



AGENDA

Pre-Agenda Meeting Monday, March 16, 2020 at 4:30 p.m. Large Conference Room City Hall - Hermantown Governmental Services Building

Pre-agenda: The Pre-agenda meeting is a work session between the City Council and City staff to review the upcoming City Council meeting and future meetings. The agenda is the same document as the upcoming City Council meeting, but does not follow the same format as the City Council meeting. It is a time for the City Council and City staff to have discussions about the agenda items, and asking and answering questions. Traditionally it is not a time for public comment on the agenda items, as the public can listen to the conversation and ask questions or provide input at the upcoming City Council meeting.

City Council Continuation Meeting March 16, 2020 at 6:30 p.m. Council Chambers City Hall - Hermantown Governmental Services Building

Invitation to participate:

The Hermantown City Council welcomes your thoughts, input and opinions to this meeting. The agenda for this meeting contains a brief description of each item to be considered, and the City Council encourages your participation. If you wish to speak on an item contained in the agenda, you will be allowed to address the Council when a motion is on the floor. If you wish to speak on a matter that does not appear on the agenda, you may do so during the public comment period regularly scheduled and set for the beginning of the meeting.

When addressing the City Council, please state your name and address for the record. Please address the City Council as a whole through the Mayor. Comments to individual Council Members or staff are not permitted. Speakers will be limited to three (3) minutes.

Order of discussion

- 1. Reading of the resolution title by Mayor**
- 2. Motion/Second**
- 3. Staff Explanation**
- 4. Initial Discussion by City Council**
- 5. Mayor invites public to speak to the motion (3 minute rule)**
- 6. Follow up staff explanation and/or discussion by City Council**
- 7. Call of the vote**

**CITY OF HERMANTOWN
AGENDA**

**Pre-Agenda Meeting Monday, March 16, 2020 at 4:30 p.m.
Large Conference Room
Hermantown Governmental Services Building**

**City Council Continuation Meeting March 16, 2020 at 6:30 p.m.
Council Chambers
Hermantown Governmental Services Building**

1. **CALL TO ORDER**
2. **PLEDGE OF ALLEGIANCE**
3. **ROLL CALL**
4. **ANNOUNCEMENTS** *(Council Members may make announcements as needed.)*
5. **PUBLIC HEARING** – *(Only when necessary. The rule adopted three minutes per person if necessary. Any action required after the public hearing will be taken immediately following the closing of the public hearing.)*
6. **COMMUNICATIONS**
 - A. **2020-36** Eric Johnson, Community Development Director
TO: Hermantown City Council
RE: Census 2020 Update
7. **PRESENTATIONS** *(Department Heads may give reports if necessary.)*
 - A. David Bolf, City Engineer *(Pre-Agenda Only)*
RE: 2021 Road Improvement Plan
 - B. Chris Mickelson, Ehlers
RE: General Obligation Bonds Pre-Sale Report
8. **PUBLIC DISCUSSION** *(This is the time for individuals to address the Council about any item not on the agenda. The time limit is three minutes per person.)*
9. **CONSENT AGENDA** *(All items on the Consent Agenda are items which are considered routine by the City Council and will be approved by one motion via voice vote. There will be no discussion of these items unless a Council Member or citizen so requests, in which event the item will be removed from the Consent Agenda and considered at the end of the Consent Agenda.)*
 - A. **Minutes** - Approval or correction of [March 2, 2020 City Council Minutes](#) and [March 5, 2020 Work Session Minutes](#)

- B. Accounts Payable** – Approve general city warrants from March 1, 2020 through March 15, 2020 in the amount of \$307,139.01

(motion, roll call)

10. MOTIONS

11. ORDINANCES

- A. 2020-03** An Ordinance Amending Hermantown Code Of Ordinances By Amending Section 240 – City Finances

Second Reading

(motion, roll call)

- 12. RESOLUTIONS** *(Roll call will be taken only on items required by law and items requiring 4/5's votes, all others can be done by voice vote.)*

- A. 2020-38** Resolution Providing For The Sale Of \$3,765,000 General Obligation Improvement And Refunding Bonds, Series 2020A

(motion, roll call)

- B. 2020-39** Resolution Providing For The Sale Of \$4,115,000 General Obligation Sewage Disposal System Bonds, Series 2020B

(motion, roll call)

- C. 2020-40** Resolution Authorizing The City To Enter Into A Credit Enhancement Program Agreement With The Minnesota Public Facilities Authority

(motion, roll call)

- D. 2020-41** Resolution Awarding Contract For A Traffic Study For The Ugstad Road & Arrowhead Road Corridor

(motion, roll call)

13. RECESS

DATE: 2020

TO: City Council Members

FROM: John Mulder, City Administrator

RE: Correspondence

In your packet is a correspondence summary log. This briefly summarizes and assigns a log number for written correspondence received at City Hall. You are provided with the summary so that you may request a full copy of any correspondence article of interest to you. Bonnie & I have copied only the correspondence that we believe to be of special interest.

JM

3/10/2020	20-35	Luke McGregor, Little Newtons	John Mulder, City Administrator	Acquisition of 5028 Miller Trunk Highway	3/5/2020
3/10/2020	20-36	Eric Johnson, Community Development Director	Hermantown City Council	Census 2020 Update	3/10/2020



Date: March 10, 2020
To: Hermantown City Council
From: Eric Johnson, Community Development Director
RE: Census 2020 Update

City Staff has been active with the Census 2020 since February 2017. Below is a timeline of past and upcoming activities pertaining to the Census 2020:

- February 2017: Hermantown submitted 2017 Boundary and Annexation Survey Annual Response and Contact Update Form
- December 2017: Hermantown registered for the 2020 Census Local Update of Census Addresses Operation (LUCA)
- February 2018: Hermantown submitted 2018 Boundary and Annexation Survey Annual Response and Contact Update Form.
- July 2018: Hermantown submitted the 2020 Census Local Update of Census Addresses Operation (LUCA) form.
- January – September 2019: The Census Bureau opened more than 200 area census offices across the country. These offices support and manage the census takers who work all over the country to conduct the census.
- February 2019: Hermantown submitted 2019 Boundary and Annexation Survey Annual Response and Contact Update Form
- August – October 2019: Census takers visited areas that have experienced a lot of change and growth to ensure that the Census Bureau's address list is up to date. This process is called address canvassing, and it helps to ensure that everyone receives an invitation to participate in the census.
- January 2020: Census Bureau started counting population in Alaska.
- February 2020: Submitted the 2020 Initial Boundary Validation Program (BVP) form

Working together to serve and build our community.

5105 Maple Grove Road, Hermantown, MN 55811
218-729-3600 hermantownmn.com



- March 2020:** Households will begin receiving official Census Bureau mail with detailed information on how to respond to the 2020 Census online, by phone, or by mail. The Census Bureau will count people who are experiencing homelessness by counting people in shelters, soup kitchens and mobile food vans, on the streets, and at non-sheltered, outdoor locations such as tent encampments.
- April 1, 2020:** Census Day is observed nationwide. Once the invitation arrives, you should respond for your home in one of three ways: online, by phone, or by mail. When you respond to the census, you'll tell the Census Bureau where you live as of April 1, 2020.
- April 2020:** Census takers will begin visiting college students who live on campus, people living in senior centers, and others who live among large groups of people. Census takers will also begin following up with households that have not yet responded in areas that include off-campus housing, where residents are not counted in groups.
- May – June 2020:** Census takers will begin visiting homes that haven't responded to the 2020 Census to help make sure everyone is counted.
- December 2020:** The Census Bureau will deliver apportionment counts to the President and Congress as required by law.
- March 31, 2021:** By this date, the Census Bureau will send redistricting counts to states. This information is used to redraw legislative districts based on population changes.

Working together to serve and build our community.

5105 Maple Grove Road, Hermantown, MN 55811
218-729-3600 hermantownmn.com

CITY OF HERMANTOWN
CITY COUNCIL MEETING
March 2, 2020
6:30 p.m.

Pledge of Allegiance

ROLL CALL: Councilors Geissler, Peterson, Nelson, Schmidt, Mayor Boucher

CITY STAFF: John Mulder, City Administrator; Bonnie Engseth, City Clerk; Eric Johnson, Community Development Director; Joe Wicklund, Communications Manager; Jim Crace, Chief of Police; Paul Senst, Public Works Director; Steve Overom, City Attorney

ABSENT:

VISITORS: 19

ANNOUNCEMENTS

Councilor Schmidt congratulated the Hermantown Hawks Hockey team and wished them good luck at the State Tournament.

PUBLIC HEARING

COMMUNICATIONS

Communications 2020-30 through and including 2020-34 were read and placed on file.

PRESENTATIONS

Jim Crace, Chief of Police – He presented the 2019 Annual Police Department Report.

PUBLIC DISCUSSION

CONSENT AGENDA

Motion made by Councilor Peterson, seconded by Councilor Geissler to approve the Consent Agenda which includes the following items:

- A. Approve February 18, 2020 City Council Continuation Minutes
- B. Approve general city warrants from February 16, 2020 through February 29, 2020 in the amount of \$458,960.03

Roll Call: Councilors Geissler, Peterson, Nelson, Schmidt, Mayor Boucher, aye. Motion carried.

MOTIONS

Motion made by Councilor Geissler, seconded by Councilor Nelson to approve the Massage Establishment License for Cookie Killian Therapy & Massage and Massage Therapist License for Cookie Killian

Roll Call: Councilors Geissler, Peterson, Nelson, Schmidt, Mayor Boucher, aye. Motion carried.

Motion made by Councilor Peterson, seconded by Councilor Schmidt to approve the appointment of Jenna Warmuth to the Park Board for a three-year term effective immediately.

Roll Call: Councilors Geissler, Peterson, Nelson, Schmidt, Mayor Boucher, aye. Motion carried.

Motion made by Councilor Peterson, seconded by Councilor Nelson to approve the appointment of Jesse Stokke to the Park Board for a three-year term effective immediately.

Roll Call: Councilors Geissler, Peterson, Nelson, Schmidt, Mayor Boucher, aye. Motion carried.

Motion made by Councilor Nelson, seconded by Councilor Geissler to approve the appointment of James Nelson to the Board of Appeals & Adjustments for a three-year term effective immediately.

Roll Call: Councilors Geissler, Peterson, Nelson, Schmidt, Mayor Boucher, aye. Motion carried.

ORDINANCES

2020-02 An Ordinance Amending Hermantown Code Of Ordinances By Amending Section 920, Public Sewers And Private Disposal Systems, By Adding A New Section 920.05.1A, Certificate Of Building Sewer Compliance

Second Reading

Motion made by Councilor Peterson, seconded by Councilor Geissler to adopt Ordinance 2020-20, An Ordinance Amending Hermantown Code Of Ordinances By Amending Section 920, Public Sewers And Private Disposal Systems, By Adding A New Section 920.05.1A, Certificate Of Building Sewer Compliance. Roll Call: Councilors Geissler, Nelson, Peterson, Schmidt, Mayor Boucher, aye. Motion carried.

2020-03 An Ordinance Amending Hermantown Code Of Ordinances By Amending Section 240 – City Finances

First Reading

RESOLUTIONS

2020-23 Resolution Authorizing A Summary Of An Ordinance Amending Hermantown Code Of Ordinances By Amending Section 920, Public Sewers And Private Disposal Systems, By Adding A New Section 920.05.1A, Certificate Of Building Sewer Compliance

Motion made by Councilor Schmidt, seconded by Councilor Nelson to adopt Resolution 2020-23, Resolution Authorizing A Summary Of An Ordinance Amending Hermantown Code Of Ordinances By Amending Section 920, Public Sewers And Private Disposal Systems, By Adding A New Section 920.05.1A, Certificate Of Building Sewer Compliance. Roll Call: Councilors Geissler, Nelson, Peterson, Schmidt, Mayor Boucher. Motion carried.

2020-31 Resolution Approving Pay Request Number 20 For The Essentia Wellness Center To McGough Construction Co. LLC In The Amount Of \$61,735.00

Motion made by Councilor Geissler, seconded by Councilor Peterson to adopt Resolution 2020-31, Resolution Approving Pay Request Number 20 For The Essentia Wellness Center To McGough Construction Co. LLC In The Amount Of \$61,735.00. Roll Call: Councilors Geissler, Nelson, Peterson, Schmidt, Mayor Boucher. Motion carried.

2020-32 Resolution Awarding Contract For Automatic Door Openers In The Amount Of \$24,942.00 For The Essentia Wellness Center

Motion made by Councilor Peterson, seconded by Councilor Schmidt to adopt Resolution 2020-32, Resolution Awarding Contract For Automatic Door Openers In The Amount Of \$24,942.00 For The Essentia Wellness Center. Roll Call: Councilors Geissler, Nelson, Peterson, Schmidt, Mayor Boucher. Motion carried.

2020-33 Resolution Authorizing And Directing The Mayor And City Clerk To Execute And Deliver A Joint Powers Agreement Between The Bureau Of Criminal Apprehension (BCA) And City Of Hermantown

Motion made by Councilor Nelson, seconded by Councilor Geissler to adopt Resolution 2020-33, Resolution Authorizing And Directing The Mayor And City Clerk To Execute And Deliver A Joint Powers Agreement Between The Bureau Of Criminal Apprehension (BCA) And City Of Hermantown. Roll Call: Councilors Geissler, Nelson, Peterson, Schmidt, Mayor Boucher. Motion carried.

2020-34 Resolution Establishing Procedures Relating To Compliance With Reimbursement Bond Regulations Under The Internal Revenue Code

Motion made by Councilor Schmidt, seconded by Councilor Peterson to adopt Resolution 2020-34, Resolution Establishing Procedures Relating To Compliance With Reimbursement Bond Regulations Under The Internal Revenue Code. Roll Call: Councilors Geissler, Nelson, Peterson, Schmidt, Mayor Boucher. Motion carried.

2020-35 Resolution Ordering The Removal Of The Lindahl Road Bridge Over Midway River And Creating A Dead End At That Location

Motion made by Councilor Geissler, seconded by Councilor Nelson to adopt Resolution 2020-35, Resolution Ordering The Removal Of The Lindahl Road Bridge Over Midway River And Creating A Dead End At That Location. Roll Call: Councilors Geissler, Nelson, Peterson, Schmidt, Mayor Boucher. Motion carried.

2020-36 Resolution Approving A Flag Lot Subdivision Of 5227 Maple Grove Road And Authorizing City Staff To Execute Such Subdivision Upon The Satisfaction Of Certain Conditions

Motion made by Councilor Schmidt, seconded by Councilor Nelson to adopt Resolution 2020-36, Resolution Approving A Flag Lot Subdivision Of 5227 Maple Grove Road And Authorizing City Staff To Execute Such Subdivision Upon The Satisfaction Of Certain Conditions. Roll Call: Councilors Geissler, Nelson, Peterson, Schmidt, Mayor Boucher. Motion carried.

2020-37 Resolution Approving Preliminary Planned Unit Development For The Pillars Of Hermantown Development

Motion made by Councilor Peterson, seconded by Councilor Nelson to adopt Resolution 2020-37, Resolution Approving Preliminary Planned Unit Development For The Pillars Of Hermantown Development.

Joe Ryan, 20430 Lakeview Ave., Deephaven, MN – He is from Oppidan and he stated their intentions on working with the community as the project moves forward. They want to be a part of the community. They take great pride in their business, which is located throughout Minnesota.

Michael Kopyy, 5124 Beaver Creek Rd. – He is appreciative that the residents were listened to regarding this project and that everyone worked together as a team. He also stated that we are heading in the right direction.

Connie Bloom, 5167 Lavaque Jct. Rd. – She thanked everyone for their work on this project and thinks it's an improvement.

Roll Call: Councilors Geissler, Nelson, Peterson, Schmidt, Mayor Boucher. Motion carried.

Motion made by Councilor Peterson, seconded by Councilor Geissler to recess the meeting at 7:26 p.m. Motion carried.

Mayor

ATTEST:

Clerk

**CITY COUNCIL
WORK SESSION
LARGE CONFERENCE ROOM**

Thursday, March 5, 2020 at 5:00 P.M.

ROLL CALL: Councilors Geissler, Peterson, Mayor Boucher

ABSENT: Councilors Nelson, Schmidt

CITY STAFF: John Mulder, City Administrator; Joe Wicklund, Communications Manager; Eric Johnson, Community Development Director

OTHERS: Jeff Schiltz

DISCUSSION ITEMS

1. Community Recreation Initiative (Fichtner Park, Trails, Ice Arena)

Lobby Efforts:

The City Council discussed two opportunities to lobby for the additional sales tax. The first is a hearing on the House Tax Committee schedule for March 11, 2020 at 8:00 a.m. Mayor Boucher will represent the City, along with Joe Wicklund and possibly Kevin Orme, if available, and possibly Jeff Schiltz and Troy Fath or someone from the Hockey Association.

The second opportunity is the Duluth/St. Louis County Days on March 18th and 19th. The following appointments have been scheduled:

Wednesday, March 18 th , 11:00 a.m.	Greg Davids, House Tax Committee Minority Lead
Wednesday, March 18 th , 1:30 p.m.	Paul Marquart, House Tax Committee Chair
Thursday, March 19 th , 2:45 p.m.	Roger Chamberlain, Senate Tax Committee Chair.

Joe Wicklund will prepare a handout for those meetings and for the booth at the Grand Reception on Wednesday night March 18th. Eric Johnson will prepare display boards for Fichtner Park and the Trails Plan, while Jeff Schiltz will prepare display boards for the Ice Arena.

Naming Rights/Donations:

The City Council discussed the process of fund raising. While the Hockey Association will be responsible raising funds and donations, the naming rights agreements will have to be with the City. John Mulder stated that ideally, if the Sales Tax issue passes the Legislature, that commitments to donations would be made prior to the referendum and then payable within a certain time period following approval of the measure through the referendum. For the Wellness Center, the City issued a Request for Proposal (RFP) for a medical partner. In this case, we do not necessarily have a partner that will have a presence in the facility in the same way as the Wellness Center.

2. Recess: The meeting recessed at approximately 6:20 p.m.

Mayor

ATTEST:

Clerk

CITY OF HERMANTOWN

CHECKS #65597-#65665
03/01/2020 -03/15/2020

PAYROLL CHECKS

Electronic Checks - #72474- #72512 \$67,280.25

LIABILITY CHECKS

Electronic Checks - #72469-#72473 \$51,208.21

Printed Checks- #65597 948.40

Printed Checks- #65655-65665 2,441.00

PAYROLL EXPENSE TOTAL \$121,877.86

ACCOUNTS PAYABLE

Checks - #65598-65654 \$183,992.50

Electronic Payments - #99956-#99957 \$1,268.65

ACCOUNTS PAYABLE TOTAL \$185,261.15

TOTAL \$307,139.01

CITY OF HERMANTOWN, MN 03/01/2020-03/15/2020
Check # is between 65597 and 65665 or Check # is between -99957 and -99956

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Fund	Account	Department	Vendor Name	Description	Amount	Check #
101	217450	Employee Flexplan	FURTHER ELECTRONIC PAYMENTS	Claim Reimbursement	1,193.17	-99957
101	217450	Employee Flexplan	FURTHER ELECTRONIC PAYMENTS	Claim Reimbursement	75.48	-99956
101	419100	Community Development	ARROWHEAD ABSTRACT & TITLE CO.	O&E Johnson O-308059	75.00	65598
101	421100	Police Administration	AUTO CARE COLLISION CENTER	Vehicle Repair	302.00	65599
101	431901	City Garage	BATTERIES PLUS BULBS	Disposal Fluorescent Bulbs	64.50	65600
101	421100	Police Administration	BRAY & REED LTD.	Prosecution Services	6,750.00	65601
101	419100	Community Development	CDW GOVERNMENT INC	AutoCad software 1 yr subscrip	396.14	65602
601	494300	Water Distribution	CENTRAL PENSION FUND	Training Per Contract Feb 5466	30.34	65603
602	494500	Sewer Maintenance	CENTRAL PENSION FUND	Training Per Contract Feb 5466	30.33	65603
101	431100	Street Department	CENTRAL PENSION FUND	Training Per Contract Feb 5466	30.34	65603
101	422903	Firehall #3 Midway Road	CENTURYLINK	Internet FH #3	74.81	65604
101	431100	Street Department	CINTAS CORPORATION	Uniforms	10.80	65605
101	419901	City Hall & Police Building Maintenance	CINTAS CORPORATION	Mats at PD/FD	30.72	65605
101	431901	City Garage	CINTAS CORPORATION	Mats at PW	20.58	65605
101	431100	Street Department	CINTAS CORPORATION	Uniforms	10.80	65605
101	419901	City Hall & Police Building Maintenance	CINTAS CORPORATION	Mats at CH	8.88	65605
101	431100	Street Department	CINTAS CORPORATION	Uniforms	25.77	65605
101	431901	City Garage	CINTAS CORPORATION	Supplies	1.83	65605
101	431100	Street Department	CINTAS CORPORATION	Uniforms	25.77	65605
101	431901	City Garage	CINTAS CORPORATION	Mats at PW	2.10	65605
101	431901	City Garage	CINTAS CORPORATION	Supplies	20.33	65605
101	421100	Police Administration	CITY OF DULUTH	CIT Training 6 officers #959	1,500.00	65606
601	494300	Water Distribution	CORE & MAIN LP	New Water Meter Reader	6,715.96	65607
602	494900	Sewer Administration and General	CUSTOMER ELATION INC	Feb Answering	31.13	65608
601	494400	Water Administration and General	CUSTOMER ELATION INC	Feb Answering	46.70	65608
101	421100	Police Administration	CW TECHNOLOGY GROUP INC	CW Care March	1,865.30	65609
602	494900	Sewer Administration and General	CW TECHNOLOGY GROUP INC	CW Care March	254.51	65609
101	413100	Mayor	CW TECHNOLOGY GROUP INC	CW Care March	82.73	65609
601	494400	Water Administration and General	CW TECHNOLOGY GROUP INC	CW Care March	254.51	65609
101	415300	Administration & Finance	CW TECHNOLOGY GROUP INC	CW Care March	508.62	65609
101	431100	Street Department	CW TECHNOLOGY GROUP INC	CW Care March	339.09	65609
101	415300	Administration & Finance	CW TECHNOLOGY GROUP INC	Backup Protect Cloud March	558.00	65609
275	452200	Community Building	CW TECHNOLOGY GROUP INC	EWC-CW Care March	855.00	65609
101	419100	Community Development	CW TECHNOLOGY GROUP INC	CW Care March	254.51	65609
275	452200	Community Building	CW TECHNOLOGY GROUP INC	EWC-RemSupport WIFI,VLAN,VPN	380.25	65609
101	424100	Building Inspection	CW TECHNOLOGY GROUP INC	CW Care March	82.73	65609
275	452200	Community Building	DULUTH AREA FAMILY YMCA	Balance in Fund 275	6,025.96	65610

CITY OF HERMANTOWN, MN 03/01/2020-03/15/2020
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Fund	Account	Department	Vendor Name	Description	Amount	Check #
101	415300	Administration & Finance	DULUTH NEWS-TRIBUNE	Subscription Renewal/ 6 mos	87.88	65611
101	415300	Administration & Finance	ENGSETH, BONNIE	Mileage Target/Best Buy	2.88	65612
101	414100	Elections	ENGSETH, BONNIE	Mileage PNP Election	57.50	65612
101	414100	Elections	ENGSETH, BONNIE	Bakery etc PNP Election judges	41.78	65612
601	494400	Water Administration and General	ENGSETH, BONNIE	Mileage Bank	4.14	65612
602	494900	Sewer Administration and General	ENGSETH, BONNIE	Mileage Bank	2.76	65612
601	494300	Water Distribution	FERGUSON WATERWORKS #2516	Repair Bands for Water Breaks	319.92	65613
101	419100	Community Development	FURTHER	Monthly Participant Fees	0.95	65614
602	494900	Sewer Administration and General	FURTHER	Monthly Participant Fees	5.88	65614
101	421100	Police Administration	FURTHER	Monthly Participant Fees	38.15	65614
601	494400	Water Administration and General	FURTHER	Monthly Participant Fees	3.92	65614
101	419901	City Hall & Police Building Maintenance	FURTHER	Monthly Participant Fees	2.95	65614
101	415300	Administration & Finance	FURTHER	Monthly Participant Fees	11.60	65614
101	431100	Street Department	FURTHER	Monthly Participant Fees	4.75	65614
601	494400	Water Administration and General	GOPHER STATE ONE-CALL INC	Feb Locates	16.20	65615
602	494900	Sewer Administration and General	GOPHER STATE ONE-CALL INC	Feb Locates	10.80	65615
101	414100	Elections	GRACE LUTHERAN CHURCH	PNP Election Rent	100.00	65616
101	421100	Police Administration	GREAT LAKES MOBIL LUBE EXPRESS	Oil Change Squad 18	51.84	65617
101	415300	Administration & Finance	GREATAMERICA FINANCIAL SERVICES	Copier Lease/Konica	124.59	65618
101	414100	Elections	HARRISS, DONALD	PNP Election	102.00	65619
101	431901	City Garage	HARTEL'S/DBJ DISPOSAL CO LLC	Yard Trash Disposal	165.76	65620
101	419901	City Hall & Police Building Maintenance	HARTEL'S/DBJ DISPOSAL CO LLC	Garbage/Recycling	174.28	65620
101	414100	Elections	HILL, DARLENE	PNP Training	12.00	65621
101	421100	Police Administration	HOLIDAY COMPANIES	Feb Car Washes	30.00	65622
101	431100	Street Department	INTER CITY OIL CO INC	Fuel	550.82	65623
101	431100	Street Department	INTER CITY OIL CO INC	Fuel	361.80	65623
101	431100	Street Department	INTER CITY OIL CO INC	Fuel	448.62	65623
101	414100	Elections	JOHNSON, JOANNE	PNP Election	126.00	65624
602	494500	Sewer Maintenance	KWIK TRIP EXTENDED NETWORK	Gas - Feb	129.67	65625
101	421100	Police Administration	KWIK TRIP EXTENDED NETWORK	Car Washes - PD - Feb	140.00	65625
101	421100	Police Administration	KWIK TRIP EXTENDED NETWORK	Gas - PD -Feb	2,624.16	65625
101	431100	Street Department	KWIK TRIP EXTENDED NETWORK	Gas - Feb	197.69	65625
101	419901	City Hall & Police Building Maintenance	KWIK TRIP EXTENDED NETWORK	Gas - Feb	147.40	65625
601	494300	Water Distribution	KWIK TRIP EXTENDED NETWORK	Gas - Feb	194.51	65625
101	431100	Street Department	LAKE CITY TOWING	Tow Grader	300.00	65626
101	421100	Police Administration	LEADS ONLINE	Software Fees 1/15/20-1/14/21	2,128.00	65627
603	441100	Storm Water	LEAGUE OF MINNESOTA CITIES	Mn Cities Stormwater Coalition	640.00	65628

CITY OF HERMANTOWN, MN 03/01/2020-03/15/2020
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Fund	Account	Department	Vendor Name	Description	Amount	Check #
411	452200	Community Building	MCGOUGH CONSTRUCTION CO LLC	EWC #20	45,100.00	65629
411	452200	Community Building	MCGOUGH CONSTRUCTION CO LLC	EWC #20	16,635.00	65629
275	452200	Community Building	MEDIACOM	EWC-Dedicated Internet	490.00	65630
275	452200	Community Building	MEDIACOM	EWC Line for Elevator	162.30	65630
275	452200	Community Building	MEDIACOM	EWC Internet	322.90	65630
101	431100	Street Department	MENARD INC	Seat Cleaner for F550	7.86	65631
101	431901	City Garage	MENARD INC	Pliers for Shop	39.94	65631
101	431901	City Garage	MENARD INC	Weldable Flatbar for shop	8.79	65631
101	422903	Firehall #3 Midway Road	MENARD INC	FH #3 Water Softener Salt	47.90	65631
101	431100	Street Department	MENARD INC	2 galv nipple for steamer	39.58	65631
601	494300	Water Distribution	MENARD INC	Elec Nuts	25.93	65631
101	414100	Elections	MERRIER, PATRICIA	PNP Election	108.00	65632
101	421100	Police Administration	METRO SALES INC	Copier Lease	338.58	65633
101	431901	City Garage	MN ENERGY RESOURCES CORP	Natural Gas PW	55.74	65634
101	452200	Community Building	MN ENERGY RESOURCES CORP	Natural Gas Comm Bldg	524.01	65634
275	452200	Community Building	MN ENERGY RESOURCES CORP	Natural Gas - EWC	7,182.35	65634
601	494400	Water Administration and General	MN ENERGY RESOURCES CORP	Natural Gas PW	63.70	65634
602	494900	Sewer Administration and General	MN ENERGY RESOURCES CORP	Natural Gas PW	39.82	65634
101	422901	Firehall #1 Maple Grove Road	MN ENERGY RESOURCES CORP	Natural Gas FH #1	1,479.13	65634
101	419901	City Hall & Police Building Maintenance	MN ENERGY RESOURCES CORP	Natural Gas CH/PD	1,210.20	65634
101	431901	City Garage	MN ENERGY RESOURCES CORP	Natural Gas Comm Bldg	58.22	65634
101	419901	City Hall & Police Building Maintenance	MN ENERGY RESOURCES CORP	Natural Gas - CH/PD	1,383.93	65634
101	431901	City Garage	MN ENERGY RESOURCES CORP	Natural Gas - Comm Bldg	127.43	65634
101	431100	Street Department	NAPA AUTO PARTS	Fuel Filter/Blower Motor Resis	55.57	65635
101	431100	Street Department	NAPA AUTO PARTS	Grease and DEF	267.74	65635
101	431100	Street Department	NAPA AUTO PARTS	Solenoid for H3	14.02	65635
101	415300	Administration & Finance	NORTHERN BUSINESS PRODUCTS	Files/ Notepads	62.45	65636
101	414100	Elections	NORTHERN BUSINESS PRODUCTS	Presentation Boards- Election	16.58	65636
101	415300	Administration & Finance	NORTHERN BUSINESS PRODUCTS	Envelopes	27.98	65636
101	419100	Community Development	NORTHERN BUSINESS PRODUCTS	Desk Sign - Samuel Clark	18.15	65636
101	431100	Street Department	NORTHERN ENGINE & SUPPLY INC	Replace Wing Lights/hose fitti	206.33	65637
101	431100	Street Department	NORTHERN ENGINE & SUPPLY INC	Credit - Mirror Return	-95.80	65637
101	431100	Street Department	NORTHERN ENGINE & SUPPLY INC	Vibrator for Box H2	584.95	65637
101	431100	Street Department	NORTHERN ENGINE & SUPPLY INC	Airline Fix H3	158.50	65637
402	431150	Street Improvements	NORTHLAND CONSULTING ENGINEERS L.L.P.	Htown Rd Reconditioning	1,587.50	65638
475	431150	Street Improvements	NORTHLAND CONSULTING ENGINEERS L.L.P.	Alexander,Johnson,Carlson,Port	2,077.50	65638
240	432510	Trunk Sewer Construction	NORTHLAND CONSULTING ENGINEERS L.L.P.	Htown Trk Sewer Spur Sect 24	2,140.00	65638

