PELICAN RAPIDS

CITY COUNCIL AGENDA January 26, 2024

Tuesday, January 30, 2024 **4:30 p.m.** **Council Chambers, 315 N. Broadway**

1. Call to Order
   a) Roll Call of Members
   b) Welcoming Remarks
   c) Announcements
   d) Pledge of Allegiance

2. Citizen's Comments. *Please limit comments to 3 minutes per person. Items brought before the Council will be referred for consideration. Council may ask questions for clarification or explanation, but no council action or discussion will be held on these items.*

3. Additions / Deletions to Agenda (*City Council or City Staff Only)*

4. Approval of Consent Agenda. *The following are non-controversial items intended to be approved with one motion, without discussion. If a council member, staff, or member of the public would like to discuss an item(s), please ask that it be removed and it will be placed elsewhere on the agenda.*
   a) Approval of Council Minutes – January 13, 2024
   b) Approval of Accounts Payable Listings
   c) Staff Reports
      1. Utilities Report – December 2023 (In Packet) And January 2024 (In Packet)
      2. Liquor Store Report (In Packet)
   d) Pelican Rapids Ducks Unlimited Gambling Permit – VFW Post #5252 – March 22, 2024
   e) On-Sale Intoxicating Liquor License And Sunday On-Sale To Adrian Chavez As Proprietor For Tacqueria Chavez, LLC
   f) Certify to Property Taxes
      Property: 31 NE 2nd Ave
      Sewer At $400 A Year Until Paid In Full ($11,542.18)

5. Sherin Park Request – Pelican Fest And Car Show Committees

6. Dam Removal Pay Request No: 7 (Final) For Houston Engineering (In Packet)
   - $1,881.00 – Pedestrian Bridge, Houston Engineering
   - $8,953.55 – Dam Removal, Houston Engineering
   - $136,318.70 – Dam Removal, Rachel Contracting
   - $22,722.06 – Pedestrian Bridge, Rachel Contracting

7. Approve Hire of Officer E. Pray Upon Processing Background

8. Fire Department Request – Shad Hanson (In Packet)

9. Historic City Hall Update

10. Highway 59/108 Assessments – Bob Schlieman (In Packet)

11. 2nd Ave SE Drainage Improvements – Bob Schlieman (In Packet)

12. In Control Automation & Cybersecurity Service Plan Proposal – (In Packet)

13. Pelican Rapids Aquatic Center DEED Grant Agreement (In Packet)

14. Downtown Safety Concern
15. Meter Deposit Discussion
16. Administrator Report
17. Mayor Report
18. Adjourn

CITY OF PELICAN RAPIDS COUNCIL MEETING MINUTES – 01/09/2024

The City Council of Pelican Rapids met in regular session at 4:30 pm on Tuesday, January 9, 2024 in Council Chambers, City Hall.

Mayor Frazier called the meeting to order at 4:30 pm.

Clerk-Treasurer Danielle Harthun took roll call.
Mayor Brent E. Frazier and three members of the Council were present at roll call:
Council Member Steve Strand Council Member Curt Markgraf - absent
Council Member Kevin Ballard Council Member Steve Foster
Other city staff present: Administrator Lance Roisum, Clerk-Treasurer Danielle Harthun, Police Chief Todd Quaintance, Streets and Parks Superintendent Brian Olson, Fire Chief Shad Hanson, Assistant Fire Chief Jesse Hoadley, CEDA Rep Jordan Grossman
General Attendance: Ryan Pesch, Joe Clauson, Staci Allmaras, Hamda Ibrahim, Celeste Koppe, Alex Ohman, and Kim Pederson from the Pelican Press were present.

The Mayor welcomed everyone to the Council Meeting and announced upcoming events in the community.

All present stood and said the Pledge of Allegiance.

Motion by Ballard, seconded by Foster to approve the agenda with the following additions: No. 26 Police Chief Oath of Office and No. 27 Great Northern Road Easement. Motion passed unanimously.

