

PLEASE NOTE: At 5:00 p.m., the Council will meet in a Study Session; NorthStar will present the proposed Community-Wide Brand with survey findings, show how it guided the development of the brand, and show how it will be used. At 5:30, StanTech will present the City's Mission, Goals, and Comp Plan. If time permits, there will be a general discussion on various boards and commissions.



OWATONNA CITY COUNCIL MEETING

Tuesday, October 17, 2023 at 7:00 PM

**Gainey Room, Owatonna Public Library
105 N Elm Avenue**

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

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

1.1. Council Agenda

1.2. Public Hearing - Proposed Assessments - Weed and Nuisance Compliance Costs

1.2.1. Resolution 103-23: Adopt Proposed Assessments - Mowing and Nuisance Compliance Costs

1.3. Mayor Kuntz

1.3.1. Proclamation - Red Ribbon Week - October 23-27, 2023

2. CONSENT AGENDA ITEMS

2.1. Minutes – City Council Meeting – October 3, 2023

2.2. Minutes - City Boards/Commissions

2.2.1. OHRC Meeting - September 12, 2023

2.3. Department Reports:

2.3.1. Building Inspection Monthly Report- September

2.3.2. Weed & Nuisance Inspection Report - September 27, 2023

2.4. Licenses/Permits

2.4.1. Temporary Liquor License - Owatonna Arts Center Wine Tasting Event - November 8, 2023

2.4.2. Temporary Liquor License - Two Rivers Habitat for Humanity - April 6, 2024

2.4.3. Temporary Liquor License - Mineral Springs Brewery at Kibble Equipment - November 16, 2023

2.5. Miscellaneous

2.5.1. Facility Use Agreement - Owatonna Church of Christ

2.5.2. Lease Agreement - Steele County Healthy Seniors

2.5.3. Yoga Instructor Agreement - Denise Stewart

2.5.4. Facility Use Agreement - AARP

2.5.5. Stormwater and Facility Maintenance Agreement - Owatonna Apartments LLC

2.5.6. Proposal 26th St Pond - North Cell Survey and Restoration Plan - Jones Haugh & Smith

2.5.7. Training Contract - Riverland Community College

2.5.8. Lease Agreements - Club Car/DDL Finance (Fleet and Utility Carts)

2.5.9. 2023 City Administrator Performance Evaluation Proposal and Engagement Plan

3. ACTION ITEMS

3.1. Finance Report

3.2. Resolutions:

3.2.1. Resolution 99-23: Merrill Hall HVAC Project Agreement - ICS Consulting, LLC.

3.2.2. Resolution 104-23: VAR-7 Lot Size Variance - 218 Phelps St E

3.2.3. Resolution 105-23 Adopt New City Brand and Logomark

3.3. Miscellaneous

4. STAFF REPORTS

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

6. COUNCIL COMMENT AND GENERAL INFORMATION

7. ADJOURN



Public Hearings

NOTICE OF HEARING ON PROPOSED ASSESSMENT

NOTICE IS HEREBY GIVEN that the City Council of the City of Owatonna, Minnesota, will hold hearing at a regular City Council meeting to be held at 7:00 p.m. on Tuesday, October 17, 2023, in the Gainey Room of the Owatonna Public Library at 105 N Elm Avenue to pass upon the proposed assessments against benefited properties for unpaid costs of Weed and Nuisance Compliance in the City.

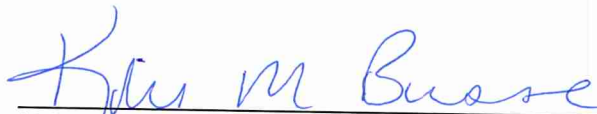
The proposed assessments are on file for public inspection at the office of the City Clerk. Written or oral objections will be considered at the hearing. If you have a question or believe that the measurements or calculation is in error, we would appreciate it if you would call the Fire Department Office or the City Clerk's Office to discuss the proposed assessment before the hearing.

An owner may appeal an assessment to District Court pursuant to Minnesota Statutes, Section 429.081, by serving notice of the appeal upon the Mayor or Clerk of the City within 30 days after the adoption of the assessment and filing such notice with the District Court within ten days after service upon the Mayor or Clerk. No such appeal as to the amount of an assessment to a specific parcel of land may be made unless the owner has either filed a signed, written objection to that proposed assessment with the City Clerk prior to the hearing or has presented the written objection to the presiding officer at the hearing.

Declared cost of the Unpaid Weed & Nuisance Compliance Costs is \$2,475.98 which has been proposed as assessments.

The City Council has provided that anyone 65 years of age, or older, owning and occupying a homestead, may ask for and receive deferment of a special assessment against that homestead if that person meets the criteria established by the Council on April 2, 2012. Forms for requesting this deferment are available at the office of the City Clerk.

Dated: September 19, 2023



Kris M. Busse, City Administrator/City Clerk
City of Owatonna, Minnesota

Notice will be published in the Owatonna Peoples Press on or before October 3, 2023.

RESOLUTION NO. 103-23

A RESOLUTION ADOPTING ASSESSMENT

WHEREAS, pursuant to proper notice duly given as required by law, the Council has met and heard and passed upon all objections to the proposed assessment against abutting property for unpaid costs for compliance of 2023 Weed and Nuisance Compliance Costs on various lots in the City;

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Owatonna, Minnesota:

1. Such proposed assessment as amended, a copy of which is attached hereto and made a part hereof, is hereby accepted and shall constitute the special assessment against the lands named therein, and each tract of land therein included is hereby found to be benefited by the proposed improvement in the amount of the assessment levied against it.

2. Such assessment shall be payable in equal annual installments extending over a period of 1 (one) year, the first of the installments to be payable on or before the first Monday in January 2024, and shall bear interest at the rate of 6.0 (six) percent per annum from the date of the adoption of this assessment resolution. To the first installment shall be added interest on the entire assessment from the date of this resolution until December 31, 2024. To each subsequent installment, when due, shall be added interest for one year on all unpaid installments.

3. The owner of any property so assessed may, at any time prior to certification of the assessment to the county auditor, pay the whole of the assessment on such property, with interest accrued to the date of payment, to the city treasurer, except that no interest shall be charged if the entire assessment is paid within 30 days from the adoption of this resolution; and he/she may, at any time thereafter, pay to the county auditor the entire amount of the assessment remaining unpaid, with interest accrued to December 31 of the year in which such payment is made. Such payment must be made before November 16, 2023 or interest will be charged through December 31 of the next succeeding year.

4. The clerk shall forthwith transmit a certified duplicate of this assessment to the county auditor to be extended on the property tax lists of the county. Such assessments shall be collected and paid over in the same manner as other municipal taxes.

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



Mayor Kuntz



Mayor's Proclamation

WHEREAS the City of Owatonna values the health and safety of all our citizens; and

WHEREAS substance abuse is particularly damaging to one of our most valuable resources, our children, and takes a terrible toll on families; and

WHEREAS it is imperative that visible, unified prevention education effort by schools, civic groups, and community members be continued to reduce the demand for alcohol and drugs; and

WHEREAS Red Ribbon Week is a national campaign offering citizens the opportunity to demonstrate their commitment to drug-free lifestyles. The National 2023 Red Ribbon Week Campaign Theme, "Be Kind to your Mind, Live Drug Free" promotes family and individual responsibilities for living healthy, drug-free lifestyles, without illegal drugs or the illegal use of legal drugs, and



NOW THEREFORE I, Thomas A Kuntz, Mayor of the City of Owatonna, proclaim **October 23 – October 27, 2023** as

Red Ribbon Week

in Owatonna and encourage all citizens to participate in activities promoting drug prevention education. The Owatonna Red Ribbon Community 2023 Kick-Off Event will be held on Tuesday, October 24th from 5:00-6:30 pm at the Owatonna High School. You can wear and display red ribbons to encourage a drug-free lifestyle during Red Ribbon Week and all year long, to make a visible statement that we are strongly committed to a drug-free society.

By: _____
Thomas A. Kuntz, Mayor

Owatonna City Council Minutes
October 3, 2023 – DRAFT COPY

On Tuesday, October 3, 2023, at 7:00 p.m. Council President Schultz called the regular session of the Owatonna City Council to order in the Gainey Room at the Owatonna Public Library. Present were Council Members Raney, Voss, Burbank, Boeke, Dotson, Svenby, and Schultz; Mayor Kuntz; Community Development Director Klecker; Public Works Director Murphy; Park and Rec, and Facilities Director Tuma; Finance Director Moen; IT System Administrator Sticken; City Attorney Walbran; City Administrator Busse and Administrative Coordinator Clawson.

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

Mayor Kuntz commented that the City's procedure for proclamations was changed this spring. Mayor's Proclamations will be listed on Council Agenda, shared in the Council Packet, and posted on the City's website; but will not be read in full during the Council Meeting. Tonight, there are four proclamations:

Proclamation – Owatonna Foundation Week - October 2 - 6, 2023

Proclamation - Manufacturing Week - October 6 - 14, 2023

Proclamation - 2023 Fire Fighter of the Year - Mitchell A. Terpstra

The Exchange Club of Owatonna will host the 2023 Firefighter's Banquet on Thursday, October 12th at the Owatonna Eagles.

Proclamation - Domestic Violence Awareness Month - October 2023

Missie Boone, Domestic Violence Program Coordinator at the Crisis Resources Center of Steele County was present to receive this proclamation and thanked Mayor Kuntz and Council Members. She encouraged everyone to become more aware of domestic violence programs to improve victim safety. Last year, twenty-four homicides in Minnesota were results of domestic abuse.

Mayor Kuntz commented that there are current openings on the HRA and Park Board. Application for board membership is available on the City's website.

CONSENT AGENDA

Minutes – City Council Meeting – September 19, 2023

Minutes - HRA Meeting - August 8, 2023

Minutes - Airport Commission Meeting - August 10, 2023

Minutes - OPU Meeting - August 29, 2023

Exempt Permit - Turkey Bingo - Owatonna Fire Relief Association - November 11, 2023

Excluded Bingo - Purse Bingo - Early Edition Rotary - November 10, 2023

Change Order #4 - Truman Avenue Project - Northland Grading & Excavating

Change Order No. 4 upsized the structures CB-29 and ST-13 to satisfy pipe opening requirements. The proposed structures per plan were 48-4020 MH's. The additional expense, \$8,187.74 to upsize the MHs included cost of materials (precast), bedding, labor, brick, and concrete.

Finance Report

Council Member Raney recapped payments made for amounts greater than \$20,000 during this period. The total amount of bills presented was \$1,251,864.52. Council Member Voss made a motion to approve payment of all bills presented, Council Member Boeke seconded the motion, and all members present voted aye in approval.

Second/Final Reading Proposed Ordinance 23-18: RZ-6 - 121 Mill Street E - Steele County

Community Development Director requested Council approve Proposed Ordinance 23-18 authorizing Application No. RZ-6 . Steele County requests the property at 121 Mill Street East be rezoned from B-2, Community Commercial District to B-3, Central Business District to require less setback for a Corrections Building near the current County Attorney's Office. The council approved the first reading of this proposed ordinance during their September 19th meeting and there have been no changes since. Council Member Raney made a motion for approval, Council Member Burbank seconded the motion. With a roll call vote, voting aye were Council Members Voss, Dotson, Burbank, Boeke, Raney, Svenby and Schultz; no nay votes; and the motion carried. This will be known as Ordinance 1657 to be effective upon publication.

Second/Final Reading Proposed Ordinance 23-19: Adopt S-7 Supplement to the 2015 Ordinance Code

Marissa Wunderlich, Attorney at Walbran and Furness Law Firm commented there have been no changes to Proposed Ordinance 23-19 since Council's approved the first reading during their last meeting. This ordinance will adopt the S-7 supplement prepared by American Legal Publishing Corporation to the City's 2015 Code of Ordinance. S-7 Supplement contains local legislation current through Ordinance #1644, passed March 21, 2023. Council Member Raney made a motion for approval, Council Member Burbank seconded the motion. With a roll call vote, voting aye were Council Members Svenby, Voss, Dotson, Burbank, Boeke, Raney, and Schultz; no nay votes; and the motion carried. This will be known as Ordinance 1658 to be effective upon publication.

Resolution 61-23: VAR-3 Multi Family Lot Size Variance - 511 S Elm Avenue

Community Development Director Klecker presented Resolution 61-23 which was tabled during the July 5, 2023 Council Meeting. This variance will allow continued operation of a five-unit structure at 511 S Elm which is currently compliant for only two units. Brycen Gregor, the new owner of this property, requested additional time for a property survey to confirm the property lines and lot size for use in preparing options to meet the required number of parking spaces needed. The new survey confirms there is not parking available on the south side of the building but there is opportunity on the north side to construct a drive aisle and three additional off-street parking stalls required for a structure with five one-bedroom units. Staff spoke with the contractor planning to complete this project and are now anticipating this project may not be completed until next spring. Staff recommends approval of this resolution to approve this variance with required completion of the required parking stalls by May 31, 2024. If the stalls are not constructed, the variance is waived and three units must be vacated on June 1, 2024. Council Member Dotson made a motion for approval, Council Member Boeke seconded the motion, all members voted aye for approval.

Resolution 93-23: Award Sale of General Obligation Street Reconstruction Bonds 2023B

Finance Director Moen commented sale of the Series 2023B bonds that was completed this morning. These bonds were issued to finance the 2022 Street & Utility project; the 2023 Street & Utility project; and the 2023 Havana Road project. Moen introduced Steve Scharff, Sr manager, Public Finance at Baker Tilly US to present the bid proposals received. Bonds were sold on the lowest true interest costs bid, six companies submitted proposals. BOK Financial Securities, Inc. submitted the low bid with a true interest cost of 3.9908%. Bids were tight and strong with three bids received between

3.9908% and 4.0377%. During the bond sale process, the City's Investment Grade was improved from Aa2 to Aa1, this is the second highest rating offered. The City of Owatonna is now one of 15 cities within Minnesota with an Aa1 rating which is only one of two these cities out of the metro-area. Factors contributing to this improved rating are the city's growing local economy, low leverage borrowing, incomes above average, diverse economy, tax base growth with increase in value of existing homes, new homes and developments within the community. The City's financial position is robust and likely to remain strong in the near term with the current fund balance and conservative budgeting policies. Doug Green, Director, Baker Tilly asked him to thank city staff for providing the information needed during the rating call and participating. Council Member Raney made a motion to approve Resolution 93-23 to award the sale of these bonds to BOK Financial Securities, Inc., Council Member Boeke seconded the motion, all members voted aye in approval.

Resolution 94-23: Declare Costs for the 2022 Street & Utility Project

Public Works Director Murphy requested approval of Resolution 94-23 declaring the costs for the 2022 Street and Utility Project at \$2,402,651.97. This project included improvements to 15th Street NE, Linn Avenue and Selby Avenue. This final project cost includes a contract with JJD Companies, Change Orders, Quantity Changes and Engineering costs which will be paid from a combination of City Funds, OPU Reimbursement and Special Assessments. Council Member Boeke made a motion for approval, Council Member Voss seconded the motion, all members voted aye in approval.

Resolution 95-23: Set Public Hearing Date for the 2022 Street & Utility Project

Public Works Director Murphy requested Resolution 95-23 be approved setting a public hearing on Tuesday, November 7th for comments on the Proposed Assessments for the 2022 Street and Utility Project. Proposed Assessments total \$363,616.76, 15.1% of the declared project cost of \$2,402,651.97. Council Member Raney made a motion for approval, Council Member Dotson seconded the motion, all members voted aye in approval.

Resolution 96-23: Declare Costs for the 2023 Havana Road Project

Public Works Director Murphy requested approval of Resolution 96-23 declaring the costs for the 2023 Havana Road Project at \$1,017,507.04. This project included improvements to Havana Road between Truman Avenue SE and Smith Avenue SE. This final project cost includes a contract with Wencil Construction, Change Orders, Quantity Changes and Engineering costs which will be paid from a combination of City Funds, OPU Reimbursement and Special Assessments. The project is now considered substantially completed with a warranty begin date of September 27, 2023. Council Member Burbank made a motion for approval, Council Member Voss seconded the motion, all members voted aye in approval.

Resolution 97-23: Set Public Hearing Date for the 2023 Havana Road Project

Public Works Director Murphy requested Resolution 97-23 be approved setting a public hearing on Tuesday, November 7th for comments on the Proposed Assessments for the 2023 Havana Road Project. Proposed Assessments total \$99,638.76, 9.79% of the declared project cost of \$1,017,507.04. Council Member Dotson made a motion for approval, Council Member Boeke seconded the motion, all members voted aye in approval.

Resolution 98-23: Remove No Parking and School Zone Signs - Adjacent to the former OHS at 333 School St E

Public Works Director Murphy presented Resolution 98-23 to authorize removal of "No Parking and School Zone" signs adjacent to the former Owatonna High School. These signs were previously installed adjacent to the former OHS solely for the operation of the school. No Parking was instituted

to preserve on-street parking for the residents in the area during school hours. Transportation modes and trends shifted over time, and due to a lack of off-street parking at the OHS, nearby neighborhoods were filled by student parkers. Since the high school has been relocated, there is no longer a need to restrict parking in this area. These signs will be removed from these streets:

Prospect St SE, University St SE, Phelps St SE - From Elm Ave S to Lincoln Ave S

School St E - From Elm Ave S to Chambers Ave SE

Academy St E - From Grove Ave S to Lincoln Ave S

Rice St E - From Elm Ave S to Grove Ave S

Grove Ave S - From Rice St E to South St E

Harriet Ave SE - From School St E to South St E

Lincoln Ave S - From Academy St SE to University Ave SE

With removal of these parking restrictions, the winter Even-Odd parking restrictions will now be in effect on these streets. Council Member Raney made a motion for approval, Council Member Boeke seconded the motion, all members voted aye in approval.

Resolution 99-23: Merrill Hall Energy Efficiency Project Agreement

Council President Schultz advised this agreement is under review with legal counsel. Council Member Raney made a motion to table this resolution, Council Member Boeke seconded the motion, all members voted aye in approval.

Resolution 100-23: Purchase Property - 139 East Pearl Street

Community Development Klecker requested approval of Resolution 100-23 to authorize the purchase of property at 139 East Pearl Street. Staff were approached about the owner's interest in selling their property directly east of the Marriot Courtyard Hotel, which is an area for potential redevelopment. Staff viewed the property and determined that too much money would have to be invested to make it rentable and recommend demolishing the building to make it a green space in the short term while staff pursues a future project. The purchase price of the property is \$106,500 and an estimated cost of \$20,000 to demolish the building will be paid from funds set aside for blighted properties. Council Member Voss made a motion to approve Resolution 100-23 approving the Purchase Agreement with Lorraine Kim for her property at 139 E Pearl Street, Council Member Burbank seconded the motion, all members voted aye in approval.

Resolution 101-23 Joint Powers Agreement - Third Judicial District Court - State of Minnesota

Police Chief Mundale requested approval of Resolution 101-23 to update and renew a Joint Powers Agreement (JPA) between the State of Minnesota acting through the Third Judicial District and city on behalf of its Police Department. This agreement will allow use of the city's Criminal Justice Data Communications Network (CJDN) to conduct state and national criminal history database searches when a person applies for a name change through the Court. The Bureau of Criminal Apprehension's (BCA) Minnesota Justice Information Services (MNJIS) operates the Criminal Justice Data Communications Network. The FBI Criminal Justice Information Services (CJIS) security policies require an interagency Agreement between the parties accessing criminal justice information within Minnesota. Council Member Dotson made a motion to approve Resolution 101-23, Council Member Burbank seconded the motion, all members voted aye in approval.

Resolution 102-23: Joint Powers Agreement - Criminal Justice Network

Police Chief Mundale presented Resolution 102-23 to renew Criminal Justice System Service Agreement between the Criminal Justice Network (CJN), the City of Owatonna and its Police Department. CJN uses the latest technology to link timely public safety information and sharing as possible in a secure CJN environment that meets the FBI Criminal Justice Information Services Security Policy (CJIS Security Policy). The City of Owatonna Police Department ("Agency") has been

a member agency with Criminal Justice Information Integration Network (CJIIN) since 2009; currently, there are 26 member agencies supporting 2,060 users. The 2024 budgeted annual subscription fee is \$7,678.00. Council Member Burbank made a motion for approval, Council Member Boeke seconded the motion, all members voted aye in approval. The term of this Agreement, expiring on December 31, 2026.

Purchase 2023 John Deere Motor Grader - RDO Equipment Co

Public Works Director Murphy requested the Council approve purchase of a 2023 John Deere Motor Grader with plow wing from RDO Equipment Co. A 2003 John Deere Motor Grader will be used in trade towards the purchase price of \$407,600. The 2003 motor grader has a trade-in value of \$70,000; but this equipment was purchased with a Federal grant and State funds through the Airport which may require payback to the State if sold. That equipment is now twenty years old, and staff anticipates that the City will receive the full trade-in value but Dave Beaver, Airport Manager is currently verifying. The new motor grader is anticipated to be delivered and operational as part of the City's fleet for this winter season. Council Member Svenby made a motion to approve purchase of this equipment, Council Member Dotson seconded the motion, all members voted aye in approval.

Change Orders #5 and #6 - Ebert Construction - Council Chamber Renovation Project

Park and Recreation and Facilities Director Tuma requested approval of Change Order # 5 and #6 received from Ebert Construction for the Council Chambers Renovation Project. Change Orders 5 & 6 reflect several on-site adjustments to HVAC, ductwork, demo and removal of old wiring and piping, dias changes to the staff seating area and wall repairs. Teresa McCormack from CRW is here tonight to answer any questions about these changes. These change orders will be paid through the project's contingencies; the amount of Change Order #5 is \$15,962.51 and Change Order #6 is \$58,876.64. This project is nearing completion, and we plan to hold the November 7th City Council Meeting in the new chambers. Council Member Dotson made a motion to approve these change orders, Council member Burbank seconded the motion, all members voted aye in approval.

Addendum #1 - Work Order #9 - Bolton & Menk - Airport Hangar and Taxi-lane Project

Community Development Director Klecker requested approval of Addendum No. 1 to Work Order No. 9 with Bolton & Menk Inc. for professional engineering services for the 10 Unit T-Hangar and Taxi-lane project. In early 2022 project Change Order No. 2 was approved which included design modifications needed to provide additional storm water construction in order to meet the City of Owatonna MS4 storm water permit requirements. The engineering and construction work to meet those requirements have since been completed. While the change order modified the construction contract an addendum is needed to document the change to the engineering work order for the previously approved work and for FAA grant documentation. The previously approved Change Order No. 2 resulted in additional engineering costs of \$10,500.00 as reflected in this addendum, these costs are eligible for 90% federal funding reimbursement. Addendum No. 1 has been reviewed by the Airport Commission and approval is recommended. Council Member Raney made a motion to approve Addendum #1 for this airport project, Council Member Burbank seconded the motion, all members voted aye in approval.

Change Order #4 - Everstrong Construction - Airport Hangar and Taxi-lane Project

Community Development Director Klecker requested approval of Change Order #4 received from Everstrong Construction for the Airport T-Hangar and Taxi-lane Project. This change order documents the liquidated damage due to delays in construction and adds one year of warranty to the hangar floor. The T-Hangar was not fully complete by August 1, 2022, the date of completion provided for in the contract. Liquidated damages per the contract documents were incurred at \$1,000 per day beginning on October 24, 2022 for a total of 40 days and a total sum amount of \$40,000. The

change order does allow for an additional seven working days and a deduct for additional electrical work for liquidated damages and a net change order decreases the contract amount by \$25,660. Additional work on the hangar floor was also required in order to meet contract specifications. The contract provides that the warranty with respect to work repaired or replaced will run for one year from the date of repair. Therefore, the additional warranty for the work completed on the floors is included in the change order. The engineer has documented the additional project costs, reviewed the process of payment, and ensured conformance with contract and FAA requirements. Bolton and Menk Inc., the airport engineering consultant, has prepared and recommends approval of Change Order No. 4. The Airport Commission has reviewed this change order and recommends approval. Council Member Svenby Made a motion to approve this change order, Council Member Voss seconded the motion, all members voted aye in approval.

Addendum #2 - Work Order 9 - Bolten and Menk - Airport Hangar and Taxi-lane Project

Community Development Director Klecker requested approval of Addendum No. 2 to Work Order No. 9 with Bolton & Menk Inc. for the 10 Unit T-Hangar and Taxi-lane project in the amount of \$20,655.75. This amendment covers the additional engineering and architectural costs for the additional hangar floor work required to meet project specifications. The engineer documented the additional project costs, reviewed the process of payment, and ensured conformance with contract and FAA requirements. The Airport Commission has reviewed this addendum and recommends approval contingent on approval of Change Order No. 4 with the contractor for liquidated damages. Change Order #4 with Everstrong Construction will cover the cost of this addendum. Council Member Boeke made a motion for approval, Council Member Dotson seconded the motion, all members voted aye for approval.

STAFF REPORTS

Community Development Director Klecker commented the September Building Permit Report shows valuation of new construction permits issued year-to-date is \$96 million. This is the second highest amount ever issued through September and we are currently on pace to break the annual record amount. This year, nine single-family home permits have been issued, three more are in review and another three are in planning so we have a total of 15. There is talk of a few more this year which will be more than the 16 issued last year but not near the 40 issued during 2022. Next year, the new subdivision will start building east of the waterpark, and with a developer pushing for more units, we should see a higher number of single-family homes being built. Currently, there are 420 rental units under construction. All five buildings of West View Meadows are in process with plans to open the first building in January. The River Front Project has 69 units which should be done next fall. Unique Apartments on the corner of Cedar and 26th Street opened on Sunday and have 30 units filled. They worked really hard to get life safety issues resolved to obtain the temporary Certificate of Occupancy by October 1st. For this project, our staff has completed 125 inspections, there have been 140 hours spent doing these inspections and does not include the number of hours for plan review. Just during last week, we spent 22 hours completing inspections. Mark Schwanke, Plan Inspector, worked on Saturday so the contractor could meet all the check items needed which allowed families to move in on Sunday, October 1st. A big shout out to our Building and Inspection staff for getting the work done for this contractor to reach their goal.

Police Chief Mundale commented that he and the Police Captains have been working to initiate an Honor Guard within the department for special occasions. They plan to apply for membership with LEMA, the Minnesota Law Enforcement Memorial Association Honor Guard to participate in parades and officer funeral processions. He and three officers who will be participating have ordered uniforms which will be introduced at a future Council Meeting. The style of the polo shirts worn by the Community Service Officers will be changing; the badge was removed to separate them from a uniformed officer. There is a currently an application posted for a Police Officer, there have been

several applications received but hoping to receive more. Our Task Force Agent will be stepping down around November 1st; we receive 50% reimbursement for this position's wages from the Sheriff's Office, so we want another officer assigned to this position for a smooth transition.

Public Works Director Murphy commented that the 2023 Street & Utility Project is moving along. All utilities are done on Riverview and Butternut and concrete was poured this past week. Work has also started on School Street, so they are making a smooth transition from one street to the next. On the WWTP project, they plan to get into the aeration basins later this week as they begin this phase of the project. They will transition our aeration basins to make the updates and upgrades needed for those. Within the next month, all of our WWTP staff will be relocated to one of our process buildings as work begins on the administration building. The Cured in Place Pipe System (CIPPS) Project has started, they are currently out cleaning and televising pipelines. They will begin the lining process in a few weeks, we plan for about 6,500 feet of lining to be completed this year.

Park and Recreation and Facilities Director Tuma commented work was completed on the North Straight River Trail and Lake Kohlmier trail with filling and crack sealing. There will also be some work done later this month on the trail on 26th Street by Lemond and Kenyon Road. Last week, Brooktree Golf Course celebrated its 60th anniversary and hosted a golf tournament with 72 participating. This was a fun version of a golf tournament and we have received a lot of good comments about this event and the direction the golf course is currently taking.

Communications Manager Sheely commented communications coverage was provided to all the projects mentioned during this meeting. Additional coverage given Fire Prevention Week, Fire Fighter of the Year, and a video will be posting tomorrow about Housing. She encouraged everyone to sign up for Notify Me to be notified when a new item is posted. Three projects used Engage Owatonna for community engagement: Comprehensive Plan, Night to Unite and Name the Regional Park. Feedback on these projects provided information on how to better use the tools available for our communication options. She encouraged everyone to sign up for Notify Me to receive notification when new items are posted such as city newsletters, city videos and news releases. Currently 2,558 people are following the City's Facebook page, this amount has more than doubled since July, 2022. Posting by the Police Department to their Facebook have reached many people; a posting on a missing person reached 7,134 and more than 6,500 were reached by a notice advising police were at the scene of a recent incident.

Finance Director Moen commented that the bonds sold today were issued with an interest rate just below 4%. The State Statute requires interest rate on assessments be set 1.5% to 2% over the city's bonding rate. Special assessment approval will be at the next several Council Meetings, she will propose the interest rate for these assessment projects be set at 5.5% to 6%.

PUBLIC COMMENTS

Matt Sennott, 2519 Stoney Creek Dr spoke on behalf of residents in the North Country Estates area who are opposed to the development of 29th Avenue as the city's east side corridor. There are 150 homes in this neighborhood with 20 homes along the proposed stretch between Dane Road and Rose Street. Several homes are only 15' feet from the edge of the road right-of-way. This road was intended to be a residential road and not a superhighway which would allow speeds up to 45 miles per hour. He hopes the City will assist in stopping the county's proposed plan for this roadway.

Melissa Zimmerman, 2525 Stoney Creek Dr commented residents will have their safety taken from them if this road is built so close to their homes. The proposed project plan allows homes 15 feet from the road's right of way but previously proposed projects for this road required right of way at 150 feet or 800 feet. There is often wildlife in this area and many children play in their backyards, she doesn't believe there will be sufficient space to safely stop a wayward vehicle that is traveling 45 miles per hour.

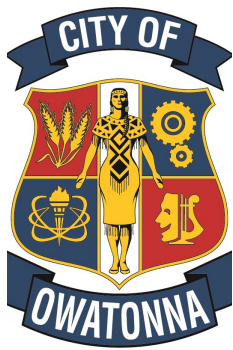
COUNCIL COMMENT AND GENERAL INFORMATION

Council President Schultz thanked Attorney Wunderlich for attending tonight's meeting.

ADJOURNMENT

At 8:31 p.m., Council Member Raney made a motion to adjourn, Council Member Boeke seconded the motion, and with no objection heard the meeting ended.

Respectfully submitted,
Jeanette Clawson, Administrative Coordinator



Board - Commission Minutes

Owatonna Human Rights Commission Minutes

The Owatonna Human Rights Commission (OHRC) met on Tuesday, September 12, 2023, in the Second Floor Conference Room at City Hall. Chairman Cords called the meeting to order at 5:32 p.m. Commissioner Vanoosbree took roll call with Commissioners Cords, Gunderson, Emanuelson, Esquivel, Leon and Vanoosbree, and Administrative Specialist Clawson present. Commissioner Ismael was unable to attend.

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

After reviewing the Minutes of the OHRC Meeting held on August 8, 2023, Commissioner Emanuelson made a motion for approval as presented; Commissioner Leon seconded the motion; all members present voted aye in approval.

COMMISSIONER COMMENTS

Commissioner Cords commented participation at Downtown Thursday last week went well but the soccer game at the Grace Baptist Church fields on Saturday was not well attended. Commissioner Vanoosbree commented that the church incurred expenses to prepare the soccer fields and made a motion to reimburse \$150 to the church. Commissioner Emanuelson seconded the motion; Commissioner Gunderson commented he would recuse himself from this vote as he is a member of the church. All members voting, voted aye for approval.

Commissioner Emanuelson commented that it is a really busy time of the year, and it was unfortunate there wasn't a better turnout for the soccer game. He liked the map used during the Downtown Thursday event, there was some mechanical maneuvering done to hang the map but glad they were able to use this as it encouraged engagement and began conversations. This year, OHRC shared space with the City of Owatonna and he suggested next year OHRC should consider hosting a separate booth and asked someone contact the Chamber early next year about this. Anticipating there will be a cost, Commissioner Vanoosbree commented that the Public Defender's Office wants to participate in and help promote OHRC activities.

Commissioner Gunderson commented OHRC members should plan to participate in the community awareness day this winter.

Commissioner Emanuelson said he attended the Community Service Task Committee (CSTC) meeting last week. This is a group of service agencies which meet monthly to discuss current needs within the community and how they can help. Their meetings are held on the second Monday of each month at 1:00 pm in the Gainey Room at the Owatonna Public Library, and he encouraged more OHRC members to attend these meetings.

Commissioner Vanoosbree commented that several non-profit agencies have expressed the city needs a Welcome Center and this need was also shown in the Owatonna 2050 Comp Plan. She asked if OHRC members could spearhead development of a welcome center and encouraged everyone to pursue this possibility. The Welcome Center in Austin is very active within their community and would be a good reference for information.

ITEMS OF DISCUSSION

2023 Welcome Week

Commissioner Emanuelson shared the current list of participants for the Human Library event planned this Thursday at the Owatonna Public Library from 4-7 pm. There should be twenty-seven books (humans) available to check out. These books will be seated at tables and those attending will receive a list of books available when they arrive. Jeanette will prepare table tents for each participant and the

list of books available. Each participant will check out a book for a 15-minute interval as they engage in conversation with one another. Commissioner Vanoosbree commented she will order an assortment of cookies for this event and Commissioner Cords commented there is also bottled water left from the soccer event available.

Commissioner Emanuelson commented that the Owatonna Pickleball Association will host a Welcome Week event this Saturday, September 16th from 1-4 pm at the Sid Kinyon Tennis Courts. They will offer an introduction to the game of pickleball and are encouraging all ages to attend.

Commissioners Emanuelson and Vanoosbree commented they plan to attend the Promote Peace next Thursday, September 21st at the Trinity Lutheran Church. The topic of this year's event is Poverty and Public Safety. Judge Karen Duncan and her team will host this event as participants receive the opportunity to walk in the shoes of local people striving to survive in poverty and learn and strategize to improve access to justice and housing. A free lunch will be provided, and registrations are due this Friday, September 15th.

Request Letter of Support - ReLeaf Grant Application

Commissioner Cords commented that he received a request from the City's Park and Rec Department for a Letter of Support for their application for a DNR forestry grant. The grant would provide up to \$500,000 for EAB, education, training, supplies and equipment to expand trees within the city. OHRC support will meet the Equity Base requirement on the application with expectation some trees will be placed in low-income areas. Commissioner Vanoosbree commented OHRC should not be used in this manner. Commissioner Cords commented that the Park Board has offered their support for the grant application. Commissioner Leon commented she would like more information on the anticipated use of the grant funds. Commissioner Emanuelson recommended that the OHRC issue a Letter of Support for the DNR ReLeaf Grant Application prepared by the City's Park & Rec staff. Commissioner Gunderson seconded the motion, with a vote of four to two, the motion was approved. Commissioner Cords will prepare a letter of support from the OHRC.

2024 MLK Jr. Day Event

Following a brief planning discussion, Commissioner Gunderson made a motion to host a lunch event on MLK Jr. Day, January 15, 2024. Commissioner Vanoosbree seconded the motion, all members present voted aye in approval. Commissioner Vanoosbree commented she contacted Humanize my Hoodie in Waseca to speak during this event, their speaking fee is based on a sliding scale between \$1,500-\$2,500 and she will follow-up with them when more details are set. Location will be confirmed during the next OHRC meeting; Riverland Community College advised their campus will be closed on MLK Day for the holiday. Other suggested sites include the Owatonna Middle School, the Owatonna Arts Center, and the Steele County History Center. The sub-committee requested plans proceed to cater a meal, Commissioner Gunderson made a motion to allocate \$1,500 towards cost of food contingent Council approves OHRC's current 2024 Budget request for \$6,000. Commissioner Leon seconded the motion, all members present voted aye in approval. Commissioner Cords recommended the use of Eventbrite to promote and process preregistrations for this event.

PUBLIC COMMENTS

None heard.

ADJOURNMENT

At 6:45 p.m., Commissioner Emanuelson made a motion to adjourn, Commissioner Leon seconded the motion, and the meeting was adjourned. The next meeting will be held on Tuesday, October 10, 2023, at 5:30 p.m.

Respectfully submitted,

Jeanette Clawson, Administrative Specialist



Department Reports

COMPARISON REPORT OF BUILDING DONE IN CITY OF OWATONNA IN YEARS 2022 AND 2023															Ken Beck, Building Official	
	DWELLINGS		ACCESSORY		COMMERCIAL		INDUSTRIAL		ADD. & ALT.		DUPLEX/APTS		DEMO	TOTAL		
Month	NO.	VALUE	NO.	VALUE	NO.	VALUE	NO.	VALUE	NO.	VALUE	NO.	VALUE	NO.	NO.	VALUE	
Jan '22	0	0	4	7,640	14	104,970	11	3,775,051	68	419,719	0	0	0	97	4,307,380	
Jan '23	0	0	5	16,600	8	443,880	7	5,117,850	66	494,614	0	0	0	86	6,072,944	
Feb '22	0	0	12	22,742	24	1,753,403	16	4,817,476	139	855,061	0	0	0	191	7,448,682	
Feb '23	0	0	8	24,850	22	1,113,838.30	11	25,861,730.75	136	834,982.70	0	0	0	177	27,835,401.75	
Mar '22	5	1,901,925	33	67,493	35	2,161,547	26	5,560,379	284	1,747,846	0	0	1	384	11,439,190	
Mar '23	1	200,000	17	44,100	42	2,497,648	20	26,251,710	243	\$ 7,323,261.26	0	0	0	323	\$ 36,316,719.26	
Apr '22	5	1,901,925	51	96,566	58	2,827,402	30	5,592,069	411	2,785,871	0	0.00	0.00	555	13,203,833	
Apr '23	4	1,968,586	26	96,900	74	31,047,283	**see below		329	8,699,343.89	0	0	1	434	41,812,112.89	
May '22	6	2,141,925	62	112,316	75	5,328,038	36	6,191,103	585	4,336,520	0	0	0	764	18,162,974	
May '23	4	1,968,586	37	132,400	94	36,206,219.51	**see below		463	11,204,959.76			1	599	49,512,165.27	
Jun '22	8	3,061,925	76	155,666	107	6,779,903	40	7,384,127	738	6,392,230	0	0	3	970	23,826,923	
Jun '23	4	1,968,586	52	189,068.67	113	45,164,773.51	**see below		594	12,314,075.39	0	0	8	771	59,636,503.57	
Jul '22	10	3,631,925	94	282,866	130	8,869,882	48	8,653,897	870	7,489,327	2	10,500,000	3	1,155	39,427,897	
Jul '23	5	2,168,586	69	242,168.67	132	46,905,945.51			714	13,185,484.99	2	400,000	8	930	62,902,185.17	
Aug '22	11	4,031,925	101	303,866	160	10,139,786	56	8,902,182	986	8,302,718	3	17,000,000	3	1,320	48,680,477	
Aug '23	6	2,568,586	75	257,168.67	162	51,045,367.26			847	14,208,880.97	4	12,400,000	9	1,103	80,480,004	
Sep '22	12	4,531,000	126	332,386	184	11,910,289	67	19,440,272	1,104	10,577,868	4	24,500,000	3	1,500	71,291,815	
Sep '23	9	3,587,126	83	333,668.67	197	64,081,192.67			990	15,576,116.82	4	12,400,000	9	1,292	95,978,104.16	
Oct '22	16	6,306,000	142	368,736	197	13,206,075	72	19,560,069	1,223	11,308,018	4	24,500,000	3	1,657	75,248,898	
Oct '23																
Nov '22	16	6,306,000	152	380,936	209	17,318,397	79	19,922,914	1,320	13,572,135	4	24,500,000	3	1,783	82,000,382	
Nov '23																
Dec '22	16	6,306,000	164	405,736	211	17,445,397	87	20,108,379	1,398	14,120,570	4	24,500,000	3	1,883	82,886,082	
Dec '23																

**Starting April 2023, Commerical and Industrial are combined

Owatonna Building Inspection Department Comparison Report- Construction to Date 2022/2023

Construction Report for Permits Issued through September, 2023

TYPE OF WORK	2022 PERMITS ISSUED	PERMITS ISSUED FOR CONSTRUCTION COST	Units	2023 PERMITS ISSUED	PERMITS ISSUED FOR CONSTRUCTION COST	Units
NEW DWELLINGS	12	4,531,000	0	9	3,587,126	0
ACCESSORY BUILDINGS (INCLUDES GARAGES, UTIL. BLDGS, SW. POOLS, ETC.)	126	332,386		83	333,668.67	
COMMERCIAL AND INDUSTRIAL PR	251	31,350,561		197	64,081,192.67	
RESIDENTIAL ADD. & ALT.	1,104	10,577,868		990	15,576,116.82	
DUPLEXES & APTS. (INCLUDES ATTACHED SF)	4	24,500,000	0	4	12,400,000	0
DEMOLITION PERMITS	3			9	0	
TOTAL PERMITS ISSUED	1,500	71,291,815	0	1,292	95,978,104	0

Weed/Nuisance Complaint Inspections				OWATONNA FIRE DEPARTMENT			
September 13, 2023 to September 27, 2023							
Address	Complaint Description	Inspection Date	Violation Notice Sent	Correction Due Date	Violation Corrected Date	Comments	Staff Hours
Glendale Street	Vacant lot (17-507-0101) blvd area with long grass/weeds. See attached picture 8227 of the complaint vacant lot as of 9/19/23. No change in the vacant lot status as of 9/20/23, 9/21/23, 9/22/23, 9/25/23, 9/26/23, 9/27/23.	9/19/2023	9/22/2023	10/6/2023			0.5
Greenleaf Place Southeast	The vacant lots on Greenleaf Place have been mowed as of 9/14/23.	9/14/2023			9/14/2023	Have been mowed.	0.5
Greenleaf Road Southeast	The vacant lots on Greenleaf Road have been mowed as of 9/14/23.	9/14/2023			9/14/2023	Have been mowed.	0.5
Lemond Road	Reinspection picture 8252 of the vacant lots as of 9/25/23. Need to contact the vacant lot cutting service as of 9/25/23. Not cut as of 9/26/23, 9/27/23.	9/25/2023		10/9/2023		9/25/23 - spoke with owner - the farmer that is going to bale it is behind and will get it done as soon as possible, weather permitting.	0.5
Lemond/Riverwood Road	Reinspection picture 8251 of the vacant lots as of 9/25/23. Need to contact the cutting service as of 9/25/23. Not cut as of 9/26/23., 9/27/23	9/25/2023		10/9/2023		9/25/23 - spoke with owner - the farmer that is going to bale it is behind and will get it done as soon as possible, weather permitting.	0.5
Meadowview Lane Northeast	Reinspection picture 8246 of the complaint vacant lots with long grass and weeds as of 9/25/23. Need to contact the vacant lot cutting service as of 9/25/23. Not cut as of 9/26/23, 9/27/23.	9/25/2023		10/9/2023		9/25/23 - spoke with owner - the farmer that is going to bale it is behind and will get it done as soon as possible, weather permitting.	0.5
Meadowview Lane Northeast	Reinspection picture 8247 of the complaint vacant lots with long grass and weeds as of 9/25/23. Need to contact the vacant lot cutting service as of 9/25/23. Not cut as of 9/26/23, 9/27/23.	9/25/2023	9/11/2023	10/9/2023		9/25/23 - spoke with owner - the farmer that is going to bale it is behind and will get it done as soon as possible, weather permitting.	0.5
Riverwood Drive Southwest	Reinspection picture 8253 of the vacant lots as of 9/25/23. Need to contact the vacant lot cutting service as of 9/25/23. Not Cut as of 9/26/23, 9/27/23.	9/25/2023		10/9/2023		9/25/23 - spoke with owner - the farmer that is going to bale it is behind and will get it done as soon as possible, weather permitting.	0.5
1060 Lincoln Avenue South	Complaint: Tall thistles/weeds growing in back yard fenced in area. Complainant's pictures have been uploaded. see additional pictures 8256, 8257, 8258 of the complaint location as of 9/26/23. No change in complaint location status as of 9/27/23.	9/26/2023				Need to send violation notice.	0.5
1122 Oak Avenue South	The complaint location long grass and weeds has been mowed as of 9/15/23.	9/15/2023			9/15/2023	Has been mowed.	0.5
122 Holly Street West	Long grass/weeds in front, back, sides, and around house. See attached picture 8234 of the complaint location as of 9/15/23. No change to the complaint location status as of 9/18/23, 9/19/23.	9/15/2023	9/20/2023	9/30/2023	9/20/2023	The complaint location with long grass and weeds has been mowed as of 9/20/23.	1
131 Fremont Street West	Three seat brown couch in the driveway. See attached pictures 8239, 8240 of the complaint location as of 9/21/23. No change to the complaint location status as of 9/22/23, 9/25/23, 9/26/23, 9/27/23.	9/21/2023	9/27/2023	10/7/2023			0.5

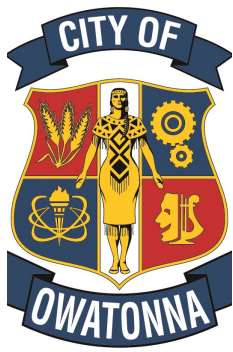
Weed/Nuisance Complaint Inspections				OWATONNA FIRE DEPARTMENT			
September 13, 2023 to September 27, 2023							
Address	Complaint Description	Inspection Date	Violation Notice Sent	Correction Due Date	Violation Corrected Date	Comments	Staff Hours
1353 Leif Avenue Northwest	Complaint: Noxious weeds in the backyard. See attached pictures 8236, 8237 of the complaint location as of 9/20/23, 9/21/23, 9/22/23, 9/26/23, 9/27/23.	9/20/2023	9/21/2023	10/1/2023			0.5
139 15 Street Northeast	Long grass/weeds in front, back, sides, and around house. See attached picture 8226 of the complaint location as of 9/18/23. No change to the complaint location status as of 9/19/23, 9/20/23, 9/21/23, 9/22/23, 9/25/23, 9/26/23, 9/27/23.	9/18/2023	9/20/2023	9/30/2023			0.5
147 Front Street East	Reinspection picture 8248 of the complaint vacant lot as of 9/25/23. Need to contact the mowing service as of 9/25/23. The complaint location has not been mowed as of 9/27/23.	9/25/2023	9/13/2023	9/25/2023		9/27/23 - Contacted mower.	0.5
1625 Truman Avenue	Living room chair, baby cradle, kitchen chair, desk chair on the blvd. See attached pictures 8244, 8245 of the complaint location as of 9/25/23. 9/26/23-baby cradle has been removed. 9/27/23 the kitchen chair has been removed. No additional change to the complaint location status as of 9/27/23.	9/25/2023	9/27/2023	10/7/2023			0.5
1745 7 Avenue Northeast	Three seat gray couch on the front blvd area. See attached picture 8243 of the complaint location as of 9/22/23. No change to the complaint location status as of 9/25/23, 9/26/23, 9/27/23.	9/22/2023	9/27/2023	10/7/2023			0.5
1860 Bigelow Avenue	The complaint location with long grass and weeds has been mowed as of 9/18/23.	9/18/2023			9/18/2023	Has been mowed.	0.5
211 Front Street East	Complaint: The back yard has very tall weeds and a ton of garbage. There is a couch and a ton of other furniture that has piled up in the back yard. Complainant's pictures have been uploaded. See attached pictures 8208, 8209, 8210 of the complaint location as of 9/12/23. No change to the complaint location status as of 9/13/23, 9/14/23, 9/15/23, 9/18/23, 9/19/23	9/12/2023	9/13/2023	9/27/2023	9/26/2023	The complaint location removed the tall weeds and furniture from the alleyway and backyard as of 9/26/23.	1

Weed/Nuisance Complaint Inspections				OWATONNA FIRE DEPARTMENT			
September 13, 2023 to September 27, 2023							
Address	Complaint Description	Inspection Date	Violation Notice Sent	Correction Due Date	Violation Corrected Date	Comments	Staff Hours
218 Rose Street East	8/30/23 - spoke with owner. He plans on bringing a dump trailer to the property to clean it up but needs extra time. Gave him until 9/15/23. No dump trailer in place as of 9/11/23, 9/12/23, 9/13/23, 9/14/23, 9/15/23, 9/18/23, 9/19/23, 9/20/23, 9/21/23, 9/22/23, 9/25/23. See attached picture 8255 of the dumper in the backyard as of 9/26/23. Reinspection picture 8217 of the complaint location backyard as of 9/15/23 - no change to the status as of 9/15/23 - another violation notice for the complaint location as of 9/15/23. 9/25/23 - Chief spoke with owner - gave him until 10/9/23 to take care of it.	9/15/2023	8/17/2023	10/9/2023	9/27/2023	The complaint location has removed and placed the complaint items in the dumper as of 9/27/23 - see complaint picture 8259 of the backyard.	1.5
2215 Condor Place	Reinspection pictures 8211, 8212 of the complaint location as of 9/12/23. No change in the reinspection complaint as of 9/12/23 - need to send another violation notice. No change to the complaint location status as of 9/13/23, 9/14/23, 9/15/23, 9/18/23, 9/19/23, 9/20/23, 9/21/23, 9/22/23, 9/25/23. Has started to clean the complaint location as of 9/18/23, additional items removed as of 9/25/23, 9/26/23. Had a backyard meeting with Christina Schneider on 9/19/23 at 9 AM. Reviewed all the complaint location items in the backyard. Pointed out the complaint items (in person) on 9/19/23.	9/12/2023	9/13/2023	9/27/2023	9/27/2023	Reinspection picture 8260 of the complaint location backyard as of 9/27/23. Will be closing this complaint location as of 9/27/23 due cleanup of the backyard.	0.5
2372 Haddonstone Lane Northeast	Reinspection picture 8222 of the complaint location vacant lot as of 9/18/23. The vacant lot has not been mowed as of 9/18/23, 9/19/23, 9/20/23, 9/21/23, 9/22/23. Need to call the lawn service as of 9/18/23. The complaint location vacant lot has not been mowed as of 9/22/23, 9/25/23, 9/26/23, 9/27/23.	9/18/2023	9/5/2023	9/18/2023		9/21/23 - Contacted mower.	0.5
2376 Haddonstone Lane Northeast	reinspection picture 8223 of the complaint location vacant lot as of 9/18/23. The vacant lot has not been mowed as of 9/18/23, 9/19/23, 9/20/23, 9/21/23, 9/22/23. Need to call the lawn service as of 9/18/23. 9/21/23 - contacted mower. The complaint location vacant lot has not been mowed as of 9/22/23, 9/25/23, 9/26/23, 9/27/23.	9/18/2023	9/5/2023	9/18/2023		9/21/23 - Contacted mower.	0.5
253 Beech Avenue	The complaint location long grass and weeds have been mowed as of 9/15/23.	9/15/2023			9/15/2023	Has been mowed.	0.5

Weed/Nuisance Complaint Inspections						OWATONNA FIRE DEPARTMENT	
September 13, 2023 to September 27, 2023							
Address	Complaint Description	Inspection Date	Violation Notice Sent	Correction Due Date	Violation Corrected Date	Comments	Staff Hours
2595 Mossy Creek Drive Northeast	Complaint: Old boat with and old sliding glass door leaning against it, old kitchen sink, torn down greenhouse debris and other misc. junk laying all over the yard. Complainant's picture have been uploaded. See attached complaint location pictures 8228, 8229, 8230, 8231, 8232 as of 9/19/23, 9/20/23, 9/21/23, 9/22/23, 9/25/23, 9/26/23, 9/27/23. 9/21/23 - contacted Building Insp about a permit for the greenhouse. Contacted Police Dept about the boat parked on grass.	9/19/2023			9/27/2023	9/27/23 - Closing complaint - they have a zoning permit for the greenhouse and the boat is not in violation of ordinance. No violations to the ordinances the fire dept enforces.	1.5
3050 3 Avenue Northeast	The complaint location vacant lot with long grass and weeds has been mowed as of 9/18/23.	9/18/2023			9/18/2023	Has been mowed.	0.5
3079 Northridge Lane Northeast	The complaint location vacant lot with long grass and weeds has been mowed as of 9/18/23.	9/18/2023			9/18/2023	Has been mowed.	0.5
320 Stoneridge Lane Northeast	The complaint location vacant lot with long grass and weeds has been mowed as of 9/18/23.	9/18/2023			9/18/2023	Has been mowed.	0.5
345 Stoneridge Lane Northeast	The complaint location vacant lot with long grass and weeds has been cut as of 9/18/23.	9/18/2023			9/18/2023	Has been mowed.	0.5
350 Stoneridge Lane Northeast	The complaint location vacant lot with long grass and weeds has been mowed as of 9/18/23.	9/18/2023			9/18/2023	Has been mowed.	0.5
395 Hickory Lane Northeast	The complaint location vacant lot with long grass and weeds has been mowed as of 9/18/23.	9/18/2023			9/18/2023	Has been mowed.	0.5
396 Hickory Lane Northeast	The complaint location vacant lot with long grass and weeds has been mowed as of 9/18/23.	9/18/2023			9/18/2023	Has been mowed.	0.5
400 Crestview Lane Northeast	The complaint location long grass and weeds have been mowed as of 9/18/23.	9/18/2023			9/18/2023	Has been mowed.	0.5
400 Pebble Beach Drive Northeast	The complaint location with couch, reclining chair, and single bed frame have been removed as of 9/12/23.	9/12/2023			9/12/2023	Has been mowed.	0.5
420 Pebble Beach Drive	Complaint: Garbage and recycling bins are being kept on driveway in front of garage. See attached picture 8235 of the complaint location as of 9/20/23. No change in the complaint location status as of 9/21/23, 9/22/23, 9/25/23, 9/26/23, 9/27/23.	9/20/2023	9/21/2023	10/1/2023			0.5
426 Flowervale Street	TV stand has been removed. Couch remains on blvd. 3 seat black couch and (TV stand removed 9/21/23) on the front blvd See attached picture 8238 of the complaint location as of 9/20/23. No change to the complaint location status as of 9/21/23, 9/22/23.	9/21/2023	9/22/2023	10/2/2023	9/25/2023	The remaining complaint couch item has been removed as of 9/25/23.	1
430 Cherry Street	The complaint location with long weeds and grass has been mowed as of 9/19/23.	9/19/2023			9/19/2023	Has been mowed.	0.5
434 Dartt Avenue	Reinspection picture 8221 of the complaint location as of 9/1/18/23. The long grass and weeds at the complaint location has not been mowed as of 9/18/23. Need to call the lawn service.	9/18/2023			9/19/2023	The complaint location with long grass and weeds has been moved as of 9/19/23.	1

Weed/Nuisance Complaint Inspections						OWATONNA FIRE DEPARTMENT	
September 13, 2023 to September 27, 2023							
Address	Complaint Description	Inspection Date	Violation Notice Sent	Correction Due Date	Violation Corrected Date	Comments	Staff Hours
440 Dartt Avenue	Long grass/weeds in front, back, sides, and around house. See attached picture 8218 of the complaint location as of 9/15/23. No change to the complaint location status as of 9/18/23, 9/19/23, 9/20/23, 9/21/23, 9/22/23, 9/25/23, 9/26/23, 9/27/23.	9/15/2023	9/20/2023	9/30/2023			0.5
448 Bridge Street West	Long grass/weeds in front, back, sides, and around house. See attached picture 8213 of the complaint location as of 9/12/23. No change to the complaint location status as of 9/13/23, 9/14/23, 9/15/23, 9/18/23, 9/19/23, 9/20/23, 9/21/23, 9/22/23.	9/12/2023	9/15/2023	9/25/2023	9/25/2023	The complaint location mowed the front area as of 9/25/23.	1
453 Mound Street	Reinspection pictures 9249, 8250 of the complaint location as of 9/25/23 with long grass and weeds. Need to contact the lawn mowing service as of 9/25/23. The complaint location has not been mowed as of 9/27/23.	9/25/2023	9/13/2023	9/23/2023		9/27/23 - Contacted mower.	0.5
474 Bridge Street West	Long grass/weeds in front, back, sides, and around house. See attached picture 8216 of the complaint location as of 9/13/23. No change to the complaint location status as of 9/14/23, 9/15/23, 9/18/23, 9/19/23.	9/13/2023	9/15/2023	9/25/2023	9/21/2023	Has been mowed.	1
484 Glendale Street	Long grass/weeds in front, back, sides, and around house. See attached pictures 8224, 8225 of the complaint location as of 9/18/23. No change to the complaint location status as of 9/19/23, 9/20/23, 9/21/23, 9/22/23, 9/25/23, 9/26/23, 9/27/23.	9/18/2023	9/20/2023	9/30/2023			0.5
513 Oak Avenue North	Refrigerator & toilet on 139 Front St blvd See attached picture 8215 of the complaint location as of 9/13/23. No change to the complaint location status as of 9/14/23, 9/15/23, 9/18/23, 9/19/23.	9/13/2023	9/15/2023	9/25/2023	9/20/2023	The complaint location refrigerator and toilet on 139 Front Street (on the blvd) have been removed as of 9/20/23.	1
518 Bridge Street West	Two three seat couches on the front blvd area. See attached picture 8254 of the complaint location as of 9/25/23. No change to the complaint location status as of 9/26/23, 9/27/23.	9/25/2023	9/27/2023	10/7/2023			0.5
543 Broadway Street East	Four full size used mattresses on the front blvd area. See attached pictures 8241, 8242 of the complaint location as of 9/21/23. The complaint location removed the 4 mattresses from the front blvd area as of 9/22/23.	9/21/2023			9/22/2023	Have been removed.	1
660 Lee Street Northeast	Glass top 5 foot picnic/display table on the front blvd See attached picture of the complaint location as of 9/15/23. The complaint location with glass ton 5 foot picnic/display table on the front blvd has been removed as of 9/18/23.	9/15/2023			9/18/2023	Has been removed.	1
704 Cherry Street	The box of misc items on the blvd has been removed as of 9/15/23.	9/15/2023			9/18/2023	Has been removed.	0.5

Weed/Nuisance Complaint Inspections						OWATONNA FIRE DEPARTMENT	
September 13, 2023 to September 27, 2023							
Address	Complaint Description	Inspection Date	Violation Notice Sent	Correction Due Date	Violation Corrected Date	Comments	Staff Hours
704 Cherry Street	The complaint location removed the brown reclining chair as of 9/18/23.	9/18/2023			9/18/2023	Has been removed.	0.5
714 Mineral Springs Road	9/12/23-one chair removed, one remaining. No change in the complaint location status as of 9/13/23, 9/14/23.	9/12/2023			9/15/2023	The complaint location remaining reclining chair has been removed front the front blvd as of 9/15/23.	1
803 South Street East	Washer and dryer on the front blvd area. See attached picture 8233 of the complaint location items as of 9/19/23.	9/19/2023			9/20/2023	Have been removed.	0.5



Licenses - Permits



Minnesota Department of Public Safety
Alcohol and Gambling Enforcement Division
445 Minnesota Street, Suite 1600, St. Paul, MN 55101
651-201-7507 TTY 651-282-6555
**APPLICATION AND PERMIT FOR A 1 DAY
TO 4 DAY TEMPORARY ON-SALE LIQUOR LICENSE**

Name of organization		Date of organization		Tax exempt number	
Owatonna Arts Center		January 1, 1974		6570631	
Organization Address (No PO Boxes)		City	State	Zip Code	
435 Garden View Lane		Owatonna	MN	55060	
Name of person making application		Business phone		Home phone	
Silvan Durben, Artistic Director		507-451-0533			
Date(s) of event	Type of organization ☐ Microdistillery ☐ Small Brewer				
November 8, 2023	☐ Club ☐ Charitable ☐ Religious ☒ Other non-profit				
Organization officer's name	City	State	Zip Code		
Beth Decoux	Owatonna	MN	55060		
Organization officer's name	City	State	Zip Code		
CJ Brase	Owatonna	MN	55060		
Organization officer's name	City	State	Zip Code		
		MN			

Location where permit will be used. If an outdoor area, describe.

The Owatonna Arts Center will host a fall wine tasting event, this is the 29th year for this annual event.

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

If the applicant will carry liquor liability insurance please provide the carrier's name and amount of coverage.
North Risk Partners - \$500,000 each common cause/per aggregate

APPROVAL

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

City of Owatonna	Date Approved
City or County approving the license	November 8, 2023
\$50.00	Permit Date
Fee Amount	jeanette.clawson@ci.owatonna.mn.us
Event in conjunction with a community festival ☐ Yes ☒ No	City or County E-mail Address
27,544 - MN State Demographic 2022 Estimate	
Current population of city	

Kris M. Busse, City Administrator

Please Print Name of City Clerk or County Official

Signature City Clerk or County Official

**CLERKS NOTICE: Submit this form to Alcohol and Gambling Enforcement Division 30 days prior to event
No Temp Applications faxed or mailed. Only emailed.**

ONE SUBMISSION PER EMAIL, APPLICATION ONLY.

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



Minnesota Department of Public Safety
Alcohol and Gambling Enforcement Division
445 Minnesota Street, Suite 1600, St. Paul, MN 55101
651-201-7507 TTY 651-282-6555
**APPLICATION AND PERMIT FOR A 1 DAY
TO 4 DAY TEMPORARY ON-SALE LIQUOR LICENSE**

Name of organization		Date of organization		Tax exempt number	
Two Rivers Habitat for Humanity		04/1990		1083963	
Organization Address (No PO Boxes)		City	State	Zip Code	
1530 Greenview Dr SW, Suite 107		Rochester	MN	55902	
Name of person making application		Business phone		Home phone	
Patricia Heydon		507.361.4011			
Date(s) of event	Type of organization		☐ Microdistillery ☐ Small Brewer		
April 6, 2024	☐ Club ☒ Charitable ☐ Religious ☐ Other non-profit				
Organization officer's name	City	State	Zip Code		
Patricia Heydon	Owatonna	MN	55060		
Organization officer's name	City	State	Zip Code		
Taylor Herman	Owatonna	MN	55060		
Organization officer's name	City	State	Zip Code		
		MN			

Location where permit will be used. If an outdoor area, describe.

Steele County Four Seasons Centre, 1525 South Elm Ave, Owatonna MN 55060

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

N/A

If the applicant will carry liquor liability insurance please provide the carrier's name and amount of coverage.

Illinois Casualty Company, \$2 million

APPROVAL

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

City of Owatonna

City or County approving the license

\$50.00

Fee Amount

Event in conjunction with a community festival ☐ Yes ☒ No

27,544 - 2022 MN State Demographer Estimate
Current population of city

Kris M. Busse, City Administrator

Please Print Name of City Clerk or County Official

Date Approved

April 6, 2024

Permit Date

jeanette.clawson@ci.owatonna.mn.us

City or County E-mail Address

Signature City Clerk or County Official

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

No Temp Applications faxed or mailed. Only emailed.

ONE SUBMISSION PER EMAIL, APPLICATION ONLY.

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



Minnesota Department of Public Safety
Alcohol and Gambling Enforcement Division
445 Minnesota Street, Suite 1600, St. Paul, MN 55101
651-201-7507 TTY 651-282-6555
**APPLICATION AND PERMIT FOR A 1 DAY
TO 4 DAY TEMPORARY ON-SALE LIQUOR LICENSE**

Name of organization		Date of organization		Tax exempt number	
Mineral Springs Brewery		June 2018			
Organization Address (No PO Boxes)		City	State	Zip Code	
111 N Walnut		Owatonna	MN	55060	
Name of person making application		Business phone		Home phone	
Bill Cronin		507-413-6281			
Date(s) of event	Type of organization ☐ Microdistillery ☒ Small Brewer				
Novmeber 16, 2023	☐ Club ☐ Charitable ☐ Religious ☐ Other non-profit				
Organization officer's name	City	State	Zip Code		
Bill Cronin - President	Owatonna	MN	55060		
Organization officer's name	City	State	Zip Code		
		MN			
Organization officer's name	City	State	Zip Code		
		MN			

Location where permit will be used. If an outdoor area, describe.

Kible Equipment (Indoor) at 3555 18trh St SW, Owatonna MN 55060

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

N/A

If the applicant will carry liquor liability insurance please provide the carrier's name and amount of coverage.

Cincinnati Policy#ETD0503616: \$1,000,000 limit

APPROVAL

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

City of Owatonna MN	
City or County approving the license	Date Approved
\$50.00	November 16, 2023
Fee Amount	Permit Date
Event in conjunction with a community festival ☐ Yes ☒ No	jeanette.clawson@ci.owatonna.mn.us
27,544 - MN State Demographic 2022 Estimate	City or County E-mail Address
Current population of city	
Kris M. Busse, City Administrator	
Please Print Name of City Clerk or County Official	Signature City Clerk or County Official

CLERKS NOTICE: Submit this form to Alcohol and Gambling Enforcement Division 30 days prior to event
No Temp Applications faxed or mailed. Only emailed.

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



Miscellaneous



Parks, Trails, Recreation & Facilities Department

DATE: October 17, 2023
TO: Mayor and City Council
FROM: Jenna Tuma, Parks, Trails, Recreation & Facilities Director
Eric Anderson, Recreation Manager
SUBJECT: Facility Use Agreement - Owatonna Church of Christ

Purpose:

Request City Council approval to renew the Facility Use Agreement with Owatonna Church of Christ at West Hills Social Commons.

Background:

Owatonna Church of Christ has a long history of renting space at West Hills Social Commons for their church service and related functions. The Church of Christ has a particular room layout for their service, which they set up before their Sunday service. This agreement allows this group to access the facility for one hour at no charge prior to their Sunday service to coordinate the Multipurpose Room setup, with no city staff required. This agreement is a renewal for the 2024 calendar year.

Budget Impact:

During the listed agreement, Owatonna Church of Christ is issued a keycard to access Social Commons and other authorized areas within the building. Building staff is needed with this agreement and access. Owatonna Church of Christ pays the standard rental fee at Social Commons for all other rental times. The current fee schedule is attached.

Staff Recommendation:

Staff recommends renewal of the Facility Use Agreement with Owatonna Church of Christ.

Attachments:

1. 2024 Owatonna Church of Christ - Facility Use Agreement (signed by Church of Christ Rep)
2. 2024 Owatonna Church of Christ - Facility Use Agreement (Supplement - Rental Fees)

OWATONNA CHURCH OF CHRIST FACILITY USE AGREEMENT

This agreement (the "Agreement") is made and entered into as of this 7th day of November 2023 by and between City of Owatonna, Minnesota ("Licensor") and Owatonna Church of Christ ("Licensee").

RECITALS

1. Licensee wishes to use Licensor's facilities described below and to use such facilities under the following terms and conditions:

Facility: Multi-purpose room at West Hills Social Commons

For the purpose of: Setup of Church Gatherings

Starting Date: January 1, 2024

Ending Date: December 31, 2024

Days and time of use:

Sundays: 8:00AM - 9:00AM

NOW, THEREFORE, for good and valuable consideration, Licensee and Licensor hereby agree as follows:

1. **Space**. Licensee will occupy the Multipurpose Room, a storage space in the 1st floor back storage room and the 1st floor Multipurpose Room Tables and Chairs storage room on the days and at the times listed above for set up purposes of their rental. Licensee may also use common areas at the Facility such as waiting areas, hallways, and public bathrooms. Any increase in hours of use and occupancy requires prior agreement by both Parties.
2. **Non-Business Hours Use**. Licensee shall be issued 2 Key Access Cards and a key for entrance into the Facility and designated areas. Licensee will only use the Key Card and key for entrance into areas and purposes identified in Section 1 of this agreement. Licensee will not allow any unauthorized individuals to enter the Facility. Licensee will follow all facility use, closing and lock up policies and procedures as instructed by Licensor.
3. **Maintenance and Utilities**. Licensor will provide maintenance and utilities for the Facility in accordance with its routine schedule and standards, including water and sewer, heat, air conditioning, electricity, trash disposal, hazardous waste disposal, and

telephone service. Licensee shall reimburse Licensor for all additional maintenance and services provided at Licensee request.

4. **Fees.** Licensee will not pay Licensor for the use of space during the days and times listed above. Licensee will pay Licensor the listed hourly room rate for use of the Facility for all other designated rental times. Such amounts shall be due and payable whether or not Licensee actually uses the Facility for any or all of the allotted time. Licensee will provide Licensor with proof of non-profit status. Licensor will submit quarterly invoices to Licensee, and Licensee shall pay such invoices within 30 days of receipt.
5. **Permitted Use of the Premises.** Licensee shall use the Facility in accordance with the terms and conditions of this Agreement and Licensor policies. Licensee shall obtain any required permits for its use of the Facility. Licensee will make no use of the Facility that would be contrary to any federal or state law or any municipal bylaw or ordinance in force in Minnesota, nor may Licensee commit or allow any nuisance to exist at the Facility. Licensee shall cooperate with Licensor's building and security personnel in ensuring public safety. Licensee shall ensure that individuals entering the Facility to participate in an event hosted by Licensee refrain from use of alcohol and/or drugs, possessing weapons, fighting, engaging in abuse of any kind, littering, and/or disturbing Licensor employees and clients while located on Licensor property. Any individual who violates the preceding requirement may be prohibited from entering Licensor property.
6. **Licensor's Use of Facilities.** Licensee acknowledges and agrees that Licensor retains the right to exercise control over the Facility at all times, including the right to enforce applicable policies, rules and regulations.
7. **Personal Property.** Licensee shall occupy a small storage space designated by the licensor. Licensor is not responsible for any loss of or damage to any personal property of Licensee, its guests, agents, employees or invitees.
8. **Licensee's Obligations After Use of Facility.** Licensee agrees to exercise due care in the use of the Facility and shall leave the Facility in the same good condition as on the Starting Date, normal wear and tear excepted. Property not removed by Licensee may not be recoverable, and Licensor may dispose of it as it deems expedient without liability to Licensee or others. Licensee shall reimburse Licensor for any and all costs Licensor incurs to repair any damage to the Facility or other Licensor property or equipment arising out of or connected with Licensee's use of the Facility, unless such damage is caused solely by Licensor, its officers, agents, or representatives.
9. **Indemnification.** Licensee agrees to defend, indemnify, and hold harmless Licensor from and against all claims, liabilities or expenses (including reasonable attorney's fees and other professional expenses) arising from or in connection with (a) Licensee's use of the Facility and other Licensor property (b) the negligent or wrongful acts of

Licensee's employees, agents, or invitees; or (c) Licensee's failure to perform or comply with any of the terms of this Agreement, except to the extent caused by the negligence or willful misconduct of Licensor. If Licensee is a charitable organization, corporation, entity or individual having or claiming immunity (statutory or otherwise) from liability for damage or injury to property or person, Licensee hereby waives its right to plead such immunity defensively against Licensor. This Section 9 shall survive termination of this Agreement.

10. **Limitation of Licensor Liability.** In no event shall Licensor be liable for any direct or indirect, consequential, incidental, lost profits or similar damages arising out of this Agreement. Licensor's total liability for breach of this Agreement is the fee payable to Licensor for one event pursuant to Section 3 of this Agreement.
11. **Insurance.** Licensee shall take out and maintain during the term of this agreement Commercial General Liability insurance coverage to protect the Licensee, its officers, employees, agents, members and anyone directly or indirectly engaged or employed by Licensee from any and all claims for damage to property or for personal injury, including death, made by anyone, arising under this Agreement with the following limits of coverage:
- Commercial General Liability coverage with limits of not less than \$1 Million per occurrence and \$2 Million annual aggregate.

Licensee shall provide Licensor with a Certificate of Insurance naming the Licensor as an additional insured.

12. **Termination.** Each Party has the right to terminate this Agreement without cause upon 30 days' notice. Notwithstanding the previous sentence, Licensor may immediately terminate this Agreement upon the occurrence of any of the following:
- a. If Licensee defaults in the payment of any sum to be paid hereunder and such default continues for more than 10 days following written notice from Licensor to Licensee; or
 - b. If Licensee fails to maintain the insurance required under Section 11.
13. **Notice.** Any notice pursuant to this Agreement must be in writing and must be personally delivered, sent by email, or sent by certified mail, addressed to the parties at the addresses below or at such other address as they specify in written notice. Notices are effective upon personal delivery or when sent by e-mail or certified mail.

If to Licensors: Owatonna Parks and Recreation
Attn: Recreation Manager
540 West Hills Circle
Owatonna, MN 55060
Tel: 507-444-4321

If to Licensee: Owatonna Church of Christ
PO Box 474
Owatonna, MN 55060
Tel: 507-455-0046

14. **Governing Law.** This Agreement will be governed by and construed in accordance with the laws of the State of Minnesota, without reference to conflict of laws principles.