CITY OF HERMANTOWN, MN 03/01/2020-03/15/2020
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Fund	Account	Department	Vendor Name	Description	Amount	Check #
402	431150	Street Improvements	NORTHLAND CONSULTING ENGINEERS L.L.P.	Ugstad Rd Intersection Improve	3,255.00	65638
101	419100	Community Development	NORTHLAND CONSULTING ENGINEERS L.L.P.	Peyton Prop Development	320.00	65638
602	494500	Sewer Maintenance	NORTHLAND CONSULTING ENGINEERS L.L.P.	Ugstad Rd Lift Station	130.00	65638
230	465100	HEDA	OVEROM LAW, PLLC	HEDA sale of Ethan Allen Bldg	161.00	65639
101	416100	City Attorney	OVEROM LAW, PLLC	Data Practices Requests	56.00	65639
240	432510	Trunk Sewer Construction	OVEROM LAW, PLLC	Sec 24 Eminent Dom/Condemn mat	238.00	65639
101	419100	Community Development	OVEROM LAW, PLLC	P& Z Commission	35.00	65639
602	494500	Sewer Maintenance	OVEROM LAW, PLLC	Sewer Lateral I&I pt of sale i	236.50	65639
411	419100	Community Development	OVEROM LAW, PLLC	EWC	4,630.00	65639
101	419100	Community Development	OVEROM LAW, PLLC	Equipment Grant- Htown Night R	5.00	65639
475	431150	Street Improvements	OVEROM LAW, PLLC	2020 Street Project	81.00	65639
101	419100	Community Development	OVEROM LAW, PLLC	Trail Grooming License Agree	213.00	65639
101	419100	Community Development	OVEROM LAW, PLLC	Subdivision Amendments	56.00	65639
240	432510	Trunk Sewer Construction	OVEROM LAW, PLLC	Northwoods Properties	56.00	65639
240	432510	Trunk Sewer Construction	OVEROM LAW, PLLC	Dan and Olivia Kallos	21.00	65639
101	416100	City Attorney	OVEROM LAW, PLLC	Small Cell Wireless Matters	21.00	65639
101	421100	Police Administration	OVEROM LAW, PLLC	2018 Police Dept Personnel Mat	28.00	65639
101	419100	Community Development	OVEROM LAW, PLLC	Arbours at Maple Grove	1,312.50	65639
101	416100	City Attorney	OVEROM LAW, PLLC	General Matters/Retainer	1,250.00	65639
101	416100	City Attorney	OVEROM LAW, PLLC	Geotech Master Contract	248.50	65639
101	416100	City Attorney	OVEROM LAW, PLLC	Data Practices Procedures	78.50	65639
101	416100	City Attorney	OVEROM LAW, PLLC	Motorgrade Lease Matters	103.00	65639
101	416100	City Attorney	OVEROM LAW, PLLC	JAZB Board of Appeals	252.00	65639
602	494900	Sewer Administration and General	POSTMASTER	First Class Presort #409	800.00	65640
601	494400	Water Administration and General	POSTMASTER	First Class Presort #409	1,200.00	65640
101	414100	Elections	SALEM LUTHERAN CHURCH	PNP Election Rent	100.00	65641
101	431100	Street Department	SAM'S CLUB DIRECT	PW-Plates, towels, Wax paper	44.44	65642
101	415300	Administration & Finance	SAM'S CLUB DIRECT	CH-Paper, Cups, Towels, cocoa	93.30	65642
101	421100	Police Administration	SAM'S CLUB DIRECT	PD-Paper, Plates, Cups Batteri	84.42	65642
101	421100	Police Administration	SHEL/DON GROUP INC	Police Letterhead/Envelopes	427.69	65643
101	414100	Elections	SIROIS, KAREN	PNP Election	78.00	65644
460	465120	Economic Development	ST LOUIS COUNTY AUDITOR	2019 TIF	494.30	65645
475	431150	Street Improvements	ST LOUIS COUNTY RECORDERS OFFICE	2020 RIP Easement Seafolk	46.00	65646
101	422901	Firehall #1 Maple Grove Road	TELCOLOGIX	Mar Maintenance	70.35	65647
101	419901	City Hall & Police Building Maintenance	TELCOLOGIX	Mar Maintenance	237.85	65647
101	431901	City Garage	TELCOLOGIX	Mar Maintenance	16.75	65647
101	452200	Community Building	TELCOLOGIX	Mar Maintenance	10.05	65647

CITY OF HERMANTOWN, MN 03/01/2020-03/15/2020
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Fund	Account	Department	Vendor Name	Description	Amount	Check #
101	415300	Administration & Finance	TOSHIBA FINANCIAL SERVICES	Copier Lease/Toshiba	145.57	65648
101	421100	Police Administration	TROY'S BP AMOCO INC	Tires #18	685.96	65649
101	421100	Police Administration	TROY'S BP AMOCO INC	Veh Maint #14	329.65	65649
101	421100	Police Administration	TROY'S BP AMOCO INC	Veh Service #18	734.61	65649
230	465100	HEDA	TRUENORTH FLAG AND FLAGPOLES	Banners	2,224.00	65650
101	431100	Street Department	VIKING INDUSTRIAL CENTER	Rain Pants/Gloves Culv Steamin	302.28	65651
101	431100	Street Department	WINTER EQUIPMENT COMPANY	Cutting Edge Corner Guards	1,184.22	65652
602	494500	Sewer Maintenance	WLSSD	2019 Adjustment	2,202.00	65653
602	494500	Sewer Maintenance	WLSSD	Wastewater Charges	39,826.00	65653
101	431100	Street Department	ZIEGLER INC	Crank Case Filter 928G	71.57	65654
101	431100	Street Department	ZIEGLER INC	Filters for 928	196.47	65654

Totals: 159 records printed

185,261.15

TO: Mayor & City Council

FROM: Kevin Orme, Director of
Finance and Administration

DATE: March 10, 2020

Meeting Date: 3/16/20

SUBJECT: Amending Ordinance –
Section 240

Agenda Item: 11-A

Ordinance 2020-03



REQUESTED ACTION

Second Reading of an Ordinance deleting Section 240.03 of the Hermantown City Code regarding the Community Development Fund

BACKGROUND

Years ago, Ordinance Section 240.03.1 created a Community Development Fund. This fund has been inactive for several years now. The purpose of this fund dovetails with the purpose of the Hermantown Economic Development Fund, which is active. We proposed transferring the remaining balance from the Community Development Fund to the Hermantown Economic Development Fund, which the Council approved in Resolution 2020-18. At that time, we indicated we would be proposing to amend the ordinance to remove Section 240.03. This would remove this section and close the Community Development Fund, which currently has a zero balance.

SOURCE OF FUNDS (if applicable)

N/A

ATTACHMENTS

Ordinance No. 2020-03

The City Council of the City of Hermantown does ordain:

**AN ORDINANCE AMENDING HERMANTOWN CODE OF ORDINANCES BY AMENDING
SECTION 240 – CITY FINANCES**

Section 1. Purpose and Intent. The purpose and intent of this Ordinance is to amend the provisions of Section 240 of the Hermantown City Ordinances to incorporate the removal the Community Development Fund.

Section 2. Deletion. Section 240.03 of the Hermantown City Code is hereby deleted.

~~240.03 Community Development Fund.~~

~~— **240.03.1 Fund Created.** There is hereby created a separate fund to be designated as the Community Development Fund ("CDF"). This fund shall be maintained in the official city accounting records and administered by the City Finance Director in accordance with the provisions of this subsection. The following amounts shall be deposited in to the CDF.~~

~~— **240.03.1.1.** \$100,000 from City Fund 303.~~

~~— **240.03.1.2.** \$50,000 from the Utility Fund.~~

~~— **240.03.1.3.** Investment earnings generated by the monies in the CDF.~~

~~— **240.03.1.4.** Any other monies appropriated by the Council or dedicated for the purposes of the CDF.~~

Section 3. Deleted from City Code. The terms and provisions of this ordinance shall be amended in the appropriate place in the Hermantown City Code, after adoption and becoming effective.

Section 4. Effective Date. The provisions of this Ordinance shall be effective after adoption and immediately upon publication once in the official newspaper of the City of Hermantown.

Dated:

Mayor

ATTEST:

City Clerk

Adopted:

Published:

Effective Date:

TO: Mayor & City Council
FROM: Kevin Orme, Director of
Finance & Administration



DATE: March 9, 2020 **Meeting Date:** **3/16/20**
SUBJECT: Bond Issuance, Series 2020A Agenda Item: 12-A, Resolutions 2020-38,
and Series 2020B 12-B & 12-C 2020-39 & 2020-40

REQUESTED ACTION

Approve issuance, sale and delivery of \$3,765,000 General Obligation Improvement and Refunding Bonds, Series 2020A, and \$4,115,000 General Obligation Sewage Disposal System Bonds, Series 2020B. Also approve a Resolution to help the City get a credit enhancement for Series 2020B bonds.

BACKGROUND

The City is issuing new bonds, Series 2020A. The bonds will be in the amount of \$3,765,000. These bonds have several components. First, \$2,280,000 of these bonds will be for the 2020 Road Improvements that are part of the City's Financial Management Plan. This part of the bonds will be repaid by the following: Debt Levy (property taxes), Road Assessments, Water Fund, Sewer Fund, and Stormwater Fund. The second component of these bonds is \$1,485,000 and will refinance the 2010A GO bonds in order to lower our interest and save the City money. These bonds will be a 16 year term.

The City is also issuing new bonds, Series 2020B. These bonds will be in the amount of \$4,115,000. These bonds will help pay for the Section 24 Sewer Trunkline project. The plan is to pay these with sales tax and these bonds will have a 17 year term.

The third resolution will enable the City to participate in a credit enhancement program with the Minnesota Public Facilities Authority for the 2020B bonds. By doing this, the City will, per Ehlers, get an AAA rating for the 2020B bonds, thus saving the City money in interest. The City has done this before with our Series 2012B bonds.

If approved, the Council will award the sale of the bonds April 20, 2020.

SOURCE OF FUNDS (if applicable)

N/A

ATTACHMENTS

Pre-Sale Report, Series 2020A
Pre-Sale Report, Series 2020B

Resolution No. 2020-38

RESOLUTION PROVIDING FOR THE SALE OF \$3,765,000 GENERAL OBLIGATION IMPROVEMENT AND REFUNDING BONDS, SERIES 2020A

WHEREAS, the City Council of the City of Hermantown, Minnesota has heretofore determined that it is necessary and expedient to issue the City's \$3,765,000 General Obligation Improvement and Refunding Bonds, Series 2020A (the "Bonds"), to finance with cash from MSA and the prior bond fund, the construction of the 2020 Road Improvements in the City and to current refund the City's outstanding General Obligation Bonds, Series 2010A for an interest cost savings; and

WHEREAS, the City has retained Ehlers & Associates, Inc., in Roseville, Minnesota ("Ehlers"), as its independent municipal advisor for the Bonds in accordance with Minnesota Statutes, Section 475.60, Subdivision 2(9);

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

1. Authorization; Findings. The City Council hereby authorizes Ehlers to assist the City for the sale of the Bonds.
2. Meeting; Proposal Opening. The City Council shall meet at 6:30 p.m. on April 20, 2020, for the purpose of considering proposals for and awarding the sale of the Bonds.
3. Official Statement. In connection with said sale, the officers or employees of the City are hereby authorized to cooperate with Ehlers and participate in the preparation of an official statement for the Bonds and to execute and deliver it on behalf of the City upon its completion.

Councilor ____ introduced the foregoing resolution and moved its adoption.

The motion for the adoption of such resolution was seconded by Councilor ____ and, upon a vote being taken thereon, the following voted in favor thereof:

Councilors

and the following voted in opposition thereto:

WHEREUPON, such resolution was declared duly passed and adopted March 16, 2020.

March 16, 2020

Pre-Sale Report for

City of Hermantown, Minnesota

\$3,765,000 General Obligation Improvement and Refunding Bonds, Series 2020A



Prepared by:

Todd Hagen, CIPMA
VP/Senior Municipal Advisor

Jason Aarsvold, CIPMA
VP/Senior Municipal Advisor

And

Chris Mickelson, CIPMA
Municipal Advisor

Executive Summary of Proposed Debt

Proposed Issue:	\$3,765,000 General Obligation Improvement and Refunding Bonds, Series 2020A
Purpose:	<p>The proposed issue includes financing for the following purposes:</p> <p>To finance with cash from MSA, the construction of the 2020 Road Improvements in the City and to current refund the City's outstanding General Obligation Bonds, Series 2010A for an interest cost savings. The Series 2010A Bonds were issued to refund the City's outstanding General Obligation Utility Revenue Bonds, Series 2002 for an interest cost savings and to finance the construction of the Ugstad/Split Rail Drive Sewer line improvement. The Series 2002 Bonds financed the construction of various improvements to the City's wastewater collection facilities.</p> <ul style="list-style-type: none"> • Streets. Debt service will be paid from special assessments and property taxes. • Water. Debt service will be paid from property taxes to be cancelled each year with available water revenues. • Sanitary Sewer. Debt service will be paid from property taxes to be cancelled each year with available sanitary sewer revenues. • Storm Sewer. Debt service will be paid from property taxes to be cancelled each year with available storm sewer revenues. • Refunding. Debt Service will be paid from special assessments, property taxes, and net revenues from the sewer and water system; the sources of payment originally pledged to the Series 2010A Bonds. However, it is the intent of the City to reduce or cancel the property taxes with sales tax revenues.
Authority:	<p>The Bonds are being issued pursuant to Minnesota Statutes, Chapters:</p> <ul style="list-style-type: none"> • 475 (general bonding authority) • 429 (special assessment pledge) • 115 (sewer tax levy pledge) • 444 (water and sewer revenue pledge) <p>Because the City is assessing at least 20% of the project costs, the new project portion of the Bonds can be a general obligation without a referendum and will not count against the City's debt limit.</p> <p>Chapter 444 allows cities to issue debt without limitation as long as debt service is expected to be paid from water and sewer revenues.</p> <p>Chapter 115 allows bonds for disposal systems to be issued without a referendum and will not count against the City's debt limit.</p>

	<p>Interest rates on the Series 2010A Bonds are 3.00% to 3.75%. The refunding is expected to reduce debt service expense by approximately \$45,400 over the next 10 years. The Net Present Value Benefit of the refunding is estimated to be \$41,507, equal to 2.892% of the refunded principal.</p> <p>This refunding is considered to be a “current refunding” as the obligations being refunded are either callable (pre-payable) now or will be within 90 days of the date of issue of the new bonds.</p> <p>The Bonds will be general obligations of the City for which its full faith, credit and taxing powers are pledged.</p>
<p>Term/Call Feature:</p>	<p>The Bonds are being issued for a term of 16 years. Principal on the Bonds will be due on February 1 in the years 2021 through 2036. Interest is payable every six months beginning February 1, 2021. A portion of the Bond proceeds will be used to make the February 1, 2021 interest payment.</p> <p>The Bonds will be subject to prepayment at the discretion of the City on February 1, 2029 or any date thereafter.</p>
<p>Bank Qualification:</p>	<p>Because the City is expecting to issue no more than \$10,000,000 in tax exempt debt during the calendar year, the City will be able to designate the Bonds as “bank qualified” obligations.</p> <p>Bank qualified status broadens the market for the Bonds, which can result in lower interest rates.</p>
<p>Rating:</p>	<p>The City’s most recent bond issues were rated by Standard & Poor’s. The current rating on those bonds are “AA”. The City will request a new rating for the Bonds from Standard & Poor's.</p> <p>If the winning bidder on the Bonds elects to purchase bond insurance, the rating for the issue may be higher than the City's bond rating in the event that the bond rating of the insurer is higher than that of the City.</p>
<p>Basis for Recommendation:</p>	<p>Based on our knowledge of your situation, your objectives communicated to us, our advisory relationship as well as characteristics of various municipal financing options, we are recommending the issuance of general obligation bonds as a suitable financing option for the following reasons:</p> <ul style="list-style-type: none"> • The City’s policy and past practice has been to finance municipal projects like this with this type of debt issue. • This is a cost-effective option among the limited other options available to finance this type of project. • General obligation bonds provide the lowest possible interest cost.

<p>Method of Sale/Placement:</p>	<p>We will solicit competitive bids for the purchase of the Bonds from underwriters and banks.</p> <p>We will include an allowance for discount bidding in the terms of the issue. The discount is treated as an interest item and provides the underwriter with all or a portion of their compensation in the transaction.</p> <p>If the Bonds are purchased at a price greater than the minimum bid amount (maximum discount), the unused allowance may be used to reduce your borrowing amount.</p>
<p>Premium Pricing:</p>	<p>In some cases, investors in municipal bonds prefer “premium” pricing structures. A premium is achieved when the coupon for any maturity (the interest rate paid by the issuer) exceeds the yield to the investor, resulting in a price paid that is greater than the face value of the bonds. The sum of the amounts paid in excess of face value is considered “reoffering premium.” The underwriter of the bonds will retain a portion of this reoffering premium as their compensation (or “discount”) but will pay the remainder of the premium to the City.</p> <p>For this issue of Bonds, we have been directed to use the net premium to reduce the size of the issue/increase the net proceeds for the project. The resulting adjustments may slightly change the true interest cost of the issue, either up or down.</p> <p>The amount of premium can be restricted in the bid specifications. Restrictions on premium may result in fewer bids but may also eliminate large adjustments on the day of sale and unintended impacts with respect to debt service payment. Ehlers will identify appropriate premium restrictions for the Bonds intended to achieve the City’s objectives for this financing.</p>
<p>Review of Existing Debt:</p>	<p>We have reviewed all outstanding indebtedness for the City and find that there are no other refunding opportunities at this time.</p> <p>We will continue to monitor the market and the call dates for the City’s outstanding debt and will alert you to any future refunding opportunities.</p>
<p>Continuing Disclosure:</p>	<p>Because the City has more than \$10,000,000 in outstanding debt (including this issue) and this issue is over \$1,000,000, the City will be agreeing to provide certain updated Annual Financial Information and its Audited Financial Statement annually, as well as providing notices of the occurrence of certain reportable events to the Municipal Securities Rulemaking Board (the “MSRB”), as required by rules of the Securities and Exchange Commission (SEC).</p> <p>The City is already obligated to provide such reports for its existing bonds and has contracted with Ehlers to prepare and file the reports.</p>
<p>Arbitrage Monitoring:</p>	<p>Because the Bonds tax-exempt obligations, the City must ensure compliance with certain Internal Revenue Service (IRS) rules throughout the life of the issue. These rules apply to all gross proceeds of the issue, including initial bond proceeds and investment earnings in construction, escrow, debt service, and any reserve funds. How</p>

	<p>issuers spend bond proceeds and how they track interest earnings on funds (arbitrage/yield restriction compliance) are common subjects of IRS inquiries. Your specific responsibilities will be detailed in the Officers’ Certificate prepared by your Bond Attorney and provided at closing.</p> <p>We recommend that you regularly monitor compliance with these rules and/or retain the services of a qualified firm to assist you.</p> <p>New Project Portion Spending Exception (24-month) – The City expects to meet the two-year expenditure exception on the new project portion of the Bonds. If the City fails to meet the two-year expenditure exception, it will be required to pay rebate.</p> <p>Refunding Portion Spending Exception (6-month) – The City expects to meet the six-month expenditure exception on the refunding portion of the Bonds.</p>
<p>Investment of and Accounting for Proceeds:</p>	<p>In order to more efficiently segregate funds for this project and maximize interest earnings, we recommend using an investment advisor, to assist with the investment of bond proceeds until they are needed to pay project costs. Ehlers Investment Partners, a subsidiary of Ehlers and registered investment advisor, will discuss an appropriate investment strategy with the City.</p>
<p>Risk Factors:</p>	<p>Special Assessments: We have not assumed any pre-paid special assessments and we have assumed that assessments are levied as projected. If the City receives a significant amount of pre-paid assessments or does not levy the assessments, it may need to increase the levy portion of the debt service to make up for lower interest earnings than the expected assessment interest rate.</p> <p>GO Pledge: Because the Bonds will be general obligations of the City for which its full faith, credit and taxing powers are pledged, if the annual special assessments, tax levy, and sewer and water revenues collected are not sufficient to pay the debt service payments, other City funds will need to be used.</p> <p>Current Refunding: A portion of the Bonds is being issued to finance a current refunding of prior City debt obligations. Those prior debt obligations are “callable” on or after February 1, 2019. The new Bonds will not be pre-payable until February 1, 2029.</p> <p>This refunding is being undertaken based in part on an assumption that the City does not expect to pre-pay off this debt prior to the new call date and that market conditions warrant the refunding at this time.</p>
<p>Other Service Providers:</p>	<p>This debt issuance will require the engagement of other public finance service providers. This section identifies those other service providers, so Ehlers can coordinate their engagement on your behalf. Where you have previously used a particular firm to provide a service, we have assumed that you will continue that relationship. For services you have not previously required, we have identified a service provider. Fees charged by these service providers will be paid from proceeds of the obligation, unless you notify us that you wish to pay them from other sources. Our pre-sale bond sizing includes a good faith estimate of these fees, but the</p>

	<p>final fees may vary. If you have any questions pertaining to the identified service providers or their role, or if you would like to use a different service provider for any of the listed services please contact us.</p> <p>Bond Counsel: Fryberger Buchanan</p> <p>Paying Agent: Bond Trust Services</p> <p>Rating Agency: Standard & Poor's</p>
<p>Summary:</p>	<p>The decisions to be made by the City Council are as follows:</p> <ul style="list-style-type: none"> • Accept or modify the finance assumptions described in this report • Adopt the resolution attached to this report.

This presale report summarizes our understanding of the City's objectives for the structure and terms of this financing as of this date. As additional facts become known or capital markets conditions change, we may need to modify the structure and/or terms of this financing to achieve results consistent with the City's objectives.

Proposed Debt Issuance Schedule

Pre-Sale Review by City Council:	March 16, 2020
Due Diligence Call to review Official Statement:	Week of April 6, 2020
Distribute Official Statement:	Week of April 13, 2020
Conference with Rating Agency:	Week of April 6 or 13
City Council Meeting to Award Sale of the Bonds:	April 20, 2020
Estimated Closing Date:	May 6, 2020
Redemption Date for Bonds Being Refunded:	May 6, 2020

Attachments

- Estimated Sources and Uses of Funds
- Estimated Proposed Debt Service Schedule
- Bond Buyer Index
- Resolution Authorizing Ehlers to Proceed with Bond Sale

Ehlers Contacts

Municipal Advisors:	Todd Hagen	(651) 697-8508
	Jason Aarsvold	(651) 697-8512
	Chris Mickelson	(651) 697-8556
Disclosure Coordinator:	Silvia Johnson	(651) 697-8580
Financial Analyst:	Alicia Gage	(651) 697-8551

The Preliminary Official Statement for this financing will be sent to the City Council at their home or email address for review prior to the sale date.

Hermantown, Minnesota

\$3,765,000 G.O. Improvement and Refunding Bonds, Series 2020A

Issue Summary

Assumes Current Market BQ AA Rates plus 20bps

Total Issue Sources And Uses

Dated 05/06/2020 | Delivered 05/06/2020

	Improvements	Water Fund	Sewer Fund	Storm Water Fund	Cur Ref		Issue Summary
					2010A Sewer Dist	2010A (XRef 2002 GO Util)	
Sources Of Funds							
Par Amount of Bonds	\$1,770,000.00	\$250,000.00	\$10,000.00	\$250,000.00	\$450,000.00	\$1,035,000.00	\$3,765,000.00
Planned Issuer Equity contribution (MSA)	441,916.23	-	-	-	-	-	441,916.23
Total Sources	\$2,211,916.23	\$250,000.00	\$10,000.00	\$250,000.00	\$450,000.00	\$1,035,000.00	\$4,206,916.23
Uses Of Funds							
Total Underwriter's Discount (1.200%)	21,240.00	3,000.00	120.00	3,000.00	5,400.00	12,420.00	45,180.00
Costs of Issuance	24,446.23	3,452.85	138.12	3,452.85	6,215.14	14,294.81	52,000.00
Deposit to Capitalized Interest (CIF) Fund	23,342.08	-	-	-	-	-	23,342.08
Deposit to Project Construction Fund	2,142,643.48	242,940.00	7,500.00	243,505.00	-	-	2,636,588.48
Deposit to Current Refunding Fund	-	-	-	-	439,096.88	1,007,916.67	1,447,013.55
Rounding Amount	244.44	607.15	2,241.88	42.15	(712.02)	368.52	2,792.12
Total Uses	\$2,211,916.23	\$250,000.00	\$10,000.00	\$250,000.00	\$450,000.00	\$1,035,000.00	\$4,206,916.23

Hermantown, Minnesota

\$3,765,000 G.O. Improvement and Refunding Bonds, Series 2020A

Issue Summary

Assumes Current Market BQ AA Rates plus 20bps

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+	Fiscal Total
05/06/2020	-	-	-	-	-
02/01/2021	385,000.00	1.250%	44,889.89	429,889.89	429,889.89
08/01/2021	-	-	28,085.00	28,085.00	-
02/01/2022	530,000.00	1.300%	28,085.00	558,085.00	586,170.00
08/01/2022	-	-	24,640.00	24,640.00	-
02/01/2023	520,000.00	1.300%	24,640.00	544,640.00	569,280.00
08/01/2023	-	-	21,260.00	21,260.00	-
02/01/2024	180,000.00	1.350%	21,260.00	201,260.00	222,520.00
08/01/2024	-	-	20,045.00	20,045.00	-
02/01/2025	180,000.00	1.400%	20,045.00	200,045.00	220,090.00
08/01/2025	-	-	18,785.00	18,785.00	-
02/01/2026	180,000.00	1.450%	18,785.00	198,785.00	217,570.00
08/01/2026	-	-	17,480.00	17,480.00	-
02/01/2027	185,000.00	1.500%	17,480.00	202,480.00	219,960.00
08/01/2027	-	-	16,092.50	16,092.50	-
02/01/2028	185,000.00	1.600%	16,092.50	201,092.50	217,185.00
08/01/2028	-	-	14,612.50	14,612.50	-
02/01/2029	190,000.00	1.650%	14,612.50	204,612.50	219,225.00
08/01/2029	-	-	13,045.00	13,045.00	-
02/01/2030	195,000.00	1.850%	13,045.00	208,045.00	221,090.00
08/01/2030	-	-	11,241.25	11,241.25	-
02/01/2031	190,000.00	1.950%	11,241.25	201,241.25	212,482.50
08/01/2031	-	-	9,388.75	9,388.75	-
02/01/2032	165,000.00	2.050%	9,388.75	174,388.75	183,777.50
08/01/2032	-	-	7,697.50	7,697.50	-
02/01/2033	165,000.00	2.150%	7,697.50	172,697.50	180,395.00
08/01/2033	-	-	5,923.75	5,923.75	-
02/01/2034	170,000.00	2.250%	5,923.75	175,923.75	181,847.50
08/01/2034	-	-	4,011.25	4,011.25	-
02/01/2035	170,000.00	2.300%	4,011.25	174,011.25	178,022.50
08/01/2035	-	-	2,056.25	2,056.25	-
02/01/2036	175,000.00	2.350%	2,056.25	177,056.25	179,112.50
Total	\$3,765,000.00	-	\$473,617.39	\$4,238,617.39	-

Yield Statistics

Bond Year Dollars	\$25,091.46
Average Life	6.664 Years
Average Coupon	1.8875642%
Net Interest Cost (NIC)	2.0676255%
True Interest Cost (TIC)	2.0717049%
Bond Yield for Arbitrage Purposes	1.8729102%
All Inclusive Cost (AIC)	2.3055003%