Motion by Foster, seconded by Strand to approve the consent agenda with the removal of the Financial Report.

a) Approval of Minutes – Council Meeting 12/12/2023
b) Approval of Accounts Payable Listing From 12/20/2023 and 1/9/2024
c) Appoint Clerk-Treasurer Danielle Harthun
d) Designate Official Newspaper: Pelican Rapids Press
e) Designate Official Depositories: Minnesota National Bank, Bell Bank
f) Appoint City Attorney: Krekelberg Law Firm
g) Approve Expenses to Fire, Police, Liquor Store, Clerks', Mayors' Regional Meetings and Trainings
h) Approve Payment of Administrator and Clerk-Treasurer Bonds
i) Approve Payment of Liquor Store Bond
j) Coalition of Greater Minnesota Cities Membership Renewal
k) Minnesota Council of Airports Membership Renewal
l) Otter Tail Lakes Country Association Community Collaborative Annual Membership
m) 2024 Mileage - $0.67
n) Authorize Credit Card Use: City Administrator–Lance Roisum $5,000, Clerk-Treasurer-Danielle Harthun $5,000, Police Chief-Todd Quaintance $1,000, Fire

Chief-Shad Hanson $1,000, Street/Park Superintendent-Brian Olson $1,000, Liquor Store Manager-Maggie Johnson $1,000 and Library Director-Annie Wrigg $1,500. City Policy permits department heads to authorize up to $500 per purchase order. Department Heads must provide a purchase order within 24 hours of credit card use. Purchase order must have date used, vendor name, explanation of use and amount charged. Provide invoice or receipt as soon as they are available.

o) Outdoor Sales Lot License 2024 – Jovanny Zavala Martinez

p) Staff Reports
   1. Police Chief Report
   2. Financial Report
      a. Property/Casualty LMCIT 2023 Dividend $3,850.00

Motion passed unanimously.

Council Member Ballard discussed in further detail the comp hours that were paid out at the end of 2023. Motion by Strand, seconded by Foster to approve the financial report. Motion passed unanimously.

Police Chief Todd C. Quaintance took the Police Chief Oath of Office.

Fire Chief Shad Hanson presented Council to approve the new Assistant Chief. The fire department recommended Jesse Hoadley as Assistant Chief. Motion by Strand, seconded by Foster to approve Jesse Hoadley as Assistant Fire Chief. Motion passed unanimously.

Ryan Pesch provided Council with information on the Farmers Market during the 2023 season. The Farmers Market vendors asked Council if they could move it to Veteran's Memorial River Park during the Complete Streets Project. Motion by Ballard, seconded by Foster to approve the temporary move of the Farmers Market to Veteran's Memorial River Park during the Complete Streets Project. Motion passed unanimously.

Street and Parks Superintendent Brian Olson presented his report to Council. The weather has been so nice he has been sweeping streets in December. The school will be opening the skating rink soon. Peteyville was a big success this year. Motion by Strand, seconded by Ballard to approve the report. Motion passed unanimously.

The Youths provided an update to Council. They are still working on getting a youth center. Pastor Alex Ohman from Faith Church explained to Council how they are planning to setup a separate 501c3 to be in charge of the building at 25 NE 1st Ave. They are hoping to house a Youth Center and Community Kitchen. They are planning to call it the Bridge Center.

Jordan Grossman reviewed the actions taken at the last EDA meeting.

Jordan asked Council to approve Resolution 2024-01 to apply for the OTC CDA grant. Motion by Foster, seconded by Strand to introduce **RESOLUTION 2024-01 – CITY OF PELICAN RAPIDS, MINNESOTA REQUIRED RESOLUTION PROVISIONS FOR OTTER TAIL COUNTY COMMUNITY DEVELOPMENT AGENCY COMMUNITY GROWTH PARTNERSHIP GRANT PROGRAMS.** (A complete text of this resolution is part of permanent public record in the City Clerk's office.) Motion passed and resolution declared duly adopted.

The EDA approved new board positions for 2024.
President – Ryan Binek
Vice President – Brent E. Fraizer
Secretary – Danielle Harthun
Treasurer – Lana Grefsrud
Assistant Treasurer – Lance Roisum
Members – Kevin Ballard, Arianna Zavala
Motion by Ballard, seconded by Foster to approve the 2024 EDA Board positions. Motion passed unanimously.

Jordan provided Council with the community input she received while hosting coffee for her contracted days in December at Historic City Hall (HCH). She received a variety of responses with the majority of the community saying they are not happy with the current use of the building. From the responses she received, she made three recommendations to Council. Option 1: lease main floor, Option 2: open HCH full time, Option 3: ask Parks Board to strategize ways to allow more usage for meetings and events. Motion by Foster, seconded by Ballard to move forward on option one and start the formal RFP process. Motion passed unanimously.