15. **Miscellaneous**

- a. **Force Majeure.** Neither party will be deemed to be in default under this Agreement if it is prevented from performing its obligations hereunder for any reason beyond its control or is materially adversely affected in the performance of its obligations by acts of God, acts of civil or military authority, fires, floods or other natural disasters, strikes, governmental laws and regulations.
- b. **Emergency Closure.** Licensors may determine, at its sole discretion, that for reasons of health safety and in the best interests of the public it may close the facility as necessary. Licensee would not be charged for use of the facility during this closure time.
- c. **Discrimination.** The Parties agree to be bound by applicable state and federal laws governing Equal Opportunity Employment and Non-discrimination.
- d. **Assignment.** Licensee shall not assign its rights under this Agreement without Licensors's prior written consent.
- e. **Independent Contractors.** Licensee, including its employees, volunteers or agents, is an independent contractor and nothing in this Agreement will be construed to create an employer/employee or joint venture relationship between Licensors and Licensee or its employees, volunteers, or agents.
- f. **Amendment.** This Agreement may be amended only upon mutual written agreement of the parties.
- g. **Entire Agreement.** This Agreement, together with its exhibits and attachments, constitutes the entire agreement between the parties with respect to the subject matter, and supersedes all prior agreements, understandings, promises, and

representations made by either party to the other concerning the subject matter of this Agreement.

- h. Waiver. The failure of any party to insist on the performance of any provision of this Agreement and to exercise any rights hereunder will not be construed as a waiver of future performance of any such provision or the future exercise of such right.
- i. License Only. No tenancy whatsoever is intended to be created by this Agreement. The privilege granted to Licensee herein is not one of lease or grant, and will not give Licensee any right, title or interest in and to the Facility.
- j. Severability. If a court of competent jurisdiction holds any provision of this Agreement invalid or unenforceable, the remaining provisions will nonetheless be enforceable. If such court determines that any provision of this Agreement is held to be overbroad as written, such provision will be deemed amended to narrow its application to the extent necessary to make the provision enforceable according to applicable law and will be enforced as amended.
- k. Costs, Expenses and Attorney's Fees. If either party incurs costs, expenses, or attorney's fees in enforcing any of its rights under this Agreement, whether by litigation, arbitration, or otherwise, the unsuccessful party in such dispute will reimburse the prevailing party for its costs, expenses, and attorney's fees.
- l. No Third Party Beneficiaries. Nothing in this Agreement will create any obligations by Licensor or Licensee to any person or entity not a party to this Agreement, including Licensee's employee, volunteers or participants, or any other individuals employed by or under contract with Licensor or Licensee.

****The remainder of this page is intentionally blank****

IN WITNESS WHEREOF the parties have caused this Agreement to be executed as follows:

CITY OF OWATONNA

By _____

Printed Name Tom Kuntz

Title Mayor

Date _____

By _____

Printed Name Kris Busse

Title City Administrator

Date _____

OWATONNA CHURCH OF CHRIST

By James W. Cox

Printed Name JAMES W. COX

Title Church member

Date 25/SEP/2023

Owatonna Parks and Recreation

Fees Manual 2023

Rentals	2023 Current Fee	2023 Fee Update (approved 6/6/23)	Effective Date	Cost Recovery model
Shelters				
Daily Rental-Small Pavilions	\$80.00			4
Daily Rental- Large Pavilions	\$100.00			4
Morehouse Chalet	\$175.00			4
Tennis & Fitness Center				
Fitness Center Activity Room	\$40.00			4
Basketball Court per hour	\$40.00			4
Tennis Court – Group Rental (2 weeks or more in advance)	\$22.00			4
Tennis Court – Group Rental (less than 2 weeks in advance)	\$24.00			4
Swimming Pool	\$65.00			4
Social Commons				
Multipurpose Room Standard Rate per hour	\$55.00			4
Multipurpose Room Non-Profit Rate per hour	\$35.00			3
Multipurpose Room with Kitchen Standard Rate per hour	\$65.00			4
Multipurpose Room with Kitchen Non-Profit Rate per hour	\$45.00			3
West Meeting Room 2 nd floor Standard Rate per hour	\$35.00			4
West Meeting Room 2 nd floor Non-Profit Rate per hour	\$25.00			3
East Meeting Room 2 nd floor Standard Rate per hour	\$35.00	Discontinued	6/6/2023	N/A
East Meeting Room 2 nd floor Non-Profit Rate per hour	\$25.00	Discontinued	6/6/2023	N/A
Board Room – Standard Rate per hour	\$35.00			4
Board Room – Non-Profit Rate per hour	\$25.00			3
Lake Kohlmier				
Equipment Rental (Kayaks, Hydro Bike, Canoe, Paddle Board, Paddle Boat)	\$6 + Tax			3
Summer Individual Pass	\$20 + Tax			3
Large Group Rental	\$100 for 2 hours (10 vessels)			4



Parks, Trails, Recreation & Facilities Department

DATE: October 17, 2023
TO: Mayor and City Council
FROM: Jenna Tuma, Parks, Trails, Recreation & Facilities Director
Eric Anderson, Recreation Manager
SUBJECT: Lease Agreement - Steele County Healthy Seniors

Purpose:

Request City Council approval to renew the Healthy Seniors of Steele County Lease Agreement at West Hills Social Commons.

Background:

Healthy Seniors of Steele County is a local 501c3 non-profit organization committed to serving seniors and caregivers of Steele County. This organization has leased office and storage space on the 3rd floor of West Hills Social Commons for many years. This agreement is to renew those spaces for the 2024 calendar year.

Budget Impact:

The rental generates facility revenue as identified in the budget. Healthy Seniors are issued a keycard and access to the building and rental areas, requiring no additional staff cost. The 2024 rental income will be \$1,960, a 5% rent increase from the previous year.

Staff Recommendation:

Staff recommends renewal of the Lease Agreement with Healthy Seniors of Steele County.

Attachments:

1. 2024 Steele County Healthy Seniors Lease Contract (Signed by Director)

STEELE COUNTY HEALTHY SENIORS LEASE AGREEMENT

THIS LEASE AGREEMENT, made the 7th day of November 2023, by and between the City of Owatonna, a municipal corporation of the State of Minnesota, hereinafter called Lessor, and Healthy Seniors of Steele County hereinafter called Lessee.

1. **PREMISES**

That said Lessor, in consideration of the rents and covenants hereinafter provided, does hereby remise, lease, and let unto Lessee, and the said Lessee does hereby hire and take from Lessor the following described premises situated in the City of Owatonna West Hills Social Commons property, located in the County of Steele, State of Minnesota, to-wit:

3rd Floor office space, West Hills Social Commons

3rd Floor Southwest storage space, West Hills Social Commons
(12 foot, 9 inches long x 7 foot 6 inches wide storage space)

2. **TERM**

The term of this lease shall be from January 1, 2024, to December 31, 2024.

3. **RENT**

The rent payable by Lessee to Lessor shall be \$1960 due in quarterly installments of \$490.

4. **FACILITY ACCESS**

The City will issue the Lessee 5 Key Cards for entrance into the West Hills Social Commons and 5 keys for access into the above listed spaces. The Contractor will only use the issued Key Cards and keys for entrance into areas and purposes of the Lease Agreement. The Contractor will not provide any unauthorized individuals the Key Cards or keys or allow any unauthorized individuals to enter the Facility. All issued Key Cards and keys must be surrendered to Lessor at Lessor's place of business upon termination of the lease. Lost Key Cards or keys will be replaced at a cost of \$20.00 per Key Card or key and will be replaced during regular business hours. Key Cards and keys shall not be duplicated by the Lessee.

5. **ASSIGNMENT AND SUBLETTING**

Lessee agrees that it will not sublet the demised premises or any part thereof, and will not assign this lease or any interest therein, nor permit such lease to be transferred by operation

of law or otherwise and that no act or acts will be done or suffered whereby the same may be or become sublet or assigned in whole or in part, unless the written consent of the Lessor endorsed hereon shall be first obtained in each and every case of underletting or assignment, as they shall from time to time accrue or be desired and that nothing whatever shall be held to be a waiver or supersede the necessity of such endorsement. Any assignment, sale in bankruptcy or insolvency of the Lessee may, at the option of the Lessor, be considered an assignment within the meaning of this lease and as a breach of the covenants hereof.

6. **UTILITIES**

At such time as Lessor incurs any expense in connection with utility services, upon 90 days written notice to Lessee, Lessee will thereupon assume such obligations directly and in full, with Lessee having option to cancel in said event.

7. **REPAIRS AND MAINTENANCE**

Lessee agrees to take the premises in their present condition and shall, at its own expense during the term of this lease, repair and maintain the entire leased premises in a safe, clean, and presentable condition; this obligation of the Lessee shall extend to and include replacement of broken glass, plumbing, and electrical repairs with the Lessor to be responsible for maintenance of structural weight-bearing walls and maintenance and repair of the public sidewalk and entrances and exits to the leased premises. Lessor shall maintain and repair all water, sewer, gas, and electric service lines running to the leased premises but Lessee will be responsible for such service once it is into the leased premises.

8. **ERECTION AND MAINTENANCE OF SIGNS**

Lessee shall not erect or permit to be erected on said premises or on the exterior of any buildings any signs of any type without the written consent of the Lessor endorsed hereon.

9. **TAXES**

So long as the property remains tax exempt, neither party will have a tax obligation. Should this tax exempt status change or be modified in any respect by reason of the parties having entered into this lease or for any other reason which would return the demised premises to the tax rolls, Lessee will be obligated to pay and hold Lessor harmless any such real estate or other tax thereby incurred.

10. **DAMAGE OR DESTRUCTION OF PREMISES**

In the event of damage to or destruction of the leased premises or a portion thereof by fire, or other cause sufficient to render the leased premises unsatisfactory for Lessee's operations or otherwise tenantable, either party may terminate this lease by written notice of its intention to do so to the other party within thirty (30) days of such destruction or damage. Lessor will not be obligated to replace or repair the leased structure, and if it so elects to

not rebuild, shall give Lessee notice of said fact and the lease shall thereupon automatically terminate. Should Lessor determine to make repairs to damages to the premises, then during the period commencing with the damage to the premises and ending with the completion of the repairs rendered necessary thereby, the rent payable hereunder shall abate and the obligation of the Lessee ever to pay the same shall cease to the extent and in proportion to the area rendered tenantable by the injury to the premises or rendered tenantable by repair work.

11. **AMERICANS WITH DISABILITIES ACT**

Lessee acknowledges and agrees that, while Lessor has reviewed and approved the plans and specifications for Lessee's leasehold improvements, (and may construct Lessee's leasehold improvements for Lessee), Lessor assumes no responsibility for compliance of such plans and specifications, the leased premises or Lessee's leasehold improvements with the Americans with Disabilities Act of 1990 or the regulations promulgated thereunder ("ADA"), and Lessor shall not be responsible for any alterations or additions to the leased premises or any other portions of the building of which the leased premises or any other portions of the buildings of which the leased premises are a part which may be required by the ADA.

Lessee agrees to comply with the ADA, including without limitation by removing architectural barriers within the leased premises and the common areas of the building made necessary by

Lessee shall indemnify and shall hold Lessor harmless from any damages, loss or liability, including without limitation the cost of barrier removal or alterations which may be performed by Lessor, resulting from the failure to Lessee to comply strictly with the requirements of the ADA.

12. **INSURANCE**

Lessee shall at all times during the term of this lease and any extensions thereof, carry public liability insurance covering the leased premises, which insurance shall insure against liability for personal injury or death and property damage with minimum limits of not less than \$1 million per occurrence and \$2 Million annual aggregate.

Said policy to be issued by a company authorized to do business in the State of Minnesota and, if mutual, shall be non-assessable. Contractor shall provide the City with a Certificate of Insurance naming the City as an additional insured.

Contractor agrees to provide Workers Compensation insurance for all its employees in accordance with the statutory requirements of the State of Minnesota. Prior to providing services to the City pursuant to this Agreement or assigning an official to any City events, Contractor shall deliver to the City evidence that the above coverage is in full force and effect.

13. **OPTIONS TO RENEW**

Lessee is hereby granted one (1) option to renew and extend the term of this lease for an additional period of up to one (1) year. Each optional term shall be at such rent and upon the terms and conditions as are determined by the Lessor.

14. **PEACEFUL SURRENDER**

Lessee covenants and agrees to keep and maintain the premises and its fixtures during the term of the lease and peaceably quit and deliver up the same to Lessor at the termination of this lease in as good order, condition, and state of repair as the same are at the date hereof, reasonable use and wearing thereof excepted. At its option and expense, Lessee may remove from the premises at termination the non-attached personal property as it may have installed, excluding specifically heating and air conditioning equipment.

15. **LESSOR'S REMEDIES**

If the monthly rental payment, or any of them, whether demanded or not, are not paid within twenty (20) days after becoming due, or in the event Lessee files any petition in bankruptcy or insolvency or is adjudicated bankrupt or insolvent, or if any term, condition, or covenant of this lease on the part of Lessee to be by it performed shall be violated or neglected and such violation or neglect is not cured within twenty (20) days after written notice from Lessor, then in either of such cases, Lessee does hereby authorize and empower Lessor to cancel and annul this lease at once and to reenter and take possession of the premises immediately without any previous notice of intention to reenter, and to remove all persons and their property therefrom without such reentry working a forfeiture of the rents to be paid by Lessee.

16. **NOTICES**

Whenever under this lease any demand, notice, or declaration of any kind is required or desirable, it shall be in writing, served or sent by mail with postage prepaid; if to Lessor, addressed to them at Owatonna Parks and Recreationl, Owatonna, Minnesota 55060; and if to Lessee, addressed at 500 Dunnell Drive, Owatonna, Minnesota 55060. Either party may, by like notice at any time and from time to time, designate a different address to which notices shall be sent. Such notices, demands, or declarations shall be deemed sufficiently served or given for all purposes hereunder when served or two (2) days after mailing as aforesaid.

17. **JOINT OR MUTUAL WAIVER OF SUBROGATION**

It is hereby understood and agreed by and between the undersigned parties that they do jointly and separately waive any and all right of recovery against the other for insured loss occurring at the property described herein.

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

LESSOR
CITY OF OWATONNA

LESSEE
HEALTHY SENIORS OF STEELE COUNTY

By _____

Printed Name Tom Kuntz

Title Mayor

Date _____

By Edna Ringhofer

Printed Name Edna Ringhofer

Title Director Executive Director

Date 9/26/2023

By _____

Printed Name Kris Busse

Title City Administrator

Date _____



Parks, Trails, Recreation & Facilities Department

DATE: October 17, 2023
TO: Mayor and City Council
FROM: Jenna Tuma, Parks, Trails, Recreation & Facilities Director
Eric Anderson, Recreation Manager
SUBJECT: Yoga Instructor Agreement - Denise Stewart

Purpose:

Request City Council approval to renew the Yoga Independent Contractor Agreement with Denise Stewart.

Background:

An independent contractor, Denise Stewart, provides yoga instruction for the City's Adult Leisure Pursuits Yoga program. The program occurs at West Hills Social Commons or West Hills Fitness Center. The Contractor is paid 70% of the revenue for instructing the program and issuing card access into the program spaces during programming times. This agreement is a renewal for the 2024 calendar year.

Budget Impact:

The Independent Contractor is paid based on generated revenue. The City receives 30% of the generated revenue from this program. The city provides a small storage area and has program registration. There are no other direct expenses.

Staff Recommendation:

Staff recommends renewal of the Independent Contractor Agreement with yoga instructor Denise Stewart.

Attachments:

1. 2024 Yoga Instructor - Independent Contractor (signed by Denise Stewart)

YOGA INSTRUCTOR INDEPENDENT CONTRACTOR AGREEMENT

THIS AGREEMENT made and entered into this 7th day of November 2023 by the City of Owatonna, a municipal corporation, hereinafter referred to as the City, and Denise Stewart hereinafter referred to as Contractor.

WITNESETH

WHEREAS, City offers exercise programs to its senior members and desires the assistance of a certified yoga instructor; and

WHEREAS, Contractor desires to render the assistance and perform the services desired by the City; and

WHEREAS, Contractor agrees to perform the services for the City under the terms and conditions set forth in this agreement, the addendum to said specifications, and the form of proposal.

NOW THEREFORE, in consideration of the foregoing and in consideration of the promises hereinafter set forth, City and Contractor mutually agree as follows:

CONTRACTOR RESPONSIBILITIES:

1. **Support Park and Recreation Department.** Contractor shall report directly to the Recreation Manager or appointed designate and shall provide administrative support to the Recreation Manager, including the following:
 - a. Contractor will attend meetings as required by the Park and Recreation Department.
 - b. Contractor shall make recommendations regarding any aspect of the Yoga Fitness Program so as to improve the efficiency of operation and increase use of the activity.
 - c. Contractor shall help prepare information for a periodic newsletter and flyers.
2. **Public Relations.** Contractor shall be responsible for helping to market and promote the Yoga Fitness Program. Contractor is expected to determine the best means of marketing/promoting so as to increase participation of the Yoga Fitness Program.
3. **COVID-19 Compliance.** Contractor shall comply with and assist in the implementation of the City's COVID-19 Preparedness Plan including proper disinfection, sanitization and monitoring compliance with the plan guidelines on site and Contractor shall develop and implement a COVID-19 Preparedness Plan for the Yoga program.

4. **Contractor's Expenses.** Contractor shall be responsible for all membership fees and certification cost associated with this position.
5. **Equipment.** Contractor shall provide personal equipment for any training assessments conducted with clients.

CITY'S RESPONSIBILITIES:

1. **Storage Space.** The City will provide the Contractor with a storage location within the West Hills Social Commons or West Hills Tennis and Fitness Center.
2. **Facility Entrance and Use.** The City will issue the Contractor 1 Key Card for entrance into the West Hills Social Commons and West Hills Tennis and Fitness Center Facilities and designated areas. The Contractor will only use the issued Key Card for entrance into areas and purposes of instructing City Sponsored Yoga programs. The Contractor will not provide any unauthorized individuals the key or allow any unauthorized individuals to enter the Facility. The Contractor will follow all facility use, closing and lock up policies and procedures as instructed by City.
3. **Compensation.**
 - a. Contractor shall be paid 70% commission on all yoga class revenue. Contractor shall be paid every other week, starting on January 17, 2024.
 - b. Contractor shall repay 70% of all refunds if he/she is unable to perform or failure to operate or cancels the program.
4. **Taxes Notification.** The City will instruct the Contractor that the collection and submission of all sales tax is done prior to Contractor payment.
5. **City Retains Authority.** The City will be responsible for making the decision to cancel the program due to weather or other purposes.

GENERAL CONDITIONS:

1. **Relationship.** The parties intend that an independent contractor – employer relationship will be created by this contract. The City is interested only in the results to be achieved, and the conduct and control of the work will lie solely with the Contractor.
2. **Assignment.** Contractor will be responsible for and will superintend the execution of all work covered by this agreement, either personally or through a representative. If contractor uses a representative, the Recreation Manager shall give prior approval so as to ensure the City is satisfied that the representative is competent and qualified to represent Contractor in all matters pertaining to this agreement.

3. **Revenue.** It is understood and agreed that all fees established by the Owatonna Park and Recreation Board belong to the City. Cash register tapes shall be sole property of the City. Daily receipts shall be deposited at a designated night depository and will be picked up the following morning by Park and Recreation staff member.
4. **Liability Insurance.** Contractor shall take out and maintain during the term of this agreement Commercial General Liability insurance coverage to protect the Contractor, its officers, employees, agents, members and anyone directly or indirectly engaged or employed by Contractor from any and all claims for damage to property or for personal injury, including death, made by anyone, arising under this Agreement with the following limits of coverage:
 - Commercial General Liability coverage with limits of not less than \$1 Million per occurrence and \$2 Million annual aggregate.

Said policy to be issued by a company authorized to do business in the State of Minnesota and, if mutual, shall be non-assessable. Contractor shall provide the City with a Certificate of Insurance naming the City as an additional insured.

Contractor agrees to provide Workers Compensation insurance for all its employees in accordance with the statutory requirements of the State of Minnesota. Prior to providing services to the City pursuant to this Agreement or assigning an official to any City events, Contractor shall deliver to the City evidence that the above coverage is in full force and effect.

5. **Qualifications.** The Contractor shall deposit with the Park and Recreation Department at the time of the execution of the contract, a current certificate or certifications from an accredited provider (for example NETA), evidencing successful completion of training for the services being rendered to the City.
6. **Indemnification.** The Contractor agrees well and truly to perform and faithfully observe and comply with all the conditions, regulations, and provisions prescribed herein, and to defend, indemnify, and hold harmless the City, its officers, agents, or employees of and from all liability, lien, judgment, costs, damages and expenses of whatsoever kind which may in any way be suffered by the City or its officers, agents, or employees by reason of or in consequence of the operation of the concession services herein provided for on account of any act of thing done or suffered or omitted to be done under the authority or supposed authority of such grant. The Contractor's indemnification obligation shall also apply to the Contractor's subcontractors, or anyone directly or indirectly employed or hired by the Contractor, or anyone for whose acts the Contractor may be liable.
7. **Subrogation.** In accordance with the subrogation provisions of the standard property insurance contract, it is hereby understood and agreed by and between the undersigned parties that they do jointly and separately waive any or all right of recovery against the

other insured loss occurring to the real property owned by City and personal property owned by Contractor all while located at the West Hills Social Commons or West Hills Tennis and Fitness Center.

8. **Personal Property.** The City shall not be liable for any damage to persons or properties in the space assigned to the Contractor. The Contractor agrees that all personal property upon such premises shall be kept at the risk of the Contractor only and the City shall not be liable for any damages thereto or loss or theft thereof.
9. **Cancellation.** This agreement shall be subject to cancellation by the City in the event of the happening of any one or more of the following:
 - a. In the event the Contractor is adjudicated bankrupt, is in relationship, has made an assignment for the benefit of his creditors, or because Contractor's financial condition is unable to continue successful operations.
 - b. Failure of the Contractor to perform, keep, and observe any of the conditions of the contract, and the failure of the Contractor to correct the default or breach within the times specified by the Recreation Manager.
 - c. Upon mutual consent of the city and contractor.
10. **Termination.** Upon termination of this agreement because of expiration of the term or upon termination for any other reason, the Contractor shall remove all goods, chattels, and fixtures belonging to the Contractor and shall leave the premises in the condition in which they were received. In the event said goods, chattels, and fixtures are not removed within thirty (30) days from expiration of this agreement or its termination for any other reason, the Contractor shall be deemed to have had abandoned the same to the City.
11. **Notice.** Any notice pursuant to this Agreement must be in writing and must be personally delivered, sent by email, or sent by certified mail, addressed to the parties at the addresses below or at such other address as they specify in written notice. Notices are effective upon personal delivery or when sent by e-mail or certified mail.

If to City: Owatonna Parks and Recreation
Attn: Recreation Manager
540 West Hills Circle
Owatonna, MN 55060
Tel: 507-444-4321

If to Contractor: Denise Stewart
6979 NE 49th Ave
Medford, MN 55049
Tel: 507-390-0279

12. **Governing Law.** This Agreement will be governed by and construed in accordance with the laws of the State of Minnesota, without reference to conflict of laws principles.

13. **Miscellaneous.**

- a. **Force Majeure.** Neither party will be deemed to be in default under this Agreement if it is prevented from performing its obligations hereunder for any reason beyond its control or is materially adversely affected in the performance of its obligations by acts of God, acts of civil or military authority, fires, floods or other natural disasters, strikes, governmental laws and regulations.
- b. **Emergency Closure.** City may determine, at its sole discretion, that for reasons of health safety and in the best interests of the public it may close the facility as necessary.
- c. **Discrimination.** The Parties agree to be bound by applicable state and federal laws governing Equal Opportunity Employment and Non-discrimination.
- d. **Entire Agreement.** This Agreement, together with its exhibits and attachments, constitutes the entire agreement between the parties with respect to the subject matter, and supersedes all prior agreements, understandings, promises, and representations made by either party to the other concerning the subject matter of this Agreement.
- e. **Waiver.** The failure of any party to insist on the performance of any provision of this Agreement and to exercise any rights hereunder will not be construed as a waiver of future performance of any such provision or the future exercise of such right.

- f. Severability. If a court of competent jurisdiction holds any provision of this Agreement invalid or unenforceable, the remaining provisions will nonetheless be enforceable. If such court determines that any provision of this Agreement is held to be overbroad as written, such provision will be deemed amended to narrow its application to the extent necessary to make the provision enforceable according to applicable law and will be enforced as amended.
 - g. Costs, Expenses and Attorney's Fees. If either party incurs costs or expenses, in enforcing any of its rights under this Agreement, whether by litigation, arbitration, or otherwise, each party in such dispute will reimburse the prevailing party for its costs and expenses according to law. Each party will bear the cost of its own attorney fees.
 - h. No Third Party Beneficiaries. Nothing in this Agreement will create any obligations by City or Contractor or Licensee to any person or entity not a party to this Agreement, including Contractor's employees, volunteers or participants, or any other individuals employed by or under contract with City or Contractor.
14. Term. Contractor may conduct business during the duration of the contract during specified seasonal hours of operation. This contract shall expire at 11:59pm, December 31, 2024.

****The remainder of this page is intentionally blank****

IN WITNESS THEREOF, the parties have hereunto set their hands the day and year first above written.

CITY OF OWATONNA

By _____

Printed Name Tom Kuntz

Title Mayor

Date _____

By _____

Printed Name Kris Busse

Title City Administrator

Date _____

CONTRACTOR

By Denise Stewart

Printed Name Denise Stewart

Title Yoga Instr.

Date 10-3-23



Parks, Trails, Recreation & Facilities Department

DATE: October 17, 2023
TO: Mayor and City Council
FROM: Jenna Tuma, Parks, Trails, Recreation & Facilities Director
Eric Anderson, Recreation Manager
SUBJECT: Facility Use Agreement - AARP

Purpose:

Request City Council approval to renew the Facility Use Agreement with AARP at West Hills Social Commons.

Background:

The AARP Driver Safety program teaches evidence-based strategies to seniors to aid in keeping them safe when behind the wheel. This program is sponsored by AARP, with the West Hills Social Commons as the host location. AARP provides trained volunteer instructors for these classes and a site coordinator to schedule the classes and volunteers. The City assists with advertising the classes, registration, and providing a space to host the classes. The scheduled classes either occur during normal facility hours, or the AARP volunteer instructors are issued Key Cards to access the designated space. This agreement is a renewal for the 2024 calendar year. We received a Certificate of Insurance as required per this agreement.

Budget Impact:

SeniorPlace Inc. utilizes this program as a fundraiser. SeniorPlace Inc. receives \$4 for each registration, and the City receives \$1 for each registration. AARP is issued card access into the building and the classroom space, requiring no additional staff costs to open the building for the classes.

Staff Recommendation:

Staff recommends renewal of the Facility Use Agreement with AARP.

Attachments:

1. 2024 AARP - Facility Use Agreement (with Addendum - signed by AARP rep)

AARP FACILITY USE AGREEMENT

This agreement (the “Agreement”) is made and entered into as of this 7th day of November 2023 by and between City of Owatonna, Minnesota (“Licensor”) and AARP (“Licensee”).

RECITALS

1. Licensee wishes to use Licensor’s facilities described below and to use such facilities under the following terms and conditions.

Facility: City of Owatonna West Hills Social Commons

For the purpose of: Providing a space for Senior Driver’s Education classes sponsored through AARP

Starting Date: January 1, 2024

Ending Date: December 31, 2024

Days and time of use:

See Appendix A

Any Other Dates and Times: Requested by licensee and agreed upon by both parties as the space is available.

NOW, THEREFORE, for good and valuable consideration, Licensee and Licensor hereby agree as follows:

1. **Space.** Licensee will occupy the designated available room at the Facility on the days and at the times indicated in Appendix A. Licensee may also use common areas at the Facility such as waiting areas, hallways, and public bathrooms. Licensee will occupy the room up to one hour prior to the start of a class for set up and preparation, as available. Any increase in hours of use and occupancy requires prior approval by Licensor.
2. **Equipment.** Licensee shall have use of a Projector during program times as listed in Appendix A.
3. **Non-Business Hours Use.** Licensee shall use the facility during Facility non-business hours as listed in Appendix A. Licensee will be provided Key Card Access for entrance into the Facility and meeting space. Licensee will only use the Key Card Access for entrance into areas identified in Section 1 of this agreement. The Licensee will not provide any unauthorized individuals the Key Card or allow any unauthorized

individuals to enter the Facility. All issued Key Cards must be surrendered to Licensor at Licensor's place of business upon termination of the lease. Lost Key Cards will be replaced at a cost of \$20.00 per Key Card and will be replaced during regular business hours. Key Cards shall not be duplicated by the Licensee. Licensee will follow all facility use, closing and lock up policies and procedures as instructed by Licensor.

4. **Maintenance and Utilities.** Licensor will provide maintenance and utilities for the Facility in accordance with its routine schedule and standards, including water and sewer, heat, air conditioning, electricity, trash disposal, hazardous waste disposal, and telephone service. Licensee shall reimburse Licensor for all additional maintenance and services provided at Licensee request.
5. **Fees.** Licensor will collect a program fee from each registrant at the time of registration. Licensor will retain \$1 per registrant. The remaining program fee will be paid to SeniorPlace Inc through the Licensor's finance department during the normal payment schedule. SeniorPlace Inc shall be responsible to pay AARP the designated program fee within 2 weeks of receiving the completed class registrant roster. Licensee will provide Licensor with proof of its non-profit status.
6. **Permitted Use of the Premises.** Licensee shall use the Facility in accordance with the terms and conditions of this Agreement and Licensor policies. Licensee shall obtain any required permits for its use of the Facility. Licensee will make no use of the Facility that would be contrary to any federal or state law or any municipal bylaw or ordinance in force in Minnesota, nor may Licensee commit or allow any nuisance to exist at the Facility. Licensee shall cooperate with Licensor's building and security personnel in ensuring public safety. Licensee shall ensure that individuals entering the Facility to participate in an event hosted by Licensee refrain from use of alcohol and/or drugs, possessing weapons, fighting, engaging in abuse of any kind, littering, and/or disturbing Licensor employees and clients while located on Licensor property. Any individual who violates the preceding requirement may be prohibited from entering Licensor property.
7. **Licensee's Use of Facilities.** Licensee acknowledges and agrees that Licensor retains the right to exercise control over the Facility at all times, including the right to enforce applicable policies, rules and regulations.
8. **Personal Property.** Licensee shall occupy a small storage space designated by the licensor. Licensor is not responsible for any loss of or damage to any personal property of Licensee, its guests, agents, employees or invitees.
9. **Licensee's Obligations After Use of Facility.** Licensee agrees to exercise due care in the use of the Facility and shall leave the Facility in the same good condition as on the Starting Date, normal wear and tear excepted. Property not removed by Licensee may not be recoverable, and Licensor may dispose of it as it deems expedient without liability to Licensee or others. Licensee shall reimburse Licensor for any and all costs

Licensor incurs to repair any damage to the Facility or other Licensor property or equipment arising out of or connected with Licensee's use of the Facility, unless such damage is caused solely by Licensor, its officers, agents, or representatives.

10. **Indemnification.** Licensee agrees to defend, indemnify, and hold harmless Licensor from and against all claims, liabilities or expenses (including reasonable attorney's fees and other professional expenses) arising from or in connection with (a) Licensee's use of the Facility and other Licensor property; (b) the negligent or wrongful acts of Licensee's employees, agents, or invitees; or (c) Licensee's failure to perform or comply with any of the terms of this Agreement, except to the extent caused by the negligence or willful misconduct of Licensor. Licensee is a charitable organization, corporation, entity or individual having or claiming immunity (statutory or otherwise) from liability for damage or injury to property or person, Licensee hereby waives its right to plead such immunity defensively against Licensor. This Section 10 shall survive termination of this Agreement.
11. **Limitation of Licensor Liability.** In no event shall Licensor be liable for any indirect, consequential, incidental, lost profits or similar damages arising out of this Agreement. Licensor's total liability for breach of this Agreement is the fee payable to Licensor for one event pursuant to Section 3 of this Agreement.
12. **Insurance.** Licensee shall provide Licensor with a certificate of insurance or other acceptable evidence showing that Licensee has general liability insurance in the minimum amount of \$1,000,000 per occurrence and \$2,000,000 in the aggregate annually or as may be otherwise required by Licensor. Licensee will cause Licensor to be named as an additional insured on the policies of insurance maintained by Licensee and shall furnish Licensor with a certificate evidencing Licensor as an additional insured upon request.
13. **Termination.** Each Party has the right to terminate this Agreement without cause upon 30 days' notice. Notwithstanding the previous sentence, Licensor may immediately terminate this Agreement upon the occurrence of any of the following:
 - a. If Licensee defaults in the payment of any sum to be paid hereunder and such default continues for more than 10 days following written notice from Licensor to Licensee; or
 - b. If Licensee fails to maintain the insurance required under Section 12.
14. **Notice.** Any notice pursuant to this Agreement must be in writing and must be personally delivered, sent by email, or sent by certified mail, addressed to the parties at the addresses below or at such other address as they specify in written notice. Notices are effective upon personal delivery or when sent by e-mail or certified mail.

If to Licensor: Owatonna Parks and Recreation
Attn: Recreation Manager
540 West Hills Circle
Owatonna, MN 55060
Tel: 507-444-4321

If to Licensee: AARP
601 E Street NW
Washington, DC 20049

15. **Governing Law.** This Agreement will be governed by and construed in accordance with the laws of the State of Minnesota, without reference to conflict of laws principles.

16. **Miscellaneous**

- a. **Force Majeure.** Neither party will be deemed to be in default under this Agreement if it is prevented from performing its obligations hereunder for any reason beyond its control or is materially adversely affected in the performance of its obligations by acts of God, acts of civil or military authority, fires, floods or other natural disasters, strikes, governmental laws and regulations.
- b. **Emergency Closure.** Licensor may determine, at its sole discretion, that for reasons of health safety and in the best interests of the public it may close the facility as necessary. Licensee would not be charged for use of the facility during this closure time.
- c. **Discrimination.** The Parties agree to be bound by applicable state and federal laws governing Equal Opportunity Employment and Non-discrimination.
- d. **Assignment.** Licensee shall not assign its rights under this Agreement without Licensor's prior written consent.
- e. **Physician-owned Entity.** Licensee acknowledges that it is not a physician or a physician-owned entity.
- f. **Independent Contractors.** Licensee, including its employees, volunteers or agents, is an independent contractor and nothing in this Agreement will be construed to create an employer/employee or joint venture relationship between Licensor and Licensee or its employees, volunteers, or agents.
- g. **Amendment.** This Agreement may be amended only upon mutual written agreement of the parties.
- h. **Entire Agreement.** This Agreement, together with its exhibits and attachments, constitutes the entire agreement between the parties with respect to the subject

matter, and supersedes all prior agreements, understandings, promises, and representations made by either party to the other concerning the subject matter of this Agreement.

- i. Waiver. The failure of any party to insist on the performance of any provision of this Agreement and to exercise any rights hereunder will not be construed as a waiver of future performance of any such provision or the future exercise of such right.
- j. License Only. No tenancy whatsoever is intended to be created by this Agreement. The privilege granted to Licensee herein is not one of lease or grant, and will not give Licensee any right, title or interest in and to the Facility.
- k. Severability. If a court of competent jurisdiction holds any provision of this Agreement invalid or unenforceable, the remaining provisions will nonetheless be enforceable. If such court determines that any provision of this Agreement is held to be overbroad as written, such provision will be deemed amended to narrow its application to the extent necessary to make the provision enforceable according to applicable law and will be enforced as amended.
- l. Costs, Expenses and Attorney's Fees. If either party incurs costs, expenses, or attorney's fees in enforcing any of its rights under this Agreement, whether by litigation, arbitration, or otherwise, the unsuccessful party in such dispute will reimburse the prevailing party for its costs, expenses, and attorney's fees.
- m. No Third Party Beneficiaries. Nothing in this Agreement will create any obligations by Licensor or Licensee to any person or entity not a party to this Agreement, including Licensee's employee, volunteers or participants, or any other individuals employed by or under contract with Licensor or Licensee.

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IN WITNESS WHEREOF the parties have caused this Agreement to be executed as follows:

CITY OF OWATONNA

AARP

By _____

Printed Name Tom Kuntz

Title Mayor

Date _____

By Robin R. Murphy

Printed Name Robin R. Murphy

Title Dir of Ops & Tech

Date 09.27.2023

By _____

Printed Name Kris Busse

Title City Administrator

Date _____

APPENDIX A: 2024 AARP Smart Driver Safety Class Schedule

January
16 Tu 8:30

February
6 Tu 12:30
13 Tu 6:00

To Register Call West Hills Social Commons
507-444-4280

March
5 Tu 8:30

April
9 Tu 12:30

May
7 Tu 6:00
13 & 14 M & Tu 6:00

June
4 Tu 8:30

July
9 Tu 12:30

August
6 Tu 8:30

September
3 Tu 12:30

October
1 & 2 Tu & W 6:00
8 Tu 8:30
22 Tu 6:00

November
12 Tu 12:30

December
3 Tu 12:30



Public Works Department

DATE: October 17, 2023
TO: Mayor and City Council
FROM: Sean Murphy, Public Works Director
SUBJECT: Stormwater and Facility Maintenance Agreement - Owatonna Apartments LLC

Purpose:

Approve the stormwater facility maintenance agreement with Owatonna Apartments LLC for their new facility located at 2575 Cedar Avenue North.

Background:

The City requires that on-site stormwater management must be maintained by the property owner to meet the requirements of the MS4 permit held by the City. The property owner agrees to the terms and conditions as outlined in the attached agreement.

Budget Impact:

No budget impact.

Staff Recommendation:

Staff recommends approval.

Attachments:

1. Stormwater Facility Maintenance Easement Agreement - Owatonna Apartments LLC

City of Owatonna Stormwater Facility Maintenance Easement

THIS AGREEMENT, made and entered into this 28th day of September, 2023, Owatonna Apartments LLC hereinafter called the "Property Owner" and the City of Owatonna, MN hereinafter called "City".

WHEREAS, the Property Owner is the owner of certain property described as _____. **Exhibit A: (ATTACH LEGAL DESCRIPTION)**

WHEREAS, the Property Owner is proceeding to build on and develop the property; and

WHEREAS, the site plan known as Owatonna Apartments Site Plan, hereinafter called the "plan", which is expressly made a part hereof, as approved or to be approved by the City, provides for management of stormwater within the confines of the property; and

WHEREAS, the City and the Property Owner, its successors and assigns, agree that the health, safety, and welfare of the residents of the City of Owatonna, MN require that on-site stormwater management/BMP facilities be constructed and maintained on the Property; and

WHEREAS, the City requires that on-site stormwater management/ Structural Best Management Practices (BMP) facilities, as shown on the Plan and implemented to meet requirements of Minnesota Permit No. MNR040000 and Minnesota Permit No. MNR100001,

NOW, THEREFORE, in consideration of the foregoing premises, the mutual covenants contained herein, and the following terms and conditions, the parties hereto agree as follows:

1. The facilities shall be constructed and maintained by the Property Owner, its successors, and assigns in accordance with the plans and specifications identified at time of submittal as well as in the As-built with Engineer's Certificate of Stormwater Compliance submitted at time of permit close-out.
2. The facilities shall be constructed and maintained by the Property Owner, its successors, and assigns, in compliance with the most recent requirements of the City's Stormwater Management Ordinance 52.00, Minnesota Permit No. MNR040000 and Minnesota Permit No. MNR100001 under the National Pollutant Discharge Elimination System/State Disposal System Permit Program.
3. The Property Owner, its successors, and assigns, shall at all time, adequately maintain the facilities. Such maintenance obligations shall include the obligation to properly maintain all pipes, channels, or other conveyances built to convey stormwater, as well as, all structures, improvements, and vegetation provided to control the quantity and quality of the stormwater.
4. Adequate maintenance is herein defined as keeping the facilities and all components in good working condition so that these facilities continue to perform their design functions.
5. The Property Owner, its successors, and assigns, shall inspect the stormwater management facility on a routine basis, at a minimum annually, to assure safe and proper functioning of the facilities. The inspection shall cover the entire facilities including embankments, berms, inlet and outlet structures, pond areas, access roads, etc.
6. The Property Owner, its successors, and assigns shall be responsible for improving, modifying, installing new/existing structural stormwater best management practices in the event the

practice is found to no longer be effective in meeting treatment requirements of MN Permit No. MNR040000 and MN Permit No. MNR100001.

7. The Property Owner, its successors, and assigns, hereby grants to the City, its authorized agents and employees, a non-exclusive perpetual easement of ingress and egress over, across, under, and through the property for the purpose of inspecting the facilities. The Property Owner also grants the City the access to inspection and maintenance records conducted by the Property Owner.
8. The City shall provide the Property Owner, its successors, and assigns, a notice including copies of any inspection findings, a directive to commence with needed repairs, improvements, or modifications and a deadline to complete the repairs.
9. The Property Owner, its successors and assigns, shall reply to the Engineering Department within 15 business days, indicating their response to the notice.
10. In any event the Property Owner, its successors, and assigns, fails to maintain the facilities in good working condition acceptable to the City, the City and its authorized representatives may enter upon the property and take such steps as are necessary to correct deficiencies identified in the inspection report and to charge the costs of such repairs to the Property Owner, its successors, and assigns, as outlined in the City's Stormwater Management Ordinance 52.00.
11. It is expressly understood and agreed that the City is under no obligation to routinely maintain or repair said facilities, and in no event shall this agreement be construed to impose any such obligations on the City.
12. This agreement imposes no liability of any kind whatsoever on the City. The Property Owner, its successors, and assigns, agrees to hold the City harmless from any liability in the event the stormwater management facilities fail to operate properly.
13. This agreement shall be recorded by the County Recorder of Steele County, Minnesota, and shall constitute a covenant running with the Property and/or equitable servitude, and shall be binding on the Property Owner, his or her heirs, successors, and assigns, and any other successors in interests, in perpetuity.

Property Owner: Owatonna Apartments LLC

By: _____

Its: Vice President

STATE OF MINNESOTA)

) ss.

COUNTY OF STEELE)

Douglas

The foregoing instrument was acknowledged before me this 28th day of September, 2023, by Samuel Herzog, the Vice President of Owatonna, a limited liability company under the laws of the State of Minnesota on behalf of the company. Apartments LLC



Notary Public

City: City of Owatonna

By: Thomas A. Kuntz, Mayor

By: Kris M. Busse, City Administrator

STATE OF MINNESOTA)

) ss.

COUNTY OF STEELE)

The foregoing instrument was acknowledged before me this ____ day of _____, 2022, by Thomas A. Kuntz, the Mayor of the City of Owatonna, and by Kris M. Busse, the Administrator of the City of Owatonna, a municipality under the laws of the State of Minnesota on behalf of the City.

Notary Public

Drafted By:
City of Owatonna
540 West Hills Circle
Owatonna, MN 55060

EXHIBIT A

Lot 1, Block One, CEDAR ESTATES, Steele County, Minnesota



Public Works Department

DATE: October 17, 2023
TO: Mayor and City Council
FROM: Sean Murphy, Public Works Director
SUBJECT: Proposal 26th St Pond - North Cell Survey and Restoration Plan - Jones Haugh & Smith

Purpose:

Requesting City Council approval of an agreement with Jones Haugh and Smith to provide professional surveying and engineering services for the 26th Street Pond - North Cell.

Background:

The north cell of the 26th Street Pond has not been dredged since its expansion in 2006/2007. The pond serves as the stormwater treatment system for multiple City neighborhoods, north of 26th Street, as well as a significant amount of agricultural land to the north and east (~1,000 Acres). Significant deposition of topsoil has been observed throughout the conveyance system connecting the upstream drainage ditch to the pond. Collection crews have since cleaned out the NE pond inlet culverts and the Streets Department has conducted vegetation mitigation in the area. After further inspection, the pond appears to need dredging in the NE quadrant. Conducting the survey will evaluate the extent of the dredging. Treatment review will be performed to learn the pond's overall treatment capacity and ensure it meets the latest design requirements outlined by the MPCA. Modifications will be implemented where feasible and cost effective.

Budget Impact:

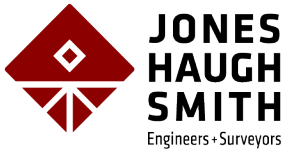
The budget impact of this proposal is \$13,800 and the funds are available within this year's operating budget.

Staff Recommendation:

Staff recommends approval.

Attachments:

1. Proposal - City Owat - 26th & St. Paul Storm Pond



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

Proposal for Land Surveying & Civil Engineering Services
City of Owatonna; Attn: Brad Rademacher
26th Street & St. Paul Road Stormwater Pond
Lot 3, Block 1 Willow Run Addition No. 2, Owatonna

September 28, 2023

Dear Mr. Rademacher,

Thank you for your inquiry regarding the restoration of the north basin at the 26th Street & St. Paul Road stormwater pond. We understand that City wishes to survey the existing surface below the normal water level to determine whether excavation of deposited materials is required.

SUMMARY OF REQUIRED SERVICES

We propose to provide Land Surveying and Civil Engineering services to complete the following tasks:

Topographic Survey: JHS will obtain topographic survey data of the entire north basin area, both above and below the normal water level (NWL). We will request a “One-Call” utility locate and locate marked and visible public and private utilities, stormwater features, and structures. We will prepare a topographic survey of the above and below water level ground surfaces and show the located public and private utilities.

Stormwater Treatment Review: Based on the above survey, JHS will evaluate the below water level ground surface to determine if a 10’ bench is provided. We will also evaluate the drainage area to determine if the existing below NWL volume meets the 1800 cf per acre drained requirement.

If the two preceding requirements are met JHS will provide a letter stating such, including the provided “wet” treatment volume.

If the two preceding requirements are not met, JHS will design a 10’ bench based on the existing NWL, and design contours to provide an 1800 cf per acre drained “wet” volume, to a maximum depth of 10’ below the NWL.

Specifications: As any construction work is grading only, MnDOT standard specifications will be referenced. Other minor specifications can be added to the plan as needed.

Construction Services: No construction services are included. Construction staking can be quoted to the selected Contractor based on their specific requirements.

Permit Applications: JHS will assist the Owner in applying for the City Grading Permit. Permit fees are not included. JHS will respond to comments received from reviewing agencies and re-submit plans electronically as required.

As-built Plan: JHS will provide an as-built of the reconstructed pond, if required. A .pdf file and .dwg will be delivered.

COMPENSATION

The services described above will be completed for the following fees:

Topographic Survey:	\$4500
Treatment Review & Construction Documents:	\$4800 (NTE)
As-built Survey:	\$3500
Total: \$13800	

We look forward to working with you on this project. Thank you for the opportunity to present this proposal.

JONES, HAUGH & SMITH INC
CONSULTING ENGINEERS



John H. Schulte V, P.E.

PROPOSAL ACCEPTANCE

We hereby accept the proposed services and authorize Jones Haugh & Smith to proceed:

Signed: _____

Printed Name: _____

Firm: _____

Dated: _____

2023 FEE SCHEDULE

(Per hour)

Professional Engineer	150.00
Land Surveyor	150.00
LSIT	140.00
E.I.T	140.00
Senior Technician	125.00
Junior Technician	115.00
Intern	90.00
Clerical	70.00
Supplies (hubs, stakes, etc.)	Cost
Mileage	IRS Reimbursable Rate
GPS Rover & Base	50.00
Robotic Instrument	50.00

Terms of Proposal
Jones, Haugh & Smith

The accompanying Proposal (hereinafter referred to as Proposal) is subject to the following terms and conditions. These Terms of Proposal (hereinafter referred to as Terms) are an integral part of the Proposal as if stated directly therein. No change or deviation from these Terms will be binding without the written approval of Jones, Haugh & Smith Inc (JHS). Such changes may require an adjustment in the proposed fee, schedule or scope of the Proposal.

1. **Services:** JHS proposes to perform the services outlined in the Proposal for the stated fee arrangement. Changes required by the Client or other controlling entities (regulatory agencies, contractors, courts, etc.) from the scope or schedule of services described in the Proposal shall be considered “Additional Services” and will be invoiced on an hourly basis in addition to the stated fee arrangement.
2. **Information from Client:** JHS shall indicate to the Client the information needed for rendering of services hereunder. The Client shall provide to JHS such information as is available to the Client and the Client’s consultants and contractors, and JHS shall be entitled to rely upon the accuracy and completeness thereof. The Client realizes that it is impossible for JHS to assure accuracy, completeness, and sufficiency of such information, either because it is impossible to verify, or because of errors or omissions which may have occurred in assembling the information the Client is providing. Accordingly, the Client agrees, to the fullest extent permitted by law, to indemnify and hold JHS and JHS’s sub-consultants harmless from any claim, liability or cost, (including reasonable attorney’s fees and costs of defense) or injury or loss arising or allegedly arising from errors, omissions, or inaccuracies in documents or other information provided by the Client to JHS. This information should include current site property descriptions (from abstract, title opinion or title commitment); other legal documents affecting the site; copies of previous surveys, maps, engineering studies and plans; existing or required soils and geotechnical reports; governmental, regulatory and utility reviews and determinations; and all other pertinent information. Client shall promptly inform JHS of any alleged defects in services provided or the project.
3. **Access to Site:** Unless otherwise stated, Client agrees to provide JHS with access to the site, including adjoining properties, for activities necessary for the performance of services. It is understood that in the normal course of work, property damage may occur due to excavations, tree and brush trimming, marking lines, etc. The cost to correct resulting damages has not been included in the fee. JHS will take precautions to minimize damage due

to these activities and the Client agrees to reimburse JHS for any costs associated with required restoration work.

4. **Standard of Care:** Professional services provided under this Agreement will be conducted in a manner consistent with that level of care and skill ordinarily exercised by members of JHS's profession currently practicing under similar conditions. JHS makes no expressed or implied warranty with respect to its undertakings described herein.
5. **Certifications:** Any certification provided by JHS is a professional opinion based upon knowledge, information and beliefs available to JHS at the time of certification. Such certifications are not intended as and shall not be construed as a guarantee or warranty. JHS shall not be required to certify the existence of conditions whose existence JHS cannot reasonably ascertain.
6. **Project Approvals:** Due to site limitations, code interpretations, regulatory reviews, political considerations and Client directed design and improvements, JHS makes no representations as to acceptability or approvability of the project; or, zoning requests, permit applications, site and development plans, plats and similar documents. Payment of fees to JHS is not contingent upon project approval.
7. **Opinions or Estimates of Project Costs:** Where included as part of project scope or otherwise, opinions or estimates of project cost will generally be based upon public construction cost information. Since JHS has no control over the cost of labor, materials, competitive bidding process, weather conditions and other factors affecting the cost of construction, all cost estimates are opinions for general information of the Client and JHS does not warrant or guarantee the accuracy of construction cost opinions or estimates. Project financing should be based upon actual, contracted construction costs with appropriate contingencies
8. **Construction Phase Services:** If construction phase engineering or staking services are included in this Proposal or subsequently authorized, Client is notified that JHS is not be responsible for means, methods, techniques or procedures of construction selected by any contractor employed on the project nor for the safety precautions or programs incident to the work of any contractor.
9. **Ownership of Instruments of Service and Alteration of Instruments of Service:** All documents, including reports, specifications, drawings, field data, notes and documents or electronic media prepared or furnished by JHS under this agreement shall remain the property of JHS. The Client may make and retain copies for its use in connection with this project. However, such documents are not intended for reuse by the Client on any other project or alteration of the project by others without the written consent of JHS. Electronic media may be furnished for convenience of Client; however, only signed and certified hard copies of submittals may be relied upon as documentation of professional services provided. The Client shall not reuse or make any modification to the plans and specifications without prior written authorization from JHS. The Client agrees, to the fullest extent permitted by law, to indemnify and hold harmless JHS from any claim, liability or cost (including reasonable attorney's fees and defense costs) arising or allegedly arising out of any unauthorized reuse or

modification of the construction documents by the Client or any person or entity that acquires or obtains Instruments of Service from or through the Client without the written authorization of JHS.

10. **Billings and Payments:** Invoices for JHS's services shall be submitted, at JHS's option, either monthly or upon completion of services. Invoices are due and payable within 30 days after the invoice date. Timing of payments to JHS from the Client is not dependent on receipt of payment from the Project Owner. If the invoice is not paid within 30 days, JHS may, without waiving any claim or right against the Client, and without liability whatsoever to the Client, terminate the performance of its services.
11. **Late Payments:** Accounts unpaid 30 days after the invoice date will be subject to a monthly service charge of 18% on the unpaid balance. If any portion or all of an account remains unpaid 90 days after billing, the Client shall pay all costs of collection, including reasonable attorney's fees.
12. **Termination of Services:** The Client may terminate this agreement, upon written notice, or JHS should the other fail to perform its obligations hereunder. In the event of termination, the Client shall pay JHS for services rendered to the date of termination, all reimbursable expenses, and reimbursable termination expenses.
13. **Engineer's Liability Limited to Amount of Insurance Proceeds:** Notwithstanding any other provision of this Agreement, and to the fullest extent permitted by law, the total liability, in the aggregate, of Engineer and Engineer's officers, directors, partners, employees, agents, and Engineer's Consultants, and any of them, to Owner and anyone claiming by, through, or under Owner for any and all claims, losses, costs, or damages whatsoever arising out of, resulting from or in any way related to the Project or the Agreement from any cause or causes, including but not limited to the negligence, professional errors or omissions, strict liability or breach of contract, or warranty express or implied, of Engineer or Engineer's officers, directors, partners, employees, agents, or Engineer's Consultants, or any of them (hereafter "Owner's Claims"), shall not exceed the total insurance proceeds paid on behalf of or to Engineer by Engineer's insurers in settlement or satisfaction of Owner's Claims under the terms and conditions of Engineer's insurance policies applicable thereto (excluding fees, costs and expenses of investigation, claims adjustment, defense, and appeal). If no such insurance coverage is provided with respect to Owner's Claims, then the total liability, in the aggregate, of Engineer and Engineer's officers, directors, partners, employees, agents, and Engineer's Consultants, and any of them to Owner and anyone claiming by, through, or under Owner for any and all such uninsured Owner's claims shall not exceed the amount of compensation received by the Engineer.
14. **Dispute Resolution:** Any claims or disputes made during or after the performance of services between JHS and the Client, with the exception of claims by JHS for non-payment of services rendered, shall be submitted to mediation and/or arbitration. This Proposal anticipates that JHS and the Client will include a similar requirement in all agreements with contractors, sub-contractors, suppliers, consultants and fabricators concerned with this project.
15. **Withdrawal of Proposal:** This proposal is valid for 30 days from the date of the Proposal. This Proposal constitutes a non-binding offer to perform services and JHS reserves the right to withdraw or modify this

Proposal, without liability to the Client, at any time prior to receipt of written acceptance from the Client and execution of a signed agreement in accordance with Paragraph 17.

16. Insurance: The insurance carried by JHS at the date of this proposal is adequate for the project. If additional coverage or limits are required, JHS will attempt to obtain the requested coverage, at the Owner's expense. JHS and the Owner will list each other as additional insureds for the project at their own expense.
17. Agreement: If the Proposal is accepted, the Client and JHS may enter into and execute an Agreement incorporating the Proposal, these Terms and such additional terms and conditions as may be mutually acceptable to JHS and Client. Upon request by the Client, JHS may, at its sole discretion and for the benefit of the Client, proceed with any proposed services prior to execution of a written agreement. In the absence of an executed written agreement, the accompanying Proposal and these Terms of Proposal shall constitute the whole and complete agreement between JHS and the Client.



Human Resources Department

DATE: October 17, 2023
TO: Mayor and City Council
FROM: Emily Thamert, Human Resources Director
SUBJECT: Training Contract - Riverland Community College

Purpose:

Approve the contract for 'Fundamentals of Supervisory Leadership' training with Riverland Community College.

Background:

The City partnered with Riverland Community College's Customized Training and Education team to design a 'Fundamentals of Supervisory Leadership' certificate program for City leaders in 2022. The certificate program was delivered in a six-month cohort format for City of Owatonna employees. The City is continuing this partnership with Riverland to offer a second cohort November 2023 - April 2024. The program outline will include: foundations of supervisory management, communication strategies, accounting for non-financial managers, conflict management, critical thinking/problem solving, change management, and team building.

Budget Impact:

The budget impact for 12 participants in the six-month cohort will be \$6,480.

Staff Recommendation:

Staff recommends approval of the proposed training contract with Riverland Community College.

Attachments:

1. 2023-2024 Leadership Training Contract



MINNESOTA STATE

Contract Number: RVCC-2024-037868

INCOME CONTRACT

This contract is by and between OWATONNA CITY OF 540 W HILLS CIRCLE, OWATONNA, MINNESOTA 55060 (hereinafter "Purchaser") and the State of Minnesota acting through its Board of Trustees of the Minnesota State Colleges and Universities, on behalf of RIVERLAND COMMUNITY COLLEGE (hereinafter "Minnesota State").

WHEREAS, the Purchaser has a need for a specific service; and

WHEREAS, Minnesota State, is empowered to enter into income contracts pursuant to Minnesota Statutes, Chapter 136F;

NOW, THEREFORE, it is agreed:

1. DUTIES OF MINNESOTA STATE.

The Minnesota State agrees to provide the following: The Fundamentals of Supervisory Leadership training to the City of Owatonna employees. Six three-hour sessions. One each held November 23 through March 2024; including:

- Course development, customization, and instruction
 - Each session will be customized through collaboration with organization directors
 - Drafts will be submitted to the assigned director a minimum of 2 weeks prior to the upcoming session when possible.
 - The subtopics shown are recommendations
- Training space at Riverland Community College, Owatonna Campus
- Program materials
- Supplies unless otherwise noted
- Post session briefing including evaluation results
- Certificates of program completion for each attendee

2. CONSIDERATION AND TERMS OF PAYMENT.

- a. Consideration for all services performed and goods or materials supplied by Minnesota State pursuant to this contract shall be paid by the Purchaser as follows: 10 participants

for a total of \$5,400.00. Additional participants, up to a total of 20, can be added for \$540 per person.

- b. **Terms of Payment.** Payment shall be made by the Purchaser within 45 days of the date of the invoice presented.

3. **TERM OF CONTRACT.**

This contract shall be effective on Wednesday, November 01, 2023, or upon the date that the final required signature is obtained by Minnesota State, whichever occurs later, and shall remain in effect until Friday, March 29, 2024 or until all obligations set forth in this contract have been satisfactorily fulfilled, whichever occurs first.

4. **CANCELLATION.**

This contract may be canceled by the Purchaser or Minnesota State at any time, with or without cause, upon thirty (30) days written notice to the other party. In the event of such a cancellation, the Minnesota State shall be entitled to payment, determined on a pro rata basis, for work or services satisfactorily performed

5. **AUTHORIZED REPRESENTATIVES.**

- a. The Purchaser's Authorized Representative for the purposes of administration of this contract is:

Name: Kris Busse

E-Mail: kris.busse@ci.owatonna.mn.us

- b. An authorized representative of Minnesota State for the purposes of administration of this contract is:

Name: Kim Schaufenbuel

E-Mail: kim.schaufenbuel@riverland.edu

Each authorized representative shall have final authority for acceptance of services of the other party and shall have responsibility to ensure that all payments due to the other party are paid pursuant to the terms of this contract.

6. **ASSIGNMENT.**

Neither the Purchaser Minnesota State shall assign or transfer any rights or obligations under this contract without the prior written approval of the other party.

7. **LIABILITY.**

The Purchaser shall indemnify, save, and hold Minnesota State, its agents and employees harmless from any and all claims or causes of action arising from the performance of this contract by the Purchaser or Purchaser's agents or employees. This clause shall not be construed to bar any legal remedies the Purchaser may have for failure of Minnesota State to fulfill the obligations pursuant to this contract.

8. **AMERICANS WITH DISABILITIES ACT COMPLIANCE (hereinafter "ADA").**

The Purchaser is responsible for complying with the Americans with Disabilities Act, 42 U. S. C. 12101, et. seq. and regulations promulgated pursuant to it. Minnesota State IS NOT responsible for issues or challenges related to compliance with the ADA beyond its own routine use of facilities, services, or other areas covered by the ADA.

9. **AMENDMENTS.**

Any amendments to this contract shall be in writing and shall be executed by the same parties who executed the original contract or their successors in office.

10. **GOVERNMENT DATA PRACTICES ACT.**

The requirements of Minnesota Statutes § 13.05, subd. 11 apply to this contract. The PURCHASER and MINNESOTA STATE must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided by MINNESOTA STATE in accordance with this contract, and as it applies to all data, created, collected, received, stored, used, maintained, or disseminated by the Purchaser in accordance with this contract. The civil remedies of Minnesota Statutes §13.08 apply to the release of the data referred to in this clause by either the Purchaser or Minnesota State.

In the event the Purchaser receives a request to release the data referred to in this clause, the Purchaser must immediately notify Minnesota State. Minnesota State will give the Purchaser instructions concerning the release of the data to the requesting party before the data is released.

11. **JURISDICTION AND VENUE.**

This contract shall be governed by the laws of the State of Minnesota. Venue for all legal proceedings arising out of this contract, or the breach thereof, shall be located only in the state or federal court with competent jurisdiction in Ramsey County, Minnesota.

12. **STATE AUDITS.**

The books, records, documents, and accounting procedures and practices of the Purchaser relevant to this contract shall be subject to examination by the contracting department and the Legislative Auditor.

The rest of this page intentionally left blank. Signature page to follow.

IN WITNESS WHEREOF, the parties have caused this contract to be duly executed intending to be bound thereby.

APPROVED:

**1. MINNESOTA STATE COLLEGES AND UNIVERSITIES
RIVERLAND COMMUNITY COLLEGE**

By (authorized signature and printed name)	
 4B5ABE33A874433...	Kim Schaufenbuel
Title Customized Training Representative	
Date 10/2/2023 8:31:22 AM CDT	

2. PURCHASER: OWATONNA CITY OF T

Purchaser certifies that the appropriate person(s) have executed the contract on behalf of Purchaser as required by applicable articles, by-laws, resolutions, or ordinances.

By (authorized signature and printed name)	
 2D9CD01BD765433...	Kris Busse
Title City Administrator	
Date 10/10/2023 4:34:29 PM CDT	

By (authorized signature and printed name)	
Title	
Date	

3. AS TO FORM AND EXECUTION:

By (authorized college/university/system office initiating agreement and printed name)	
 93A362D059FA4EB...	Brad Doss
Title CFO	
Date 10/10/2023 4:36:19 PM CDT	



Parks, Trails, Recreation & Facilities Department

DATE: October 17, 2023
TO: Mayor and City Council
FROM: Eric Anderson, Recreation Manager
SUBJECT: Lease Agreements - Club Car/DDL Finance (Fleet and Utility Carts)

Purpose:

Approval of two lease agreements with DDL Finance LLC for rental carts and utility vehicles provided by Club Car Minnesota to Brooktree Golf Course.

Background:

On June 6, 2023, City Council approved a 4-year lease agreement bid with Club Car Minnesota for 40 golf carts and 2 utility vehicles for Brooktree Golf Course. These two lease agreements identify the lease details with DDL Finance, the financial partner of Club Car Minnesota (the supplier).

Budget Impact:

The cost of the lease will be covered in the Brooktree operating budget through rental cart fees. Fees for the 2024 season have been increased to off-set additional expenses.

35 Gas and 5 Electric Golf Fleet Carts (all with GPS) - \$49244.90 annually
2 Electric Utility Carts = \$5188.74 (plus tax) annually

Staff Recommendation:

Staff recommends acceptance of the agreements.

Attachments:

1. City of Owatonna Golf Car Fleet Lease Documents_070723
2. City of Owatonna Utility Vehicle Lease Documents_070723
3. Amendment to Lease Agreement - City of Owatonna



June 27, 2023

CITY OF OWATONNA, MN
540 W HILLS CIR
OWATONNA, MN 55060

I have enclosed the Lease documentation for the equipment being supplied by CLUB CAR MINNESOTA. After having the documents signed, please fax or email them back to me at 515-334-7897 or golf@dllgroup.com.

Please have an **Authorized Signor (CFO, COO, Mayor, Commissioner, Executive Director, Council President, City/County Manager, City/County Administrator)** sign and date the following:

- **Lease Agreement**
- **Equipment Schedule**
- **Maintenance Agreement**
- **Property Tax Acknowledgment**
- **Delivery and Acceptance Certificate**
 - May be completed via fax, if equipment has not been delivered at time of document signing
- **Agreement to Provide Physical Damage Insurance**
- **ACH**
- **Sales Tax Exemption Certificate (and/or Tax Information Publication form for Florida lessees)**

If you have any questions, please feel free to contact me at 1-800-873-2474. Thank you for your business.

Sincerely,

MATT WILLIAMSON
Account Manager – Golf, Turf & Recreational Products

LEASE AGREEMENT (Golf Equipment – Municipal Entities)

Lessee's Budget Year Ends in the Month of:	Lease Agreement Number:
--	-------------------------

TO OUR VALUED CUSTOMER: This Lease Agreement (this "Lease") has been written in "Plain English." The words "You" and "Your" are used in this Lease to mean the Lessee identified below. The words "We," "Us" and "Our" are used in this Lease to mean the Lessor who is DLL Finance LLC, 8001 Birchwood Court, P.O. Box 2000, Johnston, IA 50131 and any of our affiliates, subsidiaries, successors and assigns.

LESSEE	Full Legal Name: CITY OF OWATONNA, MN			
	Mailing Address 540 W HILLS CIR	City OWATONNA	State MN	Zip 55060

SUPPLIER	Name:	CLUB CAR MINNESOTA
	Address:	2505 KENNEDY STREET NE MINNEAPOLIS, MN 55413
	Phone:	952-829-5700

TERM AND LEASE PAYMENT SCHEDULE		
You agree to the following terms:		
TERM		
The Initial Term ("Term") shall be 42 months from the Commencement Date.	Commencing on: ☒ 04/01/2024 OR ☐ the 1st day of the month immediately following Borrower's signature on the Delivery and Acceptance Certificate and Lender's receipt thereof (the "Commencement Date").	
PAYMENT		
The aggregate sum due under this Lease includes lease payments and other amounts required to be paid under this Lease (each payment shall be referred to as a "Payment" and collectively as "the Payments") and shall be payable as follows:		
The lease payment shall be as follows (the "Lease Payment"):		
The first scheduled payment will be due on: ☒ 04/01/2024 OR ☐ the Commencement Date.		
Each payment thereafter will be due:		
☒ on the 1st day of the month or ☐ as indicated below.		
Number of Payments: 24	Payment Amount: \$8,203.80	Payment Frequency: ☒ Monthly ☒ Quarterly; or On the following day(s) The 1st day of each month as follows: April, May, June, July, August, September
Use tax per Payment (estimated): 0.00	Total Payment Amount with Sales/ Use Taxes (estimated): \$8,203.80	
Security Deposit: 0.00		
TAXES		
Sales/use tax has been estimated above to provide an approximation of the taxes and total Payment amount. The actual sales and use tax may vary and may be, depending on state law, collected at the time this Lease is entered into or added to each Payment on the terms of this Lease. Property tax will be billed annually and is due on invoice. If the use tax payment box above is empty or indicates \$0, we anticipate receiving a valid exemption certificate. If such certificate is not received, Sales or use tax may be billed to you and/or added to the Payments.		

PAYMENTS. You agree to make all Payments due under this Lease to Us at P.O. Box 14535, Des Moines, IA 50306 or at such other address as We may designate from time to time. Your Payments shall constitute a current expense and do not constitute a mandatory payment obligation of You in any fiscal year beyond Your current fiscal year. Your obligations hereunder shall not be construed to be a debt in contravention of any applicable constitutional or statutory limitation or requirement concerning the creation of indebtedness by You, nor shall anything contained herein constitute a pledge of Your general credit, tax revenues, funds, or moneys.

INSURANCE & TAXES. You are required to provide and maintain insurance related to the Equipment (defined below) and other items described in this Lease and to pay any property, use, sales, excise, and other taxes related to this Lease or any Equipment and to pay all license and registration fees assessed against this Lease or any Equipment. You agree to furnish Us with satisfactory evidence of Your tax exemption.

DELINQUENT PAYMENTS AND RETURNED CHECK CHARGE. Each Payment past due more than 10 days shall be subject to a late charge accrued at a rate equal to 1.75% per month from the due date until paid or \$1, whichever is greater, but in no event shall any late charge exceed the maximum amount allowed by law. If any check or payment is returned or rejected for insufficient funds or any other reason, You shall pay to Us a fee of \$25.00 or such other amount established by Us from time to time not to exceed the maximum amount permitted under applicable law. In Our discretion, such amount shall be paid on demand or added to the next Payment and You agree to pay such increased Payment amount.

TERMS AND CONDITIONS

1. Lease. We agree to lease to You and you agree to lease from Us, the equipment listed on the Equipment Schedule attached hereto and incorporated herein by reference, including all replacement parts, repairs, additions and accessories (the "Equipment") on the terms and conditions of this Lease and all exhibits, schedules and amendments hereto.

2. Term. Provided this Lease has been accepted and executed by both parties, this Lease shall become effective upon the Commencement Date and shall remain effective for an original term (the "Original Term") ending at the end of Your budget year in effect on the Commencement Date and shall be continued by You for additional one-year terms (each, a "Renewal Term") coinciding with Your budget year up to the total number of months indicated above as the Full Lease Term; *provided, however*, that at the end of the

Original Term and at the end of each Renewal Term, You shall be deemed to have continued this Lease for the next Renewal Term unless You shall have terminated this Lease pursuant to Section 3. Payments under this Lease shall be due as set forth on the Payment Schedule until the balance of the Payments and any additional Payments or expenses chargeable to You are paid in full. Payment amounts and other amounts required to be paid under this Lease shall be referred to in this lease as "Payments." Unless otherwise indicated in the Payment schedule provided above, the first Payment under this Lease is due when this Lease is signed by You and the remaining Payments will be due on the first day of each subsequent month through the expiration of the Term. You agree to pay Us the amount of all search fees, filing fees and administration fees specified in this Lease at the time this Lease is executed and, in any event, upon demand

by Us, and to reimburse Us for the amount of all search and filing fees incurred by Us in connection with this Lease upon demand by Us. EXCEPT AS PROVIDED IN SECTION 3, THIS LEASE IS NON-CANCELABLE AND YOUR OBLIGATION TO PAY IN FULL THE PAYMENTS AND ANY OTHER AMOUNT DUE HEREUNDER IS ABSOLUTE, IRREVOCABLE AND UNCONDITIONAL AND IS NOT SUBJECT TO AND SHALL NOT BE AFFECTED BY ANY ABATEMENT, SET-OFF, DISPUTE, CLAIM, COUNTERCLAIM, DEDUCTION, DEFENSE OR OTHER RIGHT WHICH YOU MAY HAVE OR ASSERT AGAINST ANY SUPPLIER, DEALER, VENDOR OR MANUFACTURER OF THE EQUIPMENT OR ANY OTHER PARTY FOR ANY REASON WHATSOEVER, ALL OF WHICH YOU HEREBY EXPRESSLY WAIVE AS AGAINST US. YOU AGREE NOT TO ASSERT AGAINST US ANY CLAIMS OR DEFENSES YOU MAY HAVE WITH RESPECT TO ANY EQUIPMENT. In no case shall We be liable for any special, incidental or consequential damages based upon any legal theory, including, but not limited to, loss of profits, loss of use of the Equipment, the claims of third parties or damage to the Equipment.

3. Non-Appropriation of Funds. Notwithstanding anything to the contrary contained herein, You warrant that You have funds available to pay all Payments that are to be paid hereunder through the end of Your current appropriation period. If Your legislative body or other funding authority does not appropriate funds for Payments for any subsequent appropriation period and You do not otherwise have funds available to lawfully pay the Payments (a "Non Appropriation Event"), You may, subject to the conditions herein and upon prior written notice to Us (the "Non-Appropriation Notice"), effective the later of (a) 60 days after such Non-Appropriation Notice, or (b) the end of Your then-current appropriation period (the "Non-Appropriation Date"), terminate this Lease and be released of Your obligation to make all Payments coming due after the Non-Appropriation Date. As a condition to exercising its rights under this Section, You shall (a) provide with the Non-Appropriation Notice a sworn affidavit of a responsible official that a Non-Appropriation Event has occurred and that You have attempted to obtain funding, in good faith, from all available funding sources, but those efforts have failed to obtain funding for the Payments, (b) return the Equipment on or before the Non-Appropriation Date to Us or a location designated by Us, in the condition required by, and in accordance with the return provisions of, this Lease, at Your expense, and (c) pay Us all sums payable to Us under this Lease up to the Non-Appropriation Date. In the event of any Non-Appropriation Event, We shall retain all sums paid hereunder or under the Lease, including the security deposit, if any, specified in this Lease. Termination pursuant to this Section shall not constitute a Default under this Lease; provided that the Parties agree that this Section is not intended to permit You to terminate this Lease at will or for convenience.

