Regular
371659	01/03/23	NAPA AUTO PARTS	.00	0	Regular
371660	01/03/23	NEO ELECTRICAL SOLUTIONS LLC	2,500.00	0	Regular
371661	01/03/23	NEOGOV	6,045.60	R	ACH
371662	01/03/23	OWATONNA GROUNDSTMASTERS INC	969.00	0	Regular
371663	01/03/23	OWATONNA HEATING & COOLING INC	997.75	0	Regular
371664	01/03/23	OWATONNA RENT N SAVE	70.20	0	Regular
371665	01/03/23	P&R CONSTRUCTION LLC	12,340.50	0	Regular
371666	01/03/23	QUALITY EQUIP SALES & SERVICE	23.70	0	Regular
371667	01/03/23	RAEDI	1,250.00	0	Regular
371668	01/03/23	ROCON INCORPORATED	2,830.50	0	Regular
371669	01/03/23	SHERWIN WILLIAMS COMPANY	38.68	0	Regular
371670	01/03/23	SKJEVELAND ENTERPRISES	176.90	0	Regular
371671	01/03/23	STEWART DENISE	64.54	0	Regular
371672	01/03/23	SWEET TOWING	360.00	0	Regular
371673	01/03/23	Technology Solutions & Assoc	10,051.85	0	Regular
371674	01/03/23	TEMPLE ELECTRIC MOTOR SERV INC	560.00	0	Regular
371675	01/03/23	TGK AUTOMOTIVE OF OWATONNA LLC	76.55	0	Regular
371676	01/03/23	THE PENWORTHY COMPANY	865.57	0	Regular
371677	01/03/23	UTILITY CONSULTANTS INC	1,155.60	0	Regular
371678	01/03/23	VAN IWAARDEN ASSOCIATES	1,300.00	0	Regular
371679	01/03/23	VENTURE HYDRAULICS INC	47.66	0	Regular
371680	01/03/23	WALBRAN & FURNESS CHARTERED	4,725.75	0	Regular
371681	01/03/23	WENCL PLUMBING	25.00	0	Regular
371682	01/03/23	WHKS	16,775.40	0	Regular
371683	01/03/23	ZACK'S INC	1,073.03	0	Regular
371684	01/03/23	ZEP MANUFACTURING CO	488.80	0	Regular
371685	01/03/23	MATTHEW R HOKANSON	951.41	0	Regular
371686	01/03/23	MATTHEW R HOKANSON	2,916.67	0	Regular
371687	01/03/23	RANDALL'S LICENSE BUREAU	14.25	0	Regular

104	Checks total:	3,754,106.82
72	ACH total:	86,274.80
0	EFTPS total:	
0	Wire transfer total:	
0	Payment Manager total:	
176	GRAND TOTALS	3,840,381.62



Ordinances



Community Development Department

DATE: January 3, 2023
TO: Mayor and City Council
FROM: Greg Kruschke, Community Development Manager
SUBJECT: Second/Final Reading Proposed Ordinance 22-14: Vacate Portion of Utility Easement - Curt's Truck and Diesel

Purpose:

Council to approve Proposed Ordinance 22-14 to vacate a portion of a drainage and utility easement for Curt's Truck and Diesel.

Background:

Staff Report attached. Council approved the first reading of this proposed ordinance during the December 20, 2022 meeting. There have been no changes since.

Budget Impact:

None.

Staff Recommendation:

Staff recommends approval as recommended by the Planning Commission. This will be known as Ordinance 1641.

Attachments:

1. Ord 22-14 Vacate Portion of a Utility Easement - Curt's Truck and Diesel
2. PC Staff Report - Curt's Truck and Diesel Easement Vacation
3. Portion of Minutes - Planning Commission Minutes Meeting - Dec 13, 2022 - Page 2

ORDINANCE NO. _____

AN ORDINANCE PURSUANT TO SECTION 6.2 OF THE HOME RULE CHARTER OF THE CITY OF OWATONNA, AND SECTION 675 OF THE 1992 ORDINANCE CODE OF THE CITY OF OWATONNA, VACATING A STREET, ALLEY, OR PUBLIC RIGHT-OF-WAY, OR ANY PART THEREOF, HEREIN DESCRIBED, AND PROVIDING FOR ITS RECORDING.

WHEREAS, there has been filed with the City Council a petition to vacate the premises hereinafter described; and

WHEREAS, a public hearing was held on December 13, 2022, on the said petition and after public notice was given, pursuant to Section 6.2 of the Home Rule Charter; and

WHEREAS, the proposed vacation does not destroy or interfere with the rights of any person, corporation, or municipality; and

WHEREAS, the City finds that the premises hereinafter described are no longer required for municipal purposes.

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

SECTION 1. That the following described portion of a Utility Easement:

The south 10 feet of Lot 2, Block 3, OWATONNA INTERSTATE INDUSTRIAL PARK, Owatonna, Minnesota, except the west 10 feet thereof.

AND

The north 10 feet of Lot 3, Block 3, OWATONNA INTERSTATE INDUSTRIAL PARK, Owatonna, Minnesota, except the west 10 feet thereof.

may be and hereby is vacated.

SECTION 2. The City Clerk shall cause this Ordinance to be filed for record in the offices of the City Clerk and the City Engineer of the City of Owatonna and its title added to Appendix IV of the 1992 Ordinance Code of the City of Owatonna.

SECTION 3. The City Clerk shall cause an original copy hereof to be filed for record and duly recorded in the office of the Steele County Recorder in and for Steele County, Minnesota.

SECTION 4. Effective Date. This Ordinance shall be in full force and effect from and after its passage and publication.

Passed and adopted this ____ day of _____, 2023, with the following roll call vote:

Aye:

No:

Absent:

Approved and signed this ____ day of _____, 2023.

Thomas A. Kuntz, Mayor

ATTEST:

Kris M. Busse, City Administrator/City Clerk

December 6, 2022

To: Planning Commission

From: Community Development Department

RE: Request to vacate a portion of a Drainage & Utility Easement

Application Review:

Applicant: Curt Johnson, Johnson Family Revocable Trust

Location of Property: 370 24th Avenue NW

Legal Description: See Attached Survey

Report Attachments:

1. Location Map
2. Vacation Sketch & Description
3. Application Letter

Proposed Development:

- ◆ Petition by Curt Johnson, Johnson Family Revocable Trust, to vacate a portion of a drainage and utility easement at 370 24th Avenue NW for the purposes of combining lots and constructing a new cold storage building.
- ◆ The applicant is planning on constructing a cold storage building to the north of the existing building.
- ◆ The proposed location is currently a property line with a 10' easement on each side of it.
- ◆ The easement will be retained all the way through the west property line.
- ◆ There are no utilities located within the easement area.
- ◆ The applicant will be required to combine the lots.
- ◆ This will have no effect on the existing street or utilities in the area.

Staff Review:

Staff recommends approval of this vacation of a portion of a drainage and utility easement located on the property at 370 24th Avenue NW as described above.

370 24th Ave NW
City of Owatonna



November 30, 2022



1:15,000

1 in = 1,250 ft

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.

