



Hermantown City Council Meeting – November 15, 2021

Because of attendance considerations at the regular meeting location due to the health pandemic, Hermantown’s November 15, 2021, City Council Meeting will be conducted both remotely and with in-person access to Council Chambers.

The City Council meeting will utilize the platform “Zoom,” which allows the public to view and/or hear the meeting from their phone or computer. Interested parties can also choose to attend the City Council Meeting in person at City Hall. Current Minnesota Department of Health guidelines regarding the health pandemic will be observed during this meeting.

The 6:30 p.m. City Council Meeting will be available at:

<https://us02web.zoom.us/j/87417834695?pwd=MEhLbIZIMkVpUU83UkICyIYeGJkUT09>

and/or by calling the number (312) 626-6799 and utilizing the meeting ID number of 874-1783-4695 and the passcode of 415010.

Public comment may be possible, but difficult, during the meeting, but any public comments, questions, or concerns can be e-mailed to Community Engagement Manager, Joe Wicklund, at jwicklund@hermantownmn.com up to 3:30 p.m. the day of the meeting with the e-mail title “November 15, 2021, Meeting.” It is important to note that all comments regarding the November 15, 2021, meeting are public data.

A few important tips regarding the Zoom platform:

- If your computer does not support audio, you can still watch the meeting on your computer and call in on your phone to hear the meeting
- It is a challenging situation for all of us, so grace and understanding are appreciated

The 4:30 p.m. Pre-Agenda Meeting will be available in-person only at City Hall. Public comment is not a factor in the pre-agenda meeting, but the meeting is open and members of the public are invited and welcome to attend to this meeting. Attendees of the Pre-Agenda Meeting should expect to follow the current social distancing and mask guidelines.



AGENDA

Pre-Agenda Meeting Monday, November 15, 2021 at 4:30 p.m. Council Chambers 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 November 15, 2021 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, November 15, 2021 at 4:30 p.m.
Council Chambers
Hermantown Governmental Services Building**

**City Council Continuation Meeting November 15, 2021 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**
7. **PRESENTATIONS** *(Department Heads may give reports if necessary.)*
 - A. Kevin Orme, Director of Finance & Administration
RE: 2022 Budget & Levy *(Pre-Agenda Only)*
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 November 1, 2021 City Council Minutes
 - B. **Accounts Payable** – Approve general city warrants from November 1, 2021 through November 15, 2021 in the amount of \$ *(available 11-15-21)*

(motion, roll call)
10. **MOTIONS**
11. **ORDINANCES**

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. 2021-139 Resolution Authorizing The Disposal Of Surplus City Property

(motion, roll call)

B. 2021-140 Resolution Adopting Assessment Roll For Road Improvement District No. 536
(Sundby Road & Swan Lake Road)

(motion, roll call)

C. 2021-141 Resolution Adopting Assessment Roll For Road Improvement District No. 537
(Lavaque Junction Road)

(motion, roll call)

D. 2021-142 Resolution Approving Application Of Assessment Roll Number 537A-9 For
Deferral Of Assessment Against The Property For The Construction Of Road
Improvement District No. 537 ("Hardship Deferral")

(motion, roll call)

E. 2021-143 Resolution Approving Application Of Assessment Roll Number 537A-27 For
Deferral Of Assessment Against The Property For The Construction Of Road
Improvement District No. 537 ("Hardship Deferral")

(motion, roll call)

F. 2021-144 Resolution Approving Application Of Assessment Roll Number 537A-29 For
Deferral Of Assessment Against The Property For The Construction Of Road
Improvement District No. 537 ("Hardship Deferral")

(motion, roll call)

G. 2021-145 Resolution Approving Final Pay Request For Sewer Improvement District No.
448 To Utility Systems Of America, Inc. In The Amount Of \$111,146.68

(motion, roll call)

H. 2021-146 Resolution Adopting Assessment Roll For Delinquent Utility Charges For 2021
(Updated list to be provided 11-15-2021)

(motion, roll call)

I. 2021-147 Resolution Authorizing And Directing The Mayor And City Clerk To Execute
And Deliver A Cooperative Agreement Between St. Louis County And The City
Of Hermantown For Letter Of Map Revision (LOMR) For Keene Creek

(motion, roll call)

J. 2021-148 Resolution Approving Tentative Agreement And Authorizing And Directing Mayor And City Clerk To Execute And Deliver Agreements With Operating Engineers Local 49 For The Period Of January 1, 2022 Through December 31, 2024

(motion, roll call)

K. 2021-149 Resolution Approving Wage Adjustment For Part Time Custodian

(motion, roll call)

13. RECESS

DATE: 2021

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. I have copied only the correspondence that we believe to be of special interest.

JM

11/1/2021	21-193	Andy & Becky Gamache, 4061 Haines Rd.	City of Hermantown	Boulder Trail & Sewer Line	10/12/2021
11/4/2021	21-194	Jim Atkinson, MN Power	John Mulder, City Administrator	Duluth Loop Reliability Project	11/2/2021
11/5/2021	21-195	Steve Overom, Overom Law	Andy & Becky Gamache, 4061 Haines Rd.	Boulder Trail & Sewer Line Project	11/4/2021

CITY OF HERMANTOWN
CITY COUNCIL MEETING
November 1, 2021
6:30 p.m.

MEETING CONDUCTED IN PERSON & VIA ZOOM

Pledge of Allegiance

ROLL CALL: Councilors Geissler, Hauschild, Peterson, Mayor Boucher

CITY STAFF: John Mulder, City Administrator; Bonnie Engseth, City Clerk; Eric Johnson; Community Development Director; Joe Wicklund, Communications Director; Steve Overom, City Attorney

ABSENT: Councilor Nelson

VISITORS: 1

ANNOUNCEMENTS

Mayor Boucher stated that this is our City Clerk Bonnie's last evening with us and expressed how much we appreciate everything she's done for us over the years and wish her the best.

PUBLIC HEARINGS

COMMUNICATIONS

Communications 21-181 through and including 21-192 were read and placed on file.

Communication 21-182 from Wallace Kucza, 5147 Lavaque Jct. Rd. to Joe Wicklund, David Bolf regarding Objection to Proposed Assessment

Communication 21-183 from James Sundstrom, 5255 Lavaque Rd. to City Clerk regarding Objection to Proposed Assessment

Communication 21-184 from Stephen Wedel, 4725 Swan Lake Rd. to City Clerk regarding Objection to Proposed Assessment

Communication 21-186 from Ronald Rutka, 5194 Lavaque Jct. Rd. to City Clerk regarding Objection to Proposed Assessment

Communication 21-187 from Casey MacDonell, 5236 Lavaque Jct. Rd. to City Clerk regarding Objection to Proposed Assessment

PRESENTATIONS

PUBLIC DISCUSSION

CONSENT AGENDA

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

- A. Approve October 18, 2021 City Council Continuation Minutes
- B. Approve general city warrants from October 16, 2021 through October 31, 2021 in the amount of \$988,510.29

Roll Call: Councilors Geissler, Hauschild, Peterson, Mayor Boucher, aye. Councilor Nelson, absent. Motion carried.

MOTIONS

ORDINANCES

RESOLUTIONS

2021-132 Resolution Authorizing The Disposal Of Surplus City Property

Motion made by Councilor Hauschild, seconded by Councilor Peterson to adopt Resolution 2021-132, Resolution Authorizing The Disposal Of Surplus Property. Roll Call: Councilors Geissler, Hauschild, Peterson, Mayor Boucher, aye. Councilor Nelson, absent. Motion carried.

2021-133 Resolution Authorizing The Disposal Of Surplus City Property

Motion made by Councilor Peterson, seconded by Councilor Hauschild to adopt Resolution 2021-133, Resolution Authorizing The Disposal Of Surplus City Property. Roll Call: Councilors Geissler, Hauschild, Peterson, Mayor Boucher, aye. Councilor Nelson, absent. Motion carried.

2021-134 Resolution To Establish A No Parking Zone Along Certain Roads In The City Of Hermantown

Motion made by Councilor Geissler, seconded by Councilor Peterson to adopt Resolution 2021-134, Resolution To Establish A No Parking Zone Along Certain Roads In The City Of Hermantown. Roll Call: Councilors Geissler, Hauschild, Peterson, Mayor Boucher, aye. Councilor Nelson, absent. Motion carried.

2021-135 Resolution Authorizing And Directing The Mayor And City Clerk To Execute And Deliver A Cooperative Agreement Between St. Louis County And The City Of Hermantown For 2022 Maintenance Striping CP 0000-369670

Motion made by Councilor Peterson, seconded by Councilor Hauschild to adopt Resolution 2021-135, Resolution Authorizing And Directing The Mayor And City Clerk To Execute And Deliver A Cooperative Agreement Between St. Louis County And The City Of Hermantown For 2022 Maintenance Striping CP 0000-369670. Roll Call: Councilors Geissler, Hauschild, Peterson, Mayor Boucher, aye. Councilor Nelson, absent. Motion carried.

2021-136 Resolution Approving Final Compensating Change Order And Final Pay Request For Keene Creek Park Trail To Veit & Company, Inc. In The Amount Of \$67,229.40

Motion made by Councilor Peterson, seconded by Councilor Geissler to adopt Resolution 2021-136, Resolution Approving Final Compensating Change Order And Final Pay Request For Keene Creek Park Trail To Veit & Company, Inc. In The Amount Of \$67,229.40. Roll Call: Councilors Geissler, Hauschild, Peterson, Mayor Boucher, aye. Councilor Nelson, absent. Motion carried.

2021-137 Resolution Authorizing And Directing The Mayor And City Clerk To Execute And Deliver Utility Service Agreement With A-Lign Properties LLC

Motion made by Councilor Geissler, seconded by Councilor Hauschild to adopt Resolution 2021-137, Resolution Authorizing And Directing The Mayor And City Clerk To Execute And Deliver Utility Service Agreement With A-Lign Properties LLC. Roll Call: Councilors Geissler, Hauschild, Peterson, Mayor Boucher, aye. Councilor Nelson, absent. Motion carried.

2021-138 Resolution Creating A Grant Program For Current Utility Customers In 2022

Motion made by Councilor Hauschild, seconded by Councilor Geissler to adopt Resolution 2021-138, Resolution Creating A Grant Program For Current Utility Customers In 2022. Roll Call: Councilors Geissler, Hauschild, Peterson, Mayor Boucher, aye. Councilor Nelson, absent. Motion carried.

Motion made by Councilor Peterson, seconded by Councilor Geissler to recess the meeting at 6:44 p.m. Motion carried.

Mayor

ATTEST:

Clerk

TO: Mayor & City Council
FROM: Paul Sens, Public Works
Director



DATE: November 10, 2021 **Meeting Date:** 11/15/21
SUBJECT: Disposal of Asset **Agenda Item: 12-A** **Resolution 2021-139**

REQUESTED ACTION
Approve disposal of a Public Works Vehicle

BACKGROUND
The vehicle is a 1997 Chev Crane/Utility Truck. We are removing it from the fleet since we got new 2021 Ford F550 Crane/Utility Truck. It will be sold through Do-Bid Auction. Once sold, it will be removed from inventory.

SOURCE OF FUNDS (if applicable)

ATTACHMENTS
Disposition or Loss of An Asset

Resolution No. 2021-139

**RESOLUTION AUTHORIZING THE DISPOSAL OF SURPLUS
CITY PROPERTY**

WHEREAS, the Public Works Director of the City of Hermantown is seeking authorization to dispose of city surplus equipment; and

WHEREAS, various vehicles are removed from use through sale or trade-in; and

WHEREAS, the Hermantown City Council deems it appropriate to dispose of such surplus equipment; and

WHEREAS, the Hermantown City Council desires to proceed forward with the disposal of the surplus equipment listed as follows:

- A. Asset #1337 1997 Chevrolet Crane/Utility Truck VIN#1GBJK34R8VF025133

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

1. The City Administrator and Public Works Director are hereby Authorized and Directed to Proceed to Dispose of Surplus Equipment in the Possession of the City of Hermantown as listed below.
2. All items will be scrapped or discarded by administrative staff in accordance with all applicable laws, rules and regulations.
3. The sale of the vehicle will be sold through Do-Bid Auction. Once sold, the asset will be removed from inventory.

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 November 15, 2021.

DISPOSITION OR LOSS OF AN ASSET

City of Hermantown

Disposition of a capitalized asset requires City Council approval prior to disposing the asset. This form should be completed and forwarded to Finance within 2 weeks of the disposition of any capital asset. If this trade in item is included in purchasing a new asset, please note it and complete an acquisition form for that item.

Employees and related parties are prohibited from purchasing or receiving City surplus property.