IRS Form 8038

Net Interest Cost	1.8875642%
Weighted Average Maturity	6.664 Years

Hermantown, Minnesota

\$3,765,000 G.O. Improvement and Refunding Bonds, Series 2020A

Issue Summary

Assumes Current Market BQ AA Rates plus 20bps

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	CIF	Net New D/S	105% of Total	Assessments	Water Rev	Sewer Rev	Storm Water Rev	Refunding - Sewer Dist	Refunding - Xref 2002	Levy/ (Surplus)
02/01/2021	385,000.00	1.250%	44,889.89	429,889.89	(23,342.08)	406,547.81	426,875.20	-	3,495.51	100.47	3,495.51	47,267.43	372,516.27	-
02/01/2022	530,000.00	1.300%	56,170.00	586,170.00	-	586,170.00	615,478.50	80,994.73	20,498.63	10,636.50	20,498.63	48,630.75	371,668.50	62,550.77
02/01/2023	520,000.00	1.300%	49,280.00	569,280.00	-	569,280.00	597,744.00	80,994.72	20,293.88	-	20,293.88	48,084.75	366,959.25	61,117.53
02/01/2024	180,000.00	1.350%	42,520.00	222,520.00	-	222,520.00	233,646.00	80,994.72	20,089.13	-	20,089.13	47,538.75	-	64,934.28
02/01/2025	180,000.00	1.400%	40,090.00	220,090.00	-	220,090.00	231,094.50	80,994.72	19,876.50	-	19,876.50	46,971.75	-	63,375.03
02/01/2026	180,000.00	1.450%	37,570.00	217,570.00	-	217,570.00	228,448.50	80,994.72	19,656.00	-	19,656.00	46,383.75	-	61,758.03
02/01/2027	185,000.00	1.500%	34,960.00	219,960.00	-	219,960.00	230,958.00	80,994.73	19,427.63	-	19,427.63	45,774.75	-	65,333.27
02/01/2028	185,000.00	1.600%	32,185.00	217,185.00	-	217,185.00	228,044.25	80,994.72	19,191.38	-	19,191.38	45,144.75	-	63,522.03
02/01/2029	190,000.00	1.650%	29,225.00	219,225.00	-	219,225.00	230,186.25	80,994.73	18,939.38	-	18,939.38	49,722.75	-	61,590.02
02/01/2030	195,000.00	1.850%	26,090.00	221,090.00	-	221,090.00	232,144.50	80,994.72	18,679.50	-	18,679.50	48,943.13	-	64,847.66
02/01/2031	190,000.00	1.950%	22,482.50	212,482.50	-	212,482.50	223,106.63	80,994.72	18,388.13	-	18,388.13	42,819.00	-	62,516.66
02/01/2032	165,000.00	2.050%	18,777.50	183,777.50	-	183,777.50	192,966.38	80,994.73	23,331.00	-	23,331.00	-	-	65,309.65
02/01/2033	165,000.00	2.150%	15,395.00	180,395.00	-	180,395.00	189,414.75	80,994.72	22,900.50	-	22,900.50	-	-	62,619.03
02/01/2034	170,000.00	2.250%	11,847.50	181,847.50	-	181,847.50	190,939.88	80,994.73	22,449.00	-	22,449.00	-	-	65,047.14
02/01/2035	170,000.00	2.300%	8,022.50	178,022.50	-	178,022.50	186,923.63	80,994.73	21,976.50	-	21,976.50	-	-	61,975.90
02/01/2036	175,000.00	2.350%	4,112.50	179,112.50	-	179,112.50	188,068.13	80,994.72	21,493.50	-	21,493.50	-	-	64,086.41
Total	\$3,765,000.00	-	\$473,617.39	\$4,238,617.39	(23,342.08)	\$4,215,275.31	\$4,426,039.08	\$1,214,920.86	\$310,686.14	\$10,736.97	\$310,686.14	\$517,281.56	\$1,111,144.02	\$950,583.39

Significant Dates

Dated	5/06/2020
First Coupon Date	2/01/2021

Yield Statistics

Bond Year Dollars	\$25,091.46
Average Life	6.664 Years
Average Coupon	1.8875642%
Net Interest Cost (NIC)	2.0676255%
True Interest Cost (TIC)	2.0717049%
Bond Yield for Arbitrage Purposes	1.8729102%
All Inclusive Cost (AIC)	2.3055003%



Hermantown, Minnesota

\$1,770,000 G.O. Improvement and Refunding Bonds, Series 2020A

Improvements

Assumes Current Market BQ AA Rates plus 20bps

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+i	Fiscal Total
05/06/2020	-	-	-	-	-
02/01/2021	-	-	23,342.08	23,342.08	23,342.08
08/01/2021	-	-	15,855.00	15,855.00	-
02/01/2022	105,000.00	1.300%	15,855.00	120,855.00	136,710.00
08/01/2022	-	-	15,172.50	15,172.50	-
02/01/2023	105,000.00	1.300%	15,172.50	120,172.50	135,345.00
08/01/2023	-	-	14,490.00	14,490.00	-
02/01/2024	110,000.00	1.350%	14,490.00	124,490.00	138,980.00
08/01/2024	-	-	13,747.50	13,747.50	-
02/01/2025	110,000.00	1.400%	13,747.50	123,747.50	137,495.00
08/01/2025	-	-	12,977.50	12,977.50	-
02/01/2026	110,000.00	1.450%	12,977.50	122,977.50	135,955.00
08/01/2026	-	-	12,180.00	12,180.00	-
02/01/2027	115,000.00	1.500%	12,180.00	127,180.00	139,360.00
08/01/2027	-	-	11,317.50	11,317.50	-
02/01/2028	115,000.00	1.600%	11,317.50	126,317.50	137,635.00
08/01/2028	-	-	10,397.50	10,397.50	-
02/01/2029	115,000.00	1.650%	10,397.50	125,397.50	135,795.00
08/01/2029	-	-	9,448.75	9,448.75	-
02/01/2030	120,000.00	1.850%	9,448.75	129,448.75	138,897.50
08/01/2030	-	-	8,338.75	8,338.75	-
02/01/2031	120,000.00	1.950%	8,338.75	128,338.75	136,677.50
08/01/2031	-	-	7,168.75	7,168.75	-
02/01/2032	125,000.00	2.050%	7,168.75	132,168.75	139,337.50
08/01/2032	-	-	5,887.50	5,887.50	-
02/01/2033	125,000.00	2.150%	5,887.50	130,887.50	136,775.00
08/01/2033	-	-	4,543.75	4,543.75	-
02/01/2034	130,000.00	2.250%	4,543.75	134,543.75	139,087.50
08/01/2034	-	-	3,081.25	3,081.25	-
02/01/2035	130,000.00	2.300%	3,081.25	133,081.25	136,162.50
08/01/2035	-	-	1,586.25	1,586.25	-
02/01/2036	135,000.00	2.350%	1,586.25	136,586.25	138,172.50
Total	\$1,770,000.00	-	\$315,727.08	\$2,085,727.08	-

Yield Statistics

Bond Year Dollars	\$16,042.92
Average Life	9.064 Years
Average Coupon	1.9680155%
Net Interest Cost (NIC)	2.1004103%
True Interest Cost (TIC)	2.1040356%
Bond Yield for Arbitrage Purposes	1.8729102%
All Inclusive Cost (AIC)	2.2775764%

IRS Form 8038

Net Interest Cost	1.9680155%
Weighted Average Maturity	9.064 Years

Hermantown, Minnesota

\$1,770,000 G.O. Improvement and Refunding Bonds, Series 2020A

Improvements

Assumes Current Market BQ AA Rates plus 20bps

Net Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	CIF	Net New D/S	Fiscal Total
05/06/2020	-	-	-	-	-	-	-
02/01/2021	-	-	23,342.08	23,342.08	(23,342.08)	-	-
08/01/2021	-	-	15,855.00	15,855.00	-	15,855.00	-
02/01/2022	105,000.00	1.300%	15,855.00	120,855.00	-	120,855.00	136,710.00
08/01/2022	-	-	15,172.50	15,172.50	-	15,172.50	-
02/01/2023	105,000.00	1.300%	15,172.50	120,172.50	-	120,172.50	135,345.00
08/01/2023	-	-	14,490.00	14,490.00	-	14,490.00	-
02/01/2024	110,000.00	1.350%	14,490.00	124,490.00	-	124,490.00	138,980.00
08/01/2024	-	-	13,747.50	13,747.50	-	13,747.50	-
02/01/2025	110,000.00	1.400%	13,747.50	123,747.50	-	123,747.50	137,495.00
08/01/2025	-	-	12,977.50	12,977.50	-	12,977.50	-
02/01/2026	110,000.00	1.450%	12,977.50	122,977.50	-	122,977.50	135,955.00
08/01/2026	-	-	12,180.00	12,180.00	-	12,180.00	-
02/01/2027	115,000.00	1.500%	12,180.00	127,180.00	-	127,180.00	139,360.00
08/01/2027	-	-	11,317.50	11,317.50	-	11,317.50	-
02/01/2028	115,000.00	1.600%	11,317.50	126,317.50	-	126,317.50	137,635.00
08/01/2028	-	-	10,397.50	10,397.50	-	10,397.50	-
02/01/2029	115,000.00	1.650%	10,397.50	125,397.50	-	125,397.50	135,795.00
08/01/2029	-	-	9,448.75	9,448.75	-	9,448.75	-
02/01/2030	120,000.00	1.850%	9,448.75	129,448.75	-	129,448.75	138,897.50
08/01/2030	-	-	8,338.75	8,338.75	-	8,338.75	-
02/01/2031	120,000.00	1.950%	8,338.75	128,338.75	-	128,338.75	136,677.50
08/01/2031	-	-	7,168.75	7,168.75	-	7,168.75	-
02/01/2032	125,000.00	2.050%	7,168.75	132,168.75	-	132,168.75	139,337.50
08/01/2032	-	-	5,887.50	5,887.50	-	5,887.50	-
02/01/2033	125,000.00	2.150%	5,887.50	130,887.50	-	130,887.50	136,775.00
08/01/2033	-	-	4,543.75	4,543.75	-	4,543.75	-
02/01/2034	130,000.00	2.250%	4,543.75	134,543.75	-	134,543.75	139,087.50
08/01/2034	-	-	3,081.25	3,081.25	-	3,081.25	-
02/01/2035	130,000.00	2.300%	3,081.25	133,081.25	-	133,081.25	136,162.50
08/01/2035	-	-	1,586.25	1,586.25	-	1,586.25	-
02/01/2036	135,000.00	2.350%	1,586.25	136,586.25	-	136,586.25	138,172.50
Total	\$1,770,000.00	-	\$315,727.08	\$2,085,727.08	(23,342.08)	\$2,062,385.00	-

Hermantown, Minnesota

\$1,770,000 G.O. Improvement and Refunding Bonds, Series 2020A
Improvements

Assumes Current Market BQ AA Rates plus 20bps

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	CIF	Net New D/S	105% of Total	Assessments	Levy/(Surplus)
02/01/2021	-	-	23,342.08	23,342.08	(23,342.08)	-	-	-	-
02/01/2022	105,000.00	1.300%	31,710.00	136,710.00	-	136,710.00	143,545.50	80,994.73	62,550.77
02/01/2023	105,000.00	1.300%	30,345.00	135,345.00	-	135,345.00	142,112.25	80,994.72	61,117.53
02/01/2024	110,000.00	1.350%	28,980.00	138,980.00	-	138,980.00	145,929.00	80,994.72	64,934.28
02/01/2025	110,000.00	1.400%	27,495.00	137,495.00	-	137,495.00	144,369.75	80,994.72	63,375.03
02/01/2026	110,000.00	1.450%	25,955.00	135,955.00	-	135,955.00	142,752.75	80,994.72	61,758.03
02/01/2027	115,000.00	1.500%	24,360.00	139,360.00	-	139,360.00	146,328.00	80,994.73	65,333.27
02/01/2028	115,000.00	1.600%	22,635.00	137,635.00	-	137,635.00	144,516.75	80,994.72	63,522.03
02/01/2029	115,000.00	1.650%	20,795.00	135,795.00	-	135,795.00	142,584.75	80,994.73	61,590.02
02/01/2030	120,000.00	1.850%	18,897.50	138,897.50	-	138,897.50	145,842.38	80,994.72	64,847.66
02/01/2031	120,000.00	1.950%	16,677.50	136,677.50	-	136,677.50	143,511.38	80,994.72	62,516.66
02/01/2032	125,000.00	2.050%	14,337.50	139,337.50	-	139,337.50	146,304.38	80,994.73	65,309.65
02/01/2033	125,000.00	2.150%	11,775.00	136,775.00	-	136,775.00	143,613.75	80,994.72	62,619.03
02/01/2034	130,000.00	2.250%	9,087.50	139,087.50	-	139,087.50	146,041.88	80,994.73	65,047.15
02/01/2035	130,000.00	2.300%	6,162.50	136,162.50	-	136,162.50	142,970.63	80,994.73	61,975.90
02/01/2036	135,000.00	2.350%	3,172.50	138,172.50	-	138,172.50	145,081.13	80,994.72	64,086.41
Total	\$1,770,000.00	-	\$315,727.08	\$2,085,727.08	(23,342.08)	\$2,062,385.00	\$2,165,504.25	\$1,214,920.86	\$950,583.39

Significant Dates

Dated	5/06/2020
First Coupon Date	2/01/2021

Yield Statistics

Bond Year Dollars	\$16,042.92
Average Life	9.064 Years
Average Coupon	1.9680155%
Net Interest Cost (NIC)	2.1004103%
True Interest Cost (TIC)	2.1040356%
Bond Yield for Arbitrage Purposes	1.8729102%
All Inclusive Cost (AIC)	2.2775764%

Hermantown, Minnesota

\$250,000 G.O. Improvement and Refunding Bonds, Series 2020A

Water Fund

Assumes Current Market BQ AA Rates plus 20bps

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
05/06/2020	-	-	-	-	-
02/01/2021	-	-	3,329.06	3,329.06	3,329.06
08/01/2021	-	-	2,261.25	2,261.25	-
02/01/2022	15,000.00	1.300%	2,261.25	17,261.25	19,522.50
08/01/2022	-	-	2,163.75	2,163.75	-
02/01/2023	15,000.00	1.300%	2,163.75	17,163.75	19,327.50
08/01/2023	-	-	2,066.25	2,066.25	-
02/01/2024	15,000.00	1.350%	2,066.25	17,066.25	19,132.50
08/01/2024	-	-	1,965.00	1,965.00	-
02/01/2025	15,000.00	1.400%	1,965.00	16,965.00	18,930.00
08/01/2025	-	-	1,860.00	1,860.00	-
02/01/2026	15,000.00	1.450%	1,860.00	16,860.00	18,720.00
08/01/2026	-	-	1,751.25	1,751.25	-
02/01/2027	15,000.00	1.500%	1,751.25	16,751.25	18,502.50
08/01/2027	-	-	1,638.75	1,638.75	-
02/01/2028	15,000.00	1.600%	1,638.75	16,638.75	18,277.50
08/01/2028	-	-	1,518.75	1,518.75	-
02/01/2029	15,000.00	1.650%	1,518.75	16,518.75	18,037.50
08/01/2029	-	-	1,395.00	1,395.00	-
02/01/2030	15,000.00	1.850%	1,395.00	16,395.00	17,790.00
08/01/2030	-	-	1,256.25	1,256.25	-
02/01/2031	15,000.00	1.950%	1,256.25	16,256.25	17,512.50
08/01/2031	-	-	1,110.00	1,110.00	-
02/01/2032	20,000.00	2.050%	1,110.00	21,110.00	22,220.00
08/01/2032	-	-	905.00	905.00	-
02/01/2033	20,000.00	2.150%	905.00	20,905.00	21,810.00
08/01/2033	-	-	690.00	690.00	-
02/01/2034	20,000.00	2.250%	690.00	20,690.00	21,380.00
08/01/2034	-	-	465.00	465.00	-
02/01/2035	20,000.00	2.300%	465.00	20,465.00	20,930.00
08/01/2035	-	-	235.00	235.00	-
02/01/2036	20,000.00	2.350%	235.00	20,235.00	20,470.00
Total	\$250,000.00	-	\$45,891.56	\$295,891.56	-

Yield Statistics

Bond Year Dollars	\$2,309.03
Average Life	9.236 Years
Average Coupon	1.9874841%
Net Interest Cost (NIC)	2.1174089%
True Interest Cost (TIC)	2.1212199%
Bond Yield for Arbitrage Purposes	1.8729102%
All Inclusive Cost (AIC)	2.2920322%

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Net Interest Cost	1.9874841%
Weighted Average Maturity	9.236 Years

Hermantown, Minnesota

\$250,000 G.O. Improvement and Refunding Bonds, Series 2020A

Water Fund

Assumes Current Market BQ AA Rates plus 20bps

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Water Rev 105% Overlevy
02/01/2021	-	-	3,329.06	3,329.06	3,495.51
02/01/2022	15,000.00	1.300%	4,522.50	19,522.50	20,498.63
02/01/2023	15,000.00	1.300%	4,327.50	19,327.50	20,293.88
02/01/2024	15,000.00	1.350%	4,132.50	19,132.50	20,089.13
02/01/2025	15,000.00	1.400%	3,930.00	18,930.00	19,876.50
02/01/2026	15,000.00	1.450%	3,720.00	18,720.00	19,656.00
02/01/2027	15,000.00	1.500%	3,502.50	18,502.50	19,427.63
02/01/2028	15,000.00	1.600%	3,277.50	18,277.50	19,191.38
02/01/2029	15,000.00	1.650%	3,037.50	18,037.50	18,939.38
02/01/2030	15,000.00	1.850%	2,790.00	17,790.00	18,679.50
02/01/2031	15,000.00	1.950%	2,512.50	17,512.50	18,388.13
02/01/2032	20,000.00	2.050%	2,220.00	22,220.00	23,331.00
02/01/2033	20,000.00	2.150%	1,810.00	21,810.00	22,900.50
02/01/2034	20,000.00	2.250%	1,380.00	21,380.00	22,449.00
02/01/2035	20,000.00	2.300%	930.00	20,930.00	21,976.50
02/01/2036	20,000.00	2.350%	470.00	20,470.00	21,493.50
Total	\$250,000.00	-	\$45,891.56	\$295,891.56	\$310,686.14

Significant Dates

Dated	5/06/2020
First Coupon Date	2/01/2021

Yield Statistics

Bond Year Dollars	\$2,309.03
Average Life	9.236 Years
Average Coupon	1.9874841%
Net Interest Cost (NIC)	2.1174089%
True Interest Cost (TIC)	2.1212199%
Bond Yield for Arbitrage Purposes	1.8729102%
All Inclusive Cost (AIC)	2.2920322%

IRS Form 8038

Net Interest Cost	1.9874841%
Weighted Average Maturity	9.236 Years

Hermantown, Minnesota

\$10,000 G.O. Improvement and Refunding Bonds, Series 2020A

Sewer Fund

Assumes Current Market BQ AA Rates plus 20bps

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
05/06/2020	-	-	-	-	-
02/01/2021	-	-	95.69	95.69	95.69
08/01/2021	-	-	65.00	65.00	-
02/01/2022	10,000.00	1.300%	65.00	10,065.00	10,130.00
Total	\$10,000.00	-	\$225.69	\$10,225.69	-

Yield Statistics

Bond Year Dollars	\$17.36
Average Life	1.736 Years
Average Coupon	1.2999744%
Net Interest Cost (NIC)	1.9911744%
True Interest Cost (TIC)	2.0054232%
Bond Yield for Arbitrage Purposes	1.8729102%
All Inclusive Cost (AIC)	2.8322401%

IRS Form 8038

Net Interest Cost	1.2999744%
Weighted Average Maturity	1.736 Years

Hermantown, Minnesota

\$10,000 G.O. Improvement and Refunding Bonds, Series 2020A

Sewer Fund

Assumes Current Market BQ AA Rates plus 20bps

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Sewer Rev 105% Overlevy
02/01/2021	-	-	95.69	95.69	100.47
02/01/2022	10,000.00	1.300%	130.00	10,130.00	10,636.50
Total	\$10,000.00	-	\$225.69	\$10,225.69	\$10,736.97

Significant Dates

Dated	5/06/2020
First Coupon Date	2/01/2021

Yield Statistics

Bond Year Dollars	\$17.36
Average Life	1.736 Years
Average Coupon	1.2999744%
Net Interest Cost (NIC)	1.9911744%
True Interest Cost (TIC)	2.0054232%
Bond Yield for Arbitrage Purposes	1.8729102%
All Inclusive Cost (AIC)	2.8322401%

IRS Form 8038

Net Interest Cost	1.2999744%
Weighted Average Maturity	1.736 Years

Hermantown, Minnesota

\$250,000 G.O. Improvement and Refunding Bonds, Series 2020A

Storm Water Fund

Assumes Current Market BQ AA Rates plus 20bps

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
05/06/2020	-	-	-	-	-
02/01/2021	-	-	3,329.06	3,329.06	3,329.06
08/01/2021	-	-	2,261.25	2,261.25	-
02/01/2022	15,000.00	1.300%	2,261.25	17,261.25	19,522.50
08/01/2022	-	-	2,163.75	2,163.75	-
02/01/2023	15,000.00	1.300%	2,163.75	17,163.75	19,327.50
08/01/2023	-	-	2,066.25	2,066.25	-
02/01/2024	15,000.00	1.350%	2,066.25	17,066.25	19,132.50
08/01/2024	-	-	1,965.00	1,965.00	-
02/01/2025	15,000.00	1.400%	1,965.00	16,965.00	18,930.00
08/01/2025	-	-	1,860.00	1,860.00	-
02/01/2026	15,000.00	1.450%	1,860.00	16,860.00	18,720.00
08/01/2026	-	-	1,751.25	1,751.25	-
02/01/2027	15,000.00	1.500%	1,751.25	16,751.25	18,502.50
08/01/2027	-	-	1,638.75	1,638.75	-
02/01/2028	15,000.00	1.600%	1,638.75	16,638.75	18,277.50
08/01/2028	-	-	1,518.75	1,518.75	-
02/01/2029	15,000.00	1.650%	1,518.75	16,518.75	18,037.50
08/01/2029	-	-	1,395.00	1,395.00	-
02/01/2030	15,000.00	1.850%	1,395.00	16,395.00	17,790.00
08/01/2030	-	-	1,256.25	1,256.25	-
02/01/2031	15,000.00	1.950%	1,256.25	16,256.25	17,512.50
08/01/2031	-	-	1,110.00	1,110.00	-
02/01/2032	20,000.00	2.050%	1,110.00	21,110.00	22,220.00
08/01/2032	-	-	905.00	905.00	-
02/01/2033	20,000.00	2.150%	905.00	20,905.00	21,810.00
08/01/2033	-	-	690.00	690.00	-
02/01/2034	20,000.00	2.250%	690.00	20,690.00	21,380.00
08/01/2034	-	-	465.00	465.00	-
02/01/2035	20,000.00	2.300%	465.00	20,465.00	20,930.00
08/01/2035	-	-	235.00	235.00	-
02/01/2036	20,000.00	2.350%	235.00	20,235.00	20,470.00
Total	\$250,000.00	-	\$45,891.56	\$295,891.56	-

Yield Statistics

Bond Year Dollars	\$2,309.03
Average Life	9.236 Years
Average Coupon	1.9874841%
Net Interest Cost (NIC)	2.1174089%
True Interest Cost (TIC)	2.1212199%
Bond Yield for Arbitrage Purposes	1.8729102%
All Inclusive Cost (AIC)	2.2920322%

IRS Form 8038

Net Interest Cost	1.9874841%
Weighted Average Maturity	9.236 Years

Hermantown, Minnesota

\$250,000 G.O. Improvement and Refunding Bonds, Series 2020A

Storm Water Fund

Assumes Current Market BQ AA Rates plus 20bps

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+	Storm Water Rev 105% Overlay
02/01/2021	-	-	3,329.06	3,329.06	3,495.51
02/01/2022	15,000.00	1.300%	4,522.50	19,522.50	20,498.63
02/01/2023	15,000.00	1.300%	4,327.50	19,327.50	20,293.88
02/01/2024	15,000.00	1.350%	4,132.50	19,132.50	20,089.13
02/01/2025	15,000.00	1.400%	3,930.00	18,930.00	19,876.50
02/01/2026	15,000.00	1.450%	3,720.00	18,720.00	19,656.00
02/01/2027	15,000.00	1.500%	3,502.50	18,502.50	19,427.63
02/01/2028	15,000.00	1.600%	3,277.50	18,277.50	19,191.38
02/01/2029	15,000.00	1.650%	3,037.50	18,037.50	18,939.38
02/01/2030	15,000.00	1.850%	2,790.00	17,790.00	18,679.50
02/01/2031	15,000.00	1.950%	2,512.50	17,512.50	18,388.13
02/01/2032	20,000.00	2.050%	2,220.00	22,220.00	23,331.00
02/01/2033	20,000.00	2.150%	1,810.00	21,810.00	22,900.50
02/01/2034	20,000.00	2.250%	1,380.00	21,380.00	22,449.00
02/01/2035	20,000.00	2.300%	930.00	20,930.00	21,976.50
02/01/2036	20,000.00	2.350%	470.00	20,470.00	21,493.50
Total	\$250,000.00	-	\$45,891.56	\$295,891.56	\$310,686.14

Significant Dates

Dated	5/06/2020
First Coupon Date	2/01/2021

Yield Statistics

Bond Year Dollars	\$2,309.03
Average Life	9.236 Years
Average Coupon	1.9874841%
Net Interest Cost (NIC)	2.1174089%
True Interest Cost (TIC)	2.1212199%
Bond Yield for Arbitrage Purposes	1.8729102%
All Inclusive Cost (AIC)	2.2920322%

IRS Form 8038

Net Interest Cost	1.9874841%
Weighted Average Maturity	9.236 Years

Hermantown, Minnesota

\$450,000 G.O. Improvement and Refunding Bonds, Series 2020A

Cur Ref 2010A Sewer Dist

Assumes Current Market BQ AA Rates plus 20bps

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
05/06/2020	-	-	-	-	-
02/01/2021	40,000.00	1.250%	5,016.60	45,016.60	45,016.60
08/01/2021	-	-	3,157.50	3,157.50	-
02/01/2022	40,000.00	1.300%	3,157.50	43,157.50	46,315.00
08/01/2022	-	-	2,897.50	2,897.50	-
02/01/2023	40,000.00	1.300%	2,897.50	42,897.50	45,795.00
08/01/2023	-	-	2,637.50	2,637.50	-
02/01/2024	40,000.00	1.350%	2,637.50	42,637.50	45,275.00
08/01/2024	-	-	2,367.50	2,367.50	-
02/01/2025	40,000.00	1.400%	2,367.50	42,367.50	44,735.00
08/01/2025	-	-	2,087.50	2,087.50	-
02/01/2026	40,000.00	1.450%	2,087.50	42,087.50	44,175.00
08/01/2026	-	-	1,797.50	1,797.50	-
02/01/2027	40,000.00	1.500%	1,797.50	41,797.50	43,595.00
08/01/2027	-	-	1,497.50	1,497.50	-
02/01/2028	40,000.00	1.600%	1,497.50	41,497.50	42,995.00
08/01/2028	-	-	1,177.50	1,177.50	-
02/01/2029	45,000.00	1.650%	1,177.50	46,177.50	47,355.00
08/01/2029	-	-	806.25	806.25	-
02/01/2030	45,000.00	1.850%	806.25	45,806.25	46,612.50
08/01/2030	-	-	390.00	390.00	-
02/01/2031	40,000.00	1.950%	390.00	40,390.00	40,780.00
Total	\$450,000.00	-	\$42,649.10	\$492,649.10	-

Yield Statistics

Bond Year Dollars	\$2,616.25
Average Life	5.814 Years
Average Coupon	1.6301615%
Net Interest Cost (NIC)	1.8365638%
True Interest Cost (TIC)	1.8467769%
Bond Yield for Arbitrage Purposes	1.8729102%
All Inclusive Cost (AIC)	2.1063145%

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Net Interest Cost	1.6301615%
Weighted Average Maturity	5.814 Years

Hermantown, Minnesota

\$450,000 G.O. Improvement and Refunding Bonds, Series 2020A

Cur Ref 2010A Sewer Dist

Assumes Current Market BQ AA Rates plus 20bps

Debt Service Comparison

Date	Total P+I	Net New D/S	Old Net D/S	Savings
02/01/2021	45,016.60	45,728.62	50,525.00	4,796.38
02/01/2022	46,315.00	46,315.00	49,475.00	3,160.00
02/01/2023	45,795.00	45,795.00	48,425.00	2,630.00
02/01/2024	45,275.00	45,275.00	47,375.00	2,100.00
02/01/2025	44,735.00	44,735.00	51,062.50	6,327.50
02/01/2026	44,175.00	44,175.00	49,562.50	5,387.50
02/01/2027	43,595.00	43,595.00	48,062.50	4,467.50
02/01/2028	42,995.00	42,995.00	46,562.50	3,567.50
02/01/2029	47,355.00	47,355.00	50,062.50	2,707.50
02/01/2030	46,612.50	46,612.50	48,375.00	1,762.50
02/01/2031	40,780.00	40,780.00	46,687.50	5,907.50
Total	\$492,649.10	\$493,361.12	\$536,175.00	\$42,813.88

PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings.....	39,497.23
Net PV Cashflow Savings @ 1.873%(Bond Yield).....	39,497.23
Contingency or Rounding Amount.....	(712.02)
Net Present Value Benefit	\$38,785.21
Net PV Benefit / \$483,465.76 PV Refunded Debt Service	8.022%
Net PV Benefit / \$435,000 Refunded Principal...	8.916%
Net PV Benefit / \$450,000 Refunding Principal..	8.619%

Refunding Bond Information

Refunding Dated Date	5/06/2020
Refunding Delivery Date	5/06/2020



Hermantown, Minnesota

\$450,000 G.O. Improvement and Refunding Bonds, Series 2020A
 Cur Ref 2010A Sewer Dist
 Assumes Current Market BQ AA Rates plus 20bps

Current Refunding Escrow

Date	Rate	Receipts	Disbursements	Cash Balance
05/06/2020	-	439,096.88	439,096.88	-
Total	-	\$439,096.88	\$439,096.88	-

Investment Parameters

Investment Model [PV, GIC, or Securities]	Securities
Default investment yield target	Unrestricted
Cash Deposit	439,096.88
Total Cost of Investments	\$439,096.88
Target Cost of Investments at bond yield	\$439,096.88
Yield to Receipt	-
Yield for Arbitrage Purposes	1.8729102%

