



## **Hermantown City Council Meeting – January 18, 2022**

Because of attendance considerations at the regular meeting location due to the health pandemic, Hermantown’s upcoming, 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/89427926114?pwd=VERySW5HSWNpeGtGcG43NWZtcnVBQT09>

and/or by calling the number (312) 626-6799 and utilizing the meeting ID number of 894-2792-6114 and the passcode of 614195.

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](mailto:jwicklund@hermantownmn.com) up to 3:30 p.m. the day of the meeting with the e-mail title “City Council Meeting.” It is important to note that all comments regarding this 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, 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 Tuesday, January 18, 2022 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.

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### **City Council Meeting January 18 2022 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 Tuesday, January 18, 2022 at 4:30 p.m.  
Council Chambers  
Hermantown Governmental Services Building**

**City Council Meeting January 18, 2022 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.)*
  - A. Richard Avenue and Lindgren Road Improvements
  - B. **2022-10** Resolution Amending and Restating Resolution No. 2021-87 Ordering Improvement and Directing Preparation of Finals Plans and Specifications for Road Improvement District No. 538  
  
(motion, roll call)
6. **COMMUNICATIONS**
  - A. **22-01** RE: DTA Bus Stops  
From: Christopher Belden, DTA  
To: Eric Johnson, Comm. Dev. Dir. & David Bolf, City Engineer
  - B. **22-02** RE: 2021 Building Permits  
From: Jim Rich, Building Official  
To: City Officials
  - C. **22-03** RE: 2021 Building Permit Comparison 2019-2021  
From: Jim Rich, Building Official  
To: City Officials
7. **PRESENTATIONS** *(Department Heads may give reports if necessary.)*
  - A. John Mulder, City Administrator *(Pre-Agenda Only)*  
RE: **Discussion** on Community Recreation Initiative Consultant

B. John Mulder, City Administrator (*Pre-Agenda Only*)  
RE: [Report](#) on Discussions with School District

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 January 3, 2022 City Council Continuation Minutes

B. **Accounts Payable** – Approve general city warrants from January 1, 2022 through January 15, 2022 in the amount of \$513,565.54

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. **2022-11**      Resolution Approving An Amendment To The City Handbook Regarding City Purchasing Policy

(motion, roll call)

B. **2022-12**      Resolution Receiving Bids And Awarding Contract For Highway 53 Water Tower Reconditioning To Osseo Construction Company In The Amount Of \$455,500.00

(motion, roll call)

C. **2022-13**      Resolution Authorizing And Directing The Mayor And City Clerk To Execute And Deliver The Police Enterprise Records Management System Access Agreement With The City Of Duluth On Behalf Of Its Police Department

(motion, roll call)

D. **2022-14**      Resolution Evolving The Cable TV Coordinator Position To Include A Communications Internship

(motion, roll call)

E. **2022-15**      Resolution Approving The Donation Of Easements To The City Of Hermantown For The Ugstad Road And Arrowhead Road Improvement

(motion, roll call)

- F. 2022-16**      Resolution Authorizing and Directing Mayor and City Clerk to Execute and Delivery Agreement for the Use of the City of Hermantown Athletic Fields with Independent School District No. 700

(motion, roll call)

**13. CLOSED SESSION**

Motion to close the meeting of the Hermantown City Council pursuant to Minnesota Statutes §§ 13D.05, subd. 3(c)(1) and 13D.05, subd. 3(c)(3) to evaluate the asking price of naming rights associated with a proposed hockey arena located in the City of Hermantown and develop offers and counteroffers. Following this closed session, the council will re-convene in open session.

**14. RECESS**

**TO:** Mayor & City Council  
**FROM:** John Mulder, City Administrator  
**DATE:** January 12, 2022  
**SUBJECT:** Hermantown Marketplace Road  
Improvements Public Hearing



**Meeting Date:** 01/18/2022

**Agenda Item:** 5-A, 5-B      **Resolution:** 2022-10

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## REQUESTED ACTION

Hold public hearing on the road improvements in the Hermantown Marketplace and approve the preparation of the plans

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## BACKGROUND

In December, the City Council received an update Preliminary Engineering report that made some additional road improvements in the Hermantown Marketplace road project scheduled for 2022-23. At that time a public hearing was scheduled for January 18 and notices were both published in the Hermantown Star and mailed out to individual property owners. The notices to individual property owners included the specific amounts of the proposed assessments and an invitation to meet individually if the owner wanted. To date, we have not heard from individual owners.

Following the public hearing the City Council is asked to approve the preparation of the final plans.

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## SOURCE OF FUNDS (if applicable)

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## ATTACHMENTS

Public Hearing notice

**NOTICE OF PUBLIC HEARING ON  
RICHARD AVENUE AND LINDGREN ROAD IMPROVEMENTS**

NOTICE IS HEREBY GIVEN, that the City Council of the City of Hermantown will meet in the council chambers of Administrative Services Building, 5105 Maple Grove Road, Hermantown, Minnesota, at 6:30 p.m. on Tuesday, January 18, 2022 to consider the construction of 1,800 feet of street improvements on Richard Avenue and Lindgren Road in the Hermantown Marketplace.

The City Council proposes to proceed in accordance with the provisions of Minnesota Statutes Chapter 429.011 to 429.111 of the Minnesota Statutes.

The area proposed to be assessed for such improvement is every piece and parcel of property benefited by such improvement, whether abutting thereon or not, based upon the benefits received by each piece and parcel.

The estimated cost of such improvement is \$\$2,138,607.80

A reasonable estimate of the impact of the assessment will be available at the hearing.

Such persons as desire to be heard with reference to the proposed improvements will be heard at this meeting. Written or oral comments are encouraged and will be considered at this hearing.

Authorized by the City Council.

John Mulder,  
Acting City Clerk  
City of Hermantown

**Resolution No. 2022-10**

**RESOLUTION AMENDING AND RESTATING RESOLUTION NO. 2021-87  
ORDERING IMPROVEMENT AND DIRECTING PREPARATION OF FINAL PLANS  
AND SPECIFICATIONS FOR ROAD IMPROVEMENT DISTRICT NO. 538**

WHEREAS, the City Council has received and approved a preliminary engineering report for the project (“Project”) known as Road Improvement District No. 538 (Richard Avenue, Lindgren Road, Eeve Drive & A Frontage Road); and

WHEREAS, the City Council of the City of Hermantown approved by Resolution No. 2021-87, Resolution Ordering Improvement and Directing Preparation of Final Plans and Specifications for Road Improvement District No. 538 (Richard Avenue, Lindgren Road, Eeve Drive & A Frontage Road), on August 2, 2021 (“2021 Resolution”); and

WHEREAS, the City desires to amend the plans and specifications approved by the 2021 Resolution to include “Sam’s Way” and further improvements along Richard Avenue and Eeve Drive that includes pavement reconditioning and sidewalk improvements,

WHEREAS the number of parcels to be assessed increased to include but not limited to Hermantown Sam's Club. No. 6320, and the National Bank of Commerce, and as a properties to be assessed in connection with the Project (“2022 Addition to Project”); and

WHEREAS, the City Council held a public hearing on the Project; and

WHEREAS, ten days’ mailed notice and two weeks’ published notice of the hearing was given, and the hearing was held on January 18, 2022 at which all persons desiring to be heard were given an opportunity to be heard thereon; and

WHEREAS, after due consideration the Council believes it is in the best interests of the City of Hermantown to proceed further with the Project, as amended with the 2022 Addition to Project, subject to receiving commitments from the benefitted property owners to pay the entire cost of the Project, including the 2022 Addition to Project, without regard to benefits received; and

WHEREAS, the next step in the process is to prepare final plans and specifications for such project; and

WHEREAS, the City Council desires to proceed to prepare such plans and specifications.

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

1. The 2022 Addition to Project is hereby added to the scope of the Project.



2. Such improvement is necessary, cost-effective, and feasible as detailed in the feasibility report.

3. Such improvement is hereby ordered as proposed.

4. The City Engineer is hereby authorized and directed to have a project engineer complete final plans and specifications in the project now known as Road Improvement District No. 538 (Richard Avenue, Lindgren Road, Eeve Drive, A Frontage Road & Sam's Way).

5. Upon completion of such final plans and specifications, the project engineer is requested to present them to the City Council for approval and authorization for bidding.

6. The City reasonably expects to finance the Project from an issue of tax-exempt bonds. In advance of issuance of the bonds it will be necessary for the City to temporarily finance certain costs of the Project by using either working capital or cash reserves, which are needed for other purposes. The City reasonably expects to reimburse itself from the proceeds of the bonds within eighteen (18) months after the date the Project is paid from such working capital or cash reserves.

7. The approval hereby given is subject to the City receiving written commitments in form and substance acceptable to the City Attorney and City Administrator from all of the benefitted property owners to the effect that they will pay the entire cost of the Project without regard to benefits received.

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:

and the following voted in opposition thereto:

WHEREUPON, such resolution was declared duly passed and adopted January 18, 2022.

**DATE: 2022**

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

<u>DATE</u>	<u>LOG #</u>	<u>FROM</u>	<u>TO</u>	<u>REGARDING</u>	<u>FILED</u>
12/29/2021	21-217	Todd Hagen, Ehlers	Joh Mulder, City Administrator & Kevin Orme, Dir. of Fin. & Admin.	Municipal Advisor Client Disclosure	12/29/2021
1/6/2022	22-01	Christopher Belden, DTA	Eric Johnson, Comm. Dev. Dir. & David Bolf, City Engineer	DTA Bus Stops	12/29/2021
1/7/2022	22-02	Jim Rich, Building Official	City Officials	2021 Building Permits	1/7/2021
1/7/2022	22-03	Jim Rich, Building Official	City Officials	Building Permit Comparison 2019-2021	1/7/2021

**CH-Eric Johnson**

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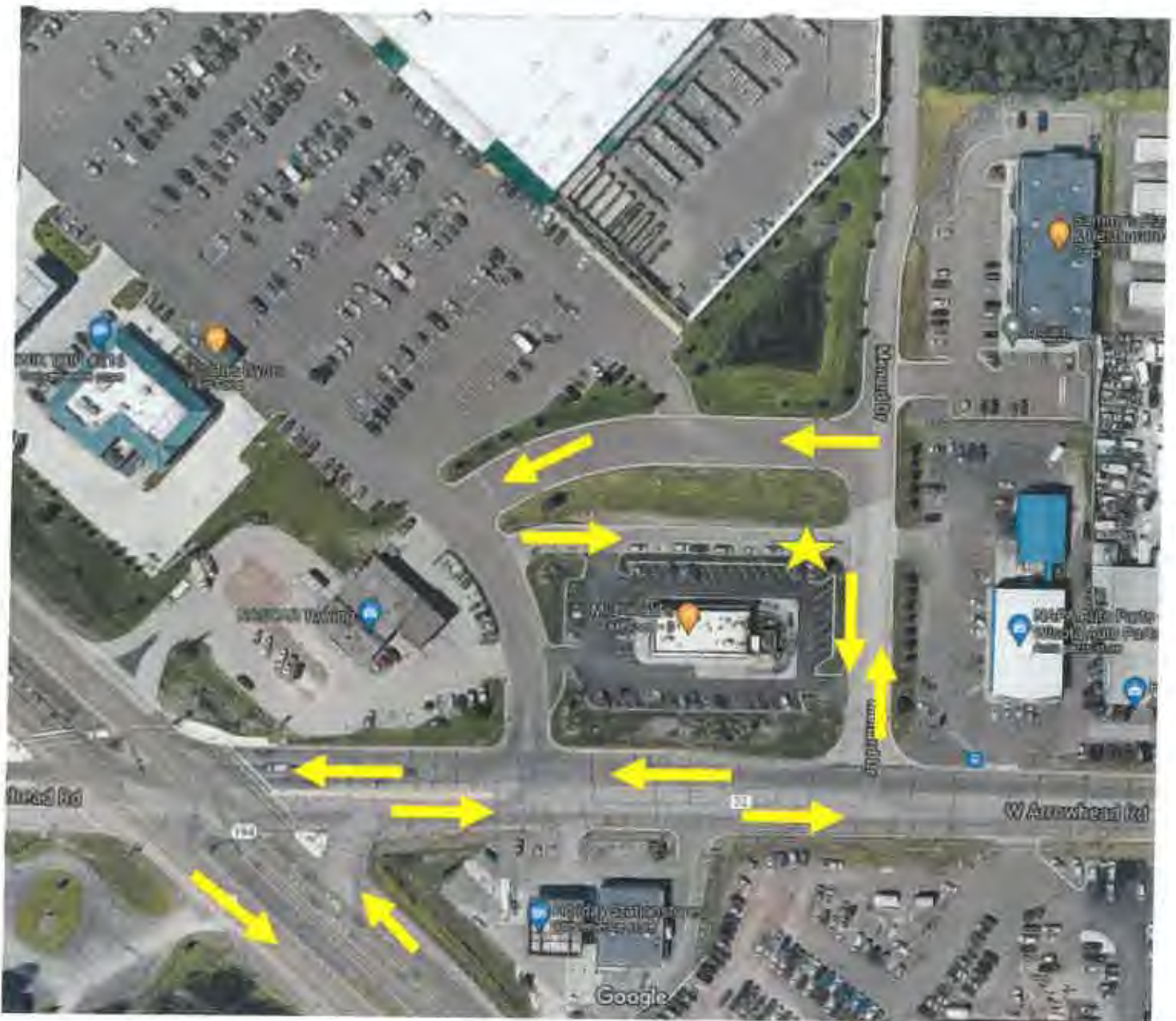
**From:** Christopher Belden <cbelden@duluthtransit.com>  
**Sent:** Wednesday, December 29, 2021 8:45 AM  
**To:** david@nce-duluth.com; CH-Eric Johnson  
**Subject:** DTA Bus Stops

**Caution:** This email originated from outside the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

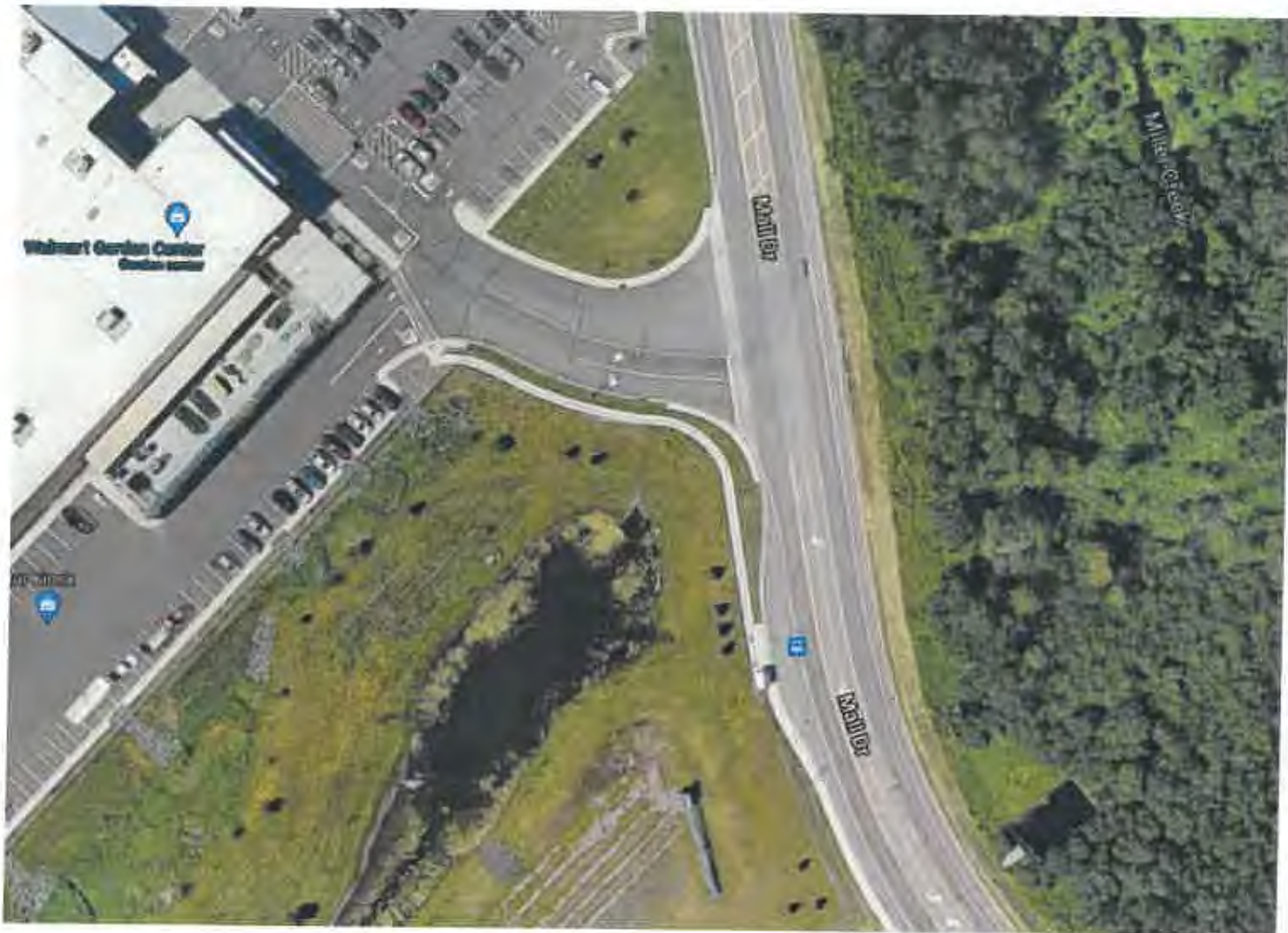
Hi David and Eric,

The DTA is working on a significant change to its entire bus system. We essentially wiped the slate clean and rebuilt the network using the same budget. We're calling this initiative the "Better Bus Blueprint". We've got the preliminary routes drawn up and are working on scheduling the service and working out finer details. The biggest change we're proposing in Hermantown is to run one of our "Go Line" routes to Wal-Mart and Menards. That route would have very high levels of service, with buses coming every 15 minutes, and we envision it becoming an arterial bus rapid transit line in the future. It would be a big increase in service for Wal-Mart, Sams Club, Fleet Farm, and Menards. If you want to check out more about the plan, visit - <https://storymaps.arcgis.com/stories/81ec587f8a374c19998e4297451a7d0>

One challenge we are having is identifying a location to terminate the route, turn the bus around, and a spot for the driver to pull over and take a break before doing another run. Ideally, we would terminate the route at Menards and take a break in that area. I've drawn up a rough sketch of the routing below. Ownership of the roads in there is confusing and we're wondering how we go about getting permissions? Does the City own the road where the yellow star is? The yellow star is where we are hoping the driver could pull over and take their break.



Another issue we're facing is the bus stop at Wal Mart. Currently, we only stop on the west side of Mall Drive, where we have two shelters today and a pull-off space. There are many issues with not having bi-directional stops/routing so we are hoping to have service/stops on both sides of the road, allowing us to run up to Menards. The problem is figuring out where to locate it and how to build it. We have capital funds for bus stop improvements to build a bus stop platform/sidewalk, curb cuts, and crosswalk but this is a tricky location. Any thoughts or ideas on this?



Thank you for your assistance and please reach out with any questions.



Chris Belden, AICP  
Director of Planning & Grants  
Duluth Transit Authority  
218-623-4316  
[www.duluthtransit.com](http://www.duluthtransit.com)

**CITY OF HERMANTOWN  
2021 BUILDING PERMITS**

**Commercial**

5 @ \$4,815,450

**Commercial/Addition/Remodel**

11 @ \$953,250

**New Homes**

33 @ \$8,360,235

**Multi-Family**

1 @ \$22,526,092

**Residential Remodel/Repair**

123 @ \$2,326,622

**Garages/Sheds/Decks**

24 @ \$378,000

**Other (plumbing, mechanical, etc.)**

47 @ \$461,064

**TOTAL**

244 @ \$39,969,713

**BUILDING PERMIT COMPARISON**

	<u>2019</u>		<u>2020</u>		<u>2021</u>	
	#	\$	#	\$	#	\$
<b>January</b>						
New Homes						
Multi-Family						
Garages/Sheds/Decks			1	18,000	1	8,400
Res. Remodel/Repair	1	12,550	2	40,000	2	7,500
Commercial						
Com'l Add/Remodel					1	8,400
Other	3	8,430	1	9,263		
<b>TOTAL</b>	<b>4</b>	<b>20980</b>	<b>3</b>	<b>67263</b>	<b>4</b>	<b>24,300</b>
<b>February</b>						
New Homes			2	590,100	1	300,390
Multi-Family						
Garages/Sheds/Decks			1	36,000	2	44,400
Res. Remodel/Repair	2	46,000	2	8,500	3	43,402
Commercial			2	3,690,511		
Com'l Add/Remodel	1	87,532	1	40,000		
Other			3	26,119	2	14,400
<b>TOTAL</b>	<b>3</b>	<b>133532</b>	<b>11</b>	<b>4,391,330</b>	<b>8</b>	<b>402,592</b>
<b>March</b>						
New Homes	2	369,600	3	962,851	10	2,681,975
Multi-Family						
Garages/Sheds/Decks			1	19,760	4	84,160
Res. Remodel/Repair	5	150,997	3	24,557	3	13,399
Commercial	1	623,320				
Com'l Add/Remodel			2	167,894	1	36,000
Other	1	81,420			7	167,268
<b>TOTAL</b>	<b>9</b>	<b>1,225,337</b>	<b>9</b>	<b>1,175,062</b>	<b>25</b>	<b>2,982,802</b>



## BUILDING PERMIT COMPARISON

April					
New Homes	2	561,460		3	750,000
Multi-Family				4	1,013,940
Garages/Sheds/Decks	3	43,240		1	124,280
Res. Remodel/Repair	3	23,151		3	21,600
Commercial				8	105,600
Com'l Add/Remodel				15	357,067
Other	2	60,000		2	2,006,374
TOTAL	10	687,851		1	80,000
				1	4,450
				13	979,880
				26	3,483,431

May					
New Homes	7	1,303,675		9	932,360
Multi-Family				6	1,203,240
Garages/Sheds/Decks	4	35,775		4	53,520
Res. Remodel/Repair	12	109,663		4	35,650
Commercial				16	135,913
Com'l Add/Remodel				24	364,013
Other					
TOTAL	23	1,449,113		4	50,897
				23	1,103,913
				38	1,571,670

June					
New Homes	3	736,835		2	459,430
Multi-Family				3	328,120
Garages/Sheds/Decks	6	50,300		5	51,480
Res. Remodel/Repair	5	159,084		5	246,600
Commercial				16	404,005
Com'l Add/Remodel	1	25,000		1	60,000
Other				3	746,012
TOTAL	15	971,219		1	7640
				3	17,655
				15	1,728,567
				32	990,035

## BUILDING PERMIT COMPARISON

July							
New Homes	1	294,225		1	303,757	1	257,270
Multi-Family						1	22,526,092
Garages/Sheds/Decks	3	9,360		6	66,020		
Res. Remodel/Repair	12	242,629		8	55,820	8	100,577
Commercial	1	1,784,575				1	354,000
Com'l Add/Remodel	2	320,000		2	440,000	2	680,975
Other	2	33,700				5	50,295
<b>TOTAL</b>	<b>21</b>	<b>2,684,489</b>		<b>17</b>	<b>865,597</b>	<b>18</b>	<b>23,979,209</b>

August							
New Homes	6	1,843,391		3	895,150	1	317,900
Multi-Family						2	23,920
Garages/Sheds/Decks	5	119,760		2	5,300	15	293,686
Res. Remodel/Repair	19	250,034		10	138,766	1	2,007,450
Commercial	1	369,576		1	137,000	2	62,875
Com'l Add/Remodel	1	30,000		5	34,210	5	23,046
Other	5	80,460					
<b>TOTAL</b>	<b>37</b>	<b>2,693,221</b>		<b>21</b>	<b>1,210,426</b>	<b>26</b>	<b>2,728,977</b>

September							
New Homes	3	674,880		1	195,930	1	258,300
Multi-Family						1	18,000
Garages/Sheds/Decks	3	17,080		4	31,800	15	206,155
Res. Remodel/Repair	9	141,622		1	2,500	3	16,925
Commercial						10	64,934
Com'l Add/Remodel	2	10,385					
Other							
<b>TOTAL</b>	<b>17</b>	<b>843,967</b>		<b>21</b>	<b>486,333,00</b>	<b>27</b>	<b>547,389</b>

## BUILDING PERMIT COMPARISON

October							
New Homes	5	1,063,570		3	904,945	2	471,980
Multi-Family							
Garages/Sheds/Decks	4	71,480		3	41,390	1	3,900
Res. Remodel/Repair	8	84,035		6	144,000	11	347,195
Commercial							
Com'l Add/Remodel				2	50,000	1	35,000
Other	4	18,740				3	17,234
<b>TOTAL</b>	<b>21</b>	<b>1,237,825</b>		<b>14</b>	<b>1,140,335</b>	<b>18</b>	<b>875,309</b>
<b>November</b>							
New Homes	1	267,700		3	714,100	3	1,294,220
Multi-Family							
Garages/Sheds/Decks				3	35,200		
Res. Remodel/Repair	4	22,022		4	56,895	3	115,809
Commercial				3	1,520,232		
Com'l Add/Remodel	2	355,000				1	20,000
Other	4	9,125		5	17,680	4	40,338
<b>TOTAL</b>	<b>11</b>	<b>653,847</b>		<b>18</b>	<b>2,344,107</b>	<b>11</b>	<b>1,470,367</b>
<b>December</b>							
New Homes	2	507,465		2	507,465	1	222,900
Multi-Family							
Garages/Sheds/Decks						1	22,500
Res. Remodel/Repair	3	39,700		3	39,700	5	110,159
Commercial						1	447,626
Com'l Add/Remodel							
Other	1	4,393		1	4,393	3	10,547
<b>TOTAL</b>	<b>6</b>	<b>551,558</b>		<b>6</b>	<b>551,558</b>	<b>11</b>	<b>813,732</b>
<b>TOTAL FOR YEAR</b>	<b>177</b>	<b>13,152,939</b>		<b>186</b>	<b>14,904,157</b>	<b>244</b>	<b>39,969,713</b>

**TO:** Mayor & City Council  
**FROM:** John Mulder, City Administrator  
**DATE:** January 12, 2022  
**SUBJECT:** Consultant for Community  
Recreation Initiative



**Meeting Date:** 01/18/2022

**Agenda Item:** 7-A

**Presentation Pre-Agenda**

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## REQUESTED ACTION

Review, discuss, and give staff direction on consulting services for the Community Recreation Initiative.

