CITY COUNCIL MEETING

Tuesday, March 19, 2024 at 7:00 PM
Chambers in the Charles S. Crandall Center
540 West Hills Circle
Roll Call: Council Members Voss, Dotson, Burbank, Boeke, Raney, Svenby & Schultz

PLEASE NOTE: At 5:30 p.m. Council will meet in a Study Session in Chambers at the Charles S. Crandall Center, 540 West Hills Circle. Council will receive updates from Kirk Kuchera, Transit General Manager at SMART(Southern Minnesota Area Rural Transit) and Roger Warehime, General Manager at OPU (Owatonna Public Utilities). If time permits, there will be a general update on the City's various boards and commissions.

1. **INTRODUCTORY ACTIONS:** Call to Order; Roll Call and Pledge of Allegiance
    - 1.1. Council Agenda
    - 1.2. Public Hearing - Issue Revenue Obligations - City of Bethel for Ecumen Obligated Group
        - 1.2.1. Resolution 23-24 Grant Host Approval - City of Bethel to Issue Revenue Obligations for Ecumen Obligated Group
        - 1.2.2. Cooperative Agreement - Cities of Bethel, Saint Peter, Hutchinson and Owatonna
    - 1.3. Mayor Kuntz
2. **CONSENT AGENDA ITEMS**
    - 2.1. Minutes – Council Meeting – March 6, 2024
    - 2.2. Minutes - Board/Commission Minutes
        - 2.2.1. HRA Board Minutes - February 26, 2024
        - 2.2.2. EDA Minutes - February 21, 2024
    - 2.3. Department Reports
        - 2.3.1. February Dashboard - Police Department
    - 2.4. Licenses/Permits
        - 2.4.1. Renew Annual Tree Trimmers Licenses
        - 2.4.2. Temporary Liquor License - Mineral Springs Brewery at Souba Greenhouse's Spring Open House - April 27, 2024
        - 2.4.3. Exempt Permit - Bingo - Steele County Humane Society - July 27, 2024
    - 2.5. Miscellaneous
        - 2.5.1. Static Display Loan Agreement - National Museum US Air Force
        - 2.5.2. AET Soil Boring Agreement - WWTF
3. **ACTION ITEMS**
    - 3.1. Finance Report

3.2. Resolutions:

3.2.1. Resolution 24-24: Joint Resolution Marthaler Annexation - Owatonna Township

3.2.2. Resolution 25-24: Preliminary Plat - Marthaler Addition

3.2.3. Resolution 26-24: Transfer Funds and Fund Balance Commitment

3.2.4. Resolution 27-24: MNDOT Cooperative Agreement - Signal System Revisions

3.2.5. Resolution 28-24: Approve Plans and Specifications 2024 Street & Utility Project

3.3. Miscellaneous

3.3.1. On-Sale Liquor License with Sunday Sales Application - El Tequila of Owatonna, Inc. - 369 18th Street SE

3.3.2. On-Sale 3.2% Malt Liquor & Wine Licenses - Home 2 Suites, 230 Allan Avenue

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

EXHIBIT A

NOTICE OF PUBLIC HEARING

CITY OF OWATONNA, MINNESOTA

NOTICE OF A PUBLIC HEARING TO BE CONDUCTED BY THE CITY OF OWATONNA WITH RESPECT TO THE ISSUANCE OF REVENUE OBLIGATIONS BY THE CITY OF BETHEL FOR THE BENEFIT OF THE ECUMEN OBLIGATED GROUP

NOTICE IS HEREBY GIVEN that the City Council of the City of Owatonna, Minnesota (the "City"), will hold a public hearing on Tuesday, March 19, 2024, at or after 7:00 p.m. in the Council Chambers of the City Administration Building, located at 540 West Hills Circle in the City, to consider a proposal that the City grant host approval to the issuance of one or more series of tax-exempt and taxable revenue obligations (the "Bonds"), in the estimated aggregate principal amount not to exceed $25,000,000, by the City of Bethel, Minnesota (the "Issuer") under Minnesota Statutes, Chapter 462C, as amended, and Minnesota Statutes, Sections 471.59 and 471.656, all as amended, for the benefit of one or more members of an obligated group expected to consist of Second Century Housing, a Minnesota nonprofit corporation ("Second Century Housing"), Owatonna Senior Living, LLC, a Minnesota limited liability company ("Owatonna Senior Living"), and Pines of Hutchinson, LLC, a Minnesota limited liability company ("Pines of Hutchinson," and collectively with Second Century Housing and Owatonna Senior Living, the "Obligated Group"). The sole member of each of Second Century Housing, Owatonna Senior Living, and Pines of Hutchinson is Ecumen, a Minnesota nonprofit corporation ("Ecumen"). Ecumen is expected to serve as the agent of the Obligated Group but will not be a financial member of the Obligated Group.

A portion of the proceeds of the Bonds in the estimated principal amount not to exceed $6,300,000 will be used to (i) refinance Ecumen CountrySide, a 61-unit independent living and assisted living community located at 650 El Dorado Street in the City ("Ecumen CountrySide"); (ii) finance capital improvements to Ecumen CountrySide; and (iii) finance capitalized interest during the construction of the capital improvements to Ecumen CountrySide. A portion of the proceeds of the Bonds in the estimated amount not to exceed $2,500,000 will be used to (a) refinance Ecumen Brooks, a 50-unit independent living, assisted living, and memory care community located at 2480 St. Paul Road in the City ("Ecumen Brooks"); (b) finance capital improvements to Ecumen Brooks; and (c) finance capitalized interest during the construction of the capital improvements to Ecumen Brooks. Ecumen CountrySide is owned by Owatonna Senior Living and is managed by Ecumen, and Ecumen Brooks is owned by Second Century Housing and is managed by Ecumen. Proceeds of the Bonds will also be used to refinance other facilities owned and operated by the members of the Obligated Group, finance capital improvements to such facilities, finance capitalized interest during the construction of such capital improvements, fund required reserves, and pay costs of issuance of the Bonds.

The Bonds will be special, limited obligations of the Issuer, and the Bonds and interest thereon will be payable solely from the revenues and assets pledged to the payment thereof. No holder of any Bonds will ever have the right to compel any exercise of the taxing power of the City to pay the Bonds or the interest thereon, nor to enforce payment against any property of the City. The Bonds are to be payable solely from revenues and security provided by the Obligated Group and pledged to the payment of the Bonds.

At the time and place fixed for the public hearing, the City Council will give all persons who appear at the hearing an opportunity to express their views with respect to the proposal. In addition, interested persons may direct any questions or file written comments respecting the proposal with the City Administrator, at or prior to said public hearing.

Dated: March 6, 2024

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

Thomas A. Kuntz, Mayor
City of Owatonna, Minnesota

Kennedy & Graven
CHARTERED

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February 28, 2024

Rhonda Moen, Finance Director
City of Owatonna
540 West Hills Circle
Owatonna, MN 55060

Re: Resolution calling public hearing on granting host approval for facilities to be financed and refinanced with the proceeds revenue obligations to be issued by the City of Bethel for the benefit of the Ecumen Obligated Group

Dear Rhonda,

Second Century Housing, a Minnesota nonprofit corporation ("Second Century Housing"), whose sole member is Ecumen, a Minnesota nonprofit corporation ("Ecumen"), owns Ecumen Brooks, a 50-unit independent living, assisted living, and memory care community located at 2480 St. Paul Road, Owatonna, Minnesota ("Ecumen Brooks"), which is managed by Ecumen. Owatonna Senior Living, LLC, a Minnesota limited liability company ("Owatonna Senior Living"), whose sole member is Ecumen, owns Ecumen CountrySide, a 61-unit independent living and assisted living community located at 650 El Dorado Street, Owatonna, Minnesota ("Ecumen CountrySide"), which is managed by Ecumen. Ecumen Brooks was refinanced with proceeds of the Variable Rate Demand Housing Refunding Revenue Bonds (Second Century Housing Project), Series 2003A (the "Series 2003A Bonds"), issued by the City of Owatonna (the "City") in the original aggregate principal amount of $4,120,000 on June 30, 2003. Ecumen CountrySide was refinanced with proceeds of Housing and Health Care Revenue Refunding Bonds (Ecumen – Second Century and Owatonna Senior Living Project), Series 2014B (the "Series 2014B Bonds"), issued by the City in the original aggregate principal amount of $6,775,000 on December 18, 2014. Second Century Housing, Owatonna Senior Living, and Pines of Hutchinson, LLC, a Minnesota limited liability company ("Pines of Hutchinson," and collectively with Second Century Housing and Owatonna Senior Living, the "Borrowers"), whose sole member if Ecumen, have proposed to refinance Ecumen Brooks and Ecumen CountrySide (together, the "Owatonna Project"), thereby refinancing the outstanding Series 2003A Bonds and Series 2014B Bonds, and several other senior housing communities owned by the Borrowers and located in Hutchinson and Saint Peter, Minnesota and finance capital improvements to all of these senior housing communities. To do this, the Borrowers have proposed that the City of Bethel (the "Issuer") issue one or more series of tax-exempt and taxable revenue obligations (the "Bonds") in the estimated principal amount not to exceed $25,000,000 and loan the proceeds thereof to the Borrowers.

In order for the Issuer to issue the Bonds, the City must grant "host approval" to the issuance of the Bonds, following a duly noticed public hearing, under Minnesota Statutes, Chapter 462C, as amended (the "Housing Act"), Minnesota Statutes, Sections 471.59 and 471.656, as amended (the "Joint Powers Act"), and the Internal Revenue Code of 1986, as amended (the "Code"). Enclosed is a resolution for consideration by the City Council on March 6, 2024, which calls for a public hearing to be conducted by the City Council on

March 19, 2024 for purposes of granting host approval to the issuance of the Bonds by the Issuer and consenting to the redemption and prepayment of the Series 2003A Bonds and the Series 2014B Bonds.

If the City Council authorizes the Issuer to issue the Bonds, the Bonds will be issued as conduit revenue bonds of the Issuer secured solely by the revenues derived from the loan or other revenue agreements executed by the Borrowers and from other security provided by the Borrowers, including an obligation issued on behalf of the Ecumen Obligated Group (currently expected to consist of the Borrowers) under a master trust indenture. Ecumen will serve as the agent of the Ecumen Obligated Group but will not be a financial member. The Bonds will not constitute a general or moral obligation of the City and will not be secured by or payable from any property or assets of the City and will not be secured by any taxing power of the City. The Bonds will not be subject to any debt limitation imposed on the City and the issuance of the Bonds will not have any adverse impact on the credit rating of the City, even in the event that the Borrowers encounter financial difficulties with respect to the Owatonna Project and the other facilities to be financed and refinanced.

The issuance of the Bonds by the Issuer will not affect the City's ability to issue general obligation or conduit revenue bonds in calendar year 2024. Furthermore, the issuance of the Bonds by the Issuer will not affect the ability of the City to issue and designate bonds as qualified tax-exempt obligations (or "bank qualified") for purposes of Section 265(b)(3) of the Code in calendar year 2024.

The Borrower will pay the out-of-pocket expenses of the City with respect to this transaction.

Please contact me if you have questions regarding the foregoing.

Sincerely,

Julie Eddington

Attachment: Resolution 23-24 Grant Host Approval - City of Bethel - Revenue Obligations to benefit the Ecumen Obligated Group

BE250-28-934637.v1

CITY OF OWATONNA, MINNESOTA

RESOLUTION NO. 23-24

RESOLUTION CONSENTING TO AND APPROVING THE ISSUANCE BY THE CITY OF BETHEL OF REVENUE OBLIGATIONS TO REFINANCE REVENUE OBLIGATIONS ISSUED BY THE CITY OF OWATONNA AND TO FINANCE AND REFINANCE PROJECTS LOCATED IN THE CITY OF OWATONNA AND TAKING OTHER ACTIONS WITH RESPECT THERETO

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

Section 1. Recitals.

1.01. Pursuant to Minnesota Statutes, Chapter 462C, as amended (the "Housing Act"), the City is authorized to carry out the public purposes described in the Housing Act by providing for the issuance of revenue bonds to provide funds to finance or refinance multifamily housing developments.

1.02. Minnesota Statutes, Section 471.656, as amended, authorizes a municipality to issue obligations to finance the acquisition or improvement of property located outside of the corporate boundaries of such municipality if the obligations are issued under a joint powers agreement between the municipality issuing the obligations and the municipality in which the property to be acquired or improved is located. Pursuant to Minnesota Statutes, Section 471.59, as amended, by the terms of a joint powers agreement entered into through action of their governing bodies, two or more municipalities may jointly or cooperatively exercise any power common to the contracting parties or any similar powers, including those which are the same except for the territorial limits within which they may be exercised and the joint powers agreement may provide for the exercise of such powers by one or more of the participating governmental units on behalf of the other participating units.

1.03. Second Century Housing, a Minnesota nonprofit corporation ("Second Century Housing"), Owatonna Senior Living, LLC, a Minnesota limited liability company ("Owatonna Senior Living"), and Pines of Hutchinson, LLC, a Minnesota limited liability company ("Pines of Hutchinson," and collectively with Second Century Housing and Owatonna Senior Living, the "Borrowers"), the sole member of each of Second Century Housing, Owatonna Senior Living, and Pines of Hutchinson is Ecumen, a Minnesota nonprofit corporation ("Ecumen"), have proposed that the City approve the issuance by the City of Bethel, Minnesota (the "Issuer") of one or more series of tax-exempt and taxable revenue obligations (the "Bonds") in the estimated aggregate principal amount not to exceed $25,000,000. The Bonds will be issued in accordance with the terms of the Housing Act and Minnesota Statutes, Sections 471.59 and 471.656, as amended (the "Joint Powers Act," and together with the Housing Act, the "Act").

1.04. The Borrowers intend to apply a portion of the proceeds of the Bonds in the estimated principal amount not to exceed $2,500,000 to (i) refund the outstanding principal amount of the Variable Rate Demand Housing Refunding Revenue Bonds (Second Century Housing Project), Series 2003A (the "Series 2003A Bonds"), issued by the City in the original aggregate principal amount of $4,120,000 on June 30, 2003 pursuant to the Housing Act, the proceeds of which were used to refinance Ecumen Brooks, a 50-unit independent living, assisted living, and memory care community located at 2480 St. Paul Road in the City ("Ecumen Brooks"), which is owned by Second Century Housing and managed by Ecumen; (ii) finance capital improvements to Ecumen Brooks; and (iii) finance capitalized interest during the construction of the capital improvements to Ecumen Brooks.

1.05. The Borrowers intend to apply a portion of the proceeds of the Bonds in the estimated principal amount not to exceed $6,300,000 to (ii) refund the outstanding principal amount of the Housing and Health Care Revenue Refunding Bonds (Ecumen – Second Century and Owatonna Senior Living Project), Series 2014B (the "Series 2014B Bonds"), issued by the City in the original aggregate principal amount of $6,775,000 on December 18, 2014 pursuant to the Housing Act, the proceeds of which were used to refinance Ecumen CountrySide, a 61-unit independent living and assisted living community located at 650 El Dorado Street in the City ("Ecumen CountrySide"), which is owned by Owatonna Senior Living and managed by Ecumen; (iii) finance capital improvements to Ecumen CountrySide; and (iii) finance capitalized interest during the construction of the capital improvements to Ecumen CountrySide.

1.06. Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), and regulations promulgated thereunder require that prior to the issuance of the Bonds, the City Council of the City consent to the issuance of the Bonds by the Issuer after conducting a public hearing thereon preceded by publication of a notice of public hearing (in the form required by Section 147(f) of the Code and applicable regulations) in a newspaper of general circulation within the City at least seven (7) days prior to the public hearing date.

1.07. A notice of public hearing (the "Public Notice") was published at least seven (7) days before the regularly scheduled meeting of the City Council on the date hereof in the *Owatonna People's Press*, a newspaper of general circulation in the City, with respect to the required public hearing under Section 147(f) of the Code.

1.08. On the date hereof, the City Council conducted a public hearing at which a reasonable opportunity was provided for interested individuals to express their views, both orally and in writing, on the following: (i) consent to the issuance of the Bonds by the Issuer pursuant to the requirements of Section 147(f) of the Code and the regulations promulgated thereunder; and (ii) approval of the issuance of the Bonds by the Issuer to refinance, among other things, Ecumen Brooks and Ecumen CountrySide (together, the "Owatonna Project") and to finance, among other things, the capital improvements (the "Capital Improvements") to the Owatonna Project.

1.09. The City, the City of Saint Peter, Minnesota, the City of Hutchinson, Minnesota, and the Issuer are proposing to enter into a Cooperative Agreement (the "Cooperative Agreement"), pursuant to which the City will consent to the issuance of the Bonds by the Issuer to refinance, among other things, the Owatonna Project and to finance, among other things, the Capital Improvements to the Owatonna Project, and the Issuer will agree to issue the Bonds for such purposes.

Section 2. Approval. The City Council finds that it is in the best interest of the City to approve the issuance of the Bonds by the Issuer to (i) refund the outstanding principal amount of the Series 2003A Bonds; (ii) refund the outstanding principal amount of the Series 2014B Bonds; (iii) refinance, among other things, the Owatonna Project; and (iv) finance, among other things, the Capital Improvements to the Owatonna Project. Based on such findings, the City Council hereby consents to the issuance of the Bonds by the Issuer in the estimated principal amount not to exceed $8,800,000 (with approximately $2,500,000 allocated to Ecumen Brooks and approximately $6,300,000 allocated to Ecumen CountrySide). Such approval is subject to final approval by the governing body of the Issuer, following the preparation of bond documents and a determination by the Issuer to issue the Bonds.

Section 3. Execution of Documents. The Mayor and the City Administrator are hereby authorized and directed to execute and deliver the Cooperative Agreement and any other documents deemed necessary to fulfill the intentions of this resolution. All of the provisions of the Cooperative Agreement, when executed and delivered as authorized herein, shall be deemed to be a part of this resolution as fully and to the same extent as if incorporated verbatim herein and shall be in full force and effect from the date of execution and delivery thereof. The Cooperative Agreement shall be substantially in the form on file with the City which is hereby approved, with such omissions and insertions as do not materially change the substance thereof, or as the Mayor and the City Administrator, in their discretion, shall determine, and the execution thereof by the Mayor and the City Administrator shall be conclusive evidence of such determination.

The Mayor and City Administrator and other officers, employees, and agents of the City are hereby authorized and directed to prepare and furnish to bond counsel and the original purchaser of the Bonds certified copies of all proceedings and records of the City relating to the approval of the issuance of the Bonds, including a certification of this resolution.

Section 4. Costs. The Borrowers will, upon demand, reimburse the City for costs paid or incurred by the City in connection with this resolution.

Section 5. Effective Date. This resolution shall be in full force and effect from and after its passage.

Passed and adopted this ________ day of ____________, 2024, with the following vote:

Aye _____; No _____; Absent _____.

Approved and signed this _____ day of ____________, 2024.

____
Thomas A. Kuntz, Mayor

ATTEST:

____
Kris M. Busse, City Administrator/City Clerk

COOPERATIVE AGREEMENT

THIS COOPERATIVE AGREEMENT, dated as of April 1, 2024 (the "Cooperative Agreement"), is made and entered into between the CITY OF BETHEL, MINNESOTA (the "Issuer"), the CITY OF SAINT PETER, MINNESOTA (the "City of Saint Peter"), the CITY OF HUTCHINSON, MINNESOTA (the "City of Hutchinson"), and the CITY OF OWATONNA, MINNESOTA (the "City of Owatonna," and collectively with the City of Saint Peter and the City of Hutchinson, the "Host Cities").

RECITALS

Pursuant to Minnesota Statutes, Chapter 462C, as amended (the "Housing Act"), a municipality is authorized to carry out the public purposes described in the Act by providing for the issuance of revenue bonds to provide funds to finance or refinance multifamily housing developments (including independent living, assisted living, and memory care facilities).

Minnesota Statutes, Section 471.656, as amended, authorizes a municipality to issue obligations to finance the acquisition or improvement of property located outside of the corporate boundaries of such municipality if the obligations are issued under a joint powers agreement between the municipality issuing the obligations and the municipality in which the property to be acquired or improved is located. Pursuant to Minnesota Statutes, Section 471.59, as amended, by the terms of a joint powers agreement entered into through action of their governing bodies, two or more municipalities may jointly or cooperatively exercise any power common to the contracting parties or any similar powers, including those which are the same except for the territorial limits within which they may be exercised and the joint powers agreement may provide for the exercise of such powers by one or more of the participating governmental units on behalf of the other participating units.

On June 30, 2003, the City of Owatonna issued its Variable Rate Demand Housing Refunding Revenue Bonds (Second Century Housing Project), Series 2003A (the "Series 2003A Bonds"), in the original aggregate principal amount of $4,120,000, pursuant to the Housing Act and a Trust Indenture, dated as of June 1, 2003, between the City of Owatonna and U.S. Bank Trust Company, National Association, a national banking association, as successor-in-interest to U.S. Bank National Association (the "2003 Trustee"), as supplemented by a First Amendment to Trust Indenture, dated as of July 1, 2010 (collectively, the "2003 Indenture"), between the City of Owatonna and the 2003 Trustee, and loaned the proceeds thereof to Second Century Housing, a Minnesota nonprofit corporation ("Second Century Housing"), the sole member of which is Ecumen, a Minnesota nonprofit corporation ("Ecumen"), for the purpose of refinancing Ecumen Brooks, a 50-unit independent living, assisted living, and memory care community located at 2480 St. Paul Road in the City of Owatonna ("Ecumen Brooks"), which is owned by Second Century Housing and managed by Ecumen.

On January 4, 2013, the City of Falcon Heights, Minnesota (the "City of Falcon Heights") issued its Senior Housing Revenue Refunding Note (Pines of Hutchinson, LLC Project), Series 2013 (the "Series 2013 Note"), in the original aggregate principal amount of $4,400,000, pursuant to the Housing Act and Minnesota Statutes, Sections 471.59 and 471.656, as amended (the "Joint Powers Act," and together with the Housing Act, the "Act"), and loaned the proceeds thereof to Pines of Hutchinson, LLC, a Minnesota limited liability company ("Pines of Hutchinson"), the sole member of which is Ecumen, for the purpose or refinancing Ecumen Pines, a 50-unit independent living and assisted living community located at 1015 Century Avenue SW in the City of Hutchinson ("Ecumen Pines"), which is owned by Pines of Hutchinson and managed by Ecumen.

On December 18, 2014, the City of Lake Crystal, Minnesota (the "City of Lake Crystal") issued its Housing and Health Care Revenue Refunding Bonds (Ecumen – Second Century and Owatonna Senior

Living Project), Series 2014A (the “Series 2014A Bonds”), in the original aggregate principal amount of $8,295,000, pursuant to the Act and an Indenture of Trust, dated as of August 1, 2006 (the “Original 2006 Indenture”), between the City of Lake Crystal and U.S. Bank Trust Company, National Association, a national banking association, as successor-in-interest to U.S. Bank National Association (the “2006 Trustee”), as supplemented and amended by a First Supplemental Indenture of Trust, dated as of August 1, 2010 (the “First Supplemental 2006 Indenture”), between the City of Lake Crystal and the 2006 Trustee, and as further supplemented and amended by a Second Supplemental Indenture of Trust, dated as of December 1, 2014 (the “Second Supplemental 2006 Indenture”), between the City of Lake Crystal and the 2006 Trustee, and loaned the proceeds of the Series 2014A Bonds to Second Century Housing for the purpose of refinancing (i) Ecumen Oaks, a 41-unit independent living, assisted living, and memory care community located at 945 Century Avenue SW in the City of Hutchinson (“Ecumen Oaks”), which is owned by Second Century Housing and managed by Ecumen; and (ii) Ecumen Sand Prairie, a 43-unit assisted living facility located at 700 Knight Street, Saint Peter, Minnesota (“Ecumen Sand Prairie”), which is owned by Second Century Housing and managed by Ecumen.

On December 18, 2014, the City of Owatonna issued its Housing and Health Care Revenue Refunding Bonds (Ecumen – Second Century and Owatonna Senior Living Project), Series 2014B (the “Series 2014B Bonds”), in the original aggregate principal amount of $6,775,000, pursuant to the Housing Act and the Original 2006 Indenture, as supplemented and amended by the First Supplemental 2006 Indenture, as supplemented and amended by the Second Supplemental 2006 Indenture, and as further supplemented and amended by a Third Supplemental Indenture of Trust, dated as of December 1, 2014 (the “Third Supplemental 2006 Indenture”), between the City of Owatonna and the 2006 Trustee, and loaned the proceeds thereof to Owatonna Senior Living, LLC, a Minnesota limited liability company (“Owatonna Senior Living”), whose sole member is the Ecumen, for the purpose of refinancing Ecumen CountrySide, a 61-unit independent living and assisted living community located at 650 El Dorado Street in the City of Owatonna (“Ecumen CountrySide”), which is owned by Owatonna Senior Living and managed by Ecumen.

On July 24, 2018, the City of Saint Peter issued its Housing and Health Care Facilities Revenue Refunding Bonds (Ecumen – Second Century and Owatonna Senior Living Project), Series 2018A (the “Series 2018A Bonds”), in the original aggregate principal amount of $5,965,000, pursuant to the Housing Act and the Original 2006 Indenture, as supplemented and amended by the First Supplemental 2006 Indenture, as supplemented and amended by the Second Supplemental 2006 Indenture, as supplemented and amended by the Third Supplemental 2006 Indenture, and as further supplemented and amended by the Fourth Supplemental Indenture of Trust, dated as of July 1, 2018 (the “Fourth Supplemental 2006 Indenture”), between the City of Saint Peter and the 2006 Trustee, and loaned the proceeds thereof to Second Century Housing and Owatonna Senior Living for the purpose of refinancing, among other things, Ecumen Prairie Hill, a 63-unit independent living, assisted living, and memory care community located at 1303, 1305, and 1307 Marshall Street in the City of Saint Peter (“Ecumen Prairie Hill”), which is owned by Second Century Housing and managed by Ecumen.

Second Century Housing, Pines of Hutchinson, and Owatonna Senior Living (collectively, the “Borrowers”) have proposed to refinance Ecumen Brooks, Ecumen Pines, Ecumen Oaks, Ecumen CountrySide, Ecumen Prairie Hill and Ecumen Sand Prairie (collectively, the “Facilities”) and is requesting that the Issuer issue its revenue bonds in order to (i) refinance Ecumen Brooks by refinancing the outstanding Series 2003A Bonds; (ii) refinance Ecumen Pines by refinancing the outstanding Series 2013 Note; (iii) refinance Ecumen Oaks by refinancing the outstanding Series 2014A Bonds; (iv) refinance Ecumen Sand Prairie by refinancing the outstanding Series 2014A Bonds; (iv) refinance Ecumen CountrySide by refinancing the outstanding Series 2014B Bonds; (v) refinance Ecumen Prairie Hill by refinancing the outstanding Series 2018A Bonds; (vi) finance capital improvements to the Facilities (the “Capital Improvements”); (vii) finance capitalized interest during the construction of the

Capital Improvements; (viii) fund required reserves, if any; and (ix) pay costs of issuance of the Bonds (hereinafter defined).

On or about the date of issuance of the Bonds, title of Ecumen Sand Prairie is expected to be transferred from Second Century Housing to Ecumen Sand Prairie, LLC, a Minnesota limited liability company, the sole member of which is Ecumen, and as such, revenues from Ecumen Sand Prairie will not be pledged to the repayment of the Bonds.

The Issuer and the Host Cities are proposing to enter into this Cooperative Agreement pursuant to which Host Cities will consent to the issuance of the revenue bonds by the Issuer to refinance the Facilities and finance the Capital Improvements.

The revenue bonds proposed to be issued by the Issuer for the benefit of the Borrowers will not constitute general or moral obligations of, or pledge the full faith and credit or taxing powers of the Issuer, the Host Cities, the State of Minnesota, or any political subdivision thereof, but will be payable solely from the revenues pledged and assigned thereto pursuant to one or more revenue agreements between the Issuer and the Borrowers. The Borrowers are expected to form an obligated group (the "Obligated Group") for which Ecumen will serve as the agent but not a financial member (the "Obligated Group Agent"). In connection with the financing contemplated herein, the Obligated Group Agent will issue, on behalf of the Obligated Group, an obligation of the Obligated Group to secure the payment of the revenue bonds.

NOW, THEREFORE, the Issuer and the Host Cities agree as follows:

1. The Issuer shall issue its Housing and Health Care Facilities Revenue Refunding Bonds (Ecumen Obligated Group), Series 2024A (the "Series 2024A Bonds"), in the original aggregate principal amount of $21,990,000, and its Taxable Housing and Health Care Facilities Revenue Refunding Bonds (Ecumen Obligated Group), Series 2024B (the "Series 2024B Bonds," and together with the Series 2024A Bonds, the "Series 2024 Bonds"), in the original aggregate principal amount of approximately $230,000, pursuant to the Act and Bond Indenture, dated as of April 1, 2024, between the Issuer and U.S. Bank Trust Company, National Association, a national banking association, as the trustee for the Series 2024 Bonds.

2. Proceeds of the Series 2024 Bonds, along with any remaining proceeds of the Series 2003A Bonds, the Series 2013 Note, the Series 2014A Bonds, the Series 2014B Bonds, and the Series 2018A Bonds (collectively, the "Prior Bonds"), along with available funds of the Borrowers, will be used to (i) refinance the outstanding principal amount of the Prior Bonds, thereby refinancing the Facilities; (ii) finance the Capital Improvements; (iii) fund required reserves, if any; and (iv) pay the costs of issuance of the Series 2024 Bonds.

3. The governing bodies of the Issuer and the Host Cities have each adopted a resolution approving this Cooperative Agreement and authorizing its execution and delivery.

4. The Host Cities hereby consent to and approve (i) the issuance of the Series 2024 Bonds by the Issuer; (ii) the refinancing of the Facilities by the Issuer with the proceeds of the Series 2024 Bonds; and (iii) the financing of the Capital Improvements by the Issuer with the proceeds of the Series 2024 Bonds.

5. Except to the extent specifically provided herein, the Issuer shall not incur any obligations or liabilities as a result of the issuance of the Series 2024 Bonds. The Series 2024 Bonds shall be special, limited obligations of the Issuer payable solely from proceeds, revenues, and other amounts

specifically pledged to the payment of the Series 2024 Bonds. The Series 2024 Bonds and the interest thereon shall not constitute or give rise to a pecuniary liability, general or moral obligation, or a pledge of the full faith and credit or taxing powers of the Issuer, the Host Cities, the State of Minnesota, or any political subdivision of the above, within the meaning of any constitutional or statutory provisions.

6. All costs incurred by the Issuer and the Host Cities in the authorization, execution, delivery, and performance of this Cooperative Agreement and all related transactions shall be paid by the Borrowers.

7. This Cooperative Agreement may not be terminated by any party so long as the Series 2024 Bonds are outstanding.

8. This Cooperative Agreement may be amended by the Issuer and the Host Cities at any time. No amendment may impair the rights of the Borrowers or the holders of the Series 2024 Bonds.

9. This Cooperative Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same agreement.

10. This Cooperative Agreement shall be governed by the laws of the State of Minnesota.

(The remainder of this page is intentionally left blank.)

IN WITNESS WHEREOF, the Issuer, the City of Saint Peter, the City of Hutchinson, and the City of Owatonna have executed this Cooperative Agreement as of the date and year first written above.

CITY OF BETHEL, MINNESOTA,
as Issuer

By ____
Its Mayor

By ____
Its City Clerk

Execution page of the City of Saint Peter to the Cooperative Agreement, dated as of the date and year first written above.

CITY OF SAINT PETER, MINNESOTA,
as a Host City

By ____
Its Mayor

By ____
Its City Administrator

Execution page of the City of Hutchinson to the Cooperative Agreement, dated as of the date and year first written above.