Asset No: 1337

VIN/Serial #: 1GBJK34R8VF025133

City ID/Vehicle #: H21

Description: 1997 Chevrolet Cheyenne Crane/Utility Truck

Department: Public Works

Date of Change:

Type of Change: New Truck arrived to Replace H 21

Sold (To Whom?): Auction

Amount:

Transferred: _____ To Dept: _____

Trade In:

For new asset (describe)

Destroyed: _____ How Disposed?

.....
Entered on the Fixed Asset System: Yes or No

Department Head: Paul Senst

Finance Dept.: _____

Insurance notified?: Yes No N/A Date of notification:

Notes: _____

Resolution No. 2021-140

**RESOLUTION ADOPTING ASSESSMENT ROLL FOR ROAD IMPROVEMENT
DISTRICT NO. 536 (SUNDBY ROAD & SWAN LAKE ROAD)**

WHEREAS, the City of Hermantown (“City”) is acting under the authority to assess for local improvements granted to it by Minnesota Statutes Chapter 429; and

WHEREAS, pursuant to proper notice duly given as required by law, the City Council held a hearing (“Assessment Hearing”) on the proposed assessment roll on October 18, 2020 at 6:30 p.m. for the construction of Road Improvement District No. 536 (Sundby Road & Swan Lake Road) (“Project”); and

WHEREAS, prior to or at the Assessment Hearing, Stephen Wedel (“Wedel”) submitted a written objection (“Wedel Objection”) to the proposed assessment against the property owned by Wedel and assigned Tax Parcel No. 395-0010-03501 (“Wedel Parcel”); and

WHEREAS, pursuant to the provisions of Hermantown Resolution No. 82-52, an adjourned hearing (“Wedel Adjourned Hearing”) was held on November 1, 2021 at approximately 3:15 p.m.; and

WHEREAS, Wedel did not appear at the Wedel Adjourned Hearing, but the City Council took testimony regarding the Wedel Parcel and the Wedel Objection; and

WHEREAS, the City Council, having received and considered all of the evidence presented to it at the Assessment Hearing and the Wedel Adjourned Hearing, and upon the entire City file in this matter, hereby makes the following:

FINDINGS OF FACT

1. Due and proper notice of the assessment hearings was given to the landowners and other parties affected by the assessment.
2. The Wedel Objection did not make any claim that the assessment levied against the Wedel Parcel did not benefit the Wedel Parcel or exceeded the benefit received by the Wedel Parcel or was not uniformly applied to the same class of property as is the Wedel Parcel.
3. The methodology following by the City in determining the amount to be assessed against the affected properties was and is fair, equitable and reasonable.
4. The amount assessed against the affected properties was and is based upon benefits received by the various properties and the amount assessed against any particular parcel of property benefitting the assessed property does not exceed the benefits received by such parcel of property and was uniformly applied to the properties of the same class as the assessed property. On the basis of the foregoing Findings of Fact, which are hereby adopted, the City Council of the City of Hermantown is hereby resolved as follows:
 1. The Wedel Objection is denied.

2. The final assessment roll attached hereto as Exhibit A is hereby adopted and shall constitute the special assessment against each piece and parcel of property named therein.
3. Such assessment shall be payable as follows:
 - 3.1. The assessments listed on the assessment roll attached hereto as Exhibit A shall be payable in equal annual installments, including principal and interest, extending over a period of fifteen (15) years, with interest at the rate of 4% per annum, from and after December 31, 2021 in an amount annually required to pay the principal over such period at such interest rate. The first of such installments is to be paid with the general taxes for the year 2021, collectible with such taxes during the year 2022.
 - 3.2. The owner of any property so assessed may, at any time, prior to December 31, 2021 pay the whole of the assessment against such property without interest to the City of Hermantown and thereafter at any time prior to November 15 of any year, prepay to the City of Hermantown the whole of the principal amount of the assessment remaining due, provided that no such prepayment shall be accepted without payment of (i) all installments, including interest and principal due to and including December 31 of the year of prepayment, and (ii) the original principal amount reduced only by the amount of principal included in such installment computed on an annual amortization basis. Partial prepayments of assessment have not been authorized by ordinance of the City of Hermantown.
5. The City Clerk shall file the assessment roll pertaining to this assessment in her office and shall certify in its entirety to the St. Louis County Auditor on or before November 30, 2021 the total amount due.
6. The City Clerk shall mail a notice of the adoption of the assessment roll to the owners of each piece and parcel of property affected by this assessment. Such notice shall be in substantially the form of the one attached as Exhibit B.

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 November 15, 2021.

EXHIBIT A

FINAL ASSESSMENT ROLL

Road Improvement District No. 536 (Sundby Road & Swan Lake Road)

<u>Parcel ID</u>	<u>Amount</u>	<u>Interest Rate</u>	<u># of Years</u>	<u>Project Code</u>	<u>Annual Amount</u>	<u>SID No.</u>	<u>Notes</u>
395-0020-00220	\$ 9,750.00	4.00	15	39575	876.93	536A	
395-0010-03500	\$ 9,750.00	4.00	15	39575	876.93	536A	
395-0020-00180	\$ 9,750.00	4.00	15	39575	876.93	536A	
395-0020-00165	\$ 9,750.00	4.00	15	39575	876.93	536A	
395-0020-00190	\$ 9,750.00	4.00	15	39575	876.93	536A	
395-0020-00250	\$ 9,750.00	4.00	15	39575	876.93	536A	
395-0020-00265	\$ 9,750.00	4.00	15	39575	876.93	536A	
395-0020-00240	\$ 9,750.00	4.00	15	39575	876.93	536A	
395-0020-00200	\$ 9,750.00	4.00	15	39575	876.93	536A	
395-0020-00210	\$ 9,750.00	4.00	15	39575	876.93	536A	
395-0010-03501	\$ 9,750.00	4.00	15	39575	876.93	536A	
TOTAL	\$ 107,250.00						

EXHIBIT B

NOTICE OF FINAL ASSESSMENT

Hermantown, Minnesota
_____, 2021

TO:

This is to notify you that the final assessment for the construction of Road Improvement District No. 536 (Sundby Road & Swan Lake Road) was adopted by the City Council of the City of Hermantown on November 1, 2021 pursuant to Minnesota Statutes, Chapter 429. The final assessment is on file for inspection in the office of the City Clerk.

As a result of the adoption of the assessment roll, the assessment against the property owned/occupied/leased by you which has been assigned CVT-Plat-Parcel Number _____, is \$ _____. Such assessment will be payable, together with interest at the rate of 4% per annum with real estate taxes during the years 2022 – 2036 inclusive payable in the years 2022 – 2036 inclusive. Such assessment may be prepaid in full without interest, if payment is received by the City prior to December 30, 2021 and thereafter the assessment may be prepaid at any time prior to November 15 of any year if such prepayment includes (i) all installments, including interest and principal due to an including December 31 of the year of prepayment and (ii) the original principal amount reduced only by the amount of principal included in such installments computed on an annual amortization basis. Partial prepayments of the assessment have not been authorized by ordinance of the City of Hermantown.

An owner who filed a written objection with the City Clerk at or before the assessment hearing, or an owner that had reasonable cause for failing to file a written objection at or before the assessment hearing may appeal the assessment against his or her property to the District Court pursuant to Minnesota Statutes, Section 429.081, by serving notice of the appeal upon the Mayor or City Clerk within thirty (30) days after the adoption of the assessment and filing such notice with the Clerk of District Court within ten (10) days after its service upon the Mayor or City Clerk.

Under 435.193 to 435.195 of the Minnesota Statutes and Hermantown Resolution No. 2010-99 the City Council may, in its discretion, defer the payment of a special assessment for any homestead property owned by a person sixty-five (65) years of age or older or a person who is retired due to permanent disability or who is a member of the military service called to active duty for whom it would be a hardship to make the payments. When deferment of the special assessment has been granted and is terminated for any reason provided in that law, all amounts accumulated plus applicable interest become due. Any assessed property owner meeting the requirements of such law and City of Hermantown Resolution No. 2010-99, may, on a form obtained from the City Clerk, apply for such deferral of payment of a special assessment.

Payments of the amount assessed may be made by check or credit card. If a credit card is used, a credit card service fee of three percent (3%) of the amount paid will be added to the amount paid on the assessment.

CITY OF HERMANTOWN

By _____
Its City Clerk

Resolution No. 2021-141

RESOLUTION ADOPTING ASSESSMENT ROLL FOR ROAD IMPROVEMENT DISTRICT NO. 537 (LAVAQUE JUNCTION ROAD)

WHEREAS, the City of Hermantown (“City”) is acting under the authority to assess for local improvements granted to it by Minnesota Statutes Chapter 429; and

WHEREAS, pursuant to proper notice duly given as required by law, the City Council held a hearing (“Assessment Hearing”) on the proposed assessment roll on October 18, 2020 at 6:30 p.m. for the construction of Road Improvement District No. 537 (Lavaque Junction Road) (“Project”); and

WHEREAS, at or prior to the Assessment Hearing, Casey MacDonell (“MacDonell”) submitted a written objection (“MacDonell Objection”) to the proposed assessment against the property owned by MacDonell and assigned Tax Parcel No. 395-0070-00710 (“MacDonell Parcel”); and

WHEREAS, at or prior to the Assessment Hearing, James Sundstrom (“Sundstrom”) submitted a written objection (“Sundstrom Objection”) to the proposed assessment against the property owned by Sundstrom and assigned Tax Parcel No. 395-0070-00630 (“Sundstrom Parcel”); and

WHEREAS, at or prior to the Assessment Hearing, Wallace Kuzca (“Kuzca”) submitted a written objection (“Kuzca Objection”) to the proposed assessment against the property owned by Kuzca and assigned Tax Parcel No. 395-0070-00575 (“Kuzca Parcel”); and

WHEREAS, at or prior to the Assessment Hearing, Ronald Rutka (“Rutka”) submitted a written objection (“Rutka Objection”) to the proposed assessment against the property owned by Rutka and assigned Tax Parcel No. 395-0070-00740 (“Rutka Parcel”); and

WHEREAS, pursuant to the provisions of Hermantown Resolution No. 82-52, on November 1, 2021 an adjourned hearing was held at approximately 3:30 p.m. to hear the MacDonell Objection (“MacDonell Adjourned Hearing”), an adjourned hearing was held at approximately 3:45 p.m. to hear the Rutka Objection (“Rutka Adjourned Hearing”) and an adjourned hearing was held at approximately 4:15 p.m. to hear the Kuzca Objection (“Kuzca Adjourned Hearing”); and

WHEREAS, Sundstrom did not appear for the adjourned hearing that was scheduled for 4:00 p.m. (“Sundstrom Adjourned Hearing”), but the City Council considered testimony on the Sundstrom Parcel about the assessment in the record of the Sundstrom Adjourned Hearing; and

WHEREAS, Kuzca withdrew the Kuzca Objection during the Kuzca Adjourned Hearing; and

WHEREAS, the City Council, having received and considered all of the evidence presented to it at the Assessment Hearing and all of the Adjourned Hearings, and upon the entire City file in this matter, hereby makes the following:

FINDINGS OF FACT

1. Due and proper notice of the assessment hearings was given to the landowners and other parties affected by the assessment.

2. The MacDonell Objection did not make any claim that the assessment levied against the MacDonell Parcel did not benefit the MacDonell Parcel or exceeded the benefit received by the MacDonell Parcel or was not uniformly applied to the same class of property as is the MacDonell Parcel. In addition, MacDonell indicated that he was pleased with the condition of the Lavaque Junction Road and that the work done on the Lavaque Junction Road “was a such needed improvement.”
3. The Rutka Objection did not make any claim that the assessment levied against the Rutka Parcel did not benefit the Rutka Parcel or exceeded the benefit received by the Rutka Parcel or was not uniformly applied to the same class of property as is the Rutka Parcel. In addition, Rutka admitted that the Rutka Parcel was benefited by the Lavaque Junction Road Improvement and Rutka was happy with the improvement to the Lavaque Junction Road.
4. The Sundstrom Objection did not make any claim that the assessment levied against the Sundstrom Parcel did not benefit the Sundstrom Parcel or exceeded the benefit received by the Sundstrom Parcel or was not uniformly applied to the same class of property as is the Sundstrom Parcel.
5. The methodology following by the City in determining the amount to be assessed against the affected properties was and is fair, equitable and reasonable.
6. The amount assessed against the affected properties was and is based upon benefits received by the various properties and the amount assessed against any particular parcel of property benefitting the assessed property does not exceed the benefits received by such parcel of property and was uniformly applied to the properties of the same class as the assessed property. On the basis of the foregoing Findings of Fact, which are hereby adopted, the City Council of the City of Hermantown is hereby resolved as follows:
 1. The MacDonell Objection, Rutka Objection and Sundstrom Objection are hereby denied.
 2. The withdrawal of the Kuzca Objection is hereby accepted.
 3. The final assessment roll attached hereto as Exhibit A is hereby adopted and shall constitute the special assessment against each piece and parcel of property named therein.
 4. Such assessment shall be payable as follows:
 - 4.1. The assessments listed on the assessment roll attached hereto as Exhibit A shall be payable in equal annual installments, including principal and interest, extending over a period of fifteen (15) years, with interest at the rate of 4% per annum, from and after December 31, 2021 in an amount annually required to pay the principal over such period at such interest rate. The first of such installments is to be paid with the general taxes for the year 2021, collectible with such taxes during the year 2022.
 - 4.2. The owner of any property so assessed may, at any time, prior to December 31, 2021 pay the whole of the assessment against such property without interest to the City of Hermantown and thereafter at any time prior to November 15 of any year, prepay to the City of Hermantown the whole of the principal amount of the assessment remaining due, provided that no such prepayment shall be accepted without payment of (i) all installments, including interest and principal due to and including December 31 of the year of prepayment, and (ii) the original principal amount reduced only by the amount

of principal included in such installment computed on an annual amortization basis. Partial prepayments of assessment have not been authorized by ordinance of the City of Hermantown.