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## BACKGROUND

To date the City has been working with ICS for preliminary work on the Community Recreation Initiative. That contract expired in September 2021. At the work session on November 29<sup>th</sup>, 2021, the City Council requested that Jeff Schiltz of ICS prepare a proposal for services on the project for both the work to be done prior to the referendum and for project management for construction if the referendum passes in November.

Some of the discussion points include:

- What are expected deliverables between now and November?
- To what extent are project management services needed for the trail and park portion of the project
- This proposal would have ICS hire the architect & engineer and be subcontractors to ICS, including the City Engineer, Northland Consulting Engineers. What is the Council's direction on this?
- How does the City Council wish to proceed in obtaining consulting services?
- How does the City want to fund the work between now and November?

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## SOURCE OF FUNDS (if applicable)

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## ATTACHMENTS

ICS proposal  
Cost estimate of the proposal

1/4/2022

John Mulder, City Administrator  
Joe Wicklund, Communications  
City of Hermantown



525 South Lake Avenue, Suite 222  
Duluth, Minnesota 55802  
ics-builds.com  
(218) 722-3060

**Re:** Coauthoring Professional Services Agreement with the City of Hermantown

ICS appreciates the opportunity to work with the City of Hermantown. We believe in establishing a true partnership approach when working with public sector clients.

ICS's business is based around:

- Aligning our goals and objectives with yours
- Helping public sector clients with planning, funding, design and construction holistically
- Providing accountability and continuity around project planning through construction

To assist the City in co-authoring an agreement for City Council consideration, we are providing you with the following:

- Executed agreement with the City of Grand Rapids for their sales tax project
- 40 successful public sector MN referendums in the past 5 years
- Local public sector construction projects references = please contact them to help you better understand what we do
- Gaining community support for referendum tax increases takes a strong communications effort, we invite you to visit the websites for two elections
- A draft scope of professional services for discussion purposes

**ICS project references:**

Tom Pagel, Grand Rapids City Administrator 218-326-7626  
Max Peters, City of Cohasset Administrator 952-426-5400  
Aaron Fischer, Esko Schools Superintendent 218-310-2406

**Communications reference:**

Matt Grose, Superintendent, Grand Rapids Schools 218-360-1103

**Communication examples of referendum elections:**

Nashwauk-Keewatin Schools – Feb 8, 2022 <https://www.nkspartanstrong.org/>  
Lake Superior Schools – Nov 4, 2021 – <https://www.anchorourfuture.org/>

Hermantown Regional Recreational Initiative – Coauthoring a Professional Services Agreement with ICS

ics-builds.com

**BUILDING STRONG  
CONNECTIONS**





Continue to assist the Administration and the City Council with the following:

- Legislative work associated with sales tax bills
- Assist City regarding private donations process – requiring council approval
  - Support stakeholders in large donor meetings
  - Maintain consistency around city council approved process
- Assistance in seeking other funding sources
- Communications assistance jointly with administration
- Coordinate consulting team for project design and implementation
- Lead design including stakeholder input yet maintaining project budget accountability
- Assist in advertising project bidding work scopes for competitive bidding per MN statutes
- Provide construction management oversight services throughout project
- Assist City through warranty process

Proposed Contract between the City of Hermantown and ICS:

AIA B132-2019 Contract between owner and Architect

AIA C132-2019 Contract between owner and Construction manager (CM agency)

Proposed subconsultant team = Rapp Strategies, JLG Architects, Northland Consulting Engineers, Obernel Engineering

Monthly fee of \$2,400 for 10 months up to election  
 Referendum communications services fee of \$8,000

Proposed fees for the City of Hermantown:

	Program management	Architectural, M&E, struct & civil design	Construction management	Site Services
Trails project	1.50%	8.00%	0.00%	n/a
Park Project	1.50%	9.00%	2.50%	hourly reimbursable
Arena Project	1.50%	8.00%	2.50%	hourly reimbursable





## Why ICS?

- ICS program management model is based on single source accountability – positive track record on keeping projects on time and on budget
- ICS program management model helps to coordinate all aspects of the project including stakeholder involvement and partnerships with other entities.
- ICS has been involved in this project for 4 years.
- ICS is local company with office in Duluth
- ICS has assembled a consulting team well experienced in this work including an architectural firm that is nationally recognized in designing ice arenas
- Positive reference from the local building trades
- Working on another sales tax/arena project nearby
- Expertise in public referendum
- Significant relationships with all stakeholders involved in this project
- Fees are well within industry standards for design and construction management
- ICS is advocate for the city with 100% professional services relationship – not a contractor, not pushing any product, no loyalties to certain contractors
- Entire project put out to competitive bid
- No hidden fees or mark ups on insurance/bonding/materials/equipment/supplies etc.
- Coordination of all design entities
- Assist managing expectations with donors and stakeholders
- On site superintendent to manage project and safety
- Weekly construction management communication updates to Administration and Council
- Monthly face to face council meeting updates on construction
- Energy and operational efficiency design
- ICS cares



ICS Contract Proposal  
1/4/2022

	Approved Sales tax	Cost	Program Mgmt		Architectural, M&E Structure & civil		Construction Mgmt		Total Cost	
			Rate	Amount	Rate	Amount	Rate	Amount		
Trails	4,570,000	4,570,000	1.5%	68,550	8.0%	365,600	0.0%	-	434,150	9.50%
Park	3,900,000	3,900,000	1.5%	58,500	9.0%	351,000	2.5%	97,500	507,000	13.00%
Ice Arena**	10,840,000	12,245,830	1.5%	183,687	8.0%	979,666	2.5%	306,146	1,469,500	12.00%
		<u>20,715,830</u>		<u>310,737</u>		<u>1,696,266</u>		<u>403,646</u>	<u>2,410,650</u>	<u>11.64%</u>

\*\* Updated costs per ICS presentation on 11/29/21



**TO:** Mayor & City Council  
**FROM:** John Mulder, City Administrator  
**DATE:** January 12, 2022  
**SUBJECT:** Update on discussions with  
School District – Ice Arena



**Meeting Date:** 01/18/2022

**Agenda Item:** 7-B

**Presentation Pre-Agenda**

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**REQUESTED ACTION**

Discuss and provide direction on discussions with the School District regarding the Ice Arena

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**BACKGROUND**

On Monday, January 10, Mayor Boucher, Joe Wicklund, and I met with Jeff Schiltz, and representatives from the school district that included Wayne Whitwam, Dianne Mathews, and Gary Kneisl.

The School District offered 3 options to the City to expand the existing arena. Their handout is attached.

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**SOURCE OF FUNDS (if applicable)**

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**ATTACHMENTS**

Options from the School District

#### Option 1

The city leases the land from the school for 20 years and then the arena becomes property of the school at the end of the lease.

#### Option 2

The city purchases the existing arena for fair market value and the school purchases the lot across the street for fair market value.

#### Option 3

The school gives the current arena and corner property to the city and in return the school gets free ice time for high school practices and games from the city for 99 years.

- We would need land for district office across the road.

With any option.....

\* School needs priority scheduling for high school practices and games for boys and girls. MSHSL rules would apply to all school events.

Naming rights

Expanding footprint

Parking lot construction, repair and maintenance

Demolition of current district office

CITY OF HERMANTOWN  
CITY COUNCIL MEETING  
January 3, 2022  
6:30 p.m.

## MEETING CONDUCTED IN PERSON & VIA ZOOM

### Pledge of Allegiance

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

**CITY STAFF:** John Mulder, City Administrator; Jackie Dolentz, City Clerk; Eric Johnson; Community Development Director; Joe Wicklund, Communications Manager; David Bolf, City Engineer; Gunnar Johnson, City Attorney

**ABSENT:**

**VISITORS:** 3

### ANNOUNCEMENTS

### PUBLIC HEARING

### COMMUNICATIONS

Communications 2021-213 through and including 2021-216 were read and placed on file.

Communication 2021-213 from MN Dept of Employment and Economic Development to Mayor Wayne Boucher RE: Grant Awards – Contamination and Cleanup and Investigation Grant Program

### PRESENTATIONS

### PUBLIC DISCUSSION

### CONSENT AGENDA

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

- A. Approve December 20, 2021 City Council Continuation Minutes
- B. Approve general city warrants from December 16, 2021 through December 31, 2021 in the amount of \$618,678.61
- C. Appointment of Official Newspaper – Hermantown Star

Appointment of Depositories – Multi Bank Securities; Wells Fargo Securities; RBC Dain Rauscher; US Bank; PMA Financial Network, Inc.; National Bank of Commerce; 4-M Fund; TD Ameritrade Institutional (Custodian)/Ehlers Investment Partners (Advisor)

Appoint Mayor Boucher as the city's designated representative to the Hermantown Area Chamber of Commerce

Appoint Mayor Boucher as City Representative on the Metropolitan Interstate Committee with John Mulder, City Administrator on the Technical Advisory Committee with David Bolf, City Engineer as alternate

Appoint the following for a three-year term: Corey Kolquist to the Planning & Zoning Commission; Dwight Morrison, Kelly Tasky and Jim Sonneson to the Park Board; William Berg to the Utility Commission; Gerald Wallace to the Board of Appeals & Adjustments

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

## **MOTIONS**

## **ORDINANCES**

## **RESOLUTIONS**

**2022-01**            Appoint Council Geissler as Acting Mayor (title only)

Motion made by Councilor Nelson, seconded by Councilor Peterson to adopt Resolution 2022-01 Resolution to Appoint Councilor Geissler as Acting Mayor. Roll Call: Councilors Geissler, Hauschild, Nelson, Peterson, Mayor Boucher, aye. Motion carried.

**2022-02**            Appoint Ex-Officio Members – Councilor Nelson to Board of Appeals & Adjustment; Councilor Peterson to Park Board; Councilor Geissler to Planning & Zoning; Councilor Hauschild to Utility Commission; Mayor Boucher to Fire Department and Councilor Geissler to Airport Zoning Board (title only)

Motion made by Councilor Peterson, seconded by Councilor Hauschild to adopt Resolution 2022-02 Resolution to Appoint Ex-Officio Members – Councilor Nelson to Board of Appeals & Adjustment; Councilor Peterson to Park Board; Councilor Geissler to Planning & Zoning; Councilor Hauschild to Utility Commission; Mayor Boucher to Fire Department and Councilor Geissler to Airport Zoning Board. Roll Call: Councilors Geissler, Hauschild, Nelson, Peterson, Mayor Boucher, aye. Motion carried.

**2022-03**            Authorize Mayor Boucher and City Administrator John Mulder to sign checks and drafts with Alternates Acting Mayor Geissler and Director of Finance & Administration Kevin Orme (title only)

Motion made by Councilor Hauschild, seconded by Councilor Nelson to adopt Resolution 2022-03 Resolution to Authorize Mayor Boucher and City Administrator John Mulder to sign checks and drafts with Alternates Acting Mayor Geissler and Director of Finance & Administration Kevin Orme. Roll Call: Councilors Geissler, Hauschild, Nelson, Peterson, Mayor Boucher, aye. Motion carried.

**2022-04**            Resolution Authorizing And Directing Mayor And City Clerk To Execute And Deliver Agreement For Professional Services With Northland Consulting Engineers, LLP (City Engineer Services)

Motion made by Councilor Hauschild, seconded by Councilor Nelson to adopt Resolution 2022-04 Resolution Authorizing And Directing Mayor And City Clerk To Execute And Deliver Agreement For Professional Services With Northland Consulting Engineers, LLP (City Engineer Services). Roll Call: Councilors Geissler, Hauschild, Nelson, Peterson, Mayor Boucher, aye. Motion carried.

**2022-05**      Resolution Approving Tentative Agreement And Authorizing And Directing Mayor And City Clerk To Execute And Deliver Agreement With Law Enforcement Labor Services Local 47 (“LELS”) For The Period Of January 1, 2022 Through December 31, 2024

Motion made by Councilor Peterson, seconded by Councilor Geissler to adopt Resolution 2022-05 Resolution Approving Tentative Agreement And Authorizing And Directing Mayor And City Clerk To Execute And Deliver Agreement With Law Enforcement Labor Services Local 47 (“LELS”) For The Period Of January 1, 2022 Through December 31, 2024. Roll Call: Councilors Geissler, Hauschild, Nelson, Peterson, Mayor Boucher, aye. Motion carried.

**2022-06**      Resolution Approving Wage Rates For Part Time Employees In 2022

Motion made by Councilor Nelson, seconded by Councilor Hauschild to adopt Resolution 2022-06 Resolution Approving Wage Rates For Part Time Employees In 2022. Roll Call: Councilors Geissler, Hauschild, Nelson, Peterson, Mayor Boucher, aye. Motion carried.

**2022-07**      Resolution Authorizing And Directing Mayor And City Clerk To Execute And Deliver Agreement For The Use Of The City Of Hermantown Athletic Fields With Hermantown Youth Baseball Association

Motion made by Councilor Peterson, seconded by Councilor Hauschild to adopt Resolution 2022-07 Resolution Authorizing And Directing Mayor And City Clerk To Execute And Deliver Agreement For The Use Of The City Of Hermantown Athletic Fields With Hermantown Youth Baseball Association. Roll Call: Councilors Geissler, Hauschild, Nelson, Peterson, Mayor Boucher, aye. Motion carried.

**2022-08**      Resolution Authorizing And Directing Mayor And City Clerk To Execute And Deliver Agreement For The Use Of The City Of Hermantown Athletic Fields With Hermantown Youth Softball Association

Motion made by Councilor Peterson, seconded by Councilor Geissler to adopt Resolution 2022-08 Resolution Authorizing And Directing Mayor And City Clerk To Execute And Deliver Agreement For The Use Of The City Of Hermantown Athletic Fields With Hermantown Youth Softball Association. Roll Call: Councilors Geissler, Hauschild, Nelson, Peterson, Mayor Boucher, aye. Motion carried.

**2022-09**      Resolution Authorizing And Directing Mayor And City Clerk To Execute And Deliver Agreement For The Use Of The City Of Hermantown Athletic Fields With Veterans Of Foreign Wars/American Legion Baseball

Motion made by Councilor Peterson, seconded by Councilor Hauschild to adopt Resolution 2022-09 Resolution Authorizing And Directing Mayor And City Clerk To Execute And Deliver Agreement For The Use Of The City Of Hermantown Athletic Fields With Veterans Of Foreign Wars/American Legion Baseball. Roll Call: Councilors Geissler, Hauschild, Nelson, Peterson, Mayor Boucher, aye. Motion carried.

Motion made by Councilor Hauschild seconded by Councilor Nelson to recess the meeting at 6:45 p.m. Motion carried.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
Clerk

**CITY OF HERMANTOWN**

CHECKS #68315  
01/01/2022-01/15/2022

PAYROLL CHECKS

Electronic Checks - #69823-69882 \$83,872.76

LIABILITY CHECKS

Electronic Checks - #69815-69822 \$132,022.13

Check - #68372 \$1,019.24

**PAYROLL EXPENSE TOTAL \$216,914.13**

ACCOUNTS PAYABLE

Check - #68315-68371 \$277,168.12

Electronic Payments -#-99819-99822 \$19,483.29

**ACCOUNTS PAYABLE TOTAL \$296,651.41**

**TOTAL \$513,565.54**

1/14/2022

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Fun d	Account	Department	Vendor Name	Description	Amount	Check #
101	419901	City Hall & Police Building Maintenance	MN POWER	4995600000 City Hall/Police/Fi	1,554.08	-99822
101	422901	Firehall #1 Maple Grove Road	MN POWER	4995600000 City Hall/Police/Fi	993.59	-99822
101	422902	Firehall #2 Morris Thomas Road	MN POWER	4995600000 FH #2 MorrisThomas	72.51	-99822
101	422903	Firehall #3 Midway Road	MN POWER	4995600000 FH #3 Midway/Rose	61.47	-99822
101	431901	City Garage	MN POWER	4995600000 5255 Maple Grove Rd	17.89	-99822
101	431901	City Garage	MN POWER	4971 Lightning Dr	191.56	-99822
101	452100	Parks	MN POWER	7463700000 Little Leagues	17.17	-99822
101	452100	Parks	MN POWER	0606881181 Parks	93.44	-99822
601	494400	Water Administration and General	MN POWER	4971 Lightning Dr	114.93	-99822
602	494900	Sewer Administration and General	MN POWER	4971 Lightning Dr	76.62	-99822
602	494900	Sewer Administration and General	MN POWER	0973881171 Sewer	583.51	-99822
275	452200	Community Building	MN POWER	5498955531 4289 Ugstad Rd/EWC	9,441.03	-99822
275	452200	Community Building	MN POWER	3481871314 EWC Garage	206.55	-99822
101	452200	Community Building	MN POWER	0606881181 Community Bldg	436.99	-99822
605	431160	Street Lighting	MN POWER	6175310000 Street Lights	638.76	-99822
605	431160	Street Lighting	MN POWER	1424100000 Street Lights	334.56	-99822
605	431160	Street Lighting	MN POWER	0247020000 Street Lights	348.31	-99822
605	431160	Street Lighting	MN POWER	3060281959 Street Lights (Roun	16.39	-99822
605	431160	Street Lighting	MN POWER	0234310000 Overhead St Lights	423.00	-99822
605	431160	Street Lighting	MN POWER	0733871171 Traffic Lights	666.29	-99822
605	431160	Street Lighting	MN POWER	0041881181 Street Lights	419.93	-99822
101	217450	Employee Flexplan	FURTHER ELECTRONIC PAYMENTS	Claim Reimbursement - Electron	312.75	-99821
101	217450	Employee Flexplan	FURTHER ELECTRONIC PAYMENTS	Claim Reimbursement - Electron	192.25	-99820
101	421100	Police Administration	NORTHEAST SERVICE COOPERATIVE	January Health Ins - Inactives	1,396.06	-99819
101	134000	Retiree Insurance/Telephone Reimb.	NORTHEAST SERVICE COOPERATIVE	January Health Ins - Inactives	873.65	-99819
101	419100	Community Development	ARROWHEAD REGIONAL DEVELOPMENT COMMISSIO	Hermantown PUD Study	5,007.28	68315
101	415300	Administration & Finance	AT&T MOBILITY	Cell Phones/Tablets PW	99.49	68316
101	419901	City Hall & Police Building Maintenance	AT&T MOBILITY	Cell Phones/Tablets PW	44.84	68316
101	421100	Police Administration	AT&T MOBILITY	Cell Phones PD	1,408.92	68316
101	431100	Street Department	AT&T MOBILITY	Cell Phones/Tablets PW	134.51	68316
601	494400	Water Administration and General	AT&T MOBILITY	Cell Phones/Tablets PW	176.46	68316
602	494900	Sewer Administration and General	AT&T MOBILITY	Cell Phones/Tablets PW	176.46	68316
101	431901	City Garage	BJONSKAAS, ARON	Reimburse for chimney cap retu	113.28	68317
101	421100	Police Administration	BUREAU CRIMINAL APPREHENSION	CJDN Access Fee (BCA)	150.00	68318
101	431100	Street Department	CAPITAL ONE TRADE CREDIT	Air Hose Repair Parts	54.95	68319
101	422902	Firehall #2 Morris Thomas Road	CENTURYLINK	Internet FH #2 12-28-31 thru 0	79.98	68320
101	422903	Firehall #3 Midway Road	CENTURYLINK	Internet FH #3	79.98	68320

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Fun d	Account	Department	Vendor Name	Description	Amount	Check #
101	419901	City Hall & Police Building Maintenance	CINTAS CORPORATION	Mats at FD/PD	30.72	68321
101	419901	City Hall & Police Building Maintenance	CINTAS CORPORATION	Mats at CH	8.88	68321
101	431100	Street Department	CINTAS CORPORATION	Uniforms	45.65	68321
101	431100	Street Department	CINTAS CORPORATION	Mats Uniforms Supplies	10.80	68321
101	431100	Street Department	CINTAS CORPORATION	Mats, Uniforms, Supplies	10.80	68321
101	431100	Street Department	CINTAS CORPORATION	Uniforms	47.46	68321
101	431901	City Garage	CINTAS CORPORATION	Mats Uniforms Supplies	11.08	68321
101	431901	City Garage	CINTAS CORPORATION	Mats, Uniforms, Supplies	25.48	68321
101	431901	City Garage	CINTAS CORPORATION	Mats, Uniforms, Supplies	30.00	68321
101	431901	City Garage	CINTAS CORPORATION	Mats Uniforms Supplies	15.00	68321
101	421100	Police Administration	CITY OF DULUTH	CIT Training	1,000.00	68322
101	415300	Administration & Finance	CNA SURETY	Notary Errors/2022	22.50	68323
101	421100	Police Administration	CNA SURETY	Notary Errors/2022	33.75	68323
601	494300	Water Distribution	CORE & MAIN LP	Check Valves	522.00	68324
230	465100	HEDA	CREATIVE ARCADE	Website Monthly Maintenance	250.03	68325
101	415300	Administration & Finance	CW TECHNOLOGY GROUP INC	Monitors	298.97	68326
601	494400	Water Administration and General	CW TECHNOLOGY GROUP INC	Monitors	149.49	68326
602	494900	Sewer Administration and General	CW TECHNOLOGY GROUP INC	Monitors	149.49	68326
275	452200	Community Building	CW TECHNOLOGY GROUP INC	EWC -CW Care Jan-Mar 2022	2,640.00	68326
230	465100	HEDA	EDAM	2022 EDAM Membership Dues- Joh	495.00	68327
601	494300	Water Distribution	FRONTIER PRECISION, INC.	GPS Collection Unit Staff	309.00	68328
601	494300	Water Distribution	GLENWOOD SIGNS & AWARDS INC	Water Plaque for Aery Bldg	25.00	68329
601	494400	Water Administration and General	GOPHER STATE ONE-CALL INC	Dec Locates	35.64	68330
602	494900	Sewer Administration and General	GOPHER STATE ONE-CALL INC	Dec Locates	23.76	68330
101	421100	Police Administration	GREAT LAKES MOBIL LUBE EXPRESS	Oil Change Squad 12	43.73	68331
101	419100	Community Development	GREATER MINNESOTA PARKS & TRAILS	Membership Eric Johnson 2022	150.00	68332
101	419901	City Hall & Police Building Maintenance	HARTEL'S/DBJ DISPOSAL CO LLC	Garbage Recycling December	324.75	68333
230	465100	HEDA	HERMANTOWN AREA CHAMBER OF COMMERCE	Membership Dues 11-49 2022	345.00	68334
101	431100	Street Department	HERMANTOWN HYDRAULICS	Hose for H-4	98.95	68335
101	431100	Street Department	HERMANTOWN HYDRAULICS	Hose Fittings 928G Plow	83.10	68335
101	422100	Fire Administration	HERMANTOWN VOLUNTEER FIRE DEPT	1st QTR Fire Protection	134,198.75	68336
101	421100	Police Administration	HOLIDAY COMPANIES	Dec Car Washes	10.00	68337
230	465100	HEDA	HTB PROJECT NAVIGATION, LLC	Proposed Hermantown Business P	468.75	68338
230	465100	HEDA	HTB PROJECT NAVIGATION, LLC	Proposed Hermantown Business P	625.00	68338
101	415300	Administration & Finance	INNOVATIVE OFFICE SOLUTIONS, LLC	Ribbon	3.98	68339
101	431100	Street Department	INTER CITY OIL CO INC	Fuel	6,421.68	68340
101	415300	Administration & Finance	INTERSTATE ALL BATTERY CENTER	Battery for Battery Backup/Min	33.00	68341
101	419100	Community Development	JOHNSON, ERIC	Phone Reimburse Jul-Dec 2021	150.00	68342



