



CITY COUNCIL MEETING
Tuesday, December 3, 2024 at 6:00 PM
Council Chambers, City Hall at 540 West Hills Circle
Roll Call: Council Members Boeke, Raney, Svenby,
Voss, Dotson, Burbank & Schultz

PLEASE NOTE: At 5:30 p.m. Study Session in Chambers with updates about the Exterior Sign Plan and Engage Owatonna.

At 6:00 p.m. the annual Truth-in-Taxation Meeting will begin in Chambers.

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

1.1. Council Agenda

1.2. Mayor Kuntz

2. CONSENT AGENDA ITEMS

2.1. Minutes – Council Meeting – November 19, 2024

2.2. Minutes - Board/Commission Meetings

2.2.1. OPU Commission Meetings - October 22 and November 4, 2024

2.3. Licenses/Permits

2.3.1. Exempt Permit - Bingo - March 29, 2025 - Ducks Unlimited Steele County

2.4. Miscellaneous

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

3. ACTION ITEMS

3.1. Finance Report

3.2. Ordinances

3.2.1. Second/Final Reading Proposed Ordinance 24-7, Chapter 122: Cannabis Regulation

3.2.1.1. Summary Publication - Ordinance 1655 - Cannabis Regulation

3.3. Resolutions:

3.3.1. Resolution 121-24: Delegate Cannabis Business Registration & Compliance Checks - Steele County

3.4. Miscellaneous

3.4.1. WWTF Expansion Change Order #17 - Rice Lake Construction Group

3.4.2. Amendment #3 - Professional Services Agreement for Staff Augmentation - WHKS & Co.

3.4.3. Purchase Asphalt Miller - Asphalt Zipper

3.4.4. Agreement - Snow and Ice Removal Service at LEC - From the Ground UP

3.4.5. Legislative Services - Lockridge, Grindal & Nauen PLLP

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



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Mayor Kuntz



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Council Minutes

Owatonna City Council Minutes
November 19, 2024 – DRAFT COPY

On Tuesday, November 19, 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 Svenby, Voss, Burbank, Boeke, Raney and Schultz; Mayor Kuntz, Public Works Director Murphy; Community Development Director Klecker; Police Captain Mundale; Assistant City Administrator Tuma, IT Technician Specialist Enz; City Attorney Walbran; City Administrator Busse; and Administrative Coordinator Clawson. Council Member Dotson was unable to attend this meeting.

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

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 – November 6, 2024
- Minutes – Canvass 2024 City Election – November 14, 2024
- Eda Meeting – August 21, 2024
- Airport Commission Meeting – September 19, 2024
- HRA Meeting – September 23, 2024
- Planning Commission Meeting – September 24, 2024
- Planning Commission Meeting – October 8, 2024
- Human rights Commission Meeting -October 8, 2024
- Building Inspection Monthly Report – October 2024
- Fire Monthly Dashboard and Activity Report – October 2024
- Weed/Nuisance Inspection Report – October 29, 2024
- Exempt Permit – Raffle – Ducks Unlimited Steele County - February 6, 2025
- Event Permit – Lighted Holiday Parade – December 6, 2024
- Facility Use Agreement – AARP

The AARP Driver Safety program is offered at the West Hills Social Commons. The city assists with advertising, registration, and providing a space to host the classes. The scheduled classes either occur during normal business hours, or AARP volunteer instructors are issued key cards to access the designated space after hours. This is an annual agreement, with a renewal start date of January 1, 2025, and an annual auto-renewal clause that was included to provide efficiencies in the

agreement renewal process. SeniorPlace Inc. receives \$4 for each registration, and the city receives \$1 for each registration.

Parks and Recreation Fees Manual update

The Parks & Recreation Fees Manual is reviewed and modified a minimum of two times each year, with adjustments made to meet the Cost Recovery Plan and keep in line with market rates. The Park Board has reviewed the proposed changes and do recommend approval. The current Fees Manual was approved during the June 18, 2024, City Council Meeting. Current updates provide adjustments to Brooktree Golf Course 2025 season pass, tournament, group outing and specials fees and changes to the Tennis and Pickleball Center Program and court use fees.

Clay Liner Testing – Northridge Pond American Engineering Testing

Services to evaluate applicability of City owned stockpile material for use as a clay pond liner. Pond liners are needed when soil structure below a pond consists of well-draining material and such is the case for the Northridge pond. One purpose of a wet pond is to provide water quality by allowing inflowing stormwater time to settle out particulates and sediment. If ponds do not maintain their wet pool volume, water quality treatment is ineffective.

The Proposal includes:

- Test Pit Observations and Sampling
- Standard Proctor
- Atterberg Plasticity Index
- Hydraulic Conductivity of Remolded Clay
- Project Management and Reporting
- Project Administrator

Services will be performed on a will-call basis when requested by the project personnel. Costs are not to exceed \$3,779.50 without prior authorization.

Geotechnical Services Agreement Amendment 2 – Vine Street Parking Lot – American Engineering Testing

Additional testing services were required for the Vine Street Parking Lot. The scope of services included sieve analysis of coarse and fine aggregate, concrete test cylinders and project management fees. The cost of the additional services is \$1,896.00 for a total agreement amount of \$9,696.75.

2024-2025 Sidewalk Snow Removal Agreement – From the Ground Up

City Ordinance 94.005 requires property owners remove snow and ice from sidewalks surrounding their property. Any accumulated snow and ice must be removed from all the city sidewalks within 24 hours from the time the snow ceases to accumulate on the sidewalk. Property owners who do not follow this ordinance will receive a written notice requiring that they remove the snow within the next 24 hours. If snow is not removed within the posted 24-hour notice, the City Engineer may have the snow removed. All related costs and an administrative

citation will be billed to the property owner. To ensure fair and consistent pricing is maintained throughout the season, a Request for Proposals was posted on ProcureNow from September 30, 2024, to October 30, 2024. One proposal was submitted by From the Ground Up, LLC of Owatonna. From the Ground Up, LLC's submitted proposal satisfies the criteria outlined in the Request for Proposals. Costs incurred are billed to the property owners. Unpaid invoices are subject to collection through the assessment process.

2025 City/Township Annexation Agreement – Owatonna Township

An agreement to allow property to be annexed into the city in an orderly fashion based on certain criteria being met in the agreement. The city and Owatonna Township have had Annexation Agreements since the late 1980's to assist the city in accommodating growth. The existing annexation agreement will expire on December 31, 2024, both sides are comfortable with the current agreement; there are no changes proposed to the annexation agreement.

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

Finance Report

Council Vice President Raney recapped payments made for amounts greater than \$20,000 during this period:

\$ 81,250.92	Century Fence Co - Regional airport security fencing & gates
32,927.58	Nero Engineering - WWTF upgrade & expansion project - October 2024
896,038.71	Rice Lake Construction Group - WWTP expansion - pay est #29
375,611.95	Wencl Construction - 23005 Vine Street lot - pay est #2
25,190.70	WHKS & Co - staff augmentation - October 2024
<u>180,856.73</u>	<u>Other Expenditures</u>
\$1,691,876.59	Total Expenditures Presented for Approval

Council Member Voss made a motion to approve payment of all bills presented, Council Member Voss Boeke seconded the motion, all members voted aye for approval.

Second/Final Reading Ordinance 24-5: Update Chapter 52, Storm Water Utility

Public Works Director Murphy presented the final reading of proposed updates to Chapter 52 of the City of Owatonna Code of Ordinances related to the City of Owatonna The Stormwater Utility Fee takes three factors into account the equivalent residential unit (ERU), the intensity factor, and the current rate. The ERU is determined by dividing the parcel acreage by 0.33. The intensity factor is determined for each classification using runoff values including average rainfall totals, impervious surface percentages, and land use. The current rate is set annually by the adopted fee schedule.

The current residential rate is \$4.66 per month. The proposed 5-year ERU increases are as follows:

2025 \$5.14
2026 \$5.68
2027 \$6.27
2028 \$6.92
2029 \$7.64

The council approved the first reading of this proposed ordinance during their November 6, 2024, meeting and there have been no changes since. Council Member Raney made a motion to approve the proposed ordinance and Summary Publication, Council Member Voss seconded the motion. With a roll call vote, voting aye were Council Members Burbank, Boeke, Raney, Svenby, Voss and Schultz, No Nays, the motion carried. This will be known as Ordinance 1664 to become effective January 1, 2025

Second/Final Reading Ordinance 24-6: Amend Section 94.079, Underground Facility Maintenance and Repair

Public Works Director Murphy requested approval of Proposed Ordinance 24-6 regarding underground facility maintenance and repair. The council approved the first reading of this proposed ordinance during their meeting on November 6, 2024; there have been no changes since. The city will take ownership of repair and replacement within right of way. Property owners will be responsible for repair costs for sump repairs on private property. Council Member Boeke made a motion for approval, Council Member Burbank seconded the motion. With a roll call vote, voting aye were Council Members Burbank, Boeke, Raney, Svenby, Voss and Schultz, No Nays, the motion carried. This will be known as Ordinance 1665 to become effective upon publication.

First Reading Ordinance 24-7: Chapter 122, Cannabis Regulation

City Attorney Walbran presented Proposed Ordinance 24-7 regarding cannabis regulation. City officials and staff have studied the State Statute, reviewed the Model Ordinance issued by the Minnesota Office of Cannabis Management (OCM) and received additional guidance from the OCM. City officials and staff also meet with Steele County officials and staff to discuss proposed ordinances for both the County and City. Along with the statute, the State also issues Administrative Rules. The first draft was issued on July 31, 2024. The final Rules have not been issued yet and are not in effect until formally published.

State Statute includes a number of mandated provisions. No city is permitted to prohibit a cannabis retail business. The city must allow one cannabis retail business for each 12,500 residents. There is a minimum "buffer distances" between a cannabis business and certain other land uses. No cannabis business may be within 1,000 feet of

any school nor within 500 feet of a daycare facility, residential treatment facility or public parks and trails, (including the Fairgrounds), playgrounds and athletic field, regularly used by minors.

The ordinance provides that a cannabis retail business must be located within a B1 community business district or B3 central business district. Cannabis and hemp cultivation, manufacturing or wholesale operations are limited to light industrial or heavy industrial zones. The ordinance also regulates "temporary cannabis events" which seem to be a "trade fare" for cannabis products. Temporary cannabis events are allowed under the statute but subject to regulations under both the statute and the ordinance. For example, the "temporary event organizer", (promoter), must hire licensed security personnel for the event, prohibit entrance by persons under age 21, dispose of "cannabis waste" as required by the OCM. Persons attending the event may only consume cannabis if permitted by the city.

The ordinance requires liability insurance with minimum limits of \$1 Million. Retail sales of taxable cannabis products are subject to the state and local sales and use tax and a 10% gross receipts tax. Cannabis gross receipts tax proceeds are allocated as follows:

20% to the local government cannabis aid account

80% to the state general fund.

Local taxes imposed solely on sale of cannabis products are prohibited. Council Member Raney made a motion to approve the first reading of Proposed Ordinance 24-7, Council Member Svenby seconded the motion. With a roll call vote, voting aye were Council Members Burbank, Boeke, Raney, Svenby, Voss and Schultz, No Nays, the motion carried. The second/final reading of this proposed ordinance will be held at the next City Council Meeting on December 3, 2024.

Resolution 119-24: Accept Bids and Award Contract – Airport Dome Hangar #10 Roof Replacement Project

Community Development Director Klecker requested approval of Resolution 119-24 accept bids and award the contract for the airport Dome Hangar #10 Roof Replacement Project. Bids were received and opened on October 31, 2024, for this project. Bids were received from one (1) company, Equity Builders and Construction Services. The project will fully replace the existing roof on the approximately 8,800 square foot hangar with new materials including new adhered membrane, sub-roofing panels/barrier, insulation, and other minor repairs as needed. Bids were received and opened on October 31, 2024, for this project. Bids were received from one (1) company, Equity Builders and Construction Services.

Alternate #1 bid item included extension of the roof warranty from 20-years to 30-years and provide coverage for up to 2-inch diameter hail. The engineer, SEH (Short, Elliot, and Hendrickson) recommends acceptance of the base bid, allowance and Alternate #1.

The total construction project cost is as follows:

Construction:	\$224,631.00 (low bid: Base Bid, Allowance, & Alt #1)
Engineering:	37,800.00
Administration:	<u>1,000.00</u>
Total:	\$263,431.00

Klecker confirmed the bid was less than anticipated and Project Consultant, SHE has reviewed the plans and do recommend approval. The contract does include language to extend the project if unfavorable weather occurs, but plans are to complete this project within the next few weeks. Council Member Boeke made a motion to approve Resolution 119-24, Council Member Svenby seconded the motion, all members present voted aye for approval.

Resolution 120-24: Accept MnDOT Grant Amendment - Airport Hanger #10 Dome Roof Replacement

Community Development Director Klecker requested approval of Resolution 120-24 to authorize the MnDOT Aeronautics grant for the state funding participation covering the construction costs for the Hangar #10 Dome Roof Replacement Project.

Funding Participation

- The local share, 30% of this project, is anticipated to be \$79,029.30.
- The total anticipated MnDOT funding, 70% for eligible items, is anticipated to be \$184,401.70.

Council Member Svenby made a motion for approval, Council Member Burbank seconded the motion, all members present voted aye for approval.

Agreement - Autumn Hills Place and Cedardale Drive Life Station Electrical Panels – Integrated Process Solutions Inc.

Public Works Director Murphy requested approval of an agreement with Integrated Process Solutions, Inc (IPS) to provide professional services for the Autumn Hills Place and Cedardale Drive Lift Station Control Panels. Control panel replacement and electrical system updates are needed to implement SCADA systems throughout the collections system and WWTF. SCADA integration will allow for more efficient management of the collections system. Last May, a detailed proposal evaluation was done with four vendors for the control panel replacements at the 26th Street Lift Station. IPS had the lowest cost and highest score in the previous proposal. Proceeding with IPS for the additional control panel replacements will allow for consistency between lift station control panels. IPS submitted a proposal to manufacture the lift station panels. The vendor held the price firm with no cost increase to the competitive proposal from May of this year for the 26th St Lift Station panel as it is identical to the Autumn Hills lift station panel. In addition to Autumn Hills we also received a quote for Cedardale Lift

Station which is a lower cost as it is a smaller panel and believe it to be priced accordingly. Cost for the Autumn Hills Place List Station is \$74,944 and the Cedardale Drive is \$51,944 for a total cost of \$126,888 (excluding taxes). Council Member Voss made a motion for approval, Council Member Boeke seconded the motion, all members present voted aye in approval.

STAFF COMMENTS

Assistant City Administrator Tuma commented that this summer, Park and Rec had the opportunity to kick off a new program, "Rec on the Go", thanks to the support of Gopher Sport. Their generous donation of a trailer and equipment enabled us to offer programs in various parks around the community making meaningful connections with the community in a fun and engaging ways. We organized a soft launch this year with a focus on understanding the need to better scale it for 2025. We learned the importance of providing activities that cater to a variety of age groups and abilities in order to engage families effectively, specifically developing activities for preschool-age children is an important consideration that significantly contributes to the success of this program and could be combined with other community programs in the future like movies in the park, gem days, etc. 2004 Rec on the Go activities included:

- July 20 from 5-8 pm @ Central Park: 70 people attended
- August 10 from 5-7 pm @ Jaycee Park: 25 people attended
- August 23 from 5-7 pm @ Brown Park: 10 people attended
- October 17: Police Department's Coptober event - about 170 kids attended
- October 27: 11-1 pm @ Central Park - Downtown Trick or Treat event - about 500 kids attended

In 2025, marketing efforts will be enhanced through various channels, including activity guides, radio advertisements, Facebook, Instagram, newspapers, and door flyers. We plan to offer eight scheduled "Rec on the Go" dates, exploring different parks and open spaces throughout Owatonna and anticipate collaborating with other city departments.

Community Development Director Klecker commented that the YTD Building Permit Valuation is nearing the annual goal of \$100 million, the value at the end of October is \$89 million. Community Development and Engineering staff will be participating in a LEAN Event for project grading to make this a smoother process for contractors. Staff is beginning to plan projects for next year, the city owns property on Partridge Avenue and hoping to get a housing development on this property next year.