CITY OF HUTCHINSON, MINNESOTA,
as a Host City

By ____
Its Mayor

By ____
Its City Administrator

Execution page of the City of Owatonna to the Cooperative Agreement, dated as of the date and year first written above.

CITY OF OWATONNA, MINNESOTA,
as a Host City

By ____________________________________
Its Mayor, Thomas A. Kuntz

By ____________________________________
Its City Administrator, Kris M. Busse

CITY OF OWATONNA

Mayor Kuntz

Owatonna City Council Minutes - Draft Copy
March 6, 2024

On Wednesday, March 6, 2024, at 7:00 p.m., Council President Schultz called the regular session of the Owatonna City Council to order in the Chambers of the Charles S. Crandall Center. Present were Council Members Raney, Svenby, Voss, Dotson, Burbank, Boeke, and Schultz; Mayor Kuntz; Public Works Director Murphy; IT Director Brown; Community Development Manager Kruschke; Communications Manager Sheely; Airport Manager Beaver; IT System Administrator Sticken; City Attorney Walbran and Administrative Coordinator Clawson.

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

Council President Schultz advised there would be a public hearing and explained the procedure followed. Public Works Director Murphy commented that this public hearing is to consider the making of the 2024 Street and Utility Project. The proposed project involves reconstruction of McKinley Street SW from Linn Avenue SW to Lilac Avenue SW and Anderson Place SW. The estimated cost of the proposed improvement is $1,855,930.97 of which $90,516.40 will be proposed for assessment with 24 property owners affected. At 7:03 p.m. a public hearing was opened, with no comments heard, at 7;04 p.m. Council Member Raney made a motion to close the public hearing, Council Member Burbank seconded the motion and all members voted aye in approval.

Resolution 18-24: Receive Report and Order 2024 Improvements

Council Member Svenby made a motion to approve Resolution 18-24 to receive the report and order the 2024 Street and Utility Project. Council Member Dotson seconded the motion and all members voted aye in approval.

Recommend Charter Commission Member Reappointments

Mayor Kuntz commented terms of five Charter Commission Members have expired, all have agreed to serve another term. Mayor recommended reappointment of these Charter Commission Members:

Walter Hansen – First Ward
Brian Whited – Second Ward
Vern Wilker – Third Ward
Dan Overlie – Fourth Ward
Roland Truelson – Fifth Ward

Council Member Voss made a motion for approval, Council Member Boeke seconded the motion and all members voted aye in approval. Recommendation will be sent to City Attorney Walbran with request to prepare an Order for Appointment for approval by the Chief Judge of the Third Judicial District Court.

Proclamation - Women of Achievement Month - Owatonna Business Women

Mayor Kuntz proclaimed March as the Owatonna Business Women's Woman of Achievement Month in recognition and celebration of the important role of women in the community. The Owatonna Business Women will host an annual Woman of Achievement event on March 16th. Tess Brown has been selected as the Young Careerist and Linda Breyer will receive a Lifetime Achievement award. Nominated for Woman of Achievement are Beth Fink, Deb Gillard, Ryan Gillespie, Karen Hale, and Vanessa Jensen.

Consent Agenda Items

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

Minutes – Council Meeting – February 20, 2024
Minutes – OPU Commission Meeting - December 20, 2023 (Revised)
Minutes - OPU Commission Meeting - January 23, 2024
Minutes – EDA Minutes - January 17, 2024
Minutes – Airport Commission Meeting - February 8, 2024
Minutes – Planning Commission Minutes - February 13, 2024
Minutes – Human Rights Commission Meeting - February 13, 2024
Building Inspections Monthly Report – February 2024
Excluded Bingo - Purse Bingo - Early Edition Rotary-Owatonna - April 13, 2024
Temporary Liquor Permit - Corky's Early Bird Softball Tournament - May 3-5, 2024 - Knights of Columbus
Event Permit - TraLo Driver Appreciation - August 10, 2024 - includes Exception to the City's Noise Ordinance
Event Permit - Bike Ride - Girl Scout Troop #47951 - August 24, 2024
Jones, Haugh & Smith Proposal - Bathymetric Survey Lot 13, Block 1, North Bluff Estates – this is a $3,900 proposal to collect data and prepare a topographic survey of the current conditions. Assuming dredging or grading is needed, JHS would make a 2nd trip to collect data and update the previous topographic survey.
Farmland Lease Agreements for Crop Year 2024 at rate of $255.00/acre
Bob Cole 50-acre, 15-acre, and 20-acre parcels
Dan Morgan 23-acre parcel
Allison Jaster 16-acre parcel
Duane Schroeder 20.5-acre parcel
Andy Michaletz 8-acre parcel
Pierringer Release and Settlement Agreement Between City of Owatonna and Brandon Fandel. Establish a VEBA trust fund with a deposit of $16,666.67 and issue a payment of $8,333.33 to the Law Firm of Meuser, Yackley & Rowland, P.A.

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

Finance Report

Council Member Raney recapped payments made for amounts greater than $20,000 during this period. The total amount of bills presented was $907,767.92, Council Member Svenby made a motion to approve payment of all bills presented, Council Member Dotson seconded the motion, all members voted aye in approval.

Second/Final Reading Proposed Ordinance 24-01 VACA-24-1 Vacating a Portion of a Drainage & Utility Easement - 1213 Elm Ave N

Community Development Manager Kruschke requested approval of Proposed Ordinance 24-01 approving a request from Brent Sherwin to vacate a portion of a drainage and utility easement at 1213 Elm Avenue N. The Planning Commission held a public hearing for comments on this request and recommend approval. City Council approved the first reading of this proposed ordinance during their meeting on February 20, 2024, and there have been no changes since. Council Member Raney made a motion for approval, Council Member Boeke seconded the motion. With a roll call vote, those voting aye were Council Members Voss, Dotson, Burbank, Boeke, Raney, Svenby and Schultz. This will be known as Ordinance 1660 to be effective upon publication.

Resolution 19-24 Declare Costs 2023 Street & Utility Project

Public Works Director Murphy presented Resolution 19-24 as declaration of costs for the 2023 Street & Utility Project. Improvements were made to School Street E, Butternut Ave SW and Riverview Place SW. The final cost of the project, which includes Quantity Changes, was $1,004,224.40 with $116,365.08 (11.59%) to be proposed as assessments. Council Member Boeke made a motion for approval, Council Member Raney seconded the motion, all members voted aye for approval.

Resolution 20-24 Set Date for Public Hearing - 2023 Street & Utility Project

Public Works Director Murphy requested approval of Resolution 20-24 to set a date for a public hearing to consider proposed assessments for the 2023 Street and Utility Project. The public hearing will be held on Tuesday, April 2, at 7:00 p.m. in Chambers at the Charles S. Crandall Center. Council Member Dotson made a motion for approval, Council Member Svenby seconded the motion, all members voted aye for approval.

Resolution 21-24: Set Date for Public Hearing - Host Approval to Issue Revenue Obligations - City of Bethel for Ecumen Obligated Group

Community Development Manager Kruschke requested approval of Resolution 21-24 calling public hearing on granting host approval for facilities to be financed and refinanced with the proceeds revenue obligations to be issued by the City of Bethel for the benefit of the Ecumen Obligated Group. A public hearing will be held on March 19, 2024, at 7:00 p.m. in the Chambers of the Charles S. Crandall Center. The purpose of the hearing is to grant host approval to the issuance of the Bonds by the Issuer and consent to the redemption and prepayment of the Series 2003A Bonds and the Series 2014B Bonds. Council Member Raney made a motion for approval, Council Member Voss seconded the motion, all members voted aye for approval.

Resolution 22-24: Request to Defer Special Assessment

Community Development Manager Kruschke presented Resolution 22-24 to defer a $4,680.00 assessment previously approved for the 2022 Street and Utility Project on parcel with Property Identification Number 17-148-0303. Staff confirm the application with qualifying income requirement was received, Council Member Voss made a motion to approve Resolution 22-24, Council Member Boeke seconded the motion, all members voted aye in approval.

Master Agreement – Airport Architectural and Engineering Services – Short Elliott Hendrickson, Inc.

Airport Manager Beaver explained the FAA recommends a competitive qualifications-based selection process every five years for consulting services. These services are limited to those projects that have been identified in the airport CIP for approximately a five-year term. A selection review panel consisting of city staff and Airport Commission members completed evaluations on the Statements of Qualifications for professional services received from two firms. After careful review of the written SOQ's and interviews, they recommend Short Elliott Hendrickson, Inc. be named consultant for architectural and engineering services at the airport. Council Member Boeke made a motion to approve a Master Agreement with SHE for services, Council Member Burbank seconded the motion, all members voted aye in approval.

STAFF COMMENTS

IT Director Brown commented redesign of the city's website is in process. Hope to share demo from Civic Plus next month with plans to go live on June 20th. The city is participating in a Data & Security Grant Program from FEMA for managed protection and response systems. After six months, we will evaluate to consider extension of the program, they would advise if any violation occurred. He has been working with HR to add to staff, a conditional offer was just made.

Community Development Manager Kruschke commented that staff are continuing to work on the Comprehensive Plan. The proposed plan will be presented during the Planning Commission on April 9th, the Council Study Session on May 7th and during a public hearing on May 16th. Staff are monitoring several bills introduced in this legislative session regarding zoning. Will be adding to our Community Development staff, an offer was accepted for a Planning Specialist to begin next Monday.

Airport Manager Beaver commented that the airport has been busy. The company offering aviation training is growing; they currently employ 20 which includes a full-time office manager and mechanic. The demand for pilots is strong so he anticipates this company will continue to thrive. Staff are keeping up on maintenance projects, the new fence and gate project will be completed this spring.

Public Works Director Murphy commented that the Wastewater Treatment Plant expansion project continues to move forward and is on track. Staff have been doing a lot of tree work and cold patching on the streets. Hopefully the weather remains warm and hot patching will be an option. An offer was just made to fill the open position of Sr Maintenance Worker to begin soon. Staff met with OPU Engineering staff to discuss collaboration of strengths to be better stewards for their customers and our residents.

Deanna Sheely, Communications Manager commented communication on social media continues to grow and displayed social media results. Information is presented and shared by all departments; a recent post prepared by the fire department about rescuing a deer from pond waters received coverage on the NBC Nightly News. The second annual All-Hands Meeting was held last month with 130 staff members attending and a survey result shows 94% feel they are much more informed. She has been busy with the rebranding of the city and community. She encouraged everyone to sign-up for notifications on the city's website for city newsletters, city videos and news releases; when issued, you would receive a message advising of the new publication.

PUBLIC COMMENTS

Roger Wacek, 646 E Vine Street commented there is a need for energy science education and extended invitation to a ZOOM meeting on Friday morning at 9 o'clock. The Southcentral Minnesota Clean Energy will host a forum which will include information about Rochester's plans to develop a downtown District Energy system. Many years ago, Owatonna, had a Combined Heat & Power Plant (CHP), which was a downtown District Energy system. He encouraged City Administration to schedule a Community Education tour of the St Paul Regional Energy Facility; this CHP waste wood burning facility generates electricity & heats, in winter & cools in summer for St Paul and some additional residential districts.

Tyrel Alastair Hunter, 2595 Mossy Creek Drive requested a moment of silence for an elderly gentleman recovering from injuries incurred when hit last Friday when crossing at the intersection of Cedar Avenue and 18th Street. The speed limit on these streets is lower than what is being proposed on 29th Street as the east side corridor. We want to avoid this type of accident in our neighborhood and ask you to consider 34th Street for this project.

Matt Sennett, 2519 Stoney Creek Drive commented he represents himself, his family, his neighbors, and several hundred Owatonna residents who have signed the petition in opposition of using 29th Street as the proposed east side corridor. Placing a road with 4-50 mph close to current homes will be dangerous. Children will not be able to play in their backyards as loud highway noise can cause cognitive damage. He requested 29th Street not be used for this project which could damage the development of their kids and their safety.

Melissa Zimmerman, 225 Stoney Creek Drive commented that when the 26th Street project was proposed there were no residential developments within a mile. A study completed in 1993 shows a right-of-way of 800 feet was recommended along the proposed east side corridor; that amount of right-of-way should have been preserved but it has not been.

Gary Jones, 995 Ridge Road commented he has lived in Owatonna for 26 years and has never seen a deer on his property. Many residents are not impacted by the deer unless they want to use the parks during the archery deer management program. Also, deer/vehicle collisions are reported and documented, the city should create an e-mail account for messages from homeowners whose property is damaged by deer. This would document damages for data to review when considering if deer management is truly needed.

COUNCIL & STAFF COMMENTS:

Council Member Voss commented on Friday afternoon he received a News Release about the pedestrian accident shortly after it happened. He likes the notification process and encouraged everyone to sign up for Notify-Me on the city's website.

Administrative Coordinator Clawson commented that the PNP Election went very well yesterday and expressed thanks to the local churches used as Polling Sites. Voter participation was low, about 15% of registered voters, but it was a good opportunity for the Election Judges to work at the polls in preparation for the August Primary and November General Elections which will be much busier.

At 7:48 p.m., Council Member Boeke made a motion to adjourn, Council Member Burbank seconded the motion and with no objection heard, the meeting ended.

Respectfully submitted,
Jeanette Clawson, Administrative Coordinator

CITY OF OWATONNA

Board Commisison

MINUTES
OWATONNA HOUSING AND REDEVELOPMENT AUTHORITY
REGULAR MEETING on FEBRUARY 26, 2024

The regular meeting of the Owatonna Housing and Redevelopment Authority was called to order at 4:00 p.m. in the Crandall Small Conference Room 120 by Chairperson Olivo.

Members present were Nathan Dotson, Julie Fiske, Vicki Olivo, and Lindsay Schultz. Member John Hole was absent. Also present were Housing Manager Ghassan Madkour and Administrative Technician Kristen Kopp.

Approval of the Minutes: A motion was made by Fiske and seconded by Dotson to approve the minutes of the January 22, 2024, HRA Board meeting. All Commissioners voting Aye, the motion carried.

Executive Director's Report: Ghassan Madkour said that the citywide housing group is putting together one piece of the required application for the Eastgate 2 tax-credit project. The HRA will be assisting with the application, so the application can receive the points needed for tax-credit qualification. Also, Troy Klecker is working with Brad Meyer to hopefully get local businesses with assistance as well. A meeting is planned for mid-March.

Old Business: Madkour said we asked for five to seven housing stability vouchers months ago. These vouchers are specific for homeless people. About two weeks ago, he received an email that funds are not available. He will get in touch with someone to clarify if this means that vouchers are not available. More information to come.

The Housing Choice Voucher program monthly report was presented by Madkour, including the City of Owatonna monthly balance sheet and revenue/expense report. Program utilization: The Housing Voucher program for January totaled 104. Total year to date assistance and administration costs were $81,476.53 and revenues were $75,208.51. The Housing Choice Voucher Program fund balance at January month end is $164,348.46. The HRA Revenues year to date total is $45,522.00 and the expenses total $39,686.78. The HRA General Fund balance is $633,128.58.

Madkour said that he's having issues with some clients that he's had to terminate. He said he would rather put a termination letter in and give them a 30-day notice with an appeal notice. We can always issue the voucher again. It empowers them to move forward properly. He has two clients he's terminated because of repeated violations.

We're serving 31 clients under the MN Housing Bridges Program (3 more are being serviced in Mower County). The Bridges County Grant serves 9 clients.

There are five port outs under HCV. We're at 104 vouchers out of 113, with 6 in the hopper. Once people start coming off, he must keep them off and not replace them because of the tax credit project coming up. We should know within the next year to year and a half if we will receive tax credits for Eastgate 2.

Madkour said there are 31 clients on the Mainstream Program. He's doing an orientation for two HCV and four Mainstream on Friday morning. There are several clients for housing, too. He said people have 60 days up front with their voucher. He said he'd like to have Mainstream filled with 40 vouchers by summertime.

January was the first month that we surpassed $100,000 in HAP (housing assistance payments).

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

Adjournment: There being no further business, a motion to adjourn was made by Dotson and seconded by Schultz. All Commissioners voting Aye, the motion carried. The meeting adjourned at 4:38 pm.

Respectfully Submitted,
Ghassan Madkour
Housing Manager

EDA
Minutes
February 21, 2024

The Owatonna Economic Development Authority met in regular session at 4:00 PM in the Charles S. Crandall Center – Meeting Room at City Hall Building with President Raney presiding. Commissioners present: Dan Boeke, Andrew Cowell, Brenda DeVinny, Pat McDermott, Kevin Raney, and Doug Voss. Commissioners absent: Corey Mensink. Also present were Troy Klecker, Lisa Cochran, Sean Williams, and Kristen Kopp. (Brad Meier arrived during the discussion on the Downtown Second Story Contest.)

Approval of Minutes. Commissioner Boeke moved approval of the minutes of the January 17, 2024 meeting with second by Commissioner McDermott. All Commissioners voting Aye, the motion passed.

Treasurer's Report. Troy Klecker presented the revenue and expense reports for January. He said we're just getting the year underway and there isn't much to report.

Loan Report. Sean Williams presented the loan report for January. He said that the HotWorx loan was executed yesterday. There hasn't been action on the low-doc loans. Klecker said that they received the last Cars N Credit payment, so all of the MIF flood recovery loans are satisfied, and we are officially done with the program.

OACCT / OPED Report. MainStreet Director Lisa Cochran presented the OACCT Report for January. She said Made in Owatonna was today and Brad said it went well. She said that it has been fun for her to see businesses downtown embrace the new branding and the new tagline. A downtown association group from Grand Rapids is coming to tour Owatonna and learn about our downtown revitalization. She said they want to include EDA, City Council, and City Staff with that.

OABDC Report. Sean Williams presented the OABDC Report for January. He said that he's changed the format of the report. There is space at the Center for tenants now that CDI has moved out. Habitat for Humanity has moved in and built an entire house in the last two weeks in partnership with the high school. The house will be going to Chatfield. They got the executed paperwork for a DEED grant for $138,000. They have educational offerings in partnership with Community Ed including a bootcamp and Small Business Academy. Cowell asked how the maker space differs from the maker space at the library. Williams said he doesn't want to replicate what they have at the library. Their intent is primarily for prototyping or for hobbyists who are looking to convert their hobby into a business. They will be more entrepreneurial focused. He said they're also considering the high school because they have a lot of equipment there that isn't accessible to the public. He said he doesn't think they'll be able to use it, but might be able to show people. Cowell asked how we will make it happen. Klecker said his guess is the library's maker space will probably be up first. Williams said the issue there is training the staff. Klecker said once the library's space is up and operational, Williams will get a better look at it. The thought is, if you are just trying something, you will try it at the library. If you want to do something more or make it into a business, they will check out the Center.

EDA Projects. Community Development Director Troy Klecker presented the EDA Projects for January. He said there aren't many updates. 117 West Bridge continues to be shown. People have ideas and interest; it comes down to a financial issue. It will take the right project to go in there. There are two adjacent property owners that have some interest in 148 West Main Street. Both are looking at something else right now. Kamp Automation is open and operational. That was a good project and went smoothly. They're still plugging away on Ascend. Scooters still plans to build their coffee shop. He is talking with Alexander Lumber on the Fremont Street property. FoamCraft has started construction on their addition. The City is planning on demolishing the East Pearl Street house.

Old Business: Update on 224 Cedar Avenue North. Klecker said he talked to Oscar on Monday and he is choosing not to go forward with the project. The costs are substantially more than when he signed the purchase agreement two years ago. He's talked to contractors and developers and has exhausted all the options. He will not proceed with the project and we can proceed with getting the property back. With that, we have a development agreement with timelines. There was language that allowed us to push off the dates as it was supposed to be completed in 2022. Oscar was involved in the Ascend shuffle of businesses. If he is in default, we can take the property back. We did have language in there should he not move forward, he would reimburse us $8,500 for the TIF consulting expenses we incurred. And the property taxes were not paid in 2023, which were around $5,000. He said he will talk to Mark Walbran and the TIF Consultant. Klecker said the development agreement says that the EDA gets the $8,500 and the taxes are paid. Cowell agreed as it is tax payers' dollars. Raney agreed. Klecker said that is the route they will go. Klecker said that Oscar offered to share any work he's done on plans. He would work with anyone that has interest in the building or drawings. Voss said it wouldn't be hard to make the argument that he's cost us more than that. Raney said the new owner may not find the information valuable. Klecker said he will have to check to see if increment is generated, because if so, the clock is ticking on the TIF district. There could be another project that comes in. He said it has happened once before with The Pearl. He said it's disappointing, but they could end up with another project in the end. Raney said that it's more desirable now than it was a couple years ago. Cowell asked when they can begin marketing it. Klecker said unofficially, but he wouldn't put anything out there officially until the City owns it again. Klecker said he'd give updates as we proceed.

Raney asked if we've taken over the old Cemstone facility yet. Klecker said we own it, but they are operating under a lease for five years. There are probably two years left on it. They're timing the move based on the five-year time frame. They've moved the new plant and will take down the existing plant. Then, they'll build a new facility at the new site.

New Business: Forgivable Loan – 605 Cedar Avenue N. Williams said that Mr. Olson submitted an application for a forgivable loan for $10,000 interior and $10,000 exterior for ADA accessibility and bathrooms. He said that they told him that work couldn't go further because the loans weren't applied for. Williams said that the ramp is already built. Olson said that he had the footings poured because he had been told that he could start since usually the work is more than the loan. DeVinny said she thought we had a precedence with MSB and their outdoor patio. Raney agreed and said he'd like to go back and see the notes. Olson said he wasn't trying to go around the system or hope that he could sneak through something. Boeke said he didn't think it would be a problem for him to approve this loan as this is what it is designed for. Mr. Olson said he's trying to not take more loans than he needs, but not getting the $20,000 would hurt. Klecker said the program applies to the B-3 Central Business District and has been rezoned to be in the correct district. Raney said they have to follow the guidelines on what the program is and can't just change it without agreeing. Olson said the guidelines weren't as clear when he first applied. Raney said he doesn't want Olson to stop construction. Klecker said he still has interior improvements to do, so that could be approved. Olson said that the majority of the outside is done. Klecker agreed not to keep the project on hold. For the exterior, we can go back and look at what they did with MSB and make a decision at the next meeting. Voss asked if he's doing other stuff to the front? Olson said eventually, when he starts making money. He said he doesn't like taking loans. Raney asked if he filled out the paperwork in August for the loan. Olson said he didn't apply, but it was through an email he was told he could start. He read through the email thread. Williams said that the old application was not clear that he had to be approved before starting construction. Klecker said that the process is simple and clear now. There was some transition in all of this. Intentions were good. It's accomplishing what we want – a handicap accessible ADA compliant building. Raney said, with the understanding from the prior paperwork, are we comfortable approving it as is, or would you want to research it. Raney said it sounds like he did everything he could to follow the processes. He's more apt to say, based on the information given at that time, it is different than MSB. He said he's comfortable with it. Voss asked if there were any others in the same position. Williams and Cochran said not that they are aware of. Cochran said if someone printed something off before we switched applications, they could have the old one. Williams said Olson was actively working on the process. Anyone from this point on would have to reapply. Cowell said he believes that Olson is acting in good faith and has the documents. Our old application wasn't clear. He said it would be in their best interest to approve it. Boeke said he's in favor of it. DeVinny said she's in support of letting him move forward. He's still in process. McDermott said it sounds like the process was a little unclear before and he has well documented communication on it. He said he's in support of it as well. Raney said he agrees, and we changed halfway through the process. A motion was made by Boeke and seconded by DeVinny to approve a $10,000 exterior loan and $10,000 interior loan for 605 Cedar Avenue N. All Commissioners voting Aye, the motion passed.

There was some discussion about Lucky Dice accessing old dollars from 2019 that they didn't spend, or whether they could reapply for another loan. Klecker said the project they applied for was completed under budget. This would be a different project than what they proposed before. Voss said the loan is kind of to get the project started. Klecker said they determined that they weren't going to open up the loans to businesses who had loans. Klecker said what they could do is, say you get $10,000 interior and $10,000 exterior, you could apply for another project as long as it was under $10,000. Williams said it's not giving them extra money over $10,000. Klecker said that Lucky Dice is a unique situation as they had a collapsed wall during the streetscape and we reduced it by the difference. There will be more discussion at the next meeting and it will be on the agenda.

Downtown Second Floor Commercial Space Contest. Klecker said there has been some discussion about a contest for converting vacant, second story space to commercial space. He said he wanted the Commissioners input and direction if we are going to move forward with it as it would be good to roll it out this spring. Cochran said she started a document listing what is out there. Klecker said they could roll out something and have no takers at all. Raney said second floor could also include third floor. Raney said they tried to do the Restaurant Challenge and had no takers because the costs were exorbitant. Would it be bad if we did a $20,000 forgivable loan? To meet today's codes, $10,000 isn't going to do anything. Voss said it's missing the goal because their job is to help businesses. To him, it's on the owner to fix the building. Raney said this is an incentive to reinvest in the business and makes the property more valuable. Klecker said he has a preference for a business over an apartment. They are trying to create more activity and draw more people downtown. Raney said he likes the idea of second floor business. Voss said the program so far has focused on the front and the usability of the space. Cochran said she sees both sides of it. If it is apartments, it's for that building owner. Some businesses are struggling and they have a guaranteed income from renting apartments. You also have more people who live downtown and hopefully go to the businesses. She said she's also all about having businesses downtown, too. Klecker said they could set no boundaries on eligibility but say it's for improvements for second floor space. They could review the applications and reserve the right to reject any and all applications. If there is a winner, they get $20,000 or they could reject them all. Boeke said this is one way we'd get more housing or more businesses. Either way, we win. DeVinny said she likes the idea of a contest because we can see what kind of interest there is. McDermott said that it seems like leaving some flexibility would be the right way to do it. Raney said he's curious to see what the property owners see their second floor as. Only one, or none, will get it. Cochran said she's seen it work in other MainStreets and it would be interesting to see who's interested. Raney said he likes that we have people from Grand Rapids who want to see how we did our streetscape. We did the forgivable loan and we continue to add on to what makes a vibrant downtown. Cowell said he's all for a second floor contest, but ask if someone who received a forgivable loan would be eligible? Klecker said we would reserve the right to reject all. DeVinny said this is a challenge, so she would see this differently. Meier said you could put emphasis on, maybe it's space that hasn't been used in five years. Klecker said they can leave it broad, but give some criteria for what they're looking for, such as, is it going to bring people downtown? Raney asked if there are other communities that are doing this. Cochran said she will look into it and come back with some examples from other communities. Williams said he likes objective scoring criteria for contests.

Schedule Next Meeting. The next EDA meeting is scheduled for **March 20, 2024** at 4:00 PM in Charles S. Crandall Center – Meeting Room at City Hall. Raney said that he, Voss, and Boeke will be out of town that day. Klecker said he'd like to chose a date that more Commissioners can approve. If we went **March 13, 2024**, would that work? The Commissioners agreed. Raney asked if they could change the agenda around and move this up.

Adjournment. There being no further business, a motion was made by Commissioner Voss and seconded by Commissioner Cowell to adjourn the meeting at 5:20 pm. All Commissioners voting Aye, the motion passed.

CITY OF OWATONNA

Department Reports

Owatonna Police Department Crime Clock
February 2024

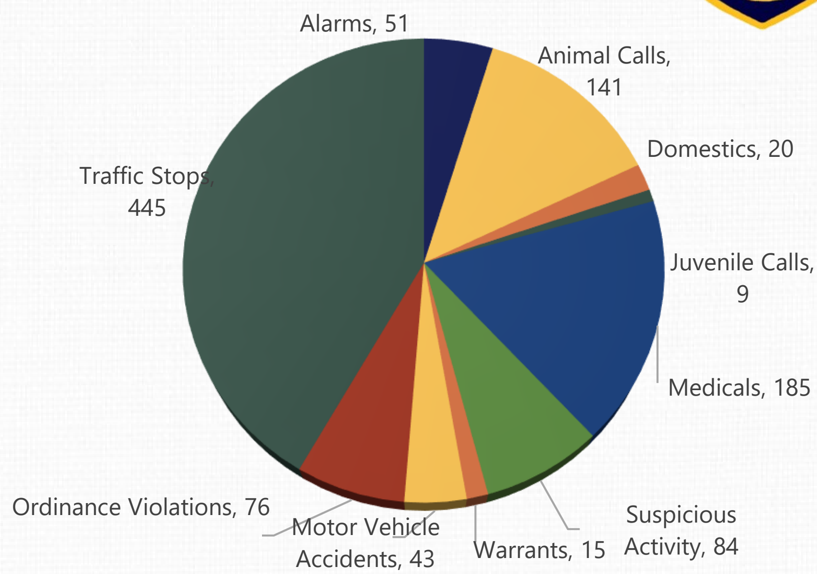
Calls for Service: 3,604

Average Daily Calls for Service: 124.28

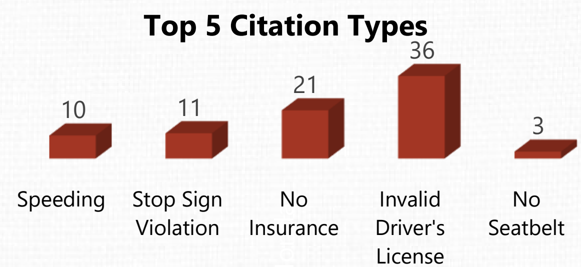
Busiest Day:

Average Hourly Calls for Service: 5.18

Busiest Hour:



The Owatonna Police Department issued a total of 91 citations and 348 warnings in February.



Monthly Traffic Stops: 445

Average Daily Traffic Stops: 15.34

Average Hourly Traffic Stops: 0.64

The above statistics are based on calls for service reports compiled monthly. Official crime data can be found in our annual reports.