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Fun d	Account	Department	Vendor Name	Description	Amount	Check #
101	419901	City Hall & Police Building Maintenance	JOHNSTONE SUPPLY	Motor - PD Garage	664.26	68343
101	419901	City Hall & Police Building Maintenance	KWIK TRIP EXTENDED NETWORK	Gas Building	285.59	68344
101	421100	Police Administration	KWIK TRIP EXTENDED NETWORK	Car Wash PD	259.99	68344
101	421100	Police Administration	KWIK TRIP EXTENDED NETWORK	Gas PD	3,204.45	68344
101	421100	Police Administration	KWIK TRIP EXTENDED NETWORK	Auto Supplies -PD	3.75	68344
101	431100	Street Department	KWIK TRIP EXTENDED NETWORK	Gas Street	265.69	68344
601	494300	Water Distribution	KWIK TRIP EXTENDED NETWORK	Gas Utility	369.86	68344
602	494500	Sewer Maintenance	KWIK TRIP EXTENDED NETWORK	Gas Utility	246.58	68344
101	421100	Police Administration	LEADS ONLINE	Software fee 01/15/22-01/14/23	2,191.84	68345
101	431100	Street Department	LINDE GAS & EQUIPMENT INC.	CylRent/SafeEnvfee 11/21-12/21	49.09	68346
101	415300	Administration & Finance	MENARD INC	Clips	1.78	68347
101	415300	Administration & Finance	MENARD INC	Clips	1.78	68347
101	419901	City Hall & Police Building Maintenance	MENARD INC	Wipes	4.98	68347
101	421100	Police Administration	MENARD INC	Frame/Beam	204.94	68347
101	422903	Firehall #3 Midway Road	MENARD INC	Salt	31.74	68347
101	421100	Police Administration	METRO SALES INC	Copier Lease	370.50	68348
601	494300	Water Distribution	MN DEPARTMENT OF HEALTH	Water Supply System Operator/Y	23.00	68349
601	494300	Water Distribution	MN DEPARTMENT OF HEALTH	Water Supply System Operator/L	23.00	68349
101	421100	Police Administration	MN POLICE & PEACE OFFICERS ASSN	MPPOA Membership Dues-Crace/Gu	100.00	68350
602	494500	Sewer Maintenance	MN POLLUTION CONTROL AGENCY	Collection Syst Op-Miller	23.00	68351
101	431100	Street Department	MONARCH PAVING COMPANY	Cold Mix Patch Material	1,630.06	68352
601	494300	Water Distribution	MONARCH PAVING COMPANY	Cold Mix/Road Patch for Water	811.12	68352
101	431100	Street Department	NAPA AUTO PARTS	Hydraulic Fluid/Wiper Blades	168.97	68353
101	431100	Street Department	NAPA AUTO PARTS	Wiper Blades 3/4 Ton	27.96	68353
101	431100	Street Department	NAPA AUTO PARTS	Wiper Blades	6.99	68353
101	421100	Police Administration	NEXTEC SYSTEMS	Lightning Replacement Hardware	17,908.06	68354
101	431901	City Garage	NORTHERN STATES SUPPLY INC	Drill Bits/Washers	62.43	68355
240	433200	Water Tower	NORTHLAND CONSULTING ENGINEERS L.L.P.	Water Tower RFP	260.00	68356
230	465100	HEDA	NORTHLAND CONSULTING ENGINEERS L.L.P.	Highway 53 Business Park	832.00	68356
601	494400	Water Administration and General	NORTHLAND CONSULTING ENGINEERS L.L.P.	Water System Modeling	390.00	68356
402	431150	Street Improvements	NORTHLAND CONSULTING ENGINEERS L.L.P.	Ugstad Rd - SP 202-101-014	520.00	68356
475	431150	Street Improvements	NORTHLAND CONSULTING ENGINEERS L.L.P.	Revise Feasibility Study - Ric	920.00	68356
475	431150	Street Improvements	NORTHLAND CONSULTING ENGINEERS L.L.P.	Richard Lindgren - SAP 202-080	17,761.00	68356
475	431150	Street Improvements	NORTHLAND CONSULTING ENGINEERS L.L.P.	Lavaque Junction Rd Reconstruc	6,613.00	68356
101	431130	City Engineer	NORTHLAND CONSULTING ENGINEERS L.L.P.	Pre-Agenda, City Council, Four	1,495.00	68356
240	432510	Trunk Sewer Construction	NORTHLAND CONSULTING ENGINEERS L.L.P.	Hermantown Trunk Sewer Spur Se	260.00	68356
240	495000	Transfer Out	NORTHLAND CONSULTING ENGINEERS L.L.P.	Oak Ridge Sanitary Sewer Exten	3,420.00	68356
101	421100	Police Administration	ONSITE MEDICAL SERVICES, INC.	Fit Tests	660.00	68357

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Fun d	Account	Department	Vendor Name	Description	Amount	Check #
101	416100	City Attorney	OVEROM LAW, PLLC	City Councilor Pay	111.50	68358
101	416100	City Attorney	OVEROM LAW, PLLC	General Matters/Retainer	1,250.00	68358
101	416100	City Attorney	OVEROM LAW, PLLC	Wrecker Service Quotes	27.00	68358
101	416100	City Attorney	OVEROM LAW, PLLC	Soccer Field Use Agreement	135.00	68358
245	416100	City Attorney	OVEROM LAW, PLLC	COVID-19 Issues	698.00	68358
101	416100	City Attorney	OVEROM LAW, PLLC	Gary Doty BB Court Dev	122.00	68358
101	416100	City Attorney	OVEROM LAW, PLLC	Safe Routes to School Grant Ma	185.00	68358
101	416100	City Attorney	OVEROM LAW, PLLC	Lightning Strike Insurance Cla	122.00	68358
101	416100	City Attorney	OVEROM LAW, PLLC	2021 Recreation Facility	669.00	68358
101	416100	City Attorney	OVEROM LAW, PLLC	JAZB Board of Appeals and Adju	291.00	68358
101	416100	City Attorney	OVEROM LAW, PLLC	Opioid Litigation Matters	477.00	68358
101	416100	City Attorney	OVEROM LAW, PLLC	Tobacco Licensing	412.50	68358
101	416100	City Attorney	OVEROM LAW, PLLC	Marino Data Request	36.00	68358
101	419100	Community Development	OVEROM LAW, PLLC	PUD Ordinance Amendment	5.00	68358
101	419100	Community Development	OVEROM LAW, PLLC	Kevin Kuklis Development	120.00	68358
101	419100	Community Development	OVEROM LAW, PLLC	Radar Rd-Getchell Rd-Kuklis De	173.00	68358
101	419100	Community Development	OVEROM LAW, PLLC	Planning & Zoning Commission	202.00	68358
101	419100	Community Development	OVEROM LAW, PLLC	Equipment Grant - HT Night Rid	351.00	68358
101	419100	Community Development	OVEROM LAW, PLLC	Pineview Dev Add-Jesse Stokke	204.00	68358
101	419100	Community Development	OVEROM LAW, PLLC	Keene Creek Plat Matters	21.00	68358
101	419100	Community Development	OVEROM LAW, PLLC	Tallego 2021 Apartment Project	1,338.00	68358
101	419100	Community Development	OVEROM LAW, PLLC	5350 Miller TrkHwy - Mini Stor	27.00	68358
101	419100	Community Development	OVEROM LAW, PLLC	P&R Properties Engwalls Develo	506.00	68358
101	419100	Community Development	OVEROM LAW, PLLC	Shoreland Management Ordinance	403.00	68358
101	421100	Police Administration	OVEROM LAW, PLLC	Police Enterprise Records Mana	63.00	68358
101	421100	Police Administration	OVEROM LAW, PLLC	Alcohol Compliance	126.00	68358
230	465100	HEDA	OVEROM LAW, PLLC	Marketplace Anchor Project	135.00	68358
230	465100	HEDA	OVEROM LAW, PLLC	Hwy 53 Business Park Developme	60.00	68358
602	494900	Sewer Administration and General	OVEROM LAW, PLLC	Sewer Availability Charge	245.00	68358
475	431150	Street Improvements	OVEROM LAW, PLLC	Richard Avenue and Lindgren Rd	680.00	68358
402	431150	Street Improvements	OVEROM LAW, PLLC	Ugstad Road Easement Acquisiti	763.50	68358
475	431150	Street Improvements	OVEROM LAW, PLLC	Lavaque Junction Street Improv	35.00	68358
275	452200	Community Building	OVEROM LAW, PLLC	EWC	180.00	68358
240	432510	Trunk Sewer Construction	OVEROM LAW, PLLC	2017 Sewer Trunkline - Sec 24	126.00	68358
245	456201	Broadband	OVEROM LAW, PLLC	Broadband Expansion	1,438.00	68358
101	421100	Police Administration	PER MAR SECURITY SERVICES INC	CCTV 01-01-2022 - 03/31/2022	85.08	68359
101	415300	Administration & Finance	PITNEY BOWES GLOBAL FINANCIAL SVCS	QTR Meter Lease Oct 30-Jan 29	269.13	68360
101	421100	Police Administration	RAY ALLEN MANUFACTURING CO INC	K-9 Door Remote	304.99	68361

**CITY OF HERMANTOWN, MN 01/01/2022-01/15/2022**  
**Check # is between 68315 and 68371 or Check # is between -99822 and -99819**

1/14/2022

Page 5

Fun d	Account	Department	Vendor Name	Description	Amount	Check #
101	421100	Police Administration	ST LUKES CLINICS	Blood Draws	58.20	68362
101	419901	City Hall & Police Building Maintenance	STACK BROS MECHANICAL	New Control Valve	245.84	68363
101	419901	City Hall & Police Building Maintenance	STACK BROS MECHANICAL	Check Boiler Controls - CH	170.50	68363
101	422903	Firehall #3 Midway Road	SUPERIOR FUEL COMPANY	Propane FH #3	324.88	68364
101	422903	Firehall #3 Midway Road	SUPERIOR FUEL COMPANY	Propane FH #3	779.66	68364
101	421100	Police Administration	SYMBOLARTS	Patches	463.50	68365
101	419901	City Hall & Police Building Maintenance	TELCOLOGIX	Jan 2022 Maintenance	237.85	68366
101	422901	Firehall #1 Maple Grove Road	TELCOLOGIX	Jan 2022 Maintenance	70.35	68366
101	431100	Street Department	TELCOLOGIX	Jan 2022 Maintenance	16.75	68366
101	452200	Community Building	TELCOLOGIX	Jan 2022 Maintenance	10.05	68366
101	415300	Administration & Finance	TOSHIBA FINANCIAL SERVICES	Copier Lease Toshiba-DEC 2021	145.57	68367
101	421100	Police Administration	TROY'S BP AMOCO INC	Tires Squad 20	600.64	68368
101	421100	Police Administration	TROY'S BP AMOCO INC	Tires Squad 22	558.00	68368
101	421100	Police Administration	TROY'S BP AMOCO INC	Tires Squad 14	702.96	68368
101	431100	Street Department	UNITED TRUCK BODY COMPANY INC	PU Truck Plow Spring	162.88	68369
602	494500	Sewer Maintenance	WLSSD	Wastewater Charges	41,017.00	68370
101	431100	Street Department	ZIEGLER INC	Engine Cooling Sys Repair 928G	461.04	68371

**Totals: 168 records printed**

**296,651.41**

**TO:** Mayor & City Council

**FROM:** Dept Head

**DATE:** January 12, 2022

**Meeting Date:** 01/18/2022

**SUBJECT:** Purchasing Policy

**Agenda Item:** 12-A

**Resolution:** 2022-11



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## REQUESTED ACTION

Approve a purchasing policy for the City

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## BACKGROUND

Over the past year, the Finance Department has reviewed our current purchasing practices in order to create a written policy. The intent of the policy is to, “ensure all purchases are consistent with Minnesota statutes, to establish internal controls, to maintain the appropriate documentation, and to ensure the best value for the public money.”

The written policy will provide better consistency between purchases and departments. It will also serve to communicate levels of authority and expectations for departments in operating their departments.

An important difference than our current practice is the levels of authorizations. The tables below summarize the level of purchase authority.

<b>MATERIALS-SUPPLIES-EQUIPMENT-NON-PROFESSIONAL SERVICES-CONSTRUCTION</b>		
<b>Purchase Level</b>	<b>Purchase Process Required</b>	<b>Approving Authority</b>
\$0 - \$1,000		Designated Staff
\$1,001 – \$10,000		Designated Supervisor/Department Head
\$10,001- \$25,000	Quotes	Department Heads & City Administrator
\$25,001- \$175,000	Council Resolution	City Council
Above \$175,000	Sealed Bids; Council Resolution	City Council

PROFESSIONAL SERVICES		
Purchase Level	Purchase Process Required	Approving Authority
\$0-\$10,000	No Quote Required	Designated Supervisor/Department Heads
\$10,001-\$25,000	Quotes	City Administrator/Department Heads
Above \$25,000	Council Resolution	City Council

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**SOURCE OF FUNDS (if applicable)**

N/A

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**ATTACHMENTS**

Policy

**Resolution No. 2022-11**

**RESOLUTION APPROVING AN AMENDMENT TO THE CITY  
HANDBOOK REGARDING CITY PURCHASING POLICY**

WHEREAS, the City of Hermantown regularly purchases goods and services for the operation of the City; and

WHEREAS, the goal of the purchasing policy is to ensure all purchases are consistent with Minnesota statutes, to establish internal controls, to maintain the appropriate documentation, and to ensure the best value for the public money, and

WHEREAS, the attached policy will clarify and communicate responsibilities and expectations to City Staff, and

WHEREAS, the City Council has considered this matter and believes that it is in the best interests of the City of Hermantown to approve the attached purchasing policy and authorize the use by Hermantown Administrative staff.

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

1. The City Council approves and amended “Residential Road Improvement Program Special Assessment Policy” as shown on Exhibit A.

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:

and the following voted in opposition thereto:

WHEREUPON, such resolution was declared duly passed and adopted January 18, 2022.

# Purchasing Policy

## 1.1. PURPOSE

The goal of the Purchasing Policy is to ensure all purchases are consistent with Minnesota statutes, to establish internal controls, to maintain the appropriate documentation, and to ensure the best value for the public money.

## 1.2. PURCHASING AUTHORITY

The department director for which the service, equipment, or supplies are ordered must recommend the order be placed. The department director may designate the authority to make certain purchases to department staff. This designation must be communicated to the Finance Department. Final approval of all purchases must be evidenced by the department director’s approval through the City approval process.

The City Administrator is authorized to make or execute purchase contracts for routine services, equipment, supplies or commodities for which the cost does not exceed \$25,000. The City Administrator may delegate the authority to make purchases and execute documents for purchasing items or services, as long as the amount involved does not exceed the City Administrator’s purchasing authority of \$25,000. As delineated below, items between \$10,000 and \$25,000 should have two quotes.

## 1.3. PURCHASING THRESHOLDS

All expenditures up to \$25,000 must be within the limits established by the department budget. There are six basic thresholds of dollar amounts that have been established either by policy, City Code, or statutory authority for the purpose of purchasing City goods and services. They are identified as follows:

<b>MATERIALS-SUPPLIES-EQUIPMENT-NON-PROFESSIONAL SERVICES-CONSTRUCTION</b>			
<b>Purchase Level</b>	<b>Purchase Process Required</b>	<b>Approving Authority</b>	<b>Notes</b>
\$0 - \$1,000		Designated Staff	<ul style="list-style-type: none"> <li>At the point of sale, the receipt must be signed by the individual purchasing the item.</li> <li>The receipt must be coded prior to submission to Finance</li> </ul>
\$1,001 – \$10,000		Designated Supervisor/Department Head	<ul style="list-style-type: none"> <li>Quotes are not required.</li> <li>Purchases can be made on the open market and verbal quotes are optional.</li> <li>If quotes are received, they should be kept on file for at least one year</li> </ul>
\$10,001- \$25,000	Quotes	Department Heads & City Administrator	<ul style="list-style-type: none"> <li>For an item costing between \$10,000 and \$25,000 the City shall request price quotations from at least two sources, when practical,</li> </ul>

			<p>and shall place the order at the lowest price quoted</p> <ul style="list-style-type: none"> <li>• Products or services quoted shall be the same or similar and of comparable quality from each vendor.</li> <li>• Quotes must be kept on file for at least one year.</li> <li>• The City Council may grant the City Administrator the authority to make or execute purchase contracts for routine services, equipment, supplies and commodities for which the cost does not exceed \$25,000</li> <li>• If a cooperative purchasing agreement is in place, quotations are not needed.</li> </ul>
\$25,001- \$175,000	Council Resolution	City Council	<ul style="list-style-type: none"> <li>• For an item exceeding \$25,000 but less than \$175,000, the City shall make the contract by sealed bids or by direct negotiation, by obtaining two or more quotations for the purchase, when practical, and without advertising for bids or otherwise complying with the requirements of competitive bidding.</li> <li>• Products or services quoted shall be the same or similar and of comparable quality from each vendor.</li> <li>• Quotes must be kept on file for at least one year.</li> <li>• The City must consider the availability, price and quality of supplies, materials, or equipment available through the state's cooperative purchasing venture before purchasing through another source.</li> <li>• If a cooperative purchasing agreement is in place, quotations are not needed.</li> </ul>
Above \$175,000	Sealed Bids; Council Resolution	City Council	<ul style="list-style-type: none"> <li>• Competitive bidding is required for the following contracts: <ul style="list-style-type: none"> <li>○ Contracts for the sale, purchase, or rental of supplies, materials, or equipment.</li> </ul> </li> </ul>



			<ul style="list-style-type: none"> <li>○ Contracts for the construction, alteration, repair, or maintenance of real or personal property.</li> <li>● The City must consider the availability, price and quality of supplies, materials, or equipment available through the state's cooperative purchasing venture before purchasing through another source.</li> <li>● If a cooperative purchasing agreement is in place, quotations are not needed.</li> </ul>
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**Professional Services**

Contracts for professional services such as those provided by engineers, attorneys, architects, accountants, and other services requiring technical, scientific or professional training are exempt from competitive bidding requirements. However, the goals to secure professional services remain the same: to ensure all purchases are consistent with Minnesota statutes, to establish internal controls, to maintain the appropriate documentation, and to ensure the best value for the public money.

**Exceptions to Competitive Bidding**

The following are some of the more common exceptions to the competitive bidding requirements:

1. Contracts of \$100,000 or less
2. Intergovernmental contracts
3. Real estate purchases
4. Professional services including Architectural, Auditing, Engineering, Legal, Group Insurance, Banking Services, Investment Services, Financial Service Providers, Construction, Management, and Surveying
5. Emergency Purchases

The following chart identifies the required procedures for professional services contracts.

PROFESSIONAL SERVICES			
Purchase Level	Purchase Process Required	Approving Authority	Notes
\$0-\$10,000	No Quote Required	Designated Supervisor/Department Heads	<ul style="list-style-type: none"> <li>● Quotes are not required.</li> <li>● Purchases can be made on the Open Market and verbal quotes are optional.</li> <li>● If quotes are received, they should be kept on file for at least one year.</li> <li>● In cases where the City has established a pool of qualified consultants (e.g., engineers, architects, planners), the consultant may be selected from the existing pool.</li> </ul>

			<ul style="list-style-type: none"> <li>• If a consultant is determined appropriate for continuity, cost, quality or time efficiencies, two quotes are not required. (i.e. a consultant’s prior work is integral to a project, so we will not require a second quote, since the consultant is deemed the appropriate vendor.)</li> </ul>
\$10,001-\$25,000	Quotes	\$10,001- 25,000 -City Administrator/Department Heads	<ul style="list-style-type: none"> <li>• For an item costing between \$10,001 and \$25,000, the City shall request price quotations from at least two sources, when practical</li> <li>• Quotes must be kept on file for at least one year.</li> <li>• In cases where the City has established a pool of qualified consultants (e.g., engineers, architects, planners), the consultant may be selected from the existing pool.</li> <li>• If a consultant is determined appropriate for continuity, cost, quality or time efficiencies, two quotes are not required. (i.e. a consultant’s prior work is integral to a project, so we will not require a second quote, since the consultant is deemed the appropriate vendor.)</li> </ul>
Above \$25,000	Council Resolution	City Council	<ul style="list-style-type: none"> <li>• For an item costing above \$25,000, the City shall request written price quotations in the form of a Request for Proposal from at least two sources, when practical</li> <li>• Quotes must be kept on file for at least one year.</li> <li>• In cases where the City has established a pool of qualified consultants (e.g., engineers, architects, planners), the consultant may be selected from the existing pool.</li> <li>• If a consultant is determined appropriate for continuity, cost, quality or time efficiencies, two quotes are not required. (i.e. a consultant’s prior work is integral to a project, so we will not require a second quote, since the consultant is deemed the appropriate vendor.)</li> </ul>

			<ul style="list-style-type: none"> <li>• The standard contract shall be awarded to the service provider with the best qualifications and proposal for the specific project. Total cost shall not be the only consideration, but must be included in the analysis of the proposals.</li> </ul>
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**Sole Source Purchases**

Sole source purchases may be made if they comply with at least one of the following:

- Item or service under patent of copyright held by a single vendor and item or service possesses or has capabilities critical to use.
- Item or service possesses a unique function or capability critical in the use of the item or service and not available from any other sources.
- The purchase is for equipment associated with use of existing equipment where compatibility is essential for integrity of results.
- The purchase is for replacement parts needed for repair of existing equipment where compatibility with equipment from the original manufacturer is paramount.
- The purchase is for accessories sought for enhancement of existing equipment where compatibility with equipment from the original manufacturer is paramount.
- The purchase is for technical services associated with the assembly, installation, or servicing of equipment of a highly technical or specialized nature.
- Additional item, service, or work required, but not known to have been needed when the original order was placed with vendor and it is not feasible or practicable to contract separately for the additional need.
- The purchase must match the existing piece or brand of equipment and is only available from one vendor.

Sole source purchases must still follow the purchase process required based on the amount being purchased. For example, if the purchase is expected to exceed \$175,000, a competitive bidding process must be followed even if the expectation is that only one bid will be received.

**Emergency Purchases**

Under Minnesota’s Emergency Management Act (Minn. Stat. §12.01-12.61), the City has the authority to enter into contracts during an emergency without following many normally required procedures. An emergency is defined “an unforeseen combination of circumstances that calls for immediate action to prevent a disaster from developing or occurring.” A disaster is “a situation that creates an actual or imminent serious threat to the health and safety of persons, or a situation that has resulted or is likely to result in catastrophic loss to property or the environment, and for which traditional sources of relief and assistance within the affected area are unable to repair or prevent the injury or loss.”