Public Works Director Murphy commented that most projects are trying to wrap up prior to snowfall. This week at the Wastewater Treatment Facility, the roof was added to the secondary digester building. The Vine Street Parking Lot Project received the base asphalt course, the wear course will be added in the spring when irrigation, landscaping and permanent lighting are completed. There was a fabrication error for the lighting pole

arms, so there are temporary fixtures until the permanent arm fixtures are installed by OPU.

Police Chief Mundale commented the Odd/Even Parking Ordinance Restriction began last Friday, November 15th and will be in place until March 31st. Several staffing updates: two officers are in field training, we are three officers short, several promising applications received so will be doing interviews and hoping to be fully staffed by next spring; we have an internal opportunity for promotion to rank of Captain. Our Records Department has been shared with Steele County but they are moving to their new facility later this year; Pamela Roberts has been promoted to Records Supervisor and we are in process of hiring two Record Specialists.

PUBLIC COMMENTS

Emery Vick, OHS Student Council commented this has been Husky's Give Week. This is an opportunity for students to give back to the community. Each day, they have fun events planned:

Monday: pep fest to raise donations for United Way of Steele County, Dash for Cash.

Tuesday: a food drive for boxes of cereal for Community Pathways of Steele County.

Wednesday: students participate in a variety of service projects, including raking leaves for senior citizens, making blankets for hospitalized infants and decorating cards for people in nursing homes and hospitals.

Thursday: Toys for Tots Drive

Friday: Clothing drive to stock the OHS Husky Pantry with coats and socks for students when needed.

All week, teachers will be giving Kindness Tickets to students they see doing an act of kindness. The tickets will be entered into a raffle for prizes.

Tyrel Allistar Hunter, 2595 Mossy Creek Drive, commented that the 61-page federal document in the East-Side Corridor Project was not prepared by the federal government but by WSB. Page 1 establishes the responsibility for this project, the East-Side Corridor Study lead by Steele County in cooperation with the City of Owatonna, directly ties the city to the project with power to be sure it is done right. There are several misleading inconsistent alternative markings.

Melissa Zimmerman, 2525 Stony Creek Drive commented that Appendix C of this report shows incorrect information about travel times. Alternative 4 has the same conclusion as Alternative 3, the further out routes are safer. Decisions should be guided by safety and fiscal responsibility and not misleading information; accurate information should be required. Tonight, the proposed ordinance for cannabis regulation restrictions operation of an establishment within 1,000 feet of a school or 500 feet of a daycare but the plans for the East-Side Corridor include building a highway 17 feet from our homes and on school property; priorities need to be reconsidered.

Gary Jones, 995 Ridge Road, commented there is some ambiguity regarding the distance required between deer stands and main trail or residences. The DNR suggests 150' from inhabited structures or 100' from a main trail but we have trails directly under deer stands in some of our parks and there are some buildings very close to some hunting areas. Last week, my wife and daughter were stopped when walking on Kaplan Woods Trail by a bicyclist who suggested they wear orange vests when walking, they counted 64 people on the trail while hunters were in the woods. We need to establish a consistent rule that structures and trails should be 300' from deer stands, which would eliminate use of some parks from the city's Deer Management Plan.

COUNCIL COMMENTS:

Mayor Kuntz wished everyone a Happy Thanksgiving.

Council President Schultz also wished everyone a Happy Thanksgiving and added that prior to tonight's Study Session, there was a ribbon cutting event for the Merrill Hall Renovation Project. Quite a few people attended and heard some history about Merrill Hall. Many are glad this project is over; Wee Pals and Little Theater are happy to be back in operation within the building

At 7:45 p.m., Council Member Svenby made a motion to adjourn, Council Member Voss seconded the motion, and the meeting ended.

Respectfully submitted,

Jeanette Clawson, Administrative Coordinator



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Board Commission Minutes

The Owatonna Public Utilities Commission met in regular session in the Morehouse Conference room at the Owatonna Public Utilities. Present were Commissioners Rossi, Johnson (virtually), Vetter and McLane. Absent was Commissioner Zirngible. Also present were General Manager Warehime; City Administrator Busse; Director, Finance & Administration Olson; Director, Engineering & Field Operations Fenstermacher; Director, Information Technologies & Metering Baum; Manager, Human Resources Madson; Manager, Electric Operations Enright; Supervisor, Accounting Linders; Supervisor, Information Technologies Trom; Executive, Communications & Administration Coordinator Schmoll; employees Caden Sorenson; Anthony Lance; Lori Jerpak and Shanda Meier. Other guests included City Council member Dan Boeke and customer, Roger Wacek.

Vice President Rossi called the meeting to order and led the Pledge of Allegiance. He then asked for any changes to, and/or approval of, the agenda and consent agenda. The consent agenda items consisted of the September 24, 2024 Commission meeting minutes and the contributed services report as of September 30, 2024. Commissioner Vetter moved to approve the agenda and consent agenda items. Commissioner Johnson seconded the motion. All Commissioners voting Aye, the motion passed.

Committee Reports

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

Finance Committee – Commissioner Vetter reported the Finance Committee met, reviewed and approved vouchers totaling \$6,136,849.27. He further reported 62 work orders remain open for the year. 41% of the budgeted work order amount has been spent. Net income in all three utilities is above budget.

City Administrator's Report

City Administrator Busse reported the City Council approved an 8% preliminary levy for 2025. She noted once the preliminary levy is approved, they cannot go higher. The City is working to get the final levy closer to 7.5% or below. She further reported a new Finance Director, Emily Burns, has been hired to replace Rhonda Moen. The Community Center task force has begun meeting, and the Public Safety task force has met and toured a number of facilities and began reviewing possible recommendations on moving forward.

Financial Reserves Policy

Director, Finance & Administration Olson presented a revised Financial Reserves policy, noting changes discussed at the last meeting have been incorporated including wording clarifications. After discussion, Commissioner Vetter moved to approve the policy as presented. Commissioner McLane seconded the motion. All Commissioners voting Aye, the motion passed.

System Health Reports

Caden Sorenson, Associate Electric Engineer, presented the electric system health to the Commission. He discussed the system specifics such as how many square miles OPU's electric territory consists of, how many meters, distribution substations, transmission lines, and circuits make up the system, and total generation available. He discussed reliability and reliability indices, major outages and causes, and details of the two largest outages. He discussed the proposed 2025 Operating, Maintenance and Capital budgets, recapped projects completed in 2024 and updated the Commission on projects planned for 2025.

Anthony Lance, Gas & Water Design Engineer, presented the water and natural gas system health to the Commission. He provided system overviews for both the water and natural gas systems including miles of distribution mains, number of hydrants, wells & storage tanks, meters, regulator stations, and supply points. He discussed water main breaks and gas line hits as well as provided a status update on the Water Service Line Protection program. He discussed the Operations, Maintenance and Capital budgets for both the water and natural gas systems. He provided the Commission an update on the Lead & Copper rule revisions and discussed the impact to OPU. He concluded each section by reviewing projects completed in 2024 and highlighted projects scheduled for 2025.

Damian Baum, Director, Information Technologies & Metering, and Peter Trom, Supervisor, Information Technologies presented the technology & security system health report to the Commission. They discussed metrics related to email phishing and spam, simulated and non-simulated system attacks, and threats that were stopped. They discussed the proposed 2025 budget including capital items and concluded by recapping projects completed in 2024 as well as projects proposed for 2025.

General Manager/Staff Report

Staff did not have anything further to report.

Commission Roundtable

Commissioner Johnson offered feedback pertaining to being remote. He noted he could see the presentations very well, and anyone sitting around the table with the table mics he could hear very well, but anyone with a handheld, he could not hear. Staff will reach back out to the vendor working on the AV system in the room and will report back to the Commission.

Commissioner McLane enjoyed the presentations, found them enlightening and overwhelming and stated she is looking forward to her orientation.

Audience Comments

There was not anything additional from the audience.

Adjournment

There being no further business to come before the Commission, the meeting adjourned at 5:55 p.m.

Respectfully submitted,

Tammy Schmoll
Executive, Communications & Administration Coordinator

The Owatonna Public Utilities Commission met in special budget session in the Morehouse Conference room at the Owatonna Public Utilities. Present were Commissioners Zirngible, Rossi, Johnson, Vetter and McLane. Also present were General Manager Warehime; Director, Finance & Administration Olson; Director, Engineering & Field Operations Fenstermacher; Director, Information Technologies & Metering Baum; Manager, Electric Operations Enright; Manager, Gas & Water Operations Prokopec; Manager, Human Resources Madson; Supervisor, Accounting Linders; Supervisor, Customer Care Van Esch; Supervisor, Information Technologies Trom; Supervisor, Meter Services Johnson; Executive, Communications & Administration Coordinator Schmoll; Energy Conservation & Key Accounts Officer Hendricks; OPU employees Deb Anderson, Lori Jerpbak, Shanda Meier and Megan Smith.

President Zirngible opened the meeting and led the Pledge of Allegiance.

Notable Changes from Prior Years

Director, Finance & Administration Olson discussed the agenda for the meeting. He discussed notable budget changes from the previous year, with the biggest change being how the minimum reserve levels are calculated. Restricted funds are identified separately from unrestricted funds and reserves for individual utilities are adjusted for shared assets owned by the electric utility.

Rate Terminology and Proposed 2025 Rates

Before reporting on proposed rates, Mr. Olson defined average rate changed, budgeted EAA or PGA rate change and Combined rate impact.

Supervisor, Accounting Linders discussed proposed rates changes in each utility. He reported staff is proposing a 0% rate increase for electric rates; a 10% increase for water which equates to an increase of \$2.68 per month to the average residential customer, and a 6.6% rate increase for natural gas which is approximately a \$4.40 increase per month to the average residential customer.

Mr. Linders went on to discuss commodity and non-commodity revenues, controllable costs and other expenses in each utility.

Accountant Lori Jerpbak discussed the labor and benefits included in the proposed budget.

Mr. Olson wrapped up this portion of the presentation by discussing net income, capital forecasts, and reserve forecasts. He noted in the water utility, reserves show negative balances in a couple years due to the anticipation of having to drill a new well and build a new water tower. Staff and the Commission discussed implementing a water restrictions policy, including sprinkling restrictions and other measures that can be taken to avoid this expenditure. The Commission would like to hold off on adding a well as long as possible.

Operating Budgets - Non-labor Expenses and Capital

Director, Engineering & Field Operations Fenstermacher discussed proposed changes to the Engineering expenses and capital, highlighting items in this budget such as GIS, locating services, training and supplies, and consulting. In the electric area he discussed proposed changes to expenses and capital including tree trimming, distribution maintenance, and purchasing of transformers. In substations, proposed changes in expenses and capital included reductions in expenses due to trends and an increase in capital for the purchase

of land to expand the East Owatonna Substation. Other changes Mr. Fenstermacher discussed included SMMPA expenses, Dispatch expense and capital, and vehicle expenses and fleet capital items. He provided vehicle and equipment ages and discussed OPU's replacement philosophy. He provided the Commission a look forward to request approval for proposed vehicle purchases in 2026 due to supply chain delays and the amount of time it takes to receive equipment.

Manager, Gas & Water Operations Prokopec discussed proposed changes to the expenses and capital budgets in the Water Production, Gas & Water Distribution, and Buildings and Grounds areas.

Supervisor, Meter Services discussed proposed changes to the expenses and capital budgets in the Meter Services area.

Non-Operating Budgets – Non-Labor Expense and Capital

Non-operating proposed budget expenses and capital were presented by Information Technology, Human Resources including safety and insurance, Customer Service, Energy Conservation, Communications, Administration, and Accounting.

Wrap Up and Next Steps

During the wrap-up, the Commission emphasized the importance of ongoing collaboration with the City of Owatonna and the City Council to ensure any new large commercial or industrial customers do not impose financial burdens on existing customers. They urged city officials to be selective when attracting new businesses and to continue partnering with OPU to ensure necessary facility upgrades address new infrastructure demands without compromising reliability or increasing costs for current customers. The Commission also asked staff to check into what impact a new well would have on the wastewater treatment plant.

Adjournment

The Commission thanked everyone for the work they put into their budgets and expressed appreciation for the great detail. There being no further business to come before the Commission, the meeting adjourned at 7:18 p.m.

Respectfully submitted,

Tammy Schmoll,
Executive, Communications & Administration Coordinator



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Licenses Permits

MINNESOTA LAWFUL GAMBLING
LG220 Application for Exempt Permit

4/23
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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: Ducks Unlimited Steele County

Previous Gambling Permit Number: X-74003-24-028

Minnesota Tax ID Number, if any: ES-37964

Federal Employer ID Number (FEIN), if any: _____

Mailing Address: PO Box 226

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

Name of Chief Executive Officer (CEO): Bob Hoen

CEO Daytime Phone: 507-456-5046 CEO Email: bhoen@charter.net

Email permit to (if other than the CEO): _____ (permit will be emailed to this email address unless otherwise indicated below)

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 St, Owatonna, MN 55060

Check one:

☒ City: Owatonna Zip: MN County: Steele

☐ Township: _____ Zip: _____ County: _____

Date(s) of activity (for raffles, indicate the date of the drawing): 3/29/2025

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.

LG220 Application for Exempt Permit

4/23
Page 2 of 3

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

CITY APPROVAL for a gambling premises located within city limits

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

Print City Name: Owatonna

Signature of City Personnel:

Jeannette Clawson

Title: Admin Coordinator Date: 11/21/24

**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: Robert Q. Hoen Date: 11/27/2024
(Signature must be CEO's signature; designee may not sign)

Print Name: Bob Hoen

REQUIREMENTS

Complete a separate application for:

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

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

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

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

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

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

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

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

MAIL APPLICATION AND ATTACHMENTS

Mail application with:

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

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

Questions?

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

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

An equal opportunity employer



CITY OF
OWATONNA

Miscellaneous



DATE: December 3, 2024
TO: Mayor and City Council
FROM: Finance Director - Emily Burns
SUBJECT: Liability Coverage Waiver - League of Minnesota Cities Insurance Trust (LMCIT)

Purpose:

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

Background:

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

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

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

Budget Impact:

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

Staff Recommendation:

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

Attachments:

1. Liability-Coverage-Waiver-Form

LIABILITY COVERAGE WAIVER FORM

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

Members who obtain liability coverage from LMCIT must decide whether to waive the statutory tort liability limits to the extent of the coverage purchased. *The decision to waive or not waive the statutory tort limits must be made annually by the member's governing body, in consultation with its attorney if necessary.* The decision has the following effects:

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

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

LMCIT Member Name: _____

Check one:

- ☐ The member **DOES NOT WAIVE** the monetary limits on municipal tort liability established by [Minn. Stat. § 466.04](#).
- ☐ The member **WAIVES** the monetary limits on municipal tort liability established by [Minn. Stat. § 466.04](#), to the extent of the limits of the liability coverage obtained from LMCIT.