4. Delivery and Acceptance; DISCLAIMER OF WARRANTIES. You agree to accept each item of Equipment in its as-is condition when delivered and, if requested by Us, to execute the Delivery and Acceptance Certificate supplied by Us as evidence thereof. **YOU ACKNOWLEDGE THAT WE MAKE NO WARRANTY, EITHER EXPRESS OR IMPLIED WITH RESPECT TO ANY EQUIPMENT, INCLUDING WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.** You also agree that neither the manufacturer nor the supplier of the Equipment is an agent of Ours. If the Equipment is covered by a manufacturer's warranty, such warranty shall be extended to You if automatically assignable. You agree that there shall be no abatement of any Payment obligation because of unavailability of the Equipment during periods of its warranted or non-warranted repair. You agree to hold Us harmless from specific performance of this Lease and from damages, if, for any reason, the supplier, manufacturer, vendor or any other party fails to deliver, or delays in delivery of, the Equipment so ordered or if the Equipment is unsatisfactory for any reason whatsoever. You agree that any delay in delivery of or defect in the Equipment shall not affect the validity of this Lease or the obligation to make Payments hereunder. Your execution of a Delivery and Acceptance Certificate in the form attached hereto shall conclusively establish that the Equipment covered thereby is acceptable to You for all purposes of this Lease.

5. Use, Maintenance and Return of Equipment. You agree that all Equipment is to be used for commercial purposes and that the Equipment will not be moved outside of the contiguous forty-eight states of the United States and to notify Us of each change in the place where the Equipment is located or used not more than twenty (20) days following each change in location. You further agree as follows: (a) to operate the Equipment in a careful manner; (b) to maintain the Equipment in good repair and repair any damage thereto; (c) restrict the Equipment's use to experienced and competent operators employed by You; (d) to use the Equipment only in the conduct of Your business; (e) properly house and store the Equipment when not in use; (f) not to rent or sub-lease the Equipment without Our prior written consent except as described in Section 17; (g) to not allow any lien, encumbrance or security interest (other than as created pursuant to this Lease, if any) attach to any Equipment; (h) to comply with all laws and regulations relating to the possession, operation and use of the Equipment; and (i) to pay all license and registration fees and all sales, use, excise, property and all other federal, state and local taxes assessable against this Lease and/or any Equipment, including without limitation, its use or operation and to reimburse Us, upon demand, as additional rent, the amount of any such taxes or costs paid by Us. Upon the expiration or termination of the Lease, You agree to make the Equipment available for pick up by Us at Your cost and expense and in the same condition as when delivered, ordinary wear and tear excepted, free of any lien, encumbrance or security interest claimed by any person. You will not in any event subject the Equipment to any abrasive, corrosive or abnormal working conditions or any environmentally hazardous substance (under any applicable federal, state or local law, rule or regulation) without Our prior written consent. You shall notify Us of any change in the state of Your location (as such term is defined in the Uniform Commercial Code) not more than twenty (20) days following each change. In addition to all other amounts payable hereunder, You hereby agree to pay to Us, upon demand, all charges for the late return of any Equipment, all charges incurred by Us to repair any excessive wear and tear to any Equipment (including but not limited to repair or replacement of engine, drive train, glass, metal work and trim, rips, tears, tires in an unsafe condition and any other unsafe or abnormal condition of the Equipment), plus an amount equal to the Rate Per Excess Hour multiplied by any units of use of any Equipment in excess of the Hours of Use During Lease Term shown on the Lease. You agree to be responsible for and to pay the entire cost of all necessary maintenance and repair of the Equipment. In maintaining and repairing any Equipment, You shall conform to the recommended practices and procedures of the manufacturer of the Equipment, and shall not, without Our approval, effect any modification or alteration of or to any

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Equipment. You shall comply with any mandatory or recommended product recalls issued by the manufacturer. All replacement parts and improvements incorporated into any Equipment shall become Our property. Should this Lease be terminated prior to the expiration of the Term, the applicable Hours of Use During Lease Term will be prorated by multiplying this unit total by the actual lease term in months divided by the Term in months and the Rate Per Excess Hour will apply to all units of use in excess of this prorated unit total. We may, at any reasonable time, access the premises where the Equipment is located so that We may inspect the Equipment's existence, location, installation, condition and/or maintenance.

6. Risk of Use, Damage and Destruction. You assume all risk arising from the possession and operation of the Equipment and agree to defend and indemnify Us and hold Us harmless from all claims, demands, damages and losses, including reasonable attorneys' fees and expenses, arising therefrom. In the event of the theft, destruction or other total loss with respect to any item of Equipment (each item of Equipment singularly referred to herein as the "machine") during the Term or any extension thereof, You shall provide Us prompt written notice. In the event of damage thereto from any cause which in Our judgment cannot be economically repaired, or in the event of the loss of the machine, its theft, or removal from Your possession by the operation of law or otherwise, then, but only with respect to that machine, this Lease shall terminate and You shall immediately pay to Us, only with respect to that machine, the sum of all past due and future Payments for the then-current Term and interest thereon, Taxes, fees and charges to be made but not yet due under the terms of this Lease for the then-current Term, plus the residual value associated with such machine, all as indicated in Our books and records. In the event the Lease covers two or more items of equipment, the Payment allocation shall be based on the pro-rata relationship of the Minimum Equipment Insurance Amount Required, as shown in this Lease, to the total Payments. The Payments due under this Lease on the remaining items of equipment following such termination shall be reduced by the unpaid balance of the Payments allocable to the lost piece of equipment as set forth above. The amount of any insurance proceeds received by Us because of such destruction or event, and the amount received by Us upon the disposition of the machine should it be recovered, shall be deducted (i) first, from the residual value of such machine as indicated in Our books and records (the "Residual Value"), and (ii) second, from the Payments, any excess amount over the Residual Value. In the event of damage to any machine, which damage in Our judgment can be economically repaired, then this Lease shall not be terminated with respect to the machine, but rather the machine shall be restored to its original condition by You, at Your expense. We shall apply the amount of any insurance proceeds received by Us because of such damage first to the repair of the machine and any excess amount of insurance proceeds shall be credited to the Payments.

7. Insurance. You shall purchase and maintain, at Your expense: (a) standard all risk type property damage insurance (covering theft, destruction and/or damage) for the Equipment's full replacement value and in no event less than the Minimum Equipment Insurance Amount Required (as indicated on the Equipment Schedule) with a maximum deductible equal to the greater of \$500.00 or five percent (5.0%) of the adjusted loss; (b) liability insurance in an amount of at least one million dollars (\$1,000,000) (five million dollars (\$5,000,000) if the Equipment or any single machine is deemed a "motor vehicle" under applicable law in the state where You are located) that protects You and Us against the risk of personal injury and physical damage (to property other than the Equipment itself) arising out of or resulting from or because of the operation of the Equipment; and (c) workers' compensation coverage as required by the laws of the state in which You are located. All insurance required herein must be in a form and from an insurer satisfactory to Us and You shall keep such insurance in effect during the Full Lease Term. Evidence of all such insurance shall be provided to Us and such insurance shall provide Us with 10 days advance notice of modification or cancellation and name Us as loss payee. If such insurance is modified, cancelled or allowed to lapse, We may (but shall not be obligated to) purchase or otherwise provide such insurance from an insurer of Our choice, which may be an affiliate of Ours. The costs, limits, terms, conditions and coverage of such replacement insurance, if any, may vary from any previous coverage. We may add the costs of acquiring and maintaining such insurance and Our fees for Our services in placing and maintaining such insurance (collectively "Insurance Charge") to the Payments and You agree to pay such amount, together with interest thereon at a rate per month of 1.75% from the date such insurance was purchased or provided by Us until paid. You agree that such Insurance Charge and additional amounts and the interest thereon shall, as specified by Us, either be paid on demand or be added to the Payments and You promise to pay the resulting increase in the Payments and agree that We may make a profit. We shall have no responsibility to You for the cost or appropriateness of the premium for any insurance, the creditworthiness of any insurance company, the rebate or refund of any insurance premium to which You may be entitled or any other matter relating to any insurance even if any insurance was provided through a group policy arranged by Us. Nothing in this Lease will create an insurance relationship of any type between Us and/or any person or party. **Insurance coverage for personal liability or physical damage caused to the property of others is not provided.**

8. UCC Filings; Article 2A Provisions; Finance Lease Status. We are the owner of and will hold title to the Equipment under this Lease. Although the Equipment may become attached to real estate, it is and will remain personal property and will not become a fixture. If this Lease is deemed to be a security agreement, You grant us a security interest in the Equipment, whether categorized as inventory, goods or otherwise, under the Uniform Commercial Code ("UCC"), as collateral to secure payment of all of Your present and future obligations owed to Us including without limitation, Your Payments and We shall be entitled to all rights of a secured party under the applicable UCC with respect thereto. You authorize Us to prepare and file against You a financing statement describing the Equipment. You hereby authorize, ratify and approve any financing statement covering Equipment filed by Us on or prior to the date hereof. The parties intend this Lease to be a true lease and the filing of a financing statement shall not be construed as evidence to the contrary. You agree Article 2A- Leases of the UCC applies to this Lease, and this Lease will be considered a "Finance Lease" as that term is defined in Article 2A. By signing this Lease, You acknowledge and agree that the Supplier identified in the Lease is the supplier (as that term is defined in Article 2A of the UCC) of the Equipment and that You Have been informed that You are entitled to the promises and warranties provided by the manufacturer, dealer, vendor or other person supplying the Equipment in connection with the contract by which We acquired the Equipment (the "Supply Contract") and that You may contact the manufacturer, supplier,

dealer or vendor of the Equipment for a description of any rights or warranties that You may be entitled to under the Supply Contract. With respect to this Lease, TO THE EXTENT PERMITTED BY APPLICABLE LAW, YOU WAIVE ANY AND ALL RIGHTS AND REMEDIES CONFERRED UPON A LESSEE BY UCC ARTICLE 2A, including without limitation, Section 2A-508 through 2A-522 of the UCC. You also represent that all trade-in property is free and clear of all security interests, liens and encumbrances.

9. Assignment / Sub-Lease. You may not assign this Lease or any of Your rights hereunder, nor may You sell, transfer, sublease, rent or lend any Equipment or permit it to be used by anyone other than Your employees without Our prior written consent except as described in section 18. We may assign this Lease without notice or consent and the assignee shall succeed to all of Our rights. Any such assignee shall have all of Our rights, remedies, powers and privileges under this Lease, but shall have none of Our obligations.

10. Default. Each of the following is a "Default" under this Lease: (a) You fail to pay any Payment or any other payment obligation when due under this Lease; (b) You do not perform any of Your other obligations under this Lease or in any other agreement with Us or with any of Our affiliates; (c) any representation or warranty made by You proves to be incorrect in any material respect when made; (d) You become insolvent, or are generally unable to pay Your debts when due, You dissolve or are dissolved, or You assign Your assets for the benefit of Your creditors, You seek appointment of a receiver, custodian or other similar official for You or for Your assets, or You commence or have commenced against You any action for relief under any bankruptcy, insolvency or reorganization laws; (e) You sell all or substantially all of Your assets or property, (f) You shall or shall attempt to abandon, remove, sell, encumber, rent or sublet any item of Equipment except as described in section 18; (g) You shall suffer a material adverse change in Your financial condition or operations; (h) You shall cause or suffer to exist any sale or transfer of any interest which would result in a change in majority ownership of You; (i) You shall amalgamate, merge or consolidate with another entity without Our consent; (j) any guarantor of Your obligations under this Lease dies, does not perform such guarantor's obligations under the guaranty, or becomes subject to one of the events listed in clause (d), (e), (f), (g), (h) or (i) above; or (k) any letter of credit required under this Lease is breached, canceled, accelerated, terminated or not renewed for any reason.

11. Remedies. In the event of a Default or an event which, with the passage of time, would constitute a Default hereunder, We may, at Our option: (a) cancel or terminate this Lease or any or all other agreements that We have entered into with You; (b) declare the entire unpaid balance of all Payments immediately due and payable without notice or demand and require You to immediately pay Us, as compensation for loss of Our bargain and not as a penalty, a sum equal to (i) all past due and future Payments and interest thereon for the then-current Term, (ii) Taxes, fees and charges to be made but not yet due under the terms of this Lease for the then-current Term, and (iii) the Residual Value of the Equipment; (c) require You to deliver the Equipment to Us; (d) peacefully repossess the Equipment without court order and You will not make any claims against Us or our agents for damages or trespass or any other reason; (e) appoint a receiver/manager; (f) charge You interest on all monies due to Us at the rate of 1.75% per month from the due date thereof until paid but in no event more than the maximum rate permitted by law; (g) advise any or all account parties and any of Your renters, lessees and borrowers of the Equipment to make all rental, lease and loan payments to Us and/or direct them to return the Equipment to Us upon the expiration of the rental, lease or loan term; and (h) exercise any other right or remedy available at law or in equity. **You agree to pay all of Our costs and expenses, including, without limitation, reasonable attorney's fees and expenses and collection agency fees and expenses, of enforcing Our rights against You, for the recovery or repossession of Equipment and in the collection of Your obligations to Us under this Lease.** If We take possession of any Equipment, We may sell, re-lease or otherwise dispose of it with or without notice, at a public or private sale, on Your premises or elsewhere and apply the net proceeds (after We have deducted all costs related to the sale or disposition of the Equipment) (i) first, to the Residual Value; (ii) second, to Payments, Taxes, fees and charges that would have become due in the course of the Full Lease Term; and (iii) to the amounts that You owe Us. You agree that if notice of sale is required by law to be given, 10 days' notice shall constitute reasonable notice. You will remain responsible for any amounts that remain due after We have applied such net proceeds. If You fail to deliver the Equipment upon demand by Us or fail to return the Equipment in a timely manner, as determined by Us, upon the termination or expiration of this Lease or upon Default and We do not recover the Equipment, then You shall be additionally liable to Us for the fair market value of the Equipment at the time of termination or expiration of this Lease or at the time of Default, whichever is earlier. The remedies provided by this Lease in favor of Us shall not be deemed exclusive, but shall be cumulative and in addition to all other remedies in Our favor existing at law or equity or by statute or otherwise, and may be enforced concurrently or separately. No failure or delay on Our part in exercising any right or remedy shall operate as a waiver thereof or modify the terms of this Lease. A waiver of default shall not be a waiver of any other or subsequent default. Our recovery hereunder shall not exceed the maximum recovery permitted by law.

12. Renewal. Unless this Lease is earlier terminated pursuant to Section 3, You must give Us at least 60 (but not more than 180 unless waived by Us in Our sole discretion) days written notice before the end of the Full Lease Term that You will return the Equipment to Us. Until You give Us such written notice: **(a) the Lease will automatically renew on a month-to-month basis (each a "Renewal Month Term") until You provide Us 60 days prior written notice that You will return the Equipment to Us (in which case the Lease will renew for two additional Renewal Month Terms), each Renewal Month Term will commence immediately upon the expiration of the then current term and (b) the terms of the Lease, including without limitation the amount of the Payment, will continue to apply and (c) Your security deposit, if any, will continue to be held to secure Your performance during the Renewal Month Term.**

13. Indemnification. You are responsible for any losses, damages, penalties, claims, suits and actions, including, without limitation, court costs and attorney's fees and expenses, (collectively "Claims"), whether based on a theory of strict liability or otherwise caused by or related to (a) the manufacture, installation, ownership, operation, use, lease, possession or delivery of the Equipment, (b) any defects in the Equipment or (c) this Lease (and any supplements and amendments hereof). To the maximum extent permitted by applicable law, You agree to reimburse Us for and, if We request, to defend Us against any Claims. This indemnification will continue even after the termination of this Lease or full payment of all obligations owed by You hereunder.

14. Representations, Warranties and Covenants. You represent, warrant and covenant as follows: (a) You are a municipal corporation and political subdivision duly organized and existing under the constitution and laws of the state in which You are located; (b) You are authorized under the constitution and laws of said state to enter into this Lease and the transaction contemplated hereby and to perform all of Your obligations hereunder; (c) You have been duly authorized to execute and deliver this Lease by proper action and approval of Your governing body at a meeting duly called, regularly convened and attended throughout by requisite majority of the members thereof or by other appropriate official approval; (d) this Lease constitutes Your legal, valid and binding obligation enforceable in accordance with its terms, except to the extent limited by applicable bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally; (e) no event or condition that constitutes, or with the giving of notice or the lapse of time or both would constitute, a Default exists at the Commencement Date; (f) You have in accordance with the requirements of lawfully budgeted and appropriated sufficient funds for the current fiscal year to make the Payments scheduled to come due during the Original Term and to meet Your other obligations for the Original Term and such funds have not been extended for other purposes; (g) You will do or cause to be done all things necessary to preserve and keep in full force and effect Your existence as a corporate and body politic; (h) You have complied with such public bidding requirements as may be applicable to this Lease and Your acquisition of the Equipment hereunder; (i) there is no action suit, proceeding inquiry or investigation, at law or in equity, before or by any court, public board or body, pending or threatened against or affecting You or this Lease, nor to the best of Your knowledge is there any basis therefore wherein an unfavorable decision ruling or finding would materially adversely affect the transactions contemplated by this Lease or any other document, agreement or certificate which is used or contemplated for use in the consummation of the transactions contemplated by this Lease or materially adversely affect Your financial condition or properties; (j) You have obtained all authorizations, consents and approvals of governmental bodies or agencies required in connection with the execution and delivery of this Lease or in connection with the performance of Your obligations hereunder; (k) the entering into and performance of this Lease or any other document or agreement contemplated hereby to which the You are or are to be a party will not violate any judgment, order, law or regulation applicable to You or result in any breach of, or constitute a default under, or result in the creation of any lien, charge, security interest of other encumbrance on any of Your assets or the Equipment pursuant to any indenture, mortgage, deed of trust, bank loan or credit agreement or other instrument to which You are a party or by which You or Your assets maybe be bound, except as herein provided; (l) the Equipment described in this Lease is essential to Your function or to the services You provide to Your citizens, You have an immediate need for, and expect to make immediate use of, substantially all of the Equipment, which need is not temporary or expected to diminish in the foreseeable future and the Equipment will be used by You only for the purpose of performing one or more of Your governmental or proprietary functions consistent with the permissible scope of Your authority and will not be used in the trade or business of any other entity or person; (m) You have never failed to appropriate or otherwise make available funds sufficient to pay rental or other payments coming due under any lease purchase, installment sale or other similar agreement. Your representations, warranties and covenants shall survive beyond the Full Lease Term and the termination of this Lease.

15. Choice of Law and Jurisdiction; Waiver of Jury Trial. The law of the state of Your address shown on the front page hereof shall govern all matters relating to this Lease. This Lease shall not be enforceable by You until signed by Us in our Johnston, Iowa offices. **To the extent permitted by applicable law, You also waive Your right to a trial by jury.**

16. Waivers. You acknowledge receipt of an executed copy of this Lease. Where permitted by law, You waive Your right to receive a copy of any financing statement, financing change statement, verification statement or other similar instrument filed or issued at any time in respect of this Lease or any amendment hereof. To the extent permitted by law, You, being fully aware of the rights and benefits afforded to You by statute, hereby waive the benefits of all provisions of any applicable statute, including, without limitation, any statute relating to leases, conditional sales, or regulatory credit, and of any regulations made thereunder in any and all states of the United States, which would, in any manner, affect, restrict or limit Our rights hereunder. You also waive and assign to Us the right of any statutory exemption from execution or otherwise and further waive any rights to demand security for costs in the event of litigation.

17. TAX TREATMENTS AND INDEMNIFICATION. Unless otherwise provided, this Lease is entered into on the assumption that We are the owner of the Equipment for income tax purposes and are entitled to certain federal and state tax benefits available to an owner of the equipment (collectively "Tax Benefits"), including without limitation, accelerated cost recovery deductions and deductions for interest incurred by the Lessor to finance the purchase of the Equipment, available under the Internal Revenue Code of 1986, as amended (the "Code"). You represent, warrant, and covenant to Us that (a) the Equipment will be used for a governmental or proprietary purpose; (b) You are a tax-exempt entity (as defined in Section 168(h) of the Code); (c) You will use all Equipment solely within the United States; and (d) You will take no position inconsistent with the assumption that We are the owner of the Equipment for any tax purposes. You and Us contemplate that the Equipment will be exempt from all Taxes. If, however, because of any of Your acts or omissions or any party acting through You, or the breach or inaccuracy of any representation, warranty or covenant made by You, We reasonably determine that we cannot claim, are not allowed to claim, or that we may lose or must recapture any or all of the Tax Benefits otherwise available with respect to the Equipment subject to any Lease (a "Tax Loss"), then You will, promptly upon demand, pay to Us an amount sufficient to provide Us the same after-tax rate of return and aggregate after-tax cash flow through the end of the term of such Lease then in effect that We would have realized but for such Tax Loss.

You will be responsible for as and when due and shall indemnify and hold Us harmless from and against all present and future taxes and other governmental charges, including, without limitation, those for sales, use, leasing and stamp taxes, license and registration fees, and amounts in lieu of such taxes and charges plus any penalties or interest on any of the above, (all of the foregoing are collectively the "Taxes"), imposed, levied upon, assessed in connection with, or as a result of the purchase, ownership, delivery, leasing, possession or use of the Equipment, or based upon or measured by the Payments or receipts with respect to this Lease. If You do not pay any of the Taxes, We have the right, but not the obligation, to pay them on Your behalf. You will not, however, be obligated to

pay any taxes on or measured by Our net income. You authorize Us to add to the amount of each Payment any Taxes that may be imposed on or measured by such Payment. We do not have to contest any Taxes, fines or penalties. We will file all personal property, use or other Tax returns as required by law under this Lease. In such case, You will pay to Us on demand, as an additional Payment, the amount of the personal property tax We are required to pay. You agree to reimburse Us with the next Payment for any Taxes We pay, plus a fee to Us for collecting and administering any Taxes and remitting them to the appropriate authorities on which we may make a profit and interest thereon at the highest legal rate allowed, from the date due until fully paid. If You do not pay this reimbursement with the next Payment You agree to pay Us interest on those amounts at the highest legal rate allowed from the due date until paid in full. **We make no recommendation, representation or warranty as to the treatment of this Lease for tax or accounting purposes.** You acknowledge that You have consulted with Your tax and accounting advisors concerning the appropriate tax and accounting treatment of this Lease and have not relied on advice from Us; and You hold Us harmless for any adverse consequences resulting from Your tax and accounting treatment of this Lease.

18. Golf Cars. If the Equipment includes golf cars, with respect to the golf cars only, notwithstanding the limitations in Section 5, 9 and 10 You may rent the golf cars on a daily or per-round basis to Your patrons, in the ordinary course of Your business. To the extent You complete an exemption certificate relative to personal property taxes on the golf cars, You agree to indemnify Us from and against any Claims related to the failure to pay personal property taxes based on such representation and You agree that you are responsible for remitting any and all required sales, use or other tax required as a result of the rental of the golf cars to patrons.

19. Financial and Credit Information; Communication Methods. You authorize Us to obtain credit bureau reports and make other credit inquiries that We determine are necessary and agree that without further notice We may use or request additional credit bureau reports to update Our information so long as You have any outstanding indebtedness or obligations owed to Us. You further agree to provide Us, promptly after request therefor by Us, such income statements, balance sheets and other financial statements and information and such federal and state income tax returns concerning You that We determine are necessary. Providing Your email address and/or telephone number in Your credit application or otherwise is Your acknowledgment that We may retain Your email address and/or telephone number for further communication with You. You agree to allow Us to conduct business with You using email or by calling You, regardless of the purpose of Our communication, which may include, without limitation, collections and notices under Your agreements with Us. We reserve the right to use the method of communication We deem best in interacting with You.

20. Facsimile. This Lease may be executed by a party and transmitted by facsimile or electronic mail. You agree that a copy of this Lease bearing Your signature which was transmitted by facsimile or printed from an electronic file shall be admissible in any legal proceeding as evidence of its contents and its execution by the parties in the same manner as an original document. You further agree not to object to the admissibility of such copy into evidence under the business records to the hearsay rule or the best evidence rule or otherwise and expressly waive any right to do so. The original or a facsimile or electronic copy of this Lease which bears both a signature of Us and You and Our original signature shall be deemed the execution original of this Lease for the purposes of taking possession of this Lease for all other purposes.

21. Miscellaneous. You agree the terms and conditions contained in this Lease constitute the final agreement between You and Us and is the exclusive expression of our agreement regarding the lease of the Equipment. All earlier and contemporaneous

negotiations and agreements between You and Us on the matters contained herein are expressly merged into and superseded by this Lease. Any modification or addition to the terms of this Lease must be in a written agreement identified as an amendment and signed by Us. **You agree, however, We are authorized, without notice to You, to insert in this Lease and/or the Equipment Schedule any serial number, model numbers and/or make of any item of Equipment, correct any errors in such information reflected in this Lease and/or the Equipment Schedule and correct any other patent errors or omissions in the description of any item of Equipment reflected in the Equipment Schedule, to supply information missing from this Lease or the Equipment Schedule and to correct any obvious errors in this Lease or in the Equipment Schedule.** Without limiting the foregoing, You agree we may insert the date and Number of this Lease after Your execution of the Lease. If We delay or fail to enforce any of Our rights under this Lease, We will still be entitled to enforce those rights at a later time and such rights shall not be waived. Any waiver by Us of any breach or default will not constitute a waiver by Us of any additional or subsequent breach of default nor shall it be a waiver of any of Our rights. Any waiver of a remedy, term or condition or change to the terms and conditions of this Lease must be in writing and signed by Us. All notices shall be given in writing by the party sending the notice and shall be effective when (a) deposited in the U.S. mail, with first class postage prepaid, or (b) sent by overnight courier of national reputation, in either case, addressed to the party receiving the notice at the address shown on the front of this Lease (or to any other address specified by that party in writing). All of Our rights and indemnities will survive the termination of this Lease. Our rights, privileges and indemnities, to the extent they are fairly attributable to events or conditions occurring or existing during the Term of this Lease, shall survive and be enforceable by Us and Our successors and assignees. Payments received may be applied at Our discretion to obligations hereunder or to any other indebtedness owed by You to Us despite directions, if any, appearing on the remittance or communicated to Us otherwise, and to late charges first and then to the amount owing. It is the express intent of the parties not to violate any applicable usury laws or to exceed the maximum amount of time price differential or interest, as applicable, permitted to be charged or collected by applicable law, and any such excess payment will be applied to Payments in inverse order of maturity, and any remaining excess will be refunded to You. If You do not perform any or all of Your obligations under this Lease, We have the right, but not the obligation, to take any action or pay any amounts We believe are necessary to protect Our interest. You agree to reimburse Us immediately upon Our demand for any such amounts We pay. In the event any provision of this Lease shall be determined by a court of competent jurisdiction to be invalid, illegal, or unenforceable, the parties hereto agree such provision shall be ineffective and the remaining provisions of this Lease shall remain in full force if the essential provisions of this Lease for each party remain valid, legal, and enforceable. Any provision of this Lease which is, for any reason, unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such unenforceability without invalidating the remaining provisions hereof. This Lease and Equipment Schedule shall be binding upon and inure to the benefit of the parties and their permitted successors and assigns. You shall promptly execute and deliver to Us such further documents and take such further action as We may request to more effectively carry out the intent and purpose of this Lease and the Equipment Schedule. Words importing the singular include the plural and vice versa and words importing gender include all genders. If more than one lessee has signed this Lease, each of You agree Your liability is joint and several. Restrictive or similar endorsements contained on or provided in connection with any Payment You make shall not be binding on Us. Time is of the essence under this Lease.

BY SIGNING THIS AGREEMENT: (I) YOU ACKNOWLEDGE THAT YOU HAVE READ AND UNDERSTAND THE TERMS AND CONDITIONS ON EACH PAGE OF THIS AGREEMENT (II) YOU AGREE THAT THIS IS A NET LEASE, THAT YOU CANNOT TERMINATE OR CANCEL, THAT YOU HAVE AN UNCONDITIONAL OBLIGATION TO MAKE ALL PAYMENTS DUE, AND YOU CANNOT WITHHOLD, SET OFF OR REDUCE ANY SUCH PAYMENTS FOR ANY REASON, INCLUDING, WITHOUT LIMITATION, FUNDAMENTAL BREACH, (III) YOU WARRANT THAT THE PERSON SIGNING THIS LEASE FOR YOU HAS THE AUTHORITY TO DO SO, (IV) YOU CONFIRM THAT YOU HAVE DECIDED TO ENTER INTO THIS LEASE RATHER THAN PURCHASE THE EQUIPMENT FOR THE TOTAL PURCHASE PRICE AND (V) YOU AGREE THAT THIS LEASE WILL BE GOVERNED BY THE LAWS OF THE STATE OF YOUR ADDRESS ON THE FRONT PAGE HEREOF AND YOU EXPRESSLY WAIVE ANY RIGHTS TO A TRIAL BY JURY.

IN WITNESS WHEREOF, the parties have executed this Lease effective as of the date set forth on the first page of this Lease.

LESSEE SIGNATURE	CITY OF OWATONNA, MN	LESSOR SIGNATURE	DLL Finance LLC, At: 8001 Birchwood Court, Johnston, IA 50131
	Lessee		
	Authorized Signature		Authorized Signature
	Print Name Title Date		Print Name & Title Date

Equipment Schedule

	New/ Used	Make and Model of Equipment	Serial Number	Minimum Equipment Insurance Amount Required	Hours at delivery	Hours during Lease Term	Rate per Excess Hour
	NEW	CLUB CAR TEMPOG GAS GOLF CAR (QTY 35)			N/A	N/A	N/A
	NEW	CLUB CAR TEMPOE ELEC GOLF CAR (QTY 5)		\$263,350.00	N/A	N/A	N/A

Note: Although the Equipment listed above may be described as "New", that description does not mean it was necessarily manufactured in the current year.

I have reviewed and acknowledge and agree that the Equipment description above is accurate and complete.

LESSEE SIGNATURE	CITY OF OWATONNA, MN		
	Lessee 		
	Authorized Signature 		
	Print Name	Title	Date

MAINTENANCE AGREEMENT (Golf Cars)

Lease Case ID:	FA-339625	Lessor: DLL FINANCE LLC
Lessee:	CITY OF OWATONNA, MN	
Date:	06/27/2023	

This Maintenance Agreement (the "Agreement") relates to all Equipment, as defined in the Lease agreement between Lessee and DLL FINANCE LLC as further identified above (the "Lease Agreement") and each Lease entered into pursuant to the Lease Agreement. All capitalized terms shall have the meanings ascribed to them in the Lease Agreement. Lessee agrees as follows with respect to each item of Equipment which is required to be returned:

1. RETURN OF EQUIPMENT. Notwithstanding anything to the contrary contained in the Lease Agreement and/or the Lease and in addition to the terms and conditions contained therein and herein, Lessee shall, at Lessee's sole cost and expense, return all, but not less than all, of the Equipment described in each Lease to Lessor, or its designee immediately upon the expiration of the Term of the Lease pursuant to the terms and conditions contained in the Lease and with respect to each item of Equipment, as applicable, the following must be true:

- (A) All safety equipment must be in place and meet applicable federal, state and other governmental standards.
- (B) All windscreens, covers and guards must be in place with no sheet metal, plastic, or cowling damage.
- (C) All parts, pieces, components and optional equipment must be present, installed and operational. All accessories that accompanied the units and/or were subject to the Lease, including without limitation battery chargers, GPS equipment, diagnostic and tuning equipment shall be returned in proper order. Upon request of Lessor, all maintenance records and manuals related to the Equipment shall be provided by Lessee to Lessor.
- (D) All motors shall operate smoothly without overheating and shall have good bearings and bushings.
- (E) All electronic controls shall operate per manufacturer's specifications. Controls which bypass normal operations shall be repaired at Lessee's expense.
- (F) All electrical systems shall be able to provide electrical output as specified by the manufacturer.
- (G) All batteries shall be in good, safe operating condition with no dead cells or cracked cases. Batteries should hold a charge and provide adequate power to operate the equipment.
- (H) All Equipment shall have serviceable brakes and tires (retaining proper air pressure, and without repair patches) and the wheels shall not be dented and/or bent.
- (I) All oil and grease seals must contain lubrication in the manufacturers designed reservoir.
- (J) All Equipment must have a relatively clean appearance.
- (K) All Equipment shall be free from excessive wear necessitating major component repair or replacement caused by lack of recommended maintenance as detailed in customer operating/maintenance manual furnished with each item of equipment.
- (L) All Equipment shall be free from structural damages and/or bent frames.
- (M) All Equipment attachments, if any, must be in good condition.

2. RETURN PERFORMANCE. Each item of Equipment must be able to complete the following tests:

- (A) Operate normally in forward and reverse directions through all the speed ranges or gears.
- (B) Steer normally both right and left in both forward and reverse.
- (C) Have all functions and controls work in normal manner.
- (D) Be able to stop with its service brakes in a safe distance in both forward and reverse.
- (E) Operates without leaking any fluids.
- (F) Perform its designed functions in a satisfactory manner.

Notwithstanding the above, if the total cost of the repairs for all items of Equipment subject to a Lease is less than \$100, Lessor will not bill Lessee.

3 REPAIRS / REQUIRED PURCHASE. If, in the Lessor's sole judgment, any item of Equipment is damaged or does not meet the standards set forth above, or if Lessee fails to discharge its obligations set forth above with regard to any item of Equipment, Lessee shall pay to Lessor, immediately upon demand, at Lessor's election, (a) the amount which Lessor determines will be necessary to return the Equipment to its required condition and/or to replace missing, damaged or non-performing items or equipment, or (b) Payments due and to become due under the terms of the Lease, Taxes, fees and charges due and to become due under the terms of the Lease, plus the residual value as indicated in Lessor's books and records associated with such item of Equipment.

4. MISCELLANEOUS. Lessee agrees that a copy of this Agreement bearing a signature of Lessee which was transmitted by facsimile or printed from an electronic file shall be admissible in any legal proceeding as evidence of its contents and its execution by the parties in the same manner as an original document.

LESSEE	CITY OF OWATONNA, MN			LESSOR	Accepted by DLL FINANCE LLC in Johnston, Iowa		
	Signature				Signature		
	Print Name	Title	Date		Print Name	Title	Date

**LEASE AGREEMENT SUPPLEMENT –
PROPERTY TAX ACKNOWLEDGEMENT**

Name of Lessee:	CITY OF OWATONNA, MN (the “ Lessee ”)
Date of Lease Agreement:	06/27/2023 (the “ Lease ”)

In order to induce DLL Finance LLC (“Lessor”) to enter into the Lease pursuant to which the Equipment will be leased to Lessee, the undersigned represents the following:

- The Lessee acknowledges and understands that Lessor will file all personal property tax returns and Lessee shall reimburse Lessor for property taxes related to the Equipment.
- Property taxes will be billed annually to Lessee and are due on invoice. Lessee acknowledges that property taxes may be billed to Lessee after the Term of the Lease.
- If Lessee does not pay property taxes, Lessor has the right, but not the obligation, to pay them on Lessee’s behalf and add to the amount of such taxes to the Lease Payments.

All capitalized terms not otherwise defined herein shall have the same meanings as in the Agreement. Lessee agrees that Lessor’s emphasis of the provisions of the Agreement contained herein are for the convenience of the Lessee and shall not minimize or waive any remaining provisions of the Agreement, all of which remain in full force and effect. Lessor, its successors and assigns, and any counsel rendering an opinion on the tax-exempt status of the interest components of the Payments are entitled to rely on this acknowledgement. Lessee’s facsimile signature shall be considered binding as an original.

Dated this _____ day of _____, 2023.

LESSEE SIGNATURE	CITY OF OWATONNA, MN
	Lessee
	Authorized Signature
	Print Name Title Date

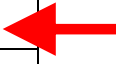


Delivery and Acceptance Certificate

	New/ Used	Make and Model of Equipment	Serial Number	Minimum Equipment Insurance Amount Required	Hours at delivery	Hours during Lease Term	Rate per Excess Hour
	NEW	CLUB CAR TEMPOG GAS GOLF CAR (QTY 35)			N/A	N/A	N/A
	NEW	CLUB CAR TEMPOE ELEC GOLF CAR (QTY 5)		\$263,350.00	N/A	N/A	N/A

The undersigned hereby certifies that Lessee has leased all items described in (the "Equipment") pursuant to the Lease Agreement between DLL Finance LLC ("Lessor") and the Lessee identified below and in the Lease Agreement No. _____ (the "Lease") and further certifies that:

- (i) the Equipment has been delivered to and has been received by Lessee;
- (ii) all installation or other work necessary prior to the use thereof has been completed;
- (iii) all Equipment has been examined by Lessee, is in good operating order and condition, and is in all respects satisfactory to Lessee;
- (iv) the Equipment is accepted by Lessee for all purposes under the Lease Agreement and the Lease.

LESSEE SIGNATURE	CITY OF OWATONNA, MN
	Lessee 
	Authorized Signature 
	Print Name Title Date

DLL FINANCE LLC
CUSTOMER AGREEMENT TO PROVIDE PHYSICAL DAMAGE INSURANCE

Date: 04/01/2024

Customer's Name CITY OF OWATONNA, MN

Address 540 W HILLS CIR City OWATONNA State MN ZIP 55060-4701

RE: Agreement dated 04/01/2024 with DLL FINANCE LLC, P.O. BOX 3000, JOHNSTON, IA 50131-0300

as Assignee, Lender, or Lessor (the "Lender").

I have entered into the above agreement under which I am responsible for providing insurance against ALL RISKS of direct physical loss or damage for the actual cash value of the equipment listed in the Agreement set forth above, subject to common exclusions such as damage caused by corrosion, rust, mechanical or electrical breakdown, etc. The minimum amount of coverage required by Lender is \$263,350.00.

Make	Model	<u>EQUIPMENT</u>	Serial Number
		Description	
CLUB CAR	TEMPOG	GAS GOLF CAR (QTY 35)	
CLUB CAR	TEMPOE	ELEC GOLF CAR (QTY 5)	

I affirm that I will be providing my own physical damage insurance coverage through the BELOW LISTED INSURANCE AGENT.

TO DEBTOR'S INSURANCE AGENT

I hereby instruct you to add DLL FINANCE LLC as a payee through a Lender's Loss Payable Clause or similar clause which provides that any acts of the Customer will not void the policy as to the Loss Payee.

To my existing policy number _____ with _____
which now provides the coverage required.

Lender must be given written notice within 30 days of any cancellation or non-renewal. It is also understood and agreed that a breach of the insuring conditions by the customer, or any other person, shall not invalidate the insurance to Lender.

PLEASE FORWARD A COPY OF THE POLICY, ENDORSEMENT, OR CERTIFICATE EVIDENCING COVERAGE TO DLL FINANCE LLC, P.O. BOX 3000, JOHNSTON, IA 50131-0300. FAX (515) 334-5831, CALL (800) 863-3660 OR EMAIL DSMinsurance@DLLgroup.com.

PLEASE ATTACH A COPY OF THIS NOTICE TO THE PROOF OF INSURANCE.

ACKNOWLEDGEMENT OF CUSTOMER: I acknowledge that copies of this document sent to Lender are for informational purposes only. I am responsible for notifying my agent of my obligation to obtain physical damage insurance.

I understand I am responsible for insurance coverage for personal liability or property damage caused to others.

PLEASE BE SURE TO COMPLETE THE INFORMATION BELOW

 _____
Insurance Agency/Agent's Name

 _____
Agent's E-Mail Address

 _____
Mailing Address / PO Box

 _____  _____
Agent's Phone Number Agent's Fax Number

 _____  _____  _____
City State Zip Code



AUTHORIZATION FOR AUTOMATIC PAYMENTS (ACH DEBIT) AND PAPERLESS INVOICING

Please follow the simple instructions in this form to set up Automatic Payment, Paperless Invoicing, or both. Ensure you complete both the "Automatic Withdrawal" and "Paperless Invoicing" sections to take advantage of both time-saving features. Please call Customer Service at (800) 873-2474 if you have any questions.

You can fill out and submit this form online and avoid the need for a voided check by visiting <http://bit.ly/dllach2>

Contract Number (If Known):

Customer Name: CITY OF OWATONNA, MN
 Customer Address: 540 W HILLS CIR, OWATONNA, MN 55060-4701
 Customer Phone Number: 507-444-4350

Automatic Payments

Bank Account Holder(s):

Bank Name:

Bank Address/Branch Location:

ABA Routing Number:

Account Number:

Sample Check:

Your information

Pay to the order of

Dollars

987456123

00012345678

1234

ABA Routing No.

Bank Acct. No.

Check No.

This is a ☐ checking account*

☐ savings account**

*If a Checking account is identified above, **please send a copy of a voided check.**

If a Savings account is identified above, **please send your bank's routing number and your savings account number on bank letterhead.

Authorization: By signing below, I (we) hereby authorize DLL FINANCE LLC ("Originator") (whether acting alone or through its servicer or any agent on its behalf) to initiate withdrawals from my (our) account provided above for amounts then due under my agreements with Originator in the frequency (i.e., monthly, quarterly, etc.) as specified in my (our) agreements with Originator. I (we) understand paper invoices may be discontinued. This authorization will remain in full force and effect until the agreements are paid in full or this authorization is canceled by written notice from me (or either of us) to Originator.

Bank Account Holder

Signature:

Print Name:

Print Title (if applicable):

Signature:

Print Name:

Print Title (if applicable):

Date:

Date:

Paperless Invoicing

Customer Email Address:

Authorization: By signing below, I hereby authorize DLL FINANCE LLC to email a PDF version of my invoices to me at the email address I provided above (whether acting alone or through its servicer or any agent on its behalf) when the invoice is generated. I acknowledge that paper invoices may be discontinued. This authorization will remain in full force and effect until the agreements are paid in full or this authorization is canceled by my written notice. Following receipt of your Paperless Invoicing form, our Customer Service Team will send you a confirmation letter and instructions to ensure your invoices will be received in your inbox.

Customer Signature:

Print Name:

Print Title (if applicable):

Date:



Did you sign next to the red arrows?

Please send this completed and signed form to our Customer Service team by mail, email or fax to:

Mail:	Email:	Questions? Call us:
P.O. BOX 2000 ATTN: ITR JOHNSTON, IA 50131	postbookingrequests@dllgroup.com	(800) 873-2474

Certificate of Exemption

Purchaser: Complete this certificate and **give it to the seller.**

Seller: If this certificate is not completed, you must charge sales tax. Keep this certificate as part of your records.

This is a blanket certificate, unless one of the boxes below is checked. This certificate remains in force as long as the purchaser continues making purchases or until otherwise cancelled by the purchaser.

☐ Check if this certificate is for a single purchase and enter the related invoice/purchase order # _____.

☐ If you are a contractor and have a purchasing agent agreement with an exempt organization, check the box to make purchases for a specific job. Enter the exempt entity name and specific project:

Exempt entity name _____ Project description _____

Name of Purchaser _____

Business Address _____

City _____

State _____

ZIP code _____

Purchaser's Tax ID Number _____

State of Issue _____

If no tax ID number,
Enter one of the following:

FEIN _____

Driver's license number/State issued ID number _____

State of Issue _____

Number _____

Name of seller from whom you are purchasing, leasing, or renting

DLL FINANCE LLC

Seller's Address _____

P.O. BOX 2000

City _____

JOHNSTON

State _____

IA

ZIP code _____

50131

Type of Business

- | | |
|--|--|
| ☐ 01 Accommodation and food services | ☐ 11 Transportation and warehousing |
| ☐ 02 Agricultural, forestry, fishing, hunting | ☐ 12 Utilities |
| ☐ 03 Construction | ☐ 13 Wholesale trade |
| ☐ 04 Finance and insurance | ☐ 14 Business services |
| ☐ 05 Information, publishing and communications | ☐ 15 Professional services |
| ☐ 06 Manufacturing | ☐ 16 Education and health-care services |
| ☐ 07 Mining | ☐ 17 Nonprofit organization |
| ☐ 08 Real estate | ☐ 18 Government |
| ☐ 09 Rental and leasing | ☐ 19 Not a business (explain) _____ |
| ☐ 10 Retail trade | ☐ 20 Other (explain) _____ |

Reason for Exemption

- | | |
|---|--|
| ☐ A Federal government (department) _____ | ☐ J Agricultural production |
| ☐ B Specific government exemption (from list on back) | ☐ K Industrial production/manufacturing |
| _____ | ☐ L Direct pay authorization |
| ☐ C Tribal government (name) _____ | ☐ M Multiple points of use (services, digital goods, or computer software delivered electronically) |
| ☐ D Foreign diplomat # _____ | ☐ N Direct mail |
| ☐ E Charitable organization # _____ | ☐ O Other (enter number from back page) _____ |
| ☐ F Educational organization # _____ | ☐ P Percentage exemption |
| ☐ G Religious organization # _____ | ☐ Advertising (enter percentage) _____% |
| ☐ H Resale | ☐ Utilities (enter percentage) _____% |
| ☐ I Qualifying capital equipment (see instructions when equipment claimed is part of a construction project) | ☐ Electricity (enter percentage) _____% |

I declare that the information on this certificate is correct and complete to the best of my knowledge and belief. (PENALTY: If you try to evade paying sales tax by using an exemption certificate for items or services that will be used for purposes other than those being claimed, you may be fined \$100 under Minnesota law for each transaction for which the certificate is used.)

Signature of Authorized Purchaser _____

Print Name Here _____

Title _____

Date _____



June 28, 2023

CITY OF OWATONNA, MN
540 W HILLS CIR
OWATONNA, MN 55060

I have enclosed the Lease documentation for the equipment being supplied by CLUB CAR MINNESOTA. After having the documents signed, please fax or email them back to me at 515-334-7897 or golf@dllgroup.com.

Please have an **Authorized Signor (CFO, COO, Mayor, Commissioner, Executive Director, Council President, City/County Manager, City/County Administrator)** sign and date the following:

- **Lease Agreement**
- **Equipment Schedule**
- **Maintenance Agreement**
- **Property Tax Acknowledgment**
- **Delivery and Acceptance Certificate**
 - May be completed via fax, if equipment has not been delivered at time of document signing
- **Agreement to Provide Physical Damage Insurance**
- **ACH**
- **Sales Tax Exemption Certificate (and/or Tax Information Publication form for Florida lessees)**

If you have any questions, please feel free to contact me at 1-800-873-2474. Thank you for your business.

Sincerely,

MATT WILLIAMSON
Account Manager – Golf, Turf & Recreational Products

LEASE AGREEMENT (Golf Equipment – Municipal Entities)

Lessee's Budget Year Ends in the Month of:	Lease Agreement Number:
--	-------------------------

TO OUR VALUED CUSTOMER: This Lease Agreement (this "Lease") has been written in "Plain English." The words "You" and "Your" are used in this Lease to mean the Lessee identified below. The words "We," "Us" and "Our" are used in this Lease to mean the Lessor who is DLL Finance LLC, 8001 Birchwood Court, P.O. Box 2000, Johnston, IA 50131 and any of our affiliates, subsidiaries, successors and assigns.

LESSEE	Full Legal Name: CITY OF OWATONNA, MN			
	Mailing Address 540 W HILLS CIR	City OWATONNA	State MN	Zip 55060

SUPPLIER	Name:	CLUB CAR MINNESOTA
	Address:	2505 KENNEDY STREET NE MINNEAPOLIS, MN 55413
	Phone:	952-829-5700

TERM AND LEASE PAYMENT SCHEDULE

You agree to the following terms:

TERM

The Initial Term ("Term") shall be 42 months from the Commencement Date.

Commencing on: ☒ 04/01/2024 OR ☐ the 1st day of the month immediately following Borrower's signature on the Delivery and Acceptance Certificate and Lender's receipt thereof (the "Commencement Date").

PAYMENT

The aggregate sum due under this Lease includes lease payments and other amounts required to be paid under this Lease (each payment shall be referred to as a "Payment" and collectively as "the Payments") and shall be payable as follows:

The lease payment shall be as follows (the "Lease Payment"):

The first scheduled payment will be due on: ☒ 04/01/2024 OR ☐ the Commencement Date.

Each payment thereafter will be due:

☒ on the 1st day of the month or ☐ as indicated below.

Number of Payments: 24	Payment Amount: \$952.28	Payment Frequency: ☐ Monthly ☒ Quarterly; or On the following day(s) The 1st day of each month as follows: April, May, June, July, August, September
Use tax per Payment (estimated): 0.00	Total Payment Amount with Sales/ Use Taxes (estimated): \$952.28	
Security Deposit: 0.00		

TAXES

Sales/use tax has been estimated above to provide an approximation of the taxes and total Payment amount. The actual sales and use tax may vary and may be, depending on state law, collected at the time this Lease is entered into or added to each Payment on the terms of this Lease. **Property tax will be billed annually and is due on invoice.** If the use tax payment box above is empty or indicates \$0, we anticipate receiving a valid exemption certificate. If such certificate is not received, Sales or use tax may be billed to you and/or added to the Payments.

PAYMENTS. You agree to make all Payments due under this Lease to Us at P.O. Box 14535, Des Moines, IA 50306 or at such other address as We may designate from time to time. Your Payments shall constitute a current expense and do not constitute a mandatory payment obligation of You in any fiscal year beyond Your current fiscal year. Your obligations hereunder shall not be construed to be a debt in contravention of any applicable constitutional or statutory limitation or requirement concerning the creation of indebtedness by You, nor shall anything contained herein constitute a pledge of Your general credit, tax revenues, funds, or moneys.

INSURANCE & TAXES. You are required to provide and maintain insurance related to the Equipment (defined below) and other items described in this Lease and to pay any property, use, sales, excise, and other taxes related to this Lease or any Equipment and to pay all license and registration fees assessed against this Lease or any Equipment. You agree to furnish Us with satisfactory evidence of Your tax exemption.

DELINQUENT PAYMENTS AND RETURNED CHECK CHARGE. Each Payment past due more than 10 days shall be subject to a late charge accrued at a rate equal to 1.75% per month from the due date until paid or \$1, whichever is greater, but in no event shall any late charge exceed the maximum amount allowed by law. If any check or payment is returned or rejected for insufficient funds or any other reason, You shall pay to Us a fee of \$25.00 or such other amount established by Us from time to time not to exceed the maximum amount permitted under applicable law. In Our discretion, such amount shall be paid on demand or added to the next Payment and You agree to pay such increased Payment amount.

TERMS AND CONDITIONS

1. Lease. We agree to lease to You and you agree to lease from Us, the equipment listed on the Equipment Schedule attached hereto and incorporated herein by reference, including all replacement parts, repairs, additions and accessories (the "Equipment") on the terms and conditions of this Lease and all exhibits, schedules and amendments hereto.

2. Term. Provided this Lease has been accepted and executed by both parties, this Lease shall become effective upon the Commencement Date and shall remain effective for an original term (the "Original Term") ending at the end of Your budget year in effect on the Commencement Date and shall be continued by You for additional one-year terms (each, a "Renewal Term") coinciding with Your budget year up to the total number of months indicated above as the Full Lease Term; *provided, however*, that at the end of the

Original Term and at the end of each Renewal Term, You shall be deemed to have continued this Lease for the next Renewal Term unless You shall have terminated this Lease pursuant to Section 3. Payments under this Lease shall be due as set forth on the Payment Schedule until the balance of the Payments and any additional Payments or expenses chargeable to You are paid in full. Payment amounts and other amounts required to be paid under this Lease shall be referred to in this lease as "Payments." Unless otherwise indicated in the Payment schedule provided above, the first Payment under this Lease is due when this Lease is signed by You and the remaining Payments will be due on the first day of each subsequent month through the expiration of the Term. You agree to pay Us the amount of all search fees, filing fees and administration fees specified in this Lease at the time this Lease is executed and, in any event, upon demand

by Us, and to reimburse Us for the amount of all search and filing fees incurred by Us in connection with this Lease upon demand by Us. EXCEPT AS PROVIDED IN SECTION 3, THIS LEASE IS NON-CANCELABLE AND YOUR OBLIGATION TO PAY IN FULL THE PAYMENTS AND ANY OTHER AMOUNT DUE HEREUNDER IS ABSOLUTE, IRREVOCABLE AND UNCONDITIONAL AND IS NOT SUBJECT TO AND SHALL NOT BE AFFECTED BY ANY ABATEMENT, SET-OFF, DISPUTE, CLAIM, COUNTERCLAIM, DEDUCTION, DEFENSE OR OTHER RIGHT WHICH YOU MAY HAVE OR ASSERT AGAINST ANY SUPPLIER, DEALER, VENDOR OR MANUFACTURER OF THE EQUIPMENT OR ANY OTHER PARTY FOR ANY REASON WHATSOEVER, ALL OF WHICH YOU HEREBY EXPRESSLY WAIVE AS AGAINST US. YOU AGREE NOT TO ASSERT AGAINST US ANY CLAIMS OR DEFENSES YOU MAY HAVE WITH RESPECT TO ANY EQUIPMENT. In no case shall We be liable for any special, incidental or consequential damages based upon any legal theory, including, but not limited to, loss of profits, loss of use of the Equipment, the claims of third parties or damage to the Equipment.

3. Non-Appropriation of Funds. Notwithstanding anything to the contrary contained herein, You warrant that You have funds available to pay all Payments that are to be paid hereunder through the end of Your current appropriation period. If Your legislative body or other funding authority does not appropriate funds for Payments for any subsequent appropriation period and You do not otherwise have funds available to lawfully pay the Payments (a "Non Appropriation Event"), You may, subject to the conditions herein and upon prior written notice to Us (the "Non-Appropriation Notice"), effective the later of (a) 60 days after such Non-Appropriation Notice, or (b) the end of Your then-current appropriation period (the "Non-Appropriation Date"), terminate this Lease and be released of Your obligation to make all Payments coming due after the Non-Appropriation Date. As a condition to exercising its rights under this Section, You shall (a) provide with the Non-Appropriation Notice a sworn affidavit of a responsible official that a Non-Appropriation Event has occurred and that You have attempted to obtain funding, in good faith, from all available funding sources, but those efforts have failed to obtain funding for the Payments, (b) return the Equipment on or before the Non-Appropriation Date to Us or a location designated by Us, in the condition required by, and in accordance with the return provisions of, this Lease, at Your expense, and (c) pay Us all sums payable to Us under this Lease up to the Non-Appropriation Date. In the event of any Non-Appropriation Event, We shall retain all sums paid hereunder or under the Lease, including the security deposit, if any, specified in this Lease. Termination pursuant to this Section shall not constitute a Default under this Lease; provided that the Parties agree that this Section is not intended to permit You to terminate this Lease at will or for convenience.

4. Delivery and Acceptance; DISCLAIMER OF WARRANTIES. You agree to accept each item of Equipment in its as-is condition when delivered and, if requested by Us, to execute the Delivery and Acceptance Certificate supplied by Us as evidence thereof. **YOU ACKNOWLEDGE THAT WE MAKE NO WARRANTY, EITHER EXPRESS OR IMPLIED WITH RESPECT TO ANY EQUIPMENT, INCLUDING WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.** You also agree that neither the manufacturer nor the supplier of the Equipment is an agent of Ours. If the Equipment is covered by a manufacturer's warranty, such warranty shall be extended to You if automatically assignable. You agree that there shall be no abatement of any Payment obligation because of unavailability of the Equipment during periods of its warranted or non-warranted repair. You agree to hold Us harmless from specific performance of this Lease and from damages, if, for any reason, the supplier, manufacturer, vendor or any other party fails to deliver, or delays in delivery of, the Equipment so ordered or if the Equipment is unsatisfactory for any reason whatsoever. You agree that any delay in delivery of or defect in the Equipment shall not affect the validity of this Lease or the obligation to make Payments hereunder. Your execution of a Delivery and Acceptance Certificate in the form attached hereto shall conclusively establish that the Equipment covered thereby is acceptable to You for all purposes of this Lease.

5. Use, Maintenance and Return of Equipment. You agree that all Equipment is to be used for commercial purposes and that the Equipment will not be moved outside of the contiguous forty-eight states of the United States and to notify Us of each change in the place where the Equipment is located or used not more than twenty (20) days following each change in location. You further agree as follows: (a) to operate the Equipment in a careful manner; (b) to maintain the Equipment in good repair and repair any damage thereto; (c) restrict the Equipment's use to experienced and competent operators employed by You; (d) to use the Equipment only in the conduct of Your business; (e) properly house and store the Equipment when not in use; (f) not to rent or sub-lease the Equipment without Our prior written consent except as described in Section 17; (g) to not allow any lien, encumbrance or security interest (other than as created pursuant to this Lease, if any) attach to any Equipment; (h) to comply with all laws and regulations relating to the possession, operation and use of the Equipment; and (i) to pay all license and registration fees and all sales, use, excise, property and all other federal, state and local taxes assessable against this Lease and/or any Equipment, including without limitation, its use or operation and to reimburse Us, upon demand, as additional rent, the amount of any such taxes or costs paid by Us. Upon the expiration or termination of the Lease, You agree to make the Equipment available for pick up by Us at Your cost and expense and in the same condition as when delivered, ordinary wear and tear excepted, free of any lien, encumbrance or security interest claimed by any person. You will not in any event subject the Equipment to any abrasive, corrosive or abnormal working conditions or any environmentally hazardous substance (under any applicable federal, state or local law, rule or regulation) without Our prior written consent. You shall notify Us of any change in the state of Your location (as such term is defined in the Uniform Commercial Code) not more than twenty (20) days following each change. In addition to all other amounts payable hereunder, You hereby agree to pay to Us, upon demand, all charges for the late return of any Equipment, all charges incurred by Us to repair any excessive wear and tear to any Equipment (including but not limited to repair or replacement of engine, drive train, glass, metal work and trim, rips, tears, tires in an unsafe condition and any other unsafe or abnormal condition of the Equipment), plus an amount equal to the Rate Per Excess Hour multiplied by any units of use of any Equipment in excess of the Hours of Use During Lease Term shown on the Lease. You agree to be responsible for and to pay the entire cost of all necessary maintenance and repair of the Equipment. In maintaining and repairing any Equipment, You shall conform to the recommended practices and procedures of the manufacturer of the Equipment, and shall not, without Our approval, effect any modification or alteration of or to any

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Equipment. You shall comply with any mandatory or recommended product recalls issued by the manufacturer. All replacement parts and improvements incorporated into any Equipment shall become Our property. Should this Lease be terminated prior to the expiration of the Term, the applicable Hours of Use During Lease Term will be prorated by multiplying this unit total by the actual lease term in months divided by the Term in months and the Rate Per Excess Hour will apply to all units of use in excess of this prorated unit total. We may, at any reasonable time, access the premises where the Equipment is located so that We may inspect the Equipment's existence, location, installation, condition and/or maintenance.

6. Risk of Use, Damage and Destruction. You assume all risk arising from the possession and operation of the Equipment and agree to defend and indemnify Us and hold Us harmless from all claims, demands, damages and losses, including reasonable attorneys' fees and expenses, arising therefrom. In the event of the theft, destruction or other total loss with respect to any item of Equipment (each item of Equipment singularly referred to herein as the "machine") during the Term or any extension thereof, You shall provide Us prompt written notice. In the event of damage thereto from any cause which in Our judgment cannot be economically repaired, or in the event of the loss of the machine, its theft, or removal from Your possession by the operation of law or otherwise, then, but only with respect to that machine, this Lease shall terminate and You shall immediately pay to Us, only with respect to that machine, the sum of all past due and future Payments for the then-current Term and interest thereon, Taxes, fees and charges to be made but not yet due under the terms of this Lease for the then-current Term, plus the residual value associated with such machine, all as indicated in Our books and records. In the event the Lease covers two or more items of equipment, the Payment allocation shall be based on the pro-rata relationship of the Minimum Equipment Insurance Amount Required, as shown in this Lease, to the total Payments. The Payments due under this Lease on the remaining items of equipment following such termination shall be reduced by the unpaid balance of the Payments allocable to the lost piece of equipment as set forth above. The amount of any insurance proceeds received by Us because of such destruction or event, and the amount received by Us upon the disposition of the machine should it be recovered, shall be deducted (i) first, from the residual value of such machine as indicated in Our books and records (the "Residual Value"), and (ii) second, from the Payments, any excess amount over the Residual Value. In the event of damage to any machine, which damage in Our judgment can be economically repaired, then this Lease shall not be terminated with respect to the machine, but rather the machine shall be restored to its original condition by You, at Your expense. We shall apply the amount of any insurance proceeds received by Us because of such damage first to the repair of the machine and any excess amount of insurance proceeds shall be credited to the Payments.

7. Insurance. You shall purchase and maintain, at Your expense: (a) standard all risk type property damage insurance (covering theft, destruction and/or damage) for the Equipment's full replacement value and in no event less than the Minimum Equipment Insurance Amount Required (as indicated on the Equipment Schedule) with a maximum deductible equal to the greater of \$500.00 or five percent (5.0%) of the adjusted loss; (b) liability insurance in an amount of at least one million dollars (\$1,000,000) (five million dollars (\$5,000,000) if the Equipment or any single machine is deemed a "motor vehicle" under applicable law in the state where You are located) that protects You and Us against the risk of personal injury and physical damage (to property other than the Equipment itself) arising out of or resulting from or because of the operation of the Equipment; and (c) workers' compensation coverage as required by the laws of the state in which You are located. All insurance required herein must be in a form and from an insurer satisfactory to Us and You shall keep such insurance in effect during the Full Lease Term. Evidence of all such insurance shall be provided to Us and such insurance shall provide Us with 10 days advance notice of modification or cancellation and name Us as loss payee. If such insurance is modified, cancelled or allowed to lapse, We may (but shall not be obligated to) purchase or otherwise provide such insurance from an insurer of Our choice, which may be an affiliate of Ours. The costs, limits, terms, conditions and coverage of such replacement insurance, if any, may vary from any previous coverage. We may add the costs of acquiring and maintaining such insurance and Our fees for Our services in placing and maintaining such insurance (collectively "Insurance Charge") to the Payments and You agree to pay such amount, together with interest thereon at a rate per month of 1.75% from the date such insurance was purchased or provided by Us until paid. You agree that such Insurance Charge and additional amounts and the interest thereon shall, as specified by Us, either be paid on demand or be added to the Payments and You promise to pay the resulting increase in the Payments and agree that We may make a profit. We shall have no responsibility to You for the cost or appropriateness of the premium for any insurance, the creditworthiness of any insurance company, the rebate or refund of any insurance premium to which You may be entitled or any other matter relating to any insurance even if any insurance was provided through a group policy arranged by Us. Nothing in this Lease will create an insurance relationship of any type between Us and/or any person or party. **Insurance coverage for personal liability or physical damage caused to the property of others is not provided.**

8. UCC Filings; Article 2A Provisions; Finance Lease Status. We are the owner of and will hold title to the Equipment under this Lease. Although the Equipment may become attached to real estate, it is and will remain personal property and will not become a fixture. If this Lease is deemed to be a security agreement, You grant us a security interest in the Equipment, whether categorized as inventory, goods or otherwise, under the Uniform Commercial Code ("UCC"), as collateral to secure payment of all of Your present and future obligations owed to Us including without limitation, Your Payments and We shall be entitled to all rights of a secured party under the applicable UCC with respect thereto. You authorize Us to prepare and file against You a financing statement describing the Equipment. You hereby authorize, ratify and approve any financing statement covering Equipment filed by Us on or prior to the date hereof. The parties intend this Lease to be a true lease and the filing of a financing statement shall not be construed as evidence to the contrary. You agree Article 2A- Leases of the UCC applies to this Lease, and this Lease will be considered a "Finance Lease" as that term is defined in Article 2A. By signing this Lease, You acknowledge and agree that the Supplier identified in the Lease is the supplier (as that term is defined in Article 2A of the UCC) of the Equipment and that You Have been informed that You are entitled to the promises and warranties provided by the manufacturer, dealer, vendor or other person supplying the Equipment in connection with the contract by which We acquired the Equipment (the "Supply Contract") and that You may contact the manufacturer, supplier,

dealer or vendor of the Equipment for a description of any rights or warranties that You may be entitled to under the Supply Contract. With respect to this Lease, TO THE EXTENT PERMITTED BY APPLICABLE LAW, YOU WAIVE ANY AND ALL RIGHTS AND REMEDIES CONFERRED UPON A LESSEE BY UCC ARTICLE 2A, including without limitation, Section 2A-508 through 2A-522 of the UCC. You also represent that all trade-in property is free and clear of all security interests, liens and encumbrances.

9. Assignment / Sub-Lease. You may not assign this Lease or any of Your rights hereunder, nor may You sell, transfer, sublease, rent or lend any Equipment or permit it to be used by anyone other than Your employees without Our prior written consent except as described in section 18. We may assign this Lease without notice or consent and the assignee shall succeed to all of Our rights. Any such assignee shall have all of Our rights, remedies, powers and privileges under this Lease, but shall have none of Our obligations.

10. Default. Each of the following is a "Default" under this Lease: (a) You fail to pay any Payment or any other payment obligation when due under this Lease; (b) You do not perform any of Your other obligations under this Lease or in any other agreement with Us or with any of Our affiliates; (c) any representation or warranty made by You proves to be incorrect in any material respect when made; (d) You become insolvent, or are generally unable to pay Your debts when due, You dissolve or are dissolved, or You assign Your assets for the benefit of Your creditors, You seek appointment of a receiver, custodian or other similar official for You or for Your assets, or You commence or have commenced against You any action for relief under any bankruptcy, insolvency or reorganization laws; (e) You sell all or substantially all of Your assets or property, (f) You shall or shall attempt to abandon, remove, sell, encumber, rent or sublet any item of Equipment except as described in section 18; (g) You shall suffer a material adverse change in Your financial condition or operations; (h) You shall cause or suffer to exist any sale or transfer of any interest which would result in a change in majority ownership of You; (i) You shall amalgamate, merge or consolidate with another entity without Our consent; (j) any guarantor of Your obligations under this Lease dies, does not perform such guarantor's obligations under the guaranty, or becomes subject to one of the events listed in clause (d), (e), (f), (g), (h) or (i) above; or (k) any letter of credit required under this Lease is breached, canceled, accelerated, terminated or not renewed for any reason.

11. Remedies. In the event of a Default or an event which, with the passage of time, would constitute a Default hereunder, We may, at Our option: (a) cancel or terminate this Lease or any or all other agreements that We have entered into with You; (b) declare the entire unpaid balance of all Payments immediately due and payable without notice or demand and require You to immediately pay Us, as compensation for loss of Our bargain and not as a penalty, a sum equal to (i) all past due and future Payments and interest thereon for the then-current Term, (ii) Taxes, fees and charges to be made but not yet due under the terms of this Lease for the then-current Term, and (iii) the Residual Value of the Equipment; (c) require You to deliver the Equipment to Us; (d) peacefully repossess the Equipment without court order and You will not make any claims against Us or our agents for damages or trespass or any other reason; (e) appoint a receiver/manager; (f) charge You interest on all monies due to Us at the rate of 1.75% per month from the due date thereof until paid but in no event more than the maximum rate permitted by law; (g) advise any or all account parties and any of Your renters, lessees and borrowers of the Equipment to make all rental, lease and loan payments to Us and/or direct them to return the Equipment to Us upon the expiration of the rental, lease or loan term; and (h) exercise any other right or remedy available at law or in equity. **You agree to pay all of Our costs and expenses, including, without limitation, reasonable attorney's fees and expenses and collection agency fees and expenses, of enforcing Our rights against You, for the recovery or repossession of Equipment and in the collection of Your obligations to Us under this Lease.** If We take possession of any Equipment, We may sell, re-lease or otherwise dispose of it with or without notice, at a public or private sale, on Your premises or elsewhere and apply the net proceeds (after We have deducted all costs related to the sale or disposition of the Equipment) (i) first, to the Residual Value; (ii) second, to Payments, Taxes, fees and charges that would have become due in the course of the Full Lease Term; and (iii) to the amounts that You owe Us. You agree that if notice of sale is required by law to be given, 10 days' notice shall constitute reasonable notice. You will remain responsible for any amounts that remain due after We have applied such net proceeds. If You fail to deliver the Equipment upon demand by Us or fail to return the Equipment in a timely manner, as determined by Us, upon the termination or expiration of this Lease or upon Default and We do not recover the Equipment, then You shall be additionally liable to Us for the fair market value of the Equipment at the time of termination or expiration of this Lease or at the time of Default, whichever is earlier. The remedies provided by this Lease in favor of Us shall not be deemed exclusive, but shall be cumulative and in addition to all other remedies in Our favor existing at law or equity or by statute or otherwise, and may be enforced concurrently or separately. No failure or delay on Our part in exercising any right or remedy shall operate as a waiver thereof or modify the terms of this Lease. A waiver of default shall not be a waiver of any other or subsequent default. Our recovery hereunder shall not exceed the maximum recovery permitted by law.

12. Renewal. Unless this Lease is earlier terminated pursuant to Section 3, You must give Us at least 60 (but not more than 180 unless waived by Us in Our sole discretion) days written notice before the end of the Full Lease Term that You will return the Equipment to Us. Until You give Us such written notice: **(a) the Lease will automatically renew on a month-to-month basis (each a "Renewal Month Term") until You provide Us 60 days prior written notice that You will return the Equipment to Us (in which case the Lease will renew for two additional Renewal Month Terms), each Renewal Month Term will commence immediately upon the expiration of the then current term and (b) the terms of the Lease, including without limitation the amount of the Payment, will continue to apply and (c) Your security deposit, if any, will continue to be held to secure Your performance during the Renewal Month Term.**

13. Indemnification. You are responsible for any losses, damages, penalties, claims, suits and actions, including, without limitation, court costs and attorney's fees and expenses, (collectively "Claims"), whether based on a theory of strict liability or otherwise caused by or related to (a) the manufacture, installation, ownership, operation, use, lease, possession or delivery of the Equipment, (b) any defects in the Equipment or (c) this Lease (and any supplements and amendments hereof). To the maximum extent permitted by applicable law, You agree to reimburse Us for and, if We request, to defend Us against any Claims. This indemnification will continue even after the termination of this Lease or full payment of all obligations owed by You hereunder.

14. Representations, Warranties and Covenants. You represent, warrant and covenant as follows: (a) You are a municipal corporation and political subdivision duly organized and existing under the constitution and laws of the state in which You are located; (b) You are authorized under the constitution and laws of said state to enter into this Lease and the transaction contemplated hereby and to perform all of Your obligations hereunder; (c) You have been duly authorized to execute and deliver this Lease by proper action and approval of Your governing body at a meeting duly called, regularly convened and attended throughout by requisite majority of the members thereof or by other appropriate official approval; (d) this Lease constitutes Your legal, valid and binding obligation enforceable in accordance with its terms, except to the extent limited by applicable bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally; (e) no event or condition that constitutes, or with the giving of notice or the lapse of time or both would constitute, a Default exists at the Commencement Date; (f) You have in accordance with the requirements of lawfully budgeted and appropriated sufficient funds for the current fiscal year to make the Payments scheduled to come due during the Original Term and to meet Your other obligations for the Original Term and such funds have not been extended for other purposes; (g) You will do or cause to be done all things necessary to preserve and keep in full force and effect Your existence as a corporate and body politic; (h) You have complied with such public bidding requirements as may be applicable to this Lease and Your acquisition of the Equipment hereunder; (i) there is no action suit, proceeding inquiry or investigation, at law or in equity, before or by any court, public board or body, pending or threatened against or affecting You or this Lease, nor to the best of Your knowledge is there any basis therefore wherein an unfavorable decision ruling or finding would materially adversely affect the transactions contemplated by this Lease or any other document, agreement or certificate which is used or contemplated for use in the consummation of the transactions contemplated by this Lease or materially adversely affect Your financial condition or properties; (j) You have obtained all authorizations, consents and approvals of governmental bodies or agencies required in connection with the execution and delivery of this Lease or in connection with the performance of Your obligations hereunder; (k) the entering into and performance of this Lease or any other document or agreement contemplated hereby to which the You are or are to be a party will not violate any judgment, order, law or regulation applicable to You or result in any breach of, or constitute a default under, or result in the creation of any lien, charge, security interest of other encumbrance on any of Your assets or the Equipment pursuant to any indenture, mortgage, deed of trust, bank loan or credit agreement or other instrument to which You are a party or by which You or Your assets maybe be bound, except as herein provided; (l) the Equipment described in this Lease is essential to Your function or to the services You provide to Your citizens, You have an immediate need for, and expect to make immediate use of, substantially all of the Equipment, which need is not temporary or expected to diminish in the foreseeable future and the Equipment will be used by You only for the purpose of performing one or more of Your governmental or proprietary functions consistent with the permissible scope of Your authority and will not be used in the trade or business of any other entity or person; (m) You have never failed to appropriate or otherwise make available funds sufficient to pay rental or other payments coming due under any lease purchase, installment sale or other similar agreement. Your representations, warranties and covenants shall survive beyond the Full Lease Term and the termination of this Lease.