During an emergency or disaster, the City Council may waive compliance with the time-consuming procedures or formalities concerning:

1. The performance of public work;
2. Contracting;
3. Incurring obligations;
4. Renting equipment; and
5. Purchasing supplies and materials

#### **1.4. Permitted Expenditures for Meals and Refreshments**

Use of City funds in reasonable amounts for meals and/or refreshments and necessary supplies for elected and appointed City officials and employees is permitted in the following circumstances:

- City-sponsored events of a community-wide interest where staff are invited, required, or directed to be present (e.g., State of the City, City-wide celebrations.)
- City Council meetings held during or adjacent to a meal hour.
- Special Commission meetings held during or adjacent to a meal hour.
- Professional association meetings.
- Meetings related to City business in which the attendees are predominantly non-City representatives (e.g., City/school district meetings, Chamber of Commerce meetings, Police Chaplain meetings, Multi-Family Housing meetings, Tech Working Group meetings).
- Individual or small group employee meetings with employees or public officials from other governmental agencies, etc. to conduct City business where business can most effectively be conducted through a coffee/breakfast/lunch meeting.
- Individual or small group employee meetings with vendor representatives or consultants to conduct City business where business can most effectively be conducted through a coffee/breakfast/lunch meeting (City employee/official cost only).
- Conferences and training, for which no lunch is provided, and overlapping the noon lunch hour.
- Conferences and training when meals are included as part of the registration or program fee.
- Annual employee events to which all employees are invited (e.g., recognition luncheon, safety breakfasts).
- Annual recognition event for Volunteer Firefighters.
- City-sponsored training or work-related meetings where employees are required to participate or be available during break periods and/or lunch
- Work activities requiring continuous service when it is not possible to break for meals (e.g., election days, water main breaks, high profile criminal investigations, on-going emergency response activities). All non-emergency events require advance authorization by the responsible Department Director.
- Events recognizing participants in a City-sponsored wellness program.
- Retirement and resignation recognitions (light refreshments only).
- New employee (not an existing employee being promoted or assuming a new position within the City) orientation lunches.
- Staff meetings with elected officials and/or commission chairs.
- Fundraisers for non-City events where employees by virtue of their positions are expected to attend (e.g. Rotary Gala Art Auction). Requires Director approval and the City will reimburse only the cost of the meal in the amount listed for that type meal in the City's Travel Policy.
- Employee recognition events held by professional or civic associations, in which employees by virtue of their positions are members or participants

## **1.5. Conflict of Interest**

### **Conflict of Interest – Employee**

No employee will participate directly or indirectly in a procurement when the employee knows that the employee or any member of the employee's immediate family has a financial interest to the procurement; when a business or organization in which the employee; or any member of the employee's immediate family, has a financial interest pertaining to the procurement; or when any other person, business or organization with whom the employee or any member of the employee's immediate family is negotiating or has an arrangement concerning prospective employment is involved in the procurement. Upon discovery of an actual or potential conflict of interest, an employee shall promptly file a written statement of disqualification and shall withdraw from any further participation in the transaction involved.

### **Conflict of Interest – City Official**

No city official, elected or appointed, will participate directly or indirectly in any contract that the council makes. City officials elected or appointed, may not have a personal financial interest in a contract or procurement. This prohibition applies whether the official actually votes on a contract or not. There are limited exceptions to this prohibition. City council should seek advice from the city attorney before entering into any contract in which a council member or any other city official will have a financial interest. A public officer who violates the conflict of interest law is guilty of a gross misdemeanor and can be fined up to \$3,000 and imprisoned up to one year. In addition, the other members of the council who knowingly authorized the unlawful contract may also be subject to criminal penalties. Furthermore, contracts that violate these statutes are generally void.

## **1.6. Meeting Food/Meals**

The City Council recognizes that situations in which City business needs to be discussed can and do occur during meal hours (i.e. luncheon meetings). In addition, there are public and employee meetings and events in which reasonable refreshments may add to the success of the meeting and/or event and create a more productive work force. The following items are deemed to meet the Council definition of public purpose expenditures in regards to food and meals.

1. Meals and refreshments are allowed at City meetings and events that have a purpose of discussing City issues. These meetings would normally have a pre-planned agenda.
2. Meals and refreshments are allowed at employee meetings and events that have a purpose of discussing City issues or are a part of an employee training. These meetings would also normally have a pre-planned agenda. These meetings could include new employee receptions to introduce new employees to existing employees, provide an orientation to the City, and promote teamwork and cooperation. This does not include routine staff meetings.
3. Meals and refreshments are allowed when they are part of a breakfast/lunch/dinner meeting for official city business when it is the only practical time to meet. Usually these meals involve meeting with City Council members, Committee/Commission members, or local business/fraternal organizations. Payment for fees relating to a special event, such as a Chamber of Commerce event may also be allowed where approved by the City Administrator and when attendance is deemed to meet the public purpose guidelines for community or customer outreach and marketing of the City.

4. During official meetings of the City Council, Council committees, advisory boards/commissions, and task forces.
5. Travel expenses for employees are outlined in the City of Hermantown Employee/Councilor Travel Policy.
6. Meals and refreshments are allowed where employees or volunteers are participating in a City-sponsored special event, participating in an outside event as an official representative of the City, or working additional hours and where the department head deems appropriate as recognition of efforts above those normally required. Because emergency personnel are often called to perform for extended periods of time and duties where refreshments are important to duty performance, emergency response personnel may be provided refreshments or food when it is deemed appropriate by the City Administrator or Department Head to assure the delivery of quality emergency response service.
7. No purchase of alcoholic beverages is allowed.

## **Policies and Procedures for Federal Awards Administration**

### **Policies and Procedures – Federal Awards Administration Overview**

Purpose – This manual has been prepared to document the policies and procedures for the administration of federal awards of the City. The Office of Management and Budget (OMB) Uniform Administrative Requirements, Cost Principles and Audit Requirements [34 CFR Part 80, 2 CFR Part 213 and Part 6 of the Office of Management and Budget (OMB) UGG - Uniform Grant Guidance Compliance Supplement] require all sub-recipients of federal funds to establish and maintain internal controls designed to reasonably ensure compliance with Federal laws, regulations and program compliance requirements. Written policies and procedures are part of the necessary internal controls and are required as a precondition to receiving federal funds. These policies and procedures are intended to be sufficiently comprehensive to adequately meet such requirements. However, in no case are these policies and procedures intended to supersede or limit federal or state laws or regulations, or the provisions of individual grant agreements.

Hierarchy of Authority – In the event that conflicting guidance on the administration of Federal awards is available, the city has deemed Federal guidance to be most authoritative, followed by other State or local agencies.

Revisions – Guidance provided by the Federal government through the OMB UGG - Uniform Grant Guidance Compliance Supplement are expected to be updated each year. Such updates are considered by the city as they become available and policies and procedures will be revised accordingly.

The City Administrator and Finance Director, and designees are authorized and required to establish and document policies and procedures to ensure compliance with the provisions of federal and state regulations and the provisions of grant agreements. Such policies and procedures are documented herein, and will be reviewed and updated as necessary, but not less than once every three years.

Training – City finance personnel and its program administrators of Federal awards will be provided the necessary training through various mechanisms, such as: (1) reviewing monthly State Aid Financial Status

Report Updates, accompanying State aid payments, (2) consulting with the city's auditors as needed for clarification, (3) participating in various training opportunities, such as those offered by appropriate professional organizations, (4) reviewing legislative updates from multiple sources, (5) membership and participation in meetings of the Governmental Finance Officers Association (GFOA), (6) certification of respective positions by the GFOA i.e.: Finance Director, (7) coordination and collaboration with individuals performing similar job functions at similar municipalities.

Compliance Failures – Compliances failures, whether noted internally by management or through the external audit process, will be addressed immediately by reviewing the reason for the failure with responsible personnel and devising an improved process to encourage compliance in the future.

### **General Accounting and Financial Management**

It is the policy of the city to comply with all statutory, regulatory, and contractual requirements in the conduct of, and accounting for, its financial operations. The official books of record for the city will be maintained subject to the following provisions:

1. The city will account for its operations in accordance with the Generally Accepted Accounting Principles (GAAP) applicable to local units of government.
2. The city will comply with all applicable circulars issued by the Office of Management and Budget (OMB), including, but not limited to:
  - a. OMB Circular A-87 – Cost Principles for States, Local and Indian Tribal Governments.
  - b. OMB UGG - Uniform Grant Guidance – Audits of States, Local Governments, and Non-Profit Organizations (the Single Audit Act).
3. The city will comply with all contractual requirements detailed in its duly executed grant agreements with awarding agencies.
4. The city will contract annually with an independent CPA firm for the purposes of conducting the city's external financial audit. To the extent that the city has expended federal awards in excess of the applicable single audit limit (currently \$750,000), the city will have a single audit performed in accordance with OMB UGG - Uniform Grant Guidance.
5. To ensure continuing compliance with all applicable accounting requirements, the city may, at its discretion, contract with a CPA firm to provide internal auditing and/or consulting services.
6. The Finance Director shall be responsible for the maintenance of all accounting and financial records (including journals, timesheets, bank statements, audit reports, and similar documents). Such records shall be retained as required by contractual or regulatory requirements. The city has adopted the state's records retention schedule as its official guide for records storage, filing, and destruction.
7. The city and employees are required to comply with the city's conflict of interest policy and report any potential conflicts of interest to their managers. No employee, officer or agent may participate in the selection, award or administration of a contract supported by a Federal award if he or she has a

real or apparent conflict of interest. Such violations may result in appropriate discipline. See also the city policies on conflict of interest located in the city's Personnel Policies and Procedures.

8. The city will request prior approval from federal agencies for program or budget changes.
9. Procedures for inventory of federal capital purchases will be maintained by the Finance Department, with the help of the Public Works Director, and all items will be tracked annually.
10. The Finance Director (or designee) or the City Administrator are required to certify expenditures

## **Purchasing and Procurement**

It is the policy of the city to ensure that all disbursements of city funds are properly reviewed and authorized, and consistent with sound financial management principles, and made in compliance with all applicable federal, state and local laws. In order to meet these objectives, all disbursements of city funds shall be subject to the following provisions, to the extent that they do not conflict with or contradict with any specific federal, state or local law or Council policies (the most specific or restrictive law, policy or procedure will be followed):

1. Substantial state and federal requirements exist pertaining to standards of conduct and conflict of interest. It is the intent of the city for all employees, officers, or agents to conduct all activities associated with procurements in compliance with the highest ethical standards, including the avoidance of any real or perceived conflict of interest. It is also the intent of the city to impose appropriate sanctions or disciplinary actions, including but not limited to termination and/or prosecution, for any employees or officers who violate any of these requirements.
2. The city avoids the acquisition of unnecessary or duplicative items. Additionally, the city considers consolidating or breaking out procurements to obtain a more economical purchase. And, where appropriate, the city makes an analysis of leases versus purchase alternatives, and other appropriate analyses to determine the most economical approach.
3. To foster greater economy and efficiency, the city enters into state and local intergovernmental agreements where appropriate for procurement or use of common or shared goods and services. This includes cooperative purchasing agreements where practical and beneficial. Depending on the purchase requested, the city may purchase it from a cooperative or inter-local agreement if the price is competitive and the goods or service are needed in a timely manner. The Finance Director and the City Administrator will make this determination.
4. The city awards contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. The city considers such matters as contractor integrity and business ethics, compliance with public policy, ability to complete the project on time and in accordance with specifications, record of past performance, and the contractor's financial and technical resources.
5. The city will award a contract to a contractor who has the appropriate experience, expertise, qualifications, and any required certifications, necessary to perform the work. Contractors should also have the financial resources to sustain the project while the initial work is being completed and during each service period until he or she submits invoices for payment to the city as work is completed. Contractors should have the proper equipment or the capability to subcontract for the



proper equipment necessary to complete the contracted work.

6. Debarment and Suspension: The city will not subcontract with or award subgrants to any person or company who is debarred or suspended from receiving federal funds. The Finance Director, or designee thereof, is required to check for excluded parties at the System for Award Management (SAM) website before any procurement transaction paid with federal funds. This list is located at: <http://www.sam.gov/>.
7. All procurement transactions paid with federal funds are conducted in a manner providing full and open competition. In an environment of full and open competition, no proposer or bidder has a competitive advantage over another. All potential proposers and bidders must be provided the same information and have the same opportunity to submit a bid or proposal. Providing a competitive advantage to one or more potential proposers or bidders over another can open up the potential for disputes and lawsuits that can be costly and can significantly delay the completion of projects.
8. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, or invitations for bids or requests for proposals (RFPs) are excluded from competing for such procurements. The city does not engage in the following situations that may restrict full and open competition, including but not limited to:
  - Placing unreasonable requirements on firms in order for them to qualify to do business.
  - Requiring unnecessary experience and excessive bonding.
  - Noncompetitive pricing practices between firms or between affiliated companies;
  - Noncompetitive contracts to consultants that are on retainer contracts.
  - Organizational conflicts of interest.
  - Specifying only a “brand name” product instead of allowing “an equal” product to be offered and describing the performance or other relevant requirements of the procurement.
  - Any arbitrary action in the procurement process.
  - The city conducts federal procurements in a manner that prohibits the use of statutorily or administratively imposed state or local geographical preferences in the evaluation of bids or proposals, except in those cases where applicable federal statutes expressly mandate or encourage geographic preference.
9. All solicitations will incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description will not, in competitive procurements, contain features which unduly restrict competition. The description will include a statement of the qualitative nature of the material, product or service to be procured and, when necessary, will set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications will be avoided if at all possible.
10. The city will make independent estimates of the goods or services being procured before receiving bids or proposals to get an estimate of how much the goods and services are valued in the current market. To accomplish this, after bids and proposals are received, but before awarding a contract, the City conduct either a price analysis or a cost analysis, depending on the type of contract, in connection with every procurement with federal funds in excess of \$175,000.

11. The city takes all necessary affirmative steps to assure that minority businesses and women's business enterprises, and labor surplus area firms are used when possible. To accomplish this, the City uses the following required affirmative steps:
  - Placing qualified small and minority businesses and women's business enterprises on solicitation lists.
  - Assuring that small and minority business, and women's business enterprises are solicited whenever they are potential sources.
  - Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises.
  - Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises.
  - Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce.
  - Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed above.
12. Federal methods provide for procurement by micro-purchase. Micro-purchase is a purchase of supplies or services using simplified acquisition procedures. The micro-purchase method is used in order to expedite the completion of its lowest-dollar small purchase transactions and minimize the associated administrative burden and cost.
13. Small purchase procedures may be used in those relatively simple and informal procurement methods for securing nonprofessional services, supplies, or other property that do not cost more than \$175,000.
14. Sealed bids (\$175,000, formal advertising, price is a major factor). Requirements for sealed bids:
  - The invitation for bids will be publicly advertised and bids must be selected from an adequate number of known suppliers, providing them sufficient response time prior to the date set for opening the bids.
  - The invitation for bids, which will include any specifications and pertinent attachments, must define the items or services in order for the bidder to properly respond.
  - All bids will be publicly opened at the time and place prescribed in the invitation for bid.
  - A firm fixed price contract award will be made in writing to the lowest responsive and responsible bidder.
  - Any or all bids may be rejected if there is a sound documented reason.
  - Competitive proposal (> \$175,000, fixed price or cost reimbursement, request for proposal (RFP) with evaluation methods). Requirement for competitive proposal procedures:
    - Requests for proposals must be publicized requests and identify all evaluation factors and their relative importance.
    - Proposals must be solicited from an adequate number of qualified sources.
    - The organization must have a written method for conducting technical evaluations of the proposals received and for selecting recipients.
    - Contracts must be awarded to the responsible firm whose proposal is most

- advantageous to the program.
  - The organization may only use qualification-based methods, whereby competitors' qualifications are evaluated and the most qualified competitor is selected, in the procurement of architectural/engineering professional services.
- 15. Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source and may be used when using federal funds only when one or more of the following circumstances apply:
  - The item is available only from a single source. This must be documented.
  - The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation.
  - Any federal awarding agency expressly authorizes noncompetitive proposals in response to a written request from the city.
  - After solicitation of a number of sources, competition is determined inadequate.
- 16. Time and materials type contract means a contract whose cost to the city is the sum of: the actual costs of materials, and direct labor hours charged at fixed hourly rates that reflect wages, general and administrative expenses, and profit.
  - The city may use a time and materials type contract paid with federal funds in accordance with the above only (1) after a determination that no other contract is suitable; and (2) if the contract includes a ceiling price that the contractor exceeds at its own risk.
- 17. The city ensures that all prequalified lists of persons, firms, or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition. The city accomplishes this by conducting internet searches, including using vendor searches, and by using other less technologically-advanced tools to locate and identify potential contractors. Federal guidelines are followed regarding the number of bids required.
- 18. The city requires that construction or facility improvement contracts, or subcontracts, include a bid guarantee equivalent to 5% of the bid price from each bidder (such as bid bond or certified check), a performance bond on the part of the contractor for 100 percent of the contract price, and a payment bond on the part of the contractor for 100 percent of the contract price.

## Cash Management

Source of Governing Requirements – The requirements for cash management are contained in the A-102 Common Rule (§ .21), OMB Circular A-133 (2 CFR section 215.22), program legislation, Federal awarding agency regulations, and the terms and conditions of the award.

In order to ensure compliance with these requirements, the city has implemented the following policies and procedures:

1. Substantially all of the city's grants are awarded on a reimbursement basis. As such, program costs will be expended and disbursed prior to requesting reimbursement from the grantor agency.
2. Cash draws will be initiated by the Finance Director or City Administrator who will determine the appropriate draw amount. Documentation of how this amount was determined will be retained

and signed/dated.

3. The physical draw of cash will be processed through SWIFT (Minnesota's State-wide Integrated Financial Tools payment system) or through the means prescribed in the grant agreement.
4. Supporting documentation from SWIFT or a copy of the cash draw paperwork will be filed along with the approved paperwork described above and retained for audit purposes.

### **Program Income**

Source of Governing Requirements – The requirements for program income are found in the A-102 Common Rule (§.21 (payment) and §.25 (program income)); OMB Circular A-133 (2 CFR section 215.2 (program income definition), 2 CFR section 215.22 (payment), and 2 CFR section 215.24 (program income)), program legislation, Federal awarding agency regulations, and the terms and conditions of the award.

In order to ensure compliance with these requirements, the city has implemented the following policies and procedures:

1. Program income will include (but will not be limited to): income from fees for services performed, the use or rental of real or personal property acquired with grant funds, the sale of commodities or items fabricated under a grant agreement, and payments of principal and interest on loans made with grant funds. It will not include interest on grant funds unless otherwise provided in the Federal awarding agency regulations or terms and conditions of the award.
2. The city will allow program income to be used in one of three methods:
  - a. Deducted from outlays
  - b. Added to the project budget
  - c. Used to meet matching requirements

In the absence of specific guidance in the Federal awarding agency regulations or the terms and conditions of the award, program income shall be deducted from program outlays.

3. Program income, when applicable, will be accounted for as a revenue source in the same project code as the Federal grant.

### **Payroll and Timekeeping**

The following provisions apply to the payment of employees and recording of time and effort (as required) in accordance with Federal Cost Principles:

1. Hourly employees record time each day, with the following information:
  - a. The total number of hours actually worked each day
  - b. The use of any holiday, personal, vacation, sick, or other approved time off with pay
  - c. The total number of hours to be paid
  - d. An allocation of those hours to each program or department for which work was performed, when necessary
  - e. The dated signature of the employee and his/her supervisor for each payroll period

The allocation of hours between programs or departments should be based exclusively on the actual hours worked, and not be based on available budgets, or predetermined allocation schedules. In the event that an after-the-fact correction is necessary to an employee's timesheet due to errors in the allocation of time worked, such corrections must be submitted to Finance, and approved in writing by both the employee and his/her supervisor.

2. Salaried employees charged to a Federal grant will document time and effort as follows: the employee may document time and effort using a timesheet as described above. Timesheets must account for the total activity for which the employee is compensated and be signed by the employee. It will not be acceptable for timesheets to include the hours worked on Federal grants only.
  - a. It is the responsibility of the employee being charged to a Federal award(s) to clarify documentation requirements with the City Administrator, Finance Director or designee and provide appropriate documentation to Payroll as it becomes available. The employee should retain a copy of the documentation for his/her personal records.

Certifications should never be signed prior to the end date of the payroll period being certified. Each certification should be provided to the Finance Department when available. Employees should retain a copy of the certifications for his/her personal records.

### **Additional Federal Awards Compliance Requirements**

A number of the Federal awards received by the city are passed-through the State of Minnesota. Management will consider both the OMB UGG - Uniform Grant Guidance Compliance Supplement and any applicable compliance requirements as set forth by the State of Minnesota.

### **General Information**

Source of Information – Each year the Federal government (Office of Management and Budget) issues a comprehensive document on the compliance requirements each grant recipient is obligated to follow in general terms, along with program-specific guidance on various grant awards. Each of the requirements identified is considered individually in this manual.

The following pages document the policies and procedures of the city related to compliance with such procedures, as applicable. In each year that the city is subject to a single audit, applicable compliance requirements are expected to be tested in detail by the city's independent auditors.

Objectives – The objectives of most compliance requirements are generic in nature. While the criteria for each program may vary, the main objective of the compliance requirement is relatively consistent across all programs. As such, the policies and procedures of the city have been based on the generic sense of the compliance requirement. For selected compliance requirements, this manual addresses the specific regulations applicable to individual grants. This is not intended to imply that a program is not subject to such policies if it is not specifically mentioned here. It is the intention of the city that all Federal awards are subject to the following policies and procedures.

Controls over Compliance – In addition to creating policies and procedures over compliance with provisions of Federal awards, the city has implemented internal controls over such compliance, generally

in the form of administrative oversight and/or independent review and approval. In order to document these control activities, all independent reviews must be signed/initialed and dated.

Documentation – The city will maintain adequate documentation to support both the compliance with applicable requirements as well as internal controls over such compliance. This documentation will be provided to the city’s independent auditors and/or pass-through grantor agencies, as requested, during the single audit and program audits.

### **Special Tests and Provisions**

In order to ensure compliance with these requirements, the city has implemented the following policies and procedures:

1. The Finance Director will be assigned the responsibility for identifying financial-related compliance requirements for special tests and provisions, determining approved methods for compliance, and retaining any necessary documentation. Program-related compliance requirements will be the responsibility of the department administering the grant.

**TO:** Mayor & City Council  
**FROM:** John Mulder, City Administrator  
**DATE:** January 7, 2022  
**SUBJECT:** Water Tower Reconditioning  
Award of Contract



**Meeting Date:** 01/18/2022

**Agenda Item:** 12-B

**Resolution:** 2022-12

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## REQUESTED ACTION

Award a construction contract to Osseo Construction Company, LLC for the reconditioning of the 600,000-gallon water tower in the amount of \$455,500.00.

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## BACKGROUND

Bolten and Menk, Hermantown's consulting engineer, has reviewed the bids for completeness and accuracy. Osseo Construction Company is the lowest responsible bidder. Attached are the following supporting documentation; 1) letter recommending award 2) Bid Abstract 3) Copy of Bid.

Osseo Construction Bid Amount = \$455,500.00

Engineer's Estimate = \$645,000.00

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## SOURCE OF FUNDS (if applicable)

Sales Tax Fund 240-433200-530 Project 318

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## ATTACHMENTS

Letter Recommending Award  
Bid Abstract  
Copy of Osseo Bid

**Resolution No. 2022-12**

**RESOLUTION RECEIVING BIDS AND AWARDING  
CONTRACT FOR HIGHWAY 53 WATER TOWER RECONDITIONING  
TO OSSEO CONSTRUCTION GROUP IN THE AMOUNT OF \$455,500**

WHEREAS, the City of Hermantown duly advertised for bids for Highway 53 Water Tower Reconditioning within the City of Hermantown; and

WHEREAS, the City will finance the Project from an issue of tax-exempt bonds; and

WHEREAS, bids on such project were publicly opened and tabulated by the Consulting Engineer and City Administrator on January 6, 2022; and

WHEREAS, a transcript of such bids is attached hereto as Exhibit A; and

WHEREAS, the Consulting Engineer reviewed the bid of the lowest bidder to confirm its accuracy; and

WHEREAS, the Consulting Engineer reviewed the bid of the lowest bidder and found it to be technically responsive to the specifications and also investigated the experience, past record of performance and capacity of the low bidder to perform the work contracted to be performed within the stated time period; and

WHEREAS, on the basis of such review, the Consulting Engineer has recommended that the lowest bidder, Osseo Construction Group (“Contractor”) be awarded the contract for Highway 53 Water Tower Reconditioning; and

WHEREAS, after fully considering this matter, the City Council believes that it is in the best interests of the City of Hermantown to award the contract for such improvement to Contractor.

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

1. Contractor is hereby found, determined and declared to be the lowest responsible bidder for Highway 53 Water Tower Reconditioning.
2. The bid of Contractor is in the amount of \$455,500 for Highway 53 Water Tower Reconditioning for such bid option in accordance with the plans and specifications and advertisements for bids shall be and hereby is accepted.
3. The Consulting Engineer is hereby directed to prepare a contract between the City of Hermantown and Contractor as soon as possible and submit it to Contractor for execution by it.



5. Upon execution of such contract by Contractor and its submission of a performance bond, payment bond and certificate of insurance acceptable to the City Attorney, Mayor and City Clerk are hereby authorized and directed to execute such contract for and on behalf of the City of Hermantown.