Date of member's governing body meeting: _____

Signature: _____

Position: _____

RECAP:

\$	20,674.89	Hawkins - chemicals
	96,025.00	JJD Companies LLC
		- demo 139 Peral St E - \$33,825.00
		- demo 1370 Cherry St - \$29,850.00
		- demo 506 Maple Dr - \$23,700.00
		- demo Dartt's park building - \$8,650.00
	28,761.15	Owatonna Area Chamber of Commerce - September 2024 lodging tax
	253,189.31	Owatonna Fire Relief Assn - 2024 fire state aid/supp fire state aid
	21,808.30	Owatonna Heating & Cooling Inc - Brooktree registers/duct work/clean up/replacement
	27,048.00	Polydyne Inc - chemicals
	140,422.66	Southeast Service Cooperative - November 2024 health ins premiums
	156,321.22	Truck Center Companies LLC - 2025 Western Star biosolids vehicle - WWTP department
	21,104.54	US Bank - entire organization monthly credit card purchases Sept/Oct 2024
	95,358.01	Wencl Construction - 24001 Street & Utility pay est #5 - final

	<u>263,352.35</u>	OTHER EXPENDITURES
\$	1,124,065.43	<i>SUBTOTAL</i>

	<u>109,787.22</u>	HRA HOUSING ASSISTANCE PAYMENTS
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\$	<u><u>1,233,852.65</u></u>	TOTAL EXPENDITURES PRESENTED FOR APPROVAL
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NOTE: Checks over \$20,000 are detailed out individually

Check Number	Check Date	Vendor Name	Net Check Amount	Check Status	Check Type
Cash Account: 999-19100-000-000-000000					
380704	11/20/24	CLOVER CONNECT	1,249.61	R	Wire Transfer
380705	11/20/24	GLOBAL PAYMENTS INTEGRATED	2,397.87	R	Wire Transfer
380706	11/20/24	MN DEPT OF LABOR AND INDUSTRY	3,294.36	R	Wire Transfer
380707	11/20/24	MN DEPT OF REVENUE	2,768.63	R	Wire Transfer
380708	11/20/24	OWATONNA AREA CHAMBER FOUNDATN	3,500.00	O	Regular
380709	11/20/24	SOUTHEAST SERVICE COOPERATIVE	140,422.66	R	Wire Transfer
380710	11/20/24	SYNCHRONY BANK	109.25	O	Regular
380711	11/20/24	SYNCHRONY BANK - LOWE'S	1,536.05	O	Regular
380712	11/20/24	T-MOBILE	1,755.35	O	Regular
380713	11/20/24	US BANK	21,104.54	R	Wire Transfer
380714	11/20/24	WEX BANK	1,873.65	R	Wire Transfer
380715	11/20/24	WEX HEALTH INC	346.50	R	Wire Transfer
380716	12/01/24	A & K LLC	392.00	R	ACH
380717	12/01/24	A&H PROPERTIES	1,302.00	R	ACH
380718	12/01/24	ACADEMY APARTMENTS OF OWA LLC	2,412.00	R	ACH
380719	12/01/24	ALL AREA MANAGEMENT LLC	1,754.00	R	ACH
380720	12/01/24	APACHE APARTMENTS	607.00	R	ACH
380721	12/01/24	ATM PROPERTIES LLC	1,089.00	R	ACH
380722	12/01/24	AUSTIN HRA	848.00	O	Regular
380723	12/01/24	BARRY GILLESPIE	319.00	R	ACH
380724	12/01/24	BROWN CYNTHIA	552.00	R	ACH
380725	12/01/24	BRYCEN GREGOR	2,296.00	R	ACH
380726	12/01/24	CAPELLE COMPANIES LLC	870.00	R	ACH
380727	12/01/24	CEDAR HILLS ESTATES LLC	3,582.00	R	ACH
380728	12/01/24	CEDAR RIDGE APARTMENTS	64.00	R	ACH
380729	12/01/24	CEDAR ROSE ASSOCIATES LLC	1,260.00	R	ACH
380730	12/01/24	CEDAR RUN TOWN HOMES MDI #41	3,173.00	R	ACH
380731	12/01/24	CEDARDALE NORTH APARTMENTS	910.00	R	ACH
380732	12/01/24	CEDARDALE SOUTH APARTMENTS	519.00	R	ACH
380733	12/01/24	CEDARDALE WEST APARTMENTS	550.00	R	ACH
380734	12/01/24	CHAD STANNARD	436.00	R	ACH
380735	12/01/24	CHASE BLUM	598.00	R	ACH
380736	12/01/24	CHRIS PROHASKI	1,184.00	R	ACH
380737	12/01/24	COMMON CENTS PROPERTIES LLC	328.00	R	ACH
380738	12/01/24	COOPERS COURT LLC	597.00	R	ACH
380739	12/01/24	DAKOTA COUNTY CDA	5,044.32	R	ACH
380740	12/01/24	DANIEL SCHLEGEL	477.00	R	ACH
380741	12/01/24	DSBMT, LLC	595.00	R	ACH
380742	12/01/24	DUNNE MANSION LLC	425.00	R	ACH
380743	12/01/24	EEK LLC	1,029.00	R	ACH
380744	12/01/24	ELM STREET PROPERTIES	497.00	R	ACH
380745	12/01/24	FREDRICKSON PROPERTIES	389.00	R	ACH
380746	12/01/24	G & H MANAGEMENT CO LLC	1,197.00	R	ACH
380747	12/01/24	IMAGE APARTMENT	3,776.00	R	ACH

Check Number	Check Date	Vendor Name	Net Check Amount	Check Status	Check Type
380748	12/01/24	J & P PROPERTIES	412.00	R	ACH
380749	12/01/24	JANESVILLE APARTMENTS	958.00	R	ACH
380750	12/01/24	JBLL EQUITIES LLC	1,455.00	R	ACH
380751	12/01/24	JOHNSON WINDOW & SIDING INC	3,494.00	R	ACH
380752	12/01/24	JPF PROPERTIES	257.00	R	ACH
380753	12/01/24	JULIE WERSAL	139.00	R	ACH
380754	12/01/24	KEG INVESTMENTS LLC	1,577.00	R	ACH
380755	12/01/24	KEITH MARTIN	1,432.00	R	ACH
380756	12/01/24	KLEVOS GREG	769.00	R	ACH
380757	12/01/24	L&L LEGACY PROPERTIES	792.00	R	ACH
380758	12/01/24	LEE ANNA	1,297.00	R	ACH
380759	12/01/24	LINCOLN SQUARE APARTMENTS	5,945.00	R	ACH
380760	12/01/24	LINDSAY MACHT	53.00	R	ACH
380761	12/01/24	LWO LIMITED PARTNERSHIP #116	4,718.00	R	ACH
380762	12/01/24	MARQUARDT DENNIS	1,958.00	R	ACH
380763	12/01/24	MARTIN ALLAN	2,532.00	R	ACH
380764	12/01/24	MARTIN FAMILY LLC	1,085.00	R	ACH
380765	12/01/24	MCCAULEY CONSTRUCTION	386.00	R	ACH
380766	12/01/24	MIDWEST INVEST LLC	573.00	R	ACH
380767	12/01/24	MOSSEE PROP INV LLC	646.00	R	ACH
380768	12/01/24	NECHVILLE SUSAN	688.00	R	ACH
380769	12/01/24	NORTHCOURT APARTMENTS	935.00	R	ACH
380770	12/01/24	NORTHGATE	2,914.00	R	ACH
380771	12/01/24	NORTHSTAR HOLDINGS LLC	595.00	R	ACH
380772	12/01/24	NORTHWEST MANOR	1,510.00	R	ACH
380773	12/01/24	OWATONNA GATEWAY LLC	299.00	R	ACH
380774	12/01/24	OWATONNA PUBLIC UTILITIES	263.00	R	ACH
380775	12/01/24	PARKVIEW OWATONNA LLC	373.00	R	ACH
380776	12/01/24	PEACH INVESTMENTS LLC	218.00	R	ACH
380777	12/01/24	PETER BIEL	1,700.00	R	ACH
380778	12/01/24	POSITIVE SHARE LLC	387.00	R	ACH
380779	12/01/24	PROHASKI PROPERTIES	1,299.00	R	ACH
380780	12/01/24	QUALITY RENTALS OF OWATONNA LL	830.00	R	ACH
380781	12/01/24	REDLINE DEVELOPMENT GRP LLC	827.00	R	ACH
380782	12/01/24	RICHARD ELLINGSON	662.00	R	ACH
380783	12/01/24	RWB PROPERTIES	600.00	R	ACH
380784	12/01/24	SCOTT COUNTY CDA	5,273.32	R	ACH
380785	12/01/24	SIXSPARKS LLC	1,388.00	R	ACH
380786	12/01/24	SMITH REAL ESTATE LLC	1,103.00	R	ACH
380787	12/01/24	SMITH VENTURES LLC	290.00	R	ACH
380788	12/01/24	SOUTH CENTRAL HUMAN RELATIONS	3,387.00	R	ACH
380789	12/01/24	ST CLOUD HRA	595.58	R	ACH
380790	12/01/24	SUMMIT MANOR	450.00	R	ACH
380791	12/01/24	TM RENTALS II LLC	453.00	R	ACH
380792	12/01/24	USDA RURAL DEVELOPMENT	1,069.00	0	Regular

Check Number	Check Date	Vendor Name	Net Check Amount	Check Status	Check Type
380793	12/01/24	WILLOW RUN I MDI #58	4,075.00	R	ACH
380794	12/01/24	WILLOW RUN II MDI #85	3,474.00	R	ACH
380795	12/01/24	YOUNGDAHL DEVELOPMENT LLC	2,460.00	R	ACH
380796	12/01/24	ZK INVESTORS LLC	2,120.00	R	ACH
380797	11/26/24	BUREAU CRIMINAL APPREHENSION	133.00	0	Regular
380798	11/26/24	DELL MARKETING LP	484.72	R	ACH
380799	11/26/24	MINNESOTA SECURITY CONSORTIUM	1,200.00	R	ACH
380800	11/26/24	OWATONNA HEATING & COOLING INC	21,808.30	R	ACH
380801	11/26/24	PROQUEST LP	4,339.23	0	Regular
380802	11/26/24	R & M FABRICATION LLC	30.00	0	Regular
380803	11/26/24	RICE STEELE 911 CENTER	362.50	0	Regular
380804	12/03/24	A TASTE OF THE BIG APPLE	54.55	0	Regular
380805	12/03/24	ADVANCED ENGINEERING & ENVIRON	9,891.75	0	Regular
380806	12/03/24	AFLAC	2,775.74	R	ACH
380807	12/03/24	ALEXANDER LUMBER COMPANY	865.94	0	Regular
380808	12/03/24	ALLISON RITTER	227.50	0	Regular
380809	12/03/24	AMERICAN PUBLIC WORKS ASSN	1,033.00	0	Regular
380810	12/03/24	APG MEDIA OF SO MINNESOTA LLC	825.00	0	Regular
380811	12/03/24	ASPEN MILLS INCORPORATED	1,987.68	0	Regular
380812	12/03/24	AUTO TRIM DESIGN OF OWATONNA	2,220.00	R	ACH
380813	12/03/24	AVFUEL CORPORATION	15,777.37	R	ACH
380814	12/03/24	AWARDS DIRECT INC	344.28	0	Regular
380815	12/03/24	BAKER & TAYLOR BOOKS	494.00	R	ACH
380816	12/03/24	Beth Youngquist	126.75	0	Regular
380817	12/03/24	BEATRICE OBERG	211.25	0	Regular
380818	12/03/24	BEVERLY LYSNE	97.50	0	Regular
380819	12/03/24	BONNIE JOHNSTON	104.00	0	Regular
380820	12/03/24	BRUCE LOUKS	110.50	0	Regular
380821	12/03/24	CATHY TORREY	224.25	0	Regular
380822	12/03/24	CAVALIER COACHES INC	650.00	0	Regular
380823	12/03/24	CEMSTONE CONCRETE MATERIAL LLC	1,211.00	0	Regular
380824	12/03/24	CEMSTONE PRODUCTS CO	46.28	0	Regular
380825	12/03/24	CENTRAL FARM SERVICE	19,403.95	0	Regular
380826	12/03/24	CHARLES NEWGARD	273.00	0	Regular
380827	12/03/24	CHERYL COUTURE	198.25	0	Regular
380828	12/03/24	CHERYL HANCOCK	94.25	0	Regular
380829	12/03/24	CHRIS SCHULER	110.50	0	Regular
380830	12/03/24	CHRISTIAN BERG	224.25	0	Regular
380831	12/03/24	CHRISTINE RUNNER	195.00	0	Regular
380832	12/03/24	CLARK GUSTAFSON	97.50	0	Regular
380833	12/03/24	CORINNE TALLEY	208.00	0	Regular
380834	12/03/24	CORPORATE RECOGNITION	2,167.20	R	ACH
380835	12/03/24	CULLIGAN OF OWATONNA	31.08	R	ACH
380836	12/03/24	CURT'S TRUCK & DIESEL SERVICE	54.59	R	ACH
380837	12/03/24	DAN GORMAN	234.00	0	Regular

Check Number	Check Date	Vendor Name	Net Check Amount	Check Status	Check Type
380838	12/03/24	DANIEL AXMARK	97.50	0	Regular
380839	12/03/24	DANIEL HOFF	97.50	0	Regular
380840	12/03/24	DARYL D KANNE	107.25	0	Regular
380841	12/03/24	DELORIS SLACK	283.50	0	Regular
380842	12/03/24	DESIGNKW, LLC	1,500.00	R	ACH
380843	12/03/24	DIANE SPELLMEYER	104.00	0	Regular
380844	12/03/24	DLT SOLUTIONS LLC	6,627.60	R	ACH
380845	12/03/24	DONALD CULSHAW	195.00	0	Regular
380846	12/03/24	DWIGHT DEPENNING	104.00	0	Regular
380847	12/03/24	EARL F ANDERSEN & ASSOC	510.47	0	Regular
380848	12/03/24	ECOWATER SYSTEMS	21.40	0	Regular
380849	12/03/24	EDMUND DRAHEIM	195.00	0	Regular
380850	12/03/24	Eileen Wohlenhaus	195.00	0	Regular
380851	12/03/24	ELIZABETH ROSSI	104.00	0	Regular
380852	12/03/24	ENTENMANN-ROVIN CO	143.25	R	ACH
380853	12/03/24	Eric Wandersee	110.50	0	Regular
380854	12/03/24	EYE MED VISION CARE	412.62	0	Regular
380855	12/03/24	FIREPLACE CONNECTION	146.38	0	Regular
380856	12/03/24	FIRST SUPPLY OWATONNA	1,103.72	R	ACH
380857	12/03/24	FLAHERTY & HOOD PA	1,908.75	R	ACH
380858	12/03/24	FLOW MEASUREMENT AND CONTROL	982.00	R	ACH
380859	12/03/24	FOUR SEASONS ELECTRIC	5,060.74	R	ACH
380860	12/03/24	FRANCES PEDERSON	104.00	0	Regular
380861	12/03/24	GALLAGHER BENEFIT SERVICES INC	1,041.67	R	ACH
380862	12/03/24	GARY HEDSTROM	208.00	0	Regular
380863	12/03/24	GARY MOHR	195.00	0	Regular
380864	12/03/24	GLENDA GRANOWSKI	247.00	0	Regular
380865	12/03/24	GRAINGER	244.94	R	ACH
380866	12/03/24	GREENBERG CASEWORK COMPANY INC	1,655.75	0	Regular
380867	12/03/24	GWEN LYSNE	104.00	0	Regular
380868	12/03/24	HALLA AARON	12,100.33	0	Regular
380869	12/03/24	HAWKINS INC	20,674.89	R	ACH
380870	12/03/24	HDS LLC	3,503.00	R	ACH
380871	12/03/24	HEALTHPARTNERS INC	4,484.68	0	Regular
380872	12/03/24	HEIDI OANES	198.25	0	Regular
380873	12/03/24	HILDEGARD KEHLER	413.89	0	Regular
380874	12/03/24	HOUSE OWATONNA	114.65	0	Regular
380875	12/03/24	HUBER SUPPLY CO INC	111.00	0	Regular
380876	12/03/24	I U O E LOCAL 70	2,944.50	0	Regular
380877	12/03/24	IFACS	496.62	R	ACH
380878	12/03/24	INNOVATIVE OFFICE SOLUTIONS	1,617.08	0	Regular
380879	12/03/24	INSTY PRINTS	230.75	R	ACH
380880	12/03/24	JACQUELINE DS KARAUS	126.75	0	Regular
380881	12/03/24	JAMES TAYLOR	104.00	0	Regular
380882	12/03/24	JANE ALLARD	104.00	0	Regular