15. Choice of Law and Jurisdiction; Waiver of Jury Trial. The law of the state of Your address shown on the front page hereof shall govern all matters relating to this Lease. This Lease shall not be enforceable by You until signed by Us in our Johnston, Iowa offices. **To the extent permitted by applicable law, You also waive Your right to a trial by jury.**

16. Waivers. You acknowledge receipt of an executed copy of this Lease. Where permitted by law, You waive Your right to receive a copy of any financing statement, financing change statement, verification statement or other similar instrument filed or issued at any time in respect of this Lease or any amendment hereof. To the extent permitted by law, You, being fully aware of the rights and benefits afforded to You by statute, hereby waive the benefits of all provisions of any applicable statute, including, without limitation, any statute relating to leases, conditional sales, or regulatory credit, and of any regulations made thereunder in any and all states of the United States, which would, in any manner, affect, restrict or limit Our rights hereunder. You also waive and assign to Us the right of any statutory exemption from execution or otherwise and further waive any rights to demand security for costs in the event of litigation.

17. TAX TREATMENTS AND INDEMNIFICATION. Unless otherwise provided, this Lease is entered into on the assumption that We are the owner of the Equipment for income tax purposes and are entitled to certain federal and state tax benefits available to an owner of the equipment (collectively "Tax Benefits"), including without limitation, accelerated cost recovery deductions and deductions for interest incurred by the Lessor to finance the purchase of the Equipment, available under the Internal Revenue Code of 1986, as amended (the "Code"). You represent, warrant, and covenant to Us that (a) the Equipment will be used for a governmental or proprietary purpose; (b) You are a tax-exempt entity (as defined in Section 168(h) of the Code); (c) You will use all Equipment solely within the United States; and (d) You will take no position inconsistent with the assumption that We are the owner of the Equipment for any tax purposes. You and Us contemplate that the Equipment will be exempt from all Taxes. If, however, because of any of Your acts or omissions or any party acting through You, or the breach or inaccuracy of any representation, warranty or covenant made by You, We reasonably determine that we cannot claim, are not allowed to claim, or that we may lose or must recapture any or all of the Tax Benefits otherwise available with respect to the Equipment subject to any Lease (a "Tax Loss"), then You will, promptly upon demand, pay to Us an amount sufficient to provide Us the same after-tax rate of return and aggregate after-tax cash flow through the end of the term of such Lease then in effect that We would have realized but for such Tax Loss.

You will be responsible for as and when due and shall indemnify and hold Us harmless from and against all present and future taxes and other governmental charges, including, without limitation, those for sales, use, leasing and stamp taxes, license and registration fees, and amounts in lieu of such taxes and charges plus any penalties or interest on any of the above, (all of the foregoing are collectively the "Taxes"), imposed, levied upon, assessed in connection with, or as a result of the purchase, ownership, delivery, leasing, possession or use of the Equipment, or based upon or measured by the Payments or receipts with respect to this Lease. If You do not pay any of the Taxes, We have the right, but not the obligation, to pay them on Your behalf. You will not, however, be obligated to

pay any taxes on or measured by Our net income. You authorize Us to add to the amount of each Payment any Taxes that may be imposed on or measured by such Payment. We do not have to contest any Taxes, fines or penalties. We will file all personal property, use or other Tax returns as required by law under this Lease. In such case, You will pay to Us on demand, as an additional Payment, the amount of the personal property tax We are required to pay. You agree to reimburse Us with the next Payment for any Taxes We pay, plus a fee to Us for collecting and administering any Taxes and remitting them to the appropriate authorities on which we may make a profit and interest thereon at the highest legal rate allowed, from the date due until fully paid. If You do not pay this reimbursement with the next Payment You agree to pay Us interest on those amounts at the highest legal rate allowed from the due date until paid in full. **We make no recommendation, representation or warranty as to the treatment of this Lease for tax or accounting purposes.** You acknowledge that You have consulted with Your tax and accounting advisors concerning the appropriate tax and accounting treatment of this Lease and have not relied on advice from Us; and You hold Us harmless for any adverse consequences resulting from Your tax and accounting treatment of this Lease.

18. Golf Cars. If the Equipment includes golf cars, with respect to the golf cars only, notwithstanding the limitations in Section 5, 9 and 10 You may rent the golf cars on a daily or per-round basis to Your patrons, in the ordinary course of Your business. To the extent You complete an exemption certificate relative to personal property taxes on the golf cars, You agree to indemnify Us from and against any Claims related to the failure to pay personal property taxes based on such representation and You agree that you are responsible for remitting any and all required sales, use or other tax required as a result of the rental of the golf cars to patrons.

19. Financial and Credit Information; Communication Methods. You authorize Us to obtain credit bureau reports and make other credit inquiries that We determine are necessary and agree that without further notice We may use or request additional credit bureau reports to update Our information so long as You have any outstanding indebtedness or obligations owed to Us. You further agree to provide Us, promptly after request therefor by Us, such income statements, balance sheets and other financial statements and information and such federal and state income tax returns concerning You that We determine are necessary. Providing Your email address and/or telephone number in Your credit application or otherwise is Your acknowledgment that We may retain Your email address and/or telephone number for further communication with You. You agree to allow Us to conduct business with You using email or by calling You, regardless of the purpose of Our communication, which may include, without limitation, collections and notices under Your agreements with Us. We reserve the right to use the method of communication We deem best in interacting with You.

20. Facsimile. This Lease may be executed by a party and transmitted by facsimile or electronic mail. You agree that a copy of this Lease bearing Your signature which was transmitted by facsimile or printed from an electronic file shall be admissible in any legal proceeding as evidence of its contents and its execution by the parties in the same manner as an original document. You further agree not to object to the admissibility of such copy into evidence under the business records to the hearsay rule or the best evidence rule or otherwise and expressly waive any right to do so. The original or a facsimile or electronic copy of this Lease which bears both a signature of Us and You and Our original signature shall be deemed the execution original of this Lease for the purposes of taking possession of this Lease for all other purposes.

21. Miscellaneous. You agree the terms and conditions contained in this Lease constitute the final agreement between You and Us and is the exclusive expression of our agreement regarding the lease of the Equipment. All earlier and contemporaneous

negotiations and agreements between You and Us on the matters contained herein are expressly merged into and superseded by this Lease. Any modification or addition to the terms of this Lease must be in a written agreement identified as an amendment and signed by Us. **You agree, however, We are authorized, without notice to You, to insert in this Lease and/or the Equipment Schedule any serial number, model numbers and/or make of any item of Equipment, correct any errors in such information reflected in this Lease and/or the Equipment Schedule and correct any other patent errors or omissions in the description of any item of Equipment reflected in the Equipment Schedule, to supply information missing from this Lease or the Equipment Schedule and to correct any obvious errors in this Lease or in the Equipment Schedule.** Without limiting the foregoing, You agree we may insert the date and Number of this Lease after Your execution of the Lease. If We delay or fail to enforce any of Our rights under this Lease, We will still be entitled to enforce those rights at a later time and such rights shall not be waived. Any waiver by Us of any breach or default will not constitute a waiver by Us of any additional or subsequent breach of default nor shall it be a waiver of any of Our rights. Any waiver of a remedy, term or condition or change to the terms and conditions of this Lease must be in writing and signed by Us. All notices shall be given in writing by the party sending the notice and shall be effective when (a) deposited in the U.S. mail, with first class postage prepaid, or (b) sent by overnight courier of national reputation, in either case, addressed to the party receiving the notice at the address shown on the front of this Lease (or to any other address specified by that party in writing). All of Our rights and indemnities will survive the termination of this Lease. Our rights, privileges and indemnities, to the extent they are fairly attributable to events or conditions occurring or existing during the Term of this Lease, shall survive and be enforceable by Us and Our successors and assignees. Payments received may be applied at Our discretion to obligations hereunder or to any other indebtedness owed by You to Us despite directions, if any, appearing on the remittance or communicated to Us otherwise, and to late charges first and then to the amount owing. It is the express intent of the parties not to violate any applicable usury laws or to exceed the maximum amount of time price differential or interest, as applicable, permitted to be charged or collected by applicable law, and any such excess payment will be applied to Payments in inverse order of maturity, and any remaining excess will be refunded to You. If You do not perform any or all of Your obligations under this Lease, We have the right, but not the obligation, to take any action or pay any amounts We believe are necessary to protect Our interest. You agree to reimburse Us immediately upon Our demand for any such amounts We pay. In the event any provision of this Lease shall be determined by a court of competent jurisdiction to be invalid, illegal, or unenforceable, the parties hereto agree such provision shall be ineffective and the remaining provisions of this Lease shall remain in full force if the essential provisions of this Lease for each party remain valid, legal, and enforceable. Any provision of this Lease which is, for any reason, unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such unenforceability without invalidating the remaining provisions hereof. This Lease and Equipment Schedule shall be binding upon and inure to the benefit of the parties and their permitted successors and assigns. You shall promptly execute and deliver to Us such further documents and take such further action as We may request to more effectively carry out the intent and purpose of this Lease and the Equipment Schedule. Words importing the singular include the plural and vice versa and words importing gender include all genders. If more than one lessee has signed this Lease, each of You agree Your liability is joint and several. Restrictive or similar endorsements contained on or provided in connection with any Payment You make shall not be binding on Us. Time is of the essence under this Lease.

BY SIGNING THIS AGREEMENT: (I) YOU ACKNOWLEDGE THAT YOU HAVE READ AND UNDERSTAND THE TERMS AND CONDITIONS ON EACH PAGE OF THIS AGREEMENT (II) YOU AGREE THAT THIS IS A NET LEASE, THAT YOU CANNOT TERMINATE OR CANCEL, THAT YOU HAVE AN UNCONDITIONAL OBLIGATION TO MAKE ALL PAYMENTS DUE, AND YOU CANNOT WITHHOLD, SET OFF OR REDUCE ANY SUCH PAYMENTS FOR ANY REASON, INCLUDING, WITHOUT LIMITATION, FUNDAMENTAL BREACH, (III) YOU WARRANT THAT THE PERSON SIGNING THIS LEASE FOR YOU HAS THE AUTHORITY TO DO SO, (IV) YOU CONFIRM THAT YOU HAVE DECIDED TO ENTER INTO THIS LEASE RATHER THAN PURCHASE THE EQUIPMENT FOR THE TOTAL PURCHASE PRICE AND (V) YOU AGREE THAT THIS LEASE WILL BE GOVERNED BY THE LAWS OF THE STATE OF YOUR ADDRESS ON THE FRONT PAGE HEREOF AND YOU EXPRESSLY WAIVE ANY RIGHTS TO A TRIAL BY JURY.

IN WITNESS WHEREOF, the parties have executed this Lease effective as of the date set forth on the first page of this Lease.

LESSEE SIGNATURE	CITY OF OWATONNA, MN	LESSOR SIGNATURE	DLL Finance LLC, At: 8001 Birchwood Court, Johnston, IA 50131
	Lessee		
	Authorized Signature		Authorized Signature
	Print Name Title Date		Print Name & Title Date

Equipment Schedule

	New/ Used	Make and Model of Equipment	Serial Number	Minimum Equipment Insurance Amount Required	Hours at delivery	Hours during Lease Term	Rate per Excess Hour
	NEW	CLUB CAR CA500E ELEC UTILITY (QTY 2)		\$25,760.00	N/A	N/A	N/A

Note: Although the Equipment listed above may be described as “New”, that description does not mean it was necessarily manufactured in the current year.

I have reviewed and acknowledge and agree that the Equipment description above is accurate and complete.

LESSEE SIGNATURE	CITY OF OWATONNA, MN		
	Lessee		
	Authorized Signature		
	Print Name	Title	Date



MAINTENANCE AGREEMENT (Golf Cars)

Lease Case ID:	FA-339724	Lessor: DLL FINANCE LLC
Lessee:	CITY OF OWATONNA, MN	
Date:	06/28/2023	

This Maintenance Agreement (the "Agreement") relates to all Equipment, as defined in the Lease agreement between Lessee and DLL FINANCE LLC as further identified above (the "Lease Agreement") and each Lease entered into pursuant to the Lease Agreement. All capitalized terms shall have the meanings ascribed to them in the Lease Agreement. Lessee agrees as follows with respect to each item of Equipment which is required to be returned:

1. RETURN OF EQUIPMENT. Notwithstanding anything to the contrary contained in the Lease Agreement and/or the Lease and in addition to the terms and conditions contained therein and herein, Lessee shall, at Lessee's sole cost and expense, return all, but not less than all, of the Equipment described in each Lease to Lessor, or its designee immediately upon the expiration of the Term of the Lease pursuant to the terms and conditions contained in the Lease and with respect to each item of Equipment, as applicable, the following must be true:

- (A) All safety equipment must be in place and meet applicable federal, state and other governmental standards.
- (B) All windscreens, covers and guards must be in place with no sheet metal, plastic, or cowling damage.
- (C) All parts, pieces, components and optional equipment must be present, installed and operational. All accessories that accompanied the units and/or were subject to the Lease, including without limitation battery chargers, GPS equipment, diagnostic and tuning equipment shall be returned in proper order. Upon request of Lessor, all maintenance records and manuals related to the Equipment shall be provided by Lessee to Lessor.
- (D) All motors shall operate smoothly without overheating and shall have good bearings and bushings.
- (E) All electronic controls shall operate per manufacturer's specifications. Controls which bypass normal operations shall be repaired at Lessee's expense.
- (F) All electrical systems shall be able to provide electrical output as specified by the manufacturer.
- (G) All batteries shall be in good, safe operating condition with no dead cells or cracked cases. Batteries should hold a charge and provide adequate power to operate the equipment.
- (H) All Equipment shall have serviceable brakes and tires (retaining proper air pressure, and without repair patches) and the wheels shall not be dented and/or bent.
- (I) All oil and grease seals must contain lubrication in the manufacturers designed reservoir.
- (J) All Equipment must have a relatively clean appearance.
- (K) All Equipment shall be free from excessive wear necessitating major component repair or replacement caused by lack of recommended maintenance as detailed in customer operating/maintenance manual furnished with each item of equipment.
- (L) All Equipment shall be free from structural damages and/or bent frames.
- (M) All Equipment attachments, if any, must be in good condition.

2. RETURN PERFORMANCE. Each item of Equipment must be able to complete the following tests:

- (A) Operate normally in forward and reverse directions through all the speed ranges or gears.
- (B) Steer normally both right and left in both forward and reverse.
- (C) Have all functions and controls work in normal manner.
- (D) Be able to stop with its service brakes in a safe distance in both forward and reverse.
- (E) Operates without leaking any fluids.
- (F) Perform its designed functions in a satisfactory manner.

Notwithstanding the above, if the total cost of the repairs for all items of Equipment subject to a Lease is less than \$100, Lessor will not bill Lessee.

3 REPAIRS / REQUIRED PURCHASE. If, in the Lessor's sole judgment, any item of Equipment is damaged or does not meet the standards set forth above, or if Lessee fails to discharge its obligations set forth above with regard to any item of Equipment, Lessee shall pay to Lessor, immediately upon demand, at Lessor's election, (a) the amount which Lessor determines will be necessary to return the Equipment to its required condition and/or to replace missing, damaged or non-performing items or equipment, or (b) Payments due and to become due under the terms of the Lease, Taxes, fees and charges due and to become due under the terms of the Lease, plus the residual value as indicated in Lessor's books and records associated with such item of Equipment.

4. MISCELLANEOUS. Lessee agrees that a copy of this Agreement bearing a signature of Lessee which was transmitted by facsimile or printed from an electronic file shall be admissible in any legal proceeding as evidence of its contents and its execution by the parties in the same manner as an original document.

LESSEE	CITY OF OWATONNA, MN			LESSOR	Accepted by DLL FINANCE LLC in Johnston, Iowa		
	Signature				Signature		
	Print Name	Title	Date		Print Name	Title	Date

**LEASE AGREEMENT SUPPLEMENT –
PROPERTY TAX ACKNOWLEDGEMENT**

Name of Lessee:	CITY OF OWATONNA, MN (the “ Lessee ”)
Date of Lease Agreement:	06/28/2023 (the “ Lease ”)

In order to induce DLL Finance LLC (“Lessor”) to enter into the Lease pursuant to which the Equipment will be leased to Lessee, the undersigned represents the following:

- The Lessee acknowledges and understands that Lessor will file all personal property tax returns and Lessee shall reimburse Lessor for property taxes related to the Equipment.
- Property taxes will be billed annually to Lessee and are due on invoice. Lessee acknowledges that property taxes may be billed to Lessee after the Term of the Lease.
- If Lessee does not pay property taxes, Lessor has the right, but not the obligation, to pay them on Lessee’s behalf and add to the amount of such taxes to the Lease Payments.

All capitalized terms not otherwise defined herein shall have the same meanings as in the Agreement. Lessee agrees that Lessor’s emphasis of the provisions of the Agreement contained herein are for the convenience of the Lessee and shall not minimize or waive any remaining provisions of the Agreement, all of which remain in full force and effect. Lessor, its successors and assigns, and any counsel rendering an opinion on the tax-exempt status of the interest components of the Payments are entitled to rely on this acknowledgement. Lessee’s facsimile signature shall be considered binding as an original.

Dated this _____ day of _____, 2023.

LESSEE SIGNATURE	CITY OF OWATONNA, MN
	Lessee
	Authorized Signature
	Print Name Title Date

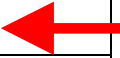
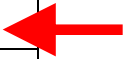


Delivery and Acceptance Certificate

	New/ Used	Make and Model of Equipment	Serial Number	Minimum Equipment Insurance Amount Required	Hours at delivery	Hours during Lease Term	Rate per Excess Hour
	NEW	CLUB CAR CA500E ELEC UTILITY (QTY 2)		\$25,760.00	N/A	N/A	N/A

The undersigned hereby certifies that Lessee has leased all items described in (the "Equipment") pursuant to the Lease Agreement between DLL Finance LLC ("Lessor") and the Lessee identified below and in the Lease Agreement No. _____ (the "Lease") and further certifies that:

- (i) the Equipment has been delivered to and has been received by Lessee;
- (ii) all installation or other work necessary prior to the use thereof has been completed;
- (iii) all Equipment has been examined by Lessee, is in good operating order and condition, and is in all respects satisfactory to Lessee;
- (iv) the Equipment is accepted by Lessee for all purposes under the Lease Agreement and the Lease.

LESSEE SIGNATURE	CITY OF OWATONNA, MN
	Lessee 
	Authorized Signature 
	Print Name Title Date

DLL FINANCE LLC
CUSTOMER AGREEMENT TO PROVIDE PHYSICAL DAMAGE INSURANCE

Date: 04/01/2024

Customer's Name CITY OF OWATONNA, MN

Address 540 W HILLS CIR City OWATONNA State MN ZIP 55060-4701

RE: Agreement dated 04/01/2024 with DLL FINANCE LLC, P.O. BOX 3000, JOHNSTON, IA 50131-0300

as Assignee, Lender, or Lessor (the "Lender").

I have entered into the above agreement under which I am responsible for providing insurance against ALL RISKS of direct physical loss or damage for the actual cash value of the equipment listed in the Agreement set forth above, subject to common exclusions such as damage caused by corrosion, rust, mechanical or electrical breakdown, etc. The minimum amount of coverage required by Lender is \$25,760.00.

		<u>EQUIPMENT</u>	
Make	Model	Description	Serial Number
CLUB CAR	CA500E	ELEC UTILITY (QTY 2)	

I affirm that I will be providing my own physical damage insurance coverage through the BELOW LISTED INSURANCE AGENT.

TO DEBTOR'S INSURANCE AGENT

I hereby instruct you to add DLL FINANCE LLC as a payee through a Lender's Loss Payable Clause or similar clause which provides that any acts of the Customer will not void the policy as to the Loss Payee.

To my existing policy number _____ with _____
which now provides the coverage required.

Lender must be given written notice within 30 days of any cancellation or non-renewal. It is also understood and agreed that a breach of the insuring conditions by the customer, or any other person, shall not invalidate the insurance to Lender.

PLEASE FORWARD A COPY OF THE POLICY, ENDORSEMENT, OR CERTIFICATE EVIDENCING COVERAGE TO DLL FINANCE LLC, P.O. BOX 3000, JOHNSTON, IA 50131-0300. FAX (515) 334-5831, CALL (800) 863-3660 OR EMAIL DSMinsurance@DLLgroup.com.

PLEASE ATTACH A COPY OF THIS NOTICE TO THE PROOF OF INSURANCE.

ACKNOWLEDGEMENT OF CUSTOMER: I acknowledge that copies of this document sent to Lender are for informational purposes only. I am responsible for notifying my agent of my obligation to obtain physical damage insurance.

I understand I am responsible for insurance coverage for personal liability or property damage caused to others.

PLEASE BE SURE TO COMPLETE THE INFORMATION BELOW

 _____
Insurance Agency/Agent's Name

 _____
Agent's E-Mail Address

 _____
Mailing Address / PO Box

 _____  _____
Agent's Phone Number Agent's Fax Number

 _____  _____  _____
City State Zip Code



AUTHORIZATION FOR AUTOMATIC PAYMENTS (ACH DEBIT) AND PAPERLESS INVOICING

Please follow the simple instructions in this form to set up Automatic Payment, Paperless Invoicing, or both. Ensure you complete both the "Automatic Withdrawal" and "Paperless Invoicing" sections to take advantage of both time-saving features. Please call Customer Service at (800) 873-2474 if you have any questions.

You can fill out and submit this form online and avoid the need for a voided check by visiting <http://bit.ly/dllach2>

Contract Number (If Known):

Customer Name: CITY OF OWATONNA, MN
 Customer Address: 540 W HILLS CIR, OWATONNA, MN 55060-4701
 Customer Phone Number: 507-444-4350

Automatic Payments

Bank Account Holder(s):

Bank Name:

Bank Address/Branch Location:

ABA Routing Number:

Account Number:

Sample Check:

Your information

Pay to the order of

Dollars

987456123

00012345678

1234

ABA Routing No.

Bank Acct. No.

Check No.

This is a ☐ checking account*

☐ savings account**

*If a Checking account is identified above, **please send a copy of a voided check.**

If a Savings account is identified above, **please send your bank's routing number and your savings account number on bank letterhead.

Authorization: By signing below, I (we) hereby authorize DLL FINANCE LLC ("Originator") (whether acting alone or through its servicer or any agent on its behalf) to initiate withdrawals from my (our) account provided above for amounts then due under my agreements with Originator in the frequency (i.e., monthly, quarterly, etc.) as specified in my (our) agreements with Originator. I (we) understand paper invoices may be discontinued. This authorization will remain in full force and effect until the agreements are paid in full or this authorization is canceled by written notice from me (or either of us) to Originator.

Bank Account Holder

Signature:

Print Name:

Print Title (if applicable):

Signature:

Print Name:

Print Title (if applicable):

Date:

Date:

Paperless Invoicing

Customer Email Address:

Authorization: By signing below, I hereby authorize DLL FINANCE LLC to email a PDF version of my invoices to me at the email address I provided above (whether acting alone or through its servicer or any agent on its behalf) when the invoice is generated. I acknowledge that paper invoices may be discontinued. This authorization will remain in full force and effect until the agreements are paid in full or this authorization is canceled by my written notice. Following receipt of your Paperless Invoicing form, our Customer Service Team will send you a confirmation letter and instructions to ensure your invoices will be received in your inbox.

Customer Signature:

Print Name:

Print Title (if applicable):

Date:



Did you sign next to the red arrows?

Please send this completed and signed form to our Customer Service team by mail, email or fax to:

Mail:	Email:	Questions? Call us:
P.O. BOX 2000 ATTN: ITR JOHNSTON, IA 50131	postbookingrequests@dllgroup.com	(800) 873-2474

Certificate of Exemption

Purchaser: Complete this certificate and **give it to the seller.**

Seller: If this certificate is not completed, you must charge sales tax. Keep this certificate as part of your records.

This is a blanket certificate, unless one of the boxes below is checked. This certificate remains in force as long as the purchaser continues making purchases or until otherwise cancelled by the purchaser.

☐ Check if this certificate is for a single purchase and enter the related invoice/purchase order # _____.

☐ If you are a contractor and have a purchasing agent agreement with an exempt organization, check the box to make purchases for a specific job. Enter the exempt entity name and specific project:

Exempt entity name _____ Project description _____

Name of Purchaser _____

Business Address _____

City _____

State _____

ZIP code _____

Purchaser's Tax ID Number _____

State of Issue _____

If no tax ID number,
Enter one of the following:

FEIN _____

Driver's license number/State issued ID number _____

State of Issue _____

Number _____

Name of seller from whom you are purchasing, leasing, or renting

DLL FINANCE LLC

Seller's Address _____

P.O. BOX 2000

City _____

JOHNSTON

State _____

IA

ZIP code _____

50131

Type of Business

- | | |
|--|--|
| ☐ 01 Accommodation and food services | ☐ 11 Transportation and warehousing |
| ☐ 02 Agricultural, forestry, fishing, hunting | ☐ 12 Utilities |
| ☐ 03 Construction | ☐ 13 Wholesale trade |
| ☐ 04 Finance and insurance | ☐ 14 Business services |
| ☐ 05 Information, publishing and communications | ☐ 15 Professional services |
| ☐ 06 Manufacturing | ☐ 16 Education and health-care services |
| ☐ 07 Mining | ☐ 17 Nonprofit organization |
| ☐ 08 Real estate | ☐ 18 Government |
| ☐ 09 Rental and leasing | ☐ 19 Not a business (explain) _____ |
| ☐ 10 Retail trade | ☐ 20 Other (explain) _____ |

Reason for Exemption

- | | |
|---|--|
| ☐ A Federal government (department) _____ | ☐ J Agricultural production |
| ☐ B Specific government exemption (from list on back) | ☐ K Industrial production/manufacturing |
| _____ | ☐ L Direct pay authorization |
| ☐ C Tribal government (name) _____ | ☐ M Multiple points of use (services, digital goods, or computer software delivered electronically) |
| ☐ D Foreign diplomat # _____ | ☐ N Direct mail |
| ☐ E Charitable organization # _____ | ☐ O Other (enter number from back page) _____ |
| ☐ F Educational organization # _____ | ☐ P Percentage exemption |
| ☐ G Religious organization # _____ | ☐ Advertising (enter percentage) _____% |
| ☐ H Resale | ☐ Utilities (enter percentage) _____% |
| ☐ I Qualifying capital equipment (see instructions when equipment claimed is part of a construction project) | ☐ Electricity (enter percentage) _____% |

I declare that the information on this certificate is correct and complete to the best of my knowledge and belief. (PENALTY: If you try to evade paying sales tax by using an exemption certificate for items or services that will be used for purposes other than those being claimed, you may be fined \$100 under Minnesota law for each transaction for which the certificate is used.)

Signature of Authorized Purchaser _____

Print Name Here _____

Title _____

Date _____

LEASE AGREEMENT AMENDMENT

This Lease Agreement Amendment is entered into on October 11, 2023 by and between City of Owatonna, MN ("**Lessee**") and DLL Finance LLC ("**Lessor**") (each a "Party" and collectively the "Parties").

The Parties entered into the Lease Agreement of even date herewith (the "Agreement") and now desire to amend the Agreement as set forth below.

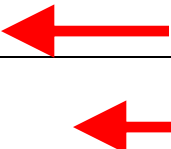
NOW THEREFORE, INTENDING TO BE LEGALLY BOUND, and in consideration of the mutual covenants and agreements contained herein, the Parties agree as follows:

1. Integration. Except as amended herein, the terms and conditions of the Agreement shall remain unchanged and in full force and effect. In the event of a conflict between the terms of this Amendment and the Agreement, the terms of this Amendment shall prevail. Capitalized terms used herein but not otherwise defined shall have the meanings ascribed to them in the Agreement.
2. Amendment. The Agreement shall be amended as follows:
 - a. The third sentence of Section 21 titled "Miscellaneous" shall be deleted and replaced with the following:

"Any modification or addition to the terms of this Lease must be in a written agreement identified as an amendment and signed by You and Us."
3. Confidentiality. Lessee agrees not to disclose any of the terms or provisions of this Amendment to any third party; *provided, however*, that it may (a) disclose such information as compelled by law; or (b) disclose the economic terms and provisions of this Amendment to its accountants and attorneys as it deems necessary, provided that any such third party shall first be informed of the these confidentiality provisions and shall agree to be bound thereby.
4. Miscellaneous. This Amendment may be executed in counterparts, including facsimile counterparts, each of which will constitute an original, but which collectively will form one and the same instrument. This Amendment constitutes the final agreement between the Parties and is the exclusive expression of the Parties' agreement on the matters contained herein. All earlier and contemporaneous negotiations and agreements between the Parties on the matters contained herein are expressly merged into and superseded by this Amendment. Any modification or additions to the terms of this Amendment must be in a written agreement identified as an amendment and executed by both Parties.

IN WITNESS WHEREOF, the parties have executed this Amendment effective as of the date set forth on the first page of this Amendment.

LESSEE SIGNATURE	City of Owatonna, MN	LESSOR SIGNATURE	DLL Finance LLC, At: 8001 Birchwood Court, Johnston, IA 50131
	Lessee		
	Authorized Signature		Authorized Signature
	Print Name & Title Date		Print Name & Title Date





Human Resources Department

DATE: October 17, 2023
TO: Mayor and City Council
FROM: Emily Thamert, Human Resources Director
SUBJECT: 2023 City Administrator Performance Evaluation Proposal and Engagement Plan

Purpose:

Approve the proposal and engagement plan with Employee Strategies for the 2023 City Administrator performance evaluation.

Background:

The City has partnered with Employee Strategies on workplace culture initiatives since 2022. City Council will be partnering with Employee Strategies to guide them through the City Administrator's 2023 performance evaluation. The project outline will include a combined (electronic survey + 1:1 interviews) evaluation based off the organization core values. Employee Strategies will compile data and summarize in a written report to be delivered at a Closed Council Executive Session.

Budget Impact:

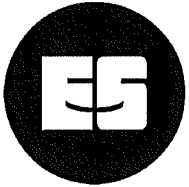
The budget impact for this project with Employee Strategies is \$8,750. There is sufficient in the Mayor/Council 2023 Budget.

Staff Recommendation:

Staff recommends approval of the proposed engagement plan with Employee Strategies.

Attachments:

1. 2023 City Manager Performance Evaluation Proposal and Engagement Plan



City of Owatonna 2023 City Manager Performance Evaluation Proposal and Engagement Plan

Employee Strategies

We Create Cultures That Work.

Project Outline

- A combined (360 electronic survey + 1:1 interviews) evaluation based off the organization core values & performance metrics:
- Electronic survey to be sent to all Council Members (will not include direct reports at this time)
- 1:1's with each council person. Each 1:1 to be scheduled for 30 minutes.
- 1:1 with Kris Busse, City Manager
- Employee Strategies to compile data and summarize in a written report
- Final Report to be delivered at a Closed Council Executive Session
 - Employee Strategies to present findings to council (Kris absent), council to provide comments/suggestions
 - City Manager to join conversation, review work from past year and set goals for 2024

Project Assumptions

- City of Owatonna to provide scheduling and communication support to bring this project to completion. In particular, by scheduling 1:1's with Council and City Manager. Employee Strategies to provide windows of available time and City staff to coordinate specific times with stakeholders.
- Any 1:1's will be conducted via phone or Zoom. Each 1:1 to last approximately 30-40 minutes.
- Employee Strategies and Client will determine whether the Council Meeting will be held in person or virtually.

Report Development & Council Meeting Presentation Fixed Fee Cost:
\$8,750

The Bottom Line

This Agreement is made and entered into as of October 11, 2023 by and between: City of Owatonna hereinafter referred to as the "CLIENT" and Employee Strategies, hereinafter referred to as the "Provider";

Witnesseth

The Provider represents that it has the required professional skills/certifications, necessary insurance validation and financial capacity to provide services to the Client; The parties bind and agree to the following terms below:

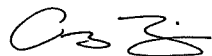
Scoping of Work

The Client agrees to schedule each aspect of the planning process within 15 days of agreement. Together, we will build the plan and then, work the plan.

Payment Terms & Compliance

- In order to secure these services outlined, Employee Strategies requires a 50% down payment of project estimate. Invoice to be delivered upon receipt of signed proposal.
- Our consultants will bill the Client for each hour of work and submit invoices monthly through an online invoicing system.
- Payments will be made via check or ACH within 15 days of receipt.

Whereas, both parties agree to execute this agreement by affixing their signatures in the spaces below:



10/5/2023

Andy Zimney, Employee Strategies

Date

DocuSigned by:
Kris Busse
EAF8A474CCD470...

10/11/2023

City of Owatonna

Date

7

RECAP:

32,890.92	AvFuel Corp - airport fuel for resale
23,780.70	Central Farm Service - bulk fuel
74,191.35	Crane Creek Asphalt - hot mix
26,834.51	Owatonna Chamber Commerce - Aug 2023 lodging tax 26,009.51
	- Q4 2023 anniversary awards \$825.00
324,606.97	Wencl Construction - 2023 St & Utility -pay est #1
	- 2023 Havana Rd SAP - pay est #5
<u>156,041.41</u>	OTHER EXPENDITURES
\$ 638,345.86	<i>SUBTOTAL</i>
<u>92,945.60</u>	HRA HOUSING ASSISTANCE PAYMENTS
\$ <u><u>731,291.46</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					
375078	10/01/23	A & K LLC	304.00	R	ACH
375079	10/01/23	A&H PROPERTIES	451.00	R	ACH
375080	10/01/23	ADAMS REVOCABLE LIVING TRUST	544.00	R	ACH
375081	10/01/23	ALL AREA MANAGEMENT LLC	1,164.00	R	ACH
375082	10/01/23	APACHE APARTMENTS	810.00	R	ACH
375083	10/01/23	ARNFELT RENTS	124.00	R	ACH
375084	10/01/23	ATM PROPERTIES LLC	1,036.00	R	ACH
375085	10/01/23	AUSTIN HRA	2,621.00	O	Regular
375086	10/01/23	B-GROVE LLC	1,124.00	R	ACH
375087	10/01/23	BARRY GILLESPIE	223.00	R	ACH
375088	10/01/23	BB BROTHERS HOLDINGS LLC	329.00	R	ACH
375089	10/01/23	BROWN CYNTHIA	509.00	R	ACH
375090	10/01/23	BRYCEN GREGOR	990.00	R	ACH
375091	10/01/23	CAPELLE COMPANIES LLC	535.00	R	ACH
375092	10/01/23	CEDAR HILLS ESTATES	924.00	R	ACH
375093	10/01/23	CEDAR RIDGE APARTMENTS	817.00	R	ACH
375094	10/01/23	CEDAR ROSE ASSOCIATES LLC	372.00	R	ACH
375095	10/01/23	CEDAR RUN TOWN HOMES MDI #41	3,966.00	R	ACH
375096	10/01/23	CEDARDALE NORTH APARTMENTS	292.00	R	ACH
375097	10/01/23	CEDARDALE SOUTH APARTMENTS	476.00	R	ACH
375098	10/01/23	CEDARDALE WEST APARTMENTS	529.00	R	ACH
375099	10/01/23	CHAD EISCHENS	362.00	R	ACH
375100	10/01/23	CHRIS PROHASKI	993.00	R	ACH
375101	10/01/23	COMMON CENTS PROPERTIES LLC	340.00	R	ACH
375102	10/01/23	COOPERS COURT LLC	913.00	R	ACH
375103	10/01/23	DAN NECHVILLE	706.00	R	ACH
375104	10/01/23	DANIEL SCHLEGEL	483.00	R	ACH
375105	10/01/23	DONALD RIPPLE	982.00	R	ACH
375106	10/01/23	DSBMT, LLC	591.00	R	ACH
375107	10/01/23	EEL LLC	1,848.00	R	ACH
375108	10/01/23	ELLINGSON RICHARD	479.00	R	ACH
375109	10/01/23	ELM STREET PROPERTIES	473.00	R	ACH
375110	10/01/23	G & H MANAGEMENT CO LLC	1,078.00	R	ACH
375111	10/01/23	GERALD BESSER & JANET BESSER	498.00	R	ACH
375112	10/01/23	H & H PARTNERS LLC	212.00	R	ACH
375113	10/01/23	IMAGE APARTMENT	2,022.00	R	ACH
375114	10/01/23	JASON HINNA	766.00	R	ACH
375115	10/01/23	JBLL EQUITIES LLC	1,364.00	R	ACH
375116	10/01/23	JOHN & DENISE SCHROEDER	505.00	R	ACH
375117	10/01/23	JOHNSON WINDOW & SIDING INC	3,032.00	R	ACH
375118	10/01/23	JPF PROPERTIES	1,071.00	R	ACH
375119	10/01/23	JULIE WERSAL	437.00	R	ACH
375120	10/01/23	KEG INVESTMENTS LLC	449.00	R	ACH
375121	10/01/23	KERR MCCAULEY INVESTMENT II	289.00	R	ACH

Check Number	Check Date	Vendor Name	Net Check Amount	Check Status	Check Type
375122	10/01/23	KLEVOS GREG	979.00	R	ACH
375123	10/01/23	LAXMAN S SUNDAE	775.00	R	ACH
375124	10/01/23	LEE ANNA	1,287.00	R	ACH
375125	10/01/23	LINCOLN SQUARE APARTMENTS	8,221.00	R	ACH
375126	10/01/23	LWO LIMITED PARTNERSHIP #116	2,945.00	R	ACH
375127	10/01/23	MANCINI NICHOLAS	819.00	R	ACH
375128	10/01/23	MARQUARDT DENNIS	3,053.00	R	ACH
375129	10/01/23	MARTIN ALLAN	2,291.00	R	ACH
375130	10/01/23	MARTIN FAMILY LLC	447.00	R	ACH
375131	10/01/23	MARY B WILLIAMS	1,052.00	R	ACH
375132	10/01/23	MCCAULEY PATRICK	835.00	R	ACH
375133	10/01/23	MIDWEST INVEST LLC	534.00	R	ACH
375134	10/01/23	MINNEAPOLIS PHA	917.40	R	ACH
375135	10/01/23	NECHVILLE SUSAN	1,243.00	R	ACH
375136	10/01/23	NORTH VIEW APARTMENTS	944.00	R	ACH
375137	10/01/23	NORTHCOURT APARTMENTS	864.00	R	ACH
375138	10/01/23	NORTHGATE	803.00	R	ACH
375139	10/01/23	NORTHSTAR HOLDINGS LLC	668.00	R	ACH
375140	10/01/23	NORTHWEST MANOR	1,443.00	R	ACH
375141	10/01/23	OWATONNA PUBLIC UTILITIES	123.00	R	ACH
375142	10/01/23	PARKVIEW OWATONNA LLC	751.00	R	ACH
375143	10/01/23	POSITIVE SHARE LLC	1,154.00	R	ACH
375144	10/01/23	PROHASKI PROPERTIES	1,219.00	R	ACH
375145	10/01/23	QUALITY RENTALS OF OWATONNA LL	631.00	R	ACH
375146	10/01/23	RAYMOND WILLMOTT	346.00	R	ACH
375147	10/01/23	RWB PROPERTIES	284.00	R	ACH
375148	10/01/23	SCOTT COUNTY CDA	3,531.20	R	ACH
375149	10/01/23	SIXSPARKS LLC	737.00	R	ACH
375150	10/01/23	SMITH REAL ESTATE LLC	464.00	R	ACH
375151	10/01/23	SOUTH CENTRAL HUMAN RELATIONS	3,076.00	R	ACH
375152	10/01/23	STADHEIM PROPERTIES	830.00	R	ACH
375153	10/01/23	SUBLAND INVESTMNTS & LIFESTYLE	226.00	R	ACH
375154	10/01/23	SUMMIT MANOR	370.00	R	ACH
375155	10/01/23	TM RENTALS II LLC	436.00	R	ACH
375156	10/01/23	USDA RURAL DEVELOPMENT	480.00	0	Regular
375157	10/01/23	USDA RURAL DEVELOPMENT	436.00	0	Regular
375158	10/01/23	WILLOW RUN I MDI #58	3,005.00	R	ACH
375159	10/01/23	WILLOW RUN II MDI #85	3,480.00	R	ACH
375160	10/01/23	YOUNGDAHL DEVELOPMENT LLC	1,562.00	R	ACH
375161	10/01/23	ZK INVESTORS LLC	1,651.00	R	ACH
375162	10/10/23	AARON GUZMAN PHOTOGRAPH LLC	1,500.00	0	Regular
375163	10/10/23	ADELINE SCHROHT	150.00	0	Regular
375164	10/10/23	ALEXANDER LUMBER COMPANY	780.45	0	Regular
375165	10/10/23	AMERICAN LEGAL PUBLISHING	203.00	0	Regular
375166	10/10/23	ANCOM	740.56	0	Regular

Check Number	Check Date	Vendor Name	Net Check Amount	Check Status	Check Type
375167	10/10/23	ANHORN'S GAS & TIRE	51.45	0	Regular
375168	10/10/23	APG MEDIA OF SO MINNESOTA LLC	224.60	0	Regular
375169	10/10/23	ARAMARK UNIFORM SERVICES INC	371.20	0	Regular
375170	10/10/23	ARROW ACE HARDWARE	508.66	R	ACH
375171	10/10/23	ASPEN MILLS INCORPORATED	488.36	0	Regular
375172	10/10/23	AVFUEL CORPORATION	32,890.92	0	Regular
375173	10/10/23	BAKER & TAYLOR BOOKS	1,177.10	R	ACH
375174	10/10/23	BG MINNESOTA INC	46.33	0	Regular
375175	10/10/23	BLACKSTONE PUBLISHING	194.73	R	ACH
375176	10/10/23	BROYHILL INC	3,786.08	0	Regular
375177	10/10/23	CARQUEST	342.48	0	Regular
375178	10/10/23	CEMSTONE PRODUCTS CO	365.03	0	Regular
375179	10/10/23	CENTRAL FARM SERVICE	23,780.70	0	Regular
375180	10/10/23	CHELSEA YOUNG	150.00	0	Regular
375181	10/10/23	CHRIS CLARK	150.00	0	Regular
375182	10/10/23	CINTAS	73.85	0	Regular
375183	10/10/23	CITY OF SAINT PAUL	250.00	0	Regular
375184	10/10/23	COLORS & GLASS INC	536.02	0	Regular
375185	10/10/23	COURT SPORTS & MORE	1,573.00	R	ACH
375186	10/10/23	COVERALL OF THE TWIN CITIES	2,455.00	0	Regular
375187	10/10/23	CRANE CREEK ASPHALT	74,191.35	R	ACH
375188	10/10/23	CUSTOM COMMUNICATIONS	2,503.90	0	Regular
375189	10/10/23	D & M CONSTRUCTION LLC	11,367.00	R	ACH
375190	10/10/23	DELL MARKETING LP	1,518.64	R	ACH
375191	10/10/23	DOCK & DOOR TEC INC	2,411.75	R	ACH
375192	10/10/23	EARL F ANDERSEN & ASSOC	535.60	0	Regular
375193	10/10/23	ELITE LAYERS	400.00	0	Regular
375194	10/10/23	ENTENMANN-ROVIN CO	142.25	0	Regular
375195	10/10/23	FASTENAL COMPANY	851.49	R	ACH
375196	10/10/23	FERMOBUSA	2,737.00	0	Regular
375197	10/10/23	FIRST SUPPLY OWATONNA	686.14	0	Regular
375198	10/10/23	FLEXIBLE PIPE TOOLS & EQUIP	3,530.90	R	ACH
375199	10/10/23	FOUR SEASONS ELECTRIC	65.76	R	ACH
375200	10/10/23	HD SUPPLY INC	1,685.57	R	ACH
375201	10/10/23	HILLYARD INC	168.04	0	Regular
375202	10/10/23	HORIZON COMMERCIAL POOL SUPPLY	357.52	R	ACH
375203	10/10/23	HUBER SUPPLY CO INC	53.50	0	Regular
375204	10/10/23	IFACS	791.20	R	ACH
375205	10/10/23	INNOVATIVE OFFICE SOLUTIONS	313.04	0	Regular
375206	10/10/23	JAMES EBELING	50.00	0	Regular
375207	10/10/23	JOHN DEERE CREDIT	98.74	0	Regular
375208	10/10/23	JOHNSON HARDWARE CO	3,275.00	0	Regular
375209	10/10/23	JTH GARAGE DOOR LLC	933.00	0	Regular
375210	10/10/23	KAPPYS COLLISION CENTER LLC	9,724.33	0	Regular
375211	10/10/23	KILEY BERGE	1,538.00	0	Regular

Check Number	Check Date	Vendor Name	Net Check Amount	Check Status	Check Type
375212	10/10/23	KOWZ-FM	417.00	R	ACH
375213	10/10/23	KUNTZ THOMAS A	24.98	0	Regular
375214	10/10/23	LARRY THORNHILL	192.00	0	Regular
375215	10/10/23	LAWSON AUTOMOTIVE LLC	389.74	0	Regular
375216	10/10/23	LEAGUE OF MN CITIES	50.00	0	Regular
375217	10/10/23	LEAGUE OF MN CITIES INS TRUST	228.00	0	Regular
375218	10/10/23	LEGACY SIGNS INC	25.00	R	ACH
375219	10/10/23	LINDER DIGITAL	1,000.00	0	Regular
375220	10/10/23	LYNN EATON	150.00	0	Regular
375221	10/10/23	MARCO TECHNOLOGIES LLC	8,999.74	R	ACH
375222	10/10/23	MARQUARDT DENNIS	574.00	R	ACH
375223	10/10/23	MATTHEW R HOKANSON	1,404.05	R	ACH
375224	10/10/23	METRONET	216.12	R	ACH
375225	10/10/23	METRONET	944.13	0	Regular
375226	10/10/23	METRONET SYSTEMS HOLDINGS LLC	663.20	R	ACH
375227	10/10/23	MICHAEL A. OLDENBURG	275.00	0	Regular
375228	10/10/23	MICHAEL BEACH COACHING & CONSU	400.00	R	ACH
375229	10/10/23	MIDWEST TAPE LLC	1,670.64	0	Regular
375230	10/10/23	MINER'S OUTDOOR & RECREATION	1,831.76	0	Regular
375231	10/10/23	MINNESOTA SECURITY CONSORTIUM	1,500.00	R	ACH
375232	10/10/23	MN NCPERS GROUP LIFE INSURANCE	400.00	0	Regular
375233	10/10/23	MN STATE FIRE CHIEFS ASSC	175.00	0	Regular
375234	10/10/23	MN VALLEY TESTING LABS INC	832.15	R	ACH
375235	10/10/23	MTI DISTRIBUTING INC	153.07	R	ACH
375236	10/10/23	NAPA AUTO PARTS	1,191.65	R	ACH
375237	10/10/23	OLYMPIC FIRE PROTECTION CORP	1,597.40	R	ACH
375238	10/10/23	OWATONNA AREA CHAMBER OF COMM	26,834.51	0	Regular
375239	10/10/23	OWATONNA HEATING & COOLING INC	168.00	0	Regular
375240	10/10/23	OWATONNA METAL RECYCLING	17.40	0	Regular
375241	10/10/23	OWATONNA MOTOR COMPANY	63.01	0	Regular
375242	10/10/23	OWATONNA PUBLIC UTILITIES	2,634.50	R	ACH
375243	10/10/23	OWATONNA VETERINARY HOSPITAL	823.53	0	Regular
375244	10/10/23	PERFORMANCE FOODSERVICE-TWIN C	287.77	0	Regular
375245	10/10/23	PLUNKETT'S PEST CONTROL INC	160.00	R	ACH
375246	10/10/23	POST-BULLETIN	273.60	0	Regular
375247	10/10/23	PRESENCE TELEHEALTH PLLC	312.00	R	ACH
375248	10/10/23	PRIME GARAGE DOOR & MORE LLC	12,975.00	0	Regular
375249	10/10/23	PUMP AND METER SERVICE, INC	295.00	R	ACH
375250	10/10/23	RENT N SAVE PORTABLE SERVICES	470.25	0	Regular
375251	10/10/23	SCHMIDT GOODMAN OFFICE PRODUCT	309.40	0	Regular
375252	10/10/23	SEAL KING	14,574.00	0	Regular
375253	10/10/23	SENIORPLACE INC	582.33	0	Regular
375254	10/10/23	SHERWIN WILLIAMS COMPANY	802.03	0	Regular
375255	10/10/23	SHI CORP	349.83	0	Regular
375256	10/10/23	SIGN PRO OF OWATONNA	25.00	0	Regular

Check Number	Check Date	Vendor Name	Net Check Amount	Check Status	Check Type
375257	10/10/23	SPHERION STAFFING LLC	1,993.75	0	Regular
375258	10/10/23	SPLIT ROCK MANAGEMENT INC	3,860.00	0	Regular
375259	10/10/23	STATE INDUSTRIAL PRODUCTS	2,470.00	0	Regular
375260	10/10/23	STEELE CO ATTORNEY'S OFFICE	594.03	0	Regular
375261	10/10/23	STEELE COUNTY TIMES	151.00	0	Regular
375262	10/10/23	STEELE COUNTY TREASURER	5,997.93	0	Regular
375263	10/10/23	STEPHANIE BUSHO	150.00	0	Regular
375264	10/10/23	STEVEN SNYDER	50.00	0	Regular
375265	10/10/23	STEWART DENISE	547.60	0	Regular
375266	10/10/23	STREICHER'S INC	584.00	0	Regular
375267	10/10/23	SUPERIOR FOODS AND CATERING	500.00	0	Regular
375268	10/10/23	TALOS DYNAMICS	984.40	0	Regular
375269	10/10/23	TAMI LACANNE	150.00	0	Regular
375270	10/10/23	TASTE OF HOME BOOKS	41.85	0	Regular
375271	10/10/23	TEMPLE ELECTRIC MOTOR SERV INC	1,964.50	R	ACH
375272	10/10/23	TENNIS WAREHOUSE	1,525.00	0	Regular
375273	10/10/23	TERMINIX	68.00	0	Regular
375274	10/10/23	THE NEW YORK TIMES	624.00	0	Regular
375275	10/10/23	TOR SPERLING	11.24	R	ACH
375276	10/10/23	TREASURY DIVISION, FINANCE	297.01	0	Regular
375277	10/10/23	TRI STATE BOBCAT	247.28	R	ACH
375278	10/10/23	TRUCK CENTER COMPANIES LLC	308.54	0	Regular
375279	10/10/23	TWIN CITIES ANIMAL REHABILITAT	1,038.56	0	Regular
375280	10/10/23	TWIN CITIES ANIMAL REHABILITAT	627.00	0	Regular
375281	10/10/23	UNITED WAY	105.00	0	Regular
375282	10/10/23	UNIVERSITY OF VIRGINIA	1,860.00	0	Regular
375283	10/10/23	UTILITY CONSULTANTS INC	1,874.01	R	ACH
375284	10/10/23	VAN METER INC	55.93	0	Regular
375285	10/10/23	WALBRAN & FURNESS CHARTERED	4,725.75	R	ACH
375286	10/10/23	WENCL CONSTRUCTION	324,606.97	0	Regular
375287	10/10/23	XCEL ENERGY	336.23	0	Regular
375288	10/10/23	RANDALL'S LICENSE BUREAU	15.25	0	Regular

94	Checks total:	511,460.53
117	ACH total:	219,830.93
0	EFTPS total:	
0	Wire transfer total:	
0	Payment Manager total:	
211	GRAND TOTALS	731,291.46



Resolutions



Parks, Trails, Recreation & Facilities Department

DATE: October 17, 2023
TO: Mayor and City Council
FROM: Jenna Tuma, Parks, Trails, Recreation & Facilities Director
Aaron Fitzloff
SUBJECT: Resolution 99-23: Merrill Hall HVAC Project Agreement - ICS Consulting, LLC.

Purpose:

Approve Resolution 99-23 HVAC Project Agreement with ICS Consulting, LLC, regarding the Merrill Hall building upgrades.

Background:

ICS was contracted in 2019 to produce a Facilities Assessment and Project Plan for all City-owned facilities. This plan was presented to the City Council in July 2020 detailing deferred and upcoming maintenance needs.

A Buildings Task Force was formed in April 2022 comprised of City staff and elected officials who toured 21 core City buildings with immediate capital needs including Merrill Hall. In July 2022, the Task Force findings were presented at a City Council Study Session. The City Council unanimously agreed to support retaining and investing in Merrill Hall. The Council expressed support for developing a strategic, long-term plan for capital improvements for all City-owned buildings along with a funding plan.

In March 2023, the City entered into an agreement for ICS to identify the preliminary scope of work for Merrill Hall. The first phase will include electrical and lighting upgrades, HVAC equipment, asbestos removal, fire sprinkler system and roofing. The second phase will be defined at a later time.

Details for phase one project scope:

- Replace the indoor and outdoor lighting with modern LED lighting (theater space not included).
- Upgrade the building's electrical service and main distribution panel to accommodate added cooling electrical load.
- Install two high-efficiency boilers, hot water pumps with Variable Frequency Drive (VFDs), hydronic specialties and insulated hot water supply/return piping to serve all new heating equipment in the daycare portion of the building (theater space is not included).
- Install a ducted Variable-Air-Volume (VAV) ventilation system with hot water heating and direct expansion (DX) cooling/dehumidification. The air handling unit will be installed on the lower level. An air-cooled condensing unit will be located on the ground behind the building. Terminal VAV boxes with hot water reheat will be provided for each zone of the daycare portion of the building (theater space not included). Install a dedicated heating and ventilation-only air handling unit to serve the theater scene shop.

- Remove existing Asbestos Containing Materials (ACM), boiler, condensate handling equipment, steam/condensate piping, cast iron, radiation, chiller, chilled water pumps/pipe, unit ventilators, fac-coil units, residential gas/DX units.
- Install an addressable fire alarm system with voice notification and fire sprinkler system to protect the entire building. A dry system will be required in the attic and a new water service will be needed to serve the system.
- Install automatic Direct Digital Controls (DDC) and a facility management system to efficiently operate the building's HVAC system with optimal indoor environment comfort and control. This includes theater space HVAC.
- Replace the existing roofs.

The project timeline will start this fall with developing the plans and design and ordering equipment. The on-site construction is expected to begin in January 2024. Due to the AC equipment availability, the overall completion will be in the fall of 2024, with the AC completed by spring 2025.

Note: Asbestos removal (ACM) is part of the overall project. The cost is included in the project budget; however, it is not part of the ICS agreement. The City will bid and procure this specialized work independently.

Budget Impact:

The ICS HVAC Agreement for \$5,044,585 is a guaranteed maximum price with no change orders within the project's scope. Energy Saving Rebates available through OPU are expected to help fund the renovations.

The City intends to issue bonds next year to finance this project. The 2024 levy has been increased to account for this project. The bonds will be repaid over 20 years with a debt service levy.

The City Council declares its official intent to reimburse itself for the cost of these improvements from the proceeds of tax-exempt bonds.

Staff Recommendation:

Staff recommends approval of Resolution 99-23 subject to final legal review of the agreement.

Attachments:

1. Resolution 99-23 Energy Efficiency Construction Agreement - ICS Merrill Hall 2023
2. Contract - Merrill Hall ESPC - ICS Consulting, LLC
3. 2023 Merrill Hall Project Cost Breakdown
4. ICS Merrill Hall Construction Timeline

RESOLUTION NO. 99-23
RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OWATONNA
APPROVING MERRILL HALL ENERGY EFFICIENCY PROJECT AGREEMENT
WITH ICS CONSULTING, LLC.

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

The City hereby approved an Energy Efficiency Project Agreement with ICS Consulting, LLC, regarding the Merrill Hall building upgrades during the City Council Meeting on October 3, 2023. This agreement authorized the Mayor and City Administrator to execute the Agreement on behalf of the City.

The City Council declares its official intent to reimburse itself for the cost of these improvements from the proceeds of tax-exempt bonds.

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

GUARANTEED ENERGY-SAVINGS CONTRACT

THIS GUARANTEED ENERGY-SAVINGS CONTRACT (this “Contract”) is made by and between the City of Owatonna, Minnesota (“Client”), a municipal corporation with an office at 540 West Hills Circle, Owatonna, MN 55060 and ICS Consulting, LLC., a Minnesota corporation (“ICS”), with its principal place of business at 1331 Tyler Street NE, Suite 101, Minneapolis, MN 55413. Client and ICS may each be referred to as “Party” or collectively as “Parties.” Capitalized terms used in this Contract without definition shall have the meanings assigned to them in Minnesota Statutes Section 471.345, Subd. 13 (the “Statute”) attached.

RECITALS

- A. Client desires to retain ICS to perform the Scope of Work set forth in **Exhibit C** attached to this Contract (the “Project”), which relates to facility alterations, services and programs designed to reduce energy consumption, operating costs, long-term operating costs, at the building and location described in **Exhibit A** to this Contract (the “Facility”); and
- B. Pursuant to the Statute, the Client may enter into a guaranteed energy-savings contract with a qualified provider for the design, implementation, and installation of energy conservation measures to significantly reduce energy or operating costs; provided the contract includes a written guarantee from the qualified provider that savings will meet or exceed the cost of energy conservation measures; and
- C. ICS is a “qualified provider” as that term is defined in the Statute.
- D. ICS issued, and Client reviewed, a report (the “Report”) summarizing estimates of all costs of installations, modifications, or remodeling, including costs of design, engineering, installation, maintenance, repairs, or debt service of the energy conservation measure at the Facility (the “Project Costs”) and estimates of the amounts by which energy or operating costs will be reduced (the “Savings”); and
- E. Client, after review of the Report, found that the amount it would spend on the energy conservation measures recommended in the Report is not likely to exceed the amount to be saved in energy and operation costs over 20 years from the date of final installation if the recommendations in the Report were followed; and
- F. Client, upon duly published the notice as required by the Statute, held a meeting on October 17, 2023, in which it proposed to award a contract to ICS to design, implement, and install energy conservation measures at the Facility as recommended in the Report.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual benefits and obligations set forth herein, the parties hereto agree as follows:

1. Exhibits & Schedules. The following Schedule and Exhibits are attached to and part of this Contract:

- Exhibit A: Facility Description
- Exhibit B: Project Table with Costs and Savings
- Exhibit C: Scope of Work
- Exhibit D: Energy, Operating, and Long-Term Operating Savings
- Exhibit E: Project Schedule
- Exhibit F: Schedule of Payments
- Exhibit G: Certificate of Substantial Completion for Warranty
- Exhibit H: Certificate of Completion and Acceptance
- Exhibit I: Client Responsibilities
- Exhibit J: General Requirements
- Exhibit K: Site-Specific Requirements
- Exhibit L: Insurance
- Exhibit M: Bond Coverage

2. Term of Contract; Notice to Proceed.

2.1. Effective Date. The Effective Date of this Contract shall be the date all signatures required have been obtained. ICS shall not begin work under this Contract until this Contract is approved by the Client and, thereafter, fully executed.

2.2. Term. Unless otherwise canceled or terminated, this Contract shall commence on the Effective Date and end on the one (1) year anniversary of the Completion Date (defined herein); provided, however, this Section 2.2 does not limit the liability of ICS under any guarantee, indemnity, or warranties provided by ICS under this Agreement, or any obligation, which by the terms of this Contract survives termination.

2.3. Notice to Proceed.

___ If this is checked, Client will not be financing payment for the Project with funds other than its own and will use its own funds to pay for the Project. Accordingly, upon execution of this Contract by ICS, Client's execution of this Contract shall constitute the Notice to Proceed to ICS.

___ If this is checked, Client intends to finance payment for the Project with funds other than its own. Accordingly, ICS can elect not to perform, nor be required to perform, any of the Project until and unless Client has closed on its financing of this Contract as evidenced by a written representation from the lender that financing in a sum not less than Client's total obligation in Section 8 of this Contract and funding of any escrow account provided for by the financing documents has been made. **ICS may elect to begin or continue work without financing in place upon discussion and agreement with the Client.**

3. Contract Administration.

ICS shall employ, and specifically assign to the Project performed pursuant to this Contract, a Project Manager experienced in work of the character required by the Scope of Work. The Project Manager shall be delegated authority to act on behalf of ICS and shall be, to the extent possible, the point of contact and communication for the Client and any subcontractors to facilitate efficient, timely, and cost-effective completion of the Project. The Parties shall cooperate with each other and with any ICS subcontractors to assure successful completion of the Project and help to quickly resolve any problems that arise.

For the purpose of administration of this Contract, the following individuals will be the contact personnel authorized to speak on behalf of the respective parties.

3.1. Client Contact: **Kris Busse, City Administrator, City of Owatonna** (hereafter "Client Contact").

3.2. ICS Contact: **Andy Faulkner, President, ICS** (hereafter "ICS Contact").

Either Party may designate a new contact by providing advance written notice to the other Party.

4. Scope of Work; ICS Duties.

4.1. Equipment and Materials. ICS shall provide all materials and equipment necessary to perform the Scope of Work and complete the Project contemplated in this Contract, as more specifically described in **Exhibit C**. ICS shall provide Client with specifications, drawings, cut sheets, and other information required by Client regarding the materials and equipment for review, acceptance and approval pursuant to Section 5 prior to implementation of the Project.

ICS must be in compliance with all specifications and any drawings provided in this Contract. Any reference to brand names and numbers is descriptive, but not restrictive, unless otherwise specified. When specific manufacturer and model numbers are shown, they are used to establish a design, type of construction, quality, functional capability and/or performance level desired. When alternates are identified, they shall be identified by manufacturer, stock number, and such other information necessary to establish equivalency.

4.2. Installation Services. ICS shall install, replace and refurbish equipment and energy systems components at the Facility, as more specifically described in Exhibits A, B, and C.

ICS shall use reasonable efforts to meet the estimated Project Schedule, and provide the installation, replacement and refurbishment services with minimum interruption to the normal business of the Facility.

4.3. Project Schedule. ICS shall use reasonable efforts to perform all its duties under this Contract according to the Project Schedule set forth in **Exhibit E**. However, unless this Contract expressly provides otherwise, the Parties recognize that the Project Schedule is only an estimate and is subject to modification prior to implementation of the Project. ICS shall not be liable or subject to damages for deviations from the Project Schedule for delays beyond its reasonable control in completing the Project in accordance with the Project Schedule, including delays due to a Force Majeure Event, or due to the acts and omissions of Client or third parties.

Client shall have the right to postpone or reschedule any date or time for the performance of any part of the Project that may interfere with the operation of any portion of the Facility or any tenants or invitees thereof. Client shall undertake best efforts to provide ICS with reasonable notice prior to postponing or rescheduling any date or time. ICS shall, upon Client's request, reschedule any portion of the Project affecting operation of a portion of the Facility during hours when the Facility or portion thereof are not in operation. To the extent that any postponement, rescheduling, or performance of the Project under this Section results in ICS incurring damages or additional costs or delays in time to timely complete the Project Schedule, ICS shall be provided a reasonable extension of the time for completion of the Project and an equitable increase in the compensation payable to ICS under this Contract if (i) the performance of the Project was properly scheduled by ICS in compliance with the requirements of this Contract, and (ii) such rescheduling or postponement is required for the convenience of Client.

In addition to Client's right to direct a postponement or rescheduling under the preceding paragraph, if Client orders ICS for any cause other than an Event of Default by ICS to suspend, delay or interrupt the Project in whole or in part, the compensation payable to ICS under this Contract and the Project Schedule shall be mutually adjusted for reasonable increases in the cost and time caused by such suspension, delay or interruption. Adjustment of the compensation payable to ICS under this Contract shall include profit.

4.4. Damaged Facility to be Restored. Where ICS, its subcontractors or any of its agents, cause damage to any part of the Facility during the Project, ICS shall restore or replace the damaged part to its original condition or to the reasonable satisfaction of Client as determined by the Client Contact.

4.5. Personnel. ICS shall secure, at its own expense, all personnel required in the performance of this Contract. Such personnel shall not be deemed employees of Client for any purposes whatsoever. ICS further represents that all of the services required hereunder will be performed by ICS or under its supervision, all personnel so engaged shall be fully qualified and authorized under applicable law to perform such services, and that ICS is responsible for all Work of its subcontractors and agents.

4.6. Cleanup. ICS shall keep the Facility and the surrounding area free from accumulation of waste materials or rubbish caused by its work on the Project and, upon completion of the Project, ICS shall remove all waste materials, rubbish, tools, construction equipment, machinery, and surplus materials.

4.7. Safety. ICS shall be responsible for initiating, maintaining, and supervising all safety precautions and programs in connection with the performance of the work to complete the Project. ICS shall comply with all applicable laws, ordinances, rules, regulations, and lawful orders of public authorities related to safety of persons or property.

All materials, equipment, and supplies provided to Client must comply with applicable safety requirements as set forth by the State of Minnesota and all applicable OSHA Standards.

If any item(s) on order(s) resulting from this award(s) is a hazardous chemical, as defined under 29CFR 1910.1200, ICS shall provide one (1) copy of a Material Safety Data Sheet for each item with the shipped container(s) and one (1) copy to Client Contact.

4.8. Disposal Manifests. ICS shall provide to the Client Contact copies of all records (e.g., manifests, disposal facility receipt, etc.) which indicate that ICS has disposed of any and all equipment, including lamps, and ballasts.

4.9. Training by ICS. ICS shall provide training for Client within thirty (30) days of the Completion Date using final operation and maintenance data, and shall demonstrate operation of systems and equipment, and review with Client set points, operating parameters, control sequences and routine maintenance procedures.

4.10. Certificate of Substantial Completion for Warranty. After ICS has performed all work necessary to complete the Project, ICS shall submit a written Certificate of Substantial Completion for Warranty to the Facility's Client Contact as described in **Exhibit G**.

4.11. Compliance. ICS shall ensure that all work to complete the Project complies with applicable local, state, and federal laws, ordinances, codes, and regulations. However, ICS shall not be obligated to provide any change to or improvement of the Facility or any portion thereof required under any applicable building, fire, safety, sprinkler or other applicable code, standard, law regulation, ordinance or other requirement unless the same expressly regulates the installation of the Project. Without limiting the foregoing, ICS obligations with respect to the Project do not include any compliance matters for changes or improvements not directly related to the installation of the Project or any governmental reviewing authority

5. Acceptance.

5.1. Authority. The Client Contact shall have final authority on behalf of Client to review and approve specifications, drawings, and related documents concerning the Project (the “Construction Documents”), to approve and accept all equipment, materials and services, and to approve ICS invoices for payment. No approval by Client will act as a waiver of Client’s rights or relieve ICS of its obligations under this Contract.

5.2. Construction Documents. During the construction period, ICS shall keep copies of Construction Documents at the Facility for review by Client at all reasonable hours and shall provide a complete set to the Client upon completion of the Project as applicable for actual system design changes.

5.3. Satisfactory Performance. Within fifteen (15) days of receipt of an invoice, Client shall have the right to review the work performed by ICS at the Facility, for purposes of determining whether the work is deemed satisfactory. Where Client finds the work performed by ICS unsatisfactory, the Client Contact shall provide ICS with a written notice of unsatisfactory work within fifteen (15) days of its receipt of ICS’s invoice. ICS shall provide to the Client Contact a reasonable satisfactory remediation plan for the defective work within fifteen (15) days after receiving the Client Contact’s notice of unsatisfactory work. When the invoiced work has been completed to the satisfaction of the Client Contact, the Client Contact shall approve the invoice for payment. **Exhibit F**, attached hereto, contains the Schedule of Payments.

5.4. Project Completion. Upon receipt of a Certificate of Substantial Completion for Warranty, in the form of Exhibit G attached hereto, and accompanying Project completion documents from ICS, the Client Contact shall review all work and all Project completion documents within fifteen (15) days. Upon approval of all work and Project completion documents, the Client Contact shall send the dated Certificate of Completion and Acceptance, in the form of **Exhibit H** attached hereto, to all Parties. In the event the Client reasonably determines that additional work is required to complete the Project, it shall promptly inform ICS, and ICS shall perform the additional work in accordance with a mutually agreed upon schedule.

5.5. Substantial Completion. Prior to final completion, ICS may provide written notice to Client that all or portions of the Project are substantially complete. Within fifteen (15) days of the date Client receives notice that a portion of the Project is substantially complete, Client shall inspect that portion of the Project and determine whether the same appears to have been performed in accordance with this Contract; provided, however, a determination of Substantial Completion (defined herein) does not waive any warranty or claims. If the Project (or applicable portion thereof) appears to be complete and performed in accordance

with the Contract, ICS and Client shall execute and date a Certificate of Substantial Completion for Warranty in the form attached hereto as **Exhibit G**, subject to minor work remaining as may be specified on a punch-list attached to the Certificate of Substantial Completion for Warranty, the substance of which shall be mutually agreed to by the Parties (“Substantial Completion”). ICS shall complete and correct items on the punch-list before submitting a corresponding Certificate of Completion and Acceptance to the Client for review. If an item on the punch-list is substantially complete, the punch-list shall be amended to remove such item from the list of incomplete items and such items shall be re-inspected to confirm completion during the final inspection. Warranties required by this Contract shall commence on the date of Substantial Completion of the Project or designated portion thereof or, if equipment for which start up is required, on the date of initial start-up. The Certificate of Substantial Completion for Warranty shall identify the date of Substantial Completion for each portion of the Project and such date shall be the date the warranties commence for such work or portion thereof.

5.6. Final Completion. After all work comprising the Project is substantially complete and all punch-list items have been completed, ICS shall provide written notice to Client that the Project has been finally completed. Upon Client’s receipt of such notice from ICS, Client and ICS shall inspect the Project and determine whether it appears to have been completed in accordance with this Contract. If the Project appears to be complete and performed in accordance with this Contract, ICS shall issue a Certificate of Completion and Acceptance, in the form attached as **Exhibit H**, which shall be executed by the Parties (the “Completion Date”). The Certificate of Completion and Acceptance shall identify equipment for which start up is required, and the date of initial start-up, and that is the date the warranties shall commence for such portions of the Project.

Final payment shall be due upon invoice following the Completion Date. The making of final payment shall constitute a waiver of claims by Client except those arising from (i) any uncured breach of this Contract by ICS; and (ii) any warranties made by ICS regarding the Project.

6. General and Site-Specific Requirements.

In order to minimize disruption of the use of the Facility, the Parties agree to the “General Requirements” and “Site Specific Requirements” as set forth in **Exhibit J** and **Exhibit K**, respectively, attached hereto and made a part hereof.

7. Change and Extra Work.

Amendments and Additions. Prior to the Completion Date, the parties may mutually agree in writing to amend or add to the Scope of Work (a “Change” or “Extra Work”) and any corresponding change in the Project Schedule and payment to ICS for the Change or Extra Work. The Parties also recognize that the correct interpretation and administration of this Contract depends in large part on the accuracy of all of the exhibits attached hereto, which may need to be amended according to the type of Change or Extra Work mutually agreed upon by the Parties. The Parties agree to amend this Contract or the exhibits hereto as appropriate to reflect any agreed upon Change or Extra Work. Any Change or Extra Work providing for price or Project schedule adjustments or relief will be made in accordance with the procedures established herein.

7.1. Client Initiated. Client, at any time prior to the Completion Date, may propose Changes or Extra Work in writing. ICS shall respond by submitting to Client a proposed written proposal containing the initial cost, energy and operating savings, payback calculations, and a schedule for completion of the Change or Extra Work within fifteen (15) days of Client's request. ICS shall perform the Changes or Extra Work only upon receipt of Client's approval of the written proposal and after execution of an amendment to this Contract as required for performance of the Extra Work or Changes. Any Change or Extra Work performed by ICS which is not approved by Client's Contact in writing shall not be approved for payment and will not be included in the final Scope of Work. The Parties will amend any exhibit affected by the Change and/or Extra Work.

7.2. ICS Initiated. ICS, at any time prior to the Completion Date, may propose Changes or Extra Work in writing. ICS shall submit to Client a written proposal that explains the circumstances for the change, initial cost, energy and operating savings, payback calculations, and a schedule for completion of the Change or Extra Work. Client may accept or reject the request within fifteen (15) days. Failure by Client to respond within fifteen (15) days to the proposed change order shall be deemed a rejection by Client. ICS shall perform the Changes or Extra Work only upon receipt of Client's written approval and acceptance of the written proposal and after execution of an amendment to this Contract as required for performance of the Extra Work or Change. The Parties will amend any exhibit affected by the Change and/or Extra Work.

8. Consideration and Payment.

8.1. Total Obligation. As payment for ICS's performance of the Project, the Client shall pay or cause to be paid to ICS the sum of **Five Million Forty-Four Thousand Five Hundred Eighty-Five Dollars (\$5,044,585)** the "Contract Price"). ICS agrees that Client's total obligation to ICS under this Contract, including compensation for goods, services, and reimbursable expenses, shall not exceed the Contract Price without the prior written approval of the Client.