7. The City Clerk shall file the assessment roll pertaining to this assessment in her office and shall certify in its entirety to the St. Louis County Auditor on or before November 30, 2021 the total amount due.
8. The City Clerk shall mail a notice of the adoption of the assessment roll to the owners of each piece and parcel of property affected by this assessment. Such notice shall be in substantially the form of the one attached as Exhibit B.

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 November 15, 2021.

EXHIBIT A

FINAL ASSESSMENT ROLL

Road Improvement District No. 537 (Lavaque Junction Road)

<u>Parcel ID</u>	<u>Amount</u>	<u>Interest Rate</u>	<u># of Years</u>	<u>Project Code</u>	<u>Annual Amount</u>	<u>SID No.</u>	<u>Notes</u>
395-0070-00790	\$ 9,750.00	4.00	15	39576	876.93	537A	
395-0070-00630	\$ 9,750.00	4.00	15	39576	876.93	537A	
395-0070-00780	\$ 9,750.00	4.00	15	39576	876.93	537A	
395-0070-00575	\$ 9,750.00	4.00	15	39576	876.93	537A	
395-0070-00770	\$ 9,750.00	4.00	15	39576	876.93	537A	
395-0070-00565	\$ 9,750.00	4.00	15	39576	876.93	537A	
395-0070-00775	\$ 9,750.00	4.00	15	39576	876.93	537A	
395-0070-00566	\$ 9,750.00	4.00	15	39576	876.93	537A	
395-0070-00760	\$ 9,750.00	4.00	15	39576	876.93	537A	
395-0070-00545	\$ 9,750.00	4.00	15	39576	876.93	537A	
395-0070-00750	\$ 9,750.00	4.00	15	39576	876.93	537A	
395-0070-00755	\$ 9,750.00	4.00	15	39576	876.93	537A	
395-0070-00535	\$ 9,750.00	4.00	15	39576	876.93	537A	
395-0070-00743	\$ 9,750.00	4.00	15	39576	876.93	537A	
395-0070-00740	\$ 9,750.00	4.00	15	39576	876.93	537A	
395-0070-00534	\$ 9,750.00	4.00	15	39576	876.93	537A	
395-0070-00745	\$ 9,750.00	4.00	15	39576	876.93	537A	
395-0070-00533	\$ 9,750.00	4.00	15	39576	876.93	537A	
395-0070-00730	\$ 9,750.00	4.00	15	39576	876.93	537A	
395-0070-00527	\$ 9,750.00	4.00	15	39576	876.93	537A	
395-0070-00725	\$ 9,750.00	4.00	15	39576	876.93	537A	
395-0070-00515	\$ 9,750.00	4.00	15	39576	876.93	537A	
395-0070-00720	\$ 9,750.00	4.00	15	39576	876.93	537A	
395-0070-00514	\$ 9,750.00	4.00	15	39576	876.93	537A	
395-0070-00505	\$ 9,750.00	4.00	15	39576	876.93	537A	
395-0070-00506	\$ 9,750.00	4.00	15	39576	876.93	537A	
395-0070-00700	\$ 9,750.00	4.00	15	39576	876.93	537A	
395-0070-00495	\$ 9,750.00	4.00	15	39576	876.93	537A	
395-0070-00705	\$ 9,750.00	4.00	15	39576	876.93	537A	

395-0070-00690	\$	9,750.00	4.00	15	39576	876.93	537A
395-0070-00484	\$	9,750.00	4.00	15	39576	876.93	537A
395-0070-00482	\$	9,750.00	4.00	15	39576	876.93	537A
395-0070-00645	\$	9,750.00	4.00	15	39576	876.93	537A
395-0070-00470	\$	9,750.00	4.00	15	39576	876.93	537A
395-0070-00460	\$	9,750.00	4.00	15	39576	876.93	537A
395-0070-00462	\$	9,750.00	4.00	15	39576	876.93	537A
395-0070-00641	\$	9,750.00	4.00	15	39576	876.93	537A
395-0070-00772	\$	9,750.00	4.00	15	39576	876.93	537A
395-0070-00465	\$	9,750.00	4.00	15	39576	876.93	537A
395-0070-00526	\$	9,750.00	4.00	15	39576	876.93	537A

TOTAL \$ **390,000.00**

395-0070-00555	\$	9,750.00	4.00	15	39576	876.93	537A	Deferred
395-0070-00715	\$	9,750.00	4.00	15	39576	876.93	537A	Deferred
395-0070-00710	\$	9,750.00	4.00	15	39576	876.93	537A	Deferred

TOTAL \$ **29,250.00**

Road Improvement District No. 537 (Lavaque Junction Road) Hardship Deferrals (Interest Only)

<u>Parcel ID</u>	<u>Amount</u>	<u># of Years</u>	<u>Project Code</u>	<u>SID No.</u>
395-0070-00555	\$ 226.93	15	39576	537A
395-0070-00715	\$ 226.93	15	39576	537A
395-0070-00710	\$ 226.93	15	39576	537A
Total:	\$ 680.79			

EXHIBIT B

NOTICE OF FINAL ASSESSMENT

Hermantown, Minnesota
_____, 2021

TO:

This is to notify you that the final assessment for the construction of Road Improvement District No. 537 (Lavaque Junction Road) was adopted by the City Council of the City of Hermantown on November 1, 2021 pursuant to Minnesota Statutes, Chapter 429. The final assessment is on file for inspection in the office of the City Clerk.

As a result of the adoption of the assessment roll, the assessment against the property owned/occupied/leased by you which has been assigned CVT-Plat-Parcel Number _____, is \$ _____. Such assessment will be payable, together with interest at the rate of 4% per annum with real estate taxes during the years 2022 – 2036 inclusive payable in the years 2022 – 2036 inclusive. Such assessment may be prepaid in full without interest, if payment is received by the City prior to December 30, 2021 and thereafter the assessment may be prepaid at any time prior to November 15 of any year if such prepayment includes (i) all installments, including interest and principal due to an including December 31 of the year of prepayment and (ii) the original principal amount reduced only by the amount of principal included in such installments computed on an annual amortization basis. Partial prepayments of the assessment have not been authorized by ordinance of the City of Hermantown.

An owner who filed a written objection with the City Clerk at or before the assessment hearing, or an owner that had reasonable cause for failing to file a written objection at or before the assessment hearing may appeal the assessment against his or her property to the District Court pursuant to Minnesota Statutes, Section 429.081, by serving notice of the appeal upon the Mayor or City Clerk within thirty (30) days after the adoption of the assessment and filing such notice with the Clerk of District Court within ten (10) days after its service upon the Mayor or City Clerk.

Under 435.193 to 435.195 of the Minnesota Statutes and Hermantown Resolution No. 2010-99 the City Council may, in its discretion, defer the payment of a special assessment for any homestead property owned by a person sixty-five (65) years of age or older or a person who is retired due to permanent disability or who is a member of the military service called to active duty for whom it would be a hardship to make the payments. When deferment of the special assessment has been granted and is terminated for any reason provided in that law, all amounts accumulated plus applicable interest become due. Any assessed property owner meeting the requirements of such law and City of Hermantown Resolution No. 2010-99, may, on a form obtained from the City Clerk, apply for such deferral of payment of a special assessment.

Payments of the amount assessed may be made by check or credit card. If a credit card is used, a credit card service fee of three percent (3%) of the amount paid will be added to the amount paid on the assessment.

CITY OF HERMANTOWN

By _____
Its City Clerk

Resolution No. 2021-142

**RESOLUTION APPROVING APPLICATION OF ASSESSMENT ROLL
NUMBER 537A-9 FOR DEFERRAL OF ASSESSMENT AGAINST THE
PROPERTY FOR THE CONSTRUCTION OF ROAD IMPROVEMENT
DISTRICT NO. 537 ("HARDSHIP DEFERRAL")**

WHEREAS, the owner of Assessment Roll Number 537A-9 ("Owner") owns property in the City of Hermantown at 5167 Lavaque Junction Road ("Owner's Property"), which property has been assigned CVT-Plat-Parcel Number 395-0070-00555; and

WHEREAS, the Owner's Property has been assessed the sum of \$9,750.00 for the construction of Road Improvement District No. 537; and

WHEREAS, Owner, pursuant to Hermantown Resolution No. 2010-99 with reference to Minnesota Statutes Section 435.193, et. seq. and Sections 2 and 3 of Chapter 585 of the Laws of 1984, applied for the deferral of the payments on such assessment; and

WHEREAS, the City Council has fully considered this matter and hereby makes the following:

FINDINGS OF FACT

1. Owner properly applied for a deferral of the payments on the assessment in accordance with Hermantown Resolution No. 2010-99 and Minnesota Statutes Section 435.193 et. seq.
2. The Owner's Property is the homestead of Owner.
3. Owner is:
 - 3.1. _____ X _____ over the age of sixty-five (65);
 - 3.2. _____ retired by the virtue of a permanent or total disability; or
 - 3.3. _____ a member of the military service in active duty.
4. Owner occupies the property as Owner(s) principal residence.
5. The average annual payment from all assessments levied against Owner's property exceeds (i) two percent (2%) of the adjusted gross income of Owner.

NOW, THEREFORE, on the basis of the foregoing Findings of Fact, which are hereby adopted and the authority granted by Minnesota Statutes Section 435.193 and Hermantown Resolution No. 2010-99, the City Council of the City of Hermantown is hereby resolved as follows:

1. The annual payment of the assessment against the Owner's Property in excess of Two Hundred Twenty Six and 93/100 Dollars (\$226.93) is hereby deferred. That portion of the annual assessment in the amount of Two Hundred Twenty Six and 93/100 Dollars (\$226.93) remains payable with the real estate taxes against the property beginning with the taxes due and payable in 2022. This amount that will be applied to interest as specified in Resolution 2010-99.

2. The assessment levied against the Owner's Property, shall bear interest at the rate set forth in Resolution No. 2021-141, "Resolution Adopting Assessment Roll For The Construction Of Road Improvement District No. 537" ("Assessment Resolution") during the term of the deferral.

3. The interest on the assessment will be averaged over the term of the assessment as specified in Resolution No. 2010-99.

4. The deferral of the payment of the portion of the assessment that is deferred by operation of this Resolution shall terminate and all payments that were deferred on such property shall be due and payable immediately upon the occurrence of any of the following events:

4.1. The death of Owner(s).

4.2. The sale, transfer or subdivision of such parcel of property or any part thereof.

4.3. The loss of the homestead status of such parcel of property for any reason.

4.4. If, for any reason, the City Council determines that there would be no hardship on owners to require immediate or partial payments of the Deferred Assessment against such parcel of property.

4.5. December 31, 2036.

5. Following the termination of the deferral, all payments on the assessment that were not deferred by this resolution shall be paid in the manner set forth in the Assessment Resolution.

6. The City Clerk shall file with the County Recorder and/or Registrar of Titles and County Auditor an appropriate Certificate with respect to the deferral of the payment on such assessment and shall provide written notice to Owner of the action of the City Council on his application and the terms and provisions applicable to the approved deferral.

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:

Councilor

and the following voted in opposition thereto:

WHEREUPON, such resolution was declared duly passed and adopted November 15, 2021.