370 24th Ave NW
City of Owatonna



November 30, 2022

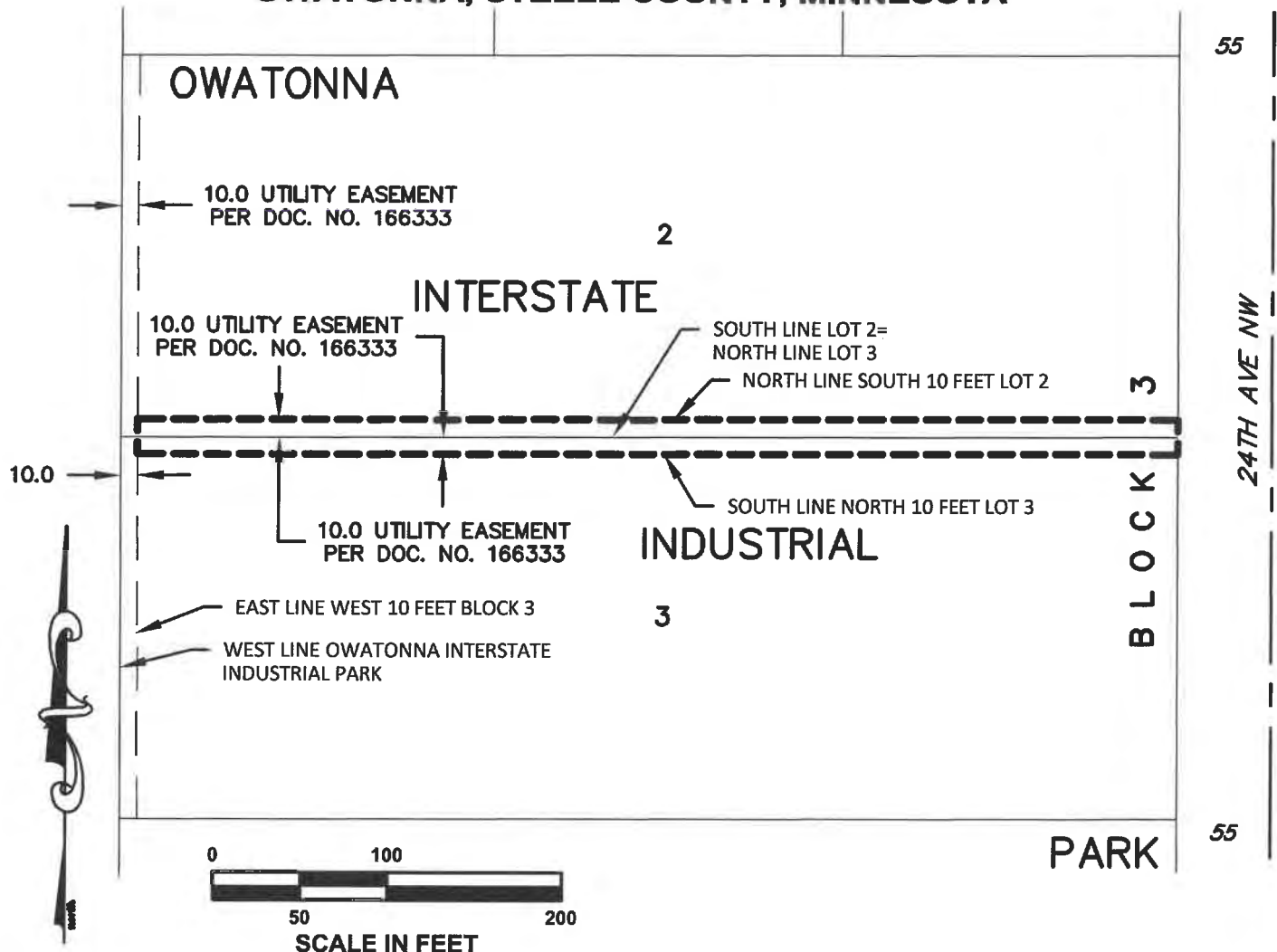


1:1,200
1 in = 100 ft

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.

EASEMENT VACATION DRAWING

PART OF LOTS 2 & 3 BLOCK 1 OWATONNA INTERSTATE INDUSTRIAL PARK
OWATONNA, STEELE COUNTY, MINNESOTA



PREPARED EASEMENT VACATION DESCRIPTIONS

LOT 2 EASEMENT VACATION

The south 10 feet of Lot 2, Block 3, OWATONNA INTERSTATE INDUSTRIAL PARK, OWATONNA, MINNESOTA, except the west 10 feet thereof.

LOT 3 EASEMENT VACATION

The north 10 feet of Lot 3, Block 3, OWATONNA INTERSTATE INDUSTRIAL PARK, OWATONNA, MINNESOTA, except the west 10 feet thereof.

FOR: CURT'S DIESEL

Date: 11/10/22
Drawn by: JHS5
Field Book:-
Coord-System: MNDOT CO. NAD83 (11)
Job No: 22-1191
Revised date:-
Survey: SAT
Page 1 of 1
File: 924

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

Scott A. Tuchtenhagen
Date: 11/10/22

L.S. No. 52646

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**JONES
HAUGH
SMITH**
Engineers + Surveyors

515 South Washington Ave.
Albert Lea, MN 56007
507-373-4876

415 West North Street
Owatonna, MN 55060
507-451-4598



PRINCIPALS

Steven J. Thompson, P.L.S.
Brian J. Johnson, P.E.
Steven J. Penkava, P.E.
John H. Schulte V, P.E.
Scott A. Tuchtenhagen, P.L.S.

Established 1945

Easement Vacation Request

Plat Name: Owatonna Interstate Industrial Park

Requestor: Johnson Family Revocable Trust

Dated: 11/10/2022

We hereby request that the City of Owatonna vacate all public easements described below:

LOT 2 EASEMENT VACATION

The south 10 feet of Lot 2, Block 3, OWATONNA INTERSTATE INDUSTRIAL PARK, except the west 10 feet thereof.

LOT 3 EASEMENT VACATION

The north 10 feet of Lot 3, Block 3, OWATONNA INTERSTATE INDUSTRIAL PARK, except the west 10 feet thereof.

Vacation of said easements combined with a separate lot combination request will allow construction of a new cold storage building at the location of said easements. No utilities have been located via a Gopher State One Call within said easements.

Signed: [Signature]

Dated: 11/10/22

Signed: [Signature]

Dated: 11/10/22

Conditional Use No. CUP-2, which is a request by Macy Merkel, Hagstrom Engineering, on behalf of Pennington Square Inc, to construct a 670 square foot drive thru coffee shop on the subject property at 104 18th Street SW, was presented by Community Development Manager Greg Kruschke. (Refer to report on file.) Public hearing opened at 5:45 p.m. Matt Hagstrom said thank you for allowing them to attend virtually as the weather didn't cooperate. He said he appreciates Greg for setting it up and all the assistance with the site plan. He said he's happy to answer any questions. Public hearing closed at 5:46 p.m. Effertz said they don't require any fencing. Kruschke said no. Eickhoff said that he really appreciates that they're coming to town. This is an awkward property and a good use for it. Effertz asked if there are any further plans to develop this property. Kruschke said this is about the full use of the property. They may be able to put a small addition on. Meier said it's a good use of the location. Eickhoff said that's a tight road to begin with and he'd be interested to see how traffic flows. A motion was made Effertz and seconded by Meier to recommend City Council approval of this conditional use permit request with the following conditions:

- 1) Prior to issuance of the building permit, the City and Owatonna Public Utilities shall approve all grading, drainage, and utility plans.
- 2) All signs shall have a sign permit issued.
- 3) The applicant shall revise the landscaping plan to include groupings of shrubbery to strategically block headlights and provide some visual interest.
- 4) Prior to issuance of the Certificate of Occupancy a 10' wide utility easement centered on the relocated electric line shall be provided and recorded in favor of the City of Owatonna.

All Ayes, motion carried.

A petition by Curt Johnson, Johnson Family Revocable Trust, for a request for vacation of a portion of a drainage and utility easement on the property located at 370 24th Avenue NW, was presented by Community Development Manager Greg Kruschke. (Refer to report on file.) Public hearing opened at 5:49 p.m. Curt Johnson was present and said they just want to combine the properties. Eickhoff asked if there was drainage through there. Kruschke said that it's a general term, but in order for them to construct they'll have to reroute the drainage. Eickhoff asked if the properties behind it are impacted. Kruschke said that is not an issue. The utility easement will still continue through the westernmost 10' of this lot along the north and south and along the right of way on 24th Avenue. Havelka Place is just to the north of this property. Public hearing closed at 5:51 p.m. A motion was made by Eickhoff and seconded by Peake to recommend City Council approval of this vacation of a portion of drainage and utility easement located on the property at 370 24th Avenue NW. All Commissioners voting Aye, the motion carried.

A request for a Final Plat of Turtle Creek Addition, which is a 1.00± acre tract zoned B-2, Community Business, owned by Greg Schultz / Turtle Creek Development, and located at 490 / 496 West North Street, was presented by Community Development Manager Greg Kruschke. (Refer to report on file.) Rooks asked if the buildings share utilities. Greg Schultz said they do not share utilities. The gas comes in from one street and has to go across the lot to go to the other building. Kruschke said a service line services them both and each one has a separate service coming into it. Rooks said she just wanted to make sure they weren't sharing utilities. A motion was made by Wilson and seconded by Effertz to recommend City Council approval of this final plat of Turtle Creek Addition with the following conditions:

- 1) The final plat shall be recorded within 60 days of this approval.
- 2) The title opinion shall be approved by the City Attorney prior to recording of the final plat.
- 3) The easement agreement shall be recorded along with the final plat.

All Commissioners voting Aye, the motion carried.



City Attorney Office

DATE: December 29, 2022

TO: Mayor, City Council and City Administrator

FROM: Mark M. Walbran, City Attorney

SUBJECT: Franchise Agreement and Fees - Northern States Power

Purpose:

The purposes of the Franchise Ordinance and Franchise Fee Ordinance are to renew Northern States Power's (NSP) franchise to provide electric power within the City of Owatonna and to provide a fee for its use of the City's rights-of-way.

Background:

The current franchise agreement with NSP expired last April and was extended thereafter to December 31, 2023, pending the negotiation and adoption of the new franchise ordinance. The new ordinance grants NSP the right to provide electric energy for 20 years within certain areas of the city not served by OPU. Currently NSP serves 35 customers. The previous franchise fee was based on a cost per kilowatt hour (kWH). The rate of customers whose peak demand was less than 100 kWH was calculated at \$.0016/kWH. Those using greater than 100 kWH was calculated at \$.0014/kWH. The new franchise fee is calculated at 3.5% of NSP's gross revenues. The fee approximates OPU's contributed services to the city. The new rate would become effective on May 1, 2023.

Budget Impact:

Information from NSP indicates that revenue from May 1, 2023 to December 1, 2023 would be approximately \$18,167. The estimated fees collected in 2022 is \$9,555.00 for the year.

Staff Recommendation:

Staff recommends approval of the first reading of Proposed Ordinance 23-01 for the Franchise Agreement and of Proposed Ordinance 23-02 to set the Franchise Fee with Northern States Power.

PROPOSED ORDINANCE 23-01

ELECTRIC FRANCHISE ORDINANCE

ORDINANCE NO. _____.