Compensation for ICS is structured as a guaranteed maximum price for this Project. As competitive quotes from select subcontractors have been solicited during the development phase of this Project, those prices, along with ICS experience with pricing similar projects, were used to derive the guaranteed maximum price which includes all Project cost, including design, engineering, testing, permits, insurance, warranty, and risk. Any additional subcontractor bidding that results in a change of the Scope of Work or lower price, those changes will result in a lower price to the Client. Project management staff will work with the Client (City administration and finance) on an ongoing basis to track Project costs, billing, and the result of any changes in Scope of Work and bidding. Overall Project cost, and any potential savings, will be reconciled with the Client when the Project reaches Substantial Completion. The guaranteed maximum price structure contemplates that there will be no Changes or Extra Work.

8.2. Initial Payment. ICS shall receive an initial payment of **\$1,008,917 [20%]** of Contract Price, for its engineering, drafting, mobilization, and other upfront costs, and other costs ICS incurred prior to execution of this Contract by submitting an invoice upon the execution of this Contract.

8.3. Invoice & Payment. Client will pay ICS after ICS presents and invoice for the work completed and the Client Contact accepts the invoice. Invoices must be submitted timely and substantially in accordance with the anticipated Schedule of Payments contained in **Exhibit F**. Payment shall be made in accordance with Minnesota Statute Section 471.425 within thirty-five (35) days following the receipt of a correct and proper invoice for the completed delivery of the product or services. If the invoice is incorrect, defective, or otherwise improper, Client will notify ICS within ten (10) business days of Client's receipt of the invoice. If Client disputes any portion of any invoice submitted by ICS, Client shall pay the undisputed portion of the invoice on or before its due date and Client and ICS shall meet promptly to discuss Client's concerns about the remaining portion of the invoice. ICS shall pay all subcontractors within ten (10) days of ICS's receipt of payment from the Client for undisputed services provided by the subcontractor, in accordance with Minnesota Statute Section 471.425, Subd. 4a. ICS shall pay interest of 1-1/2 percent per month or any part of a month to the subcontractor on any undisputed amount not paid on time to the subcontractor. The minimum monthly interest penalty payment for an unpaid balance of \$100 or more is \$10. For an unpaid balance of less than \$100, ICS shall pay the actual penalty due to the subcontractor. A subcontractor who prevails in a civil action to collect interest penalties from ICS must be awarded its costs and disbursements, including attorney's fees, incurred in bringing the action.

8.4. Interest on Unpaid Invoices. Except for a properly disputed portion of an invoice, Client shall pay to ICS for any invoice not paid by its due date interest at the lesser of the maximum allowable legal interest rate or 1.5% of the unpaid principal amount due at the end of each month (the "Default Rate").

8.5. Energy Incentives. ICS will make reasonable efforts to obtain for the benefit of Client utility and other credits, incentives, rebates, rewards, awards or other incentives (collectively, "Energy Incentives") that may be available to reduce the cost of the Project. ICS will cooperate in good faith with Client to submit all paperwork associated with such Energy Incentives and Client agrees that it will cooperate in good faith with ICS to the same end. Client recognizes that the availability of such Energy Incentives are dependent upon circumstances beyond the reasonable control of ICS, including, without limitation, the circumstances of the various governmental, utility and other programs under which they arise, including timing and program utilization. Client agrees to use all rebate money for either the completion of additional work under this Contract or to cover costs associated with the Contract. Client agrees that estimates by ICS of the value of such Energy Incentives set forth in this Contract or in the Report are not a guarantee that such amount of Energy Incentives will be available or provided to Client.

8.6. Assumptions Underlying Contract Price and Savings. ICS has disclosed to Client and Client acknowledges that ICS's ability to complete and deliver the Project for the Contract Price on the proposed completion timeline and its ability to deliver the estimated energy and operating savings as defined in Section 9 of this Contract is dependent upon the assumed conditions set forth in this Contract, including without limitation, the following:

- Client executing and issuing ICS a written notice to proceed with the Project no later than _____;
- ICS being allocated a portion of any available Federal tax incentive Section 179D deduction or other similar deductions as more particularly set forth in Section 10.5 of this Contract;

- Client promptly performing Client's Responsibilities set forth in Section 10 of this Contract;
- Client maintaining the operating parameters for the completed work as set forth in **Exhibit D**;
- The absence of material changes in the use of the Facility, the result of which would negatively affect the energy and operating savings.
- That absence of material Changes or Extra Work as contemplated under the guaranteed maximum price structure.

Client agrees that in the event any of the foregoing assumed conditions is not satisfied or there are material departures from Client's assumed performance that are not primarily due to the acts or omissions of ICS, then ICS shall be entitled to a reasonable adjustment in the Contract Price, Project Schedule and/or total energy and operating savings, as applicable, to reflect the difference between the assumed and actual conditions.

9. Savings Guarantee.

9.1. Energy and Operating Savings. In accordance with the Statute, ICS hereby guarantees that the aggregate amount to be saved at the Facility in energy and operating costs as a result of the energy conservation measures that comprise the Project will meet or exceed the costs of the Project, and that such Savings shall be at least those set forth in **Exhibit D**.

10. Client Responsibilities. Client agrees to perform the following tasks in addition to those set out in **Exhibit I** of this Contract:

10.1. Daily Operations. After acceptance by Client of the work performed by ICS according to Section 5, Client shall be responsible for all routine maintenance as set out in the original equipment manufacturer's documentation provided by ICS to the Client. ICS will provide a set of operating parameters that need to be maintained to obtain the energy and operating savings set forth in **Exhibit D**.

10.2. Automatic Functions. To protect public health and safety, or Client property, Client may manually override any automatic function provided by ICS's equipment furnished hereunder, or make changes in operating procedures specified. In that event, the Parties shall make the necessary changes to the established baseline.

10.3. Access. Client shall grant ICS reasonable access to the Facility to perform its obligations under this Contract and the General Requirements described in **Exhibit J**.

10.4. Energy Management System. Client shall provide standard energy management system reports and access to the Facility's automation system to ICS for monitoring when requested by the Client or ICS.

10.5 Allocation of Section 179D Deductions. In the event that the federal tax deduction for energy-efficient commercial buildings previously referred to as the Section 179D deduction is reinstated, extended or renewed or is replaced by a similar federal or state tax deduction, Client hereby acknowledges that ICS is the "designer" (i.e. the architect, engineer or other professional, or analogous professional under any successor federal or state tax deduction or

tax credit program), who created the technical specifications that incorporated energy efficiency into the Project and, to the extent such is available as a result of the Project, ICS may claim the full deduction or credit, as applicable. Client will execute any documents or take any action reasonably requested by ICS to enable ICS to claim and apply for this tax benefit; provided, however, Client shall not be required to incur any expense to satisfy its obligations under this Section 10.5. ICS shall defend, indemnify, and hold Client harmless from and against any and all claims, costs, causes of action and liabilities, including reasonable attorneys' fees, as a result of ICS's claim of any such deduction or credit. ICS's obligations under this Section 10.5 survive the termination of this Contract.

10.6. Equipment Location and Access. Client shall provide, without charge, a mutually satisfactory location or locations for the installation and operation of the equipment and the performance of the installation Project, including sufficient areas for staging, mobilization and storage. Subject to Client's reasonable limitations on access related to the operations at the Facility, Client shall provide reasonable access to the Facility for ICS and its subcontractors during regular business hours, or such other hours as may be requested by ICS and acceptable to Client, to install, adjust, inspect, and correct the installation provided as part of the Project. ICS's access to correct any emergency condition shall not be restricted by Client, provided that advance notice has been given to Client Contact.

10.7. Utilities During Construction. At no cost to ICS, Client shall provide and pay for water, heat, and utilities consumed by ICS during performance of the Project hereunder.

11. Insurance. ICS shall maintain in full force and effect, at its expense, property, casualty, workers' compensation and liability insurance as specifically described in **Exhibit L**.

12. Asbestos/Hazardous Materials/Concealed & Unknown Conditions.

12.1. Asbestos/Hazardous Materials. Client and ICS agree that the Project does not include the removal or remediation of asbestos or any hazardous material and ICS shall have no obligation to remove asbestos or other hazardous materials encountered during the Project. The obligation and cost of such removal or remediation shall be the sole responsibility of Client. In the event ICS encounters asbestos or other hazardous material, ICS shall stop all work immediately and shall notify Client at once to determine the appropriate action. Any delay in completion of the Project according to the Project Schedule in **Exhibit E** caused by ICS's encounter with asbestos or other hazardous material and Client's determination of appropriate action to correct the situation shall not constitute an Event of Default. The Parties agree to meet in good faith to discuss any Change to the Project, Contract Price, completion date and/or scheduling of work necessitated by a delay under this section.

12.2. Concealed and Unknown Conditions. If ICS is delayed in the commencement, performance, or completion of the Project and/or post-Completion Date services by causes beyond its control and without its fault, including, but not limited to, inability to access the Facility, concealed or hidden conditions encountered at the Facility (including the presence of Asbestos or other Hazardous Materials), a Force Majeure Event (defined below), failure by Client to perform its obligations under this Contract, or failure by Client to cooperate with ICS in the timely completion of the Project, ICS shall provide prompt verbal and written notice of such condition to the Client, and the Parties shall promptly agree upon a solution to

the condition. ICS shall be entitled to an equitable increase in the Contract Price or Project Schedule necessitated by delay under this section.

13. Indemnification. ICS shall indemnify and hold harmless Client, its agents and employees, from and against any and all claims, demands, or causes of action, and damages, including reasonable attorney's fees incurred by Client, arising out of the performance of this Contract but only to the extent attributable to the negligent or otherwise wrongful act or omission, including breach of a specific contractual duty of ICS or ICS agents, employees, or subcontractors. Following the Completion Date, Client assumes all risk and liability for the use operation and storage of the equipment installed as part of the Project, and for injuries or death to persons or damage to property arising out of the use, operation or storage of the Equipment, except for any injuries or death to persons or property attributable to the negligent or otherwise wrongful act or omission, including breach of a specific contractual duty of ICS, its employees or agents. Client shall indemnify and hold ICS, its employees and agents harmless against all claims, demands, causes of action, and damages, including reasonable attorney's fees, but only to the extent caused by the negligent or otherwise wrongful act or omission, including breach of a specific contractual duty, of Client in the performance of this Contract. This section shall not be construed to bar either Party from exercising any legal remedies it may otherwise have under this Contract for the other Party's failure to fulfill its obligations pursuant to this Contract.

14. Performance and Payment Bonds. As security for its faithful performance under this Contract, ICS shall furnish payment and performance bonds (each a "Bond" and collectively the "Bonds"), in an amount equal to the Contract Price. The Bonds shall not cover any obligation of ICS to ensure that the Project as constructed will result in any level of energy savings. To the extent permitted by law, any claim on the Bonds must be brought within one (1) year after Substantial Completion as defined in the Contract. The payment Bond is intended for the use and benefit of all persons furnishing labor and materials who are engaged by ICS. The performance Bond is intended for the use and benefit of the Client to complete the Project. These Bonds shall be released within forty-five (45) days of the Completion Date. The surety for each such Bond shall be an insurance company or corporate surety licensed to do business in the state of Minnesota. The Bonds shall contain a provision requiring reasonable advance notice to Client in the event that ICS is in default of any obligation in relation to the Bonds. An example of the Payment and Performance Bond required by this Section 14 is contained in **Exhibit M**, attached hereto.

15. Representations and Warranties.

15.1. ICS warrants and represents to Client as follows:

- A. ICS is experienced in the design, implementation, and installation of energy conservation measures.
- B. ICS has all requisite power, authority, licenses, and permits to execute and deliver this Contract and perform its obligations hereunder.

- C. ICS execution, delivery, and performance of this Contract have been duly authorized and constitute a legal, valid and binding obligation on ICS.
- D. ICS execution, delivery, and performance of this Contract will not result in a breach or violation of, or constitute a default under, any agreement, lease or instrument to which ICS is a party or by which ICS or its properties may be bound or affected.
- E. ICS has not received any notice, nor to the best of its knowledge is there pending or threatened any notice of any violation of any applicable laws, ordinances, regulations, rules, decrees, awards, permits or orders which would materially adversely affect its ability to perform hereunder.
- F. ICS has made secure provisions for promptly paying all its suppliers and subcontractors in connection with this Contract.
- G. ICS has prepared the Recommendations in good faith based on generally accepted engineering practices and mathematical formulas.
- H. ICS has all right, title and interest in, or appropriate licenses to use, any intellectual property required by this Contract to be installed, employed, or modified.

15.2. ICS Warranty/Assignment of Manufacturer's Warranty. ICS expressly warrants to Client that the services performed under this Contract will be of professional standards and quality comparable in the energy efficiency industry and will comply with all applicable laws, codes and regulations. ICS further warrants that all equipment (including the material supplied by ICS) installed as part of the Project are new, in good and proper working condition and shall be free from material defects and protected by appropriate written manufacturers warranties covering all parts and equipment performance. ICS agrees to deliver all warranty documentation to the Client Contact. ICS agrees that Client will pursue rights and remedies against manufacturer for equipment under warranties in the event of equipment malfunction or improper or defective function, and defect in parts, workmanship and performance. ICS agrees to reasonably cooperate with Client in enforcing warranties.

ICS shall use reasonable efforts in its negotiations with manufacturers and will ensure that all manufacturers' warranties shall be transferable and extend to Client. The warranties shall specify that only new and non-re-conditioned parts may be used and installed when repair is necessitated by malfunction. All warranties required hereunder shall be in force for a minimum of one year from the date of installation.

15.3. Obligation to Correct Non-Conforming Services. ICS will promptly correct any nonconforming services within the Project for no charge, as long as Client provides written notice to ICS within one (1) year following the commencement of the warranty for the portion of the Project at issue (the "Warranty Period"). If Client fails to reasonably notify ICS and provide ICS an opportunity to undertake the correction during the Warranty Period, Client waives the rights to require correction by ICS and to any claim for breach of warranty. The remedies set forth in this Section 15.3 with respect to the services within the Project, together with any remedy provided by goods or equipment manufacturers, shall be Client's sole and exclusive remedies for warranty claims. These warranties do not extend to any portion of the Project that has been abused, altered, misused, or repaired by Client or third parties without the supervision or prior written approval of ICS. ICS shall not be considered a merchant or

vendor of goods or equipment within the Project. NO OTHER WARRANTY, EXPRESSED OR IMPLIED, IS MADE WITH RESPECT TO THE PROJECT.

15.4 No Representations or Warranties with Respect to Client Financing or Taxes. ICS does not make any representation or warranty to Client with respect to matters not expressly addressed by this Contract, including, but not limited to:

- A. Client's ability to obtain any financing or pay for the Project; and
- B. The necessity of Client to raise taxes or seek additional funding for any purpose.

Client is solely responsible for its obligations and determinations with respect to the foregoing matters.

16. Event of Default.

16.1. Default by Client. Each of the following events or conditions shall constitute an Event of Default by Client:

- A. Failure to make payments in accordance with Sections 5 and 8 of this Contract.
- B. Any other material failure to perform or comply with the terms and conditions of this Contract, including breach of any covenant or duty contained herein, provided that such failure continues for thirty (30) days after written notice to Client to cure such failure to perform. In the event the default is cured within said period, this Contract shall remain in full force and effect.

16.2. Default by ICS. Each of the following events or conditions shall constitute an Event of Default by ICS:

- A. The installation of the materials and equipment is not completed in a satisfactory manner, according to the terms of this Contract, within (30) days from receipt of written notice to ICS to cure said default. In the event the default is cured within said period, this Contract shall remain in full force and effect.
- B. Any representation or warranty furnished by ICS in this Contract, which is knowingly false or misleading in any material respect when made.
- C. Any other material failure by ICS to perform or comply with the terms and conditions of this Contract, including breach of any covenant or duty contained herein, provided that such failure continues for thirty (30) days after written notice to ICS to cure such failure.

17. Remedies Upon Default.

17.1. Default by Client. Upon the occurrence of an Event of Default by Client, ICS may elect to enforce one or more of the following remedies:

- A. Terminate this Contract by delivery of a notice declaring termination, whereupon ICS may enter the Facility on which the Project is being performed and remove ICS property, which shall include equipment not paid for by the Client.
- B. Seek damages in the amount of all payments, then or thereafter owing from Client to ICS pursuant to this Contract, together with all costs and expenses reasonably incurred in exercise of its remedies (including reasonable attorneys' fees and court costs) in seeking and enforcing any or all of the remedies provided in this section;
- C. Seek specific performance of the terms and conditions of this Contract to the extent permitted by law, including without limitation injunctive relief where appropriate; and/or
- D. Suspend further provision of the Project. If delivery of the Project has been suspended as a result of Client's default and Client and ICS agree to arrange for the reinstatement of the performance of the Project, Client shall pay to ICS a performance reinstatement fee in such amount or amounts, and payable on such date or dates as shall be reasonably acceptable to ICS, as will reimburse ICS for its actual costs (including overhead and interest at the Default Rate) to be incurred in reinstating performance of the Project; provided, however, that nothing herein shall obligate ICS to reinstate the performance of the Project.
- E. If the performance of Project is stopped for a period of sixty (60) consecutive days through no act or fault of ICS, its subcontractors or employees because Client has repeatedly failed to fulfill Client's obligations under this Contract with respect to matters important to the progress of the Project, ICS may, upon seven additional days' written notice to Client, terminate this Contract and recover from Client payment for work performed and a proven loss with respect to materials, equipment, tools and construction equipment and machinery, including reasonable overhead, profit and damages based on the portion of the Project completed to date.

17.2. Default by ICS. Upon the occurrence of an Event of Default by ICS, Client shall have the right to:

- A. Seek specific performance of the terms and conditions of this Contract to the extent permitted by law, including without limitation injunctive relief where appropriate;
- B. Terminate the Contract by delivering a notice declaring termination (permitting ICS to enter the Facility to remove its property), including equipment not paid for by Client; and/or
- C. Pursue any rights and remedies available at law or in equity including, without limitation, an action for actual damages, together with all costs and expenses reasonably incurred in exercise of its remedies (including reasonable attorneys' fees and court costs) in seeking and enforcing any or all of the remedies provided in this section.

18. Termination.

18.1 For Uncured Breach. Either party may terminate this Contract thirty (30) days after written notice to the other party of any material breach of this Contract by such party that has not been cured within such thirty (30) day period (an “Event of Default”). The notice must set forth the nature of the breach with reasonable specificity. In the event of a termination initiated by the Client and after equipment has been installed, ICS shall not be responsible for performance arising after the date of such termination. Additionally, ICS shall be entitled to payment, calculated on a pro rata or other equitable basis for work or services satisfactorily performed and for reasonably unavoidable cancellation, demobilization and/or restocking charges incurred for materials and/or equipment.

18.2 Bankruptcy. In addition to Section 18.1 and any other rights it may have at law or in equity, either party may terminate and without liability suspend all activity related to this Contract immediately if the other party is adjudicated bankrupt, ceases to do business as a going concern, makes an assignment for the benefit of creditors, permits the appointment of a receiver, or otherwise avails itself of or becomes subject to any bankruptcy or insolvency statute.

18.3. Non-Appropriation. Client reserves the right to terminate this Contract without penalty due to non-appropriation of funds.

19. General Provisions

19.1. Governing Law, Jurisdiction and Venue, Arbitration and Litigation. This Contract is governed by the laws of the State of Minnesota. The venue for any dispute resolution proceedings is agreed to be in Steele County, State of Minnesota, (the venue where the Facility is located), and the Parties consent to such jurisdiction. The Parties shall proceed as follows with respect to any dispute, claim or controversy (each a “Dispute”) arising under this Contract:

- A. First, the Parties shall attempt to resolve the Dispute informally by discussion and negotiation in good faith between the ICS Contact and the Client Contact.
- B. If such informal dispute resolution effort is not successful, then either Party shall have the right to seek resolution of a Dispute by providing written notice of the Dispute to the President of ICS and Client Contact, which notice shall be deemed sufficient notice to each Party. Within three (3) Business Days of such notice, the President and Client Contact and/or their designees with authority to resolve the Dispute shall meet, review such relevant information as they may determine and render their decision within three (3) business days of such meeting (or such other timeline to which they mutually agree).
- C. If the President and the Client Contact cannot arrive at a mutually agreeable decision within the three (3) Business Day period provided, either Party may proceed to arbitration in accordance with the Construction Industry Arbitration Rules of the American

Arbitration Association in effect on the date of this Contract. Such unresolved Disputes shall be subject to arbitration upon written demand of either party. The parties shall agree upon an arbitrator within 45 days of the written request for arbitration, or the arbitrator shall be selected by the Hennepin County District Court, Minnesota. The Parties shall cooperate in good faith to reach agreement upon undisputed facts, and to agree upon reasonable time periods, discovery limits and other limits to apply to the arbitration proceeding, so that its scope, duration and expense is proportionate to the Dispute and issues involved. A judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. Notwithstanding the foregoing, if any Dispute exceeds \$100,000 either Party, at its sole option, may provide written notice to litigate the matter either before it receives a notice of arbitration or within ten (10) days after receipt of such notice. Such notice shall be binding on the Parties and the entire Dispute shall be resolved through litigation in Hennepin County District Court.

- D. For Disputes governed by arbitration, either ICS or Client, at its sole discretion, may include by joinder persons or entities substantially involved in a common question of law or fact whose presence is required if complete relief is to be accorded in arbitration, provided that the party sought to be joined consents in writing to such joinder. Consent to arbitration involving an additional person or entity shall not constitute consent to arbitration of any claim, dispute or other matter in question not described in the written consent. ICS and Client grant to any person or entity made a party to an arbitration conducted under this Section, whether by joinder or consolidation, the same rights of joinder and consolidation as ICS and Client under this Contract.

19.2. Conditions Beyond Control of Parties. Neither Party will be responsible for any failure to comply with, or for any delay in performance of, the terms of this Contract where the failure or delay is due to acts of God or the public enemy, war, riot, embargo, fire, explosion, sabotage, flood, strikes, labor disputes, defective equipment not owned or controlled by that party, accident; or, without limiting the foregoing, any circumstances of like or different character beyond its control (collectively, “Force Majeure Event”). If either party is unable to perform under this Contract for more than sixty (60) due to a Force Majeure Event, then the other party may terminate this Contract upon fifteen (15) days’ written notice.

19.3. Notices and Changes of Address.

All notices to be given by either party to the other shall be in writing and must be either delivered in person or mailed by registered or certified mail, return receipt requested, addressed as follows:

To ICS:

Andy Faulkner, President
1331 Tyler Street NE, Suite 101
Minneapolis, MN 55413
Office: 763-354-2670

To Client:

Kris Busse, City Administrator, City of Owatonna
540 West Hills Circle
Owatonna, MN 55060
Office: 507-444-4300

Or such other addresses as either party may hereinafter designate by a written notice.

19.4. Successors and Assigns. ICS binds itself jointly and severally, its successors, executors, and administrators to Client in respect to all covenants of this Contract. ICS shall not assign or transfer any part of its interest in this Contract or any right or duty under this Contract in whole or in part of without prior written consent of Client.

19.5. Permits. ICS shall be responsible for obtaining all governmental permits, consents, and authorizations as may be required to perform its obligations hereunder.

19.6. Compliance by ICS Subcontractors and Consultants. ICS shall provide and require in all of its contracts or subcontracts with other parties who provide services in regard to performance of this Contract that such subcontractors, consultants, or other parties contracting with ICS with regard to performance of this Contract shall comply with those requirements of Minnesota law specified herein and otherwise required of persons performing work for the Client of the type contemplated under this Contract.

19.7. No Waiver. The failure of ICS or Client to insist upon the strict performance of the terms and conditions hereof shall not constitute or be construed as a waiver or relinquishment of either party's right to thereafter enforce the same in accordance with this Contract in the event of a continuing or subsequent default on the part of ICS or Client. The waiver of any default by either party shall not be deemed a continuing waiver but shall apply only to the instance to which such a waiver is directed.

19.8. Complete Agreement. This Contract, when executed, together with all exhibits attached hereto as provided for by this Contract, shall constitute the entire agreement between both parties and shall take precedence over any prior communication between the Parties, including different or additional terms and conditions that either of them may have included in any documents that were not incorporated into this Contract or the attached exhibits. Any handwritten changes on the face of this document shall be ignored and have no legal effect unless initialed by both parties.

19.9. Severability. In the event that any clause or provision of this Contract or any part thereof shall be declared invalid, void or unenforceable by any court having jurisdiction, such invalidity shall not affect the validity or enforceability of the remaining portions of this Contract unless the result would be manifestly inequitable or unconscionable.

19.10. Recitals. The background recitals set forth at the beginning of this Contract are expressly incorporated into and made an integral part of the body of this Contract and the terms of the Recitals fix the obligations of the parties and are binding upon them in the same way and to the same extent as all other provisions of this Contract.

19.11. Headings. The headings of all provisions are for ease of reference only. The headings in no way define, limit or describe the scope, intent or obligations of the provisions of this Contract and therefore are not to be used in construing this Contract.

19.12. Amendments. Amendments to this Contract shall be valid only if they are in writing and are signed by the same parties, or their successors in office, who signed the original Contract.

19.13. Limitation on Liability. Except as otherwise provided in this Contract, in no event shall the Parties be liable to one another for any indirect, consequential, incidental, lost profits or like expectancy damages.

19.14 Ownership of Works and Intellectual Property Rights. For the purposes of this paragraph, the term “Works” includes creative writings, research data and reports, writings, sound recordings, pictorial reproductions, drawings, film and video recordings, and other graphical representations, software, business methods, inventions, improvements, and discoveries, and works of any similar nature (whether or not eligible for copyright, trademark, patent or other proprietary rights), which are to be prepared for the Client and delivered under this Contract. It does not include any of ICS’s background intellectual property. Ownership of the Works and all copyrights, trademarks, patents and other proprietary rights in the Works shall be owned exclusively by ICS. Notwithstanding the foregoing, the Client shall have a license to utilize the Works to maintain its equipment or to complete the Work in the event of a termination of ICS for cause. The Client shall not have a license to use the Works for any other project.

19.15 Minnesota Governmental Data Practices Act. ICS acknowledges that all of the data created, collected, received, stored, used, maintained, or disseminated by ICS with regard to the performance of its duties under this Contract are subject to the requirements of Minnesota Statutes Chapter 13.

19.16 Subject to Audit. ICS acknowledges that all books, records, documents, and accounting procedures and practices of ICS, that are relevant to the Contract or Project, are subject to examination by the Client and either the legislative auditor or the state auditor, as appropriate, for a minimum of six years, as provided by Minnesota Statute Sect16C.05, Subd. 5.

19.17 No Waiver of Governmental Immunity and Limitations on Liability. Nothing in this Contract shall in any way affect or impair the Client’s immunity or the immunity of the Client’s employees, consultants and contractors, whether on account of official immunity, legislative immunity, statutory immunity, discretionary immunity or otherwise. Nothing in this Contract shall in any way affect or impair the limitations on the Client’s liability or the liability of the Client’s employees, consultants and independent contractors. By entering into this Contract the Client does not waive any rights, protections, or limitations as provided under law and equity for the Client or of their respective employees, consultants and contractors.

IN WITNESS WHEREOF, the Parties have caused this Contract to be duly executed intending to be bound thereby.

CITY OF OWATONNA, MINNESOTA

By _____

Its: _____

Date: _____

ICS CONSULTING, LLC.

By _____

Its: _____

Date: _____

EXHIBIT A: FACILITIES DESCRIPTION

Projects under this agreement will be completed at these locations:

Facility Name	Address	Contact	Contact Phone
Merrill Hall (Merrill Building)	560 Dunnell Drive, Owatonna, MN 55060	Jenna Tuma, Parks & Recreation Director	507-444-4300

EXHIBIT B: PROJECT TABLE WITH COSTS AND ESTIMATED SAVINGS

Projects to be completed are listed in the table below along with the project cost, estimated annual energy savings, estimated operating savings, and estimated long-term operating savings. Please note that asbestos remediation is in this budget however not included to be completed under this contract. ICS will coordinate specialty contracting to survey and remove asbestos from the affected areas.

City of Owatonna, Minnesota - Merrill Hall Energy Efficiency Projects Table

Project Selection Worksheet		"Selected Only Projects"					
Selected	Facility Improvement Measure (FIM) Description	Budget \$	Annual Operational Impact Savings (Increase)			One Time Savings \$	
			Utility \$	O&M \$	LTOS	Rebates	Tax Credit/ Grant
MERRILL BUILDING							
	Mechanical/Electrical						
x	Inter/Exterior LED Lighting Retrofit (Does not incl. theater, green/dressing rooms)	\$482,201	\$4,544	\$450	\$24,110	\$9,320	\$0
x	HVAC System Upgrade - Convert to Hot Water/DDC Upgrade (Daycare area only)	\$3,200,981	\$16,129	\$4,000	\$160,049	\$211,795	\$0
x	Building Electric Service & Distribution Upgrade	\$205,174	\$0	\$0	\$10,259	\$0	\$0
x	Fire Sprinkler System & New Water Service	\$424,675	\$0	\$0	\$21,234	\$0	\$0
x	Fire Detection System Upgrade	\$364,396	\$0	\$0	\$18,220	\$0	\$0
		\$0	\$0	\$0	\$0	\$0	\$0
	Envelope/Interiors						
x	Remove Asbestos Containing Material	\$253,262	\$0	\$0	\$12,663	\$0	\$0
x	Replace Roofing	\$367,158	\$0	\$0	\$18,358	\$0	\$0
		\$0	\$0	\$0	\$0	\$0	\$0
		\$5,297,847	\$20,673	\$4,450	\$264,892	\$221,115	\$0

Notes on the above table:

1. Project budget is a fixed amount
2. Project costs will not go up or down by the exact amount shown with changes in scope of work since soft costs such as project management, design, permitting, auditing, etc. are distributed among all projects.
3. Line item **"Remove Asbestos Containing Material"** budget is **NOT** included in the scope of this project by ICS. ICS will coordinate ACM removal with specialty contractors as necessary.

EXHIBIT C: SCOPE OF WORK

ICS shall provide turnkey project implementation including design, engineering, construction management, commissioning, and any other services necessary for the implementation of the following scope of work that is included in the Guaranteed Energy-Savings Contract executed between the City of Owatonna, Minnesota and ICS.

The following recommendations are NOT mutually exclusive and must be done as one project. The equipment capacities listed are estimates only and will be finalized during the design development phase. Manufacturer cut sheets of the proposed basis of design for major lighting and HVAC equipment components are provided after the scope of work summary along with a schematic HVAC system layout.

- Remove asbestos-containing material (ACM) on steam and condensate piping from all three floors of the building, and other ACMs as needed for project implementation (i.e., floor tile, plaster-lathe ceilings, etc.). This scope of work will be contracted to the city by others but coordinated with other project work by ICS.
- Remove steam boilers, condensate equipment, R-22 chiller, all steam/condensate pipe, chilled water pipe, fan-coil units, DX/gas furnaces, and lighting from all three floors of the daycare portion of the building. The ground-mounted DX/gas RTUs serving the auditorium will remain in service.
- Install two 750 MBH high-efficiency hot water boilers, redundant hot water heating pumps, air separator, expansion tank, insulated hot water distribution piping, finned-tube radiation, and balancing/isolation valves for a complete and operable hot water heating system. Fill the system with a 30% propylene glycol solution. The new central heating plant will be located in the existing boiler room.
- Install a 70 TON high-efficiency air-cooled condensing unit, insulated refrigerant pipe, filter-dryer, and services valves for and complete and operable direct expansion (DX) cooling system. Upgrade the building's electrical service and main electrical distribution panel as required to accommodate added electrical loads of new cooling equipment.
- Install a 27,000 CFM variable volume air handling unit with a hot water heating coil and DX cooling coil to serve the daycare portion of the building. Connect air handling unit to new central heating plant and air-cooled condensing unit. The new air handling unit will be located in the storage room next to the existing boiler room.
- Install a dedicated 3,000 cfm heating and ventilation air handling unit to serve the scene shop on the lower floor. The unit will be connected to the new central hot water heating plant but will not have air conditioning.
- Install insulated air distribution ductwork, fire/smoke dampers, balancing dampers, power roof ventilators, and variable air volume boxes with hot water reheat coils for a complete and operable zoned HVAC system. Some space will be lost on the first and second floors to accommodate the installation of vertical chases to accommodate the new supply/return ductwork and hot water piping.
- Install direct digital controls on all new equipment, and existing equipment serving the auditorium. Tie all DDC to a graphic head-end capable of remote access.
- Install a new fire sprinkler system to serve the entire building, except the unheated attic, which will require a dry system. A larger building water service will be required to accommodate the fire sprinkler system.
- Install a new intelligent fire panel and relocate the existing detection and notification devices as needed.
- Install new LED lighting in the daycare portion and exterior of the building. The theater is not included.
- Install new acoustic ceiling tile (ACT) throughout the building to conceal new ductwork, piping, and wiring. The theater is not included.

Client Initials Indicating Acceptance: _____

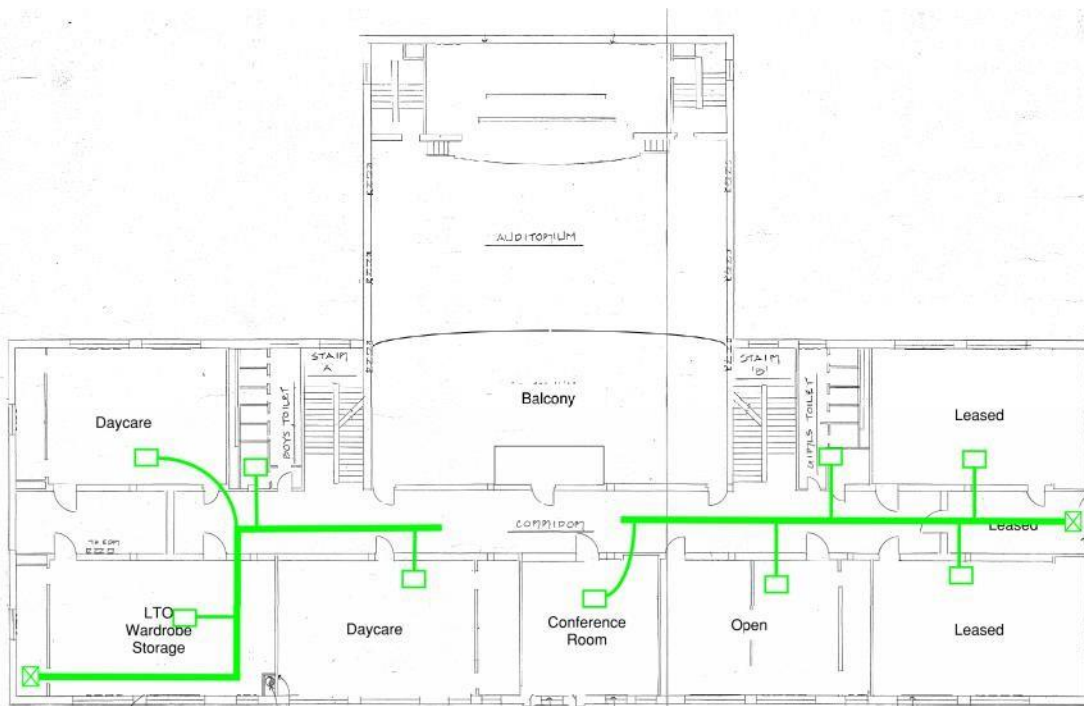
LOWER LEVEL

Architectural floor plan of the Lower Level. The plan shows various rooms and proposed changes. Key areas include:

- LTO Scene Shop** (highlighted with a blue square)
- LTO Storage** (multiple locations)
- New Mechanical Room** (circled in red, with **Existing Boiler Room** also circled)
- LTO Green Room**
- Kitchen**
- Daycare Cafeteria**
- Daycare**

A green line indicates a proposed circulation path or utility line. The plan also shows existing and new entrances, stairs, and various annotations for construction and layout changes. Dimensions are provided for several areas, such as 12'-0" x 12'-0" and 12'-0" x 12'-0".





SECOND
FIRST FLOOR PLAN
SCALE: 1/8" = 1'-0"

Product data sheets for the above described scope of work follow. These are representative of equipment to be ordered.

EVOLUTION[®]

Higher Efficiency Heating Equipment

PREMIUM COPPER-FIN TUBE BOILER CONSTRUCTION AND DESIGN

- **Rugged Heat Exchanger Design**
 - Gasketless headers
 - Water-backed tube sheets
 - 20-Year thermal shock warranty
- **Robust Copper-Fin Tubes**
 - .072" Wall thickness
- **Advanced Combustion**
 - <10 ppm ultra-low NOx emissions
 - <50 dBA noise levels
- **Maintenance-Free
Burner – 10 year warranty**
- **Unmatched Fireside Heating
Surface**
- **Small Footprint**
 - 6 sq. ft / 11 sq. ft.
- **Up to 87% Efficiency**
- **UL Certified Boiler Package**



THERMAL[®]
SOLUTIONS
Innovative Equipment for Hot Water Systems

Thermal Solutions designed its Evolution high efficiency copper-fin tube boiler to meet the complexities of today's building systems. For nearly two decades, the Evolution boiler has been the industry benchmark for quality, reliability, and performance.

The Evolution takes copper-fin tube boiler technology to the next level by incorporating a list of unique design features. These include rugged heat exchanger design, advanced maintenance-free combustion and ease of installation and service. **The Evolution boiler truly is a step above the rest!**



Heat Exchanger

Rugged Heat Exchanger Design

Central to the boiler's design is its heat exchanger, which boasts twice as much heating surface than our competition. The rolled copper fin-tube, patent H/F Trufin is extruded from a solid piece of copper, resulting in a high quality component, and unsurpassed heat transfer. The gasket-less header design allows for easy inspection, cleaning, and individual tube replacement. Completely enclosed in a stainless steel compartment, the combustion chamber effectively handles short-term condensing periods (cold start) to protect the boiler. The Evolution heat exchanger has thicker tubes (.072") and more robust heads than any other hot water boiler product (compare the weights), making it very forgiving, more durable, and built to last!



Ceramic Radiant
Burner

Advanced Maintenance-Free Combustion

The ceramic radiant burner never requires inspection or maintenance! Designed to operate with NOx emissions less than 10 ppm, the whisper-quiet burner (<50 dBA) runs at minimal excess air levels providing high efficient, trouble-free operation. The burner features a larger surface area and lower flux that allows for higher heat transfer and more uniform heating that extends the life of the copper tubes. A rugged cast-aluminum blower assembly, fitted with a replaceable combustion air filter that is 99% efficient to one micron, is used to keep the burner free of contaminants. A commercial-grade microprocessor based flame safeguard with LED diagnostic display, proven spark ignition and a UV flame scanner complete the Evolution's unsurpassed combustion system for safety and reliability. The Evolution boiler can be operated with its jacket panels removed during inspection to avoid nuisance problems associated with pressurized compartments.



Ease of Installation and Service

All rear connections and complete front and rear access to the unit's components, permitting space-saving side-by-side modular arrangements. The Evolution's flexible venting options include sealed or room air combustion, direct vent or conventional venting for multiple boiler common stack arrangements. Quick setup and low maintenance make the Evolution boiler an ideal choice for either retrofit or new construction projects.

Small footprint (6 sq. ft / 11 sq. ft.) For space-saving multiple unit installation

Pressure Vessel Design

- Copper fin-tube construction
- Carbon steel or cast iron header design
- Gasketless heat exchanger
- ASME Section IV certified H stamp
- MAWP 160 PSIG 240°F & max temp 250°F
- Five year heat exchanger warranty
- 20-year thermal shock warranty

Combustion Design

- Ceramic radiant burner, non-corroding
- Maintenance-free burner design
- Ultra-low NOx emissions (to <10 ppm)
- Whisper-quiet operation (<50 dBA)
- Combustion air filter, 99% efficient
- Industrial cast aluminum blower assy.
- Variable frequency drive (modulation only)
- Electric spark-to-pilot ignition system
- 10-year burner warranty

Boiler Equipment

- Siemens RWF55 operating control (modulation only)
- High limit w/manual reset safety temperature control
- Water flow switch
- Low water cut-off w/manual reset safety controller
- Outlet temperature sensor
- Combustion air switch
- Pressure and temperature gauge
- Safety relief valve (available settings 30 to 150 PSI)
- Single point electrical supply (available in 1 or 3 phase)

Venting

- Sealed or room air combustion
- Direct vent (sidewall or vertical) up to 50 feet (Cat IV)
- Conventional venting (Cat II)

Burner Equipment

- UL/FM/CSD-1 gas train
- On-off or full modulation with infinite proportional firing
- Natural or LP gas
- Inlet gas pressure available from 4 wc to 5 psig
- Pilot gas valve
- Pilot gas regulator
- Pilot/leak test cocks
- Main gas valve
- Low & high gas pressure switches w/manual reset

Siemens RWF55 Operating Control Features (modulation only)

- Adjustable set point
- Remote set point (0-10v or 4-20 mA)
- Outdoor air temperature reset
- Remote system temperature

UL® Certified
Meets stringent test requirements

EVOLUTION® FEATURES

Wide range of sizes 500,000–
3,000,000 BTU/HR

Commercial-grade microprocessor based flame safeguard
Provides combustion management and safety

Heavy 16-gauge negative pressure steel jacket
Protects the boiler and eliminates nuisance problems associated with pressurized compartments

Gasketless header design
Allows for easy tube inspection and cleaning

Thick tubes (0.72") and robust headers
Provide durability

Vertical two-pass copper-fin tube configuration
Provides symmetrical heating for improved heat transfer

All rear connections
Allows minimal side-to-side clearances

Replaceable combustion air filter 99% efficient to one micron
Ensures burner reliability and trouble-free maintenance

Industrial cast- aluminum non-sparking blower assembly
Contributes to whisper-quiet (<50 dBA) operation

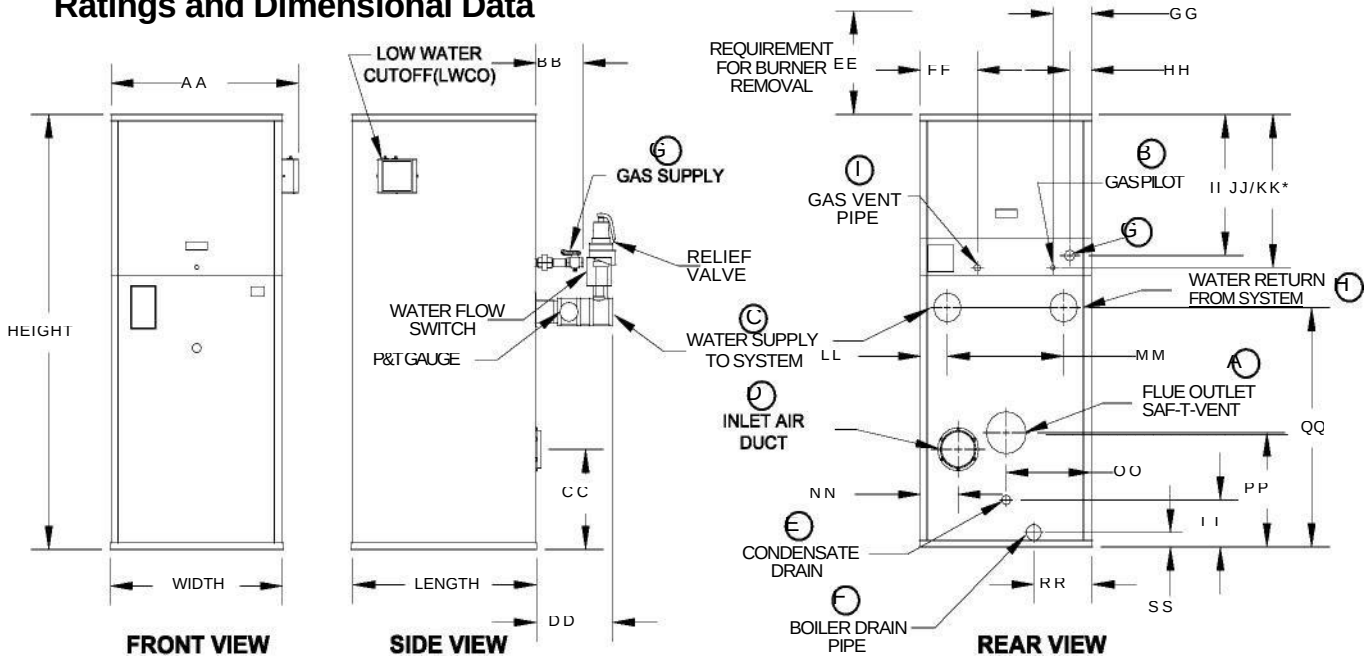
Fully water-backed tube sheet and unmatched fireside heating surface
(6.6 sq.ft. / 9.7 sq. ft to boiler horsepower) provides longevity

Flexible venting options
Include sealed or room air combustion, direct vent, or conventional venting

Non-corroding ceramic radiant burner with no moving parts
NOx emissions less than 10 PPM

Combustion chamber enclosure
Stainless steel material protects against corrosive flue gases

Ratings and Dimensional Data



* GAS PILOT DIMENSION ON MODELS 2000S, 2500, & 3000 ONLY
 ** DB&B AND DB&B WITH PROOF OF CLOSURE OPTION ONLY

Boiler Ratings

Dimensions and Specifications

Model	Input MBH	Gross Output MBH	Net Ratings Water MBH*	SQ.Ft Per BHP	Footprint			Rear Connections									Shipping Wt. (lbs.)
					Height	Width	Depth	A	B	C	D	E	F	G	H	I	
EVA-500	500	431	375	9.4	71.2	28.3	30.3	4.0	1/4	2.0	4.0	5/8	1.0	1.0	2.0	3/4	772
EVA-750	750	623	542	6.6	60.9	28.3	30.3	4.0	1/4	3.0	6.0	5/8	1.0	1.0	3.0	3/4	1,097
EVA-1000	1,000	819	712	6.7	67.3	28.3	30.3	6.0	1/4	3.0	6.0	5/8	1.0	1.5	3.0	3/4	1,185
EVA-1500	1,500	1,251	1,088	6.7	79.4	28.3	30.3	6.0	1/4	3.0	8.0	5/8	1.0	1.5	3.0	3/4	1,327
EVA-2000	2,000	1,696	1,475	6.7	91.8	28.3	30.3	6.0	1/4	3.0	8.0	5/8	1.0	1.5	3.0	3/4	1,461
EVA-2000S	2,000	1,732	1,506	9.6	70.5	38.1	40.1	6.0	1/4	4.0	8.0	5/8	1.0	1.5	4.0	3/4	1,835
EVA-2500	2,500	2,170	1,887	9.7	77.5	38.1	40.1	8.0	1/4	4.0	8.0	5/8	1.0	2.0	4.0	1.0	2,052
EVA-3000	3,000	2,610	2,270	9.7	84.5	38.1	40.1	8.0	1/4	4.0	8.0	5/8	1.0	2.0	4.0	1.0	2,193

Model	AA	BB	CC	DD	EE	FF	GG	HH	II	JJ	KK	LL	MM	NN	OO	PP	QQ	RR	SS	TT
EVA-500	31.0	10.0	14.4	10.8	16.0	9.3	6.3	3.5	21.8	23.6	23.6	8.1	11.3	5.5	14.1	17.1	41.1	13.3	2.4	6.1
EVA-750	31.0	8.8	15.4	11.8	16.0	9.3	6.3	3.5	21.8	23.6	23.6	4.4	19.0	6.1	13.9	17.9	30.6	9.6	2.3	7.0
EVA-1000	31.0	10.0	15.4	11.8	16.0	9.3	6.3	3.5	21.8	23.6	23.6	4.4	19.0	6.1	13.9	17.9	36.9	9.6	2.3	7.3
EVA-1500	31.0	10.0	27.4	11.8	19.0	9.3	6.3	3.5	21.8	23.6	23.6	4.4	19.0	6.1	13.9	17.9	49.0	9.6	2.3	7.0
EVA-2000	31.0	10.0	27.4	11.8	31.0	9.3	6.3	3.5	21.8	23.6	23.6	4.4	19.0	6.1	13.9	17.9	61.4	9.6	2.3	7.0
EVA-2500	31.0	10.5	19.6	13.3	13.0	4.0	8.5	5.0	20.9	22.4	23.4	5.9	26.2	7.0	19.0	18.6	39.6	14.4	2.2	6.9
EVA-3000	40.8	11.5	19.6	13.3	20.0	4.0	8.5	5.0	20.9	22.4	23.4	5.9	26.3	7.0	19.0	18.6	46.6	14.4	2.2	6.9
EVA-3000	40.8	11.5	19.6	13.3	26.5	4.0	8.5	5.0	20.9	22.4	23.4	5.9	26.2	7.0	19.0	18.6	53.6	14.4	2.2	6.9

*Net water ratings shown are based upon an allowance of 1.15. Dimensions are shown in Inches
 The manufacturer should be consulted before selecting a boiler for installations having unusual piping and pickup requirements, such as intermittent system operation, extensive piping systems, etc. The ratings have been determined under the provisions governing forced draft boiler-burner units.

Air-Cooled Split System Condensing Units for Remote DX Coils and Air Handlers

Models RCS 015D to 140D
R-410A Refrigerant



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CAT 222-6 • AIR-COOLED SPLIT SYSTEM CONDENSER

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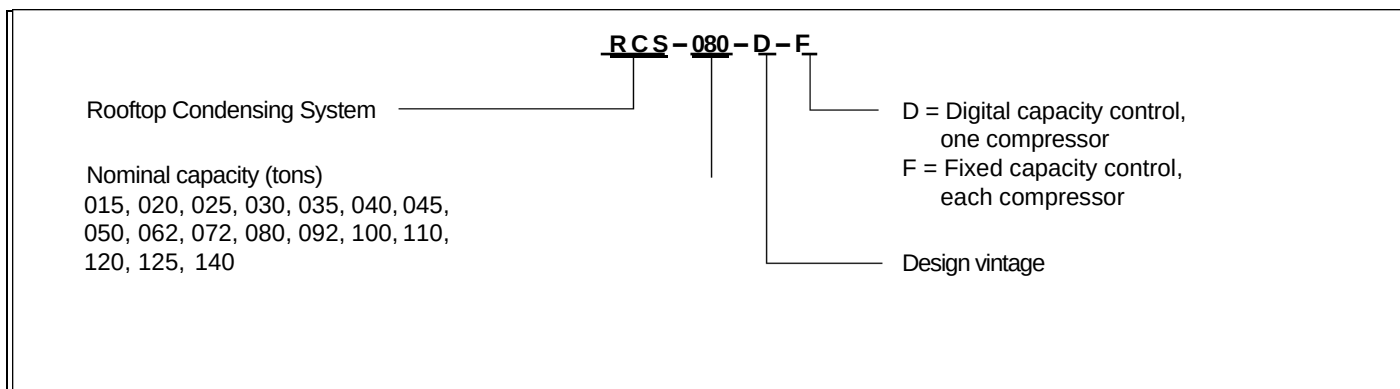
The Condensing Unit for Applied Rooftop and Air Handler Systems

- The Daikin Applied RCS air cooled, remote condenser offers a wide selection of nominal capacities from 15 to 140 tons.
- Units are designed for quiet and energy efficient operation meeting ASHRAE 90.1 efficiency requirements.
- Dual circuits with scroll compressors with multiple stages for maximum capacity control.
- The RCS unit can be matched to a Daikin Applied Vision®, Skyline®, or Destiny® air handling unit, as well as Hi F5 and E5 DX coils.

Agency Listed



Nomenclature



R-410A Refrigerant

- R-410A is environmentally friendly HFC refrigerant with zero ozone depletion. Customers have no phase out and replacement concerns.
- R-410A efficiency is excellent. Daikin Applied R-410A condensing units are available with EERs that exceed ASHRAE 90.1-2007. R-407C inevitably forces the unit to be significantly less efficient or more expensive, while R-410A reduces energy costs.
- R-410A refrigerant components are always evenly mixed, which is not true for R-407C. If R-407C leaks, the remaining charge may not have a proper mix of components. R-410A does not have this problem so leaks are easier to repair.
- Micro-channel condensers are used and are much more robust and corrosion resistant than traditional copper tube and aluminum fin coils. Micro-channel condensers also have smaller diameter tubes so they require less refrigerant. Daikin Applied micro-channel condensers last longer than competitive condensers and are perfect for LEED® buildings.

Condensing Section Standard Features

- Open design permits unrestricted condenser airflow, access to compressors, refrigeration components and piping, and access for roof maintenance.
- High efficiency Copeland® scroll compressors.
- All units feature dual refrigeration circuits for redundancy and efficient capacity control.
- Large face area condenser constructed of high efficiency, aluminum micro-channel coils for high operating efficiencies.
- Vertical air discharge minimizes noise.
- Three-phase condenser fan motors eliminate reverse rotation failures.
- Up to six steps of compressor capacity control with optional hot gas bypass (on one or both circuits) provides for stable discharge temperature and humidity control.
- Recessed V-bank condenser coils have built-in hail damage protection.
- Field powered, 115 volt, GFI, electrical outlet.

Optional Components

In addition to the unique features included with the standard RCS Condensing Unit, additional component options are available:

- Baked epoxy coating with a 5000-hour salt spray test per ASTM B117.
- Phase loss protection.
- Ground fault protection.
- VFD controlled head pressure control allows mechanical cooling to 0°F ambient temperatures.
- Non-fused disconnect switch with through-the-door handle.
- Vandalism guards.
- IBC 2006 and/or ASCE 7-05 seismic certified construction.
- Factory powered, 115 volt, GFI, electrical outlet.
- Suction and discharge isolation valves for each refrigeration circuit.

Accessories

Accessories can also be added to further enhance the unit:

- HGBP kit including control valve.
- Liquid line kit with sight glass, solenoid valve, and replaceable core filter drier (see wiring diagram for wiring instructions).

NOTE: Items not included in liquid line kit: manual shutoff valve mounted on the condensing unit liquid line outlet, expansion valve, and distributor.

Figure 1: Liquid Line Accessories

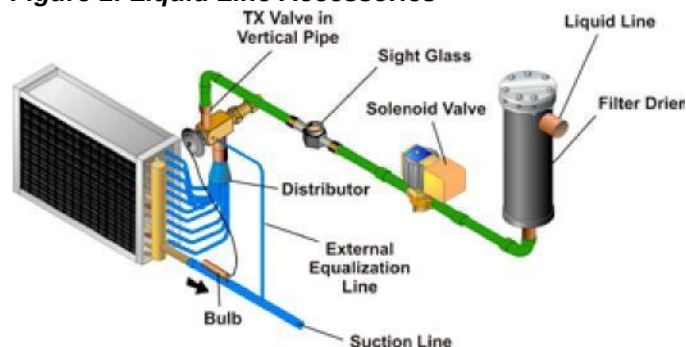
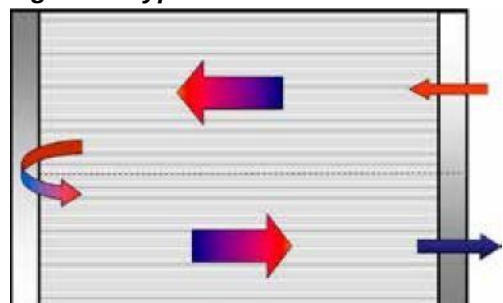


Figure 2: Typical 2-Pass Construction

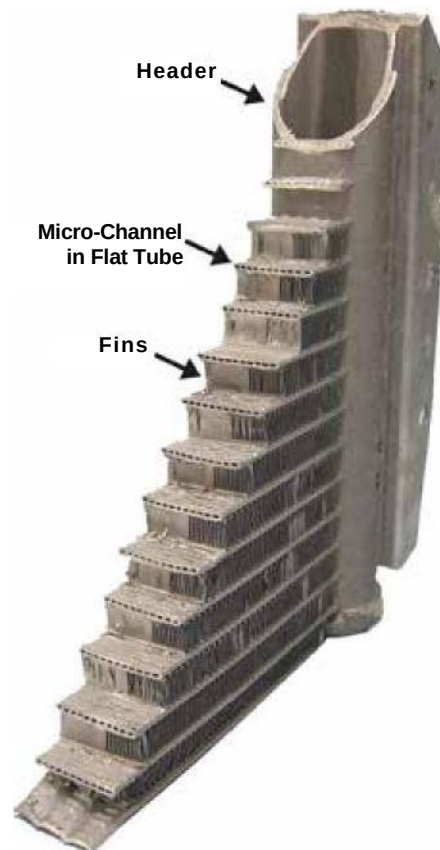


Micro-Channel Condensers

Micro-channel coils are an all-aluminum construction composed of:

1. Extended flat tubes (Figure 3) with many small flow channels.
 2. Flat fins (Figure 3) that are brazed to adjoining tubes.
 3. Two refrigerant manifold headers (Figure 3) that are arranged in a two-pass configuration (Figure 2).
- Flat tubes have better fluid-to-tube heat transfer. Therefore, micro-channel coils have more heat transfer per square foot than traditional coils and require much less refrigerant charge per ton of cooling.
 - All aluminum construction eliminates galvanic corrosion associated with dissimilar metals. All aluminum coils are much more resistant to normal condenser corrosion in any location including the sea coast.
 - Aluminum is lighter than copper so Daikin Applied R-410A condensers are lighter than competitive condensers.
 - Micro-channel coils were pioneered in the auto industry and one reason is their more robust construction. Fins are brazed between adjoining tubes so there are no exposed and vulnerable edges. Fin damage is therefore virtually eliminated.

Figure 3: Supply and Return Manifolds



Daikin Applied's Unique Features

Controls

- Easily accessible control panel
- Single-point power connection
- Compressor crank case heaters and anti-cycle timers
- Compressor temperature and current sensing circuit protection

Condenser fans

- Vertical air discharge for quiet operation
- Three-phase fan motors eliminate reverse rotation for prolonged performance
- Heavy-gauge

Condenser coils

- Large face area with integral subcooling circuits
- Micro-channel condensers
- Recessed to provide hail protection

Durable construction

- Pre-painted exterior surfaces that surpass the 750-hour ASTM B 117 Salt Spray Test for durability

Dual refrigerant circuits

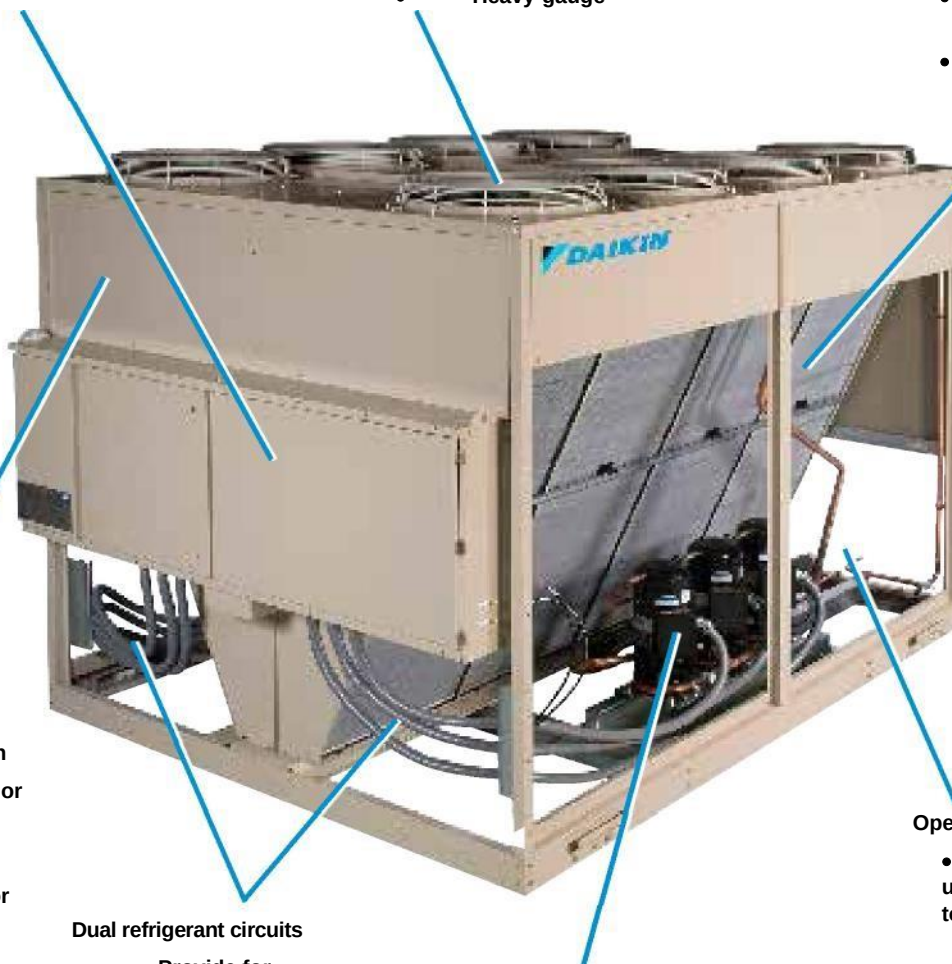
- Provide for redundancy and efficient capacity control
- Liquid and discharge line manual shutoff valves as an option
- High pressure switch
- Low pressure

Copeland scroll compressors

- Provide maximum dependability, efficiency and quiet operation
- Multiple step capacity control with hot gas bypass provides stable discharge temperature and humidity control

Open access

- On all sides of unit for easy access to all component



Unit Placement

RCS units are for outdoor applications and can be mounted either on a roof or at ground level. For roof mounted applications, install the unit on a steel channel or I-beam frame to support the unit above the roof. For ground level applications, install the unit on a substantial base that will not settle. Use a one piece concrete slab with footings that extend below the frost line. Be sure the foundation is level within $\frac{1}{2}$ " (13mm) over its length and width. The foundation must be strong enough to support the weights listed in the Unit Physical Data, page 9 tables.

Refrigerant Piping

Incorrect line sizing cannot only rob the RCS unit of capacity and efficiency, but significantly shorten the operational life of the equipment. Refrigerant piping layout and sizing should take the following into consideration:

1. Installed cost.
2. Refrigerant flow velocities to maintain oil return to compressors, especially in the suction lines.
3. Line pressure drop in horizontal and vertical pipes.

The RCS unit should be piped according to Daikin Applied's Piping Application Guide (AG 31-011) or the ASHRAE Refrigeration book guidelines.

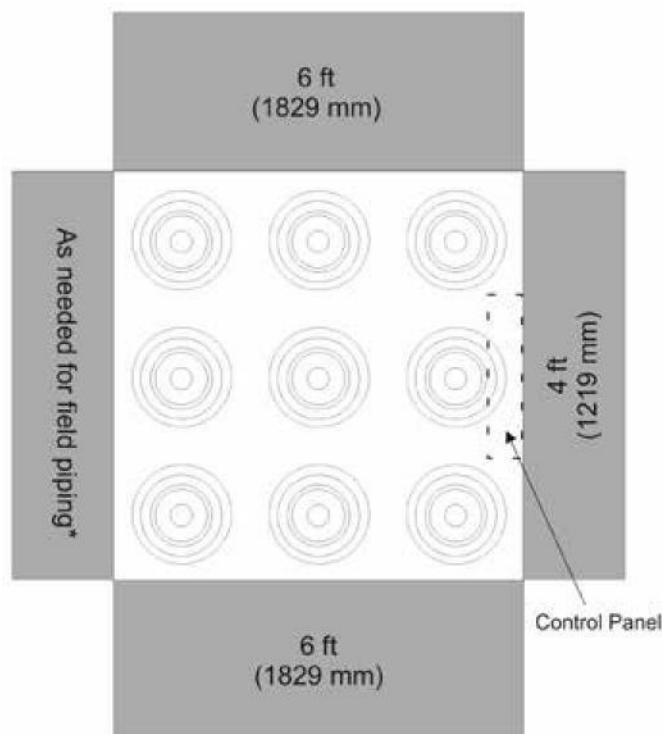
Service Clearances

Do not block the flow of air to and from the condenser coil. Restricting airflow or allowing air recirculation will result in a decrease in unit performance and efficiency because the unit discharge pressure is increased. There must be no obstruction above the unit that would deflect discharge air downward where it could be recirculated back to the inlet of the condenser coil. The condenser fans are propeller type and will not operate with ductwork.

Install the unit with enough side clearance (Figure 4) for air entrance to the coil and for servicing. Provide sufficient service access to the compressors, electrical control panel, and piping components.

Do not allow debris to accumulate near the unit where it could be drawn into the condenser coil. Keep condenser coils and fan discharge free of snow and other obstructions to permit adequate airflow for proper operation.

Figure 4: RCS 015D – 140D Service Clearance



* Condenser coil replacement is simplified if the following access can be provided:

- 015D-025D – 61"
- 030D-062D – 83"
- 072D-100D – 106"
- 110D-140D – 38"

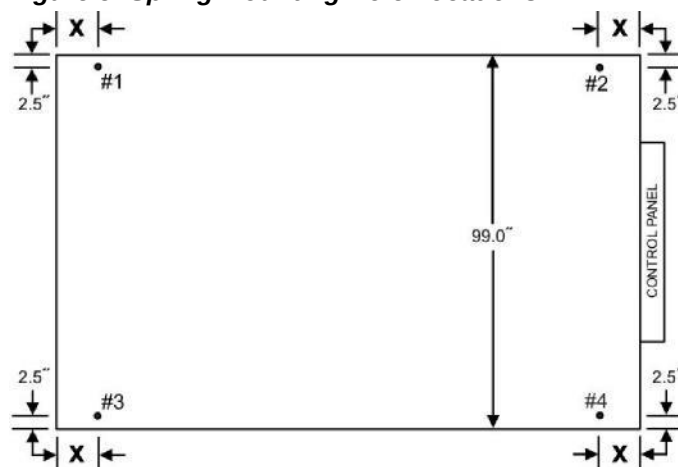
Spring Isolation and Corner Weights

The sum of the corner weights (Table 1) exceeds the total weight by about 10% to allow a safety factor in spring selections.

Table 1: Corner Weights (refer to Figure 5)

Unit Size	Weight #1 (lbs)	Weight #2 (lbs)	Weight #3 (lbs)	Weight #4 (lbs)
015	408	571	399	559
020	427	583	434	593
025	445	563	455	575
030	540	706	492	644
035	624	770	593	731
040	632	776	600	737
045	632	729	630	726
050	617	732	615	730
062	654	766	652	764
072	872	1048	882	1060
080	846	1029	919	1118
092	921	1100	995	1190
100	903	1083	978	1173
110	1075	1321	1031	1266
120	1144	1377	1275	1535
125	1389	1645	1344	1592
140	1422	1678	1407	1661

Figure 5: Spring Mounting Hole Locations



Unit Model	"X" (inches)
015 – 025	4.5
030 – 140	9.5

Recommended Temperature Control

The primary requirements for condensing unit controls are to maintain proper entering and leaving temperatures. Details vary with each job and are related to design saturated suction temperatures and conditioned air temperature.

If the project design conditions are:

1. 74-84 EDB and 62-70 EWB
2. 52-57 LAT off the DX coil
3. 42-48 SST
4. Constant volume space or return air temperature

control Then:

1. Compressors can be sequenced to maintain design space temperatures $\pm$ about two degrees DB. If excessive cycling occurs, then:
 - a. The sensor location is suspect or air changes are unusually high.
 - b. Consider widening the space temperature control range beyond $\pm$ two degrees.
2. Warning should be generated if LAT drops more than seven degrees below design.
3. HGBP is desired and allows even lower LAT limits.

To minimize compressor cycling, it is recommended to include (at minimum) three minute anti-cycling timers on the condensing unit. Programmable controls should include additional time delay logic.

1. Minimum OFF time for a stage is five minutes
2. Minimum ON time for a stage is five minutes (unless an alarm occurs).

For additional MicroTech control information and compressor staging, refer to OM 920, page 65, 75, 76 and 94.

Unit Physical Data

Table 2: RCS 015D – 030D Physical Data

Model	RCS			
	015D	020D	025D	030D
Basic Data				
Number of refrigeration circuits	2	2	2	2
Unit operating charge (lb) ¹ per circuit	6.5	7.1	8.0	9.6
Operating weight (lb)	1761	1851	1853	2166
Compressors				
Qty– hp	2–7	2–4.5, 1–10	2–5.5, 1–11.5	2–6, 1–13
Capacity control	100–50	100–78–55–22	100–78–55–22	100–78–55–22
Condenser Fans				
Qty–diameter	2–26"	2–26"	2–26"	4–26"
Qty–hp	2–1.0	2–1.0	2–1.0	4–1.0

NOTE: ¹Unit shipped with dry nitrogen holding charge

Table 3: RCS 035D – 045D Physical Data

Model	RCS		
	035D	040D	045D
Basic Data			
Number of refrigeration circuits	2	2	2
Unit operating charge (lb) ¹ per circuit	10.4	10.8	12.6
Operating weight (lb)	2471	2496	2470
Compressors			
Qty– hp	4–7.5	4–8.5	4–10
Capacity control	100–75–50–25	100–75–50–25	100–75–50–25
Condenser Fans			
Qty–diameter	4–26"	4–26"	4–26"
Qty–hp	4–1.0	4–1.0	4–1.0

NOTE: ¹Unit shipped with dry nitrogen holding charge.

Model	RCS		
	050D	062D	072D
Basic Data			
Number of refrigeration circuits	2	2	2
Unit operating charge (lb) ¹ per circuit	12.6	12.7	15.1
Operating weight (lb)	2450	2578	3422
Compressors			
Qty–hp	4–11.5	4–13	6–10
Capacity control	100–75–50–25–0	100–75–50–25–0	100–83–67–50–33–17–0
Condenser Fans			
Qty–diameter	4–26"	6–26"	8–26"
Qty–hp	4–1.0	6–1.0	8–1.0

NOTE: ¹Unit shipped with dry nitrogen holding charge.

Table 5: RCS 080D – 100D Physical Data

Model	RCS		
	080D	092D	100D
Basic Data			
Number of refrigeration circuits	2	2	2
Unit operating charge (lb) ¹ per circuit	19.0	19.2	19.2
Operating weight (lb)	3556	3762	3762
Compressors			
Qty-hp	6–11.5	6–13	3–13 3–15
Capacity control	100–83–67–50–33–17–0	100–83–67–50–33–17–0	100–81–67–48–33–15–0
Condenser Fans			
Qty-diameter	6–26'	9–26'	9–26'
Qty-hp	6–1.0	9–1.0	9–1.0

NOTE: ¹Unit shipped with dry nitrogen holding charge.

Table 6: RCS 110D – 140D Physical Data

Model	RCS			
	110D	120D	125D	140D
Basic Data				
Number of refrigeration circuits	2	2	2	2
Unit operating charge (lb) ¹ per circuit	29.1	29.1/34.7	32.3	32.3/37.5
Operating weight (lb)	4267	4847	5428	5608
Compressors				
Qty-hp	6–15	3–15 3–20	6–20	3–20 3–25
Capacity control	100–84–67–50–33–17–0	100–81–67–48–33–15–0	100–84–67–50–33–17–0	100–81–67–48–33–15–0
Condenser Fans				
Qty-diameter	8–26'	9–26'	10–26'	12–26'
Qty-hp	8–1.0	9–1.0	10–1.0	12–1.0

NOTE: ¹Unit shipped with dry nitrogen holding charge.