Resolution No. 2021-143

**RESOLUTION APPROVING APPLICATION OF ASSESSMENT ROLL
NUMBER 537A-27 FOR DEFERRAL OF ASSESSMENT AGAINST THE
PROPERTY FOR THE CONSTRUCTION OF ROAD IMPROVEMENT
DISTRICT NO. 537 ("HARDSHIP DEFERRAL")**

WHEREAS, the owner of Assessment Roll Number 537A-27 ("Owner") owns property in the City of Hermantown at 5228 Lavaque Junction Road ("Owner's Property"), which property has been assigned CVT-Plat-Parcel Number 395-0070-00715; and

WHEREAS, the Owner's Property has been assessed the sum of \$9,750.00 for the construction of Road Improvement District No. 537; and

WHEREAS, Owner, pursuant to Hermantown Resolution No. 2010-99 with reference to Minnesota Statutes Section 435.193, et. seq. and Sections 2 and 3 of Chapter 585 of the Laws of 1984, applied for the deferral of the payments on such assessment; and

WHEREAS, the City Council has fully considered this matter and hereby makes the following:

FINDINGS OF FACT

1. Owner properly applied for a deferral of the payments on the assessment in accordance with Hermantown Resolution No. 2010-99 and Minnesota Statutes Section 435.193 et. seq.
2. The Owner's Property is the homestead of Owner.
3. Owner is:
 - 3.1. _____ X _____ over the age of sixty-five (65);
 - 3.2. _____ X _____ retired by the virtue of a permanent or total disability; or
 - 3.3. _____ a member of the military service in active duty.
4. Owner occupies the property as Owner(s) principal residence.
5. The average annual payment from all assessments levied against Owner's property exceeds (i) two percent (2%) of the adjusted gross income of Owner.

NOW, THEREFORE, on the basis of the foregoing Findings of Fact, which are hereby adopted and the authority granted by Minnesota Statutes Section 435.193 and Hermantown Resolution No. 2010-99, the City Council of the City of Hermantown is hereby resolved as follows:

1. The annual payment of the assessment against the Owner's Property in excess of Two Hundred Twenty Six and 93/100 Dollars (\$226.93) is hereby deferred. That portion of the annual assessment in the amount of Two Hundred Twenty Six and 93/100 Dollars (\$226.93) remains payable with the real estate taxes against the property beginning with the taxes due and payable in 2022. This amount that will be applied to interest as specified in Resolution 2010-99.

2. The assessment levied against the Owner's Property, shall bear interest at the rate set forth in Resolution No. 2021-141, "Resolution Adopting Assessment Roll For The Construction Of Road Improvement District No. 537" ("Assessment Resolution") during the term of the deferral.

3. The interest on the assessment will be averaged over the term of the assessment as specified in Resolution No. 2010-99.

4. The deferral of the payment of the portion of the assessment that is deferred by operation of this Resolution shall terminate and all payments that were deferred on such property shall be due and payable immediately upon the occurrence of any of the following events:

4.1. The death of Owner(s).

4.2. The sale, transfer or subdivision of such parcel of property or any part thereof.

4.3. The loss of the homestead status of such parcel of property for any reason.

4.4. If, for any reason, the City Council determines that there would be no hardship on owners to require immediate or partial payments of the Deferred Assessment against such parcel of property.

4.5. December 31, 2036.

5. Following the termination of the deferral, all payments on the assessment that were not deferred by this resolution shall be paid in the manner set forth in the Assessment Resolution.

6. The City Clerk shall file with the County Recorder and/or Registrar of Titles and County Auditor an appropriate Certificate with respect to the deferral of the payment on such assessment and shall provide written notice to Owner of the action of the City Council on his application and the terms and provisions applicable to the approved deferral.

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:

Councilor

and the following voted in opposition thereto:

WHEREUPON, such resolution was declared duly passed and adopted November 15, 2021.

Resolution No. 2021-144

**RESOLUTION APPROVING APPLICATION OF ASSESSMENT ROLL
NUMBER 537A-29 FOR DEFERRAL OF ASSESSMENT AGAINST THE
PROPERTY FOR THE CONSTRUCTION OF ROAD IMPROVEMENT
DISTRICT NO. 537 ("HARDSHIP DEFERRAL")**

WHEREAS, the owner of Assessment Roll Number 537A-29 ("Owner") owns property in the City of Hermantown at 5236 Lavaque Junction Road ("Owner's Property"), which property has been assigned CVT-Plat-Parcel Number 395-0070-00710; and

WHEREAS, the Owner's Property has been assessed the sum of \$9,750.00 for the construction of Road Improvement District No. 537; and

WHEREAS, Owner, pursuant to Hermantown Resolution No. 2010-99 with reference to Minnesota Statutes Section 435.193, et. seq. and Sections 2 and 3 of Chapter 585 of the Laws of 1984, applied for the deferral of the payments on such assessment; and

WHEREAS, the City Council has fully considered this matter and hereby makes the following:

FINDINGS OF FACT

1. Owner properly applied for a deferral of the payments on the assessment in accordance with Hermantown Resolution No. 2010-99 and Minnesota Statutes Section 435.193 et. seq.
2. The Owner's Property is the homestead of Owner.
3. Owner is:
 - 3.1. _____ over the age of sixty-five (65);
 - 3.2. _____ X _____ retired by the virtue of a permanent or total disability; or
 - 3.3. _____ a member of the military service in active duty.
4. Owner occupies the property as Owner(s) principal residence.
5. The average annual payment from all assessments levied against Owner's property exceeds (i) two percent (2%) of the adjusted gross income of Owner.

NOW, THEREFORE, on the basis of the foregoing Findings of Fact, which are hereby adopted and the authority granted by Minnesota Statutes Section 435.193 and Hermantown Resolution No. 2010-99, the City Council of the City of Hermantown is hereby resolved as follows:

1. The annual payment of the assessment against the Owner's Property in excess of Two Hundred Twenty Six and 93/100 Dollars (\$226.93) is hereby deferred. That portion of the annual assessment in the amount of Two Hundred Twenty Six and 93/100 Dollars (\$226.93) remains payable with the real estate taxes against the property beginning with the taxes due and payable in 2022. This amount that will be applied to interest as specified in Resolution 2010-99.

2. The assessment levied against the Owner's Property, shall bear interest at the rate set forth in Resolution No. 2021-141, "Resolution Adopting Assessment Roll For The Construction Of Road Improvement District No. 537" ("Assessment Resolution") during the term of the deferral.

3. The interest on the assessment will be averaged over the term of the assessment as specified in Resolution No. 2010-99.

4. The deferral of the payment of the portion of the assessment that is deferred by operation of this Resolution shall terminate and all payments that were deferred on such property shall be due and payable immediately upon the occurrence of any of the following events:

4.1. The death of Owner(s).

4.2. The sale, transfer or subdivision of such parcel of property or any part thereof.

4.3. The loss of the homestead status of such parcel of property for any reason.

4.4. If, for any reason, the City Council determines that there would be no hardship on owners to require immediate or partial payments of the Deferred Assessment against such parcel of property.

4.5. December 31, 2036.

5. Following the termination of the deferral, all payments on the assessment that were not deferred by this resolution shall be paid in the manner set forth in the Assessment Resolution.

6. The City Clerk shall file with the County Recorder and/or Registrar of Titles and County Auditor an appropriate Certificate with respect to the deferral of the payment on such assessment and shall provide written notice to Owner of the action of the City Council on his application and the terms and provisions applicable to the approved deferral.

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:

Councilor

and the following voted in opposition thereto:

WHEREUPON, such resolution was declared duly passed and adopted November 15, 2021.

TO: Mayor & City Council
FROM: John Mulder, City Administrator
DATE: November 5, 2021
SUBJECT: Trunk Sewer Spur & Munger Trail Spur – Sanitary Sewer Improvement District No. 448



Meeting Date: November 15, 2021

Agenda Item: 12-G **Resolution 2021-145**

REQUESTED ACTION

Approve Final Pay Application #15 and Final Compensating Change Order to Utility Systems of America for the construction related to the Trunk Sewer Spur and Munger Trail Spur Project – Sanitary Sewer Improvement District No. 448.

BACKGROUND

Attached is the Final Pay Application #15 for the work associated with the Hermantown Trunk Sewer Spur & Munger Trail Spur – Sanitary Sewer Improvement District No. 448.

NCE has reviewed the quantities through construction inspection and discussions with Utility Systems of America, Inc. representatives. I recommend final payment in the amount of **\$111,146.68** be authorized at the November 15, 2021 City Council Meeting.

SOURCE OF FUNDS (if applicable)

Sales Tax/Grant

ATTACHMENTS

Pay Application #15
Final Compensating Change Order

Resolution No. 2021-145

RESOLUTION APPROVING FINAL PAY REQUEST FOR SEWER IMPROVEMENT DISTRICT NO. 448 TO UTILITY SYSTEMS OF AMERICA, INC. IN THE AMOUNT OF \$111,146.68

WHEREAS, the City of Hermantown has contracted with Utility Systems of America, Inc. for construction of Sewer Improvement District No. 448 (“Project”); and

WHEREAS, Utility Systems of America, Inc. has performed the agreed upon work in said Project; and

WHEREAS, Utility Systems of America, Inc. has submitted Final Pay Request in the amount of \$111,146.68; and

WHEREAS, the necessary documentation for the final pay request is on file and available for inspection.

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

1. Final Pay Request is hereby approved.
2. The City is hereby authorized and directed to pay to Utility Systems of America, Inc. the sum of \$111,146.68 which is the amount represented on Final Pay Request.

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 has been duly passed and adopted November 15, 2021.

November 5, 2021

John Mulder
City Administrator
City of Hermantown
5105 Maple Grove Road
Hermantown MN 55811

Re: Hermantown Trunk Sewer Spur and Munger Trail – Sanitary Sewer Improvement District No. 448
Final Pay Estimate and Final Compensating Change Order

Dear John:

Attached are the Final Pay Application and Final Compensating Change Order for the work associated with the Hermantown Trunk Sewer Spur project. NCE and Utility Systems of America, Inc. have reviewed the project and agreed upon the final quantities of work completed. The amount of the Final Pay Application is **\$111,146.68**. We will release the retainage against the project.

I have reviewed and inspected the project and certify that the project has been constructed in accordance with the plans and specifications. I hereby am recommending that the City take ownership and maintenance on the Hermantown Trunk Sewer Spur and Munger Trail Project. Lastly, I recommend payment Final Payment in the amount of **\$111,146.68** be authorized at the November 15, 2021 City Council Meeting.

Please contact me with any questions you may have.

Thank you,



David Bolf, P.E. – City Engineer
Northland Consulting Engineers
218-727-5995
david@nce-duluth.com

CC: Bonnie Engseth, City of Hermantown
Jim Pucel – Utility Systems of America

Contractor's Application for Payment No. 15 (Final)

Application Period: September 26, 2021 - October 22, 2021		Application Date: 11/10/2021
To (Owner): City of Hermantown	From (Contractor): Utility Systems of America, Inc.	Via (Engineer): Northland Consulting Engineers, LLP
Project: Trunk Sewer Spur & Munger Trail Spur - Sanitary Sewer Improvement District No. 448	Contract: Trunk Sewer Spur & Munger Trail Spur - Sanitary Sewer Improvement District No. 448	
Owner's Contract No.: Sanitary Sewer Improvement District No. 448	Contractor's Project No.:	Engineer's Project No.: 16-808

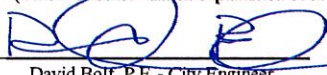
**Application For Payment
Change Order Summary**

Approved Change Orders				
Number	Additions	Deductions		
1	\$15,100.00		1. ORIGINAL CONTRACT PRICE.....	\$ 4,209,784.30
2	\$28,900.00		2. Net change by Change Orders.....	\$ -805.72
3	\$93,908.57		3. Final Contract Price (Line 1 ± 2).....	\$ 4,208,978.58
4	Time Extension		4. TOTAL COMPLETED AND STORED TO DATE	
5	\$38,975.00		See attached Pay Application Summary (Line E).....	\$ 4,208,978.58
6	\$4,500.00		5. RETAINAGE:	
7	\$20,822.86		a. X \$4,208,978.58 Work Completed.....	\$
8 (FCCO)	-\$203,012.15		b. 5% X _____ Stored Material.....	\$
TOTALS	-\$805.72		c. Total Retainage (Line 5.a + Line 5.b).....	\$
NET CHANGE BY CHANGE ORDERS	-\$805.72		6. AMOUNT ELIGIBLE TO DATE (Line 4 - Line 5.c).....	\$ 4,208,978.58
			7. LESS PREVIOUS PAYMENTS (Line 8).....	\$ 4,097,831.90
			9. FINAL AMOUNT DUE THIS APPLICATION.....	\$ 111,146.68
			10. BALANCE TO FINISH, PLUS RETAINAGE	
			(Line 3 - 4 + Line 5.c above).....	\$

**Application For Payment
Previous Pay Application Summary**

Approved Pay Applications		
Number	Date	Amount
1	4/6/2020	\$ 455,588.49
2	5/4/2020	\$ 30,045.81
3	6/3/2020	\$ 101,408.63
4	7/6/2020	\$ 654,831.60
5	8/3/2020	\$ 188,378.58
6	9/2/2020	\$ 573,269.10
7	10/5/2020	\$ 600,156.51
8	11/2/2020	\$ 322,822.04
9	12/6/2020	\$ 118,902.95
10	1/13/2021	\$ 432,032.60
11	6/7/2021	\$ 129,601.89
12	8/3/2021	\$ 278,948.17
13	9/7/2021	\$ 36,235.38
14	10/4/2021	\$ 175,610.15
15		
8. TOTALS		\$4,097,831.90

Payment of: \$ 111,146.68
(Line 9 or other - attach explanation of the other amount)

is recommended by:  11/10/2021
David Bolt, P.E. - City Engineer (Date)

Contractor's Certification

The undersigned Contractor certifies, to the best of its knowledge, the following:

(1) All previous progress payments received from Owner on account of Work done under the Contract have been applied on account to discharge Contractor's legitimate obligations incurred in connection with the Work covered by prior Applications for Payment;

(2) Title to all Work, materials and equipment incorporated in said Work, or otherwise listed in or covered by this Application for Payment, will pass to Owner at time of payment free and clear of all Liens, security interests, and encumbrances (except such as are covered by a bond acceptable to Owner indemnifying Owner against any such Liens, security interest, or encumbrances); and

(3) All the Work covered by this Application for Payment is in accordance with the Contract Documents and is not defective.