6. The City Clerk is hereby authorized and directed to return forthwith to all bidders, the deposits (bid bonds) made with their bids, except that deposit (bid bond) of the successful bidder and the next lowest bidder shall not be returned until a contract has been executed.

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:

and the following voted in opposition thereto:

WHEREUPON, such resolution was declared duly passed and adopted on January 18, 2022.



**BOLTON  
& MENK**

Real People. Real Solutions.

4960 Miller Trunk Highway  
Suite 350  
Duluth, MN 55811

Ph: (218) 729-5939  
Bolton-Menk.com

Via Email

January 7, 2022

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

RE: Hwy 53 Tower Reconditioning  
City of Hermantown, MN  
Project No.: 0M2.125206

Dear John,

Bids were received for the Hwy 53 Tower Reconditioning project at 10:00 am on Thursday, January 6, 2022 and are summarized below in Table 1. The engineer's estimate for the project was \$645,000.

Table 1. Bid Tabulation	
Bidders	Total Project Base Bid
Osseo Construction Group	\$455,500.00
Champion Tank Services	\$512,000.00
Classic Protective Coatings	\$588,958.00
LC United Painting	\$594,000.00
Maguire Iron	\$654,500.00

The number of bids received indicates there was interest in the project and the bids were competitive. The low bid came in well below the engineer's estimate, likely in part because the project was bid early in the bid season before contractors had started filling their schedules. Therefore, rebidding of the project would not provide any cost savings.

Name: John Mulder  
Date: January 7, 2022  
Page: 2

The lowest responsive and responsible bidder was Osseo Construction Group of Osseo, Wisconsin. They included all necessary attachments with their bid including a 5% Bid Bond. Osseo Construction Group has extensive experience with tower coating projects and has completed several projects with Bolton and Menk, Inc. over the last 10 years. We recommend that the contract be awarded to Osseo Construction Company for the contract amount of \$455,500.00.

Sincerely,

**Bolton & Menk, Inc.**



**Brian J. Guldán, P.E.**

Principal Environmental Engineer

cc: Paul Senst, City of Hermantown  
David Bolf, Northland Consulting Engineers  
Jamie Connor, Bolton and Menk  
Jason Fisher, Bolton and Menk

# ABSTRACT OF BIDS

HWY 53 TOWER RECONDITIONING  
CITY OF HERMANTOWN, MINNESOTA  
BMI PROJECT NO. 0M2.125206

Date: 1/6/2022

ITEM NO.	ITEM	APPROX. QUANT.	UNIT	1		2		3		4		5	
				Osseo Construction Group	Champion Tank Services	Classic Protective Coatings	LC United Painting	Maguire Iron					
				UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT
1	Mobilization and site maintenance	1	LS	\$50,000.00	\$50,000.00	\$20,000.00	\$20,000.00	\$25,000.00	\$25,000.00	\$15,000.00	\$15,000.00	\$5,000.00	\$5,000.00
2	Grinding (misc.)	10	HOUR	\$100.00	\$1,000.00	\$150.00	\$1,500.00	\$125.00	\$1,250.00	\$200.00	\$2,000.00	\$3,000.00	\$3,000.00
3	Welding (misc.)	10	LF	\$150.00	\$1,500.00	\$100.00	\$1,000.00	\$100.00	\$1,000.00	\$50.00	\$500.00	\$500.00	\$5,000.00
4	Pit filler (misc.)	1	HOUR	\$150.00	\$150.00	\$500.00	\$500.00	\$300.00	\$300.00	\$700.00	\$700.00	\$2,000.00	\$2,000.00
5	Caulking (misc.)	100	LF	\$10.00	\$1,000.00	\$10.00	\$1,000.00	\$5.00	\$500.00	\$40.00	\$4,000.00	\$20.00	\$2,000.00
6	Complete sandblasting and reconditioning of tower (interior wet)	1	LS	\$110,000.00	\$110,000.00	\$140,000.00	\$140,000.00	\$151,300.00	\$151,300.00	\$134,000.00	\$134,000.00	\$180,000.00	\$180,000.00
7	Complete sandblasting and reconditioning of tower (exterior)	1	LS	\$137,350.00	\$137,350.00	\$185,000.00	\$185,000.00	\$257,308.00	\$257,308.00	\$259,000.00	\$259,000.00	\$227,500.00	\$227,500.00
8	Partial removal and spot repair sandblasting and reconditioning of tower with < 10% spot repair (interior dry)	1	LS	\$30,000.00	\$30,000.00	\$25,000.00	\$25,000.00	\$39,000.00	\$39,000.00	\$34,000.00	\$34,000.00	\$35,000.00	\$35,000.00
9	Full curtain containment	1	LS	\$25,000.00	\$25,000.00	\$50,000.00	\$50,000.00	\$45,000.00	\$45,000.00	\$35,000.00	\$35,000.00	\$75,000.00	\$75,000.00
10	Replace failed material covering the exterior roof to dry riser opening	1	LS	\$3,000.00	\$3,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$2,000.00	\$2,000.00	\$2,500.00	\$2,500.00
11	Provide and install new safety climb systems to all ladders	1	LS	\$8,000.00	\$8,000.00	\$4,000.00	\$4,000.00	\$4,800.00	\$4,800.00	\$6,500.00	\$6,500.00	\$10,000.00	\$10,000.00
12	Provide and install new overflow pipe screen	1	LS	\$250.00	\$250.00	\$500.00	\$500.00	\$1,000.00	\$1,000.00	\$800.00	\$800.00	\$500.00	\$500.00
13	Replace pressure manway gasket	1	EA	\$250.00	\$250.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00
14	Remove and salvage existing inlet/outlet pipe insulation. Reinstall salvaged existing insulation with new metal jacket with new metal banding.	1	LS	\$6,500.00	\$6,500.00	\$3,000.00	\$3,000.00	\$5,600.00	\$5,600.00	\$6,500.00	\$6,500.00	\$7,500.00	\$7,500.00
15	New tank logos/lettering	1	EA	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$4,500.00	\$4,500.00	\$8,500.00	\$8,500.00	\$6,000.00	\$6,000.00
16	Provide and install tower (tank) mixer	1	LS	\$25,000.00	\$25,000.00	\$22,000.00	\$22,000.00	\$16,800.00	\$16,800.00	\$21,000.00	\$21,000.00	\$25,000.00	\$25,000.00
17	Remove and replace damaged grout and mortar between cone base ring and foundation and repair foundation. Apply caulk to grout/base ring seam.	1	LS	\$5,000.00	\$5,000.00	\$2,500.00	\$2,500.00	\$2,400.00	\$2,400.00	\$4,000.00	\$4,000.00	\$4,500.00	\$4,500.00
18	Provide and install new dual LED aviation obstruction lighting on pivoting post	1	LS	\$4,500.00	\$4,500.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$6,000.00	\$6,000.00	\$15,000.00	\$15,000.00
19	Modify tower access doors	1	LS	\$4,500.00	\$4,500.00	\$2,500.00	\$2,500.00	\$500.00	\$500.00	\$3,500.00	\$3,500.00	\$3,000.00	\$3,000.00
20	Remove and reinstall all telecommunications equipment (if necessary)	1	LS	\$2,000.00	\$2,000.00	\$1,000.00	\$1,000.00	\$500.00	\$500.00	\$6,000.00	\$6,000.00	\$2,500.00	\$2,500.00
21	Provide and install 30-inch roof to interior wet access manway	1	LS	\$4,000.00	\$4,000.00	\$6,500.00	\$6,500.00	\$2,000.00	\$2,000.00	\$5,500.00	\$5,500.00	\$7,500.00	\$7,500.00
22	Provide new recirculation pump flex hose/fittings and inlet/outlet pipe valves and fittings	1	LS	\$1,500.00	\$1,500.00	\$5,000.00	\$5,000.00	\$500.00	\$500.00	\$14,000.00	\$14,000.00	\$8,000.00	\$8,000.00
23	Disinfection	1	LS	\$2,500.00	\$2,500.00	2000	\$2,000.00	\$1,200.00	\$1,200.00	\$1,000.00	\$1,000.00	\$2,500.00	\$2,500.00
24	Site restoration/grading	1	LS	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,000.00	\$2,000.00	\$4,000.00	\$4,000.00	\$5,000.00	\$5,000.00
25	Construction Allowance	1	LS	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00
				<b>\$455,500.00</b>		<b>\$512,000.00</b>		<b>\$588,958.00</b>		<b>\$594,000.00</b>		<b>\$654,500.00</b>	

**SECTION 00410 - BID FORM**

HWY 53 Tower Reconditioning  
City of Hermantown, Minnesota  
Bolton & Menk Project No: 0M2.125206

**ARTICLE 1 - BID RECIPIENT**

1.01 This Bid is submitted to:  
City of Hermantown, Minnesota  
5105 Maple Grove Road  
Hermantown, MN 55811-3605

1.02 The undersigned Bidder proposes and agrees, if this Bid is accepted, to enter into an Agreement with Owner in the form included in the Bidding Documents to perform all Work as specified or indicated in the Bidding Documents for the prices and within the times indicated in this Bid and in accordance with the other terms and conditions of the Bidding Documents.

**ARTICLE 2 - BIDDER'S ACKNOWLEDGEMENTS**

2.01 Bidder accepts all of the terms and conditions of the Advertisement or Invitation to Bid and Instructions to Bidders, including without limitation those dealing with the disposition of Bid security. This Bid will remain subject to acceptance for sixty (60) days after the Bid opening, or for such longer period of time that Bidder may agree to in writing upon request of Owner.

**ARTICLE 3 - BIDDER'S REPRESENTATIONS**

3.01 In submitting this Bid, Bidder represents that:

A. Bidder has examined and carefully studied the Bidding Documents, other related data identified in the Bidding Documents, and the following Addenda, receipt of which is hereby acknowledged:

<u>Addendum No.</u>	<u>Addendum Date</u>
<u>1</u>	<u>12-29-21</u>
_____	_____
_____	_____

B. Bidder has visited the Site, conducted a thorough, alert visual examination of the Site and adjacent areas, and become familiar with and satisfied itself as to the general, local, and Site conditions that may affect cost, progress, and performance of the Work.

C. Bidder is familiar with and is satisfied as to all Laws and Regulations that may affect cost, progress, and performance of the Work.

D. Bidder has carefully studied all: (1) reports of explorations and tests of subsurface conditions at or adjacent to the Site and all drawings of physical conditions relating to existing surface or subsurface structures at the Site that have been identified in the Supplementary Conditions, especially with respect to Technical Data in such reports and drawings, and (2) reports and drawings relating to Hazardous Environmental Conditions, if any, at or adjacent to the Site that have been identified in the Supplementary Conditions, especially with respect to Technical Data in such reports and drawings."

- E. Bidder has considered the information known to Bidder itself; information commonly known to contractors doing business in the locality of the Site; information and observations obtained from visits to the Site; the Bidding Documents; and any Site-related reports and drawings identified in the Bidding Documents, with respect to the effect of such information, observations, and documents on (1) the cost, progress, and performance of the Work; (2) the means, methods, techniques, sequences, and procedures of construction to be employed by Bidder; and (3) Bidder's safety precautions and programs.
- F. Bidder agrees, based on the information and observations referred to in the preceding paragraph, that no further examinations, investigations, explorations, tests, studies, or data are necessary for the determination of this Bid for performance of the Work at the price bid and within the times required, and in accordance with the other terms and conditions of the Bidding Documents.
- G. Bidder is aware of the general nature of work to be performed by Owner and others at the Site that relates to the Work as indicated in the Bidding Documents.
- H. Bidder has given Engineer written notice of all conflicts, errors, ambiguities, or discrepancies that Bidder has discovered in the Bidding Documents, and confirms that the written resolution thereof by Engineer is acceptable to Bidder.
- I. The Bidding Documents are generally sufficient to indicate and convey understanding of all terms and conditions for the performance and furnishing of the Work.
- J. The submission of this Bid constitutes an incontrovertible representation by Bidder that Bidder has complied with every requirement of this Article, and that without exception the Bid and all prices in the Bid are premised upon performing and furnishing the Work required by the Bidding Documents

#### **ARTICLE 4 - BIDDER'S CERTIFICATION**

4.01 Bidder certifies that:

- A. This Bid is genuine and not made in the interest of or on behalf of any undisclosed individual or entity and is not submitted in conformity with any collusive agreement or rules of any group, association, organization, or corporation;
- B. Bidder has not directly or indirectly induced or solicited any other Bidder to submit a false or sham Bid;
- C. Bidder has not solicited or induced any individual or entity to refrain from bidding; and
- D. Bidder has not engaged in corrupt, fraudulent, collusive, or coercive practices in competing for the Contract. For the purposes of this Paragraph 4.01.D.:
  - 1. "corrupt practice" means the offering, giving, receiving, or soliciting of any thing of value likely to influence the action of a public official in the bidding process;
  - 2. "fraudulent practice" means an intentional misrepresentation of facts made (a) to influence the bidding process to the detriment of Owner, (b) to establish bid prices at artificial non-competitive levels, or (c) to deprive Owner of the benefits of free and open competition;
  - 3. "collusive practice" means a scheme or arrangement between two or more Bidders, with or without the knowledge of Owner, a purpose of which is to establish bid prices at artificial, non-competitive levels; and

4. "coercive practice" means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the bidding process or affect the execution of the Contract.

E. Bidder has completed and executed the attached Responsible Contractor Verification and Certification of Compliance Form (Section 00415) relating to Minn Statute 16C.285, "Responsible Contractor".

**ARTICLE 5 - BASIS OF BID (UNIT PRICE CONTRACT)**

- 5.01 Bidder will complete the work in accordance with the Contract Documents at the prices shown in the attached Bid Schedule.
- 5.02 Unit Prices have been computed in accordance with Paragraph 13.03.B of the General Conditions.
- 5.03 Bidder acknowledges that estimated quantities are not guaranteed and are solely for the purpose of comparison of Bids. Final payment for all unit price Bid items will be based on actual quantities, determined as provided in the Contract Documents.

**ARTICLE 6 - TIME OF COMPLETION**

- 6.01 Bidder agrees that the work will be substantially complete by **August 13, 2022**, and by that date, the tank shall be put back into service; the work will be completed and ready for final payment by **September 30, 2022**, in accordance with Paragraph 14.07 of the General Conditions.
- 6.02 Bidder accepts the provisions of the Agreement as to liquidated damages.

**ARTICLE 7 - ATTACHMENTS TO THIS BID**

- 7.01 The following documents are submitted with and made a condition of this Bid:
- A. Section 00411 - Bid Schedule
  - B. Section 00412 - Project References indicating required experience of Contractor is met.
  - C. Section 00430 - Bid Bond (in the form of a certified check, bank money order, or a bid bond)
  - D. Responsible Contractor Certificate and Certification of Compliance (Included in Section 00802- Hermantown Standard Governmental Entity Construction Contract Provisions)
  - E. State of MN Affidavit of Non Collusion (Included in Section 00802- Hermantown Standard Governmental Entity Construction Contract Provisions)

**ARTICLE 8 - DEFINED TERMS**

- 8.01 The terms used in this Bid with initial capital letters have the meanings stated in the Instructions to Bidders, the General Conditions, and the Supplementary Conditions.

**SEE ATTACHED SECTION 00411 – BID SCHEDULE**

**BID SUBMITTAL**

8.02 This Bid is submitted by:

If Bidder is:

An Individual

Name (typed or printed): Timothy J Popple

By:   
(Individual's signature)

Doing business as: The Osseo Construction Co. LLC

A Partnership

Partnership Name: \_\_\_\_\_

By: \_\_\_\_\_  
(Signature of general partner -- attach evidence of authority to sign)

Name (typed or printed): \_\_\_\_\_

A Corporation

Corporation Name: \_\_\_\_\_ (SEAL)

State of Incorporation \_\_\_\_\_

Type (General Business, Professional, Service, Limited Liability): \_\_\_\_\_

By: \_\_\_\_\_  
(Signature – attach evidence of authority to sign)

Name (typed or printed) \_\_\_\_\_

Title: \_\_\_\_\_  
(CORPORATE SEAL)

Attest \_\_\_\_\_

Date of Qualification to do business in [State where project is located] is

2 / 25 / 2016



A Joint Venture

Name of Joint Venture: \_\_\_\_\_

First Joint Venturer Name: \_\_\_\_\_ (SEAL)

By: \_\_\_\_\_  
(Signature of first venture partner – attach evidence of authority to sign)

Name (typed or printed): \_\_\_\_\_

Title: \_\_\_\_\_

Second Joint Venture Name: \_\_\_\_\_ (SEAL)

By: \_\_\_\_\_  
(Signature of second venture partner – attach evidence of authority to sign)

Name (typed or printed) \_\_\_\_\_

Title: \_\_\_\_\_

(Each joint venturer must sign. The manner of signing for each individual, partnership, and corporation that is a party to the joint venture should be in the manner indicated above.)

Bidder's Business Address P.O. Box 143, 14248 10<sup>th</sup> St.  
DSSCO, WI 54758

Phone No. 715-456-5762 Fax No. \_\_\_\_\_

E-mail tpopple@tcc.coop

SUBMITTED on January 4<sup>th</sup>, 20 22

State Contractor License No. \_\_\_\_\_ [If applicable]

**SECTION 00411 – BID SCHEDULE**

Bid Form for construction of:  
HWY 53 Tower Reconditioning  
City of Hermantown, Minnesota

The undersigned declares that the only persons or parties interested in this Bid as principals are as stated; that the Bid is made without any collusion with other persons, firms, or corporations; that he has carefully examined all the Contract Documents as prepared by Bolton & Menk, Inc.; that he has informed himself fully in regard to all conditions pertaining to the Work and the place where it is to be done, and from them the undersigned makes this Bid. The Bid price covers all expenses incurred in performing the Work required under the Contract Documents, of which this Bid Form is a part.

Note: Bids shall include sales tax and all applicable taxes and fees.

This Proposal is submitted after careful study of the plans and specifications and from personal knowledge of the conditions to be encountered at the project site, which knowledge was obtained from the undersigned's own sources of information and not from any official or employee of the OWNER.

If a discrepancy appears between the written and the numerical, the written words will be used as the quoted price. If an error appears in an extension or the addition of items, the corrected extension or total of the parts shall govern.

In accordance with the above understanding, the undersigned proposes to perform the Work, furnish all materials, and complete the Work in its entirety in the manner and under the conditions required for the Unit Price Contract Price(s) listed on the following pages.

BID of The Osseo Construction Co. LLC  
(Name of Bidder)

Schedule of Prices for Construction of:  
 HWY 53 Tower Reconditioning  
 City of Hermantown, Minnesota

Bidder agrees to perform all of the work described in the CONTRACT DOCUMENTS for the following unit prices or lump sums:

NOTE: BIDS shall include sales tax and all applicable taxes and fees.

BIDDER must fill in the TOTAL UNIT PRICE BID SCHEDULE.

Unit Prices have been computed in accordance with Paragraph 11.03.B of the General Conditions.

Bidder acknowledges that estimated quantities are not guaranteed and are solely for the purpose of comparison of Bids, and final payment for all Unit Price Bid items will be based on actual quantities, determined as provided in the Contract Documents.

UNIT PRICE BID SCHEDULE

Bidder will complete the Work in accordance with the Contract Documents for the following price(s):

Item No.	Description	Unit	Est. Qty.	Bid Unit Price	Bid Price
1.	Mobilization and site maintenance	L.S.	1	\$ 50,000.00	\$ 50,000.00
2.	Grinding (misc.)	Hour	10	\$ 100.00	\$ 1,000.00
3.	Welding (misc.)	L.F.	10	\$ 150.00	\$ 1,500.00
4.	Pit filler (misc.)	Hour	1	\$ 150.00	\$ 150.00
5.	Caulking (misc.)	L.F.	100	\$ 10.00	\$ 1,000.00
6.	Complete sandblasting and reconditioning of tower (interior wet)	L.S.	1	\$ 110,000.00	\$ 110,000.00
7.	Complete sandblasting and reconditioning of tower (exterior)	L.S.	1	\$ 137,350.00	\$ 137,350.00
8.	Partial removal and spot repair sandblasting and reconditioning of tower with < 10% spot repair (interior dry)	L.S.	1	\$ 30,000.00	\$ 30,000.00
9.	Full curtain containment	L.S.	1	\$ 25,000.00	\$ 25,000.00
10.	Replace failed material covering the exterior roof to dry riser opening	L.S.	1	\$ 3,000.00	\$ 3,000.00
11.	Provide and install new safety climb systems to all ladders	L.S.	1	\$ 8,000.00	\$ 8,000.00
12.	Provide and install new overflow pipe screen	L.S.	1	\$ 250.00	\$ 250.00
13.	Replace pressure manway gasket	EA	1	\$ 250.00	\$ 250.00
14.	Remove and salvage existing inlet/outlet pipe insulation. Reinstall salvaged existing insulation with new metal jacket with new metal banding.	L.S.	1	\$ 6,500.00	\$ 6,500.00
15.	New tank logos/lettering	EA.	1	\$ 10,000.00	\$ 10,000.00
16.	Provide and install tower (tank) mixer	L.S.	1	\$ 25,000.00	\$ 25,000.00
17.	Remove and replace damaged grout and mortar between cone base ring and foundation and repair foundation. Apply caulk to grout/base ring seam.	L.S.	1	\$ 5,000.00	\$ 5,000.00
18.	Provide and install new dual LED aviation obstruction lighting on pivoting post	L.S.	1	\$ 4,500.00	\$ 4,500.00
19.	Modify tower access doors	L.S.	1	\$ 4,500.00	\$ 4,500.00

Item No.	Description	Unit	Est. Qty.	Bid Unit Price	Bid Price
20.	Remove and reinstall all telecommunications equipment (if necessary)	L.S.	1	\$ 2,000.00	\$ 2,000.00
21.	Provide and install 30-inch roof to interior wet access manway	L.S.	1	\$ 4,000.00	\$ 4,000.00
22.	Provide new recirculation pump flex hose/fitings and inlet/outlet pipe valves and fittings	L.S.	1	\$ 1,500.00	\$ 1,500.00
23.	Disinfection	L.S.	1	\$ 2,500.00	\$ 2,500.00
24.	Site restoration/grading	L.S.	1	\$ 2,500.00	\$ 2,500.00
25.	Construction Allowance	L.S.	1	\$ 20,000	\$ 20,000
<b>TOTAL UNIT PRICE BID</b>				<b>\$ 455,500.00</b>	

\*\*\*\* END OF SECTION \*\*\*\*

SECTION 00412 – PROJECT REFERENCES

Below is a listing of the most recent projects that meet the following minimum contractor qualifications:

**MINIMUM CONTRACTOR QUALIFICATIONS:** The Bidder shall have experience as a General Contractor in the successful completion of at least five (5) curtain containment jobs of 500,000 gallon water towers within the last five (5) years.

*See attached.*

1. Contracting Agency \_\_\_\_\_  
Description of Work (indicate rehab or new construction) \_\_\_\_\_  
Water Tower Capacity (gallons) \_\_\_\_\_; Tank Style (Spheroid/Legged/Hydropillar, etc.) \_\_\_\_\_  
\_\_\_\_\_  
Agency Representative \_\_\_\_\_  
Title \_\_\_\_\_ Phone \_\_\_\_\_ Contract Completion Date \_\_\_\_\_
  
2. Contracting Agency \_\_\_\_\_  
Description of Work (indicate rehab or new construction) \_\_\_\_\_  
Water Tower Capacity (gallons) \_\_\_\_\_; Tank Style (Spheroid/Legged/Hydropillar, etc.) \_\_\_\_\_  
\_\_\_\_\_  
Agency Representative \_\_\_\_\_  
Title \_\_\_\_\_ Phone \_\_\_\_\_ Contract Completion Date \_\_\_\_\_
  
3. Contracting Agency \_\_\_\_\_  
Description of Work (indicate rehab or new construction) \_\_\_\_\_  
Water Tower Capacity (gallons) \_\_\_\_\_; Tank Style (Spheroid/Legged/Hydropillar, etc.) \_\_\_\_\_  
\_\_\_\_\_  
Agency Representative \_\_\_\_\_  
Title \_\_\_\_\_ Phone \_\_\_\_\_ Contract Completion Date \_\_\_\_\_
  
4. Contracting Agency \_\_\_\_\_  
Description of Work (indicate rehab or new construction) \_\_\_\_\_  
Water Tower Capacity (gallons) \_\_\_\_\_; Tank Style (Spheroid/Legged/Hydropillar, etc.) \_\_\_\_\_  
\_\_\_\_\_  
Agency Representative \_\_\_\_\_  
Title \_\_\_\_\_ Phone \_\_\_\_\_ Contract Completion Date \_\_\_\_\_
  
5. Contracting Agency \_\_\_\_\_  
Description of Work (indicate rehab or new construction) \_\_\_\_\_  
Water Tower Capacity (gallons) \_\_\_\_\_; Tank Style (Spheroid/Legged/Hydropillar, etc.) \_\_\_\_\_  
\_\_\_\_\_  
Agency Representative \_\_\_\_\_  
Title \_\_\_\_\_ Phone \_\_\_\_\_ Contract Completion Date \_\_\_\_\_

\*\*\*\* END OF SECTION \*\*\*\*

**RESPONSIBLE CONTRACTOR CERTIFICATE**

Applies to all prime contracts in excess of \$50,000.00

A responsible contractor is defined in Minnesota Statutes §16C.285, subdivision 3.