CITY OF OWATONNA, STEELE COUNTY, MINNESOTA

AN ORDINANCE GRANTING TO NORTHERN STATES POWER COMPANY, A MINNESOTA CORPORATION, ITS SUCCESSORS AND ASSIGNS, PERMISSION TO CONSTRUCT, OPERATE, REPAIR AND MAINTAIN IN THE CITY OF OWATONNA, MINNESOTA, AN ELECTRIC DISTRIBUTION SYSTEM AND TRANSMISSION LINES, INCLUDING NECESSARY POLES, LINES, FIXTURES AND APPURTENANCES, FOR THE FURNISHING OF ELECTRIC ENERGY TO THE CITY, ITS INHABITANTS, AND OTHERS, AND TO USE THE PUBLIC GROUNDS AND PUBLIC WAYS OF THE CITY FOR SUCH PURPOSES.

THE CITY COUNCIL OF THE CITY OF OWATONNA, STEELE COUNTY, MINNESOTA, ORDAINS:

SECTION 1. DEFINITIONS.

For purposes of this Ordinance, the following capitalized terms listed in alphabetical order shall have the following meanings:

- 1.1 **City.** The City of Owatonna, County of Steele, State of Minnesota.
- 1.2 **City Utility System.** Facilities used for providing non-energy related public utility service owned or operated by City or agency thereof, including sewer, storm sewer, water service, street lighting, and traffic signals, but excluding facilities for providing heating, lighting or other forms of energy.
- 1.3 **Commission.** The Minnesota Public Utilities Commission, or any successor agency or agencies, including an agency of the federal government, which preempts all, or part of the authority to regulate electric retail rates now vested in the Minnesota Public Utilities Commission.
- 1.4 **Company.** Northern States Power Company, a Minnesota corporation, its successors and assigns.
- 1.5 **Electric Facilities.** Electric transmission and distribution towers, poles, lines, guys, anchors, conduits, fixtures, and necessary appurtenances owned or operated by Company for the purpose of providing electric energy for public use.
- 1.6 **Notice.** A written notice served by one party on the other party referencing one or more provisions of this Ordinance. Notice to Company shall be mailed to the General Counsel, 401 Nicollet Mall, 8th Floor, Minneapolis, MN 55401. Notice to the City shall be mailed to the City Administrator, 54 West Hills Circle, Owatonna, MN 55060. Either party may change its respective address for the purpose of this Ordinance by written notice to the other party.
- 1.7 **Public Ground.** Land owned by the City for park, open space or similar purpose, which is held for use in common by the public.

1.8 **Public Way.** Any street, alley, walkway or other public right-of-way within the City.

SECTION 2. ADOPTION OF FRANCHISE.

2.1 **Grant of Franchise.** City hereby grants Company, for a period of 20 years from the date passed and approved by the City, the right to transmit and furnish electric energy for light, heat, power and other purposes for public and private use within and through the limits of the City as its boundaries now exist or as they may be extended in the future, subject, however, to the City's rights under Minn. Stat. § 216B.44 to acquire the Company's service and territory over any area within the City's corporate limits or such area as the City may annex. For these purposes, Company may construct, operate, repair and maintain Electric Facilities in, on, over, under and across the Public Grounds and Public Ways of City, subject to the provisions of this Ordinance. Company may do all reasonable things necessary or customary to accomplish these purposes, subject, however, to such reasonable regulations as may be imposed by the City pursuant to ordinance and to the further provisions of this franchise agreement.

2.2 **Effective Date; Written Acceptance.** This franchise agreement shall be in force and effect from and after passage of this Ordinance, its acceptance by Company, and its publication as required by law. The City, by Council resolution, may revoke this franchise agreement if Company does not file a written acceptance with the City within 90 days after publication.

2.3 **Service and Rates.** The service to be provided and the rates to be charged by Company for electric service in City are subject to the jurisdiction of the Commission. The area within the City in which Company may provide electric service is subject to the provisions of Minnesota Statutes, Section 216B.40.

2.4 **Publication Expense.** The expense of publication of this Ordinance will be paid by City and reimbursed to City by Company.

2.5 **Dispute Resolution.** If either party asserts that the other party is in default in the performance of any obligation hereunder, the complaining party shall notify the other party of the default and the desired remedy. The notification shall be written. Representatives of the parties must promptly meet and attempt in good faith to negotiate a resolution of the dispute. If the dispute is not resolved within 30 days of the written notice, the parties may jointly select a mediator to facilitate further discussion. The parties will equally share the fees and expenses of this mediator. If a mediator is not used, or if the parties are unable to resolve the dispute within 30 days after first meeting with the selected mediator, either party may commence an action in District Court to interpret and enforce this franchise or for such other relief as may be permitted by law or equity.

2.6 **Non Exclusive.** In conformity with Section 4.11 of the City Charter, this Franchise is not an exclusive franchise. City or other franchisees of City may initiate and provide retail electric services to, in and throughout the City except within company's service territory subject to governing law, including Minnesota law governing electric service territories and the franchise authority of City

SECTION 3. LOCATION, OTHER REGULATIONS.

3.1 **Location of Facilities.** Electric Facilities shall be located, constructed and maintained so as not to interfere with the safety and convenience of ordinary travel along and over Public Ways and so

as not to disrupt normal operation of any City Utility System previously installed therein. Electric Facilities shall be located on Public Grounds as determined by the City. Company's construction, reconstruction, operation, repair, maintenance and location of Electric Facilities shall be subject to permits if required by separate ordinance and to other reasonable regulations of the City to the extent not inconsistent with the terms of this franchise agreement. Company may abandon underground Electric Facilities in place, consistent with Minnesota Rule, Part 7819.3300 and provided at the City's request, Company shall remove abandoned facilities, including metal or concrete encased conduit interfering with a City improvement project, but only to the extent such conduit is uncovered by excavation as part of the City improvement project, unless this requirement is waived by the City.

3.2 Field Locations. Company shall provide field locations for its underground Electric Facilities within City consistent with the requirements of Minnesota Statutes, Chapter 216D.

3.3 Street Openings. Company shall not open or disturb any Public Ground or Public Way for any purpose without first having obtained a permit from the City, if required by a separate ordinance, for which the City may impose a reasonable fee. Permit conditions imposed on Company shall not be more burdensome than those imposed on other utilities for similar facilities or work. Company may, however, open and disturb any Public Ground or Public Way without permission from the City where an emergency exists requiring the immediate repair of Electric Facilities. In such event Company shall notify the City by telephone to the office designated by the City as soon as practicable. Not later than the second working day thereafter, Company shall obtain any required permits and pay any required fees.

3.4 Restoration. After undertaking any work requiring the opening of any Public Ground or Public Way, Company shall restore the same, including paving and its foundation consistent with Minnesota Rule 7819.1100, and shall maintain any paved surface in good condition for one year thereafter. The work shall be completed as promptly as weather permits, and if Company shall not promptly perform and complete the work, remove all dirt, rubbish, equipment and material, and put the Public Ground or Public Way in the said condition, the City shall have, after demand to Company to cure and the passage of a reasonable period of time following the demand, but not to exceed five days, the right to make the restoration at the expense of Company. Company shall pay to the City the cost of such work done for or performed by the City. This remedy shall be in addition to any other remedy available to the City for noncompliance with this Section 3.4, but the City hereby waives any requirement for Company to post a construction performance bond, certificate of insurance, letter of credit or any other form of security or assurance that may be required, under a separate existing or future ordinance of the City, of a person or entity obtaining the City's permission to install, replace or maintain facilities in a Public Way.

3.5 Avoid Damage to Electric Facilities. Nothing in this Ordinance relieves any person from liability arising out of the failure to exercise reasonable care to avoid damaging Electric Facilities while performing any activity.

3.6 Notice of Improvements. The City must give Company reasonable notice of plans for improvements to Public Grounds or Public Ways where the City has reason to believe that Electric Facilities may affect or be affected by the improvement. The notice must contain: (i) the nature and character of the improvements, (ii) the Public Grounds and Public Ways upon which the improvements are to be made, (iii) the extent of the improvements, (iv) the time when the City will start the work, and (v) if more than one Public Ground or Public Way is involved, the order in which the work is to proceed. The notice must be given to Company a sufficient length of time in advance of the actual commencement

of the work to permit Company to make any necessary additions, alterations or repairs to its Electric Facilities.

3.7 Shared Use of Poles. Company shall make space available on its poles or towers for City fire, water utility, police or other City facilities upon terms and conditions acceptable to Company whenever such use will not interfere with the use of such poles or towers by Company, by another electric utility, by a telephone utility, or by any cable television company or other form of communication company. In addition, the City shall pay for any added cost incurred by Company because of such use by City.

SECTION 4. RELOCATIONS.

4.1 Relocation of Electric Facilities in Public Ways. If the City determines to vacate a Public Way for a City improvement project, or at City's cost to grade, regrade, or change the line of any Public Way, or construct or reconstruct any City Utility System in any Public Way, it may order Company to relocate its Electric Facilities located therein if relocation is reasonably necessary to accomplish the City's proposed public improvement. Except as provided in Section 4.3, Company shall relocate its Electric Facilities at its own expense. The City shall give Company reasonable notice of plans to vacate for a City improvement project, or to grade, regrade, or change the line of any Public Way or to construct or reconstruct any City Utility System. The Company shall comply with Minnesota Rules, part 7819.3100 and applicable City ordinances consistent with law. If a subsequent relocation is required because of the extension of a City Utility System to a previously unserved area, Company may be required to make the subsequent relocation at its expense. Nothing in this Ordinance requires Company to relocate, remove, replace or reconstruct at its own expense its Electric Facilities where such relocation, removal, replacement or reconstruction is solely for the convenience of the City and is not reasonably necessary for the construction or reconstruction of a Public Way or City Utility System or other City improvement.