Contractor Signature - Utility Systems of America
By:  Date: 11-5-21



Pay Application #15 - 11/15/21
Trunk Sewer Spur & Munger Trail Spur
Sanitary Sewer District Improvement District No. 448

Item No.	Spec. Number	Item Description	Unit of Measure	Contract Total Quantities	USA Unit Price	Trunk Sewer Spur			Munger Trail Spur			Total Project	
						Contract Quantities	Completed Quantities	Completed Cost	Contract Quantities	Completed Quantities	Completed Cost	Completed Quantities	Completed Cost
BASE BID													
1	2021.501	MOBILIZATION	LS	1.00	\$ 434,000.00	0.80	0.80	\$ 347,200.00	0.20	0.20	\$ 86,800.00	1.00	\$ 434,000.00
2	2021.601	BLAST MONITORING/SURVEY	LS	1.00	\$ 45,000.00	1.00	1.00	\$ 45,000.00			\$ -	1.00	\$ 45,000.00
3	2031.601	FIELD OFFICE	LS	1.00	\$ 7,500.00	0.80	0.80	\$ 6,000.00	0.20	0.20	\$ 1,500.00	1.00	\$ 7,500.00
4	2051.601	MAINTENANCE AND RESTORATION OF HAUL ROADS	LS	1.00	\$ 1,000.00	0.80	0.80	\$ 800.00	0.20	0.20	\$ 200.00	1.00	\$ 1,000.00
5	2101.501	CLEARING	ACRE	18.40	\$ 12,000.00	14.90	14.90	\$ 178,800.00	3.50	3.50	\$ 42,000.00	18.40	\$ 220,800.00
6	2101.506	GRUBBING	ACRE	18.40	\$ 1,500.00	14.90	14.90	\$ 22,350.00	3.50	3.50	\$ 5,250.00	18.40	\$ 27,600.00
7	2104.502	REMOVE CASTING	EACH	1	\$ 250.00	1	1	\$ 250.00			\$ -	1	\$ 250.00
8	2104.502	SALVAGE ELECTRICAL PEDESTAL AND SIGN	EACH	6	\$ 350.00	6	6	\$ 2,100.00			\$ -	6	\$ 2,100.00
9	2104.503	REMOVE CONCRETE CURB AND GUTTER	LF	29	\$ 5.00	29	29	\$ 145.00			\$ -	29	\$ 145.00
10	2104.503	REMOVE SEWER PIPE (SANITARY)	LF	10	\$ 5.00	10	10	\$ 50.00			\$ -	10	\$ 50.00
11	2104.503	SAWING BITUMINOUS PAVEMENT (FULL DEPTH)	LF	153	\$ 4.00	153	153	\$ 612.00			\$ -	153	\$ 612.00
12	2104.503	SAWING CONCRETE PAVEMENT (FULL DEPTH)	LF	0	\$ 7.00			\$ -			\$ -		\$ -
13	2104.509	REMOVE CONCRETE PAVEMENT	SY	0	\$ 9.00			\$ -			\$ -		\$ -
14	2104.509	REMOVE BITUMINOUS PAVEMENT	SY	468	\$ 4.00	352	352	\$ 1,408.00	116	116	\$ 464.00	468	\$ 1,872.00
15	2104.518	REMOVE CONCRETE WALK	SF	755	\$ 1.00	755	755	\$ 755.00			\$ -	755	\$ 755.00
16	2104.601	REMOVE LIFT STATION	LS	1.00	\$ 20,000.00	1.00	1.00	\$ 20,000.00			\$ -	1.00	\$ 20,000.00
17	2104.602	REMOVE GREENHOUSES	EACH	8	\$ 1,000.00	8	8	\$ 8,000.00			\$ -	8	\$ 8,000.00
18	2106.504	GEOTEXTILE FABRIC TYPE 5 (NON-WOVEN)	SY	18,191	\$ 1.65	10,816	10,816	\$ 17,846.40	7,375	7,375	\$ 12,168.75	18,191	\$ 30,015.15
19	2106.504	GEOTEXTILE FABRIC TYPE 5 (NON-WOVEN) (PATCHING)	SY	352	\$ 4.00	352	352	\$ 1,408.00			\$ -	352	\$ 1,408.00
20	2106.507	EXCAVATION - COMMON	CY	21,774	\$ 11.00	17,631	17,631	\$ 193,941.00	4,143	4,143	\$ 45,573.00	21,774	\$ 239,514.00
21	2106.507	COMMON EMBANKMENT (CV)	CY	2,293	\$ 7.00	1,405	1,405	\$ 9,835.00	888	888	\$ 6,216.00	2,293	\$ 16,051.00
22	2106.507	SELECT GRANULAR EMBANKMENT MOD 7% (CV)	CY	5,500	\$ 21.00	3,200	3,200	\$ 67,200.00	2,300	2,300	\$ 48,300.00	5,500	\$ 115,500.00
23	2106.507	SELECT GRANULAR EMBANKMENT MOD 7% (CV) (PATCHING)	CY	133	\$ 22.00	133	133	\$ 2,926.00			\$ -	133	\$ 2,926.00
24	2106.601	DEWATERING	LS	1	\$ 50,000.00	0.80	0.80	\$ 40,000.00	0.20	0.20	\$ 10,000.00	1.00	\$ 50,000.00
25	2106.601	TURF & WETLAND RESTORATION	LS	1	\$ 30,000.00	0.80	0.80	\$ 24,000.00	0.20	0.20	\$ 6,000.00	1.00	\$ 30,000.00
26	2106.602	KEENE CREEK CROSSING	EACH	4	\$ 4,000.00	3	3	\$ 12,000.00	1	1	\$ 4,000.00	4	\$ 16,000.00
27	2211.507	AGGREGATE BASE (CV) CLASS 5	CY	7,611	\$ 30.00	4,434	4,434	\$ 133,020.00	3,177	3,177	\$ 95,310.00	7,611	\$ 228,330.00
28	2211.507	AGGREGATE BASE (CV) CLASS 5 (PATCHING)	CY	76	\$ 40.00	76	76	\$ 3,032.00			\$ -	76	\$ 3,032.00
29	2301.509	CONCRETE PAVEMENT 7" (MAPLE GROVE ESTATES)	SY	84	\$ 88.00	84	84	\$ 7,392.00			\$ -	84	\$ 7,392.00
30	2360.509	TYPE SP 9.5 WEARING COURSE MIXTURE (3:B)	TON	1,770	\$ 80.00			\$ -	1,770	1,770	\$ 141,600.00	1,770	\$ 141,600.00
31	2360.509	TYPE SP 9.5 WEARING COURSE MIXTURE (3:C) (PATCHING)	TON	37	\$ 154.00	37	37	\$ 5,698.00			\$ -	37	\$ 5,698.00
32	2360.509	TYPE SP 12.5 NON-WEARING COURSE MIXTURE (3:C) (PATCHING)	TON	45	\$ 154.00	45	45	\$ 6,930.00			\$ -	45	\$ 6,930.00
33	2412.503	3X6 PRECAST CONCRETE BOX CULVERT	LF	64	\$ 850.00	34	34	\$ 28,900.00	30	30	\$ 25,500.00	64	\$ 54,400.00
34	2451.507	COARSE FILTER AGGREGATE (CV)	CY	637	\$ 24.00	637	637	\$ 15,288.00			\$ -	637	\$ 15,288.00
35	2451.507	GRANULAR BACKFILL (LV)	CY	288	\$ 14.00	288	288	\$ 4,032.00			\$ -	288	\$ 4,032.00
36	2451.507	STRUCTURE EXCAVATION, CLASS R	CY	4,188	\$ 52.00	4,170	4,170	\$ 216,840.00	18	18	\$ 936.00	4,188	\$ 217,776.00
37	2501.502	12" CAS PIPE APRON	EACH	26	\$ 300.00	18	18	\$ 5,400.00	8	8	\$ 2,400.00	26	\$ 7,800.00
38	2501.502	15" CAS PIPE APRON	EACH	44	\$ 325.00			\$ -	44	44	\$ 14,300.00	44	\$ 14,300.00
39	2501.503	12" CAS PIPE CULVERT	LF	334	\$ 50.00	230	230	\$ 11,500.00	104	104	\$ 5,200.00	334	\$ 16,700.00
40	2501.503	15" CAS PIPE CULVERT	LF	610	\$ 53.00			\$ -	610	610	\$ 32,330.00	610	\$ 32,330.00
41	2503.503	8" PVC PIPE SEWER (SDR35)	LF	547	\$ 117.00	547	547	\$ 63,999.00			\$ -	547	\$ 63,999.00
42	2503.503	10" PVC PIPE SEWER (SDR35)	LF	5,651	\$ 119.00	5,651	5,651	\$ 672,469.00			\$ -	5,651	\$ 672,469.00
43	2503.503	10" PVC PIPE SEWER (SDR26)	LF	3,203	\$ 121.00	3,203	3,203	\$ 387,563.00			\$ -	3,203	\$ 387,563.00
44	2503.602	BENTONITE TRENCH DAM	EACH	74	\$ 1,900.00	74	74	\$ 140,600.00			\$ -	74	\$ 140,600.00
45	2503.602	CONNECT TO EXISTING SANITARY SEWER	EACH	3	\$ 1,500.00	3	3	\$ 4,500.00			\$ -	3	\$ 4,500.00
46	2503.602	PLUG AND ABANDON PIPE SEWER	EACH	6	\$ 500.00	6	6	\$ 3,000.00			\$ -	6	\$ 3,000.00
47	2503.603	TELEWISE SANITARY SEWER	LF	9,318	\$ 2.50	9,318	9,318	\$ 23,293.75			\$ -	9,318	\$ 23,293.75
48	2504.604	3" POLYSTYRENE INSULATION	SY	135	\$ 50.00	135	135	\$ 6,750.00			\$ -	135	\$ 6,750.00
49	2506.502	CASTING ASSEMBLY	EACH	5	\$ 800.00	5	5	\$ 4,000.00			\$ -	5	\$ 4,000.00
50	2506.503	CONSTRUCT DRAINAGE STRUCTURE DESIGN 4007	LF	508	\$ 525.00	508.00	508.00	\$ 266,700.00			\$ -	508.00	\$ 266,700.00
51	2506.602	CASTING ASSEMBLY SPECIAL	EACH	33	\$ 800.00	33	33	\$ 26,400.00			\$ -	33	\$ 26,400.00
52	2506.602	MANHOLE FRAME SEAL (EXTERNAL)	EACH	38	\$ 250.00	38	38	\$ 9,500.00			\$ -	38	\$ 9,500.00
53	2506.603	CONSTRUCT 8" INSIDE DROP	LF	6	\$ 200.00	6	6	\$ 1,200.00			\$ -	6	\$ 1,200.00
54	2521.518	6" CONCRETE WALK	SF	720	\$ 9.25	720	720	\$ 6,660.00			\$ -	720	\$ 6,660.00
55	2531.503	CONCRETE CURB AND GUTTER, DESIGN B624	LF	29	\$ 55.00	29	29	\$ 1,595.00			\$ -	29	\$ 1,595.00
56	2545.602	INSTALL ELECTRICAL PEDESTAL AND SIGN	EACH	6	\$ 750.00	6	6	\$ 4,500.00			\$ -	6	\$ 4,500.00
57	2563.601	TRAFFIC CONTROL	LS	1.00	\$ 27,500.00	0.80	0.80	\$ 22,000.00	0.20	0.20	\$ 5,500.00	1.00	\$ 27,500.00
58	2573.501	STABILIZED CONSTRUCTION EXIT	LS	1.00	\$ 1,000.00	0.80	0.80	\$ 800.00	0.20	0.20	\$ 200.00	1.00	\$ 1,000.00
59	2573.502	STORM DRAIN INLET PROTECTION	EACH	42	\$ 300.00	22	22	\$ 6,600.00	20	20	\$ 6,000.00	42	\$ 12,600.00
60	2573.503	FILTER BERM TYPE 4	LF	18,895	\$ 2.00	13,848	13,848	\$ 27,696.00	5,047	5,047	\$ 10,094.00	18,895	\$ 37,790.00
61	2573.503	SILT FENCE, TYPE MS	LF	23,120	\$ 2.25	17,196	17,196	\$ 38,691.00	5,924	5,924	\$ 13,329.00	23,120	\$ 52,020.00
62	2573.503	SEDIMENT CONTROL LOG TYPE WOOD FIBER	LF	2,920	\$ 2.75	2,220	2,220	\$ 6,105.00	700	700	\$ 1,925.00	2,920	\$ 8,030.00
63	2573.601	HERMANTOWN PUBLIC WORKS STORMWATER IMPROVEMENTS	LS	1.00	\$ 50,000.00			\$ -	1.00	1.00	\$ 50,000.00	1	\$ 50,000.00
64	2575.504	EROSION CONTROL BLANKETS CATEGORY 3N	SY	9,725	\$ 1.65	8,243	8,243	\$ 13,600.95	1,482	1,482	\$ 2,445.30	9,725	\$ 16,046.25
65	2575.505	SEEDING	ACRE	26.35	\$ 60.00	23.60	23.60	\$ 1,416.00	2.75	2.75	\$ 165.00	26.4	\$ 1,581.00
66	2575.508	SEED MIXTURE 36-311 (UPLAND)	LB	808	\$ 35.00	583	583	\$ 20,405.00	225	225	\$ 7,875.00	808	\$ 28,280.00
67	2575.508	SEED MIXTURE 34-371 (WETLAND)	LB	575	\$ 75.00	450	450	\$ 33,750.00	125.00	125.00	\$ 9,375.00	575	\$ 43,125.00
68	2575.605	MULCH MATERIAL TYPE 1	ACRE	26.35	\$ 700.00	23.60	23.60	\$ 16,520.00	2.75	2.75	\$ 1,925.00	26.4	\$ 18,445.00
69	2582.503	4" DOUBLE SOLID LINE PAINT (YELLOW)	LF	71	\$ 12.00	71	71	\$ 852.00			\$ -	71	\$ 852.00
70	2582.503	4" SOLID LINE PAINT (WHITE)	LF	102	\$ 6.00	102	102	\$ 612.00			\$ -	102	\$ 612.00
71	2582.503	24" SOLID LINE PAINT (WHITE)	LF	50	\$ 14.00			\$ -	50	50	\$ 700.00	50	\$ 700.00
BID ALTERNATE #1 - MAINTENANCE ROAD PAVING													
72	2360.509	TYPE SP 9.5 WEARING COURSE MIXTURE (3:B)	TON	425	\$ 80.00			\$ -	425	425.00	\$ 34,000.00	425	\$ 34,000.00
BID ALTERNATE #2 - MAINTENANCE ROAD ALONG MAPLE GROVE													
73	2104.502	SALVAGE 24" RC PIPE APRON	EACH	1	\$ 400.00			\$ -	1	1	\$ 400.00	1	\$ 400.00
74	2104.502	SALVAGE LIGHT POLE AND BASE	EACH	0	\$ 600.00			\$ -			\$ -		\$ -
75	2104.502	SALVAGE SIGN	EACH	0	\$ 50.00			\$ -			\$ -		\$ -
76	2106.504	GEOTEXTILE FABRIC TYPE 5 (NON-WOVEN)	SY	600	\$ 3.00			\$ -	600.00	600.00	\$ 1,800.00	600	\$ 1,800.00
77	2106.507	EXCAVATION - COMMON	CY	250	\$ 25.00			\$ -	250.00	250.00	\$ 6,250.00	250	\$ 6,250.00
78	2106.507	SELECT GRANULAR EMBANKMENT MOD 7% (CV)	CY	150									