Unit Capacities

Table 7: RCS 015D – 140D Unit Capacities

Unit Size	Suction Temp (°F)	Ambient Air Temperature (°F)												Cond Fan Watts
		85			95			105			115			
		Capacity (Btuh)	Unit EER	Total Watts	Capacity (Btuh)	Unit EER	Total Watts	Capacity (Btuh)	Unit EER	Total Watts	Capacity (Btuh)	Unit EER	Total Watts	
015D	35	166390	12.3	13500	156424	10.6	14800	146012	9.0	16300	135236	7.5	18100	2200
	40	181302	13.2	13700	170716	11.4	15000	159646	9.7	16500	148160	8.1	18200	2200
	45	197236	14.2	13900	185962	12.3	15200	174170	10.4	16700	161922	8.8	18400	2200
	50	214190	15.2	14100	202196	13.1	15400	189664	11.2	16900	176594	9.4	18700	2200
020D	35	226943	12.5	18100	212729	10.6	20100	197696	8.8	22400	181735	7.3	25000	2200
	40	247999	13.5	18400	232690	11.4	20400	216597	9.6	22600	199626	7.9	25300	2200
	45	270292	14.5	18700	253774	12.3	20700	236535	10.3	23000	218377	8.5	25600	2200
	50	293728	15.4	19100	275941	13.1	21000	257446	11.0	23300	238068	9.2	26000	2200
025D	35	256517	11.4	22599	239471	9.6	25004	221511	8.0	27754	202508	6.6	30897	2200
	40	279247	12.2	22983	261132	10.3	25388	242150	8.6	28126	222091	7.1	31253	2200
	45	303316	13.0	23381	283868	11.0	25806	263711	9.2	28540	242502	7.7	31649	2200
	50	328437	13.8	23830	307859	11.7	26238	286461	9.9	28960	263725	8.2	32087	2200
030D	35	295175	11.9	24892	276933	10.1	27285	257850	8.6	30012	237685	7.2	33122	4300
	40	323520	12.8	25284	303651	11.0	27673	282999	9.3	30402	261273	7.8	33523	4300
	45	353668	13.8	25719	332053	11.8	28097	309644	10.0	30829	286202	8.4	33956	4300
	50	385608	14.7	26205	362129	12.7	28567	337880	10.8	31290	312535	9.1	34425	4300
035D	35	341372	11.3	30240	321412	9.7	33156	301480	8.3	36512	281110	7.0	40410	4300
	40	373486	12.2	30702	351760	10.5	33628	330212	8.9	37000	308328	7.5	40916	4300
	45	407778	13.1	31198	384188	11.3	34130	360834	9.6	37516	337238	8.1	41452	4300
	50	444492	14.0	31708	418716	12.1	34664	393356	10.3	38072	367920	8.8	42014	4300
040D	35	398446	11.6	34340	374076	9.8	38020	348084	8.2	42294	320278	6.8	47276	4300
	40	434708	12.4	34952	408400	10.6	38634	380538	8.9	42898	350938	7.3	47842	4300
	45	473092	13.3	35640	444738	11.3	39304	414824	9.5	43546	383034	7.9	48480	4300
	50	513558	14.1	36424	482976	12.1	40066	450768	10.2	44286	416792	8.5	49172	4300
045D	35	459446	11.7	39174	429786	9.9	43402	396796	8.2	48204	359816	6.7	53634	4300
	40	501770	12.6	39944	469910	10.6	44156	434842	8.9	48934	395870	7.3	54332	4300
	45	546746	13.4	40832	512450	11.4	45010	474966	9.5	49758	433686	7.9	55118	4300
	50	594956	14.2	41798	557370	12.1	45998	517194	10.2	50706	473382	8.5	56008	4300
050D	35	513350	11.4	45046	476774	9.6	49722	437874	7.9	55228	397114	6.4	61594	4300
	40	559744	12.2	45934	521042	10.3	50640	479696	8.5	56120	436342	7.0	62382	4300
	45	608338	13.0	46874	567522	11.0	51604	523462	9.2	57090	477100	7.5	63308	4300
	50	658544	13.7	47924	615422	11.7	52700	569126	9.8	58138	519880	8.1	64292	4300
062D	35	562570	10.9	51576	526734	9.3	56902	489646	7.8	63032	451290	6.5	69932	6500
	40	622652	11.8	52824	584012	10.0	58150	543846	8.5	64346	502074	7.0	71390	6500
	45	688066	12.7	54220	645764	10.8	59614	602400	9.1	65838	556948	7.6	72996	6500
	50	758168	13.6	55876	713002	11.7	61194	665738	9.9	67482	616532	8.3	74688	6500
072D	35	678031	11.2	60735	628386	9.3	67539	576237	7.6	75483	521593	6.2	84704	8480
	40	740064	11.9	62029	687159	10.0	68897	631520	8.2	76797	572816	6.7	85902	8480
	45	804295	12.7	63503	748976	10.6	70468	689699	8.8	78193	626439	7.2	87257	8480
	50	871421	13.4	65061	812627	11.3	71966	749489	9.4	79840	682600	7.7	88735	8480

NOTE: Based on sea level altitude and ARI standard 365.
Interpolation is allowed; extrapolation is not permitted. Consult Daikin Applied for performance outside the cataloged ratings
Total watts comprised of compressors and condenser fans.

Table 7 (continued): RCS 015D – 140D Unit Capacities

Unit Size	Suction Temp (°F)	Ambient Air Temperature (°F)												Cond Fan Watts
		85			95			105			115			
		Capacity (Btuh)	Unit EER	Total Watts	Capacity (Btuh)	Unit EER	Total Watts	Capacity (Btuh)	Unit EER	Total Watts	Capacity (Btuh)	Unit EER	Total Watts	
080D	35	766780	11.2	68388	715980	9.5	75696	662572	7.9	84136	606280	6.5	93842	6500
	40	832982	11.9	69872	778456	10.1	77268	721972	8.4	85700	662512	6.9	95390	6500
	45	902216	12.6	71502	844500	10.7	78872	784582	9.0	87300	720776	7.4	97106	6500
	50	974136	13.3	73320	912790	11.3	80696	849172	9.5	89124	781874	7.9	98862	6500
092D	35	863690	11.0	78420	808526	9.4	85995	749216	7.9	94628	685072	6.6	104427	9540
	40	940232	11.7	80243	879664	10.0	87944	815750	8.4	96628	746808	7.0	106530	9540
	45	1019752	12.4	82328	954888	10.6	89953	886046	9.0	98659	811464	7.5	108700	9540
	50	1103440	13.1	84534	1033000	11.2	92189	958830	9.5	100915	879238	7.9	110937	9540
100D	35	933060	10.9	85882	871527	9.2	94231	806325	7.8	103717	736461	6.4	115676	9800
	40	1015117	11.5	88029	948826	9.8	96391	878606	8.3	105923	803259	6.8	117987	9800
	45	1100681	12.2	90414	1029439	10.4	98765	953934	8.8	108324	873248	7.3	120404	9800
	50	1189651	12.8	93049	1112954	11.0	101408	1032093	9.3	110956	945619	7.7	123058	9800
110D	35	1030480	11.6	89022	964184	9.9	97560	893672	8.3	107386	819030	6.9	118676	8700
	40	1122188	12.3	91230	1051238	10.5	99732	975514	8.9	109560	895316	7.4	120854	8700
	45	1218492	13.0	93642	1141640	11.2	102212	1060658	9.5	112008	974866	7.9	123266	8700
	50	1318534	13.7	96370	1236686	11.8	104866	1149416	10.0	114702	1057026	8.4	126008	8700
120D	35	1159070	11.2	103065	1083547	9.6	112912	1005242	8.1	124587	923690	6.7	138553	9800
	40	1264539	11.9	105844	1183247	10.2	115735	1098244	8.6	127495	1010026	7.1	141426	9800
	45	1374733	12.6	108909	1286887	10.8	118931	1195993	9.2	130642	1100859	7.6	144541	9800
	50	1489471	13.3	112267	1395592	11.4	122349	1297368	9.7	134184	1194663	8.1	148131	9800
125D	35	1287660	11.0	117008	1202910	9.4	128164	1116812	7.9	141688	1028350	6.5	158330	10800
	40	1406890	11.7	120358	1315256	10.0	131638	1220974	8.4	145330	1124736	6.9	161898	10800
	45	1530974	12.3	124076	1432134	10.6	135550	1331328	8.9	149176	1226852	7.4	165716	10800
	50	1660408	13.0	128064	1554498	11.1	139732	1445320	9.4	153566	1332300	7.8	170154	10800
140D	35	1439178	10.7	134529	1343902	9.1	147240	1245752	7.7	162092	1143934	6.4	179611	13000
	40	1567918	11.3	138279	1465152	9.7	151101	1358559	8.2	166099	1248214	6.8	183650	13000
	45	1703397	12.0	142221	1592273	10.3	155228	1476578	8.7	170420	***	***	***	13000
	50	1844431	12.6	146462	1724551	10.8	159679	1600715	9.2	174902	***	***	***	13000

NOTE: Based on sea level altitude and ARI standard 365.

Interpolation is allowed; extrapolation is not permitted. Consult Daikin Applied for performance outside the cataloged ratings.

Total watts comprised of compressors and condenser fans.

Unit Capacity Charts

Figure 6: RCS 015D Unit Capacity Chart

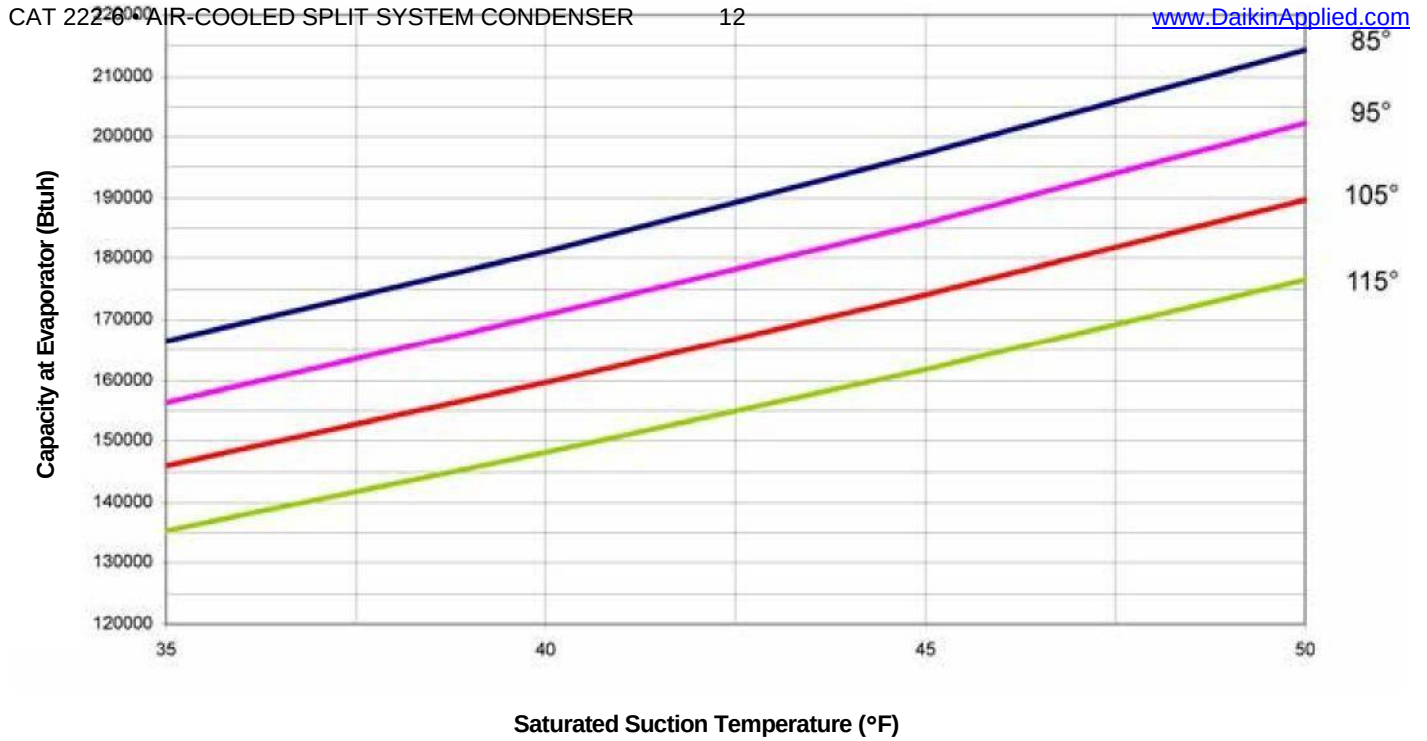


Figure 7: RCS 020D Unit Capacity Chart

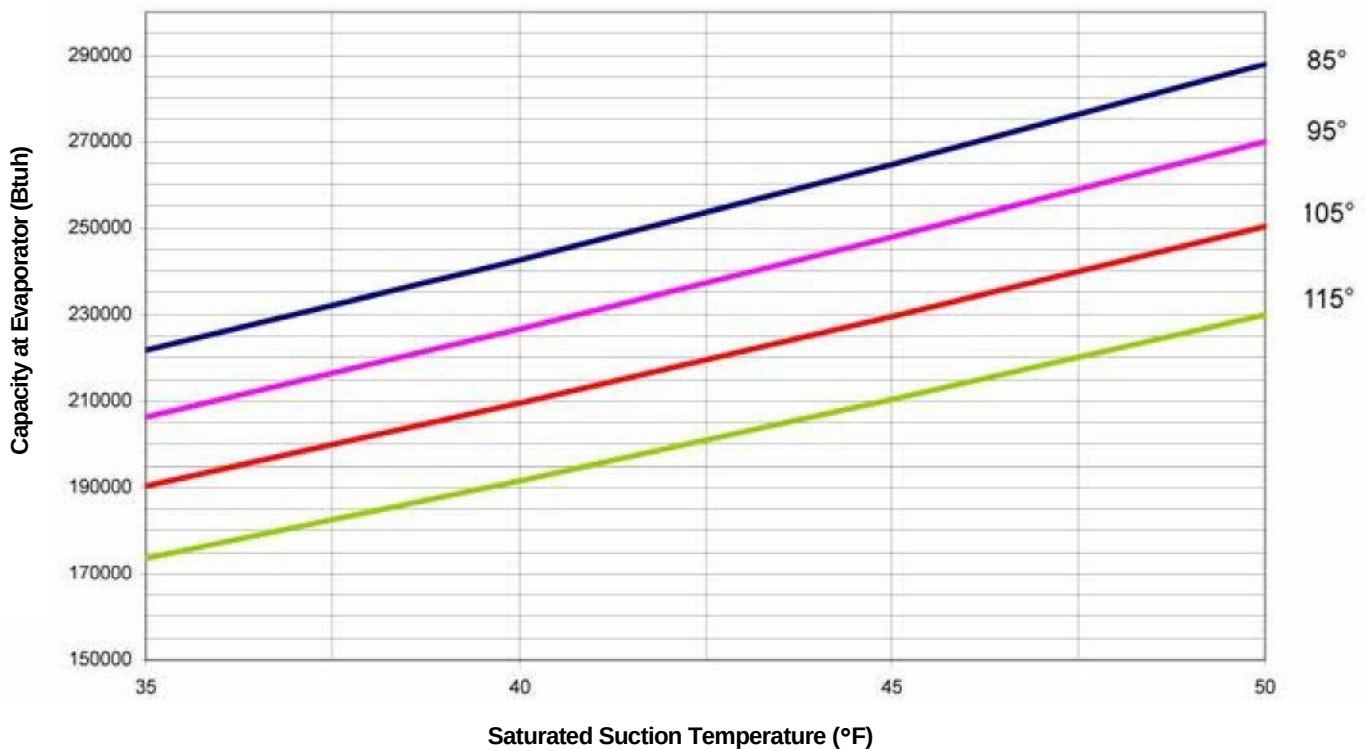


Figure 8: RCS 025D Unit Capacity Chart

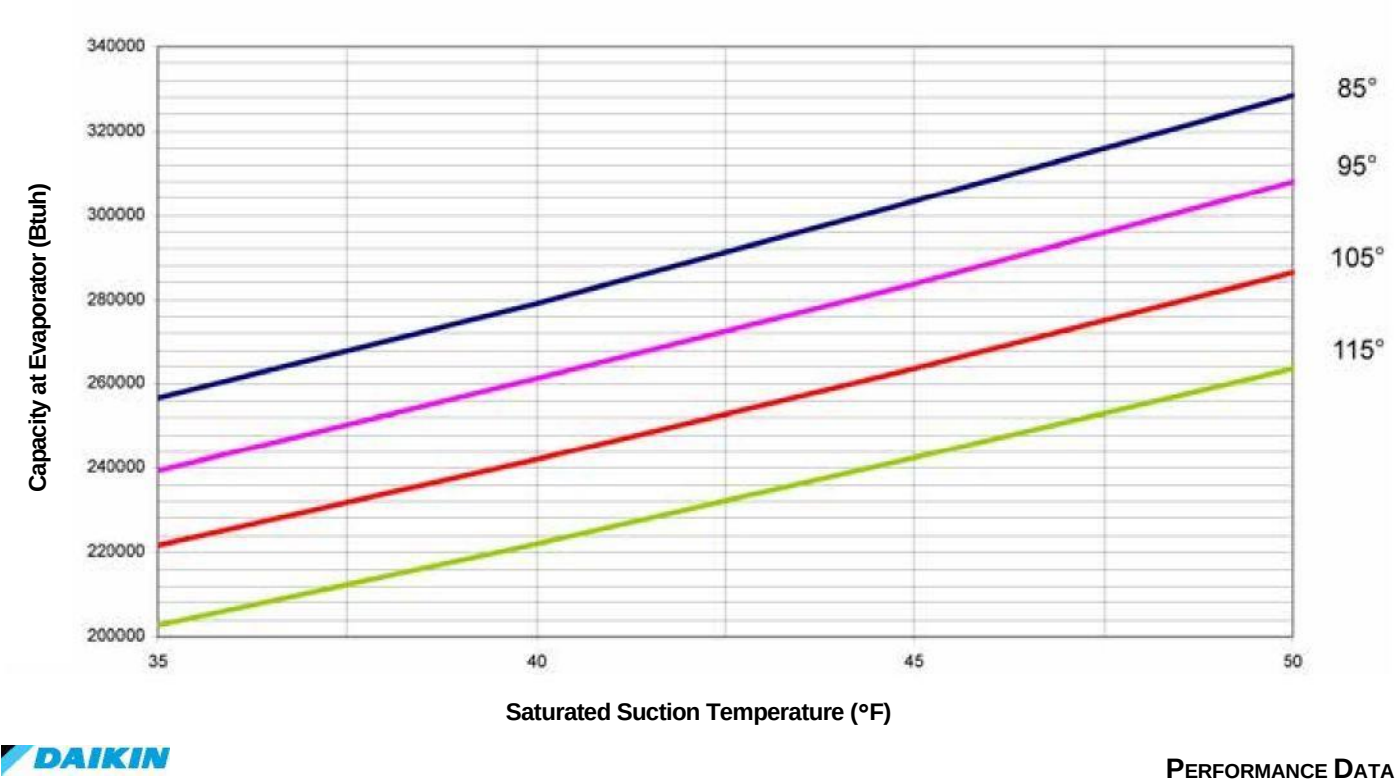


Figure 9: RCS 030D Unit Capacity Chart

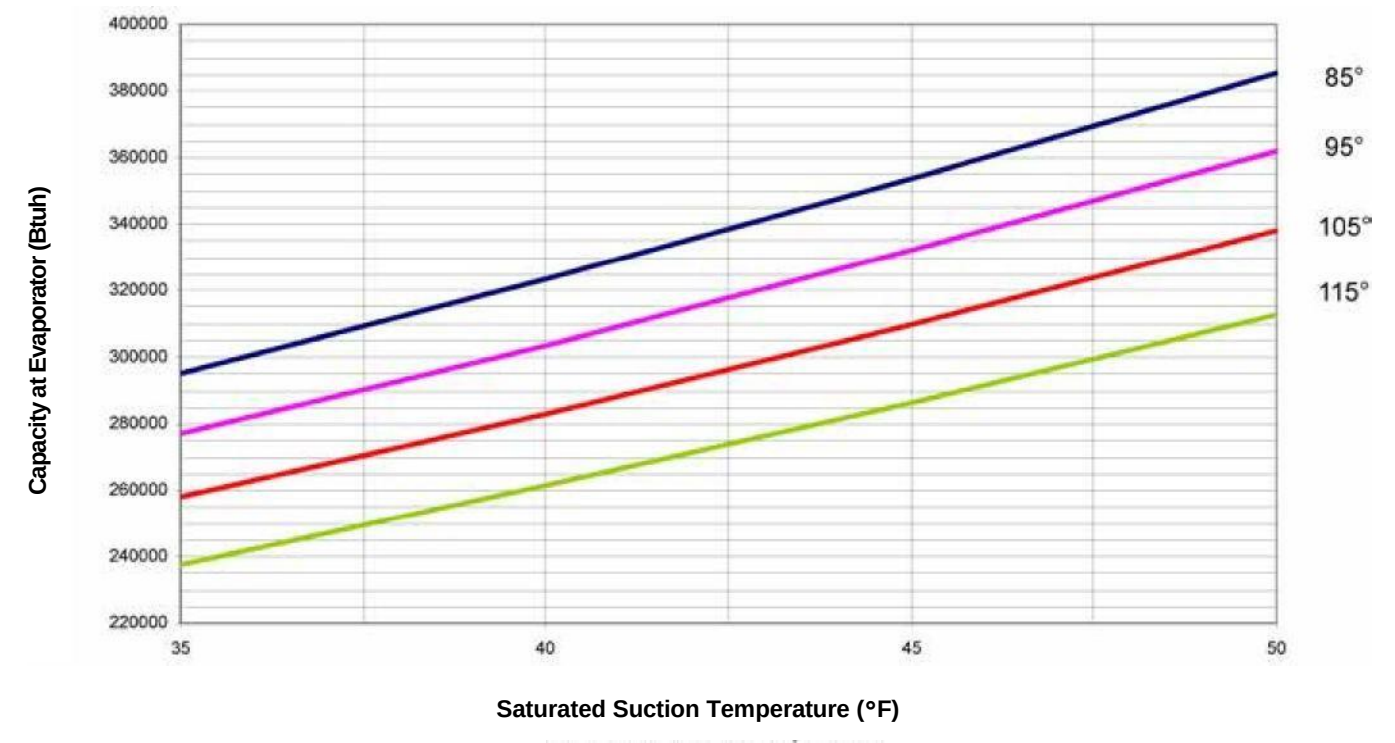


Figure 10: RCS 035D Unit Capacity Chart

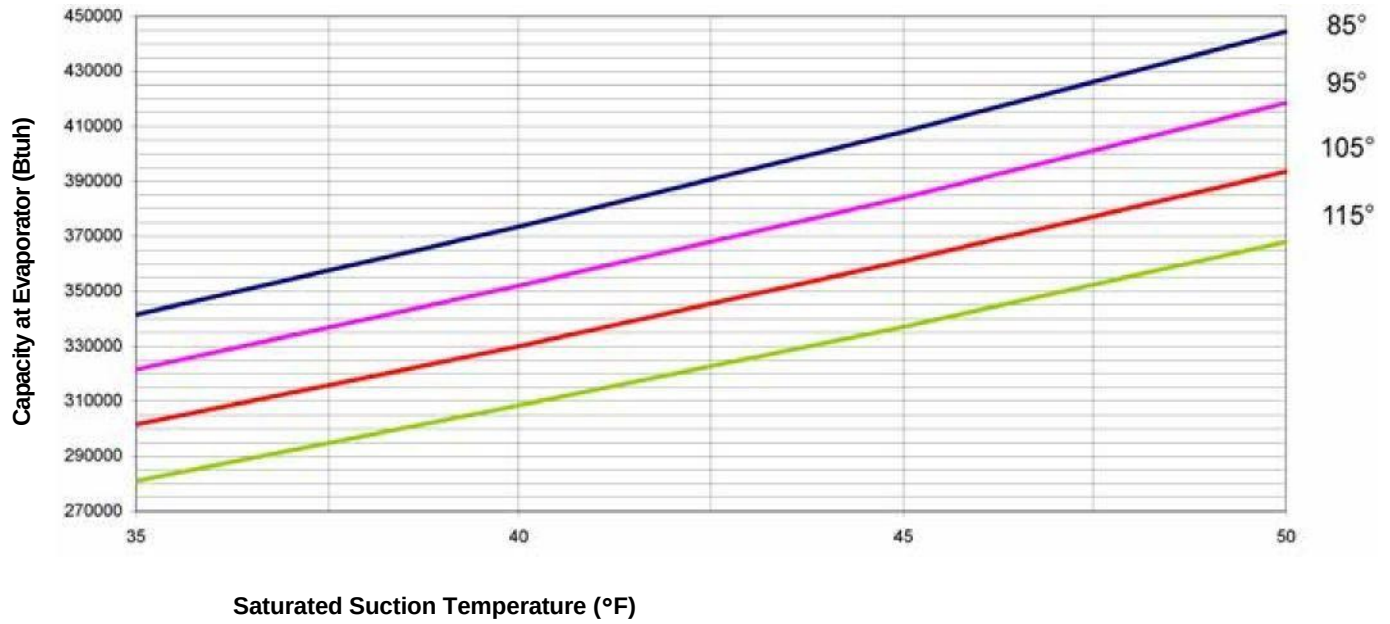


Figure 11: RCS 040D Unit Capacity Chart

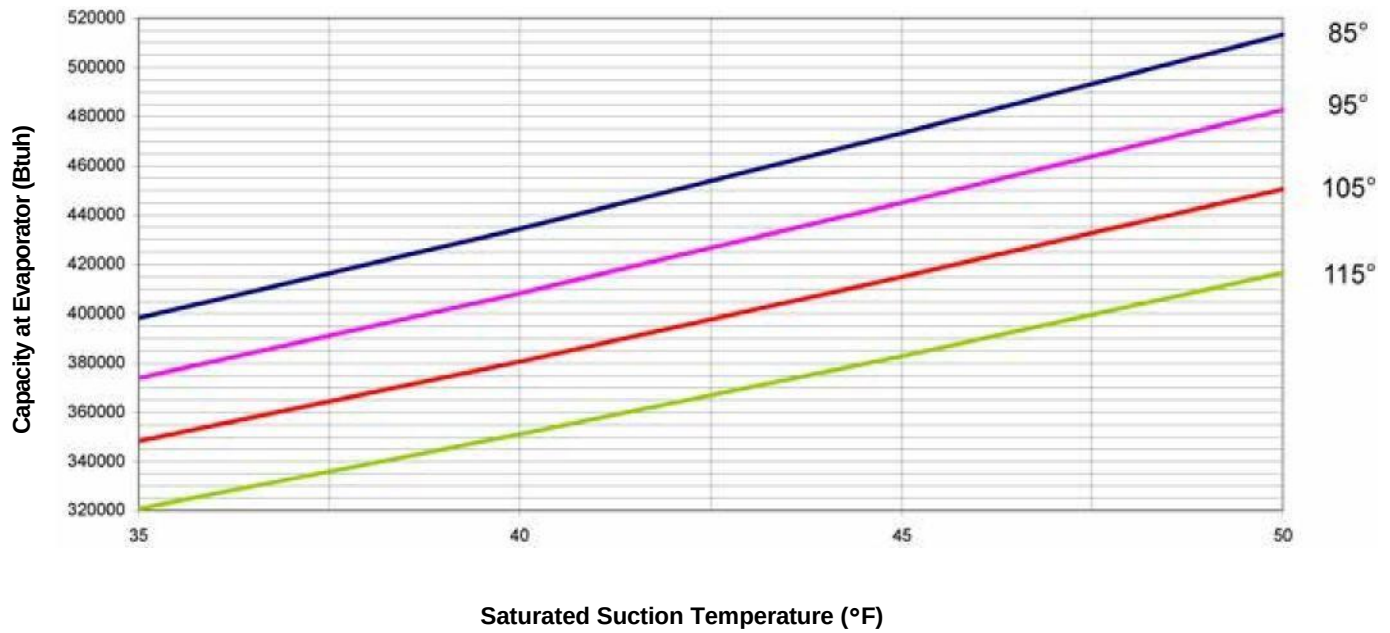


Figure 12: RCS 045D Unit Capacity Chart

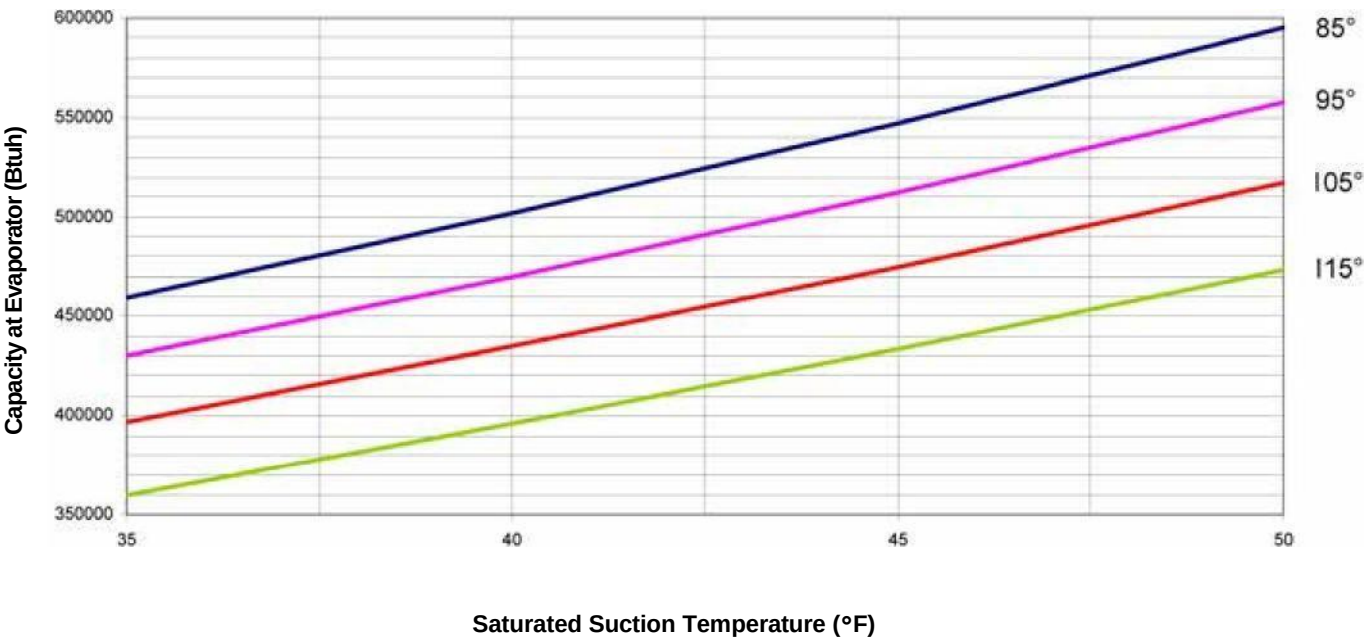


Figure 13: RCS 050D Unit Capacity Chart

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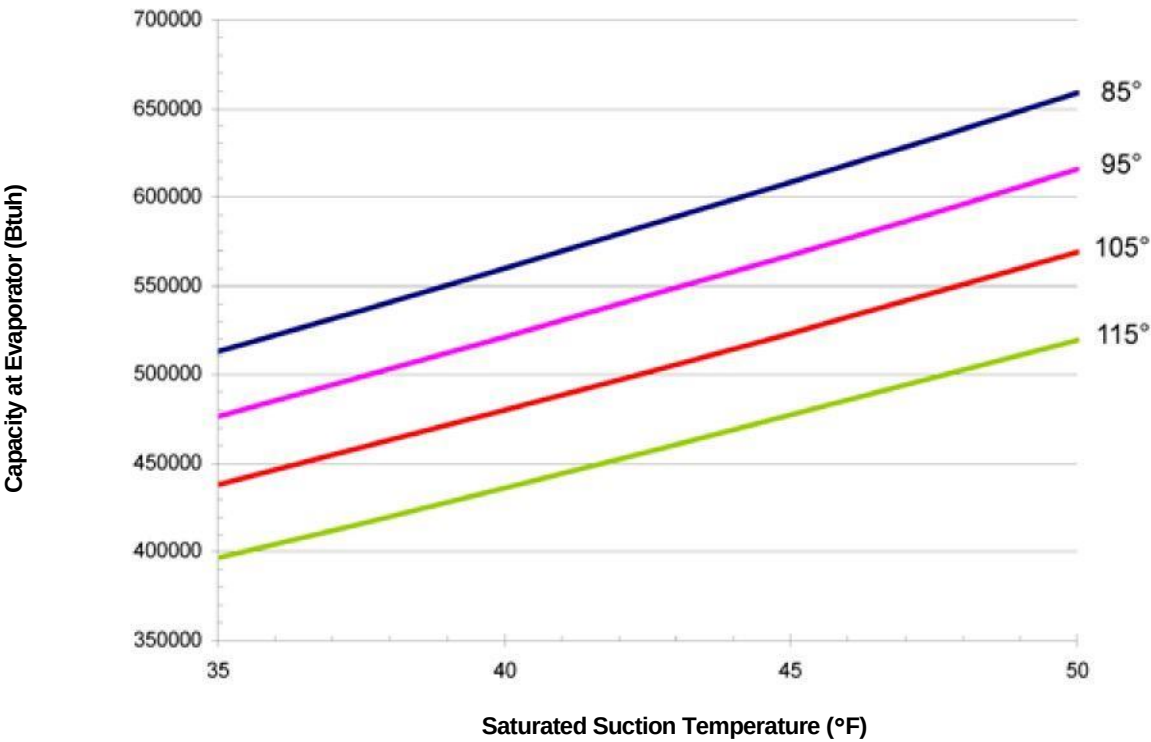


Figure 14: RCS 062D Unit Capacity Chart

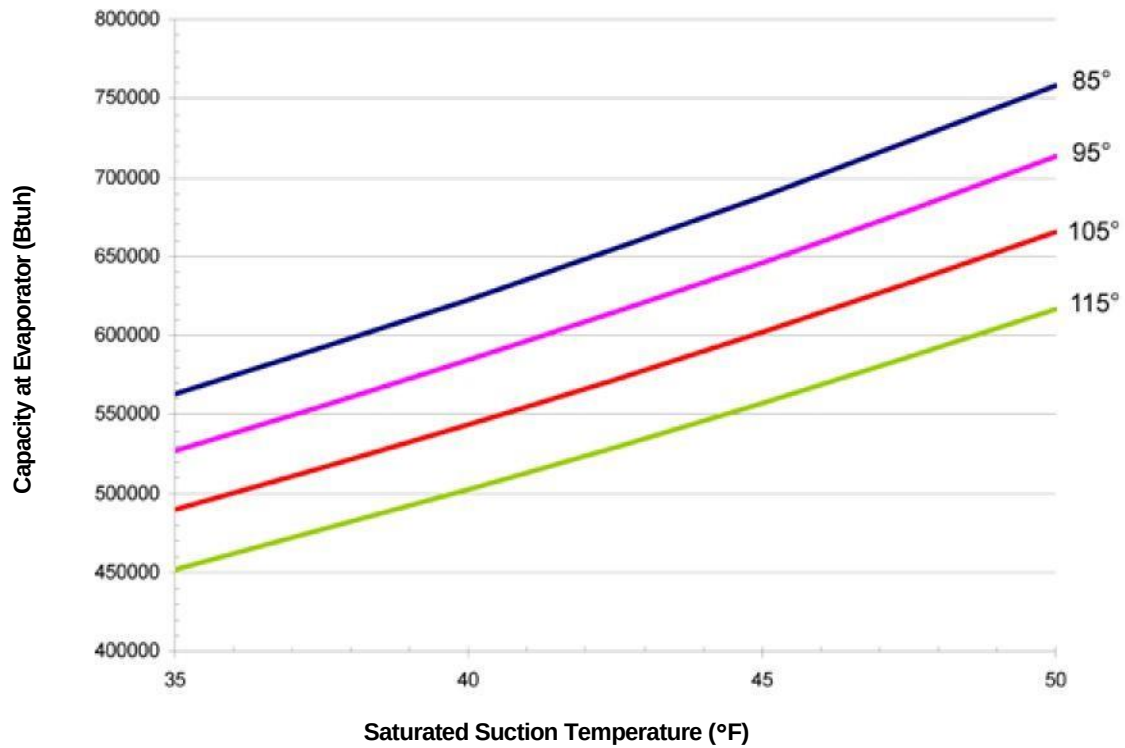


Figure 15: RCS 072D Unit Capacity Chart

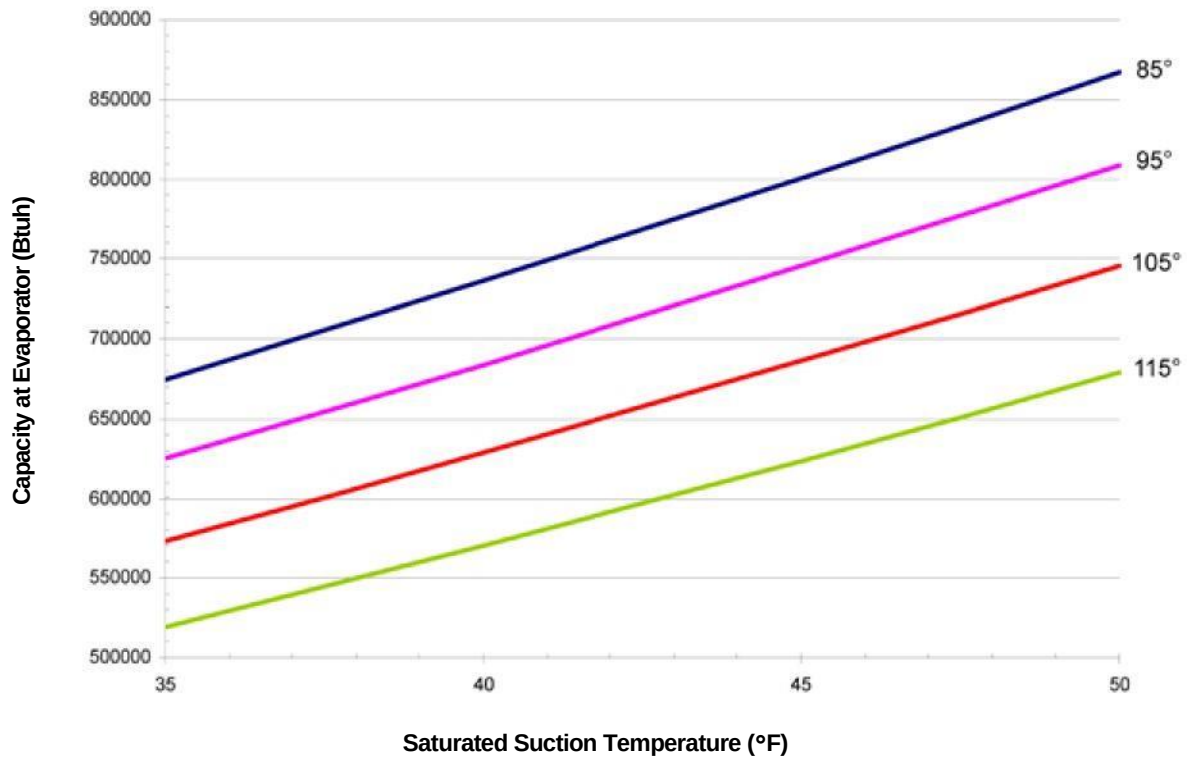


Figure 16: RCS 080D Unit Capacity Chart

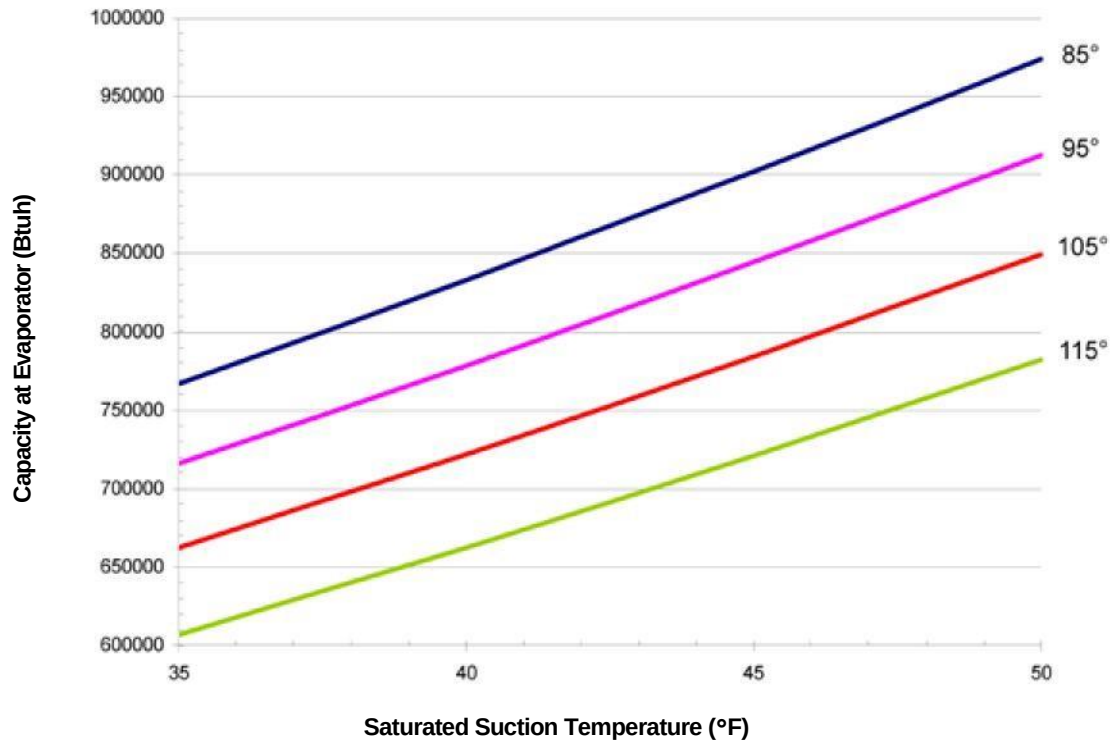


Figure 17: RCS 092D Unit Capacity Chart

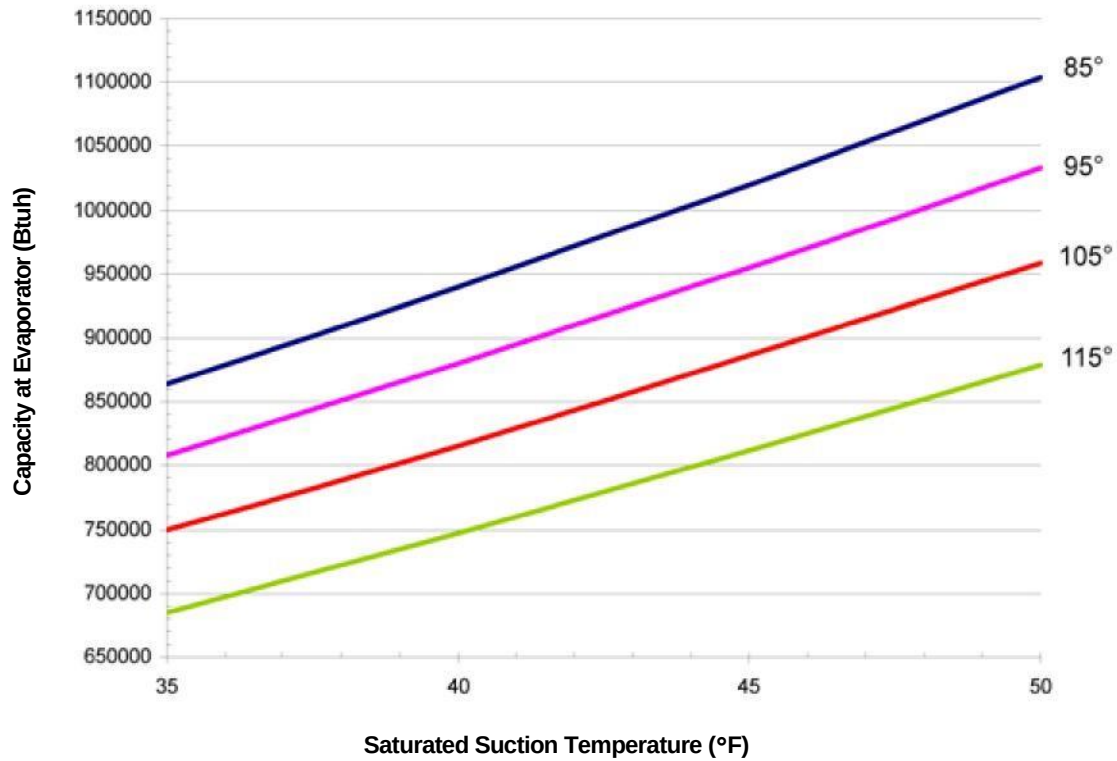


Figure 18: RCS 100D Unit Capacity Chart

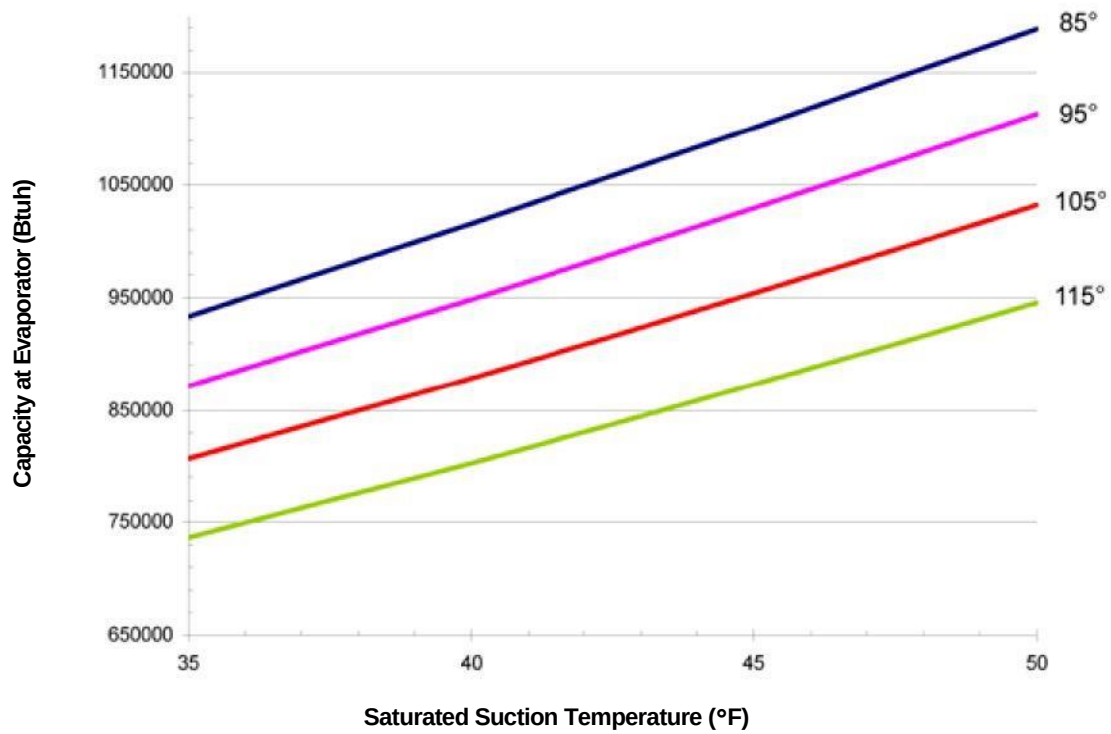


Figure 19: RCS 110D Unit Capacity Chart

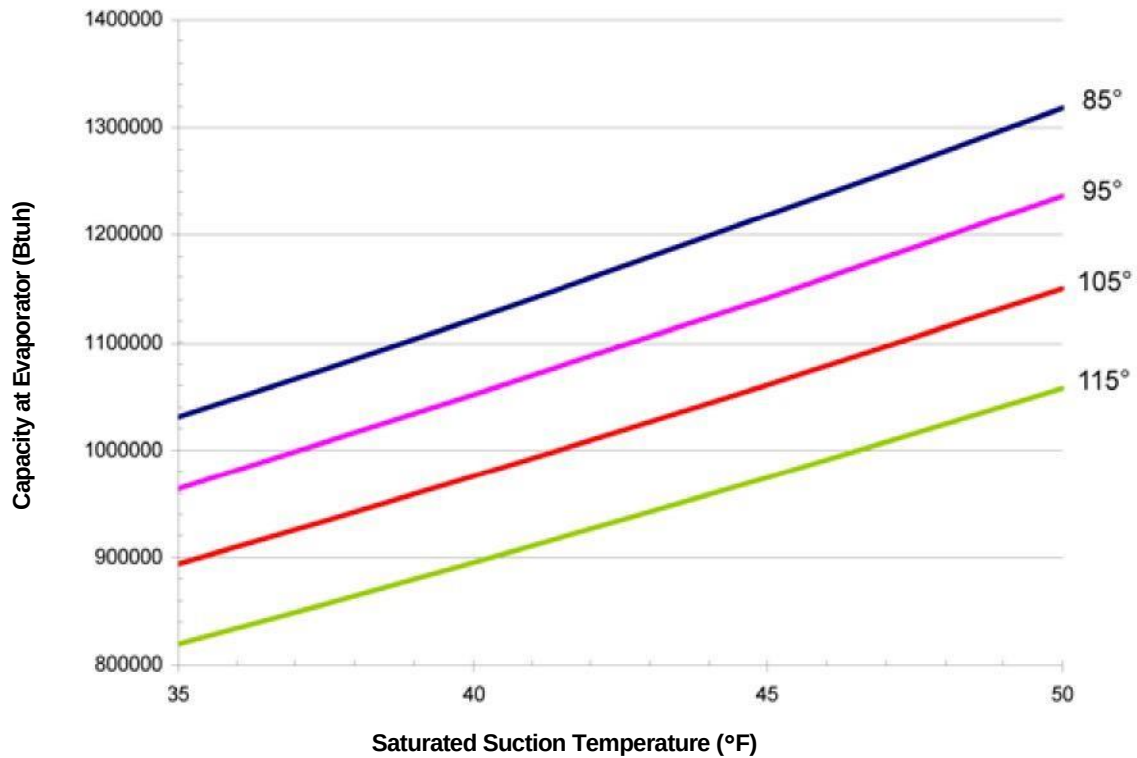


Figure 20: RCS 120D Unit Capacity Chart

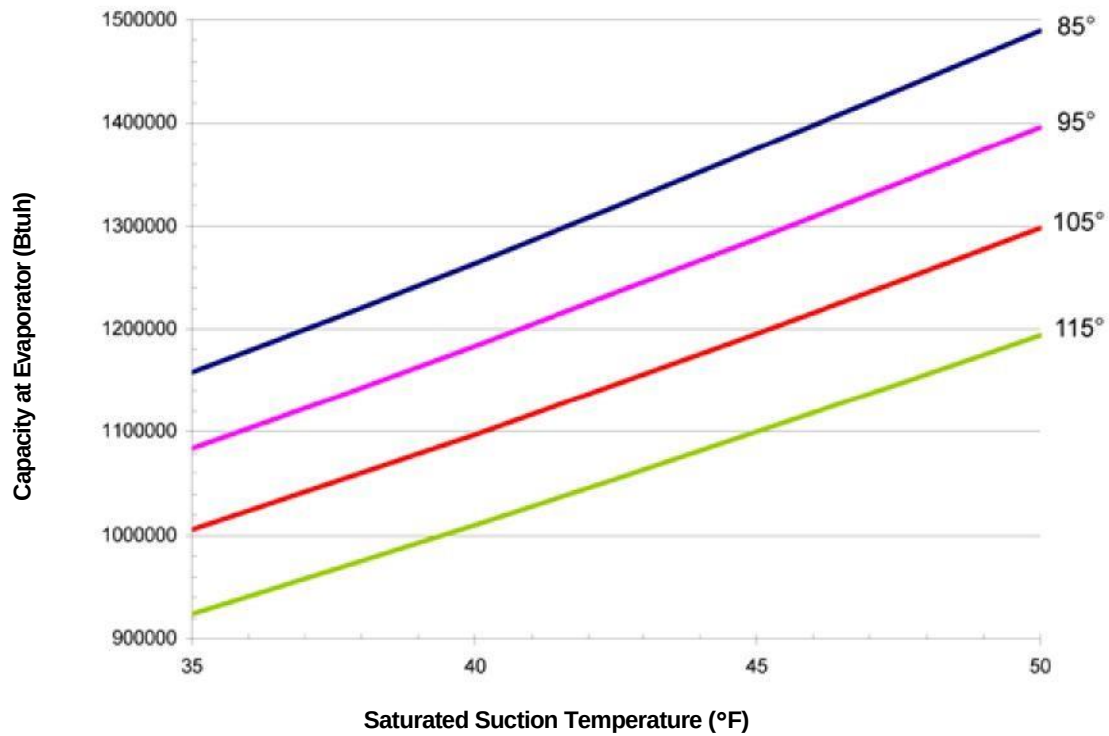


Figure 21: RCS 125D Unit Capacity Chart

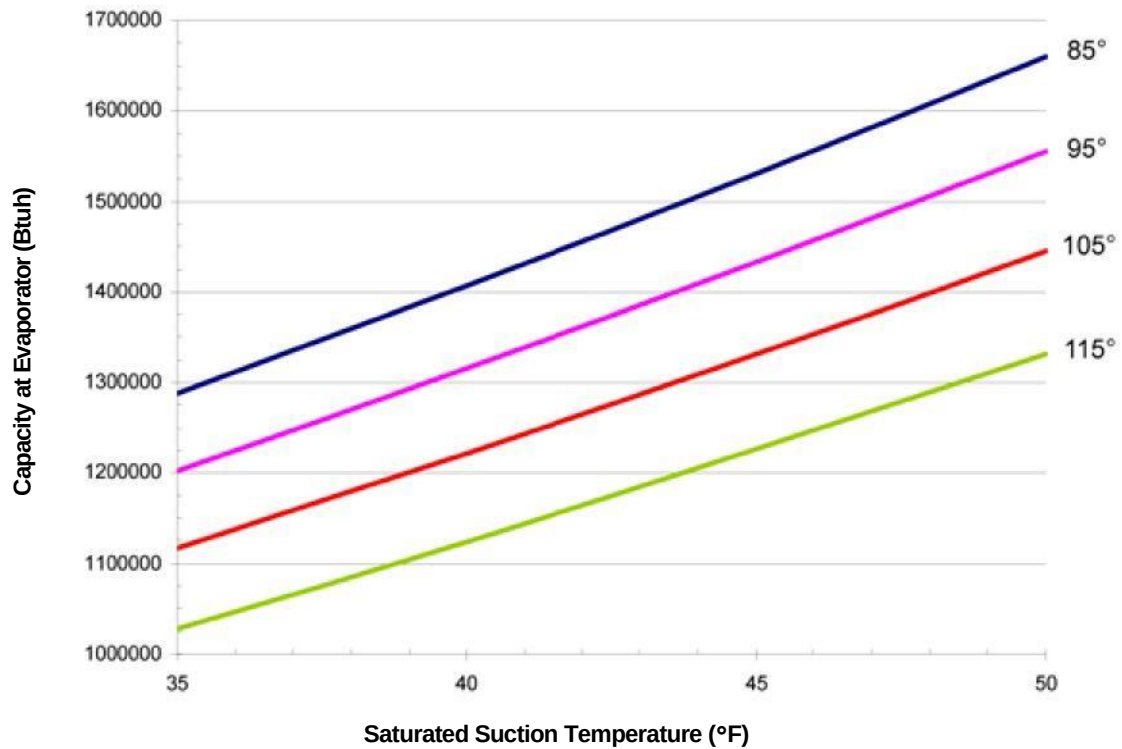
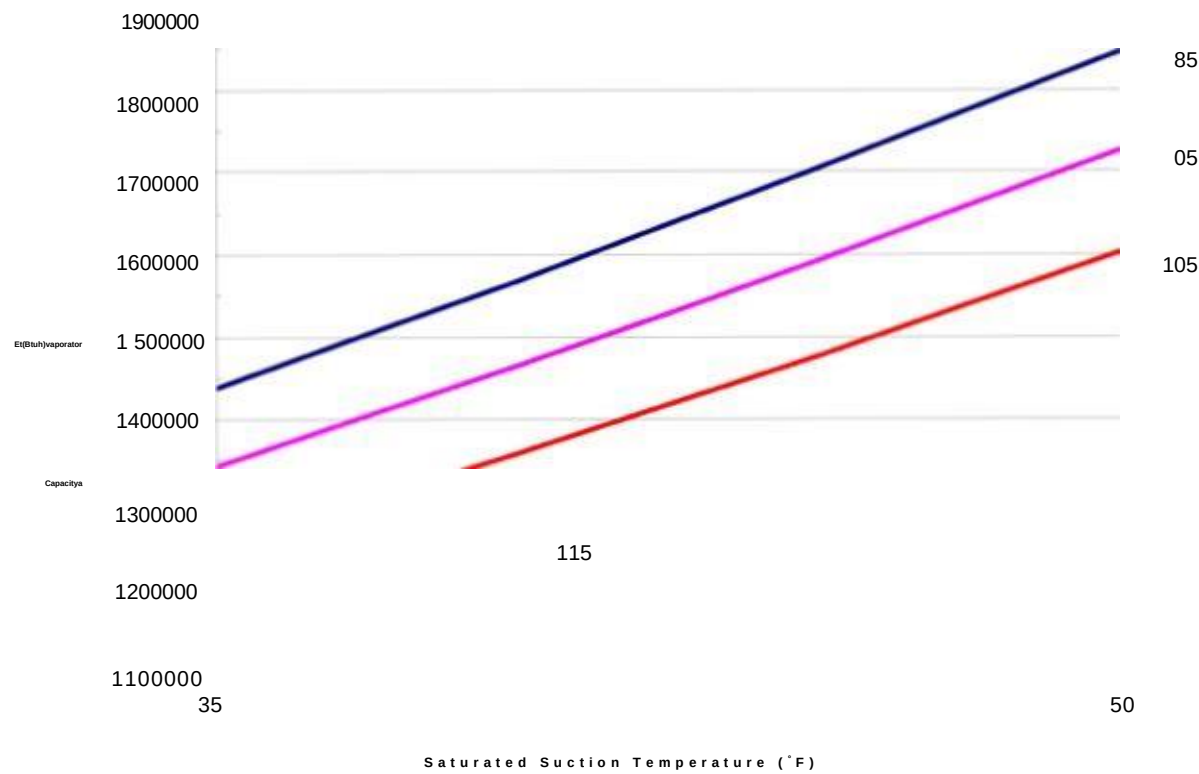


Figure 22: RCS 140D Unit Capacity Chart



Unit Dimensions

Figure 23: RCS 015D – 025D

NOTE: The number of condensing fans varies per model.
Dimensions in Inches (mm).

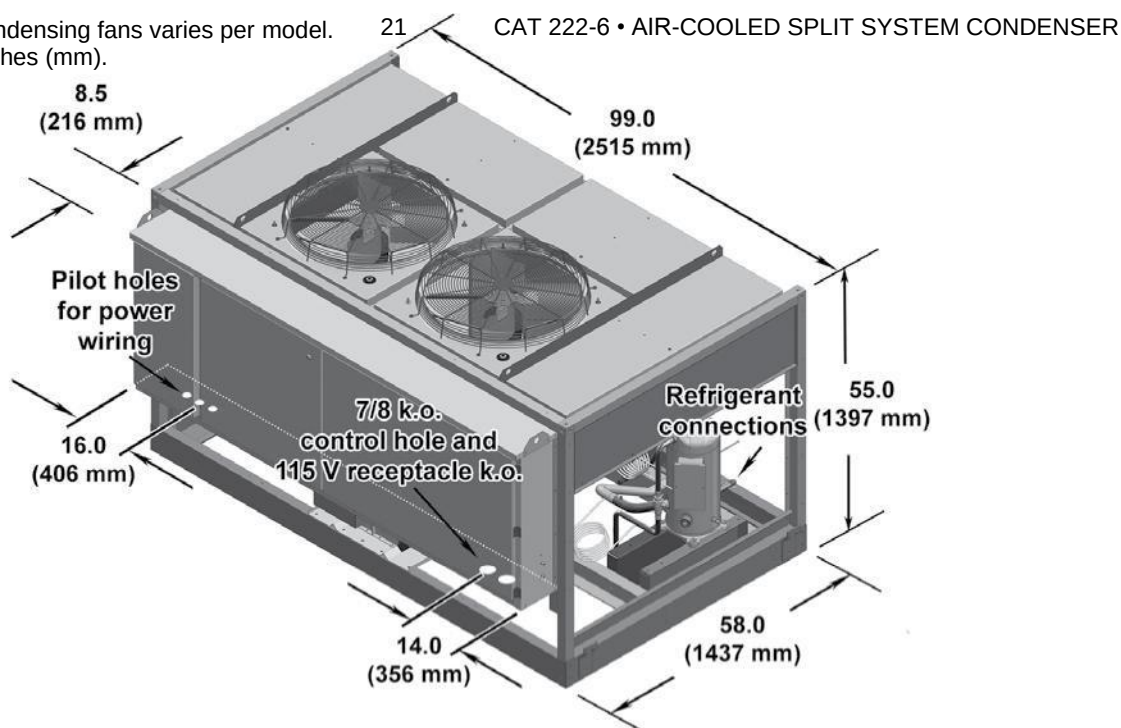


Figure 24: RCS 030D - 040D

NOTE: The number of condensing fans varies per model.
Dimensions in Inches (mm).

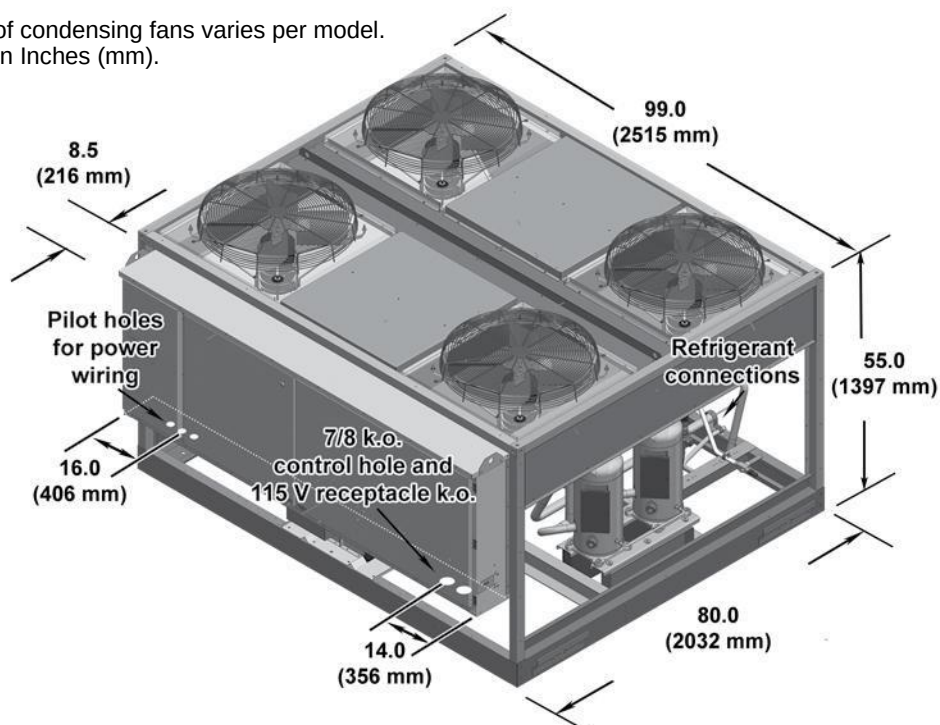


Figure 25: RCS 045D – 062D

NOTE: The number of condensing fans varies per model.
Dimensions in Inches (mm).

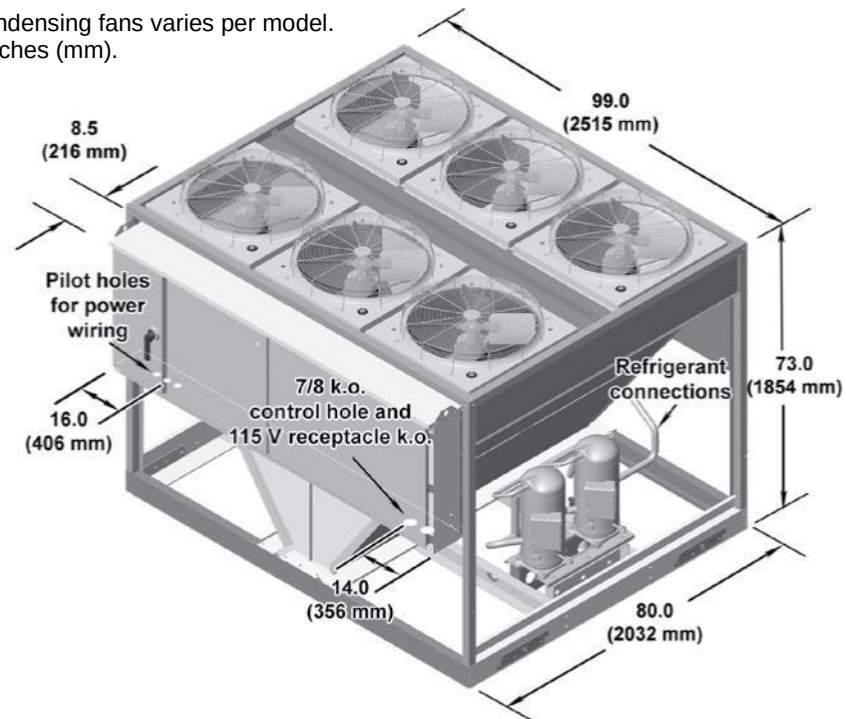


Figure 26: RCS 070D - 072D

NOTE: The number of condensing fans varies per model.
Dimensions in Inches (mm).

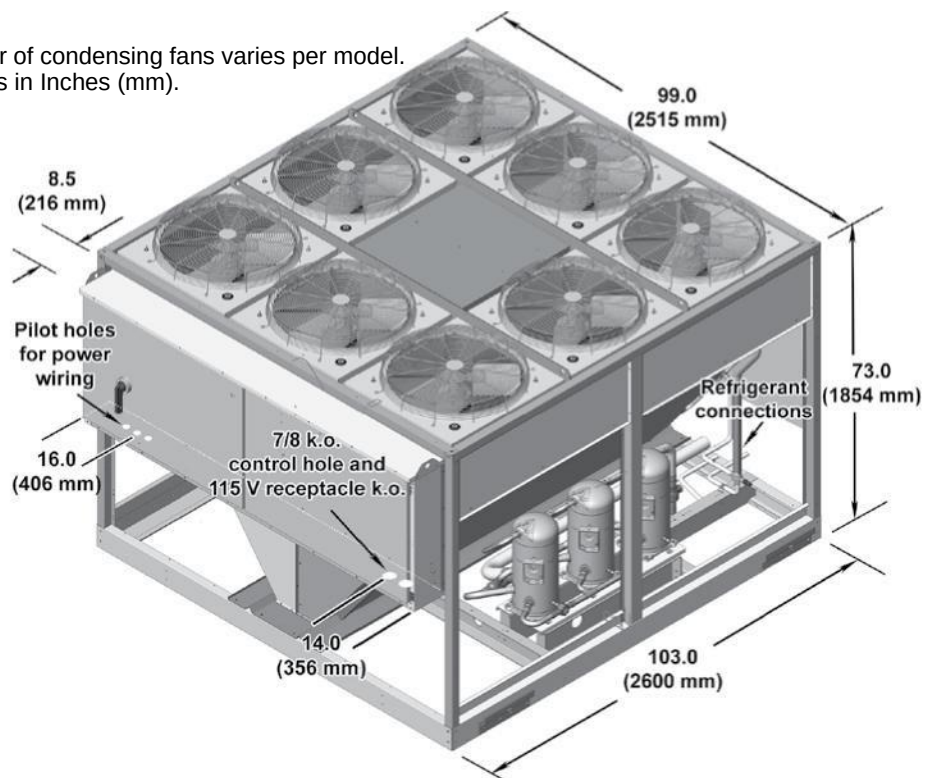


Figure 27: RCS 080D - 100D

NOTE: The number of condensing fans varies per model.
Dimensions in Inches (mm).

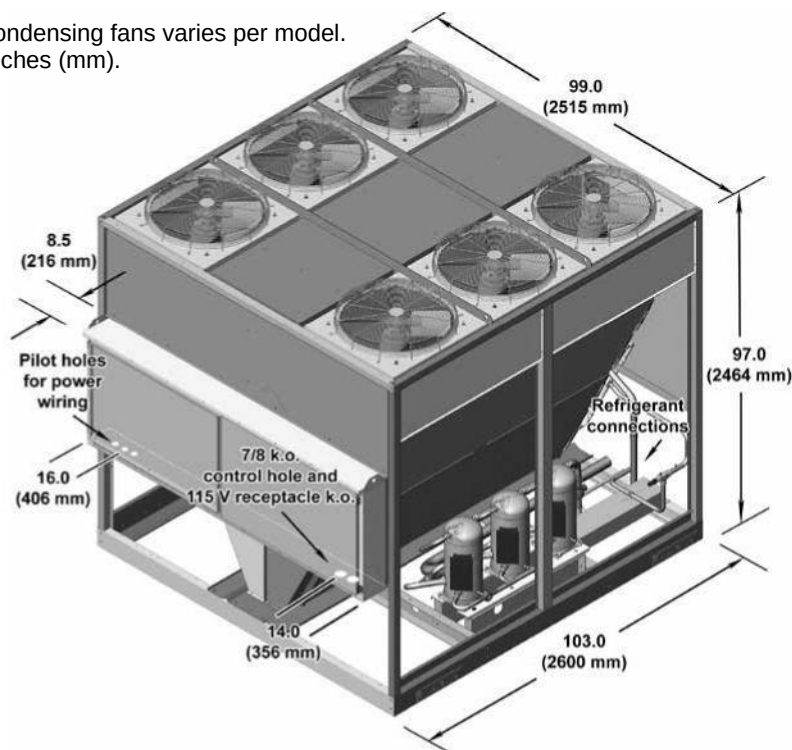
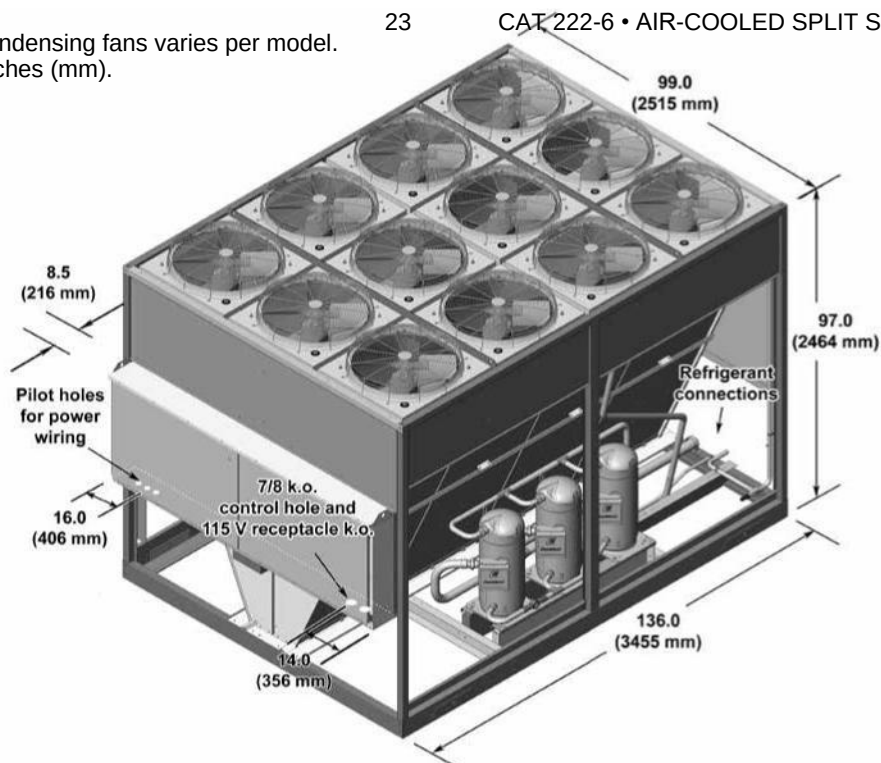


Figure 28: RCS 110D – 140D

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NOTE: The number of condensing fans varies per model.
Dimensions in Inches (mm).



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Piping Connections

NOTE: Piping locations are symmetrical on both sides.