Joe Clausen asked Council to consider contracting with the Chamber to keep HCH open as it is now instead of Otter Tail Lakes Country Association (OTLCA). Council asked many questions and would like to see some statistics of how much the building has been used the last couple of years. Motion by Ballard, seconded by Strand to postpone until we have more information. Motion passed unanimously.

Jordan asked Council to consider the contribution of some pool passes for 2024 at the RRV Home & Garden Show. Motion by Ballard, seconded by Foster to contribute 10 one-day pool passes to the show. Motion passed unanimously.

Jordan presented the Housing Study Proposal from CEDA. The proposed budget for the service will not exceed $14,750. Jordan applied for grants to assist paying for the housing study. Motion by Ballard, seconded by Foster to approve the housing study. Motion passed unanimously.

Jordan informed Council that the City did received a grant to help pay for a new mower.

Amy Baldwin gave a run-down of the former OTC garage site where a housing development will be built (Pinewood Estates). Motion by Strand, seconded by Ballard to introduce Resolution 2024-02 entitled; **A RESOLUTION OF THE CITY OF PELICAN RAPIDS, MINNESOTA ESTABLISHING THE FINAL PLAT OF PINEWOOD ESTATES IN THE CITY OF PELICAN RAPIDS.** (A complete text of this resolution is part of permanent public record in the City Clerk's office.) Motion passed and resolution declared duly adopted.

The Library Agenda and minutes were included in the Library Report. Cheryl Brenna was named as the new Chair.

Council considered the Laydown Yard Lease with Otter Tail Power. They would like to lease an acre of land during the Complete Streets Project. Motion by Strand, seconded by Foster to approve the lease with Otter Tail Power. Motion passed unanimously.

Council reviewed the 2024 PeopleService Agreement. The agreement will increase by 4%. Motion by Foster, seconded by Ballard to approve the 2024 PeopleService Agreement. Motion passed unanimously.

Council discussed the ISD No. 548 Use Agreement for the multi-use building and what is expected from the City. Motion by Strand, seconded by Ballard to approve the user agreement between the City of Pelican Rapids and ISD No. 548. Motion passed unanimously.

Council considered PRAC Change Order No. 4 Remove Parking Lights for ($4,655.32) and No. 5 Trench Drains, and Water Fountain for ($5,222.36). Motion by Strand, seconded by Ballard to approve Change Order No. 4 and No. 5. Motion passed unanimously.

Council considered PRAC Pay Request No. 6 for Hammers Construction Inc. for $192,625.35. Motion by Foster, seconded by Strand to approve Pay Request No. 6. Motion passed unanimously.

Council reviewed Ordinance 2024-01 entitled; **AN ORDINANCE AMENDING 208.07, SUBD. 1 OF THE PELICAN RAPIDS CITY CODE AND ADDING 208.14, SUBD. 1a. TO THE PELICAN RAPIDS CITY CODE**. Both of these items have been approved by Council previously but needed to be added to City ordinances. Motion by Foster, seconded by Strand to introduce Ordinance 2024-01. (A complete text of this ordinance is part of permanent public record in the City Clerk's Office.) Motion passed unanimously and ordinance is in full force and effect upon publication. Abstain: Ballard Aye: Strand, Foster, Frazier

Motion by Strand, seconded by Ballard to appoint Steve Foster as Acting Mayor. Motion passed unanimously.

Council reviewed the 2024 Appointments to Boards and Authorities. Motion by Ballard, seconded by Foster to approve the 2024 Appointments to Boards and Authorities and eliminate the HCH Rep. Motion passed unanimously.

Council reviewed the 2024 Fee Schedule. Clerk-Treasurer Harthun reviewed charges that increased due to the City's costs increasing. Council Member Strand voiced his concerns over the mobile home deposit fee. Motion by Foster, seconded by Ballard to approve the 2024 City Fee Schedule. Motion passed. Aye: Ballard, Foster, Frazier. Opposed: Strand.

Motion by Strand, seconded by Ballard to set the Council meetings in 2024 for the second Tuesday and last Tuesday of every month, at 4:30 pm. Motion passed unanimously.

Administrator Roisum reviewed the temporary and permanent easement with the Farmers Elevators, Motion by Strand, seconded by Ballard to approve the easements. Motion passed unanimously.