Any prime contractor or subcontractor who does not meet the minimum criteria under Minnesota Statute §16C.285, subdivision 3, or who fails to verify that it meets those criteria, is not a responsible contractor and is not eligible to be awarded a construction contract for the project or to perform work on the project.

A false statement under oath verifying compliance with any of the minimum criteria shall render the prime contractor or subcontractor that makes the false statement ineligible to be awarded a construction contract for the project and may result in termination of a contract awarded to a prime contractor or subcontractor that makes a false statement.

A prime contractor shall submit to the contracting authority upon request copies of the signed verifications of compliance from all subcontractors of any tier pursuant to subdivision 3, clause 7.

By signing this statement, I, Timothy J. Popple  
(type or print name)

owner  
(title) certify that I am an owner or officer of the company

and do verify under oath that my company is in compliance with each of the minimum criteria listed in the law.

The Osseo Construction Co. LLC  
(name of the person, partnership, or corporation submitting this proposal)

P.O. Box 143, 14248 10<sup>th</sup> St. Osseo, WI 54758  
(business address)

Signed: Timothy J. Popple  
(bidder or authorized representative)

Date: 1-4-2022

## ATTACHMENT A

### RESPONSIBLE CONTRACTOR AND CERTIFICATION OF COMPLIANCE

Minn. Stat. §16.285, Subd. 7, **IMPLEMENTATION.** any prime contractor or subcontractor that does not meet the minimum criteria in subdivision 3 or fails to verify it meets those criteria is not a responsible contractor and is not eligible to be awarded a construction contract for the project or to perform work on the project.

Minn. Stat. §16.285, Subd. 3. **RESPONSIBLE CONTRACTOR, MINIMUM CRITERIA.** "Responsible contractor" means a contractor that conforms to the responsibility requirements in the solicitation document for its portion of the work on the project and verifies that it meets the following minimum criteria:

1. The Contractor:
  - a. is in compliance with workers' compensation and unemployment insurance requirements;
  - b. is currently registered with the Department of Revenue and the Department of Employment and Economic Development if it has employees;
  - c. has a valid federal tax identification number or a valid Social Security number if an individual; and
  - d. has filed a certificate of authority to transact business in Minnesota with the secretary of state if a foreign corporation or cooperative.
  - e.
2. The contractor or related entity is in compliance with and, during the three-year period before submitting the verification, has not violated section 177.24, 177.25, 177.41 to 177.44, 181.13, 181.14, or 181.722, and has not violated United States Code, title 29, sections 201 to 219, or United States Code, title 40, sections 3141 to 3148. For purposes of this clause, a violation occurs when a contractor or related entity:
  - a. repeatedly fails to pay statutorily required wages or penalties on one or more separate projects for a total underpayment of \$25,000 or more within the three-year period;
  - b. has been issued an order to comply by the commissioner of labor and industry that has become final;
  - c. has been issued at least two determination letters within the three-year period by the Department of Transportation finding an underpayment by the contractor or related entity to its own employees;
  - d. has been found by the commissioner of labor and industry to have repeatedly or willfully violated any of the sections referenced in this clause pursuant to section 177.27;
  - e. has been issued a ruling or findings of underpayment by the administrator of the Wage and Hour Division of the United States Department of Labor that have become final or have been upheld by an administrative law judge or the Administrative Review Board; or
  - f. has been found liable for underpayment of wages or penalties or misrepresenting a construction worker as an independent contractor in an action brought in a court having jurisdiction. Provided that, if the contractor or related entity contests a determination of underpayment by the Department of Transportation in a contested case proceeding, a

violation does not occur until the contested case proceeding has concluded with a determination that the contractor or related entity underpaid wages or penalties.

3. The contractor or related entity is in compliance with and, during the three-year period before submitting the verification, has not violated section 181.723 or chapter 326B. For purposes of this clause, a violation occurs when a contractor or related entity has been issued a final administrative or licensing order.
4. The contractor or related entity has not, more than twice during the three-year period before submitting the verification, had a certificate of compliance under section 363A.36 revoked or suspended based on the provisions of section 363A.36, with the revocation or suspension becoming final because it was upheld by the Office of Administrative Hearings or was not appealed to the office.
5. The contractor or related entity has not received a final determination assessing a monetary sanction from the Department of Administration or Transportation for failure to meet targeted group business, disadvantaged business enterprise, or veteran-owned business goals, due to a lack of good faith effort, more than once during the three-year period before submitting the verification.
6. The contractor or related entity is not currently suspended or debarred by the federal government or the state of Minnesota or any of its departments, commissions, agencies, or political subdivisions; and
7. All subcontractors that the contractor intends to use to perform project work have verified to the contractor through a signed statement under oath by an owner or officer that they meet the minimum criteria listed in clauses (1) to (6).

Minn. Stat. 1§16.285, Subd. 5. **SUBCONTRACTOR VERIFICATION.** A prime contractor or subcontractor shall include in its verification of compliance under subdivision 4 a list of all of its first-tier subcontractors that it intends to retain for work on the project.

If a prime contractor or any subcontractor retains additional subcontractors on the project after submitting its verification of compliance, the prime contractor or subcontractor shall obtain verifications of compliance from each additional subcontractor with which it has a direct contractual relationship and shall submit a supplemental verification confirming compliance with subdivision 3, clause (7), within 14 days of retaining the additional subcontractors.

A prime contractor shall submit to the contracting authority upon request copies of the signed verifications of compliance from all subcontractors of any tier pursuant to subdivision 3, clause (7). A prime contractor and subcontractors shall not be responsible for the false statements of any subcontractor with which they do not have a direct contractual relationship. A prime contractor and subcontractors shall be responsible for false statements by their first-tier subcontractors with which they have a direct contractual relationship only if they accept the verification of compliance with actual knowledge that it contains a false statement.



Minn.Stat. §16.285, Subd. 4. VERIFICATION OF COMPLIANCE. A contractor responding to a solicitation document of a contracting authority shall submit to the contracting authority a signed statement under oath by an owner or officer verifying compliance with each of the minimum criteria in subdivision 3 at the time that it responds to the solicitation document.

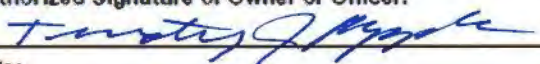
A contracting authority may accept a sworn statement as sufficient to demonstrate that a contractor is a responsible contractor and shall not be held liable for awarding a contract in reasonable reliance on that statement. Failure to verify compliance with any one of the minimum criteria or a false statement under oath in a verification of compliance shall render the prime contractor or subcontractor that makes the false statement ineligible to be awarded a construction contract on the project for which the verification was submitted.

A false statement under oath verifying compliance with any of the minimum criteria may result in termination of a construction contract that has already been awarded to a prime contractor or subcontractor that submits a false statement. A contracting authority shall not be liable for declining to award a contract or terminating a contract based on a reasonable determination that the contractor failed to verify compliance with the minimum criteria or falsely stated that it meets the minimum criteria.

### CERTIFICATION

By signing this document I certify that I am an owner or officer of the company, and I swear under oath that:

- 1) My company meets each of the Minimum Criteria to be a responsible contractor as defined herein and is in compliance with Minn. Stat. §16.285,
- 2) I have included Attachment A-1 with my company's solicitation response, and
- 3) if my company is awarded a contract, I will also submit Attachment A-2 as required.

Authorized Signature of Owner or Officer: 	Printed Name: Timothy J. Popple
Title: owner	Date: 1-4-2022
Company Name: The Osseo Construction Co. LLC	

ATTACHMENT A-1

FIRST-TIER SUBCONTRACTORS LIST

SUBMIT WITH PRIME CONTRACTOR RESPONSE

STATE PROJECT NUMBER: 0M2.125206

Minn. Stat. § 16C.285, Subd. 5. A prime contractor or subcontractor shall include in its verification of compliance under subdivision 4 a list of all of its first-tier subcontractors that it intends to retain for work on the project. Submit this form to [biddocsubmittal.dot@state.mn.us](mailto:biddocsubmittal.dot@state.mn.us).

FIRST TIER SUBCONTRACTOR NAMES (Legal name of company as registered with the Secretary of State)	Name of city where company home office is located
N/A	

SCHEDULE A/B

CURRENT CONTRACTS/PREVIOUS EXPERIENCE

Project	Owner's Contact Person	Engineer/Inspector	Date Awarded	Type of Work	Status	Substantial Completion	Value of Work
City of Blaine, MN	Stefan Higgins, City of Blaine, Minnesota; 10801 Town Square Drive NE, Blaine, MN 55449 763-717-2722	Jana Nyhagen, SEH 715-781-4567	June 2021	Water Storage Tank Partial Rehabilitations of Three (3) tanks	90%	April 2022	\$230,900
City of Laurel, MT	Tim Reiter, City of Laurel, Montana; PO Box 10, Laurel, MT 59044 406-628-7181	Doug Whitney, KLI Engineering 406-245-5499	July 2021	4MG Ground Storage Tank Roof Recoat	100%	September 2021	\$162,460
City of Hoyt Lakes, MN	Jake Berndt, Public Works Supervisor, City of Hoyt Lakes; 206 Kennedy Memorial Dr. Hoyt Lakes, MN 55750 218-225-2812	Jana Nyhagen, SEH 715-781-4567	April 2021	150,000 gallon sphere water tower Reconditioning	100%	July 2021	\$241,050
City of Minnetrista, MN	Gary Peters, Public Works, City of Clarkfield; 7701 County Road 110W, Minnetrista, MN 55364 952-241-2532	Kelly Mulhern, Badger State Inspection 715-533-8686	April 2020	300,000 Gallon Sphere Water Tower Reconditioning	100%	October 2020	\$520,500
City of Clarkfield, MN	Sue Fritz, Mayor, City of Clarkfield, MN; 812 Tenth Ave, Suite 1, Clarkfield, MN 56223 320-669-4435	Scott Kuhlman, Bollig Inc 320-252-2555	March 2020	150,000 Gallon Legged Water Tower Reconditioning	100%	August 2021	\$554,600
City of Brooklyn Center, MN	Doran Cote, Director of PW, City of Brooklyn Center, MN; 6301 Shingle Creek Parkway, Brooklyn Center, MN 55430 763-569-3328	Kelly Mulhern, Badger State Inspection 715-533-8686	March 2020	500,000 Gallon Legged Water Tower Reconditioning	100%	October 2020	\$707,950
City of Edina, MN	Dave Goergen, City of Edina, 4801 W. 50th Street, Edina, MN 55424 952-826-0312	Seth Peterson, Bolton & Menk 612-803-5223	March 2020	500,000 Gallon Legged Water Tower Reconditioning	100%	August 2020	\$629,450
City of Franklin, MN	Kevin Kokesch, Public Works, City of Franklin, 320 2nd Ave, Franklin, Mn 55333 507-829-4631	Bill Helget, Bolton & Menk 507- 381-1752	June 2018	75,000 Gallon Hydroped Water Tower Reconditioning	100%	October 2019	\$220,200
City of Chanhassen, MN	George Bender, City Engineer, City of Chanhassen, 7700 Market Boulevard, Chanhassen, MN 55317 952-227-1164	Kelly Mulhern, Badger State Inspection 715-533-8686	February 2019	1,500,000 Gallon Hydropillar Water Tower Reconditioning	100%	November 2019	\$1,297,590
City of Wayzata, MN	Mike Kelly, Wayzata Public Works, 299 Wayzata Blvd W, Wayzata, MN 55391 952-404-5316	Chris Wolfgram, SEH 651-318-0360	February 2019	500,000 Gallon Water Tower Reconditioning	100%	October 2019	\$557,684

Project	Owner's Contact Person	Engineer/Inspector	Date Awarded	Type of Work	Status	Substantial Completion	Value of Work
Village of Mukwonago, WI	Dave Brown, Public Works, Village of Mukwonago, 440 River Crest Court, Mukwonago, WI 53149 262-363-6416	Taryn Nail, Ruekert & Mielke Inc, 920-486-6626	July 2018	500,000 Gallon Sphere Water Tower Reconditioning	100%	June 2019	\$300,900
City of New Hope, MN	Kirk McDonald, City Manager, City of New Hope, 4401 Xylon Avenue North New Hope, MN 55428 763-531-5100	Mark Rolfs, Stantec 651-604-4872 Insp. Scott Kriese, KLM 651-755-8664	March 2018	500,000 Gallon Water Tower Reconditioning	100%	June 2019	\$464,000
City of St. Paul, MN Marie Water Tower	Tiffany Audette-Buyer IV, City of St. Paul, 15 W. Kellogg Blvd, St. Paul, MN 55102 651-266-8900	Chris Wolfgram, SEH 651-318-0360	January 2018	500,000 Gallon Hydropillar Water Tower Reconditioning	100%	June 2019	\$532,610
City of Eden Prairie, MN	Joe Dusek, Water Treatment Sup.; City of Eden Praire, 14100 Technology Drive, Eden Prairie, MN 55344 952-294-2902	Kelly Mulhern, Badger State Inspection 715-533-8686	April 2018	1,000,000 Gallon Hydropillar Water Tower Reconditioning	100%	November 2018	\$1,390,700
City of Parkers Prairie, MN	John Potratz, City of Parkers Prairie, 102 N. Otter Avenue, Parkers Prairie, MN 56361 218-338-5006	Scott Kriese, KLM Engineering 651-755-8664	August 2017	200,000 Gallon Sphere Water Tower Reconditioning	100%	September 2018	\$374,100
City of Arden Hills, MN	Sue Polka, City of Arden Hills 1245 West Highway 96 Arden Hills, MN 55112 651-792-7846	Kelly Mulhern, Badger State Inspection 715-533-8686	June 2017	500,000 Gallon Hydropillar Water Tower Reconditioning	100%	August 2018	\$526,300
City of Dodge Center, MN	Mark Barwald, City of Dodge Center, 35 E. Main St, Dodge Center, MN 55927 507-374-2840	Scott Kriese, KLM Engineering 651-755-8664	June 2017	250,000 Gallon Water Tower Reconditioning	100%	June 2018	\$349,300
City of St. Cloud, MN	Adam Bourassa, Water Services Manager Public Utilities, 400 2nd St. S, St. Cloud, MN 56301 320-255-7225	St. Cloud Public Utilities	October 2017	Water Treatment Facility, repairs and coatings	100%	February 2018	\$80,000
Lancaster Water Utility, Lancaster, WI	John Hauth, Lancaster Water Utility, 206 S. Madison St, Lancaster, WI 53813 608-723-7543	Dixon Engineering 616-374-3221	July 2017	500,000 Gallon Water Tower Reconditioning	100%	Nov 2017	\$352,000
City of Currie, MN	Gary Nelson, City of Currie Water Sup, 801 3rd St, Currie, MN 56123 507-763-1540	Kelly Mulhern, Badger State Inspection 715-533-8686	August 2017	100,000 Gallon Water Tower Reconditioning	100%	Nov 2017	\$126,800
City of St. Peter, MN Broadway Tower and Sunrise Tower	Jeff Knutson, City of St. Peter, 405 W. Julien St, St. Peter, MN 56082 507-934-0670	Herman Dharmarajah Bolton & Menk 507-625-4171	March 2017	500,000 Gallon Water Tower Reconditioning	100%	Sept 2017	\$500,600

Project	Owner's Contact Person	Engineer/Inspector	Date Awarded	Type of Work	Status	Substantial Completion	Value of Work
Caledonia, WI, Industrial Park Tank	Bob Lui, Caledonia Utility District, 333 4 1/2 Mile Road, Racine, WI 53402 262- 681-3900	Andy Schultz, Foth Infrastructure, 262-707-2523	March 2017	750,000 Gallon Water Tower Reconditioning	100%	Sept 2017	\$393,284
City of Rochester, MN	Cary Johnson, Rochester Public Utilities, 4000 E River Rd NE, Rochester, MN 55906 507-280-1507	Rochester Public Utilities	February 2017	500,000 Gallon Water Tower Reconditioning	100%	June 2017	\$297,100
City of Otsego, MN	Kurt Neidermeier, City of Otsego, 13400 90th St NE, Otsego, MN 55330 763- 428-9215	Scott Kriese, KLM Engineering 651-755-8664	July 2016	400,000 Gallon Water Tower Reconditioning	100%	June 2017	\$390,050
City of Menomonie, WI	Jeremy Hoyt, City of Menomonie, 800 Wilson Ave, Menomonie, WI 54751 715- 232-2395	Kevin Oium, Cedar Corp 715-235-9013 x3024	Nov 2016	Water treatment facility #4 tank & piping coating	100%	Jan 2017	\$63,500
City of Hutchinson, MN	Eric Levine, City of Hutchinson 111 Hassan Street SE, Hutchinson, MN 55350 320-583-5457	Chris Wolfgram, SEH 651-318-0360	July 2016	500,000 Gallon Water Tower Reconditioning	100%	Nov 2017	\$517,100
City of Edina, MN	Dave Goergen, City of Edina, 4801 W. 50th Street, Edina, MN 55424 952-826-0312	Steve Nelson, Bolton & Menk 763-433-2851	April 2016	500,000 Gallon southdale Mall Elevated Storage Tank Rehabilitation	100%	Nov 2017	\$493,500
City of Dodgeville, WI	Greg Lee, City of Dodgeville, 100 E Fountain St, Dodgeville, WI 53533 608-930-1011	Scott Kriese, KLM Engineering 651-755-8664	May 2016	Cleaning Repairing & Painting 500K Gallon Elevated Storage Reservoir	100%	Sept 2016	\$447,900
City of Crookston, MN	Brandon Carlson, City of Crookston, 124 N Broadway, Crookston, MN 56716 218-281-1232	Scott Kriese, KLM Engineering 651-755-8664	May 2016	Cleaning Repairing & Painting 500K Gallon Elevated Water Tower	100%	Sept 2016	\$425,100
City of Oakes, ND	Pat Nelson, City of Oakes, 115 5th St. #1, Oakes, ND 58474 701-710-1868	Brad Muscha, Moore Engineering 701-282-4692	February 2016	250K Gallon sphere water tower rehabilitation	100%	July 2016	\$438,700
City of Chisholm, MN	John Tourville, City of Chisholm, 316 West Lake Street, Chisholm, MN 55719 218-254-7960	Scott Kriese, KLM Engineering 651-755-8664	February 2016	200K Gallon sphere Water Tower #1 refurbishment	100%	July 2016	\$423,500
City of St. Cloud, MN	Contractor: Mark Magney, Magney Construction 952-474-1674	Jason Kosmatka, AE2S Inc 218-299-5610	August 2015	Water Treatment Facility, sandblasting, Lead abatement, repair and coating of lime silos	100%	Feb 2016	\$447,000

Project	Owner's Contact Person	Engineer/Inspector	Date Awarded	Type of Work	Status	Substantial Completion	Value of Work
City of St. James, MN	Mark Sturm, City of St. James, 124 Armstrong Blvd. S, St. James, MN 56081 507-375-1229	Andrew Kehren, Bolton & Menk 507-794-5541	June 2015	tower coating improvements rehab of 600K Gallon water tank	100%	Nov 2015	\$379,675
City of Redwood Falls, MN	Tom Stough, City of Redwood Falls, 333 S. Washington St, Redwood Falls, MN 56253 507-637-5755	Andrew Kehren, Bolton & Menk 507-794-5541	February 2015	500K Gallon elevated water storage tank repainting & repair	100%	Sept 2015	\$217,100
City of Sauk Rapids, MN	Craig Nelson, City of Sauk Rapids, 250 Summit Ave, Sauk Rapids, MN 56379 320-258-5318	Scott Kriese, KLM Engineering 651-755-8664	December 2014	rehabilitation 500K Gallon elevated storage reservoir	100%	August 2015	\$383,200
City of Lonsdale, MN	Russ Vlasak, City of Lonsdale, 415 Central St. West, Lonsdale, MN 55046 507-744-2397	Scott Kriese, KLM Engineering 651-755-8664	December 2014	300K Gallon water tank rehabilitation	100%	July 2015	\$329,500
Brady, MT	Contractor: Maguire Iron, 1610 N. Minnesota Ave, Sioux Falls, SD 57101 605-334-9749	Brent Stansbury, Maguire Iron 605-334-9749	October 2014	painting of 125MG legged tank	100%	October 2014	\$116,772
City of Merrimac, WI	Ron Senger, City of Merrimac, 100 Cook Street, Merrimac, WI 53561 608-963-1246	Shaun Mulhern, KLM Engineering 651-773-5111	August 2014	rehabilitation 75K gallon EWT	100%	Sept 2014	\$164,500
City of Sleepy Eye, MN	Bob Elston, City of Sleepy Eye, 200 Main Street, Sleepy Eye, MN 56085 507-794-4371	John Graupman, Bolton & Menk 507-625-4171	March 2014	300K Gallon legged tower rehabilitation	100%	Sept 2014	\$380,820
City of Crookston, MN	Brandon Carlson, City of Crookston, 124 N Broadway, Crookston, MN 56716 218-281-1232	Matt Erickson, KLM Engineering 651-773-5111	March 2014	rehabilitation 500K Gallon elevated storage reservoir	100%	August 2014	\$181,450
City of Savage, MN	John Powell, City of Savage, 600 McColl Drive, Savage, MN 55378 952-882-2672	Badger State Inspections 715-533-8686	2013	recondition & painting 500K gallon sphere tank	100%	Sept 2013	\$432,000
City of Kimball, MN	Randy Sabart, City of Kimball, 1 Main Street N, Kimball, MN 55353 320-229-4348	Contractor: Brent Lahr, C & L Excavating 320-980-3363	2012	recondtion 250K gallon EWT	100%	Nov 2012	\$387,000

NON-COLLUSION AFFIDAVIT

The following Non-Collusion Affidavit shall be executed by the bidder:

State Project No. Om 2.125206

Federal Project No. \_\_\_\_\_

State of ~~Minnesota~~ <sup>Wisconsin</sup> \_\_\_\_\_ )

) ss

County of Trempealeau )

I, Timothy J. Popple, do state under penalty of  
(name of person signing this affidavit)

perjury under 28 U.S.C. 1746 of the laws of the United States:

(1) that I am the authorized representative of \_\_\_\_\_

The Osseo Construction Co. LLC  
(name of person, partnership or corporation submitting this proposal)

and that I have the authority to make this affidavit for and on behalf of said bidder;

(2) that, in connection with this proposal, the said bidder has not either directly or indirectly entered into any agreement, participated in any collusion or otherwise taken any action in restraint of free competitive bidding;

(3) that, to the best of my knowledge and belief, the contents of this proposal have not been communicated by the bidder or by any of his/her employees or agents to any person who is not an employee or agent of the bidder or of the surety on any bond furnished with the proposal and will not be communicated to any person who is not an employee or agent of the bidder or of said surety prior to the official opening of the proposal, and

(4) that I have fully informed myself regarding the accuracy of the statements made in this affidavit.

Signed:   
(bidder or his authorized representative)

**BID BOND**

Any singular reference to Bidder, Surety, Owner or other party shall be considered plural where applicable.

**BIDDER (Name and Address):**

The Osseo Construction Co. LLC  
14248 - 10th Street P.O. Box 143 Osseo, WI 54758

**SURETY (Name, and Address of Principal Place of Business):**

Granite Re, Inc.  
14001 Quailbrook Drive Oklahoma City, OK 73134

**OWNER (Name and Address):**

City Of Hermantown  
5105 Maple Grove Road Hermantown, MN 55811

**BID**

Bid Due Date: 1/06/2022  
Description (Project Name — Include Location):  
Bolton & Menk Project No. 0M2.125206 - Hwy 53 Tower Reconditioning

**BOND**

Bond Number: RB0087783  
Date: 1/03/2022  
Penal sum Five Percent of Amount Bid \$ (5% Amount of Bid)  
(Words) (Figures)

Surety and Bidder, intending to be legally bound hereby, subject to the terms set forth below, do each cause this Bid Bond to be duly executed by an authorized officer, agent, or representative.

