

WORK SESSION: SPECIAL REVENUE FUNDS 6:00 PM

REGULAR WASECA CITY COUNCIL MEETING

TUESDAY, OCTOBER 4, 2022, 7:00 PM

AGENDA

1. CALL TO ORDER/ROLL CALL
2. MOMENT OF SILENCE/PLEDGE OF ALLEGIANCE
3. APPROVAL OF AGENDA
4. PUBLIC COMMENT

Those wishing to speak must state their name and address for the record. Each person will have three (3) minutes to make his/her remarks. Speakers will address all comments to the City Council as a whole and not one individual councilmember. The Council **may not take action** on an item presented during the Public Comment period. When appropriate, the Council may refer inquiries and items brought up during the Public Comment period to the City Manager for follow up.

5. REQUESTS AND PRESENTATIONS

- A. Representative John Petersburg
- B. Junior Achievement Presentation; Vanessa Jensen

6. CONSENT AGENDA

- A. Payroll & Expenditures
- B. RCCA: Approve Residential Tax Abatement (1008 11th Street SE)
- C. Contract Construction Pmt. Request – Met-Con Construction (Clear Lake Park Improvements)
- D. Contract Construction Pmt. Request – Hydro-Klean LLC (Sanitary Sewer Main & Manhole Rehabilitation Project).

7. ACTION AGENDA

- A. RCCA: Extend Tax Abatement Program
- B. RCCA: 2022-01 Project Final Payment for 8th Street SE- Heselton Construction
- C. RCCA: Langer Aviation FBO Contract

8. REPORTS

- A. City Manager's Report
- B. Commission Reports

9. ANNOUNCEMENTS

10. ADJOURNMENT

August 30, 2022

**Waseca Area
JA Committee**

Waseca EDA Members,
Lee Mathison

Alyssa Bowers

First National Bank-
Waseca

Rachel Krause

First National Bank-
Waseca

Brian Hansen

Edward Jones-Waseca

ShaLee White

Minnwest Insurance-
Agency-Waseca

Dear Lee,

Thank you for your donation of \$2,000 to support Junior Achievement programming in 2021-22 school year. Your continued support will ensure JA's vital success in our communities. In addition, your commitment shows others in the community that this programming provides students with the skills they need to be successful in the future. I'm excited as we reflect on the successes that we had this year and look to the future in what more we can do to make a stronger impact. As a new district manager coming to JA this past school year, the Waseca committee welcomed me to the community and provided a lot of support and engagement to help drive results to achieve our fundraising goals this year and impact programming we are offering in the schools. Several of our committee members teach JA classes throughout the school year and recruit other to be part of JA. Thank you for your continued support as we prepare students with the mindset and skillsets needed to be successful in their future careers.

Junior Achievement North (formerly known as Junior Achievement of the Upper Midwest) went through a name change and rebranding of our logo this year. We are a 501(c)(3) organization. JA North is looking to reintroduce ourselves to the community, our volunteers, and our business partners and invite them to join us in our efforts. Our redesigned branding is signaling a robust vision, focused on equitably serving students across the region with student centered programming. As we move forward from the pandemic, we are excited about JA in our communities, and this creates a new level of energy for our organization, supporters, and the students we serve.

JA North is focused on the following guiding principles: (1) students will thrive when we focus on impactful programs with measurable outcomes; (2) focusing program delivery on systemically excluded schools and students will more equitably expand access to life-changing skills, knowledge, and relationships; and (3) prioritizing programming in rural communities will develop future leaders who are equipped to build vibrant local communities.

As we look to next school year, JA stays committed to sequential learning and offering experiential learning opportunities for our students in the K-5 grade levels. Also, we plan to continue to offer JA It's My Future, JA Inspire, JA Titan and JA Be Entrepreneurial programs at both the middle and high school level. We have discussed plans to bring back the JA Company program, which offers students the opportunity to partner with business owners to develop their own business plan and meet with local investors to share their business and marketing plans. We believe that programs like

this will help develop the next generation of entrepreneurs we will need in our communities.

JA respectfully requests a renewed gift of support for this coming school year 2022-23 in the amount of \$2,000 for continued operations and expansion of our programming, throughout the Owatonna and Waseca communities.

Thanks again for your strong partnership with the Junior Achievement North-Owatonna area district. It's been a pleasure to work with you this year to make an impact, and I look forward to seeing what more we can achieve to better serve the students and community.

Enclosed, you'll find your impact report sharing what we were able to accomplish this year with your level of support. Please let me know if you have questions and I look forward to presenting at the city council meeting on September 6, 2022 at 7:00 p.m. Please keep me informed if there's any changes to this schedule.

Gratefully,



Vanessa Jensen
District Manager | Owatonna Area

Junior Achievement North is a 501(c)3 that gratefully acknowledges this generosity. This letter serves as your tax-deductible receipt. No goods or services were received as a part of this gift.

Tax ID: 41-1424988



Junior Achievement North Impact Report

Waseca Economic Development Authority Members | July 2022

Thank you for your continued support of Junior Achievement (JA) North –Owatonna area, our programs, and most importantly our students. With your partnership, we were able to connect students in the Waseca area to our impactful JA programming, providing them with engaging opportunities to build the skills and knowledge needed to succeed in school and in life. The Waseca Economic Development Authority Members help make it possible for JA North to: (1) Build financial stability for young people; (2) Connect students to real life skills and careers; (3) Ignite youth entrepreneurship; and (4) Cultivate engaged community leaders.

STUDENT IMPACT & COMMUNITY PARTNERS

Your support was used to provide grades K-8 experiential learning opportunities with JA curriculum and resources to our volunteers, students, and teachers during the 2021-2022 school year. With your support this year, we were able to serve 528 students attending 3 schools in the Waseca Public Schools community. Your generosity prepares future generations with the tools they need to be successful, and we appreciate you making this transformational investment in the lives of our young people.

Across the JA programs offered in Owatonna area this year, one of our standouts this year in the Waseca community was the opportunity to partner with Waseca Intermediate School and FarmAmerica. In April, students participated in six weeks of JA It's My Future programming, exploring concepts in developing their personal brand job hunting skills, researching future careers, creating a resume and discussions around interviewing techniques. At the end of this program, students participated in experiential learning opportunities with hands on Ag-related activities and future career discussions with Ag industry professionals. This day-long experience provided students with knowledge of the Ag industry and future careers that will be needed when they join the workforce.

These program outcomes would not be possible without our JA volunteers in the Waseca community that have a passion for the Ag industry, and business leaders who provide programming to students and serve as role models to help students envision a successful future. Volunteers transform the key concepts of JA's lessons into a message that inspires and empowers students to believe in themselves, showing them, they can make a difference in the world. We are incredibly grateful to our JA volunteers for sharing their time with our JA students.

The JA Waseca area community has also been an incredible partner, as we resumed in-person fundraising events throughout the Fall and into the Spring. These events would not be possible without the support of our corporate and community partners and their enthusiasm and desire to make a difference in students' lives. Thanks to the success of our breakfast, bigBowl and JA Think! Trivia Night, participants supported our JA students in the Waseca this school year!

JA Waseca DISTRICT HIGHLIGHTS | 2021-2022

This school year brought the return of in person volunteering while also giving teachers the option to teach JA curriculum themselves. As we move forward, we want to ensure partnership with our educators and provide flexibility in the ways we offer our curriculum. New this year, we experienced more engagement at the Waseca intermediate schools and junior high school levels. JA Titan was introduced at the high school for business students as they applied business economics in a virtual simulation to understand decision making and business growth. This program inspires teamwork through sales and marketing, critical thinking skills and executed strategy. Students compete as a business team and learn many real-life lessons from business industry.

Total Students: 528

Program Volunteers: 22

Classrooms: 5

Schools:

- Hartley Classrooms: 10
- Waseca Intermediate: 6
- Waseca High School: 6
- Sacred Heart: 3 - Registered but unfilled due to Covid response
- Team Academy: Looking forward to programming again in 2022-23

JA IMPACT IN ACTION

Students from Waseca had the opportunity to visit FarmAmerica. Volunteers and students in JA It's My Future program shared the following about their experience:



"I had a great time volunteering with Junior Achievement this year. It was my first year and I was nervous, but the kids and their teacher made it very enjoyable. It was so fun to hear about all the students' ideas of what they want to do for their career in the future. We talked about branding themselves, how to find a job, and what it takes to keep a job. We talked about different skills that they would need to work on, and how their skills transfer through many careers." - ShaLee White, Volunteer

"JA was good! I learned about what I might want to do when I get older. I also enjoyed the FarmAmerica field trip." - 8th grade JA Student

THANK YOU

Through our financial literacy, career readiness, and entrepreneurship programming, students are not only getting practical tools and lessons, but they are also engaging in experiential learning that helps build the intangible skills required in today's world. Thank you for making this possible for students in Waseca. I look forward to continuing our partnership with you. If you have any questions regarding this impact report or would like additional information, please contact me at 507.390.0755 or vanessa.jensen@janorth.org.

Thank you for everything you do to empower students with the knowledge and skills needed to reach their full potential in school and beyond. We are so grateful for your continued partnership and support.

Lee A. Milton
Michael Fischer

6A

LIST OF EXPENDITURES

10/4/22

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City Council	3,663.00
Streets	28,193.55
Parks	15,653.45
Wastewater	8,870.09
Utility Administration	4,972.20
Utility Offices	7,632.95
Electric	13,355.08
Water	9,468.50
Building and Code Compliance	2,953.10
Police	66,934.70
Administration	8,620.08
Community Aides	887.16
Fire	12,863.28
Paid On Call Fire Department	0.00
PEG	285.88
Election Judges	0.00
Finance	9,441.83
Connections	2,696.90
Community Development	2,313.09
Engineering	16,535.19
Recreation	2,392.78
Econ Development	<u>6,637.12</u>

Total Gross Payroll	224,369.93
*Less- Payroll Deductions	<u>(72,356.12)</u>

Net Payroll Cost	\$ 152,013.81
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*These costs are included in Accounts Payable totals below

Accounts Payable

Expenditures dated:

September 16, 2022-September 30, 2022

Includes check #'s 158425-158483

Bank ACH Withdrawals.....	<u>707,097.64</u>
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GRAND TOTAL EXPENDITURES	<u>\$ 859,111.45</u>
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Check Issue Date	Check Number	Payee	Description	Invoice GL Account	Check Amount	
General Fund						
09/30/2022	92231	MN Sales and Use Tax Payable	Sales Tax Payable	101-20210-0000	1,389.57	M
Total 101202100000:					1,389.57	
09/20/2022	92223	ACH Internal Revenue Service	FEDERAL WITHHOLDING TAX Pay Period: 9/18/2022	101-21701-0000	21,713.15	M
09/20/2022	92223	ACH Internal Revenue Service	Tax adj	101-21701-0000	2.40	M
Total 101217010000:					21,715.55	
09/20/2022	92218	MN Department of Revenue	Tax adj	101-21702-0000	3.88	M
09/20/2022	92218	MN Department of Revenue	STATE WITHHOLDING TAX Pay Period: 9/18/2022	101-21702-0000	9,856.60	M
Total 101217020000:					9,860.48	
09/20/2022	92223	ACH Internal Revenue Service	Tax Adj (EE)	101-21703-0000	4.34	M
09/20/2022	92223	ACH Internal Revenue Service	Tax adj (ER)	101-21703-0000	4.34	M
09/20/2022	92223	ACH Internal Revenue Service	SOCIAL SECURITY Pay Period: 9/18/2022	101-21703-0000	8,542.33	M
09/20/2022	92223	ACH Internal Revenue Service	SOCIAL SECURITY Pay Period: 9/18/2022	101-21703-0000	8,887.79	M
Total 101217030000:					17,438.80	
09/20/2022	92220	Public Employees Retirement Assn (ACH	PERA COORD Emplr 1% Pay Period: 9/18/2022	101-21704-0000	1,357.40	M
09/20/2022	92220	Public Employees Retirement Assn (ACH	PERA COORDINATED Employee Pay Period: 9/18/2022	101-21704-0000	8,823.28	M
09/20/2022	92220	Public Employees Retirement Assn (ACH	PERA POLICE Employee Pay Period: 9/18/2022	101-21704-0000	8,408.09	M
09/20/2022	92220	Public Employees Retirement Assn (ACH	DEF CONTRIBUTION/EMPL Pay Period: 9/18/2022	101-21704-0000	58.70	M
09/20/2022	92220	Public Employees Retirement Assn (ACH	PERA COORDINATED Employer Pay Period: 9/18/2022	101-21704-0000	8,823.28	M
09/20/2022	92220	Public Employees Retirement Assn (ACH	PERA POLICE Employer Pay Period: 9/18/2022	101-21704-0000	12,612.16	M
09/20/2022	92220	Public Employees Retirement Assn (ACH	DEF CONT Employer Pay Period: 9/18/2022	101-21704-0000	58.70	M
09/20/2022	92220	Public Employees Retirement Assn (ACH	PR adj	101-21704-0000	.04	M
Total 101217040000:					40,141.65	
09/20/2022	158489	NCPERS Minnesota - 8266711	LIFE INSURANCE - PERA Pay Period: 9/18/2022	101-21711-0000	160.00	
Total 101217110000:					160.00	
09/20/2022	92223	ACH Internal Revenue Service	Tax adj (EE)	101-21712-0000	1.02	M
09/20/2022	92223	ACH Internal Revenue Service	Tax adj (ER)	101-21712-0000	1.02	M
09/20/2022	92223	ACH Internal Revenue Service	MEDICARE Pay Period: 9/18/2022	101-21712-0000	2,982.96	M
09/20/2022	92223	ACH Internal Revenue Service	MEDICARE Pay Period: 9/18/2022	101-21712-0000	3,063.76	M
Total 101217120000:					6,048.76	
09/20/2022	92224	MSRS- (DEF COMP)	MSRS - ROTH (AFTER TAX) Pay Period: 9/18/2022	101-21713-0000	1,350.00	M
09/20/2022	92224	MSRS- (DEF COMP)	MSRS - DEF COMP Pay Period: 9/18/2022	101-21713-0000	844.00	M
Total 101217130000:					2,194.00	
09/20/2022	92222	Vantagepoint Transfer Agents 457	ICMA - ROTH (AFTER TAX) Pay Period: 9/18/2022	101-21714-0000	350.00	M
09/20/2022	92222	Vantagepoint Transfer Agents 457	ICMA DEF COMPENSATION Pay Period: 9/18/2022	101-21714-0000	582.69	M
Total 101217140000:					932.69	
09/20/2022	92219	AFLAC	AFLAC AFTER TAX Pay Period: 9/4/2022	101-21715-0000	364.59	M
09/20/2022	92219	AFLAC	AFLAC AFTER TAX Pay Period: 9/18/2022	101-21715-0000	364.59	M

Check Issue Date	Check Number	Payee	Description	Invoice GL Account	Check Amount	
09/20/2022	92219	AFLAC	AFLAC PRE TAX Pay Period: 9/4/2022	101-21715-0000	771.76	M
09/20/2022	92219	AFLAC	AFLAC PRE TAX Pay Period: 9/18/2022	101-21715-0000	771.76	M
Total 101217150000:					2,272.70	
09/20/2022	92226	Medsurety	HSA Contribution Pay Period: 9/18/2022	101-21716-0000	605.90	M
Total 101217160000:					605.90	
09/20/2022	92221	MN Child Support Payment Center	CHILD SUPPORT FLAT AMT Pay Period: 9/18/2022	101-21717-0000	972.76	M
Total 101217170000:					972.76	
09/20/2022	92225	MN Public Employees Insurance Progra	Armendariz Sept COBRA	101-21720-0000	2,076.98	M
09/20/2022	92225	MN Public Employees Insurance Progra	PEIP Family Pay Period: 9/4/2022	101-21720-0000	14,954.22	M
09/20/2022	92225	MN Public Employees Insurance Progra	PEIP Single Pay Period: 9/18/2022	101-21720-0000	14,362.86	M
09/20/2022	92225	MN Public Employees Insurance Progra	Gedicke Sept COBRA	101-21720-0000	755.94	M
09/20/2022	92225	MN Public Employees Insurance Progra	PEIP Single Pay Period: 9/4/2022	101-21720-0000	14,362.86	M
09/20/2022	92225	MN Public Employees Insurance Progra	Matson Sept COBRA	101-21720-0000	755.94	M
09/20/2022	92225	MN Public Employees Insurance Progra	PEIP Employee + 1 Pay Period: 9/18/2022	101-21720-0000	937.92	M
09/20/2022	92225	MN Public Employees Insurance Progra	PEIP Employee + 1 Pay Period: 9/4/2022	101-21720-0000	937.92	M
09/20/2022	92225	MN Public Employees Insurance Progra	PEIP Employee + 1 Pay Period: 9/18/2022	101-21720-0000	3,751.86	M
09/20/2022	92225	MN Public Employees Insurance Progra	Rugger Sept COBRA	101-21720-0000	755.94	M
09/20/2022	92225	MN Public Employees Insurance Progra	PEIP Employee + 1 Pay Period: 9/4/2022	101-21720-0000	3,751.86	M
09/20/2022	92225	MN Public Employees Insurance Progra	PEIP Family Pay Period: 9/18/2022	101-21720-0000	3,738.60	M
09/20/2022	92225	MN Public Employees Insurance Progra	A. Madison Sept adj	101-21720-0000	2,076.98	M
09/20/2022	92225	MN Public Employees Insurance Progra	PEIP Family Pay Period: 9/4/2022	101-21720-0000	3,738.60	M
09/20/2022	92225	MN Public Employees Insurance Progra	T. Wilson Sept adj	101-21720-0000	755.94	M
09/20/2022	92225	MN Public Employees Insurance Progra	PEIP Family Pay Period: 9/18/2022	101-21720-0000	14,954.22	M
Total 101217200000:					81,156.76	
09/30/2022	20220802	Waseca Area Senior Citizens Center	City Contribution	101-41110-4455	1,125.00	
Total 101411104455:					1,125.00	
09/30/2022	20220801	Waseca Area Chamber of Commerce	Employee Recognition-Condon 30 yr	101-41320-4930	50.00	
Total 101413204930:					50.00	
09/30/2022	20220767	A. H. Hermel Company	Pop for Vending Machine	101-41320-4945	104.68	
Total 101413204945:					104.68	
09/30/2022	92227	Further	Admin Fees	101-41500-1600	221.25	M
09/30/2022	92228	Further	Admin Fees	101-41500-1600	7.50	M
09/30/2022	92230	Medsurety	Admin Fee	101-41500-1600	3.75	M
Total 101415001600:					232.50	
09/30/2022	158527	Waseca County Auditor	Legal Services Contract Payment	101-41600-3000	5,370.33	
Total 101416003000:					5,370.33	
09/30/2022	158504	Governmentjobs.com Inc	HR Software Subscription	101-41920-4950	5,751.18	

Check Issue Date	Check Number	Payee	Description	Invoice GL Account	Check Amount
Total 101419204950:					5,751.18
09/30/2022	20220785	Innovative Office Supply	Office Supplies	101-41940-2000	96.60
Total 101419402000:					96.60
09/30/2022	20220767	A. H. Hermel Company	Breakroom supplies	101-41940-2170	25.65
09/30/2022	20220767	A. H. Hermel Company	Janitorial Supplies	101-41940-2170	109.83
09/30/2022	20220768	Amazon	Plastic fork for breakroom	101-41940-2170	40.48
09/30/2022	20220785	Innovative Office Supply	Office Supplies	101-41940-2170	213.92
Total 101419402170:					389.88
09/30/2022	158517	MK Service & Repair	Floor Soap	101-41940-2230	90.00
Total 101419402230:					90.00
09/30/2022	20220773	Cady Business Technologies Inc	Monthly Phone Support Plan	101-41940-3100	262.62
09/30/2022	158499	Cintas Corporation	Floor mat service	101-41940-3100	54.58
09/30/2022	20220794	Stoltz Cleaning Services LLC	City Hall Cleaning	101-41940-3100	367.50
09/30/2022	20220794	Stoltz Cleaning Services LLC	janitorial service	101-41940-3100	367.50
Total 101419403100:					1,052.20
09/30/2022	158502	Ferguson Enterprises Inc	pipe & fittings for sump pumps	101-41940-4000	138.21
Total 101419404000:					138.21
09/30/2022	20220803	Wilson, Tina	Mileage	101-41950-3350	93.56
Total 101419503350:					93.56
09/30/2022	20220795	Streicher's	uniform - Luiken	101-42100-2180	64.99
Total 101421002180:					64.99
09/30/2022	158497	Bock's Service Inc.	Tow expense -PD	101-42100-3100	95.00
09/30/2022	158497	Bock's Service Inc.	Tow expense -PD	101-42100-3100	197.50
09/30/2022	158499	Cintas Corporation	Mats - PD	101-42100-3100	8.98
09/30/2022	20220794	Stoltz Cleaning Services LLC	Public Safety Restroom Cleaning	101-42100-3100	78.75
09/30/2022	20220794	Stoltz Cleaning Services LLC	Public Safety Restroom Cleaning	101-42100-3100	78.75
Total 101421003100:					458.98
09/30/2022	20220768	Amazon	SWAT expense	101-42100-4370	57.44
Total 101421004370:					57.44
09/30/2022	158499	Cintas Corporation	Mats - FD	101-42200-3100	8.99
09/30/2022	20220794	Stoltz Cleaning Services LLC	Public Safety Restroom Cleaning	101-42200-3100	78.75
09/30/2022	20220794	Stoltz Cleaning Services LLC	Public Safety Restroom Cleaning	101-42200-3100	78.75
Total 101422003100:					166.49
09/30/2022	20220775	City Building Inspection Services LLC	building inspections	101-42400-3000	8,308.78

Check Issue Date	Check Number	Payee	Description	Invoice GL Account	Check Amount
Total 101424003000:					8,308.78
09/30/2022	20220789	Lenz Lawn Care & Landscaping Inc.	Mow/Trim 709 4th Ave NE	101-42400-3100	30.00
09/30/2022	20220789	Lenz Lawn Care & Landscaping Inc.	Mow/Trim 204 12th Ave NW	101-42400-3100	30.00
Total 101424003100:					60.00
09/30/2022	20220769	APG Media of So MN LLC	Public hearing Notice to vacate easements	101-42400-3400	64.50
09/30/2022	20220769	APG Media of So MN LLC	Public hearing for driveway variance-Dirks	101-42400-3400	75.25
09/30/2022	20220769	APG Media of So MN LLC	Public hearing-permit daycare for conditional use	101-42400-3400	86.00
Total 101424003400:					225.75
09/30/2022	92229	Verizon Wireless	Monthly Verizon Data Bill	101-43000-3200	80.02 M
Total 101430003200:					80.02
09/30/2022	20220769	APG Media of So MN LLC	Public hearing on ord. 1102 moratorium on THC	101-43000-3400	53.75
Total 101430003400:					53.75
09/30/2022	20220771	Bomgaars Supply	Parts & Supplies	101-43100-2170	343.14
Total 101431002170:					343.14
09/30/2022	158495	Aramark Uniform Services	uniform service	101-43100-2180	200.51
09/30/2022	158495	Aramark Uniform Services	uniform service	101-43100-2180	196.17
Total 101431002180:					396.68
09/30/2022	20220776	Clarke Environmental Mosquito Mgmt Inc	ULV treatment	101-43100-3101	1,800.00
09/30/2022	20220776	Clarke Environmental Mosquito Mgmt Inc	ULV treatment	101-43100-3101	1,800.00
Total 101431003101:					3,600.00
09/30/2022	20220784	Independent School District #829	City Contribution Community Ed	101-45100-3100	8,333.33
Total 101451003100:					8,333.33
09/30/2022	20220780	First National Bank	4 Desk Chairs for Parks Dept	101-45200-2000	200.00
Total 101452002000:					200.00
09/30/2022	20220771	Bomgaars Supply	Parts & Supplies	101-45200-2170	32.98
09/30/2022	20220777	Cross Nurseries Inc	Trees	101-45200-2170	436.00
09/30/2022	158520	Sign Pro of Owatonna	Trail Signs	101-45200-2170	150.00
Total 101452002170:					618.98
09/30/2022	20220771	Bomgaars Supply	Parts & Supplies	101-45200-2230	26.25
09/30/2022	158502	Ferguson Enterprises Inc	CLP Johnson Pav Sewer Stub	101-45200-2230	248.35
Total 101452002230:					274.60
09/30/2022	158526	W W Blacktopping Inc.	Dog Park ADA parking stalls	101-45200-4000	1,100.40

Check Issue Date	Check Number	Payee	Description	Invoice GL Account	Check Amount
Total 101452004000:					1,100.40
09/30/2022	20220771	Bomgaars Supply	Parts & Supplies	101-45500-4000	17.97
Total 101455004000:					17.97
Total General Fund:					223,745.06
Airport					
09/30/2022	20220778	Culligan	Airport water softener check	230-49810-2230	207.98
Total 230498102230:					207.98
09/30/2022	158498	CenturyLink	Airport Phone and Internet	230-49810-3200	189.74
Total 230498103200:					189.74
09/30/2022	158532	Xcel Energy	Airport Electric	230-49810-3800	221.45
09/30/2022	158532	Xcel Energy	Airport Electric	230-49810-3800	291.14
09/30/2022	158532	Xcel Energy	Airport Electric	230-49810-3800	308.31
Total 230498103800:					820.90
Total Airport:					1,218.62
Hisorical Preservation					
09/30/2022	158494	Anderson, Julie	Mileage and lodging for HPC Conference	255-46500-3300	741.01
Total 255465003300:					741.01
09/30/2022	158518	MN Historical Society	Membership renewal	255-46500-4330	35.00
Total 255465004330:					35.00
Total Hisorical Preservation:					776.01
Economic Development-General f					
09/30/2022	20220803	Wilson, Tina	Mileage	261-46700-3300	93.57
Total 261467003300:					93.57
Total Economic Development-General f:					93.57
PEG Channel					
09/30/2022	20220770	B & H Photo	Microphone covers	290-41920-2170	32.40
Total 290419202170:					32.40
Total PEG Channel:					32.40
Capital Improvement					
09/30/2022	158509	Janesville Tile Supply	Tile for Johnson Pavilion	430-43010-5435	53.04
09/30/2022	20220790	Met-Con Construction Inc	Clear Lake Park Construction Payment #5	430-43010-5435	108,320.90