Check Number	Check Date	Vendor Name	Net Check Amount	Check Status	Check Type
380883	12/03/24	JANE DRAHEIM	104.00	0	Regular
380884	12/03/24	JANE PARR	120.25	0	Regular
380885	12/03/24	JANET ERICKSON	120.25	0	Regular
380886	12/03/24	Jean Westberg	195.00	0	Regular
380887	12/03/24	JEFFREY KRAMER	195.00	0	Regular
380888	12/03/24	JETTER CLEAN INC	300.00	R	ACH
380889	12/03/24	JJD COMPANIES LLC	96,025.00	R	ACH
380890	12/03/24	John Thompson	104.00	0	Regular
380891	12/03/24	JOAN SALMONSEN	91.00	R	ACH
380892	12/03/24	JOHN DEERE CREDIT	112.26	0	Regular
380893	12/03/24	JOHNSON REILAND BLDRS-REMODEL	2,500.00	0	Regular
380894	12/03/24	JUDITH ERCK	104.00	0	Regular
380895	12/03/24	JULIANNA SKLUZACEK	91.00	0	Regular
380896	12/03/24	JULIE THOMPSON	104.00	0	Regular
380897	12/03/24	KAREN K KANNE	91.00	0	Regular
380898	12/03/24	KAY OBERLE	104.00	0	Regular
380899	12/03/24	KEITH EDWARD HILLER	250.00	0	Regular
380900	12/03/24	KELLI HALLQUIST	195.00	0	Regular
380901	12/03/24	KEN TORREY	97.50	0	Regular
380902	12/03/24	KENT FRETTE	104.00	0	Regular
380903	12/03/24	KENT ROSSI	110.50	0	Regular
380904	12/03/24	KIM HANSEN	107.25	0	Regular
380905	12/03/24	KIMBERLY SCHAUFENBUEL	107.25	0	Regular
380906	12/03/24	KIRI ANN FAUL	665.00	R	ACH
380907	12/03/24	KIRK OSWALD	104.00	0	Regular
380908	12/03/24	KRISTY SCHULER	104.00	0	Regular
380909	12/03/24	LADONA FLOWERS	104.00	0	Regular
380910	12/03/24	LAURA JENSEN	110.50	0	Regular
380911	12/03/24	LEGENCE SUBSIDIARY HOLDINGS LL	6,843.65	R	ACH
380912	12/03/24	LILLY CHRISTIANSON	104.00	0	Regular
380913	12/03/24	LINDA BOORMAN	371.00	0	Regular
380914	12/03/24	LINDA GERARDY	110.50	0	Regular
380915	12/03/24	LINDA K HOFFMAN	97.50	0	Regular
380916	12/03/24	LISA QUEEN	280.00	0	Regular
380917	12/03/24	LLOYD BAUMAN	26.00	0	Regular
380918	12/03/24	Lori Abbe	104.00	0	Regular
380919	12/03/24	MADISON NATL LIF INS CO INC	1,008.43	0	Regular
380920	12/03/24	MARCIA DAHLE	126.75	0	Regular
380921	12/03/24	MARCIE ANDERSON	136.50	0	Regular
380922	12/03/24	MARCO TECHNOLOGIES LLC	181.29	R	ACH
380923	12/03/24	MARIE LARSON	104.00	0	Regular
380924	12/03/24	MARILEE PFARR	245.00	0	Regular
380925	12/03/24	MARJORIE GRUHLKE	208.00	0	Regular
380926	12/03/24	MARK ERICKSON	104.00	0	Regular
380927	12/03/24	MARK JOHNSTON	120.25	0	Regular

Check Number	Check Date	Vendor Name	Net Check Amount	Check Status	Check Type
380928	12/03/24	MARK LYSNE	94.25	0	Regular
380929	12/03/24	MARK STADTHERR	195.00	0	Regular
380930	12/03/24	MARTIN-MCALLISTER	1,500.00	R	ACH
380931	12/03/24	MARY GAUL	104.00	0	Regular
380932	12/03/24	MARY GROFF	104.00	0	Regular
380933	12/03/24	MATTHEW R HOKANSON	4,889.34	R	ACH
380934	12/03/24	MEI TOTAL ELEVATOR SOLUTIONS	5,044.38	0	Regular
380935	12/03/24	METRO LEGAL SERVICES INC	65.00	0	Regular
380936	12/03/24	METRO SALES INC	294.13	0	Regular
380937	12/03/24	METRONET SYSTEMS HOLDINGS LLC	1,832.70	R	ACH
380938	12/03/24	MICHAEL A. OLDENBURG	378.00	0	Regular
380939	12/03/24	MICHAEL BROWN	201.50	0	Regular
380940	12/03/24	MICHAEL OANES	224.25	0	Regular
380941	12/03/24	MICHELLE NOBLE	214.50	0	Regular
380942	12/03/24	MIKE STORMO	201.50	0	Regular
380943	12/03/24	MINNESOTA LIFE	2,934.05	0	Regular
380944	12/03/24	MN DRIVER & VEHICLE SERVICES	15.25	0	Regular
380945	12/03/24	MN NCPERS GROUP LIFE INSURANCE	416.00	0	Regular
380946	12/03/24	MN PUBLIC EMPLOYEES ASSOC	1,536.00	R	ACH
380947	12/03/24	MN ST COLLEGES & UNIVERSITY	600.00	0	Regular
380948	12/03/24	MN STATE FIRE CHIEFS ASSC	100.00	0	Regular
380949	12/03/24	MN VALLEY TESTING LABS INC	230.00	R	ACH
380950	12/03/24	MOHS CONTRACTING INC	650.00	0	Regular
380951	12/03/24	MTI DISTRIBUTING INC	29.37	R	ACH
380952	12/03/24	Nancy Voight	195.00	0	Regular
380953	12/03/24	Naomi Uber	896.55	0	Regular
380954	12/03/24	NANCY FICHTEN-RUCKS	273.00	0	Regular
380955	12/03/24	NAOMI JIRELE	107.25	0	Regular
380956	12/03/24	NAPA AUTO PARTS	1,026.65	R	ACH
380957	12/03/24	NEOGOV	7,051.59	R	ACH
380958	12/03/24	NORTHLAND FARM SYSTEMS	1,007.04	R	ACH
380959	12/03/24	NORTHLAND SECURITIES INC	1,060.00	0	Regular
380960	12/03/24	NORTHSTAR CALIBRATION INC	90.00	R	ACH
380961	12/03/24	OFFICE OF MNIT SERVICES	257.25	0	Regular
380962	12/03/24	OWATONNA AREA CHAMBER OF COMM	28,761.15	0	Regular
380963	12/03/24	OWATONNA FIRE RELIEF ASSN	253,189.31	R	ACH
380964	12/03/24	OWATONNA HEATING & COOLING INC	292.00	R	ACH
380965	12/03/24	OWATONNA PUB SCHOOLS ISD 761	703.00	R	ACH
380966	12/03/24	OWATONNA PUBLIC UTILITIES	1,015.24	R	ACH
380967	12/03/24	OWT HARDWARE	374.74	0	Regular
380968	12/03/24	Pam Wild	104.00	0	Regular
380969	12/03/24	PAAPE COMPANIES INC	1,000.12	R	ACH
380970	12/03/24	PATRICK MONTSPLAISIR	195.00	0	Regular
380971	12/03/24	PAUL MAAS	2,500.00	0	Regular
380972	12/03/24	PB PARENT HOLDCO, LP	636.00	R	ACH

Check Number	Check Date	Vendor Name	Net Check Amount	Check Status	Check Type
380973	12/03/24	PETER KEHLER	238.00	0	Regular
380974	12/03/24	PHONE STATION INC	3,536.00	0	Regular
380975	12/03/24	POLYDYNE INC	27,048.00	R	ACH
380976	12/03/24	PRESENCE TELEHEALTH PLLC	636.00	R	ACH
380977	12/03/24	RAINBOW ECOSCIENCE	12,798.40	R	ACH
380978	12/03/24	RANDY BYAM	117.00	0	Regular
380979	12/03/24	RED ARCHITECTURE	997.71	0	Regular
380980	12/03/24	RENEE BACHMAN	94.25	0	Regular
380981	12/03/24	RENEE L RUMLER LPCC	1,500.00	0	Regular
380982	12/03/24	RENEE WYATT	130.00	0	Regular
380983	12/03/24	RICH STROM	110.50	0	Regular
380984	12/03/24	RINA THOMPSON	107.25	0	Regular
380985	12/03/24	ROBERT WYATT	130.00	0	Regular
380986	12/03/24	ROCHELLE CHICOS	136.50	0	Regular
380987	12/03/24	ROGER NOBLE	208.00	0	Regular
380988	12/03/24	RONCO ENGINEERING SALES	746.76	R	ACH
380989	12/03/24	SAFE-FAST INC	143.00	R	ACH
380990	12/03/24	SANDRA HARDY-HAGEN	107.25	0	Regular
380991	12/03/24	SCOTT F LIMBERG	950.00	R	ACH
380992	12/03/24	SELCO	998.00	R	ACH
380993	12/03/24	SHARON GAULRAPP	97.50	0	Regular
380994	12/03/24	SHARON KLEIN	423.50	0	Regular
380995	12/03/24	SHEILA DISTEL	104.00	0	Regular
380996	12/03/24	SHELLY JOHNSON	107.25	0	Regular
380997	12/03/24	SHERRY HILL	133.25	0	Regular
380998	12/03/24	SHERWIN WILLIAMS COMPANY	189.15	0	Regular
380999	12/03/24	SHERYL KEITH	104.00	0	Regular
381000	12/03/24	SHI INTERNATIONAL CORP	61.59	0	Regular
381001	12/03/24	SHIRLEY DAWN AXMARK	107.25	0	Regular
381002	12/03/24	STEELE COUNTY SHERIFF	85.00	0	Regular
381003	12/03/24	STEPHEN KAFFINE	211.25	0	Regular
381004	12/03/24	STEVE JAMES EXCAVATING INC	13,957.40	R	ACH
381005	12/03/24	STEWART DENISE	604.32	0	Regular
381006	12/03/24	SUE CALCAMUGGIO	250.25	0	Regular
381007	12/03/24	SUSAN M POWER	1,000.00	0	Regular
381008	12/03/24	T-MOBILE	1,305.16	0	Regular
381009	12/03/24	T-MOBILE	115.00	0	Regular
381010	12/03/24	T-MOBILE	50.00	0	Regular
381011	12/03/24	TAMRA ARNOLD	104.00	0	Regular
381012	12/03/24	TERESA SANDERS	234.50	0	Regular
381013	12/03/24	TERRACON CONSULTANTS INC	2,008.75	R	ACH
381014	12/03/24	THEODORE SLEZAK	120.25	0	Regular
381015	12/03/24	THERESE MURPHY	110.50	0	Regular
381016	12/03/24	THOMAS R BONACCI	195.00	0	Regular
381017	12/03/24	TIM PELTON	198.25	0	Regular

Check Number	Check Date	Vendor Name	Net Check Amount	Check Status	Check Type
381018	12/03/24	TIM SCHMIDT	223.93	0	Regular
381019	12/03/24	TNVC INC	68.00	0	Regular
381020	12/03/24	TONE MUSIC	7,061.61	0	Regular
381021	12/03/24	TRACI RANSLOW	104.00	0	Regular
381022	12/03/24	TRI M GRAPHICS	668.05	R	ACH
381023	12/03/24	TRUCK CENTER COMPANIES LLC	156,321.22	0	Regular
381024	12/03/24	ULTRA PERFORMANCE FLOORS LLC	5,842.00	0	Regular
381025	12/03/24	UNITED TACTICAL SYSTEMS LLC	1,803.00	0	Regular
381026	12/03/24	UNITED WAY	100.00	0	Regular
381027	12/03/24	USABUEBOOK	252.04	R	ACH
381028	12/03/24	VALERIE BOMAR	104.00	0	Regular
381029	12/03/24	VAN METER INC	15.94	0	Regular
381030	12/03/24	VERIZON WIRELESS	2,296.40	0	Regular
381031	12/03/24	VERIZON WIRELESS-VSAT	75.00	0	Regular
381032	12/03/24	VESTIS FIRST AID	180.57	0	Regular
381033	12/03/24	VESTIS GROUP INC	413.11	0	Regular
381034	12/03/24	WEN-COL INC	2,298.41	0	Regular
381035	12/03/24	WENCL CONSTRUCTION INC	95,358.01	0	Regular
381036	12/03/24	WENDELL E ENGELSTAD	195.00	0	Regular
381037	12/03/24	WHKS & CO	175.50	R	ACH
381038	12/03/24	WILLIAM RICKER	104.00	0	Regular
381039	12/03/24	XCEL ENERGY	263.60	0	Regular
381040	12/03/24	RANDALL'S LICENSE BUREAU	16.25	0	Regular
381041	12/03/24	RANDALL'S LICENSE BUREAU	16.25	0	Regular

194	Checks total:	421,477.48
136	ACH total:	638,917.35
0	EFTPS total:	
8	Wire transfer total:	173,457.82
0	Payment Manager total:	
338	GRAND TOTALS	1,233,852.65



CITY OF
OWATONNA

Ordinances

PURPOSE MEMO

To: Mayor, City Council, City Administrator, Chief of Police
From: Mark M. Walbran
Re: Second Reading of Cannabis Proposed Ordinance 24-7
Date: November 27, 2024

Purpose:

To give a second reading to Proposed Ordinance No. 24-7 to implement the provisions of Minnesota Statutes, Chapter 342, which authorizes the City Council to regulate cannabis businesses within the legal boundaries of the City.

Background:

A number of editing changes have been made to the Proposed Ordinance since the last reading. The attached redlined version shows the changes made. Also attached is a plain version of the revised Ordinance. A brief summary of changes are as follows:

1. Page 3, Subsection 12 “Public Place” has been expanded to include other public properties including Brooktree Golf Course.
2. Page 5, Section 122.03, Subsection 1 restated the delegation by the City to the County to register cannabis businesses and conduct compliance checks of said businesses. No Substantiative changes.
3. Page 6, Section 122.04 restated the “buffer” requirements and added new subsection “d)” providing that a licensed cannabis business would not be required to move if a facility relocated inside the buffer zone.
4. Page 7, a correction was made to the proper zoning districts to be B-2 and B03 for retail cannabis businesses. No substantiative change.
5. Page 12, Section 5 (c) requirement of insurance coverage for temporary cannabis event. No substantiative change.

Budget Impact:

None.

Recommendation:

Staff recommends that the Council adopt this Ordinance.

Attachment:

Proposed Ordinance 7-24: Chapter 122, Cannabis Regulation

SUPPLEMENTAL PURPOSE MEMO

To: Mayor, City Council, City Administrator, Chief of Police
From: Mark M. Walbran
Re: Cannabis Proposed Ordinance 24-7
Date: December 2, 2024

Purpose:

This memo supplements the earlier memo dated 11/27/24. It requires that cannabis businesses take out liability insurance.

Background:

The state cannabis statute includes a provision that makes the seller of cannabis who makes an illegal sale to another person who, in turn, causes injury or death to a third person liable for all damages sustained caused by the intoxicated person. However, the statute did not include any requirement that cannabis business owner carry liability insurance. Having reviewed ordinances of other cities and counties as well as other states, the staff decided that it was in the public interest to provide that the cannabis business licensee take out liability insurance.

Budget Impact:

None.

Recommendation:

Staff recommends that the Council adopt the revised Ordinance.

Proposed Ordinance No. 24-7

ORDINANCE NO. _____

AN ORDINANCE AMENDING TITLE XI OF THE 2015 ORDINANCE CODE OF THE CITY OF OWATONNA, AS AMENDED, ENTITLED 'BUSINESS REGULATIONS' BY ADOPTING NEW CHAPTER 122 ENTITLED CANNABIS REGULATION

CHAPTER 122: CANNABIS REGULATION

AN ORDINANCE OF THE CITY OF OWATONNA TO REGULATE CANNABIS BUSINESSES

The City Council of the City of Owatonna hereby ordains:

Section 122.01 Administration

1. Findings and Purpose.

The City Council makes the following legislative findings:

The purpose of this ordinance is to implement the provisions of Minnesota Statutes, Chapter 342, which authorizes the City Council to protect the public health, safety, welfare of the City's residents by regulating cannabis businesses within the legal boundaries of the City.

The City Council finds and concludes that the proposed provisions are appropriate and lawful land use regulations for the City, that the proposed amendments will promote the community's interest in reasonable stability in zoning for now and in the future, and that the proposed provisions are in the public interest and for the public good.

2. Authority and Jurisdiction.

The City Council has the authority to adopt this ordinance pursuant to:

- a) Minn. Stat. 342.13(c), regarding the authority of a local unit of government to adopt reasonable restrictions of the time, place, and manner of the operation of a cannabis business provided that such restrictions do not prohibit the establishment or operation of cannabis businesses.

- b) Minn. Stat. § 342.22, regarding the local registration and enforcement requirements of a state-licensed cannabis retail businesses and lower-potency hemp edible retail businesses.
 - c) Minn. Stat. § 152.0263, Subd. 5, regarding the use of cannabis in public places.
 - d) Minn. Stat. § 462.357, regarding the authority of a local authority to adopt zoning ordinances.
3. This Ordinance shall be applicable within the legal boundaries of the City.
 4. The City, by Resolution, has delegated cannabis retail registration authority and compliance check responsibility herein to Steele County pursuant to Minn. Stat. § 342.22 and Steele County Ordinance 2024-_____.
 5. Severability. If any section, clause, provision, or portion of this ordinance is adjudged unconstitutional or invalid by a court of competent jurisdiction, the remainder of this ordinance shall not be affected thereby.
 6. Enforcement. The City Administrator and Chief of Police and his/her designees are responsible for the administration and enforcement of this ordinance, except as provided in Sec. 122.03(3)(a). Any violation of the provisions of this ordinance or failure to comply with any of its requirements constitutes a misdemeanor and is punishable as defined by law. Violations of this ordinance can occur regardless of whether or not a permit is required for a regulated activity listed in this ordinance.