Hermantown, MN

\$435,000 General Obligation Bonds, Series 2010A

Sewer Improvement District

Debt Service To Maturity And To Call

Date	Refunded Bonds	Refunded Interest	D/S To Call	Principal	Coupon	Interest	Refunded D/S
05/06/2020	435,000.00	4,096.88	439,096.88	-	-	-	-
08/01/2020	-	-	-	-	-	7,762.50	7,762.50
02/01/2021	-	-	-	35,000.00	3.000%	7,762.50	42,762.50
08/01/2021	-	-	-	-	-	7,237.50	7,237.50
02/01/2022	-	-	-	35,000.00	3.000%	7,237.50	42,237.50
08/01/2022	-	-	-	-	-	6,712.50	6,712.50
02/01/2023	-	-	-	35,000.00	3.000%	6,712.50	41,712.50
08/01/2023	-	-	-	-	-	6,187.50	6,187.50
02/01/2024	-	-	-	35,000.00	3.750%	6,187.50	41,187.50
08/01/2024	-	-	-	-	-	5,531.25	5,531.25
02/01/2025	-	-	-	40,000.00	3.750%	5,531.25	45,531.25
08/01/2025	-	-	-	-	-	4,781.25	4,781.25
02/01/2026	-	-	-	40,000.00	3.750%	4,781.25	44,781.25
08/01/2026	-	-	-	-	-	4,031.25	4,031.25
02/01/2027	-	-	-	40,000.00	3.750%	4,031.25	44,031.25
08/01/2027	-	-	-	-	-	3,281.25	3,281.25
02/01/2028	-	-	-	40,000.00	3.750%	3,281.25	43,281.25
08/01/2028	-	-	-	-	-	2,531.25	2,531.25
02/01/2029	-	-	-	45,000.00	3.750%	2,531.25	47,531.25
08/01/2029	-	-	-	-	-	1,687.50	1,687.50
02/01/2030	-	-	-	45,000.00	3.750%	1,687.50	46,687.50
08/01/2030	-	-	-	-	-	843.75	843.75
02/01/2031	-	-	-	45,000.00	3.750%	843.75	45,843.75
Total	\$435,000.00	\$4,096.88	\$439,096.88	\$435,000.00	-	\$101,175.00	\$536,175.00

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	5/06/2020
Average Life	6.035 Years
Average Coupon	3.6979210%
Weighted Average Maturity (Par Basis)	6.035 Years
Weighted Average Maturity (Original Price Basis)	6.035 Years

Refunding Bond Information

Refunding Dated Date	5/06/2020
Refunding Delivery Date	5/06/2020

Hermantown, Minnesota

\$1,035,000 G.O. Improvement and Refunding Bonds, Series 2020A

Cur Ref 2010A (XRef 2002 GO Util)

Assumes Current Market BQ AA Rates plus 20bps

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+i	Fiscal Total
05/06/2020	-	-	-	-	-
02/01/2021	345,000.00	1.250%	9,777.40	354,777.40	354,777.40
08/01/2021	-	-	4,485.00	4,485.00	-
02/01/2022	345,000.00	1.300%	4,485.00	349,485.00	353,970.00
08/01/2022	-	-	2,242.50	2,242.50	-
02/01/2023	345,000.00	1.300%	2,242.50	347,242.50	349,485.00
Total	\$1,035,000.00	-	\$23,232.40	\$1,058,232.40	-

Yield Statistics

Bond Year Dollars	\$1,796.88
Average Life	1.736 Years
Average Coupon	1.2929336%
Net Interest Cost (NIC)	1.9841336%
True Interest Cost (TIC)	2.0009304%
Bond Yield for Arbitrage Purposes	1.8729102%
All Inclusive Cost (AIC)	2.8331856%

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Net Interest Cost	1.2929336%
Weighted Average Maturity	1.736 Years

Hermantown, Minnesota

\$1,035,000 G.O. Improvement and Refunding Bonds, Series 2020A

Cur Ref 2010A (XRef 2002 GO Util)

Assumes Current Market BQ AA Rates plus 20bps

Debt Service Comparison

Date	Total P+I	Net New D/S	Old Net D/S	Savings
02/01/2021	354,777.40	354,408.88	355,000.00	591.12
02/01/2022	353,970.00	353,970.00	355,250.00	1,280.00
02/01/2023	349,485.00	349,485.00	350,200.00	715.00
Total	\$1,058,232.40	\$1,057,863.88	\$1,060,450.00	\$2,586.12

PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings.....	2,353.36
Net PV Cashflow Savings @ 1.873%(Bond Yield).....	2,353.36
Contingency or Rounding Amount.....	368.52
Net Present Value Benefit	\$2,721.88
Net PV Benefit / \$1,027,159.52 PV Refunded Debt Service	0.265%
Net PV Benefit / \$1,000,000 Refunded Principal...	0.272%
Net PV Benefit / \$1,035,000 Refunding Principal..	0.263%

Refunding Bond Information

Refunding Dated Date	5/06/2020
Refunding Delivery Date	5/06/2020

Hermantown, Minnesota

\$1,035,000 G.O. Improvement and Refunding Bonds, Series 2020A
 Cur Ref 2010A (XRef 2002 GO Util)
 Assumes Current Market BQ AA Rates plus 20bps

Current Refunding Escrow

Date	Rate	Receipts	Disbursements	Cash Balance
05/06/2020	-	1,007,916.67	1,007,916.67	-
Total	-	\$1,007,916.67	\$1,007,916.67	-

Investment Parameters

Investment Model [PV, GIC, or Securities]	Securities
Default investment yield target	Unrestricted
Cash Deposit	1,007,916.67
Total Cost of Investments	\$1,007,916.67
Target Cost of Investments at bond yield	\$1,007,916.67
Yield to Receipt	-
Yield for Arbitrage Purposes	1.8729102%

Hermantown, MN

\$1,000,000 General Obligation Bonds, Series 2010A

Xover Ref 2002 GO Util Bds

Debt Service To Maturity And To Call

Date	Refunded Bonds	Refunded Interest	D/S To Call	Principal	Coupon	Interest	Refunded D/S
05/06/2020	1,000,000.00	7,916.67	1,007,916.67	-	-	-	-
08/01/2020	-	-	-	-	-	15,000.00	15,000.00
02/01/2021	-	-	-	325,000.00	3.000%	15,000.00	340,000.00
08/01/2021	-	-	-	-	-	10,125.00	10,125.00
02/01/2022	-	-	-	335,000.00	3.000%	10,125.00	345,125.00
08/01/2022	-	-	-	-	-	5,100.00	5,100.00
02/01/2023	-	-	-	340,000.00	3.000%	5,100.00	345,100.00
Total	\$1,000,000.00	\$7,916.67	\$1,007,916.67	\$1,000,000.00	-	\$60,450.00	\$1,060,450.00

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	5/06/2020
Average Life	1.751 Years
Average Coupon	2.9999998%
Weighted Average Maturity (Par Basis)	1.751 Years
Weighted Average Maturity (Original Price Basis)	1.751 Years

Refunding Bond Information

Refunding Dated Date	5/06/2020
Refunding Delivery Date	5/06/2020

Hermantown, Minnesota

\$1,485,000 G.O. Improvement and Refunding Bonds, Series 2020A

Issue Summary

Assumes Current Market BQ AA Rates plus 20bps

Debt Service Comparison

Date	Total P+I	Net New D/S	Old Net D/S	Savings
02/01/2021	399,794.00	400,137.50	405,525.00	5,387.50
02/01/2022	400,285.00	400,285.00	404,725.00	4,440.00
02/01/2023	395,280.00	395,280.00	398,625.00	3,345.00
02/01/2024	45,275.00	45,275.00	47,375.00	2,100.00
02/01/2025	44,735.00	44,735.00	51,062.50	6,327.50
02/01/2026	44,175.00	44,175.00	49,562.50	5,387.50
02/01/2027	43,595.00	43,595.00	48,062.50	4,467.50
02/01/2028	42,995.00	42,995.00	46,562.50	3,567.50
02/01/2029	47,355.00	47,355.00	50,062.50	2,707.50
02/01/2030	46,612.50	46,612.50	48,375.00	1,762.50
02/01/2031	40,780.00	40,780.00	46,687.50	5,907.50
Total	\$1,550,881.50	\$1,551,225.00	\$1,596,625.00	\$45,400.00

PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings.....	41,850.60
Net PV Cashflow Savings @ 1.873%(Bond Yield).....	41,850.60
Contingency or Rounding Amount.....	(343.50)
Net Present Value Benefit	\$41,507.10
Net PV Benefit / \$1,510,625.28 PV Refunded Debt Service	2.748%
Net PV Benefit / \$1,435,000 Refunded Principal...	2.892%
Net PV Benefit / \$1,485,000 Refunding Principal..	2.795%

Refunding Bond Information

Refunding Dated Date	
Refunding Delivery Date	5/06/2020

Hermantown, Minnesota

\$926,250 General Obligation Improvement Bonds, Series 2020

Assessments

1.50% over TIC - Equal P&I

Assessments

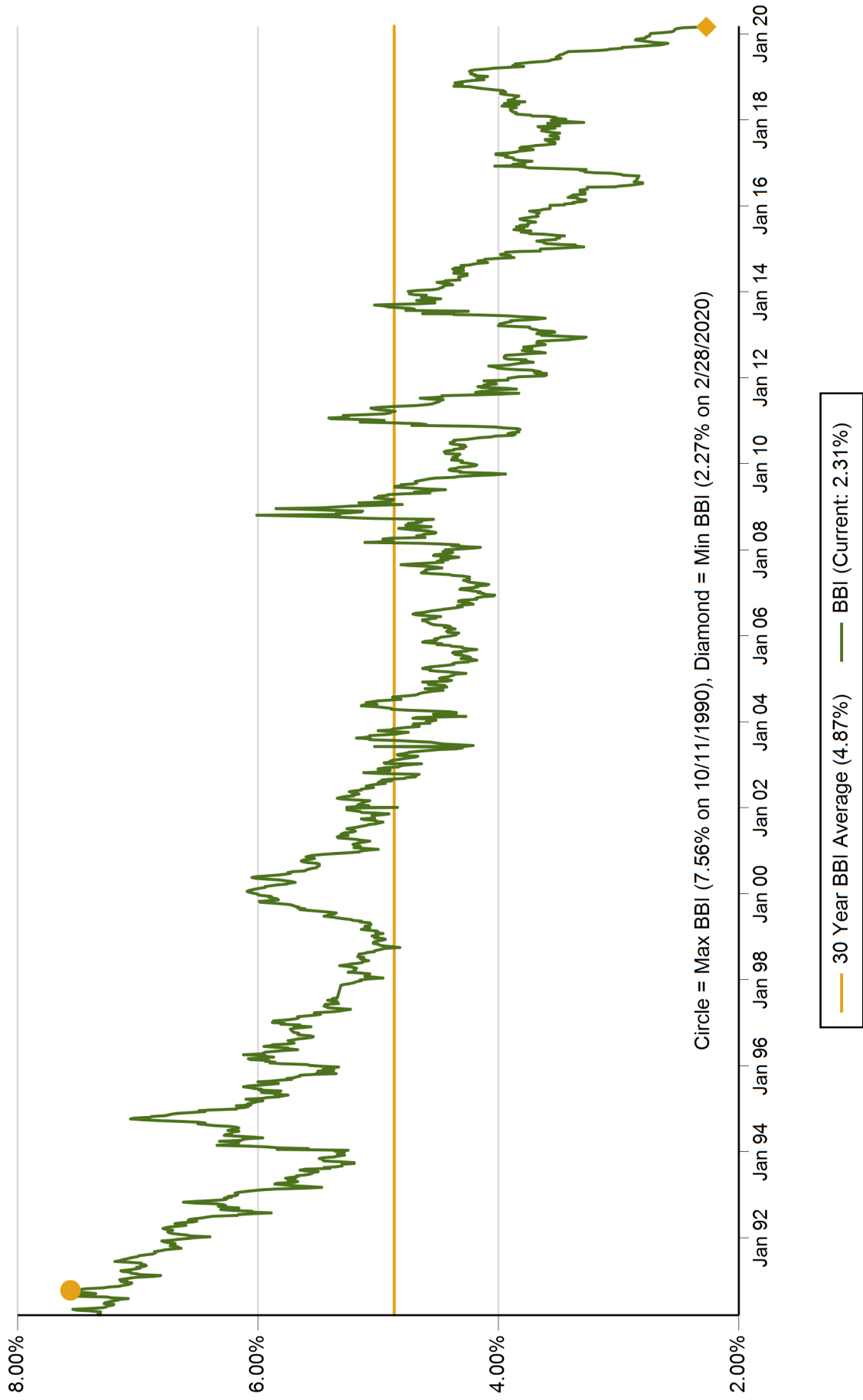
Date	Principal	Coupon	Interest	Total P+I
12/31/2021	47,649.73	3.600%	33,345.00	80,994.73
12/31/2022	49,365.12	3.600%	31,629.60	80,994.72
12/31/2023	51,142.26	3.600%	29,852.46	80,994.72
12/31/2024	52,983.38	3.600%	28,011.34	80,994.72
12/31/2025	54,890.78	3.600%	26,103.94	80,994.72
12/31/2026	56,866.85	3.600%	24,127.88	80,994.73
12/31/2027	58,914.06	3.600%	22,080.66	80,994.72
12/31/2028	61,034.97	3.600%	19,959.76	80,994.73
12/31/2029	63,232.22	3.600%	17,762.50	80,994.72
12/31/2030	65,508.58	3.600%	15,486.14	80,994.72
12/31/2031	67,866.89	3.600%	13,127.84	80,994.73
12/31/2032	70,310.10	3.600%	10,684.62	80,994.72
12/31/2033	72,841.27	3.600%	8,153.46	80,994.73
12/31/2034	75,463.55	3.600%	5,531.18	80,994.73
12/31/2035	78,180.24	3.600%	2,814.48	80,994.72
Total	\$926,250.00	-	\$288,670.86	\$1,214,920.86

Significant Dates

Filing Date	1/01/2021
First Payment Date	12/31/2021

30 YEAR TREND IN MUNICIPAL BOND INDICES

Weekly Rates March, 1990 - March, 2020



The Bond Buyer "20 Bond Index" (BBI) shows average yields on a group of municipal bonds that mature in 20 years and have an average rating equivalent to Moody's Aa2 and S&P's AA.

Source: The Bond Buyer



Resolution No. 2020-39

**RESOLUTION PROVIDING FOR THE SALE OF \$4,115,000 GENERAL OBLIGATION
SEWAGE DISPOSAL SYSTEM BONDS, SERIES 2020B**

WHEREAS, the City Council of the City of Hermantown, Minnesota has heretofore determined that it is necessary and expedient to issue the City's \$4,115,000 General Obligation Sewage Disposal System Bonds, Series 2020B (the "Bonds"), to finance with cash from the sales tax fund, the construction of the Section 24 Sewer Extension Project in the City; and

WHEREAS, the City has retained Ehlers & Associates, Inc., in Roseville, Minnesota ("Ehlers"), as its independent municipal advisor for the Bonds in accordance with Minnesota Statutes, Section 475.60, Subdivision 2(9);

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

1. Authorization; Findings. The City Council hereby authorizes Ehlers to assist the City for the sale of the Bonds.
2. Meeting; Proposal Opening. The City Council shall meet at 6:30 p.m. on April 20, 2020, for the purpose of considering proposals for and awarding the sale of the Bonds.
3. Official Statement. In connection with said sale, the officers or employees of the City are hereby authorized to cooperate with Ehlers and participate in the preparation of an official statement for the Bonds and to execute and deliver it on behalf of the City upon its completion.

Councilor ____ introduced the foregoing resolution and moved its adoption.

The motion for the adoption of such resolution was seconded by Councilor ____ and, upon a vote being taken thereon, the following voted in favor thereof:

Councilors

and the following voted in opposition thereto:

WHEREUPON, such resolution was declared duly passed and adopted March 16, 2020.

March 16, 2020

Pre-Sale Report for

City of Hermantown, Minnesota

\$4,115,000 General Obligation Sewage Disposal System Bonds, Series 2020B



Prepared by:

Todd Hagen, CIPMA
VP/Senior Municipal Advisor

Jason Aarsvold, CIPMA
VP/Senior Municipal Advisor

And

Chris Mickelson, CIPMA
Municipal Advisor

Executive Summary of Proposed Debt

Proposed Issue:	\$4,115,000 General Obligation Sewage Disposal System Bonds, Series 2020B
Purpose:	<p>The proposed issue includes financing for the following purposes:</p> <p>To finance with cash from the sales tax fund, the construction of the Section 24 Sewer Extension Project in the City.</p> <p>Debt service will be paid from property taxes and available sanitary sewer revenues.</p> <p>Although the property taxes and sanitary sewer revenues are pledged to the payment of debt service on the Bonds, each year, the City intends to reduce or cancel the property taxes and sanitary sewer revenues of the Bonds to the extent the City has sufficient sales tax revenue on hand to meet its debt service obligations on the Bonds as they come due as authorized by the voters of the City on November 8, 2016.</p>
Authority:	<p>The Bonds are being issued pursuant to Minnesota Statutes, Chapters:</p> <ul style="list-style-type: none"> • 475 (general bonding authority) • 115 (sewer tax levy pledge) <p>Chapter 115 allows the Bonds for disposal systems to be issued without a referendum and will not count against the City’s debt limit.</p> <p>The Bonds will be general obligations of the City for which its full faith, credit and taxing powers are pledged.</p>
Term/Call Feature:	<p>The Bonds are being issued for a term of 17 years. Principal on the Bonds will be due on February 1 in the years 2021 through 2037. Interest is payable every six months beginning August 1, 2020. Cash on hand in the sales tax fund will be used to make the August 1, 2020 and the February 1, 2021 principal and interest payments.</p> <p>The Bonds will be subject to prepayment at the discretion of the City on February 1, 2029 or any date thereafter.</p>
Bank Qualification:	<p>Because the City is expecting to issue no more than \$10,000,000 in tax exempt debt during the calendar year, the City will be able to designate the Bonds as “bank qualified” obligations.</p> <p>Bank qualified status broadens the market for the Bonds, which can result in lower interest rates.</p>
State Credit Enhancement:	<p>City bond issues for water, sanitary sewer and storm water facilities are now authorized to receive credit enhancement from the State. Under current bond ratings, the state credit enhancement would bring a Standard & Poor's "AAA" rating or a Moody's "Aa2" because the State guarantees the debt service payments on the Bonds. Currently, state credit enhancement provides a significant interest cost savings, to lower or non-rated cities/counties.</p>

	<p>To qualify for the credit enhancement, a City must submit an application and \$500 fee to the State. Ehlers will coordinate the application to the State on your behalf.</p>
<p>Rating:</p>	<p>Under current bond ratings, the state credit enhancement would bring a Standard & Poor's "AAA" or a Moody's "Aa2" rating.</p> <p>The City's most recent bond issues were rated by Standard & Poor's. The current rating on those bonds are "AA". The City will request a new rating for the Bonds from Standard & Poor's.</p> <p>If the winning bidder on the Bonds elects to purchase bond insurance, the rating for the issue may be higher than the City's bond rating in the event that the bond rating of the insurer is higher than that of the City.</p>
<p>Basis for Recommendation:</p>	<p>Based on our knowledge of your situation, your objectives communicated to us, our advisory relationship as well as characteristics of various municipal financing options, we are recommending the issuance of general obligation bonds as a suitable financing option for the following reasons:</p> <ul style="list-style-type: none"> • The City's policy and past practice has been to finance municipal projects like this with this type of debt issue. • This is a cost-effective option among the limited other options available to finance this type of project. • General obligation bonds with State Credit Enhancement provides the lowest possible interest cost.
<p>Method of Sale/Placement:</p>	<p>We will solicit competitive bids for the purchase of the Bonds from underwriters and banks.</p> <p>We will include an allowance for discount bidding in the terms of the issue. The discount is treated as an interest item and provides the underwriter with all or a portion of their compensation in the transaction.</p> <p>If the Bonds are purchased at a price greater than the minimum bid amount (maximum discount), the unused allowance may be used to reduce your borrowing amount.</p>
<p>Premium Pricing:</p>	<p>In some cases, investors in municipal bonds prefer "premium" pricing structures. A premium is achieved when the coupon for any maturity (the interest rate paid by the issuer) exceeds the yield to the investor, resulting in a price paid that is greater than the face value of the bonds. The sum of the amounts paid in excess of face value is considered "reoffering premium." The underwriter of the bonds will retain a portion of this reoffering premium as their compensation (or "discount") but will pay the remainder of the premium to the City.</p> <p>For this issue of Bonds, we have been directed to use the net premium to reduce the size of the issue/increase the net proceeds for the project. The resulting adjustments may slightly change the true interest cost of the issue, either up or down.</p> <p>The amount of premium can be restricted in the bid specifications. Restrictions on premium may result in fewer bids but may also eliminate large adjustments on the day of sale and unintended impacts with respect to debt service payment. Ehlers will</p>

	identify appropriate premium restrictions for the Bonds intended to achieve the City’s objectives for this financing.
Review of Existing Debt:	<p>We have reviewed all outstanding indebtedness for the City and find that, other than the Series 2010A Bonds proposed to be refunded by the Series 2020A Bonds, there are no other refunding opportunities at this time.</p> <p>We will continue to monitor the market and the call dates for the City’s outstanding debt and will alert you to any future refunding opportunities.</p>
Continuing Disclosure:	<p>Because the City has more than \$10,000,000 in outstanding debt (including this issue) and this issue is over \$1,000,000, the City will be agreeing to provide certain updated Annual Financial Information and its Audited Financial Statement annually, as well as providing notices of the occurrence of certain reportable events to the Municipal Securities Rulemaking Board (the “MSRB”), as required by rules of the Securities and Exchange Commission (SEC).</p> <p>The City is already obligated to provide such reports for its existing bonds and has contracted with Ehlers to prepare and file the reports.</p>
Arbitrage Monitoring:	<p>Because the Bonds tax-exempt obligations, the City must ensure compliance with certain Internal Revenue Service (IRS) rules throughout the life of the issue. These rules apply to all gross proceeds of the issue, including initial bond proceeds and investment earnings in construction, escrow, debt service, and any reserve funds. How issuers spend bond proceeds and how they track interest earnings on funds (arbitrage/yield restriction compliance) are common subjects of IRS inquiries. Your specific responsibilities will be detailed in the Officers’ Certificate prepared by your Bond Attorney and provided at closing.</p> <p>We recommend that you regularly monitor compliance with these rules and/or retain the services of a qualified firm to assist you.</p> <p>Spending Exception (24-month) – The City expects to meet the two-year expenditure exception on the new project portion of the Bonds. If the City fails to meet the two-year expenditure exception, it will be required to pay rebate.</p>
Investment of and Accounting for Proceeds:	In order to more efficiently segregate funds for this project and maximize interest earnings, we recommend using an investment advisor, to assist with the investment of bond proceeds until they are needed to pay project costs. Ehlers Investment Partners, a subsidiary of Ehlers and registered investment advisor, will discuss an appropriate investment strategy with the City.
Risk Factors:	GO Pledge: Because the Bonds will be general obligations of the City for which its full faith, credit and taxing powers are pledged, if the annual tax levy and sanitary sewer revenues collected are not sufficient to pay the debt service payments, other City funds will need to be used.
Other Service Providers:	This debt issuance will require the engagement of other public finance service providers. This section identifies those other service providers, so Ehlers can

	<p>coordinate their engagement on your behalf. Where you have previously used a particular firm to provide a service, we have assumed that you will continue that relationship. For services you have not previously required, we have identified a service provider. Fees charged by these service providers will be paid from proceeds of the obligation, unless you notify us that you wish to pay them from other sources. Our pre-sale bond sizing includes a good faith estimate of these fees, but the final fees may vary. If you have any questions pertaining to the identified service providers or their role, or if you would like to use a different service provider for any of the listed services please contact us.</p> <p>Bond Counsel: Fryberger Buchanan Paying Agent: Bond Trust Services Rating Agency: Standard & Poor's</p>
<p>Summary:</p>	<p>The decisions to be made by the City Council are as follows:</p> <ul style="list-style-type: none"> • Accept or modify the finance assumptions described in this report • Adopt the resolution attached to this report.

This presale report summarizes our understanding of the City's objectives for the structure and terms of this financing as of this date. As additional facts become known or capital markets conditions change, we may need to modify the structure and/or terms of this financing to achieve results consistent with the City's objectives.

Proposed Debt Issuance Schedule

Pre-Sale Review by City Council:	March 16, 2020
Due Diligence Call to review Official Statement:	Week of April 6, 2020
Distribute Official Statement:	Week of April 13, 2020
Conference with Rating Agency:	Week of April 6 or 13
City Council Meeting to Award Sale of the Bonds:	April 20, 2020
Estimated Closing Date:	May 6, 2020

Attachments

- Estimated Sources and Uses of Funds
- Estimated Proposed Debt Service Schedule
- Bond Buyer Index
- Resolution Authorizing Ehlers to Proceed with Bond Sale
- Resolution Authorizing City to Enter into Credit Enhancement Agreement

Ehlers Contacts

Municipal Advisors:	Todd Hagen	(651) 697-8508
	Jason Aarsvold	(651) 697-8512
	Chris Mickelson	(651) 697-8556
Disclosure Coordinator:	Silvia Johnson	(651) 697-8580
Financial Analyst:	Alicia Gage	(651) 697-8551

The Preliminary Official Statement for this financing will be sent to the City Council at their home or email address for review prior to the sale date.

Hermantown, Minnesota

\$4,115,000 G.O. Disposal System Bonds, Series 2020B
Assumes Current Market BQ AAA Credit Enhanced Rates plus 20bps

Sources & Uses

Dated 05/06/2020 | Delivered 05/06/2020

Sources Of Funds

Par Amount of Bonds	\$4,115,000.00
Planned Issuer Equity contribution (Sales Tax)	1,000,000.00
Total Sources	\$5,115,000.00

Uses Of Funds

Total Underwriter's Discount (1.200%)	49,380.00
Costs of Issuance	53,000.00
Deposit to Project Construction Fund	5,008,677.73
Rounding Amount	3,942.27
Total Uses	\$5,115,000.00

Hermantown, Minnesota

\$4,115,000 G.O. Disposal System Bonds, Series 2020B

Assumes Current Market BQ AAA Credit Enhanced Rates plus 20bps

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+	Fiscal Total
05/06/2020	-	-	-	-	-
08/01/2020	-	-	16,566.74	16,566.74	-
02/01/2021	235,000.00	1.200%	35,082.50	270,082.50	286,649.24
08/01/2021	-	-	33,672.50	33,672.50	-
02/01/2022	215,000.00	1.200%	33,672.50	248,672.50	282,345.00
08/01/2022	-	-	32,382.50	32,382.50	-
02/01/2023	220,000.00	1.250%	32,382.50	252,382.50	284,765.00
08/01/2023	-	-	31,007.50	31,007.50	-
02/01/2024	220,000.00	1.250%	31,007.50	251,007.50	282,015.00
08/01/2024	-	-	29,632.50	29,632.50	-
02/01/2025	225,000.00	1.300%	29,632.50	254,632.50	284,265.00
08/01/2025	-	-	28,170.00	28,170.00	-
02/01/2026	230,000.00	1.350%	28,170.00	258,170.00	286,340.00
08/01/2026	-	-	26,617.50	26,617.50	-
02/01/2027	230,000.00	1.400%	26,617.50	256,617.50	283,235.00
08/01/2027	-	-	25,007.50	25,007.50	-
02/01/2028	235,000.00	1.500%	25,007.50	260,007.50	285,015.00
08/01/2028	-	-	23,245.00	23,245.00	-
02/01/2029	240,000.00	1.550%	23,245.00	263,245.00	286,490.00
08/01/2029	-	-	21,385.00	21,385.00	-
02/01/2030	240,000.00	1.750%	21,385.00	261,385.00	282,770.00
08/01/2030	-	-	19,285.00	19,285.00	-
02/01/2031	245,000.00	1.850%	19,285.00	264,285.00	283,570.00
08/01/2031	-	-	17,018.75	17,018.75	-
02/01/2032	250,000.00	1.950%	17,018.75	267,018.75	284,037.50
08/01/2032	-	-	14,581.25	14,581.25	-
02/01/2033	255,000.00	2.050%	14,581.25	269,581.25	284,162.50
08/01/2033	-	-	11,967.50	11,967.50	-
02/01/2034	260,000.00	2.150%	11,967.50	271,967.50	283,935.00
08/01/2034	-	-	9,172.50	9,172.50	-
02/01/2035	265,000.00	2.200%	9,172.50	274,172.50	283,345.00
08/01/2035	-	-	6,257.50	6,257.50	-
02/01/2036	270,000.00	2.250%	6,257.50	276,257.50	282,515.00
08/01/2036	-	-	3,220.00	3,220.00	-
02/01/2037	280,000.00	2.300%	3,220.00	283,220.00	286,440.00
Total	\$4,115,000.00	-	\$716,894.24	\$4,831,894.24	-

Yield Statistics

Bond Year Dollars	\$37,379.10
Average Life	9.084 Years
Average Coupon	1.9179014%
Net Interest Cost (NIC)	2.0500073%
True Interest Cost (TIC)	2.0535135%
Bond Yield for Arbitrage Purposes	1.9052518%
All Inclusive Cost (AIC)	2.2155111%