Check Issue Date	Check Number	Payee	Description	Invoice GL Account	Check Amount	
Total 430430105435:					108,373.94	
09/30/2022	158519	Prime Poly Solutions LLC	Downtown Sidewalk Lifting	430-43010-5460	26,265.00	
Total 430430105460:					26,265.00	
09/30/2022	158506	Heselton Construction LLC	8th St SE Project Payment #5 - Final - Streets	430-43010-5560	5,009.27	
Total 430430105560:					5,009.27	
Total Capital Improvement:					139,648.21	
Water						
09/30/2022	92231	MN Sales and Use Tax Payable	Sales Tax Payable	601-20210-0000	1,410.33	M
Total 601202100000:					1,410.33	
09/30/2022	20220768	Amazon	Fan	601-49401-2210	191.00	
Total 601494012210:					191.00	
09/30/2022	158505	Hawkins Inc	Demurrage	601-49401-4000	80.00	
Total 601494014000:					80.00	
09/20/2022	92223	ACH Internal Revenue Service	SOCIAL SECURITY Pay Period: 9/18/2022	601-49430-0000	345.46	M
09/20/2022	92223	ACH Internal Revenue Service	MEDICARE Pay Period: 9/18/2022	601-49430-0000	80.80	M
Total 601494300000:					426.26	
09/30/2022	20220771	Bomgaars Supply	Parts & Supplies	601-49430-2170	159.99	
Total 601494302170:					159.99	
09/30/2022	158495	Aramark Uniform Services	Uniforms	601-49430-2180	13.55	
09/30/2022	158495	Aramark Uniform Services	Uniforms	601-49430-2180	13.55	
Total 601494302180:					27.10	
09/30/2022	158508	In Control Inc	Engineering Services	601-49430-3100	726.50	
Total 601494303100:					726.50	
09/30/2022	20220789	Lenz Lawn Care & Landscaping Inc.	Water main breaks yard repair	601-49430-4000	1,525.00	
Total 601494304000:					1,525.00	
09/30/2022	158524	U.S. Postal Service	Postage - October utility bills	601-49585-3200	499.54	
Total 601495853200:					499.54	
09/30/2022	158523	Summit Account Resolution	Collection Fees	601-49585-4320	23.48	
Total 601495854320:					23.48	

Check Issue Date	Check Number	Payee	Description	Invoice GL Account	Check Amount
09/30/2022	158504	Governmentjobs.com Inc	HR Software Subscription	601-49586-4950	425.84
Total 601495864950:					425.84
09/30/2022	158506	Heselton Construction LLC	8th St SE Project Payment #5 - Final - Water	601-49593-5300	2,642.44
Total 601495935300:					2,642.44
Total Water:					8,137.48
Sanitary Sewer					
09/30/2022	20220772	Border States Electric Supply	Sewer Camera Parts	602-49470-2210	27.33
Total 602494702210:					27.33
09/30/2022	158503	Ferguson Waterworks #2516	sewer pipe	602-49470-4000	3,077.83
09/30/2022	20220800	W W Goetsch Associates Inc.	pressure test pump (1)	602-49470-4000	130.00
Total 602494704000:					3,207.83
09/30/2022	20220771	Bomgaars Supply	Parts & Supplies	602-49470-4020	204.78
09/30/2022	20220800	W W Goetsch Associates Inc.	pressure test pumps (3)	602-49470-4020	390.00
Total 602494704020:					594.78
09/30/2022	20220771	Bomgaars Supply	Parts & Supplies	602-49480-2170	49.99
09/30/2022	158505	Hawkins Inc	Demurrage	602-49480-2170	30.00
09/30/2022	158505	Hawkins Inc	Demurrage	602-49480-2170	50.00
09/30/2022	158505	Hawkins Inc	Chlorine & Sulfur	602-49480-2170	1,274.60
Total 602494802170:					1,404.59
09/30/2022	20220799	USA Blue Book	eyewash stations	602-49480-2190	884.63
Total 602494802190:					884.63
09/30/2022	20220787	John Henry Foster Minnesota Inc.	Compressor Supplies	602-49480-2210	309.30
Total 602494802210:					309.30
09/30/2022	20220771	Bomgaars Supply	Parts & Supplies	602-49480-2400	197.99
Total 602494802400:					197.99
09/30/2022	158496	BME Labstore	Lab equipment calibration	602-49480-3100	340.00
09/30/2022	158500	Cintas Corporation	First Aid Cabinet Supplies	602-49480-3100	69.81
09/30/2022	20220779	Environmental Toxicity Control Inc	Permit WET testing	602-49480-3100	1,400.00
09/30/2022	20220792	North Shore Analytical Inc.	Mercury Permit Testing	602-49480-3100	410.00
09/30/2022	158521	Spee-Dee Delivery Service Inc.	Permit sampling	602-49480-3100	18.32
Total 602494803100:					2,238.13
09/30/2022	158522	SSI Crestmark MN Holding LLC	USS Solar	602-49480-3800	17,282.79
09/30/2022	158525	USS MN V MT LLC	USS Bush Solar	602-49480-3800	3,542.15

Check Issue Date	Check Number	Payee	Description	Invoice GL Account	Check Amount
Total 602494803800:					20,824.94
09/30/2022	158524	U.S. Postal Service	Postage - October utility bills	602-49585-3200	499.55
Total 602495853200:					499.55
09/30/2022	158523	Summit Account Resolution	Collection Fees	602-49585-4320	44.98
Total 602495854320:					44.98
09/30/2022	158504	GovernmentJobs.com Inc	HR Software Subscription	602-49586-4950	788.22
Total 602495864950:					788.22
09/30/2022	158506	Heselton Construction LLC	8th St SE Project Payment #5 - Final - Sanitary	602-49593-5300	12,965.78-
09/30/2022	158507	Hydro-Klean LLC	I&I Remediation Phase 2	602-49593-5300	43,038.74
Total 602495935300:					30,072.96
09/30/2022	20220786	Javens Mechanical Contracting Co.	Furnace Replacement	602-49593-5400	7,275.00
09/30/2022	20220786	Javens Mechanical Contracting Co.	Furnace Replacement	602-49593-5400	30,670.00
09/30/2022	20220800	W W Goetsch Associates Inc.	Lift Station Pump	602-49593-5400	11,735.00
Total 602495935400:					49,680.00
Total Sanitary Sewer:					110,775.23
Electric Utility					
09/30/2022	92231	MN Sales and Use Tax Payable	Sales Tax Payable	604-20210-0000	50,026.20 M
Total 604202100000:					50,026.20
09/30/2022	20220772	Border States Electric Supply	Meters (3-phase 4 meters)	604-49571-2215	1,693.07
Total 604495712215:					1,693.07
09/30/2022	158512	Lake Shore Assisted Living	Energy Management Program	604-49571-2320	61.25
09/30/2022	158513	Lake Shore Inn Nursing Home Inc.	Energy Management Program	604-49571-2320	137.50
09/30/2022	158514	Lakeshore Rehabilitation Center	Energy Management Program	604-49571-2320	137.50
09/30/2022	158515	Latham Place	Energy Management Program	604-49571-2320	61.25
09/30/2022	158528	Waseca County Community Services	Energy Management Program	604-49571-2320	175.00
09/30/2022	158529	Waseca County Courthouse	Energy Management Program	604-49571-2320	450.00
09/30/2022	158530	Waseca County Garage	Energy Management Program	604-49571-2320	100.00
Total 604495712320:					1,122.50
09/30/2022	20220771	Bomgaars Supply	Parts & Supplies	604-49571-2400	4.05
09/30/2022	20220797	Total Tool Supply Inc.	Tools	604-49571-2400	318.79
Total 604495712400:					322.84
09/30/2022	20220772	Border States Electric Supply	Breaker	604-49572-2230	33.03
09/30/2022	20220772	Border States Electric Supply	Return	604-49572-2230	17.27-

Check Issue Date	Check Number	Payee	Description	Invoice GL Account	Check Amount
Total 604495722230:					15.76
09/30/2022	158524	U.S. Postal Service	Postage - October utility bills	604-49585-3200	499.55
Total 604495853200:					499.55
09/30/2022	158523	Summit Account Resolution	Collection Fees	604-49585-4320	127.14
Total 604495854320:					127.14
09/30/2022	158516	McGrann Shea Carnival Straughn & Lam	Attorney - Service Territory	604-49586-3000	93.75
Total 604495863000:					93.75
09/30/2022	158504	Governmentjobs.com Inc	HR Software Subscription	604-49586-4950	694.26
Total 604495864950:					694.26
09/30/2022	20220796	T & R Electric Inc.	Transformers	604-49593-5300	18,045.80
Total 604495935300:					18,045.80
Total Electric Utility:					72,640.87
Storm Water Utility					
09/30/2022	20220789	Lenz Lawn Care & Landscaping Inc.	Restore storm drain repair - 1504 2nd St SE	651-43140-3000	800.00
09/30/2022	158531	Waseca County Treasurer	Clear Lake Fluridone Treatment	651-43140-3000	21,660.00
Total 651431403000:					22,460.00
09/30/2022	20220781	Holtmeier Construction Inc.	Rip Rap	651-43140-4000	1,040.71
Total 651431404000:					1,040.71
09/30/2022	158504	Governmentjobs.com Inc	HR Software Subscription	651-43140-4950	69.25
Total 651431404950:					69.25
09/30/2022	158506	Heselton Construction LLC	8th St SE Project Payment #5 - Final - Storm	651-49593-5300	118,916.60
Total 651495935300:					118,916.60
Total Storm Water Utility:					142,486.56
Central Garage Services					
09/30/2022	158493	Ancom Communications Inc	city band radio antenna ends	701-43180-2170	23.00
09/30/2022	20220782	Huber Supply Co Inc	wedding gases & wire spool	701-43180-2170	346.50
09/30/2022	20220783	IFACS	genral shop supplies	701-43180-2170	77.16
09/30/2022	158510	John Deere Financial	returned tire credit	701-43180-2170	114.41
Total 701431802170:					332.25
09/30/2022	158492	Ag Partners Coop	Oil	701-43180-2210	1,852.25
09/30/2022	20220774	Christensen Tire Service	Tire Repair	701-43180-2210	47.10
09/30/2022	158501	Deml Ford Lincoln Mercury Inc	Rotor Assmby	701-43180-2210	269.00

Check Issue Date	Check Number	Payee	Description	Invoice GL Account	Check Amount
09/30/2022	158510	John Deere Financial	invoice should be for 1 tire	701-43180-2210	228.82
09/30/2022	158510	John Deere Financial	Wheel	701-43180-2210	204.18
09/30/2022	158510	John Deere Financial	Filters	701-43180-2210	149.76
09/30/2022	158511	John's Service Garage	dismount from bad rim , mount on new rim , 1 old tire dis	701-43180-2210	61.16
09/30/2022	20220791	MTI Distributing Inc.	toro filter inventory	701-43180-2210	110.84
09/30/2022	20220793	OceanQuip Connectors LLC	camera to cable pigtail adaptors	701-43180-2210	351.36
09/30/2022	20220793	OceanQuip Connectors LLC	sewer camera parts	701-43180-2210	60.17
09/30/2022	20220798	Trenchers Plus Inc.	small vac waterpump clutch	701-43180-2210	510.64
Total 701431802210:					3,845.28
Total Central Garage Services:					4,177.53
Equipment Replacement Fund					
09/30/2022	20220788	L & L Street Rod & Sports Truck LLC	new squad expense	705-49920-5400	3,366.10
Total 705499205400:					3,366.10
Total Equipment Replacement Fund:					3,366.10
Grand Totals:					707,097.64

Report Criteria:

Report type: GL detail

[Report].Amount = {<>} 0

Title:	Approve Residential Tax Abatement for 1008 11 th Street SE (PID 017.535.0600)		
Meeting Date:	October 4, 2022	Agenda Item Number:	6B
Action:	<input type="checkbox"/> MOTION <input type="checkbox"/> REQUESTS/PRESENTATIONS <input checked="" type="checkbox"/> RESOLUTION <input type="checkbox"/> ORDINANCE <input type="checkbox"/> DISCUSSION	Supporting Documents:	<ul style="list-style-type: none"> Residential Tax Abatement Agreement Resolution 22-44
Originating Department:	Economic Development	Presented By:	City Manager
Approved By City Manager: <input type="checkbox"/>	Proposed Action: Approve Resolution 22-44, granting residential tax abatement for 1008 11 th Street SE and approval for signature to Residential Tax Abatement Agreement		
How does this item pertain to Vision 2030 goals?	Leveraging Economic Development Opportunities and Developing High Quality Community Assets		

BACKGROUND: City Council has already authorized this parcel as eligible for tax abatement through Resolution 17-40.

BUDGET IMPACT: The residential tax abatement requested is 50% of city ad valorem taxes for a period of 10 years. The total abatement amount for any single qualifying parcel is not to exceed \$20,458.85 in total abatements during the duration of the agreement with annual abatements not to exceed \$2,045.85. The abatement will apply to the City's share of ad valorem property taxes on the qualifying parcels derived from the value of the residential structure for which the City issues a building permit and paid by the record owners of such qualifying parcels.

ALTERNATIVES CONSIDERED: None. City Council has already deemed this lot as eligible and approved for the Residential Tax Abatement program by Resolution 17-40

RECOMMENDATION: Staff recommends approval of Resolution 22-44 and Residential Tax Abatement Agreement for 1008 11th Street SE

(Do not write in the space above. Reserved for recording/transfer data)

RESIDENTIAL TAX ABATEMENT AGREEMENT

BY AND BETWEEN

CITY OF WASECA, MINNESOTA AND

AND

MELODY ULRICH

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RESIDENTIAL TAX ABATEMENT AGREEMENT

THIS AGREEMENT, made as of the 4th day of October, 2022, by and among the City of Waseca, Minnesota, a Minnesota municipal corporation (the "City") and Melody Ulrich, a married woman (the "Developer"),

WITNESSETH:

WHEREAS, following notice and a public hearing, the Waseca City Council adopted Resolution No. 16-56 on December 20, 2016 (the "City Abatement Resolution"), and thereby approved a program (the "City Abatement Program") to encourage residential development on vacant residential lots in the City by providing abatement of the City's share of ad valorem property taxes on qualifying parcels derived from the value of the residential structure for which the City issues a building permit and paid by the record owner(s) of such qualifying parcels in accordance with the referenced City Abatement Resolution, State law and the terms of the City's Residential Tax Abatement Policy (attached to the City Abatement Resolution as Appendix A); and

WHEREAS, Developer has been approved for a building permit for a single-family residential structure located at 1008 11 Avenue SE in the City, Parcel No. 017.535.0600 (the "Property"), and the City has determined that the Property has qualified for tax abatement pursuant to the City's Residential Tax Abatement Policy; and

WHEREAS, the City has approved abatement of the increased portion of the City's share of ad valorem property taxes on the Property derived from the value of the residential development of the Property for a period not to exceed TEN (10) years, specifically with respect to the payable 2024 through 2033 property taxes, in a total amount not to exceed \$20,458.85; and

WHEREAS, the City believes that the development of the Property and fulfillment of this Agreement are in the best interests of the City, will contribute to the growth and modernization the housing options in the City, and increase the tax base in the City, and are in accordance with the public purpose and provisions of the applicable state and local laws and requirements under which the Property will be developed and is being assisted; and

WHEREAS, the requirements of the Business Subsidy Law, Minnesota Statutes, Section 116J.993 through 116J.995, do not apply to this Agreement; and

WHEREAS, the City believes that the Project will meet the conditions of the Tax Abatement Act and Tax Abatement Program in that: (a) the City expects the benefits to the City from this Agreement to equal or exceed the costs to the City of this Agreement; and (b) the City finds that granting the Tax Abatement is in the public interest because it will increase or preserve the City's tax base, provide employment opportunities in the City, and increase the housing opportunities available in the City; and

WHEREAS, the Developer and the City desire to enter into this Agreement in satisfaction of applicable requirements of the City, and to set out the undertakings and obligations of each party from this point forward with respect to the development of the Property.

NOW, THEREFORE, in consideration of the premises and the mutual obligations of the parties hereto, each of them does hereby covenant and agree with the other as follows:

ARTICLE I

DEFINITIONS

Section 1.1 Definitions. All capitalized terms used and not otherwise defined herein shall have the following meanings unless a different meaning clearly appears from the context:

Abatement Program means the program to encourage residential development on vacant residential lots in the City by providing the City Tax Abatements in accordance with the referenced City Abatement Resolution, State law and the terms of the City's Residential Tax Abatement Policy;

Abatement Resolution means Resolution No. 16-56 on December 20, 2016, together with the Residential Tax Abatement Policy attached thereto as Appendix A;

Agreement means this Agreement, as the same may be from time to time modified, amended or supplemented;

Business Day means any day except a Saturday, Sunday or a legal holiday or a day on which banking institutions in the City are authorized by law or executive order to close;

City means the City of Waseca, Minnesota;

Code means the City's Code of Ordinances;

Developer means Melody Ulrich, a married woman, and their heirs, successors and assigns;

Event of Default means any of the events described in Section 4.1;

Project means the construction of a single-family residential structure by the Developer on the Property;

Project Improvements means each and all of the improvements to be performed and/or constructed on the Property as part of the Project, pursuant to the Project Plans reviewed and approved by the City and for which the City issues a building permit. The timing of Developer's construction of the Project is described in more detail in remaining portions of this Agreement. All Project Improvements shall be completed to City specifications as provided in the Project Plans, this Agreement, and the Code;

Project Plans means all submissions required by the City Ordinances, or this Agreement with respect to the Project and all plans, drawings, plats and related documents for the construction of the Project, approved by the City and Developer, irrespective of whether the Developer's and/or the City's final approval of any such documents occurs before or after the execution and delivery of this Agreement;

Property means the real property legally described on Exhibit A, attached hereto;

State means the State of Minnesota;

Tax Abatement Act means Minnesota Statutes, Sections 469.1812 through 469.1815;

Tax Abatement Program means the Residential Tax Abatement Policy approved in the Abatement Resolutions, pursuant to Minnesota Statutes, Section 469.1812 through 469.1815, as amended; and

Tax Abatements means the City's reimbursement to the Developer of the City's share of ad valorem property taxes on the Property derived from the value of the residential development of the Property and paid by the Developer for a period not to exceed [ten] years, specifically with respect to the payable [2024] through [2033] property taxes, in a total amount not to exceed \$[20,458.85], pursuant to the specific provisions of Section 3.8;

ARTICLE II

REPRESENTATIONS AND WARRANTIES

Section 2.1 Representations and Warranties of the City. The City makes the following representations and warranties:

(1) The City is a municipal corporation organized under the laws of the State and has the power to enter into this Agreement and carry out its obligations hereunder.

(2) The City Abatement Program was created, adopted and approved in accordance with the terms of the Tax Abatement Act.

(3) The City has made the findings required by the Tax Abatement Act for the Tax Abatement Program.

(4) This Agreement has been duly approved by the City Council of the City and the execution and delivery of this Agreement has been authorized by such City Council.

Section 2.2 Representations and Warranties of the Developer. The Developer makes the following representations and warranties:

(1) The Developer is a married woman, resident of the State of Minnesota and has the power to enter into the Agreement and to perform its obligations hereunder and is not in violation of any local, state or federal laws.

(2) The Developer will cause the Project to be constructed in accordance with the terms of the Agreement, the Project Plans, and all local, state, and federal laws and regulations (including, but not limited to, environmental, zoning, energy conservation, building code and public health laws and regulations, City Policy and Code).

(3) The Developer will obtain or cause to be obtained, in a timely manner, all required permits, licenses and approvals, and will meet, in a timely manner, all requirements of all applicable local, state, and federal laws and regulations which must be obtained or met before the Project may be lawfully constructed. Without in any way limiting the foregoing, the

Developer will request and seek to obtain from the City, if necessary, such approvals, variances, conditional use permits, zoning changes and other required City approvals as may be applicable.

(4) The Project will, as of the date it is completed and subject to the issuance of City approvals as herein contemplated, contain only uses permitted under the Code.

(5) The Project would not be undertaken by the Developer, and in the opinion of the Developer would not be economically feasible within the reasonably foreseeable future, without the assistance and benefit to the Developer provided for in this Agreement.

(6) Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement is prevented, limited by or conflicts with or results in a breach of, the terms, conditions or provision of any contractual restriction, evidence of indebtedness, agreement or instrument of whatever nature to which the Developer is now a party or by which it is bound, or constitutes a default under any of the foregoing.

(7) The Developer will cooperate fully with the City with respect to any litigation commenced with respect to the project, but only to the extent that the City and the Developer are not adverse parties to the litigation.

(8) The Developer will cooperate fully with the City in resolution of any traffic, drainage, utility, parking, trash removal or public safety problems which may arise in connection with the construction and operation of the Project.

ARTICLE III

UNDERTAKINGS BY DEVELOPER AND CITY

Section 3.1 Construction of Project and Reimbursement of Cost.

(1) The costs of the construction of the Project shall be paid by the Developer. The Developer will construct the Project in a good and workmanlike manner in accordance with the Project Plans and at all times prior to the termination of this Agreement will operate and maintain, preserve and keep the Project or cause the Project to be maintained, preserved and kept with the appurtenances and every part and parcel thereof, in good repair and condition.

(2) Upon completion of the Project, the City shall partially reimburse the Developer for the costs of the Project pursuant to the Abatement Program as provided in Section 3.8.

Section 3.2 Limitations on Undertaking of the City. Notwithstanding the provisions of Sections 3.1, the City shall have no obligation to reimburse the Developer for the costs of the Project, if the City, at the time or times such payment is to be made, is entitled under Section 4.2 to exercise any of the remedies set forth therein as a result of an Event of Default which has not cured.

Section 3.3 Commencement and Completion of Construction.

The Developer shall complete the Project within twelve months of the issuance of the building permit for the Project. All Project Improvements to be constructed or provided by the

Developer shall be in conformity with the Project Plans as submitted by the Developer and approved by the City.

Nothing in this Agreement shall be deemed to impair or limit any of the City's rights or responsibilities under its zoning laws or construction permit processes.

Section 3.4 Damage and Destruction. In the event of damage or destruction of the Project the Developer shall repair or rebuild the Project.

Section 3.5 No Change in Use of Project. The City's obligations pursuant to this Agreement shall be subject to the continued operation of the Project by the Developer.

Section 3.6 Prohibition Against Transfer of Project and Assignment of Agreement. The Developer represents and agrees that prior to the termination date of this Agreement the Developer shall not transfer the Project or any part thereof or any interest therein, without the prior written approval of the City. The City shall be entitled to require as conditions to any such approval that;

(1) Any proposed transferee shall have the qualifications and financial responsibility, in the reasonable judgment of the City, necessary and adequate to fulfill the obligations undertaken in this Agreement by the Developer.

(2) Any proposed transferee, by instrument in writing satisfactory to the City shall, for itself and its successors and assigns, and expressly for the benefit of the City, have expressly assumed all of the obligations of the Developer under this Agreement and agreed to be subject to all the conditions and restrictions to which the Developer is subject.

(3) There shall be submitted to the City for review and prior written approval all instruments and other legal documents involved in effecting the transfer of any interest in this Agreement or the Project.

Section 3.7 Real Property Taxes. The Developer acknowledges that it is obligated under law to pay all real property taxes and special assessments payable with respect to all parts of the Property acquired and owned by it which are payable pursuant to this Agreement, State law and any other statutory or contractual duty that shall accrue subsequent to the date of its acquisition of title to the Property (or part thereof) and until title to the property is vested in another person. The Developer agrees that for tax assessments so long as this Agreement remains in effect:

(1) It will not seek administrative review or judicial review of the applicability of any tax statute relating to the ad valorem property taxation of real property contained on the Property determined by any tax official to be applicable to the Project or the Developer or raise the inapplicability of any such tax statute as a defense in any proceedings with respect to the Property, including delinquent tax proceedings; provided, however, "tax statute" does not include any local ordinance or resolution levying a tax;

(2) It will not seek administrative review or judicial review of the constitutionality of any tax statute relating to the taxation of real property contained on the Property determined by any tax official to be applicable to the Project or the Developer or raise the unconstitutionality of any such tax statute as a defense in any proceeding, including delinquent tax proceeding with respect to the Property; provided, however, "tax statute" does not include any local ordinance or resolution levying a tax;

(3) It will not seek any tax deferral or abatement, either presently or prospectively authorized under Minnesota Statutes, Section 469.181, or any other State or federal law, of the ad valorem property taxation of the Property so long as this Agreement remains in effect.

Section 3.8 Tax Abatements.

(1) The Tax Abatements paid to the Developer shall be in accordance with and subject to the terms and conditions contained in the Abatement Resolution and the Tax Abatement Act.

(2) The Tax Abatement shall be for a duration not to exceed Ten (10) years and shall apply to the City's share of ad valorem property taxes on the Property derived from the value of the residential development of the Property and paid by the Developer, beginning with taxes payable in 2024 and continuing through taxes payable in 2033, in the lesser amount annually of \$2,045.89 or Fifty (50) percent of the City's share of ad valorem property taxes on the Property derived from the value of the residential development of the Property for that year.

(3) On or before January 1 and July 1 each year commencing July 1, 2024, and including January 1, 2033, the Developer shall invoice the City in the amount of the City's portion of ad valorem property taxes on the Property paid by Developer in the previous six-month period to which the Developer is entitled to reimbursement under this Section. On or before February 1 and August 1 each year commencing August 1, 2024, and including February 1, 2034 the City shall pay the Developer the amount of the Tax Abatements received by the City in the previous six-month period.