CITY OF OWATONNA

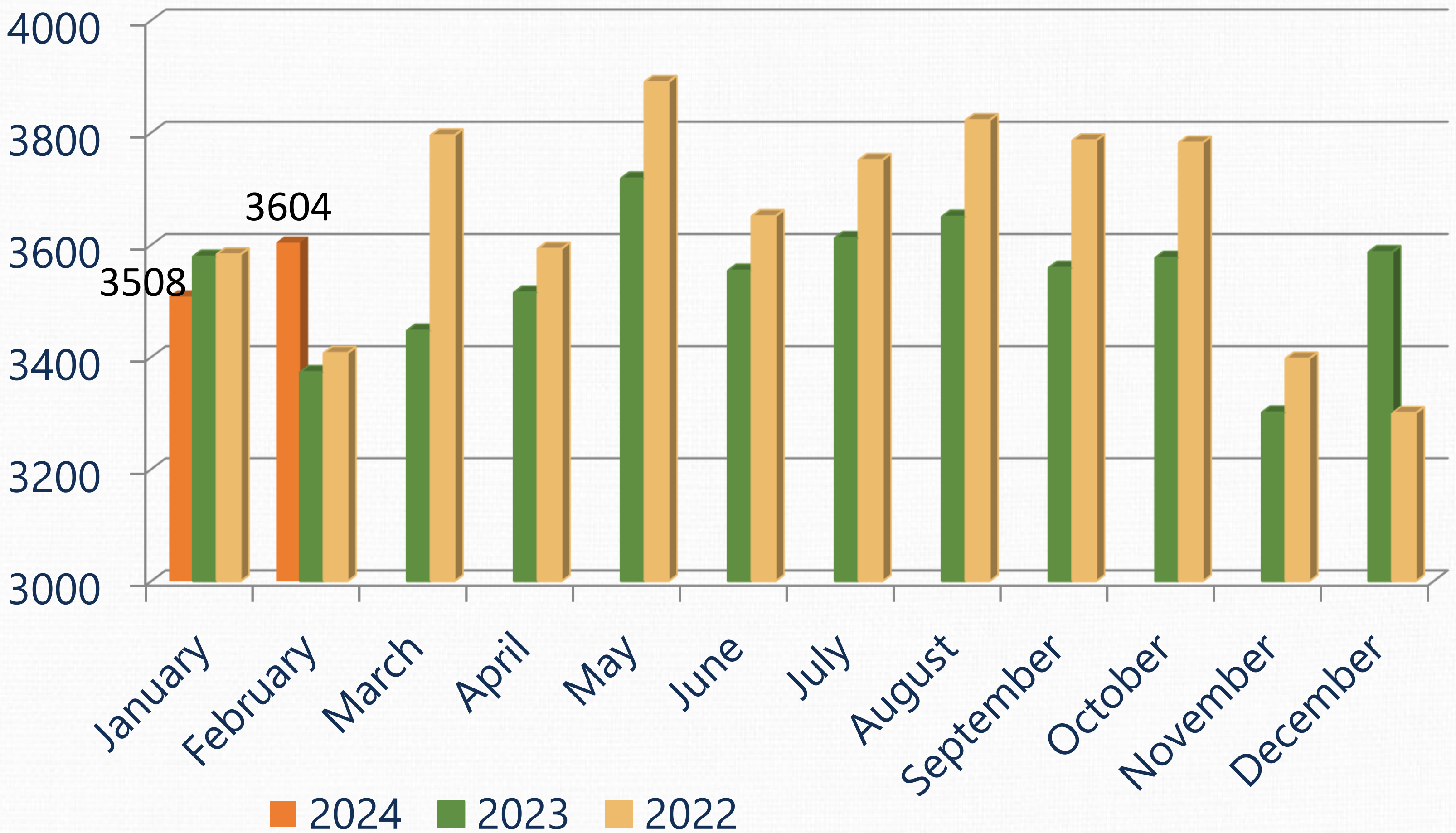
Owatonna Police Department

February 2024 Crime Statistics

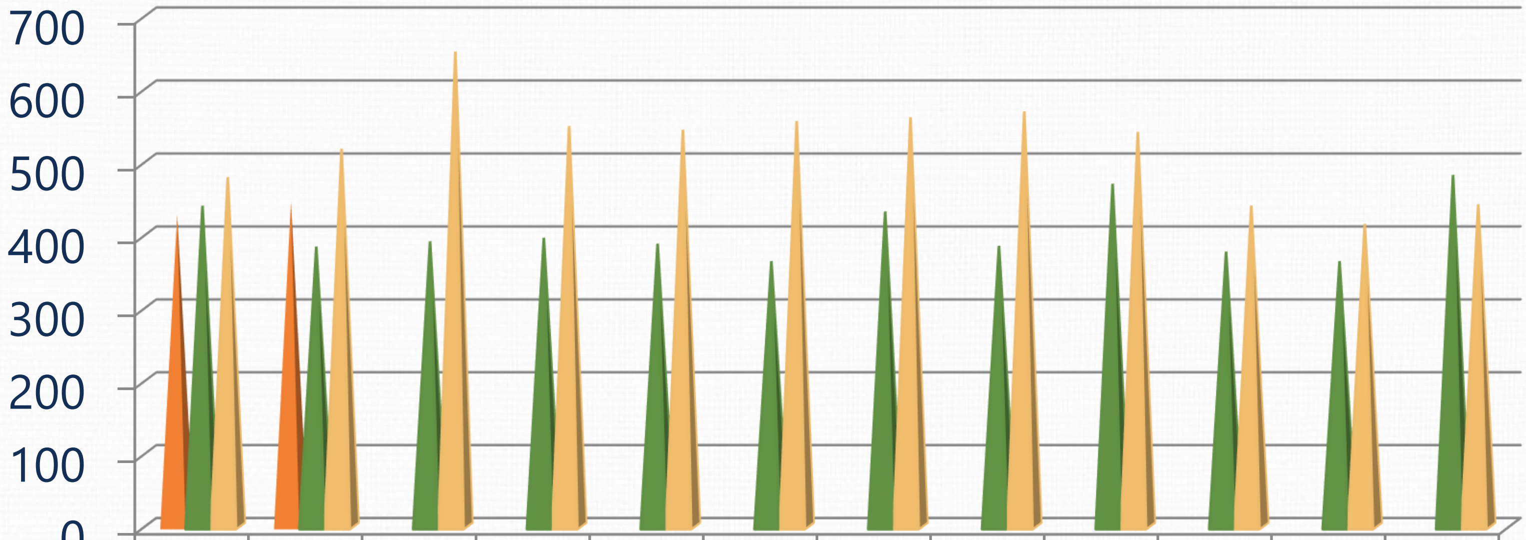
CITY OF OWATONNA

The following statistics are based on calls for service reports compiled monthly. Official crime data can be found in our annual reports.

Total Calls for Service

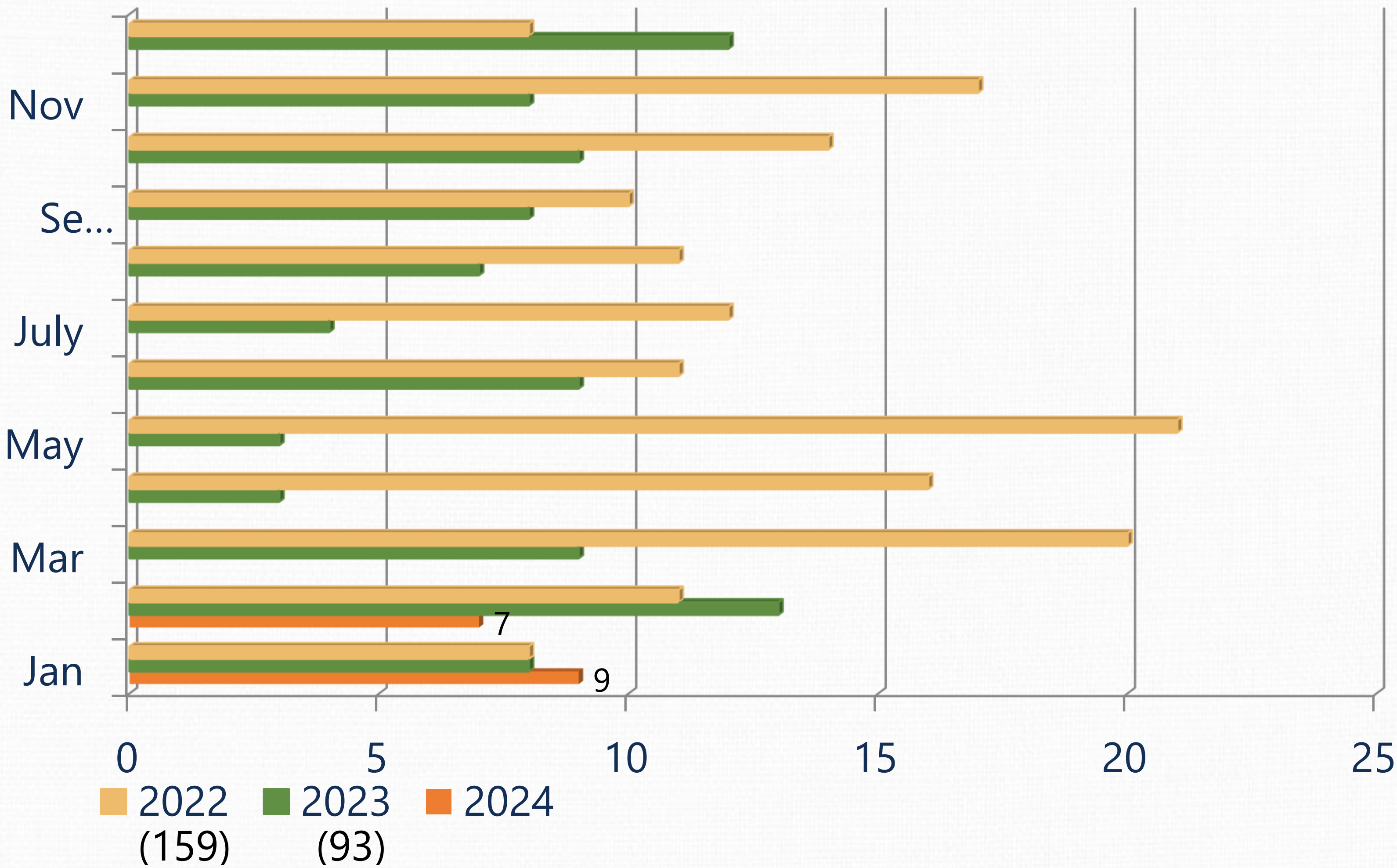


Traffic Stops

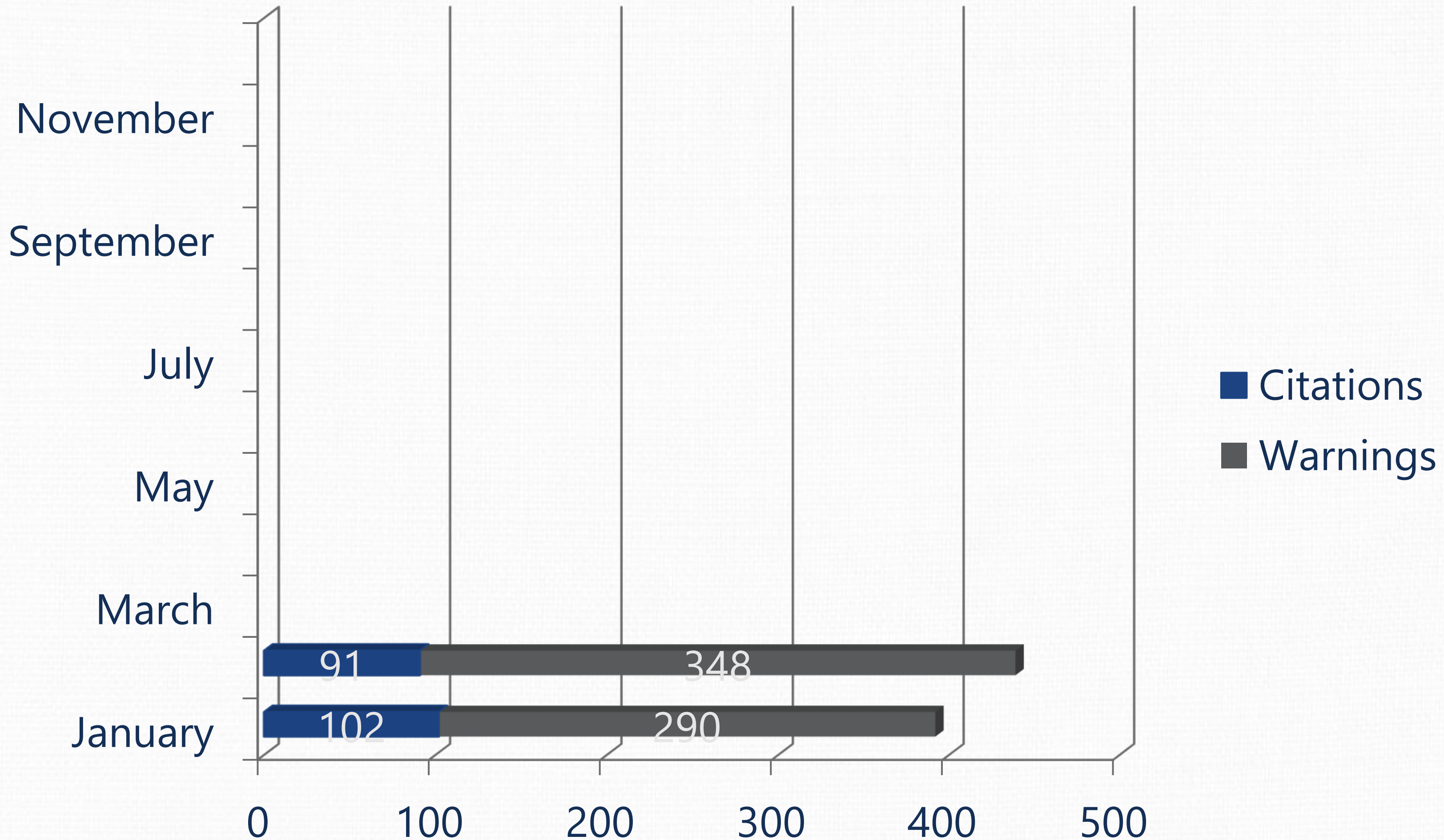


	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sept	Oct	Nov	Dec
2024	428	445										
2023	440	384	391	396	388	364	432	385	470	377	364	482
2022	479	518	651	549	544	556	561	569	541	440	415	442

DWI



Citations and Warnings



Group A Crimes

Murder and Non-Negligent Manslaughter	0	Shoplifting	17	Embezzlement	1
Kidnapping/Abduction	0	Theft From Building	3	Identity Theft	0
Rape	3	Theft From Motor Vehicle	1	Stolen Property Offenses	0
Sexual Assault with an object	0	Theft of Motor Vehicle Parts or Accessories	0	Destruction/Damage/Vandalism of Property	6
Fondling	3	All Other Larceny	5	Drug/Narcotic Violations	5
Robbery	0	Motor Vehicle Theft	2	Drug Equipment Violations	1
Aggravated Assault	8	Counterfeiting/Forgery	2	Pornography/Obscene Material	0
Simple Assault	13	False Pretenses/Swindle/Confidence Game	3	Weapon Law Violations	3
Intimidation (Assault)	7	Credit Card/Automated Teller Machine Fraud	1	Human Trafficking, Commercial Sex Acts	0
Arson	0	Impersonation	0	Animal Cruelty	0
Burglary/Breaking & Entering	6	Wire Fraud	1	TOTAL	91

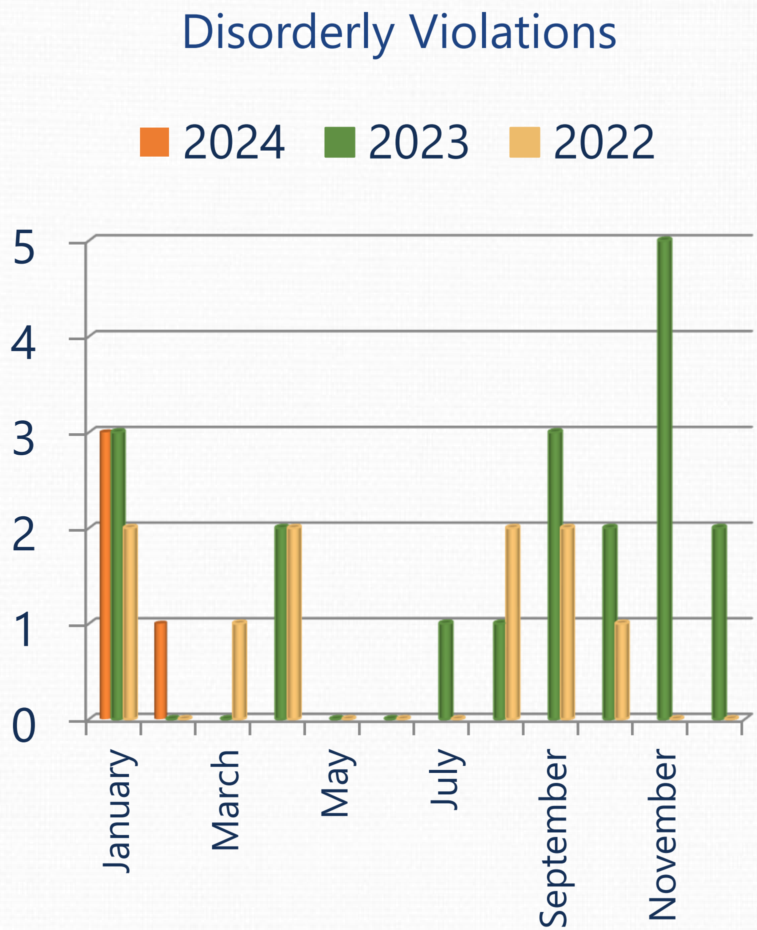
CITY OF OWATONNA

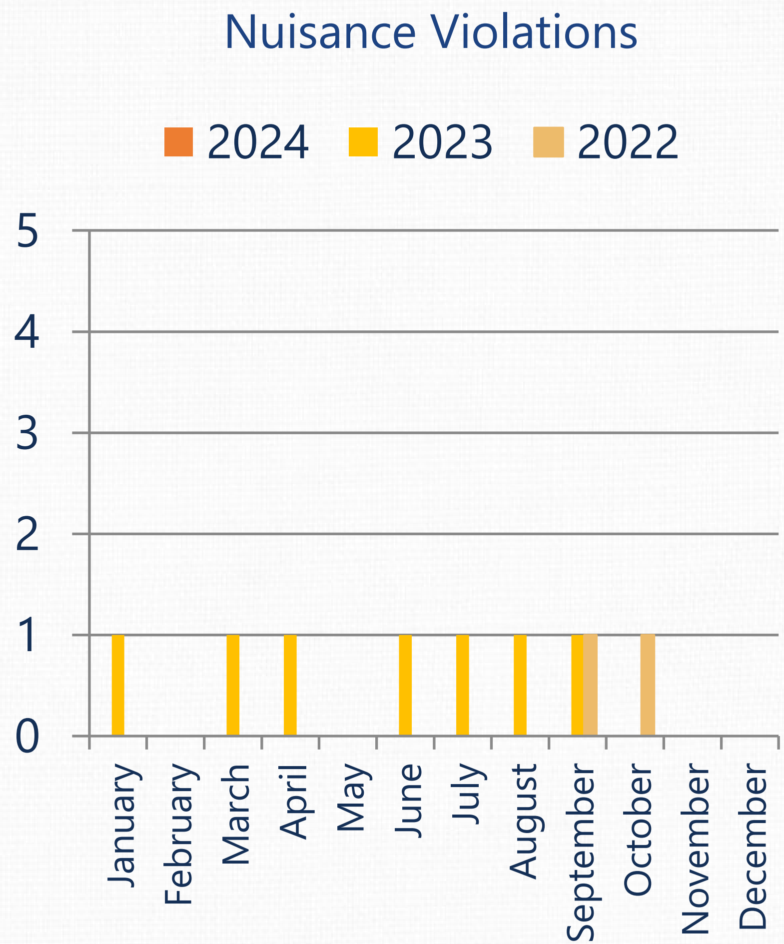
Group B Crimes

Curfew/Loitering/Vagrancy Violations	2
Disorderly Conduct	8
Driving Under the Influence	17
Family Offenses, Nonviolent	0
Liquor Law Violations	4
Trespass of Real Property	1
All Other Offenses	24
	Total 56

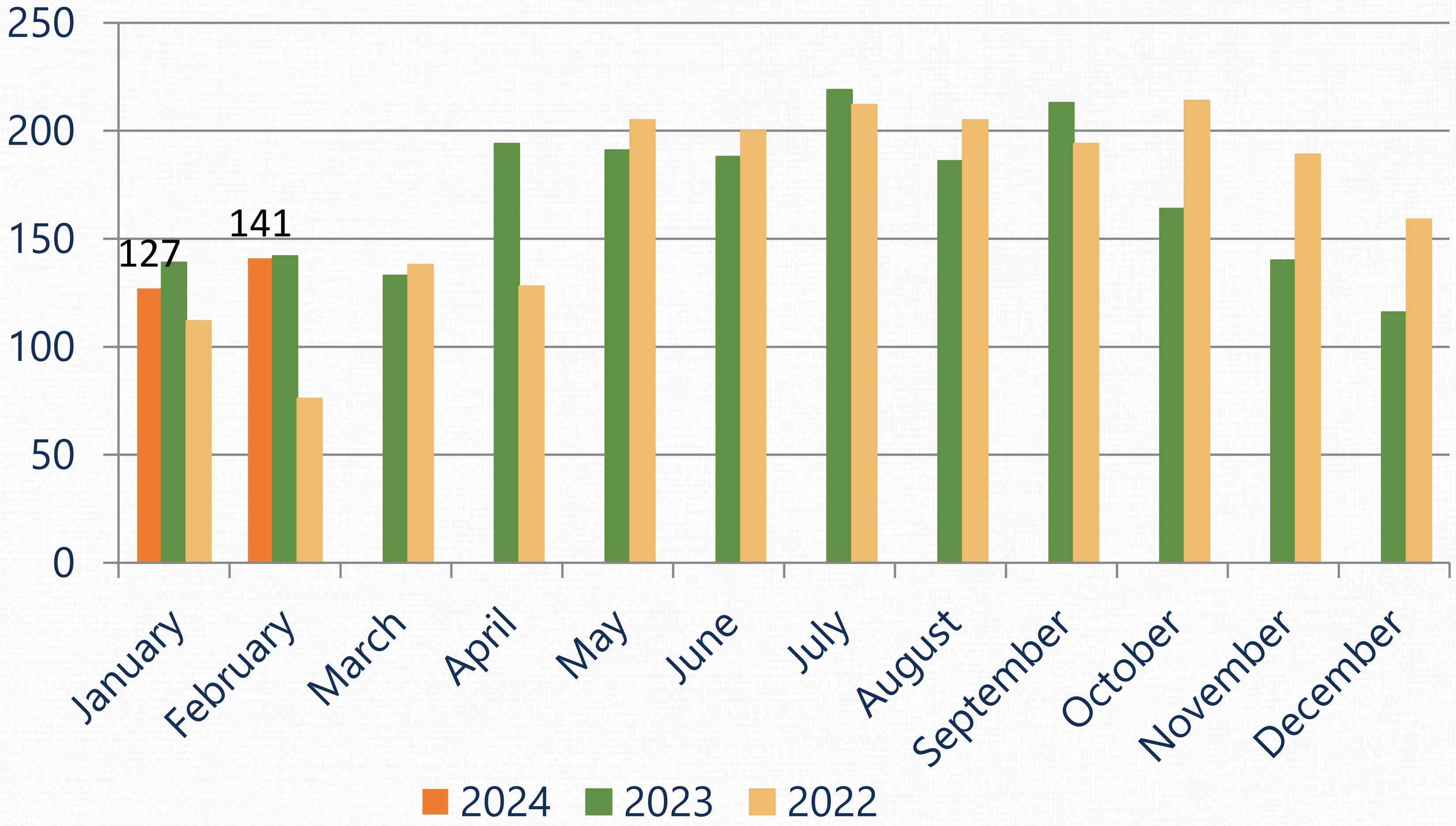
CITY OF OWATONNA

Disorderly and Nuisance Violations





Animal Control Calls



CITY OF OWATONNA

CITY OF OWATONNA

Licenses
Permits

CITY OF OWATONNA

DATE: March 19, 2024
TO: Mayor and City Council
FROM: Jeanette Clawson, Administrative Coordinator
SUBJECT: Renew Annual Tree Trimmers Licenses

Purpose:
Council approval to renew of five annual Tree Trimmer's Permits.

Background:
The City Code considers it "unlawful for any person to cut, trim, prune, remove, spray or otherwise treat trees, shrubs or vines which are located on or extend over any public street, boulevard, park or other public place, for another, without a license therefor." The City's Tree Trimmer Permits expire March 31st each year. Notifications were sent and renewal applicants received from: Completed applications, payment of the permit fee and insurance information were received to renew their current license:

Boyum Tree Service, LLC, Owatonna
Carr's Tree Service Inc., Ottertail
Dave's Tree Care, Owatonna
From the Ground Up, Owatonna
Albert Lea & Austin Tree Service, Masters, LLC, Hollandale

Completed applications, payment of fees and Certificates of Liability insurance were received to renew these licenses

Budget Impact:
An annual Tree Trimmer's Permit is $50.00

Staff Recommendation:
Staff recommends approval.

Attachments:
None

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 Ave	Owatonna	MN	55060

Name of person making application	Business phone	Home phone
Bill Cronin	507-413-6281	

Date(s) of event: April 27, 2024

Type of organization: ☒ Microdistillery ☒ Small Brewer ☐ Club ☐ Charitable ☐ Religious ☐ Other non-profit

Organization officer's name	City	State	Zip Code
BIll Cronin - President	Owatonna	MN	55060
		MN	
		MN	

Location where permit will be used. If an outdoor area, describe.
Souba Geenhouse outdoor premises in Owatonna; MSB will havve beer and sodas fo sle during the Soube Spring Open House.

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 or County approving the license: Owatonna

Date Approved:

Fee Amount: $50.00

Permit Date: April 27, 2024

Event in conjunction with a community festival ☐ Yes ☒ No

City or County E-mail Address: jeanette.clawson@owatonna.gov

Current population of city: 27,554

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*

LG220 Application for Exempt Permit

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

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

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

Application Fee (non-refundable)

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

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

ORGANIZATION INFORMATION

Organization Name: Steele County Humane Society

Previous Gambling Permit Number: X-

Minnesota Tax ID Number, if any:

Federal Employer ID Number (FEIN), if any: 41-1667722

Mailing Address: PO BOX 220

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

Name of Chief Executive Officer (CEO): Liane Peterson, President

CEO Daytime Phone: 507-456-3267 CEO Email: lpeters91453@gmail.com

(permit will be emailed to this email address unless otherwise indicated below)

Email permit to (if other than the CEO):

NONPROFIT STATUS

Type of Nonprofit Organization (check one):

☐ Fraternal ☐ Religious ☐ Veterans ☑ Other Nonprofit Organization

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

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

☐ **A current calendar year Certificate of Good Standing**
Don't have a copy? Obtain this certificate from:
MN Secretary of State, Business Services Division
60 Empire Drive, Suite 100
St. Paul, MN 55103
Secretary of State website, phone numbers:
www.sos.state.mn.us
651-296-2803, or toll free 1-877-551-6767

☑ **IRS income tax exemption (501(c)) letter in your organization's name**
Don't have a copy? To obtain a copy of your federal income tax exempt letter, have an organization officer contact the IRS toll free at 1-877-829-5500.

☐ **IRS - Affiliate of national, statewide, or international parent nonprofit organization (charter)**
If your organization falls under a parent organization, attach copies of both of the following:

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

GAMBLING PREMISES INFORMATION

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

Physical Address (do not use P.O. box): 141 East Rose Street

Check one:

☑ City: Owatonna Zip: 55060 County: Steele

☐ Township: Zip: County:

Date(s) of activity (for raffles, indicate the date of the drawing): July 27, 2024

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

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

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

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

CITY APPROVAL
for a gambling premises
located within city limits

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

Print City Name: Owatonna

Signature of City Personnel: Jeanette Clawson

Title: 3/12/2024 Administrator Coordinator Date: 3/12/24

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

COUNTY APPROVAL
for a gambling premises
located in a township

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

Print County Name: ______

Signature of County Personnel: ______

Title: ______ Date: ______

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

Print Township Name: ______

Signature of Township Officer: ______

Title: ______ Date: ______

CHIEF EXECUTIVE OFFICER'S SIGNATURE (required)

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

Chief Executive Officer's Signature: Liane Peterson Date: 3/12/24
(Signature must be CEO's signature; designee may not sign)

Print Name: Liane Peterson, President

REQUIREMENTS

Complete a separate application for:
- all gambling conducted on two or more consecutive days; or
- all gambling conducted on one day.

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

Financial report to be completed within 30 days after the gambling activity is done:
A financial report form will be mailed with your permit. Complete and return the financial report form to the Gambling Control Board.

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

MAIL APPLICATION AND ATTACHMENTS

Mail application with:

✓ a copy of your proof of nonprofit status; and

____ application fee (non-refundable). If the application is postmarked or received 30 days or more before the event, the application fee is **$100**; otherwise the fee is **$150**. Make check payable to **State of Minnesota.**

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

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

CITY OF OWATONNA

Miscellaneous

OWATONNA
Degner Regional Airport

TO: Honorable Mayor and City Council Members, City Administrator
FROM: Dave Beaver, Airport Manager
DATE: March 13, 2024
RE: 2024-2029 Static Display Loan Agreement – National Museum of the United States Air Force

Purpose:
To approve the renewal of the agreement for the aircraft static display on loan from the National Museum of the United States Air Force. This is the bomb-burst formation of three jets displayed along I35 at the airport.

Background:
The T-38 aircraft jet display was moved to the airport in 2007. The Static Display Loan Agreement has been required for the use of the three jets. The loan renewal period has now been extended from a biennial renewal cycle to an every five-year renewal period as reflected in the agreement.

Budget Impact:
There is no cost to the loan agreement. An on-going maintenance program including goals for display upkeep has been developed.

Recommendation:
Staff recommends approval of the 2024-2029 agreement.

Attachment:
NMUSAF 5-Year Agreement – Static Display Loan Agreement

NATIONAL MUSEUM OF THE UNITED STATES AIR FORCE (NMUSAF) COMMUNITY STATIC DISPLAY LOAN PROGRAM

2024-2029 LOAN AGREEMENT, SDA0158

1.0. Parties. The United States of America or "the Government," represented by the National Museum of the United States Air Force (NMUSAF), and collectively referred to hereinafter as "the Lender," hereby establishes with the **CITY OF OWATONNA** hereinafter called "the Borrower," incorporated and operating under the laws of the State/Country of **MN** and located at **OWATONNA**, a Loan Agreement hereinafter called "the Agreement" for Department of the Air Force (DAF) historical property. This Agreement is entered pursuant to Public Law 80-421 [10 United States Code (USC) §2572], and any amendments thereto, and is effective for the period commencing 1 April 2024 and ending 31 March 2029. This Agreement is not transferable.

2.0. Borrower Obligations/Costs. The Borrower has applied, in writing, for the loan of DAF historical property, and hereby agrees to be responsible for all arrangements and, in accordance with 10 USC §2572, is required to pay all costs, charges and expenses associated with the loan of this property, including, but not limited to, the cost of preparation, demilitarization, hazardous material removal, disassembly, packing, crating, handling, maintenance, repair, restoration, transportation, and all other actions incidental to the use and/or movement of the loaned property to or from the Borrower's location.

3.0. Loaned Property. The NMUSAF shall loan to the Borrower the historical property identified in the inventory report, which has been included in the loan package and is incorporated into this Agreement by reference as if fully rewritten herein (hereinafter the "Property"). The Borrower accepts the Property on an "as is, where is" basis, and the Lender makes no warranties, expressed or implied, as to the Property's condition, fitness for any particular purpose, or other warranty of any kind.

4.0 Loan Conditions.

4.1. The Borrower agrees that the Property shall be used for static display purposes only. Loaned aerospace vehicles will not be flown or restored to flying condition under any circumstance, nor will they be licensed with the Federal Aviation Administration (FAA). The Borrower shall not remove any parts from loaned aircraft except as directed in paragraph 4.2. Relocation of the Property for temporary special events (parades, ceremonies, air shows, etc.) is not authorized under any circumstances. No decorations of any type, for any purpose (special event, seasonal display, ceremonies, etc.) are authorized to be displayed on any of the Property. The Property shall not be used in a manner that provides the appearance of endorsement by the DAF of any non-federal entity or political candidate, or the expression of a political viewpoint of any kind.

4.2. The Borrower agrees to allow the Lender to remove parts from loaned aerospace vehicles for the NMUSAF or military requirements, upon written direction from the NMUSAF. Such parts are generally internal in nature and removal or replacement should not alter the external aesthetic appearance of the aerospace vehicle.

4.3. The Borrower shall not part with possession of the Property or any component of the Property in any manner to any third party either directly or indirectly. The Borrower shall not enter into any negotiations with a third party regarding any future disposition of the loaned material, in whole or in part.

4.4. The Borrower agrees to all of the following: to use the Property in a careful and prudent manner; to not modify the Property in any manner, without prior written permission of the Lender, which would alter the original form, design, or the historical significance of said Property; to perform routine maintenance to include (but not limited to) annual upkeep, periodic painting, tire inflation, repair of damage, day-to-day care and management of the Property, so as to provide an acceptable appearance and to not reflect negatively on the Lender; and to display and protect the Property in accordance with the instructions set forth in Attachments 1 and 2, which are incorporated into this Agreement by reference as if fully rewritten herein.