4.2 Relocation of Electric Facilities in Public Ground. City may require Company, at Company's expense, to relocate or remove its Electric Facilities from Public Ground upon a finding by City that the Electric Facilities have become or will become a substantial impairment to the existing or proposed public use of the Public Ground.

4.3 Projects with Federal Funding. Relocation, removal or rearrangement of any Company Electric Facilities made necessary because of a federally-aided highway project shall be governed by the provisions of Minnesota Statutes, Section 161.46, as supplemented or amended.

4.4 No Waiver. The provisions of this franchise apply only to facilities constructed in reliance on a franchise from the City and shall not be construed to waive or modify any rights obtained by Company for installations within a Company right-of-way acquired by easement or prescriptive right before the applicable Public Ground or Public Way was established, or Company's rights under state or county permit.

SECTION 5. TREE TRIMMING.

Company may trim all trees and shrubs in the Public Grounds and Public Ways of City to the extent Company finds necessary to avoid interference with the proper construction, operation, repair and maintenance of any Electric Facilities installed hereunder, provided that Company shall save the City

harmless from any liability arising therefrom, and subject to permit or other reasonable regulation by the City.

SECTION 6. INDEMNIFICATION.

6.1 Indemnity of City. Company shall indemnify, keep and hold the City free and harmless from any and all liability on account of injury to persons or damage to property occasioned by the construction, maintenance, repair, inspection, the issuance of permits, or the operation of the Electric Facilities located in the Public Grounds and Public Ways. The City shall not be indemnified for losses or claims occasioned through its own negligence except for losses or claims arising out of or alleging the City's negligence as to the issuance of permits for, or inspection of, Company's plans or work. The City shall not be indemnified if the injury or damage results from the performance in a proper manner, of acts reasonably deemed hazardous by Company, and such performance is nevertheless ordered or directed by City after notice of Company's determination.

6.2 Defense of City. In the event a suit is brought against the City under circumstances where this agreement to indemnify applies, Company at its sole cost and expense shall defend the City in such suit if written notice thereof is promptly given to Company within a period wherein Company is not prejudiced by lack of such notice. If Company is required to indemnify and defend, it will thereafter have control of such litigation, but Company may not settle such litigation without the consent of the City, which consent shall not be unreasonably withheld. This section is not, as to third parties, a waiver of any defense or immunity otherwise available to the City and Company, in defending any action on behalf of the City, shall be entitled to assert in any action every defense or immunity that the City could assert in its own behalf.

SECTION 7. VACATION OF PUBLIC WAYS.

The City shall give Company at least two weeks prior written notice of a proposed vacation of a Public Way. Except where required for a City improvement project, the vacation of any Public Way, after the installation of Electric Facilities, shall not operate to deprive Company of its rights to operate and maintain such Electric Facilities, until the reasonable cost of relocating the same and the loss and expense resulting from such relocation are first paid to Company. The City and the Company shall comply with Minnesota Rules 7819.3200 and applicable ordinances consistent with the law. In no case, however, shall City be liable to Company for failure to specifically preserve a right-of-way under Minnesota Statutes, Section 160.29.

SECTION 8. CHANGE IN FORM OF GOVERNMENT.

Any change in the form of government of the City shall not affect the validity of this Ordinance. Any governmental unit succeeding the City shall, without the consent of Company, succeed to all of the rights and obligations of the City provided in this Ordinance.

SECTION 9. FRANCHISE FEE.

9.1 **Fee Schedule.** During the term of the franchise hereby granted, and in lieu of any permit or other fees being imposed on Company, the City may impose on Company a franchise fee in the amount of three and a half percent (3.5%) of the Company's Gross Revenues, as hereinafter defined, by collecting the amounts from each customer in the designated Company Customer Class for service at each and every customer location, as set forth in the separate franchise fee ordinance.

9.2 **Separate Ordinance.** The franchise fee shall be imposed by a separate ordinance duly adopted by the City Council, which ordinance shall not be adopted until at least 90 days after written notice enclosing such proposed ordinance has been served upon Company by certified mail. The fee shall not become effective until the beginning of a Company billing month at least 90 days after written notice enclosing such adopted ordinance has been served upon Company by certified mail. Section 2.5 shall constitute the sole remedy for solving disputes between Company and the City in regard to the interpretation of, or enforcement of, the separate ordinance. No action by the City to implement a separate ordinance will commence until this Ordinance is effective. Unless otherwise agreed to by the parties, a separate ordinance which imposes a lesser franchise fee on the residential class of customers than the maximum amount set forth in Section 9.1 above shall not be effective against Company unless the fee imposed on each other customer classification is reduced proportionately in the same or greater amount per class as the reduction represented by the lesser fee on the residential class.

9.3 **Terms Defined.** For the purpose of this Section 9, the following definitions apply:

9.3.1 "Customer Class" shall refer to the classes listed on the Fee Schedule and/or as defined or determined in Company's electric tariffs on file with the Commission.

9.3.2 "Fee Schedule" refers to the schedule setting forth the various customer classes from which a franchise fee would be collected if a separate ordinance were implemented immediately after the effective date of this franchise agreement. The Fee Schedule in the separate ordinance may include new Customer Class added by Company to its electric tariffs after the effective date of this franchise agreement.

9.3.3 "Gross Revenues" means all sums, excluding any surcharge or similar addition to the Company's charges to customers for the purpose of reimbursing the Company for the cost resulting from the franchise fee, received by the Company from the sale of electricity to its retail customers within the corporate limits of the City.

9.4 **Collection of the Fee.** The franchise fee shall be payable quarterly and shall be based on the amount collected by Company during complete billing months during the period for which payment is to be made by imposing a surcharge equal to the designated franchise fee for the applicable customer classification in all customer billings for electric service in each class. The payment shall be due the last business day of the month following the period for which the payment is made. The franchise fee may be changed by ordinance from time to time; however, each change shall meet the same notice requirements and not occur more often than annually and no change shall require a collection from any customer for electric service in excess of the amounts specifically permitted by this Section 9. The time and manner of collecting the franchise fee is subject to the approval of the Commission. No franchise fee shall be payable by Company if Company is legally unable to first collect an amount equal to the

franchise fee from its customers in each applicable class of customers by imposing a surcharge in Company's applicable rates for electric service. Company may pay the City the fee based upon the surcharge billed subject to subsequent reductions to account for uncollectibles, refunds and correction of erroneous billings. Company agrees to make its records available for inspection by the City at reasonable times provided that the City and its designated representative agree in writing not to disclose any information which would indicate the amount paid by any identifiable customer or customers or any other information regarding identified customers.

9.5 **Equivalent Fee Requirement.** The separate ordinance imposing the fee shall not be effective against Company unless it lawfully imposes and the City monthly or more often collects a fee or tax of the same or greater equivalent amount on the receipts from sales of energy within the City by any other energy supplier, provided that, as to such a supplier, the City has the authority to require a franchise fee or to impose a tax. The "same or greater equivalent amount" shall be measured, if practicable, by comparing amounts collected as a franchise fee from each similar customer, or by comparing, as to similar customers the percentage of the annual bill represented by the amount collected for franchise fee purposes. The franchise fee or tax shall be applicable to energy sales for any energy use related to heating, cooling or lighting, or to run machinery and appliances, but shall not apply to energy sales for the purpose of providing fuel for vehicles. If the Company specifically consents in writing to a franchise or separate ordinance collecting or failing to collect a fee from another energy supplier in contravention of this Section 9.5, the foregoing conditions will be waived to the extent of such written consent.

SECTION 10. PROVISIONS OF ORDINANCE.

10.1 **Severability.** Every section, provision, or part of this Ordinance is declared separate from every other section, provision, or part and if any section, provision, or part shall be held invalid, it shall not affect any other section, provision, or part. Where a provision of any other City ordinance conflicts with the provisions of this Ordinance, the provisions of this Ordinance shall prevail.

10.2 **Limitation on Applicability.** This Ordinance constitutes a franchise agreement between the City and Company as the only parties, and no provision of this franchise shall in any way inure to the benefit of any third person (including the public at large) so as to constitute any such person as a third party beneficiary of the agreement or of any one or more of the terms hereof, or otherwise give rise to any cause of action in any person not a party hereto.

SECTION 11. AMENDMENT PROCEDURE.

Either party to this franchise agreement may at any time propose that the agreement be amended to address a subject of concern and the other party will consider whether it agrees that the amendment is mutually appropriate. If an amendment is agreed upon, this Ordinance may be amended at any time by the City passing a subsequent ordinance declaring the provisions of the amendment, which amendatory ordinance shall become effective upon the filing of Company's written consent thereto with the City Clerk within 90 days after the date of final passage by the City of the amendatory ordinance.

SECTION 12. PREVIOUS FRANCHISES SUPERSEDED.

This franchise supersedes any previous electric franchise granted to Company or its predecessor.

Passed and adopted this _____ day of _____, 2023, with the following roll call vote:

Aye:

Nay:

Absent:

Approved and signed this _____ day of _____, 2023.

Thomas A. Kuntz, Mayor

ATTEST:

Kris M. Busse, City Administrator/City Clerk

PROPOSED ORDINANCE 23-02

ORDINANCE NO. _____

AN ORDINANCE IMPLEMENTING AN ELECTRIC SERVICE FRANCHISE FEE ON NORTHERN STATES POWER COMPANY, A MINNESOTA CORPORATION, ITS SUCCESSORS AND ASSIGNS, FOR PROVIDING ELECTRIC SERVICE WITHIN THE CITY OF OWATONNA.