Figure 29: Refrigerant Piping Connection Locations Example (040 Shown)

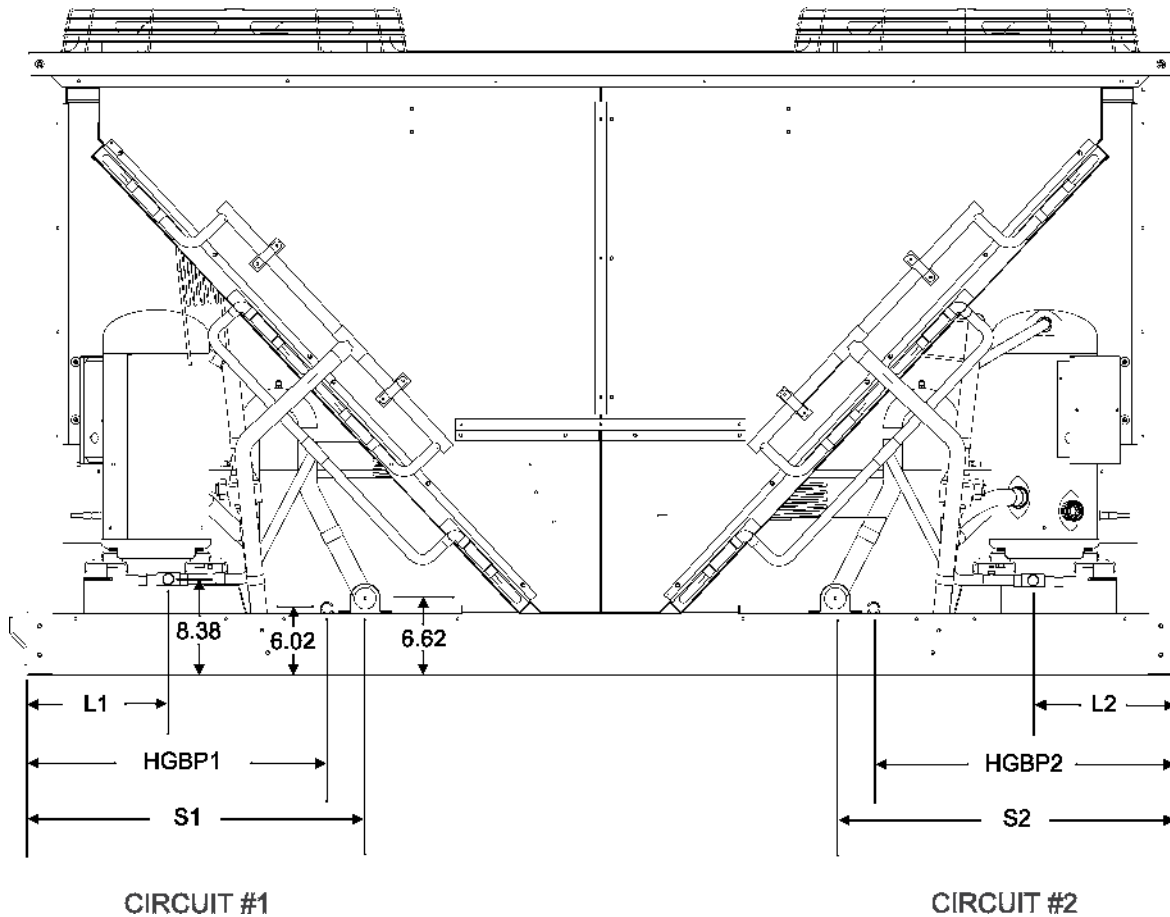


Table 8: 015D – 140D Connection Locations

Component Circuit			Connection Location (inches) refer to Figure 29								
			015D	020D	025D	030D	035D	040D	045D	050D	
S1	Suction line #1	Ckt.1	32.1	32.1	32.1	29.3	29.3	29.3	29.4	29.4	
S2	Suction line #2	Ckt.2	32.1	32.1	32.1	29.3	29.3	29.3	29.4	29.4	
L1	Liquid line #1	Ckt.1	16.7	16.7	16.7	12.9	12.9	12.9	12.0	12.0	
L2	Liquid line #2	Ckt.2	16.7	16.7	16.7	12.9	12.9	12.9	12.0	12.0	
HG1	HGBP line #1	Ckt.1	24.0	24.0	24.0	25.4	25.4	25.4	25.9	25.9	
HG2	HGBP line #2	Ckt.2	24.0	24.0	24.0	25.4	25.4	25.4	25.9	25.9	
Component Circuit			Connection Location (inches) refer to Figure 29								
			062D	072D	080D	092D	100D	110D	120D	125D	140D
S1	Suction line #1	Ckt.1	29.4	32.3	32.3	32.3	32.3	32.4	32.4	32.4	32.4
S2	Suction line #2	Ckt.2	29.4	32.3	32.3	32.3	32.3	32.4	32.4	32.4	32.4
L1	Liquid line #1	Ckt.1	12.0	13.5	11.2	11.2	11.2	20.8	20.8	20.8	20.8
L2	Liquid line #2	Ckt.2	12.0	13.5	11.2	11.2	11.2	20.8	20.8	20.8	20.8
HG1	HGBP line #1	Ckt.1	25.9	25.9	28.1	28.1	28.1	25.9	25.9	25.9	25.9
HG2	HGBP line #2	Ckt.2	25.9	25.9	28.1	28.1	28.1	25.9	25.9	25.9	25.9

Figure 30: Refrigerant Piping Connections Example (080D Shown)

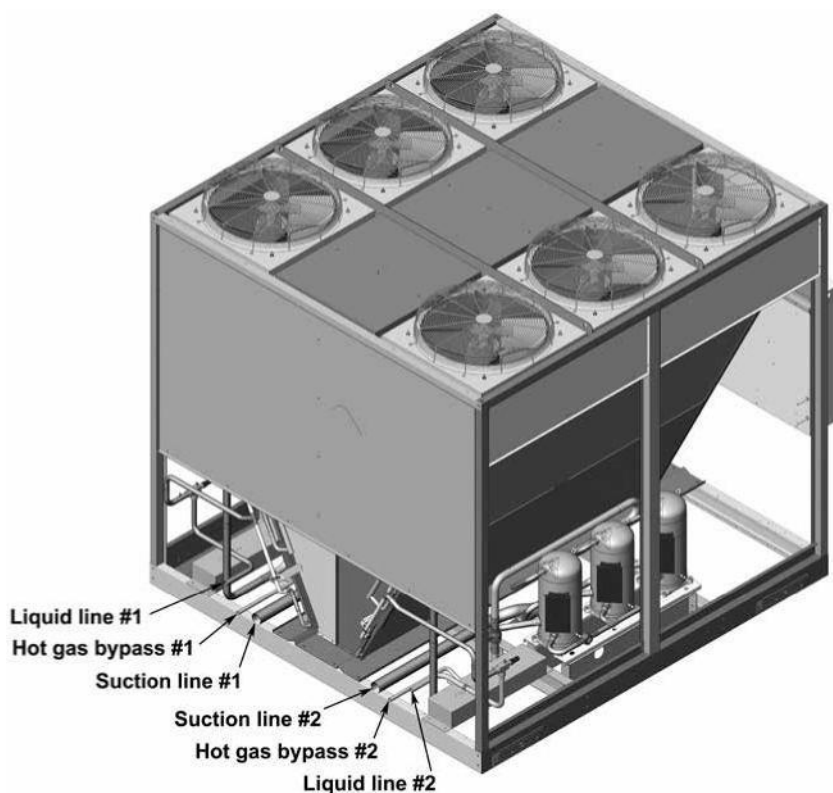


Table 9: 015D – 140D Connection Sizes

Component Circuit			Piping Connection Size (inches) refer to Figure 30								
			015D	020D	025D	030D	035D	040D	045D	050D	062D
S1	Suction line #1	Ckt.1	1.12	1.38	1.62	1.62	1.62	1.62	1.62	2.12	2.12
S2	Suction line #2	Ckt.2	1.12	1.38	1.62	1.62	1.62	1.62	1.62	2.12	2.12
L1	Liquid line #1	Ckt.1	0.62	0.62	0.88	0.88	0.88	0.88	0.88	0.88	0.88
L2	Liquid line #2	Ckt.2	0.62	0.62	0.88	0.88	0.88	0.88	0.88	0.88	0.88
HG1	HGBP line #1	Ckt.1	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88
HG2	HGBP line #2	Ckt.2	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88
Component Circuit			Piping Connection Size (inches) refer to Figure 30								
			072D	080D	092D	100D	110D	120D	125D	140D	
S1	Suction line #1	Ckt.1	2.12	2.12	2.12	2.62	2.62	2.62	2.62	2.62	
S2	Suction line #2	Ckt.2	2.12	2.12	2.12	2.62	2.62	2.62	2.62	2.62	
L1	Liquid line #1	Ckt.1	0.88	1.12	1.12	1.12	1.12	1.12	1.12	1.12	
L2	Liquid line #2	Ckt.2	0.88	1.12	1.12	1.12	1.12	1.12	1.12	1.12	
HG1	HGBP line #1	Ckt.1	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	
HG2	HGBP line #2	Ckt.2	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	

Power Wiring

Table 10: Compressor Rated Load Amps

Unit Size	Voltage	Compressor					
		#1 RLA	#2 RLA	#3 RLA	#4 RLA	#5 RLA	#6 RLA
015D	208	27.6	27.6	—	—	—	—
	230	25.0	25.0	—	—	—	—
	460	12.2	12.2	—	—	—	—
	575	9.4	9.4	—	—	—	—
020D	208	38.5	19.3	19.3	—	—	—
	230	34.8	17.4	17.4	—	—	—
	460	19.2	8.6	8.6	—	—	—
	575	13.9	6.5	6.5	—	—	—
025D	208	53.2	24.8	24.8	—	—	—
	230	48.1	22.4	22.4	—	—	—
	460	19.2	10.6	10.6	—	—	—
	575	16.0	7.7	7.7	—	—	—
030D	208	56.7	25.7	25.7	—	—	—
	230	51.3	23.2	23.2	—	—	—
	460	23.1	11.2	11.2	—	—	—
	575	19.9	8.2	8.2	—	—	—
035D	208	32.6	32.6	32.6	32.6	—	—
	230	29.5	29.5	29.5	29.5	—	—
	460	14.7	14.7	14.7	14.7	—	—
	575	12.2	12.2	12.2	12.2	—	—
040D	208	33.7	33.7	33.7	33.7	—	—
	230	30.5	30.5	30.5	30.5	—	—
	460	16.7	16.7	16.7	16.7	—	—
	575	12.2	12.2	12.2	12.2	—	—
045D	208	42.2	42.2	42.2	42.2	—	—
	230	38.2	38.2	38.2	38.2	—	—
	460	19.2	19.2	19.2	19.2	—	—
	575	13.9	13.9	13.9	13.9	—	—
050D	208	53.2	53.2	53.2	53.2	—	—
	230	48.1	38.2	48.1	38.2	—	—
	460	19.2	19.2	19.2	19.2	—	—
	575	16.0	13.9	16.0	13.9	—	—
062D	208	56.7	56.7	56.7	56.7	—	—
	230	51.3	51.3	51.3	51.3	—	—
	460	23.1	23.1	23.1	23.1	—	—
	575	19.9	19.9	19.9	19.9	—	—
072D	208	42.2	42.2	42.2	42.2	42.2	42.2
	230	38.2	38.2	38.2	38.2	38.2	38.2
	460	19.2	19.2	19.2	19.2	19.2	19.2
	575	13.9	13.9	13.9	13.9	13.9	13.9
080D	208	53.2	53.2	53.2	53.2	53.2	53.2
	230	48.1	48.1	48.1	48.1	48.1	48.1
	460	19.2	19.2	19.2	19.2	19.2	19.2
	575	16.0	16.0	16.0	16.0	16.0	16.0
092D	208	56.7	56.7	56.7	56.7	56.7	56.7
	230	51.3	51.3	51.3	51.3	51.3	51.3
	460	23.1	23.1	23.1	23.1	23.1	23.1
	575	19.9	19.9	19.9	19.9	19.9	19.9
100D	208	63.9	56.7	63.9	56.7	63.9	56.7
	230	57.8	51.3	57.8	51.3	57.8	51.3
	460	29.0	23.1	29.0	23.1	29.0	23.1
	575	23.7	19.9	23.7	19.9	23.7	19.9
110D	208	63.9	63.9	63.9	63.9	63.9	63.9
	230	57.8	57.8	57.8	57.8	57.8	57.8
	460	29.0	29.0	29.0	29.0	29.0	29.0
	575	23.7	23.7	23.7	23.7	23.7	23.7
120D	208	63.9	84.3	63.9	84.3	63.9	84.3
	230	57.8	76.3	57.8	76.3	57.8	76.3
	460	29.0	34.8	29.0	34.8	29.0	34.8
	575	23.7	28.4	23.7	28.4	23.7	28.4
125D	208	84.3	84.3	84.3	84.3	84.3	84.3
	230	76.3	76.3	76.3	76.3	76.3	76.3
	460	34.8	34.8	34.8	34.8	34.8	34.8
	575	28.4	28.4	28.4	28.4	28.4	28.4
140D	208	84.3	99.6	84.3	99.6	84.3	99.6
	230	76.3	90.1	76.3	90.1	76.3	90.1
	460	34.8	45.1	34.8	45.1	34.8	45.1
	575	28.4	34.7	28.4	34.7	28.4	34.7

Table 11: Condenser Fan Quantity

RCS Model	Quantity Fans
015D, 020D, 025D	2
030D, 035D, 040D, 045D, 050D	4
062D, 080D	6
072D, 110D	8
092D, 100D, 120D	9
125D	10
140D	12

Table 12: Condenser Fan Amps (each)

Voltage	Standard Fan, RPM = 1140	
	FLA	LRA
208	4.2	21.0
230	4.0	19.8
460	2.0	9.9
575	1.7	9.6

NOTE: Minimum circuit ampacity (MCA) = 1.25 × largest motor RLA + sum of all other RLA and FLA.

Table 13: MCA and MOPD Values

Model	Cond Fan	208V		230V		380V/60Hz		380V/50Hz		460V		575V	
		MCA	MROPD	MCA	MROPD	MCA	MROPD	MCA	MROPD	MCA	MROPD	MCA	MROPD
RCS 015D	2	71.9	90	65.6	90	42.5	50	33.3	45	32.3	40	25.1	30
RCS 020D	2	96.5	125	87.6	110	—	—	—	—	46.0	60	34.3	45
RCS 025D	2	125.9	175	114.2	150	68.0	90	51.0	70	50.0	60	39.3	50
RCS 030D	4	140.5	175	127.8	175	77.0	100	62.1	80	62.1	80	48.6	60
RCS 035D	4	156.8	175	142.7	150	90.3	100	73.3	80	71.5	80	59.2	70
RCS 040D	4	161.4	175	146.9	175	103.5	125	81.8	90	80.0	90	59.2	70
RCS 045D	4	199.0	225	180.9	200	118.6	125	93.1	110	91.3	110	66.9	80
RCS 050D	4	245.7	250	222.9	250	129.7	150	93.1	110	91.3	110	75.8	90
RCS 062D	6	269.0	300	244.5	250	143.6	150	114.7	125	112.1	125	95.8	110
RCS 072D	8	300.2	300	273.3	300	179.0	200	141.5	150	138.1	150	101.5	110
RCS 080D	6	360.5	400	327.1	350	190.3	200	136.5	150	133.9	150	111.2	125
RCS 092D	9	395.0	450	359.1	400	210.9	225	168.4	175	164.6	175	140.7	150
RCS 100D	9	418.4	450	380.3	400	237.2	250	187.6	200	183.8	200	153.0	175
RCS 110D	8	435.8	450	395.8	450	259.0	250	202.8	225	199.4	225	162.7	175
RCS 120D	9	506.3	500	459.9	500	285.9	300	224.1	250	220.3	250	179.7	200
RCS 125D	10	571.7	600	519.4	500	310.9	350	244.0	250	239.8	250	195.5	200
RCS 140D	12	629.8	700	572.2	600	352.3	400	282.5	300	277.5	300	219.4	250

NOTE: Calculations for RCS042D and smaller include 500 VA control transformer.
Calculations for RCS045D and larger include 1000 VA control transformer.
Units with 380V/60Hz and 380V/50Hz power include 1.5 HP TEAO condenser fan motors

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Figure 31: Typical RCS Controls Wiring Diagram (continued)

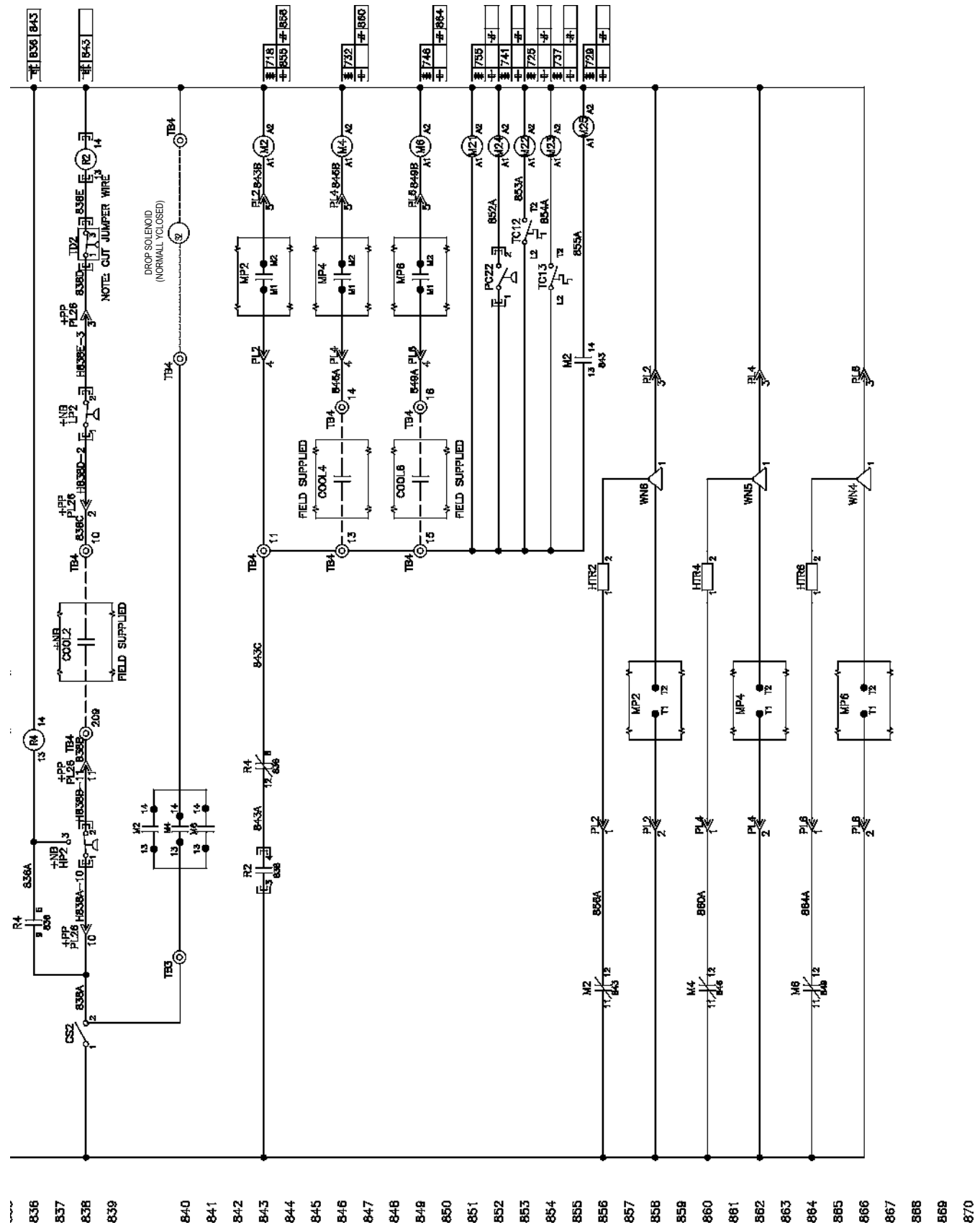
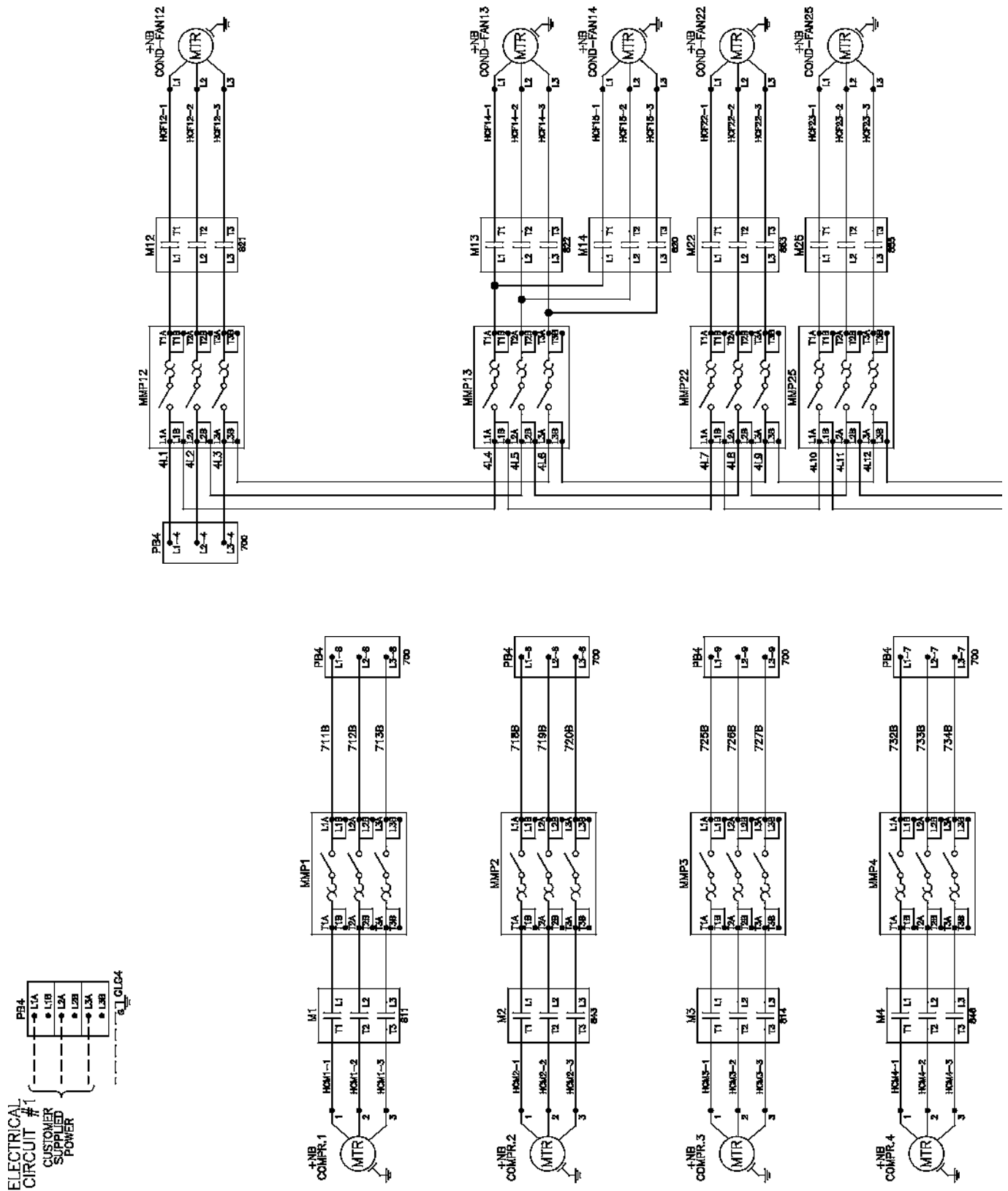


Figure 32: Typical RCS Condensing Unit Power Wiring Diagram



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Part 1: General

1.01 Summary

- A. Section includes design, performance criteria, refrigerants, and installation requirements for air cooled split condensing units.

1.02 References

- A. ARI-365 Commercial and Industrial Unitary Air Cooled Condensing Units.
- B. ANSI/ASHRAE 15 Safety Standard for Refrigerated Systems.

1.03 Submittals

- A. Submit Shop drawings and product data in accordance with the specifications.
- B. Submittals shall include the following:
 1. Dimensioned plan and elevation view drawings, required clearances, and location of all field connections.
 2. Summary of all auxiliary utility requirements, such as electricity, water, compressed air, etc. Summary shall indicate quality and quantity of each required utility.
 3. Single-line schematic drawing of the power field hookup requirements, indicating all items that are furnished.
 4. Schematic diagram of control system indicating points for field interface/connection.
 5. Diagram shall fully delineate field and factory wiring.
 6. Installation manuals.

1.04 Qualifications

- A. Regulatory Requirements: Comply with the codes and standards specified.
- B. Manufacturer's plant must be ISO Registered.

1.05 Delivery and Handling

- A. Condensing units shall be delivered to the job site assembled, leak tested, evacuated, and charged with a holding charge of dry nitrogen.
- B. Comply with the manufacturer's instructions for rigging and handling equipment.

1.06 Warranty

- A. The refrigeration equipment manufacturer's initial warranty shall be within 12 months from start-up or 18 months, whichever occurs first.
- B. The warranty shall provide for repair or replacement due to material and workmanship that proves defective within the above period, excluding refrigerant.

1.07 Maintenance

- A. Include instructions for installation, maintenance and service.
- B. Maintenance of the units shall be the responsibility of the owner and performed in accordance with the manufacturer's instructions.

Part 2: Products

2.01 Acceptable Manufacturers

- A. Basis of design: McQuay International.
- B. (Approved Equal).

2.02 Unit Description

- A. Scroll Option: Provide and install, as shown on the plans, a factory-assembled, air-cooled scroll compressor condensing units in the size and quantity specified. Each unit shall consist of hermetic tandem or triple scroll compressor sets, air-cooled condenser section.

2.03 Design Requirements

- A. General: Provide a complete condensing unit as specified herein and as shown on the drawings. The unit shall be in accordance with the standards referenced in section 1.02 and any local codes in effect.
- B. Performance: Refer to the schedule of performance on the drawings. Performance shall be in accordance with ARI Standard 365-94.
- C. Exterior surfaces shall be constructed of painted galvanized steel, for aesthetics and long-term durability. Paint finish will include a base primer with a high-quality polyester resin topcoat. Finished, unabraded panel surfaces shall be exposed to an ASTM B117 salt spray environment and exhibit no visible red rust at a minimum of 3,000 hours exposure. Finished, abraded surfaces shall be tested per ASTM D1654, having a mean scribe creepage not exceeding 1/16" at 1,000 hours minimum exposure to an ASTM B117 salt spray environment. Measurements of results shall be quantified using ASTM D1654 in conjunction with ASTM D610 and ASTM D714 to evaluate blister and rust ratings.

2.04 Condensing Section

A. Air Cooled Condenser

1. Each condenser coil shall be factory leak tested with high-pressure air under water. Each refrigerant circuit shall provide 15 degrees of liquid subcooling.
2. Condenser coils shall be fabricated from cast aluminum micro-channel coils. Each condenser coil shall be factory leak tested with high-pressure air under water. Coils are to be recessed so that the cabinet provides built in hail protection.
3. Condenser fans shall be 1140 rpm direct drive, propeller type designed for low tip speed, vertical air discharge, and include service guards. Fan blades shall be constructed of steel and riveted to a steel center hub. Condenser fan motors shall be heavy-duty, inherently protected, three-phase, non-reversing type with permanently lubricated ball bearing and integral rain shield.
4. Units shall have at least one condenser fan controlled to maintain positive head pressure. An ambient thermostat shall prevent the refrigeration system from operating below 45°F ambient.

B. Scroll Compressors

1. Unit shall have multiple, heavy-duty Copeland scroll compressors.
2. Each compressor shall be complete with gauge ports, oil sight glass, crank case heater, anti-slug protection, and a time delay to prevent short cycling and simultaneous starting of compressors following a power failure.
3. Compressors shall be isolated with resilient rubber isolators to decrease noise transmission.
4. Refrigeration capacity control shall be accomplished by staging of the unit's multiple compressors. Liquid tight conduit shall be provided on exposed compressor wire.
5. Each compressor shall have motor temperature sensing and current sensing overload protection.

C. Refrigerant Circuit: Manual charging/evacuation valve and capped connections shall be provided for field connection of refrigerant piping.

1. Refrigerant specialties shall be field supplied and installed.
2. The unit shall have two independent refrigeration circuits.

2.05 Controls

- A. Unit shall be equipped with a low pressure and high pressure safety for each refrigerant circuit.
- B. Additional compressor safety controls are referenced in 2.04 Condensing Section - B2 and B5 9 (above).
- C. Unit manufacturer shall provide necessary relays for cooling stages as stated on equipment schedule.
- D. Field powered 115V outlet.

2.06 Options and Accessories

NOTE: The following options are to be included:

- A. Hot gas bypass kit for one (or both) circuits to allow unit operation to 10 percent of full load.
- B. VFD condenser fan speed control shall be added to the last fan off on each refrigeration circuit to provide cooling operation to ambient temperatures down to 0°F.
- C. Unit shall be equipped with a 24 V terminal strip for field supplied and installed controls.
- D. Non-fused disconnect switch with through-the-door handle.
- E. Baked epoxy coating providing 3000+ hour salt spray resistance (ASTM B117-90) and is applied to both the coil and the coil frames.
- F. Spring vibration isolators for field installation.
- G. Vandal guards.
- H. Factory powered 115 V convenience outlet.
- I. The manufacturer will provide extended 48 month, parts only, warranty on the compressor.
- J. The condensing unit shall be designed, manufactured, and independently tested, rated, and certified to meet the seismic standards of the 2009 International Building Code and ASCE 7-06.
 1. Certificates of Compliance shall be provided with the quotation and include the manufacturer's identification, designation of certified characteristics, and the Independent Certifying Agency's name and report identification.
 2. Clear installation instructions shall be provided including all accessory components.
- K. Suction and discharge isolation valves for each refrigeration circuit.

Part 3: Execution

3.01 Installation

- A. Install in strict accordance with manufacturer's requirements, shop drawings, and contract documents.
- B. Adjust and level unit in alignment on supports.
- C. Coordinate electrical installation with electrical contractor.
- D. Coordinate controls with control contractor.

3.02 Start-Up

- A. Install proper charge of refrigerant and oil.
- B. Provide testing and starting of machine, and instruct the Owner in its proper operation and maintenance.



Daikin Applied Training and Development

Now that you have made an investment in modern, efficient Daikin equipment, its care should be a high priority. For training information on all Daikin HVAC products, please visit us at www.DaikinApplied.com and click on Training, or call 540-248-9646 and ask for the Training Department.

Warranty

All Daikin equipment is sold pursuant to its standard terms and conditions of sale, including Limited Product Warranty. Consult your local Daikin Applied representative for warranty details. To find your local Daikin Applied representative, go to www.DaikinApplied.com.

Aftermarket Services

To find your local parts office, visit www.DaikinApplied.com or call 800-37PARTS (800-377-2787). To find your local service office, visit www.DaikinApplied.com or call 800-432-1342.

This document contains the most current product information as of this printing. For the most up-to-date product information, please go to www.DaikinApplied.com.

Products manufactured in an ISO Certified Facility.



Vision® and Skyline® Semi-custom Air Handlers



Skyline Outdoor Air Handler
900 to 51,000 cfm



Vision Indoor Air Handler
900 to 84,500 cfm



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FEATURES AND BENEFITS



1 MODULAR DESIGN FLEXIBILITY

- Allows custom selection and configuration of components to meet performance and application requirements

2 DURABLE, WEATHER TIGHT CABINET

- Cross-broken top panels eliminate standing water
- Standing "C" cap over seams provides a watertight seal
- Drip shield on all sides and over doors
- Pre-painted frames and panels
- Stainless steel liners option

3 DOUBLE-WALL CONSTRUCTION

- Reduces dirt accumulation and facilitates cleaning
- Protects insulation and improves IAQ

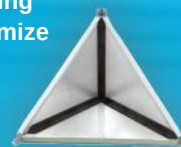
4 HEAVY-DUTY BASE RAIL

- Standard base rail in varying heights (4" to 12") or curb ready design forms weather tight seal on roof curb
- Lifting lugs facilitate easy rigging
- Optional single-piece ship, curb ready base



5 PATENTED GASKETED FRAME CHANNELS & R-13 FOAM-INJECTED PANELS

- Eliminates metal-to-metal contact between paneling and framework to minimize air leakage
- Provides superior strength
- Promotes high IAQ and long life



6 ULTRASEAL™ LOW LEAKAGE DAMPERS

- Maximizes operating efficiency with tight seals
- Reduces operating costs



7 DAMPER HOODS WITH SCREENS

- Direct rain, snow and debris away from openings



8 OPTIONAL PIPING VESTIBULE

- Encloses piping within easy access cabinet
- Variable depths to meet your piping requirements



11 ENERGY RECOVERY (SEE BELOW)

- Recovers up to 70% of lost energies
- Increases efficiency
- Wheel or fixed plate configuration
- Factory installed and tested

12 EXTENDED COIL AND DRAIN CONNECTIONS

- Saves installation costs and reduces maintenance
- Aids in proper drainage



14 SKYLINE FACTORY ROOF CURB (NOT SHOWN)

- Designed specifically to match custom modular design flexibility
- Variable heights (16' to 30') to meet installation requirements

15 SEISMIC-CERTIFIED

- Meets IBC and OSHPD certification requirements
- Pre-approved for faster building occupancy
- Increases equipment protection and durability
- Compliance label for inspection

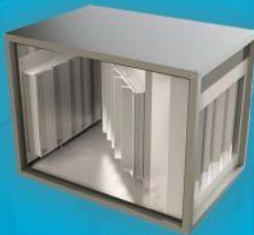


9 STAINLESS STEEL, DOUBLE-SLOPED DRAIN PAN

- Prevents standing water and corrosion to inhibit mold growth and improve IAQ
- Recessed into floor with low point drain connection

10 ANGLED ECONOMIZER

- Free cooling when outdoor conditions prevail
- Meets local requirements for fresh air provision
- Integrates operation with mechanical cooling
- Increases efficiency with demand control ventilation
- Superior control with outdoor air monitor



13 DIRECT-DRIVE VARIABLE SPEED ECM OR VFD FAN MOTORS

- Increase system reliability and efficiency by eliminating belts and bearing setscrews
- Increase energy savings at light-load conditions
- Superior fan efficiencies with airfoil design



11 BOOST EFFICIENCY WITH ENERGY RECOVERY SOLUTIONS

The financial burden to condition ventilation air accounts for up to 50% of your building's total energy cost. Reduce that cost with energy recovery options that condition and transfer heat/moisture energies between exhaust and ventilation air streams – effectively recovering 70% of lost energies to dramatically increase operating efficiency.

- Factory-installed and tested
- Available in 100% outdoor air (OA) or economizer configurations with exhaust fans
- AHRI-certified and UL-recognized wheel
- Cuts winter humidification costs up to 60%
- Meets ASHRAE Standard 62.1

**Fixed Plate
Energy Recovery**

Energy Recovery Wheel

MAKE THE MOST OF YOUR SPACE

In addition to Vision and Skyline's broad selection of DWDI, AF, FC, single and dual direct-drive plenum fans, fan array configurations are also available with direct drive or ECM fans that are your key to smooth operations and reliable comfort.

ECMs mount directly to their impellers for a compact design that eliminates almost three feet of cabinet space. That's 46% narrower than models with direct-drive motors and 52% narrower than models with belt-driven fans. When floor space is a premium, a fan array frees up valuable space for use where it's needed most.



Direct-drive cabinet



ECM fan array cabinet



EFFICIENT AND QUIET ECMS

For ECMs, the inverter is an integral component of each motor — a step up from more expensive and space-requiring variable frequency drives. The ability to modulate the speed of individual ECMs allows them to operate more efficiently at part load conditions, resulting in improved energy savings.

DEPENDABLE OPERATION, REDUNDANCY, AND REDUCED MAINTENANCE

ECM fan array offers redundancy for mission-critical applications requiring uninterrupted airflow. With options to configure for n-1 fans, fan array will always provide operational backup in the event it's needed.

In addition, very little maintenance is required for ECM fans. Their technologically advanced design reduces the need for mechanical maintenance and attributes to reliable performance throughout the ECM's extended lifecycle.



FLOWGRID SOUND MUTING PERFORMANCE

The optional FlowGrid grill is factory-installed over each fan's air intake to ensure even quieter performance, by reducing the blade-passing noise and the lower frequency octave bands by up to eight decibels.

An upgrade to the already-quiet ECM fan array, FlowGrid technology adds premium sound muting performance to any Vision or Skyline air handler, which can be especially crucial for sound-sensitive applications.

FACTORY MOUNTED FAN CONTROLLER

The MicroTech 4 controller offers advanced technology with adaptive algorithms making equipment configuration and fan array management easier.

The optional controller is factory installed on the unit, with the option for remote mounting, and can be configured for constant air volume, variable air volume, or fan tracking applications. Fan performance can be monitored via standard, factory installed airflow measurement. System operation and diagnostic information is readily available via the on-board display, for simple, intuitive troubleshooting.



PUTTING THE IQ IN IAQ

Both Vision and Skyline IAQ solutions are designed to deliver quality indoor air with sustainable and energy efficient technologies.

BUILDING CONTAMINANT SOLUTIONS

Occupant and building material emissions are a common IAQ issue for buildings. CO₂ generated by space occupants is a common driver of ventilation rates and is one of the most common building contaminants to be managed. Off-gassing from furniture, building materials and the like introduces volatile organic compounds, like formaldehyde, into the air. Daikin technologies for building contaminants focus on ventilation that maximizes effective clean air changes in the space with the lowest energy consumption.

SORBENT VENTILATION TECHNOLOGY (SVT)

SVT is tested in accordance with ASHRAE 145.2 to remove CO₂, VOCs and other contaminants using sorbent filtration. When applied using ASHRAE 62.1's IAQ Procedure (IAQP), SVT provides cleaner air and reduces HVAC energy use by up to 30%.

Better Air: Promote better IAQ by removing building and occupancy related contaminants.

Retrofit Flexibility: Increase occupancy of served spaces without requiring increases in building infrastructure.

Energy Cost: Reduce outdoor air by up to 80%, and save up to 30% in HVAC energy use.

Sustainability: By reducing HVAC unit energy use by up to 30%, SVT offers a sustainable decarbonization solution that reduces indirect carbon emissions while enhancing building air quality.

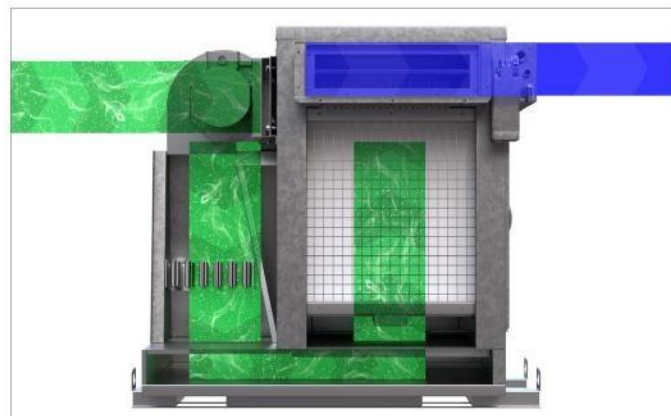
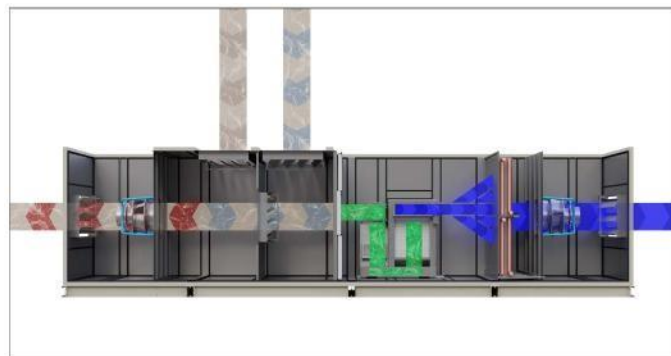


PHOTO-CATALYTIC-OXIDATION (PCO)

UVGI photons react with a Titanium Oxide (TiO₂) mesh panel to create a powerful oxidizing agent called a hydroxyl radical. As the air passes through the UVGI

powered catalyst, the radicals oxidize gaseous organic compounds such as odors and VOCs, reducing them to trace compounds, CO₂ and H₂O. PCO systems are ideal where ventilation loads are driven by non-occupancy related emissions like Casinos, Airports, and Office buildings.

PATHOGENS

The COVID-19 pandemic has taught us to consider HVAC's role in pathogen spread and mitigation. Two technologies with the most known pathogen data are Ultra-Violet Germicidal Irradiation (UVGI) and high efficiency filtration.

FILTRATION: Vision/Skyline have configurable filtration with cartridge filters up to MERV 16 and HEPA final filters. High efficiency filtration is the number one way to reduce infection risk of airborne pathogens.

ULTRA-VIOLET GERMICIDAL IRRADIATION: Factory-mounted UV lights are available in coil cleaning intensity to keep coils clean of harmful microbial growth or airstream disinfection intensity to deactivate airborne pathogens as they pass through the air tunnel.

CUSTOM SOLUTIONS WITHOUT A CUSTOM PRICE

Vision and Skyline semi-custom air handlers provide education, government, healthcare, and office buildings with efficient, high quality, sustainable design solutions for improving indoor air quality and comfort. Our indoor and outdoor air handlers share many performance enhancing features and options between each other, in extremely flexible configurations. Both allow consulting engineers to build the ideal air handler to meet demanding applications needing reduced footprint, boosted efficiency, improved indoor air quality and quiet operation.

FLEXIBILITY TO MEET YOUR SPACE REQUIREMENTS

Each Vision and Skyline air handler is of modular platform construction, featuring 2" incremental dimensioning that gives engineers unlimited design capabilities to incorporate valuable features and options into your air handler to specifically match application requirements. Daikin's lean and versatile manufacturing processes present you with the power to create an affordable air handler with many of the same premium features and options typically found only in competitors' expensive "custom" designs. With Vision and Skyline, you are unrestricted to creativity as the configurable design possibilities are unlimited in scope. If you can dream it, we can build it.

- A** 26" - 122" (2" increments)
- B** 36" - 142" (2" increments - std.)
- C** 144" - 228" (4" increments - ext.)



- A** 26" - 122" (2" increments)
- B** 36" - 142" (2" increments - std.)
- C** 144" - 228" (4" increments - ext.)



FOR MORE INFORMATION ABOUT OUR COMPLETE OFFERING OF HVAC SYSTEMS AND SOLUTIONS, VISIT [DAIKINAPPLIED.COM](https://www.daikinapplied.com).

PRECISELINE[®] Air Handlers

Precisely Conditioned Affordable Air

Model BCV/BCA
600 to 5,000

Model BCH
600 to 10,000



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MORE AIR, LESS COST

PRECISELINE AIR HANDLERS

No two buildings are created equal. Loads, fresh air, delivery requirements, and other design obstacles are clever problems that call for clever solutions. For a definitive solution to your space's air handling needs, use Daikin **PRECISELINE AIR HANDLERS**, available in both vertical and horizontal configurations, to condition air at precise levels up to 10,000 cfm.

PRECISELINE'S compact footprint gives system designers and contractors unmatched design capability when faced with tight space restrictions. It differentiates itself by utilizing innovative, low-leakage and high-quality cabinet construction to efficiently deliver fresh, conditioned air to dedicated spaces within a building – all at a very attractive price point.

GAIN THE PRECISELINE ADVANTAGE



THERMALLY INSULATED PANELS

All units utilize a galvanized double-wall, 1" foam injected, thermally isolated panel to raise the cabinet's thermal resistance to R-6.5. This thermal resistance is more effective at keeping air cold when in cooling mode and hot when in heating mode. It also provides a cleanable surface and increases panel rigidity for longer unit life.

FACTORY-INTEGRATED CONTROLS

Intuitive, factory-integrated controls provide for standalone operation or BAS integration, effectively reducing installation time, costs and complexity, while also ensuring the most efficient and reliable operation from your air handler.



FACTORY-INSTALLED VALVE PACKAGES

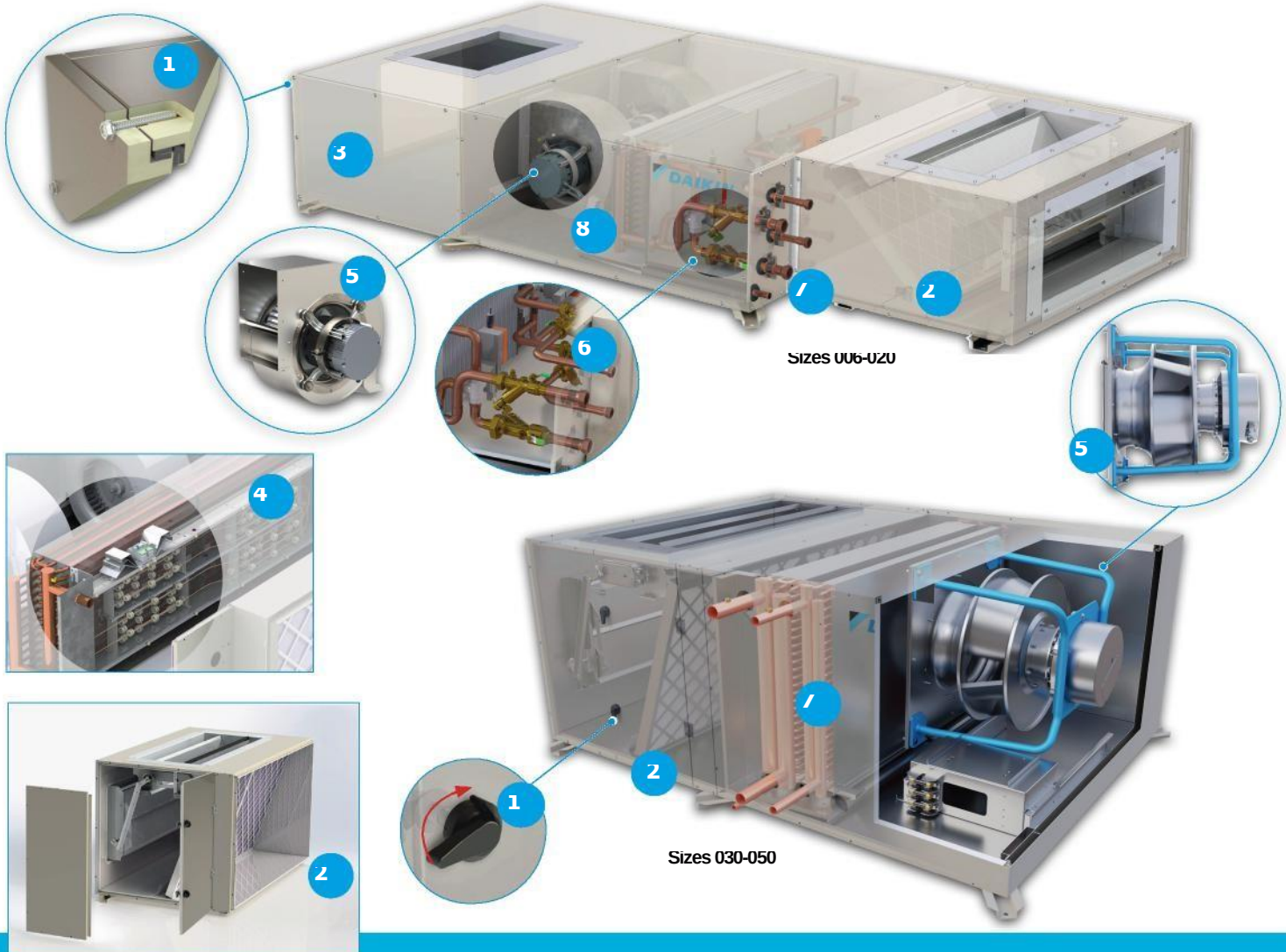
Available for both two-pipe and four-pipe systems (006-020), all packages are leak tested and assembled inside the cabinet. Water connections terminate outside the cabinet for quick field hookup and all valve piping is easily accessible through a single panel for easy service.

INDOOR AIR QUALITY SOLUTIONS

- 2" and 4" MERV 8 or MERV 13 options for superior particulate filtration
- Thermally insulated cabinetry reduces fibers/pathogens entering the system
- Double-sloped stainless steel drain pan deters microbial growth



PRECISELINE FEATURES & BENEFITS



1 CABINET

- Double-wall, foam injected
- R-6.5 thermally resistive
- 1/4-turn latches

2 MIXING BOX (OPTION)

- Factory-installed 0-10VDC or 24VAC actuators
- Exhaust fans and economizer section available

3 DISCHARGE PLENUM (OPTION)

- Smoothly changes air flow to any direction
- Sound attenuation package for less noise
- Final filters up to MERV 13

4

ELECTRIC HEAT

- 1/2kW to 39kW
- Single point power with factory safeties
- Single stage or SCR control

5

FULLY MODULATING FAN MOTORS

- Internal thermal protection
- Plenum fans with EC motors (030-050)
- Forward curved EC motors (006-020)
- Forward curved NEMA premium ODP motors with VFD (030-050)

6

MULTIPLE VALVE PACKAGES

- Internal to cabinet to reduce insulation requirement, 2-way/3-way
- 0-10VDC modulating control for variable volume pumping applications
- 24VAC open/close control with fan coil style thermostats

7

MULTIPLE COIL OPTIONS

- VRV primary with hot gas reheat
- 2, 4, 6, or 8 row primary
- 1, 2 row reheat or preheat secondary
- Stainless steel casings

8

STAINLESS STEEL DRAIN PAN

- Double sloped prevents standing water
- ASHRAE 62.1 compliant

OFFICE BUILDINGS

Maximize building efficiency and occupant comfort levels by leveraging energy saving fans, air filtration options, and a thermally resistant cabinet design.

VARIABLE SPEED DIRECT DRIVE FANS increase building energy savings at light-load conditions while eliminating service and maintenance of belts and setscrews associated with belt drive motors.

HIGH FILTRATION selections to capture greater amounts of microscopic particulate for more hygienic working conditions and healthier occupants.

ROBUST CONSTRUCTION featuring durable, thermally insulated, double-wall panel construction that keeps air at precise, comfortable temperature levels.



EDUCATION

Deliver superior indoor learning environments by ensuring the precise amount of clean and conditioned air is delivered to each classroom.

INDOOR AIR QUALITY improves drastically with microbial-resistant stainless steel drain pans and high-filtration MERV filter selections for cleaner air.

QUIET OPERATION with variable speed fans that provide the precise amount of cooling required and an optional low sound discharge plenum to minimize classroom distractions.

LOCAL CONTROL allows for individual spaces to have a dedicated unit to meet specific space conditioning needs, at a price point that is hard to beat.

HIGH VENTILATION conditioning with up to 8-rows of coils provide superior cooling comfort levels, even during the warmest, most humid days.

COMPLETE SYSTEM SOLUTIONS

Combine PreciseLine air handlers with Daikin SiteLine™ Building Controls, BACnet® thermostats, and our award-winning Pathfinder® air-cooled chiller to fully tailor your system for superior building performance and indoor air quality.

SITELINE™ BUILDING CONTROLS offers a scalable, cloud-based building automation systems (BAS) instantly and easily optimize the performance of any HVAC ecosystem—including other makes and existing building systems.

BACNET THERMOSTATS provide fast, remote thermostat connectivity to your air handlers using SiteLine™ Building Controls.

PATHFINDER® AIR-COOLED CHILLER, the industry's first fully configurable air-cooled screw chiller, pairs easily with PreciseLine for expanded performance solutions.

**PATHFINDER
AIR-COOLED
CHILLER**



**BACNET
THERMOSTAT**



SITELINE™ BUILDING CONTROLS



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Technical Specifications

ASP 31-302

Group: **Controls**

Part Number: **ASP 31-302**

Date: **February 2015**

Daikin Single Duct VAV Box



MQTH15 Single Duct Air Terminal

Description

The MQTH15 is our high performance single duct air terminal product line. This series is available in a wide range of sizes with available capacities from 80 to 8000 CFM. The MQTH15 sets the standard in the industry for construction, performance and quality.

Available Features

Units include:

- Round inlet collar on unit sizes 6"–16"
- Rectangular inlets on sizes 20" and 24"
- Outlets are rectangular with slip and drive connections
- An external 20-gauge control mounting panel
- Control panel covers included on all units

Figure 1: MQTH15 Components

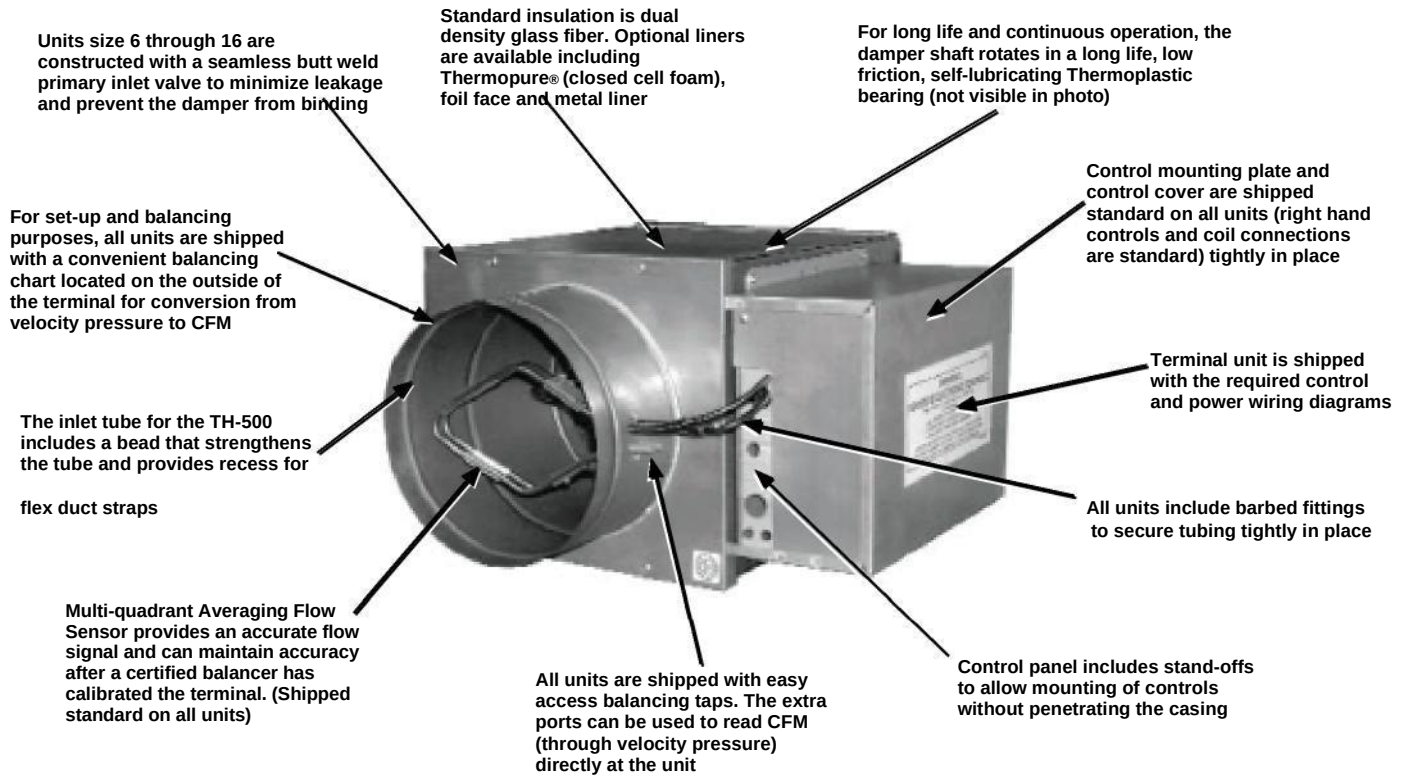
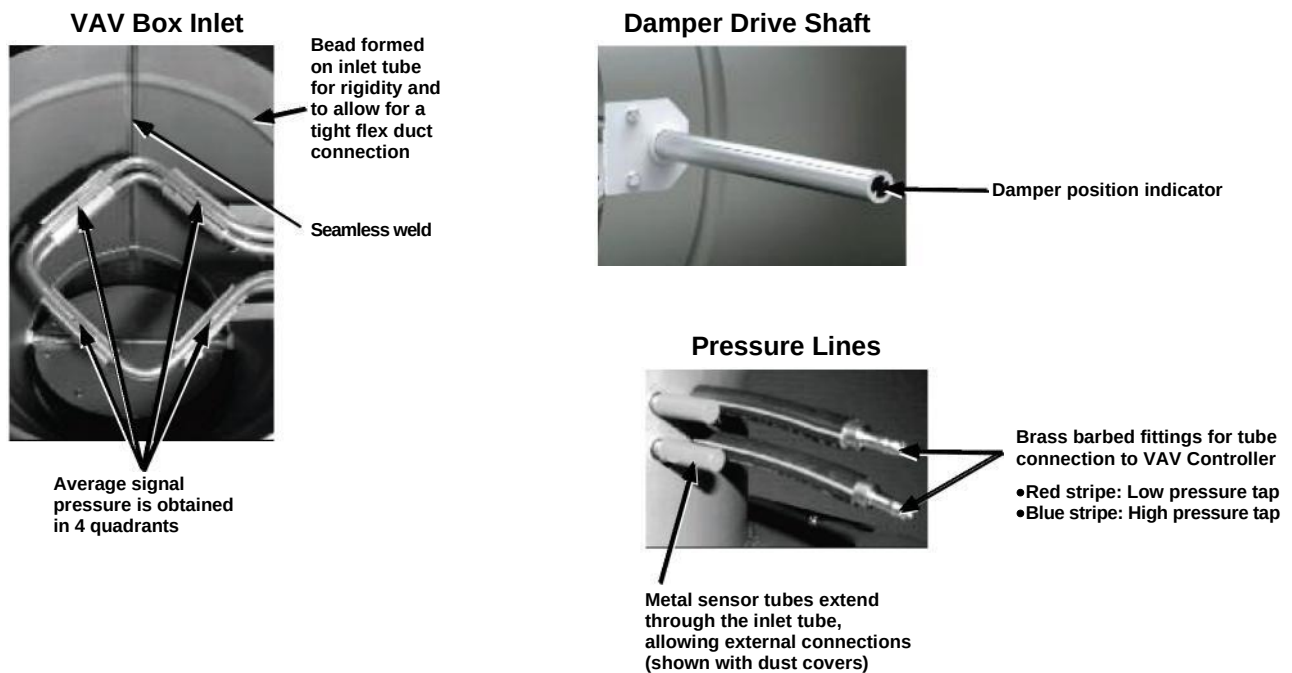


Figure 2: MQTH15 Details



FIXTURE DETAIL



Totals		443			63,672			388			26,171			\$9,319		\$4,544		\$0		\$0	
Area		Existing				Proposed Solution							Savings								
Room	Kit	Watts Qty		Burn	kWh	Proposed	Watts Qty		% Red.	Burn	kWh	Ctrl Qty	Rebates	Energy	HVAC	Maintenance					
Merrill Building / Lower Level																					
South Stairwell	2L 32W LF4 T8 [1x ELE T8 IS NP] / Wrap 4' Surface	58.0	4	3,120	724	ILP-SQ4-4L-29W-40K	29.0	4	0	3,120	362	0	\$128	\$44	\$0	\$0					
South Stairwell	2L 32W LF4 T8 [1x ELE T8 IS NP] / Wrap 8' Surface	58.0	1	3,120	181	ILP-SQ8-4L-32W-40K	32.0	1	0	3,120	100	0	\$32	\$10	\$0	\$0					
South Stairwell	1L 9W LEDS-M A19 [0x NULL] / Porcelain Socket * Surface	9.0	1	3,120	28	KEYSTONE-14W-A21-40K-1L-G2	14.0	1	0	3,120	44	0	\$0	-\$2	\$0	\$0					
LL Hallway	1L 12W LL4B T8 [1x INTEGRATED] / Wrap 4' Surface	12.0	6	3,120	225	SYLVANIA-VOLUME6AS-S044-39W-40K	39.0	6	0	3,120	730	0	\$0	-\$61	\$0	\$0					
LL Hallway	1L 12W LL4B T8 [1x INTEGRATED] / Wrap 4' Surface	12.0	9	3,120	337	Remove	.0	0	100	0	0	0	\$0	\$41	\$0	\$0					
LL Hallway	1L 12W LL4B T8 [1x INTEGRATED] / Wrap 4' Surface	12.0	3	8,760	315	SYLVANIA-VOLUME6AS-S044-39W-40K	39.0	3	0	8,760	1025	0	\$0	-\$86	\$0	\$0					
LL Hallway	1L 12W LL4B T8 [1x INTEGRATED] / Wrap 4' Surface	12.0	2	8,760	210	Remove	.0	0	100	0	0	0	\$0	\$25	\$0	\$0					
LL South Corridor	4L 32W LF4 T8 [2x ELE T8 IS NP] / Egg Crate 8' Pendant	116.0	1	3,120	362	ILP-SQ8-8L-58W-40K	58.0	1	0	3,120	181	0	\$50	\$22	\$0	\$0					
Set Room	4L 32W LF4 T8 [1x ELE T8 IS NP] / Egg Crate 8' Surface	110.0	13	520	744	ILP-VS8-8L-61W-40K	61.0	13	0	520	412	0	\$650	\$40	\$0	\$0					

Set Room	2L 32W LF4 T8 [1x ELE T8 IS NP] /	58.0	1	520	30	ILP-VS4-4L-33W-40K	33.0	1	0	520	17	0	\$32	\$2	\$0	\$0
Egg Crate 4" Surface																

FIXTURE DETAIL



	Area	Existing			Proposed Solution					Savings				
	Room Energy	Kit HVAC Maintenance	Watts Qty Burn		kWh		ProposedWatts Qty % Red. Burn kWh Ctrl Qty		Rebates					
Room 5 Wee Pals Storage	Set Room	2L 32W LF4 T8 [1x ELE T8 IS NP] / 58.0 1 Egg Crate 4' Suspended	520	30	ILP-VS4-4L-33W-40K 33.0 1	0	520	17	0	\$32	\$2	\$0	\$0	
	Set Room	1L 42W CFS-M SPIRAL [0x NULL] / Porcelain Socket * Pendant	42.0 1	520	22	KEYSTONE-20W-A21-40K-1L-G2 20.0 1	0	520	10	0	\$20	\$1	\$0	\$0
	Room 3 Costume Storage	4L 32W LF4 T8 [1x ELE T8 IS NP] / 110.0 4 Egg Crate 8' Pendant	520	229	SYLVANIA-VOLUME6AS-S044- 32.0 4 32W-40K	0	520	67	1	\$128	\$20	\$0	\$0	
	Room 3 Costume Storage	2L 32W LF4 T8 [1x ELE T8 IS NP] / 58.0 2 Egg Crate 4' Pendant	520	60	SYLVANIA-VOLUME6AS-S044- 32.0 2 32W-40K	0	520	33	0	\$64	\$3	\$0	\$0	
	LL Mechanical Room	4L 32W LF4 T8 [1x ELE T8 IS NP] / 110.0 2 Egg Crate 8' Pendant	1,040	229	ILP-VS8-8L-61W-40K 61.0 2	0	1,040	127	0	\$100	\$12	\$0	\$0	
	4L 32W LF4 T8 [1x ELE T8 IS NP] / Egg Crate 8' Pendant	110.0 4	520	229	SYLVANIA-VOLUME6AS-S044- 32.0 4 32W-40K	0	520	67	1	\$128	\$20	\$0 \$0		
	Room 5 Wee Pals Storage	2L 32W LF4 T8 [1x ELE T8 IS NP] / Egg Crate 4' Pendant	58.0 2	520	60	SYLVANIA-VOLUME6AS-S044- 32.0 2 32W-40K	0	520	33	0	\$64	\$3	\$0	\$0
	Room 7 Costume Storage	4L 32W LF4 T8 [1x ELE T8 IS NP] / Egg Crate 8' Pendant	110.0 2	520	114	SYLVANIA-VOLUME6AS-S044- 32.0 2 32W-40K	0	520	33	1	\$64	\$10	\$0 \$0	
Room 7 Costume Storage	Room 7 Costume Storage	2L 32W LF4 T8 [1x ELE T8 IS NP] / 58.0 2 Egg Crate 4' Pendant	520	60	SYLVANIA-VOLUME6AS-S044- 32.0 2 32W-40K	0	520	33	0	\$64	\$3	\$0	\$0	

Room 9					SYLVANIA-								
Costume	4L 32W LF4 T8 [1x ELE T8 IS NP] / 110.0 6	520	343		VOLUME6AS-S044- 32.0 6	0	520	100	1	\$192	\$29	\$0	\$0
Storage	Egg Crate 8' Pendant				32W-40K								

FIXTURE DETAIL



Area		Existing		Proposed Solution								Savings					
Room	Energy	Kit	HVAC Maintenance		Watts Qty Burn		kWh		Proposed		Watts Qty % Red.	Burn kWh	Ctrl Qty	Rebates			
LL North Corridor	Room 9																
	Costume	2L 32W LF4 T8 [1x ELE T8 IS NP] / 58.0 2			520	60	Remove	.0	0	100	0	0	0	\$0	\$7	\$0	\$0
	Storage	Egg Crate 4' Pendant															
		4L 32W LF4 T8 [1x ELE T8 IS NP] / 110.0 2	3,120	686	SYLVANIA-VOLUME6AS-S044-39W-40K	39.0 2	0	3,120	243	0	\$64	\$54	\$0 \$0				
Room 11 Pink Room	LL North Corridor	2L 32W LF4 T8 [1x ELE T8 IS NP] / 58.0 1			3,120	181	SYLVANIA-VOLUME6AS-S044-39W-40K	39.0 1	0	3,120	122	0	\$32	\$7	\$0	\$0	
		4L 32W LF4 T8 [1x ELE T8 IS NP] / 110.0 4	3,120	1,373	SYLVANIA-VOLUME6AS-S044-32W-40K	32.0 4	0	3,120	399	1	\$128	\$118	\$0 \$0				
	Room 11 Pink Room	2L 32W LF4 T8 [1x ELE T8 IS NP] / 58.0 2			3,120	362	SYLVANIA-VOLUME6AS-S044-32W-40K	32.0 2	0	3,120	200	0	\$64	\$20	\$0	\$0	
	Room 12 Lunch Room	4L 32W LF4 T8 [1x ELE T8 IS NP] / 110.0 9	3,120	3,089	ILP-SQ8-8L-58W-40K	58.0 9	0	3,120	1629	0	\$450	\$177	\$0	\$0			
Room 12 Lunch Room	Room 12 Lunch Room	2L 32W LF4 T8 [1x ELE T8 IS NP] / 58.0 3			3,120	543	ILP-SQ4-4L-29W-40K	29.0 3	0	3,120	271	0	\$96	\$33	\$0	\$0	
		1L 30W LED Linear Board [1x LED DRIVER] / 30.0 1	3,120	94			30.0 1	0	3,120	94	0	\$0	\$0	\$0	\$0		
		Strip 4' Surface															
	North Stairwell	2L 32W LF4 T8 [1x ELE T8 IS NP] / 58.0 4			3,120	724	ILP-SQ4-4L-29W-40K	29.0 4	0	3,120	362	0	\$128	\$44	\$0	\$0	
North Stairwell		2L 32W LF4 T8 [1x ELE T8 IS NP] / 58.0 1			3,120	181	ILP-SQ8-4L-32W-40K	32.0 1	0	3,120	100	0	\$32	\$10	\$0	\$0	
		Wrap 8' Surface															
	North Stairwell	1L 9W LEDS-M A19 [0x NULL] / 9.0	1	3,120	28	KEYSTONE-14W-A21-40K-1L-G2	14.0 1	0	3,120	44	0	\$0	-\$2	\$0	\$0		
		Porcelain Socket * Surface															

FIXTURE DETAIL



Area		Existing		Proposed Solution						Savings						
Room	Energy	Kit	HVAC Maintenance	Watts	Qty	Burn	kWh	Proposed	Watts	Qty	% Red.	Burn	kWh	Ctrl	Qty	Rebates
Room 10				4L 32W LF4 T8 [1x ELE T8 IS NP] /	110.0	17 520	972	ILP-VS8-6L-45W-40K 45.0	17	0		520	398		0	
\$544						\$70 \$0	\$0									
Makeup Room				Egg Crate 8' Suspended												
Room 10				2L 32W LF4 T8 [1x ELE T8 IS NP] /	58.0	2	520	60	ILP-VS4-3L-24W-40K 24.0	2	0	520	25	0	\$50	\$4 \$0 \$0
Makeup Room				Egg Crate 4' Suspended												
Room 10				1L 100W INCS-M A21 [0x NULL] /	100.0	1	520	52	KEYSTONE-14W-A21-40K-1L-G2	14.0	1	0	520	7	0	\$7 \$5 \$0 \$0
Makeup Room				Porcelain Socket * Surface												
Room 10				3L 40W INCS-M A19 [0x NULL] /	120.0	15 520	936	SYLVANIA-6W-G25- 18.0	15 0	520	140	0	\$180	\$96	\$0	\$0
Makeup Room				Vanity 1.5ft Wall				27K-3L								
Room 10				3L 15W INCS-M A15 [0x NULL] /	45.0	11	520	257	SYLVANIA-6W-G25- 18.0	11	0	520	103	0	\$132	\$19 \$0 \$0
Makeup Room				Vanity 1.5ft Wall				27K-3L								
LL Restroom				1L 42W CFS-M SPIRAL [0x	42.0	1 520	22	KEYSTONE-20W-A21-40K-1L-G2	20.0	1	0	520	10	0	\$20	\$1 \$0 \$0
Chaise				Porcelain Socket * Wall												
LL Womens 8				4L 32W LF4 T8 [1x ELE T8 IS NP] /	110.0	1	2,080	229	ILP-SQ8-8L-58W-40K 58.0	1	0	2,080	121	0	\$50	\$13 \$0 \$0
				Wrap 8' Surface												
LL Mens 6				4L 32W LF4 T8 [1x ELE T8 IS NP] /	110.0	1	2,080	229	ILP-SQ8-8L-58W-40K 58.0	1	0	2,080	121	0	\$50	\$13 \$0 \$0
				Wrap 8' Surface												
1L 42W CFS-M SPIRAL [0x				NULL] /	42.0	4 520	87	KEYSTONE-20W-A21-40K-1L-G2	20.0	4	0	520	42	0	\$80	\$6 \$0 \$0
Porcelain Socket * Surface																
LL 2 Dressing Room				4L 32W LF4 T8 [1x ELE T8 IS NP] /	110.0	24	520	1,373	ILP-VS8-6L-45W-40K 45.0	24	0	520	562	0	\$768	\$98 \$0 \$0
				Egg Crate 8' Suspended												
LL 2 Dressing				2L 32W LF4 T8 [1x ELE T8 IS NP] /	58.0	2	520	60	ILP-VS4-3L-24W-40K 24.0	2	0	520	25	0	\$50	
\$4						\$0 \$0										
Room				Egg Crate 4' Suspended												
LL 2 Dressing Room				4L 32W LF4 T8 [1x ELE T8 IS NP] /	110.0	1	520	57	ILP-VS8-6L-45W-40K 45.0	1	0	520	23	0	\$32	\$4 \$0 \$0
				Standard Strip 8' Suspended												

LL 2 Dressing	1L 42W CFS-M SPIRAL [0x NULL] 42.0 3 520	66	KEYSTONE-20W-	20.0 3	0	520	31	0 \$60	\$4	\$0
\$0 Room	/ A21-40K-1L-G2									

FIXTURE DETAIL



Area		Existing				Proposed Solution				Savings			
Room Energy	Kit HVAC Maintenance	Watts	Qty	Burn	kWh	Proposed Watts	Qty	% Red.	Burn kWh	Ctrl Qty	Rebates		
Porcelain Socket * Surface													
LL 2 Dressing Room	4L 40W INCS-M G25 [0x NULL] / 160.0 1 Vanity 2ft Wall	520	83		SYLVANIA-6W-G25- 24.0 1 27K-4L	0	520	12	0	\$16	\$9	\$0	\$0
LL Back Corridor / (Theater)	1L 42W CFS-M SPIRAL [0x NULL] Porcelain Socket * Surface	42.0 3	520	66	KEYSTONE-20W-A21-40K-1L-G2	0	520	31	0	\$60	\$4	\$0	\$0
LL Back Corridor Storage Room	4L 32W LF4 T8 [1x ELE T8 IS NP] / 110.0 1 Standard Strip 8' Suspended	520	57		ILP-VS8-6L-45W-40K 45.0 1	0	520	23	0	\$32	\$4	\$0	\$0
Theater Stairwell / Storage North	1L 42W CFS-M SPIRAL [0x NULL] Porcelain Socket * Surface	42.0 1	520	22	KEYSTONE-20W-A21-40K-1L-G2	0	520	10	0	\$20	\$1	\$0	\$0
Theater Stairwell / Storage South	1L 42W CFS-M SPIRAL [0x NULL] Porcelain Socket * Surface	42.0 1	520	22	KEYSTONE-20W-A21-40K-1L-G2	0	520	10	0	\$20	\$1	\$0	\$0
Merrill Building / Main Level													
South Entry	2L 17W LF2 T8 [1x ELE T8 IS NP] / 31.0 1 Wrap 2' Surface	3,120	97		ILP-SQ2-2L-16W-40K 16.0 1	0	3,120	50	0	\$25	\$6	\$0	\$0
Main Hallway	1L 32W LF4 T8 [1x ELE T8 IS NP] / 32.0 8 Wrap 4' Surface	3,120	799		SYLVANIA-VOLUME6AS-S044- 39.0 8 39W-40K	0	3,120	973	0	\$0	-\$21	\$0	\$0
Main Hallway	1L 32W LF4 T8 [1x ELE T8 IS NP] / 32.0 17 Wrap 4' Surface	3,120	1,697		Remove	.0 0	100	0	0	\$0	\$206	\$0	\$0
Main Hallway	1L 32W LF4 T8 [1x ELE T8 IS NP] / 32.0 4 Wrap 4' Surface	8,760	1,121		SYLVANIA-VOLUME6AS-S044- 39.0 4 39W-40K	0	8,760	1367	0	\$0	-\$30	\$0	\$0
Main Hallway	1L 32W LF4 T8 [1x ELE T8 IS NP] / 32.0 5 Wrap 4' Surface	8,760	1,402		Remove	.0 0	100	0	0	\$0	\$170	\$0	\$0