IRS Form 8038

Net Interest Cost	1.9179014%
Weighted Average Maturity	9.084 Years

Hermantown, Minnesota

\$4,115,000 G.O. Disposal System Bonds, Series 2020B

Assumes Current Market BQ AAA Credit Enhanced Rates plus 20bps

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	105% Overlevy
02/01/2021	235,000.00	1.200%	51,649.24	286,649.24	300,981.70
02/01/2022	215,000.00	1.200%	67,345.00	282,345.00	296,462.25
02/01/2023	220,000.00	1.250%	64,765.00	284,765.00	299,003.25
02/01/2024	220,000.00	1.250%	62,015.00	282,015.00	296,115.75
02/01/2025	225,000.00	1.300%	59,265.00	284,265.00	298,478.25
02/01/2026	230,000.00	1.350%	56,340.00	286,340.00	300,657.00
02/01/2027	230,000.00	1.400%	53,235.00	283,235.00	297,396.75
02/01/2028	235,000.00	1.500%	50,015.00	285,015.00	299,265.75
02/01/2029	240,000.00	1.550%	46,490.00	286,490.00	300,814.50
02/01/2030	240,000.00	1.750%	42,770.00	282,770.00	296,908.50
02/01/2031	245,000.00	1.850%	38,570.00	283,570.00	297,748.50
02/01/2032	250,000.00	1.950%	34,037.50	284,037.50	298,239.38
02/01/2033	255,000.00	2.050%	29,162.50	284,162.50	298,370.63
02/01/2034	260,000.00	2.150%	23,935.00	283,935.00	298,131.75
02/01/2035	265,000.00	2.200%	18,345.00	283,345.00	297,512.25
02/01/2036	270,000.00	2.250%	12,515.00	282,515.00	296,640.75
02/01/2037	280,000.00	2.300%	6,440.00	286,440.00	300,762.00
Total	\$4,115,000.00	-	\$716,894.24	\$4,831,894.24	\$5,073,488.95

Significant Dates

Dated	5/06/2020
First Coupon Date	8/01/2020

Yield Statistics

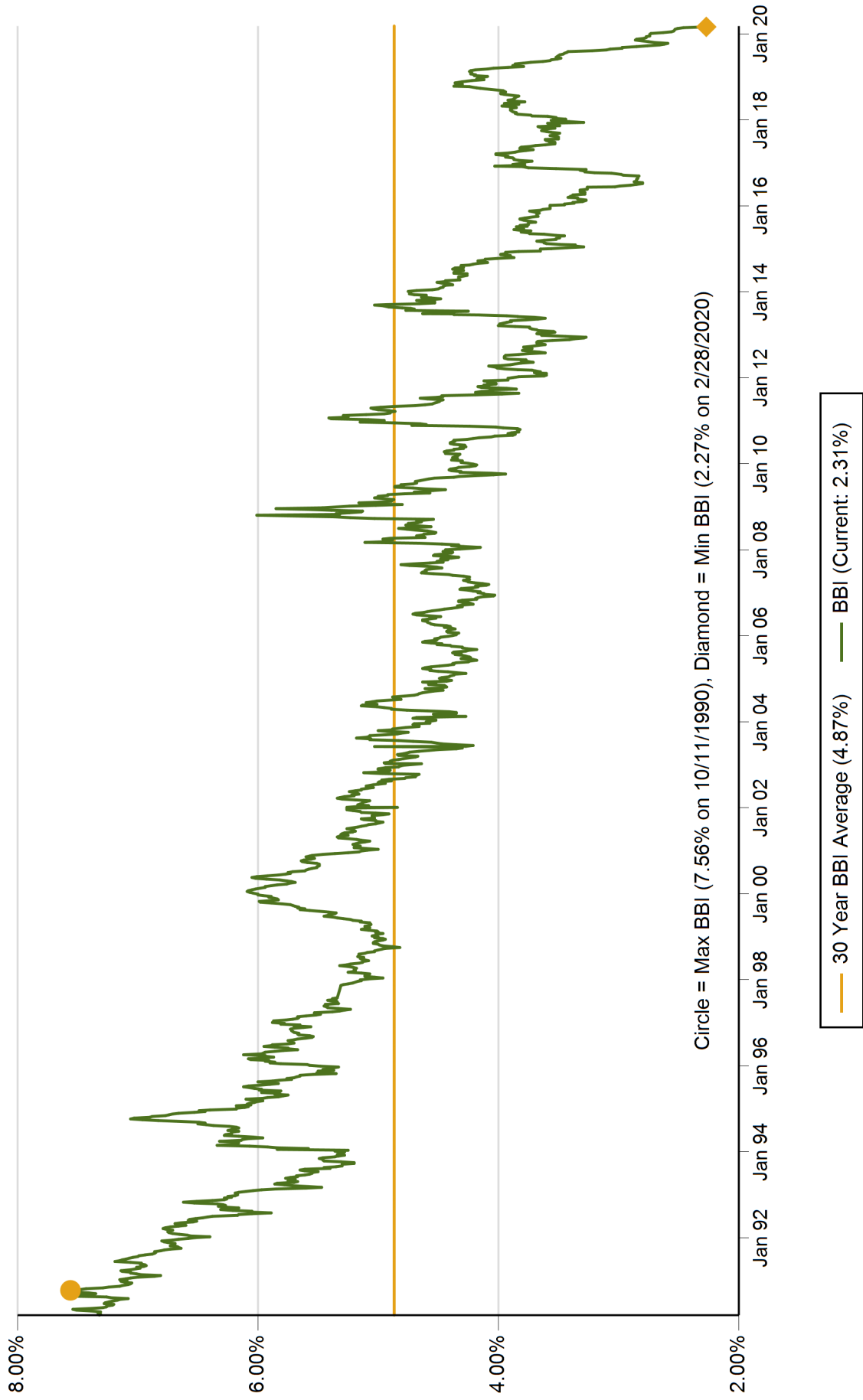
Bond Year Dollars	\$37,379.10
Average Life	9.084 Years
Average Coupon	1.9179014%
Net Interest Cost (NIC)	2.0500073%
True Interest Cost (TIC)	2.0535135%
Bond Yield for Arbitrage Purposes	1.9052518%
All Inclusive Cost (AIC)	2.2155111%

IRS Form 8038

Net Interest Cost	1.9179014%
Weighted Average Maturity	9.084 Years

30 YEAR TREND IN MUNICIPAL BOND INDICES

Weekly Rates March, 1990 - March, 2020



The Bond Buyer "20 Bond Index" (BBI) shows average yields on a group of municipal bonds that mature in 20 years and have an average rating equivalent to Moody's Aa2 and S&P's AA.

Source: The Bond Buyer



Resolution No. 2020-40

RESOLUTION AUTHORIZING THE CITY TO ENTER INTO A CREDIT ENHANCEMENT PROGRAM AGREEMENT WITH THE MINNESOTA PUBLIC FACILITIES AUTHORITY

WHEREAS, the City Council of the City of Hermantown, Minnesota (the "City") proposes to issue its General Obligation Sewage Disposal System Bonds (the "Bonds"), the proceeds of which will be used to finance the costs of construction, improvement or rehabilitation of water, sanitary sewer, and storm sewer facilities; and

WHEREAS, the City Council hereby determines it is in the best interests of the City to apply to the Minnesota Public Facilities Authority (the "Authority") for credit enhancement of the Bonds;

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

1. Approval of the Authority's Credit Enhancement Program Agreement. The Authority's Credit Enhancement Program Agreement (the "Agreement") is hereby approved, the same being before the City Council and made a part of this resolution by reference.
2. Authorization to Sign Agreement and Related Forms. The Mayor and the City Clerk are authorized to sign the Agreement on the City's behalf and to execute any other related forms prescribed by the Authority with respect to the Agreement.
3. Agreement to Comply with Minnesota Statutes, Section 446A.086. The City is entering into the Agreement with the Authority pursuant to Minnesota Statutes, Section 446A.086 (the "Act") and the City hereby agrees to comply with and be bound by the provisions of the Act.
4. Submission of the Agreement. The Mayor and the City Clerk are hereby authorized to submit, on the City's behalf, the Agreement to the Authority, together with the nonrefundable application fee in the amount of \$500.

Councilor ____ introduced the foregoing resolution and moved its adoption.

The motion for the adoption of such resolution was seconded by Councilor ____ and, upon a vote being taken thereon, the following voted in favor thereof:

Councilors

and the following voted in opposition thereto:

WHEREUPON, such resolution was declared duly passed and adopted March 16, 2020.

TO: Mayor & City Council

FROM: Paul Senst, Public Works
Director

DATE: March 10, 2020

Meeting Date: 3/16/20

SUBJECT: Ugstad Road Traffic Study

Agenda Item: 12-D

Resolution 2020-41



REQUESTED ACTION

Approve Ugstad Road Traffic Study contract to SEH Inc.

BACKGROUND

As part of our Capital Improvement Plan and the City's Road Improvement Plan, the City Engineer and Public Works Director requested that a traffic study be completed for the intersection of Ugstad and Arrowhead Roads. Due to the Essentia Wellness Center, some new housing development that has taken place near the intersection, and some proposed new development near this intersection, a traffic study is needed to try to minimize or eliminate the vehicle backup on Ugstad and Arrowhead Roads during peak arrival and dismissal time at the Hermantown schools, events at the schools or Hermantown Arena, and rush hour traffic going through Hermantown. The City Engineer solicited proposals from multiple traffic engineering companies and the proposals were reviewed. After the review was completed by the City Administrator, City Engineer and Public Works Director, it is recommended to award the traffic study contract to SEH, Inc. in the amount of \$38,310.00. This work is to be completed in the 2022 construction season.

SOURCE OF FUNDS (if applicable)

402-431150-550-Project 534

ATTACHMENTS

RFP

Proposals

Resolution No. 2020-41

RESOLUTION AWARDING CONTRACT FOR A TRAFFIC STUDY FOR THE UGSTAD & ARROWHEAD ROAD CORRIDOR

WHEREAS, the City of Hermantown desires to study the traffic patterns along Ugstad and Arrowhead Roads near their intersection, in anticipation of road improvements in 2022; and

WHEREAS, the City received a proposal for the traffic study from Short, Elliot, & Hendrickson, (SEH); and

WHEREAS, the quote from Short, Elliot, & Hendrickson, (SEH) was the lowest priced proposal and the proposal that most fit the City's needs; and

WHEREAS, the traffic study will be provided by Short, Elliot, & Hendrickson, (SEH); and

WHEREAS, after fully considering this matter, the City Council of the City of Hermantown believes that it is in the best interest of the City of Hermantown to award the contract for traffic study to Short, Elliot, & Hendrickson, (SEH);

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

1. Short, Elliot, & Hendrickson, (SEH) is hereby determined to be able to provide the traffic study to the City.
2. The price of \$38,310.00 is hereby accepted.
3. The funds for the payment of the traffic study will be paid from Fund No. 402-431150-550-Project 534.

Councilor ____ introduced the foregoing resolution and moved its adoption.

The motion for the adoption of such resolution was seconded by Councilor ____ and, upon a vote being taken thereon, the following voted in favor thereof:

Councilors

and the following voted in opposition thereto:

WHEREUPON, such resolution was declared duly passed and adopted March 16, 2020.



5105 Maple Grove Road Hermantown, Minnesota 55811
Phone: 218-729-3600 / Fax: 218-729-3620
Website: www.hermantownmn.com

REQUEST FOR PROPOSAL

UGSTAD & ARROWHEAD ROAD CORRIDOR TRAFFIC STUDY

CITY OF HERMANTOWN, MN

February 14, 2020

Proposals Due: March 6, 2020 by 12:00 pm CST

PROJECT OVERVIEW

The City of Hermantown is seeking proposals from qualified firms for engineering services (Consultant) to perform a Traffic Study along the Ugstad Road & Arrowhead Road corridor, extending approximately 1 mile in each direction. Ugstad Road and the Ugstad Road & Arrowhead Road intersection are scheduled for design engineering in 2020-2021 with construction planned for 2022. This traffic study will be used to evaluate the extents of road improvements along each leg.

REQUESTED SERVICES

Due to an increase in traffic created by recently completed projects, (Essentia Wellness Center, ECFE, and new Middle School) the City of Hermantown has seen an increase in backups along Ugstad Road, namely at the intersection of Arrowhead Road. Furthermore, additional projects are being planned along Ugstad Road that are expected to increase vehicle traffic. Consultant shall perform a traffic study of Ugstad Road between T.H. 53 & Maple Grove Road, and Arrowhead Road between Lavaque Road & Lindahl Road. This corridor study shall consist of the following:

- 1) Additional Intersection Counts (both Ugstad & Arrowhead Road)
- 2) Conduct Site Observations (in-person and/or with a drone). Goal here is to show AM & PM peak hour backups.
- 3) Existing and Future Signal Warrant Analysis at Ugstad and Arrowhead Road.
- 4) Forecast Development – See attached map
- 5) Capacity Analysis include the following scenarios
 - a. a.m., school departure, and p.m. peak hours
 - b. look at existing, and future conditions
- 6) Concept Development
 - a. Corridor Cross-Section Need
 - b. Intersection traffic controls (stop control, roundabouts, signals)
 - c. Access improvements
 - d. School and Wellness Center Site Improvements
- 7) Concept Evaluation
 - a. Identify Benefits/Impacts (r/w, environmental, etc.)
 - b. Develop Costs Estimates
 - c. Summarize in an Evaluation Matrix
- 8) Meetings
 - a. Assume 4 meetings (1 with city staff, 2 public engagement, & 1 City Council presentation)
- 9) Deliverable
 - a. Traffic/Feasibility Study (not an ICE Report)

*Attached are two previous Traffic Studies, conducted in January and June of 2015, prior to the opening of Hermantown's Essentia Wellness Center. Also attached is a PDF of a Power Point presented to City Council in January of 2020.

SELECTION

The Consultant shall prepare a cost estimate for the services outlined above. Also include your firm's background, project understanding, and related experience. The City will consider a combination of overall cost, background, project understanding, and related experience in making its selection.

PROJECT TIMELINE

- March 6, 2020 Proposals Due 12:00 pm CST
- March 11, 2020 Proposals Reviewed by March 11, 2020
- March 16, 2020 City Council Awards Contract to Consultant
- March – May 2020 Public Meetings, Presentation to Council, & Report Preparation
- May 15, 2020 Final Traffic Study Report Delivered to the City

INSTRUCTIONS TO PROPOSERS

Any questions on the RFP must be submitted to David Bolf by email (david@nce-duluth.com) and must be received no later than **3:00 p.m. on February 25, 2020**. An email response will be provided to all proposers to whom the City sent a copy of this RFP and other proposers who have contacted the City by that date, by noon on **Friday February 28, 2020**.

The proposal shall be limited to a **maximum of 10 pages** in PDF format, which includes cover letter, and all supporting documentation. Additional material, other than that requested by the City of Hermantown, will be disregarded.

Proposals Emailed to:

David Bolf P.E. – City Engineer
Northland Consulting Engineers, LLP
Phone: 218.727.5995
Email: david@nce-duluth.com

EXHIBIT A

TENNESSEN WARNING
Data Practices Advisory

The information that you are asked to provide is classified by state law as either public, private or confidential. Public data is information that can be given to the public. Private data is information that generally cannot be given to the public but can be given to the subject of the data. Confidential data is information that generally cannot be given to either the public or the subject of the data.

Our purpose and intended use of this information is to consider your proposal in response to a Request for Proposal.

You are not legally required to provide this information.

You may refuse to provide this information.

The consequences of supplying or refusing to supply data are that your proposal may not be considered or it may be denied.

Other persons or entities may be authorized by law to receive this information. The identity of those persons or entities, if known, are as follows: _____

_____.

The undersigned has read this advisory and understands it.

Dated this ____ day of _____, 20__.

Print Name

Signature and Title (if signing on behalf of an entity)

EXHIBIT B

Standard Municipal/Government Entity Consultant Agreement Insurance Requirements

1. Standard of Performance and Insurance; Indemnity. All services to be performed by Consultant hereunder shall be performed in a skilled, professional and non-negligent manner. Consultant shall obtain and maintain at his/her/its cost and expense:

1.1. Comprehensive general liability insurance that covers the Consultant services performed by Consultant for Owner with a combined single limit of liability of at least One Million Dollars (\$1,000,000.00).

1.2. Errors and omissions or equivalent insurance that covers the Consultant services performed by Consultant for Owner with a combined single limit of liability of at least One Million Dollars (\$1,000,000.00).

1.3. Worker's compensation insurance covering Consultant (if an individual) all of Consultant's employees with coverages and limits of coverage required by law.

1.4. In addition to the coverages listed above, Consultant shall maintain a professional liability insurance policy in the amount of \$2,000,000. Said policy need not name the City as an additional insured. It shall be Consultant's responsibility to pay any retention or deductible for the professional liability insurance. Consultant agrees to maintain the professional liability insurance for a minimum of two (2) years following termination of this Agreement.

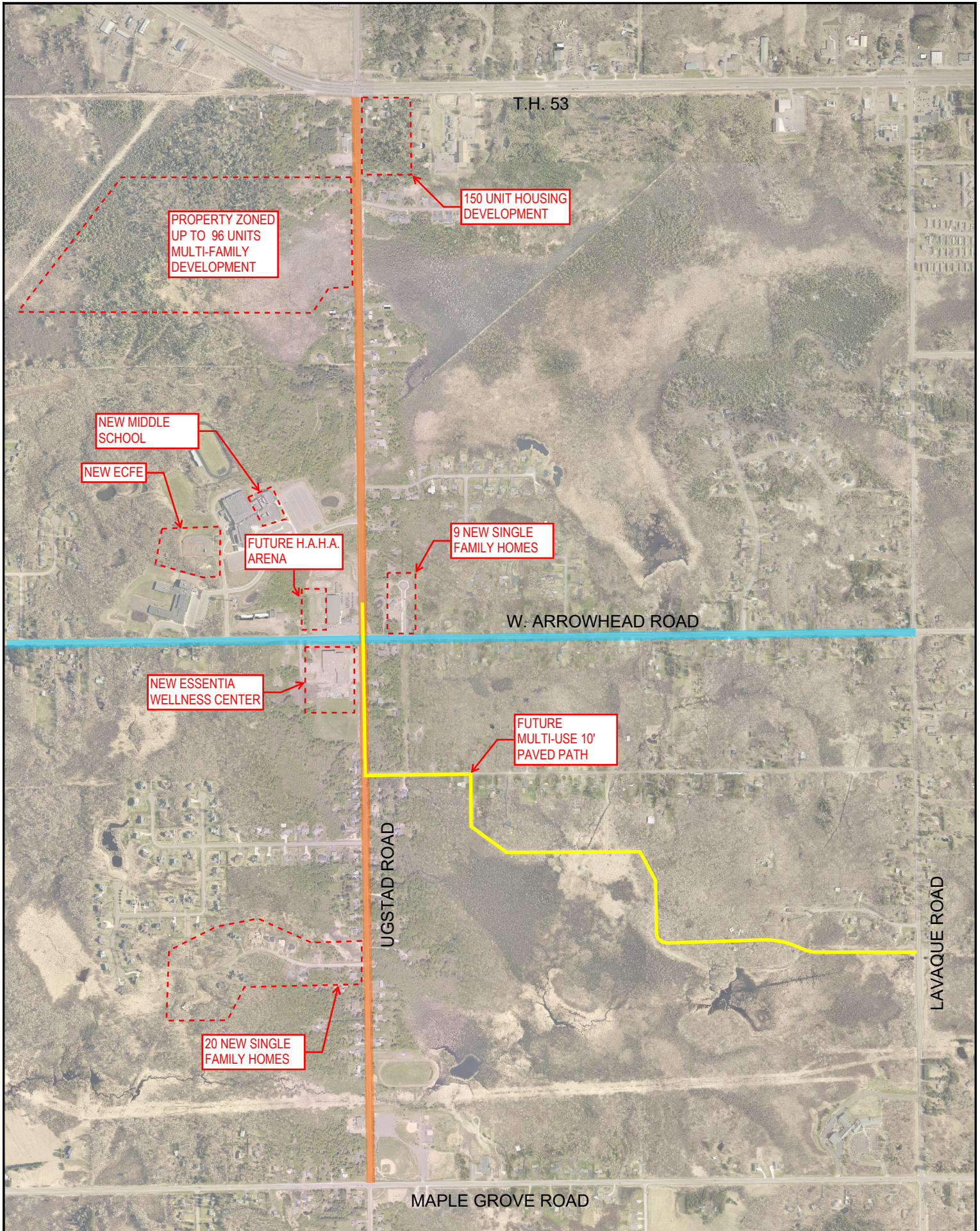
Consultant shall indemnify and hold harmless Owner from and against all errors, omissions and/or negligent acts causing claims, damages, liabilities and damages arising out of the performance of his/her/its services hereunder.

Consultant certifies that Consultant is in compliance with all applicable worker's compensation laws, rules and regulations. Neither Consultant (if an individual) nor Consultant's employees and agents will be considered Owner employees. Any claims that may arise under any worker's compensation laws on behalf of any employee of Consultant and any claims made by any third party as a consequence of any act or omission on the part of Consultant or any employee of Consultant are in no way Owner's obligation or responsibility. By signing this Agreement, Consultant certifies that Consultant is in compliance with these laws and regulations.

Consultant shall deliver to Owner, concurrent with the execution of this Agreement, one or more certificate(s) of insurance evidencing that Consultant has the insurance required by this Agreement in full force and effect. Owner shall be named as additional insured under such Consultant's comprehensive general liability policy. The insurer will provide at least thirty (30) days prior written notice to Owner, without fail, of any cancellation, non-renewal, or modification of any of the Consultant's comprehensive general liability policy or coverage evidenced by said certificate(s) for any cause, except for nonpayment of premium. The insurer will provide at least ten (10) days prior written notice to Owner, without fail, of any cancellation of any of the Consultant's comprehensive general liability policy or coverage evidenced by said certificate(s) for nonpayment of premium. Consultant shall provide Owner with appropriate endorsements to Consultant's comprehensive general liability policy reflecting the status of Owner as an additional insured

and requiring that the foregoing required notice of cancellation, material alteration or non-renewal be provided Owner by the insurance company providing such insurance policy to Consultant.

The Consultant shall require any subcontractor permitted by Owner to perform work for Consultant on the Project to have in full force and effect the insurance coverage required of the Consultant under this Agreement before any subcontractor(s) begin(s) work on the Project. Consultant shall require any such subcontractor to provide to Consultant a Certificate of Insurance evidencing that such subcontractor has the insurance required by this Agreement in full force and effect. The Consultant and Owner shall be named as additional insureds under such policies. The insurer will provide 30 day written notice to Owner and Consultant, without fail, of any cancellation, non-renewal, or modification of the subcontractor's comprehensive general liability policy or coverage evidenced by said certificate(s) for any cause, except for nonpayment of premium. The insurer will provide at least ten (10) days prior written notice to Owner, without fail, of any cancellation of any of the subcontractor's comprehensive general liability policy or coverage evidenced by said certificate(s) for nonpayment of premium. Owner shall also be provided with appropriate endorsements to subcontractor's comprehensive general liability policy reflecting the status of Owner as an additional insured and requiring that the foregoing required notice of cancellation, material alteration or non-renewal be provided Owner by the insurance company providing subcontractor's comprehensive general liability policy.



March 6, 2020

David Bolf P.E. – City Engineer
City of Hermantown
5105 Maple Grove Road Hermantown
Minnesota 55811



Building a Better World
for All of Us®

RE: Ugstad & Arrowhead Road Corridor Traffic Study

Dear Mr. Bolf and Members of the selection committee:

The City of Hermantown is moving forward with a traffic study to understand the extent of road improvements for upcoming reconstruction projects along the Ugstad Road and Arrowhead Road corridor. This area has been affected by recent increases in traffic, and a successful traffic study will be one that provides a solid foundation for effective improvement projects moving forward. Based on our knowledge of the area and our experience with similar projects, our Short Elliott Hendrickson Inc. (SEH®) team has identified the following critical success factors for the traffic study:

Tailored stakeholder engagement to fully understand needs and concerns

The increased traffic in this area of Hermantown affects a number of businesses and local user groups, including the School District, Hockey Association and Essentia Wellness Center. Part of the increase in traffic is generated from the new Essentia Wellness Center. With multiple parties having an interest in the project, it will be important to clearly articulate the need for future improvements to get the support of stakeholders. We will work with you to develop a stakeholder engagement program to hear all voices, and we will use this program as the foundation of communication with City staff and the City Council.

Accurate traffic analysis to support future roadway improvements and operations

Designing roadways and intersections that operate well into the future requires a traffic model that represents existing conditions accurately. Using Synchro/SimTraffic software, SEH will calibrate a traffic model to match peak traffic times. We can model traffic volumes in five-minute increments to accurately portray traffic patterns observed in the field. This ability to provide accurate analysis will be crucial for meeting your goals in terms of understanding project impacts and balancing improvements to alleviate school-related traffic issues without overbuilding the intersection. SEH will be able to provide a strong foundation with required information, such as AM and PM peak hour backups, for you to eventually move forward with efficient and effective design and construction.

Knowledge of Hermantown process and requirements to ease workload for City staff


Your staff has to focus on a number of different projects and priorities, making it important for your consultant to be able to deliver this study with minimal oversight. We offer a team that will allow City staff to focus on other priorities with good project management and communication. Chad Jorgenson will serve as our project manager. He will work together with Matt Bolf, who will serve as principal-in-charge and lead stakeholder involvement, to provide you with the trust and familiarity that will allow you to know your project is successfully moving forward with a consultant that truly understands the needs of your community and staff.

We have introduced our team and our approach in this proposal, and we look forward to the opportunity to discuss this project with you further. We also acknowledge receipt of addendum #1 received on March 3, 2020. Please don't hesitate to contact me at 651.256.0427 or cjorgenson@sehinc.com if you have any questions or would like additional information.




CHAD JORGENSON, PE, PTOE
PROJECT MANAGER




MATT BOLFF, PE
CLIENT SERVICE MANAGER

We are ready to get to work and provide you with the trust that we can deliver without you needing to worry about day-to-day management.

Engineers | Architects | Planners | Scientists

Project Understanding

GOALS

The City of Hermantown is looking to complete a corridor study to evaluate the needs of Ugstad Road from TH 53 to Maple Grove Road and along Arrowhead Road from Lindahl Road to Lavaque Road. Due to recently completed development in the area, proposed future development, impending construction projects and school traffic, both Ugstad and Arrowhead Road are in need of reevaluation of their capacity needs.

This corridor study will help guide the extent of the road improvements planned for this intersection in 2022. A successful study will accomplish the following goals:

Goal 1: Meet with affected stakeholders and businesses to inform them about the upcoming road improvements

Goal 2: Communicate a clear framework of the project impacts and timelines

Goal 3: Gather accurate traffic data, including:

- Turning movement counts, including peak AM, school dismissal and PM peak traffic volumes
- Understanding how nearby facilities generate backups during those peak hours
- Crash history, including review of the previous five years of crash data

Goal 4: Position the City to proceed with design and construction projects

Goal 5: Information formalized in Corridor Study

We have selected our team members to provide experience and expertise in all of the required tasks to meet these goals. Chad Jorgenson will serve as our project manager, drawing on his experience providing traffic solutions on a number of similar projects.

Supported by additional in-house professionals to address each project component, we are eager to work with you and project stakeholders to support lasting solutions to this corridor that safely serve users now and into the future.

OBJECTIVES

SEH is committed to completing this study to meet these goals. Our objectives to complete the study include the following:

Develop a tailored engagement plan to inform affected stakeholders and get feedback about their concerns and needs for future projects.

Traffic volumes are set to increase given the proposed development in the area. Outreach will need to be focused on what this increased volume actually looks like and how traffic moves during AM and PM peak periods versus the rest of the day.

Key aspects of outreach for this corridor will include the following:

- Communicating with key stakeholders such as the School District, Hockey Association and Wellness Center and Hermantown ECFE
- Educating the stakeholders about the primary cause of traffic issues in the area with peak morning and afternoon school traffic

Our previous experience in Hermantown has shown that it is important to provide strategic and proactive outreach to earn stakeholder buy-in. We will use an approach that addresses both the technical and the “soft” side of the project to explain upcoming improvements and get feedback.

Provide accurate traffic analysis to inform upcoming roadway design and construction projects. Representing the existing conditions and projecting future demands accurately will be crucial to developing sound design and realistic, constructible projects. Given the number of moving parts with recently completed and upcoming projects, having accurate traffic data will be key to implementing effective improvements.

This will also be particularly important given the unique function of school land use and its impacts on the surrounding roadway network. Our experience shows that traffic queuing issues and longer delays are experienced for approximately a half hour before school start times and a half hour after school dismissal. Finding the balance of roadway improvements to help alleviate school related traffic congestion without overbuilding the corridors is critical to project success.

Develop a thorough project management plan for smooth project delivery. Our approach will allow your staff to focus on other priorities with good project management and communication. We recognize you are working on several large projects and proposed developments in the City and need to be able to focus on other needs. With our proven technical knowledge and trusted working relationship with City staff, you will be able to know your project is moving forward with minimal oversight.

The outcome of improvements to this corridor will be improved traffic operations to benefit residents, businesses and users alike. SEH offers the technical expertise combined with the familiarity with Hermantown and your processes to deliver an accurate traffic study while providing ease of day-to-day business for your staff.

SEH team members have completed numerous corridor studies as well as traffic impact studies that involve school operations. Such projects include the TH 33 Corridor Study in Cloquet, London Road Corridor Study in Duluth, Cloquet Middle School Traffic Impact Study, and Washington Elementary School Traffic Impact Study in Cloquet.

Team

SEH's experience in working with peak traffic volumes associated with schools combined with our traffic modeling know-how leads to solutions that not only help alleviate congestion during the school peak arrival and dismissal time periods, but also provide cost-effective solutions to traffic flow issues throughout the rest of the day. **Through the use of drone footage and in-person site observations, SEH is able to accurately calibrate our traffic models to reflect conditions in the field. Drone footage is also useful in demonstrating to stakeholders the issues of concern.**

Our project team has worked collaboratively with schools to develop unique and functional solutions to traffic flow problems on school sites. These solutions have helped improve both student drop-off and pick-up operations which tend to contribute to congestion on the surrounding roadway network if not operating efficiently.

The project personnel for this project are shown here.