4.5. The Borrower agrees that any additions, modifications or alterations that improve the Property become part of said Property and are owned by the NMUSAF.

4.6. Interior access to loaned aerospace vehicles (cockpit, cargo areas, etc.) for purposes other than maintenance or restoration work by persons other than staff or authorized maintenance personnel is prohibited. This is to ensure not only the integrity and preservation of the aircraft, but more importantly, the safety and security of the public.

5.0. Use as Security, Sale or Lease. The Borrower agrees not to use the Property as security for any loan, and not to sell, lease, rent, lend or exchange the Property under any circumstances.

6.0. Professional Photography. The Borrower shall not make or allow the use of the Property for any commercial purpose, including, but not limited to, use of the Property for still photography, motion picture, television or video production, without prior written approval from the Lender. Photography or video created by the Borrower for general promotion of the institution's collection online or in organizational materials is permitted. (Note – permission is not granted for fundraising events or anything that could imply endorsement by the DAF or the NMUSAF.) Casual photography or video created by visitors for personal or non-promotional use is permitted.

7.0. Incident Reporting. The Borrower shall within one (1) working day of discovery, notify the Lender of any instance of loss, damage or destruction of the Property.

8.0. Title. The Borrower shall obtain no interest in the Property by reason of this Agreement and title shall remain with the Lender at all times.

9.0. Receipt, Custody & Liability.

9.1. This Agreement shall be executed prior to the Borrower accepting physical custody of the Property or on or before **1 April 2024**.

9.2. The Borrower agrees to provide a receipt to the Lender at the time it assumes physical custody of the Property (unless the Property is already in its possession).

9.3. The Borrower agrees that it is strictly liable for up to the full replacement value (FRV) of the Property, as identified in the inventory report, and to accept such liability upon assuming physical custody of the Property or execution of this Agreement, whichever occurs first.

9.4. The Borrower agrees to waive any right to contest the FRV in any legal proceeding. The FRV of the Property is as identified in the inventory report or, if not identified in the inventory report, the FRV otherwise identified at the sole discretion of the NMUSAF.

9.5. The Borrower agrees that if the Property, or any portion thereof, has been irreparably damaged, destroyed, or stolen the NMUSAF may direct the Borrower to either replace the Property with an historical item of equal value to the satisfaction of the NMUSAF or require monetary reimbursement equaling the

FRV. In the event of less than total loss to the Property, or any portion thereof, the Borrower agrees to repair/replace the damage to the Property to the satisfaction of the NMUSAF or reimburse the NMUSAF for the full value of the damage, as determined by the NMUSAF. The election of a remedy under this subparagraph is at the sole discretion of the NMUSAF. This subparagraph is not intended to waive or limit the Government's rights and remedies, legal or equitable, and the Government reserves all such rights and remedies.

9.6. The Borrower agrees to place the Property on exhibit within ninety (90) days from the date it takes physical custody, or as otherwise mutually agreed upon.

10.0. Borrowers Responsibilities.

10.1. The Borrower agrees to the greatest extent permitted by **MN** Law to indemnify, hold harmless, and defend the Lender from and against all claims, demands, actions, liabilities, judgments, costs, and attorney's fees, arising out of, claimed on account of, or in any manner predicated upon personal injury, death, or property damage caused by or resulting from possession and/or use of the Property. Nothing herein shall be construed to waive or limit the federal Government's rights and remedies permitted by law.

10.2. The Borrower agrees to report, as requested, to the Lender on the condition and location of the Property. Further, the Borrower agrees to allow authorized Department of Defense representatives access to the Borrower's records and facilities to assure accuracy of information provided by the Borrower and compliance with the terms of this Agreement.

10.3. The Borrower agrees to return said Property to the Lender on termination of this Agreement or earlier, if it is determined that the Property is no longer required, at no expense to the Lender and according to terms determined by the Lender. In the event of a partial termination, the Borrower agrees to the return of all items of the Property subject to the partial termination, at no expense to the Lender and according to terms determined by the Lender.

11.0. Initial Loan Agreement Requirements.

11.1. The Borrower agrees to furnish the Lender digital images of the Property within fifteen (15) days of taking physical possession of the Property. The image file name must be the accession number for that item (e.g. SD-2000-0123.JPG). For aircraft and ballistic missiles, images will include views showing all external surfaces including tail number and all accessible interior areas including instrument panels, avionics racks and equipment, aircrew, passenger, cargo and payload compartments, wheel wells, and bomb bays. Digital images for all other artifacts will be of sufficient detail to ensure positive identification of each object.

11.2. The Borrower shall arrange insurance coverage for the Property on an all-risk, wall-to-wall basis, at a minimum, for an amount that equals the total agreed upon FRV for all items in the inventory report, plus any additional amount to cover the inventory that does not have an identified FRV, so long as the Property remains in its possession. The Borrower further agrees to furnish the Lender proof of said insurance. For Borrowers with private insurance coverage, proof shall constitute a copy of the insurance certificate from the commercial provider, noting any deductible, and showing coverage up to the FRV of the Property and any additional coverage for Property that does not have an FRV identified in the inventory report. For self-insured organizations, proof shall constitute a written and signed statement attesting to its ability to reimburse the Government for the FRV of the Property (as identified in the inventory report and/or as determined by the NMUSAF).

12.0. Annual Loan Renewal Requirements.

12.1. The Borrower agrees to furnish the Lender current digital images of all Property. The image name must be the accession number for that item (e.g. SD-2000-0123.JPG). Digital images of aircraft and missiles will provide general views to include sufficient detail to show the overall condition and tail number of the airframe. Digital images for all other artifacts will be of sufficient detail to ensure positive identification of each object and its current condition.

12.2. The Borrower agrees to furnish the Lender proof of insurance as required in subparagraph 11.2 for each renewal period.

12.3. The Borrower agrees to furnish a signed inventory as provided by the Lender with the annual renewal package, which accurately reflects the Property in its possession. Discrepancies in the inventory provided by the Lender shall be noted on the inventory report by the Borrower to the extent that such notes accurately reflect the current inventory held by the Borrower. In the event of a dispute, the Lender shall make the final determination of the current inventory on or near the renewal date and document the NMUSAF records accordingly.

13.0. Display/Maintenance Requirements.

13.1. No aircraft will be renovated, reconfigured, painted, have markings changed, or tail number altered, or any parts added, removed, or replaced as part of a planned restoration effort without prior written approval from the NMUSAF.

13.2. The Borrower agrees that all aircraft, missiles and artifacts on display will have an identification sign adjacent to each display. For aircraft and missiles note the type, model, and serial number. The sign will state that the item is part of the NMUSAF collection as follows:

"This (artifact/object) is on loan from the National Museum of the United States Air Force."

13.3. In the event the aircraft or missile has been reconfigured, markings changed, or serial number altered after acquisition for display purposes, it will be stated on the sign and noted in all records as follows:

"The (item) on display is actually (nomenclature), Serial No. (serial number), but painted and marked to depict (nomenclature), Serial No. (serial number), assigned to the (Unit and/or person) in (location or theater) during (year)."

13.4. For aircraft on which the serial number has been altered for display purposes with prior written approval, the mission, design and series (e.g. F-100C or F-4C) along with the original serial number will be stenciled in two inch letters using contrasting paint colors on the fuselage under the horizontal stabilizers.

13.5. All record keeping will reflect the true serial number.

14.0. Radioactive Components. In accordance with Attachment 1, ("NMUSAF Loan and Static Display Programs' Instructions for Preparation and Maintenance of Aerospace Vehicles"), if, upon inspection, it is determined radioactive items have been installed or reinstalled on the Property while in possession of the Borrower, the Borrower will pay the cost of removal of the radioactive items and any decontamination required.

15.0. Loan Termination.

15.1. The Borrower agrees to return the Property to the NMUSAF upon expiration of this Agreement or earlier, the Borrower terminates the agreement prior to expiration of this Agreement or the NMUSAF terminates this Agreement for cause, at no expense to the NMUSAF. The return of all or any part of the Property will be made to the NMUSAF at Wright-Patterson AFB, OH; the Aerospace Maintenance and Regeneration Group at Davis-Monthan AFB, AZ; or a location determined by NMUSAF upon termination of this Agreement or earlier. The Borrower shall be responsible for paying all freight, storage, crating, handling, transportation, demilitarization, and/or other costs or charges associated with any return.

15.2. The failure of the Borrower to observe any of the conditions set forth in this Agreement and Attachments 1 and 2 thereto shall be sufficient cause for the Lender to terminate the loan and repossess the Property. Repossession of all or any part of the Property for such cause by the Lender shall be made at no cost to the Government; the Borrower shall be responsible for paying all maintenance, freight, storage, crating, handling, transportation, demilitarization, and/or other costs or charges attributable to such repossession.

15.3. In the event the loan is terminated for any reason, the provisions of this Agreement will remain in effect until all of the Property, or in the event of a partial termination that portion of the Property at issue, has been relocated and in a condition that is satisfactory to the NMUSAF.

15.4. Termination of the loan and subsequent repossession of all or any part of the Property at the option of the Borrower shall require no less than thirty (30) days advance notice to the Lender in writing. This requirement may be waived by the Lender only through the provision of a written waiver to the Borrower prior to the return of the Property. If this Agreement is terminated at the option of the Borrower, the Borrower is responsible to bear all expenses associated with moving, reclaiming, and/or demilitarizing the Property.

15.5. The Lender reserves the right to terminate this Agreement without cause, in all or part, and to recall the Property. The Lender will provide a written thirty (30) day notice of intent to recall to the Borrower. In the event of recall, movement of the recalled Property from the Borrower's site will be accomplished at the Lender's expense.

16.0. Dispute Resolution. In the event a dispute arises between the parties over the terms and conditions of this Agreement reasonable attempts will be undertaken to resolve the matter through negotiation between the parties or persons appointed, in writing, by the parties. This Agreement shall be construed and interpreted in accordance with federal law. If any provision herein is held unlawful or otherwise unenforceable by the Court any remaining provisions shall be considered divisible and remain in full force and effect. In the further event that negotiations fail to reach a resolution, the parties agree to resolve the dispute in the federal court with appropriate jurisdiction.

Executed on behalf of the NMUSAF, this 27th Day of January 2024, at Wright-Patterson AFB Ohio.

By: SHAW.MELISSA.L.1268824703 Digitally signed by SHAW.MELISSA.L.1268824703 Date: 2024.01.27 16:20:35 -05'00'
MELISSA SHAW

Title: Community Static Display Program Administrator

Agency: National Museum of the United States Air Force

Address: NMUSAF/MUC
1100 Spaatz St
Wright-Patterson AFB OH 45433-7102

Telephone: (937) 255-8839

Email: melissa.shaw@us.af.mil

ACCEPTANCE

The Borrower, through its authorized representative, hereby accepts responsibility of the Property subject to the terms and conditions contained in this Agreement set forth above. The Borrower certifies that they have read, understand and acknowledge that concealing a material fact and/or making a fraudulent statement in dealing with the federal government may constitute a violation of federal law in accordance with 18 USC §1001.

Executed on behalf of the Borrower this _____day of __________ 2024, at ______________________.

City of Owatonna
(Name of Borrower/Organization)

By: ____
(Signature)

Kris M. Busse, City Administrator
(Typed or Printed Name & Title)

Address: 540 West Hills Circle
Owatonna MN 55060

Telephone: 507-774-7341

Email: Kris.busse@owatonna.gov

ATTACHMENT 1

NATIONAL MUSEUM OF THE UNITED STATES AIR FORCE (NMUSAF) LOAN AND STATIC DISPLAY PROGRAMS

INSTRUCTIONS FOR PREPARATION AND MAINTENANCE OF AEROSPACE VEHICLES

SECTION A - GENERAL

A. Information:

1. This instruction covers the requirements for the preparation and preservation of aerospace vehicles for static display by an organization borrowing an aerospace(s) vehicle from the National Museum of the United States Air Force (NMUSAF).

2. These requirements are designed to return and/or maintain the aerospace vehicle(s) in as near original configuration as possible and to render them suitable for display.

3. Generally, all restoration, repairing, and refinishing will be accomplished in accordance with current Department of the Air Force (DAF) directives and instructions and in a manner that would not modify it in any way, thereby altering the original form, design, or the historical significance of, said property. Deviations from this standard must be requested in writing and approved by NMUSAF.

B. Security Requirements:

1. Aerospace vehicles on display and undergoing preparation for display shall be kept secure. Aerospace vehicles will be maintained with sufficient security to ensure that it is protected from vandalism and theft or unauthorized removal of components.

2. Any theft or unauthorized removal of components shall be immediately reported to the local law enforcement agency and by the next working day to NMUSAF. This must be followed by a report of the investigation of the incident within 30 days.

3. All canopies, doors, access hatches, and access plates, except for one entrance door, will be permanently sealed shut by any of the following methods to prevent unauthorized entry:

a. Bolting through the hatch to internal crossbars placed across the opening. These can be fabricated from sturdy steel strapping or channel iron.

b. Riveting the door securely to the jamb section.

c. Attaching hasps internally and securing with inside padlock.

d. Whatever method is employed to secure doors and access hatches, the crevices remaining will be filled with caulking compound or elastic putty to prevent internal damage from rain, snow, dust and ice. The access door that is not permanently sealed must be secured by a hasp welded or riveted in place. Multiple locks (two or three) are preferable, each with separate key or combination. This technique will reduce the possibility of unauthorized access but will provide entrance for authorized personnel.

C. Maintenance Records:

1. Whenever items are permanently removed, the removal and disposition of such items shall be annotated on a maintenance log or AF Form 3581 (available from NMUSAF).

2. All work items that are accomplished shall be listed and signed off on a maintenance log or AF Form 3581.

3. Utilizing the maintenance log, a detailed accounting will be maintained by the borrower of all items removed or installed with the date of installation/removal and the name of the individual accomplishing the work.

4. Copies of all maintenance records must be sent to NMUSAF/MUC with the annual loan renewal.

SECTION B - REQUIREMENTS

A. Prepare Powerplant for Display:

1. Disconnect and drain all water and oil lines, tanks, valves, and pumps. Reconnect lines and reinstall plugs after draining (if applicable).

2. Clean excess oil and grease from exterior components of engines (if applicable).

3. Check powerplant cowling for corrosion and damage. Repair and refinish as necessary for display.

4. Install intake and exhaust protective covers. Use standard covers if available or suitable substitutes.

5. Clean and preserve propeller(s). Treat any affected areas and refinish to standard configuration.

B. Prepare Landing Gear:

1. Clean and preserve strut.

2. Clean all wheels and other landing gear components.

3. Check and remove corrosion. Repaint to standard configuration.

4. Check all tires for excessive wear and adjust pressure as required.

5. Secure all retractable landing gear in the down position with positive locking devices.

C. Prepare Hydraulic Systems:

Clean all exposed finished surfaces of actuating rods, hydraulic cylinders, locks, and valves. Other hydraulic equipment will be cleaned and coated with corrosion preventative compound.

D. Prepare Electronic Systems:

Leave all electronic equipment that is not reclaimed installed on the aerospace vehicle. Stow all connectors from equipment that has been removed.

E. Prepare Airframe:

1. Check airframe for corrosion and treat affected areas.

2. Clean all debris and foreign material from interior of fuselage.

3. Check airframe for external damage and repair.

4. Cover all openings that will allow the entrance of water or other foreign matter that may have a corrosive or other deteriorating effect. Use standard covers if available, or suitable substitutes. Additional protection may be incorporated for aerospace vehicles displayed outside.

5. Check all fuselage, wing, and empennage drain holes for obstructions. Aerospace vehicles displayed outside may necessitate additional drain holes to ensure proper drainage. Drain holes should be periodically probed to ensure they are not obstructed. Inspect for water trapped in lower portions of fuselage. If water is present, comply with instructions contained in applicable technical order for removal and correction.

6. Clean and treat lavatory and relief facilities (if applicable).

7. Check all astrodomes and plastic panels for crazing and damage. Repair and/or replace as necessary. Clean all plastic panels thoroughly with soap and water.

F. Prepare Control Surfaces:

1. Check all metal control surfaces for corrosion and treat-affected areas.

2. Check all control surfaces for external damage and repair areas as necessary.

3. Inspect all fabric-covered control surfaces, repair or re-cover as necessary.

4. Check all control surfaces, attaching mechanisms for loose rivets and/or sheared bolts and make necessary repairs.

5. Secure all moveable surfaces in a neutral position with positive locking devices.

G. Radiation Safety:

<u>No radioactive components will be reinstalled by the borrowing organization.</u> If radioactive items are found reinstalled, the borrowing organization will pay the cost of removal of the radioactive items and any decontamination required.

H. Final Preparation:

1. Secure aerospace vehicles by attaching tie down restraints to surface attaching points and to major structural parts of the item. Tie down restraints, including surface attaching points, should be of sufficient strength to withstand the expected wind condition for the locality.

2. Place aerospace vehicles on surface concrete or asphalt of sufficient strength to support its weight. This will not apply if the recipient, with the written permission of the NMUSAF, has mounted the aerospace vehicle on a pylon attached to its structural members.

3. Aerospace vehicles that are normally supported on pneumatic tires must be placed on display stands. Tires should be inflated and or checked to maintain normal tire shape.

4. Remove all antenna wires that could serve as a bird roost.

5. Install bird proofing on all aerospace vehicle openings, including intake and exhaust covers.

6. Flag or cover protruding objects of a hazardous nature.

I. Coordination:

1. Deviation from the procedures outlined in this attachment must be requested in writing and require written approval prior to deviation.

2. No aerospace vehicles will be renovated, reconfigured, have markings changed, or tail number altered, or any parts added, removed, or replaced as part of a planned restoration effort without prior written approval from the NMUSAF.

ATTACHMENT 2

NATIONAL MUSEUM OF THE UNITED STATES AIR FORCE (NMUSAF) LOAN AND STATIC DISPLAY PROGRAMS

INSTRUCTIONS FOR THE CARE OF ARTIFACTS

A. Information:

1. These general guidelines are provided to fulfill the NMUSAF's obligation to ensure the preservation of the collection and to define the responsibilities of organizations that retain historical property for display.

2. Under normal circumstances, artifacts will not be made available from the NMUSAF unless the basic measures for preservation and conservation have already been accomplished. However, regardless of the state of preservation at the time of receipt, an assessment must be made and all appropriate measures taken to ensure continued preservation of historical property. All items must be properly prepared for exhibition, placed in a safe environment and inspected periodically for accountability and condition.

B. General Guidelines for Artifacts:

1. All artifacts must be protected from harmful exposure and maintained in a stable environment. Preservative treatments and mounting techniques will vary with each item depending on its material(s), condition and display method. The following are some general guidelines:

a. When displaying an artifact never modify it in such a way as to alter or compromise its integrity, authenticity or uniqueness. Retain its natural characteristics.

b. Provide physical security against vandalism or theft using appropriate method of display, such as locked or secured display cases.

c. Good housekeeping and environmental control are essential for the long term care of museum artifacts.

2. Contact the NMUSAF for guidance if needed.

C. Damage Threats to Artifacts: The threats of damage or deterioration to artifacts generally come from four sources:

1. <u>People</u> – The greatest threat to the continued survival of an artifact comes from people. This is a result of mishandling the artifact resulting in mechanical breakage, soiling from unprotected hands (fingerprints), improper cleaning methods and incorrect attempts at

preservation or repairs (making it 'look' better). Unfortunately, theft must also be included in this category.

2. Light – Light, a form of radiation, damages many materials, especially fabrics. This damage is first observed as the fading of colors followed by the gradual breakdown of the material. The most harmful portion of the light spectrum is ultra-violet (UV). Protecting from UV is accomplished by avoidance of natural sunlight or artificial light such as florescent and halogen. The use of Light Emitting Diodes (LED) is the preferred standard in museum exhibits. Another consideration is the proximity of an artifact to a light source and the intensity of the source.

a. All historical property on loan from the NMUSAF that is on interior exhibit will not be exposed to light level which exceeds 200 lux or 20 foot-candles from any source. The acceptable level for most artifacts falls between 50 and 200 lux or 5 and 20 foot-candles. Sensitive artifacts, such as artwork, photographs and textiles should have their intensity levels adjusted toward lower limits and/or limited exposure time. There is a reciprocity law between intensity (lux) and time of exposure: Ten hours of exposure at 50 lux has the same damaging effect as 1 hour at 500 lux.

b. Protection from UV is accomplished by avoidance or shielding. Shielding of UV producing light sources, such as direct or diffused sunlight and all fluorescent lighting, requires UF Plexiglas, solar screen, blackout curtains or UV filtering sleeves. All UV filtering media have a life span of about 10 years, after which they must be changed to maintain their effectiveness.

3. Environment – The most common environmental threats are heat and humidity. Ideally, an artifact is displayed at a constant temperature of 67 degrees and 47% relative humidity, with no more than a 5 degree temperature or 5 percent humidity variation. Of the two, humidity is the most destructive. Excessive heat and humidity may create a favorable environment for the growth of molds and fungus as well as rust/corrosion. Rapid changes in temperature and humidity should be avoided.

4. Insect/Pest – Insects and pests can be highly destructive. The first line of defense is the cleanliness of the facility. Careful monitoring and frequent inspection will provide early detection of infestation. If and when an infestation is detected many methods of pest removal are destructive to artifacts. If an artifact is exposed to infestation, contact NMUSAF.

D. Conservation: Adherence to the guidelines for preservation of artifacts will go a long way to ensure their longevity. In rare instances, some conservation measures may be needed. Contact the NMUSAF for guidance. Do not attempt to treat an artifact on your own.

E. Storage: All attempts should be made to place artifacts on exhibit as soon as possible. Environmental control, good housekeeping and periodic inspections are essential to the proper storage of artifacts. Textiles shall be stored flat when possible and laid out on acid free tissue paper. . Storage on shelves shall be loose with no piling or stacking of artifacts and all shelving covered with acid free tissue. If shelving is wood, it shall be sealed to deter transfer of acid from wood to artifacts. Cabinets are preferable to open storage as they discourage theft, dust and insect problems.

F. Handling: Wear cotton, nitrile or latex gloves while handling artifacts. Two hands should be used to handle or carry artifacts to reduce risk of dropping. Carry only one artifact at a time. Do not carry or lift artifacts by handles or weakest point.

G. Display:

1. Cases: Displaying an artifact can be very detrimental if not done properly. Never alter an artifact to fit into a case. Cases should be designed to incorporate UF-3 or UF-5 Plexiglas to shield artifacts from UV light. Cases should be ventilated to allow air exchange and openings filtered to prevent entry of insects. Keep cases clean and place them in areas away from direct sun and extremes in temperature and humidity.

2. Buffering: All interior surfaces of wooden cases should be properly sealed. All artifacts should be buffered from acidic display materials.

3. Mounts: Never alter an artifact to facilitate mounting. Well-padded hangers should be used if textiles are hung for display. Use only conservation appropriate mannequins of display forms, purchased commercially or in-house forms made from conservation grade materials. Department store mannequins will not be used. Use mannequins that do not place undue stress on clothing. Do not force garments on to mannequins.

H. Shipping: Damage to artifacts can occur during shipping. Use appropriate packing materials to protect the artifact during transit. Consult NMUSAF to arrange shipping.

CITY OF OWATONNA

DATE: March 19, 2024
TO: Mayor and City Council
FROM: Sean Murphy, Public Works Director
SUBJECT: AET Soil Boring Agreement - WWTF

Purpose:
Requesting City Council approval of American Engineering Testing's Proposal for Geotechnical Exploration and Engineering Services at the Wastewater Treatment Facility.

Background:
The City of Owatonna is considering rebuilding the existing retaining wall on the northeast side of the Owatonna Wastewater Treatment Facility site. Staff has requested a proposal for geotechnical engineering including field exploration, soil laboratory testing and classification and a final geotechnical report.

Budget Impact:
The cost for these services will be invoiced upon completion at a fixed fee of $18,575. See the attached fee schedule for a breakdown of the fees.

Staff Recommendation:
Staff recommends approval.

Attachments:
1. AET Proposal - WWTF Soil Boring Agreement

February 29, 2024

NERO Engineering
7135 Madison Avenue West
Minneapolis, Minnesota 55427

Attn: Jennifer Svennes, PE, Vice President
(JSvennes@neroeng.com)

Re: Proposal for Geotechnical Exploration and Engineering Services
Owatonna WWTF Retaining Wall Exploration
1150 Industrial Road, Owatonna, Minnesota
AET Proposal No. P-0031433

Ms. Svennes:

American Engineering Testing (AET) is pleased to submit a proposal to you for the proposed retaining wall reconstruction on the west side of the Owatonna wastewater treatment facility. In this proposal, we present our current understanding of the project, an outline of our proposed scope of services to respond to the project, and the fee for our proposed services.

PROJECT INFORMATION

Our understanding of the project is based upon information provided by you via electronic mail on November 17, 2023. We understand the city of Owatonna is considering rebuilding the existing retaining wall on the northeast side of the Owatonna WWTF site. Details of the proposed retaining wall type, height, and surrounding final grades have not yet been established. We understand Nero Engineering and the city of Owatonna desire to have preliminary subsurface soil information to aid in project planning and scoping.

The existing retaining wall separates topographic high ground adjacent to the Owatonna WWTF from a recreational trail along the west side of the Cedar River. According to topographic information you provided, uphill portions of the wall are on the order of up to 1134 feet. We estimate the Cedar River channel is near elevation 1120 feet.

AET conducted a geotechnical exploration for the Owatonna WWTF expansion that is currently in construction phases. Based on our experiences with that project, there is a possibility that uncontrolled fill soils exist along the wall alignment. Our previous borings indicate the uncontrolled fill extends to depths in excess of 25 feet in some areas.

SUMMARY OF SERVICES

Geotechnical Engineering

Field Exploration

Based on your request, our field exploration will consist of the following:

- Arrange clearance of underground public utilities.
- Drill and sample 10 geotechnical borings at the site near the locations you requested. Given the topographic information you provided, we recommend drilling odd borings (uphill) to 30 feet deep, and even borings (downhill) to 20 feet deep. This should extend the borings below the adjacent Cedar River channel and beneath uncontrolled fill soils AET has encountered at this site in the past.

General Field Services

All borings will be drilled to planned depth or auger refusal, whichever is shallower. Our scope of service does not include rock coring or probing to achieve the desired boring depths. Each of our geotechnical borings will be advanced through the overburden soils using hollow stem augers. Soils will be collected in front of the hollow stem auger as it is advanced at 2½-foot intervals to termination, using a split-barrel sampler, driven in accordance with the Standard Penetration Test (ASTM D1586). Natural cohesive soils may be sampled using thin-walled tube sampler in accordance with ASTM D1587.

We will utilize an all-terrain mounted drill rig to minimize our impacts to the ground surface and minimize our footprint at the site during our field exploration. We have assumed that we can park our semi tractor-trailer at the Owatonna WWTF facility. Excess soil cuttings will be left at the site. We will conduct our field exploration in a manner consistent with our industry and attempt to minimize our impacts to the sites; however, we will not be responsible for site restoration beyond what is defined in this proposal.

Our borings will be backfilled or sealed in accordance with current Minnesota Department of Health rules. This includes grouting borings deeper than 15 feet using bentonite grout placed with tremie methods. Even after backfilling/sealing the borehole backfill may settle after our field exploration is complete. We assume that city of Owatonna personnel will maintain the ground surface around the boreholes after our field exploration is complete. AET cannot accept liability of pedestrian injury after our field exploration is complete.

Buried Utilities

Before we drill, we will contact Gopher State One Call to locate public underground utilities. Gopher State One Call does not currently charge for this service, but they will not locate private lines. Examples of private lines include, but are not limited to, propane lines, sewer laterals, sprinkler systems, site lighting, and electric and data lines between buildings. **The property owner is responsible for locating all private lines and utilities.** Please provide us with any maps or records showing the location of all private lines and utilities. **AET will not be responsible for any damages to underground utilities/improvements not located or incorrectly identified by the foregoing location methods.**

Soil Laboratory Testing and Classification

We will initiate routine laboratory testing by reviewing each recovered overburden soil sample to assess the major and minor soil components, while also noting the color, degree of saturation, and lenses or seams in the samples. We will determine the moisture content of all recovered soil samples, with the exception of saturated sands. We have also budgeted to complete up to 4 grain size analyses and/or Atterberg Limits tests to further characterize the soils.

On completion of testing, we will visually/manually classify each soil sample on the basis of texture and plasticity in accordance with the Unified Soil Classification System. Boring logs will be prepared which depict the final soil and bedrock classifications, and summarized field and laboratory test results.

Geotechnical Engineering Report

We will prepare a report which will present logs of the test borings, laboratory test results, a review of engineering properties of the on-site soils, and our geotechnical engineering opinions and recommendations regarding the following:

- A summary of general subsurface conditions encountered, including a discussion surrounding techniques that may be needed for soil and bedrock removal.
- Comments regarding retaining wall alternatives. We have assumed viable alternatives are cast-in-place retaining wall or MSE wall systems.
- Recommendations for foundation support of the retaining wall alternatives, including the need for soil improvement or deep foundations.
- Design parameters for slope stability evaluation. Design parameters for long-term drained conditions will be provided; i.e. soil friction angle and unit weight. We have not budgeted to conduct slope stability analyses of design cross-sections, as wall types or configurations have not been determined.
- General earthwork recommendations, including soil types, drainage properties, and compaction requirements.

- Identification of OSHA soil types for excavation purposes.
- Comments on other items which may affect final performance or constructability, such as freeze/thaw characteristics of the site soils and construction adjacent to sensitive structures.

Services strictly excluded from AET's scope of service:

- AET will not present or evaluate design cross sections for slope stability analyses. Once a retaining wall type and slope configuration is established, AET can be retained for perform global stability evaluation.

PROJECT FEES

Our fees for this project will be invoiced upon completion at a fixed fee of $18,575. This fee is valid for a period of 30 days after the date of this proposal, after which it will be subject to review. The attached fee schedule depicts how we arrived at this fee.

Additional hollow stem auger drilling and/or laboratory analysis may be required to further characterize the subsurface profile. We will perform the base field exploration, review proposed additional exploration deemed necessary at the site, and receive your approval prior to proceeding with the additional services.

Minnesota Department of Health Fees

Effective July 1, 2019, the state of Minnesota requires that a sealing record for sites where borings are drilled to a depth of 25 feet or deeper, all licensed drilling companies are required by law to submit written notification to the MDH prior to drilling along with a fee of $75. If one or more of the boring depths vary by 25 feet, or more, the MDH requires an additional written notification and fee of $75 per boring. Projects that span multiple properties will require multiple notifications. The MDH also requires that these borings be grouted and that a Sealing Record be submitted to the MDH, with a copy to you, after the borings are completed. The above fee estimate for our geotechnical services includes the MDH fee for the proposed scope of drilling; however, because final boring depths can change, for example, due to possible unanticipated poor soil conditions, the final MDH fee (including an administrative charge of $65 per notification) will be added, if necessary, to our final invoice to you.

The MDH Sealing Record requires the Property Owner name and mailing address (the Property Owner will also receive a copy of the Sealing Record). Please provide this information below.

Property Owner's name/company name:

____

Property Owner's mailing address:

____

SCHEDULE

We anticipate boring operations can occur within 3 weeks of receiving written authorization to proceed. The geotechnical engineering report will be available within 2 weeks of the completion of our field services.