Section 122.02 Definitions

1. Unless otherwise noted in this section, words and phrases contained in Minn. Stat. § 342.01 and the rules promulgated pursuant to any of these acts, shall have the same meanings in this ordinance.
2. Cannabis Cultivation: A cannabis business licensed to grow cannabis plants within the approved amount of space from seed or immature plant to mature plant, harvest cannabis flower from mature plant, package and label immature plants and seedlings and cannabis flower for sale to other cannabis businesses, transport cannabis flower to a cannabis manufacturer located on the same premises, and perform other actions approved by the office.
3. Cannabis Retail Businesses: A retail location and the retail location(s) of mezzobusinesses with a retail operations endorsement, micro businesses with a retail operations endorsement, medical combination businesses operating a retail location, and lower-potency hemp edible retailers.

4. Cannabis Businesses: As defined in Minn. Stat. § 342.01, Subd. 14.
5. Cannabis Retailer: Any person, partnership, firm, corporation, or association, foreign or domestic, selling cannabis product to a consumer and not for the purpose of resale in any form.
6. Day Care Facility: A location licensed with the Minnesota Department of Human Services to provide the care of a child in a residence outside the child's own home for gain or otherwise, on a regular basis, for any part of a 24-hour day.
7. Lower-potency Hemp Edible: As defined Under Minn. Stat. 342.01, subd. 50.
8. Office of Cannabis Management: Minnesota Office of Cannabis Management, referred to as "OCM" in this ordinance.
9. Park Feature: An attraction within a public park that is regularly used by minors, including, but not limited to, a playground or athletic field.
10. Place of Public Accommodation: A business, accommodation, refreshment, entertainment, recreation, or transportation facility of any kind, whether licensed or not, whose goods, services, facilities, privileges, advantages or accommodations are extended, offered, sold, or otherwise made available to the public.
11. Preliminary License Approval: OCM pre-approval for a cannabis business license for applications who qualify under Minn. Stat. § 342.17.
12. Public Place: A public place includes, but is not limited to:
 - a) All public parks and trails, playgrounds and athletic fields, Brooktree golf course, Steele County Fairgrounds, West Hills, Public Library, Owatonna Public Utilities facilities and any other City or County or State owned property within the City.
 - b) All school property of schools as defined in Subsection 16.
 - c) Indoor area use by the general public, including, but not limited to, restaurants, bars, any other food or liquor establishments, including decks and other outdoor service areas.
 - d) Hospitals, nursing homes, auditoriums, arenas, or gyms.

- e) Meeting rooms; common areas of rental apartment buildings, and other places of public accommodation.
13. Exceptions to public place or place of public accommodation. A “public place” or “a place of public accommodation” does not include the following:
- a) A private residence, including the individual’s curtilage or yard.
 - b) A private property, not generally accessible by the public, unless the individual is explicitly prohibited from consuming cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products on the property by the owner of the property; or
 - c) On the premises of an establishment or event licensed to permit on-site consumption.
14. Residential Treatment Facility: As defined under Minn. Stat. § 245.462, subd. 23.
15. Retail Registration: An approved registration issued by Steele County to a state-licensed cannabis retail business.
16. School:
- a) Public school as defined under Minn. Stat. § 120A.05.
 - b) Nonpublic school that meets the reporting requirements under Minn. Stat. § 120A.24.
 - c) Charter school licensed by the Minnesota Department of Education.
 - d) Post secondary educational facilities, including any colleges, universities, or technical schools.
17. Smoking: Inhaling, exhaling, burning, or carrying any lighted or heated cigar, cigarette, pipe, or any other lighted or heated product containing cannabis flower, cannabis products, artificially derived cannabinoids, or hemp-derived consumer products. Smoking includes carrying or using an activated electronic delivery device for human consumption through inhalation of aerosol or vapor from the product.
18. Special Services: The exclusive allocation of city resources, including, but not limited to, city personnel, equipment, rights-of-way, property or facilities for use in conjunction with a specific event or activity, as requested by the host or sponsor

of the event, or as requested by or on behalf of any person attending the event, or deemed necessary by city staff in order to maintain public safety.

19. Temporary Cannabis Event: An event lasting no more than 4 days at which cannabis products, cannabis flower, lower-potency hemp edibles, and hemp-derived consumer products may be sold and consumed and for which the organizer has a cannabis event organizer license issued by the Office of Cannabis Management.
20. Temporary Cannabis Event Organizer: An individual or an organization licensed by the State of Minnesota to hold a Temporary Cannabis Event, as described in Minn. Stat. § 342.39 and 342.40.
21. State License: An approved license issued by the State of Minnesota's Office of Cannabis Management to a cannabis retail business.

Section 122.03 City's Delegation of Registration Authority to Steele County

1. Pursuant to Minn. Stat. § 342.22, and Steele County Ordinance 2024-_____, the City, by Resolution shall delegate to Steele County the City's authority to register cannabis and hemp businesses and its authority to conduct compliance checks of said businesses within the City's jurisdiction.
2. No individual or entity may operate a state-licensed cannabis business within the City without first obtaining an approved registration issued by the County.
3. In discharging its delegated authority, the County:
 - a) shall administer and enforce Steele County Ordinance 2024-_____, Sec. 2 "Registration of Cannabis Businesses";
 - b) shall conduct a preliminary compliance check prior to issuance of a cannabis retail business registration to ensure compliance with local ordinances, including local zoning ordinances and, if applicable the state fire code and building code;
 - c) shall conduct annual compliance checks at a minimum of one compliance check per calendar year of every cannabis business with a retail registration to assess if the business meets the age verification requirements and other requirements under Minn. Stat. § 342.22, and provided in Steele County Ordinance 2024-_____,; and

- d) shall renew an annual registration of the state licensed cannabis retail business at the same time OCM renews the cannabis retail businesses license;

Section 122.04 Requirements of Cannabis Businesses

1. Minimum Buffer Requirements. The City shall prohibit the operation of a cannabis business within:
 - a) 1,000 feet, of any school, as measured in a straight line, from the nearest boundary line of the cannabis business to the nearest boundary line of the school.
 - b) 500 feet, as measured in a straight line, from the nearest boundary of the cannabis business to the nearest boundary line of the following:
 - i. Day Care Facility.
 - ii. Residential Treatment Facility.
 - iii. Public Parks and trails regularly used by minors, including playgrounds and athletic fields and the Steele County Fairgrounds.
 - c) The City shall prohibit the operation of a cannabis retail business within 1,000 feet of another cannabis business.
 - d) Per Minn. Stat. § 462.357 Subd. 1e, nothing herein shall prohibit an active cannabis business or a cannabis business seeking a renewal registration from continuing operation at the same site of a school, day care, residential treatment facility, or public park regularly used by minors, moves within the minimum buffer zone.
2. Insurance. No individual or entity may operate a state-licensed cannabis business within the city without first presenting a Certificate of Insurance to the City Administrator's Office as evidence of the following coverages for the location which shall meet the following minimum Limits of Liability:
 - a) Commercial General Liability (CGL)
 - i. 1.5 million each occurrence;
 - ii. \$3 million General Aggregate; and
 - iii. \$3 million Products and Completed Operations aggregate (or Product Liability)
 - b) Workers' Compensation Insurance:

- i. As required by Minnesota state law;
 - ii. Employer's Liability Insurance;
 - \$500,000 per accident
 - \$500,000 disease policy limit
 - \$500,000 disease each employee
- c) Commercial Auto Insurance:
- i. \$1 million combined single limit including coverage for hired and non-owned vehicles.
3. Zoning and Land Use.
- a) Cultivation. Cannabis businesses licensed or endorsed for cultivation are permitted uses in the following zoning districts:
 - i. I-1 Light Industrial
 - ii. I-2 Heavy Industrial
 - b) Cannabis Manufacturer. Cannabis businesses licensed or endorsed for cannabis manufacturer are permitted in the following zoning districts:
 - i. I-1 Light Industrial
 - ii. I-2 Heavy Industrial
 - c) Hemp Manufacturer. Businesses licensed or endorsed for low-potency hemp edible manufacturers are permitted in the following zoning districts:
 - i. I-1 Light Industrial
 - ii. I-2 Heavy Industrial
 - d) Wholesale. Cannabis businesses licensed or endorsed for wholesale are permitted in the following zoning districts:
 - i. I-1 Light Industrial
 - ii. I-2 Heavy Industrial
 - e) Cannabis Retail. Cannabis businesses licensed or endorsed for cannabis retail are permitted in the following zoning districts;
 - i. B-2 Community Business District
 - ii. B-3 Central Business District

4. Hours of Operation. Cannabis businesses are limited to retail sale of cannabis, cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products between the hours of:
 - a) 8:00 a.m. to 10:00 p.m. Monday-Saturday
 - b) 10:00 a.m. to 10:00 p.m. Sunday
5. Advertising Signs. Cannabis businesses are allowed to erect or place signs on the exterior of the building or property of the business, as permitted by City Ordinance Code Chapter 153.

Section 122.05 Temporary Cannabis Events

1. Temporary Cannabis Event, Permit Required. Any person or organization desiring to hold a Temporary Cannabis Event in the City must first (1) be licensed by the state as a Temporary Cannabis Event Organizer and (2) obtain a Temporary Cannabis Event Permit from the City.
2. Temporary cannabis events are prohibited in residential districts.
3. Temporary cannabis events must comply with the buffer requirements described in Section 122.04.
4. Temporary cannabis events must comply with all requirements detailed in Minn. Stat. § 342.40. The application shall include a detailed plan addressing the requirements of Minn. Stat. § 342.40, subds. 3, 4, 5, 6, 7 and 8.

5. Permit Application.

Form. Application for a permit to hold a Temporary Cannabis Event must be made in writing and must contain a statement made upon oath or affirmation that the statements contained therein are true and correct to the best knowledge of the applicant and must be signed and sworn to or affirmed by the Temporary Cannabis Event Organizer. The application must contain and disclose the following:

- a) Applicant name, address, phone number.
- b) A list of all Cannabis Business, Medical Cannabis Business, or Hemp Business licenses, as those terms are defined by Minn. Stat. § 342.01, held by the applicant;
- c) Date(s) of proposed Temporary Cannabis Event;

- d) Duration of Temporary Cannabis Event, including beginning and ending times;
- e) Address of proposed Temporary Cannabis Event;
- f) Name of property owner, if different from applicant, together with the signature of the property owners on the Application beneath the statement: **“The undersigned consents to the use of his/her/their property for the event described above.”**
- g) A complete copy of the cannabis event license application, submitted to the Office of Cannabis Management pursuant to Minnesota Statutes Section 342.39 subd. 2;
- h) Type and description of the Temporary Cannabis Event including:
 - i. Whether the general public will be permitted to attend, and estimated number of persons to attend;
 - ii. Any public health plans, including supplying water to the site, solid waste collection and provision of toilet facilities, if applicable;
 - iii. Any fire prevention and emergency medical services plans, if applicable;
 - iv. Security plans;
 - v. The admission fee, donation, or other consideration to be charged or requested for admission, if applicable;
 - vi. Whether food or alcohol will be served or sold at the event;
 - vii. A detailed description of all public rights-of-way and private streets for which the applicant requests the City to restrict or alter normal parking, vehicular traffic or pedestrian traffic patterns, the nature of such restrictions or alterations, and the basis;
 - viii. A description of any services, city personnel, city equipment and city property which the applicant requests the City to provide, including the applicant’s estimate of the number and type needed, and the basis on which the estimate is made. However, the City retains sole discretion to determine the number and type of services required for the event and to decide whether to grant such request;

- ix. Whether any sound amplification or public address system will be used or if there will be any playing of any music or musical instruments;
- x. A statement signed by the applicant agreeing to pay all fees and meet all other requirements of this Section;
- xi. Applicant signature and property owner's signature, if different from applicant; and
- xii. Any other information requested by the City, acting through its City Administrator or Chief of Police deemed reasonably necessary in order to determine the nature of the Temporary Cannabis Event and the extent of any Special Services required.

Time for filing. A Temporary Cannabis Event permit application must be filed with the City at least 30 days in advance of the date in which the Temporary Cannabis Event is to occur.

Permit fee. An applicant for a Temporary Cannabis Event permit must pay a nonrefundable permit fee in the amount established by the City's fee ordinance.

3. Application Review.

- a) Upon receipt of a Temporary Cannabis Event permit application, the City Administrator, or their designee, shall be responsible for promptly processing the application, including conferring with City Staff and the applicant as necessary to implement the provisions of this Section, and, when required by this Section, forwarding the processed application to the City council with a recommendation to approve, approve with conditions or modifications, or deny the Temporary Cannabis Event permit application.
- b) **Special Services.** The City Administrator shall work with City Staff to determine whether Special Services may be necessary, and the cost for such Special Services.
- c) **Review.** When a Temporary Cannabis Event will not require any Special Services, the City Administrator may review and approve the permit application administratively. In cases where a Temporary Cannabis Event requires Special Services, the application will be presented to the City council for review.

- d) Permit Denial. The city may deny an application for a Temporary Cannabis Event permit if it determines from a consideration of the application or other pertinent information, that:
- i. The information contained in the application or supplemental information requested from the applicant is false or nonexistent in any material detail;
 - ii. The applicant fails to supplement the application after having been notified by the City of additional information or documents or additional permitting needed;
 - iii. The applicant fails to agree to abide or comply with all of the conditions and terms of the Temporary Cannabis Event permit, including payment of all costs and expenses;
 - iv. The Temporary Cannabis Event would substantially or unnecessarily interfere with traffic in the City, would interfere with access to the fire station or fire hydrants, or would interfere with access to businesses or residences in the immediate vicinity of the event and there are not sufficient city resources available at the time of the event to mitigate the disruption;
 - v. The Temporary Cannabis Event is of the size or nature that requires the diversion of so many law enforcement officers to properly police the event, site and contiguous areas that allowing the Temporary Cannabis Event would unreasonably deny law enforcement protection to the remainder of the City and its residents;
 - vi. The proposed date and time of the Temporary Cannabis Event conflicts with a previously scheduled event and there are not available at the time of the proposed Temporary Cannabis Event sufficient city resources to provide services for both events without substantially or unnecessarily interfering with police, fire, water, public works, or other services to the City as a whole;

- vii. The location of the Temporary Cannabis Event will substantially interfere with any construction or maintenance work scheduled to take place upon or along public property or right-of-way;
- viii. The Temporary Cannabis Event would likely endanger the public safety or health;
- ix. The Temporary Cannabis Event would substantially or unnecessarily interfere with police, fire, water, public works, or other services to the City as a whole and there are not available at the time of the proposed event sufficient city resources to mitigate the disruption;
- x. The applicant fails to comply with the liability insurance requirements or the applicant's insurance lapses or is canceled;
- xi. The applicant has on prior occasions made material misrepresentations regarding the nature and extent of Special Services required for a Temporary Cannabis Event in the City or has violated the terms of a prior Temporary Cannabis Event permit.

4. Fees.

- a) **Special Services Fee Deposit.** If any Special Services are to be used during the Temporary Cannabis Event, the applicant may be required to pay a non-refundable Special Services fee deposit at least ten business days before the Temporary Cannabis Event. The City Administrator shall determine the Special Services fee deposit. It shall be based upon an estimate of Special Services that are necessary as determined by the City's department heads.
- b) **User Fee.** Upon completion of the Temporary Cannabis Event, the City may prepare a detailed account of all Special Services provided for the Temporary Cannabis Event and in such cases, will set the final user fee using the rates, fees and charges established as provided in this ordinance. The city will then provide the applicant with a copy of the detailed account of the Special Services and an invoice for the user fee, less the fee deposit. The balance of the user fee will then become due and payable immediately upon its receipt.