CHAD JORGENSON PE, PTOE PROJECT MANAGER

Chad will serve as the overall project manager. He will guide the activities of the project team, monitor schedule and budget and oversee quality of all project deliverables. Chad is a professional traffic engineer specializing in transportation engineering. Chad has seven years of experience and is a Certified Professional Traffic Operations Engineer. He specializes in traffic operations, traffic safety and intersection control evaluations, as well as maintenance of traffic and traffic control plans. Most recently, Chad has specialized in arterial corridor operations and signal timing projects throughout the State. He is knowledgeable in a variety of industry software applications including Synchro/ SimTraffic, Highway Capacity Software (HCS), AutoCAD Civil 3D, Microstation, SignCAD, VISSIM and Microsoft Office Suite. **Chad's recent work experience on similar projects includes:**

- Washington Elementary School Traffic Study – Cloquet Public Schools, MN
- Cloquet Middle School Traffic Study – Cloquet Public Schools, MN
- White Bear Schools Traffic Impact Study – White Bear Lake Area School District, MN
- White Bear Center for the Arts Traffic Study – White Bear Lake, MN
- London Road Traffic Study and Layout (MNDOT) – Duluth, MN

REGISTRATIONS Professional Engineer in MN, IA



MATT BOLF PE CLIENT SERVICE MANAGER/ STAKEHOLDER INVOLVEMENT

Matt will lead stakeholder involvement. He will also serve as client service manager and principal-in-charge for our team. Matt will be the client service manager and principal-in-charge for our team. With more than 19 years of experience, he will lead the stakeholder involvement by implementing his experience in managing agency coordination, public involvement, preliminary design, final design and construction for a wide variety of projects. Matt's background in public involvement will ensure communication with the public and project stakeholders throughout the traffic study process. **Matt's related work experience includes:**

- Park Point Traffic Impact Evaluation – Duluth, MN
- Market Street and Loberg Avenue Reconstruction – Hermantown, MN

- Stebner Road Reconstruction – Hermantown, MN

REGISTRATIONS Professional Engineer in MN, WI



GRAHAM JOHNSON PE, PTOE
LEAD TRAFFIC ENGINEER

Graham will be responsible for modeling existing and future conditions.

Graham is a senior professional engineer with 19 years of experience specializing in traffic operations analysis, transportation planning, safety analysis, benefit-cost analysis, preliminary design and traffic impact studies. He has an extensive background in operations of freeways, interchanges, intersections and corridors, working with multiple municipal, county and state agencies. He is proficient in CORSIM, Synchro/SimTraffic, Rodel, HCS, VISSIM, IHSDM and the StreetLight Data platform. **Graham's recent work experience on similar projects includes:**

- Wayzata High School Traffic Study – Plymouth, MN
- Northeast Area Phased Traffic Impact Study – Woodbury, MN
- Safe Routes to School Study – Brainerd, MN

REGISTRATIONS Professional Engineer in MN, IA, SD



SCOTT HOTCHKIN PE
CONCEPT DEVELOPMENT LEAD

Scott will lead the development of concept drawings for the proposed improvements. Scott is a senior professional engineer with 21 years of experience in the design and coordination of all aspects of roadway improvement design, from conceptual alternatives and analysis to final plans and specifications. Scott is a much sought-after expert in conceptual layout development and alternative intersection/interchange design. He fully understands roadway design principles and how/where they can be safely applied to best fit the needs of any site. **Scott's recent work experience on similar projects includes:**

- High School Pedestrian Crossing at TH246 and Jefferson Parkway – Northfield, MN
- White Bear Schools Traffic Impact Study – White Bear Lake Area School District, MN
- London Road Traffic Study and Layout (MNDOT) – Duluth, MN

REGISTRATIONS Professional Engineer in MN, IN, SD, WI



JUSTIN ANIBAS EIT
TRAFFIC ENGINEER

Justin will lead data collection and assist with traffic analysis. Justin brings

close to five years of experience in traffic volume data collection, crash data collection and traffic operations analysis. He is knowledgeable in traffic modeling software, use of the crash modification factor clearinghouse and MnDOT's Crash Mapping Analysis Tool (MCMAT). Additional experience includes working in VISSIM, IHSDM, Synchro/SimTraffic, HCS, ArcGIS and MnPAVE. **Justin's recent work experience on similar projects includes:**

- Northeast Area Phased Traffic Impact Study – Woodbury, MN
- White Bear Schools Traffic Impact Study – White Bear Lake Area School District, MN
- White Bear Center for the Arts Traffic Study – White Bear Lake, MN
- Gideon Pond Elementary School Zone Study – Burnsville, MN

 **Project Approach**

To address all of your project's critical success factors, you need a consultant with:

- Strong traffic study experience in St. Louis County communities
- Local stakeholder involvement lead able to quickly coordinate with the City and affected stakeholders
- Traffic study and concept development modeling expertise, including in areas with school land use
- Experience in Hermantown and thorough understanding of your standards and requirements

SEH proposes to provide the following approach, which includes the tools, expertise and communications that will help you meet this goal.

PROJECT SERVICES

TASK 1 – PROJECT MANAGEMENT

Project Manager Chad Jorgenson will effectively communicate with all project stakeholders to maintain the project schedule and budget using the project management techniques outlined below. **A project kickoff meeting will be held to confirm the project scope, chart the project course and confirm the project schedule.**

Communication. Chad's approach includes working with all affected parties through an open, cooperative and collaborative process. Chad will work with Matt Bolf, our principal-in-charge and client service manager, to tailor communication between SEH staff and the City of Hermantown's project manager to be as effective as possible and deliver the study with minimal oversight.

Schedule. Chad will manage the schedule we have proposed to assure timely submittal of deliverables and project completion within the City's schedule and contract limits.

Costs. Chad will continually monitor project activity and hours and compare to the task budget. A monthly project summary will include up-to-date information on both cost and schedule, as well as any ongoing action items and risk items to track.

Quality Assurance/Quality Control (QA/QC). Our project-specific quality management plan will include a detailed review of deliverable inputs and results by a qualified traffic engineer as well as Matt Bolf.

Deliverables: Meeting facilitation, agendas and minutes, schedule and budget updates, invoices, QA/QC

TASK 2 – DATA COLLECTION & SITE OBSERVATIONS

We will utilize video cameras to record traffic at the following intersections to obtain roadway and site AM and PM peak hour turning movement counts:

- Ugstad Road at Arrowhead Road
- Ugstad Road at Hawk Circle Drive
- Arrowhead Road at Hawk Circle Drive
- Hawk Circle Drive at Elementary School Access Point

Thirteen-hour traffic counts will be conducted at the intersections along Ugstad Road and Arrowhead Road, and a six-hour count will be conducted at the intersection of Hawk Circle Drive at the Elementary School access point.

In addition, SEH plans to conduct school site observations both in person and through the use of an aerial drone. Given the need to view both the school drop-off and intersection operations of Ugstad Road/Hawk Circle Drive at the same time and the surrounding school site topography, it was determined that the drone would need to fly higher than the maximum flight altitude restrictions set forth by the Duluth International Airport.

Based upon this information, a waiver has been applied for through the Duluth International Airport to increase the flight altitude to capture the school site circulation in

its entirety. The City of Hermantown may use this waiver request regardless of the proposal outcome.

Deliverable: Turning movement counts at key intersections, drone footage of peak traffic periods to quantify peak hour traffic queuing.

TASK 3 TRIP GENERATION, DISTRIBUTION, TRAFFIC FORECASTS, AND WARRANT ANALYSIS

The project team will develop trip generation estimates for the proposed land uses, provided by the City, using the Institute of Trip Generation Manual 10th Edition. These trips will be distributed to the roadway network based on a review of the traffic patterns in the area both locally and regionally, as well as trip distribution patterns that have been used in previous studies.

To develop traffic forecasts for this area, SEH will review the previous studies that have been completed in the area, the historical traffic volume AADT counts, and the Duluth-Superior Transportation Plan to ensure that background growth rates are appropriate for the area.

The proposed development trips, along with the background traffic forecasts and crash information from the previous five years, will be used to conduct a traffic signal warrant analysis at the intersection of Arrowhead Road/Ugstad Road.

Deliverable: Warrant analysis at Ugstad Road/Arrowhead Road

TASK 4 – CAPACITY ANALYSIS

We will use Synchro/SimTraffic to model traffic operations for the AM, school dismissal, and PM peak hours under both existing and future conditions. This software produces industry standard results and excels when modeling different intersection alternative options.

To ensure accurate modeling results for future scenarios, it will be critical that the existing conditions model be calibrated to reflect existing operations. To accomplish this, we propose to use the count video, drone footage and in-person field observations to quantify queuing.

Deliverable: Traffic operational analysis to be used in Final Feasibility Study

TASK 5 – CONCEPT DEVELOPMENT AND EVALUATION

In conjunction with the capacity analysis, we will identify and develop concept alternative options to help alleviate congestion issues along Arrowhead and Ugstad Road. Scott Hotchkin will develop roadway solutions which take

into consideration future traffic volumes and proposed land use changes. Based upon site observations, recommendations will be made to help facilitate more efficient traffic operations at both the school and the Essentia Wellness Center.

As part of this process, SEH will develop an evaluation matrix to best summarize the different alternative options, costs, environmental and right-of-way impacts.

Deliverables: Concept drawings showing proposed improvements, evaluation matrix of costs/impacts of proposed improvements

TASK 6 – MEETINGS & DOCUMENTATION

In addition to regular communication with the City, SEH will attend four in-person meetings – one meeting with City staff, two meetings with project stakeholders, and one City Council presentation.

SEH will use feedback and comments received at the stakeholder meetings and from the City and City Council to finalize the Corridor Study.

Deliverables: Traffic/Feasibility Study, four meetings and presentation material

ISSUES MAP



Ugstad Road looking north, southbound right turning vehicles trying to enter the school at Hawk Circle Drive use the shoulder or slow in the shared through lane.



Ugstad Road looking south, no separate left turn lane to safely store queued vehicles trying to enter the school at Hawk Circle Drive.



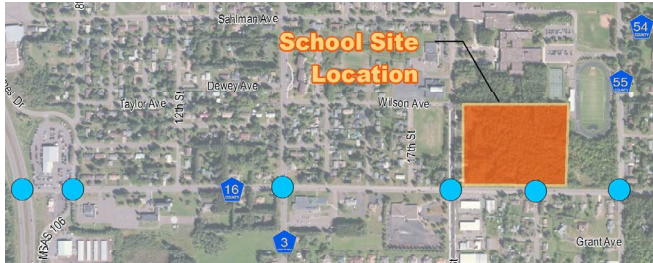
Arrowhead Road looking north, no separate left turn lane previously recommended; shared through-left configuration places majority of volume in single lane which adds to congestion during the peak hours.



Arrowhead Road looking west, this summer the City is planning on striping a dedicated right turn lane from eastbound Arrowhead Road onto southbound Ugstad Road.

Project Experience

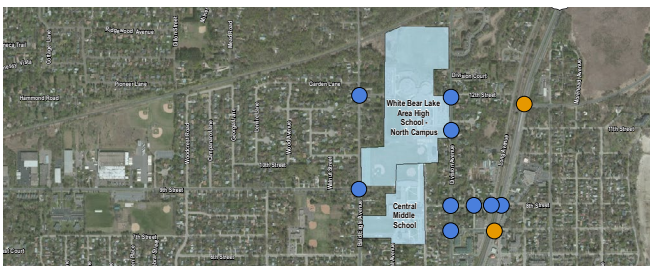
CLOQUET SCHOOL TRAFFIC STUDIES CLOQUET PUBLIC SCHOOLS, MN



SEH assisted the Cloquet School District with the new construction of the Cloquet Middle School. As part of this project, SEH analyzed traffic operations at multiple intersections surrounding the proposed school site. In addition, SEH was contracted to conduct a study of drop-off and pick-up operations at two elementary school sites for the Cloquet School District.

Team Members: Chad Jorgenson, Scott Hotchkin, Justin Anibas

WHITE BEAR SCHOOLS TRAFFIC IMPACT STUDY WHITE BEAR LAKE AREA SCHOOL DISTRICT, MN



This two-phase project included a traffic study for the proposed development around White Bear Lake Area High School – North Campus and Central Middle School. Phase I was intended to inform the pre-design and budgeting, and addresses the need for potential improvements to offsite roads around the proposed facility. SEH is currently working on Phase II, which is being managed by **Chad Jorgenson** and is intended to inform the design process. This phase will include phased improvements needed to offsite roads around the proposed facility.

Team Members: Chad Jorgenson, Scott Hotchkin, Justin Anibas

LAKE CITY, NORTHFIELD AND FARIBAULT SIGNAL OPTIMIZATION

MNDOT DISTRICT 6 | LAKE CITY, FARIBAULT AND NORTHFIELD, MN

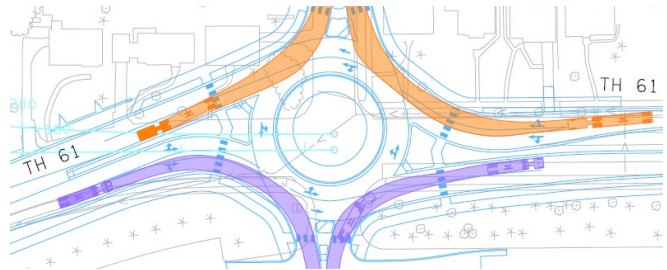


Chad Jorgenson managed this re-evaluation of signal timing along TH 3 in Northfield, TH 60 in Faribault and TH 61/63 in Lake City. Project goals included improving overall traffic signal efficiency, balancing traffic impacts between users of the mainline corridors and those crossing or turning onto the mainline highways, and long-term geometric changes to improve corridor efficiency. Synchro/SimTraffic software was used to optimize signal timing of 15 traffic signals.

Team Members: Chad Jorgenson, Justin Anibas

LONDON ROAD TRAFFIC STUDY AND LAYOUT

MNDOT DISTRICT 1 | DULUTH, MN



SEH is conducting a traffic and safety analysis along London Road (TH 61) through the eastern portion of Duluth. The project will re-evaluate the transportation recommendations identified in a 2009 study by conducting safety and capacity analyses and an intersection control evaluation (ICE). Results of the traffic studies will be used to identify a preferred improvement strategy that is cost-effective and supported by the previous involvement efforts. A preliminary and final geometric layout, along with cost estimates, will be prepared.

Team Members: Chad Jorgenson, Scott Hotchkin, Justin Anibas

WHITE BEAR CENTER FOR THE ARTS TRAFFIC STUDY

WHITE BEAR LAKE, MN

The White Bear Center for the Arts located in White Bear Lake, north of 8th Street on Long Avenue, is planning an expansion which will include additional parking with access to Long Avenue. **Project Manager Chad Jorgenson** is leading the SEH team, which is currently working with the City of White Bear Lake and NewStudio Architecture to provide a traffic study to evaluate the impacts to Long Avenue and the intersection of Long Avenue and 8th Street.

Team Members: Chad Jorgenson, Justin Anibas

WOODBURY NORTHEAST AREA PHASED TRAFFIC IMPACT STUDY

WOODBURY, MN

SEH performed a traffic and roadway planning study to define the sequence of roadway and traffic control improvements that should be made to support phased development in the northeast area of Woodbury. The 580-acre study area was studied as 17 parcels in eight subareas

with varying light industrial, commercial, retail and residential land uses. Recommendations were provided for anticipated needs in 2022, 2025 and 2028 to allow the City to program the financing of the projects. For each phase, SEH defined the appropriate roadway types, provided guidance on public street intersection and private access locations, and defined the type of intersection control to be anticipated.

Team Members: Graham Johnson, Justin Anibas











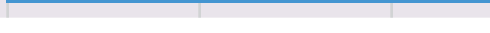
WAYZATA HIGH SCHOOL TRAFFIC STUDY

PLYMOUTH, MN

SEH was hired by the City of Plymouth to study signalized and non-signalized access points on Peony Lane adjacent to Wayzata High School, as well as pedestrian crossing safety, speed zones, dropoff and pickup loading zones, and bus arrivals and departures. The study resulted in a variety of recommendations to improve safety including dropoff lane realignment, accessible pedestrian signals, no right turn on red, dynamic speed display signs, pedestrian refuge island, and advance guide signs for lane assignments for arriving drivers.

Team Members: Graham Johnson, Justin Anibas

Schedule/Timeline

Task Name	MARCH	APRIL	MAY	JUNE
Milestones	 			 
Project Management				
Data Collection and Site Observation				
Intersection Warrants and Traffic Forecast				
Traffic Capacity Analysis				
Concept Development and Evaluation				
Meetings and Documentation				

MILESTONES

-  Spring break
-  Kickoff meeting
-  Stakeholder meetings
-  Last day of school

	HOURS									TOTAL HOURS
	JORGENSON PROJECT MANAGER	BOLF PROJECT ENGINEER	HOTCHKIN PROJECT ENGINEER	JOHNSON PROJECT ENGINEER	KUTIL PROJECT ENGINEER	ANIBAS GRADUATE ENGINEER	JUELFs GRADUATE ENGINEER	STEUERNAGEL GIS ANALYST	METCALF ADMIN. TECHNICIAN	
Task #1 – Project Management	16	4	0	0	0	0	0	0	2	22
Task #2 – Data Collection and Field Observations	0	0	0	0	10	23	15	0	0	48
Task #3 – Control Warrants and Traffic Forecasts	4	0	0	4	0	14	0	2	0	24
Task #4 – Traffic Capacity Analysis	2	0	0	6	0	16	0	0	0	24
Task #5 – Concept Development and Evaluation	8	0	10	0	0	2	32	0	0	52
Task #6 – Project Meetings and Final Report	42	12	2	14	0	36	0	4	2	112
TOTAL PROJECT COST										\$38,310

EXHIBIT A
TENNESSEN WARNING
Data Practices Advisory

The information that you are asked to provide is classified by state law as either public, private or confidential. Public data is information that can be given to the public. Private data is information that generally cannot be given to the public but can be given to the subject of the data. Confidential data is information that generally cannot be given to either the public or the subject of the data.

Our purpose and intended use of this information is to consider your proposal in response to a Request for Proposal.

You are not legally required to provide this information.

You may refuse to provide this information.

The consequences of supplying or refusing to supply data are that your proposal may not be considered or it may be denied.

Other persons or entities may be authorized by law to receive this information. The identity of those persons or entities, if known, are as follows: _____

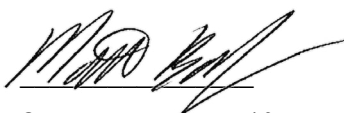
_____.

The undersigned has read this advisory and understands it.

Dated this 6th day of March, 2020.

Matt Bolf, PE

Print Name



Principal/Client Service Manager

Signature and Title (if signing on behalf of an entity)



March 5, 2020

David Bolf, PE, City Engineer
City of Hermantown
5015 Maple Grove Road
Hermantown, MN 55811

Subject: Proposal for Professional Services for:
Ugstad Road and Arrowhead Road Corridor Traffic Study

Dear Mr. Bolf:

SRF Consulting Group (SRF) is pleased to submit this proposal to conduct a corridor traffic study along Arrowhead Road in the City of Hermantown. The City of Hermantown recently received federal and state-aid funding for roadway and intersection improvements along the Ugstad Road and Arrowhead Road Corridors. The following information provides our project understanding, the SRF team and related work experience, as well as our scope of services and associated budget. We recognize the addendum and it is addressed within the schedule section of this proposal.

Project Understanding

Based on our experience within the community and conversations with key area stakeholders, the following information summarizes our project understanding.

- **Operational Issues** – Intersection capacity and queueing issues were quantified at the Ugstad Road and Arrowhead intersection as part of the *Hermantown Regional Wellness Center Traffic Study*, completed by SRF Consulting in 2015. These issues are anticipated to increase as development occurs along the corridor.
- **Planned Roadway Improvements** - The City of Hermantown received federal and state-aid funding for roadway and intersection improvements along the Ugstad Road and Arrowhead Road Corridors. The project will consist of a combination of pavement reconditioning and intersection improvements. Design for the project is anticipated for 2020 and 2021, with project construction anticipated for 2022.
- **Area Development** – Traffic and travel patterns have changed along the corridor as the Essentia Wellness Center, the Early Childhood Family Education (ECFE), and the Hermantown Middle School developments have all been recently completed. In addition, an expanded hockey arena and over 250 housing units are planned along the Ugstad Road Corridor in the next few years.
- **Enrollment Capacity** – The Hermantown Schools are currently at enrollment capacity and there is the potential for future school expansion.
- **Pedestrian Safety** – There is a desire to improve pedestrian and bicycle safety along and across the study corridors, including before and after events. In addition, a future multi-use trail is proposed along Ugstad Road with key crossings at Arrowhead Road and across Ugstad Road at Lavaque Junction Road.

Once completed, the Ugstad Road and Arrowhead Road Corridor Traffic Study will provide the framework to reconstruct the study corridor to ensure safe and efficient operations for all modes of transportation. The study will identify key issues and impacts, with a goal of identifying a locally preferred alternative.

The SRF Team

SRF is proposing a study team with an extensive background in school/corridor traffic studies and roadway design. We have the technical capabilities and project experience to provide the highest quality of products and services. The SRF team will be led by Matt Pacyna, PE, who is an expert in corridor studies and has worked on more than 50 school studies in his career, including the Regional Wellness Center Traffic Study in 2015. Matt will be supported by Tom Sachi, Alys Johnson, Jonathan Filmore, and Brian Johnson. An overview of the SRF team members is provided as follows.

Matt Pacyna, PE – Principal, Project Manager



Over the past 14 years, Matt's work has focused on municipal, county, and state intersection, corridor, and feasibility studies throughout the Midwest. Through this work, he has gained valuable experience in a wide variety of traffic operations, intersection and corridor safety, and roadway design strategies. This expertise has allowed him to successfully guide solutions to multiple traffic impact, small area, and corridor studies, while incorporating various vehicular and pedestrian/bicyclist safety elements. Furthermore, his diverse project management experience throughout enables him to bring fresh ideas to clients.

Tom Sachi, PE – Associate, Lead Traffic Operations



Tom has worked in SRF's Traffic Studies group for 8 years and has focused on traffic impact studies, corridor studies, and traffic safety. Tom specializes in traffic operations for school and event related traffic, travel demand management, and neighborhood and pedestrian safety. Additionally, Tom assisted the City of Hermantown with the *Hermantown Regional Wellness Center Traffic Study* completed in 2015, which included a detailed analysis of not only the traffic impacts associated with the Wellness Center, but also the impacts with the relocation of the adjacent schools. This historical perspective is an asset that Tom brings to the SRF team.

Alys Johnson, PE – Senior Engineer, Lead Conceptual Development



Alys is a reliable and diligent member of SRF's highway department. Her work focuses on design-related tasks such as staging, traffic control, erosion control, alignments, profiles, and cross-sections. Her experience includes the development of preliminary design and final design plans for both municipal and highway projects as well as inspection responsibilities. She has worked on a wide range of corridor studies and can effectively identify key issues, impacts, and benefits related to design at the feasibility level.

Jonathan Filmore – Engineer, Landscape Architecture & Multimodal Design



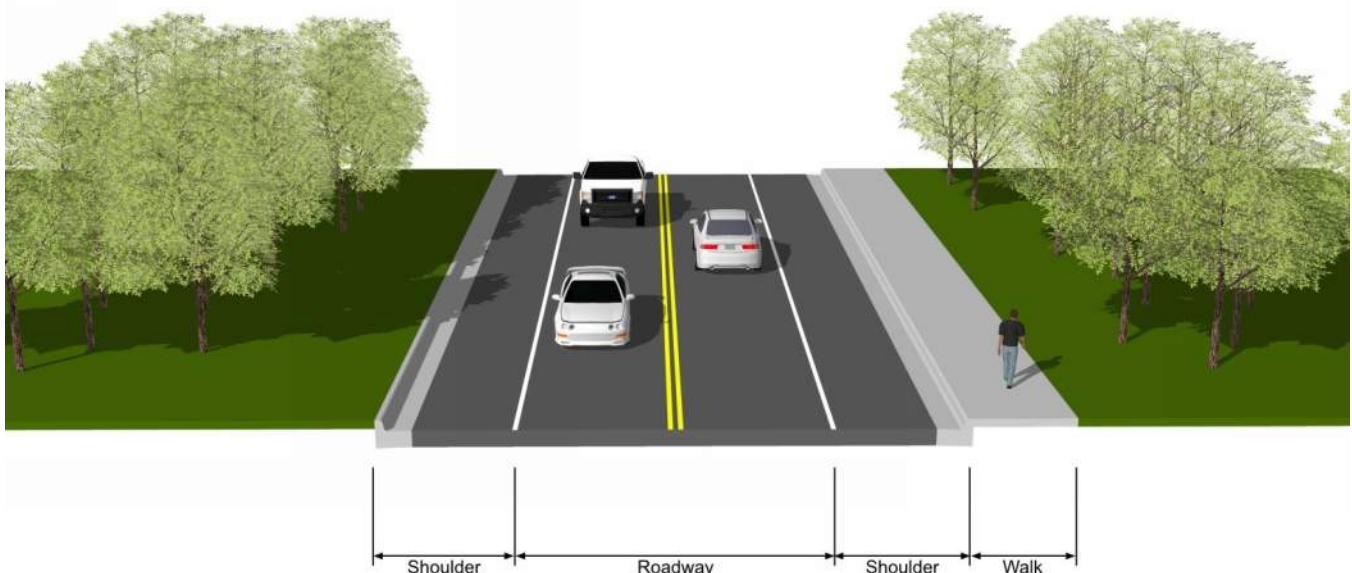
Jonathan joined SRF in 2016 after receiving his Masters of Landscape Architecture from the University of Minnesota. Jonathan’s design expertise includes trail and bicycle planning, park master planning, ecological design, geospatial analysis, and a wide range of arboriculture practices. As a year-round bicycle commuter, Jonathan is passionate about bicycle infrastructure design. His combination of experience and skills augments his ability to provide innovative design solutions that improve the experience for the enjoyment and safety of pedestrians and bicyclists.

Brian Johnson, PE - Principal, Project Advisor



Brian, who grew up in the area, has a broad range of highway and municipal engineering experience with a reputation for successfully managing complex multidisciplinary projects that include the design and construction of roadways, roundabouts, public utilities, streetscapes, planning, traffic signals, bridges, retaining walls, and stormwater management systems. Brian specializes in efforts that require intensive stakeholder and public involvement. Using a calm, approachable style, Brian listens to project stakeholders and respectfully addresses their questions and concerns.

Example cross-section illustration that could be developed for the study



Related Project Experience

SRF has extensive experience evaluating school operations, performing corridor studies, roundabout design, and identifying opportunities for short- and long-term planning. We have summarized our recent and relevant project examples below. We feel this experience will provide you with an extraordinary team.

Hermantown Regional Wellness Center Traffic Study

In 2015, SRF completed a traffic study for the proposed Regional Wellness Center located in the southwest quadrant of the Arrowhead Road/Ugstad Road intersection in Hermantown, where the Hermantown Middle School was previously located. The new development, which opened in late 2019, consisted of approximately 72,000 square feet of recreational center space.

SRF provided services for the traffic component of the development. The main objectives of the traffic study were to review existing operations within the study area, evaluate traffic impacts to the adjacent roadway network, and identify improvements to accommodate the development.

Infrastructure improvements were recommended to address operational issues in the area, but were not implemented. SRF also provided a conceptual layout and cost estimate for a potential mini-roundabout intersection improvement for the Arrowhead Road/Ugstad Road intersection.



Safe Routes to School Engineering Studies

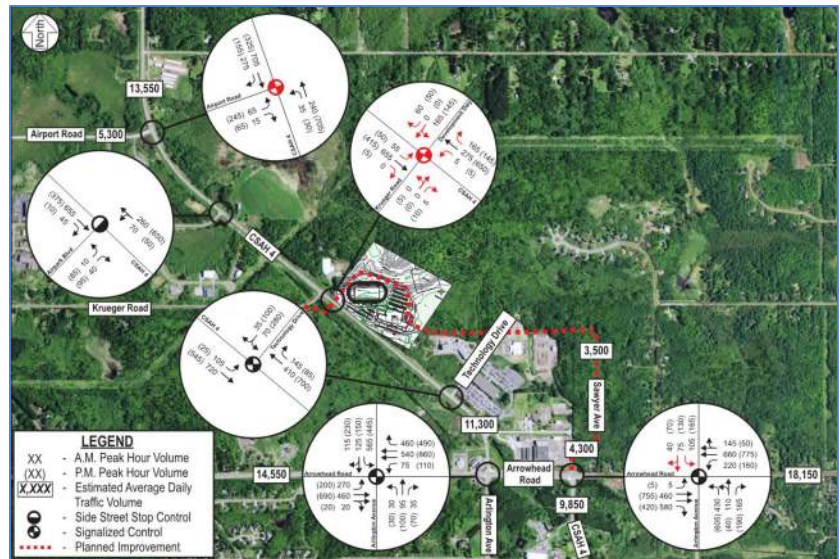
SRF is currently under contract with the Minnesota Department of Transportation (MnDOT) to conduct a Safe Routes to School Engineering Study for 16 school districts and communities. These studies will provide feasible infrastructure improvements to ensure safety for children walking and biking to/from school. SRF was selected for the project because of their extensive school-related work experience and talented team of transportation engineers. SRF has worked on more than 100 school-related studies throughout the Midwest over the past 20 years, mostly with a focus on engineering, site circulation, planning and funding. A summary of our recent school related efforts are included at the end of this proposal.