Administrator Roisum reported that since the last meeting he has; worked with the Clerk and Mayor to set city the agenda and prepped for the council meeting, attended two pool construction meetings, attended an EDA and EDC meeting, met with League of Minnesota Cities officials at the Fergus Falls City Hall and discussed a variety of different subjects focusing on LMC Insurance Trust dividends, attended the Otter Tail County workforce convening, set up and hosted at City Hall a Countywide Emergency Preparedness Advisory Committee meeting, met with Jordan Grossman and Joe Clauson about Historic City Hall (HCH) staffing, researched HCH staffing history and the associated contracts, talked with Nick Leonard about the current staffing at HCH, set up and attended special council meeting where new Library Board member was appointed, met with DNR Senior Grants Specialist Sarah Wennerberg in Peterson Park for an inspection for the Outdoor Recreation Grant, met with Mayor Frazier and Council Member Foster for performance evaluation, worked with City Attorney Forsgren on the Great Northern Road easements for the MnDOT detour, worked with Amy Baldwin on to get final plat ready for approval, worked with Otter Tail Power on the lease agreement for the sand/salt shed lot, worked with the school district on the Multi-use building, agreement, attended a Planning Commission meeting, attended a Library Board meeting, met with Superintendent Olson to set priorities for the Airport Capital Improvement Plan.

Mayor Frazier reported that since the last meeting he has; submitted weekly columns to the Pelican Press, visited with businesses and non-profit organizations, attended a Special City Council Meeting on December 21, 2023 to appoint a Library Board member, conducted a "Conversations with the Mayor" at Historic City Hall on December 27, 2023, met on December 27, 2023 with Council Member Foster and Administrator Roisum to conduct Administrator Roisum's Annual Job Evaluation, visited the offices of Interstate Engineering and Design Intent Engineering of Fergus Falls on December 29, 2023, met with Administrator Roisum on January 8, 2024 to plan for this afternoon's meeting and met with Administrator Roisum and Police Chief Quaintence on January 8, 2024.

Motion by Strand, seconded by Ballard to adjourn the City Council meeting at 6:24 pm. Motion passed unanimously.

Danielle Harthun

Danielle Harthun
Clerk-Treasurer

CITY OF PELICAN RAPIDS
01/30/24 – CITY OF PELICAN RAPIDS Bill Listing

Vendor Name	Comments	Amount
APEX ENGINEERING GROUP	IMPROVEMENT PROJECTS	$11,802.50
ARCO	ALL; FUEL	$796.75
ARVIG	ALL; COMMUNICATIONS	$1,232.64
BALLARD REPAIR LLC	FD; TRUCK PARTS	$510.00
BELL BANK CREDIT CARD	ALL; MISC SUPPLIES	$811.91
CEDA	ED; 2023 4TH QTR ADDENDUM	$5,574.92
COMPRESSOR WORLD	WTP; AIR EXCHANGER	$1,797.60
DESIGN INTENT ARCHITECTS	PRAC CONSTR ADMIN	$5,900.00
DVS RENEWAL	FD; 2010 GMC YUK	$589.00
DW JONES	TAX ABATEMENT PYMNT	$12,049.33
EGGE CONSTRUCTION INC	SWR SERVICE LINE REPAIR	$11,542.18
FIRE SAFETY USA	FD; AIR COMPRESSOR	$1,434.25
FLAHERTY & HOOD PA	LEGAL	$1,156.25
GPNG	ALL; UTILITIES	$2,360.58
GREATER MINNESOTA PARTNERSHIP	ANNUAL MEMBERSHIP	$500.00
GROVE LAKE ELECTRIC LLC	CH; LED LIGHTS	$880.00
HAWKINS, INC	WWTF; FERRIC	$13,408.26
IACP	PD; IACP ASSOC	$190.00
KREKELBERG LAW FIRM	PD; LEGAL FEES	$420.00
KREKELBERG LAW FIRM CITY	GENERAL LEGAL	$1,780.00
LAKES COUNTRY SERVICE CO-OP	2024 ANNUAL MEMBERSHIP	$274.00
LARRYS SUPER MARKET	ED; SUPPPLIES	$20.42
LREC	AIR; UTILITIES	$314.90
MN CHIEFS OF POLICE ASSOC	PD; ANNUAL DUES	$268.00
MN DEPT OF NAT RES OMB	WTR; 2024 WATER PERMIT FEE	$2,234.44
MN FIRE SERVICES CERTIFICATION	FD; FF1 EXAM	$252.00
MN PFA	INTEREST PYMNTS	$55,143.71
MOENKEDICKS WINDOW WIZARD	HCH, CH, FD; WINDOW CLEANING	$179.00
MOTOROLA SOLUTIONS, INC.	PD; RADIOS	$10,525.76
MR PLUMBER, LLC	FD; VALVE ON BOILER	$221.80
NETWORK CENTER, INC	WTR, SWR; NEW MONITORS	$106.33
NORTHLAND SECURITIES INC	ANNUAL AGENT FEE	$645.00
OK TIRE CRM	PD; OIL CHANGE	$116.80
OLD REPUBLIC SURETY GROUP	ROW SURETY BOND	$100.00
OTTERTAIL POWER	DOWNTOWN LIGHTS	$3,738.91
PARK REGION CO OP	ALL; FUEL	$512.55
PELICAN PETE BODY SHOP	PD; TOW/IMPOUND	$102.00
PELICAN RAPIDS PRESS	ALL; PUBLICAIONS & SUPPLIES	$1,420.39
PEOPLESERVICE, INC	WWTF; MAINT OVERAGES & MONTHLY FEE	$25,840.00
RMB ENVIRONMENTAL LABORATORIES	WCT LAB TESTING	$731.34
S & S SECURITY SERVICES, LLC	PD; ELECTRONIC CAMERA SYSTEM	$2,827.50
SEACHANGE PRINT INNOVATIONS	CLK; MINUTE BOOKS	$529.12
SOURCE ONE GROUP, INC	SWR; LEACHATE MANAGEMENT	$538.65
SOUTHTOWN	ALL; FUEL	$852.78
STRAND HARDWARE	PD; SUPPLIES	$13.99
STREICHERS	PD; UNIFORMS	$563.93
TEAM LABORATORY CHEMICAL	LAG; MEGA BUGS	$2,437.50
UNIQUE OPPORTUNITIES, LLC.	DEVELOPER PYMNT	$18,346.40
VERIZON WIRELESS	PD; JET PACK	$200.05
		$203,793.44