- c) Special Services Rates. The rates charged shall be set by the City's Fee Ordinance and set forth in the Fee Schedule.
6. Indemnification and Insurance
- a) If the Temporary Cannabis Event requires Special Services, prior to the issuance of a Temporary Cannabis Event permit, the permit applicant and authorized officer of the sponsoring organization, if any, must sign an agreement to indemnify, defend and hold the City, its officials, employees, and agents harmless from any claim that arises in whole or in part out of the Temporary Cannabis Event, except any claims arising solely out of the negligent acts or omissions of the City, its officials, employees and agents.
 - b) Liability Insurance Required. The applicant must possess or obtain liability insurance to protect against loss from liability imposed by law for damages on account of bodily injury or property damage arising from the Temporary Cannabis Event. A certificate of insurance must be filed with the City prior to issuance of the Temporary Cannabis Event permit. The certificate of insurance must name the City, its officials, employees and agents as additional insureds. Insurance coverage must be maintained for the duration of the Temporary Cannabis Event. Any company hired or working on behalf of the applicant or sponsor must also present the City with a certificate of insurance naming the City, its officials, its employees, and agents as additional insureds.
 - c) Minimum Limits. The insurance coverages and limits of liability shall be as required in Section 122.04, 2. "Insurance". If on-site consumption is permitted at the Temporary Cannabis Event, the policy must also include an endorsement for such consumption. The city may require additional endorsements depending upon the type of Temporary Cannabis Event and the proposed activities.
 - d) Waiver or Reduction of Required Limits. The city may waive or reduce insurance requirements of this section under the following circumstances:
 - i. The applicant or officer of the sponsoring organization signs a verified statement that the insurance coverage required by this section is impossible to obtain; or
 - ii. The city determines that the insurance requirements are in excess of the

reasonable risk presented by the proposed Temporary Cannabis Event.

7. Temporary Cannabis Event Regulations

- a) Location Restrictions. Temporary cannabis events are prohibited:
 - i. At, in or on any public place or a place of public accommodation, unless allowed by the City. A public place means a public park, ballparks or trails, public event centers or facilities, public street, sidewalk or right-of-ways, alleys, boulevards, publicly owned parking lots, and any other developed or undeveloped city owned property; or
 - ii. If held outdoors, on property within 1,000 feet of a school.
- b) Hours Restrictions: Temporary cannabis events shall only be held between the hours of 8:00 a.m. until 10:00 p.m.
- c) On-site consumption of cannabinoid products is permitted in an area designated by the applicant and approved by the City. Access to areas where consumption of adult-use cannabis flower, adult-use cannabis products, lower-potency hemp edibles, or hemp-derived consumer products is allowed shall be restricted to individuals who are at least 21 years of age and the cannabis event organizer shall ensure that consumption of adult-use cannabis flower, adult-use cannabis products, lower-potency hemp edibles, or hemp-derived consumer products within a designated consumption area is not visible from any public place.
- d) The Temporary Cannabis Event must be in compliance with the City's nuisance ordinance at all times.
- e) All Temporary Cannabis Events must follow all requirements of Minn. Stat. § 342.01, et seq.
- f) Permit Revocation. A Temporary Cannabis Event permit may be revoked by the City Administrator at any time for failure to comply with the provisions of this Section or Minn. Stat. § 342.01, et seq.

8. Enforcement.

- a) Misdemeanor. Any person who violates this Section is guilty of a misdemeanor and, upon conviction, is subject to a fine and imprisonment as

prescribed by state law. Each day each violation continues or exists, constitutes a separate offense.

- b) Administrative fine: Any person who violates this Section is subject to administrative fines in an amount set in the City Fee Schedule. Each day each violation continues or exists, constitutes a separate offense.
- c) Violation of any provision of this Section shall also be grounds for revocation of the Temporary Cannabis Event Permit, denial of any future application for a Temporary Cannabis Event permit, and action against any city-issued business license held by the Temporary Cannabis Event Organizer.

Passed and adopted this _____ day of _____, 2024, to become effective upon publication, with the following roll call vote:

Aye:

No:

Absent:

Approved and signed this _____ day of _____, 2024.

Thomas A. Kuntz, Mayor

ATTEST:

Kris M. Busse, City Administrator/City Clerk/Treasurer

Summary Publication

City of Owatonna ORDINANCE 1665

CANNABIS REGULATION

On December 3, 2024, the Owatonna City Council adopted Ordinance 1665, amending Title XI, Business Regulations of the 2015 Code of Ordinances by adopting a new chapter, Chapter 122 entitled Cannabis Regulation

A printed copy of the full ordinance is available for inspection during regular business hours at the City Administrator's Office at City Hall located at 540 West Hills Circle and is also available on the City's website.

First Reading Date	November 19, 2024
Second Reading Date:	December 3, 2024
Publication Date:	December 7, 2024
Effective Date:	December 7, 2024

Date: December 3, 2024

Kris M. Busse, City Administrator/City Clerk



CITY OF
OWATONNA

Resolutions

PURPOSE MEMO

To: Mayor, City Council, City Administrator, Chief of Police
From: Mark M. Walbran
Re: Resolution Delegating City's Authority to Register Cannabis Businesses
and to Conduct Compliance Checks to Steele County
Date: November 27, 2024

Purpose:

To adopt Resolution No. 121-24 to delegate the City's authority to register cannabis and hemp businesses and to conduct compliance checks of the same within the legal boundaries of the City.

Background:

In 2023 the Legislature adopted Minn. Stat. Ch. 342 which legalized adult-use recreational cannabis. That Statute included a provision granting a City the authority to delegate its registration authority and compliance check authority to the County. The City and County have agreed that the City will delegate such authority to the County and the County will undertake to register a cannabis retailer and conduct the required compliance checks. Under Minn. Stat. § 342.13 the County has the registration authority and may limit the registrations to no more than the minimum required under Minn. Stat. § 342.13. The City and the County agree to limit the licenses to the statutory limit of 1 licenses per every 12,500 residents which currently would permit 3 such licenses in Steele County.

Budget Impact:

Retail sales of taxable cannabis products are subject to the state and local sales and use tax and a 10% gross receipts tax. Cannabis gross receipts tax proceeds are allocated as follows: 20% to the local government cannabis aid account and 80% to the state general fund. Local taxes imposed solely on sale of cannabis products are prohibited.

Recommendation:

Staff recommends that the Council adopt Resolution No. 121-24.

Attachment:

Resolution 121-24

RESOLUTION NO. 121-24
A RESOLUTION OF THE CITY OF OWATONNA DELEGATING ITS
AUTHORITY TO REGISTER CANNABIS AND HEMP BUSINESSES AND TO
CONDUCT COMPLIANCE CHECKS OF SAID BUSINESSES TO THE COUNTY OF STEELE.

WHEREAS, Minnesota Statute Section 342.22, requires the unit of local government issuing a retail registration to a cannabis or hemp business to conduct compliance checks of that business; and

WHEREAS, Minnesota Statutes, section 342.13, provides that only the local unit of government that issues a cannabis retail registration may limit the registrations by ordinance; and

WHEREAS, the City of Owatonna wishes to partner with Steele County and have the County take on responsibility for the retail registration of cannabis and hemp businesses and conduct compliance checks of those businesses;

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

1. That pursuant to Minnesota Statute Section 342.22, the City Council does hereby delegate to Steele County its authority to register cannabis and hemp businesses and to conduct compliance checks of such businesses.

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



DATE: December 3, 2024
TO: Mayor and City Council
FROM: Sean Murphy, Public Works Director
SUBJECT: WWTF Expansion Change Order #17 - Rice Lake Construction Group

Purpose:

Requesting City Council approval of Change Order #17 for the Wastewater Treatment Facility Expansion Project.

Background:

Work Change Directives (WCDs) are created to address construction issues, design clarifications, and interdisciplinary coordination, or errors and/or omissions. Change Order 17 consists of 9 WCDs and are as follows:

- 106 - Replace Corroded Piping & Hardware in Digester 2
- 107 - Add Dryer Vent per RFI 190
- 108 - Scanning and Select Demolition
- 109 - Change Admin Curtain Wall System
- 110 - STB Plumbing Modifications
- 111 - DTC Transformer Relocation
- 112 - Admin Building Electrical Changes
- 113 - Air Content Deviation
- 114 - EWR - NPW Check Valve

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

Budget Impact:

The total budget impact of Change Order 17 is an increase of \$83,648.58 for a revised total contract cost of \$57,392,249.04. Costs will be paid for using Sanitary Sewer Funds.

Staff Recommendation:

Staff recommends approval.

Attachments:

1. WWTF Expansion CO #17 - Rice Lake Construction Group
2. WWTF Expansion Change Order Log

WORK CHANGE DIRECTIVE NO.: 106

Owner:	City of Owatonna	Owner's Project No.:	17017
Engineer:	Nero Engineering	Engineer's Project No.:	10044
Contractor:	Rice Lake Construction Group	Contractor's Project No.:	2214
Project:	Owatonna WWTF Upgrade and Expansion		
Contract Name:	Owatonna WWTF Upgrade and Expansion		
Date Issued:		Effective Date of Work Change Directive:	11/18/2024

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

Description:

Replace Corroded Piping & Hardware in Digester 2

Attachments:

WCD #106 Proposal.

Purpose for the Work Change Directive:

This WCD includes work to replace existing hardware and piping within Digester 2 which was severely corroded.

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

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

Contract Price: \$8,169.58 ~~[increase] [decrease] [not yet estimated]~~

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

Basis of estimated change in Contract Price:

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

Recommended by Engineer

Authorized by Owner

By: Jennifer Svennes, PE 

Title: Lead Process Engineer

Date: 11/18/2024

WORK CHANGE DIRECTIVE NO.: 107

Owner: City of Owatonna Owner's Project No.: 17017
Engineer: Nero Engineering Engineer's Project No.: 10044
Contractor: Rice Lake Construction Group Contractor's Project No.: 2214
Project: Owatonna WWTF Upgrade and Expansion
Contract Name: Owatonna WWTF Upgrade and Expansion
Date Issued: Effective Date of Work Change Directive: 11/18/2024

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

Description:

Add Dryer Vent per RFI 190

Attachments:

WCD #107 Proposal. RFI #190.

Purpose for the Work Change Directive:

This WCD includes work to add a vent from the dryer to the exterior of the Admin building which was inadvertently not shown on the plans.

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

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

Contract Price: \$1,852.24 ~~[increase] [decrease] [not yet estimated]~~

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

Basis of estimated change in Contract Price:

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

Recommended by Engineer

Authorized by Owner

By: Jennifer Svenes, PE 

Title: Lead Process Engineer

Date: 11/18/2024

WORK CHANGE DIRECTIVE NO.: 108

Owner: City of Owatonna Owner's Project No.: 17017
Engineer: Nero Engineering Engineer's Project No.: 10044
Contractor: Rice Lake Construction Group Contractor's Project No.: 2214
Project: Owatonna WWTF Upgrade and Expansion
Contract Name: Owatonna WWTF Upgrade and Expansion
Date Issued: Effective Date of Work Change Directive: 11/18/2024

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

Description:

Scanning and Select Demolition

Attachments:

WCD #108 Proposal.

Purpose for the Work Change Directive:

This WCD includes work to scan and selectively saw cut the Admin Building floor around live power and conduits. The presence of live power in the floor was not made clear in the contract documents. A credit has been provided for the use of the City's vac truck and staff to assist in removing material so less hand-digging was required.

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

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

Contract Price: \$3,870.07 [increase] ~~[decrease]~~ ~~[not yet estimated]~~
Contract Time: 0 days ~~[increase]~~ ~~[decrease]~~ ~~[not yet estimated]~~

Basis of estimated change in Contract Price:

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

Recommended by Engineer

Authorized by Owner

By: Jennifer Svennes, PE 

Title: Lead Process Engineer

Date: 11/18/2024

WORK CHANGE DIRECTIVE NO.: 109

Owner: City of Owatonna Owner's Project No.: 17017
Engineer: Nero Engineering Engineer's Project No.: 10044
Contractor: Rice Lake Construction Group Contractor's Project No.: 2214
Project: Owatonna WWTF Upgrade and Expansion
Contract Name: Owatonna WWTF Upgrade and Expansion
Date Issued: Effective Date of Work Change Directive: 11/18/2024

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

Description:

Change Admin Curtain Wall System

Attachments:

WCD #109 Proposal.

Purpose for the Work Change Directive:

This WCD includes work to change the Admin Building curtain wall system from 6-1/2" to 4-1/2". During demolition of the building, it was discovered that there was a conflict between the bond beam that supports the second level and the specified 6-1/2" curtain wall dimension. Three alternatives were explored to address this issue including modifying the curtain wall into two sections which required a revised design, notching the curtain walls which was determined to be not structurally sound, and reordering them with the correct dimension. Reordering was determined to be the most cost effective as well as the best long-term solution.

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

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

Contract Price: \$13,189.44 ~~[increase] [decrease] [not yet estimated].~~

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

Basis of estimated change in Contract Price:

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

Recommended by Engineer

Authorized by Owner

By: Jennifer Svennes, PE 

Title: Lead Process Engineer

Date: 11/18/2024

EJCDC® C-940, Work Change Directive.

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WORK CHANGE DIRECTIVE NO.: 110

Owner:	City of Owatonna	Owner's Project No.:	17017
Engineer:	Nero Engineering	Engineer's Project No.:	10044
Contractor:	Rice Lake Construction Group	Contractor's Project No.:	2214
Project:	Owatonna WWTF Upgrade and Expansion		
Contract Name:	Owatonna WWTF Upgrade and Expansion		
Date Issued:		Effective Date of Work Change Directive:	11/18/2024

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

Description:

STB Plumbing Modifications

Attachments:

WCD #110 Proposal. Field Order 38.

Purpose for the Work Change Directive:

This WCD includes work to change the water source for the hot water pressure washer in the STB from City water to Effluent Water Reuse. This will result in water efficiency over time. This WCD also includes an additional utility sink in the Thickener Room and a high flow hydrant in the pump room. These items will be beneficial for operations and should have been included in the original project scope.

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

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

Contract Price: \$18,931.28 ~~[increase] [decrease] [not yet estimated]~~

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

Basis of estimated change in Contract Price:

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

Recommended by Engineer

Authorized by Owner

By: Jennifer Svennes, PE 

Title: Lead Process Engineer

Date: 11/18/2024

WORK CHANGE DIRECTIVE NO.: 111

Owner: City of Owatonna Owner's Project No.: 17017
Engineer: Nero Engineering Engineer's Project No.: 10044
Contractor: Rice Lake Construction Group Contractor's Project No.: 2214
Project: Owatonna WWTF Upgrade and Expansion
Contract Name: Owatonna WWTF Upgrade and Expansion
Date Issued: Effective Date of Work Change Directive: 11/18/2024

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

Description:

DTC Transformer Relocation

Attachments:

WCD #111 Proposal. Field Order 37.

Purpose for the Work Change Directive:

This WCD includes work to move the transformer located by the anaerobic digester. The transformer is existing, but the new DTC electrical equipment will be tied into it. While preparing for this work, it was discovered that its location is in violation of NFPA 820 code which requires 10 feet of separation from the digester wall.

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

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

Contract Price: \$11,327.32 [increase] [decrease] [not yet estimated]
Contract Time: 0 days [increase] [decrease] [not yet estimated]

Basis of estimated change in Contract Price:

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

Recommended by Engineer

Authorized by Owner

By: Jennifer Svennes, PE 

Title: Lead Process Engineer

Date: 11/18/2024

WORK CHANGE DIRECTIVE NO.: 112

Owner: City of Owatonna Owner's Project No.: 17017
Engineer: Nero Engineering Engineer's Project No.: 10044
Contractor: Rice Lake Construction Group Contractor's Project No.: 2214
Project: Owatonna WWTF Upgrade and Expansion
Contract Name: Owatonna WWTF Upgrade and Expansion
Date Issued: Effective Date of Work Change Directive: 11/18/2024

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

Description:

Administration Building Electrical Revisions

Attachments:

WCD #112 Proposal. Field Order 36.

Purpose for the Work Change Directive:

This WCD includes several electrical revisions in the Administration Building including:

1. Transformer relocation due to a conflict with a structural beam needed for the remodel.
2. Replacement of existing panelboard which was determined to be unsuitable for reusing.
3. Circuit modifications to provide more circuits in the upper level.
4. Reduction of GFCI receptacles in lieu of standard receptacles.
5. Minor receptacle relocations.
6. Addition of light fixtures.