(4) In order to be entitled to the City Tax Abatements provided for in this Agreement, the Developer shall not be in default within the City of any of its payment obligations respecting any taxes, assessments, utility charges or other governmental impositions. Notwithstanding the other provisions of this Article, the City shall not have any obligation to the Developer with respect to the Abatement of taxes hereunder if the City, at the time or times such obligation is required, is entitled to exercise any of the remedies set forth in this Agreement as a result of an Event of Default, which has not been cured.

ARTICLE IV

EVENTS OF DEFAULT

Section 4.1 Events of Default Defined. The following shall be "Events of Default" under this Agreement and the term "Event of Default" shall mean whenever it is used in this Agreement any one or more of the following events:

(1) Failure by the Developer to timely pay when due the payments required to be paid or secured under any provision of this Agreement or which are otherwise required, including the payment of any ad valorem real property taxes, special assessments, utility charges or other governmental impositions with respect to the Property, the Project or any portion thereof.

(2) Failure by the Developer to cause the construction of the Project to be completed pursuant to the terms, conditions and limitations of this Agreement.

(3) Failure by the Developer to observe or perform any other covenant, condition, obligation or agreement on its part to be observed or performed under the Agreement.

(4) If Developer admits in writing of its inability to pay its debts generally as they become due, or shall file or be involuntarily named as a debtor in a petition in bankruptcy, or shall make an assignment for the benefit of creditors, or shall consent to the appointment of a receiver of itself or of the whole or any substantial part of the Property.

(5) If the Developer, on a petition in bankruptcy filed against it, be adjudicated bankrupt, or a court of competent jurisdiction shall enter an order or decree appointing, without the consent of the Developer, a receiver of the Developer or of the whole or substantially all of its property, or approve a petition filed against the Developer seeking reorganization or rearrangement of the Developer under the federal bankruptcy laws, and such adjudication, order or decree shall not be vacated or set aside or stayed within sixty (60) days from the date of entry thereof.

(6) If the Developer is in default under any mortgage and has not entered into a workout agreement with the Mortgagee within sixty (60) days after such default

Section 4.2 Remedies on Default. Whenever any Event of Default referred to in Section 4.1 occurs and is continuing, the City, as specified below, in addition to any other remedies or rights given the City under this Agreement, after the giving of thirty (30) days' written notice to the Developer citing with specificity the item or items of default and notifying the Developer that it has thirty (30) days within which to cure said Event of Default, may take any one or more of the following actions:

(1) The City may suspend its performance under this Agreement, including the payment of any Tax Abatement, until it receives assurances from the Developer, deemed adequate by the City, that the Developer will cure its default and continue its performance under this Agreement.

(2) The City may cancel and rescind the Agreement and reassess any ad valorem property taxes previously abated in proportion to the Developer's failure to construct or install the Project Improvements against the Developer in the manner of a special assessment.

(3) The City may take any action, including legal or administrative action, in law or equity, which may appear necessary or desirable to collect any payments due under this Agreement, or to enforce performance and observance of any obligation, agreement, or covenant of the Developer under this Agreement; provided that any exercise by the City of its rights or remedies hereunder shall always be subject to and limited by, and shall not defeat, render invalid or limit in any way the lien of any mortgage authorized by this Agreement; and provided further that should any Mortgagee succeed by foreclosure of the mortgage or deed in lieu thereof in respect to the Developer's interest in the Property, the Mortgagee shall, notwithstanding the foregoing, be obligated to perform the obligations of the Developer to complete construction of the Project described and in the manner required hereunder, but only to the extent that the same have not theretofore been performed by the Developer.

(4) The City may withhold any certificate or permit required hereunder.

The notice of an Event of Default required in this Section shall be effective on the date mailed or hand delivered to the Developer.

Section 4.3 No Remedy Exclusive. No remedy herein conferred upon or reserved to the City is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. Except as expressly set forth herein, it shall not be necessary to give notice to exercise a remedy, other than such notice as may be required in this Article.

Section 4.4 No Implied Waiver. In the event any agreement contained in this Agreement should be breached by any party hereto and thereafter waived by another party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other concurrent, previous or subsequent breach hereunder.

Section 4.5 Agreement to Pay Attorneys' Fees and Expenses. Whenever any Event of Default occurs and the City shall employ attorneys or incur other expenses for the collection of payments due or to become due or for the enforcement or performance or observance of any obligation or agreement on the part of the Developer herein contained, the Developer agrees that it shall, on demand therefore, pay to the City the reasonable fees of such attorneys and such other expenses so incurred by the City.

Section 4.6 Release and Indemnification Covenants.

(1) The Developer expressly releases from and covenants and agrees to indemnify and hold the City and its officers, agents, servants, employees and all members of the City Council, its planning commission and other boards or commissions harmless from and against all claims, costs and liability of every kind and nature, for injury or damage received or sustained by any person or entity in connection with, or an account of the Project, the Property, or the performance of work at the development site and elsewhere pursuant to this Agreement, and further releases such officers employees, agents and members from any personal liability in connection with handling funds pursuant to the terms of this Agreement. The indemnification provided hereunder shall not apply to intentional acts or the gross misconduct of the individual or entity so indemnified.

(2) Except for any willful misrepresentation or any willful or wanton misconduct of the following named parties, the Developer agrees to protect and defend the City and its officers, agents, servants and employees and all members of the City Council, its planning commission and other boards or commissions, now or forever, and further agrees to hold the aforesaid harmless from any claim, demand, action or other proceeding whatsoever by any person or entity whatsoever arising or purportedly arising from a breach of the obligations of the Developer under this Agreement, or the transactions contemplated hereby or the acquisition, construction, installation, ownership, maintenance and operation of the Project.

(3) The City and its officers, agents, employees and all members of the City Council, its planning commission and other boards or commissions shall not be liable for any damages or injury to the persons or property of the Developer or its officers, agents, servants or employees or any other person who may be about the Project due to any act of negligence of any person.

(4) All covenants, stipulations, promises, agreements and obligations of the City contained herein shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the City and not of any officer, agent, servant, employee or any members of the City Council, its planning commission and other boards or commissions of the City in the individual capacity thereof.

(5) The Developer is not an agent of the City and this Agreement shall not be construed as creating a joint venture, partnership or other joint arrangement between the Developer and the City relating to the Project.

ARTICLE V

ADDITIONAL PROVISIONS

Section 5.1 Conflicts of Interest/No Personal Liability. No member of the governing body of the City shall have any personal interest, direct or indirect, in this Agreement, nor shall any such member or any other official or employee of the City participate in any decision relating to the Agreement which affects his or her personal interests or the interests of any corporation, partnership or association in which he or she is directly or indirectly interested. No member, official or employee of the City shall be personally liable to the Developer in the event of any default or breach by the City or for any amount that may become due to the Developer for any obligations under the terms of this Agreement.

Section 5.2. Non-Discrimination. Developer shall not violate any law applicable to it with respect to civil rights and non-discrimination including, without limitation, Minnesota Statutes, Section 181.59.

Section 5.3. No Merger. None of the provisions of this Agreement are intended to be or shall be merged by reason of any deed transferring any interest in any part of the Property and any such deed shall not be deemed to affect or impair the provisions of this Agreement.

Section 5.4. Cleanup. The Developer shall promptly clear or cause to be cleared from the Property and any public streets or property, any soil, earth or debris or unnecessary personal property or equipment resulting from construction work by the Developer or its agents or assigns. If Developer fails to do so within two (2) business days of receipt of telephone or personally delivered personal notice from the City, the City shall be entitled to undertake such corrective action as it deems necessary and to charge the Developer for the cost of such corrective action. This remedy is in addition to any other remedy available to the City hereunder. Developer's failure to pay such charges when billed by the City shall be an additional Event of Default under this Agreement.

Section 5.5. Responsibility for Costs. Developer shall be responsible for the following costs incurred with respect to this Agreement, which costs shall be paid as set forth below:

(1) The Developer shall reimburse the City for reasonable, administrative, and out-of-pocket costs, expenses and disbursements incurred in the enforcement of this Agreement, including engineering and attorney's fees.

(2) The Developer shall pay in full all bills submitted to it by the City within thirty (30) days after receipt. If the bills are not paid on time, the City may without further notice to Developer exercise any one or more of the remedies provided to the City by Article 5 hereunder.

Section 5.6 Notices and Demands. Except as otherwise expressly provided in this Agreement, a notice, demand or other communication under this Agreement by any party to any other shall be sufficiently given or delivered if it is dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered personally, and

(1) in the case of the Developer is addressed to or delivered personally to:

Mrs. Melody Ulrich
1008 11TH Avenue
Waseca, MN 56093

(2) in the case of the City is addressed to or delivered personally to:

City Manager
City of Waseca
508 South State Street
Waseca, MN 56093

or at such other address with respect to any such party as that party may, from time to time, designate in writing and forward to the other, as provided in this Section.

Section 5.7 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall constitute one and the same instrument.

Section 5.8 Duration. This Agreement shall remain in effect through February 1, 2034 (same date as last reimbursement payment in § 3.8(3)), unless earlier terminated or rescinded in accordance with its terms.

Section 5.9 Provisions Surviving Rescission or Expiration. Sections 4.5 and 4.6 shall survive any rescission, termination, or expiration of this Agreement with respect to or arising out of any event, occurrence or circumstance existing prior to the date thereof.

Section 5.10 Records—Availability and Retention. Pursuant to Minn. Stat. § 16C.05, subd. 5, the Developer agrees that the City, the State Auditor, or any of their duly authorized representatives at any time during normal business hours and as often as they may reasonably deem necessary, shall have access to and the right to examine, audit, excerpt, and transcribe any books, documents, papers, records, etc., which are pertinent to the accounting practices and procedures of the Developer and involve transactions relating to this Agreement. The Developer agrees to maintain these records for a period of six years from the date of termination of this Agreement.

Section 5.11 Data Practices. The parties acknowledge that this Agreement is subject to the requirements of Minnesota's Government Data Practices Act, Minnesota Statutes, Section 13.1 *et seq.*

Section 5.12. Rules of Interpretation.

(1) Governing Law. This Agreement shall be interpreted in accordance with and governed by the laws of the State of Minnesota,

(2) Includes Entire Agreement. The words "herein" and "hereof" and words of similar import, without reference to any particular section or subdivision refer to this Agreement as a whole rather than any particular section or subdivision hereof.

(3) Original Sections. References herein to any particular article, section or paragraph hereof are to the section or subdivision of this Agreement as originally executed.

(4) Headings. Any headings, captions, or titles of the several parts, articles, sections, and paragraphs of this Agreement are inserted for convenience and reference only and shall be disregarded in construing or interpreting any of its provision.

(5) Conflict Between Agreements. In the event of any conflict between the terms, conditions and provisions of this Agreement and the terms, conditions and provisions of any other instrument, the terms, conditions and provisions of this Agreement shall control and take precedence.

(6) Entire Agreement. This Agreement including any Schedules and Exhibits hereto contain the entire agreement of the parties relating to the subject matter herein, and no other prior or contemporary agreements, oral or written, shall be binding upon the parties hereto.

(7) Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns as provided and as conditioned in this Agreement.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the City has caused this Agreement to be duly executed in its name and on its behalf, and the Developer has caused this Agreement to be duly executed in its name and on its behalf, on or as of the date first above written.

Melody Ulrich

STATE OF MINNESOTA)
) ss.
COUNTY OF WASECA)

The foregoing instrument was acknowledged before me this ____ day of October, 20____, by Melody Ulrich, Developer.

Notary Public

CITY OF WASECA, MINNESOTA

By _____
Its Mayor

By _____
Its City Manager

STATE OF MINNESOTA)
) ss.
COUNTY OF WASECA)

The foregoing instrument was acknowledged before me this _____ day of _____, 20____, by Roy Srp, as Mayor, and Lee Mattson, as City Manager, for the City of Waseca, Minnesota.

Notary Public

This Instrument was Drafted By:

Flaherty & Hood, P.A.
525 Park Street, Suite 470
St. Paul, MN 55103
(651) 225-8840

Exhibit A
Legal Description of Property

Parcel # 017.535.0600

Lot 2, Block 8
Pondview of Waseca
City of Waseca, MN

RESOLUTION NO. 22-44

**A RESOLUTION OF CITY OF WASECA, MINNESOTA
APPROVING A RESIDENTIAL PROPERTY TAX ABATEMENT PROGRAM**

WHEREAS, the City Council of the City of Waseca ("City Council") has approved a Tax Abatement Housing Program to encourage housing development within the City and has asked Waseca County to approve a tax abatement to augment the City program; and

WHEREAS, the City of Waseca desires to encourage, promote and facilitate residential development on vacant residential lots located within the City of Waseca ("City"), and has adopted a Residential Tax Abatement, a true and correct copy is on file at the offices of the City Manager, pursuant to which the City intends to offer abatement of City-imposed property taxes on qualifying residential properties in the City for which building permits for single family residential structures are applied for and issued by the City on or before December 31, 2022; and

WHEREAS, the parcels of real property for which abatements of City of Waseca-imposed property taxes are conditionally approved herein are identified and legally described in Resolution 17-40, Appendix A (the "eligible parcels"), and generally consist of every current vacant, unimproved parcel of property in a residential zoning district in the City of Waseca that are served by municipal infrastructure including central water and sanitary sewer service; and

WHEREAS, the City will use tax abatement for the purposes provided for in the Abatement Law and the City's approved Tax Abatement to match the proposed term of the abatements for each eligible property that satisfies the conditions for abatement established herein ("the qualifying parcels described in Resolution 17-40, Appendix A"); and

WHEREAS, the City proposes to use tax abatement for the purposes provided for in the Abatement Law and the Abatement Policy (and hereinafter defined). The proposed term of the abatements for each eligible property that satisfies the conditions for abatement established herein ("the qualifying parcels") will be for a term not to exceed ten years, with the City abating 50 percent of the portion of the City's share of ad valorem property taxes on the qualifying parcel derived from the value of the residential structure for which the City issues a building permit and paid by the property owner. The total abatement amount for any single qualifying parcel is not to exceed \$20,458.85, for a maximum total abatement of City-imposed property taxes not to exceed \$2,045.85. The abatements will apply to the City's share of ad valorem property taxes on the qualifying parcels derived from the value of the residential structure for which the City issues a building permit and paid by the record owners of such qualifying parcels (the "abatements"); and

WHEREAS, on December 20, 2016, the Council held a public hearing on the question of the abatements, with proper notice being duly given and published in advance; and

WHEREAS, the Abatements are authorized under Minnesota Statutes, Section 469.1812 through 469.1815 (the "Abatement Law").

NOW, THEREFORE, BE IT RESOLVED that the City Council approve the Tax Abatement Applications substantially in form as presented, submitted by Melody Ulrich (1008 11th St SE) Parcel ID #17.535.0600

Adopted this ____ day of October 2022.

R.D. SRP
MAYOR

ATTEST:

LEE MATTSON
CITY MANAGER

6C

CONTRACT CONSTRUCTION PAYMENT REQUEST

DATE: 09/29/2022

TO: Mayor & City Council
Lee Mattson, City Manager

PROJECT NAME: Clear Lake Park Improvements

CITY PROJECT NO. 2121

PAYMENT REQUEST : # 5

PAYMENT PERIOD : 09/01/2022-09/30/2022

CONTRACTOR: Met-Con Construction Inc

PAYMENT AMOUNT: \$108,320.90

Approved By:

Department Head

Date

Director of Finance

Date

City Manager

Date



Transmittal

Stantec Architecture Inc.
733 Marquette Avenue Suite 1000, Minneapolis MN 55402-2309
Phone: (612) 712-2000

To:	Carl Sonnenberg	From:	Bruce Paulson
Company:	City of Waseca	<input type="checkbox"/>	For Your Information
Address:	508 South State Street Waseca, MN 56093	<input checked="" type="checkbox"/>	For Your Approval
Phone:	(507) 521-1540	<input checked="" type="checkbox"/>	For Your Review
		<input type="checkbox"/>	As Requested
Date:	August 23, 2022		
File:	193805326		
Delivery:	Email		

Reference: Clear Lake Park Improvements Application and Certificate for Payment

Attachment:

Copies	Doc Date	Pages	Description
1	9/26/2022	4	Application and Certificate for Payment No. 5

Hi Carl,

Please have the attached copy signed and then it can be scanned and emailed to Parker Beaupre at parker.beaupre@met-con.com and to me. Please let me know if you need paper copies and I will get them to you. Thank you.

Respectfully yours,

Stantec Architecture Inc.

Bruce P. Paulson
Senior Project Manager/Architect
Phone: (612) 712-2108
Cell: (651) 492-9089
Bruce.Paulson@stantec.com

c. File

Design with community in mind

pb v:\1938\active\193805326\communications\correspondence\sonnenberg_bpp^payapp5 trn_20220926.docx



Project: Clear Lake Park Improvements	Date: September 26, 2022
For Period: 9/1/2022 to 9/30/2022	Request No 5
Contractor: Met-Con Construction, Inc., 15760 Acorn Trail, Faribault, MN 55021	

CONTRACTOR'S REQUEST FOR PAYMENT
CLEAR LAKE PARK IMPROVEMENTS
CITY PROJECT NO. 21-21
WASECA, MINNESOTA
STANTEC FILE NO. 193805326

SUMMARY

1	Original Contract Amount		\$ 740,580.00
2	Change Order - Addition	\$ 12,508.30	
3	Change Order - Deduction	\$ 0.00	
4	Revised Contract Amount		\$ 753,088.30
5	Value Completed to Date		\$ 579,731.30
6	Material on Hand		\$ 0.00
7	Amount Earned		\$ 579,731.30
8	Less Retainage 5%		\$ 28,986.57
9	Subtotal		\$ 550,744.74
10	Less Amount Paid Previously		\$ 442,423.83
11	Liquidated damages -		\$ 0.00
12	AMOUNT DUE THIS REQUEST FOR PAYMENT NO. 5		\$ 108,320.90

Recommended for Approval by:
STANTEC ARCHITECTURE INC.

See attached for signature

Approved by Contractor:
MET-CON CONSTRUCTION, INC.

See attached for signature

Approved by Owner:
CITY OF WASECA

Specified Contract Completion Date:
November 11, 2022

Date:



AIA Document G702™ - 1992

Application and Certificate for Payment

TO OWNER:	PROJECT:	APPLICATION NO:	Distribution to:
City of Waseca 508 South State Street Waseca, MN 56093	Clear Lake Park Improvements 1000 8th Ave NE Waseca, MN 56093	4311000005	OWNER <input type="checkbox"/>
FROM CONTRACTOR:	VIA ARCHITECT:	CONTRACT FOR:	ARCHITECT <input checked="" type="checkbox"/>
Met-Con Construction, Inc. 15760 Acorn Trail Faribault, MN 55021	Stantec Architecture Inc. 733 Marquette Ave S, Ste 1000 Minneapolis, MN 55402	9/30/2022	CONTRACTOR <input checked="" type="checkbox"/>
		CONTRACT DATE:	FIELD <input type="checkbox"/>
		PROJECT NOS:	OTHER <input type="checkbox"/>
		43110	

CONTRACTOR'S APPLICATION FOR PAYMENT

Application is made for payment, as shown below, in connection with the Contract.
AIA Document G703™, Continuation Sheet, is attached.

1. ORIGINAL CONTRACT SUM	\$ 740,586.00
2. NET CHANGE BY CHANGE ORDERS	\$ 12,508.30
3. CONTRACT SUM TO DATE (Line 1 + 2)	\$ 753,088.30
4. TOTAL COMPLETED & STORED TO DATE (Column G on G703)	\$ 579,731.30

5. RETAINAGE:

a. 30% of Completed Work (Columns D + E on G703)	\$ 28,986.57
b. % of Stored Material (Column F on G703)	\$

Total Retainage (Lines 5a + 5b, or Total in Column I of G703) \$ 28,986.57

6. TOTAL EARNED LESS RETAINAGE \$ 550,744.73
(Line 4 minus Line 5 Total)

7. LESS PREVIOUS CERTIFICATES FOR PAYMENT \$ 442,425.83
(Line 6 from prior Certificate)

8. CURRENT PAYMENT DUE \$ 108,320.90

9. BALANCE TO FINISH, INCLUDING RETAINAGE \$ 202,343.57
(Line 3 minus Line 6)

CHANGE ORDER SUMMARY	ADDITIONS	DEDUCTIONS
Total changes approved in previous months by Owner	\$ 94,158.60	\$ (81,650.30)
Total approved this month	\$	\$
TOTAL	\$ 94,158.60	\$ (81,650.30)
NET CHANGES by Change Order	\$ 12,508.30	

CAUTION: You should sign an original AIA Contract Document, on which this text appears in RED. An original assures that changes will not be obscured.

AIA Document G702™ - 1992. Copyright © 1953, 1963, 1965, 1971, 1978, 1983 and 1992 by The American Institute of Architects. All rights reserved. WARNING: This AIA Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. Purchasers are permitted to reproduce ten (10) copies of this document when completed. To report copyright violations of AIA Contract Documents, e-mail The American Institute of Architects' legal counsel, copyright@aia.org.

The undersigned Contractor certifies that to the best of the Contractor's knowledge, information and belief the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor for Work for which previous Certificates for Payment were issued and payments received from the Owner, and that current payment shown herein is now due.

CONTRACTOR: Met-Con Construction, Inc.

By: Gregory McCann Date: 9/23/22

State of: MN

County of: Rice

Subscribed and sworn to before me this 23 day of September, 2022

Notary Public: Debra Lynne Quandt

My commission expires: 1/31/23



My Commission Expires Jan. 31, 2023

ARCHITECT'S CERTIFICATE FOR PAYMENT

In accordance with the Contract Documents, based on on-site observations and the data comprising this application, the Architect certifies to the Owner that to the best of the Architect's knowledge, information and belief the Work has progressed as indicated, the quality of the Work is in accordance with the Contract Documents, and the Contractor is entitled to payment of the AMOUNT CERTIFIED.

AMOUNT CERTIFIED \$ 108,320.90
(Attach explanation if amount certified differs from the amount applied. Initial all figures on this Application and on the Continuation Sheet that are changed to conform with the amount certified.)

ARCHITECT:

By: Walter P. Jackson

Date: September 26, 2022

This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Issuance, payment and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.

AIA® Document G703™ - 1992

Continuation Sheet

AIA Document G702™-1992, Application and Certificate for Payment, or G732™-2009, Application and Certificate for Payment, Construction Manager as Adviser Edition, containing Contractor's signed certification is attached.
In tabulations below, amounts are in US dollars.
Use Column I on Contracts where variable retainage for line items may apply.

APPLICATION NO: 4311000005
APPLICATION DATE: 9/23/2022
PERIOD TO: 9/30/2022
ARCHITECT'S PROJECT NO: 43110 H

ITEM NO.	DESCRIPTION OF WORK	C SCHEDULED VALUE	D WORK COMPLETED		F MATERIALS PRESENTLY STORED (Not in D or E)	G TOTAL COMPLETED AND STORED TO DATE (D+E+F)	H % (G ÷ C)	I BALANCE TO FINISH (C - G)	J RETAINAGE (If variable rate)
			FROM PREVIOUS APPLICATION (D ÷ E)	THIS PERIOD					
1	General Conditions	40,200.00	33,200.00	3,500.00		36,700.00	91.29	3,500.00	1,835.00
2	Temp Conditions	24,220.00	19,720.00	2,500.00		22,220.00	91.74	2,000.00	1,111.00
3	Demolitions	68,809.00	40,255.00	23,554.00		63,809.00	92.73	5,000.00	3,190.45
4	Earthwork	54,770.00	25,000.00	20,770.00		45,770.00	83.57	9,000.00	2,288.50
5	Rebar Material	11,237.00	11,237.00			11,237.00	100.00		561.85
6	Concrete	67,600.00	36,000.00			36,000.00	53.25	31,600.00	1,800.00
7	Masonry	97,794.00	82,794.00	7,500.00		90,294.00	92.33	7,500.00	4,514.70
8	Metal Fabrications	12,049.00	10,049.00	2,000.00		12,049.00	100.00		602.45
9	Rough Carpentry	6,013.00	6,013.00			6,013.00	100.00		300.65
10	Insulation	2,086.00		2,086.00		2,086.00	100.00		104.30
11	Asphalt Shingles	18,950.00	18,950.00			18,950.00	100.00		947.50
12	Joint Sealants	6,500.00	2,500.00	3,000.00		5,500.00	84.62	1,000.00	275.00
13	HM Doors & Frames	16,633.00	14,000.00			14,000.00	84.17	2,633.00	700.00
14	Epoxy Floor Coating	15,275.00	7,275.00	4,000.00		11,275.00	73.81	4,000.00	563.75
15	Painting	85,229.00	7,700.00			7,700.00	9.03	77,529.00	385.00
16	Toilet Partitions	22,373.00	22,373.00			22,373.00	100.00		1,118.65
17	Toilet Accessories	9,480.00	9,480.00			9,480.00	100.00		474.00
18	PEMB Roof	68,112.00		43,112.00		43,112.00	63.30	25,000.00	2,155.60
19	HVAC/Plumbing	98,650.00	94,650.00	2,000.00		96,650.00	97.97	2,000.00	4,832.50
20	Electrical	14,600.00	12,005.00			12,005.00	82.23	2,595.00	600.25
30000	Change Order #001	9,253.90	9,253.90			9,253.90	100.00		462.70
30001	Change Order #002	3,254.40	3,254.40			3,254.40	100.00		162.72
	GRAND TOTAL								

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AIA Document G702™-1992. Application and Certificate for Payment, or G732™-2009. Application and Certificate for Payment. Construction Manager as Adviser Edition. containing Contractor's signed certification is attached.

In tabulations below, amounts are in US dollars.

Use Column 1 on Contracts where variable retainage for line items may apply.

4S11000005

9/23/2022

9/30/2022

Use Column 1 on Contracts where variable reinsurance for the reinsurer may apply.