School Engineering Study	Data Collection	Crash Analysis	Site Observational/Walking Audit	Traffic Operations Analysis	Pedestrian/Bike Route Evaluation	Site Circulation	Benefit/Cost Analysis	Project Prioritization	Cost Estimate	Concept Drawings	Design/Construction Documentation	Public Engagement
Highway 169 and CSAH 61 Pedestrian Crossing Review, Coleraine, MN (2019)	•	•	•	•	•	•	•	•	•			
American Indian Magnet School Traffic Study, Saint Paul, MN (2019)	•	•	•	•	•	•				•		
Minnetonka High School Traffic Signal Design, Minnetonka, MN (2019)	•						•		•		•	
Pavement and Concrete Repair Design, Minneapolis, MN (2019)	•						•	•	•		•	
St. Vincent de Paul Catholic Church School Circulation Study Brooklyn Park, MN (2018/2019)	•	•	•	•	•	•	•		•	•	Future	
High School Area Neighborhood Parking Study, Edina, MN (2018)	•		•	•	•	•	•	•	•	•	•	•
Nowthen Boulevard Final Design, Ramsey, MN (2018)	•			•		•	•		•	•	•	•
Stillwater Area High School Traffic Study, Stillwater, MN (2018)	•	•	•	•	•	•			•	•		•
CSAH 12 (125th Avenue) Traffic Signal Design Anoka, MN (2018)	•						•		•	•	•	
Minneapolis Public School Systemwide Improvement Study, Minneapolis, MN (2018)	•		•	•	•	•		•	•	•		•

Duluth Edison High School Traffic Study

SRF completed a traffic study for a proposed Duluth Edison High School near the intersection of Arrowhead Road and Arlington Road. This included construction of an 800-student high school, 400 apartment units, a new parking lot, additional roadway connections, and bus/parent vehicle operations. The study focused on minimizing pedestrian and vehicular interactions both on-site and with the adjacent Northstar Academy Charter School, providing safe connections, and reducing impacts from vehicular operations between the two schools on the adjacent roadway network.

As part of this study, SRF completed both existing, no build, and future build evaluations of the study intersections to determine the appropriate traffic control and geometric modifications with the addition of the high school traffic. Both traffic control and intersection modifications were noted to address the anticipated operational issues and potential roadways planned to constructed as part of the project. This study included close coordination with St Louis County staff, as well as City and School representatives.



Fir Avenue Intersection Feasibility Study

A corridor and intersection study was completed for Fir Avenue and Friberg Avenue in Fergus Falls, MN. The study evaluated several intersections along the corridor to identify both near- and long-term improvements to improve mobility, accessibility, operations, and safety as part of a jurisdictional transfer of roadway ownership. The study evaluated various concepts and traffic controls to best meet the needs of the corridor, which included the nearby Kennedy Secondary and Fergus Falls High schools that needed to be accounted for due to the sharp volume peaks and heavy pedestrian activity. Ultimately, roundabouts were determined to be the preferred traffic control by area stakeholders to meet the needs of corridor. Roundabout concepts were developed for each intersection to identify any impacts, gain an understanding of construction costs, and for funding.



Scope of Services

Based on our understanding of the proposed request, the following tasks identify our specific scope of services and key assumptions associated with the completion of the study.

Issue Identification

1. Review previous study documents developed within the area to understand assumptions, findings, and recommendations pertinent to this study.
2. Collect vehicular turning movement and pedestrian counts during the a.m. (7:15 a.m. to 8:15 a.m.), school afternoon (2:45 p.m. to 3:45 p.m.), and p.m. (4:30 p.m. to 5:30 p.m.) peak hours at the following intersections:
 - Ugstad Road and US Highway 53
 - Ugstad Road and Hawk Circle Drive
 - Ugstad Road and Arrowhead Road
 - Ugstad Road and Maple Grove Road
 - Arrowhead Road and Elementary School Driveways (2)
 - Arrowhead Road and Hawk Circle Drive
 - Arrowhead Road and Essentia Wellness Center Access
3. Conduct short-duration (i.e. 10-minute) counts during up to two (2) peak periods at up to six (6) locations to understand general travel patterns and magnitude. These short-duration counts will be modified based on the peak hour counts collected as part of Task 2 to reflect peak hour conditions.
4. Collect road tube count and speed data for a 24-hour period at up to two (2) locations along Ugstad Road, north and south of the Ugstad Road/Arrowhead Road intersection. If not possible due to weather, speed data will be collected manually during the peak periods using a radar gun.
5. Conduct field observations at the Hermantown High School, Middle School, and Elementary School campus during the a.m. and afternoon school peak hours to identify current travel patterns and any queuing, access, pick-up/drop-off, circulation, and/or pedestrian/bicycle crossing issues. This task assumes in-person observations would occur.
 - ***Optional Task*** – *Conduct the observations using a drone. Note that given the proximity of the airport, there are certain limitations to the use of the drone, which impacts the effectiveness of the observations with this approach.*
6. Analyze existing weekday a.m., school afternoon, and p.m. peak hour operations at the study intersections using Synchro/SimTraffic software.
7. Develop year 2045 peak hour and daily traffic forecasts. This task will be completed based on a combination of the *ITE Trip Generation Manual, 10th Edition* and the Duluth-Superior Metropolitan Interstate Council Regional Travel Demand Model (DS MIC TDM).
8. Analyze weekday a.m., school afternoon, and p.m. peak hour intersection operations at the study intersections under future year 2045 conditions using Synchro/SimTraffic software.
9. Review the last three (3) years of crash history within the study area to identify any crash trends or hotspots.

10. Conduct a signal warrants analysis at the Ugstad Road and Arrowhead Road intersection during existing and year 2045 conditions to identify if and when a traffic control change is warranted.
11. Review the existing Hermantown Schools and Regional Wellness Center site plan's, as well as any other related internal or site-specific issues. This includes considerations of sight distance, pedestrian facilities, access, and circulation.

Concept Development & Evaluation

12. Based on the key issues identified, develop concepts, cross-sections, and/or multimodal improvements to address short- and long-term study goals. These improvements could include, but not limited to, various traffic control types, roadway configurations, site circulation, and/or pedestrian crossing locations.
13. Analyze a.m., school afternoon, and p.m. peak hour operations at study intersections using Synchro/SimTraffic software to quantify delays and queues associated with potential concepts and improvements.
14. Identify any right-of-way needs to accommodate any potential improvements, as well as any environmental or utility impacts.
15. Develop a preliminary cost estimate for the proposed improvements to help determine the cost effectiveness of each improvement.
16. Summarize the evaluation process findings in a matrix highlighting key criteria, project goals, and priorities. Information will be used to help prioritize specific improvements.

Meetings

17. Prepare for and attend up to four (4) meetings with project staff during the course of the study. This assumes one (1) meeting will be a kick-off meeting/conference call with key stakeholders, two (2) in-person meetings with a technical advisory committee (TAC), and one (1) in-person meeting with the City Council.

Documentation and Project Management

18. Prepare a draft feasibility study documenting the findings, recommendations, and next steps. Make revisions as appropriate based on project team review and prepare a final study report.
19. Provide day-to-day project management, administration, and quality control, as well as project coordination with project staff.

Schedule

Based on our scope of services and the timeline outlined within the RFP, SRF has developed the following preliminary schedule for consideration. We are willing to work with the project team to meet any deadlines as needed. It should be noted that this schedule assumes that data is able to be collected the week of March 16th (before spring break). If data is unable to be collected the week of March 16th due to weather and/or other circumstances, the schedule is anticipated to be adjusted two weeks, with a final report anticipated for May 29, 2020.



Project Cost

Based on our understanding of the study, the cost of our services is not to exceed \$40,000 (\$41,500 with optional task), which includes both time and expenses. A breakdown of these costs by general tasks are as follows. We would be happy to negotiate any changes to the identified scope of services and costs noted.

Tasks	Costs
Issues Identification (Tasks 1 through 11)	\$15,000
Concept Development & Evaluation (Tasks 12 and 16)	\$14,000
Meetings (Tasks 17)	\$6,000
Documentation and Project Management (Tasks 18 and 19)	\$5,000
TOTAL (without Optional Task)	\$40,000
<i>Optional Task</i>	<i>\$1,500</i>
TOTAL (with Optional Task)	\$41,500

Summary

We sincerely appreciate your consideration of this proposal and look forward to working with you on this study. Please feel free to contact me if you have any questions or need additional information.

Sincerely,

SRF CONSULTING GROUP, INC.

Matt Pacyna, PE (MN, ND, WI)
 Principal

EXHIBIT A

TENNESSEN WARNING
Data Practices Advisory

The information that you are asked to provide is classified by state law as either public, private or confidential. Public data is information that can be given to the public. Private data is information that generally cannot be given to the public but can be given to the subject of the data. Confidential data is information that generally cannot be given to either the public or the subject of the data.

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The consequences of supplying or refusing to supply data are that your proposal may not be considered or it may be denied.

Other persons or entities may be authorized by law to receive this information. The identity of those persons or entities, if known, are as follows: _____

The undersigned has read this advisory and understands it.

Dated this 27 day of FEBRUARY, 2020

MATTHEW PACYNA

Print Name

[Signature] PRINCIPAL (SAF)

Signature and Title (if signing on behalf of an entity)



PROPOSAL | March 6, 2020

UGSTAD & ARROWHEAD ROAD CORRIDOR TRAFFIC STUDY

PREPARED FOR:



PREPARED BY:





ALLIANT

March 6, 2020

David Bolf, PE
Northland Consulting Engineers, LLP
102 S 21st Avenue West, Ste. 1
Duluth, MN 55806

Re: Ugstad & Arrowhead Road Corridor Traffic Study

Dear David Bolf,

Thank you for the opportunity to submit this proposal to provide traffic operations analysis and long-term improvement recommendations in the vicinity of and including the Ugstad Road at Arrowhead Road intersection. Our proposal will illustrate for you a clear understanding of the study goals and objectives. We have identified a highly experienced team of professionals, prepared a thorough scope of services to meet the study goals, and we have communicated this in a well-thought-out approach and schedule that we feel will allow us to successfully complete the study.

This study fits Alliant's skills and experience to a tee, and we are excited at the opportunity to be part of this project. Alliant has significant experience with traffic studies, including several recent projects in the Hermantown and Duluth area such as the TH 149/Midway Intersection Control Evaluation, 1st Street Conversion Study, and the Glenwood Street corridor study. Alliant's proven experience means you will have confidence in the technical skills and state-of-the-art practice that we will bring to this project.

After reviewing our proposal, I am confident you will find Alliant to be the best qualified to perform the work at the best value to the City of Hermantown. If you have any questions or need further information, please feel free to contact me at 612.767.9340, or Scott Poska, Alliant's Project Manager for this project, at 612.767.9369. Once again, thank you for the opportunity to submit this proposal, and we look forward to successfully delivering this traffic study to the City of Hermantown. We acknowledge receipt of Addendum 1 of the Request for Proposal.

Sincerely,
Alliant Engineering, Inc.

Mike Anderson, PE, PTOE
Principal

Scott Poska, PE, PTOE
Project Manager

GENERAL INFORMATION

Alliant Engineering, Inc. is a Minneapolis-based multidisciplinary consulting firm with a long and successful history in the delivery of local, county, and DOT highway projects. Our talented staff of 130+ professionals includes engineers, land surveyors, and construction personnel. We understand owners' specific needs when it comes to delivering a successful project. Alliant is committed to improving transportation infrastructure to increase safety, improve operations, reduce maintenance, and improve quality for all modes of travel. Alliant is an S-Corporation in Minnesota. Our point of contact for this project is Scott Poska. His contact information is as follows:

Scott Poska, Senior Traffic Engineer
733 Marquette Ave, Ste 700, Minneapolis, MN 55402
Phone: 612.767.9369
Email: sposka@alliant-inc.com

STATEMENT OF INTEREST/ALLIANT ADVANTAGE

After reviewing our proposal, we are confident that you will find Alliant to be the most qualified and the best value.

TRAFFIC OPERATIONS ANALYSIS EXPERTISE

Alliant offers an outstanding combination of experience in traffic operations analysis, geometric alternatives development and analysis, and preliminary/final roadway design. Alliant is recognized as an industry leader in traffic operations analysis and has provided similar service to clients throughout the metro area and Minnesota. (Several examples are highlighted on [Page 9](#).)

Our project team members have unmatched expertise using Synchro/SimTraffic and VISSIM modeling software packages to analyze and evaluate the most complex of urban arterial traffic operation situations, intersection configurations, and intersection traffic control and configuration alternatives. We are familiar with the Hermantown area since completing the TH 149 and Midway Intersection Control Evaluation in 2017, signal timing improvements along TH 53 in 2017, and current traffic planning work with MnDOT District 1 along the corridor in advance of the TPI construction project. This experience in local traffic operations will help us deliver a successful traffic study.

PROJECT TEAM

Alliant has a broad traffic engineering staff and we have identified a strong team of professionals that can dedicate their time to this project. Their background and experience will factor into the success of the project. Our experienced Project Manager, Scott Poska, has managed

numerous corridor and intersection studies throughout his career. He will be supported by Nick Turner, our lead roadway design engineer, and two project engineers. The team will be supported with technical advisors, Mike Anderson and Steve Weser. Our team has developed diverse experience working with municipalities and agencies throughout the region to identify multimodal, access and transportation system improvements.

PAST PERFORMANCE

Alliant has developed a strong reputation with clients throughout the region. We have completed numerous traffic studies similar to this project for St. Louis County, the City of Duluth, and MnDOT District 1 to name a few. References are provided in the experience matrix on [Page 9](#) of our proposal.

PROJECT UNDERSTANDING

The City of Hermantown is seeking a consultant to conduct a traffic study at the intersection of Ugstad Road and Arrowhead Road and the 1-mile roadway approaches from the intersection. The intersection currently experiences queuing and delays at the all way stop control intersection of Ugstad/arrowhead as a result of continued growth and development in the vicinity including the recent construction of the Essentia Wellness Center in the southwest quadrant and relocation of the Hermantown Middle School to the High School campus in the northwest quadrant. The City is interested in understanding forecasted traffic operations as a result of continued development of surrounding parcels within the study area, including the potential expansion of the Hermantown Ice Arena in the northwest quadrant. Reconstruction of Ugstad Road in the study area has been programmed and design engineering is scheduled to begin in the second half of 2020 with construction taking place in 2022. This study will be used to guide the design of intersection improvements at Ugstad Road/Arrowhead Road and the roadway cross section on the approaches leading to the intersection. The study will examine the need and feasibility of intermediate and long-range traffic and safety improvements including alternate intersection traffic controls and access management and pedestrian crossing locations compatible with a future planned trail within the corridor.

Identifying strategies to maintain and improve traffic flow is an important consideration. Specific goals of the study are to:

1. Examine existing traffic operations at the Ugstad Road/Arrowhead Road intersection to understand traffic patterns and deficiencies.

2. Conduct existing and forecast conditions signal warrant analyses at Ugstad Road/Arrowhead Road intersection.
3. Develop traffic volume forecasts that take into consideration historical volume trends and the planned land developments that may influence future traffic patterns.
4. Develop and evaluate alternatives using the future forecasts for the current all-way stop configuration, roundabout, and a signalized intersection.
5. Develop conceptual layouts, corridor cross-sections, and construction cost estimates for all alternatives.
6. Assemble an evaluation matrix to identify the pros and cons of each alternative in order to guide the City, stakeholders, and the Project Management Team in arriving at a consensus recommended alternative.

The documentation of existing issues and deficiencies, and the evaluation of proposed improvement alternatives to address these issues and future traffic conditions, will be discussed with the City and their stakeholders to be refined into study recommendations. We have identified some of the project's key characteristics in [Exhibit 1](#).

PREVIOUS TRAFFIC STUDIES

Two previous corridor studies have been completed for the study area: Hermantown Schools Traffic Analysis (2015) and Hermantown Regional Wellness Center Traffic Study (2015). The Hermantown Schools Traffic Analysis recommended a right turn lane on Ugstad Road to Hawk Circle Drive and looked at the impacts of additional turn lanes at that intersection as well as a left turn lane on the southbound leg of Ugstad Road at intersection with Arrowhead Road. Later in 2015, the Hermantown Regional Wellness Center Traffic Study recommended a southbound left turn lane on Hawk Circle Drive at Arrowhead Road and an eastbound right turn lane on Hawk Circle Drive at Ugstad to reduce delays and queueing. Both of which have been implemented with the Hermantown Middle School relocation project. An independent review recommended a southbound right turn lane on Ugstad Road to Hawk Circle Drive. At the Ugstad Road/Arrowhead Road intersection, two alternatives were considered; 1) restripe Ugstad Road's north and southbound approaches for dedicated left turn lanes with shared through/right turn lanes and 2) a single-lane roundabout or a mini-roundabout.

CORRIDOR CHARACTERISTICS

Ugstad Road and Arrowhead Road are both two-lane undivided roadways with signed, on-road bike facilities on both sides of the road. Ugstad Road has a posted speed limit of 45mph north and 30mph south of Arrowhead Road. Arrowhead Road has a posted speed

limit of 40mph. School speed limits of 20mph are in place when children are present along both corridors. Existing ADT along the Ugstad Road and Arrowhead corridors are approximately 2,300-2,600 vehicles per day and 4,100-4,800 vehicle per day, respectively. Although there are no traffic signals or roundabouts within the study area, there is an existing traffic signal immediately north of the study area at the Ugstad Road and TH 53 intersection.

TRAFFIC OPERATIONS ANALYSIS CONSIDERATIONS

Key considerations of the traffic operations analysis include:

- Collection of existing data, including field observations during the AM, school dismissal, and PM peaks.
- Developing and calibrating an existing condition base model to replicate any unique lane utilization, restrictions or capacity parameters.
- Obtaining, developing, and balancing existing turning movement counts (15-minute interval simulation analysis) at the seven study intersections.
- Developing traffic forecasts for year 2025 and 2040.
- Clearly documenting the traffic operation deficiency both quantitatively and visually (via drone footage) to substantiate corridor and intersection improvements for federal funding and public engagement.
- Conducting an intersection traffic operation and level of service analysis for existing and future AM, school dismissal, and PM peak hours.

ALTERNATIVES DEVELOPMENT CONSIDERATIONS

The forecasted traffic operations analysis results will indicate expected intersection deficiencies for the Ugstad Road/Arrowhead Road intersection. Intersection improvement alternatives will be developed to help guide potential improvements for forecast year 2025 and 2040. Upon selection as the preferred consultant, Alliant will prepare at least three alternatives for comparison purposes and consideration by the City. Alternatives may include but are not limited to additional turn lanes at an all-way stop, traffic signal control, and roundabout control. Potential design constraints include available right-of-way and utility conflicts.

Additional design considerations will include pedestrian/bicycle accommodations and access including ADA improvements and marked crosswalks, access management, and property impacts for the various geometric alternatives. The existing terrain at the subject intersections is relatively flat. Design alternatives will include analysis of sight lines and mitigation required. An assessment of each roadway cross-section will be completed to identify design constraints and compare various potential configurations including two-lane,

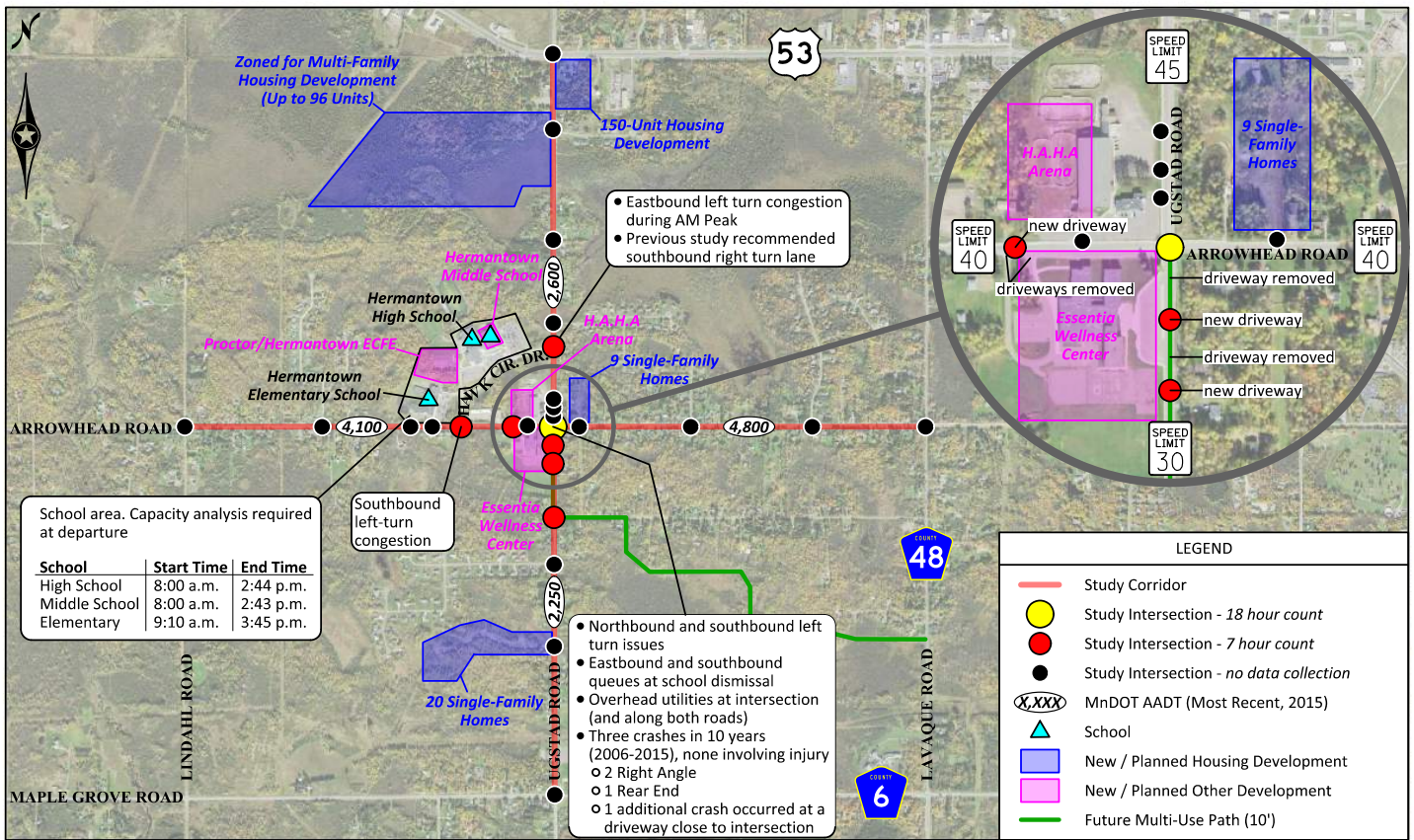


EXHIBIT 1 Study Area Characteristics and Considerations

two-lane with turn-lanes, and a three-lane. Upon development of the geometric alternatives, planning level cost estimates will be developed and an evaluation matrix will be developed to vet the alternatives and arrive at the preferred concepts to accommodate near and long-term traffic and development needs.

SERVICE APPROACH

Key elements of our project approach are summarized below. A project process flow chart (Exhibit 2) detailing the sequential order of tasks, milestone dates, and anticipated meeting dates are shown on Page 6.

PROJECT MANAGEMENT

A successful project requires great project management. Our cohesive team approach and hands-on management style allows us to efficiently complete projects while providing a high level of quality. Communication is the key to project success. Our team will prepare for and attend the four meetings in order to successfully deliver the project. Key project management strategies include:

- Bi-weekly check-ins with the Hermantown PM to discuss project issues, needs and technical requirements.
- Maintaining a current project schedule and providing regular updates as necessary. Manage project discus-

sion to control the project scope.

- Maintaining a project status tracking spreadsheet documenting deliverables and action items on a weekly basis and shared on a Cloud server.
- Provide advanced submittal of agenda and materials for the City staff meeting and meeting materials for both public meetings and City Council meeting to City staff prior to each meeting so adequate review, discussion and decisions can be made, and provide timely submittal of meeting minutes and action items identified at each meeting.

PROJECT COORDINATION

Alliant understands the importance of engaging and receiving input from area stakeholders including the Hermantown School District, Essentia, and the Hermantown Hockey Association. Therefore, we propose a meeting to speak with these entities that will be part of the meeting with City staff to discuss existing conditions and traffic forecasts. We also understand the importance of listening to and understanding the public perception of existing conditions and follow-up on analysis results and have developed a project schedule that allows time for two public meetings. These meetings will be used to inform and shape the analysis and study recommendation. We will present our findings and

recommendation to the City Council. **Exhibit 2** illustrates when the proposed stakeholder, public meetings, and council presentation are expected to occur and the associated milestone for discussion.

TRAFFIC ENGINEERING ANALYSIS

Data Collection The traffic operation analysis work will begin with collecting key information and traffic data. This includes setting 24-hour video and conducting an 18-hour turning movement count at the Ugstad Road/Arrowhead Road intersection and six additional 7-hour turning movement counts as depicted in **Exhibit 1**. We will complete traffic operation field observations, motorist driver behavior, and review agency provided information. An aerial drone will be deployed as part of the field observations to help capture and record existing traffic conditions of the entire study area.

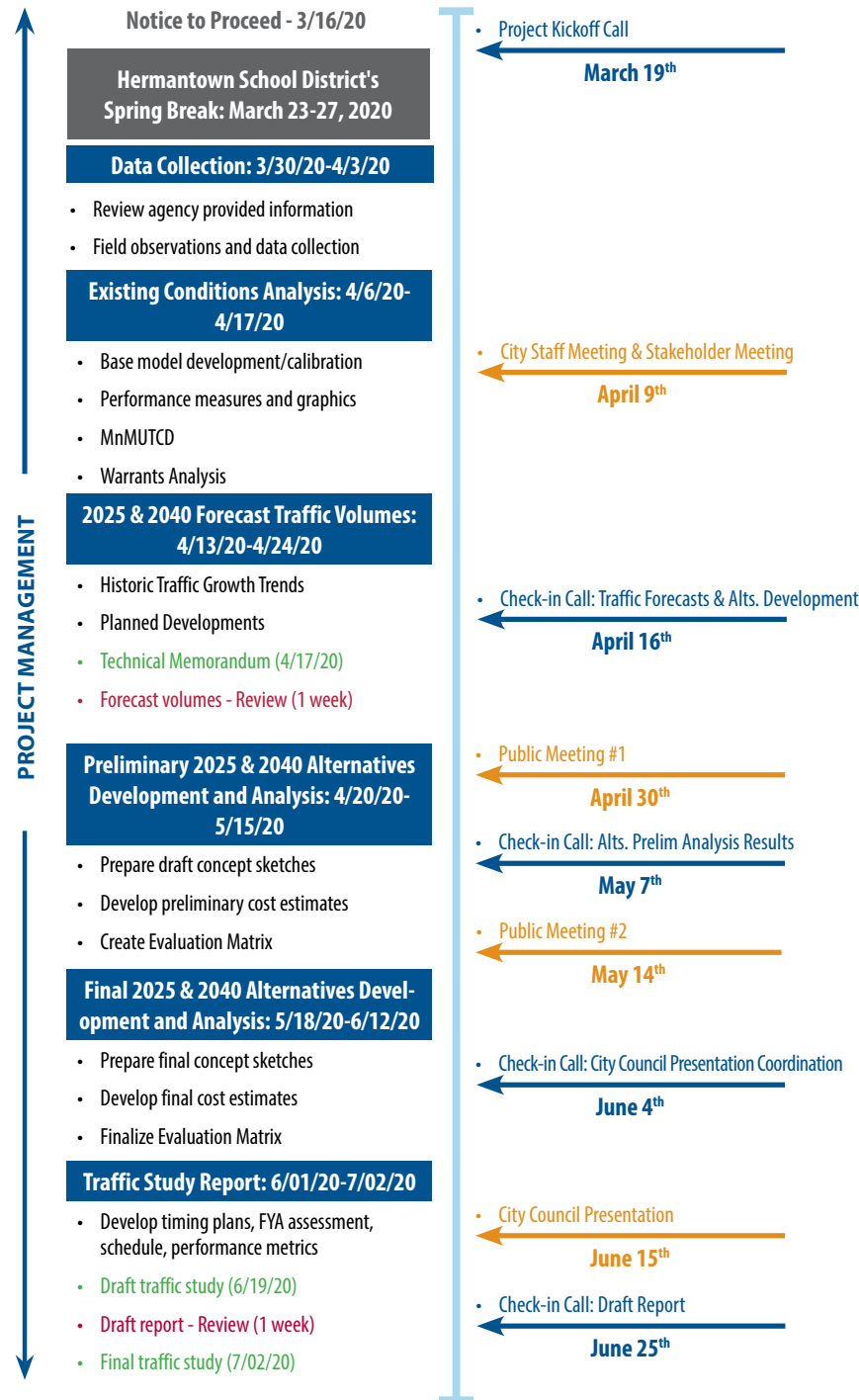
Existing Conditions We will then develop an existing conditions base model using Synchro/SimTraffic. The SimTraffic model will be developed for the AM, school dismissal, and PM peak hour conditions. A key element to ensuring proper SimTraffic modeling is the use 15-minute interval traffic volumes to replicate the rise and fall of peak hour traffic volumes, which will be included in our analysis. Once the existing conditions model is complete, we will conduct an intersection and arterial level of service analysis and document performance measurements. At the Ugstad Road/Arrowhead Road intersection, a traffic signal warrant analysis will be completed in accordance with the MnMUTCD and MnDOT practices. In addition, the MnCMAT crash database will be reviewed in order to conduct a high-level safety analysis of the intersection.

2040 Alternatives Development and Analysis Traffic forecasts for 2040 will be developed along with input from the City and stakeholders about near term future growth. The forecasts will take into consideration historical volume trends and any known or planned land developments that may influence traffic patterns. Recommended traffic volume growth rates and site-specific land use trip generation assignment will be used to develop forecast turning movements. The forecast 2040 traffic volumes will be shared with the City for review and approval before conducting traffic capacity and warrants analysis. To begin the alternatives development process, we will review the previous traffic studies completed in the study area and consider the recommendations identified when developing alternatives. The 2040 forecasted traffic volumes will be used to analyze three intersection geometric and traffic control improvement alternatives; an all-way stop, traffic

signal, and a roundabout. A traffic operation analysis will be completed to assess the benefit and performance measures will be documented for each alternative. VISSIM will be used to evaluate the roundabout alternative. Corridor wide improvements will be considered including site access modifications and pedestrian crossings. A conceptual colored layout will be developed for each design alternative following MnDOT and Hermantown color scheme and guidance for geometric layouts. For each design alternative, a planning level of engineering analysis and design will be performed to determine design constraints and costs. Considerations will include utility impacts, property impacts, right-of-way needs, existing access points, adjacent development access, sight lines, and other safety improvements. We will prepare a planning level cost estimate and aerial based preliminary layout for each alternative. A comparison matrix listing the pros and cons of each alternative will be prepared to aid the City in the decision-making process.