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

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

Contract Price: \$16,561.61 ~~[increase] [decrease] [not yet estimated].~~

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

Basis of estimated change in Contract Price:

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

Recommended by Engineer

Authorized by Owner

By: Jennifer Svennes, PE 

Title: Lead Process Engineer

Date: 11/18/2024

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WORK CHANGE DIRECTIVE NO.: 113

Owner: City of Owatonna Owner's Project No.: 17017
Engineer: Nero Engineering Engineer's Project No.: 10044
Contractor: Rice Lake Construction Group Contractor's Project No.: 2214
Project: Owatonna WWTF Upgrade and Expansion
Contract Name: Owatonna WWTF Upgrade and Expansion
Date Issued: Effective Date of Work Change Directive: 11/18/2024

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

Description:

Air Content Deviation

Attachments:

WCD #113 Proposal.

Purpose for the Work Change Directive:

This WCD includes a credit for 7.5 cubic yards of sidewalk that tested outside of specifications in terms of air content. 5% air content was specified and the concrete test result was 4.5%.

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

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

Contract Price: \$437.62 ~~[increase] [decrease] [not yet estimated]~~

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

Basis of estimated change in Contract Price:

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

Recommended by Engineer

Authorized by Owner

By: Jennifer Svennes, PE 

Title: Lead Process Engineer

Date: 11/18/2024

WORK CHANGE DIRECTIVE NO.: 114

Owner:	City of Owatonna	Owner's Project No.:	17017
Engineer:	Nero Engineering	Engineer's Project No.:	10044
Contractor:	Rice Lake Construction Group	Contractor's Project No.:	2214
Project:	Owatonna WWTF Upgrade and Expansion		
Contract Name:	Owatonna WWTF Upgrade and Expansion		
Date Issued:		Effective Date of Work Change Directive:	11/21/2024

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

Description:

EWR – NPW Check Valve

Attachments:

WCD #114 Proposal.

Purpose for the Work Change Directive:

This WCD includes work to add a check valve in the Dewatering Building between the Effluent Water Reuse and Non-Potable Water systems. This will require a revision in some piping and fittings, but it will allow a reliable backup water source for the EWR system if it is unavailable for any reason. It is crucial that there is a backup water source that will supply wash water to the fine screens and seal water for pumps at all times. Without the check valve, the backflow preventer would discharge water on the floor due to the higher pressure of the EWR system.

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

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

Contract Price: \$10,184.66 ~~[increase] [decrease] [not yet estimated]~~

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

Basis of estimated change in Contract Price:

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

Recommended by Engineer

Authorized by Owner

By: Jennifer Svenes, PE 

Title: Lead Process Engineer

Date: 11/21/2024

Owatonna WWTF Upgrade and Expansion

Change Order Log

Printed: 11/22/2024

Original Contract Cost

\$55,720,600.00

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

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

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



DATE: December 3, 2024
TO: Mayor and City Council
FROM: Sean Murphy, Public Works Director
SUBJECT: Amendment #3 - Professional Services Agreement for Staff Augmentation - WHKS & Co.

Purpose:

Requesting approval of Amendment 3 to the WHKS Proposal for Staff Augmentation Services.

Background:

WHKS has provided staff augmentation services to assist with engineering projects and training since November 15, 2022. Services include design oversight, design direction, establishing design schedules, assessing staff's design skills and needs, and State/Federal Aid Project compliance assistance. Staff and WHKS typically meet via Microsoft Teams for check-ins. Additional services were required for construction administration and inspection services for the Vine Street Parking Lot Project.

See attached for the entire scope of service and pricing details.

Budget Impact:

Billed hourly per the attached Exhibit A. Agreement will not exceed \$25,000 without additional authorization. The total contract amount to date, including amendments 1, 2 and 3, is \$110,000. Costs will be paid with Engineering Operating Budget Savings from vacant budgeted positions.

Staff Recommendation:

Staff recommends approval.

Attachments:

1. Amendment to Professional Services Agreement 3 - WHKS



AMENDMENT NO. 3 TO PROFESSIONAL SERVICES AGREEMENT

WHEREAS, **City of Owatonna** (Client) and WHKS & Co. (WHKS) executed a Professional Services Agreement dated **November 15, 2022** for certain engineering services for **Staff Augmentation** (Project), and

WHEREAS, the Agreement described a scope of services and was based on completion of certain services, and

WHEREAS, the Client has requested **Technical Assistance** services for the **Staff Augmentation** as described in more detail in attached Exhibit A, and

NOW THEREFORE, the Client and WHKS hereby agree the amended compensation for services shall be increased by the following:

Basis of Compensation

For the services described above, the Client shall remunerate WHKS as follows:

Billed Hourly. Agreement will not exceed \$25,000 without additional authorization.

Executed this _____ day of _____

City of Owatonna

By: _____

Printed Name: _____

Title: _____

WHKS & CO.

By: _____

Printed Name: _____

Title: _____



Exhibit A to Amendment No. 1

A. Project Description

Provide staff augmentation services to assist with engineering projects. Services will include design oversight, design direction, establishing design schedules, construction administration and construction observation. WHKS staff will attend meetings in Owatonna Engineering Department as requested. We will assist with determining if outside engineering services are needed.



DATE: December 3, 2024
TO: Mayor and City Council
FROM: Sean Murphy, Public Works Director
SUBJECT: Purchase Asphalt Miller - Asphalt Zipper

Purpose:

Requesting City Council approval to purchase a 2025 Asphalt Milling Machine from Asphalt Zipper.

Background:

A 2015 Asphalt Zipper Milling Machine is scheduled to be replaced in 2026 with a new model of the existing equipment. The acquisition of this equipment in 2025, one year ahead of the planned replacement in 2026, has been identified as advantageous by the Street Maintenance Manager due to an opportunity to obtain the new equipment, which meets new emission requirements, as the manufacturer is offering a promotion where payment is not due until 2026. Acquiring the new milling machine in 2025 would result in a cost savings of \$34,600 by avoiding a 10% increase in cost and receiving a nearly \$8,000 credit for being a municipality.

Budget Impact:

The purchase price of the 2025 Miller is \$266,340. The trade value of the 2015 equipment is \$45,000 and staff intends to place it on an auction site with a reserve of the trade value.

Total cost is not to exceed \$213,350. Costs will be paid for with the Vehicle Replacement Fund in 2026.

Staff Recommendation:

Staff recommends approval.

Attachments:

1. 2025 Asphalt Milling Machine Quote - Asphalt Zipper
2. Sales Correspondence - Asphalt Zipper
3. Asphalt Milling Machine Specifications - 480Xi



#

831 East 340 South, American Fork, Utah 84003 tel: (801) 847-3200 fax: (801) 847-3250

Today's Date: **10/30/2024**

City of Owatonna MN	2024 Purchase Price Quote	Add 10% for 2025 Purchase
	HGAC - No Need to go out to Bid	

Expires: **12/31/2024**
Proposal good to end of 2024

Factory Rep: Dave Fokken

Field Rep: Dave Stiller

Machine Description	Qty	Price	Total +
2024 [Gen 8] 480Xi-215H Reclaimer / Stabilizer (48-inch / 1.2 m) - Cummins® 215 HP Intercooled Turbo Diesel Engine - Tier 4 Final (Performance Series) - Magnum Duty Fairfield® Planetary Gear Box - Pulverize up to 12-inch (300 mm) thick asphalt - On-board Active Hydraulic Top-Hatch, Depth Control and Material Gradation Baffl - Spray System with Interchangeable Nozzles - Dual-Frame ZipTec™ Enhanced Pulverizing System (PATENTED) - Integrated - Wireless Control Box, Handheld Remote Control, Extra Bits, Blocks & Service Tools - Includes Operation Manuals and Training at Your Location - - -	1	\$ 258,350.00	\$ 258,350.00 HGAC Pricing
Z-PRO™ X 48-inch (1.2 m) Cutter Head	INSTALLED	Included	
VersaMount™ w/removable Quick Coupler Side-Shift & Tilt (includes hooks)		Included	
QC / SST Custom Trailer (US) . . . 3" Pintle Hitch		Included	
2-YEAR WARRANTY (Includes upgraded 1-Year extension) - Unlimited Hours		\$ 5,860.00	\$ 5,860.00
Options	Qty		
• Starter Kit with extra full set of bits, planetary fluid and a grease gun	1	\$ 2,130.00	\$ 2,130.00
Subtotal:		\$ 266,340.00	
Trade-In Allowance		\$ (45,000.00)	\$ (45,000.00)
2023 Special Municipal Road Rescue (Infrastructure) 2X Warranty & FREE Starter Package Credit		\$ (7,990.00)	\$ (7,990.00)
Total Credits:		\$ (52,990.00)	
Trade in for 2015 AZ500 203hp & trailer - Approx. 500 Operating Hours		Freight:	\$ -
		Subtotal:	\$ 213,350.00
Plus Applicable Sales Tax:		TBD	
		TOTAL:	\$ 213,350.00

*Order Deposit:

Customer Signature: _____ **Date:** _____

Signature indicates acceptance of this Proposal/Invoice based on satisfactory performance of the Asphalt Zipper Machine

Terms and Conditions: This proposal is a preliminary estimate; all prices are in US Dollars. Final sales price subject to approval by Asphalt Zipper accounting. Price does NOT include sales tax or GST(Canada); applicable sales tax or GST will be added to final invoice. Machine availability and specifications are subject to change at anytime by Asphalt Zipper. *A Deposit is required for all Orders. All returns and cancelled custom orders are subject to a 20% restocking fee plus any freight charges.

From: noreply@salesforce.com <noreply@salesforce.com> **On Behalf Of** Dave Fokken
Sent: Wednesday, October 30, 2024 3:21 PM
To: John L. Martin <John.Martin@owatonna.gov>
Subject: Asphalt Zipper Quote with Trade in

John,

I attached a quote with a \$45,000 trade in. If you end up selling your machine, that's OK too. You selling it would be our preference but we are good if you end up doing the trade in.

5 or 6 Year Annual Payment Option - I attached a quote from Welch State Bank. You used them for your last purchase. They can break your cost into 5 or 6 annual payments with the first payment not due until 1 year after delivery.

Don't Pay anything until Spring 2026 - Thus, with the Annual Payment Option, you can order this year, save about \$25K avoiding the 2025 price increase, get the 2024 promo offers(\$7,990 Value), take delivery this next Spring and in the Spring of 2026, decide if you want to pay off your new machine in full or start the annual payments.

Don't have to go out to bid - Since your city is already a member of HGAC, a government-to-government purchasing coop., you don't have to go out to bid since HGAC already did that for you. [Click here to look up that your city is an HGAC End User.](#)

Here to help if you have questions, need anything else.

Thank you,
Dave

Dave Fokken

Sales Support - Over 25 years Road / FDR / Underground Utility Experience
Direct: (801) 847-3220
Mobile: (951) 501-9328
Email: davef@asphaltzipper.com

Asphalt Zipper® . . World Leader in Portable Reclamation & Stabilization Equipment
www.asphaltzipper.com/ | [Open Municipal Brochure](#)

Asphalt Zipper

480Xi GEN 8



4' Cutting Width

Reclaimer/Stabilizer and Utility Trencher

with PATENTED Dual-Frame ZipTec™ Enhanced Pulverizing System

LOADER MOUNT

Packed with technology, yet surprisingly simple to operate, the 480Xi harnesses the power and productivity of much larger, self-propelled reclaimers into a very powerful, versatile and affordable loader attachment. Powered by the latest Cummins intercooled turbo-diesel Tier 4 Final Performance Series engine, the 480Xi will pulverize up to 12-inch-thick asphalt in a single pass. The innovative upgrades and improvements throughout this new-generation Asphalt Zipper dramatically improve production in thicker asphalt, reliability and longevity of the machine, and ease of use. Full road repairs, base stabilization, street patches, and opening utility trenches in asphalt are just a few of its many uses.

Completely Re-engineered, with New Features and Improvements Throughout



Upgraded control panel and wireless remote with expanded functionality

Powerful Cummins Tier 4 Final Performance Series engine for quieter, cleaner power

Smart cylinders—improved depth control that is independently adjustable for more precise milling

Hydraulically activated auto-adjusting clutch, remote engage, and loader operator's safety stop

Improved Z-Pro™ X cutter head for greater production with better material gradation

Heavier-duty planetary / gear box for even greater durability

Hardox®-reinforced steel frame with greater internal abrasion resistance, for longer life

Hydraulic safety-chain system ensures secure connection to host vehicle

Full-range depth adjustment, independent of the loader

Automatic hydraulic belt tensioning that is dynamically self-adjusting and releases tension when not in use, for greater longevity

Wireless control box for cab of host vehicle for quicker, more convenient installation and disconnection, with improved display

Improved bucket clamping system for an easier, more secure connection to an even wider range of loader buckets

Push cooling for lower under-hood temperatures

Innovative liquid cooling jacket for up to 5X improved planetary cooling

Quick-Load™ guiding system on all custom trailers, for easier loading

And much more ...

Integrated ZipTec™ Enhanced Pulverizing System, with full depth range, contained grinding chamber, and an adjustable baffle for controlling material size

Milling sled for easier leveling





Custom tandem-axle trailer (optional) with quick-load guiding system, low center of gravity, convenient working deck, and built-in custom toolbox enables the 480Xi to be hauled behind a 1½-ton pickup truck.

NEW Wireless Control Box with E-Stop and tachometer gives host vehicle operator control over select Zipper functions.

Specifications

Model	480Xi-215H GEN8	480Xi-260H GEN8
Engine	 Cummins 215 hp Turbo-Diesel Tier 4 Final Performance Series	 Cummins 260 hp HOT-ROD Turbo-Diesel Tier 4 Final Performance Series
Torque	670 ft·lb 908 N·m	730 ft·lb 990 N·m
Weight	11,500 lbs 5216 kg	11,550 lbs 5239 kg
Cutting Width	48 inches (42, 36, 30, 24 inches available) 1219 mm (1067, 914, 762, 610 mm available)	
Cutting Depth	0 to 12 inches 0 to 305 mm	

Asphalt Zipper reserves the right to change specifications at any time. U.S. patent nos. 7036252, 7066555, 7144087, 8177456, 10086867. Other U.S. and international patents pending.



Toll-free: 888-ZIPPER-8 (947-7378)

310 West 700 South, Pleasant Grove, UT 84062
 Main: 801-847-3200 • Fax: 801-847-3250

AsphaltZipper.com

Standard Features

Cutter Head	Z-Pro™ X
Cutting Bits	Double-carbide, bullet-head
Containment System	Dual-Frame ZipTec™ Enhanced Pulverizing System with active-hydraulic rear baffle
Planetary	Fairfield Magnum-duty
Depth Control	Hydraulic (infinitely adjustable)
Bit Hatch	Hydraulically powered , top-access, with hydraulic shock absorption
Rear Baffle	Infinitely adjustable, active-hydraulic, remote-controlled
Mounting System	Versa-Mount™ hydraulic, top-clamping Universal Coupler
Controls and Monitoring	- Control Panel (on machine) Wireless Control Box (for host vehicle) - Wireless Remote (for groundsman)
Transport	Tows behind 1½-ton pickup on tandem-axle trailer.
Additional Features	- Smart cylinder technology - Built-in spray system - Hydraulic belt tensioning - Planetary cooling jacket - Push fan under-hood cooling

Available Options

Accu-Trak™ Wheel Assist

Side Shift and Tilt

Optional Mounting Systems:

- Quick Coupler
- Versa-Mount™ Quick Coupler

Water Supply Systems:

- Hitch Mount (300 gallon, for loaders)

Custom Trailer



DATE: December 3, 2024
TO: Mayor and City Council
FROM: Jenna Tuma, Assistant City Administrator
SUBJECT: Agreement - Snow and Ice Removal Service at LEC - From the Ground UP

Purpose:

Seeking Council approval for the agreement received from. From the Ground Up, for above ground winter snow and ice removal at the Law Enforcement Center (LEC).

Background:

The Owatonna Police Department has shared the LEC with the Steele County Sheriff's Office for several years. When the County relocated to its County Jail facility, the City purchased the County's share of the LEC. Under the shared facility, the county managed the grounds and facility for both agencies, and both shared the cost of the services. With the City having full ownership of the site, it is responsible for snow and ice removal for its 7-day/24-hour operation.

This agreement includes pushing and stacking the snow, and the City's Streets Department will coordinate the hauling, saving considerable expense.

Budget Impact:

An adjustment was made to include the cost of service in the 2025 Facilities operating budget.

Staff Recommendation:

Staff recommends approval of this agreement with From the Ground UP. .