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161275-102M

6D

CONTRACT CONSTRUCTION PAYMENT REQUEST

DATE: 09/21/2022

TO: Mayor & City Council
Lee Mattson, City Manager

PROJECT NAME: Sanitary Sewer main & Manhole Rehabilitation Project

CITY PROJECT NO. 2211

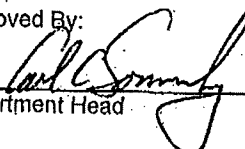
PAYMENT REQUEST: #1-2022

PAYMENT PERIOD: 09/01/2022-09/20/2022

CONTRACTOR: Hydro-Klean LLC

PAYMENT AMOUNT: \$43,038.74

Approved By:



Department Head Date 9.22.22

Director of Finance

Date

City Manager

Date



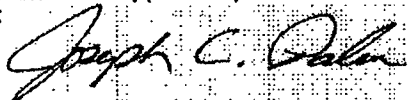
Owner: City of Waseca, 508 State St. S., Waseca, MN 56093	Date: September 20, 2022
For Period: 9/1/2022 to 9/20/2022	Request No: 1
Contractor: Hydro-Klean, LLC, 333 NW 49th Place, Des Moines, IA 50313	

CONTRACTOR'S REQUEST FOR PAYMENT
2022 SANITARY SEWER MAIN AND MANHOLE REHABILITATION PROJECT
STANTEC PROJECT NO. 193805525

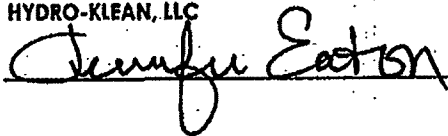
SUMMARY

1	Original Contract Amount		\$ 294,317.06
2	Add 2022 Sanitary Sewer Main & Manhole Rehab Quote Project	\$ 54,702.00	
3	Change Order - Deduction	\$ 49,197.00	
4	Revised Contract Amount		\$ 299,822.06
5	Value Completed to Date		\$ 45,303.93
6	Material on Hand		\$ 0.00
7	Amount Earned		\$ 45,303.93
8	Less Retainage 5%		\$ 2,265.19
9	Subtotal		\$ 43,038.74
10	Less Amount Paid Previously		\$ 0.00
11	Liquidated damages -		\$ 0.00
12	AMOUNT DUE THIS REQUEST FOR PAYMENT NO. 1		\$ 43,038.74

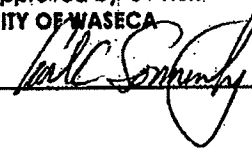
Recommended for Approval by:
STANTEC



Approved by Contractor:
HYDRO-KLEAN, LLC



Approved by Owner:
CITY OF WASECA



Specified Contract Completion Date:
Substantial - 11/25/22, Final - 12/9/22

Date:

No.	Item	Unit	Contract Quantity	Unit Price	Current Quantity	Quantity to Date	Amount to Date
2022 SANITARY SEWER MAIN AND MANHOLE REHABILITATION PROJECT							
PART 1: SANITARY SEWER REHABILITATION							
1	MOBILIZATION	LS	1	4951.85	0.5	0.5	\$2,475.92
2	TRAFFIC CONTROL	LS	1	1100.00	0.5	0.5	\$550.00
3	BYPASS PUMPING	LS	1	2500.00			\$0.00
4	SANITARY SEWER PIPE CLEANING AND TELEVISION	LF	7873	5.37	7873	7873	\$42,278.01
5	8" SEWER REHABILITATION, CIPP	LF	7873	22.40			\$0.00
6	8" PRE-LINER	LF	1000	4.31			\$0.00
7	SERVICE REINSTATEMENT	EA	192	50.00			\$0.00
8	SEWER PIPE JOINT GROUTING	GAL	20	201.25			\$0.00
TOTAL PART 1: SANITARY SEWER REHABILITATION							\$45,303.93
PART 2: 2022 SANITARY SEWER MANHOLE REHABILITATION QUOTE PROJECT							
1	MOBILIZATION	LS	1	5940.00			\$0.00
2	TRAFFIC CONTROL	LS	1	3640.00			\$0.00
3	BYPASS PUMPING	LS	1	1690.00			\$0.00
4	MH REHAB JOINT GROUTING	GAL	100	5.00			\$0.00
5	ABANDON MH 438	LS	1	720.00			\$0.00
6	BENCH AND INVERT REPAIR	SF	50	16.00			\$0.00
7	REHAB SANITARY SEWER MH (GEOKRETE PROTECTIVE COATING SYSTEM)	LF	238	174.00			\$0.00
TOTAL PART 2: 2022 SANITARY SEWER MANHOLE REHABILITATION QUOTE PROJECT							\$0.00
TOTAL PART 1: SANITARY SEWER REHABILITATION							\$45,303.93
TOTAL PART 2: 2022 SANITARY SEWER MANHOLE REHABILITATION QUOTE PROJECT							\$0.00
WORK COMPLETED TO DATE (PART 1 + PART 2):							\$45,303.93

PROJECT PAYMENT STATUS

OWNER CITY OF WASECA
STANTEC PROJECT NO. 193805525
CONTRACTOR HYDRO-KLEAN, LLC

CHANGE ORDERS

No.	Date	Description	Amount
1	6/9/2022	Change Order No. 1 provides for a change in project scope. (Deletes Sanitary Sewer Manhole Rehab work)	(49,197.00)
	6/23/2022	Add Project 2022 Sanitary Sewer Manhole Rehabilitation Quote Project	54,702.00
Total Change Orders			5,505.00

PAYMENT SUMMARY

No.	From	To	Payment	Retainage	Completed
1	09/01/2022	09/20/2022	43,038.74	2,265.19	45,303.93

Material on Hand

Total Payment to Date		\$43,038.74	Original Contract	294,317.06
Retainage Pay No. 1		2,265.19	Change Orders	5,505.00
Total Amount Earned		\$45,303.93	Revised Contract	299,822.06

Title:	Approve extension of Residential Tax Abatement (RTA) program		
Meeting Date:	October 4, 2022	Agenda Item Number:	7A
Action:	<input type="checkbox"/> MOTION <input type="checkbox"/> REQUESTS/PRESENTATIONS <input type="checkbox"/> RESOLUTION <input type="checkbox"/> ORDINANCE <input checked="" type="checkbox"/> DISCUSSION	Supporting Documents:	RTA agreement RTA application RTA Brochure
Originating Department:	Economic Development	Presented By:	City Manager
Approved By City Manager: <input type="checkbox"/>	Proposed Action: To approve an extension of the Residential Tax Abatement program to December 31, 2024 or other date set by city council		
How does this item pertain to Vision 2030 goals?	Leveraging Economic Development Opportunities and Developing High Quality Community Assets		

BACKGROUND: City Council has previously authorized residential tax abatement through Resolution 17-40 which will expire on December 31, 2022.

BUDGET IMPACT: In any given year, the total amount of property taxes conditionally approved for abatement by the City cannot exceed the greater of 10% of the City's current net tax capacity or \$200,000. Individually, the total abatement amount for any single qualifying parcel is not to exceed \$20,458.85 in total abatements during the duration of the agreement with annual abatements not to exceed \$2,045.85.

ALTERNATIVES CONSIDERED: Council can decide to let the tax abatement program expire December 31, 2022, or Council can extend the residential tax abatement program for 2-years or other set determined length of time.

RECOMMENDATION: Council directs staff to start the process of extending the residential tax abatement program.

(Do not write in the space above. Reserved for recording/transfer data)

RESIDENTIAL TAX ABATEMENT AGREEMENT

BY AND BETWEEN

CITY OF WASECA, MINNESOTA AND

AND

[*****]

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RESIDENTIAL TAX ABATEMENT AGREEMENT

THIS AGREEMENT, made as of the ____ day of _____, 2022, by and among the City of Waseca, Minnesota, a Minnesota municipal corporation (the "City") and _____, a [married couple (e.g. individual, corporation, limited liability company, etc.)] (the "Developer"),

WITNESSETH:

WHEREAS, following notice and a public hearing, the Waseca City Council adopted Resolution No. 16-56 on December 20, 2016 (the "City Abatement Resolution"), and thereby approved a program (the "City Abatement Program") to encourage residential development on vacant residential lots in the City by providing abatement of the City's share of ad valorem property taxes on qualifying parcels derived from the value of the residential structure for which the City issues a building permit and paid by the record owner(s) of such qualifying parcels in accordance with the referenced City Abatement Resolution, State law and the terms of the City's Residential Tax Abatement Policy (attached to the City Abatement Resolution as Appendix A); and

WHEREAS, Developer has been approved for a building permit for a _____ residential structure located at _____ in the City (Parcel No. _____) (the "Property"), and the City has determined that the Property has qualified for tax abatement pursuant to the City's Residential Tax Abatement Policy; and

WHEREAS, the City has approved abatement of the increased portion of the City's share of ad valorem property taxes on the Property derived from the value of the residential development of the Property for a period not to exceed _____ years, specifically with respect to the payable _____ through _____ property taxes, in a total amount not to exceed \$ _____; and

WHEREAS, the City believes that the development of the Property and fulfillment of this Agreement are in the best interests of the City, will contribute to the growth and modernization the housing options in the City, and increase the tax base in the City, and are in accordance with the public purpose and provisions of the applicable state and local laws and requirements under which the Property will be developed and is being assisted; and

WHEREAS, the requirements of the Business Subsidy Law, Minnesota Statutes, Section 116J.993 through 116J.995, do not apply to this Agreement; and

WHEREAS, the City believes that the Project will meet the conditions of the Tax Abatement Act and Tax Abatement Program in that: (a) the City expects the benefits to the City from this Agreement to equal or exceed the costs to the City of this Agreement; and (b) the City finds that granting the Tax Abatement is in the public interest because it will increase or preserve the City's tax base, provide employment opportunities in the City, and increase the housing opportunities available in the City; and

WHEREAS, the Developer and the City desire to enter into this Agreement in satisfaction of applicable requirements of the City, and to set out the undertakings and obligations of each party from this point forward with respect to the development of the Property.

NOW, THEREFORE, in consideration of the premises and the mutual obligations of the parties hereto, each of them does hereby covenant and agree with the other as follows:

ARTICLE I

DEFINITIONS

Section 1.1 Definitions. All capitalized terms used and not otherwise defined herein shall have the following meanings unless a different meaning clearly appears from the context:

Abatement Program means the program to encourage residential development on vacant residential lots in the City by providing the City Tax Abatements in accordance with the referenced City Abatement Resolution, State law and the terms of the City's Residential Tax Abatement Policy;

Abatement Resolution means Resolution No. 16-56 on December 20, 2016, together with the Residential Tax Abatement Policy attached thereto as Appendix A;

Agreement means this Agreement, as the same may be from time to time modified, amended or supplemented;

Business Day means any day except a Saturday, Sunday or a legal holiday or a day on which banking institutions in the City are authorized by law or executive order to close;

City means the City of Waseca, Minnesota;

Code means the City's Code of Ordinances;

Developer means [Todd and Kathy Donahue], and their heirs, successors and assigns;

Event of Default means any of the events described in Section 4.1;

Project means the construction of a is the only answer here single family? residential structure by the Developer on the Property;

Project Improvements means each and all of the improvements to be performed and/or constructed on the Property as part of the Project, pursuant to the Project Plans reviewed and approved by the City and for which the City issues a building permit. The timing of Developer's construction of the Project is described in more detail in remaining portions of this Agreement. All Project Improvements shall be completed to City specifications as provided in the Project Plans, this Agreement, and the Code;

Project Plans means all submissions required by the City Ordinances, or this Agreement with respect to the Project and all plans, drawings, plats and related documents for the construction of the Project, approved by the City and Developer, irrespective of whether the Developer's and/or the City's final approval of any such documents occurs before or after the execution and delivery of this Agreement;

Property means the real property legally described on Exhibit A, attached hereto;

State means the State of Minnesota;

Tax Abatement Act means Minnesota Statutes, Sections 469.1812 through 469.1815;

Tax Abatement Program means the Residential Tax Abatement Policy approved in the Abatement Resolutions, pursuant to Minnesota Statutes, Section 469.1812 through 469.1815, as amended; and

Tax Abatements means the City's reimbursement to the Developer of the City's share of ad valorem property taxes on the Property derived from the value of the residential development of the Property and paid by the Developer for a period not to exceed [ten] years, specifically with respect to the payable [2022] through [2031] property taxes, in a total amount not to exceed \$[20,458.85], pursuant to the specific provisions of Section 3.8;

ARTICLE II

REPRESENTATIONS AND WARRANTIES

Section 2.1 Representations and Warranties of the City. The City makes the following representations and warranties:

(1) The City is a municipal corporation organized under the laws of the State and has the power to enter into this Agreement and carry out its obligations hereunder.

(2) The City Abatement Program was created, adopted and approved in accordance with the terms of the Tax Abatement Act.

(3) The City has made the findings required by the Tax Abatement Act for the Tax Abatement Program.

(4) This Agreement has been duly approved by the City Council of the City and the execution and delivery of this Agreement has been authorized by such City Council.

Section 2.2 Representations and Warranties of the Developer. The Developer makes the following representations and warranties:

(1) The Developer is a [married couple and residents of the State (if an entity: corporation, limited liability company, etc. and in good standing, and validly existing under the laws of the State)] and has the power to enter into the Agreement and to perform its obligations hereunder and is not in violation of [if applicable (include only if a corporate entity): its charter, articles of incorporation, operating agreement or] any local, state or federal laws.

(2) The Developer will cause the Project to be constructed in accordance with the terms of the Agreement, the Project Plans, and all local, state, and federal laws and regulations (including, but not limited to, environmental, zoning, energy conservation, building code and public health laws and regulations, City Policy and Code).

(3) The Developer will obtain or cause to be obtained, in a timely manner, all required permits, licenses and approvals, and will meet, in a timely manner, all requirements of

all applicable local, state, and federal laws and regulations which must be obtained or met before the Project may be lawfully constructed. Without in any way limiting the foregoing, the Developer will request and seek to obtain from the City, if necessary, such approvals, variances, conditional use permits, zoning changes and other required City approvals as may be applicable.

(4) The Project will, as of the date it is completed and subject to the issuance of City approvals as herein contemplated, contain only uses permitted under the Code.

(5) The Project would not be undertaken by the Developer, and in the opinion of the Developer would not be economically feasible within the reasonably foreseeable future, without the assistance and benefit to the Developer provided for in this Agreement.

(6) Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement is prevented, limited by or conflicts with or results in a breach of, the terms, conditions or provision of any contractual restriction, evidence of indebtedness, agreement or instrument of whatever nature to which the Developer is now a party or by which it is bound, or constitutes a default under any of the foregoing.

(7) The Developer will cooperate fully with the City with respect to any litigation commenced with respect to the project, but only to the extent that the City and the Developer are not adverse parties to the litigation.

(8) The Developer will cooperate fully with the City in resolution of any traffic, drainage, utility, parking, trash removal or public safety problems which may arise in connection with the construction and operation of the Project.

ARTICLE III

UNDERTAKINGS BY DEVELOPER AND CITY

Section 3.1 Construction of Project and Reimbursement of Cost.

(1) The costs of the construction of the Project shall be paid by the Developer. The Developer will construct the Project in a good and workmanlike manner in accordance with the Project Plans and at all times prior to the termination of this Agreement will operate and maintain, preserve and keep the Project or cause the Project to be maintained, preserved and kept with the appurtenances and every part and parcel thereof, in good repair and condition.

(2) Upon completion of the Project, the City shall partially reimburse the Developer for the costs of the Project pursuant to the Abatement Program as provided in Section 3.8.

Section 3.2 Limitations on Undertaking of the City. Notwithstanding the provisions of Sections 3.1, the City shall have no obligation to reimburse the Developer for the costs of the Project, if the City, at the time or times such payment is to be made, is entitled under Section 4.2 to exercise any of the remedies set forth therein as a result of an Event of Default which has not cured.

Section 3.3 Commencement and Completion of Construction.

The Developer shall complete the Project within twelve months of the issuance of the building permit for the Project. All Project Improvements to be constructed or provided by the Developer shall be in conformity with the Project Plans as submitted by the Developer and approved by the City.

Nothing in this Agreement shall be deemed to impair or limit any of the City's rights or responsibilities under its zoning laws or construction permit processes.

Section 3.4 Damage and Destruction. In the event of damage or destruction of the Project the Developer shall repair or rebuild the Project.

Section 3.5 No Change in Use of Project. The City's obligations pursuant to this Agreement shall be subject to the continued operation of the Project by the Developer.

Section 3.6 Prohibition Against Transfer of Project and Assignment of Agreement. The Developer represents and agrees that prior to the termination date of this Agreement the Developer shall not transfer the Project or any part thereof or any interest therein, without the prior written approval of the City. The City shall be entitled to require as conditions to any such approval that;

(1) Any proposed transferee shall have the qualifications and financial responsibility, in the reasonable judgment of the City, necessary and adequate to fulfill the obligations undertaken in this Agreement by the Developer.

(2) Any proposed transferee, by instrument in writing satisfactory to the City shall, for itself and its successors and assigns, and expressly for the benefit of the City, have expressly assumed all of the obligations of the Developer under this Agreement and agreed to be subject to all the conditions and restrictions to which the Developer is subject.

(3) There shall be submitted to the City for review and prior written approval all instruments and other legal documents involved in effecting the transfer of any interest in this Agreement or the Project.

Section 3.7 Real Property Taxes. The Developer acknowledges that it is obligated under law to pay all real property taxes and special assessments payable with respect to all parts of the Property acquired and owned by it which are payable pursuant to this Agreement, State law and any other statutory or contractual duty that shall accrue subsequent to the date of its acquisition of title to the Property (or part thereof) and until title to the property is vested in another person. The Developer agrees that for tax assessments so long as this Agreement remains in effect:

(1) It will not seek administrative review or judicial review of the applicability of any tax statute relating to the ad valorem property taxation of real property contained on the Property determined by any tax official to be applicable to the Project or the Developer or raise the inapplicability of any such tax statute as a defense in any proceedings with respect to the Property, including delinquent tax proceedings; provided, however, "tax statute" does not include any local ordinance or resolution levying a tax;

(2) It will not seek administrative review or judicial review of the constitutionality of any tax statute relating to the taxation of real property contained on the Property determined by any tax official to be applicable to the Project or the Developer or raise the unconstitutionality of any such tax statute as a defense in any proceeding, including delinquent tax proceeding with

respect to the Property; provided, however, "tax statute" does not include any local ordinance or resolution levying a tax;

(3) It will not seek any tax deferral or abatement, either presently or prospectively authorized under Minnesota Statutes, Section 469.181, or any other State or federal law, of the ad valorem property taxation of the Property so long as this Agreement remains in effect.

Section 3.8 Tax Abatements.

(1) The Tax Abatements paid to the Developer shall be in accordance with and subject to the terms and conditions contained in the Abatement Resolution and the Tax Abatement Act.

(2) The Tax Abatement shall be for a duration not to exceed [***] years and shall apply to the City's share of ad valorem property taxes on the Property derived from the value of the residential development of the Property and paid by the Developer, beginning with taxes payable in [****] and continuing through taxes payable in [****], in the lesser amount annually of \$[(adjust as appropriate if different abatement term selected)] or [***] percent of the City's share of ad valorem property taxes on the Property derived from the value of the residential development of the Property for that year.

(3) On or before January 1 and July 1 each year commencing [July 1, 2022] and including [January 1, 2031 (adjust as necessary if different term selected)], the Developer shall invoice the City in the amount of the City's portion of ad valorem property taxes on the Property paid by Developer in the previous six-month period to which the Developer is entitled to reimbursement under this Section. On or before February 1 and August 1 each year commencing [August 1, 2022] and including [February 1, 2031 (adjust as necessary if different term selected)] the City shall pay the Developer the amount of the Tax Abatements received by the City in the previous six-month period.

(4) In order to be entitled to the City Tax Abatements provided for in this Agreement, the Developer shall not be in default within the City of any of its payment obligations respecting any taxes, assessments, utility charges or other governmental impositions. Notwithstanding the other provisions of this Article, the City shall not have any obligation to the Developer with respect to the Abatement of taxes hereunder if the City, at the time or times such obligation is required, is entitled to exercise any of the remedies set forth in this Agreement as a result of an Event of Default, which has not been cured.

ARTICLE IV

EVENTS OF DEFAULT

Section 4.1 Events of Default Defined. The following shall be "Events of Default" under this Agreement and the term "Event of Default" shall mean whenever it is used in this Agreement any one or more of the following events:

(1) Failure by the Developer to timely pay when due the payments required to be paid or secured under any provision of this Agreement or which are otherwise required, including the payment of any ad valorem real property taxes, special assessments, utility charges or other governmental impositions with respect to the Property, the Project or any portion thereof.

(2) Failure by the Developer to cause the construction of the Project to be completed pursuant to the terms, conditions and limitations of this Agreement.

(3) Failure by the Developer to observe or perform any other covenant, condition, obligation or agreement on its part to be observed or performed under the Agreement.

(4) If Developer admits in writing of its inability to pay its debts generally as they become due, or shall file or be involuntarily named as a debtor in a petition in bankruptcy, or shall make an assignment for the benefit of creditors, or shall consent to the appointment of a receiver of itself or of the whole or any substantial part of the Property.

(5) If the Developer, on a petition in bankruptcy filed against it, be adjudicated bankrupt, or a court of competent jurisdiction shall enter an order or decree appointing, without the consent of the Developer, a receiver of the Developer or of the whole or substantially all of its property, or approve a petition filed against the Developer seeking reorganization or rearrangement of the Developer under the federal bankruptcy laws, and such adjudication, order or decree shall not be vacated or set aside or stayed within sixty (60) days from the date of entry thereof.

(6) If the Developer is in default under any mortgage and has not entered into a workout agreement with the Mortgagee within sixty (60) days after such default

Section 4.2 Remedies on Default. Whenever any Event of Default referred to in Section 4.1 occurs and is continuing, the City, as specified below, in addition to any other remedies or rights given the City under this Agreement, after the giving of thirty (30) days' written notice to the Developer citing with specificity the item or items of default and notifying the Developer that it has thirty (30) days within which to cure said Event of Default, may take any one or more of the following actions:

(1) The City may suspend its performance under this Agreement, including the payment of any Tax Abatement, until it receives assurances from the Developer, deemed adequate by the City, that the Developer will cure its default and continue its performance under this Agreement.

(2) The City may cancel and rescind the Agreement and reassess any ad valorem property taxes previously abated in proportion to the Developer's failure to construct or install the Project Improvements against the Developer in the manner of a special assessment.

(3) The City may take any action, including legal or administrative action, in law or equity, which may appear necessary or desirable to collect any payments due under this Agreement, or to enforce performance and observance of any obligation, agreement, or covenant of the Developer under this Agreement; provided that any exercise by the City of its rights or remedies hereunder shall always be subject to and limited by, and shall not defeat, render invalid or limit in any way the lien of any mortgage authorized by this Agreement; and provided further that should any Mortgagee succeed by foreclosure of the mortgage or deed in lieu thereof in respect to the Developer's interest in the Property, the Mortgagee shall, notwithstanding the foregoing, be obligated to perform the obligations of the Developer to complete construction of the Project described and in the manner required hereunder, but only to the extent that the same have not theretofore been performed by the Developer.

- (4) The City may withhold any certificate or permit required hereunder.

The notice of an Event of Default required in this Section shall be effective on the date mailed or hand delivered to the Developer.

Section 4.3 No Remedy Exclusive. No remedy herein conferred upon or reserved to the City is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. Except as expressly set forth herein, it shall not be necessary to give notice to exercise a remedy, other than such notice as may be required in this Article.

Section 4.4 No Implied Waiver. In the event any agreement contained in this Agreement should be breached by any party hereto and thereafter waived by another party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other concurrent, previous or subsequent breach hereunder.

Section 4.5 Agreement to Pay Attorneys' Fees and Expenses. Whenever any Event of Default occurs and the City shall employ attorneys or incur other expenses for the collection of payments due or to become due or for the enforcement or performance or observance of any obligation or agreement on the part of the Developer herein contained, the Developer agrees that it shall, on demand therefore, pay to the City the reasonable fees of such attorneys and such other expenses so incurred by the City.

Section 4.6 Release and Indemnification Covenants.

(1) The Developer expressly releases from and covenants and agrees to indemnify and hold the City and its officers, agents, servants, employees and all members of the City Council, its planning commission and other boards or commissions harmless from and against all claims, costs and liability of every kind and nature, for injury or damage received or sustained by any person or entity in connection with, or an account of the Project, the Property, or the performance of work at the development site and elsewhere pursuant to this Agreement, and further releases such officers employees, agents and members from any personal liability in connection with handling funds pursuant to the terms of this Agreement. The indemnification provided hereunder shall not apply to intentional acts or the gross misconduct of the individual or entity so indemnified.

(2) Except for any willful misrepresentation or any willful or wanton misconduct of the following named parties, the Developer agrees to protect and defend the City and its officers, agents, servants and employees and all members of the City Council, its planning commission and other boards or commissions, now or forever, and further agrees to hold the aforesaid harmless from any claim, demand, action or other proceeding whatsoever by any person or entity whatsoever arising or purportedly arising from a breach of the obligations of the Developer under this Agreement, or the transactions contemplated hereby or the acquisition, construction, installation, ownership, maintenance and operation of the Project.

(3) The City and its officers, agents, employees and all members of the City Council, its planning commission and other boards or commissions shall not be liable for any damages or

injury to the persons or property of the Developer or its officers, agents, servants or employees or any other person who may be about the Project due to any act of negligence of any person.

(4) All covenants, stipulations, promises, agreements and obligations of the City contained herein shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the City and not of any officer, agent, servant, employee or any members of the City Council, its planning commission and other boards or commissions of the City in the individual capacity thereof.

(5) The Developer is not an agent of the City and this Agreement shall not be construed as creating a joint venture, partnership or other joint arrangement between the Developer and the City relating to the Project.