Date of Issuance: 11/15/21	Effective Date: 11/15/21
Owner: City of Hermantown	Owner's Contract No.: 16-808
Contractor: Utility Systems of America	Contractor's Project No.:
Engineer: Northland Consulting Engineers	Engineer's Project No.: 16-808
Project: Hermantown Trunk Sewer Spur & Munger Trail Spur	SSID: 448

The Contract is modified as follows upon execution of this Final Compensating Change Order:

Description: This Final Compensating Change Order (FCCO) adjusts the contract quantities to match the actual construction quantities for the project.

Attachments: See attached Final Compensating Change Order Justification with final compensating amounts for changes to the contract quantities.

Attachments: 1) FCCO Summary of Final Quantities

CHANGE IN CONTRACT PRICE	CHANGE IN CONTRACT TIMES
Original Contract Price: \$ 4,209,784.30	
Increase from previously approved Change Orders: \$ 202,206.43	No change in contract time associated with this change order.
Contract Price prior to this Change Order: \$ 4,411,990.73	
Decrease of this Change Order (Final Compensating Amount): \$ 203,012.15	
Final Contract Price incorporating this Change Order: \$ 4,208,978.58	

RECOMMENDED:	ACCEPTED:	ACCEPTED:
By: <u>[Signature]</u>	By: _____	By: <u>[Signature]</u>
Engineer (if required)	Owner (Authorized)	Contractor (Authorized Signature)
Title: City Engineer	Title: _____	PROJECT MANAGER
Date: 11/4/21	Date: _____	10-5-21

FCCO Worksheet - 11/15/21
Trunk Sewer Spur & Munger Trail Spur
Sanitary Sewer District Improvement District No. 448