CITY OF PELICAN RAPIDS

01/30/24 – Liquor Store Bill Listing

Vendor Name	Comments	Amount
ARAMARK	MAT RENTAL	$35.96
ARVIG	PHONE	$186.83
BELL BANK CREDIT CARD	RENEW LIC	$20.43
BERGSETH BROS. CO. INC	N/A ALC	$12,400.02
BEVERAGE WHOLESALERS, INC	BEER	$6,918.72
CNA SURETY	INSURANCE	$167.00
DACOTAH PAPER CO	OPERATING SUPPLIES - BAGS	$257.53
DS BEVERAGES, INC	N/A	$13,789.10
GPNG	UTILITY SERVICE	$46.02
JOHNSON BROTHERS LIQUOR CO	N/A	$3,305.01
OTTERTAIL POWER	UTILITIES	$590.10
PAUSTIS WINE COMPANY	WINE	$538.00
PEPSI	POP/MIX/BAR SUPPLIES	$129.89
PHILLIPS WINE & SPIRITS	LIQUOR	$2,007.84
SOUTHERN GLAZERS	LIQUOR	$2,014.99
VIKING COCA-COLA BOTTLING CO	POP/MIX/BAR SUPPLIES	$356.15
		$42,763.59

Vendor Name	Purpose	Amount	Account #
Arvig	phone& fax	$139.27	21145500320
Ballard Sanitation	Utilities	$67.81	21145500380
Bell Bank Remittance	printer	$319.00	2114500200
Cengage Learning	large print books		21145500435
ClimateMakers	pullies and install	$1,267.44	21145500401
ClimateMakers	filters	$271.84	21145500401
Demco	book jacktes and binder sleeves	$473.96	21145500210
Great Plains natural Gas	utilities	$147.31	21145500380
Hoopla Digital	December 2023 usage	$829.00	21145500440
Ingram	books	$3,367.80	21145500435
Liberty Business	dec copy contract	$103.07	21145500200
Midwest Tape	dvds	$68.97	21145500440
Minnesota Department of Public Safety	Trailer tabs	$20.25	21145500200
Otter Tail Power	utilities	$447.29	21145500380
Summit Fire Protection	annual monitoring	$462.00	21145500401
Wrigg, Annie	cell phone	$78.72	21145500320
	Compliance poster	$38.38	21145500200
	Nov&Dec\ postage	$15.55	21145500200
Total		**$8,117.66**	

VRB

ENTERED
Lori

LAK - posted.