ARTICLE V

ADDITIONAL PROVISIONS

Section 5.1 Conflicts of Interest/No Personal Liability. No member of the governing body of the City shall have any personal interest, direct or indirect, in this Agreement, nor shall any such member or any other official or employee of the City participate in any decision relating to the Agreement which affects his or her personal interests or the interests of any corporation, partnership or association in which he or she is directly or indirectly interested. No member, official or employee of the City shall be personally liable to the Developer in the event of any default or breach by the City or for any amount that may become due to the Developer for any obligations under the terms of this Agreement.

Section 5.2. Non-Discrimination. Developer shall not violate any law applicable to it with respect to civil rights and non-discrimination including, without limitation, Minnesota Statutes, Section 181.59.

Section 5.3. No Merger. None of the provisions of this Agreement are intended to be or shall be merged by reason of any deed transferring any interest in any part of the Property and any such deed shall not be deemed to affect or impair the provisions of this Agreement.

Section 5.4. Cleanup. The Developer shall promptly clear or cause to be cleared from the Property and any public streets or property, any soil, earth or debris or unnecessary personal property or equipment resulting from construction work by the Developer or its agents or assigns. If Developer fails to do so within two (2) business days of receipt of telephone or personally delivered personal notice from the City, the City shall be entitled to undertake such corrective action as it deems necessary and to charge the Developer for the cost of such corrective action. This remedy is in addition to any other remedy available to the City hereunder. Developer's failure to pay such charges when billed by the City shall be an additional Event of Default under this Agreement.

Section 5.5. Responsibility for Costs. Developer shall be responsible for the following costs incurred with respect to this Agreement, which costs shall be paid as set forth below:

(1) The Developer shall reimburse the City for reasonable, administrative, and out-of-pocket costs, expenses and disbursements incurred in the enforcement of this Agreement, including engineering and attorney's fees.

(2) The Developer shall pay in full all bills submitted to it by the City within thirty (30) days after receipt. If the bills are not paid on time, the City may without further notice to Developer exercise any one or more of the remedies provided to the City by Article 5 hereunder.

Section 5.6 Notices and Demands. Except as otherwise expressly provided in this Agreement, a notice, demand or other communication under this Agreement by any party to any other shall be sufficiently given or delivered if it is dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered personally, and

(1) in the case of the Developer is addressed to or delivered personally to:

(2) in the case of the City is addressed to or delivered personally to:

City Manager
City of Waseca
508 South State Street
Waseca, MN 56093

or at such other address with respect to any such party as that party may, from time to time, designate in writing and forward to the other, as provided in this Section.

Section 5.7 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall constitute one and the same instrument.

Section 5.8 Duration. This Agreement shall remain in effect through [February 1, 2031 (same date as last reimbursement payment in § 3.8(3))], unless earlier terminated or rescinded in accordance with its terms.

Section 5.9 Provisions Surviving Rescission or Expiration. Sections 4.5 and 4.6 shall survive any rescission, termination or expiration of this Agreement with respect to or arising out of any event, occurrence or circumstance existing prior to the date thereof.

Section 5.10 Records—Availability and Retention. Pursuant to Minn. Stat. § 16C.05, subd. 5, the Developer agrees that the City, the State Auditor, or any of their duly authorized representatives at any time during normal business hours and as often as they may reasonably deem necessary, shall have access to and the right to examine, audit, excerpt, and transcribe any books, documents, papers, records, etc., which are pertinent to the accounting practices and procedures of the Developer and involve transactions relating to this Agreement. The Developer agrees to maintain these records for a period of six years from the date of termination of this Agreement.

Section 5.11 Data Practices. The parties acknowledge that this Agreement is subject to the requirements of Minnesota's Government Data Practices Act, Minnesota Statutes, Section 13.01 *et seq.*

Section 5.12. Rules of Interpretation.

(1) Governing Law. This Agreement shall be interpreted in accordance with and governed by the laws of the State of Minnesota,

(2) Includes Entire Agreement. The words "herein" and "hereof" and words of similar import, without reference to any particular section or subdivision refer to this Agreement as a whole rather than any particular section or subdivision hereof.

(3) Original Sections. References herein to any particular article, section or paragraph hereof are to the section or subdivision of this Agreement as originally executed.

(4) Headings. Any headings, captions, or titles of the several parts, articles, sections, and paragraphs of this Agreement are inserted for convenience and reference only and shall be disregarded in construing or interpreting any of its provision.

(5) Conflict Between Agreements. In the event of any conflict between the terms, conditions and provisions of this Agreement and the terms, conditions and provisions of any other instrument, the terms, conditions and provisions of this Agreement shall control and take precedence.

(6) Entire Agreement. This Agreement including any Schedules and Exhibits hereto contain the entire agreement of the parties relating to the subject matter herein, and no other prior or contemporary agreements, oral or written, shall be binding upon the parties hereto.

(7) Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns as provided and as conditioned in this Agreement.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the City has caused this Agreement to be duly executed in its name and on its behalf, and the Developer has caused this Agreement to be duly executed in its name and on its behalf, on or as of the date first above written.

(*****)

STATE OF MINNESOTA)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 20__, by [Name(s) _____] and _____, [Relationship, if any _____] /on behalf of [list corporate entity, if applicable], Developer.

Notary Public

CITY OF WASECA, MINNESOTA

By _____
Its Mayor

By _____
Its City Manager

STATE OF MINNESOTA)
) ss.
COUNTY OF WASECA)

The foregoing instrument was acknowledged before me this _____ day of _____, 20____, by Roy Srp, as Mayor, and Lee Mattson, as City Manager, for the City of Waseca, Minnesota.

Notary Public

This Instrument was Drafted By:

Flaherty & Hood, P.A.
525 Park Street, Suite 470
St. Paul, MN 55103
(651) 225-8840

Exhibit A
Legal Description of Property

Parcel # [*****]

[insert legal description]

WASECA MINNESOTA

Residential Assistance Financing Application – Tax Abatement Program

Property Owner/s:

Name: _____ Date: _____

Address: _____ City: _____

State: _____ Zip Code: _____ Status (check one): Married___ Single___ Partnership___

Contact Person / Authorized Representative: _____ Title: _____

Contact Phone: _____ Email _____

PROJECT INFORMATION:

Please attach a copy of the Building Permit from the City.

Please attach a legal description of the property.

Location of Proposed Project:

Parcel #'s: _____

Present ownership of site:

Information below needs to be acquired from the County by the City:

Current Property Taxes: City _____ County _____ Total _____

Market value of project following completion: _____

Anticipated project start date: _____ Completion Date: _____

FINANCIAL INFORMATION:

Estimated Project Related Costs:

1. Land Acquisition \$ _____

2. Site Development \$ _____

3. Building Cost \$ _____

4. TOTAL PROJECT COST \$ _____

Choose one
Abatement Term

100% for 3 years _____

75% for 6 years _____

50% for 10 years _____

AUTHORIZED SIGNATURE OF PROPERTY OWNER/S

The applicant agrees to provide additional information if requested by the City during the term of the abatement.

Applicant Date

Applicant Date

If abatement request is approved – an abatement agreement is required

When complete – please return to:

Tina Wilson, Economic Development Manager
City of Waseca
508 South State Street
Waseca, MN 56093

If you have questions, please call:
507-835-9741

The purpose of the Housing Tax Abatement is to stimulate new home construction for homes under \$500,000 in the City of Waseca. **Building permits must be issued by December 31, 2022, to qualify. It helps to file this application simultaneously with the Building permit application.**

Terms of Abatements are as follows:

a. The abatements shall apply to the taxes for a period not to exceed ten (10) years. The applicant property owner must choose one of the following terms and abatement amounts:

i. for a term of **three (3) years**, with the City abating **100 percent** of the portion of the City's share of ad valorem property taxes on the qualifying parcel derived from the value of the residential structure for which the City issues a building permit and paid by the property owner.

ii. for a term of **six (6) years**, with the City abating **75 percent** of the portion of the City's share of ad valorem property taxes on the qualifying parcel derived from the value of the residential structure for which the City issues a building permit and paid by the property owner; or

iii. for a term of **ten (10) years**, with the City abating **50 percent** of the portion

of the City's share of ad valorem property taxes on the qualifying parcel derived from the value of the residential structure for which the City issues a building permit and paid by the property owner.

c. The owner of such parcel shall **complete an application** for abatement together with the building permit application.

d. The owner of such parcel shall **enter into an abatement agreement** consistent with the terms of this Resolution in a form satisfactory to the City.

This abatement only applies to City of Waseca taxes. Please check with Waseca County and the Waseca Public School District for information on their tax abatement programs.

On the reverse side of this page, potential building lots are shown. Please reach out to the building department for eligible available lots.

This information is only a summary!
Application available from Economic Development Manager, City Hall. For questions please call:

(507) 835-9741.



CITY OF WASECA

Residential Tax

Abatement Program

2022



***Build your new home --
in Waseca!***

Title:	FINAL PAYMENT FOR THE 8 TH STREET SE RECONSTRUCTION & REHABILITATION PROJECT (CITY PROJECT NO. 2022-01)		
Meeting Date:	October 4, 2022	Agenda Item Number:	7B
Action:	<input checked="" type="checkbox"/> MOTION <input type="checkbox"/> REQUESTS/PRESENTATIONS <input type="checkbox"/> RESOLUTION <input type="checkbox"/> ORDINANCE <input type="checkbox"/> DISCUSSION	Supporting Documents:	Pay Request No. 5 – Final Change Orders No. 1-7
Originating Department:	Engineering	Presented By:	City Engineer
Approved By City Manager: <input checked="" type="checkbox"/>	Proposed Action: Motion to Approve Pay Request No. 5 – Final for the 8 th Street SE Reconstruction & Rehabilitation Project (City Project No. 2022-01).		
How does this item pertain to Vision 2030 goals?	Creating high quality community assets.		

BACKGROUND: The work on the 8th Street SE Reconstruction & Rehabilitation Project (City Project No. 2022-01) has been completed and all work has been approved and accepted by staff. This project consisted of the reconstruction of 8th St SE from Elm Ave East to the RR tracks and rehabilitation (mill and overlay) of 8th St SE from the RR tracks to State Hwy 13. The project is therefore ready for final acceptance and final payment.

The total cost is \$1,487,597.63 and the original contract amount was \$1,436,538.73. The original engineer's construction estimate from Stantec was \$1,816,394.05. Seven (7) change orders totaling \$21,007.82 and final quantity adjustments of \$30,051.08 account for the increase of \$51,058.90 in the contract price. The change orders are related to the following: storm sewer drain tile connections, removal of a concrete Telco structure, construction of an 8" sanitary sewer outside manhole drop, a sanitary sewer connection size change, sanitary sewer manhole castings, repair of a broken storm sewer pipe and subdrain at 11th Ave SE, storm sewer structure modifications due to utility conflicts, water gate valve box repairs, and extra curb and gutter edge cleaning prior to the overlay. The increase due to final quantity adjustments is primarily related to adjustments in the quantity of 6" sidewalk.

Final payment will be released after the contractor (Heselton Construction LLC) has provided all required project documentation, completed the punch list, and resolved payment of a previous project invoice.

BUDGET IMPACT: This project was budgeted as part of the City's Capital Improvement Plan. The project was funded with a Local Road Improvement Program (LRIP) grant, street capital improvement funds, special assessments, and water, sanitary sewer, and storm sewer utility funds. Stantec was contracted to complete project design and inspection for a not-to-exceed total of \$245,618 and American Engineering Testing (AET) was contracted for testing services for a not-to-exceed total of \$16,415.

RECOMMENDATION: Staff recommends the Waseca City Council accept the work and approve Pay Request No. 5 – Final for the 8th Street SE Reconstruction & Rehabilitation Project (City Project No. 2022-01).



Owner: City of Waseca, 508 South State St., Waseca, MN 56093	Date: September 9, 2022
For Period: 7/20/2022 to 8/30/2022	Request No: 5 and Final
Contractor: Heselton Construction, LLC, 680 24th St. NW, Faribault, MN 55021	

CONTRACTOR'S REQUEST FOR PAYMENT
8TH STREET SE RECONSTRUCITON AND REHABILITATION IMPROVEMENTS
STANTEC PROJECT NO. 193805360

SUMMARY


1	Original Contract Amount		\$ 1,436,538.73
2	Change Order - Addition	\$ 21,007.82	
3	Change Order - Deduction	\$ 0.00	
4	Revised Contract Amount		\$ 1,457,546.55
5	Value Completed to Date		\$ 1,487,597.63
6	Material on Hand		\$ 0.00
7	Amount Earned		\$ 1,487,597.63
8	Less Retainage 0%		\$ 0.00
9	Subtotal		\$ 1,487,597.63
10	Less Amount Paid Previously		\$ 1,373,995.10
11	Liquidated damages -		\$ 0.00
12	AMOUNT DUE THIS REQUEST FOR PAYMENT NO. 5 and Final		\$ 113,602.53

Recommended for Approval by:
STANTEC



Approved by Contractor:
HESELTON CONSTRUCTION, LLC


Approved by Owner:
CITY OF WASECA



Specified Contract Completion Date:

Date:
9-15-22

No.	Item	Unit	Contract Quantity	Unit Price	Quantity to Date	Amount to Date
BASE BID						
1	MOBILIZATION	LUMP SUM	1	38000.00	1	\$38,000.00
2	CLEARING	EACH	6	830.00	6	\$4,980.00
3	GRUBBING	EACH	6	205.00	7	\$1,435.00
4	GRUBBING SPECIAL	EACH	1	205.00	1	\$205.00
5	REMOVE MANHOLE OR CATCH BASIN	EACH	21	400.00	23	\$9,200.00
6	SALVAGE SIGN	EACH	28	52.00	27	\$1,404.00
7	SAWING CONCRETE PAVEMENT (FULL DEPTH)	LIN FT	389	2.50	32	\$80.00
8	SAWING BITUMINOUS PAVEMENT (FULL DEPTH)	LIN FT	1996	2.00	2,044	\$4,088.00
9	REMOVE PIPE DRAIN	LIN FT	2273	2.25	2,273	\$5,114.25
10	REMOVE SEWER PIPE (STORM)	LIN FT	383	12.50	383	\$4,787.50
11	REMOVE SEWER PIPE (SANITARY)	LIN FT	46	2.00	46	\$92.00
12	REMOVE CURB AND GUTTER	LIN FT	3543	3.95	3,763	\$14,863.85
13	REMOVE SIDEWALK	SQ YD	1258	8.50	1,258	\$10,693.00
14	REMOVE CONCRETE DRIVEWAY PAVEMENT	SQ YD	358	8.90	358	\$3,186.20
15	REMOVE BITUMINOUS DRIVEWAY PAVEMENT	SQ YD	34	9.00	34	\$306.00
16	REMOVE BITUMINOUS PAVEMENT	SQ YD	5952	3.25	5,952	\$19,344.00
17	ABANDON PIPE SEWER	LIN FT	1457	3.00	1,457	\$4,371.00
18	SALVAGE BRICK PAVERS	SQ FT	142	4.00	140	\$560.00
19	SELECT GRANULAR BORROW MOD (CV)	CU YD	3219	24.85	3,219	\$79,992.15
20	EXCAVATION - COMMON	CU YD	5274	11.30	5,274	\$59,596.20
21	GEOTEXTILE FABRIC TYPE 5	SQ YD	6197	1.60	6,197	\$9,915.20
22	STREET SWEEPER (WITH PICKUP BROOM)	hour	15	150.00	15	\$2,250.00
23	AGGREGATE BASE (CV) CLASS 5	CU YD	2100	32.75	2,130	\$69,757.50
24	MILL BITUMINOUS PAVEMENT (SPECIAL)	SQ YD	11807	2.25	11,807	\$26,565.75
25	BITUMINOUS MATERIAL FOR TACK COAT	GALLON	1290	3.00	1,437.25	\$4,311.75
26	TYPE SP 9.5 WEARING COURSE MIXTURE (3;C) 1.5" THICK	SQ YD	20577	7.50	20,577	\$154,327.50
27	TYPE SP 12.5 WEARING COURSE MIXTURE (3;B) 2.0" THICK	SQ YD	5225	9.75	5,225	\$50,943.75
28	TYPE SP 12.5 WEARING COURSE MIXTURE (3;C) 1.5" THICK	SQ YD	20577	7.50	20,577	\$154,327.50
29	TYPE SP 12.5 NON WEARING COURSE MIXTURE (3;B)	TON	113.3	108.00	135.77	\$14,663.16
30	6" PERF PVC PIPE DRAIN	LIN FT	2657	25.00	2,657	\$66,425.00
31	6" PVC PIPE DRAIN CLEANOUT	EACH	6	330.00	7	\$2,310.00
32	8" PVC PIPE SEWER	LIN FT	1235	52.00	1,240	\$64,480.00
33	12" RC PIPE SEWER DESIGN 3006 CLASS III	LIN FT	21	74.00	22	\$1,628.00
34	15" RC PIPE SEWER DESIGN 3006 CLASS III	LIN FT	439	77.00	472	\$36,344.00
35	24" RC PIPE SEWER DESIGN 3006 CLASS III	LIN FT	83	98.00	75	\$7,350.00
36	SANITARY SEWER BYPASS PUMPING	LUMP SUM	1	2700.00	1	\$2,700.00
37	DRAIN PIPE CONNECTION (SUMP PUMPS)	EACH	19	330.00	19	\$6,270.00
38	CONNECT TO EXISTING SANITARY SEWER	EACH	6	800.00	5	\$4,000.00
39	CONNECT TO EXISTING MANHOLES (SAN)	EACH	1	2350.00	1	\$2,350.00
40	CONNECT TO EXISTING STORM SEWER	EACH	6	1000.00	5	\$5,000.00
41	CONNECT TO EXISTING MANHOLES	EACH	4	1050.00	4	\$4,200.00
42	CONNECT TO EXISTING SANITARY SEWER SERVICE	EACH	9	150.00	10	\$1,500.00
43	8"x4" PVC WYE	EACH	6	370.00	1	\$370.00
44	8"x6" PVC WYE	EACH	3	470.00	9	\$4,230.00
45	TELEVIEW SANITARY SEWER	LIN FT	1235	2.25	1,240	\$2,790.00
46	TELEVIEW SANITARY SEWER SERVICES	LIN FT	516	7.00	516	\$3,612.00
47	PLUG FILL AND ABANDON PIPE SEWER	LIN FT	38	47.00	38	\$1,786.00
48	4" PVC SANITARY SERVICE PIPE	LIN FT	175	65.00	29	\$1,885.00
49	6" PVC SANITARY SERVICE PIPE	LIN FT	100	72.00	303	\$21,816.00
50	ADJUST HYDRANT	EACH	4	935.00	1	\$935.00
51	ADJUST VALVE BOX-WATER	EACH	30	210.00	25	\$5,250.00
52	ADJUST CURB BOX	EACH	4	150.00	4	\$600.00
53	4" POLYSTYRENE INSULATION	SQ YD	4	48.00	4	\$192.00
54	CONSTRUCT DRAINAGE STRUCTURE DESIGN SPECIAL 3	EACH	20	2185.00	20	\$43,700.00
55	CONSTRUCT DRAINAGE STRUCTURE DESIGN 48-4020	EACH	3	1400.00	3	\$4,200.00
56	CASTING ASSEMBLY	EACH	10	1120.00	10	\$11,200.00
57	ADJUST FRAME AND RING CASTING	EACH	27	650.00	27	\$17,550.00
58	CONSTRUCT DRAINAGE STRUCTURE DESIGN SPECIAL	LIN FT	54	415.00	54	\$22,410.00
59	CONSTRUCT DRAINAGE STRUCTURE DESIGN SPECIAL 1	LIN FT	10	777.00	0	\$0.00

No.	Item	Unit	Contract Quantity	Unit Price	Quantity to Date	Amount to Date
60	CONSTRUCT DRAINAGE STRUCTURE DESIGN SPECIAL 2	LIN FT	6	505.00	6	\$3,030.00
61	CONNECT TO EXISTING STRUCTURE	EACH	2	725.00	2	\$1,450.00
62	CASTING ASSEMBLY SPECIAL	EACH	20	1095.00	20	\$21,900.00
63	CASTING ASSEMBLY SPECIAL 1	EACH	8	660.00	6	\$3,960.00
64	CONCRETE COLLAR	EACH	8	215.00	0	\$0.00
65	4" CONCRETE WALK	SQ FT	10878	6.00	10,152	\$60,912.00
66	6" CONCRETE WALK	SQ FT	852	19.00	2,774	\$52,706.00
67	CONCRETE CURB AND GUTTER DESIGN B612	LIN FT	1005	19.25	1,038	\$19,981.50
68	CONCRETE CURB AND GUTTER DESIGN B618	LIN FT	1188	31.50	1,334	\$42,021.00
69	CONCRETE CURB AND GUTTER DESIGN B624	LIN FT	1362	21.50	1,391	\$29,906.50
70	6" CONCRETE DRIVEWAY PAVEMENT	SQ YD	584.1	78.50	586	\$46,001.00
71	CONCRETE CURB DESIGN V	LIN FT	18	21.50	28	\$602.00
72	6" CONCRETE VALLEY GUTTER	SQ YD	55	83.00	55	\$4,565.00
73	TRUNCATED DOMES	SQ FT	310	39.25	282	\$11,068.50
74	TRAFFIC CONTROL	LUMP SUM	1	8600.00	1.00	\$8,600.00
75	INSTALL SIGN	EACH	28	335.00	27	\$9,045.00
76	DECIDUOUS TREE 1" CAL CONT	EACH	20	715.00	20	\$14,300.00
77	STABILIZED CONSTRUCTION EXIT	LUMP SUM	1	1250.00	1	\$1,250.00
78	STORM DRAIN INLET PROTECTION	EACH	46	245.00	46	\$11,270.00
79	SEDIMENT CONTROL LOG TYPE WOOD CHIP	LIN FT	2926	2.05	2,280	\$4,674.00
80	FERTILIZER TYPE 3	POUND	202	0.65	202	\$131.30
81	SEED MIXTURE 25-151	POUND	116	5.20	116	\$603.20
82	HYDRAULIC BONDED FIBER MATRIX	POUND	2024	2.60	2,024	\$5,262.40
83	WATER	M GALLON	75	41.50	25	\$1,037.50
84	RAPID STABILIZATION METHOD 3	M GALLON	0.86	1038.00	0.30	\$311.40
85	4" SOLID LINE MULTI-COMPONENT GROUND IN (WR)	LIN FT	11024	0.90	11,024	\$9,921.60
86	24" SOLID LINE MULTI-COMPONENT GROUND IN (WR)	LIN FT	85	13.50	85	\$1,147.50
87	4" BROKEN LINE MULTI-COMPONENT GROUND IN (WR)	LIN FT	877	0.90	877	\$789.30
88	4" DOTTED LINE MULTI-COMPONENT GROUND IN (WR)	LIN FT	57	2.60	57	\$148.20
89	PAVEMENT MESSAGE MULTI-COMPONENT GROUND IN (WR)	SQ FT	251	14.15	251	\$3,551.65
TOTAL BASE BID						\$1,466,589.81
CHANGE ORDER NO.1						
1	ST-6 DRAIN TILE CONNECTION	LS	1	\$225.42	1	\$225.42
2	ST-7 AND ST-10 DRAIN TILE CONNECTIONS	LS	1	\$226.59	1	\$226.59
3	ST-4 DRAIN TILE CONNECTIONS	LS	1	\$131.01	1	\$131.01
CHANGE ORDER NO. 1						\$583.02
CHANGE ORDER NO.2						
1	DEMOLISH AND REMOVE TELCO CONCRETE STRUCTURE	LS	1	\$820.00	1	\$820.00
CHANGE ORDER NO.2						\$820.00
CHANGE ORDER NO.3						
1	CONSTRUCT 8-INCH OUTSIDE DROP	LS	1	\$3,911.10	1	\$3,911.10
CHANGE ORDER NO.3						\$3,911.10
CHANGE ORDER NO.4						
1	SA-9 PIPE CONNECTION REVISIONS	LS	1	\$473.00	1	\$473.00
CHANGE ORDER NO.4						\$473.00
CHANGE ORDER NO.5						
1	SANITARY SEWER CASTING ASSEMBLY	EA	10	\$625.00	1	\$6,250.00
CHANGE ORDER NO.5						\$6,250.00

No.	Item	Unit	Contract Quantity	Unit Price	Quantity to Date	Amount to Date
	CHANGE ORDER NO.6					
1	STORM SEWER PIPING REPAIR	LS	1	\$6,067.20	1	\$6,067.20
	CHANGE ORDER NO.6					<u>\$6,067.20</u>
	CHANGE ORDER NO.7					
1	STORM SEWER STRUCTURE MODIFICATIONS	LS	1	\$673.00	1	\$673.00
2	GATE VALVE BOX REPAIRS	LS	1	\$2,018.50	1	\$2,018.50
3	CURB PREPARATIONS	LS	1	\$212.00	1	\$212.00
	CHANGE ORDER NO. 7					<u>\$2,903.50</u>

TOTAL BASE BID	\$1,466,589.81
TOTAL CHANGE ORDER NO 1	\$583.02
TOTAL CHANGE ORDER NO 2	\$820.00
TOTAL CHANGE ORDER NO 3	\$3,911.10
TOTAL CHANGE ORDER NO 4	\$473.00
TOTAL CHANGE ORDER NO 5	\$6,250.00
TOTAL CHANGE ORDER NO 6	\$6,067.20
TOTAL CHANGE ORDER NO 7	\$2,903.50
WORK COMPLETED TO DATE:	<u>\$1,487,597.63</u>

PROJECT PAYMENT STATUS

OWNER CITY OF WASECA
 STANTEC PROJECT NO. 193805360
 CONTRACTOR HESELTON CONSTRUCTION, LLC

CHANGE ORDERS

No.	Date	Description	Amount
1	7/11/2022	Drain Tile Connections to ST-4, ST-6, ST-7 and ST-10	\$583.02
2	7/11/2022	Demolish and Remove Telco Concrete Structure	\$820.00
3	7/11/2022	Construct 8-inch Sanitary Sewer Outside Drop	\$3,911.10
4	7/11/2022	BooT Connection Size Change at SA-9	\$473.00
5	7/21/2022	Sanitary Sewer Casting Assembly Replacement	\$6,250.00
6	8/4/2022	Storm Sewer Repair within Corridor	\$6,067.20
7	8/29/2022	Structure Mod., Curb Prep. and Valve Box Repairs	\$2,903.50
Total Change Orders			\$21,007.82

PAYMENT SUMMARY

No.	From	To	Payment	Retainage	Completed
1	05/01/2022	05/23/2022	\$178,277.97	\$9,383.05	\$187,661.02
2	05/24/2022	06/27/2022	\$479,892.58	\$34,640.55	\$692,811.10
3	06/28/2022	07/19/2022	\$347,925.05	\$52,952.40	\$1,059,048.00
4	07/20/2022	08/30/2022	\$367,899.50	\$72,315.53	\$1,446,310.63
5 and Final	07/20/2022	08/30/2022	\$113,602.53		\$1,487,597.63

Material on Hand

Total Payment to Date	\$1,487,597.63	Original Contract	\$1,436,538.73
Retainage Pay No. 5 and Final		Change Orders	\$21,007.82
Total Amount Earned	\$1,487,597.63	Revised Contract	\$1,457,546.55



Owner: City of Waseca, 508 South State Street, Waseca, MN 56093	Date	July 11, 2022
HESELTON CONSTRUCTION, LLC P.O. BOX 246 • FARIBAULT, MN 55021		

CHANGE ORDER NO. 1

8TH ST RECONSTRUCTION & REHABILITATION

SAP NO. 172-101-006

CITY PROJECT NO. 2022-01

STANTEC PROJECT NO. 193805360

Participating or Non-Participating Costs

Participating

Description of Work

This Change Order makes compensation for Work Order No. 1 submitted by Heselton Construction LLC. At time of installation on storm sewer structures ST-4, ST-6, ST-7 and ST-10 it was discovered that the existing structures that were being replaced contained drain tile connections. These existing drain tiles required connection into the new storm sewer structures. Because this was an unknown condition and not accounted for within the shop drawings, modifications were required to the new structures to allow for the necessary connections. The Change Order makes compensation to Heselton Construction LLC for the work and materials necessary to make these connections.