THE CITY COUNCIL OF THE CITY OF OWATONNA DOES ORDAIN:

SECTION 1. The City of Owatonna Municipal Code is hereby amended to include reference to the following Special Ordinance.

Subd. 1. Purpose. The Owatonna City Council has determined that it is in the best interest of the City to impose a franchise fee on those public utility companies that provide electric services within the City of Owatonna.

- (a) Pursuant to City Ordinance _____, a Franchise Agreement between the City of Owatonna and Northern States Power Company, a Minnesota corporation, its successors and assigns, the City has the right to impose a franchise fee on Northern States Power Company, a Minnesota corporation, its successors and assigns, in an amount and fee design as set forth in Section 9 of the Northern States Power Company Franchise and in the fee schedule attached hereto as Schedule A.

Subd. 2. Franchise Fee Statement. A franchise fee is hereby imposed on Northern States Power Company, a Minnesota Corporation, its successors and assigns, under its electric franchise in accordance with the schedule attached here to and made a part of this Ordinance, commencing with the NSPM May 1, 2023 billing month.

This fee is an account-based fee on each premise and not a meter-based fee. In the event that an entity covered by this ordinance has more than one meter at a single premise, but only one account, only one fee shall be assessed to that account. If a premise has two or more meters being billed at different rates, the Company may have an account for each rate classification, which will result in more than one franchise fee assessment for electric service to that premise. If the Company combines the rate classifications into a single account, the franchise fee assessed to the account will be the largest franchise fee applicable to a single rate classification for energy delivered to that premise. In the event any entities covered by this ordinance have more than one premise, each premise (address) shall be subject to the appropriate fee. In the event a question arises as to the proper fee amount for any premise, the Company's manner of billing for energy used at all similar premises in the city will control.

Subd. 3. Payment. The said franchise fee shall be payable to the City in accordance with the terms set forth in Section 9 of the Franchise.

Subd. 4. Surcharge. The City recognizes that the Minnesota Public Utilities Commission may allow Company to add a surcharge to customer rates of city residents to reimburse Company for the cost of the fee.

Subd. 5. Enforcement. Any dispute, including enforcement of a default regarding this ordinance will be resolved in accordance with Section 2.5 of the Franchise Agreement.

Subd. 6. Effective Date of Franchise Fee. The effective date of this Ordinance shall be after its publication and ninety (90) days after the sending of written notice enclosing a copy of this adopted Ordinance to NSPM by certified mail. Collection of the fee shall commence as provided above.

Passed and adopted this _____ day of _____, 2023, with the following roll call vote:

AYE:

NAY:

ABSENT:

Approved and signed this _____ day of _____, 2023.

Thomas A. Kuntz, Mayor

ATTEST:

Kris M. Busse, City Administrator/City Clerk

SCHEDULE A

Franchise Fee Rates:

Electric Utility

A franchise fee is hereby imposed on NSPM under its electric Franchise Agreement in the amount of three and a half percent (3.5%) of NSPM's Gross Revenues, as defined in Section 9 of the Franchise, commencing with NSPM's May 1 2023 billing month.

Franchise fees are submitted to the City on a quarterly basis as follows:

- January – March collections due by April 30.
- April – June collections due by July 31.
- July – September collections due by October 31.
- October – December collections due by January 31.



Resolutions



Human Resources Department

DATE: January 3, 2023
TO: Mayor and City Council
FROM: Emily Thamert, Director
SUBJECT: Resolution 3-23: Labor Agreement - IUOE - Local 70

Purpose:

Council approval of Resolution 3-23 to approve the 2023-2024 labor agreement with International Union of Operating Engineers, Local No. 70, AFL-CIO.

Background:

Staff have been in negotiations with the Local 70 unit. A tentative agreement has been reached. A summary of the changes are as follows:

- **Wages** - Approval of a 3.25% increase on the approved wage scale for 2023 effective on January 1, 2023. Approval of a 3.25% increase on the approved wage scale for 2024 effective on January 1, 2024. Employees that have remaining steps on the wage scale will receive a step effective January 1, 2023 and January 1, 2024.
- **Insurance** - Monthly employer contribution for 2023 increased by \$42 (single) and \$117 (family). Monthly employer contribution for 2024 increased by \$28 (single) and \$80 (family).
- **Hours of work** - Increase on-call pay from \$2.25 to \$2.50 per hour effective January 1, 2024.

Budget Impact:

The budget impact to implement the 2023-2024 Local 70 contract is \$455,474.

Staff Recommendation:

Staff recommends approval of Resolution 3-23.

Attachments:

1. Resolution 3-23: Local 70 Contract 2023-2024

RESOLUTION NO. 3-23

A RESOLUTION APPROVING LABOR AGREEMENT
BETWEEN THE CITY OF OWATONNA AND
INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL NO. 70, AFL-CIO

WHEREAS, International Union of Operating Engineers, Local NO. 70, AFL-CIO is the exclusive representative for certain City of Owatonna employees; and

WHEREAS, the current labor agreement between the City of Owatonna and International Union of Operating Engineers, Local NO. 70, AFL-CIO has expired on December 31, 2022; and

WHEREAS, the City of Owatonna and International Union of Operating Engineers, Local NO. 70, AFL-CIO met and negotiated over the terms of the new labor agreement between the parties; and

WHEREAS, the parties reached a tentative agreement of the terms of the new labor agreement; and

WHEREAS, the Public Employment Relations Act requires that the City of Owatonna execute a labor agreement and implement it in the form of a resolution.

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

1. The Labor Agreement between the City of Owatonna and International Union of Operating Engineers, Local NO. 70, AFL-CIO for January 1, 2023 through December 31, 2024 is approved.
2. The Mayor and the City Administrator shall execute the agreement.
3. The City of Owatonna shall implement the agreement.

Passed and adopted this ____ day of _____, 2023, with the following vote:

Aye ____; No ____; Absent ____.

Approved and signed this ____ day of _____, 2023.

Thomas A. Kuntz, Mayor

ATTEST:

Kris M. Busse, City Administrator/City Clerk



Human Resources Department

DATE: January 3, 2023
TO: Mayor and City Council
FROM: Emily Thamert, Director
SUBJECT: Resolution 4-23: Labor Agreement - Minnesota Public Employees Association - Patrol Officers

Purpose:

Council approval of Resolution 4-23 to approve the 2023-2024 labor agreement with the Minnesota Public Employees Association, Patrol Officers.

Background:

Staff have been in negotiations with the Patrol Officers. A tentative agreement has been reached. A summary of the changes are as follows:

- **Wages** - Approval of a 3.25% increase on the approved wage scale for 2023 effective on January 1, 2023. Approval of a 3.25% increase on the approved wage scale for 2024 effective on January 1, 2024. Employees that have remaining steps on the wage scale will receive a step effective January 1, 2023 and January 1, 2024.
- **Insurance** - Monthly employer contribution for 2023 increased by \$42 (single) and \$117 (family). Monthly employer contribution for 2024 increased by \$28 (single) and \$80 (family).

Budget Impact:

The budget impact to implement the 2023-2024 Patrol contract is \$286,558.

Staff Recommendation:

Staff recommends approval of Resolution 4-23.

Attachments:

1. Resolution 4-23: Patrol Contract 2023-2024

RESOLUTION NO. 4-23

A RESOLUTION APPROVING LABOR AGREEMENT
BETWEEN THE CITY OF OWATONNA AND
MINNESOTA PUBLIC EMPLOYEES ASSOCIATION - PATROL

WHEREAS, Minnesota Public Employees Association - Patrol
is the exclusive representative for certain City of Owatonna employees; and

WHEREAS, the current labor agreement between the City of Owatonna and Minnesota
Public Employees Association - Patrol expired on December 31, 2022; and

WHEREAS, the City of Owatonna and International Association of Minnesota Public
Employees Association - Patrol met and negotiated over the terms of the new labor
agreement between the parties; and

WHEREAS, the parties reached a tentative agreement of the terms of the new labor
agreement; and

WHEREAS, the Public Employment Relations Act requires that the City of Owatonna
execute a labor agreement and implement it in the form of a resolution.

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

1. The Labor Agreement between the City of Owatonna and Minnesota Public
Employees Association - Patrol for January 1, 2023 through December 31, 2024 is
approved.
2. The Mayor and the City Administrator shall execute the agreement.
3. The City of Owatonna shall implement the agreement.

Passed and adopted this ____ day of _____, 2023, with the following vote:

Aye ____; No ____; Absent ____.

Approved and signed this ____ day of _____, 2023.

Thomas A. Kuntz, Mayor

ATTEST:

Kris M. Busse, City Administrator/City Clerk



Human Resources Department

DATE: January 3, 2023
TO: Mayor and City Council
FROM: Emily Thamert, Director
SUBJECT: Resolutions 5-23: Labor Agreement - Minnesota Public Employees Association - Sergeants

Purpose:

Council approval of Resolution 5-23 to approve the 2023-2024 labor agreement with the Minnesota Public Employees Association, Sergeants.