Item No.	Spec. Number	Item Description	Unit of Measure	Contract Total Quantities	USA Unit Price	Trunk Sewer Spur			Munger Trail Spur			Total Project		Quantity Increase/Decrease	Compensating Cost
						Contract Quantities	Completed Quantities	Completed Cost	Contract Quantities	Completed Quantities	Completed Cost	Completed Quantities	Completed Cost		
BASE BID															
1	2021.501	MOBILIZATION	LS	1.00	\$ 434,000.00	0.80	0.80	\$ 347,200.00	0.20	0.20	\$ 86,800.00	1.00	\$ 434,000.00		
2	2021.601	BLAST MONITORING/SURVEY	LS	1.00	\$ 45,000.00	1.00	1.00	\$ 45,000.00	-	-	\$ -	1.00	\$ 45,000.00		
3	2031.601	FIELD OFFICE	LS	1.00	\$ 7,500.00	0.80	0.80	\$ 6,000.00	0.20	0.20	\$ 1,500.00	1.00	\$ 7,500.00		
4	2051.601	MAINTENANCE AND RESTORATION OF HAUL ROADS	LS	1.00	\$ 1,000.00	0.80	0.80	\$ 800.00	0.20	0.20	\$ 200.00	1.00	\$ 1,000.00		
5	2101.501	CLEARING	ACRE	18.00	\$ 12,000.00	14.50	14.90	\$ 178,800.00	3.50	3.50	\$ 42,000.00	18.40	\$ 220,800.00	0.4	\$ 4,800.00
6	2101.506	GRUBBING	ACRE	18.00	\$ 1,500.00	14.50	14.90	\$ 22,350.00	3.50	3.50	\$ 5,250.00	18.40	\$ 27,600.00	0.4	\$ 600.00
7	2104.502	REMOVE CASTING	EACH	1	\$ 250.00	1	1	\$ 250.00	-	-	\$ -	1	\$ 250.00		
8	2104.502	SALVAGE ELECTRICAL PEDESTAL AND SIGN	EACH	6	\$ 350.00	6	6	\$ 2,100.00	-	-	\$ -	6	\$ 2,100.00		
9	2104.503	REMOVE CONCRETE CURB AND GUTTER	LF	20	\$ 5.00	20	29	\$ 145.00	-	-	\$ -	29	\$ 145.00	9	\$ 45.00
10	2104.503	REMOVE SEWER PIPE (SANITARY)	LF	10	\$ 5.00	10	10	\$ 50.00	-	-	\$ -	10	\$ 50.00		
11	2104.503	SAWING BITUMINOUS PAVEMENT (FULL DEPTH)	LF	156	\$ 4.00	156	153	\$ 612.00	-	-	\$ -	153	\$ 612.00	-3	\$ (12.00)
12	2104.503	SAWING CONCRETE PAVEMENT (FULL DEPTH)	LF	170	\$ 7.00	170		\$ -	-	-	\$ -		\$ -	-170	\$ (1,190.00)
13	2104.509	REMOVE CONCRETE PAVEMENT	SY	852	\$ 9.00	852		\$ -	-	-	\$ -		\$ -	-852	\$ (7,668.00)
14	2104.509	REMOVE BITUMINOUS PAVEMENT	SY	343	\$ 4.00	227	352	\$ 1,408.00	116	116	\$ 464.00	468	\$ 1,872.00	125	\$ 500.00
15	2104.518	REMOVE CONCRETE WALK	SF	630	\$ 1.00	630	755	\$ 755.00	-	-	\$ -	755	\$ 755.00	125	\$ 125.00
16	2104.601	REMOVE LIFT STATION	LS	1.00	\$ 20,000.00	1.00	1.00	\$ 20,000.00	-	-	\$ -	1.00	\$ 20,000.00		
17	2104.602	REMOVE GREENHOUSES	EACH	8	\$ 1,000.00	8	8	\$ 8,000.00	-	-	\$ -	8	\$ 8,000.00		
18	2106.504	GEOTEXTILE FABRIC TYPE 5 (NON-WOVEN)	SY	28,750	\$ 1.65	17,000	10,816	\$ 17,846.40	11,750	7,375	\$ 12,168.75	18,191	\$ 30,015.15	-10559	\$ (17,422.35)
19	2106.504	GEOTEXTILE FABRIC TYPE 5 (NON-WOVEN) (PATCHING)	SY	250	\$ 4.00	250	352	\$ 1,408.00	-	-	\$ -	352	\$ 1,408.00	102	\$ 408.00
20	2106.507	EXCAVATION - COMMON	CY	20,883	\$ 11.00	16,760	17,631	\$ 193,941.00	3,923	4,143	\$ 45,573.00	21,774	\$ 239,514.00	1091	\$ 12,001.00
21	2106.507	COMMON EMBANKMENT (CV)	CY	3,924	\$ 7.00	3,179	1,405	\$ 9,835.00	745	888	\$ 6,216.00	2,293	\$ 16,051.00	-1631	\$ (11,417.00)
22	2106.507	SELECT GRANULAR EMBANKMENT MOD 7% (CV)	CY	5,500	\$ 21.00	3,200	3,200	\$ 67,200.00	2,300	2,300	\$ 48,300.00	5,500	\$ 115,500.00		
23	2106.507	SELECT GRANULAR EMBANKMENT MOD 7% (CV) (PATCHING)	CY	100	\$ 22.00	100	133	\$ 2,926.00	-	-	\$ -	133	\$ 2,926.00	33	\$ 726.00
24	2106.601	DEWATERING	LS	1	\$ 50,000.00	0.80	0.80	\$ 40,000.00	0.20	0.20	\$ 10,000.00	1.00	\$ 50,000.00		
25	2106.601	TURF & WETLAND RESTORATION	LS	1	\$ 30,000.00	0.80	0.80	\$ 24,000.00	0.20	0.20	\$ 6,000.00	1.00	\$ 30,000.00		
26	2106.602	KEENE CREEK CROSSING	EACH	4	\$ 4,000.00	3	3	\$ 12,000.00	1	1	\$ 4,000.00	4	\$ 16,000.00		
27	2211.507	AGGREGATE BASE (CV) CLASS 5	CY	7,611	\$ 30.00	4,434	4,434	\$ 133,020.00	3,177	3,177	\$ 95,310.00	7,611	\$ 228,330.00		
28	2211.507	AGGREGATE BASE (CV) CLASS 5 (PATCHING)	CY	60	\$ 40.00	60	76	\$ 3,032.00	-	-	\$ -	76	\$ 3,032.00	15.8	\$ 632.00
29	2301.509	CONCRETE PAVEMENT 7" (MAPLE GROVE ESTATES)	SY	852	\$ 88.00	852	84	\$ 7,392.00	-	-	\$ -	84	\$ 7,392.00	-768	\$ (67,584.00)
30	2360.509	TYPE SP 9.5 WEARING COURSE MIXTURE (3.B)	TON	1,770	\$ 80.00	-	-	\$ -	1,770	1,770	\$ 141,600.00	1,770	\$ 141,600.00		
31	2360.509	TYPE SP 9.5 WEARING COURSE MIXTURE (3.C) (PATCHING)	TON	35	\$ 154.00	35	37	\$ 5,698.00	-	-	\$ -	37	\$ 5,698.00	2	\$ 308.00
32	2360.509	TYPE SP 12.5 NON-WEARING COURSE MIXTURE (3.C) (PATCHING)	TON	32	\$ 154.00	32	45	\$ 6,930.00	-	-	\$ -	45	\$ 6,930.00	13	\$ 2,002.00
33	2412.503	3X6 PRECAST CONCRETE BOX CULVERT	LF	64	\$ 850.00	34	34	\$ 28,900.00	30	30	\$ 25,500.00	64	\$ 54,400.00		
34	2451.507	COARSE FILTER AGGREGATE (CV)	CY	1,045	\$ 24.00	1,045	637	\$ 15,288.00	-	-	\$ -	637	\$ 15,288.00	-408	\$ (9,792.00)
35	2451.507	GRANULAR BACKFILL (LV)	CY	6,275	\$ 14.00	6,275	288	\$ 4,032.00	-	-	\$ -	288	\$ 4,032.00	-5987	\$ (83,818.00)
36	2451.507	STRUCTURE EXCAVATION, CLASS R	CY	4,825	\$ 52.00	4,825	4,170	\$ 216,840.00	-	-	\$ -	4,188	\$ 217,776.00	-637	\$ (33,124.00)
37	2501.502	12" CAS PIPE APRON	EACH	26	\$ 300.00	18	18	\$ 5,400.00	8	8	\$ 2,400.00	26	\$ 7,800.00		
38	2501.502	15" CAS PIPE APRON	EACH	45	\$ 325.00	-	-	\$ -	45	44	\$ 14,300.00	44	\$ 14,300.00	-1	\$ (325.00)
39	2501.503	12" CAS PIPE CULVERT	LF	328	\$ 50.00	230	230	\$ 11,500.00	98	104	\$ 5,200.00	334	\$ 16,700.00	6	\$ 300.00
40	2501.503	15" CAS PIPE CULVERT	LF	590	\$ 53.00	-	-	\$ -	590	610	\$ 32,330.00	610	\$ 32,330.00	20	\$ 1,060.00
41	2503.503	8" PVC PIPE SEWER (SDR35)	LF	547	\$ 117.00	547	547	\$ 63,999.00	-	-	\$ -	547	\$ 63,999.00		
42	2503.503	10" PVC PIPE SEWER (SDR35)	LF	5,651	\$ 119.00	5,651	5,651	\$ 672,469.00	-	-	\$ -	5,651	\$ 672,469.00		
43	2503.503	10" PVC PIPE SEWER (SDR26)	LF	3,203	\$ 121.00	3,203	3,203	\$ 387,563.00	-	-	\$ -	3,203	\$ 387,563.00		
44	2503.602	BENTONITE TRENCH DAM	EACH	74	\$ 1,900.00	74	74	\$ 140,600.00	-	-	\$ -	74	\$ 140,600.00		
45	2503.602	CONNECT TO EXISTING SANITARY SEWER	EACH	3	\$ 1,500.00	3	3	\$ 4,500.00	-	-	\$ -	3	\$ 4,500.00		
46	2503.602	PLUG AND ABANDON PIPE SEWER	EACH	6	\$ 500.00	6	6	\$ 3,000.00	-	-	\$ -	6	\$ 3,000.00		
47	2503.603	TELEWISE SANITARY SEWER	LF	9,401	\$ 2.50	9,401	9,318	\$ 23,293.75	-	-	\$ -	9,318	\$ 23,293.75	-83.5	\$ (208.75)
48	2504.604	3" POLYSTYRENE INSULATION	SY	135	\$ 50.00	135	135	\$ 6,750.00	-	-	\$ -	135	\$ 6,750.00		
49	2506.502	CASTING ASSEMBLY	EACH	5	\$ 800.00	5	5	\$ 4,000.00	-	-	\$ -	5	\$ 4,000.00		
50	2506.503	CONSTRUCT DRAINAGE STRUCTURE DESIGN 4007	LF	508	\$ 525.00	508	508.00	\$ 266,700.00	-	-	\$ -	508.00	\$ 266,700.00		
51	2506.602	CASTING ASSEMBLY SPECIAL	EACH	33	\$ 800.00	33	33	\$ 26,400.00	-	-	\$ -	33	\$ 26,400.00		
52	2506.602	MANHOLE FRAME SEAL (EXTERNAL)	EACH	38	\$ 250.00	38	38	\$ 9,500.00	-	-	\$ -	38	\$ 9,500.00		
53	2506.603	CONSTRUCT 8" INSIDE DROP	LF	6	\$ 200.00	6	6	\$ 1,200.00	-	-	\$ -	6	\$ 1,200.00		
54	2521.518	6" CONCRETE WALK	SF	630	\$ 9.25	630	720	\$ 6,660.00	-	-	\$ -	720	\$ 6,660.00	90	\$ 832.50
55	2531.503	CONCRETE CURB AND GUTTER, DESIGN B624	LF	20	\$ 55.00	20	29	\$ 1,595.00	-	-	\$ -	29	\$ 1,595.00	9	\$ 495.00
56	2545.602	INSTALL ELECTRICAL PEDESTAL AND SIGN	EACH	6	\$ 750.00	6	6	\$ 4,500.00	-	-	\$ -	6	\$ 4,500.00		
57	2563.601	TRAFFIC CONTROL	LS	1.00	\$ 27,500.00	0.80	0.80	\$ 22,000.00	0.20	0.20	\$ 5,500.00	1.00	\$ 27,500.00		
58	2573.501	STABILIZED CONSTRUCTION EXIT	LS	1.00	\$ 1,000.00	0.80	0.80	\$ 800.00	0.20	0.20	\$ 200.00	1.00	\$ 1,000.00		
59	2573.502	STORM DRAIN INLET PROTECTION	EACH	37	\$ 300.00	27	22	\$ 6,600.00	10	20	\$ 6,000.00	42	\$ 12,600.00	5	\$ 1,500.00
60	2573.503	FILTER BERM TYPE 4	LF	18,895	\$ 2.00	13,848	13,848	\$ 27,696.00	5,047	5,047	\$ 10,094.00	18,895	\$ 37,790.00		
61	2573.503	SILT FENCE, TYPE MS	LF	6,878	\$ 2.25	3,541	17,196	\$ 38,691.00	3,337	5,924	\$ 13,329.00	23,120	\$ 52,020.00	16242	\$ 36,544.50
62	2573.503	SEDIMENT CONTROL LOG TYPE WOOD FIBER	LF	18,895	\$ 2.75	13,848	2,220	\$ 6,105.00	5,047	700	\$ 1,925.00	2,920	\$ 8,030.00	-15975	\$ (43,931.25)
63	2573.601	HERMANTOWN PUBLIC WORKS STORMWATER IMPROVEMENTS	LS	1.00	\$ 50,000.00	-	-	\$ -	-	1.00	\$ 50,000.00	1	\$ 50,000.00		
64	2575.504	EROSION CONTROL BLANKETS CATEGORY 3N	SY	3,277	\$ 1.65	1,795	8,243	\$ 13,600.95	1,482	1,482	\$ 2,445.30	9,725	\$ 16,046.25	6448	\$ 10,639.20
65	2575.505	SEEDING	ACRE	16.75	\$ 60.00	14.00	23.60	\$ 1,416.00	2.75	2.75	\$ 165.00	26.4	\$ 1,581.00	9.6	\$ 576.00
66	2575.508	SEED MIXTURE 36-311 (UPLAND)	LB	775	\$ 35.00	550	583	\$ 20,405.00	225	225	\$ 7,875.00	808	\$ 28,280.00	33	\$ 1,155.00
67	2575.508	SEED MIXTURE 34-371 (WETLAND)	LB	575	\$ 75.00	450	450	\$ 33,750.00	125	125.00	\$ 9,375.00	575	\$ 43,125.00		
68	2575.605	MULCH MATERIAL TYPE 1	ACRE	16.75	\$ 700.00	14.00	23.60	\$ 16,520.00	2.75	2.75	\$ 1,925.00	26.4	\$ 18,445.00	9.6	\$ 6,720.00
69	2582.503	4" DOUBLE SOLID LINE PAINT (YELLOW)	LF	71	\$ 12.00	71	71	\$ 852.00	-	-	\$ -	71	\$ 852.00		
70	2582.503	4" SOLID LINE PAINT (WHITE)	LF	102</											

Resolution No. 2021-146

**RESOLUTION ADOPTING ASSESSMENT ROLL
FOR DELINQUENT UTILITY CHARGES FOR 2021**

WHEREAS, pursuant to Hermantown City Code Section 930.08 the City Clerk has prepared an Assessment Roll for delinquent Utility charges through September 30, 2021; and

WHEREAS, the individuals responsible for the payment of such accounts have been duly notified of the intent of the City to certify such accounts to the County Auditor to be paid with the real estate taxes on the property served payable in 2022; and

WHEREAS, the City Council has met, heard and passed upon all objections to the proposed assessment roll for the delinquent Utility charges for 2021, and made amendments to the assessment roll as it deemed just and reasonable under the circumstances.

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

1. Such proposed assessment, a copy of which is attached hereto and made a part hereof, is hereby accepted and shall constitute an assessment against the lands named therein.

2. Such assessments shall be paid in full with general taxes for the year 2021, collectable with the taxes of 2022.

3. The City Clerk shall forthwith transmit a certified duplicate copy of this assessment to the County Auditor to be extended on the tax list of the County.

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 November 15, 2021.

TO: Mayor & City Council

FROM: John Mulder, City
Administrator



DATE: November 10, 2021

Meeting Date: 11/15/21

SUBJECT: Keene Creek Culverts - Letter of Map Revision (LOMR) **Agenda Item: 12-I** **Resolution 2021-147**

REQUESTED ACTION

Approve a cooperative agreement with St. Louis County for preparation of a Letter of Map Revision

BACKGROUND

This work is a follow up and condition of the MNDNR permit we received to install the (3) culverts in Keene Creek along Okerstrom Road. The Letter of Map Revision or LOMR, is a hydraulic study that establishes the new flood elevations for a recently installed culvert or bridge. SLC recently replaced a bridge further downstream on Keene Creek, that crosses Morris Thomas Road. They too are required to prepare a LOMR. Since the LOMR covers some of the same area, it was decided between discussions with SLC that a shared effort made sense in preparation of the LOMR. SLC has consulted with S.E.H. for this work. We agreed to split costs 50/50. It is estimated to be \$35,000.00 total fee, with Hermantown's portion at \$17,500.00.

I am recommending the city council approve this cooperative agreement.

SOURCE OF FUNDS (if applicable)

Storm Water Utility

ATTACHMENTS

Cooperative Agreement

Resolution No. 2021-147

**RESOLUTION AUTHORIZING AND DIRECTING THE MAYOR
AND CITY CLERK TO EXECUTE AND DELIVER A COOPERATIVE AGREEMENT
BETWEEN ST. LOUIS COUNTY AND THE CITY OF HERMANTOWN
FOR LETTER OF MAP REVISION (LOMR) FOR KEENE CREEK**

WHEREAS, this agreement is made and entered into by and between the County of St. Louis, a duly organized county within the State of Minnesota, hereinafter referred to as the “County”, and the City of Hermantown, hereinafter referred to as the “City”, a municipal corporation of St. Louis County, Minnesota; and

WHEREAS, the County installed a 16’ x 6’ concrete box culvert on Keene Creek as part of the reclaim and overlay on Morris Thomas Road known as CP 0056-284469 / SP 069-656-019 in 2021. The City of Hermantown installed 3 culverts on Keene Creek crossing Okerstrom Road in 2020 adjacent to Morris Thomas Road; and

WHEREAS, this work took place in a FEMA detailed study and a LOMR is required to adjust the flood plan mapping due to the decrease in the flood plain elevation with these improvements to Keene Creek; and

WHEREAS, due to both Hermantown and County being required to perform a LOMR on Keene Creek, it is justified and mutually beneficial to combine the County and Hermantown LOMR and an agreement needs to be authorized to deliver the project to completion.

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

1. An Agreement substantially in the form of the one attached hereto as Exhibit A is hereby approved.
2. The Mayor and City Clerk are hereby authorized and directed to execute and deliver the Agreement on behalf of the City.

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 November 15, 2021.

EXHIBIT A
Cooperative Agreement

St. Louis County
Keene Creek LOMR
CP 0056-284469 / SP 069-656-018

COOPERATIVE
AGREEMENT
BETWEEN
THE COUNTY OF ST. LOUIS
AND
THE CITY OF HERMANTOWN
TO

Perform hydraulic modeling, floodplain mapping and Letter of Map Revision (LOMR)
for Keene Creek in the City of Hermantown, St. Louis County, Minnesota.

CP 0056-284469

Prepared by the St. Louis County Highway Engineering Division

THIS AGREEMENT is made and entered into by and between the County of St. Louis, a duly organized county within the State of Minnesota, hereinafter referred to as the "County", and the City of Hermantown, hereinafter referred to as the "City", a municipal corporation of St. Louis County, Minnesota.