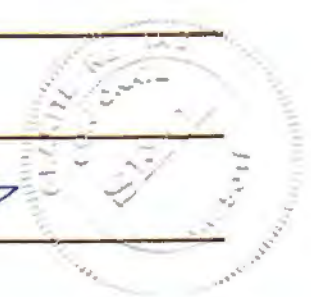
**BIDDER** The Osseo Construction Co. LLC (Seal) **SURETY** Granite Re, Inc. (Seal)  
Bidder's Name and Corporate Seal Surety's Name and Corporate Seal

By: [Signature]  
Signature  
Timothy J Popple  
Print Name  
owner  
Title

By: [Signature]  
Signature (Attach Power of Attorney)  
Troy Staples  
Print Name  
Attorney-in-Fact  
Title

Attest: [Signature]  
Signature  
  
Title

Attest: [Signature]  
Signature  
  
Title Witness



Note: Addresses are to be used for giving any required notice.  
Provide execution by any additional parties, such as joint venturers, if necessary.



1. Bidder and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors, and assigns to pay to Owner upon default of Bidder the penal sum set forth on the face of this Bond. Payment of the penal sum is the extent of Bidder's and Surety's liability. Recovery of such penal sum under the terms of this Bond shall be Owner's sole and exclusive remedy upon default of Bidder.
2. Default of Bidder shall occur upon the failure of Bidder to deliver within the time required by the Bidding Documents (or any extension thereof agreed to in writing by Owner) the executed Agreement required by the Bidding Documents and any performance and payment bonds required by the Bidding Documents.
3. This obligation shall be null and void if:
  - 3.1 Owner accepts Bidder's Bid and Bidder delivers within the time required by the Bidding Documents (or any extension thereof agreed to in writing by Owner) the executed Agreement required by the Bidding Documents and any performance and payment bonds required by the Bidding Documents, or
  - 3.2 All Bids are rejected by Owner, or
  - 3.3 Owner fails to issue a Notice of Award to Bidder within the time specified in the Bidding Documents (or any extension thereof agreed to in writing by Bidder and, if applicable, consented to by Surety when required by Paragraph 5 hereof).
4. Payment under this Bond will be due and payable upon default of Bidder and within 30 calendar days after receipt by Bidder and Surety of written notice of default from Owner, which notice will be given with reasonable promptness, identifying this Bond and the Project and including a statement of the amount due.
5. Surety waives notice of any and all defenses based on or arising out of any time extension to issue Notice of Award agreed to in writing by Owner and Bidder, provided that the total time for Issuing Notice of Award including extensions shall not in the aggregate exceed 120 days from the Bid due date without Surety's written consent.
6. No suit or action shall be commenced under this Bond prior to 30 calendar days after the notice of default required in Paragraph 4 above is received by Bidder and Surety and in no case later than one year after the Bid due date.
7. Any suit or action under this Bond shall be commenced only in a court of competent jurisdiction located in the state in which the Project is located.
8. Notices required hereunder shall be in writing and sent to Bidder and Surety at their respective addresses shown on the face of this Bond. Such notices may be sent by personal delivery, commercial courier, or by United States Registered or Certified Mail, return receipt requested, postage pre-paid, and shall be deemed to be effective upon receipt by the party concerned.
9. Surety shall cause to be attached to this Bond a current and effective Power of Attorney evidencing the authority of the officer, agent, or representative who executed this Bond on behalf of Surety to execute, seal, and deliver such Bond and bind the Surety thereby.
10. This Bond is intended to conform to all applicable statutory requirements. Any applicable requirement of any applicable statute that has been omitted from this Bond shall be deemed to be included herein as if set forth at length. If any provision of this Bond conflicts with any applicable statute, then the provision of said statute shall govern and the remainder of this Bond that is not in conflict therewith shall continue in full force and effect.
11. The term "Bid" as used herein includes a Bid, offer, or proposal as applicable.

**ACKNOWLEDGMENT OF PRINCIPAL (Individual)**

State of WI )  
County of Trempealeau )

On this 4th day of January, in the year 2022, before me personally come(s) Timothy J. Popple, to me known and known to me to be the person(s) who (is) (are) described in and executed the foregoing instrument and acknowledge(s) to me that he/she executed the same.

Scott A. Vold  
Notary Public

2/24/22



**ACKNOWLEDGMENT OF PRINCIPAL (Partnership)**

State of \_\_\_\_\_ )  
County of \_\_\_\_\_ )

On this \_\_\_\_\_ day of \_\_\_\_\_, in the year \_\_\_\_\_, before me personally come(s) \_\_\_\_\_, a member of the co-partnership of \_\_\_\_\_ to me known and known to me to be the person who is described in and executed the foregoing instrument and acknowledges to me that he/she executed the same as for the act and deed of the said co-partnership.

\_\_\_\_\_  
Notary Public

**ACKNOWLEDGMENT OF PRINCIPAL (Corporation)**

State of \_\_\_\_\_ )  
County of \_\_\_\_\_ )

On this \_\_\_\_\_ day of \_\_\_\_\_, in the year \_\_\_\_\_, before me personally come(s) \_\_\_\_\_, to me known, who, being duly sworn, deposes and says that he/she is the \_\_\_\_\_ of the \_\_\_\_\_ the corporation described in and which executed the foregoing instrument; that he/she knows the seal of the said corporation; the seal affixed to the said instrument is such corporate seal; that it was so affixed by the order of the Board of Directors of said corporation, and that he/she signed his/her name thereto by like order.

\_\_\_\_\_  
Notary Public

**ACKNOWLEDGMENT OF SURETY**

State of Minnesota )  
County of Dakota )

On this 3rd day of January, in the year 2022, before me personally come(s) Troy Staples, Attorney(s)-in-Fact of GRANITE RE, INC., with whom I am personally acquainted, and who, being by me duly sworn, says that he/she is (are) the Attorney(s)-in-Fact of GRANITE RE, INC. company described in and which executed the within instrument; that he/she know(s) the corporate seal of such company; and that seal affixed to the within instrument is such corporate seal and that it was affixed by order of the Board of Directors of said company, and that he/she signed said instrument as Attorney(s)-in-Fact of the said company by like order.



[Signature]  
Notary Public



**TO:** Mayor & City Council

**FROM:** Jim Crace, Chief of Police

**DATE:** January 11, 2022

**Meeting Date:** 01/18/2022

**SUBJECT:** RMS Contract

**Agenda Item:** 12-C

**Resolution:** 2022-13



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## REQUESTED ACTION

The Chief of Police recommends that the City enter into an agreement with the City of Duluth for the Police Department Records Management system

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## BACKGROUND

The Hermantown Police Department has been looking for an alternative Records Management System for several years. We have had the same system since approximately the year 2000. The City of Duluth moved to a new system called Tyler in 2021 and since then, we have been lacking interoperability and records sharing. The move to Tyler and joining up with Duluth PD would give us much more crime information and allow us to share crime information and reports much easier. The new records system is cost comparative with what we have had in the past and is included in the HPD budget.

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## SOURCE OF FUNDS (if applicable)

General Fund

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## ATTACHMENTS

Agreement with the City of Duluth

**Resolution No. 2022-13**

**RESOLUTION AUTHORIZING AND DIRECTING THE MAYOR AND CITY CLERK TO EXECUTE AND DELIVER THE POLICE ENTERPRISE RECORDS MANAGEMENT SYSTEM ACCESS AGREEMENT WITH THE CITY OF DULUTH ON BEHALF OF ITS AND POLICE DEPARTMENT**

WHEREAS, the City of Hermantown on behalf of its Police Department desires to enter into a Police Enterprise Records Management System Access Agreement (“Agreement”) with the City of Duluth.

WHEREAS, the City Council has considered this matter and believes that it is in the best interests of the City of Hermantown to approve the Agreement as shown on the **Exhibit A**.

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

1. That the Agreement by and between the City of Duluth and the City of Hermantown on behalf of its Police Department, are hereby approved.
2. That the Mayor and City Clerk are authorized to sign the Agreement attached hereto as **Exhibit A**.

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:

and the following voted in opposition thereto:

WHEREUPON, such resolution was declared duly passed and adopted on January 18, 2022.

# DOCUMENT A

## City of Duluth

### Police Enterprise Records Management System Access Agreement

This Agreement is entered into by and between the City of Duluth, a Minnesota municipal corporation, hereinafter referred to as "**City**," and the City of Hermantown, a statutory city organized under the laws of the State of Minnesota, hereinafter referred to as "**Subscriber**."

WHEREAS, the City operates and maintains a Police Enterprise Records Management System, which includes but is not limited to Mobile Field Based Reporting, eCitation System, Property and Evidence Management System and CLERY Reporting, (hereinafter collectively referred to as "Police RMS") to be utilized by the City of Duluth Police Department and regional partner law enforcement agencies; and

WHEREAS, the City serves as the lead agency and the host for the Police RMS; and

WHEREAS, the City, as host, procured, and configured the Police RMS with assistance of its Charter Subscribers: The Duluth Police Department, the University of Minnesota Duluth Campus Police and the Virginia Police Department; and

WHEREAS, the current Police RMS is owned by Tyler Technologies; the City has a perpetual license agreement with Tyler Technologies for the Police RMS that includes system software support, product upgrades, and maintenance; and

WHEREAS, City and its regional partner agencies have worked together to configure the Police RMS for use by its partners along with local and state interfaces; and

WHEREAS, Subscriber wishes to be provided limited query access and usage rights to the Police RMS product offerings.

**NOW, THEREFORE**, in consideration of the mutual covenants and promises between the parties set forth herein, it is hereby agreed that:

#### **1. Definitions**

- a. Criminal Justice Data Network ("CJDN"). The statutorily authorized users, the Criminal Justice Data Network (hereinafter "CJDN") is a connectivity method that has been approved by the Minnesota Bureau of Criminal Apprehension ("BCA").
- b. Named User. For purposes of this Agreement, the term "named user" shall consist of each individual with a user name and password.
- c. Police RMS. The term Police RMS shall mean the law enforcement records management system software and associated modules developed and owned by Tyler Technologies.
- d. Product Upgrades. The term "product upgrades" shall mean those improvements and/or modifications to the software that Tyler Technologies generally makes available as part of their ongoing maintenance program.
- e. Regional Partner Agencies. For purposes of this Agreement, the "Regional Partner Agencies" shall consist of any potential Criminal Justice Agency located in St. Louis County

Minnesota.

- f. Terminal Agency Coordinator (“TAC”). The terminal agency coordinator (hereinafter “TAC”) manages the operation of the CJDN terminals on a local agency level and is responsible for ensuring that all state and local policies are enforced.

## **2. Access to Police RMS**

The City grants Subscriber a non-exclusive, non-transferable, limited license to access and use the applicable Police RMS product offerings through the Criminal Justice Data Network (CJDN) and any other means of feasible access that are developed by City or otherwise made available during the term of this Agreement. Subscribers shall comply with all state and federal security policies regarding access to protected data including but not limited to CJIS Security Policy and BCA CJDN Network Security Policy. Subscribers shall ensure that named users have training in accordance with the aforementioned security requirements. Subscribers shall ensure that named users do not share their user name and password with anyone. Subscribers are prohibited from accessing the data of any other law enforcement agency without expressed permissions being granted by the controlling law enforcement agency. The City shall have the right to conduct audits of use by the Subscriber as provided in this Agreement. Any violation of the terms of access may result in immediate termination of the Agreement.

## **3. Compensation**

Charges payable by the Subscriber will commence on the first date of this signed Agreement and include but are not limited to licensing, software and hardware maintenance, support, storage, and data backup. Pricing and the number of named users is set forth in Exhibit A. The initial payment will be on the first day of the month following execution of this Agreement. Subscriber will be sent an invoice setting forth all charges. Subscriber shall pay the full amount of all such charges within thirty (30) days after receipt of such invoice. If payment is not made, Subscriber may thereafter be charged up to the maximum legal interest on any unpaid balance. The annual fee shall be subject to any increase annually with a 90 day notice provided to all participating regional partner agencies.

## **4. Annual Support**

City will be responsible for the support of all core system hardware and software established for the use of the Police RMS, as well as all service requests to the appropriate software vendor. The City will also provide the system migration, training and Police RMS support described on Exhibit B.

## **5. Security; Audit**

Subscriber will make reasonable efforts to ensure compliance with the terms of this Agreement. Subscriber will take reasonable action to restrict and control all use of the data and the software through system permissions allowing access to authorized named users only to the areas of the application deemed necessary to perform their job functions. Subscriber grants City access and the right to audit the use of the software to ensure compliance with this Agreement.

## **6. Duration**

The term of this Agreement shall commence upon execution by all of the parties and continue in effect

for three (3) years and shall thereafter be automatically renewed for three year periods unless terminated as provided in this Agreement.

**7. Early Termination**

Either party may terminate this Agreement at any time upon at least ninety (90) days written notice. Written notice of termination shall be made to the other party specified in the Notice section of this Agreement. Notices are deemed effective upon delivery to the authorized representative.

**8. Assignment**

Neither party shall assign any of its rights or transfer any of its obligations under this Agreement without the prior written consent of the other party, nor shall either party's consent be unreasonably withheld. Any attempt to assign or transfer without such consent shall be void and without legal effect and shall constitute grounds for termination.

**9. Minnesota Government Data Practices Act**

City and Subscriber agree to comply with the Minnesota Government Data Practices Act. The City and Subscriber agree that they will continue to be responsible authorities for data created by their agency. Nothing in this Agreement shall result in any change in responsibilities for data practices' requests, data access procedures, and compliance responsibilities of the individual agencies. City and Subscriber agree that the originator of the data continues to own the data and the responsibility to create and maintain such data. All data requests will be directed to the originating agency.

**10. Severability**

If any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal, or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions hereof, and such invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

**11. Entire Agreement and Remedy**

This Agreement contains the entire understanding and agreement of the parties and there have been no promises, representations, agreements, warranties, or undertakings by any of the parties, either oral or written, of any character or nature hereafter binding except as set forth herein. This Agreement may be altered, amended or modified only by an instrument in writing executed by the parties to this Agreement and by no other means. Each party waives their future right to claim, contest, or assert that this Agreement was modified, canceled, superseded, or changed by any oral agreements, course of conduct, waiver, or estoppel.

**12. Minnesota Law Applicable**

This Agreement shall be governed by the laws of the State of Minnesota. Any litigation regarding this Agreement or its contents shall be filed in the County of St. Louis, in the City of Duluth.

**13. Authority.**

All parties to this Agreement warrant and represent that they have the power and authority to enter



into this Agreement in the names, titles, and capacities herein stated and on behalf of any entities, persons, or firms represented or purported to be represented by such entity, person, or firm and that all formal requirements necessary or required by any state and/or federal law in order to enter into this Agreement have been fully complied with.

**14. Indemnification.**

Each party (the "Indemnifying Party") agrees to defend, indemnify, and hold harmless the other party against any and all claims, liability, loss, damage or expenses arising under the provisions of this Agreement and caused by or resulting from negligent acts or omissions of the Indemnifying Party or those of the Indemnifying Party's officers, employees or agents. Under no circumstances will the Indemnifying Party be required to pay on behalf of itself and the other party any amounts in excess of the limits of liability established in Minnesota Statutes Chapter 466 applicable to any one party. The limits of liability for all parties may not be added together to determine the maximum amount of liability for either party. The intent of this paragraph is to impose on each party a limited duty to defend and indemnify each other subject to the limits of liability under Minnesota law. The purpose of creating this duty to defend and indemnify is to simplify the defense of claims by eliminating conflicts among the parties. Nothing in this Agreement will be construed as a waiver by either party of any immunity defenses or other limitations on liability to which either party is entitled by law.

**15. Disclaimer of Warranties and Limitation of Liability.**

The City's goods and services provided pursuant to this Agreement are provided "as is," without warranties of any kind, express or implied, including, but not limited to, the warranties of performance, merchantability and fitness for a particular purpose. The City shall have no liability whatsoever to Subscriber for any claim(s) relating in any way to (1) Subscriber's inability or failure to perform legal, professional, or other research or related work or to perform such work properly or completely, even if assisted by the City; or (2) any consequential, exemplary, incidental, indirect, or special damages relating in whole or in part to Subscriber's rights hereunder or use of or inability to use the Police RMS even if the City has been advised of the possibility of such damages.

**16. Software and Equipment Responsibility.**

- a. The Subscriber is responsible for providing its own network, operating systems, personal computers and productivity software. These must meet the minimum requirements of the Police RMS product offerings as well as all security requirements set forth by the Federal Bureau of Investigation (FBI) and the BCA.
- b. Subscriber will be responsible for the following:
  - i. Ensuring that anti-virus is installed and up to date on all devices as per the CJIS Security Policy, which may be amended from time to time.
  - ii. Ensuring that all operating system patches are updated regularly on all devices as per the CJIS Security Policy.
  - iii. Remote connectivity will be used whenever possible to troubleshoot Police RMS issues. Should there be a need for Duluth to physically handle any device; the subscriber will bring said devices to the City IT department for the work to be completed.

- iv. Managing their Police RMS user accounts via their identified super user(s), ensuring that the proper on boarding and off boarding procedures are followed as per the CJIS Security Policy.
  - v. Grant user security based on the preconfigured roles within the system using the least security necessary to perform their work.
  - vi. Adhere to CJIS and BCA security requirements.
  - vii. Report any malware or virus infection, breach or cyber-attack on any system connecting to or utilizing the Police RMS to the City designated Terminal Agency Coordinator.
- c. City will be responsible for the following:
- i. Updating all Police RMS software application modules on the server and when necessary, providing software client updates in a timely manner.
  - ii. Ensuring all Police RMS applications and databases are adequately backed up.
  - iii. Managing the server and storage environment necessary to house the application infrastructure.
  - iv. Managing their Police RMS user accounts via their identified super user(s), ensuring that the proper on boarding and off boarding procedures are followed as per the CJIS Security Policy.
  - v. Grant user security based on the preconfigured roles within the system using the least security necessary to perform their work.
  - vi. Provide application support as needed for City and Subscribers.
  - vii. Adhere to CJIS and BCA security requirements.
  - viii. Report any malware or virus infection, breach or cyber-attack on the Police RMS to all participating partner agencies.

**17. Force Majeure.**

The City's performance hereunder is subject to interruption and delay due to causes beyond its reasonable control such as acts of God, acts of any government, war or other hostility, civil disorder, the elements, fire, explosion, power failure, equipment failure, industrial or labor dispute, inability to obtain necessary supplies, and the like.

**18. Notices and Contacts.**

All notices hereunder shall be sent to the following parties:

City

City of Duluth  
 Duluth Police Department TAC  
 2030 N Arlington Ave  
 Duluth MN 55811  
 218-730-5486

Subscriber

City of Hermantown  
 5105 Maple Grove Road  
 Hermantown, MN 55811  
 218-729-3600

Technology contacts listed below:

City

City Information Technology  
411 W 1st St Room 220  
Duluth MN 55802  
218-730-5777

Subscriber

Hermantown Police Records Division  
5111 Maple Grove Road  
Hermantown, MN 55811  
218-729-1200

IN WITNESS WHEREOF, the authorized representatives of the parties hereto have executed this Agreement effective the first date of signature below.

City of Duluth

Subscriber

By \_\_\_\_\_  
Mayor

By \_\_\_\_\_  
Title:

Authorized Representative

Attest \_\_\_\_\_  
City Clerk

Date \_\_\_\_\_

By \_\_\_\_\_  
Title:

Authorized Representative

Countersigned:

\_\_\_\_\_  
City Auditor

Approved as to form:

\_\_\_\_\_  
City Attorney

## EXHIBIT A

Pursuant to the City of Duluth Police Enterprise Records Management System Access Agreement, the Subscriber agrees to pay an annual subscriber fee per named user as follows:

19 named users x \$1,124 = \$ 21,356.00 per year

Annual Maintenance and Support Costs	Amount	Notes
IT Support	127,440.00	Allocated by 348 users
Annual Tyler Maintenance And Brazos Hosting	91,219.00	
Annual Tyler Mobility – Shield Force Hosting	24,061.00	
Annual Tyler Maintenance Stop Data, Use of Force, Training	2,572.00	
Infrastructure and Integration Maintenance and Support	146,160.00	
Squad Connectivity (Different based on partner site)		
Office Connectivity (Different based on partner site)		
Antivirus Software (Individual Agency Responsibility)		
<b>Total Annual City of Duluth Maintenance Costs</b>	<b>391,452.00</b>	1,124.86/user

## EXHIBIT B

### Partner Agency Implementation Statement of Work

Review Current Partner Processes and Workflows

- IT process
- VPN or MultiP

Setup User Accounts and Assign Roles and Permissions

Create structure for Property and Evidence

Agency Configuration

Configure Units

Obtain and Configure Terminal IDs from MNBCA for Mobile Devices

IBR Reporting Setup

Brazos Ticketing Setup

Mobile Configuration

- Forms
- Mobile Merge

Incident and Ticket Import Interfaces

Networking

- Brazos
- Records
- Mobile

Training

Agency Configuration – 1 day (includes training for Hermantown staff on how to complete their configuration with assistance from the City)

- Custom Fields – ½ day

- Module configurations – ½ day

Officer Training – 2 days

Records Training – 2 days total

- Overview/General Knowledge/Reports – ½ day

- Accepting in Cases/Incidents – 2 hours

- NIBRS – ½ - 1 day, along with ongoing assistance

- Brazos App (Citation Errors) – 2 hours

**TO:** Mayor & City Council  
**FROM:** Joe Wicklund, Communications  
& Community Engagement Dir.



**DATE:** January 11, 2022

**Meeting Date:** 01/18/2022

**SUBJECT:** Cable TV Coordinator

**Agenda Item:** 12-D

**Resolution:** 2022-14

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### **REQUESTED ACTION**

Approval of evolving the current Cable TV Coordinator position to include a greater scope of responsibility associated with a Communications Internship

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### **BACKGROUND**

The City has had a Cable TV Coordinator for many years, but the need for this position to evolve from just a technical support position to content development, branding and marketing assistance, and other external-facing communication functions now exists. This position will be funded the same way it has in the past and still support the technical needs of the Cable TV Coordinator, but will now include responsibilities associated with the ongoing and evolving communication and community engagement needs of the City.

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### **SOURCE OF FUNDS (if applicable)**

Cable TV Fund 260

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### **ATTACHMENTS**

Position description designed in conjunction with The College of St. Scholastica.

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**Resolution No. 2022-14**

**RESOLUTION EVOLVING THE CABLE TV COORDINATOR POSITION  
TO INCLUDE A COMMUNICATIONS INTERNSHIP**

WHEREAS, the City of Hermantown currently has a Cable TV Coordinator position; and

WHEREAS, the Communications Director and City Administrator recommend evolving that position to still meet the current needs of the Cable TV Coordinator, but also include additional activities associated with a Communications Internship; and

WHEREAS, the Communications Director will oversee this position and utilize it to develop greater community engagement, content development, and marketing opportunities; and

NOW THEREFORE BE IT RESOLVED, by the City Council of the City of Hermantown, Minnesota, evolves the Cable TV Coordinator position to include a Communications Internship at the same pay stipend as received by the original position.

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:

and the following voted in opposition thereto:

WHEREUPON, such resolution was declared duly passed and adopted on January 18, 2022.



## INTERNSHIP POSITION DESCRIPTION

**POSITION TITLE:** Communications Intern & Cable TV Coordinator

**DEPARTMENT:** Communications & Community Engagement

**LOCATION:** Hermantown City Hall, Hermantown, MN and Remote

**REPORTS TO:** Joe Wicklund, Communications & Community Engagement Director, City of Hermantown, at [jwicklund@hermantownmn.com](mailto:jwicklund@hermantownmn.com) or at [\(218\) 729-3600](tel:2187293600)

This internship is a partial or full-semester paid internship with the possibility of extending additional semesters or summer. This position will be paid a \$550 monthly stipend. Interns have the ability to take this internship for academic credit through their corresponding academic program.

### **Scope of Internship:**

Depending on skillset, the intern will assist with communications tasks including, but not limited to: writing and editing, photo and video production and editing, web and social media analytics, social media content, graphic design, media relations, digital asset management, event coordination and other communications and administrative support tasks as assigned. They will also supply technical support regarding remote and Cable TV broadcasting of City Council meetings.

This role is seeking an energetic, dedicated, and detail-oriented person who can manage multiple tasks. This individual works collaboratively, possesses a willingness to learn, and the ability to manage multiple tasks while adapting to shifting priorities.

### **Education:**

Interns need to be a current student at a Duluth-area college/university in order to be eligible.