Background:

Staff have been in negotiations with the Sergeants. A tentative agreement has been reached. A summary of the changes are as follows:

- **Wages** - Approval of a 3.25% increase on the approved wage scale for 2023 effective on January 1, 2023. Approval of a 3.25% increase on the approved wage scale for 2024 effective on January 1, 2024. Employees that have remaining steps on the wage scale will receive a step effective January 1, 2023 and January 1, 2024.
- **Insurance** - Monthly employer contribution for 2023 increased by \$42 (single) and \$117 (family). Monthly employer contribution for 2024 increased by \$28 (single) and \$80 (family).

Budget Impact:

The budget impact to implement the 2023-2024 Sergeant contract is \$86,210.

Staff Recommendation:

Staff recommends approval of Resolution 5-23.

Attachments:

1. Resolution 5-23: Sergeant Contract 2023-2024

RESOLUTION NO. 5-23

A RESOLUTION APPROVING LABOR AGREEMENT
BETWEEN THE CITY OF OWATONNA AND
MINNESOTA PUBLIC EMPLOYEES ASSOCIATION - SERGEANTS

WHEREAS, Minnesota Public Employees Association - Sergeants
is the exclusive representative for certain City of Owatonna employees; and

WHEREAS, the current labor agreement between the City of Owatonna and Minnesota
Public Employees Association - Sergeants will expire on December 31, 2022; and

WHEREAS, the City of Owatonna and International Association of Minnesota Public
Employees Association - Sergeants met and negotiated over the terms of the new labor
agreement between the parties; and

WHEREAS, the parties reached a tentative agreement of the terms of the new labor
agreement; and

WHEREAS, the Public Employment Relations Act requires that the City of Owatonna
execute a labor agreement and implement it in the form of a resolution.

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

1. The Labor Agreement between the City of Owatonna and International Association of
Minnesota Public Employees Association - Sergeants for January 1, 2023 through
December 31, 2024 is approved.
2. The Mayor and the City Administrator shall execute the agreement.
3. The City of Owatonna shall implement the agreement.

Passed and adopted this ____ day of _____, 2023, with the following vote:

Aye ____; No ____; Absent ____.

Approved and signed this ____ day of _____, 2023.

Thomas A. Kuntz, Mayor

ATTEST:

Kris M. Busse, City Administrator/City Clerk



Miscellaneous



Human Resources Department

DATE: January 3, 2023
TO: Mayor and City Council
FROM: Emily Thamert, Director
SUBJECT: Wage Adjustments - Non-Union Employees

Purpose:

Council approval of 2023 and 2024 wage and benefit increases for nonunion employees.

Background:

Based on the wage and benefit adjustments reached with the MPEA-Patrol Officers, MPEA-Sergeants, and IUOE-Local 70, I am recommending the same wage and benefit adjustment for the nonunion employees to maintain consistency and fairness. A summary of the proposed changes are as follows:

- **Wages** - Approval of a 3.25% increase on the approved wage scale for 2023 effective on January 1, 2023. Approval of a 3.25% increase on the approved wage scale for 2024 effective on January 1, 2024. Employees that have remaining steps on the wage scale will receive a step effective January 1, 2023 and January 1, 2024.
- **Insurance** - Monthly employer contribution for 2023 increased by \$42 (single) and \$117 (family). Monthly employer contribution for 2024 increased by \$28 (single) and \$80 (family).

Budget Impact:

The budget impact to implement the 2023 and 2024 proposed increases for nonunion employees is \$654,603.

Staff Recommendation:

Staff recommends approval of the proposed increases for 2023 and 2024 for the nonunion employee group.

Attachments:

None



Community Development Department

DATE: January 3, 2023
TO: Mayor and City Council
FROM: Troy Klecker, Director
SUBJECT: Purchase Agreement - 104 18th Street SW to Roosevelt Lake Holdings, LLC

Purpose:

Council to approve the Purchase Agreement for sale of the property at 104 18th Street SW.

Background:

Staff have been working with Roosevelt Lake Holdings, LLC (Scooter's Coffee) to construct a drive-up facility at this location since February. A Letter of Intent was in place while Scooter's went through a due diligence period to finalize their plans. The City Council approved a conditional use permit for the drive-up lane during the December 20, 2022 Council Meeting and we are now ready to complete the sale of the property.

There were some limitations to the property that affected the price. No direct access to 18th Street SW was desired by the City for better traffic flow in this area. The only access to the site would be the joint driveway with Hometown Credit Union and Hy-Vee and an agreement was needed with those parties. Improvements to that driveway will be made as part of this project. The water service will be stubbed into the site from 18th Street, a number of years ago, the City constructed a sanitary sewer line to the site to make this site more developable.

The purchase price is \$130,000. The City will be retaining a triangular parcel at the corner of 18th Street and North Cedar to accommodate a trail crossing at that intersection. Scooters is looking to close on the property in January and begin construction sometime this spring.

Budget Impact:

No impact on the operating budget. Proceeds from the sale will reimburse the EDA Budget for expenses incurred developing this property to be used to develop other properties.

Staff Recommendation:

Staff recommends approval of this purchase agreement.

Attachments:

1. Purchase Agreement - Roosevelt Lake Holdings, LLC (Scooter's Coffee)

PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT (this “*Agreement*”) is entered into as of this 29th day of December, 2022, by and between City of Owatonna, Minnesota, a municipal corporation under the laws of the State of Minnesota, 540 West Hills Circle, Owatonna, MN 55060 (“*Seller*”) and Roosevelt Lake Holdings, LLC, a corporation under the laws of the State of Minnesota, 11429 Snake Trail SW, Motley, MN 56466 (“*Buyer*”) . As used in this Agreement, the “*Effective Date*” shall be the date on which this Agreement is executed by the latter of Buyer or Seller.

RECITALS

WHEREAS, Seller is the fee owner of a parcel of land situated in the City of Owatonna, Steele County, Minnesota, Parcel Number 17-016-2206 (Parcel A, per Exhibit A); and

WHEREAS, Buyer desires to purchase the Property from Seller, and Seller is willing to sell the Property to Buyer, upon the following terms and conditions:

NOW THEREFORE, in consideration of the mutual covenants and promises herein contained, and the payment by Buyer to Seller of the sum of Ten Thousand Dollars (\$10,000.00) earnest money deposit (said earnest money to be deposited in accordance with paragraph 1(b) below) (the “*Earnest Money*”) the receipt and sufficiency of which is hereby acknowledged by Seller, the parties hereto agree as follows:

1. Purchase Price and Earnest Money.

a. The price for which Seller shall sell, convey, and assign the Property to Buyer, and which Buyer shall pay to Seller, is One Hundred Thirty Thousand Dollars (\$130,000.00) for the Property (the “*Purchase Price*”), to be paid in cash or cash equivalents as set forth in paragraph 2 below.

b. Within seven (7) business days of the Effective Date, Seller shall deliver to Quality Title – Brainerd, MN (the “*Title Company*”), the Earnest Money, which the Title Company shall immediately deposit in a non-interest-bearing account at a federally insured banking institution.

2. Closing. Provided this Agreement has not been earlier terminated pursuant to the provisions below, and subject to the provisions of paragraph 3 below, the closing (the “*Closing*”) of the sale of the Property by Seller to Buyer shall occur on or before within ninety (90) days of the Effective Date, unless the parties mutually agree to a different date in writing (the “*Closing Date*”), in the offices of the Title Company.

3. Contingencies. Buyer’s obligation to purchase the Property is contingent upon satisfaction or waiver by Buyer of each of the following conditions on or before the

date that is sixty (60) days following the Effective Date (the "*Inspection Period*"), each as determined by Buyer in its sole and absolute discretion:

a. Seller's Documents. Within fifteen (15) days after the Effective Date, Seller shall, at its expense, deliver to Buyer copies of any environmental reports, surveys, soil studies, plans, specifications and engineering plans to the extent the same are in Seller's possession. The documents described in this paragraph are herein collectively called the "*Documents*", and the information contained in the Documents is herein collectively called the "*Information*".

b. Buyer's Investigation. Seller agrees that Buyer and Buyer's authorized agents and employees shall be entitled to enter upon the Property for the purpose of making such reasonable, nondestructive investigations, studies and tests, including, without limitation, surveys and engineering studies, as Buyer deems necessary or advisable; provided, however, that Buyer shall not be permitted to conduct physical or invasive testing (including, without limitation, any environmental testing other than a Phase I environmental study) without Seller's prior written consent, which consent will not to be unreasonably withheld, conditioned or delayed. Buyer shall promptly repair any damage to the property or improvements thereon caused by Buyer or his agents, contractors, or consultants. Buyer and its contractors shall maintain public liability and property damage insurance with limits of \$1 Million (\$1,000,000) to insure against liability of Buyer, its officers, agents, and contractors arising out of entry or inspections of the property. Before entry on the property, Buyer shall provide Seller with a certificate of such insurance on Buyer's behalf and its agents. All such policies shall name City as an "additional insured." Buyer shall indemnify, defend and hold Seller harmless from all costs, damages, and liabilities arising out of the activities of Buyer and its contractors, agents and employees under this paragraph. Buyer's obligations under this paragraph shall survive the closing or termination of this Agreement for any reason.

c. Buyer's Satisfaction. Buyer, in its sole discretion, determining that it is satisfied that the acquisition of the Property and Buyer's intended use of the Property will meet its internal requirements.