Date: December 18, 2023

To: City of Pelican Rapids

From: Dennis Dalager, Calvin Miller, Operators

O & M Report: November 2023

DEADLINE FOR YOU TO COMPLETE THE LEAD SERVICE LINE (LSL) INVENTORY IS OCTOBER 16, 2024

Water Operation & Maintenance

- Fluoride report sent in to MDH.
- Rotated well sequence and high service pumps.
- Change chlorine tanks as needed.
- Hawkins chemical delivery.
- Daily well checks.
- Check chlorine concentration daily.
- Well #15 is back online after upgrading the PC system in water plant. Turns out it was a broken wire in the conduit.
- The PC upgrade was installed for the water plant this week of December 4th. Most of the bugs have been worked out of the system.

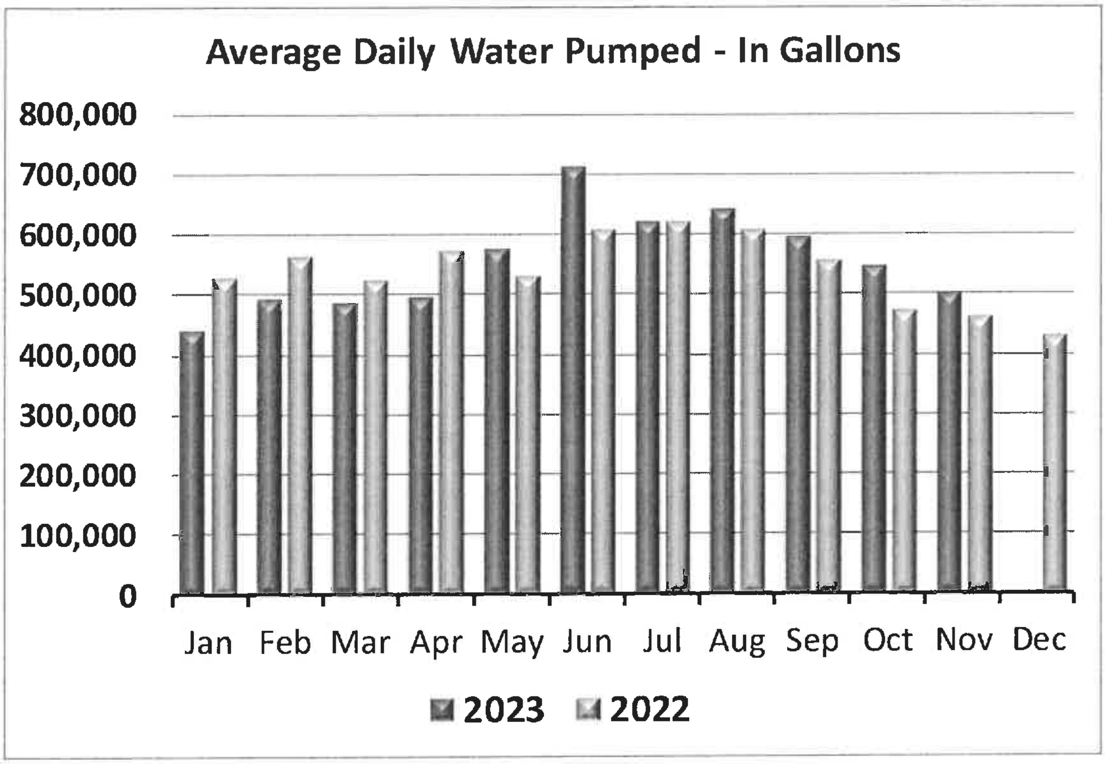
Wastewater Operation & Maintenance

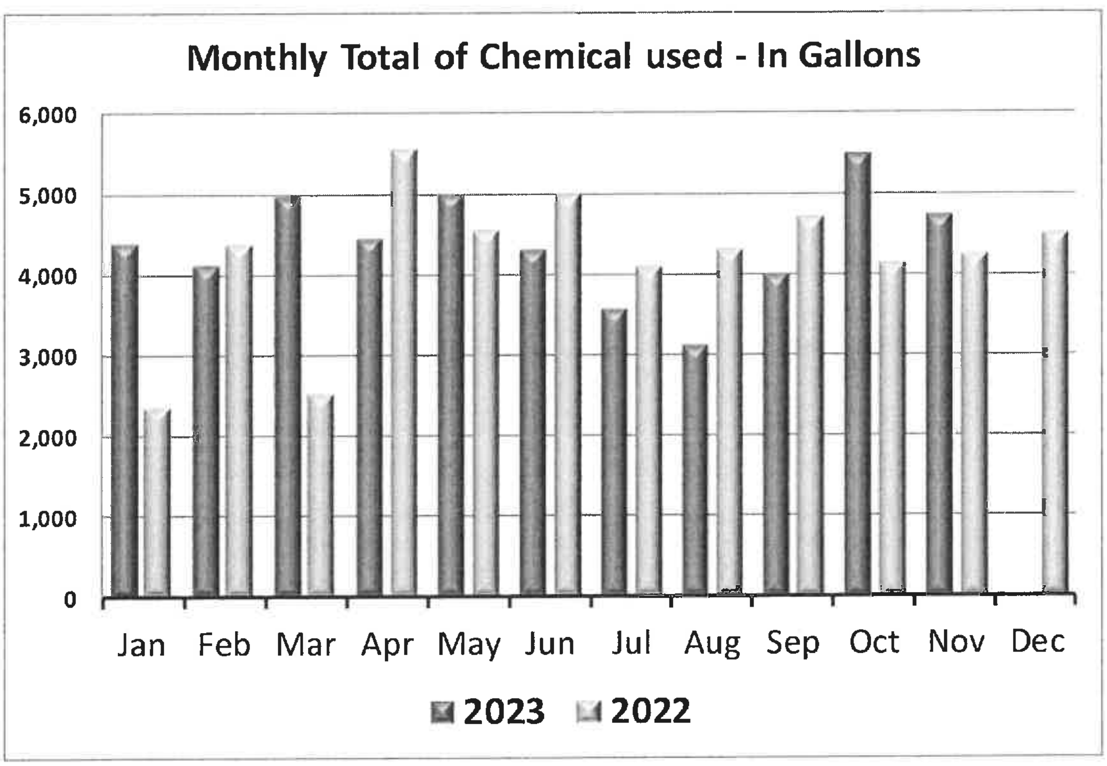
- The system upgrade went well for the wastewater treatment plant.
- After upgrade, we are finding issues with the VFDs for blowers. The VFD for blower #1 went down on December 8th. New VFD arrived on Dec.14 for blower #3 but ended up putting in blower #1. Then the Filter (transformer) went down.
- Collected required weekly samples and sent them to RMB Labs.
- Recorded all findings on DMR.

- Measured pond levels weekly, when possible, transferred from Primary #1 to Primary #2 (aerated pond).
- Performed all daily labs, adjusted plant, as necessary.