TERMS AND CONDITIONS:

All AET Services are provided subject to the Terms and Conditions set forth in the enclosed Terms and Conditions, which, upon acceptance of this proposal, are binding upon you as the Client requesting Services, and your successors, assignees, joint ventures and third-party beneficiaries. Please be advised that additional insured status is granted only upon written acceptance of the proposal.

ACCEPTANCE:

AET requests written acceptance of this proposal in the Proposal Acceptance box below, but the following actions shall constitute your acceptance of this proposal: 1) issuing an authorizing purchase order for any of the Services described above, 2) authorizing AET's presence on site, or 3) written or electronic notification for AET to proceed with any of the Services described in this proposal. Please indicate your acceptance of this proposal by signing below and returning a copy to us. When you accept this proposal, you represent that you are authorized to accept on behalf of the Client.

AET appreciates the opportunity to provide this service for you and looks forward to working with you on this project. If you have questions or need additional information, please contact us.

Sincerely,
American Engineering Testing, Inc.

Jacob L. Heimdahl, PE
Senior Geotechnical Engineer
Phone: 507-281-3547
Email: jheimdahl@amengtest.com

Stephen L. Mullen, PE
Rochester Manager / Senior Engineer
Phone: 507-281-3547
Email: smullen@amengtest.com

Attachments:
Terms and Conditions, COI, W-9

AET No. P-0029216 ACCEPTANCE AND AUTHORIZATION

Signature: ______________________ Date: ______________

Typed/Printed Name: ______________________________

Company: ______________________________

Po No./Project No.: ______________________________

Invoice Email: ______________________________

GEOTECHNICAL SERVICES FEE SCHEDULE
OWATONNA WWTF RETAINING WALL RECONSTRUCTION
1150 INDUSTRIAL DRIVE
OWATONNA, MN
AET PROPOSAL No. P-0031433

SERVICE DESCRIPTION	PROJECT BUDGET			
	ESTIMATED UNITS		UNIT RATE	BUDGET AMOUNT
Layout & Utility Clearance				
Project Administrator	2	Hour	$85.00	$170.00
Drilling Technician	3	Hour	$125.00	$375.00
Company Vehicle Rental	3	Hour	$29.00	$87.00
Standard Vehicle Mileage	90	Miles	$1.25	$112.50
GPS Equipment Rental	0.50	Day	$210.00	$105.00
MDH Sealing Records	1	Unit	$75.00	$75.00
Section Subtotal:				**$924.50**
Geotechnical Field Services				
Hourly Drilling				
Drilling Crew Chief	27	Hour	$140.00	$3,780.00
Drilling Crew Assistant	27	Hour	$115.00	$3,105.00
Truck with Drill Rig Rental	27	Hour	$116.00	$3,132.00
Rotary Drill on All-Terrain Vehicle Rental	21	Hour	$151.00	$3,171.00
Auxiliary Vehicle Mileage	270	Miles	$1.60	$432.00
Tractor/Lowboy Trailer Mileage	90	Miles	$2.40	$216.00
Borehole Grouting - Bentonite Grout	300	Foot	$2.00	$600.00
Section Subtotal:				**$14,436.00**
Laboratory				
Classification	4	Hour	$100.00	$400.00
ASTM D1140 Material Finer Than No. 200 Sieve in Soils	2	Each	$64.00	$128.00
Section Subtotal:				**$528.00**
Project Management & Reporting				
Project Administrator	2	Hour	$85.00	$170.00
Senior Engineer	12	Hour	$210.00	$2,520.00
Section Subtotal:				**$2,690.00**
	ESTIMATED BUDGET			**$18,578.50**

SECTION 1 - RESPONSIBILITIES

1.1 – This Service Agreement – Terms and Conditions (“terms and conditions”) is applicable to all services (“Services”) provided by American Engineering Testing, Inc. (AET). As used herein “Services” refer to the scope of Services described in the proposal submitted by AET to Client. The proposal, these terms and conditions and any appendices attached hereto shall comprise the agreement (“Agreement”) between AET and Client for Services described in the proposal and are binding upon the Client, its successors, assignees, joint ventures and third-party beneficiaries. **AET requests written acceptance of the Agreement, but the following actions shall also constitute Client’s acceptance of the Agreement: 1) issuing an authorizing purchase order, task order, service order, or any other documentation for any of the Services, 2) authorizing AET’s presence on site, or 3) written or electronic notification for AET to proceed with any of the Services. Issuance of a purchase order, task order or service order by Client which contains separate terms and conditions will not take precedence or modify the terms and conditions contained in this Service Agreement AND THE TERMS AND CONDITIONS OF THIS SERVICE AGREEMENT AND ANY CORRESPONDING PROPOSAL ISSUED BY AET SHALL GOVERN UNLESS AUTHORIZED IN WRITING IN ADVANCE BY AET.**

1.2 - Prior to AET performing Services, Client will provide AET with all information that may affect the cost, progress, safety and performance of the Services. This includes, but is not limited to, information on proposed and existing construction, all pertinent sections of contracts between Client and their Client and/or Owner which contain flow-down provisions to AET, if they are included, site safety plans or other documents which may control or affect AET's Services. If new information becomes available during AET's Services, Client will provide such information to AET in a timely manner. Failure of Client to timely notify AET of changes to the project including, but not limited to, location, elevation, loading, or configuration of the structure or improvement will constitute a release of any liability or indemnity obligations of AET for loss or damages related to such changes. Client will provide a representative for timely answers to project-related questions by AET.

1.3 – AET is responsible only for performance of the Services. AET will not be held responsible for work or omissions by Client or any other party working on the project. The Services do not include construction management, general contracting or surveying services. AET will not be responsible for directing or supervising the work of other parties, unless specifically authorized and agreed to in writing.

1.4 - Services performed by AET often include sampling at specific locations. Inherent with such sampling is variation of conditions between sampling locations. Client recognizes this uncertainty and the associated risks, and acknowledges that opinions developed by AET, based on samples so taken, are qualified to that extent.

1.5 - AET is not responsible for interpretations or modifications of AET's recommendations by other persons.

1.6 - Should changed conditions be alleged, Client agrees to notify AET before evidence of alleged change is no longer accessible for evaluation.

1.7 – Pricing in the proposal assumes use of these terms and conditions. AET reserves the right to amend pricing if Client requests modifications to the Agreement or use of Client’s alternate contract format. Any contract amendments made after Client has authorized the Services shall be applicable only to Services performed after the effective date of such amendment. The proposal and these terms and conditions, including terms of payment, shall apply to all Services performed prior to the effective date of such amendment.

1.8 – The AET proposal accompanying these terms and conditions is valid for thirty (30) days after the proposal issuance date to the Client. Any attempt to authorize Services after the expiration date is subject to AET’s right to revise the proposal as necessary.

SECTION 2 - SITE ACCESS, RESTORATION AND UNDERGROUND UTILITIES AND STRUCTURES

2.1 - Client will furnish AET safe and legal site access to the site.

2.2 - Client acknowledges that in the normal course of its Services AET may unavoidably alter existing site conditions or affect the environment in the area being studied. AET will take reasonable precautions to minimize alterations to the site or existing materials. Restoration of the site is the responsibility of the Client.

2.3 - **With the exception of public utilities which AET will contact state “call before you dig” notification centers (e.g. Gopher State One call in Minnesota), Client will mark or cause to be marked the location of all other underground utilities and structures (Facilities) that service or are located on the site. AET shall be entitled to rely upon the accuracy of all location information supplied by any source.**

2.4 - **Client shall hold harmless, indemnify and defend AET from all claims, damages, losses, fines, penalties and expenses (including attorney’s fees) arising out of or related to the following: a) Facilities that are not shown or vary from the locations shown on any plans or drawings, b) Facilities that are not located by or vary from the locations marked by Client, governmental or quasi-governmental locator programs, or private utility locating services, or c) any other Facilities that are not disclosed or vary from locations provided by the Client. The obligation to defend AET shall be independent of the obligation to indemnify and hold harmless AET and shall be with independent counsel acceptable to AET.**

SECTION 3 - SAFETY

3.1 - Client shall inform AET of any known or suspected hazardous materials or unsafe conditions at the site. If, during the course of AET's Services, such materials or conditions are discovered, AET reserves the right to take measures to protect AET personnel and equipment or to immediately terminate Services. Client shall be responsible for payment of such additional protection costs.

3.2 - AET shall only be responsible for safety of AET employees; the safety of all others shall be Client’s or other parties’ responsibility.

SECTION 4 - SAMPLES

4.1 - Client shall inform AET of any known or suspected hazardous materials prior to submittal to AET. All samples obtained by or submitted to AET remain the property of the Client during and after the Services. Any known or suspected hazardous material samples will be returned to the Client at AET's discretion.

4.2 - Non-hazardous samples will be held for thirty (30) days and then discarded unless, within thirty (30) days of the report date, the Client requests in writing that AET store or ship the samples. Storage and shipping costs shall be borne solely by Client.

SECTION 5 - PROJECT RECORDS

The original project records prepared by AET will remain the property of AET. AET shall retain these original records for a minimum of three years following submission of the report, during which period the project records can be made available to Client at AET's office at reasonable times.

SECTION 6 - STANDARD OF CARE
AET will perform its Services consistent with the level of care and skill normally performed by other firms in the profession at the time of the service and in the same geographic area, under similar budgetary constraints.

SECTION 7 - INSURANCE
AET maintains insurance with coverage and minimum limits shown below. AET will furnish certificates of insurance to Client upon request.

7.1 –

Workers' Compensation	Statutory Limits
Employer's Liability	$100,000 each accident $500,000 disease policy limit $100,000 disease each employee
Commercial General Liability	$1,000,000 each occurrence $1,000,000 aggregate
Automobile Liability	$1,000,000 each accident
Professional/Pollution Liability Insurance	$1,000,000 per claim $1,000,000 aggregate

7.2 - Commercial General Liability insurance will include coverage for Products/Completed Operations extending one (1) year after completion of AET's Services as outlined in our proposal, Property Damage, Personal Injury, and Contractual Liability coverage applicable to AET's indemnity obligations under this Agreement.

7.3 - Automobile Liability insurance shall include coverage for all owned, hired and non-owned automobiles.

7.4 - Professional/Pollution Liability Insurance is written on a claims-made basis and coverage will be maintained for one (1) year after completion of AET's Services as outlined in our proposal. Renewal policies during this period shall maintain the same retroactive date.

7.5 - **To the extent permitted by applicable state law, and upon Client's signing of the proposal, which includes these Terms and Conditions, and return of the same to AET, or Client provided forms of acceptance as defined in Section 1.1; Client and Owner shall be named an "additional insured" on AET's Commercial General Liability Policy (Form CG D4 14, which includes blanket coverage for the Additional Insured on a Primary and Non-Contributory basis). Client and Owner shall also be named an "additional insured" on a Primary and Non-contributory basis on AET's Automobile Liability Policy (Form CA T4 74). Any other endorsement, coverage or policy requirement may result in additional charges.**

7.6 - AET will maintain insurance coverage required by this Agreement at its sole expense, provided such insurance is reasonably available, with insurance carriers licensed to do business in the state in which the project is located and having a current A.M. Best rating of no less than A minus (A-). Such insurance shall provide for thirty (30) days prior written notice to Client for notice of cancellation or material limitations for the policy or ten (10) days' notice for non-payment of premium.

7.7 - AET reserves the right to charge Client for AET's costs for additional coverage requirements unknown on the date of the proposal, e.g., coverage limits or policy modification including waiver of subrogation, additional insured endorsements and other project specific requirements.

SECTION 8 - DELAYS
If delays to AET's Services are caused by Client or Owner other parties, strikes, natural causes, pandemic, weather, or other items beyond AET's control, a reasonable time extension for performance of the Services shall be granted, and AET shall receive an equitable fee adjustment.

SECTION 9 - PAYMENT, INTEREST AND BREACH

9.1 - Invoices are due net thirty (30) days from the date of receipt of an undisputed invoice. Invoices will be paid without reductions for bond or retention. Client will inform AET of invoice questions or disagreements within fifteen (15) days of invoice date; unless so informed, invoices are deemed correct.

9.2 - Invoices remaining unpaid for sixty (60) days shall constitute a material breach of this Agreement, permitting AET, in its sole discretion and without limiting any other legal or equitable remedies for such breach, to terminate performance of this Agreement and be relieved of any associated duties to the Client or other persons. Further, AET may withhold from Client data and reports in AET's possession. If Client fails to cure such breach, all reports associated with the unpaid invoices shall immediately upon demand be returned to AET and Client may neither use nor rely upon such reports or the Services.

9.3 – AET reserves the right to pursue any unpaid invoice utilizing available remedies at law. AET explicitly reserves its Mechanic Lien or Bond Claim rights for nonpayment of an undisputed invoice. Client is responsible for paying AET expenses and attorney fees related to collection of past due invoices.

9.4 – AET reserves the right to charge a 2.5% fee on any payment made using a credit card or debit card.

SECTION 10 - CHANGE ORDERS
AET's proposal associated with this project may provide an estimated cost for the work. If the proposal amount is a time and material estimate, or if changes occur affecting the project scope, estimated quantities, project schedule or other unforeseen conditions, AET will communicate with Client request a change order. However, nothing in this agreement shall be construed in any way as a waiver of payment by Client to AET for Services authorized under this agreement. Approval of a change order may be in writing or by electronic communication, or any directive for additional Services.

SECTION 11 - MEDIATION

11.1 - Except for enforcement of AET's rights to payment for Services rendered or to assert and/or enforce its lien rights, including without limitation assertion and enforcement of mechanic's lien rights and foreclosure of the same, Client and AET agree that any claim, dispute or other matter in question arising out of or related to this Agreement shall be subject to mediation as a condition precedent to arbitration or the institution of legal or equitable proceedings by either party; provided however that if either party fails to respond to a request for mediation within sixty (60) days, the party requesting mediation may without further notice, proceed to arbitration or the institution of legal or equitable proceedings.

11.2 - Mediation shall be in accordance with the Construction Industry Mediation Rules of the American Arbitration Association. Request for mediation shall be in writing and the parties shall share the mediator's fee and any filing fees equally and each party shall pay their own legal fees. The mediator shall be acceptable to both parties and shall have experience in commercial construction matters.

SECTION 12 - LITIGATION REIMBURSEMENT

Except for matters relating to non-payment of fees, which is governed by Section 9 hereof, payment of attorney's fees and costs associated with lawsuits or arbitration of disputes between AET and Client, which are dismissed or are judged substantially in either party's favor, shall be paid by the non-prevailing party. Applicable costs include, but are not limited to, attorney and expert witness fees, court costs, and other direct costs.

SECTION 13 - MUTUAL INDEMNIFICATION

13.1 – Subject to the limitations contained in Sections 13 and 16, AET agrees to indemnify Client from and against damages and costs to the extent caused by AET's negligent performance of the Services.

13.2 - Client agrees to indemnify AET from and against damages and costs to the extent caused by the intentional acts or negligence of the Client, Owner, Client's contractors and subcontractors or other third parties.

13.3 - If Client has an indemnity agreement with other persons or entities relating to the project for which AET's Services are performed, the Client shall include AET as an Additional Insured.

13.4 - AET's indemnification to the Client, including any indemnity required or implied by law, is limited solely to losses or damages caused by its failure to meet the standard of care and only to the extent of its negligence.

SECTION 14 - NON-SOLICITATION

Each party to this Agreement (a "Party") agrees that it will not encourage, induce, or actively solicit any employee of the other party to leave their employment for any reason, provided that neither Party is precluded from (a) hiring any such employee who has been terminated by a Party or its subsidiaries prior to commencement of employment discussions between a Party and such employee, or (b) soliciting any such employee by means of a general advertisement or through an employment agency that does not specifically pursue the employee, or (c) hiring employees or former employees of the other Party who contact the Party on its own accord. This Non-Solicitation provision shall be effective and enforceable for six (6) months following termination of this Agreement.

SECTION 15- MUTUAL WAIVER OF CONSEQUENTIAL DAMAGES

Except as specifically set forth herein and to the extent permitted by applicable law, Client and AET waive against each other, and each other's officers, directors, members, subcontractor, agents, assigns, successors, partners, and employees any and all claims for or entitlement to special, incidental, indirect, punitive, or consequential damages arising out of, resulting from, or in any way related to the Services provided by AET under this Agreement. This mutual waiver of consequential damages includes, but is not limited to, the following: loss of profits; loss of revenue; rental costs/expenses incurred; loss of income; loss of use of property, equipment, materials or services; loss of opportunity; loss of rent; loss of good will; loss of financing; loss of credit; diminution of value; loss of business and reputation; loss of management or employee productivity or the services of such persons; increased financing costs; cost of substitute facilities; cost of substitute goods/property/equipment; cost of substitute services; and/or cost of capital. This mutual waiver is applicable, without limitation, to all consequential damages due to either party's termination of this Agreement in accordance with the provisions of the Agreement and related documents and shall survive any such termination.

SECTION 16 - LIMITATION OF LIABILITY

To the fullest extent permitted by applicable law, the total aggregate liability of AET and its officers, directors, partners, employees, subcontractors, agents, and sub-consultants, to Client and/or Client's employees, officers, directors, members, agents, assigns, successors, or partners, or anyone claiming through Client, for any and all injuries, damages, claims, losses, or expenses (including attorney's fees and costs) arising out of, resulting from or in any way related to Services provided by *AET* from any cause or causes, including, but not limited to, its negligence, professional errors and omissions, strict liability, breach of contract, or breach of warranty, shall not exceed the total compensation in excess of costs received by AET for Services or $50,000, whichever is less. The limitation of liability set forth herein does not apply to claims arising solely out of or related to the willful or intentional acts of AET.

SECTION 17 - POSTING OF NOTICES ON EMPLOYEE RIGHTS

Effective June 21, 2010, prime contracts with a value of $100,000 or more and signed by federal contractors on projects with any agency of the United States government must comply with 29 CFR Part 471, which requires physical posting of a notice to employees of their rights under Federal labor laws. The required notice may be found at *29 Code of Federal Regulations Part 471, Appendix A to Subpart A*. The regulation also has a "flow-down" requirement for subcontractors under the prime agreement for subcontracts with a value of $10,000 or more. AET requires strict compliance of its subcontractors working on federal contracts subject to this regulation. The regulation has specific requirements for location of posting and language(s) for the poster.

SECTION 18 - TERMINATION

After seven (7) days written notice, either party may elect to terminate this Agreement for justifiable reasons. In this event, the Client shall pay AET for all Services performed, including demobilization and reporting costs to complete the Services.

SECTION 19 - SEVERABILITY

Any provisions of this Agreement later held to violate a law or regulation shall be deemed void, and all remaining provisions shall continue in force. However, Client and AET will in good faith attempt to replace an invalid or unenforceable provision with one that is valid and enforceable, and which comes as close as possible to expressing the intent of the original provision.

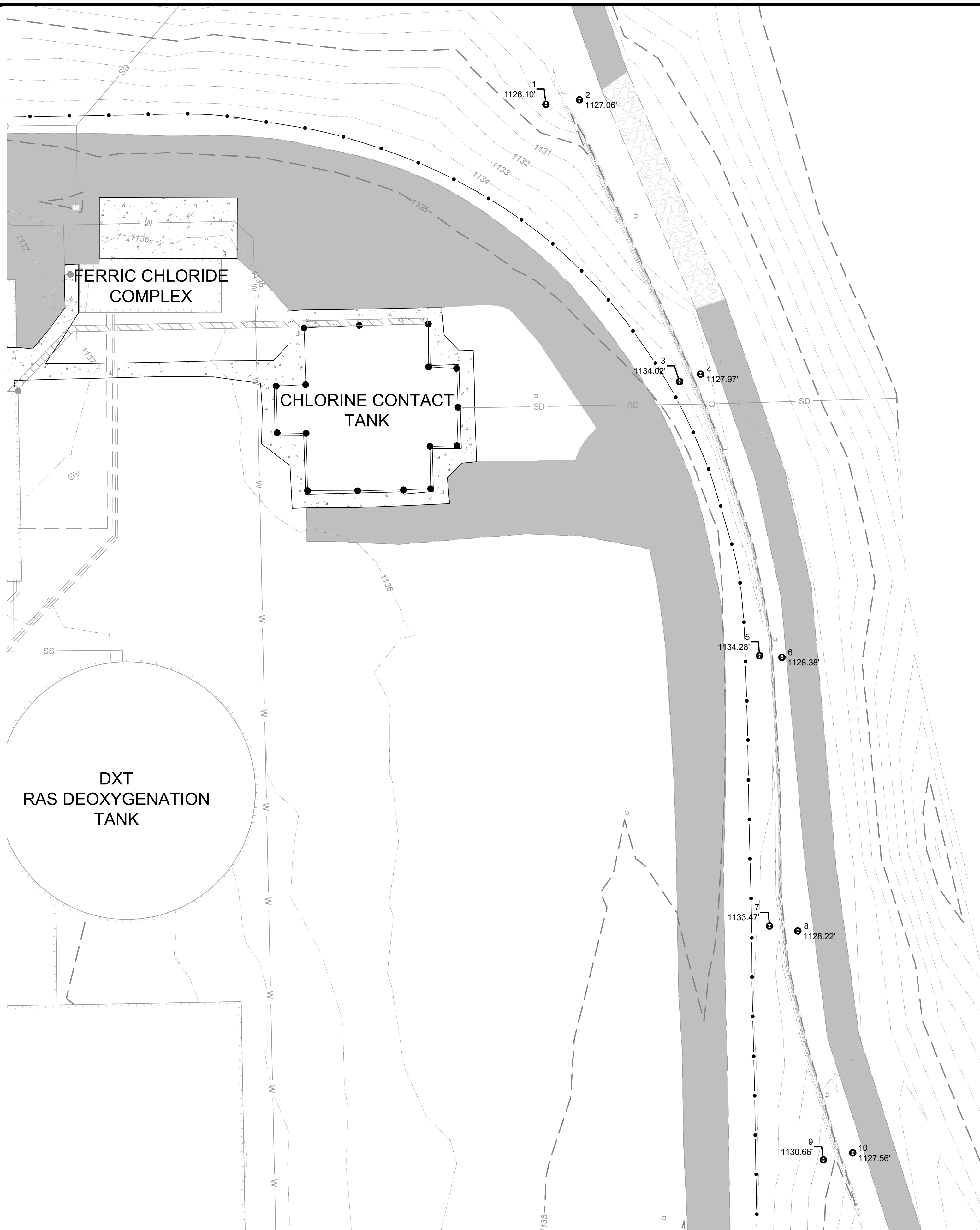
SECTION 20 - GOVERNING LAW

This Agreement shall be construed in accordance with the Laws of the State of Minnesota without regard to its conflicts of law provisions.

SECTION 21 - ENTIRE AGREEMENT

This Agreement, including these terms and conditions and attached proposal and appendices, is the entire agreement between AET and Client. Regardless of method of acceptance of this Agreement by the Client, this Agreement supersedes any written or oral agreements, including purchase/work orders or other Client agreements submitted to AET after the start of our Services. Any modifications to this Agreement must be mutually acceptable to both parties and accepted in writing. No considerations will be given to revisions to AET's terms and conditions or alternate contract format submitted by the Client as a condition for payment of AET's accrued Services.

Layout: EX_SB
File: \\ae2s.com\nasun\projects\N\Nero\14367-2017-000\CAD Dwgs\01-Civil\Plan Sheets\EX-Soil Borings.dwg



Point Table

Point #	Elevation	Northing	Easting	Description
1	1128.10	196698.97	417582.78	SB
2	1127.06	196700.48	417593.85	SB
3	1134.02	196607.58	417626.88	SB
4	1127.97	196610.02	417633.83	SB
5	1134.28	196517.16	417653.26	SB
6	1128.38	196516.58	417660.67	SB
7	1133.47	196428.00	417656.58	SB
8	1128.22	196426.37	417665.90	SB
9	1130.66	196350.91	417674.34	SB
10	1127.56	196353.19	417684.04	SB

SYM	DATE	DESCRIPTION	APPR

NERO ENGINEERING

0 20
Scale in Feet

NORTH

OWATONNA WWTF UPGRADE AND EXPANSION
CITY OF OWATONNA
OWATONNA, MINNESOTA
SOIL BORING LOCATIONS

DRAWING TYPE
CONSTRUCTION
PREPARED BY
GP
CHECKED / APPROVED
DL / DL
DATE
MAY 2022
PROJECT NUMBER
05184-2020-001
FACILITY
EX
DRAWING
EX100

LEGEND

BITUMINOUS PAVEMENT
CONCRETE PAVEMENT

Plotted By: Graham Prior Date: Wednesday, November 8, 2023
Last Saved By: Graham Prior Date: Wednesday, November 8, 2023 8:50:23 AM

Nero Engineering ● 7135 Madison Avenue W, Minneapolis, MN 55427 ● (t) 612-240-0524 ● www.neroeng.com

RECAP:

24,936.84	Central Farm Service - fleet fuel
205,362.85	Nero Engineering - WWTF Upgrade & Expansion November 2023 & February 2024
58,357.88	Owatonna Motor Company - 2024 Ford F250 - Grounds Maintenance Tractor
89,666.76	SHI International Corp
31,786.37	Tri State Bobcat - 2024 Bobcat UW56 T4 Toolcat - $31,786.37 - Park Maintenance - Golf Division
2,622,545.63	US Bank Bond & Interest Payment
	- GO Street Reconstruction Bond, Series 2021A: Bond Pymt $290,000.00 / Interest Pymt $43,430.00
	- GO Street Reconstruction Bond, Series 2020A: Bond Pymt $145,000.00 / Interest Pymt $21,900.00
	- GO Improvement Bond, Series 2019A: Bond Pymt $180,000.00 / Interest Pymt $32,700.00
	- GO Street Reconstruction Bond, Series 2018A: Bond Pymt $470,000.00 / Interest Pymt $61,700.00
	- GO Bond, Series 2017A: Bond Pymt $190,000.00 / Interest Pymt $12,571.88
	- GO Bond, Series 2017A: Bond Pymt $20,000.00 / Interest Pymt $675.00
	- GO Bond, Series 2016A: Bond Pymt $290,000.00 / Interest Pymt $4,350.00
	- GO Bond, Series 2016A: Bond Pymt $160,000.00 / Interest Pymt $18,318.75
	- GO Bond, Series 2016A: Bond Pymt $110,000.00 / Interest Pymt $5,600.00
	- GO Bond, Series 2015A: Bond Pymt $135,000.00 / Interest Pymt $5,525.00
	- GO Bond, Series 2013A: Bond Pymt $280,000.00 / Interest Pymt $3,850.00
	- TIF Bond, Series 2013A: Bond Pymt $140,000.00 / Interest Pymt $1,925.00
72,729.07	Wencl Construction - 2023 Street & Utility Est #4
301,844.12	OTHER EXPENDITURES
$ 3,407,229.52	TOTAL EXPENDITURES PRESENTED FOR APPROVAL

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

Cash Account: 999-19100-000-000-000000

Check Number	Check Date	Vendor Name	Net Check Amount	Check Status	Check Type
377010	03/01/24	A & K LLC	392.00	R	ACH
377011	03/01/24	A&H PROPERTIES	451.00	R	ACH
377012	03/01/24	ACADEMY APARTMENTS OF OWA LLC	1,241.00	R	ACH
377013	03/01/24	ADAMS REVOCABLE LIVING TRUST	613.00	R	ACH
377014	03/01/24	ALL AREA MANAGEMENT LLC	1,213.00	R	ACH
377015	03/01/24	APACHE APARTMENTS	947.00	R	ACH
377016	03/01/24	ATM PROPERTIES LLC	1,056.00	R	ACH
377017	03/01/24	AUSTIN HRA	1,839.00	O	Regular
377018	03/01/24	BARRY GILLESPIE	223.00	R	ACH
377019	03/01/24	BB BROTHERS HOLDINGS LLC	329.00	R	ACH
377020	03/01/24	BROWN CYNTHIA	552.00	R	ACH
377021	03/01/24	BRYCEN GREGOR	1,040.00	R	ACH
377022	03/01/24	CAPELLE COMPANIES LLC	1,117.00	R	ACH
377023	03/01/24	CEDAR HILLS ESTATES	546.00	R	ACH
377024	03/01/24	CEDAR RIDGE APARTMENTS	817.00	R	ACH
377025	03/01/24	CEDAR ROSE ASSOCIATES LLC	800.00	R	ACH
377026	03/01/24	CEDAR RUN TOWN HOMES MDI #41	3,585.00	R	ACH
377027	03/01/24	CEDARDALE NORTH APARTMENTS	326.00	R	ACH
377028	03/01/24	CEDARDALE SOUTH APARTMENTS	516.00	R	ACH
377029	03/01/24	CEDARDALE WEST APARTMENTS	559.00	R	ACH
377030	03/01/24	CHRIS PROHASKI	1,095.00	R	ACH
377031	03/01/24	COMMON CENTS PROPERTIES LLC	328.00	R	ACH
377032	03/01/24	COOPERS COURT LLC	913.00	R	ACH
377033	03/01/24	DAN NECHVILLE	706.00	R	ACH
377034	03/01/24	DANIEL SCHLEGEL	477.00	R	ACH
377035	03/01/24	DONALD RIPPLE	617.00	R	ACH
377036	03/01/24	DSBMT, LLC	591.00	R	ACH
377037	03/01/24	EEK LLC	600.00	R	ACH
377038	03/01/24	ELM STREET PROPERTIES	497.00	R	ACH
377039	03/01/24	FREDRICKSON PROPERTIES	400.00	R	ACH
377040	03/01/24	G & H MANAGEMENT CO LLC	1,078.00	R	ACH
377041	03/01/24	IMAGE APARTMENT	2,426.00	R	ACH
377042	03/01/24	JBLL EQUITIES LLC	900.00	R	ACH
377043	03/01/24	JOHN & DENISE SCHROEDER	505.00	R	ACH
377044	03/01/24	JOHNSON WINDOW & SIDING INC	3,966.00	R	ACH
377045	03/01/24	JPF PROPERTIES	1,071.00	R	ACH
377046	03/01/24	JULIE WERSAL	583.00	R	ACH
377047	03/01/24	KEG INVESTMENTS LLC	2,176.00	R	ACH
377048	03/01/24	KEITH MARTIN	1,292.00	R	ACH
377049	03/01/24	KERR MCCAULEY INVESTMENT II	413.00	R	ACH
377050	03/01/24	KLEVOS GREG	607.00	R	ACH
377051	03/01/24	L&L LEGACY PROPERTIES	124.00	R	ACH
377052	03/01/24	LAXMAN S SUNDAE	1,550.00	R	ACH
377053	03/01/24	LEE ANNA	1,397.00	R	ACH