If any of the contingencies listed above are not satisfied within the Inspection Period, and if within five (5) days following the Inspection Period, Buyer gives written notice to Seller that Buyer is terminating this Agreement because of the failure of any one or more such contingencies, then upon the giving of such notice this Agreement shall be terminated and the Earnest Money returned to Buyer, and both parties agree to sign a Cancellation of Purchase Agreement, and neither party shall have any further obligation to the other, except for the indemnification provided for paragraph 3(b) above. In the absence of such notice and termination, each and every said contingency shall be deemed waived by Buyer.

4. Title Matters. Title examination shall be conducted as follows:

i. Seller's Title Evidence. Promptly after the Effective Date (and in no event later than 5 days thereafter), Seller shall order a title commitment ("*Title Commitment*") for an Owner's Policy of Title Insurance ("*Title Policy*") committing to insure marketable title to the Real Property in Buyer, subject only to the Permitted Encumbrances, in the amount of the Purchase Price and issued by the Title Company.

ii. Buyer's Objections. Buyer shall be allowed thirty (30) days after receipt of the Title Commitment for examination of title and the making of any objections thereto. Buyer shall notify Seller in writing of any matters which render title to the Property in Seller as being unmarketable ("*Objections*"). Buyer's failure to make Objections within the applicable time period will constitute a waiver of Buyer's right to make Objections. Buyer will be deemed to have automatically made Objections to any mortgage, judgment, tax lien, mechanic's lien and any other monetary lien against the Property, other than real estate taxes and assessments (collectively "*Monetary Liens*"). Any items disclosed by the Title Commitment or the Survey and not objected to by Buyer shall be a "*Permitted Encumbrance*" hereunder.

iii. Cure Period. Seller shall advise Buyer in writing ("*Seller's Cure Notice*") within 15 days after Buyer delivers written notice of any Objections, which of the Objections Seller is willing to cure ("*Seller Cure Items*"). If Seller fails to deliver Seller's Cure Notice within such 15-day period, all Objections will be deemed to be Seller Cure Items. At Seller's sole cost and expense, Seller shall use best efforts to correct, remove or otherwise cure the Seller Cure Items within 60 days after delivery or deemed waiver of Seller's Cure Notice (the "*Cure Period*") and the Closing will be postponed as necessary. Seller may pay Monetary Liens out of proceeds from Closing on the Closing Date if they are not satisfied prior thereto. If any Seller Cure Items remain uncured at the end of the Cure Period, Buyer may elect one or more of the following options by providing written notice thereof to Seller and to the Title Company:

A. Terminate this Agreement within 10 days after the expiration of the Cure Period. Upon receipt of such notice from Buyer, the Title Company shall promptly return the Earnest Money to Buyer. Upon such return, neither Seller nor Buyer shall have any further rights or obligations under this Agreement (except for any obligations that expressly survive the termination of this Agreement); or

B. Waive such uncured Seller Cure Items and/or other Objections and close the transaction contemplated by this Agreement as if such

Objections had not been made, and the title matters related to such uncured Seller Cure Items and/or Objections will be deemed Permitted Encumbrances.

iv. New Title Matters. If any matters which render title to the Property in Seller as being unmarketable are discovered by or reported to Buyer on or prior to the Closing Date which are not shown on the Title Commitment or the Survey, or which were created or came into existence on or after the date of delivery of the Title Commitment or the Survey, Buyer shall notify Seller in writing of any additional Objections to such title defects as soon as reasonably possible. Seller may then either (A) cure such Objections prior to Closing; or (B) decline to cure such Objection. If Seller declines to cure such Objection, it shall so notify Buyer within ten (10) business days of notice from Buyer. Thereafter, Buyer may (x) waive such Objection and proceed to Closing or (y) terminate this Agreement and obtain the return of the Earnest Money in accordance with subsection (iii) above. Nothing in this paragraph shall abridge or limit Seller's or Buyer's termination rights or remedies for Seller's default under this Agreement.

5. Closing Deliveries; Prorations. At the Closing the following, which are mutually concurrent conditions, shall occur:

a. At Closing Seller, at its expense, shall deliver or cause to be delivered to Buyer the following:

i. Limited Warranty Deed duly executed and acknowledged by Seller, conveying to Buyer the Property and Improvements, subject only to the Permitted Encumbrances (the "*Deed*");

ii. evidence satisfactory to Buyer and the Title Company that the persons executing and delivering the closing documents on behalf of Seller have full right, power and authority to do so;

iii. certificate meeting the requirements of Section 1445 of the Internal Revenue Code of 1986, duly executed and acknowledged by Seller;

b. Buyer, at its expense, shall deliver or cause to be delivered to Seller the following:

i. Immediately available cash funds in the amount of the Purchase Price adjusted in accordance with paragraph 5(c) below; and

ii. evidence satisfactory to Seller and Title Company that the person executing the closing documents on behalf of Buyer has full right, power, and authority to do so.

c. The following provisions shall govern the apportionment of income and expenses with respect to the Property between Seller and Buyer:

i. All real estate taxes and special assessments due and payable in the calendar year before the Closing Date shall be paid by Seller, and Buyer shall pay all such real estate taxes and special assessments payable in the calendar year after the Closing Date and subsequent years. Buyer and Seller shall prorate the Property taxes, and any installments of special assessments payable therewith, payable for the Property during the calendar year of Closing. Buyer shall pay any special assessments pending against the Property as of the Closing.

ii. Seller shall pay (i) one-half (1/2) of any closing fee or similar charges of the Title Company, (ii) any state deed tax in connection with the transfer of the Property, (iii) the cost of obtaining any other items required to be delivered by Seller to Buyer at Closing as provided herein, (iv) the cost of issuing the Title Commitment, (v) Seller's own attorneys' fees and (vi) any sale commissions.

iii. Buyer shall pay (i) the premium and any other charges for the Title Policy and any title policy in favor of Buyer's lender, including any endorsements, premiums or other charges related to either, (ii) any expenses or charges incurred in connection with any loan obtained by Buyer, including any recording fees, mortgage registry tax or other charges related to any loan documents, (iii) one-half (1/2) of any closing fee or similar charges of the Title Company, (iv) the cost of recording the Deed, (v) the cost of obtaining any other items required to be delivered by Buyer to Seller at Closing as provided herein, (vi) Buyer's own attorneys' fees.

iv. The Earnest Money shall be credited against the Purchase Price at Closing.

v. Upon completion of the Closing, Seller shall deliver to Buyer possession of the Property.

6. Seller Representations. Seller represents and warrants to Buyer as follows:

a. There is no litigation or proceeding pending or, to Seller's knowledge, threatened against or relating to the Property or any part thereof.

b. Seller has no knowledge of any pending or threatened condemnation or eminent domain proceedings which would affect the Property or any part thereof.

c. Seller represents and warrants that it has received no notice of the commencement by third parties of any proceedings, which would affect the present zoning classification of the Property.

The above representations and warranties shall survive the Closing.

7. Termination and Remedies.

a. If Buyer fails to consummate the purchase of the Property pursuant to this Agreement for any reason other than termination hereof pursuant to an express termination right granted to Buyer herein, then Seller, as its sole remedy, may cancel this Agreement in accordance with applicable law, in which event the Earnest Money shall be delivered to Seller as liquidated damages, whereupon neither Buyer nor Seller shall have any further rights or obligations hereunder, except those that by their terms survive the termination of this Agreement.

b. If Buyer terminates this Agreement pursuant to an express termination right granted to Buyer herein, then the Earnest Money shall be promptly returned to Buyer whereupon neither party hereto shall have any further rights or obligations hereunder, except those that by their terms survive the termination of this Agreement.

c. If Seller fails to consummate the sale of the Property pursuant to this Agreement for any reason other than Buyer's failure to perform its obligations hereunder or termination hereof by Buyer in accordance with paragraph 5(b), then Buyer may, as its sole and exclusive remedies, either (i) terminate this Agreement by notifying Seller thereof, in which case the Earnest Money shall be promptly returned to Buyer and, after such return, neither party hereto shall have any further rights or obligations hereunder, except those that by their terms survive the termination of this Agreement; or (ii) enforce specific performance of the obligations of Seller hereunder provided such action for specific performance is brought within six (6) months of the occurrence of the event or condition giving rise to such action for specific performance.

8. Notices. Any notice required or permitted to be given hereunder will be properly given in accordance with this Agreement, if in writing and (a) delivered by hand, (b) sent by recognized overnight courier (such as Federal Express), (c) sent via email, or (d) mailed by certified or registered mail, return receipt requested, in a postage prepaid envelope, and addressed set forth on the signature page hereto.

9. AS IS. Buyer acknowledges that it is purchasing the Property "AS IS, where is, with all faults" with no right of set-off or reduction in the purchase price, and that such sale shall be without representation or warranty of any kind, except as provided in this Agreement, express or implied, including, without limitation, warranty as to the condition of the Property or improvements thereon including the environmental condition, warranty of income potential, operating expenses, uses, merchantability or fitness for a particular purpose, and Seller does hereby disclaim and renounce any such representation or warranty. Except for any representations and warranties expressly made by Seller in this

agreement, Buyer specifically acknowledges that Buyer is not relying on any representations or warranties of any kind whatsoever, express or implied, from Seller, Seller's agents, or brokers as to any matter concerning the property and that except as set forth herein, Buyer is relying entirely on its own inspections and other due diligence activity.

10. Stormwater Management. Buyer agrees to abide by all Federal, State, and local statutes, ordinances, regulations and rules pertaining to stormwater management and agrees to be solely responsible for constructing and maintaining all stormwater facilities required on the Real Property.