No.	Item	Unit	Contract Quantity	Unit Price	Total Amount
CHANGE ORDER NO. 1					
1	ST-6 drain tile connection		1	\$225.42	\$225.42
2	ST-7 and ST-10 drain tile connections		1	\$226.59	\$226.59
3	ST-4 drain tile connections		1	\$131.01	\$131.01
TOTAL CHANGE ORDER NO. 1:					\$583.02

Original Contract Amount	\$1,436,538.73
Previous Change Orders	\$0.00
This Change Order	<u>\$583.02</u>
Revised Contract Amount (Including this change order)	\$1,437,121.75

CHANGE IN CONTRACT TIMES

Original Contract Times:

Substantial Completion (days or date):	85 days
Ready for final Payment (days or date):	99 days

Increase of this Change Order:

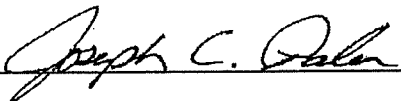
Substantial Completion (days or date):	No Change
Ready for final Payment (days or date):	No Change

Contract Time with all approved Change Orders:

Substantial Completion (days or date):	85 days
Ready for final Payment (days or date):	99 days

Recommended for Approval by:

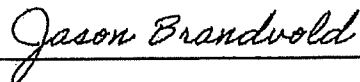
STANTEC



Date:
7/18/2022

Approved by Contractor:
HESELTON CONSTRUCTION, LLC

Approved by Owner:
City of Waseca





7/15/2022
Date

7-18-22
Date

Approved by MnDOT State Aid:
MnDOT District 7 - Lisa Bingham


Date: 2022.07.21 10:52:28 -05'00'

7/21/2022
Date



Owner: City of Waseca, 508 South State Street, Waseca, MN 56093	Date	July 11, 2022
HESELTON CONSTRUCTION, LLC P.O. BOX 246 • FARIBAULT, MN 55021		

CHANGE ORDER NO. 2

8TH ST RECONSTRUCTION & REHABILITATION

SAP NO. 172-101-006

CITY PROJECT NO. 2022-01

STANTEC PROJECT NO. 193805360

Participating or Non-Participating Costs

Non-Participating

Description of Work

During installation of the sanitary sewer trunk main between stations 142+00 to 142+10 an abandoned telco concrete vault was discovered to be in conflict with the alignment of the proposed utility installation. It was decided by the Contractor, Inspector and City of Waseca to remove the abandoned vault to eliminate the conflict with the proposed sanitary sewer facility.
This Change Order is a non-participating cost.

No.	Item	Unit	Contract Quantity	Unit Price	Total Amount
CHANGE ORDER NO. 2					
1	Demolish and remove telco concrete structure	EA	1	\$820.00	\$820.00
TOTAL CHANGE ORDER NO. 2:					\$820.00

Original Contract Amount	\$1,436,538.73
Previous Change Orders	\$583.02
This Change Order	<u>\$820.00</u>
Revised Contract Amount (including this change order)	\$1,437,941.75

CHANGE IN CONTRACT TIMES

Original Contract Times:

Substantial Completion (days or date):	85 days
Ready for final Payment (days or date):	99 days

Increase of this Change Order:

Substantial Completion (days or date):	No Change
Ready for final Payment (days or date):	No Change

Contract Time with all approved Change Orders:

Substantial Completion (days or date):	85 days
Ready for final Payment (days or date):	99 days

Recommended for Approval by:

STANTEC

Joseph C. Olson

Date:
7/18/2022

Approved by Contractor:
HESELTON CONSTRUCTION, LLC

Approved by Owner:
City of Waseca

Jason Brandvold

Nathan Willey

7/15/2022

7-18-22

Date

Date

Approved by MnDOT State Aid:

MnDOT District 7 - Lisa Bingham

Lisa Bingham Digitally signed by Lisa Bingham
Date: 2022.07.21 10:54:59 -05'00'

7/21/2022

Date



Owner: City of Waseca, 508 South State Street, Waseca, MN 56093	Date	July 11, 2022
HESELTON CONSTRUCTION, LLC P.O. BOX 246 • FARIBAULT, MN 55021		

CHANGE ORDER NO. 3
8TH ST RECONSTRUCTION & REHABILITATION
SAP NO. 172-101-006
CITY PROJECT NO. 2022-01
STANTEC PROJECT NO. 193805360

Participating or Non-Participating Costs

Non-Participating

Description of Work

This Change Order No. 3 is to provide compensation for the construction of an 8-inch sanitary sewer outside drop that was not identified within the plan set. Upon installation of proposed sanitary structure SA-2, it was discovered that the existing invert elevation to the east was in error within the plan set and would require the construction of an 8-inch outside drop to make the necessary connection.

No.	Item	Unit	Contract Quantity	Unit Price	Total Amount
CHANGE ORDER NO. 3					
1	Construct 8-inch Outside Drop	LS	1	\$3,911.10	\$3,911.10
TOTAL CHANGE ORDER NO. 3:					\$3,911.10

Original Contract Amount	\$1,436,538.73
Previous Change Orders	\$1,403.02
This Change Order	<u>\$3,911.10</u>
Revised Contract Amount (including this change order)	\$1,441,852.85

CHANGE IN CONTRACT TIMES

Original Contract Times:

Substantial Completion (days or date):	85 days
Ready for final Payment (days or date):	99 days

Increase of this Change Order:

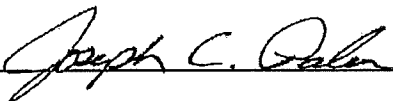
Substantial Completion (days or date):	No Change
Ready for final Payment (days or date):	No Change

Contract Time with all approved Change Orders:

Substantial Completion (days or date):	85 days
Ready for final Payment (days or date):	99 days

Recommended for Approval by:

STANTEC

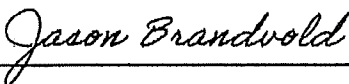


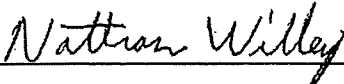
Date:

7/18/2022

Approved by Contractor:
HESELTON CONSTRUCTION, LLC

Approved by Owner:
City of Waseca





7/15/2022

Date

7-18-22

Date

Approved by MnDOT State Aid:

MnDOT District 7 - Lisa Bingham



Digitally signed by Lisa Bingham
Date: 2022.07.21 10:56:21
-05'00'

7/21/2022

Date



Owner: City of Waseca, 508 South State Street, Waseca, MN 56093	Date	July 11, 2022
HESELTON CONSTRUCTION, LLC P.O. BOX 246 • FARIBAULT, MN 55021		

CHANGE ORDER NO. 4

8TH ST RECONSTRUCTION & REHABILITATION

SAP NO. 172-101-006

CITY PROJECT NO. 2022-01

STANTEC PROJECT NO. 193805360

Participating or Non-Participating Costs

Non-Participating

Description of Work

This Change Order No. 4 is to provide compensation for the revision of a proposed 6-inch water tight boot connection to SA-9 to a 8-inch boot. Upon installation, it was discovered that an existing sanitary sewer main that was thought to be 6-inches in diameter was actually 8-inches. Because of this diameter change, the existing connection to proposed SA-9 had to be revised from 6-inches to 8-inches prior to installation.

No.	Item	Unit	Contract Quantity	Unit Price	Total Amount
CHANGE ORDER NO. 4					
1	SA-9 Pipe Connection Revisions	LS	1	\$473.00	\$473.00
	TOTAL CHANGE ORDER NO. 4:				\$473.00

Original Contract Amount	\$1,436,538.73
Previous Change Orders	\$5,314.12
This Change Order	\$473.00
Revised Contract Amount (including this change order)	\$1,442,325.85

CHANGE IN CONTRACT TIMES

Original Contract Times:

Substantial Completion (days or date):	85 days
Ready for final Payment (days or date):	99 days

Increase of this Change Order:

Substantial Completion (days or date):	No Change
Ready for final Payment (days or date):	No Change

Contract Time with all approved Change Orders:

Substantial Completion (days or date):	85 days
Ready for final Payment (days or date):	99 days

Recommended for Approval by:

STANTEC

Joseph C. Olsen

Date:

7/18/2022

Approved by Contractor:
HESELTON CONSTRUCTION, LLC

Approved by Owner:
City of Waseca

Jason Brandvold

Nathan Willey

7/15/2022

7-18-22

Date

Date

Approved by MnDOT State Aid:

MnDOT District 7 - Lisa Bingham

Lisa Bingham

Digitally signed by Lisa Bingham
Date: 2022.07.21 10:58:01
+05'00'

7/21/2022

Date



Owner: City of Waseca, 508 South State Street, Waseca, MN 56093	Date	July 21, 2022
HESELTON CONSTRUCTION, LLC P.O. BOX 246 • FARIBAULT, MN 55021		

CHANGE ORDER NO. 5

8TH ST RECONSTRUCTION & REHABILITATION

SAP NO. 172-101-006

CITY PROJECT NO. 2022-01

STANTEC PROJECT NO. 193805360

Participating or Non-Participating Costs

Non-Participating

Description of Work

This Change Order No. 5 is to provide compensation for the replacement of existing sanitary sewer manhole castings that were previously planned to be salvaged as part of the roadway improvement project. This unit cost makes payment for the I/I barrier and the casting materials. Work performed in placing these items along with the concrete adjustment rings is compensated within the Adjust Frame and Ring Casting line item.

No.	Item	Unit	Contract Quantity	Unit Price	Total Amount
	CHANGE ORDER NO. 5				
1	Sanitary Sewer Casting Assembly	EA	10	\$625.00	\$6,250.00
	TOTAL CHANGE ORDER NO. 5:				\$6,250.00

Original Contract Amount	\$1,436,538.73
Previous Change Orders	\$5,787.12
This Change Order	<u>\$6,250.00</u>
Revised Contract Amount (Including this change order)	\$1,448,575.85

CHANGE IN CONTRACT TIMES

Original Contract Times:

Substantial Completion (days or date):	85 days
Ready for final Payment (days or date):	99 days

Increase of this Change Order:

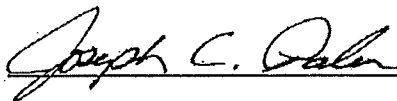
Substantial Completion (days or date):	No Change
Ready for final Payment (days or date):	No Change

Contract Time with all approved Change Orders:

Substantial Completion (days or date):	85 days
Ready for final Payment (days or date):	99 days

Recommended for Approval by:

STANTEC

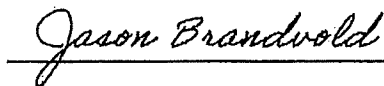


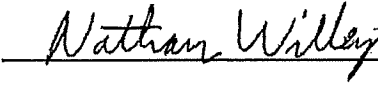
Date:

07/21/2022

Approved by Contractor:
HESELTON CONSTRUCTION, LLC

Approved by Owner:
City of Waseca





7/21/2022

Date

7-21-22

Date

Approved by MnDOT State Aid:

MnDOT District 7 - Lisa Bingham

Lisa Bingham

Digitally signed by Lisa Bingham
Date: 2022.08.09 16:17:15
+05'00'

8/9/2022

Date



Owner: City of Waseca, 508 South State Street, Waseca, MN 56093	Date	August 4, 2022
HESELTON CONSTRUCTION, LLC P.O. BOX 246 • FARIBAULT, MN 55021		

CHANGE ORDER NO. 6

8TH ST RECONSTRUCTION & REHABILITATION

SAP NO. 172-101-006

CITY PROJECT NO. 2022-01

STANTEC PROJECT NO. 193805360

Participating or Non-Participating Costs

Participating

Description of Work

This Change Order No. 6 is to provide compensation for the repair of existing storm sewer piping within the corridor that had been previously damaged by a private utility contractor while directional drilling installation of their utility.

No.	Item	Unit	Contract Quantity	Unit Price	Total Amount
CHANGE ORDER NO. 6					
1	Storm Sewer Piping Repair	LS	1	\$6,067.20	\$6,067.20
TOTAL CHANGE ORDER NO. 6:					\$6,067.20

Original Contract Amount	\$1,436,538.73
Previous Change Orders	\$11,574.24
This Change Order	<u>\$6,067.20</u>
Revised Contract Amount (including this change order)	\$1,454,180.17

CHANGE IN CONTRACT TIMES

Original Contract Times:

Substantial Completion (days or date):	85 days
Ready for final Payment (days or date):	99 days

Increase of this Change Order:

Substantial Completion (days or date):	No Change
Ready for final Payment (days or date):	No Change

Contract Time with all approved Change Orders:

Substantial Completion (days or date):	85 days
Ready for final Payment (days or date):	99 days

Recommended for Approval by:

STANTEC

Joseph C. Olson

Date:

8/8/2022

Approved by Contractor:
HESELTON CONSTRUCTION, LLC

Approved by Owner:
City of Waseca

Jason Brandvold

Nathan Willey

8/8/2022

8-8-22

Date

Date

Approved by MnDOT State Aid:
MnDOT District 7 - Lisa Bingham

Lisa Bingham Digitally signed by Lisa Bingham
Date: 2022.08.09 16:18:37
+05'00'

8/9/2022

Date



Owner: City of Waseca, 508 South State Street, Waseca, MN 56093	Date	August 29, 2022
HESELTON CONSTRUCTION, LLC P.O. BOX 246 • FARIBAULT, MN 55021		

CHANGE ORDER NO. 7
8TH ST RECONSTRUCTION & REHABILITATION
SAP NO. 172-101-006
CITY PROJECT NO. 2022-01
STANTEC PROJECT NO. 193805360

Participating or Non-Participating Costs

Line Items 1 and 3: Participating X State Aid eligible

Line Item 2: Non-Participating

Description of Work

Change Order No 7 provides compensation for work done by the Contractor outside of the original scope of the Contract. Descriptions of the below line item changes are as follows:

- Line Item 1: Work Order #7 provides compensation for the modifications necessary to storm sewer structures ST 23 & ST 24 due to vertical and horizontal conflicts with existing underground utilities.
- Line Item 2: Work Order #8 (3) provides compensation for the replacement of failed gate valve box sections within the rehabilitation segment of 8th Street.
- Line Item 3: Work Order #10 provides compensation for the preparation of cracked concrete curb and gutter prior to paving operations.

No.	Item	Unit	Contract Quantity	Unit Price	Total Amount
CHANGE ORDER NO. 7					
1	Storm Sewer Structure Modifications	LS	1	\$673.00	\$673.00
2	Gate Valve Box Repairs	LS	1	\$2,018.50	\$2,018.50
3	Curb Preparations	LS	1	\$212.00	\$212.00
TOTAL CHANGE ORDER NO. 7:					\$2,903.50

Original Contract Amount	\$1,436,538.73
Previous Change Orders	\$14,353.74
This Change Order	<u>\$2,903.50</u>
Revised Contract Amount (including this change order)	\$1,453,795.97

CHANGE IN CONTRACT TIMES

Original Contract Times:

Substantial Completion (days or date):	85 days
Ready for final Payment (days or date):	99 days

Increase of this Change Order:

Substantial Completion (days or date):	No Change
Ready for final Payment (days or date):	No Change

Contract Time with all approved Change Orders:

Substantial Completion (days or date):	85 days
Ready for final Payment (days or date):	99 days

Recommended for Approval by:

STANTEC

Date:

08/30/2022

Approved by Contractor:

HESELTON CONSTRUCTION, LLC

Approved by Owner:

City of Waseca

Jason Brandvold

Nathan Willey

8/31/2022

8-31-22

Date

Date

Approved by MnDOT State Aid:

MnDOT District 7 - Lisa Bingham

Lisa Bingham

Digitally signed by Lisa Bingham
Date: 2022.09.06 11:45:08 -05'00'

9/6/2022

Date

Title:	AUTHORIZATION OF A FIXED BASE OPERATOR (FBO) CONTRACT WITH LANGER AVIATION INC.		
Meeting Date:	October 4, 2022	Agenda Item Number:	7C
Action:	<input checked="" type="checkbox"/> MOTION <input type="checkbox"/> REQUESTS/PRESENTATIONS <input type="checkbox"/> RESOLUTION <input type="checkbox"/> ORDINANCE <input type="checkbox"/> DISCUSSION	Supporting Documents:	FBO Contract Langer FBO Proposal
Originating Department:	Engineering	Presented By:	City Engineer
Approved By City Manager: <input checked="" type="checkbox"/>	Proposed Action: Motion to authorize a Fixed Base Operator (FBO) Contract with Langer Aviation Inc.		
How does this item pertain to Vision 2030 goals?	Creating high quality community assets		

BACKGROUND: In July and August of 2022, a Request for Proposals (RFP) for a new Fixed Base Operator (FBO) was released and one proposal (attached) was received from Brent Langer of Langer Aviation Inc. Brent is a certified mechanic and has been providing aircraft maintenance and restoration, avionics installation, and fuel services at the Owatonna Airport since 2009.

On August 9th, the Airport Board met to review the proposal and an in-person meeting with Brent was conducted on August 15th. Since then, City staff has worked with Mr. Langer to finalize the terms of the FBO Contract (attached) and on August 30th the Airport Board recommended by a vote of 3-0 to enter into an FBO contract with Langer Aviation. The service terms largely match our previous Airport FBO contracts with the following exceptions:

- Monthly payment (payable to Langer Aviation) of \$3,800/month with renegotiation on an annual basis (previously the monthly payment was \$2,300/month)
- Langer Aviation to complete all airport mowing and snow removal (after the 2023 winter season)
- Addition of a fuel flowage fee of \$0.10/gallon (payable to the City) to cover future fuel system expenses
- 3-year term starting January 1, 2023, with automatic renewal for another 2 years assuming no termination notice is given

BUDGET IMPACT: The current Airport operating budget can sustain the costs associated with this contract and staff will monitor its impact on the Airport's capital improvement budget. It is anticipated that state and federal funding, the new fuel flowage fees, and land and hangar lease revenue will be sufficient to cover all operating expenses and still allow for adequate capital improvements.

RECOMMENDATION: Staff recommends the City Council make a motion to authorize the FBO contract with Langer Aviation.

Waseca Municipal Airport Fixed Base Operator Agreement Between the City of Waseca and Langer Aviation Inc.

This Agreement is made and entered into on this 4th day of October 2022 between the City of Waseca, Minnesota, a Minnesota municipal corporation (hereinafter, the "City"), and Langer Aviation Inc., a Minnesota corporation ("hereinafter, the "FBO").

For convenience, when the term "Airport" is used in this Agreement, it refers exclusively to the City-owned Waseca Minnesota Municipal Airport, located at 35493 110th Street, Waseca, MN 56093. In addition, the term "MnDOT" refers to the Minnesota Department of Transportation and "FAA" refers to the Federal Aviation Administration.

RECITALS

WHEREAS, Fixed Base Operator services are essential to the proper accommodation of general aviation at the Airport; and

WHEREAS, the City desires to lease certain premises located on the Airport, together with the right to use and enjoy individually and in common with others the Airport Facilities, as defined below, to a party that will provide needed aviation services to Airport users as specified herein; and

WHEREAS, the FBO is an incorporated and registered entity that is in good standing with the MN Secretary of State; and

WHEREAS, the FBO has proposed to lease property at the Airport from the City and serve as the primary fixed-base operator at the Airport from and after January 1, 2023, for the purpose of providing needed aviation services to Airport users and providing the primary fixed-base operator services at the Airport, and represents that it is qualified, ready, willing, and able to provide such services.

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained in this Agreement, the parties hereby agree as follows:

AGREEMENT

Section 1. INITIAL TERM; RENEWAL.

The initial term of this Agreement is for approximately three (3) years commencing on January 1, 2023, (the "Commencement Date") and ending on December 31, 2025 (the "Expiration Date"), unless earlier terminated in accordance with its terms herein. Provided the FBO is not in default as to any of the terms or conditions of this Agreement, the Agreement shall automatically renew on the same terms and conditions for an additional term of two (2) years commencing on January 1, 2026, and ending on December 31, 2027, unless earlier terminated in accordance with its terms herein, and the Expiration Date shall be adjusted accordingly, unless either party gives written notice to the other party in writing of its desire to not renew this Agreement at least 180 days before the Expiration Date.

Section 2. LEASE OF AIRPORT PROPERTY.

- A. Leased Premises. The City agrees to lease to the FBO, who agrees to lease from the City, the Arrival/Departure Building, the FBO Hangar (approximately 80 feet by 80 feet), and the garage space (approximately 40 feet by 33 feet) attached to the north end of T-hangar "E", together with rights of ingress and egress for both vehicles and aircraft, all as depicted on Exhibit A attached hereto and incorporated herein by reference (the "Leased Premises"). The Leased Premises will not include any parking spaces or apron space.

- B. Authorized Use. The FBO agrees that it will use the Leased Premises only for the purposes of performing the duties and providing the services described in this Agreement and for providing other aviation services as approved by the City.
- C. Quiet Enjoyment. So long as the FBO conducts its business in a fair, reasonable and workmanlike manner in accordance with the requirements of this Agreement, the FBO shall peaceably have and enjoy the Leased Premises, and all the rights and privileges granted herein.
- D. Leasehold Improvements.
1. Trade Fixtures. During the term of this Agreement, the FBO shall have the right, at its expense, to place in, or on, the Leased Premises fixtures, furnishings, personal property, equipment, and materials related to the aviation use of the premises and necessary to perform any services required or authorized under this Agreement and they shall remain the property of the FBO.
 2. Other Improvements. Any work or improvements requiring a permit or inspection, including, but not limited to, additions, internal structural changes, rebuilding, repair, fencing, outdoor signs, electrical work, or plumbing must be approved in advance and in writing by the City. All such improvements shall be the property of the City. In connection with such improvements, the City shall pay in full, or reimburse the FBO, the cost of all labor and materials and will not suffer or permit any mechanics' liens to be made against the City's buildings, appurtenances, or the title of the real estate which shall at all times remain in the City of Waseca. If any lien is filed against the site, the FBO shall cause the satisfaction and release of such lien within thirty (30) days of such filing or deliver to the City such security as the City may in its reasonable discretion require while the FBO diligently contests such lien.
- E. Utilities.
1. The City shall provide water, sewer, electric, and gas service to the Leased Premises and the buildings thereon as existing on the Commencement Date and shall provide for the installation of meters to measure the FBO's water, electricity, and gas usage.
 2. Except for the Arrival/Departure Building, the FBO shall pay applicable water, sewer, electric, and gas service for the Leased Premises.
 3. In the event the FBO fails to pay any utility bill when due, the City may, at its option, pay the same and collect from the FBO the amount of the bill it paid plus a penalty of ten percent (10%) of the amount the City paid.
- F. General Maintenance.
1. The FBO shall maintain the Leased Premises and all structures thereon in good order, clean, presentable, and free of debris, waste, spills, slippery areas, and any other hazards to individuals using the Leased Premises, excepting only those functions expressly made the responsibility of the City in this Agreement, and shall make non-structural repairs to the buildings on the Leased Premises, including routine repairs to the plumbing, heating, ventilation, and electrical systems and fire sprinkler system monitoring system and fire extinguishers, as necessary. The FBO shall provide notice to the City prior to commencing any such routine repairs. (The City shall be responsible for making major repairs pursuant to Section 4.A herein).
 2. The FBO agrees to conduct frequent inspections of the Leased Premises and shall be responsible for notifying the City of any needed repairs that fall within the City's responsibilities pursuant to Section 3.B herein.
 3. The FBO agrees to remove all accumulated snow and ice immediately adjacent to and surrounding all hangars and the Arrival/Departure Building, including doorways, sidewalks, and all other pedestrian accesses to the parking lot and ramp areas. All accumulations of snow and ice shall be removed within 24 hours of the end of a snowfall or wind event. During the 2022-23 winter season, the City will remove snow and ice from the runway, taxiways, apron, parking lot, access drive, and all other driveways and paved open spaces necessary to maintain Airport operations.

In subsequent years, the FBO shall be responsible for utilizing Airport snow removal equipment to remove all snow and ice necessary to maintain Airport operations.