Check Number	Check Date	Vendor Name	Net Check Amount	Check Status	Check Type
377054	03/01/24	LINCOLN SQUARE APARTMENTS	8,049.00	R	ACH
377055	03/01/24	LWO LIMITED PARTNERSHIP #116	4,231.00	R	ACH
377056	03/01/24	MANCINI NICHOLAS	819.00	R	ACH
377057	03/01/24	MARQUARDT DENNIS	898.00	R	ACH
377058	03/01/24	MARTIN ALLAN	2,359.00	R	ACH
377059	03/01/24	MARTIN FAMILY LLC	436.00	R	ACH
377060	03/01/24	MCCAULEY PATRICK	741.00	R	ACH
377061	03/01/24	MIDWEST INVEST LLC	534.00	R	ACH
377062	03/01/24	MINNEAPOLIS PHA	919.19	R	ACH
377063	03/01/24	NECHVILLE SUSAN	1,293.00	R	ACH
377064	03/01/24	NORTHCOURT APARTMENTS	962.00	R	ACH
377065	03/01/24	NORTHGATE	2,113.00	R	ACH
377066	03/01/24	NORTHSTAR HOLDINGS LLC	668.00	R	ACH
377067	03/01/24	NORTHWEST MANOR	2,365.00	R	ACH
377068	03/01/24	OWATONNA PUBLIC UTILITIES	139.00	R	ACH
377069	03/01/24	PARKVIEW OWATONNA LLC	373.00	R	ACH
377070	03/01/24	PETER BIEL	716.00	R	ACH
377071	03/01/24	POSITIVE SHARE LLC	398.00	R	ACH
377072	03/01/24	PROHASKI PROPERTIES	1,806.00	R	ACH
377073	03/01/24	QUALITY RENTALS OF OWATONNA LL	830.00	R	ACH
377074	03/01/24	RAYMOND WILLMOTT	518.00	R	ACH
377075	03/01/24	RWB PROPERTIES	600.00	R	ACH
377076	03/01/24	SCOTT COUNTY CDA	3,961.57	R	ACH
377077	03/01/24	SIXSPARKS LLC	737.00	R	ACH
377078	03/01/24	SMITH REAL ESTATE LLC	464.00	R	ACH
377079	03/01/24	SOUTH CENTRAL HUMAN RELATIONS	2,994.00	R	ACH
377080	03/01/24	ST CLOUD HRA	1,185.10	R	ACH
377081	03/01/24	STADHEIM PROPERTIES	830.00	R	ACH
377082	03/01/24	SUBLAND INVESTMNTS & LIFESTYLE	218.00	R	ACH
377083	03/01/24	SUMMIT MANOR	370.00	R	ACH
377084	03/01/24	TM RENTALS II LLC	461.00	R	ACH
377085	03/01/24	USDA RURAL DEVELOPMENT	401.00	O	Regular
377086	03/01/24	USDA RURAL DEVELOPMENT	532.00	O	Regular
377087	03/01/24	WILLOW RUN I MDI #58	4,389.00	R	ACH
377088	03/01/24	WILLOW RUN II MDI #85	3,697.00	R	ACH
377089	03/01/24	YOUNGDAHL DEVELOPMENT LLC	2,259.00	R	ACH
377090	03/01/24	ZK INVESTORS LLC	1,730.00	R	ACH
377091	03/12/24	ALEXANDER LUMBER COMPANY	2,566.91	O	Regular
377092	03/12/24	ALLDATA	1,500.00	O	Regular
377093	03/12/24	AMERICAN ASSN AIRPORT EXECS	275.00	O	Regular
377094	03/12/24	ANOVA	4,317.55	O	Regular
377095	03/12/24	APG MEDIA OF SO MINNESOTA LLC	1,699.98	O	Regular
377096	03/12/24	ARAMARK UNIFORM SERVICES INC	360.78	O	Regular
377097	03/12/24	ARROW ACE HARDWARE	6.40	R	ACH
377098	03/12/24	AUTO TRIM DESIGN OF OWATONNA	575.00	O	Regular

Check Number	Check Date	Vendor Name	Net Check Amount	Check Status	Check Type
377099	03/12/24	AVFUEL CORPORATION	14,005.55	R	ACH
377100	03/12/24	BAKER & TAYLOR BOOKS	998.53	R	ACH
377101	03/12/24	BENJAMIN METCALF	43.24	O	Regular
377102	03/12/24	BRIAN FALLINE	16.46	R	ACH
377103	03/12/24	BROYHILL INC	100.90	O	Regular
377104	03/12/24	BUREAU CRIMINAL APPREHENSION	33.25	O	Regular
377105	03/12/24	BUREAU CRIMINAL APPREHENSION	33.25	O	Regular
377106	03/12/24	CARQUEST	2,265.81	O	Regular
377107	03/12/24	CBM LLC	33.98	O	Regular
377108	03/12/24	CEMSTONE CONCRETE MATERIAL LLC	345.90	O	Regular
377109	03/12/24	CENGAGE LEARNING INC/GALE	24.79	R	ACH
377110	03/12/24	CENTRAL FARM SERVICE	24,936.84	O	Regular
377111	03/12/24	CINTAS	60.32	O	Regular
377112	03/12/24	COLORS & GLASS INC	832.88	O	Regular
377113	03/12/24	CONTINENTAL RESEARCH CORP	655.36	R	ACH
377114	03/12/24	COVERALL OF THE TWIN CITIES	2,455.00	O	Regular
377115	03/12/24	CRABTREE PUBLISHING COMPANY	41.90	R	ACH
377116	03/12/24	DELL MARKETING LP	762.73	R	ACH
377117	03/12/24	EARL F ANDERSEN & ASSOC	4,808.70	O	Regular
377118	03/12/24	FIRST SUPPLY OWATONNA	1,414.12	R	ACH
377119	03/12/24	FLAHERTY & HOOD PA	446.25	R	ACH
377120	03/12/24	FOUR SEASONS ELECTRIC	1,219.37	R	ACH
377121	03/12/24	FULLSTEAM HOLDINGS LLC	571.00	R	ACH
377122	03/12/24	GENESIS LAMP CORPORATION	196.51	R	ACH
377123	03/12/24	GOLDEN VALLEY SUPPLY CO	256.08	O	Regular
377124	03/12/24	GOOD GOOD GOLF LLC	1,286.50	O	Regular
377125	03/12/24	GRAINGER	619.54	R	ACH
377126	03/12/24	HAWKINS INC	10,199.88	R	ACH
377127	03/12/24	HILLYARD INC	659.56	O	Regular
377128	03/12/24	HUBER SUPPLY CO INC	448.51	O	Regular
377129	03/12/24	IFACS	527.30	R	ACH
377130	03/12/24	INNOVATIVE OFFICE SOLUTIONS	112.02	O	Regular
377131	03/12/24	INSTITUTE FOR ENVIRON ASSMT	3,500.00	O	Regular
377132	03/12/24	INSTY PRINTS	23.66	R	ACH
377133	03/12/24	JETTER CLEAN INC	500.00	R	ACH
377134	03/12/24	JONES HAUGH & SMITH INC	3,120.00	O	Regular
377135	03/12/24	JUGS SPORTS	1,990.00	O	Regular
377136	03/12/24	KENNEDY & GRAVEN	190.00	O	Regular
377137	03/12/24	KOWZ-FM	500.00	R	ACH
377138	03/12/24	LARRY THORNHILL	160.00	O	Regular
377139	03/12/24	LAWSON AUTOMOTIVE LLC	646.05	R	ACH
377140	03/12/24	LEGACY SIGNS INC	60.00	R	ACH
377141	03/12/24	LIGHTNING PRINTING INC	926.95	R	ACH
377142	03/12/24	LINDER DIGITAL	1,180.00	O	Regular
377143	03/12/24	LYNETTE YENCHO	1,750.00	O	Regular

Check Number	Check Date	Vendor Name	Net Check Amount	Check Status	Check Type
377144	03/12/24	MACQUEEN EQUIPMENT CO	261.77	R	ACH
377145	03/12/24	MADISON NATL LIF INS CO INC	1,614.28	O	Regular
377146	03/12/24	MANKE'S OUTDOOR EQUIP & APPL	75.98	R	ACH
377147	03/12/24	MARCO TECHNOLOGIES LLC	16,580.05	R	ACH
377148	03/12/24	MATTHEW R HOKANSON	1,500.06	R	ACH
377149	03/12/24	MCDONALD HOPKINS LLC	3,161.70	O	Regular
377150	03/12/24	MCMASTER-CARR SUPPLY CO	164.02	R	ACH
377151	03/12/24	MCNEILUS STEEL INC	1,260.00	R	ACH
377152	03/12/24	METRO SALES INC	84.20	O	Regular
377153	03/12/24	METRONET SYSTEMS HOLDINGS LLC	1,832.55	R	ACH
377154	03/12/24	MICHAEL A. OLDENBURG	600.00	O	Regular
377155	03/12/24	MICHAEL BEACH COACHING & CONSU	400.00	R	ACH
377156	03/12/24	MID-AMERICAN RESEARCH CHEMICAL	1,931.58	O	Regular
377157	03/12/24	MIDWEST TAPE LLC	1,771.19	O	Regular
377158	03/12/24	MIKE'S REPAIR	1,824.00	R	ACH
377159	03/12/24	MINNESOTA PUMP WORKS	1,492.86	R	ACH
377160	03/12/24	MN DRIVER & VEHICLE SERVICES	15.25	O	Regular
377161	03/12/24	MN UNEMPLOYMENT INS FUND	738.34	O	Regular
377162	03/12/24	MRI SOFTWARE LLC	200.00	R	ACH
377163	03/12/24	MTI DISTRIBUTING INC	151.77	R	ACH
377164	03/12/24	NAPA AUTO PARTS	723.02	R	ACH
377165	03/12/24	NERO ENGINEERING	205,362.85	R	ACH
377166	03/12/24	NORTHERN DEWATERING INC	1,467.40	R	ACH
377167	03/12/24	NORTHLAND FARM SYSTEMS	362.84	O	Regular
377168	03/12/24	OFFICE OF MNIT SERVICES	179.55	O	Regular
377169	03/12/24	OWATONNA GLASS LLC	609.32	O	Regular
377170	03/12/24	OWATONNA HEATING & COOLING INC	190.00	O	Regular
377171	03/12/24	OWATONNA MOTOR COMPANY	58,357.88	O	Regular
377172	03/12/24	PB PARENT HOLDCO, LP	887.00	R	ACH
377173	03/12/24	PHONE STATION INC	2,044.00	O	Regular
377174	03/12/24	PREMIER CARBIDE SAW & TOOL INC	322.98	O	Regular
377175	03/12/24	PRIME GARAGE DOOR & MORE LLC	2,230.00	R	ACH
377176	03/12/24	RCM SPECIALTIES	1,062.99	O	Regular
377177	03/12/24	REINDERS INC	1,838.48	R	ACH
377178	03/12/24	ROOT RIVER HARDWOODS INC	634.97	O	Regular
377179	03/12/24	SAFE-FAST INC	621.00	R	ACH
377180	03/12/24	SHERWIN WILLIAMS COMPANY	224.33	O	Regular
377181	03/12/24	SHERWIN WILLIAMS COMPANY	50.85	O	Regular
377182	03/12/24	SHI INTERNATIONAL CORP	89,666.76	O	Regular
377183	03/12/24	SHRED RIGHT	42.53	R	ACH
377184	03/12/24	SIOUX VALLEY ENVIRONMENTAL	5,850.00	O	Regular
377185	03/12/24	SPLIT ROCK MANAGEMENT INC	7,720.00	R	ACH
377186	03/12/24	STANDARD SPRING PARTS	270.44	R	ACH
377187	03/12/24	STAR TRIBUNE	59.83	R	ACH
377188	03/12/24	STATE INDUSTRIAL PRODUCTS	4,369.70	O	Regular

A/P Check Register
Checks from to

Check Number	Check Date	Vendor Name	Net Check Amount	Check Status	Check Type
377189	03/12/24	STEELE COUNTY TREASURER	6,146.85	O	Regular
377190	03/12/24	STEWART COMPANIES INC	65.71	O	Regular
377191	03/12/24	SWANK MOTION PICTURES INC	786.00	R	ACH
377192	03/12/24	T-MOBILE	2,710.54	O	Regular
377193	03/12/24	TAYLOR MADE GOLF COMPANY INC	2,945.03	O	Regular
377194	03/12/24	TEMPLE ELECTRIC MOTOR SERV INC	4,605.00	R	ACH
377195	03/12/24	TERRACON CONSULTANTS INC	1,197.50	R	ACH
377196	03/12/24	THE CHILD'S WORLD	229.50	O	Regular
377197	03/12/24	THOMPSON SANITATION INC	159.00	O	Regular
377198	03/12/24	TOR SPERLING	10.45	R	ACH
377199	03/12/24	TRI M GRAPHICS	9,909.37	R	ACH
377200	03/12/24	TRI STATE BOBCAT	31,786.37	R	ACH
377201	03/12/24	TRUCK CENTER COMPANIES LLC	1,177.41	O	Regular
377202	03/12/24	TURFWERKS	1,315.40	R	ACH
377203	03/12/24	UKG INC	122.12	R	ACH
377204	03/12/24	ULINE	175.44	O	Regular
377205	03/12/24	UNIQUE CONSTRUCTION LLC	5,000.00	O	Regular
377206	03/12/24	UNITED WAY	100.00	O	Regular
377207	03/12/24	US BANK	2,622,545.63	R	Wire Transfer
377208	03/12/24	UTILITY CONSULTANTS INC	1,751.27	R	ACH
377209	03/12/24	VAN METER INC	50.09	O	Regular
377210	03/12/24	VENTURE HYDRAULICS INC	212.91	R	ACH
377211	03/12/24	VESSCO INC	492.03	R	ACH
377212	03/12/24	WALBRAN & FURNESS CHARTERED	5,335.86	R	ACH
377213	03/12/24	WASTE MANAGEMENT OF WI-MN	95.57	O	Regular
377214	03/12/24	WENCL CONSTRUCTION	72,729.07	O	Regular
377215	03/12/24	WHKS & CO	2,883.50	R	ACH
377216	03/12/24	WHKS & CO	147.89	R	ACH
377217	03/12/24	WHKS & CO	14,589.00	R	ACH
377218	03/12/24	XCEL ENERGY	212.76	O	Regular
377219	03/12/24	YATTA GOLF LLC	2,000.00	O	Regular
377220	03/12/24	ZACK'S INC	187.51	O	Regular
377221	03/12/24	RANDALL'S LICENSE BUREAU	16.25	O	Regular

73	Checks total:	332,513.40
138	ACH total:	452,170.49
0	EFTPS total:	
1	Wire transfer total:	2,622,545.63
0	Payment Manager total:	
212	GRAND TOTALS	3,407,229.52

CITY OF OWATONNA

Resolutions

CITY OF OWATONNA

DATE: March 19, 2024
TO: Mayor and City Council
FROM: Greg Kruschke, Community Development Manager
SUBJECT: Resolution 24-24: Joint Resolution Marthaler Annexation - Owatonna Township

Purpose:
Request Council approval of Rsolution 24-24 approving the joint resolution with Owatonna Township for annexation of the Ihlenfeld land to be platted as Marthaler Addition.

Background:

- John Ihlenfeld, on behalf of the Ihlenfeld Family Partnership, a request for annexation of 4.26 acres of land for development. This accounts for 100% of the property owners involved.
- The land is located to the south of 26th Street NW and the west of State Avenue NW and East of the east frontage road.
- The applicant has petitioned to annex the property by joint resolution under State Statute 414.0325. The joint resolution is required to be signed by Owatonna Township as well.
- Since all parties have agreed to the joint resolution a public hearing is not required.
- Owatonna Township will be holding a meeting on March 13th to act on the joint resolution.
- The annexation agreement with Owatonna Township requires the township to be reimbursed for 10 years of the township share of property taxes upon annexation. The Applicant will be reimbursing the township $202.50 by June 1, 2024 as the resolution requires.
- The property is proposed to be zoned B-2, Community Business District.
- Water and sewer are available to the site. The applicant desires to be annexed in order to develop the subject property.
- The applicant will need to plat the property and install improvements prior to building. All plans will need to be prepared for these requests.

Budget Impact:
There is not a budget impact to the City with this request. The application fee covers the state filing fee for the annexation.

Staff Recommendation:
Staff recommends approval.

Attachments:
1. Resolution 24-24 Joint Resolution re Marthaler Annexation - Owatonna Twp
2. City Location
3. Site Location
4. Township Location

RESOLUTION 24-24

IN THE MATTER OF THE ORDERLY ANNEXATION BETWEEN THE CITY OF OWATONNA AND OWATONNA TOWNSHIP PURSUANT TO MINNESOTA STATUTES § 414.0325

WHEREAS, a request from the property owner, John Ihlenfeld, on behalf of the Ihlenfeld Family, of the area proposed for designation and immediate annexation was received.

WHEREAS, the City of Owatonna and Owatonna Township jointly agree to designate and request the immediate annexation of the following described land located within Owatonna Township to the City of Owatonna, County of Steele, Minnesota;

ATTACHED AS EXHIBIT A

and

WHEREAS, the City of Owatonna and Owatonna Township are in agreement as to the orderly annexation of the unincorporated land described; and

WHEREAS, Minnesota Statutes § 414.0325 provides a procedure whereby the City of Owatonna and Owatonna Township may agree on a process of orderly annexation of a designated area; and

WHEREAS, the City of Owatonna and Owatonna Township have agreed to all the terms and conditions for the annexation of the above-described lands; and the signatories hereto agree that no alteration of the designated area is appropriate and no consideration by the Chief Administrative Law Judge is necessary. The Chief Administrative Law Judge may review and comment, but shall within thirty (30) days, order the annexation in accordance with the terms of the resolution.

NOW, THEREFORE, BE IT RESOLVED, jointly by the City Council of the City of Owatonna and the Township Board of Owatonna Township as follows:

1. **(Property.)** That the above described land is subject to orderly annexation pursuant to Minnesota Statutes § 414.0325, and that the parties hereto designate the area for orderly annexation; and agree that the land be immediately annexed:

2. **(Acreage/Population/Usage.)** That the orderly annexation area consists of approximately 4.26 acres, the population in the area is 0, and the land use type will be commercial and the property being zoned B-2, Community Business District upon annexation.

3. **(Jurisdiction.)** That Owatonna Township and the City of Owatonna, by submission of this joint resolution to the Municipal Boundary Adjustment Unit of the Office of Administrative Hearings, confers jurisdiction upon the Chief Administrative Law Judge so as to accomplish said orderly annexation in accordance with the terms of this resolution.

4. **(Municipal Reimbursement).** Minnesota Statutes § 414.036.

   a. Reimbursement to Towns for lost taxes on annexed property.

   Owatonna Township and the City of Owatonna have agreed upon a payment of
   $202.50 to be paid to the township in exchange for lost property taxes. This amounts to an equivalent of ten years of the township share of property taxes per the Steele County Assessor. The property owner shall submit this payment to the township prior to June 1, 2024, after the annexation is formally approved by the State of Minnesota.

   b. Assessments and Debt.

   That pursuant to Minnesota Statutes § 414.036 there are no special assessments due to Owatonna Township.

5. (**Review and Comment).** The City of Owatonna and Owatonna Township agree that upon receipt of this resolution, passed and adopted by each party, the Chief Administrative Law Judge may review and comment, but shall within thirty (30) days, order the annexation in accordance with the terms of the resolution.

6. ***(Other Terms of Resolution).*** NONE.

Adopted by affirmative vote of all the members of the Owatonna Township Board of Supervisors this 13th day of March 2024.

OWATONNA TOWNSHIP

ATTEST:

By: ______________________________
Chairperson, Township Trustees

By: ______________________________
Township Clerk

Passed and adopted this ______ day of _______ 2024, with the following vote:

Aye _______; No _____; Absent _____.

Approved and signed this _______ day of __January__, 2024.

____
Thomas A. Kuntz, Mayor

ATTEST:

____
Kris M. Busse, City Administrator/City Clerk

Drafted By:

City of Owatonna
540 West Hills Circle
Owatonna, MN 55060

EXHIBIT A

PREPARED ANNEXATION DESCRIPTION

All that part of the NW1/4 NW1/4 Section 4-T107N-R20W, Steele County, Minnesota; described as follows:

Commencing at the northwest corner of the NW1/4 of said Section 4; thence North 89°39'45" East a distance of 1137.30 feet on an assumed bearing on the north line of said NW1/4, to a corner of Parcel 33 of MnDot Right-of-Way Plat No. 74-23, as recorded in the office of the Steele County Recorder; thence southeasterly a distance of 104.75 feet, on said easterly line of said Parcel 33, on a nontangential curve, concave to the west and a central angle of 02°42'27", having a radius of 2216.83 feet, a chord bearing of South 17°38'49" East, and a chord length of 104.74 feet, to a corner of said Parcel 33 which is the point of beginning;

thence South 89°39'45" West a distance of 266.66 feet on the south line of said Parcel 33, to the southeasterly right-of-way line of E. Frontage Road of said Right-of-way Plat;
thence South 32°49'11" West a distance of 371.18 feet on said southeasterly right-of-way line;

thence South 57°10'48" East a distance of 265.01 feet;

thence North 89°39'45" East a distance of 357.38 feet, to the westerly right-of-way line of Parcel 1 of Steele County Highway Right-of-Way Plat No. 4;

thence Northwesterly a distance of 213.59 feet, on said westerly right-of-way line, on a nontangential curve, concave to the West and a central angle of 23°24'04", having a radius of 522.96 feet, a chord bearing of North 14°55'27" West, and a chord length of 212.11 feet, to a corner thereof;

thence Northwesterly a distance of 256.78 feet, on said westerly right-of-way line, on a nontangential curve, concave to the West and a central angle of 06°38'12", having a radius of 2,216.83 feet, a chord bearing of North 12°58'30" West, and a chord length of 256.64 feet, to the point of beginning.

Annexation Site
City of Owatonna

February 22, 2024

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.

Annexation Site
City of Owatonna

Site
Parcels
Plat
PLSS Section

N W E S

Feet 0 50 100

February 22, 2024

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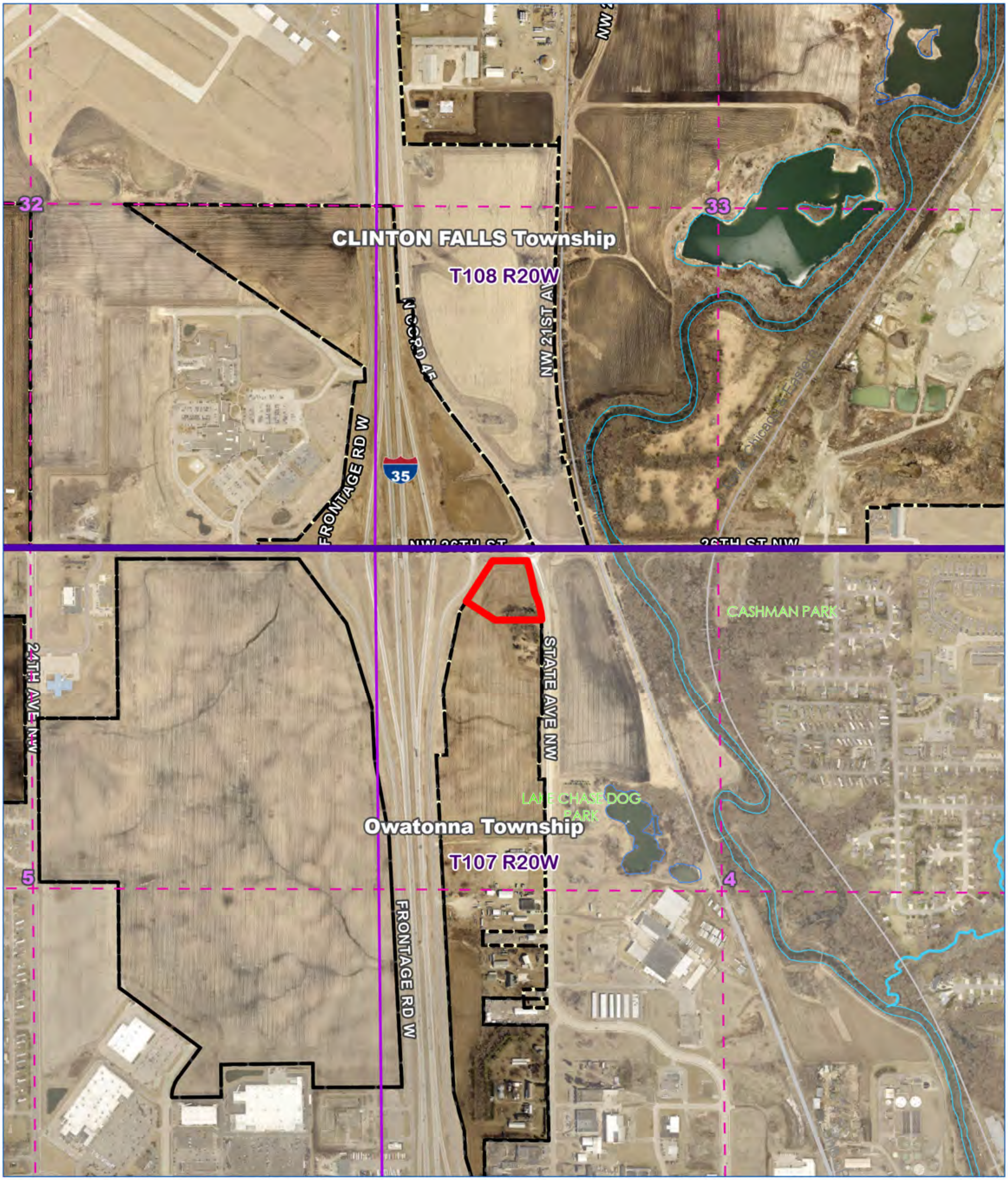
Annexation Site
City of Owatonna



Site
Township
Section
Quarter Section
City of Owatonna

T107 R20W SECT. 4

Feet
0 1,000
1 inch equals 1,000 feet

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February 22, 2024

DATE: March 19, 2024
TO: Mayor and City Council
FROM: Greg Kruschke, Community Development Manager
SUBJECT: Resolution 25-24: Preliminary Plat - Marthaler Addition

Purpose:

Request Council approval of Resolution 25-24 to approve the Preliminary Plat of Marthaler Addition.

Background:

See attached staff report.

The Planning Commission is recommending approval of this Preliminary Plat of Marthaler Addition.

Budget Impact:

None

Staff Recommendation:

Staff recommends approval.

Attachments:

1. Resolution 25-24 Preliminary Plat - Marthaler Addition
2. Marthaler Addition PP Staff Report

RESOLUTION NO. 25-24
A RESOLUTION APPROVING PRELIMINARY PLAT
OF MARTHALER ADDITION

WHEREAS, on March 19, 2024, the City Council accepted and approved the preliminary plat of Marthaler Addition to the City of Owatonna, as the same was approved and recommended by the Planning Commission of the City.

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

1. That said plat is in accordance with and conformity to the plans and regulations established by the City for a comprehensive plan for the development of the City.
2. That said plat be and the same hereby is approved with the following conditions:
   a) Final plat approval shall not occur until the annexation has been finalized.
   b) The final plat shall be approved within one year of the date of approval of the preliminary plat.
   c) The title opinion shall be approved by the City Attorney prior to recording of the final plat.
   d) The developers shall enter into a development agreement with the City prior to recording of the final plat.
   e) MN Plumbing code requires an open trench for sanitary sewer that is installed within private property. The noted trenchless method is not permitted within private property.
   f) Fire hydrants shall be installed every 400' along State Avenue NW.
   g) All plantings shall occur on the private property, outside of any drainage or utility easements.
   h) A utility easement will need to be recorded with the final plat for the sanitary sewer main at a width determined by the City Engineer.
   i) All comments of the City Engineer's memo shall be met.
   j) The shared driveway easement shall be recorded with the final plat.
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, and to be given to the applicants of said plat.

Passed and adopted this _______ day of _________, 2024 with the following vote:

Aye ______; No _____; Absent ______.

Approved and signed this _______ day of _________, 2024 with the following vote:

____
ATTEST: Thomas A. Kuntz, Mayor

____
Kris M. Busse, City Administrator/City Clerk

March 8, 2024

To: Planning Commission
From: Community Development Department
RE: Preliminary Plat of Marthaler Addition.

Background

Jayme Baker, Marthaler Automotive on behalf of John Ihlenfeld and the Ihlenfeld Family Partnership, a request for preliminary plat of Marthaler Addition, a one lot commercial lot for the purposes of constructing an automotive dealership and ancillary uses. The property owner has requested annexation of this parcel and is progressing through that process.

All utilities for the project are available. Sanitary Sewer will need to be extended south along the east side of State Avenue. Due to the depth of the Sanitary main an additional written easement will be required at the width required by the City Engineer. A service line will then be bored under State Avenue to service the property. Water is existing along the east side of State Avenue. Although the water main exists, there are no hydrants between 26th Street and the Dog Park, which is roughly 1600' of distance. Hydrants are required at every 400'. Two hydrants will need to be installed along State Avenue to meet spacing. A development agreement will be required for the public improvements required for this development.

Access for the property is proposed to come from a shared access drive to be constructed just to the south of the platted property. A shared driveway easement will need to be provided along with the final plat for recording. This agreement shall address the access, maintenance, as well as any triggers and cost sharing for the privately shared driveway.

Application Review:

Applicant/Owner: John Ihlenfeld

Location of Property: 2500 State Avenue NW

Existing Zoning: To be Zoned B-2, Community Business District

Existing Land Use: The land is currently vacant ag land.

Report Attachments:

1. Location Maps
2. Preliminary Plat
3. Landscape Plan
4. Application Letter
5. City Engineer's Memo

<u>Proposed Development:</u>

Size of Subdivision:	4.26± acres
Number of Lots:	One commercial lot
Lot Configuration:	The lot is generally pentangular in shape.
Street Pattern:	The street pattern will not change from what exists today.
Services:	Sanitary Sewer will be extended south along the east side of State Avenue. Water is existing along the east side of State Avenue.
Timing/Financing of Development:	The applicant is hoping to record the final plat soon and start construction this spring.
Outstanding Assessments:	None
Floodplain:	None
Wetlands:	None
Storm Water Drainage:	The applicant is proposing to construct a pond on the north side of the property.
Easements:	The applicant is proposing to dedicate a 10' utility easement along the entire perimeter of the plat. A shared driveway easement will be needed for the access point on the southeast side of the property.
County/MNDOT Review:	Notices have been sent to both. The County has preliminarily agreed to the access point. MNDOT has not commented as of the time of this report.

Staff Review:

Staff recommends approval of the preliminary plat of Marthaler Addition with the following conditions:

1) Final plat approval shall not occur until the annexation has been finalized.
2) The final plat shall be approved within one year of the date of approval of the preliminary plat.
3) The title opinion shall be approved by the City Attorney prior to recording of the final plat.
4) The developers shall enter into a development agreement with the City prior to recording of the final plat.
5) MN Plumbing code requires an open trench for sanitary sewer that is installed within private property. The noted trenchless method is not permitted within private property.
6) Fire hydrants shall be installed every 400’ along State Avenue NW.
7) All plantings shall occur on the private property, outside of any drainage or utility easements
8) A utility easement will need to be recorded with the final plat for the sanitary sewer main at a width determined by the City Engineer.
9) All comments of the City Engineer’s memo shall be met.