2025 Alternatives Analysis Traffic forecasts for 2025 will be developed in a similar fashion to the 2040 forecasts and represent opening day traffic conditions. Recommended traffic volume growth rates and site-specific land use trip generation assignment will be used to develop forecast turning movements. The opening day 2025 traffic volumes will be used to conduct traffic capacity and warrants analysis. The 2025 forecasted traffic volumes will be used to analyze the preferred alternative selected from the 2040 analysis and will serve as a sensitivity analysis to guide the intersection design for opening day 2025 conditions. A conceptual colored layout for opening day lane configurations will be developed for each design alternative following MnDOT and Hermantown color scheme and guidance for geometric layouts. A planning level of engineering analysis and design will be performed to determine design constraints and costs. We will prepare a planning level cost estimate and aerial based preliminary layout for the preferred alternative.

Traffic Study Report Once the traffic analysis, alternatives development, analysis, and evaluation are all complete, a traffic study report that documents the recommendations will be prepared and submitted to the City for review. A final report will incorporate all comments received from the City.



KEY	
	Key Check-in Phone Call
	In-person Meeting
	Deliverable
	City Review

EXHIBIT 2 Study Process Schedule

SCOPE OF SERVICES

◆ TASK 1.0 - PROJECT MANAGEMENT

Administration Provide project coordination, monthly invoice and progress reports.
General Coordination Participate in bi-weekly half-hour conference calls with the City of Hermantown Project Manager.
Quality Assurance and Quality Control Conduct independent reviews to ensure that Alliant's standard and project specific quality control process has been followed.
Analysis Submittal Contents Provide summary of project deliverables and review with City of Hermantown Project Manager.

◆ TASK 2.0 - PROJECT COORDINATION

City Staff Meeting Meet with City of Hermantown staff to gain understanding of Arrowhead Road and Ugstad Road study area existing conditions, future development, traffic control preferences, and other items related to the overall success of the traffic study. The Hermantown School District would be invited in order to gain a better understanding of school arrival and dismissal traffic patterns and operations along Arrowhead Road and Ugstad Road. Similarly, the Hermantown Hockey Association and representatives from the Essentia Wellness Center would be invited to gain a better understanding of current operations and traffic demands at the Arrowhead Road/Ugstad Road intersection.
Public Meeting #1 Meet with Hermantown residents and business owners to understand existing traffic conditions and discuss high level alternatives that will be analyzed as part of the study.
Public Meeting #2 Meet with Hermantown residents and business owners to present findings of the alternatives analysis.
City Council Meeting At conclusion of the study, present findings of study and recommendations for the Arrowhead Road/Ugstad Road study area to Hermantown City Council.

◆ TASK 3.0 – EXISTING CONDITIONS TRAFFIC ENGINEERING ANALYSIS

Field Observations Perform on-site field observations of traffic flow and operations during the AM, school dismissal, and PM peak hours. A drone would be used during these peak hours to record traffic flow and operations video within the study area which will be used to understand existing conditions and constraints.
Conduct Turning Movement Counts Obtain 18-hour turning movement counts at 7 locations.
Review Agency Provided Data Request and review any related data or information about the study area provided by the City of Hermantown and the Hermantown School District.
SimTraffic Volume Development Develop a balanced 15-minute distribution of intersection turning movements for the network.
Base Model and Calibration Develop the base Synchro traffic model network based on the collected and verified corridor characteristics. Calibrate the SimTraffic model for the AM, school dismissal, and PM peak hours.
Safety Analysis Review MnCMAT crash database and conduct high level safety analysis.
Signal Warrant Analysis Conduct a MnMUTCD signal warrant analysis at for the Arrowhead Road at Ugstad Road intersection.
Document the Existing Measures of Effectiveness (MOEs) The MOEs include arterial level of service (average speed) and intersection level of service (delay), vehicle queues (average and maximum) at the Arrowhead Road/Ugstad Road intersection.
Identify Intersection Deficiencies Document intersection deficiencies at the Arrowhead Road/Ugstad Road intersection based on the traffic operation/safety analysis.

◆ TASK 4.0 - 2040 TRAFFIC FORECASTS AND ANALYSIS

4.1 2040 Traffic Forecasts
 • **Develop 2040 Forecast ADT, Hourly Approach and Intersection Turning Movements** Develop to support 2040 Alternatives Development and Traffic Operations Analysis based on Historical Trends, 20-Year Forecast ADT, and Planned Development from Task 4.1 for the Arrowhead Road/Ugstad Road intersection.
4.2 2040 Alternatives Development
 • **Develop Alternatives** Identify up to three intersection geometric and traffic control improvement alternatives for the Arrowhead Road/Ugstad Road intersection as needed in addition to

the alternatives developed for the 2025 analysis. Prepare typical roadway cross sections for each approach leg to the intersection. Identify other intersection improvements, potential access modifications, and pedestrian crossings in the Arrowhead Road/Ugstad Road focus area. Prepare pencil sketches as appropriate to illustrate ideas and review with City staff.

- **Prepare pencil sketches as appropriate to illustrate ideas. Review pencil sketch alternatives with City staff.**
- **Advance Pencil Sketches** Prepare a minimum of three colored layout alternatives to depict 2040 improvement alternatives. Layouts will follow MnDOT and City of Hermantown color schemes and format.
- **Perform Constructability** and value engineering reviews for each alternative.
- **Develop Planning Level Cost Estimate** for each alternative.

4.3 2040 Alternatives Analysis

- **Conduct Traffic Operation Analysis and Document the 2040 MOEs** Complete 2040 traffic analysis for the three alternatives for the AM, school dismissal, and PM peak hours at the Arrowhead Road/Ugstad Road intersection. The MOEs include arterial level of service (average speed) and intersection level of service (delay), vehicle queues (average and maximum).
- **Signal Warrant Analysis** Conduct a MnMUTCD signal warrant analysis based on forecast 2040 traffic volumes at the Arrowhead Road/Ugstad Road intersection.
- **Develop Draft Construction Cost Estimates** Estimate quantities and prepare draft construction cost estimates for the three alternatives for City of Hermantown for review.
- **Final Construction Cost Estimate** Update the construction cost estimates and finalize.
- **Alternatives Evaluation Matrix** Summarize alternatives in a matrix to compare safety, operations, and warrants analysis results as well as impacts and planning level costs.
- **Recommendations** Provide lane configuration, geometric and traffic control recommendations for the preferred alternative.

◆ TASK 5.0 - 2025 ALTERNATIVES DEVELOPMENT AND ANALYSIS

5.1 2025 Traffic Forecasts

- **Develop Opening Day 2025 Forecast ADT, Hourly Approach and Intersection Turning Movements** Review Historical Trend and County 20-Year Forecast ADT. Estimate trip generation for planned developments. Develop to support Traffic Operations analysis.

5.2 2025 Alternatives Development

- **Refine Preferred Alternative** Refine preferred alternative identified in Task 4 to determine opening day 2025 lane configurations. Prepare typical roadway cross sections for each approach leg to the intersection. Identify other intersection improvements potential access modifications in the Arrowhead Road/Ugstad Road focus area. Prepare pencil sketches as appropriate to illustrate ideas and review with City staff.
- **Identify Alternative Impacts** Assess impacts of the refined alternative including known utilities, right-of-way, stormwater, and overall transportation system impacts for non-vehicle modes including pedestrians and bicycles.

5.3 2025 Alternatives Analysis

- **Conduct Traffic Operation Analysis and Document the opening day 2025 MOEs** Complete 2025 traffic analysis for the preferred alternative identified in Task 4. The MOEs include arterial level of service (average speed) and intersection level of service (delay), vehicle queues (average and maximum).
- **Signal Warrant Analysis** Conduct a MnMUTCD signal warrant analysis based on forecast 2025 traffic volumes at the Arrowhead Road/Ugstad Road intersection.
- **Recommendations** Provide lane configuration, geometric and traffic control recommendations for opening day 2025 conditions for the preferred alternative.

◆ TASK 6.0 - TRAFFIC STUDY REPORT

Draft Traffic Report Prepare a draft report and submit for City review.
Final Traffic Report Revise the draft report per City comments and submit a final report.

EXHIBIT 3 Scope of Services

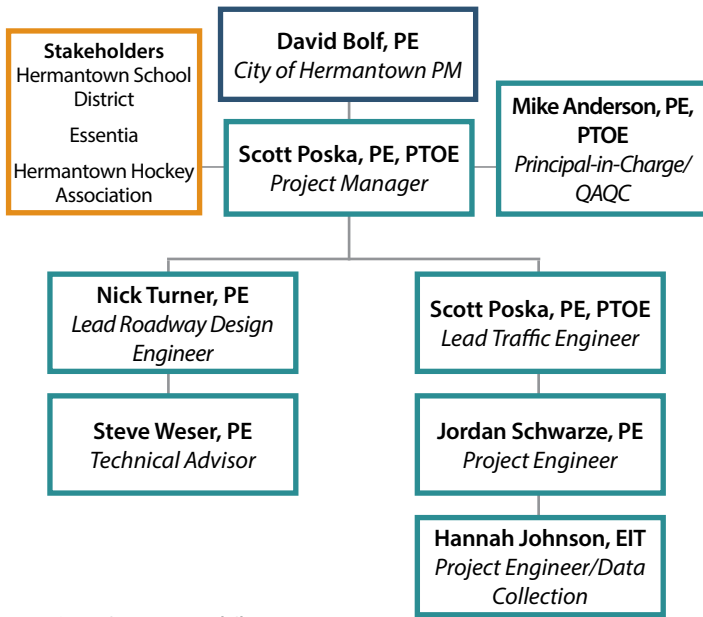


EXHIBIT 4 Organizational Chart

KEY PERSONNEL



SCOTT POSKA, PE, PTOE
Project Manager / Lead Traffic Engineer

Scott has over 15 years of experience and has led numerous corridor and intersection feasibility studies. He is an experienced project manager for corridor planning, traffic studies, traffic operation/safety analyses, access management, and preliminary engineering projects. Prior to joining Alliant, Mr. Poska was responsible for traffic operations at the City of Minneapolis including signal timing of the City’s 810 traffic signals, managing a variety of traffic calming and safety related items, and signing and striping maintenance and operations.

Intersection Feasibility Studies. As project manager for the completion of over 25 intersection feasibility studies throughout Minnesota, Scott has led the stakeholder engagement process, traffic forecasting, traffic operations and safety analysis, and concept layout development. He provided oversight for the development of preliminary cost estimates and right-of-way, conducted economic analyses and prepared the final preliminary layouts, access management, and traffic control recommendations. Examples include six intersection feasibility studies for the Mankato Area Planning Organization (MAPO) in 2016-2017, the intersection evaluation and realignment for CSAH 5 and Trunk Highway 73 in St. Louis County, and three intersection feasibility studies on Manning Avenue in Washington County.

Corridor Studies. Scott has served in lead roles for dozens corridor studies, corridor safety evaluation and preliminary design for transportation system improvement projects throughout the upper Midwest. These studies include documentation of existing conditions, land use, access, and project purpose and need. Alternatives analyses are completed to identify and prioritize multimodal improvements that would increase safety and mobility while providing reasonable, safe access to and from local streets and businesses. Studies typically include an implementation plan as well as conceptual and/or preliminary design layouts for study recommendations. Scott led the stakeholder and public engagement processes to listen, inform, and build consensus of improvement alternatives. Examples include the CSAH 42 and CSAH 27 Intersection Area Traffic Study in Savage MN; 1st Street One Way to Two Way Conversion Study in Duluth, MN; and the Ramsey County 4 to 3 Conversion Study.

Scott will serve as the Project Manager and will lead the traffic operation analysis. He will participate in all project coordination activities and coordinate the day-to-day work with project engineers.



MIKE ANDERSON, PE, PTOE
Principal-in-Charge / QAQC Manager

Mike is a Principal Engineer with 20 years of transportation experience, from corridor planning and preliminary engineering to city traffic engineering, motor vehicle and bicycle studies, traffic signal timing, and final design. Mike has considerable experience conducting intersection feasibility studies, having successfully managed over 50 intersection feasibility and corridor studies for public agencies throughout Minnesota. In addition, Mike specializes in intersection and corridor studies, arterial traffic operations and safety, and developing intersection improvement plans for motor vehicle, bicycle, and pedestrians. His multi-disciplinary traffic engineering background brings a unique strength to context sensitive design projects, which is critical to providing practical solutions and development of cost-effective plans.



JORDAN SCHWARZE, PE
Project Engineer

Jordan has 14 years of professional traffic/transportation experience working in both the public and private sectors. His work currently focuses on corridor studies, traffic operations/safety analyses, concept feasibility studies, intersection control evaluations, and traffic impact studies. Jordan has considerable experience working with public

agency clients, having successfully completed projects throughout the Arrowhead Region and Greater Minnesota. Jordan recently led the traffic analysis for MnDOT District 1 on an intersection control evaluation at the TH 194/Midway Rd intersection in Hermantown as well as for the City of Duluth on a corridor study of Glenwood Street from Snively Road to 43rd Avenue. Jordan will serve as the lead project engineer for the Ugstad Road & Arrowhead Road Corridor Traffic Study performing/overseeing all required technical evaluation.



NICK TURNER, PE
Lead Roadway Design Engineer

Nick is a transportation engineer with over nine years of design and construction management experience. His experience ranges from conceptual layouts to final design, from urban core reconstruction to specialty roundabout geometrics, and from leading design to project management. Nick has extensive experience with geometric design and modeling software and production of preliminary and final design deliverables. Nick will lead the development of the geometric alternatives and planning level engineering estimates.



HANNAH JOHNSON, EIT
Project Engineer

Hannah has four years of experience at Alliant engineering, with nearly three years as a Project Engineer. Her work primarily focuses on corridor safety studies, intersection control evaluations, and traffic impact studies. She is proficient with Synchro, SimTraffic, Aries, MaxView, and MnDOT's CMAT system. Hannah served as the project engineer for several of the studies identified in **Exhibits 6 and 7**, and will support the data collection, traffic operation and safety analysis for the Arrowhead Road and Ugstad Road Intersection Feasibility Study.



STEVE WESER, PE
Roadway Design Technical Advisor

Steve is a Principal at Alliant with 23 years of experience working on a wide variety of projects with an emphasis on State and County Highways and Municipal State Aid streets. He has managed many high-profile projects and is experienced in all phases of projects from conceptual development to construction administration. Steve is well respected across the metro area and beyond for his broad range of technical knowledge, his commitment to maintaining a hands-on role in his projects, and his effective communication with his clients. Steve will be active in brainstorming efforts and advising design engineers in developing intersection alternative concepts. Steve will also perform independent technical reviews of the design concepts and planning level cost estimates.

SIMILAR PROJECT EXPERIENCE

Exhibits 6 and 7 on the following page highlight projects we recently completed, or currently have in progress that have similar characteristics to the Ugstad & Arrowhead Road Corridor Traffic Study. The project capsules selected exemplify our experience executing a successful stakeholder engagement plan, performing traffic operations analysis and forecasting, and alternatives development and evaluation.

SCHEDULE OVERVIEW

A high level project schedule overview is shown in **Exhibit 5**. Detailed traffic study milestone dates for project tasks are shown in **Exhibit 2**. We propose an aggressive traffic study schedule that will provide the necessary time to conduct public engagement and council approval. As shown in **Exhibit 5**, our proposed traffic study schedule will not delay the start of the design phase of the project.

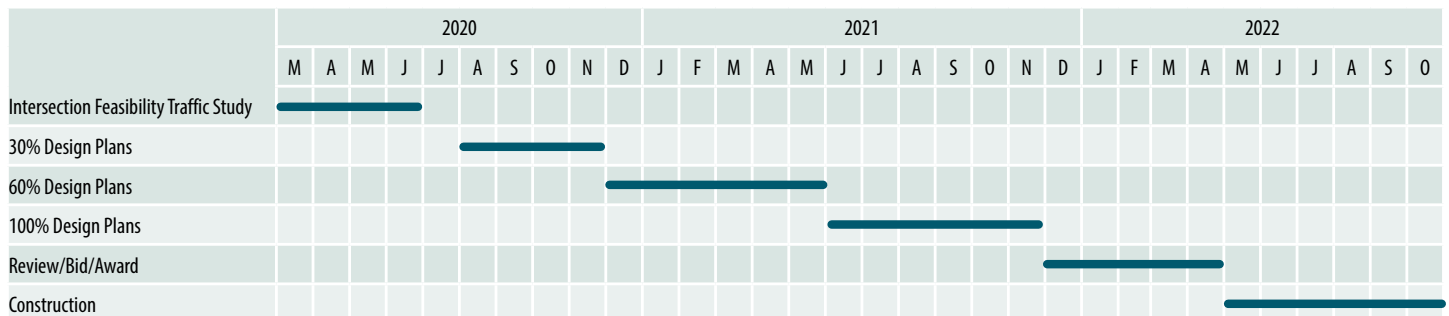
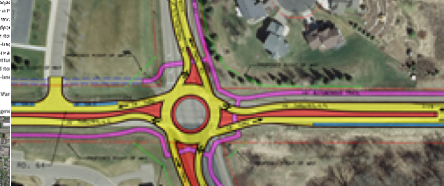


EXHIBIT 5 Schedule Overview

Glenwood Street Corridor and Safety Study **CSAH 42 and 27 Area Traffic Study** **CR 64 Corridor Study and Intersection Feasibility Study** **TH 194/Midway Rd Intersection Control Evaluation**



Alliant worked in partnership with the City of Duluth and Saint Louis County to complete a corridor safety study for a 1-mile segment of Glenwood Street between Snively Road (CSAH 37) and 43rd Avenue. General concerns were raised by Duluth residents regarding vehicle speeds, lane geometry, signing, and bicyclist/pedestrian safety along Glenwood Street. Additionally, specific concerns were raised regarding safety at the Glenwood Street/South Ridge Road & Skyline Parkway offset-T intersections. Alliant provided seven geometric and two non-geometric improvement alternatives for these offset-T intersections.

Alliant facilitated a presentation and Q/A session to update the public on which alternatives were vetted for short- and long-term implementation. Ultimately, the study recommended short-term implementation of back-to-back dedicated left-turn lanes along the mainline between the offset-T intersections. The preferred long-term vision included side-street realignment to form a more traditional 4-leg intersection with possible roundabout control pending a detailed engineering feasibility analysis.

Scott County selected Alliant to perform a traffic study of eight intersections in the vicinity of the CSAH 42 and CSAH 27 intersection area is one of the most congested at grade intersections in the County and is forecasted to carry additional traffic in the near future as a result of numerous planned developments. The Alliant team worked with stakeholders to define future development plans and developed 10-year and 20-year traffic forecast projections. A comprehensive traffic operations analysis using Synchro/SimTraffic was completed for existing and future year scenarios to identify short-term intersection geometric, signal phasing/operation, and traffic control device improvements to accommodate planned development.

Alternatives analysis was completed to document benefit, pros/cons, and design decisions. Concept layouts and construction cost estimates were developed for key improvement alternatives to provide the county with a prioritized implementation plan. Upon completion of the study, Alliant developed a full set of optimized coordinated signal timing plans for six intersections (seven timing plans), completed a flashing yellow arrow assessment and time of day operation plan, and implemented and fine-tuned the timing plans on a time of day schedule. The optimized timing plans were implemented to address the immediate mobility/capacity improvement for the study area.

As part of a programmed reconstruction project to convert CR 64 to three lanes, geometric and traffic control revisions were evaluated at the intersections of CR 64 and Flagstaff Ave., CR 64 and Pilot Knob Rd., and CR 64 and Akin Rd. In addition to employment and population growth within the study area, CR 64 serves three area public schools. The current congestion at the all way stop control and high peak period volumes make each location candidates for review of proper traffic control and capacity. To support Dakota Co. in identifying the appropriate intersection and traffic control improvements, Alliant prepared an Intersection Control Feasibility Study. It addressed the existing geometric, traffic operation and safety characteristics, and developed conceptual alternatives that would accommodate the forecast year 2030 traffic demands at each intersection and be compatible with long-range infrastructure plans.

Alliant worked closely with the key stakeholders to develop and evaluate geometric and traffic control alternatives (all way stop, traffic signal, roundabout), and to perform an economic analysis, safety, right of way, traffic operation and engineering analysis to quantify pros and cons. The study recommended roundabouts at all three intersections, with expandability options allowing for compatibility with the long term infrastructure plans. Multi-modal improvements including trails and new sidewalks were also identified for improved connection to the area public schools.

Alliant worked with the Minnesota Department of Transportation and Saint Louis County to perform an intersection control evaluation of the TH 194/Midway Road (CSAH 13) intersection in Hermantown. A significant crash severity issue had plagued the study intersection for years. MnDOT and St. Louis County desired an improvement that reduced the frequency of severe crashes while maintaining the existing efficient intersection operations. Analysis included estimating current and future intersection operations and crash rates over multiple potential traffic control alternatives and intersection reconfiguration scenarios. The analysis was summarized in a concise alternatives evaluation matrix to aid selection of the preferred alternative by MnDOT and Saint Louis County. A roundabout was ultimately recommended to address safety concerns by minimizing the risk of high-severity right-angle crashes, provide access to nearby private driveways, and maintain efficient operations well into the future. The planned roundabout is currently scheduled for constructed in the year 2022.

REFERENCE			
Taryn J. Erickson, PE tjerickson@duluthmn.gov 218.730.5087	Mark Callahan MCallahan@co.scott.mn.us 952.496.8367	Kristi Sebastian Kristi.Sebastian@CO.DAKOTA.MN.US 952.891.7100	Jim Miles - MnDOT D1 james.miles@state.mn.us 218.725.2789

RELEVANCE TO STUDY			
<ul style="list-style-type: none"> • Stakeholder Engagement • Traffic Safety & Operations Analysis • Signal Warrant Analysis • Traffic Forecasts/Planned Development • Geometric/Access/Traffic Control Alternatives • Cost Estimates/Comparison Matrix 	<ul style="list-style-type: none"> • Stakeholder Engagement • Traffic Safety & Operations Analysis • Signal Warrant Analysis • Traffic Forecasts/Planned Development • Geometric/Access/Traffic Control Alternatives • Cost Estimates/Comparison Matrix 	<ul style="list-style-type: none"> • Traffic Safety & Operations Analysis • Signal Warrant Analysis • Traffic Forecasts/Planned Development • Geometric/Access/Traffic Control Alternatives • Cost Estimates/Comparison Matrix 	<ul style="list-style-type: none"> • Traffic Safety & Operations Analysis • Signal Warrant Analysis • Traffic Forecasts/Planned Development • Geometric/Access/Traffic Control Alternatives • Cost Estimates/Comparison Matrix



Minnesota Intersection Feasibility Studies

Alliant's transportation engineering group has gained considerable experience preparing intersection feasibility studies and control evaluations for city, county and state agencies throughout Minnesota (>40). Each study is prepared cooperatively with the client, key stakeholders and public. The studies include a two-phase approach – Phase 1: Scoping and Phase 2: Detail Alternative Analysis. Phase 1 includes the evaluation of the existing conditions, development of traffic forecasts, documentation of issues and deficiencies, an evaluation of various traffic control devices, and identification and evaluation of high-level alternative concept sketches. The recommended alternatives from the scoping phase are advanced to Phase 2 where conceptual layouts are developed and reevaluated to estimate construction costs, right-of-way needs, traffic operation/safety performance and to complete a decision analysis matrix to support the project recommendations. A draft and final report is prepared for each intersection, or corridor documenting the study process, alternatives analysis and recommendations.

Throughout the project process, key stakeholders' meetings are held to help set the framework for addressing the goals and objectives for each intersection, to review the future capacity analysis of each traffic control device and discuss the pencil sketch geometric alternatives, and to discuss the detailed colored concept layouts, construction costs and recommendations. Several of our intersection feasibility studies have also included community engagement to solicit input, communicate pros and cons of various traffic control devices and to present study recommendations.

Relevant Project	Location/ Client	Stakeholder Engagement	Traffic Safety and Operations Analysis	Signal Warrant Analysis	Traffic Forecasts/ Planned Development	Geometric/ Access/Traffic Control Alternatives	Cost Estimates/ Comparison Matrix
Glenwood Street Corridor and Safety Study	Duluth, MN/St. Louis County	◆	◆	◆	◆	◆	◆
CSAH 42 and 27 Area Traffic Study	Savage, MN/Scott County	◆	◆	◆	◆	◆	◆
TH 194/Midway Rd Intersection Control Evaluation	Hermantown/MnDOT D1		◆	◆	◆	◆	◆
CR 64 Corridor Study and ICE	Farmington, MN/Dakota County		◆	◆	◆	◆	◆
MN 220 Corridor Study	Grand Forks (GF), East Grand Forks (EGF)/GF EGF MPO	◆	◆	◆	◆	◆	◆
Lexington Avenue Reconstruction	Shoreview, MN/Ramsey County	◆	◆	◆	◆	◆	◆
Rice Street Corridor Study	St. Paul, MN/Ramsey County	◆	◆		◆	◆	◆
MnDOT District 1 - Districtwide ICE Reports (9 Intersections)	MnDOT D1		◆	◆	◆	◆	◆
MnDOT District 6 - Districtwide ICE Reports (8 Intersections)	MnDOT D6		◆	◆	◆	◆	◆
CSAH 9 ICE Feasibility Study	Lakeville, MN/Dakota County		◆	◆	◆	◆	◆
East Grand Forks Street Network Study	East Grand Forks, MN/GF EGF MPO	◆	◆	◆	◆	◆	◆
Old Shakopee Road / Cedar Avenue	Bloomington, MN/City of Bloomington	◆	◆		◆	◆	◆
Washington Street Corridor Study	Grand Forks MPO	◆	◆	◆	◆	◆	◆
US 2/TH 89 ICE	Bemidji, MN/MnDOT D2	◆	◆	◆	◆	◆	◆
TH 212 at CSAH 1	Glencoe, MN/MnDOT D8	◆	◆		◆	◆	◆
Bygland Road Study	Grand Forks, ND/GF EGF MPO	◆	◆	◆	◆	◆	◆
Bygland Road at Rhinehart Drive ICE Study	East Grand Forks, MN/GF EGF MPO	◆	◆	◆	◆	◆	◆
TH 73 at CSAH 10 ICE Study	Moose Lake, MN/MnDOT D1	◆	◆	◆	◆	◆	◆
TH 71 at Industrial Boulevard ICE Study	Park Rapids, MN/MnDOT D2	◆	◆	◆	◆	◆	◆

COST PROPOSAL

A breakdown of our estimated staff hours by task and overall project cost is summarized in **Exhibit 8**. Our project cost includes time and expenses for four (4) in-person meetings and field data collection and observations. Our cost includes direct costs for drone video recordings by Landmark Photography & Design and traffic data processing by Miovision.

Task	Project Advisor/QA QC	Project Manager (Senior Project Engineer)	Senior Project Engineer - Roadway	Senior Project Engineer - Traffic	Graduate Engineer	Data Collector	Total Hours	Labor	Expenses	Total Cost
Employee Classification Hourly Rate*	\$ 180	\$ 145	\$ 115	\$ 130	\$ 85	\$ 35				
Task 1: Project Management	5	10	0	0	0	0	15	\$ 2,350	\$ -	\$ 2,350
Task 2: Project Coordination	0	39	0	0	30	0	69	\$ 8,205	\$ 843	\$ 9,048
Task 3: Existing Conditions Traffic Engineering Analysis	0	12	0	5	17	17	51	\$ 4,430	\$ 346	\$ 4,776
Task 4: 2040 Alternatives Development and Analysis	3	18	8	50	102	0	181	\$ 19,240		\$ 19,240
Task 5: 2025 Alternatives Analysis	1	6	0	10	8	0	25	\$ 3,030		\$ 3,030
Task 6: Traffic Study Report	2	10	0	24	8	0	44	\$ 5,610		\$ 5,610
Total Hours	11	95	8	89	165	17	385			
Total Labor Cost								\$ 42,865		
Direct Expenses									\$ 1,189	
Miovision (Data Collection)									\$ 1,380	
Landmark Photography & Design (Drone Observations)									\$ 1,600	
Total Project Cost								\$ 42,865	\$ 4,169	\$ 47,034

EXHIBIT 8 Cost Proposal

EXHIBIT A
TENNESSEN WARNING
Data Practices Advisory

The information that you are asked to provide is classified by state law as either public, private or confidential. Public data is information that can be given to the public. Private data is information that generally cannot be given to the public but can be given to the subject of the data. Confidential data is information that generally cannot be given to either the public or the subject of the data.

Our purpose and intended use of this information is to consider your proposal in response to a Request for Proposal.

You are not legally required to provide this information.

You may refuse to provide this information.

The consequences of supplying or refusing to supply data are that your proposal may not be considered or it may be denied.

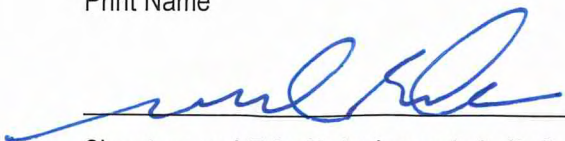
Other persons or entities may be authorized by law to receive this information. The identity of those persons or entities, if known, are as follows: _____

The undersigned has read this advisory and understands it.

Dated this 6 day of March, 2020

Michael R. Anderson

Print Name

 Principal

Signature and Title (if signing on behalf of an entity)