Attachments:

1. Agreement - From the Ground Up at LEC



CITY OF OWATONNA
540 WEST HILLS CIRCLE
OWATONNA, MINNESOTA 55060

Sales: Aaron Schrot
LEC-Snow & Ice-2024
 Owatonna, Minnesota 55060

Est ID: EST2780248
Date: Oct-22-2024

Extra Services	Visits	Billing Type	Visit Price
Lot Snow Removal 1"-3" per push	1	Per Visit	\$130.01
Lot Snow Removal 4"-6" per push	1	Per Visit	\$180.71
Lot Snow Removal 7"-10" per push	1	Per Visit	\$224.99
Price per inch over 10"	1	Per Visit	\$36.00
Sidewalk snow+ ice removal 1"-3" per push	1	Per Visit	\$215.01
Sidewalk pricing include ice melt			
Sidewalk snow + ice removal 4"-6" per push	1	Per Visit	\$260.00
Sidewalk snow + ice removal 7"-10" per push	1	Per Visit	\$300.32
Sidewalk snow + ice removal per inch over 10"	1	Per Visit	\$45.00
Parking lot Ice Control	1	Per Visit	\$85.00
Parking lot pre-treat	1	Per Visit	\$85.50

From The Ground UP
 4811 Crane Creek Road
 Owatonna, Minnesota
 55060

P.507-456-7812

Fromthegroundupowatonna.com
 Info@ftgu-mn.com

page 1 of S

Extra Services	Visits	Billing Type	Visit Price
Snow Hauling	1	Per Hour/Unit	

This agreement is between City of Owatonna ("Client") and From The Ground Up LLC ("FTGU") and contains all the terms and conditions and describes all work to be done by FTGU.

- **Prices listed above are on a Per Push/Per Service Basis.**
- Please note hours of operation, and anything that will help provide you with the best service possible.

CONTRACT TERMS OF AGREEMENT: November 1 2024 - April 30 2025.

ACCEPTANCE; CHANGES: This proposal is void if not accepted within thirty (30) days of delivery to Client, and may be accepted only by Client's signing of this Agreement and delivery of the signed agreement to FTGU. Any changes to the proposal are void unless agreed upon by both Client and FTGU in the form of a written agreement. All costs associated with such a change are to be paid in full at the time the agreement is signed. This contract can be canceled at any time with a 30-day written notice and full payment of the contract.

SALES TAX: Sales tax is not included in prices and will be added where applicable. Client agrees that if the applicable sales tax rate changes at any time during the term of the agreement, client agrees to pay the new applicable sales tax rate.

INSURANCE: FTGU shall take out and maintain during the term of this contract the following insurance:

- Commercial General Liability (CGL), in the minimum amount of \$1 Million per occurrence/ \$2 Million annual aggregate.
- Automobile Liability Insurance in the minimum amount of \$1 Million per occurrence/ \$2 Million annual aggregate.
- Workers' Compensation and Employee's Liability coverage for all FTGU employees. If any work is Sublet, FTGU shall require the subcontractor to provide Workers' Compensation insurance for its employees unless such employees are covered under FTGU's Workers' Compensation coverage.

FTGU shall provide the City a Certificate of Insurance certifying the above coverages and naming the City as an Additional Insured under coverages (a) and (b).

INVOICING AND SERVICE CHARGES: Invoices are mailed on the 1st & 15th of each month, and payment is due within thirty (30) days of the date on the invoice. Any invoice not paid in full within thirty (30) days of the date of the invoice, shall be considered past due and may be turned over to collections and a \$25.00 late charge will be added to your account along with any collection fees, attorney's fees and costs of collection. In addition to the late charge, a service charge of 1.50% per month (18%) annual rate, or the maximum allowable rate under Minnesota law, may be charged on invoices not paid within thirty (30) days. There will be a \$30.00 dollar charge for any returned checks refused by FTGU's bank.

PAST DUE ACCOUNTS: Accounts that are past due will not have services performed under this agreement until the account is paid in full.

SURCHARGES: FTGU reserves the right to adjust the rates and prices set forth in this agreement based on increases in FTGU's costs for acquiring supplies necessary to perform the services, including, without limitation, fuel, salt, or sand. Price increases pursuant to this clause shall be limited to actual increases in the FTGU's costs for supplies that are reasonable and necessary for providing the services. FTGU shall provide written notice to Client of any price Increase, specifying the effective date (which may be immediate) and amount of the increase and the reasons therefor.

UNFORESEEN CIRCUMSTANCES: If, at any time, unforeseen conditions present themselves and require a change to the scope of work, charges will apply for FTGU's costs resulting from such change, including, without limitation, costs of delay. The parties agree to promptly execute a written change order specifying the changes required to the scope of work and the charges associated with those charges.

MUTUAL INDEMNIFICATION: To the fullest extent permitted by law, the parties agrees that each party shall defend, indemnify and hold harmless the other party, and its employees, officers, and agents from and against all claims, actions, damages, losses and expenses, including reasonable attorney fees, arising out of the indemnifying party's negligence, misconduct, or failure to perform its obligations under this Agreement. The parties agrees this indemnity obligation shall survive the completion or termination of this Agreement.

RELEASE OF LIABILITY:

ATTORNEY'S FEES: In the event of any legal dispute arising out of this Agreement each party shall pay its own attorney's fees and costs under the "American Rule" except for such costs ordered by the Court.

MISCELLANEOUS PROVISIONS.

A. This agreement shall be governed by the substantive and procedural laws of the state of Minnesota. This agreement represents the entire agreement between the parties and may only be modified or amended in writing and signed by all parties.

B. If for any reason any term or provision of this agreement is held to be invalid or unenforceable, all other valid terms and provisions hereof shall remain in full force and effect, and all of the terms and provisions of this agreement shall be deemed to be severable in nature.

C. Any party's failure to enforce any provision or provisions of this agreement shall not be construed as a waiver of any such provision or provisions and shall not prevent that party thereafter from enforcing each and every other provision of this agreement. The rights granted to both parties herein are cumulative and shall not constitute a waiver of either party's right to assert all other legal remedies available under the circumstances.

D. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

E. Each party to this Agreement represents that such party has duly authorized, executed and delivered this and that this Agreement is valid and binding obligation of such party, enforceable against such party in accordance with its terms.

F. Neither party shall be liable for any failure or delay in performing its obligations under this Agreement. If such failure or delay is due to causes beyond its reasonable control, including but not limited to acts of God, natural disasters, strikes, lockouts, server attacks, riots, embargos, acts of war or terrorism, epidemics, governmental regulations imposed after the fact, communication line failures, power failures, earthquakes, floods, fires or other similar causes (any such cause, a "Force Majeure"). FTGU may not be able to provide, or may not be able to promptly provide, the services provided for under this Agreement under circumstances of extreme cold or during periods of unusually heavy snowfall, as such conditions may make the provision of the services unduly hazardous or may require such continuous work by the employees and contractors of FTGU as to necessitate rest periods, or may make provision of the services difficult or impossible for other reasons; Client specifically acknowledges that such conditions constitute a Force Majeure for purposes of this paragraph.

G. By signing this contract Client gives FTGU and its employees and contractors permission to be on the property to complete the work contracted.

THIS IS A LEGALLY BINDING CONTRACT. BY SIGNING THIS AGREEMENT, YOU ARE AGREEING THAT YOU HAVE READ, UNDERSTAND AND AGREE TO ALL OF THE TERMS AND CONDITIONS CONTAINED HEREIN. ANY INDIVIDUAL WHO SIGNS THIS AGREEMENT ON BEHALF OF FROM THE GROUND UP LLC PROMISES AND REPRESENTS THAT HE OR SHE IS FULLY AUTHORIZED TO EXECUTE THIS AGREEMENT ON BEHALF OF FROM THE GROUND UP LLC. ANY INDIVIDUAL WHO SIGNS THIS AGREEMENT ON BEHALF OF CLIENT, PROMISES, REPRESENTS AND GURANTEES THAT SUCH AGENT IS FULLY AUTHORIZED TO EXECUTE THIS AGREEMENT ON BEHALF OF CLIENT.

Client: _____

Signature: _____ Date _____

Accepted: _____

Print: _____ Phone: _____

Email: _____

ALL INFORMATION WILL BE EMAILED, PLEASE REACH OUT TO ACCOUNTING@FTGU-MN.COM FOR PAPER COPIES. THANKS FOR HELPING US GO PAPERLESS!

CREDIT CARD AUTHORIZATION (ONLY IF PAYING BY CREDIT/DEBIT CARD):

I, _____ give permission to From The Ground Up, LLC to charge my card for the following purchases. My card details will be stored in my profile and will only be used for approved purchases. If electing credit card as my payment method, I hereby give permission to From The Ground Up to charge my credit card for services elected. This authorization will remain in effect until canceled in writing, and I agree to notify From The Ground Up in writing of any changes to my account information or termination of this authorization at least 15 days prior to the next billing date. I understand that a 3.50% credit card fee will be charged on the amount authorized. I acknowledge that the origination of credit card transactions to my account must comply with the provisions of U.S.. law. I certify that I am an authorized user of this card and will not dispute these transactions; so long as the transactions correspond to the terms indicated in this Authorization form.

Amount Authorized: \$ _____

Cardholder Name as shown on card: _____

Credit Card Type. _____ Expiration Date _____

Billing ZIP code _____ 3-Digit Security Code _____

Credit Card Number _____

Estimate authorized by:



Aaron Schrot

Estimate approved by: _____

Signature Date:

10/22/2024

Signature Date: _____

Email:

aaron.s@ftgu-mn.com



DATE: December 3, 2024
TO: Mayor and City Council
FROM: Jenna Tuma, Assistant City Administrator
SUBJECT: Legislative Services - Lockridge, Grindal & Nauen PLLP

Purpose:

Seeking Council's approval to enter into an agreement with Lockridge, Grindal, & Nauen PLLP (LGN) for Minnesota Legislative Services.

Background:

The City is currently developing plans for future city facilities. To explore and maximize all funding options, LGN will provide lobbying services related to tax, capital investment, and state policy issues for the City of Owatonna.

Lockridge Grindal Nauen's government relations professionals have over three decades of experience representing clients of all types and sizes at the Minnesota State Capitol. LGN partners with a wide range of non-profit, government and business clients to elevate their impact in Minnesota by cultivating broader influence and understanding among public officials and decision-makers. With significant experience representing and working with local governments, Ms. Lenczewski and Ms. Hassel work with communities of all sizes to position them for success at the capitol. LGN has a sizeable team, with broad-based political affiliations, and has developed a vast network of long-term, personal connections with leaders at all levels of government.

This is a one-year agreement .

Budget Impact:

The agreement fee of \$40,000 is a planned 2025 budget item.

Staff Recommendation:

Staff recommends approval.

Attachments:

1. Legislative Services Agreement - Draft Copy

DRAFT COPY

LEGISLATIVE SERVICES AGREEMENT

THIS AGREEMENT, made and entered into by and between **City of Owatonna** (“Client”) and **LOCKRIDGE GRINDAL NAUEN PLLP** (“Consultant” or “LGN”) (collectively the “Parties”).

W I T N E S S E T H

WHEREAS, Client, wishes to purchase the services of Consultant to assist Client in monitoring, and lobbying related to certain state legislative and administrative matters;

NOW, THEREFORE, in consideration of the mutual undertakings and promises hereinafter set forth, Client and Consultant agree as follows:

1. CONSULTANT SERVICES

Consultant shall provide, in coordination with Client’s officers, committees and staff, the services listed in Exhibit A hereto. If additional services, projects or work is agreed upon by both Consultant and Client, fees for such additional services, project or work will be negotiated and mutually agreed upon in writing prior to the performance of additional services, projects or work.

2. TERM AND TERMINATION

2.1 Term. The term of engagement for the services provided shall be **November 1, 2024 – October 31, 2025** subject to termination as provided in Section 2.2.

2.2 Termination. This Agreement may be terminated prior to its expiration only as follows:

2.2.1 Upon the written mutual agreement of the Parties hereto;

2.2.2 By either Party upon sixty (60) days written notice to the other Party.

3. COST OF AND PAYMENT FOR SERVICES

3.1 Fees. In consideration of services performed as specified in Section 1 and Exhibit A of this Agreement, Client shall pay Consultant the professional fees in the amount of **\$40,000 payable in twelve (12) equal installments of \$3,333.33 per month commencing November 1, 2024.**

3.2 Costs. In addition to payment for professional fees, Client shall pay Consultant for all reasonable incidental expenses incurred by Consultant on Client’s behalf.

3.3 Payment. Payment for professional fees and expenses shall be made to Consultant upon submission by Consultant to Client of invoices for services rendered and expenses incurred and Client shall pay Consultant by the dates listed above.

4. DATA RETENTION

- 4.1** LGN may use reputable third-party service providers, including ‘cloud’ service providers, to help us deliver efficient, cost-effective legal services. This may include document/information hosting, sharing, transfer, analysis, processing or storage. By engaging us, **City of Owatonna** understands and consents to having communications, documents and other data pertinent to its matters managed through such third-party technology, including where confidential information may be stored on and accessed from such cloud-based computer servers located in a facility not directly controlled by **LGN**. **City of Owatonna** acknowledges that the use of such services may be subject to the terms and conditions of the provider and accept that **LGN** is not responsible for the security of the data, the provider’s security standards, or the risk that the security of information on such cloud-based platforms may be breached. **City of Owatonna** agrees that the benefits of using such technology outweigh the risks, including risks related to confidentiality and security. A list of **LGN**’s cloud providers is available upon request.
- 4.2** **LGN** has adopted a document retention policy that governs the retention and disposition of closed client files. At the conclusion of the matter for which **City of Owatonna** has retained us, we will return all original client documents. At that time, **City of Owatonna** will have sixty (60) days to let us know if you want certain of the documents which remain in the file. If you notify us within this sixty (60) day period, we will not destroy the file until **City of Owatonna** has had an opportunity to identify any such documents and, if appropriate, obtain copies of them. If **City of Owatonna** does not so notify us, we will transfer your file to closed storage and/or an electronic archive pursuant to our file closing and destruction procedures. File contents (including work papers, etc.) will be considered the property of **LGN**. We will retain the file for six (6) years and then destroy its contents, without further notice and in a manner which preserves their confidential nature.
- 4.3** If, at any time **LGN** concludes that there are no active matters in which we are representing **City of Owatonna**, it will be considered a former, rather than a current client of **LGN**, unless and until **City of Owatonna** asks us to perform additional services, and we agree to perform them.
- 4.4** If **City of Owatonna** requests us to transfer our file to you or to another firm prior to the completion of the matter, **City of Owatonna** agrees we can make and retain copies of relevant portions of the file and that the cost for such copying is to be paid by **City of Owatonna**, as well as any other copying on its behalf. These charges for copying **City of Owatonna**’s file may include, in the case of documents stored electronically, the reasonable cost of retrieving the documents, and **City of Owatonna** agrees to pay these costs.

5. INDEPENDENT CONTRACTOR

Consultant shall select the means, method, and manner of performing the services herein. Consultant is and shall remain an independent contractor with respect to all services performed under this Agreement.

6. COMPLETE AGREEMENT

The Parties each agree and understand that this Agreement, including all Exhibits hereto, constitutes the entire agreement between the Parties and supersedes any prior or contemporaneous oral understandings or agreements with respect to the subject matter hereof.

7. AMENDMENTS AND WAIVERS

This Agreement may not be amended, altered, enlarged, supplemented, abridged, or modified, nor can any provision hereof be waived, except by a writing executed by both Parties which shall be attached hereto. Failure of any Party to enforce any provision of this Agreement shall not constitute or be construed as a waiver of such provision nor of the right to enforce such provision.

8. NOTICES

All notices, demands, and requests permitted or required to be given under this Agreement shall be in writing and deemed given when mailed by the United States mail, postage prepaid, registered or certified mail, return receipt requested, to the address of the appropriate Party as provided herein.

IN WITNESS WHEREOF, the duly authorized representatives of the Parties hereto have executed this Agreement this ____ day of _____ 2024

ADDRESS:

540 West Hills Circle
Owatonna, MN 55060

CLIENT:

City of Owatonna

By: _____
Its: _____

ADDRESS:

Suite 2200
100 Washington Avenue South
Minneapolis, MN 55401

CONSULTANT:

LOCKRIDGE GRINDAL NAUEN PLLP

By: Harry Gallaher
Its: Managing Partner

EXHIBIT A

LGN will provide tax, capital investment and state policy issue lobbying services for the City of Owatonna.