FIXTURE DETAIL



Area		Existing		Proposed Solution							Savings				
Room	Energy	Kit	Watts Qty Burn		kWh			Proposed		Watts Qty % Red.	Burn kWh	Ctrl Qty	Rebates		
		HVAC Maintenance													
Main Hallway	2L 32W LF4 T8 [1x ELE T8 IS NP] / 58.0 1 Wrap 4' Surface		3,120	181	SYLVANIA- VOLUME6AS-S044- 39.0 1 39W-40K		0	3,120	122	0	\$32	\$7	\$0	\$0	
Main Hallway	2L 32W LF4 T8 [1x ELE T8 IS NP] / 58.0 2 Wrap 4' Surface		3,120	362	Remove	.0	0	100	0	0	\$0	\$44	\$0	\$0	
Main Entry		2L 32W LF4 T8 [1x ELE T8 IS NP] / 58.0 1			8,760	508			ILP-SQ4-4L-29W-40K 29.0 1	0		8,760	254	0	\$32
\$31 Vestibule	Wrap 4' Surface	\$0	\$0												
101 Rainbow Room	4L 32W LF4 T8 [2x ELE T8 IS NP] / 116.0 6 Egg Crate 8' Pendant		3,120	2,172	SYLVANIA- VOLUME6AS-S044- 32.0 6 32W-40K		0	3,120	599	1	\$192	\$191	\$0	\$0	
2L 32W LF4 T8 [1x ELE T8 IS NP] / Egg Crate 4' Pendant		58.0 2	3,120	362	SYLVANIA- VOLUME6AS-S044- 32W-40K	32.0 2	0	3,120	200	0	\$64	\$20	\$0 \$0		
101 Rainbow Room	2L 32W LF4 T8 [1x ELE T8 IS NP] / 58.0 2 Egg Crate 4' Pendant		3,120	362	Remove	.0	0	100	0	0	\$0	\$44	\$0	\$0	
101 Rainbow Room		4L 32W LF4 T8 [1x ELE T8 IS NP] / 110.0 1			3,120	343			ILP-SQ8-8L-58W-40K 58.0 1	0		3,120	181	0	\$50
\$20 Room	Wrap 8' Surface	\$0	\$0												
109A Squishy Room	4L 32W LF4 T8 [2x ELE T8 IS NP] / 116.0 6 Egg Crate 8' Pendant		3,120	2,172	SYLVANIA- VOLUME6AS-S044- 32.0 6 32W-40K		0	3,120	599	1	\$192	\$191	\$0	\$0	
109A Squishy Room	2L 32W LF4 T8 [1x ELE T8 IS NP] / 58.0 2 Egg Crate 4' Pendant		3,120	362	SYLVANIA- VOLUME6AS-S044- 32.0 2 32W-40K		0	3,120	200	0	\$64	\$20	\$0	\$0	
109A Squishy Room	2L 32W LF4 T8 [1x ELE T8 IS NP] / 58.0 1 Egg Crate 4' Pendant		3,120	181	Remove	.0	0	100	0	0	\$0	\$22	\$0	\$0	

107 LTO Office 4L 32W LF4 T8 [2x ELE T8 IS NP] / 116.0 1 Egg Crate 8' Pendant	3,120	362	SYLVANIA- VOLUME6AS-S044- 32.0 1 32W-40K	0	3,120 100	0	\$32	\$32	\$0	\$0
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FIXTURE DETAIL



Area		Existing			Proposed Solution						Savings					
Room	Energy	Kit	HVAC Maintenance	Watts	Qty	Burn	kWh	Proposed	Watts	Qty	% Red.	Burn kWh	Ctrl Qty	Rebates		
107 LTO Office	2L 32W LF4 T8 [1x ELE T8 IS NP] / 58.0 1 Egg Crate 4' Pendant			3,120	181		SYLVANIA-VOLUME6AS-S044- 32.0 1	0	3,120	100		0	\$32	\$10	\$0	\$0
							32W-40K									
109 Wee Pals Office	2L 32W LF4 T8 [1x ELE T8 IS NP] / 58.0 3 Lensed Troffer 2x4 Recessed			3,120	543		SYLVANIA-VOLUME6AS-S044- 24.0 3	0	3,120	225		0	\$75	\$39	\$0	\$0
							24W-40K									
109 Wee Pals Office	4L 32W LF4 T8 [1x ELE T8 IS NP] / 110.0 1 Egg Crate 8' Pendant			3,120	343		SYLVANIA-VOLUME6AS-S044- 32.0 1	0	3,120	100		0	\$32	\$29	\$0	\$0
							32W-40K									
109 Wee Pals Office	4L 32W LF4 T8 [1x ELE T8 IS NP] / Egg Crate 8' Pendant	.0	0	0	0		SYLVANIA-VOLUME6AS-S044- 32.0 1	0	3,120	100		0	\$0	-\$12	\$0 \$0	
							32W-40K									
114 Orange Room	4L 32W LF4 T8 [2x ELE T8 IS NP] / 116.0 6 Egg Crate 8' Pendant			3,120	2,172		SYLVANIA-VOLUME6AS-S044- 32.0 6	0	3,120	599		1	\$192	\$191	\$0	\$0
							32W-40K									
114 Orange \$20 Room			4L 32W LF4 T8 [1x ELE T8 IS NP] / 110.0 1		3,120	343	ILP-SQ8-8L-58W-40K 58.0 1	0	3,120	181		0	\$32	\$29	\$0	\$0
	Wrap 8' Surface		\$0	\$0												
113 Yellow Room	4L 32W LF4 T8 [2x ELE T8 IS NP] / 116.0 6 Egg Crate 8' Pendant			3,120	2,172		SYLVANIA-VOLUME6AS-S044- 32.0 6	0	3,120	599		1	\$192	\$191	\$0	\$0
							32W-40K									
113 Yellow \$20 Room			4L 32W LF4 T8 [1x ELE T8 IS NP] / 110.0 1		3,120	343	ILP-SQ8-8L-58W-40K 58.0 1	0	3,120	181		0	\$32	\$29	\$0	\$0
	Wrap 8' Surface		\$0	\$0												
Blue Crib Room	4L 32W LF4 T8 [2x ELE T8 IS NP] / 116.0 3 Egg Crate 8' Pendant			3,120	1,086		SYLVANIA-VOLUME6AS-S044- 32.0 3	0	3,120	300		0	\$96	\$95	\$0	\$0
							32W-40K									
Blue Crib Room	4L 32W LF4 T8 [2x ELE T8 IS NP] / 116.0 2 Egg Crate 8' Pendant			3,120	724		Remove	.0	0	100	0	0	\$0	\$88	\$0	\$0

FIXTURE DETAIL



Area		Existing				Proposed Solution							Savings			
Room	Kit	Watts	Qty	Burn	kWh	Proposed	Watts	Qty	% Red.	Burn	kWh	Ctrl Qty	Rebates	Energy	HVAC	Maintenance
112 Blue Room	4L 32W LF4 T8 [2x ELE T8 IS NP] / Egg Crate 8' Pendant	116.0	6	3,120	2,172	SYLVANIA- VOLUME6AS-S044- 32W-40K	32.0	6	0	3,120	599	1	\$192	\$191	\$0	\$0
112 Blue Room	4L 32W LF4 T8 [1x ELE T8 IS NP] / Wrap 8' Surface	110.0	1	3,120	343	ILP-SQ8-8L-58W-40K	58.0	1	0	3,120	181	0	\$50	\$20	\$0	\$0
110 Custodial	1L 9W LEDS-M A19 [0x NULL] / Porcelain Socket * Surface	9.0	1	1,040	9	KEYSTONE-14W- A21-40K-1L-G2	14.0	1	0	1,040	15	0	\$0	-\$1	\$0	\$0
108 Womens	2L 32W LF4 T8 [1x ELE T8 IS NP] / Lensed Troffer 2x4 Recessed	58.0	3	2,080	362	SYLVANIA- VOLUME6AS-S044- 24W-40K	24.0	3	0	2,080	150	0	\$75	\$26	\$0	\$0
106 Theater	1L 17W LEDS-M PAR38 [0x NULL] / Decorative Shade Pendant	17.0	23	520	203		17.0	23	0	520	203	0	\$0	\$0	\$0	\$0
106 Theater	1L 100W INCS-M A21 [0x NULL] / Decorative Shade Pendant	100.0	4	520	208		100.0	4	0	520	208	0	\$0	\$0	\$0	\$0
106 Theater	1L 9W LEDS-M A19 [0x NULL] / Decorative Sconce Wall	9.0	6	520	28		9.0	6	0	520	28	0	\$0	\$0	\$0	\$0
106 Theater	4L 17W LL4B T8 [4x INTEGRATED] / Economy Industrial 8' Suspended	51.0	2	520	53		51.0	2	0	520	53	0	\$0	\$0	\$0	\$0
106 Theater	4L 17W LL4B T8 [4x INTEGRATED] / Standard Strip 8' Suspended	51.0	3	520	80		51.0	3	0	520	80	0	\$0	\$0	\$0	\$0
104 Mens	2L 32W LF4 T8 [1x ELE T8 IS NP] / Lensed Troffer 2x4 Recessed	58.0	3	2,080	362	SYLVANIA- VOLUME6AS-S044- 24W-40K	24.0	3	0	2,080	150	0	\$75	\$26	\$0	\$0

102 Green Room	4L 32W LF4 T8 [2x ELE T8 IS NP] / Egg Crate 8' Pendant	116.0	6	3,120	2,172	SYLVANIA-	32.0	6	0	3,120	599	1	\$192	\$191	\$0	\$0
						VOLUME6AS-S044- 32W-40K										

FIXTURE DETAIL



Area Existing				Proposed Solution										Savings			
Room	Kit	Watts	Qty	Burn	kWh	Proposed	Watts	Qty	% Red.	Burn	kWh	Ctrl Qty	Rebates	Energy	HVAC	Maintenance	
102 Green Room	4L 32W LF4 T8 [1x ELE T8 IS NP] / Wrap 8' Surface	110.0	1	3,120	343	ILP-SQ8-8L-58W-40K 58.0	1	0	3,120	181	0	\$50	\$20	\$0		\$0	
Merrill Building / Second Level																	
2nd Floor Hallway	1L 32W LF4 T8 [1x ELE T8 IS NP] / 32.0 7 Wrap 4' Surface			3,120	699	SYLVANIA-VOLUME6AS-S044- 39.0 7 39W-40K		0	3,120	852	0	\$0	-\$19	\$0		\$0	
2nd Floor \$0 Hallway	1L 32W LF4 T8 [1x ELE T8 IS NP] / 32.0 11 Wrap 4' Surface			3,120	1,098	Remove .0		0	100	0	0	0	\$0	\$133		\$0	
2nd Floor Hallway	1L 32W LF4 T8 [1x ELE T8 IS NP] / 32.0 3 Wrap 4' Surface			8,760	841	SYLVANIA-VOLUME6AS-S044- 39.0 3 39W-40K		0	8,760	1025	0	\$0	-\$22	\$0		\$0	
2nd Floor \$0 Hallway	1L 32W LF4 T8 [1x ELE T8 IS NP] / 32.0 3 Wrap 4' Surface			8,760	841	Remove .0		0	100	0	0	0	\$0	\$102		\$0	
204 Mens	4L 32W LF4 T8 [1x ELE T8 IS NP] / 110.0 2 Egg Crate 8' Pendant			2,080	458	ILP-SQ8-8L-58W-40K 58.0 2		0	2,080	241	0	\$100	\$26	\$0		\$0	
206 Indigo Room	4L 32W LF4 T8 [2x ELE T8 IS NP] / 116.0 6 Egg Crate 8' Pendant			3,120	2,172	SYLVANIA-VOLUME6AS-S044- 32.0 6 32W-40K		0	3,120	599	1	\$192	\$191	\$0		\$0	
206 Indigo Room	4L 32W LF4 T8 [1x ELE T8 IS NP] / 110.0 1 Wrap 8' Surface			3,120	343	ILP-SQ8-8L-58W-40K 58.0 1		0	3,120	181	0	\$50	\$20	\$0		\$0	
200 Storage	2L 32W LF4 T8 [1x ELE T8 IS NP] / 58.0 3 Wrap 8' Surface			520	90	SYLVANIA-VOLUME6AS-S044- 24.0 3 24W-40K		0	520	37	0	\$75	\$6	\$0		\$0	
201 Costume Storage	4L 32W LF4 T8 [2x ELE T8 IS NP] / Egg Crate 8' Pendant	116.0	6	520	362	SYLVANIA-VOLUME6AS-S044- 32.0 6 32W-40K		0	520	100	1	\$192	\$32	\$0		\$0	

201 Costume	4L 32W LF4 T8 [1x ELE T8 IS NP] / 110.0 1	520	57	ILP-SQ8-8L-58W-40K 58.0 1	0	520	30	0	\$50
\$3	\$0 \$0								
Storage	Wrap 8' Surface								

FIXTURE DETAIL



Area		Existing				Proposed Solution							Savings			
Room	Kit	Watts	Qty	Burn	kWh	Proposed	Watts	Qty	% Red.	Burn	kWh	Ctrl Qty	Rebates	Energy	HVAC	Maintenance
203 Violet Room	4L 32W LF4 T8 [2x ELE T8 IS NP] / Egg Crate 8' Pendant	116.0	6	3,120	2,172	SYLVANIA- VOLUME6AS-S044- 32W-40K	32.0	6	0	3,120	599	1	\$192	\$191	\$0	\$0
203 Violet Room	4L 32W LF4 T8 [1x ELE T8 IS NP] / Egg Crate 8' Pendant	110.0	1	3,120	343	ILP-SQ8-8L-58W-40K	58.0	1	0	3,120	181	0	\$50	\$20	\$0	\$0
205 Conference	2L 32W LF4 T8 [1x ELE T8 IS NP] / Lensed Troffer 2x4 Recessed	58.0	3	2,080	362	SYLVANIA- VOLUME6AS-S044- 24W-40K	24.0	3	0	2,080	150	0	\$75	\$26	\$0	\$0
205 Conference	4L 32W LF4 T8 [1x ELE T8 IS NP] / Egg Crate 8' Pendant	110.0	1	2,080	229	ILP-SQ8-8L-58W-40K	58.0	1	0	2,080	121	0	\$50	\$13	\$0	\$0
212 Commons	2L 32W LF4 T8 [1x ELE T8 IS NP] / Lensed Troffer 2x4 Recessed	58.0	1	8,760	508	SYLVANIA- VOLUME6AS-S044- 24W-40K	24.0	1	0	8,760	210	0	\$25	\$36	\$0	\$0
212A	2L 32W LF4 T8 [1x ELE T8 IS NP] / Lensed Troffer 2x4 Recessed	58.0	2	2,080	241	SYLVANIA- VOLUME6AS-S044- 24W-40K	24.0	2	0	2,080	100	0	\$50	\$17	\$0	\$0
212B	2L 32W LF4 T8 [1x ELE T8 IS NP] / Lensed Troffer 2x4 Recessed	58.0	2	2,080	241	SYLVANIA- VOLUME6AS-S044- 24W-40K	24.0	2	0	2,080	100	0	\$50	\$17	\$0	\$0
212C	2L 32W LF4 T8 [1x ELE T8 IS NP] / Lensed Troffer 2x4 Recessed	58.0	2	2,080	241	SYLVANIA- VOLUME6AS-S044- 24W-40K	24.0	2	0	2,080	100	0	\$50	\$17	\$0	\$0
212D	2L 32W LF4 T8 [1x ELE T8 IS NP] / Lensed Troffer 2x4 Recessed	58.0	2	2,080	241	SYLVANIA- VOLUME6AS-S044- 24W-40K	24.0	2	0	2,080	100	0	\$50	\$17	\$0	\$0

214	SYLVANIA-																					
	2L 32W LF4 T8 [1x ELE T8 IS NP]				58.0	3	2,080	362	VOLUME6AS-S044-				24.0	3	0	2,080	150	0	\$75	\$26	\$0	\$0
	/																					
Lensed Troffer 2x4 Recessed									24W-40K													

FIXTURE DETAIL



Area		Existing			Proposed Solution										Savings		
Room	Kit	Watts	Qty	Burn	kWh	Proposed	Watts	Qty	% Red.	Burn	kWh	Ctrl Qty	Rebates	Energy	HVAC	Maintenance	
214	2L 32W LF4 T8 [1x ELE T8 IS NP] / Wrap 4' Suspended	58.0	1	2,080	121	ILP-SQ4-4L-29W-40K 29.0	1	0	2,080	60	0	\$32	\$7	\$0	\$0		
214 Mechanical	4L 32W LF4 T8 [1x ELE T8 IS NP] / Wrap 8" Suspended	110.0	1	1,040	114	ILP-VS8-6L-45W-40K 45.0	1	0	1,040	47	0	\$32	\$8	\$0	\$0		
211 Commons	2L 32W LF4 T8 [1x ELE T8 IS NP] / Lensed Troffer 2x4 Recessed	58.0	2	8,760	1,016	SYLVANIA- VOLUME6AS-S044-24.0 2 24W-40K	0	8,760	420	0	\$50	\$72	\$0	\$0			
211D	2L 32W LF4 T8 [1x ELE T8 IS NP] / Lensed Troffer 2x4 Recessed	58.0	1	2,080	121	SYLVANIA- VOLUME6AS-S044-24.0 1 24W-40K	0	2,080	50	0	\$25	\$9	\$0	\$0			
211A	2L 32W LF4 T8 [1x ELE T8 IS NP] / Paracube Troffer 2x4 Recessed	58.0	2	2,080	241	SYLVANIA- VOLUME6AS-S044-24.0 2 24W-40K	0	2,080	100	0	\$50	\$17	\$0	\$0			
211A	2L 32W LF4 T8 [1x ELE T8 IS NP] / Wrap 4' Surface	58.0	1	2,080	121	ILP-SQ4-4L-29W-40K 29.0	1	0	2,080	60	0	\$32	\$7	\$0	\$0		
211B	2L 32W LF4 T8 [1x ELE T8 IS NP] / Lensed Troffer 2x4 Recessed	58.0	2	2,080	241	SYLVANIA- VOLUME6AS-S044-24.0 2 24W-40K	0	2,080	100	0	\$50	\$17	\$0	\$0			
211B	2L 32W LF4 T8 [1x ELE T8 IS NP] / Wrap 4' Surface	58.0	1	2,080	121	ILP-SQ4-4L-29W-40K 29.0	1	0	2,080	60	0	\$32	\$7	\$0	\$0		
211C	2L 32W LF4 T8 [1x ELE T8 IS NP] / Lensed Troffer 2x4 Recessed	58.0	2	2,080	241	SYLVANIA- VOLUME6AS-S044-24.0 2 24W-40K	0	2,080	100	0	\$50	\$17	\$0	\$0			
209	2L 32W LF4 T8 [1x ELE T8 IS NP] / Lensed Troffer 2x4 Recessed	58.0	3	2,080	362	SYLVANIA- VOLUME6AS-S044-24.0 3 24W-40K	0	2,080	150	0	\$75	\$26	\$0	\$0			

207 Commons	2L 32W LF4 T8 [1x ELE T8 IS NP] /	58.0	1	2,080	121	SYLVANIA-	0	2,080	50	0	\$25	\$9	\$0	\$0
	Lensed Troffer 2x4 Recessed					VOLUME6AS-S044-24.0 1 24W-40K								

FIXTURE DETAIL



Area		Existing			Proposed Solution					Savings				
Room Energy	Kit HVAC Maintenance	Watts Qty Burn			kWh		Proposed		Watts Qty % Red. Burn kWh Ctrl Qty	Rebates				
207A	2L 32W LF4 T8 [1x ELE T8 IS NP] / 58.0 4 Lensed Troffer 2x4 Recessed	2,080	483		SYLVANIA-VOLUME6AS-S044- 24.0 4 24W-40K	0	2,080 200	0	\$100	\$34	\$0	\$0		
207B	2L 32W LF4 T8 [1x ELE T8 IS NP] / 58.0 6 Paracube Troffer 2x4 Recessed	2,080	724		SYLVANIA-VOLUME6AS-S044- 24.0 6 24W-40K	0	2,080 300	0	\$150	\$51	\$0	\$0		
207B	4L 32W LF4 T8 [1x ELE T8 IS NP] / Wrap 8' Surface	110.0 1	2,080	229	ILP-SQ8-8L-58W-40K 58.0 1	0	2,080 121	0	\$50	\$13	\$0	\$0		
210 Custodial	1L 32W CFS-M SPIRAL [0x NULL] / Porcelain Socket * Surface	32.0 1	1,040	33	KEYSTONE-14W-A21-40K-1L-G2 14.0 1	0	1,040 15	0	\$7	\$2	\$0	\$0		
208 Womens	4L 32W LF4 T8 [2x ELE T8 IS NP] / 116.0 1 Egg Crate 8' Pendant	2,080	241		ILP-SQ8-8L-58W-40K 58.0 1	0	2,080 121	0	\$50	\$15	\$0	\$0		
208 Womens	2L 32W LF4 T8 [1x ELE T8 IS NP] / 58.0 1 Egg Crate 4' Pendant	2,080	121		ILP-SQ4-4L-29W-40K 29.0 1	0	2,080 60	0	\$32	\$7	\$0	\$0		
206 Theater Balcony	1L 100W INCS-M A21 [0x NULL] / Decorative Shade Pendant	100.0 5	520	260		100.0 5	0	520 260	0	\$0	\$0	\$0	\$0	
Dimming Panel Room	2L 32W LF4 T8 [1x ELE T8 IS NP] / 58.0 1 Wrap 4' Surface	520	30		ILP-VS4-3L-24W-40K 24.0 1	0	520 12	0	\$25	\$2	\$0	\$0		
206C Control \$4 Room	2L 32W LF4 T8 [1x ELE T8 IS NP] / 58.0 2 Wrap 4' Surface	520	60		ILP-VS4-3L-24W-40K 24.0 2	0	520 25	0	\$50					
Balcony Storage	1L 60W INCS-M A19 [0x NULL] / Porcelain Socket * Surface	60.0 1	520	31	KEYSTONE-14W-A21-40K-1L-G2 14.0 1	0	520 7	0	\$7	\$3	\$0	\$0		
Merrill Building / Exterior														
East Entrance (Main)	1L 100W HPS MOG BASE HID [1x MAG] / Decorative Sconce Wall	130.0 2	4,380	1,139	GC-34W-PS30-EX39-50K-1L 34.0 2	0	4,380 298	0	\$40	\$102	\$0	\$0		

FIXTURE DETAIL



Area		Existing			Proposed Solution				Savings				
Room Energy		Kit HVAC Maintenance	Watts	Qty	Burn kWh				ProposedWatts	Qty	% Red.	Burn kWh	Ctrl Qty Rebates
NW Daycare Exit	1L 100W HPS MOG BASE HID [1x												
	MAG] /	130.0	1	4,380	569	GC-34W-PS30-EX39- 34.0	1	0	4,380	149	0	\$20	\$51 \$0 \$0
	Decorative Lollipop Wall					50K-1L							
NW Theater Exit	1L 100W HPS MED BASE HID [1x												
	MAG] /	126.0	1	4,380	552	GC-24W-A21-50K-1L- 24.0	1	0	4,380	105	0	\$20	\$54 \$0 \$0
	Decorative Lollipop Wall					HID							
SW Theater Exit	1L 100W HPS MED BASE HID [1x												
	MAG] /	126.0	1	4,380	552	GC-24W-A21-50K-1L- 24.0	1	0	4,380	105	0	\$20	\$54 \$0 \$0
	Decorative Lollipop Wall					HID							
SW Daycare Exit	1L 100W HPS MOG BASE HID [1x												
	MAG] /	130.0	1	4,380	569	GC-34W-PS30-EX39- 34.0	1	0	4,380	149	0	\$20	\$51 \$0 \$0
	Decorative Lollipop Wall					50K-1L							
South Daycare / Exit	1L 30W LEDS-MOG HID [0x NULL]												
		30.0	1	4,380	131	GC-34W-PS30-EX39- 34.0	1	0	4,380	149	0	\$0	-\$2 \$0 \$0
	Decorative Lollipop Wall					50K-1L							
Totals		443		63,672		388		26,171	\$9,319	\$4,544	\$0		\$0

EXHIBIT D: ENERGY and OPERATING SAVINGS SUMMARY

In order to review and estimate the amount of savings that the proposed project will result in, ICS has assembled energy savings calculations based on data in increased equipment efficiency, as well as estimated operating cost savings from a reduction of costs in maintenance. These savings would be recognized as actual reductions in current operating budgets. To define what these added costs would be, several variables need to be considered to recognize a true future avoidance cost, such as current systems' life expectancy, the addition of cost inflation over time, and anticipated interest rates on debt service. With the current projects identified and utilization of a normalized baseline to reflect the current building operation with proper ventilation, the anticipated annual energy savings is \$20,673, the anticipated annual operating savings in \$4,450, and anticipated long-term operating savings is \$264,892.

Calculations for annual energy savings are based on standard and sound engineering principles using building energy model simulations, equipment nameplate data, and engineering calculations. The baseline and operating parameters of the equipment was collected and identified during the project development process by interviews with facility staff regarding typical equipment operation and review of historical energy consumption supplied by district staff and the utility provider (Owatonna Public Utilities). Calculations for rebates are also included below, however please note that **utility rebates are not guaranteed incentives and are based solely on estimated energy savings and discussions with program managers at Owatonna Public Utilities.**

Baseline HVAC Energy Use

Source	January	February	March	April	May	June	July	August	September	October	November	December	Total
Fan kWh	1,666	1,419	1,152	905	963	1,181	1,058	1,390	1,089	944	1,070	1,070	13,907 kWh
Cling. kWh	0	0	0	504	2,886	10,471	7,372	12,296	6,654	416	0	0	40,599 kWh
Total kWh	1,666	1,419	1,152	1,409	3,849	11,652	8,429	13,686	7,743	1,361	1,070	1,070	54,506 kWh
Vent. CCF	1,525	1,344	1,154	618	470	0	0	0	235	478	1,053	1,262	8,138 CCF

Adjusted HVAC Energy Use

Source	January	February	March	April	May	June	July	August	September	October	November	December	Total
Fan kWh	10,798	9,196	7,466	5,868	6,244	7,653	6,856	9,008	7,058	6,120	6,937	6,937	90,139 kWh
Cling. kWh	0	0	0	1,079	6,184	22,439	15,796	26,350	14,259	892	0	0	86,998 kWh
Total kWh	10,798	9,196	7,466	6,947	12,427	30,092	22,653	35,357	21,317	7,012	6,937	6,937	177,138 kWh
Vent. CCF	2,593	2,284	1,961	1,051	798	0	0	0	400	812	1,790	2,146	13,835 CCF

Utility Baseline Adjustment

Source	January	February	March	April	May	June	July	August	September	October	November	December	Total
Fan kWh	9,132	7,777	6,314	4,963	5,280	6,472	5,798	7,618	5,969	5,175	5,866	5,866	76,232 kWh
Cling. kWh	0	0	0	576	3,298	11,967	8,425	14,053	7,605	476	0	0	46,399 kWh
Total kWh	9,132	7,777	6,314	5,538	8,578	18,440	14,223	21,671	13,574	5,651	5,866	5,866	122,631 kWh
Htng. CCF	1,068	941	808	433	329	0	0	0	165	334	737	884	5,697 CCF

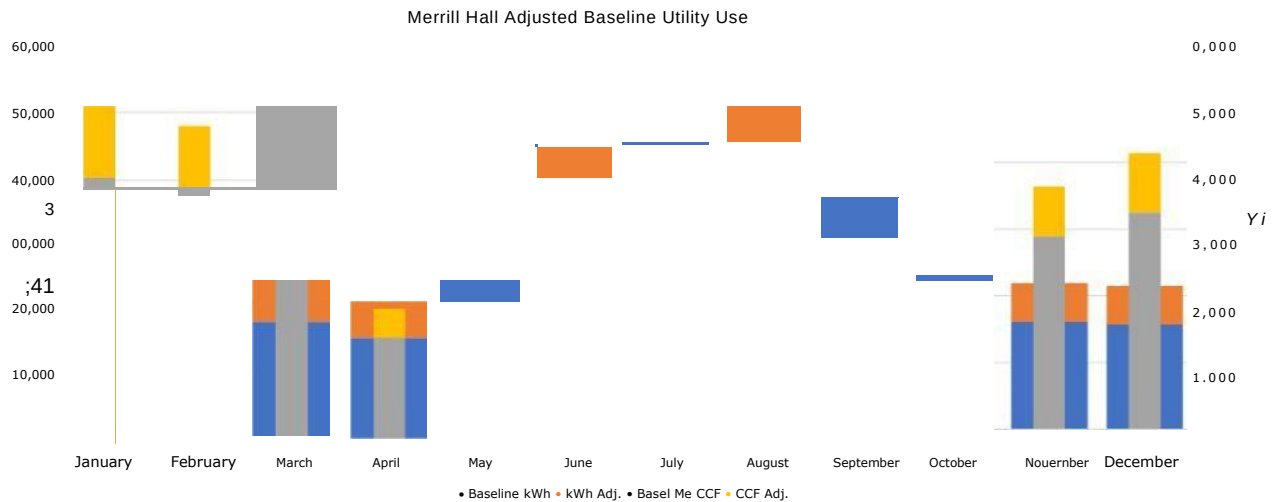
5-Year Ave Utility Use

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Total kWh	18,187	20,000	17,173	15,013	16,080	26,720	31,387	29,467	23,733	19,920	16,053	15,627	249,360 kWh
Htng. CCF	4,034	3,859	2,782	1,500	319	8	1	0	10	686	2,892	3,253	8,138 CCF

Adjusted Baseline Energy Use

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Total kWh	27,318	27,777	23,487	20,552	24,658	45,160	45,610	51,138	37,307	25,571	21,920	21,493	371,991 kWh
Htng. CCF	5,102	4,800	3,590	1,933	647	8	1	0	175	1,020	3,629	4,137	25,041 CCF

	January	February	March	April	May	June	July	August	September	October	November	December	Total	% Ing.	TOWS
Baseline kWh	18,187	20,000	17,173	15,013	16,080	26,720	31,387	29,467	23,733	19,920	16,053	15,627	249,360 kWh	49.2%	kWh
kWh Adj.	9,132	7,777	6,314	5,538	8,578	18,440	14,223	21,671	13,574	5,651	5,366	5,866	122,631 kWh		371,991
Baseline CCF	4,034	3,859	2,782	1,500	319	8	1	0	10	686	2,892	3,253	19,345 CCF		CCF
CCF Adj.	1,068	941	908	433	329	0	0	0	165	334	737	884	5,697 CCF		25,041



MERRILL HALL ENERGY SAVINGS SUMMARY

PROJECT OWNER City of Owatonna, MN
PROJECT NAME Merrill Hall Building Upgrade

FACILITY IMPROVEMENT MEASURE (FIM)	Calc. Method	Savings \$	% of Total Savings	ELECTRICITY				Nat. Gas	
				kW	\$kW	kWh	\$ kWh	CCF	\$CCF
LED Lighting Retrofit	SPRDSHT	\$4,544	21.98%	18.9	\$0	37,500	\$4,544	0	\$0
Install Hi-E Boilers/Stm-HW Conv.	SPRDSHT	\$7,057	34.14%	0.0	\$0	0	\$0	7,479	\$7,057
Install HW Pump VFD	SPRDSHT	\$1,413	6.84%	0.0	\$0	11,663	\$1,413	0	\$0
Unocc. Temperature Setback	SPRDSHT	\$2,548	12.33%	0.0	\$0	5,870	\$711	1,947	\$1,837
Premium Efficiency ACCU	SPRDSHT	\$1,637	7.92%	15.0	\$0	13,507	\$1,637	0	\$0
Demand Controlled Ventilation	SPRDSHT	\$3,473	16.80%	0.0	\$0	6,041	\$732	2,905	\$2,742
TOTALS		\$20,672	100.00%	33.9	\$0	74,580	\$9,036	12,331	\$11,838
						2545		1263	

Daycare Theater
26,550 9,920 sqft

BUILDING Fr = ANNUAL	36,470	
ELEC. USE = ANNUAL	371,991	Adjusted kWh
ELEC. COST = ANNUAL	\$45,070	
FUEL USE = ANNUAL	25,041	Adjusted CCF
FUEL COST = ANNUAL	\$23,629	
UTILITY BILLS =	\$68,700	
CURRENT EUI	105.9	
kBtu/FT ² /YEAR CURRENT	\$1.88	
SIFT' = POST EUI	63.9	
kBtu/FTWEAR POST	\$1.32	
RETROFIT SIFT' =	30.09%	
SAVINGS % = SAVINGS %	20.05%	
ELECTRICAL = SAVINGS %	49.24%	
FUEL = TOTAL SAVINGS	\$20,672	

liVAC Upgrade
kWh CCF \$
23,573 2,856 12,331 11,636

Merrill Hall Building Project Impact

Project	Utility Impact			Comment
	kWh Saved	kW Saved	CCF	
LED Lighting Retrofit	37,500	18.9	0	Audit done by TRC Lighting
HVAC System Upgrade	37,080	15.0	12,331	Dependent on bldg. ops.
Total	74,580	33.9	12,331	

Merrill Hall Building Potential Rebates

Project	Estimated Rebate	Rebate Type	Comment
LED Lighting Retrofit	\$9,320	Prescribed	Est. by TRC; based on audit
High Efficiency Boilers	\$16,200	Prescribed	2 @ 750 MBH condensing
High Efficiency Boilers	\$45,000	Custom	1/2 cost of boilers
Hot Water Pump VFD	\$1,500	Prescribed	2 @ 7.5 hp hot water pumps
AHU Supply Fan VFD	\$1,600	Prescribed	20 hp AHU supply fan
AHU Return Fan VFD	\$1,250	Prescribed	15 hp AHU supply fan
Hi-E Hot Water Pump	\$200	Prescribed	2 @ 7.5 hp hot water pumps
AHU Hi-E Supply Fan	\$320	Prescribed	20 hp Hi-E fan w/ VFD
AHU Hi-E Return Fan	\$300	Prescribed	15 hp Hi-E fan w/ VFD
HVAC System DDC*	\$91,175	Custom	1/2 cost of DDC System
High Efficiency ACCU	\$4,125	Prescribed	75-ton DX ACCU
High Efficiency ACCU	\$31,875	Custom	1/2 cost of DX ACCU
HVAC System Commissioning	\$18,250	Custom	1/2 cost of HVAC Cx
Electric Service Upgrade	OPU provides new service up to and incl. transformer		
Total	\$221,115		

* Critical to the efficient operation of the HVAC system.

Measurement & Verification Methods

Energy savings measurement and verification methods are provided by the International Performance Measurement & Verification Protocol (IPMVP) as federally accepted methods of validating energy savings and are listed in the table below. Both parties agree to utilize Option A, stipulated savings based on engineered calculations and sample-size post installation measurements, for all energy savings to be accounted for in this project. All annual energy savings are subject to similar inflation values as approved for energy rate cost increases.

IPMVP Measurement & Verification Option	Performance and Usage Factors	Savings Calculation
Option A - Estimated and Short Term Measured Factors	Based on combination of measured and estimated factors. Measurements are spot or short-term taken at the component or system level. Estimated (non-measured) factors are supported by historical or manufacturer's data.	Engineered calculations, component or system models, nameplate data.
Option B - Periodically or continuously Measured and Estimated Factors	Based on periodic or continuous measurements taken at the component or system level when variations in factors are expected. Spot or short-term measurements may suffice when variations in factors are not expected.	Engineered calculations, component or system models, nameplate data.
Option C - Utility Billing Data Analysis	Based on long-term whole-building utility meter, facility level, or sub-meter data.	Based on regression analysis of utility billing meter data to account for factors that drive energy consumption.
Option D - Calibrated Computer Simulation	Computer simulation inputs may be based on a combination of the following: reasonable assumptions based on historical data gathered at facilities, performance specifications of equipment of system being installed, engineering estimates, spot, short-term or long-term measurements of systems components, and long-term whole-building utility meter data.	Based on computer simulation model calibrated with whole-building or metered data or both.

The existing power draw can be measured using a true RMS meter prior to installation of new lamps/fixtures. Fixtures with similar lamps and ballasts, counts and types, will be grouped together with a lamp/ballast code.

Client Initials Indicating Acceptance: _____

Measured wattages will be used when possible. In some situations, such as when a certain type of lighting fixture is not available by itself on a switch, typical wattages as published by ANSI (American National Standards Institute) will be used. The pre-retrofit kW sample will be measured once prior to installation. These values will not be measured again. Burn hours for space types for each building are based on typical use for space types and are shown below.

Lighting system burn hours and occupancy schedules were determined during project development from Client provided data and from typical facility operating data.

EXHIBIT E: PROJECT SCHEDULE

The anticipated project schedule, in general, will be completed between October 2023 and October 2024. Project development plans and design work will commence immediately, with remediation and construction preparation to begin in January 2024. The tentative schedule has been created and is shown in the table below.

ID	Task Name	Duration	Start	Finish	Qtr 4, 2023	Qtr 1, 2024	Qtr 2, 2024	Qtr 3, 2024	Qtr 4, 2024
1	Design Phase	91 days	Mon 9/11/23	Mon 1/15/24	■	■			
2	ACM Removal Plan	91 days	Mon 9/11/23	Mon 1/15/24	■	■			
3	Project Plans	91 days	Mon 9/11/23	Mon 1/15/24	■	■			
4	Bid Project	1 day	Mon 1/22/24	Mon 1/22/24		■			
5	ACM Removal	1 day	Mon 1/22/24	Mon 1/22/24		■			
6	Order Equipment	160 days	Mon 1/22/24	Fri 8/30/24		■	■	■	■
7	Electrical	160 days	Mon 1/22/24	Fri 8/30/24		■	■	■	■
8	Mechanical	115 days	Mon 1/22/24	Fri 6/28/24		■	■	■	■
9	Construction	154 days	Mon 4/1/24	Thu 10/31/24			■	■	■
10	ACM Removal/Demo.	30 days	Mon 4/1/24	Fri 5/10/24			■	■	■
11	Central Heating Plant	107 days	Mon 5/6/24	Tue 10/1/24			■	■	■
12	HVAC System/Piping	125 days	Mon 5/6/24	Fri 10/25/24			■	■	■
13	Fire Alarm/Sprinkler	66 days	Mon 6/10/24	Mon 9/9/24			■	■	■
14	ACT/LED Lighting	90 days	Mon 6/24/24	Fri 10/25/24			■	■	■

EXHIBIT F: SCHEDULE OF PAYMENTS

A schedule of payments will be developed and finalized with the Client prior to submittal of the first invoice. It is anticipated that monthly progress billings will be based upon actual work completed and materials and equipment for which orders are pending. All values will be based on the total contract amount. Below is an anticipated billing schedule based on percentage of project completion, however this may vary greatly depending on project logistics, requirements of payments for equipment, etc. ICS project management staff will work closely with the City of Owatonna on financial tracking of the project to ensure that project billing can be anticipated as much as possible.

Please note the total of the schedule of payments below INCLUDES the budget amount for asbestos-containing materials removal, but is NOT included in the scope of work of this contract.

\$5,297,847.09	TOTAL
\$1,059,569.42	Nov-23
\$529,784.71	Dec-23
\$529,784.71	Feb-24
\$529,784.71	Mar-24
\$264,892.35	May-24
\$264,892.35	Jun-24
<u>\$1,059,569.42</u>	Jul-24
\$1,059,569.42	Oct-24

EXHIBIT G: CERTIFICATE OF SUBSTANTIAL COMPLETION FOR WARRANTY

Pursuant to this Guaranteed Energy-Savings Contract, by and between ICS and the Client, the Client does hereby acknowledge the following:

The Client agrees that the scope of work specified in Exhibit C of this Contract and any applicable amendments thereof have been sufficiently completed as to allow beneficial use of said systems and/or equipment and that the client hereby acknowledges the commencement of warranties as of the date specified.

Project Selection Worksheet			Owner
Select	Facility Improvement Measure (FIM) Description	Signature	Date
	MERRILL		
	Mechanical/Electrical		
x	Inter/Exterior LED Lighting Retrofit (Does not incl. theater, green/dressing rooms)		
x	HVAC System Upgrade - Convert to Hot Water/DDC Upgrade (Daycare area only)		
x	Building Electric Service & Distribution Upgrade		
x	Fire Sprinkler System & New Water Service		
x	Fire Detection System Upgrade		
	Envelope/Interiors		
x	Remove Asbestos Containing Material		

City of Owatonna, MINNESOTA

By:

Its:

Date:

ICS CONSULTING, LLC.

By:

Its:

Date:

x	Replace Roofing		
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EXHIBIT H: CERTIFICATE OF COMPLETION AND ACCEPTANCE

Pursuant to this Energy Efficiency Projects Agreement, by and between ICS and the Client, the Client does hereby acknowledge the following:

1. Completion and Acceptance: The Client agrees that the scope of work specified in Exhibit C of this agreement and any applicable amendments thereof have been completed and are hereby accepted by the Client. The Client hereby releases contractor obligations under any performance and payment bonds posted for the projects as of the date of signature indicated below.
2. Savings Acceptance: The Client hereby agrees that the savings calculation and validation process has been met as outlined in Exhibit D.
3. Project Completion Documents: The Client acknowledges receipt of finalized project costs, all amended exhibits, as-built drawings, operation and maintenance manuals, manufacturer warranty information, contact names and numbers of all vendors and applicable service representatives, and training required under the agreement.

Selected	Project Selection Worksheet	Owner Approval	
	Facility Improvement Measure (FIM) Description	Signature	Date
	MERRILL BUILDING		
	Mechanical/Electrical		
x	Inter/Exterior LED Lighting Retrofit (Does not incl. theater, green/dressing rooms)		
x	HVAC System Upgrade - Convert to Hot Water/DDC Upgrade (Daycare area only)		
x	Building Electric Service & Distribution Upgrade		
x	Fire Sprinkler System & New Water Service		
x	Fire Detection System Upgrade		
	Envelope/Interiors		
x	Remove Asbestos Containing Material		
x	Replace Roofing		

City of Owatonna, MINNESOTA

By:

Its:

Date:

ICS CONSULTING, LLC.

By:

Its:

Date:

EXHIBIT I: CLIENT RESPONSIBILITIES

The Client hereby agrees to assume the following responsibilities as part of this Contract:

1. Maintain and/or Replace Faulty Equipment

- a. The Client shall properly maintain all equipment that is being repaired, replaced, or modified as a result of the work, or that will have an impact on the total estimated energy, operating, or long-term operating savings.
- b. Upon receiving a written notice from the Contractor describing any operational or maintenance deficiency, the Client shall immediately make arrangements to remedy the deficiency. Once the deficiency is corrected, the Client shall notify the Contractor to perform inspection on the remedial improvements.

2. Notification of Problems

- a. The Client shall promptly notify the Contractor of any system or building changes, which may impact the Contractor's ability to meet its obligations.

3. Current Responsibilities

- a. The Client shall perform the following work before the Completion Date:
 - i. Be available for a project kick off meeting and project completion meeting.
 - ii. Be available for construction progress meetings at regular intervals.
 - iii. Be available for any on-site safety concerns as they may arise during project construction.
 - iv. Designate appropriate personnel for signing off on Certificates of Completion for Warranty
 - v. Designate appropriate personnel for signing off on Certificates of Completion and Acceptance
 - vi. Client to make the Contractor aware of any specific site conditions that will need to be adhered to during construction of the project.

EXHIBIT J: GENERAL REQUIREMENTS

1.0 CONTRACTOR'S USE OF PREMISES

The Contractor shall limit his or her use of premises for work related to the Project and storage to allow for facility occupancy in all areas. The Contractor shall assume full responsibility for the protection and safekeeping of products under this contract stored on the site and shall move any products under his or her control that interfere with Facility operations.

2.0 BUILDING OCCUPANCY

The Contractor shall cooperate with the Client to establish work schedules if disruption is necessary in any area.

3.0 ENERGY SYSTEM DISRUPTION

The Contractor shall consult with the Client prior to disrupting any energy systems.

4.0 STORAGE OF MATERIALS

The Contractor shall make arrangements with Client to provide for the storage of materials on the job site. If such arrangements cannot be made, contractor shall provide facilities necessary for storage. This may also include crew quarters and lunchroom facilities if necessary. All contractor storage areas must be confined to the area designated by the Client.

5.0 RECEIVING, HANDLING, AND STORAGE

The Contractor shall receive from carriers at the Client and check, unload, handle and store all materials and equipment that are to be incorporated in the construction under these Specifications. The Contractor shall be responsible for the prompt unloading of materials and equipment. The Contractor shall provide all storage facilities for contractor-furnished materials and equipment. The Contractor MAY NOT use the Client receiving area, personnel or equipment to receive any materials unless approved by the Client.

6.0 TEMPORARY LIGHT, POWER AND WATER

The Client will furnish all AC electricity and water. However, the Contractor shall furnish and pay for any/all temporary conduit, wiring and piping, as may be required from the nearest available point of service and shall remove same upon completion of the Project at no cost to the Client.

7.0 SANITARY FACILITIES

The Contractor shall make arrangements with the Client for the use of sanitary facilities and shall be responsible for the cleanliness and conditions of said facilities until completion of the project. The Contractor shall remove any workman creating a nuisance on the premises from the site.

8.0 DEMOLITION AND REMODELING WORK:

The Contractor shall remove existing equipment and materials noted on the Drawings or in the Specifications to be removed or as required for the installation of new construction. Dust, noise and vibration shall be controlled and held to a minimum. Demolition work shall be coordinated and conducted in a manner that will not interfere with the normal operation of the adjacent work areas. This work shall be planned in advance with the Client.

Client Initials Indicating Acceptance: _____

EXHIBIT K: SITE-SPECIFIC REQUIREMENTS

In addition to the General Requirements, the Contractor shall conduct all operations in accordance with the following specific conditions at the Client

1.1 CLIENT RESPONSIBILITIES

The Contractor shall direct all questions and concerns on the following items directly to the Client Contact:

- A. Any item that affects the Contract.
- B. All items that affect the project schedule, work schedule, or hours of work.
- C. All items that affect materials handling and staging.

The Contractor shall direct all questions and concerns on the following items directly to the Client:

- A. All items involving building security.
- B. All items involving work access to a specific area.
 - This does not relieve the Contractor of detailed schedule and work plans. However, the Client will administer all discrepancies in the schedule.
- C. All items involving housekeeping and final work area clean up.

2.1 SCHEDULE

The Contractor shall provide a detailed schedule showing the type of work and the areas by building. The Client Contact will incorporate the Contractor's schedule in the project schedule. Updates of the project schedule will be the basis for the program reports. The Contractor shall consider the following items when preparing the schedule and work plans.

- A. Access
 - The Client will be open Monday through Friday. No work will be performed on weekends or off-hours without the permission of the Client.
- B. Non-office Areas
 - Non-office areas such as classrooms, hallways, lobbies and equipment rooms, will be available during the business day excepting scheduled classes or events. The Work in these areas shall not prohibit safe movement of building users.
- C. Exterior Work
 - The Client will be open Monday through Friday. No work will be performed on weekends or off-hours without the permission of the Client.
- D. Scheduling Adjustments
 - The Contractor will be required to adjust the construction schedule to accommodate both scheduled and unscheduled events.

3.1 DISPOSAL

The Contractor shall be responsible for disposal or storage of all construction waste, trash and removed equipment.

- A. Disposal Facilities
 - The Contractor must furnish all disposal facilities. Disposal in Client disposal canisters will not be permitted.
- B. Existing Equipment
 - Existing equipment removed during the retrofit must be stored in a trailer provided by contractor.
The Client will establish which equipment will be placed in storage.
- C. Lamp Disposal

- The Contractor shall dispose of all removed lamps in accordance with all necessary environmental regulations. The Contractor may furnish a storage trailer on Client property.

D. Ballast Disposal

- The Contractor shall dispose of all removed ballasts in accordance with all necessary environmental regulations. The Contractor shall furnish storage and containers for ballasts.

4.1 OFFICE AND STORAGE FACILITIES

The Contractor shall furnish office and storage trailers in accordance with their need and the following conditions:

- A. Office and storage trailers will be located in the designated area.
- B. All trailers shall be provided with pads and blocking to prevent damage to blacktop or grass.
- C. The Contractor's equipment, materials and waste must be enclosed and secured. Piles of material around trailers will not be permitted.
- D. The Contractor must receive all materials and equipment. Materials cannot be stored or staged at the loading dock. Parking will not be allowed at the loading dock

5.0 TELEPHONE SERVICE

The Contractors must provide for their own telephone service as required.

6.0 ELECTRIC SERVICE

The Contractor must furnish and install the electric service for the trailers as required.

7.0 RESTROOMS

The Contractor may use Client restrooms. The Contractor must furnish all restrooms outside the building.

8.0 EATING AND LUNCH AREAS

The Contractors shall be responsible for maintaining a clean, well picked up area presentable to Client occupants. "Pin-ups" or other offensive material will not be tolerated.

9.0 PARKING

Parking will be available as designated by the Client.

10.1 CLEAN-UP AND RESTORATION OF DISTURBED AREAS

The Contractor shall be responsible for cleaning all work areas.

- A. Interiors
 - At the end of each day or shift, the Contractor shall pick-up, sweep or vacuum the work area to prevent tracking dirt through the facility. Damage to the facility including equipment, structures or the contractor at his or her cost must restore finish.
- B. Exterior
 - All sidewalk and other areas must be clear of excavated material and equipment. The walk areas must be swept clean to prevent tracking into building. Excavation must be well barricaded and lit at night. The Contractor must repair any damage to blacktop, concrete or grass areas from excavation or equipment.

EXHIBIT L: INSURANCE

ICS shall purchase and maintain such insurance including professional liability insurance as will protect ICS from all claims which may arise from ICS's performance of its services under this Agreement. Prior to commencing the work, ICS shall provide a certificate of insurance to the Owner showing its insurance coverages **and listing the Owner as an additional insured**. ICS shall maintain such insurance in full force and effect at all times until the Work has been completed, in the following amounts:

COVERAGES	LIMITS OF LIABILITY
Workers' Compensation, including Employer's Liability Insurance	Statutory
Comprehensive General Bodily Injury Liability Insurance, including Contractual	\$1,000,000 Per Occurrence
Comprehensive General Property Damage Liability Insurance, including Contractual	\$1,000,000 Per Claim \$2,000,000 Aggregate
Comprehensive Automobile Injury Liability Insurance	\$500,000 Per Occurrence \$500,000 Aggregate
Comprehensive Automobile Property Damage Liability Insurance	\$500,000
Professional Liability Insurance	\$5,000,000 Per Claim \$5,000,000 Aggregate
Umbrella Liability Coverage	\$10,000,000

Client Initials Indicating Acceptance: _____

EXHIBIT M: BOND COVERAGE

The Performance-Payment Bond shall cover completion of the physical work per the approved design. The Performance-Payment Bond shall not cover any of the energy savings as provided in the Agreement. Any suit on the Performance-Payment Bond must be brought within the period of one (1) year after substantial completion, as defined in the Agreement, provided, however, if this suit limitation is void or prohibited by law, the minimum period of limitation available to sureties as a defense in the jurisdiction of the suit shall be applicable.

Client Initials Indicating Acceptance: _____

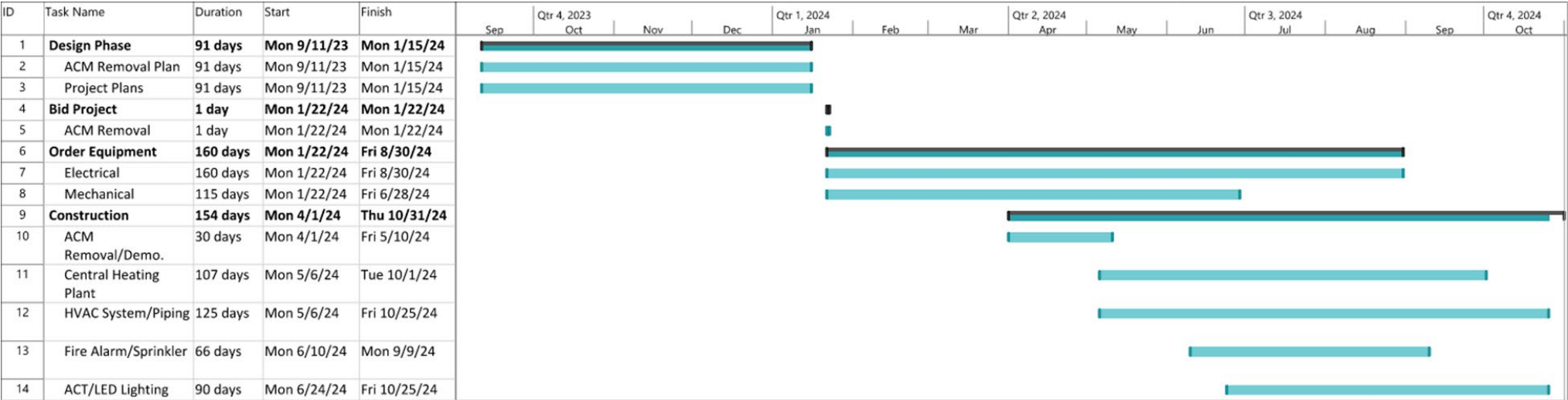
Merrill Building Phase 1 Project Cost Breakdown

Phase 1 Cost Category	Cost	% of Total
ICS Direct Construction Costs	\$4,146,650	82.2%
Project Permits/Insurance/PP Bonds	\$75,669	1.5%
Project Design	\$166,471	3.3%
Project Management/Gen. Cond.	\$201,783	4.0%
Contingency	\$100,892	2.0%
Overhead/Profit	\$353,121	7.0%
ICS Phase 1 Total Project Budget	\$5,044,586	95.2%
ACM Removal Total Project Budget	\$253,262	4.8%
Merrill Building Total Project GMP	\$5,297,847	100.0%

Calc Check \$5,044,586 100.0%
 (\$0)

Comments
Per proposed phase 1 scope of work
Required costs on project
Architecture, structural/mechanical/electrical/civil engineering
Project management, administration, general conditions
Contingency for unforeseen changes in scope of work
Overhead cost and profit
By ICS
By Others

Merrill Hall Construction Timeline - ICS





Community Development Department

DATE: October 17, 2023
TO: Mayor and City Council
FROM: Sydnee Stroeing, Planning Specialist
SUBJECT: Resolution 104-23: VAR-7 Lot Size Variance - 218 Phelps St E

Purpose:

Council to approve Resolution 104-23 for VAR-7 at 218 Phelps Street E. This was a request by Malaika Barlow for a lot size variance on a 7,536 square-foot lot where 10,000 square feet is the required minimum lot size for a two-family dwelling in the R-5, Medium Density Residential District.

Background:

Staff Report Attached. The Planning Commission held a public hearing on this and recommended approval.

Budget Impact:

None.

Staff Recommendation:

Staff recommends approval of Resolution 104-23 to approve this variance recommended by the Planning Commission.

Attachments:

1. Resolution 104-23 VAR 7 - Lot Size at 218 Phelps St E
2. Staff Report - VAR-7 w PC

RESOLUTION NO. 104-23
A RESOLUTION APPROVING VARIANCE VAR-7

WHEREAS, Application VAR-7, by Malaika Barlow, a request for a lot size variance on a 7,536 square foot lot where 10,000 square feet is required for minimum lot size for a two-family dwelling on the R-5, Medium Density Residential District and legally described as follows:

The East 48 feet 3 inches of West 5/8 of Lot 9, Block 2, Phelps Addition, Steele County, Minnesota; and

WHEREAS, The Planning Commission held a public hearing on October 10, 2023 and recommended approval of VAR-7; and

WHEREAS, on October 17, 2023, City Council accepted and approved Variance VAR-7, as the same was approved and recommended by the Planning Commission of the City; and

WHEREAS, the City Council concurs with all of the findings of the Planning Commission and hereby makes the identical findings as referenced in the VAR-7 Staff Report.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Owatonna, Minnesota:

1. That said variance is in accordance with and conformity to the plans and regulations established by the City and the comprehensive plan for the development of the City.
2. That said variance be and the same hereby is approved with the following provisions:
 - a) The units shall be registered with the Rental Registration program.
 - b) The property shall not contain more than 2 units at any one time.
 - c) 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.
3. That the Clerk cause a certified copy of this resolution to be filed in the office of the County Recorder of Steele County, Minnesota.

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

October 10, 2023

To: Planning Commission

From: Community Development Department

RE: Application VAR-7, by Malaika Barlow, a request for a lot size variance on a 7,536 square foot lot where 10,000 square feet is required for minimum lot size for a two-family dwelling in the R-5, Medium Density Residential District. Section 157.028 (A) states the minimum lot size requirements for the residential zoning districts.

Application Review:

Applicant/Owner: Malaika Barlow

Location of Property: 218 Phelps Street East

Zoning Map: R-5, Medium Density Residential District

Zoning Ordinance: Section 157.028 (A) states the minimum lot size requirements for the residential zoning districts.

Report Attachments:

1. Location Map
2. Aerial Photo
3. Site Plan
4. Application Letter
5. Other Materials

Proposed Development:

- ◆ Application VAR-7, by Malaika Barlow, a request for a lot size variance on a 7,536 square foot lot where 10,000 square feet is required for minimum lot size for a two-family dwelling in the R-5, Medium Density Residential District for the property located at 218 Phelps Street East.
- ◆ The zoning ordinance defines a two-family dwelling as a dwelling designated exclusively for occupancy by two families living independently of each other.
- ◆ A two-family dwelling in the R-5, Medium Density Residential District must have a minimum lot size of 10,000 square feet and a minimum lot area of 5,000 square feet per unit.
- ◆ Zoning ordinance requires that a use that has not been there for more than 180 days be brought into full compliance with the ordinance.
- ◆ According to the Fire Department, who administers the Rental Registration Program, the property was initially registered in 2012 with 2 units and renewed in 2014. The license expired in 2016 and has not been renewed since.
- ◆ The property contains a 20' by 19' garage and a gravel parking pad.
- ◆ Staff has not heard from any neighbors regarding this request as of the date of this report.

- ◆ State Statute requires that the applicant show a practical difficulty in order to be granted a variance. You also need to show that the variance requested is the minimum amount necessary to accomplish what is needed.
- ◆ A variance must stand on its own merits and may not be compared to other situations in which variances were granted.
- ◆ According to the ordinance, the Planning Commission shall make findings of fact based on the following.
 - ❖ That particular physical surroundings, shape, or topographical conditions of the specified parcel of land involved.
 - ❖ That the condition involved is unique to the particular parcel of land involved.
 - ❖ That the alleged difficulty or hardship is caused by this Ordinance and has not been created by any persons presently having an interest in the parcel.
 - ❖ That the granting of the variation will not be detrimental to the public welfare or injurious to other land or improvements to the neighborhood.
 - ❖ That the proposed variation will not impair an adequate supply of light and air to adjacent property, or substantially increase the congestion of the public streets, or interfere with the function of the Police and Fire Departments of the City.

Staff Review:

Based on the information provided Staff is recommending approval of the variance request with the following provisions:

- 1) The units shall be registered with the Rental Registration program.
- 2) The property shall not contain more than 2 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.

Planning Commission

VAR-7, which is a request by Malaika Barlow, for a lot size variance on a 7,536 square foot lot where 10,000 square feet is required for minimum lot size for a two-family dwelling in the R-5, Medium Density Residential District for the property located at 218 Phelps Street East, was presented by Planning Specialist Sydnee Stroeing (Refer to report on file.). Public hearing opened at 5:31 pm. Malaika Barlow, the applicant, said the property has been operating as rental dwelling with two units since she has owned the property since last year. When she bought it, she applied for a rental license and was notified of needing a variance. A resident who lives in the one-bedroom, one-bathroom unit in the dwelling has lived there for nine years, her name is Regina Marshall. The resident said that Barlow could put in a word for her as she couldn't make it to the public hearing. The resident said that if this doesn't get approved, she doesn't know what she will do because everywhere else is too expensive and that the unit is good. Barlow said this resident does not have a vehicle and has the single parking spot on the gravel parking pad if she needs it. The front unit is a three-bedroom, two-bathroom unit and has the garage and any street parking that is available. Public hearing closed at 5:34 pm. Eickhoff said it sounds like this has been a rental for a long time. A motion was made by Eickhoff and seconded by Wilson to recommend

City Council approval of this variance of a reduction of the minimum lot size with the following conditions:

- 1) The units shall be registered with the Rental Registration program.
- 2) The property shall not contain more than 2 units at any one time.
- 3) All units shall be inspected and approved within the Rental Registration program. If any repairs are needed, they shall be completed to be in full compliance with the Rental Registration License.

All Commissioners voting Aye, the motion carried.

218 Phelps Street E
City of Owatonna



September 25, 2023

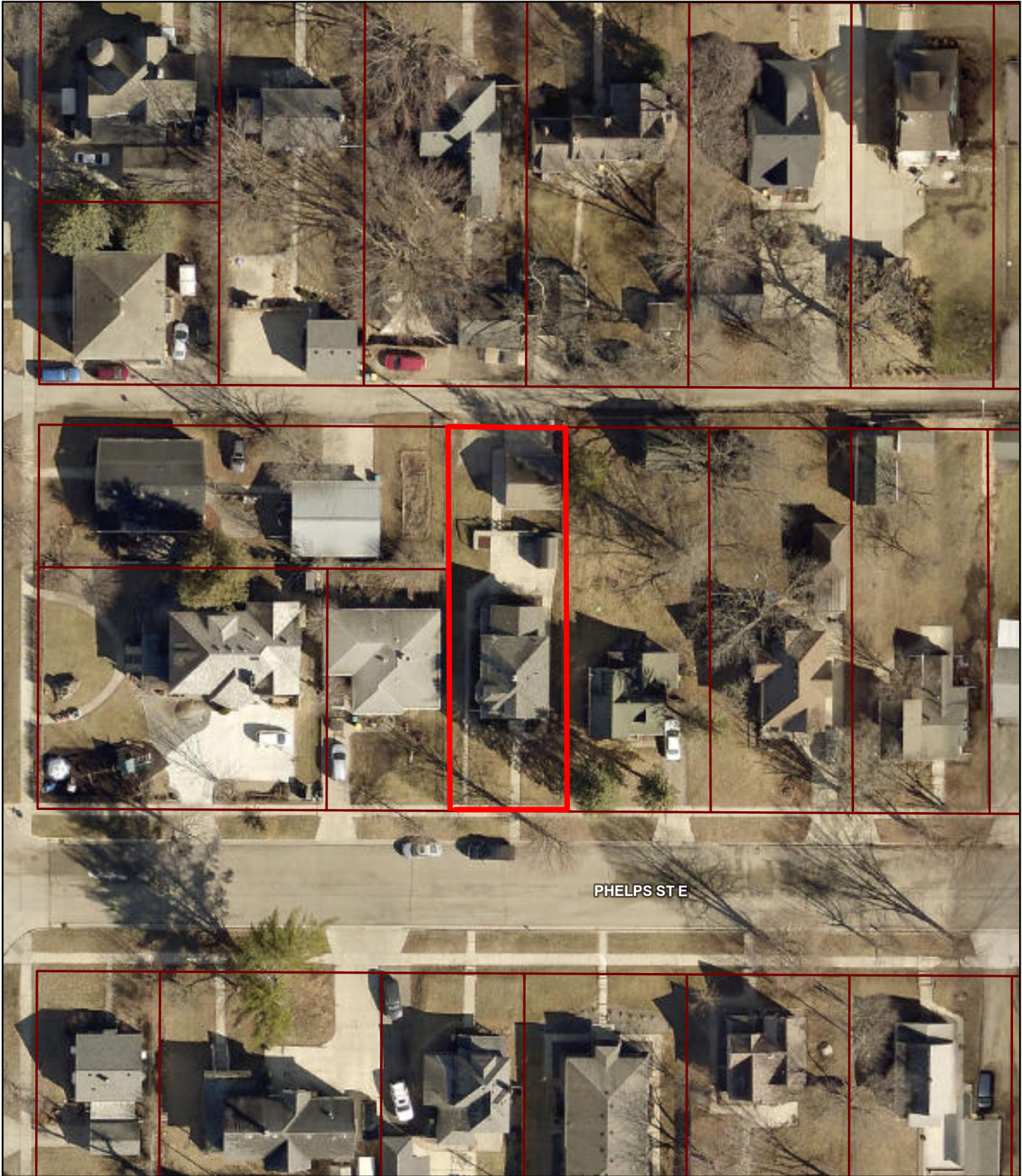
Site 



1:3,000
1 in = 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.

218 Phelps Street E
City of Owatonna



PHELPS ST E



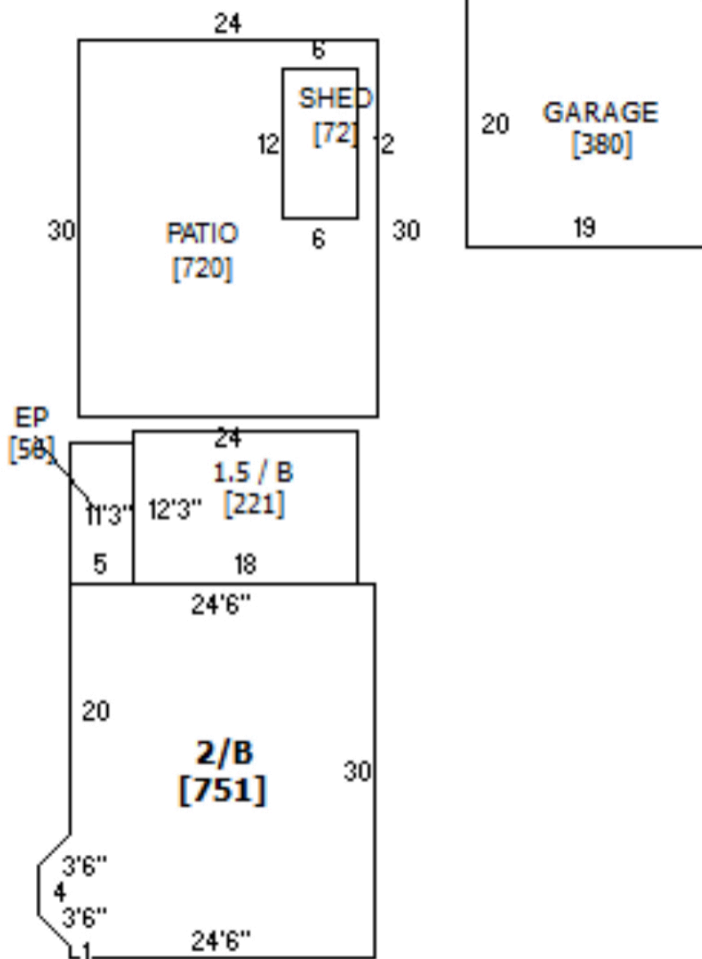
September 25, 2023

Site 



1:900
1 in = 75 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.



City of Owatonna, Minnesota
Planning and Zoning Department
540 West Hills Circle
(507) 444-4340

Letter of Intent for Rental License Rental License Zoning Variance For: Malaika Marie Barlow

218 Phelps Street East Owatonna, MN 55060

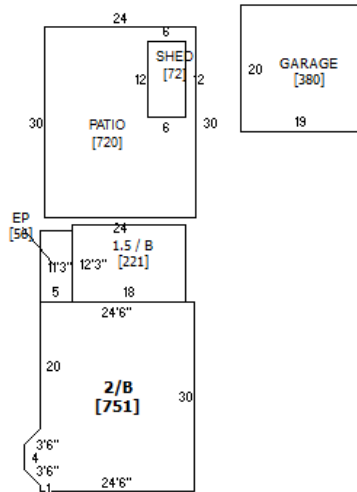
ZONING: R-5 Medium Density Residential
PARCEL ID#: 17-101-0221

Letter of Intent for Zoning Variances/Special Exception

Dear Planning & Zoning Members,

I am requesting a variance for the above address to seek relief of the required 10,000 square foot lot area for all two unit dwellings. The property currently has a total square footage of 7,536 square feet. This is 2,464 square feet less than is required for a two unit dwelling. I am requesting a reduction in the required lot size square footage to obtain a rental license for the two unit dwelling which has a lot square footage of 7,536.

1. Due to the layout of the property, both dwelling units have their own entrance and sidewalks. The lot size has been able to comfortably fit two dwelling units for the past few decades without interference to the alley or street parking. One of the units is 1 bedroom/1 bathroom which homes a long-term resident of Owatonna who lives alone and without a vehicle. There is ample parking since there is a 20x19 foot garage in the rear of the home as well as gravel parking pad next to the garage.
2. Granting the variance will not be materially detrimental to the public welfare or injurious to the property or improvements in the zoning district in which the subject property is located.
3. The granting of the variance would have no effect on any adjoining properties. This zoning relief requested will not cause any detriment to the common good, as the literal interpretation and strict application of the applicable zoning requirements of this chapter would cause substantial undue and unnecessary hardship to the current property owner, not just a casual/discretionary inconvenience to the property owner.
4. The requested variance would be consistent with the spirit and purpose of this neighborhood and the city of Owatonna's Strategic Plan as the variance will not change the use or structure of the dwelling. The property will continue to blend with the other homes in the neighborhood and will be well within the spirit of the street and community.



Thank you for your consideration,

Malaika Marie Barlow
Property Owner



Measurement Result

407.5 Feet

Clear

Press CTRL to enable snapping



Administrative Services Department

TO: HONORABLE MAYOR & CITY COUNCIL
FROM: Deanna Sheely, Communications Manager
DATE: October 17, 2023
SUBJECT: Resolution 105-23 adopting new City Brand & Logomark

Purpose:

City Council approval of a new brand for the City of Owatonna by Resolution 105-23.

Background:

The City of Owatonna's current brand and logomark are based on Gary Westerlund's 1965 artwork and Bob Bowman's Coat-of-Arms description of it. It has been used in varying colors and formats and is difficult to apply in small spaces due to its complexity. A simplified, updated option was developed and began being used in January 2022. The City has never filed its brand with the United States Patent and Trademark Office.

The City partnered with the Chamber and other community stakeholders to provide funding, secure a contract with North Star Place Branding + Marketing and form an advisory committee to research and launch a community-wide brand. This research-driven, community-wide identity initiative will help Owatonna stand out in the marketplace, increase interest and investment in the community from residents, entrepreneurs, companies and visitors. Research was conducted inside and outside the community to uncover perceptions, attitudes and what's unique about Owatonna. The findings from this research were presented across the community in August. With the findings confirmed as accurately portraying Owatonna, North Star lead the advisory committee through the process of crafting a narrative, graphic elements and a logomark that reflects the research findings. The committee unanimously approved a community-wide logomark September 13. This will be utilized across the community by multiple stakeholders. Five partner logos were then developed to customize the community-wide brand for the City of Owatonna, Owatonna Partners for Economic Development, the Owatonna Area Chamber of Commerce, Visit Owatonna and Main Street Owatonna.

Budget Impact:

Adopting the new brand will not have a direct impact on 2023 City budgets. Items displaying City branding will be updated as they are replenished or purchased. Funding has been earmarked in the 2024 proposed City Council/Mayor and Administrative Services Department budgets to integrate the new brand.

Staff Recommendation:

Approve Resolution 105-23 adopting the new City of Owatonna brand and logomark.

Attachment: Resolution 105-23 Adopt new City Brand and Logomark

RESOLUTION NO. 105-23
RESOLUTION ADOPTING A NEW BRAND AND LOGOMARK FOR THE
CITY OF OWATONNA AND ITS OPERATIONS

WHEREAS, the City of Owatonna joined a community-wide effort to identify what Owatonna is most known for and how it is experienced by community members as well as those from beyond the area.

WHEREAS, the City of Owatonna is leading steady and planned community growth which will benefit from having a well-defined and common brand shared by multiple entities which all have an interest in promoting the brand.

WHEREAS, a well-defined and visible brand has been shown to enhance and support loyalty, community pride and a sense of belonging to a place.

WHEREAS, 1,900 community members were surveyed and several hundred more participated in focus groups and input sessions to uncover Owatonna's unique story by sharing their perceptions about Owatonna's brand which is the foundation for the new community-wide and City logomark, narrative and brand statement.

WHEREAS, the new brand represents Owatonna's current, unique differentiators as well as its aspirational future and aligns with the community-wide brand.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Owatonna as follows:

1. The new brand, its fonts, colors and graphic elements shall be adopted as the official brand for the City of Owatonna.
2. As new items bearing City branding are created or replaced, the brand adopted through this resolution will become the visual identity representing the City of Owatonna.
3. The Brand Manual defining the application of the City of Owatonna's brand shall become the guiding document for determining conforming and acceptable uses for branded materials.
4. The City of Owatonna's logomark and its associated materials will be registered through the United States Patent and Trademark Office for exclusive use by the City of Owatonna.

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

Aye __; No __; Absent __.

Approved and signed this ____ day of _____, 2023.

ATTEST:

Thomas A. Kuntz, Mayor

Kris M. Busse, City Administrator/City Clerk



Miscellaneous