Annexation Site
City of Owatonna

February 22, 2024

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Annexation Site

City of Owatonna

Site | Plat | Parcels | PLSS Section

N W E S

0 50 100 Feet

February 22, 2024

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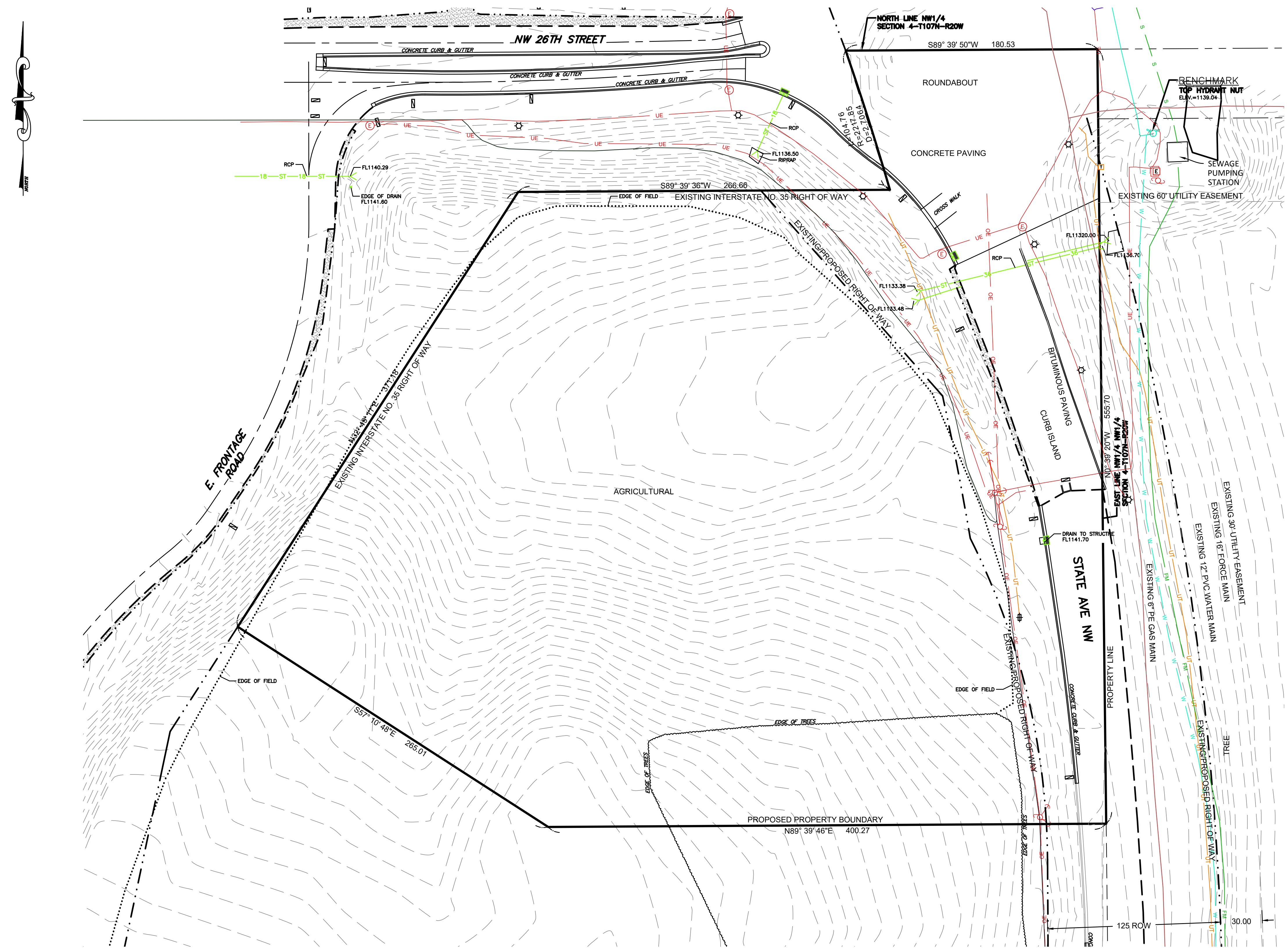


PRELIMINARY

LEGEND

- 848 = EXISTING ELEVATION CONTOUR LINE
- = Catch Basin
- E = Electric
- = Fire hydrant
- G = Gas Main
- = Guy Anchor
- = Light Pole
- OH = Overhead
- = Power Pole
- RCP = Reinforced Concrete Pipe
- T = Telephone Pedestal
- T = Telephone
- W = Water Main

OWNER INFORMATION

IHLENFELD/KRAMER FAMILY LIMITED PARTNERSHIP
C/O JOHN IHLENFELD
1230 NW 12TH AVE
OWATONNA, MN 55060
507-456-4471
JOHNIHLY2@GMAIL.COM

APPLICANT INFORMATION

YELLOW COMPANY, LLC.
C/O JAYME BAKER
625 S LAKESHORE DR STE A-130
GLENWOOD, MN 56334
320-766-7555
JBAKER@MARTHALER.COM

40 0 40
HORIZ. SCALE FEET
DRAWINGS ON 11x17 SHEETS ARE HALF SCALE

The subsurface utility information in this plan is Utility Quality Level D. This Utility Quality Level was determined according to the guidelines of CI/ASCE 38-02, entitled "Standard Guidelines for the collection and depiction of existing subsurface utility data."
Gas, Electric, and Watermain Utilities operated by Owatonna Public Utilities or Austin Public Utilities shown are from maps received from those Agencies, and not field data.

REV.	BY	DATE	REVISION DESCRIPTION
-	-	-	-

JONES HAUGH SMITH
Engineers + Surveyors
415 West North Street Owatonna, MN 507-451-4598

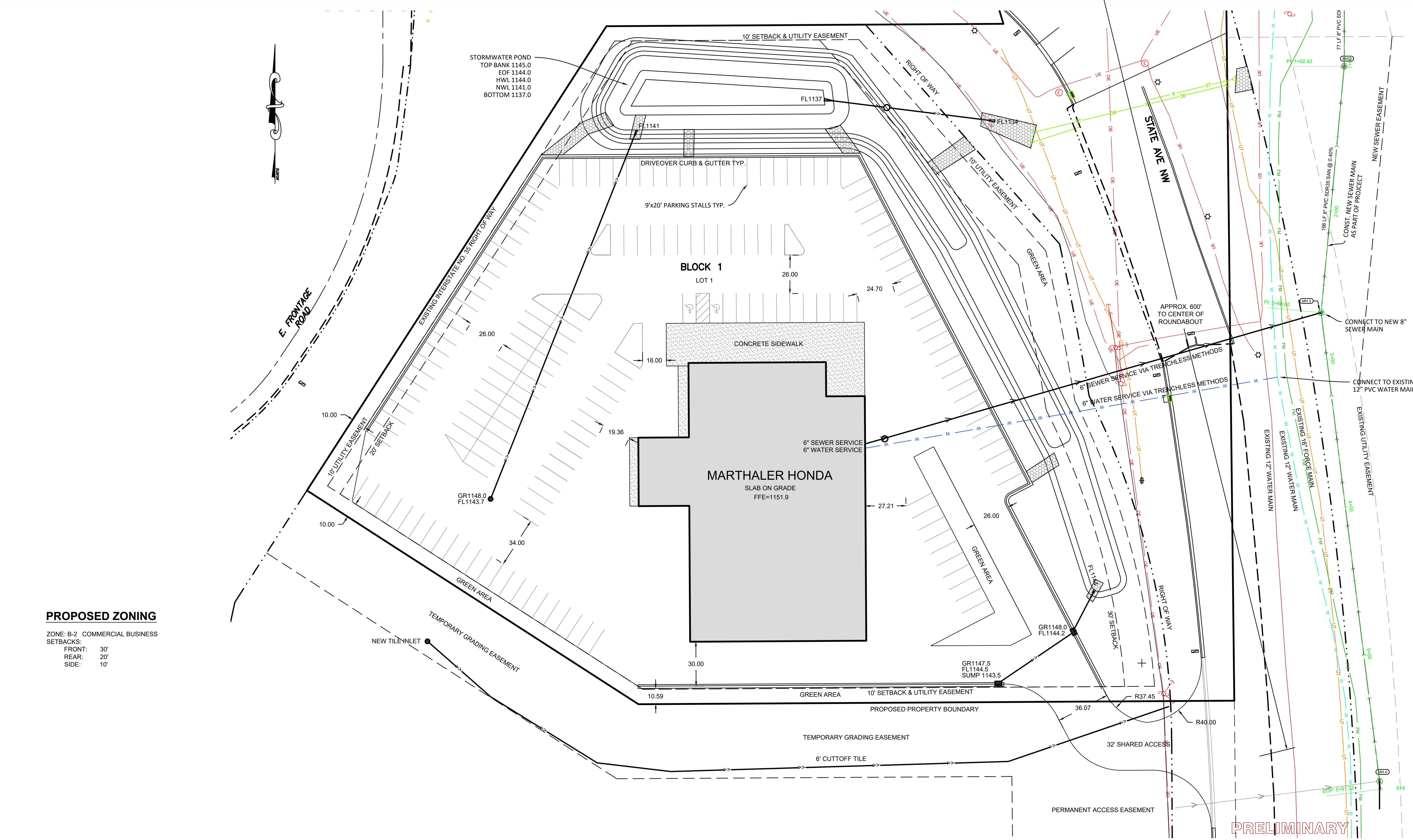
DESIGNED: JHS5
DRAWN: JHS5
CHECKED: BJJ
Date: 2/9/24
DWG: 23-1099

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

John H. Schulte V
License No. 44639 Date: 2/9/24

MARTHALER ADDITION
PRELIMINARY PLAT
PART OF NW1/4 SECTION 4-T107N-R20W
EXISTING CONDITIONS

SHEET 1 OF 4



PROPOSED ZONING

ZONE: B-2 COMMERCIAL BUSINESS
SETBACKS:
FRONT: 30'
REAR: 20'
SIDE: 10'

30 0 30
HORIZ. SCALE FEET
DRAWINGS ON 11x17 SHEETS ARE HALF SCALE

REV.	BY	DATE	REVISION DESCRIPTION
-	-	-	-

JONES HAUGH SMITH
Engineers + Surveyors
415 West North Street Owatonna, MN 507-451-4598

DESIGNED: JHS5
DRAWN: JHS5
CHECKED: BJJ
Date: 2/9/24
DWG: 23-1099

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

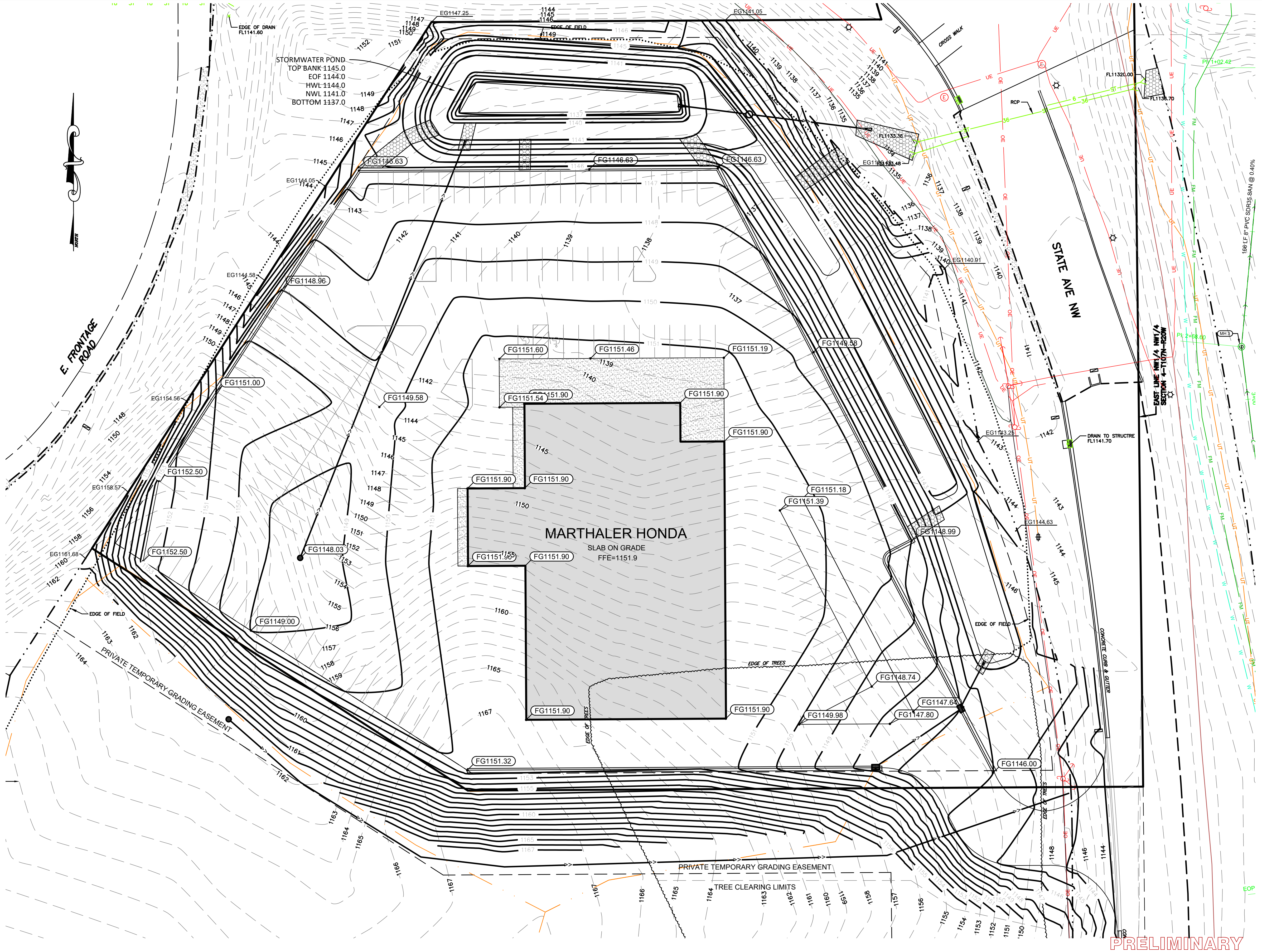
John H. Schulte V
License No. 44639 Date: 2/9/24

MARTHALER ADDITION
PRELIMINARY PLAT
PART OF NW1/4 SECTION 4-T107N-R20W
SITE PLAN / UTILITY PLAN

SHEET 2 OF 4

LEGEND

—848—	EXISTING ELEVATION CONTOUR LINE
—848—	PROPOSED ELEVATION CONTOUR LINE
FGXXXX.X	FINISH GRADE ELEVATION
EGXXXX.X	EXISTING GRADE ELEVATION
GLXXXX.X	GUTTER LINE ELEVATION
TCXXXX.X	TOP OF CURB ELEVATION
GRXXXX.X	GRATE ELEVATION
HP	HIGH POINT
LP	LOW POINT



GENERAL STORMWATER NOTES:

SITE AREA:	4.25 AC
DISTURBED AREA:	4.97 AC
EXISTING IMPERVIOUS SURFACE:	0.00 AC
PROPOSED IMPERVIOUS SURFACE:	2.96 AC
FUTURE IMPERVIOUS SURFACE:	0.00 AC

REQUIRED WQV: 10751 CF
PROVIDED WQV: 13023 CF

PEAK STORMWATER FLOWS LEAVING SITE (CFS):

	2-YEAR	10-YEAR	100-YEAR
EXISTING	9.60	16.21	29.74
DESIGN	2.48	4.83	12.78

30 0 30
HORIZ. SCALE FEET
DRAWINGS ON 11x17 SHEETS ARE HALF SCALE

REV.	BY	DATE	REVISION DESCRIPTION
-	-	-	-

JONES HAUGH SMITH
Engineers + Surveyors
415 West North Street Owatonna, MN 507-451-4598

DESIGNED: JHS5
DRAWN: JHS5
CHECKED: BJJ
Date: 1/5/24
DWG: 23-1099

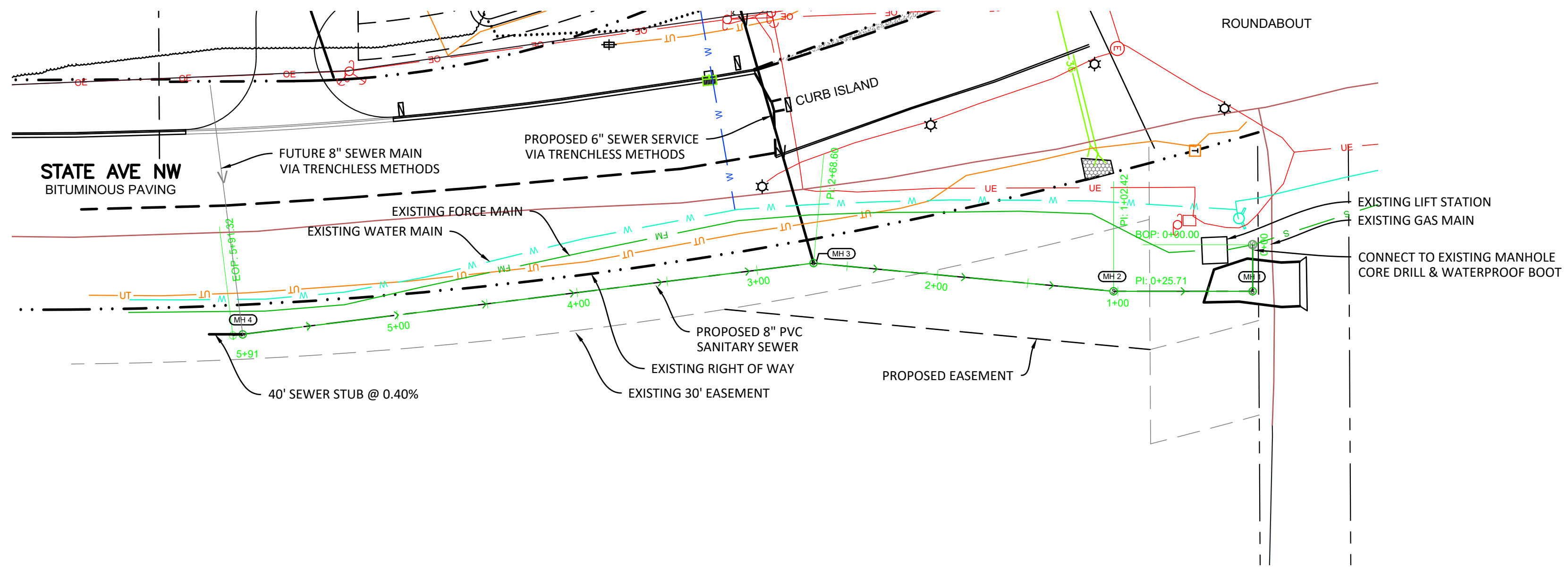
I hereby certify that this plan, specification, or report was prepared by me or under my direct supervision and that I am a duly Licensed Professional Engineer under the laws of the State of Minnesota.

John H. Schulte V
License No. 44639 Date: 1/5/24

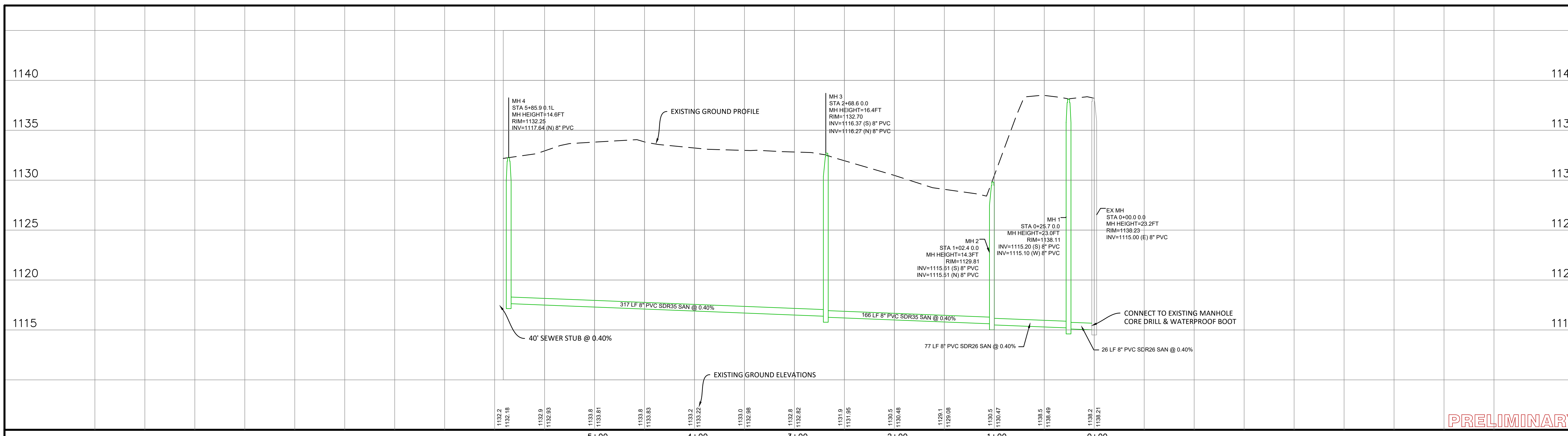
MARTHALER ADDITION
PRELIMINARY PLAT
PART OF NW1/4 SECTION 4-T107N-R20W
GRADING PLAN

SHEET 3 OF 4

SANITARY SEWER MAIN EXTENSION



PROPOSED CONSTRUCTION



50 0 50 HORIZ. SCALE FEET
5 0 5 VERT. SCALE FEET

REV.	BY	DATE	REVISION DESCRIPTION
-	-	-	-

JONES HAUGH SMITH
Engineers + Surveyors
415 West North Street Owatonna, MN 507-451-4598

DESIGNED: JHS5
DRAWN: JHS5
CHECKED: SAT
DATE: 2/20/24
FILE NO: 23-1099

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John H. Schulte V
License No. 44639 Date: 2/20/24

MARTHALER ADDITION
PRELIMINARY PLAT
PART OF NW1/4 SECTION 4-T107N-R20W
SEWER MAIN EXTENSION

SHEET 4 OF 4

Label	Name	Scientific Name	Qty	Size	Root Type	mature size in feet	
GC	Gladiator Crabapple	*Malusxadstringen'Durleo'*	3	1.5"	BB	H:20	W:9
TB	Mugo Tannenbaum	*Pinus Mugo 'Tannenbaum'*	9	3'	Cont	H:10-15	W:6
SP	Swiss Stone	*Pinus cembra 'Klein'*	9	6'	BB	H12'	W:6'
SGM	Regal Prince	*Quercusxwarei'Long'*	9	2"	BB	H:40-60	W:20-25
FM	Firefall Maple	*AcerxFreemanii 'AF#1'*	3	2"	BB	H:40-60	W30-40
ISL	Armstrong Maple	*Acer rubrum'Armstrong'*	6	2"	BB	H:45	W:15
SJ	Spartan Juniper	*Juniperus chinenis 'Spartan'*	6	#15	cont	H15	W:3-5
SH	Skyline Honeylocust	*Gleditsia triacanthos var inermis 'skycole'*		2"	BB	H:50	W30-35
	Stormwater Seed Mix	33-261					
	Low Maintenance Turf	25-131					
	General Road mix	25-141					
	Landscape Area	1.5 in River Rock w/ Landscape fabric					
B	Boulder gracial		15	Each			

Planting Notes

Contractor shall locate and verify locations of all utilities within and near planting areas

All areas between grass and landscape rock to have commercial grade vinyl edging with 4 stakes per 20 feet

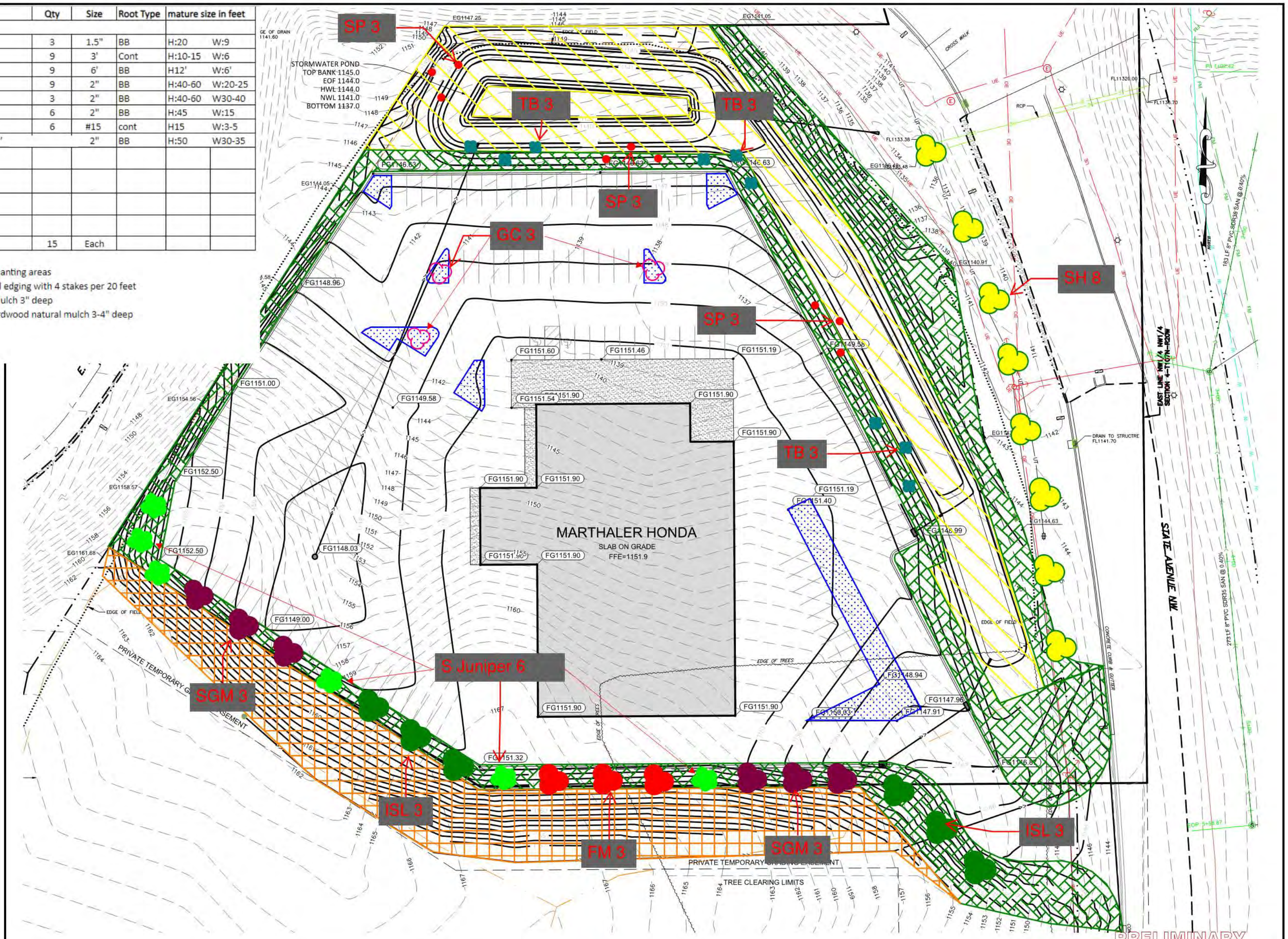
All landscape areas around buildings to be mulched with 1.5" River Rock Mulch 3" deep

Landscape areas around patio and buffer to be mulched with shredded hardwood natural mulch 3-4" deep

All plantings and turf to be irrigated. Contractor to submit design up

Trees to be staked and wood mulched.

Blanket on slopes of pond, Swales, and all 4:1 or greater slopes



LEGEND

—848—	EXISTING ELEVATION CONTOUR LINE
—848—	PROPOSED ELEVATION CONTOUR LINE
FGXXXX.X	FINISH GRADE ELEVATION
EGXXXX.X	EXISTING GRADE ELEVATION
GLXXXX.X	GUTTER LINE ELEVATION
TCXXXX.X	TOP OF CURB ELEVATION
GRXXXX.X	GRATE ELEVATION
HP	HIGH POINT
LP	LOW POINT

GENERAL STORMWATER NOTES:

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JONES HAUGH SMITH
Engineers + Surveyors
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DESIGNED: JHSS
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John H. Schulte V
License No. 44639 Date: 1/5/24

MARTHALER ADDITION
PRELIMINARY PLAT
PART OF NW1/4 SECTION 4-T107N-R20W
GRADING PLAN

SHEET 11 OF 14

Engineering Department

Date: 03/08/2024
Project: Marthaler Addition
Preliminary Plat Application #: PP-24-1

Staff Review Comments:

Engineering

1. Right of Way Permits from Steele County shall be acquired for all work within County Right of Way.
2. Construction of City infrastructure shall be inspected by the City or approved third party consultant.
3. Development Agreement will be required for public sewer main construction.
4. Shoring shall be required for excavation near CSAH 34 (26th St NW) and existing lift station. Shoring plan shall be prepared and signed by a licensed Professional Engineer in the State on Minnesota.
5. Additional Drainage and Utility Easement will be required east of the proposed sewer main due to depth. An additional 10’ easement (40’ total) shall be dedicated to the public.
6. Driveway to the lift station shall be replaced in kind.
7. Gas main is labeled incorrectly on Sheet 2.
8. Label all proposed permanent public easements “Drainage and Utility Easement”.
9. Local emergency overflows shall be a maximum of 1.00’ and shall be a minimum of 1.00’ below FFE or low opening elevation of all structures.

Stormwater

10. All development is subject the following provisions:
    a. City of Owatonna Stormwater Management Code 52.00.
    b. City of Owatonna Grading Permit and associated design requirements.
    c. Minnesota Pollution Control Agency (MPCA) NPDES/SDS MS4 Permit MNR040000 post construction stormwater management criteria.
    d. MPCA NPDES/SDS Construction Stormwater General Permit MNR100001.
11. Detailed Stormwater Management Report including all supporting hydrologic and hydraulic calculations.
12. Stormwater BMPs shall be designed to meet all applicable requirements for development:
    a. Attenuation of peak discharge rates for (Atlas 14) 2-yr, 10-yr, and 100-yr 24-hr rain events.
    b. Onsite treatment of required water quality volume calculated as an instantaneous volume of 1” times the new impervious surface. Volume reduction practices shall first be explored. Feasibility documentation shall be included with the Geotechnical Report and soil borings in practice location.
13. Emergency overflow elevations, locations, and routing for the development shall be shown in the preliminary plat.
14. Long-Term Operations and Maintenance Plan will be required for all permanent stormwater facilities.

15. Recorded Stormwater Facility Maintenance Agreement and easement is required for all permanent stormwater facilities.
16. All grading permit termination requirements for construction shall be met including:
    a. Final topographic survey and As-built.
    b. Engineer's Certificate of Storm System Compliance.
    c. SWPPP Self-inspection records.
    d. Project completion photographs.

Sean Murphy, PE
Director of Public Works and City Engineer

CITY OF OWATONNA

DATE: March 19, 2024
TO: Mayor and City Council
FROM: Rhonda Moen, Finance Director
SUBJECT: Resolution 26-24: Transfer Funds and Fund Balance Commitment

Purpose:
Council to approve Resolution 26-24 to transfer funds and commit those funds for future property acquisitions.

Background:
Due to higher revenues than anticipated and a significant amount of salary savings due to vacant positions, the general fund had a healthy surplus for 2023. There have been multiple opportunities for the City to acquire land adjacent to current City property in recent months and it is prudent to set aside funds for these potential property purchases. These property acquisitions will allow the City to enhance the services it provides to the citizens of Owatonna.

Budget Impact:
This transfer is effective December 31, 2023 and will reduce the surplus for 2023.

Staff Recommendation:
Staff recommends approval.

Attachments:
1. Res 26-24 Transfer Funds and Fund Balance Commitment

RESOLUTION NO: 26-24

A RESOLUTION AUTHORIZING 2023 TRANSFER OF FUNDS AND
COMMITMENT OF FUND BALANCE

BE IT RESOLVED by the City Council of the City of Owatonna, Minnesota, that in order to fund the future property purchases related to city operations, the following transfers of funds and commitment of fund balance effective December 31, 2023 is authorized:

Amount	**From**	**To**
$600,000	General Fund	Capital Projects Fund 405

Passed and adopted this ______ day of _______, 2024, with the following vote:

Aye ______; No _____; Absent ______.

Approved and signed this _______ day of ________, 2024.

____
Thomas A. Kuntz, Mayor

ATTEST:

____
Kris M. Busse, City Administrator/City Clerk

DATE: March 19, 2024
TO: Mayor and City Council
FROM: Sean Murphy, Public Works Director
SUBJECT: Resolution 27-24: MNDOT Cooperative Agreement - Signal System Revisions

Purpose:
Request City Council approval of Resolution 27-24 approving a cooperative agreement between Minnesota Department of Transportation, Steele County, and the City of Owatonna for signal revision construction.