11. Arbitration. Notwithstanding anything to the contrary herein, Buyer and Seller agree if a dispute arises out of or relates to this contract, or the breach thereof, and if the dispute cannot be settled through negotiation, the parties agree first to try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its commercial mediation procedures before resorting to arbitration, or some other dispute resolution procedure. Any controversy or claim arising out of or relating to this contract, or the breach thereof, shall be settled by arbitration administered by the American Arbitration Association in accordance with its commercial Arbitration Rules and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.

12. Venue. The sole venue of any legal actions arising out of any disputes hereunder shall be the Minnesota State District Court in and for the County of Steele, 111 East Main Street, Owatonna, MN 55060.

13. Miscellaneous. The section and paragraph headings or captions appearing in this Agreement are for convenience only, are not a part of this Agreement, and are not to be considered in interpreting this Agreement. This written Agreement constitutes the complete agreement between Seller and Buyer and supersedes any prior oral or written agreements between them regarding the Property. There are no verbal agreements that change this Agreement, and no amendment of any of its terms will be effective unless in writing and executed by both Seller and Buyer. This Agreement binds and benefits Seller and Buyer and their respective successors and assigns. This Agreement has been made under, and will be interpreted and controlled by, the laws of the state of Minnesota. In the event the date on which Buyer or Seller is required to take any action under the terms of this Agreement is not a business day, the action shall be deemed to be required to be taken on the next succeeding business day. Time is of the essence of this Agreement. All exhibits referred to in and attached to this Agreement are incorporated in and made a part of this Agreement. Buyer and Seller acknowledge that they have each been represented by counsel and that their respective counsel have reviewed and approved this Agreement, and the parties hereby agree that the rule of construction to the effect that any ambiguities are to

be resolved against the drafting party shall not be employed in the interpretation of this Agreement. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original and which together shall constitute one and the same Agreement. The parties hereby acknowledge and agree that electronic signatures, including execution using DocuSign, or signatures transmitted by electronic mail in so-called "pdf" format shall be legal and binding and shall have the same full force and effect as if an original of this Agreement had been delivered.

14. City Council Approval. This agreement is subject to the approval of the City Council of the City of Owatonna.

[SIGNATURE PAGE TO FOLLOW]

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

SELLER:

CITY OF OWATONNA, MINNESOTA
LLC

By: _____
Thomas J. Kuntz
Its: Mayor

By: _____
Kris M. Busse
Its: City Administrator

Address:
Attn: Kris Busse
540 West Hills Circle
Owatonna, MN 55060

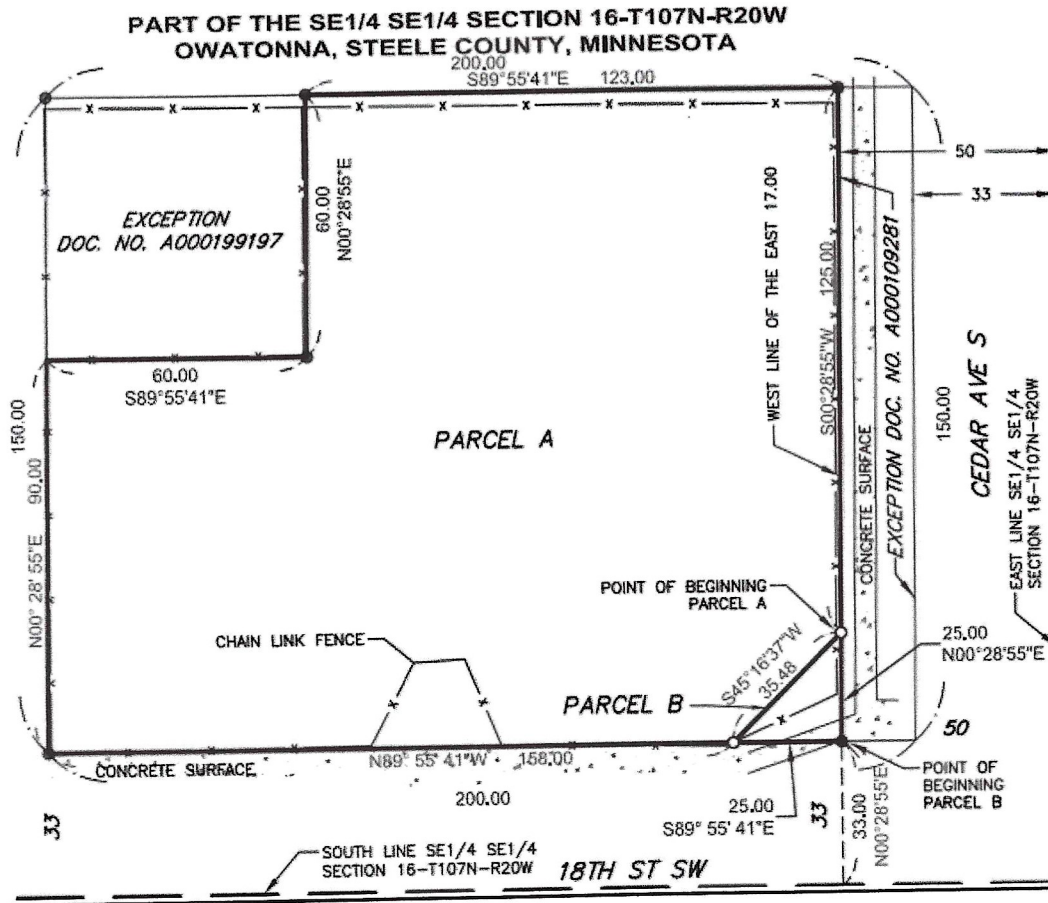
BUYER:

ROOSEVELT LAKE HOLDINGS,

By: Michael K. Weibolt
Michael Weibolt
Its: President

Address: 11429 Snake Trail SW
Motley, MN 56466

Exhibit A



LEGAL DESCRIPTION OF RECORD

All that certain tract or parcel of land lying and being situated in Steele County, Minnesota, more particularly described as follows, to-wit:

A tract of land in the Southeast Quarter (SE1/4) of the Southeast Quarter (SE1/4) of Section 16, Township 107 North, Range 20 West, more particularly described by moles and bounds as follows: Beginning at a point 33 feet North and 33 feet West of the Southeast corner of said Section 16, thence North 150 feet, thence West 200 feet; thence South 150 feet; thence East 200 feet to the place of beginning, and containing 0.69 acres more or less.

Excepting therefrom the following two tracts:

- (1) The easterly 17 feet thereof deeded to the State of Minnesota on August 18, 1951, and recorded as Document Number 109281 on Book 125 of Deed Records at Page 20.
- (2) A 0.08 acre tract conveyed to RACOM Corporation on February 26, 1986 and recorded June 3, 1986, in Book 176 of Deed Records at Page 764, described as beginning at a point 233.00 feet West and 123.00 feet North of the Southeast corner of said Section 16; thence North 60.00 feet; thence East 60.00 feet; thence South 60.00 feet; thence West 60.00 feet to the point of beginning.

PREPARED LEGAL DESCRIPTIONS

PARCEL A

All that part of the SE1/4 SE1/4 of Section 16-T107N-R20W, Steele County, Minnesota; described as follows:

Commencing at the southeast corner of said SE1/4; thence North 89°55'41" West a distance of 50.00 feet, on an assumed bearing, on the south line of said SE1/4; thence North 00°28'55" East a distance of 33.00 feet, on a line parallel with and 50.00 feet west of the east line of said SE1/4; thence North 00°28'55" East a distance of 25.00 feet, on a line parallel with and 50.00 feet west of said east line, to the point of beginning;

thence South 45°16'37" West a distance of 35.48 feet, to a point 33.00 feet north of said south line;
thence North 89°55'41" West a distance of 158.00 feet;
thence North 00°28'55" East a distance of 90.00 feet, to the southwest corner described in Doc. No. A000199197, recorded in the Office of the Steele County Recorder, Steele County, Minnesota;
thence South 89°55'41" East a distance of 60.00 feet, to the southeast corner described in said Doc. No. A000199197;
thence North 00°28'55" East a distance of 60.00 feet, to the northeast corner described in said Doc. No. A000199197;
thence South 89°55'41" East a distance of 123.00 feet, to the west line of the easterly 17.00 feet described in Doc. No. A000109281, in said Office of the Steele County Recorder;
thence South 00°28'55" West a distance of 125.00 feet, to the point of beginning.

Morehouse Skating



❄️ 12-27-2022 ❄️

The North Pond, the River, and the Rink on
the South Pond are open for skating
beginning at 3 p.m. today!

The chalet is open from 11 a.m. to 9:30 p.m.
through Jan. 2

The Parks Crew is still working on land rinks
and clearing ice throughout the week.

OWATONNA
PARKS, RECREATION
AND FACILITIES



Indoor Walking Program

Located at the Tennis & Pickleball Center



Season Pass
Dec 5 - Aug 31, 2023
\$40 + Tax

Included in
Tennis/Pickleball and
Adult Leisure Pursuit
Memberships

Starts
December 5

Walking Times:
Mon, Wed, Fri
6-10 a.m.
Tues, Thurs
6-8 a.m.

- Card access is given to the participant after waiver is completed
- Non-marking and clean indoor walking shoes required on the courts
- Purchase online at owatonna.gov or call 507-444-4321 or stop in at the Park and Rec Administration Office or Social Commons