G. Hazardous Substances.

1. The FBO shall comply, and shall require any sublessee to comply, with all environmental laws, rules, regulations, orders, and permits applicable to the use of the Leased Premises and/or the Airport Facilities, including but not limited to, required National Pollutant Discharge Elimination System Permits and all applicable laws relating to the use, storage, generation, treatment, transportation, or disposal of hazardous or regulated substances. Except for the Hazardous Substances governed by and transported in full compliance with the transportation laws of the state or federal government, the FBO must not knowingly use, store, generate, treat, transport, or dispose of any hazardous or regulated substances or waste on, or near, the Leased Premises and/or Airport Facilities without first obtaining all required permits and approvals from all authorities having jurisdiction over the operations conducted on the Leased Premises and/or Airport Facilities.
2. If the FBO determines that a threat to the environment, including but not limited to, a release, discharge, spill, or deposit of a hazardous or regulated substance, has occurred or is occurring which affects or threatens to affect the Leased Premises and/or the Airport Facilities, or the persons, structures, equipment, or other property thereon, the FBO must notify the Director of Engineering immediately by oral report, in person or by telephone, to be promptly confirmed in writing within twenty-four (24) hours as required by law or regulation.
3. The FBO or its designee shall keep a readily accessible file of Safety Data Sheets ("SDS") for each Hazardous Substance on site or transported, in accordance with federal and state transportation laws, which file must be posted and immediately available to any City employee or Airport tenant who responds to reports of a discharge of a Hazardous Substance on the Leased Premises and/or Airport Facilities.
4. The FBO will cause prompt remediation and the payment of all costs associated with any action or inaction of the FBO that directly or indirectly prevents the Airport from materially conforming to all then applicable environmental laws, rules, regulations, orders, or permits. In the event the FBO fails to fulfill this obligation following written notice and a reasonable cure period, the City may perform any such remediation and the direct and indirect cost of such action shall be invoiced to the FBO plus a fifteen percent (15%) administrative fee. Payment of such charges are due and payable upon demand and may not be contested. The rights and obligations set forth in this Section Paragraph shall survive the earlier expiration or termination of this Agreement.
5. The FBO will not bear any responsibility for any pre-existing hazardous substances or for any leakage caused by the existing underground storage tanks and the Lessor will indemnify and hold the FBO harmless thereon.

- H. Early Access. After the effective date of this Agreement first noted above, but prior to the commencement date of the Term, the FBO shall have a non-exclusive license to access the Leased Premises for the purpose of moving equipment and personal property in and preparing to begin performing FBO services promptly upon the commencement of the Term. The FBO's access to, and use of, the Leased Premises pursuant to this license shall be subject to the City's oversight and requirements in the City's sole discretion as necessary or convenient to provide for the efficient operation of the airport. No fee shall be owing to either party prior to the commencement of the Term; however, the license described in this Paragraph H shall not take effect until the FBO provides proof of the insurance coverages required in Section 8 below, which coverages shall take effect prior to the FBO's accessing the Leased Premises pursuant to this License.

Section 3. **FBO SERVICES.**

The FBO agrees to perform the Required Services as specified in Subsection B of this section and is authorized, but not required, to provide Authorized Services as specified in Subsection C of this section.

- A. Non-Exclusive Right. It is not the intent of this Agreement to grant to the FBO the exclusive right to provide any or all of the services described, required, or permitted in this Agreement at any time during the term of this Agreement. The City reserves the right, at its sole discretion, to grant others' rights and privileges upon the Airport that may be identical in whole or in part to those granted to the FBO. The FBO acknowledges that no right or privilege has been granted to it which would prevent any person, firm, or corporation operating aircraft on the Airport from performing services on its own aircraft, with its own employees, including maintenance and repair services. Notwithstanding this provision, the FBO is granted exclusive rights to the Leased Premises as described in Section 2, Part A.
- B. Required Services. The FBO shall provide the following minimum services while complying with all federal, state, and local laws, rules, or regulations, now or hereinafter in force, which may be applicable to said services:

1. The FBO shall provide apron servicing of locally based and itinerant general aviation aircraft including the sale of aviation fuels, lubricants, and other aviation products and itinerant aircraft parking upon or within facilities assigned, or leased, to the FBO.
2. The FBO shall provide pilot advisory assistance on such matters as flight rules, field conditions, parking, etc., and operation of a Unicom radio for wind and weather conditions to incoming aircraft, when requested, during reasonable hours.
3. The FBO shall provide and maintain associated customer conveniences, including but not limited to, a pilot lounge and preparation area.
4. The FBO shall provide, or if the FBO chooses not to directly provide them, then provide references for the following services: aircraft rental, air taxi and charter service, flight training, and ground schools.
5. The FBO shall coordinate the renting of City-owned hangars. The FBO shall monitor the activity of the hangar lessees to ensure compliance with the hangar lease agreements and shall communicate with the City on all necessary matters related to the use and lease of City-owned hangars. The FBO shall inspect the leased hangars for conformance with the lease, notify hangar lessees and the City of any violations, and require said lessees bring their space into compliance or vacate the premises. The FBO shall coordinate efforts to keep each available hangar space rented.
6. The FBO shall provide call-in services, 24 hours per day, 7 days a week, 365 days a year. The FBO shall conspicuously post a 24-hour contact telephone number on the outside of the Arrival/Departure Building and the FBO Hangar. Said phone number is to be answered whenever call-in service is required under this Agreement. The FBO agrees that it will respond to the Airport within sixty (60) minutes of receiving a request for call-in services. Requests for any variances from these required hours of operation and responsibility for call-in services must be coordinated with, and approved by, the City.
7. The FBO shall provide ramp service, including sale and into-plane delivery of aviation fuels, lubricants, and other related aviation products. Fuel sales and pricing shall be under the control of, and at the discretion of, the FBO.
8. The FBO shall provide apron service, including itinerant parking, storage, and tie down service. Apron service shall include service to meet and greet arriving aircraft in a timely manner whenever reasonable and practicable. In addition, apron service shall include allowing adequate space in the main heated hangar for temporary parking of transient aircraft upon request whenever reasonable and practicable.

9. The FBO shall provide repair and maintenance of based and transient aircraft. The FBO agrees to maintain and operate a repair shop employing one or more certified A&P mechanics and a designated airworthiness inspector. Repair and maintenance service times shall generally be from 8:00 AM to 5:00 PM Monday through Friday and on an as-requested basis.
10. The FBO shall manage the Airport on a 24-hour, seven (7) day per week basis.
11. The FBO shall complete the day-to-day maintenance of the Airport buildings, grounds, hangars, taxiways, aprons, and all other Airport infrastructure. The City will furnish or reimburse the FBO for necessary materials or supplies. Furthermore, the FBO shall recommend major maintenance in a timely manner to the City for budgeting purposes.
12. The FBO shall thoroughly clean the Leased Premises and maintain the same in a clean and useable condition at all times. The restrooms and showers in the Arrival/Departure Building shall be kept clean at all times and supplied with all necessary supplies. Windows shall be kept clean at all times.
13. The FBO shall furnish janitor and caretaker services for the Airport buildings and the area around the same, as more fully stated hereinafter. Janitor supplies and equipment shall be supplied by the FBO for the FBO Hangar and garage space. The City will supply janitor supplies and equipment for the Arrival/Departure Building.
14. The Arrival/Departure Building, and any other public areas of the Airport not subject to maintenance by other tenants, lessees, or concessionaires, shall be thoroughly cleaned by the FBO or its employees as needed. The public areas in the Arrival/Departure Building shall receive daily cleaning by the FBO or its employees, and the restrooms and showers in said building shall be kept cleaned at all times and supplied with all necessary supplies.
15. While in operation, the FBO shall perform frequent checks of the heating and air conditioning system and keep the units in a clean and proper order, including cleaning the flues whenever necessary. The City shall pay for repairs to the furnace and air conditioners.
16. The FBO is responsible for the general cleanliness and maintenance of the Leased Premises, as well as for the general security of any City-owned Airport equipment stored in the Leased Premises. This provision shall not be construed to impose on the FBO the duty of an insurer or guarantor.
17. Each year prior to the snow season, the FBO shall arrange for the mowing of all grass and weeds, as prescribed by FAA and State regulations, on each side of the runway to a minimum height permissible without obstructions which would cause snow drifting or interfere with snow removal operations. It shall be the responsibility of the FBO to time this particular grass cutting so as to properly serve this intended purpose.
18. The FBO, using City-owned Airport equipment, shall maintain the turf and grounds as necessary on the Airport property. Grass is to be maintained at no higher than five (5) inches.
19. The FBO shall inspect and report needed repair or maintenance of all Airport fences to the City.
20. The FBO shall make frequent inspections of the runway, remove all runway hazards, and cause the runway to be closed and marked when it cannot be used.
21. When necessary, the FBO shall cause NOTAMS (Notices to Airmen) to be filed and deleted with cooperating Flight Service Stations of the FAA.
22. The FBO shall check all Airport lighting systems at least once per week to determine if they are in good working order and whether all light bulbs, light fixtures, the wind cone, obstruction markers, and the Airport rotating beacon are functioning properly. The FBO shall prepare a diagram of the runway lighting systems and obstruction lights with each light consecutively numbered. The FBO shall maintain a record of the performance of each light and the replacements required, make minor repairs as found by inspection to be necessary, and promptly replace burned-out light bulbs. Bulbs shall be supplied by the City. The FBO shall notify the City of any repairs required

- that are of a major nature and beyond the ability of the FBO to repair, and request instructions as to how to proceed to have the deficiency corrected.
23. From time to time, the FBO shall analyze the runway lighting system performance record and advise the City of any repairs that should be made to the system.
 24. The FBO shall be subject to, and conform with, all laws, rules, and regulations of the Federal, State, County, or City Governments or appropriate agencies thereof, in the management of the Airport and in any and all activities to be carried out under this Agreement.
 25. The FBO shall take all necessary precautions and steps to see that all rules, laws, and regulations of the Federal Government, the State of Minnesota, and the City of Waseca or any of its duly authorized agencies, are enforced at all times.
 26. The FBO shall attend such conferences or trainings as the City may direct. The City shall pay, or reimburse the FBO, for costs associated with such conferences or trainings. The FBO shall at such conferences or trainings offer advice and cooperation as able.
 27. The FBO's appointed Airport manager or designee shall attend all Airport Advisory Board meetings and, when requested by the City, attend any and all public meetings at which Airport matters are to be discussed and considered.
 28. The FBO shall recommend to the City such rules and regulations relative to the safe operation of the Airport as deemed necessary. All flight regulations shall be in addition, and not contrary, to FAA regulations. No such rules or regulations shall become effective until approved and issued by the City.
 29. The FBO shall consult with the City in all matters relating to proposals from businesses wishing to locate on the Airport.
 30. The FBO shall keep a complete and accurate record of all maintenance work performed on the Airport in such a manner as the City may direct. The FBO shall make reports to the City in the form requested.
 31. The FBO shall immediately notify the City, in the form of a work order, of any damage or repairs to Airport Facilities which the FBO cannot personally correct so as to enable the City to take whatever actions necessary to make said repairs.
 32. Prior to June 1st of every year while this Agreement is in effect, the FBO shall report to the City on the Airport conditions and activities and make suggestions for the facility and services therein rendered (Annual Budget Process).
 33. The FBO shall promptly notify the City of the names and addresses of new aircraft hangar rentals, the dates hangar rental spaces are occupied or become available, and any other hangar rental changes or updates.
 34. The FBO's books and records shall be available to the City for examination or audit. Reports and audits shall be submitted to the City in such forms as prescribed by the City and at such reasonable times and intervals as requested by the City.
 35. The FBO shall be responsible for promptly notifying the FAA Flight Service Station of all field conditions affecting the safe use of the Airport.
 36. The FBO shall cooperate with local flight services and give advisory assistance to pilots on such matters as flight rules, parking, and field conditions and see that the hangars and other buildings are used for Airport purposes only.
 37. The FBO shall cooperate with all federal, state, and municipal bodies insofar as all matters are concerned which are under their control.
- C. Planned Preventative Maintenance. To keep systems operating properly, the FBO shall furnish planned preventive maintenance according to the schedule shown below:

WEEKLY

1. Conduct driving patrols and check all lighting and fixtures to assure that the bulbs are working properly. Replace all burned out bulbs and broken lenses.
2. Check all electrical lighting and control equipment, remote switches, photocells, and radio controls. Assure that the controls are operating properly.
3. Check all electrical lighting and control equipment voltages and currents and compare them with the equipment ratings. Record all results on a log sheet.

MONTHLY

1. Clean the electrical equipment building.
2. Perform visual inspections of exterior equipment cabinets for cleanliness.
3. Remove vegetative growth around the Visual Approach Slope Indicators (VASIs), Runway End Identifier Lights (REILs), and all other runway lights.
4. Check the orientation of all light lenses.
5. Check the interior of all flasher and control cabinets. Check the REIL safety devices.
6. Check the Median Alignment Lighting System (MALS) and Runway Alignment Indicator System (RAILS).
7. Check the wind cone to see that it swings properly. Check the wind cone fabric and assure that all lamps are operating properly.

QUARTERLY

1. Check the condition of the beacon lamp charger.
2. Check the condition of the beacon brushes and slip rings.
3. Test the beacon clutch drag.
4. Check the beacon "C" clamps and gaskets.
5. Check the beacon tell-tale circuit.
6. Check the beacon optical system and obstruction lights.

SEMI-ANNUALLY

1. Check for corrosion of electrical parts in all lighting systems and controls.
2. Check all electrical lighting control equipment and connections for water damage or moisture leaks.
3. Check the VASI and approach lights and reflectors.
4. Visually check the line of sight for obstructions in the VASI approach slope.
5. Revamp the wind cone, beacon, and obstruction lights.
6. Lubricate the beacon lights and the bearings in the wind cone.
7. Check the focusing, leveling, and aiming of the beacon.
8. Adjust all hangar door cables.
9. Touch up the paint on electrical enclosures.

ANNUALLY

1. Check the beacon weatherproofing and gaskets.
2. Lubricate all hangar door rollers.

D. Parts and Complete Replacement.

1. The City will repair or replace worn parts or complete components with new parts or reconditioned components. All necessary parts for proper maintenance of the Airport lighting system will be ordered by the FBO, who will maintain a sufficient inventory on hand. It is understood that the parts and/or components are to be furnished, or the costs reimbursed, by the City.
2. The FBO shall not be required to conduct safety tests or install new attachments or additional controls or equipment as recommended or directed by an insurance company, laboratory, or governmental authority without a separate agreement with the City.

3. The FBO shall be responsible for all City-owned Airport equipment which is stored or used at the Airport and under FBO's custody and control, for maintaining the same in good working order, excepting damage or parts failures that are not attributable to the FBO's negligence, and for protecting the same from damage caused by vandalism, hazardous weather, or exposure to the elements.

E. Optional Services. In addition, the FBO is authorized, but not required, to provide the following services, provided that these additional services do not limit the FBO's ability to provide the required services:

1. Ramp services at the main terminal or other Airport locations, including loading and unloading of passengers, baggage, mail, and freight and providing other ramp equipment.
2. Manage vending machine type refreshments such as soft drinks, candies, etc.
3. Operation of a flight school.
4. Special flight services, including aerial sight-seeing, patrol of power lines or pipelines, aerial advertising, and aerial photography.
5. The sale of aircraft.
6. Aircraft rental.
7. Aircraft charter operations.
8. Automobile rental.
9. A pilot advisory/Unicom station.

F. Operating Standards. In providing any of the required or authorized services, or activities described in this Agreement, the FBO shall operate the Airport for the use and benefit of the public and shall meet or exceed the following standards (the "Minimum Standards"):

1. The FBO shall exercise the same degree of care, skill, and diligence in the performance of services under this Agreement as is ordinarily possessed and exercised by members of the same profession, currently practicing, under similar circumstances.
2. The City reserves the right to periodically amend the Minimum Standards as it deems advisable, in its sole discretion, for the safe and efficient operation of the Airport, and without the agreement of the FBO. The FBO specifically acknowledges it has not, and cannot, acquire any property right based upon, or arising out of, the Minimum Standards as now existing or as amended in the future.
3. The FBO shall furnish service on a fair, reasonable, and nondiscriminatory basis to all users of the Airport consistent with Section 13 below. The FBO shall furnish good, prompt, and efficient service adequate to meet all reasonable demands for its services at the Airport. The FBO shall charge a fair and nondiscriminatory market price for each unit of sale or service; provided, however, that the FBO shall be allowed to make reasonable and non-discriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.
4. The FBO shall select and appoint a full-time manager of its Airport operations. The manager shall be qualified and competent to carry out their duties and vested with full power and authority to act on behalf of the FBO with respect to controlling the method, manner, and conduct of the operation of the fixed base services to be provided under this Agreement. The manager shall generally be available at the Airport during regular business hours. When the manager is absent, a duly authorized subordinate shall be named to be in charge and available at the Airport.
5. The FBO shall provide, at its sole expense, a reasonable and sufficient number of employees to effectively and efficiently provide the services required or authorized by this Agreement.
6. The FBO shall control the conduct, demeanor, and appearance of its employees, who shall be trained by the FBO and shall possess such technical qualifications and hold such certificates or qualifications as may be required by any governmental authority in carrying out assigned duties. The FBO's employees shall wear appropriate uniforms or other distinctive or marked attire that

allows for their ready identification as employees of the FBO. It shall be the responsibility of the FBO to maintain close supervision over its employees to assure a high standard of service to Airport customers.

7. Unless otherwise expressly provided herein, the FBO shall be responsible for all expenses and payments in connection with the use of the Leased Premises and the rights and privileges herein granted, including permit fees, license fees, taxes, and assessments lawfully levied or assessed upon the FBO's property at any time situated on the Leased Premises. The FBO may, at its sole expense and cost, contest any tax, fee, or assessment.
8. The FBO shall comply with all federal, state, and local laws, rules, and regulations which may apply to the conduct of its business, including rules and regulations established by the City. The FBO shall maintain in effect, and post in a prominent place, all necessary or required licenses and permits.
9. The FBO shall keep and maintain the Leased Premises in good condition, order, and repair, and shall surrender the same, upon the expiration of this Agreement, in the condition in which they are required to be kept; reasonable wear and tear and damage by the elements not caused by the FBO's conduct excepted.
10. The FBO agrees that there shall be no burning of any materials on Airport property and further agrees that any materials or equipment placed upon the Leased Premises shall be neatly piled or stacked and kept in a location so that it will not interfere with Airport operations or create an unsightly appearance. The FBO shall cause to be removed at its own expense all junk, waste, garbage, and rubbish, and warrants that such items and materials will be disposed of lawfully. The FBO may deposit the same temporarily in suitable containers on the Leased Premises awaiting its collection for removal.
11. The FBO shall be responsible for locking the Leased Premises after the close of business each day.
12. The FBO shall inspect fire extinguishers and other emergency rescue equipment in all leased and public areas.
13. It is expressly understood and agreed that, in providing required and authorized services pursuant to this Agreement, the FBO shall have the right to choose, at its sole discretion, its vendors and suppliers.
14. The FBO may erect suitable advertising signs on the Leased Premises to advertise the FBO's business; provided that the form, type, size, and method of installation shall first be approved by the City and shall be in compliance with all applicable ordinances and regulations. Any signs the FBO proposes to be installed not on the Leased Premises must first be approved by the City in the City's sole discretion.
15. The FBO agrees to comply with all rules and field regulations with respect to control of ground and air traffic and use of the Airport as shall be established from time to time by the City. The FBO shall abide by all rules, regulations, and orders of MnDOT, the FAA, and other lawful authorities with respect to aircraft operations on the Airport and with respect to the use of the Leased Premises.
16. The FBO shall furnish such evidence as may be reasonably requested by the City to show the FBO is financially capable of providing the FBO services set forth in Section 3 prior to the City's approval of this Agreement and at such further times as the City may require.

Section 4. **CITY RIGHTS AND RESPONSIBILITIES.**

- A. City Responsibilities. To facilitate the FBO's performance of the FBO services set forth in Section 3, the City shall supply in proper time and sequence, the following to the FBO:
 1. Exterior Maintenance. Except for accumulated snow and ice immediately adjacent to, and surrounding, all hangars and the Arrival/Departure Building, including doorways, sidewalks, and

all other pedestrian accesses to parking lot and ramp areas, the City shall be responsible for the removal of snow and ice from the runway, taxiways, apron, parking lot, access drive, and all other driveways and paved open spaces necessary to maintain Airport operations during the 2022-23 winter season. The FBO shall coordinate snow removal operations with the City to complete snow and ice control operations in the most efficient manner possible.

2. Structural Maintenance. The City shall maintain the hangars, Arrival/Departure Building, and other Airport Facilities in good and usable condition. This obligation includes, but is not limited to, the roof, exterior walls, doors, windows, all basic mechanical and electrical components, and rest room fixtures. The City is not responsible for repairs made necessary due to causes attributable to the FBO or its employees, agents, or invitees. The FBO will provide general repair and maintenance (not structural repair) for all structures located on the Leased Premises as more specifically detailed in Section 2 herein.
 3. Airport Equipment. The City shall repair and maintain Airport equipment that is to be used by the FBO in good and usable condition
 4. Fuel Facility Maintenance. The City shall maintain the City-owned fueling facility at the Airport and maintain the fueling systems in full working order.
 5. Emergency Equipment. The City shall provide, and maintain in good working order, fire extinguishers and other emergency rescue equipment in all leased and public areas.
 6. Insurance. The City shall provide fire and extended coverage insurance on all City-owned buildings which are either leased to, or used by, the FBO.
 7. Minimum Standards. The City shall enforce all minimum operating standards or requirements for all aeronautical endeavors and activities conducted at the Airport.
 8. Property Taxes. The City shall have sole responsibility for the payment of any real estate taxes for City-owned property and buildings on the Airport property.
 9. Fair Administration. The City shall endeavor to ensure that rates, terms, and conditions are fairly applied to all aeronautical endeavors or activities permitted to operate at the Airport. The City reserves the right to set rates, so they are equitable, taking into account such considerations as the location of any premises being leased, the economic investment made by the operator, the type and scope of the operation, and the space required to conduct the operation.
 10. Agreement Required. The City shall not permit the conduct of any aeronautical endeavor or activity at the Airport, except under an approved agreement.
- B. City Rights.
1. Right to Inspect. The City reserves the right to enter upon the Leased Premises at any reasonable time for the purpose of making any inspection it may deem expedient to the proper enforcement of any of the covenants or conditions of this Agreement.
 2. Airport Development. The City reserves the right to further develop or improve the landing area of the Airport as it sees fit, regardless of the desires or view of the FBO, and without interference or hindrance. If the development of the Airport requires the relocation of the FBO, the City agrees to provide a comparable location and agrees to relocate all buildings or provide similar facilities for the FBO at no cost to the FBO.
 3. Airport Maintenance. The City reserves the right, but shall not be obligated to the FBO, to maintain and keep in repair the landing area of the Airport and all Airport Facilities, together with the right to direct and control all activities of the FBO in this regard.
 4. Obstructions. The City reserves the right to take any action it considers necessary to protect the aerial approaches of the Airport against obstruction, together with the right to prevent the FBO from erecting, or permitting to be erected, any building or other structure on the Airport which, in the opinion of the City, would limit the usefulness of the Airport or constitute a hazard to aircraft. The FBO shall, upon approval by the City and prior to any construction of any nature

within the boundaries of the Airport, prepare and submit to the Federal Aviation Administration, FAA Form 7460-1, "Notice of Proposed Construction or Alteration", as required by Federal Aviation Regulation Part 77.

5. Mineral Rights. The City expressly reserves all water, gas, oil, and mineral rights in and under the soil beneath the Leased Premises but testing for and/or removal of any such gas, oil, or minerals shall be done in a manner so as not to disturb the Leased Premises or disrupt the operation of the business being conducted thereon.

Section 5. **USE OF AIRPORT FACILITIES.**

The FBO shall be entitled, in common with the general public, to have access to, and use of, all public facilities at the Airport. Such facilities include, but are not limited to, the use of landing areas, runways, taxiways, navigational aids, terminal facilities, and aircraft parking areas designated by the City (collectively, the "Airport Facilities"); provided, however, that such access and use shall be upon such terms, and under such rules and regulations, as they now exist or may be hereinafter established by the City and subject to any charges for such use as may be established from time to time by the City.

Section 6. **AIRPORT MAINTENANCE AND MANAGEMENT.**

- A. Maintenance of Airport Facilities. Except as otherwise required by this Agreement, the City shall maintain all public and common or joint use areas of the Airport, including the air operations area, in good repair, and shall make such repairs, replacements, or additions thereto as it considers, in its sole discretion, necessary for the safe and efficient operation of the Airport.
- B. Aerial Approaches. The City reserves the right to take any action it considers necessary to protect the aerial approaches of the Airport against obstruction, together with the right to prevent the FBO from erecting or permitting to be erected, any building, fence, signage, or other structure on, or adjacent to, the Airport which, in the opinion of the City, would limit the usefulness of the Airport or constitute a hazard to aircraft.

Section 7. **PAYMENTS.**

- A. FBO Payments. As and for consideration of their services as Airport FBO, the Lessor shall compensate the Lessee \$3,800 per month for calendar year 2023. Lessor and Lessee shall annually negotiate, and enter and initial below, the FBO monthly payment for each subsequent year on, or before, December 1st of the preceding year. Renegotiated payments shall primarily be based on documented Lessee time and materials costs and other expenses necessary to fulfill all FBO duties and services.

2024 FBO Payment: \$ _____ Director of Engineering _____ Langer Aviation Inc. _____

2025 FBO Payment: \$ _____ Director of Engineering _____ Langer Aviation Inc. _____

2026 FBO Payment: \$ _____ Director of Engineering _____ Langer Aviation Inc. _____

2027 FBO Payment: \$ _____ Director of Engineering _____ Langer Aviation Inc. _____

- B. Fuel Sales.