Background:
The County will perform revise signal system construction and other associated construction upon, along, and adjacent to Trunk Highway No. 35 at the intersection with Hoffman Drive (County State Aid Highway No. 2/northbound ramp) and at the intersection with West Bridge Street (southbound ramp) according to County-prepared plans, specifications, and special provisions designated by the County as State Aid Project No. 074-602-007 and No. 153-109-015 and by the State as State Project No. 7480-138 (TH 35=390) (Project).

This agreement will be effective on the date the State obtains all signatures required by Minnesota Statutes § 16C.05, subdivision 2. This Agreement will expire when all obligations have been satisfactorily fulfilled.

Budget Impact:
The City's cost is anticipated to be $55,325 and will be paid using State Aid Funds. Continued maintenance as stipulated in the agreement for sidewalks and crosswalks, as well as signal system maintenance will also be required.

Staff Recommendation:
Staff recommends approval.

Attachments:
1. Resolution 27-24 MNDOT Cooperative Agreement - Signal System Revisions
2. MNDOT Agreement - Signal System Revisions

RESOLUTION: 27-24

A RESOLUTION FOR AUTHORIZATION FOR THE CITY OF OWATONNA TO EXECUTE AGREEMENT WITH THE MINNESOTA DEPARTMENT OF TRANSPORTATION

IT IS RESOLVED that the City of Owatonna enter MnDOT Agreement No. 1055853 with the State of Minnesota, Department of Transportation for the following purposes:

To provide for routine maintenance by the City upon, along, and adjacent to Trunk Highway No. 35 at the intersection with Hoffman Drive and at the intersection with West Bridge Street within the corporate limits of the City of Owatonna under State Project No. 7480-138.

IT IS FURTHER RESOLVED that the Mayor and the City Administrator are authorized to execute the Agreement and any amendments to the Agreement.

Passed and adopted this ______ day of ____________, 2024, with the following vote:

Aye ___; No___; Absent ____.

Approved and signed this ________ day of ____________, 2024.

____

Thomas A. Kuntz, Mayor

ATTEST:

____

Kris M. Busse, City Administrator

CERTIFICATION

I certify that the above Resolution is an accurate copy of the Resolution adopted by the Council of the City of Owatonna at an authorized meeting held on the ______________________ day of ____________, 2024, as shown by the minutes of the meeting in my possession.

____

Kris M. Busse, City Administrator

Subscribed and sworn to me this _______ day of _______, 2024.

Notary Public ___________________________________

My Commission Expires __________________________

STATE OF MINNESOTA
DEPARTMENT OF TRANSPORTATION
AND
CITY OF OWATONNA
AND
STEELE COUNTY
COOPERATIVE CONSTRUCTION
AGREEMENT

State Project Number (SP): 7480-138
Trunk Highway Number (TH): 35=390
State Aid Project Number (SAP): 074-602-007
State Aid Project Number: 153-109-015
Signal System "A" ID: 38607
Signal System "B" ID: 38608

Original Amount Encumbered
$6,835.02

This Agreement is between the State of Minnesota, acting through its Commissioner of Transportation (State), the City of Owatonna, acting through its City Council (City), and Steele County, acting through its Board of Commissioners (County).

Recitals

1. The County will perform revise signal system construction and other associated construction upon, along, and adjacent to Trunk Highway No. 35 at the intersection with Hoffman Drive (County State Aid Highway [CSAH] No. 2/northbound ramp) and at the intersection with West Bridge Street (southbound ramp) according to County-prepared plans, specifications, and special provisions designated by the County as State Aid Project No. 074-602-007 and No. 153-109-015 and by the State as State Project No. 7480-138 (TH 35=390) (Project); and
2. The County requests the State participate in the costs of the revise signal system construction and the State is willing to participate in the costs of said construction and associated construction engineering; and
3. Minnesota Statutes § 161.20, subdivision 2 authorizes the Commissioner of Transportation to make arrangements with and cooperate with any governmental authority for the purposes of constructing, maintaining, and improving the trunk highway system.

Agreement

1. Term of Agreement; Survival of Terms; Plans; Incorporation of Exhibits

1.1. ***Effective Date.*** This Agreement will be effective on the date the State obtains all signatures required by Minnesota Statutes § 16C.05, subdivision 2.

1.2. ***Expiration Date.*** This Agreement will expire when all obligations have been satisfactorily fulfilled.

1.3. ***Survival of Terms.*** All clauses which impose obligations continuing in their nature and which must survive in order to give effect to their meaning will survive the expiration or termination of this Agreement, including, without limitation, the following clauses: 2.4. State Ownership of Improvements; 5. Maintenance by the City; 11. Liability; Worker Compensation Claims; Insurance; 14. State Audits; 15. Government Data Practices; 16. Governing Law; Jurisdiction; Venue; and 18. Force Majeure. The terms and conditions set forth in Article 6. Signal Systems and EVP Systems Operation and Maintenance will survive the expiration of this Agreement, but may be terminated by another Agreement between the parties.

1.4. ***Plans, Specifications, and Special Provisions.*** State-approved County plans, specifications, and special provisions designated by the County as State Aid Project No. 074-602-007 and No. 153-109-015 and by the State as State Project No. 7480-138 (TH 35) are on file in the office of the County's Engineer and incorporated into this Agreement by reference (Project Plans).

1.5. ***Exhibits.*** Preliminary Schedule "I" is attached and incorporated into this Agreement.

2. Right-of-Way Use

2.1. ***Limited Right to Occupy.*** The State grants to the County (and its contractors and consultants) the right to occupy Trunk Highway Right-of-Way as necessary to perform the work described in the Project Plans. This right is limited to the purpose of constructing the Project, and administering such construction, and may be revoked by the State at any time, with or without cause. Cause for revoking this right of occupancy includes, but is not limited to, breaching the terms of this or any other agreement (relevant to this Project) with the State, failing to provide adequate traffic control or other safety measures, failing to perform the construction properly and in a timely manner, and failing to observe applicable environmental laws or terms of applicable permits. The State will have no liability to the County (or its contractors or consultants) for revoking this right of occupancy.

2.2. ***State Access; Suspension of Work; Remedial Measures.*** The State's District Engineer or assigned representative retains the right to enter and inspect the Trunk Highway Right-of-Way (including the construction being performed on such right-of-way) at any time and without notice to the County or their contractor. If the State determines (in its sole discretion) that the construction is not being performed in a proper or timely manner, or that environmental laws (or the terms of permits) are not being complied with, or that traffic control or other necessary safety measures are not being properly implemented, then the State may notify and require the County (and its contractors and consultants) to suspend their operations until the County (and its contractors and consultants) take all necessary actions to rectify the situation to the satisfaction of the State. The State will have no liability to the County (or its contractors or consultants) for exercising or failing to exercise its rights under this provision.

2.3. ***Traffic Control; Worker Safety.*** While the County (and its contractors and consultants) are occupying the State's Right-of-Way, they must comply with the approved traffic control plan, and with applicable provisions of the Work Zone Field Handbook (*http://www.dot.state.mn.us/trafficeng/workzone/index.html*). All County, contractor, and consultant personnel occupying the State's Right-of-Way must be provided with required reflective clothing and hats.

2.4. ***State Ownership of Improvements.*** The State will retain ownership of its Trunk Highway Right-of-Way, including any improvements made to such right-of-way under this Agreement, unless otherwise noted. The warranties and guarantees made by the County's contractor with respect to such improvements (if any) will flow to the State. The County will assist the State, as necessary, to enforce such warranties and guarantees, and to obtain recovery from the County's consultants, and contractor (including its sureties) for non-performance of contract work, for design errors and omissions, and for defects in materials and workmanship. Upon request of the State, the County will undertake such actions as are reasonably necessary to transfer or assign contract rights to the State and to permit subrogation by the State with respect to claims against the County's consultants and contractors.

2.5. ***Utility Relocation.*** The State authorizes the County to issue Notices and Orders for utility relocation in accordance with Minnesota Statutes §161.45 and Minnesota Rules Part 8810.3100 through 8810.3600.

3. Contract Award and Construction

3.1. ***Bids and Award.*** The County will receive bids and award a construction contract to the lowest responsible bidder (or best value proposer), subject to concurrence by the State in that award, according to the Project Plans. The contract construction will be performed according to the Project Plans.

3.2. ***Bid Documents Furnished by the County.*** The County will, within seven days of opening bids for the construction contract, submit to the State's District Engineer a copy of the low bid and an abstract of all bids together with the County's request for concurrence by the State in the award of the construction contract. The County will not award the construction contract until the State advises the County in writing of its concurrence.

3.3. ***Rejection of Bids.*** The County may reject and the State may require the County to reject any or all bids for the construction contract. The party rejecting or requiring the rejection of bids must provide the other party written notice of that rejection or requirement for rejection no later than 30 days after opening bids. Upon the rejection of all bids, a party may request, in writing, that the bidding process be repeated. Upon the other party's written approval of such request, the County will repeat the bidding process in a reasonable period of time, without cost or expense to the State.

3.4. ***Direction, Supervision, and Inspection of Construction***

A. The contract construction will be under the direction of the County and under the supervision of a registered professional engineer; however, the State participation construction covered under this Agreement will be open to inspection by the State District Engineer's authorized representatives. The County will give the District Engineer at Rochester five days' notice of its intention to start the contract construction.

B. Responsibility for the control of materials for the contract construction will be on the County and its contractor and will be carried out according to Specifications No. 1601 through and including No. 1609 in the State's current *Standard Specifications for Construction*.

3.5. ***Completion of Construction.*** The County will cause the contract construction to be started and completed according to the time schedule in the construction contract special provisions. The completion date for the contract construction may be extended, by an exchange of letters between the appropriate County official and the State District Engineer's authorized representative, for unavoidable delays encountered in the performance of the contract construction.

3.6. ***Plan Changes.*** All changes in the Project Plans and all addenda, change orders, supplemental agreements, and work orders entered into by the County and its contractor for contract construction must be approved in writing by the State District Engineer's authorized representative.

3.7. ***Compliance with Laws, Ordinances, and Regulations.*** The County will comply and cause its contractor to comply with all Federal, State, and Local laws, and all applicable ordinances and regulations. With respect only to that portion of work performed on the State's Trunk Highway Right-of-Way, the County will not require the contractor to follow local ordinances or to obtain local permits.

3.8. ***Construction Documents Furnished by the County.*** The County will keep records and accounts that enable it to provide the State, when requested, with the following:

A. Copies of the County contractor's invoice(s) covering all contract construction.

B. Copies of the endorsed and canceled County warrant(s) or check(s) paying for final contract construction, or computer documentation of the warrant(s) issued, certified by an appropriate County official that final construction contract payment has been made.

C. Copies of all construction contract change orders, supplemental agreements, and work orders.

D. A certification form, provided by the State, signed by the County's Engineer in charge of the contract construction attesting to the following:

i. Satisfactory performance and completion of all contract construction according to the Project Plans.

ii. Acceptance and approval of all materials furnished for the contract construction relative to compliance of those materials to the State's current *Standard Specifications for Construction*.

iii. Full payment by the County to its contractor for all contract construction.

E. Copies, certified by the County's Engineer, of material sampling reports and of material testing results for the materials furnished for the contract construction.

F. A copy of the "as built" plan sent to the District Engineer.

4. Right-of-Way; Easements; Permits

4.1. The County will obtain all rights-of-way, easements, construction permits, and any other permits and sanctions that may be required in connection with the local and trunk highway portions of the contract construction. Before payment by the State, the County will furnish the State with certified copies of the documents for rights-of-way and easements, construction permits, and other permits and sanctions required for State participation construction covered under this Agreement.

4.2. The County will convey to the State by quit claim deed, all newly acquired rights needed for the continuing operation and maintenance of the Trunk Highway, if any, upon completion of the Project, at no cost or expense to the State.

4.3. The County will comply with Minnesota Statutes § 216D.04, subdivision 1(a), for identification, notification, design meetings, and depiction of utilities affected by the contract construction.

4.4. The City will submit, and the County will require the City of Owatonna to submit to the State's Utility Engineer an original permit application for all utilities owned by the City to be constructed upon and within the Trunk Highway Right-of-Way. Applications for permits will be made on State form Application for Utility Permit on Trunk Highway Right-of-Way (Form 2525).

5. Maintenance by the City

Upon completion of the Project, the City will provide the following without cost or expense to the State:

5.1. ***Municipal Utilities.*** Maintenance of any municipal-owned utilities construction, without cost or expense to the State.

5.2. ***Sidewalks.*** Maintenance of any sidewalk construction, including stamped and colored concrete sidewalk (if any) and pedestrian ramps. Maintenance includes, but is not limited to, snow, ice and debris removal, patching, crack repair, panel replacement, cross-street pedestrian crosswalk markings, vegetation control of boulevards (if any), and any other maintenance activities necessary to perpetuate the sidewalks in a safe, useable, and aesthetically acceptable condition.

The State will maintain crosswalk markings on the Trunk Highway at ramps which intersect with City and County roads.

5.3. ***Additional Drainage.*** No party to this Agreement will drain any additional drainage volume into the storm sewer facilities constructed under the construction contract that was not included in the drainage for which the storm sewer facilities were designed, without first obtaining written permission to do so from the other party.

6. Signal Systems and EVP Systems Operation and Maintenance

Operation and maintenance responsibilities will be as follows for the Signal Systems and EVP Systems on TH 35 at Hoffman Drive (CSAH 2/northbound ramp) (Signal System "A") and at Bridge Street (Signal System "B") and for the Interconnect on TH 35 from Hoffman Drive to Bridge Street and from Bridge Street to Hoffman Drive.

6.1. *County Responsibilities*

A. ***Minor Signal System Maintenance.*** The County will provide for the following for Signal System “A” without cost to the State.

i. Maintain the signal pole mounted LED luminaires, including replacing the luminaires when necessary. The LED luminaire must be replaced when it fails or when light levels drop below recommended AASHTO levels for the installation.

ii. Replace the Signal System LED indications. Replacing LED indications consists of replacing each LED indication when it reaches end of life per the MnDOT Traffic Engineering Manual or fails or no longer meets Institute of Traffic Engineers (ITE) standards for light output.

iii. Clean the Signal System controller cabinet and service cabinet exteriors.

iv. Clean the Signal System, and luminaire mast arm extensions

v. Paint and maintain the cross-street pedestrian crosswalk markings.

vi. Reimburse the State for the costs associated with battery replacement for the battery back-up system, which includes battery purchase, installation, and disposal.

6.2. *City Responsibilities*

A. ***Power.*** For Signal Systems “A” and “B,” the City will be responsible for the hook-up cost and application to secure an adequate power supply to the service pads or poles and will pay all monthly electrical service expenses necessary to operate the Signal Systems, EVP Systems, and Interconnect.

B. ***Minor Signal System Maintenance.*** The City will provide for the following for Signal System “B” without cost to the State.

i. Maintain the signal pole mounted LED luminaires, including replacing the luminaires when necessary. The LED luminaire must be replaced when it fails or when light levels drop below recommended AASHTO levels for the installation.

ii. Replace the Signal System LED indications. Replacing LED indications consists of replacing each LED indication when it reaches end of life per the MnDOT Traffic Engineering Manual or fails or no longer meets Institute of Traffic Engineers (ITE) standards for light output.

iii. Clean the Signal System controller cabinet and service cabinet exteriors.

iv. Clean the Signal System, and luminaire mast arm extensions.

v. Paint and maintain the cross-street pedestrian crosswalk markings.

vi. Reimburse the State for the costs associated with battery replacement for the battery back-up system which includes battery purchase, installation, and disposal.

6.3. ***State Responsibilities***

A. ***Interconnect; Timing; Other Maintenance.*** For Signal Systems “A” and “B,” the State will maintain the Interconnect and signing, and perform all other Signal Systems, APS, and signal pole luminaire circuit maintenance without cost to the County. All Signal System timing will be determined by the State, and no changes will be made without the State's approval.

B. ***Battery Backup and Replacement Batteries.*** For Signal Systems "A" and "B," the State will perform all tasks associated with battery replacement for the battery backup system, which includes battery purchase, installation, and disposal, and maintain the reminder of the battery backup system, and invoice the County 100 percent of the costs associated with this work for Signal System “A” and invoice the City 100 percent of the costs associated with this work for Signal System “B.”

C. ***EVP System Operation.*** The EVP Systems will be installed, operated, maintained, and removed according to the following conditions and requirements:

i. All maintenance of the EVP Systems must be done by State forces.

ii. Emitter units may be installed only on authorized emergency vehicles, as defined in Minnesota Statutes § 169.011, Subdivision 3. Authorized emergency vehicles may use emitter units only when responding to an emergency. The County and the City will provide the State's District Engineer or their designated representative a list of all vehicles with emitter units, if requested by the State.

iii. Malfunction of the EVP Systems must be reported to the State immediately.

iv. In the event the EVP Systems or their components are, in the opinion of the State, being misused or the conditions set forth in Paragraph ii above are violated, and such misuse or violation continues after the County and the City receives written notice from the State, the State may remove the EVP Systems. Upon removal of the EVP Systems pursuant to this Paragraph, all of their parts and components become the property of the State.

v. All timing of the EVP Systems will be determined by the State.

6.4. ***Right-of-Way Access.*** Each party authorizes the other party to enter upon their respective public right-of-way to perform the maintenance activities described in this Agreement.

6.5. ***Related Agreements.*** This Agreement will supersede and terminate the operation and maintenance terms of Agreement No. 90418R, dated December 21, 2006, between the parties for the intersections of TH 35 at Hoffman Drive and at West Bridge Street.

7. Basis of State Cost

7.1. ***Schedule "I".*** The Preliminary Schedule "I" includes anticipated State participation construction items and the construction engineering cost share covered under this Agreement.

7.2. ***State Participation Construction.*** The State will participate in the following at the percentages indicated. The construction includes the State's proportionate share of item costs for as built, mobilization, and traffic control.

A. 50 Percent will be the State's rate of cost participation in revise signal system construction as shown in the Preliminary Schedule "I". The construction includes, but is not limited to, those construction items tabulated on Sheet No. 2 of the Preliminary Schedule "I." The State's cost participation is capped at **$54,350.00.**

7.3. ***State Furnished Materials.*** The State will furnish a Gridsmart video detection system (State Furnished Materials), according to the Project Plans, to operate the traffic control signal systems covered under this

Agreement. The County's lump sum share for State Furnished Materials is **$11,878.75**. The City's lump sum share for State Furnished Materials is **$11,878.75**. The State's lump sum share for State Furnished Materials is **$23,757.49** and is considered a part of the State's total lump sum cost. The County, the City, and the State's cost shares for State Furnished Materials will be deducted from the State's total lump sum construction cost share as shown in the Preliminary Schedule "I."

8. State Cost and Payment by the State

8.1. ***State Cost.*** **$6,835.02** is the State's estimated share of the costs of the contract construction less State Furnished Materials cost, as shown in the Preliminary Schedule "I." The Preliminary Schedule "I" was prepared using anticipated construction items, estimated quantities and unit prices and may include any credits or lump sum costs. Upon review of the construction contract bid documents described in Article 3.2., the State will decide whether to concur in the County's award of the construction contract and, if so, prepare a Revised Schedule "I" based on construction contract construction items, quantities, and unit prices, which will replace and supersede the Preliminary Schedule "I" as part of this Agreement. The contingency amount is provided to cover overruns of the Project Plans' estimated quantities of State participation construction and State approved additional construction, including construction engineering costs.

8.2. ***Conditions of Payment.*** The State will pay the County the full and complete lump sum amount as shown in the Revised Schedule "I" after the following conditions have been met:

A. Encumbrance by the State of the State's full and complete State funded lump sum cost share as shown in the Revised Schedule "I."

B. Execution of this Agreement and transmittal to the County, including a letter advising of the State's concurrence in the award of the construction contract.

C. The State's receipt of a written request from the County for the advancement of funds. The request will include certification by the County that all necessary parties have executed the construction contract.

8.3. ***Limitations of State Payment; No State Payment to Contractor.*** The State's participation in the contract construction is limited to the lump sum amount shown in Article 8.1, and the State's participation will not change except by a mutually agreed written amendment to this Agreement. The State's payment obligation extends only to the County. The County's contractor is not intended to be and will not be deemed to be a third-party beneficiary of this Agreement. The County's contractor will have no right to receive payment from the State. The State will have no responsibility for claims asserted against the County by the County's contractor.

9. Authorized Representatives

Each party's Authorized Representative is responsible for administering this Agreement and is authorized to give and receive any notice or demand required or permitted by this Agreement.

9.1. The State's Authorized Representative will be:

Name, Title:	Malaki Ruranika, Cooperative Agreements Engineer (or successor)
Address:	395 John Ireland Boulevard, Mailstop 682, Saint Paul, MN 55155
Telephone:	(651) 366-4634
Email:	malaki.ruranika@state.mn.us

9.2. The County's Authorized Representative will be:

Name, Title: Greg Ilkka, County Engineer (or successor)
Address: 3000 Hoffman Dr NW, PO Box 890, Owatonna MN 55060
Telephone: greg.ilkka@co.steele.mn.us
Email: (507) 444-7670

9.3. The City's Authorized Representative will be:

Name, Title: Sean Murphy, City Engineer (or successor)
Address: 540 West Hills Circle, Owatonna, MN55060
Telephone: (507) 774-7307
Email: Sean.Murphy@ci.owatonna.mn.us

10. Assignment; Amendments; Waiver; Contract Complete

10.1. ***Assignment.*** No party may assign or transfer any rights or obligations under this Agreement without the prior consent of the other party and a written assignment agreement, executed and approved by the same parties who executed and approved this Agreement, or their successors in office. The foregoing does not prohibit the City or the County from contracting with a third-party to perform City or County maintenance responsibilities covered under this Agreement.

10.2. ***Amendments.*** Any amendment to this Agreement must be in writing and will not be effective until it has been executed and approved by the same parties who executed and approved the original Agreement or their successors in office.

10.3. ***Waiver.*** If a party fails to enforce any provision of this Agreement, that failure does not waive the provision or the party's right to subsequently enforce it.

10.4. ***Contract Complete.*** This Agreement contains all prior negotiations and agreements between the State, the City, and the County. No other understanding regarding this Agreement, whether written or oral, may be used to bind any party.

11. Liability; Worker Compensation Claims; Insurance

11.1. Each party is responsible for its own acts, omissions and the results thereof to the extent authorized by law and will not be responsible for the acts and omissions of others and the results thereof. Minnesota Statutes § 3.736 and other applicable law govern liability of the State. Minnesota Statutes Chapter 466 and other applicable law govern liability of the County and the City. Notwithstanding the foregoing, the County and the City will indemnify, hold harmless, and defend (to the extent permitted by the Minnesota Attorney General) the State against any claims, causes of actions, damages, costs (including reasonable attorney's fees), and expenses arising in connection with the Project covered by this Agreement, regardless of whether such claims are asserted by the County's contractor(s) or consultant(s) or by a third party because of an act or omission by the County or its contractor(s) or consultant(s).

11.2. Each party is responsible for its own employees for any claims arising under the Workers Compensation Act.

11.3. The County may require its contractor to carry insurance to cover claims for damages asserted against the County's contractor.

12. Nondiscrimination

Provisions of Minnesota Statutes § 181.59 and of any applicable law relating to civil rights and discrimination are considered part of this Agreement.

13. Title VI/Non-discrimination Assurances

The County agrees to comply with all applicable USDOT Standard Title VI/Non-Discrimination Assurances contained in USDOT Order No. 1050.2A, and in particular Appendices A and E, which can be found at: https://edocs-public.dot.state.mn.us/edocs_public/DMResultSet/download?docId=11149035. If federal funds are included in this Agreement, the County will ensure the appendices and solicitation language within the assurances are inserted into contracts as required. The State may conduct a review of the County's compliance with this provision. The County must cooperate with the State throughout the review process by supplying all requested information and documentation to the State, making County staff and officials available for meetings as requested, and correcting any areas of non-compliance as determined by the State.

14. State Audits

Under Minnesota Statutes § 16C.05, subdivision 5, the County's books, records, documents, accounting procedures, and practices relevant to this Agreement are subject to examination by the State and the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this Agreement.

15. Government Data Practices

The County, the City, and State must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided under this Agreement, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the County and the City under this Agreement. The civil remedies of Minnesota Statutes §13.08 apply to the release of the data referred to in this clause by either the County, the City, or the State.

16. Governing Law; Jurisdiction; Venue

Minnesota law governs the validity, interpretation, and enforcement of this Agreement. Venue for all legal proceedings arising out of this Agreement, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.

17. Termination; Suspension

17.1. ***By Mutual Agreement.*** This Agreement may be terminated by mutual agreement of the parties or by the State for insufficient funding as described below.

17.2. ***Termination for Insufficient Funding.*** The State may immediately terminate this Agreement if it does not obtain funding from the Minnesota Legislature, or other funding source; or if funding cannot be continued at a level sufficient to allow for the payment of the services covered here. Termination must be by written or fax notice to the County and the City. The State is not obligated to pay for any services that are provided after notice and effective date of termination. However, the County and/or the City will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed to the extent that funds are available. The State will not be assessed any penalty if this Agreement is terminated because of the decision of the Minnesota Legislature, or other funding source, not to appropriate funds.

17.3. ***Suspension.*** In the event of a total or partial government shutdown, the State may suspend this Agreement and all work, activities, performance, and payments authorized through this Agreement. Any work performed during a period of suspension will be considered unauthorized work and will be undertaken at the risk of non-payment.

18. Force Majeure

No party will be responsible to the other for a failure to perform under this Agreement (or a delay in performance) if such failure or delay is due to a force majeure event. A force majeure event is an event beyond a party's reasonable control, including but not limited to, unusually severe weather, fire, floods, other acts of God, labor disputes, acts of war or terrorism, or public health emergencies.

(The remainder of this page has been intentionally left blank.)

STATE ENCUMBRANCE VERIFICATION

Individual certifies that funds have been encumbered as required by Minnesota Statutes § 16A.15 and 16C.05.

Signed: ______________________________

Date: ______________________________

SWIFT Purchase Order: 3000747537

STEELE COUNTY

The undersigned certify that they have lawfully executed this contract on behalf of the Governmental Unit as required by applicable charter provisions, resolutions, or ordinances.

By: ______________________________

Title: ______________________________

Date: ______________________________

By: ______________________________

Title: ______________________________

Date: ______________________________

DEPARTMENT OF TRANSPORTATION

Recommended for Approval:

By: ______________________________
(District Engineer)

Date: ______________________________

Approved:

By: ______________________________
(State Design Engineer)

Date: ______________________________

COMMISSIONER OF ADMINISTRATION

By: ______________________________
(With Delegated Authority)

Date: ______________________________

INCLUDE COPY OF RESOLUTION APPROVING THE AGREEMENT AND AUTHORIZING ITS EXECUTION.

CITY OF OWATONNA

The undersigned certify that they have lawfully executed this contract on behalf of the Governmental Unit as required by applicable charter provisions, resolutions, or ordinances.

By: ____________________________________

Title: ____________________________________

Date: ____________________________________

By: ____________________________________

Title: ____________________________________

Date: ____________________________________

INCLUDE COPY OF RESOLUTION APPROVING THE AGREEMENT AND AUTHORIZING ITS EXECUTION.

CITY OF OWATONNA

DATE: March 19, 2024
TO: Mayor and City Council
FROM: Sean Murphy, Public Works Director
SUBJECT: Resolution 28-24: Approve Plans and Specifications 2024 Street & Utility Project

Purpose:
Request Council approval of Resolution 28-24 to approve the plans and specifications, and authorization to advertise for bids for the 2024 Street & Utility Project.

Background:
The project involves various levels of reconstruction on McKinley Street SW and Anderson Place SW. The existing street improvements have exceeded their useful life. Council authorized staff to prepare the plans and specifications for this project with Resolution 18-24 following the Public Hearing held on March 6, 2024. The proposed bid opening date is April 10, 2024 with approval of bids by council on April 16, 2024.

Budget Impact:
The 2024 Street & Utility Project will be financed through a combination of City Funds, OPU Funds and Special Assessments. The total cost is estimated to be $1,855,930.97. The total cost to be assessed is currently estimated at $90,516.40. Approximately 24 property owners will be affected.

Staff Recommendation:
Staff recommends approval.

Attachments:
1. Resolution 28-24 Authorize Bids 2024 Street & Utility Project

RESOLUTION NO. 28-24

A RESOLUTION APPROVING PLANS AND SPECIFICATIONS
AND ORDERING ADVERTISEMENT FOR BIDS

WHEREAS, the City Engineer has prepared plans and specifications for the 2024 Street & Utility Project, project number 24001 with improvements to: McKinley Street SW & Anderson Place SW.

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

1. Such plans and specifications, a copy of which is attached hereto and made a part thereof, are hereby approved.

2. The City Clerk shall prepare and cause to be inserted in the official newspaper and on Quest CDN an advertisement for bids upon the making of such improvement under such approved plans and specifications. The advertisement shall be published for one day and shall specify the work to be done, shall state that bids will be received on Quest CDN until 10:00 A.M. on Wednesday, April 10th, at which time they will be publicly opened by the City Clerk and Engineer in the Charles C. Crandall Center at City Hall, will then be tabulated, and will be considered by the Council during the course of their regular meeting on Tuesday April 16th, 2024, beginning at 7:00 p.m.

Passed and adopted this ____ day of ______________, 2024, with the following vote:

Aye___; No___; Absent___.

Approved and signed this ____day of ______________, 2024.

____
Thomas A. Kuntz, Mayor

ATTEST:

____
Kris M. Busse, City Administrator/City Clerk

CITY OF OWATONNA

Miscellaneous

CITY OF OWATONNA

DATE: March 19, 2024
TO: Mayor and City Council
FROM: Jeanette Clawson, Administrative Coordinator
SUBJECT: On-Sale Liquor License with Sunday Sales Application - El Tequila of Owatonna, Inc. - 369 18th Street SE

Purpose:
Request Council approval of the application received from Karina Garcia for an On-Sale Liquor License with Sunday Sales for El Tequila of Owatonna, Inc.

Background:
El Tequila Mexican Restaurant - Owatonna is currently located at 1830 S Cedar Avenue. Ms. Garcia recently purchased property at 369 18th St SE, the former Lava Burger, to relocate her business. Building modifications are in process; she hopes to move her business and begin operations within the next month. This license will replace their current On-Sale Liquor License with Sunday Sales. We have received the required Certificate of Liability Insurance for the new location.

Budget Impact:
$50 Application Fee.

Staff Recommendation:
Staff recommends approval contingent on receipt of a Certificate of Occupancy at 369 18th Street SE.

Attachments:
None

DATE: March 19, 2024
TO: Mayor and City Council
FROM: Jeanette Clawson, Administrative Coordinator
SUBJECT: On-Sale 3.2% Malt Liquor & Wine Licenses - Home 2 Suites, 230 Allan Avenue

Purpose:
Request Council approval of the application received from Bruce Kinseth for On-Sale 3.2% Malt Liquor and Wine Licenses for Kinseth Hospitality Company, Inc. to operate Home 2 Suites at 230 Allan Avenue.

Background:
Home 2 Suites is currently under construction. This new hotel hopes to open during April and has applied for on-sale wine and beer licenses. Background verification was completed and Chief Mundale has no objection to the issuance of these liquor licenses. The annual fee for an On-Sale Wine License is $150 and $100 for an On-Sale 3.2% Malt Liquor License. The required Certificate of Liability Insurance has been received.

Budget Impact:
$287.50 is the total amount for licensed to begin during April. This amount includes a $50 application fee, $100 background verification cost, $37.50 On-Sale Wine License and a $100 On-Sale 2.3% Malt Liquor License. The wine license fee is eligible to prorate and charge for only the months remaining in the current license period per City Code.

Staff Recommendation:
Staff recommends approval contingent on receipt of a Certificate of Occupancy. These license will be effective for the remainder of the current licensing period which ends June 30, 2024.

Attachments:
None