WHEREAS the County installed a 16' x 6' concrete box culvert on Keene Creek as part of the reclaim and overlay on Morris Thomas Road known as CP 0056-284469 / SP 069-656-019 in 2021. The City of Hermantown installed 3 culverts on Keene Creek crossing Okerstrom Road in 2020 adjacent to Morris Thomas Road; and

WHEREAS, this work took place in a FEMA detailed study area and a LOMR is required to adjust the flood plain mapping due to the decrease in the flood plain elevation with these improvements to Keene Creek; and

WHEREAS, due to both Hermantown and County being required to perform a LOMR on Keene Creek, it is justified and mutually beneficial to combine the County and Hermantown LOMR and an agreement needs to be authorized to deliver the project to completion.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. The County shall secure a Consultant to perform hydraulic modeling, floodplain mapping and Letter of Map Revision (LOMR) for Keene Creek.
2. The County and City shall jointly submit the LOMR with assistance from the Consultant.
3. The City shall reimburse the County for one half of cost of the Consultant, estimated at \$35,000 total.

4. The City shall reimburse the County one half of the cost for all permit and application fees for the LOMR estimated at \$12,000 total.

5. Each party designates an Authorized Representative for the purpose of administering this Agreement. A party's authorized representative has the authority to give and receive notices, and to make any other decision required or permitted by this Agreement.

a. For the County:

Steve Krasaway, P.E.
Public Works Department / Resident Engineer
4787 Midway Road
Duluth, MN 55811
(218) 625-3841

b. For the City:

John Mulder
City Administrator
5105 Maple Grove Road
Hermantown, MN 55811
(218) 729-3600
jmulder@hermantownmn.com

6. The County will submit invoices to the City concurrently with copies of the payments made to the Consultant. The City shall pay the County invoices within 35 days of receipt.

7. This Agreement may be terminated only as follows:

- a. At any time by mutual agreement of the parties;
- b. By any party at any time upon 30 days notice in the event of default by a

party, provided however that such termination shall not be effective if the defaulting party cures such default by end of the 30 day notice period. In the event of such termination, the County and City shall be entitled to pro-rata payment for work and services performed up to the effective date of such termination.

8. Each of the parties hereto hereby agrees that it shall defend, indemnify and save harmless the other party and all of their employees and agents from any and all claims, demands actions or causes of action of whatever nature or character arising out of or by reason of their negligent or intentional acts or omissions in the execution or performance of the work provided herein.

9. Any and all employees of the County, while engaged in the performance of any work or service which the County is specifically required to perform under this Agreement, shall be considered employees of the County, and not the City, and that any and all claims that may or might arise under the Workers Compensation Act of the State of Minnesota on behalf of said employees while so engaged and any claims made by any third parties as a consequence of any act of said employees, shall be the sole obligation of the County.

10. Any and all employees of the City, while engaged in the performance of any work or service which the City is specifically required to perform under this Agreement, shall be considered employees of the City, and not the County, and that any and all claims that may or might arise under the Workers Compensation Act of the State of Minnesota on behalf of said employees while so engaged and any claims made by any third parties as a consequence of any act of said employees, shall be the sole obligation of

the City.

11. To the full extent permitted by law, actions by the Parties pursuant to this Agreement are intended to be and shall be construed as a "cooperative activity" and it is the intent of the Parties that they shall be deemed a "single governmental unit" for the purpose of liability, as set forth in Minnesota Statutes, Section 471.59, Subd. 1a.

COUNTY OF ST. LOUIS

Chair of the County Board

By _____
Public Works Director/Highway Engineer

Dated _____

APPROVED AS TO FORM AND EXECUTION:

County Auditor

By _____
County Attorney
Damion No.

CITY OF HERMANTOWN

COUNTERSIGNED:

Mayor

By _____
City Clerk

(City Seal)

TO: Mayor & City Council
FROM: John Mulder, City Administrator



DATE: November 10, 2021 **Meeting Date:** 11/15/21
SUBJECT: Labor Contract with IUOE **Agenda Item: 12-J** **Resolution 2021-148**
Local 49 Public Works

REQUESTED ACTION

Approve tentative agreements with the International Union of Operating Engineers Local 49 (Public Works) for January 1, 2022 through December 31, 2024

BACKGROUND

The City and Union met twice in negotiations in attempt to settle the successor labor agreement for the one that will expire on December 31, 2021. If approved by the City Council, a new contract reflecting these changes would be prepared for signatures by the Mayor and Clerk as well as the Union.

SOURCE OF FUNDS (if applicable)

The Costs for these positons are charged either to the General Fund, Sewer Fund, or the Water Fund

ATTACHMENTS

Resolution
Tentative Agreement

Resolution No. 2021-148

RESOLUTION APPROVING TENTATIVE AGREEMENT AND AUTHORIZING AND DIRECTING MAYOR AND CITY CLERK TO EXECUTE AND DELIVER AGREEMENTS WITH OPERATING ENGINEERS LOCAL 49 FOR THE PERIOD OF JANUARY 1, 2022 THROUGH DECEMBER 31, 2024

WHEREAS, the Labor agreement between the Operating Engineers Local 49 and the City of Hermantown expires on December 31, 2021; and

WHEREAS, representatives from Operating Engineers Local 49 and the City of Hermantown have met on two occasions to negotiate a successor labor agreement; and

WHEREAS, representatives from Operating Engineers Local 49 and the City of Hermantown have reached the tentative agreement on the attached document.

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

1. The City Council approves the tentative agreement authorizing the Mayor and City Clerk to Execute and Deliver Agreement with Operating Engineers Local 49 for the Period of January 1, 2022 Through December 31, 2024.

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 November 15, 2021.

**Tentative Agreement between
the City of Hermantown and
Operating Engineers Local #49
As of October 27, 2021**

ARTICLE 3 CHECKOFF OF UNION DUES/FAIR SHARE

~~**Fair Share Fee. Section B.** All employees who are not members of the exclusive representative may be required by said exclusive representative to contribute a fair share fee for services rendered by the exclusive representative in an amount equal to the regular membership dues of the exclusive representative less the cost of benefits financed through the dues and available only to members of the exclusive representative, but in no event shall the fee exceed eight five percent (85%) of the regular membership dues. The exclusive representative shall provide advance written notice of the amount of the fair share fee assessment to the director, the Employer and to a list furnished by the Employer of all employees within the unit. A challenge by an employee or by a person aggrieved by the assessment shall be filed in writing with the director, the public employer, and the exclusive representative within thirty (30) days after receipt of the written notice. All challenges shall specify those portions of the assessment challenged and the reasons therefore, but the burden of proof relating to the amount of the fair share fee shall be on the exclusive representative. The Employer shall deduct the fee from the earnings of the employee and transfer the fee to the exclusive representative thirty (30) days after the written notice was provided, or, in the event a challenge is filed, the deductions for a fair share fee shall be held in escrow by the Employer pending a decision by the director pursuant to Section 3 of the Act.~~

~~**Indemnification. Section C.** The Union agrees to indemnify and save and hold harmless the City from any litigation arising out of the fair share fee challenge.~~

ARTICLE 8 JOB SAFETY

Section 4. The City will reimburse each employee up to ~~\$100.00 per year in 2016 and \$200 in subsequent years~~ \$200 per year in 2022; \$225 per year in 2023, and \$250 in 2024 toward the purchase of equipment not provided by the City such as safety shoes. Employees not using the full amount in any one year may carry over the remainder; however, employees may not exceed ~~\$400.00~~ \$500.00 at any time for carry over.

ARTICLE 12 SICK LEAVE

Section 6. Any employee who is at the maximum accumulation of sick leave and who is credited for sick leave during a year in excess of the maximum sick leave of five hundred sixty (560) hours shall, as of December 31 of the year in question, have ~~twenty five percent (25%)~~ thirty-five percent (35%) of such excess credit towards sick leave deposited in the employees State of Minnesota Health Care Savings Plan at the employees December 31 wage rate of the year in question. In 2023, the percentage stated above will increase to forty-five (45%) and in

2024, the percentage will increase to fifty (50%).

ARTICLE 18 WAGES

Increase all wages as follows

1/1/2022: 3.75%;
1/1/2023: 3.25%;
1/1/2024: 3.25%

NOTE: Upon the separation of employment by Glen Liebel, the lead position will be eliminated.

ARTICLE 14 HOSPITALIZATION AND LIFE INSURANCE

Section 1.

A. A new employee regularly scheduled to thirty (30) or more hours of employment each week shall be eligible to receive hospitalization coverage on the first of the month following 60 days of continuous employment. At the time of enrollment, the employee must inform his supervisor whether he desires single or family coverage. The Employer agrees to provide insurance coverage equal to or better than the benefits ~~contained within the Summary Plan description of the Triple Gold Health Plan for benefits effective in effect on January 1, 2013-2021.~~

~~B. Final regulation have not been issued under many provisions of the Patient Protection and Affordable Care Act (ACA). This creates considerable uncertainty regarding the Employer's financial obligations as well as maintaining the aggregate level of benefits as provided for in this CBA. This agreement may be reopened and all material terms of compensation, hours and fringe benefits (includes health benefits) shall be subject to negotiations if in fact changes are necessary to comply with the ACA. Either party to the Agreement that requests a reopener under this provision shall be obligated to provide specific documentation as to the provision of the ACA that is cause for the requested reopener at the time such a request is made.~~

Section 2. DENTAL INSURANCE. Employees shall be eligible for participation in the City's dental plan upon hire should they choose. The City will pay 90% of the actual premium of the plan selected by the employee but capped at \$65.61 per month. If employees select a plan with premiums greater than the cap, then any additional premiums will be paid 100% by the employee.

ARTICLE 19 GENERAL

Section 3. Effective 1/1/2016, Glen Liebel will be designated as the Lead Public Works employee. The Lead Public Works employee will be paid \$3.00 per hour above the top rate of pay. This lead rate is listed in the wage scale as Lead rate.

The Lead Public Works position will have the use of a City Vehicle. In case of vacancy in this position, the City will have the right to appoint a person without consideration of seniority. This provision will be no longer be in effect and will be deleted upon the separation of employment of Glen Liebel.

Section 5. Training Center. The City agrees to contribute ~~\$.05~~ \$0.10 per hour per employee to the Local 49 Training Center for each year of the contract. ~~2019, \$.07 per hour per employee to the Local 49 Training Center for 2020, and \$.10 per hour per employee to the Local 49 Training Center for 2021.~~ The City may select which employees will attend the training center based on the training needs of the City. Any request from an employee to attend the training center during regular work hours require the approval of the Public Works Director. Any employee that desire to attend the Training Center on vacation or personal time will not require approval of the Public Works Director. All training center contributions will be made by the city on all hours worked or paid, excluding hour paid out as part of a retirement or severance payout. This section will automatically be terminated and be removed from the contract on December 31, ~~2021~~ 2024.

ARTICLE 21 ~~TERMINATION DURATION~~

This Agreement shall be effective from the first day of January ~~2019~~ 2022, and shall continue in full force and effect through the 31st day of December ~~2021~~ 2024. This Agreement shall automatically renew itself thereafter until and unless either party at least one hundred fifty (150) days prior to the 31st day of December ~~2021~~ 2024, notifies the other party in writing of its desire to terminate or modify the Agreement. If the notice given is one expressing an election to terminate the Agreement, it shall then expire on the first day of January ~~2022~~ 2025. If the notice is one of modification, the parties shall then begin negotiations of the propo5ed modification as soon as possible after such notice has been given. During the period of negotiations on the modifications, the terms and conditions of the Agreement not certified at impasse shall remain in full force and effect.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this _____ day of December, 2018 __. .

CITY OF HERMANTOWN

OPERATING ENGINEERS, LOCAL
NO. 49, AFL-CIO

Tentative Agreement between
the City of Hermantown and
Operating Engineers Local #49
As of October 27, 2021
Page 4

By _____
Mayor

By _____
City Clerk

By _____

By _____

Resolution No. 2021-149

RESOLUTION APPROVING WAGE ADJUSTMENT FOR PART TIME CUSTODIAN

WHEREAS, the City of Hermantown has one part time custodian who works on average 15 hours a week to provide custodian services to City Hall; and

WHEREAS, the current wage rate is \$13.62 per hour

WHEREAS part time employees in the Public Works Department receive a step increase after 5 years of service,

WHEREAS, the current employee has worked for the City since November 15th, 2015; without any step increase, and

WHEREAS, the City Administrator recommends a pay adjustment of \$3.00 per hour retroactive to July 1, 2021

NOW THEREFORE BE IT RESOLVED, by the City Council of the City of Hermantown, Minnesota, hereby approves a wage adjustment of \$3.00 per hour retroactive to July 1, 2021

Councilor _____ introduced the foregoing resolution and moved its adoption.

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

Councilors, aye.

and the following voted in opposition thereto:

WHEREUPON, such resolution was declared duly passed and adopted November 15, 2021.