1. The FBO shall be responsible for the operation and sales of all on-premises aviation fuels. A fuel flowage fee of \$0.10 per gallon shall be paid to the City on a quarterly basis. Payment shall accompany a quarterly fuel sales report to be submitted on, or before, the 15th of April, July, October and January of each year for the previous three months' fuel sales.
2. The FBO agrees to purchase from the City the remaining quantity of aviation fuel (100LL) stored in the Airport fuel tank as of January 1, 2023. The purchase price for said fuel shall be the per gallon rate most recently paid by the City as documented by invoice or receipt.

- C. Utilities.

1. The FBO is responsible for all utilities including, but not limited to, gas, electric, water, sewer, phone, and internet related to the FBO Hangar.

2. The City is responsible for all utilities including, but not limited to, gas, electric, water, sewer, phone, and internet related to the Arrival/Departure Building and all other City-owned hangars and infrastructure.
- D. Rent. The FBO shall have the use of the Arrival/Departure Building, the FBO Hangar, and the garage space attached to the north end of T-hangar "E" rent free.
- E. Payments. Amounts due to the City and invoiced to the FBO under this Agreement shall be paid to the City, without notice, by the tenth (10th) of the month in which payment is due.
- F. Delinquency Charge. If any payment due to the City hereunder is not remitted until after the due date, the FBO shall be obligated to pay the City 110% of the amount then due and owing.
- G. Place of Payment. All payments due to the City shall be delivered to the City of Waseca Finance Department at 508 South State Street, Waseca, MN 56093.
- H. Records. The FBO shall provide and maintain accurate records of fuel dispensed and gross sales receipts derived under this Agreement and tie-down fees collected, for a period of three (3) years from the date the record is made. Such records shall be maintained according to generally accepted accounting principles. The City, or its duly authorized representative, shall have the right to request, at its own expense, an inspection of the books, records, and receipts of the FBO, and to verify the FBO's fuel records. The FBO shall provide the City with reports on fuel dispensed categorized by fuel type, meter readings on pumps for the beginning and ending of the calendar month, and any other information relating to fueling activity requested by the City. The FBO shall attach to the report copies of all invoices from fuel suppliers and the invoices shall be signed and dated by the person who supplied or delivered the fuel to the FBO. The City has the right at any time, upon reasonable request, to inspect fuel invoices, and business records to ascertain the veracity of the FBO's reports.
- I. Annual Statement. If requested by the City, within sixty (60) days after the end of each calendar year, the FBO shall furnish to the City a statement of gross sales made during the preceding calendar year and certified by an officer of the FBO as to its accuracy. The statement shall be in adequate detail to identify all of the various sources of those sales and receipts. Gross sales not derived from business operations pursuant to this Agreement, if any, shall be identified as such. If requested by the City, the City may audit said statements and the FBO's books and records, including examination of the general ledger and all other supporting materials, at any reasonable time during business hours, for the purposes of verifying the reported fuel sales and any other fees collected.

Section 8. **INSURANCE.**

- A. Required Liability Insurance Coverages. At all times while this Agreement is in effect, the FBO shall maintain, at a minimum, the following insurance coverages in the indicated amounts from insurance companies having an "AM BEST" rating of A- (minus), Financial Size Category (FSC) VII or better, and authorized to do business in the State of Minnesota, or as approved by the City:

Commercial General Liability (CGL) Insurance: \$1,000,000 per occurrence, covering liability arising from premises, operations, products and completed operations, independent contractors, personal and advertising injury, and contractual liability;

Aircraft Liability Insurance: \$100,000 passenger liability and \$1,000,000 per occurrence;

Hangar Keepers: \$250,000 per aircraft and \$500,000 per occurrence;

Automobile Liability: \$1,000,000 per occurrence combined single limit for bodily injury and property damage including coverage for owned, hired, and non-owned automobiles;

Workers Compensation: in statutory amounts;

Employer's Liability: \$500,000 – Bodily Injury by Disease Per Employee; \$500,000 – Bodily Injury by Disease Aggregate; \$100,000 – Bodily Injury by Accident and

Any other insurance coverages required by state or federal laws or regulations applicable to the FBO.

The FBO acknowledges that the requirements for insurance coverages set forth below are based on the services the FBO is obligated to perform under Section 3.B of this Agreement; the City may require additional insurance coverages if the FBO elects to engage in any of the optional services identified under Section 3.C of this Agreement, and that such coverages must be in full force and effect and meet the endorsement and additional insured requirements described below before the FBO may engage in offering any such optional services.

- B. The FBO shall secure an endorsement for each policy specified above stating that the insurance contract cannot be cancelled by the insurer until 30 days' notice in writing of cancellation, or 10 days' notice for non-payment of premium, has been given to the City Finance Director at 508 South State Street, Waseca, MN 56093. For each policy specified above, except for workers' compensation and employer's liability policies, the FBO agrees that it will cause the City to be named as an additional insured for all claims arising out of the named insured's performance of services required or authorized under its agreement with the City.
- C. The FBO shall, prior to commencing the services, deliver to the City a Certificate of Insurance as evidence that the above coverages are in full force and effect. Thereafter, the FBO shall annually provide the City with a Certificate of Insurance that the required insurance coverages remain in effect.
- D. The insurance requirements may be met through any combination of primary and umbrella/excess insurance.
- F. The FBO's policies shall be primary insurance and non-contributory to any other valid and collectible insurance available to the City with respect to any claim arising out of the FBO's performance under this Agreement.
- G. No representation is made that the minimum insurance requirements are sufficient to cover the obligations of the FBO under the agreement.

Section 9. INDEMNIFICATION; WAIVER AND ASSUMPTION OF THE RISK.

- A. Indemnification. The FBO shall indemnify, protect, save, hold harmless, and insure the City, and its respective officers, directors, employees, members, and agents from and against any and all claims and demands for, or litigation with respect to, all damages which may arise out of, or be caused by, the FBO or its agents, employees, contractors, subcontractors, or sublessees with respect to the FBO's performance of its obligations under this Agreement, or the FBO's or its agents', employees', contractors', subcontractors', sublessees' or invitees' presence on the Leased Premises or the Airport premises. The FBO shall defend and indemnify the City against the foregoing, or litigation in connection with the foregoing, at the FBO's expense, with counsel reasonably acceptable to the City. The City, at its expense, shall have the right to participate in the defense of any claims or litigation and shall have the right to approve any settlement, which approval shall not be unreasonably withheld. The indemnification provision herein shall not apply to damages or other losses proximately caused by, or resulting from, the negligence or willful misconduct of the City. All indemnification obligations shall survive termination, expiration, or cancellation of this Agreement.
- B. Waiver and Assumption of the Risk. The FBO knows, understands, and acknowledges the risks and hazards associated with using the Airport Facilities and Leased Premises and hereby assumes any and all risks and hazards associated therewith. The FBO hereby irrevocably waives any and all claims against the City or any of its officials, employees, or agents for any bodily injury (including death), loss or property damage incurred by the FBO as a result of using the Airport Facilities or the Leased Premises and hereby irrevocably releases and discharges the City and any of its officials, employees, or agents from any and all claims of liability.

Section 10. CASUALTY.

In the event any fixed improvements, owned by the FBO and existing on the premises upon the date of execution of this Agreement or erected on the premises by the FBO, are damaged, destroyed by fire, or other casualty, the FBO shall immediately repair the improvements and restore them to a condition at least as good as they were in immediately before the casualty.

Section 11. INDEPENDENT CONTRACTOR.

The FBO, at all times and for all purposes hereunder, shall be an independent contractor and is not an employee of the City for any purpose. No statement contained in this Agreement shall be construed so as to find the FBO to be an employee of the City, and the FBO shall not be entitled to any of the rights, privileges, or benefits of employees of the City, including but not limited to, workers' compensation, health/death benefits, and indemnification for third-party personal injury/property damage claims. The FBO acknowledges that no withholding or deduction for State or Federal income taxes, FICA, FUTA, or otherwise, will be made from any payments due the FBO hereunder, and that it is the FBO's sole obligation to comply with the applicable provisions of all Federal and State tax laws. The FBO shall at all times be free to exercise initiative, judgment, and discretion as to how to best perform or provide the services identified herein. The FBO is responsible for hiring sufficient workers to perform the services/duties required by this contract, withholding their taxes and paying all other employment tax obligations on their behalf.

Section 12. ASSIGNMENT, SUBLEASE.

The FBO agrees that it will not sublet the Leased Premises, or any part thereof, or hangars located thereon and will not assign this Agreement or any interests therein, nor permit this Agreement to become transferred by operation of law or otherwise and that no act or acts will be done or suffered whereby the same may be or become sublet or assigned in whole or in part, unless the written consent of the City endorsed hereon shall be first obtained in each and every case of subletting or assignment and that nothing whatever shall be held to be a waiver of, or supersede, the necessity of such endorsement. Subletting does not include the rental of hangar space for airplane storage. The City's consent to, or denial of, any sublease or assignment rests in its sole discretion. Any assignments, sale in bankruptcy or insolvency of the FBO may, at the option of the City, be considered an assignment and a breach of this Agreement.

Section 13. FAIR AND NONDISCRIMINATORY SERVICES.

- A. Nondiscrimination – Provision of Services. The FBO, in the conduct of any aeronautical activity for furnishing services to the public at the Airport, shall furnish services on a fair, equal, and not unjustly discriminatory basis to all users, and shall charge fair, reasonable, and not unjustly discriminatory prices for each unit or service; provided that the FBO may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers. The FBO specifically covenants that: (1) no person on the grounds of race, creed, color, religion, sex, age, national origin, sexual orientation, marital status, handicap, disability, political belief, or affiliation will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of the Leased Premises or the Airport Facilities; (2) in the construction of any improvements on, over, or under the Leased Premises and the furnishing of services thereon, no person on the grounds of race, color, religion, sex, age, national origin, sexual orientation, marital status, handicap, disability, political belief, or affiliation will be excluded from participation in, denied the benefits of, or otherwise be subject to discrimination.
- B. Nondiscrimination - Business Owner. This Agreement is subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR Part 23. The FBO for itself, and as a requirement for any sublessee, agrees that it will not discriminate against any business owner because of the

owner's race, color, national origin, or sex in connection with the award of performance or any concession agreement, management contract or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR Part 23.

- C. Nondiscrimination - Employment. The FBO will not engage in unlawful employment discrimination. Further, the FBO will develop or reaffirm an equal opportunity policy and disseminate that policy internally and externally. The plan shall be implemented through an action-oriented program with goals and timetables designed to eliminate obstacles to equal opportunity for women and minorities in recruitment and hiring. In recruiting job applicants for available positions, the FBO will contact minority and women's organizations, schools with predominant minority or female enrollments, and other recruitment sources for minorities and women.
- D. Warranty. The FBO warrants that it is familiar with, and will use the premises in compliance with, all other requirements imposed by, or pursuant to, Title 49, Code of Federal Regulations (CFR), Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination in Federally Assisted Programs of the Department of Transportation – Effectuation of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended.
- E. Remedy for Breach. In the event of breach of any of the above non-discrimination covenants, the City shall have the right to terminate this Agreement and to reenter and repossess the Leased Premises and hold the same as if this Agreement had never been made or issued. This provision does not become effective until the procedures of 49 CFR, Part 21, have been followed and completed, including expiration of appeal rights.

Section 14. **DATA PRACTICES; RECORDS RETENTION AND AVAILABILITY.**

- A. Data Practices. The parties acknowledge that data collected by the City pertaining to this Agreement may be subject to the requirements of Minnesota's Government Data Practices Act, Minnesota Statutes, Section 13.01 *et seq.*
- B. Records Retention and Availability. The FBO agrees that the City, the State Auditor, or any of their duly authorized representatives at any time during normal business hours and as often as they may deem reasonably necessary, shall have access to, and the right to examine, audit, excerpt, and transcribe, any books, documents, papers, records, etc. which are pertinent to the accounting practices and procedures of the FBO and involve transactions relating to this Agreement. The FBO agrees to maintain these records for a period of three (3) years from the date of termination of this Agreement.

Section 15. **REQUIREMENTS OF THE UNITED STATES.**

This Agreement shall be subject and subordinate to the provisions of any existing or future agreement between the City and the United States or the State of Minnesota, or any agency thereof, or relative to the operation or maintenance of the Airport, the execution of which has been, or may be required as, a condition precedent to the expenditure of federal funds for the development or operation of the Airport; provided, however, that the City shall, to the extent permitted by law, use its best efforts to cause any such agreements to include provisions protecting and preserving the rights of the FBO in, and to, the premises, and to compensation for taking thereof, interference therewith, and damage thereto, caused by such agreement or by actions of the City, United States, or the State of Minnesota pursuant thereto.

Section 16. **COMMITMENTS TO FEDERAL OR STATE AGENCIES.**

Nothing herein shall be construed to prevent the City from making such commitments as it desires to the Federal Government or to the State of Minnesota in order to qualify for the expenditure of federal and state funds at the Airport. Notwithstanding the foregoing, no such additional commitments shall result in an increase in rent or the FBO's obligations hereunder without the FBO's written consent.

Section 17. PARKING OF VEHICLES.

The FBO's private automobiles shall be allowed to be placed in the buildings for short periods of time. Auto parking on the apron or grass will not be permitted. All customer automobile parking will be in the public vehicle parking lot.

Section 18. DEFAULT AND TERMINATION.

- A. Termination by FBO. This Agreement shall be subject to termination by the FBO in the event of any one or more of the following events:
1. The abandonment of the Airport as an airport or an airfield.
 2. The default by the City in the performance of any of the terms, covenants, or conditions of this Agreement, and the failure of the City to remedy, or undertake to remedy to the FBO's satisfaction, such default for a period of thirty (30) days after receipt of written notice from the FBO to remedy the same, addressed to the City, to the attention of the Director of Engineering at 508 South State Street, Waseca, MN 56093.
 3. Damage to, or destruction of, all or a material part of the Leased Premises or Airport Facilities necessary to the operation of the FBO's business.
 4. The assumption by the United States, or any authorized agency thereof, of the operation, control, or use of the Airport, or any substantial part or parts thereof, in such a manner as to restrict the FBO from substantially conducting business operations for a period in excess of ninety (90) days.
- B. Termination by City. This Agreement shall be subject to termination by the City in the event of any one or more of the following events:
1. Institution of voluntary bankruptcy proceedings by the FBO.
 2. Institution of involuntary bankruptcy proceedings in which the FBO thereafter is adjudged bankrupt.
 3. Assignment for the benefit of creditors of the interests of the FBO under this Agreement.
 4. Appointment for the benefit of creditors of the property or affairs of the FBO.
 5. If the FBO shall vacate the Leased Premises.
 6. If the FBO shall refuse to take possession of the Leased Premises on the commencement date or shall permit the Leased Premises to remain unoccupied or unattended.
 7. If the FBO shall fail to pay any installments of rent or other charges required to be paid by the FBO within thirty (30) days after they shall become due and payable, subject to the rights of redemption provided by law.
 8. If the FBO shall fail to perform or observe any of its other obligations under this Agreement for a period of thirty (30) days after written notice thereof to the FBO.
 9. Any violation of state, federal, or local law, statute, ordinance, or regulation which results in a criminal conviction may result in the immediate termination, without further notice, of this Agreement at the City's option.
- C. Rights After Termination. In the event of termination for default by the FBO or other expiration of this Agreement, the City shall have the right at once, and without further notice to the FBO, to enter and take possession of the Leased Premises, and expel, oust, and remove any and all parties who may occupy any portion of the Leased Premises, and any and all goods and chattels belonging to the FBO or its associates which may be found, without being liable for prosecution or to any claim for damages. Upon such termination by the City, all rights, powers, and privileges of the FBO shall cease, and the FBO shall immediately vacate the Leased Premises, and shall make no claim of any kind whatsoever against the City, its agents, or representatives, by reason of such termination, or any act incident thereto. Upon such termination or expiration, any sublessees present on the Leased Premises who were properly approved by the City in writing pursuant to Section 12 shall be entitled to remain on the Leased Premises and continue their operations thereon through the expiration of the term of their

Agreement then in effect. In the event of termination for any cause which is determined by the City to be beyond the control and without the fault or negligence of the FBO, payment to the City hereunder shall immediately cease, and the FBO shall be entitled to have monies which have been prepaid or advanced to the City predicated on occupancy of the Leased Premises to the end of the period, if any, refunded to it by the City. The FBO shall, in addition to other rights provided for by law, be permitted to remove its personal property from the Leased Premises in a manner and at a time agreed upon by the parties.

- D. Dispute Resolution. The FBO and the City agree to negotiate all disputes between them under this Agreement in good faith for a period of thirty (30) days from the date of notice of dispute prior to proceeding to formal dispute resolution or exercising their respective rights under law.
- E. Force Majeure. Neither the City nor the FBO will be deemed to be in breach of this Agreement if either is prevented from performing any of its obligations hereunder by reason of Force Majeure. Force Majeure means any prevention, delay, or stoppage due to strikes, lockouts, labor disputes, acts of God, including inclement weather and/or periods of rain or snow, inability to obtain labor or materials, or reasonable substitutes therefore, governmental restrictions or requirements, governmental regulations, governmental controls, inability to timely obtain governmental approvals, enemy or hostile governmental action, civil commotion, fire or other casualty, pandemic or other declared local public health emergency, and other causes beyond the reasonable control of the party obligated to perform. All of the foregoing events excuse the performance by either party for a period equal to any prevention, delay, or stoppage, including the obligations imposed with regard to commencement or payment of rental and other charges to be paid by the FBO pursuant to this Agreement and the obligation of the City to deliver the Leased Premises.

Section 19. MISCELLANEOUS PROVISIONS.

- A. Entire Agreement. This Agreement constitutes the entire understanding between the parties, and as of its effective date supersedes all prior understandings and agreements between the parties covering the subject matter hereof.
- B. Terms Binding on Successors and Assigns. All of the terms, covenants, and agreements herein contained shall be binding upon, and shall inure to the benefit of, the heirs, successors, and assigns of the FBO and the City.
- C. No Partnership, Joint Venture, or Fiduciary Relationship. Nothing contained in this Agreement shall be interpreted as creating a partnership, joint venture, or relationship of principal and agent between the City and the FBO, it being understood that the sole relationship created hereby is one of landlord and tenant.
- D. No Third-Party Benefit. No provision of this Agreement creates a third-party claim against the City, the Airport, or the FBO beyond that which may legally exist in the absence of any such provision.
- E. No Waiver. Any Party's failure in any one or more instances to insist upon strict performance of any of the terms and conditions of this Agreement, or to exercise any right herein conferred, shall not be construed as a waiver or relinquishment of that right or of that Party's right to assert or rely upon the terms and conditions of this Agreement. Any express waiver of a term of this Agreement shall not be binding and effective unless made in writing and properly executed by the waiving party.
- F. Covenant Against Contingent Fee. The FBO warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for the FBO to solicit or secure this Agreement, and that it has not paid, or agreed to pay, any company or person, other than a bona fide employee, any fee, commission, percentage, brokerage fee, gift, or any other consideration, contingent upon, or resulting from, award or making of this Agreement.
- G. Attorney Fees. Each party shall be responsible to pay all costs, attorney fees, and expenses incurred by the other party to enforce this Agreement.

- H. Severability. If a provision of this Agreement shall be finally declared void or unlawful by any court or administrative agency having jurisdiction, the entire Agreement shall not be void, but remaining provisions shall continue in effect as nearly as possible in accordance with the original intent of the parties.
- I. Headings. The headings used in this Agreement are intended for convenience of reference only and do not define or limit the scope or meaning of any provision of this Agreement.
- J. Governing Law. This Agreement is to be construed and interpreted in accordance with the laws of the State of Minnesota.
- K. Notices. Whenever under this Agreement any demand, notice, or declaration of any kind that is required or permitted, it shall be in writing and served or sent by mail with postage prepaid.
1. If to the City, it shall be addressed to the attention of the Director of Engineering at 508 South State Street, Waseca, MN 56093
 2. If to the FBO, it shall be addressed to the attention of Brent Langer at 4603 South County Road 45, Owatonna, MN 55060.
- L. Amendments. This Agreement may be amended at any time throughout the term of the agreement. All amendments shall be in writing and mutually agreed upon and executed by the City and the FBO.
- M. Authorized Signatories. The parties each represent and warrant to the other that (1) the persons signing this Agreement are authorized signatories for the entities represented, and (2) no further approvals, actions, or ratifications are needed for the full enforceability of this Agreement against it; each party indemnifies and holds the other harmless against any breach of the foregoing representation and warranty.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective from the day and year first written above.

CITY OF WASECA:

LANGER AVIATION INC:

By: _____
R.D. Srp, Mayor

By: _____
Brent Langer, Owner

Date: _____

Date: _____

By: _____
Lee Mattson, City Manager

Date: _____

Waseca FBO Bid

Prepared By :

Brent Langer

Langer Aviation Inc.

4603 So Co Rd 45

Owatonna, MN 55060

(507)456-3426

Airport Management History And Experience :

My aviation career began in August of 1995 here at the Owatonna Airport. From August 1995 to June 2002, I worked for Born Again Restorations as a restoration technician. Born Again Restorations was a small restoration business that specialized in restoration of antique seaplanes. During my employment with Born Again Restorations, I was involved in the restoration of 2 Sikorsky S-38 sea planes. The first Sikorsky S-38 was built for SC Johnson Wax in Racine WI and was used to reenact a trip to Brazil that originally took place in 1935, which was the start of SC Johnson Co. The second Sikorsky S-38 was built for R.W (Buzz) Kaplan. Kaplan's S-38 actually was used in the movie "The Aviator". After the filming was complete that airplane was flown over the north Atlantic to Europe where it was on display at numerous airshows. Kaplan's S-38 was then sold to a collector from Florida named Kermit Weeks. I currently am restoring that S-38 for Weeks Aircraft. In June of 2002 I was involved in an airplane accident which ended up taking the life of R.W. (Buzz) Kaplan. Buzz was the owner of Born Again Restorations. I sustained serious injuries and spent 3 weeks recovering in St. Mary's Hospital Rochester MN, then the next year going through multiple surgeries and rehabilitations. After recovering from that accident, I purchased 2 airplane hangars at the Owatonna Airport and started an aircraft restoration/maintenance business named Langer Aviation Inc. In the beginning years I was doing business here as a single service provider, providing only aircraft maintenance. In October 2009 I expanded into a full service FBO. Since 2009 I have been providing aircraft maintenance, aircraft parts, avionics installations, fuel services, and aircraft leasing. Currently I maintain aircraft from Minnesota, Wisconsin, Iowa, Illinois, Florida, and Ontario Canada. Having those out of area customers has contributed greatly to the annual flowage of avgas here in Owatonna. Although I don't have any actual airport management experience, I have been working at the Owatonna Airport for the past 27 years, have built a reputation of providing excellent service, and I feel that I could be a great fit at the airport for the City of Waseca.

Qualifications and Certifications :

Graduated from Winona Technical College with a degree in aircraft maintenance 1995

Airframe and Powerplant License August 1995

Inspection Authorization License January 2004 (Renews Every 2 Years)

Private Pilot with Instrument, Single Engine Sea, Tailwheel, Complex, and High Performance Ratings

Professional References :

Stein Bruch (651)460-6955

Stein is the owner of Stein Air Avionics in Faribault MN. I have been working with Stein for the past 5+ years. Stein Air provides me with all the supplies and support needed to perform avionics installations.

Roger Dibble (414)651-2750

Roger was the owner of Venture Development in Waukesha WI. I began maintaining Roger's 2 aircraft in 2004. Roger has referred multiple airplane maintenance customers to me from Waukesha WI, including a restoration project that won Grand Champion in its class at the Oshkosh WI Airshow.

Andy Michaletz (507)363-3936

Andy is a current aircraft maintenance customer that I've worked with for the past 10+ years. Andy owns 2 aircraft that I currently maintain and hangar. He also owns a business in Owatonna named Poly Plastics Inc.

Mark Kruse (515)240-7956

Mark is a current aircraft maintenance customer that owns a lodge in Saskatchewan Canada named Misaw Lake Lodge. I currently maintain the aircraft Mark uses to support his lodge. Mark also is the owner of Capitol City Equipment in Ames Iowa.

Insurance :

Currently Langer Aviation Inc. is complying with all the insurance requirements set forth in its contract with the City of Owatonna. My current insurer is Aero Insurance located in Janesville WI. My insurance contact is Marylu Mecklenberg, she would be able to answer any insurance questions you may have. Marylu Mecklenberg (800)210-8242.

Services To Be Provided:

Aircraft Maintenance And Inspection By Brent Langer of Langer Aviation

Avionics Installs By Brent Langer of Langer Aviation

Fueling Services by Langer Aviation(Fuel System Equipment To Be Supported By The City Of Waseca)

Airport Grounds Maintenance by Langer Aviation(Including Lawn mowing and Snow removal)

Airport grounds support equipment to be provided by the City of Waseca

Airport Building Maintenance to be provided by the City of Waseca

Flight Instruction and Aircraft Rental inquires would be referred to Accelerated Aviation in Owatonna , I have worked with Accelerated for the past 2 years and the relationship has been great.

Financial Plan :

Langer Aviation would stay competitive in the pricing of fuel by using Airnav and 100LL.com websites.

Facilities for providing airport management, aircraft maintenance, aircraft fueling, and pilot briefing would be provided by the City of Waseca rent free.

Langer Aviation would be compensated by the City of Waseca for providing airport management and grounds keeping. This compensation rate could be the same as previous with Stensrud Aviation, or this rate could be negotiated.

General Plan :

It would be my goal to be providing quality aircraft maintenance, parts sales, fueling service, and avionics installations at the same level I currently hold in Owatonna and have for the past 27 years. Langer Aviation Inc. is an established successful business and would locate to the Waseca Airport with an already existing customer base. This existing customer base will provide activity at the airport as well as generate tax income. I also would look forward to meeting new customers that Stensrud Aviation serviced as well.

Given my background in aviation and agriculture, Langer Aviation will be capable of providing the City of Waseca a very well maintained, inviting airport where people can enjoy doing business.