### **Responsibilities:**

Interns will provide support in the following areas. Experience with video creation and editing is highly desired. Students with a willingness to expand their current skills with these additional activities are encouraged to apply.

#### *Photo, Video and Graphics:*

- Edit and format photos and videos for social media and web
- Photo, video and audio editing
- Photography and videography
- Digital asset management

#### *Writing and Editing:*

- Social media content



- Photo captions
- Blogs
- Project descriptions
- Interviewing
- Copyediting
- Press releases and media advisories

#### Media Relations:

- Prepare media reports on assigned subjects
- Identify and research opportunities to share City of Hermantown stories with relevant journalists and media outlets.
- Assist with press release/media advisory writing, editing, distribution, and media outreach
- Assist with media interview scheduling and coordination
- Assist with scheduling and coordinating of photo/video shoots

#### Social Media:

- Draft and organize social media content to promote blogs, videos and media coverage on Twitter, Facebook
- Contribute to social media quantitative and qualitative analytics reporting
- Create and coordinate content for social media campaigns and observances
- Monitor and research influencers, trending topics and tools
- Source content from staff around the world and at events
- General social media planning, research, reporting and coordination as assigned
- Explore possible use of additional social media outlets - such as LinkedIn and Instagram

#### **Application instructions:**

Interested students can apply by sending a resume and cover letter to Joe Wicklund, City of Hermantown Communications & Community Engagement Director at

[jwicklund@hermantownmn.com](mailto:jwicklund@hermantownmn.com)

**TO:** Mayor & City Council

**FROM:** John Mulder, City Administrator



**DATE:** January 12, 2022

**Meeting Date:** 01/18/22

**SUBJECT:** City Easements – Ugstad Road project

**Agenda Item:** 12-E

**Resolution:** 2022-15

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## REQUESTED ACTION

**Approve Easements for the Ugstad Road Project**

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## BACKGROUND

As you know, the City will be making improvements along Ugstad and Arrowhead Roads in the summer of 2022 using a combination of Federal, State, and local funds. Because we are using Federal funds the easement acquisition is a little more complicated and must follow specific procedures to acquire those easements. Therefore, we are recommending that the City Council donate easements on city owned property toward the project. If effect, the City is taking formal action to grant easements to itself for the project.

The specific parcels are the two parcels where the Essentia Wellness Center is located. (395-0010-04421 and 395-0070-00861). The easements are along Ugstad and Arrowhead Roads

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## SOURCE OF FUNDS (if applicable)

No cost

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## ATTACHMENTS

Easement Description 395-0010-04421 Ugstad Road  
Easement Description 395-0070-00861 Ugstad Road  
Easement Description 395-0070-00861 Arrowhead Road

**Resolution No. 2022-15**

**RESOLUTION APPROVING THE DONATION OF  
EASEMENTS TO THE CITY OF HERMANTOWN FOR THE  
UGSTAD ROAD AND ARROWHEAD ROAD IMPROVEMENT**

WHEREAS, in the interest of public health and safety, it is necessary for the City of Hermantown, Minnesota, to make improvements to portions of Ugstad Road and Arrowhead Road in the City of Hermantown (“Project”); and

WHEREAS, the City must acquire easements (“Easements”) in order to complete the Project; and

WHEREAS, some of the Easements are on property owned by the City; and

WHEREAS, the City Administrator has recommended that the City donate the Easements on property owned by the City required for the Project and that the City release the City from its obligation to appraise the property affected by the Easements; and

WHEREAS, the City Council has duly considered this request and believes it to be in the best interests of the City to donate the Easements and release the City from its obligation to appraise the property affected by the Easements.

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

1. The City hereby agrees to donate the Easements on property owned by the City to the City and release the City from its obligation to appraise the property affected by the Easements.
2. The Mayor and City Clerk are hereby authorized and directed to execute whatever documents are necessary and appropriate to convey the Easements to 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:

and the following voted in opposition thereto:

WHEREUPON, such resolution was declared duly passed and adopted on January 18, 2022.

*EASEMENT LEGAL DESCRIPTION:*

A TEMPORARY EASEMENT FOR CONSTRUCTION PURPOSES OVER, UNDER AND ACROSS THE EAST 10 FEET OF THAT PART OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER, SECTION 16, TOWNSHIP 50 NORTH, RANGE 15 WEST OF THE FOURTH PRINCIPAL MERIDIAN, ST. LOUIS COUNTY, MINNESOTA, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF SECTION 16, TOWNSHIP 50 NORTH, RANGE 15 WEST, ST. LOUIS COUNTY, MINNESOTA; THENCE ALONG THE EAST LINE OF SAID SECTION 16 WHICH HAS A BEARING OF SOUTH 00 DEGREES 26 MINUTES 22 SECONDS WEST (SOUTH 00 DEGREES 27 MINUTES WEST PER DULUTH HOMESTEADS SUBDIVISION PLAT, ACCORDING TO THE RECORDED PLAT THEREOF, ST. LOUIS COUNTY, MINNESOTA) A DISTANCE OF 33.00 FEET TO THE EASTERLY EXTENSION OF THE NORTH LINE OF LOT 2, BLOCK 16, SAID DULUTH HOMESTEADS SUBDIVISION PLAT; THENCE NORTH 89 DEGREES 38 MINUTES 00 SECONDS WEST, ALONG SAID EASTERLY EXTENSION 33.00 FEET TO THE NORTHEAST CORNER OF SAID LOT 2, BLOCK 16; THENCE SOUTH 00 DEGREES 26 MINUTES 22 SECONDS WEST, ALONG THE EAST LINE OF SAID LOT 2 AND PARALLEL WITH SAID EAST LINE OF SECTION 16 A DISTANCE OF 250.00 FEET TO THE POINT OF BEGINNING OF THE PARCEL HEREIN DESCRIBED; THENCE NORTH 89 DEGREES 38 MINUTES 00 SECONDS WEST, PARALLEL WITH SAID NORTH LINE OF LOT 2, BLOCK 16, SAID LINE ALSO BEING PARALLEL WITH THE NORTH LINE OF SAID SECTION 16 A DISTANCE OF 236.00 FEET; THENCE SOUTH 00 DEGREES 26 MINUTES 22 SECONDS WEST, PARALLEL WITH SAID EAST LINE OF LOT 2, BLOCK 16 AND PARALLEL WITH SAID EAST LINE OF SECTION 16 A DISTANCE OF 30.00 FEET; THENCE NORTH 89 DEGREES 38 MINUTES 00 SECONDS WEST, PARALLEL WITH SAID NORTH LINE OF LOT 2, BLOCK 16 AND PARALLEL WITH SAID NORTH LINE OF SECTION 16 A DISTANCE OF 151.00 FEET; THENCE SOUTH 00 DEGREES 26 MINUTES 22 SECONDS WEST, PARALLEL WITH SAID EAST LINE OF LOT 2, BLOCK 16 AND PARALLEL WITH SAID EAST LINE OF SECTION 16 A DISTANCE OF 250.00 FEET TO THE EASTERLY EXTENSION OF THE SOUTH LINE OF LOT 1, BLOCK 16, SAID DULUTH HOMESTEADS SUBDIVISION PLAT; THENCE SOUTH 89 DEGREES 38 MINUTES 00 SECONDS EAST, ALONG SAID EASTERLY EXTENSION OF THE SOUTH LINE OF LOT 1 AND PARALLEL WITH SAID NORTH LINE OF LOT 2, BLOCK 16 AND PARALLEL WITH SAID NORTH LINE OF SECTION 16 A DISTANCE OF 387.00 FEET TO THE SAID EAST LINE OF LOT 2, BLOCK 16; THENCE NORTH 00 DEGREES 26 MINUTES 22 SECONDS EAST, ALONG SAID EAST LINE OF LOT 2 AND PARALLEL WITH SAID EAST LINE OF SECTION 16 A DISTANCE OF 280.00 FEET TO THE POINT OF BEGINNING.

I HEREBY CERTIFY THAT THIS SURVEY WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY LICENSED PROFESSIONAL LAND SURVEYOR UNDER THE LAWS OF THE STATE OF MINNESOTA.

\_\_\_\_\_  
CURTIS E. SCHLEY  
Date: 9/24/2021 Registration No. 49907



**UGSTAD RD & ARROWHEAD RD  
IMPROVEMENTS  
CITY OF HERMANTOWN  
ST. LOUIS COUNTY, MN**

**EXHIBIT A  
(PID 395-0010-04421)**

PROJECT NO.  
07994009  
SHEET  
1 OF 2

POST DATE: 11/20/2021 8:14 AM \\msa\clients\Projects\3950010\Drawings\3950010-04421-001-001.dwg

DULUTH HOMESTEADS  
SUBDIVISION PLAT  
BLOCK 16  
LOT 2

33

33

LINE LYING 250' SOUTH AND PARALLEL WITH  
THE NORTH LINE OF LOT 2, BLOCK 16,  
DULUTH HOMESTEADS SUBDIVISION PLAT

EAST LINE LOT 2, BLOCK 16,  
DULUTH HOMESTEADS  
SUBDIVISION PLAT

NE 1/4 - NE 1/4

CONSTRUCTION LIMITS

EASTERLY EXTENSION OF THE SOUTH  
LINE OF LOT 1, BLOCK 16, DULUTH  
HOMESTEADS SUBDIVISION PLAT

UGSTAD ROAD

BLOCK 15

LOT 4

DULUTH HOMESTEADS SUBDIVISION PLAT




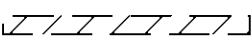
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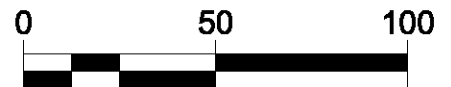
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**LEGEND**

-  R/W LINE
-  PARCEL LIMITS
-  CONSTRUCTION LIMITS
-  PROPOSED TEMPORARY EASEMENT (2,800 SQ. FT.)



FILED DATE: 11/19/2018 8:11 AM  
 FILED BY: [unreadable]  
 COUNTY: ST. LOUIS COUNTY, MN



**UGSTAD RD & ARROWHEAD RD  
IMPROVEMENTS  
CITY OF HERMANTOWN  
ST. LOUIS COUNTY, MN**

**EXHIBIT A-1  
(PID 395-0010-04421)**

PROJECT NO.  
07994009  
SHEET  
2 OF 2

*EASEMENT LEGAL DESCRIPTION:*

A PERPETUAL EASEMENT FOR DRAINAGE AND UTILITY PURPOSES OVER, UNDER AND ACROSS THE NORTH 10 FEET OF THE EAST 10 FEET OF THE WEST 173 FEET LOT 1, BLOCK 16, DULUTH HOMESTEADS SUBDIVISION PLAT, ST. LOUIS COUNTY, MINNESOTA.

I HEREBY CERTIFY THAT THIS SURVEY WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY LICENSED PROFESSIONAL LAND SURVEYOR UNDER THE LAWS OF THE STATE OF MINNESOTA.

\_\_\_\_\_  
CURTIS E. SCHLEY

9/24/2021  
Date

49907  
Registration No.

POST DATE: 11/23/2021 8:14 AM \\msa\cortis\p\proj\07994009\07994009\07994009.dwg







**UGSTAD RD & ARROWHEAD RD  
IMPROVEMENTS**  
CITY OF HERMANTOWN  
ST. LOUIS COUNTY, MN

**EXHIBIT A-2**  
(PID 395-0070-00861)

PROJECT NO.  
07994009  
SHEET  
1 OF 2

# LEGEND

-  R/W LINE
-  PARCEL LIMITS
-  CONSTRUCTION LIMITS
-  PROPOSED PERMANENT EASEMENT (100 SQ. FT.)

DULUTH HOMESTEADS SUBDIVISION PLAT

OUTLOT A

33

33

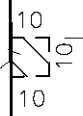
WEST ARROWHEAD ROAD

BLOCK 10

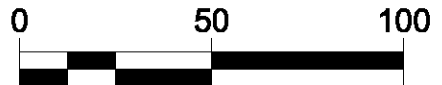
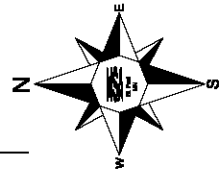
LOT 1

DULUTH HOMESTEADS  
SUBDIVISION PLAT

CONSTRUCTION LIMITS



173



FILED DATE: 11/19/2019 8:15 AM, FILED AT: ST. LOUIS COUNTY, MISSOURI, RECORDS & CLERK'S OFFICE, ST. LOUIS COUNTY, MISSOURI



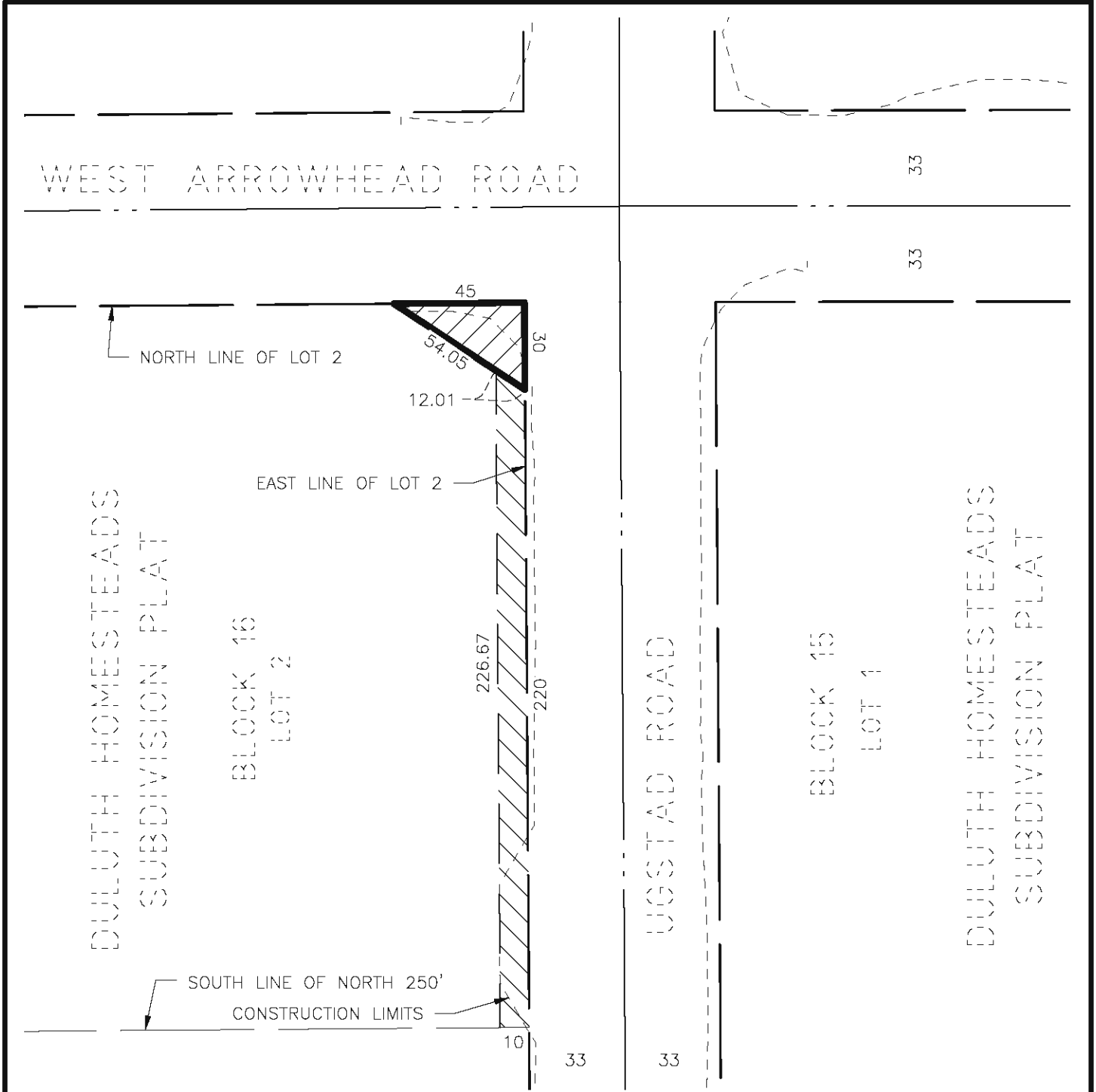
**UGSTAD RD & ARROWHEAD RD  
IMPROVEMENTS  
CITY OF HERMANTOWN  
ST. LOUIS COUNTY, MN**

**EXHIBIT A-3  
(PID 395-0070-00881)**

PROJECT NO.  
**07994009**  
SHEET  
**2 OF 2**

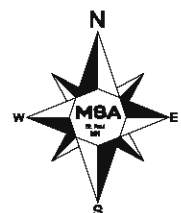






**LEGEND**

- R/W LINE
- PARCEL LIMITS
- CONSTRUCTION LIMITS
- EXISTING EASEMENT
- PROPOSED TEMPORARY EASEMENT (2,233 SQ. FT.)
- PROPOSED FEE (675 SQ. FT.)



FILED DATE: 11/19/2018 8:15 AM  
 FILED BY: MSA  
 PROJECT: UGSTAD RD & ARROWHEAD RD IMPROVEMENTS



**UGSTAD RD & ARROWHEAD RD**  
**IMPROVEMENTS**  
 CITY OF HERMANTOWN  
 ST. LOUIS COUNTY, MN

**EXHIBIT A-1**  
 (PID 395-0070-00881)

PROJECT NO.  
 07994009  
 SHEET  
 2 OF 2

**TO:** Mayor & City Council  
**FROM:** Eric Johnson, Community  
Development Director



**DATE:** January 12, 2022

**Meeting Date:** 01/18/2022

**SUBJECT:** User Group Agreements

**Agenda Item:** 12-F

**Resolution:** 2022-16

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### **REQUESTED ACTION**

Approval of park user agreements with Hermantown School District (ISD 700).

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### **BACKGROUND**

The City enters into user agreements with five park users (Youth Soccer, Youth Baseball, Youth Softball, VFW Baseball and the Hermantown School District). This is the user agreement with the Hermantown School District ISD 700 for their use of Fichtner Fields 1, 2 and 3 and Rose Road Field #2.

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### **SOURCE OF FUNDS (if applicable)**

N/A

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### **ATTACHMENTS**

Resolution – Hermantown School District ISD 700

**Resolution No. 2022-16**

**RESOLUTION AUTHORIZING AND DIRECTING MAYOR AND CITY CLERK TO EXECUTE AND DELIVER AGREEMENT FOR THE USE OF THE CITY OF HERMANTOWN ATHLETIC FIELDS WITH INDEPENDENT SCHOOL DISTRICT NO. 700**

WHEREAS, the City of Hermantown owns certain athletic fields; and

WHEREAS, the Independent School District No. 700 desires to utilize fields applicable to its sport; and

WHEREAS, the City requires that any party using a City athletic field enters into an agreement governing such use; and

WHEREAS, the Independent School District No. 700 desires to enter into the Agreement for a three-year term expiring on December 31, 2024 with the City.

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

1. A three-year Agreement with the Independent School District No. 700 and the City of Hermantown is hereby approved.
2. The Mayor and City Clerk are hereby authorized and directed to execute and deliver such 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:

and the following voted in opposition thereto:

WHEREUPON, such resolution was declared duly passed and adopted January 18, 2022.

AGREEMENT FOR THE USE OF THE  
CITY OF HERMANTOWN ATHLETIC FIELDS

THIS AGREEMENT is made between the CITY OF HERMANTOWN (“City”) and INDEPENDENT SCHOOL DISTRICT NO. 700 (“School”) serving the Hermantown area, in order to fix the respective rights and duties of the City and the School with regard to the use of the City Athletic Fields

City at considerable expense has allocated land belonging to the City for use as athletic fields (“City Athletic Fields”). In order that this facility be a properly developed site for athletic events including baseball, softball and related sports, City has caused the area to be graded and has installed proper fields with markers, fencing, lights, and appropriate facilities for the staging of such events.

City and School are each a governmental unit responsible for the proper discharge of its duties and functions. It is necessary, therefore, that some record be made allocating rights and duties with respect to the maintenance and use of the City Athletic Fields. Accordingly, the parties do agree as follows:

1. City hereby grants to School a license to use the City Athletic Fields at such times, scheduled a reasonable period in advance, as School may require the use of these facilities for practice or for the staging of school events, which Legion or VFW shall not be considered a school event. This license of usage includes the right to use the Fichtner Field-noted as field #1, the baseball field-noted as field #2, softball-noted as field #3, lights, parking area and all other facilities appurtenant to the City Athletic Fields. The City Superintendent shall be the sole judge with respect to the “usability” of the field.
2. In addition to the use of Fichtner Field, the City grants to School a license to use Rose Road field #2 for the purposes of its softball program.
3. School hereby agrees it will give reasonable advance notice of the scheduling of athletic practice and athletic events requiring the use of the City Athletic Fields, and does further agree that such usage, as it will make under this Agreement, will be done in a reasonable manner.

In consideration of this license for Five Thousand Dollars (\$5,000.00) and Four Thousand Six Hundred Dollars (\$4,600.00) for park maintenance, School agrees to pay the City the sum of Nine Thousand Six Hundred Dollars (\$9,600.00) for the 2022-2024 years, payable on or before November 30, of each year (2021-2022) (2022-2023) (2023-2024).

4. City reserves the right to grant a license for the use of the City Athletic Fields, subject to the limitations (a) when a license is granted for use of the City athletic fields, the Park Board will inspect the area prior to and after such use (b) that other users shall be required to restore the City Athletic Fields to the same condition which existed prior to their usage, (c) parties other than School shall not be given license for use at any time while School is in session when School has scheduled usage of the City Athletic Fields and when the use of the City Athletic Fields by such other party will conflict with the usage scheduled by the School of the City Athletic Fields and (d) reasonable advance notice of the request of others to use the City Athletic Fields shall be given by City to School while School is in session.
5. Property installed by City on the City Athletic Fields shall be and remain the property of the City.
6. Except as School is permitted under law to make a grant or gift of the same, property installed by School for use in connection with City Athletic Fields shall be and remain the property of School including the maintenance thereof.
7. Maintenance of the City Athletic Fields shall be the responsibility of the City, however, the School also agrees to certain duties and functions in relationship to the use of the athletic fields. Listed below are the agreed responsibilities:

CITY MAINTENANCE ITEMS:

- I. FICHTNER FIELD COMPLEX: Fields 1, 2 & 3
  - (1) mowing;
  - (2) necessary watering;
  - (3) fertilization, as needed;
  - (4) seeding, filling and grooming, when necessary;
  - (5) weed control;
  - (6) other routine maintenance items, which excludes dragging infields and chalking lines for games

SCHOOL DUTIES AND RESPONSIBILITIES:

- (1) Prepare field for school events and school games
- (2) Provide custodial services in order to maintain all of the buildings during and following school events;
- (3) Remove trash following school events.

8. Structural maintenance and structural repair of the facilities of the City Athletic Fields shall be the responsibility of the City. Such structural maintenance and structural repair shall include the following:
  - (1) major repair and maintenance of fields 1, 2, & 3
  - (2) repair and maintenance of backstops, fences and dugouts
  - (3) repair and maintenance of all scoreboards.
  
9. All of the athletic facilities at the City Athletic Fields shall be inspected by representatives of City and School semi-annually in April and in August. Following such inspection, the representatives conducting the inspection shall make recommendations to City and School as to any improvements or repairs that should be made to the athletic facilities at the City Athletic Fields.
  
10. The School cannot sublease, or grant use of the facilities, with the exception of Minnesota State High School League activities, without prior request and approval of the Park Board.
  
11. School shall, during the term of this Agreement, maintain comprehensive property damage and liability insurance that names City as an additional insured and has a combined single limit of coverage of at least One Million Dollars Two Hundred Thousand (\$1,200,000). School shall provide City with a certificate evidencing that insurance is in force and effect with such certificate indicating that the insurance evidenced by such certificate shall not be canceled, materially altered or not renewed without thirty (30) days prior written notice of such cancellation, material alteration or non-renewal being given to City.
  
12. All receipts and disbursements in connection with athletic events sponsored by or performed pursuant to authority granted by School shall be for the account of School. All other receipts shall be for the account of City.
  
13. The cost of facilities and expenses, other than those, which School has agreed to assume, shall be for the account of City.

IN WITNESS WHEREOF, City and School have each authorized the ratification of this Agreement and have caused the same to be executed by their appropriate officers this 3rd day of January, 2021.

CITY OF HERMANTOWN  
 By \_\_\_\_\_  
 Its Mayor

INDEPENDENT SCHOOL DISTRICT  
 NO. 700  
 By D. Matlew  
 Its Board Chair