- Ran generator two times for monthly maintenance.
- Checked lift stations daily.
- Lift stations have been working fine for this month. Have been adding degreaser to both lift stations.

		November-23	October-23	November-22
Water	**Units**			
Average Daily Pumped	gallons	503,290	548,064	463,933
Maximum Daily Pumped	gallons	681,000	708,000	611,000
Total Monthly Pumped	gallons	15,602,000	16,990,000	13,918,000
Average Daily Fluoride Conc.	mg/L	0.56	0.55	0.58
Fluoride used	gallons	94.00	127.00	161.00
Total Chlorine Residual	mg/L	0.82	1.03	0.53
Chlorine used	lbs	514.00	444.00	733.00
Phosphorus				
Phos Influent	mg/L	7	9	11
Phos Effluent	mg/L	0.40	0.60	0.40
Phos Effluent Permit Limit	mg/L	1	1	1
Phos Effluent Loading	kg/YTD	38.69	0.00	316.70
Phos Effluent Loading Permit Limit	kg/YTD	1,257.60	1,257.60	1,257.60
Chemical Used	gallons	4,721.00	5,468.00	4,238.00
Total Chloride	mg/L	530.00	481.00	476.00
Effluent Flow				
Average Daily	gallons	356,000	390,000	344,000
Maximum Daily	gallons	406,000	477,000	442,000
Total Monthly	gallons	10,684,000	12,102,000	10,328,000
Precipitation Monthly Total	Inches	0.07	2.41	1.50
Contract True-Ups - Current Contract Year				
Item	**Budgeted Amount**	**Amount Spent**	**% of Budget**	**% of Time**
Maintenance Budget	$17,917.00	$19,332.00	108%	92%
Total	$17,917.00	$19,332.00	108%	92%

PeopleService INC.
Water & Wastewater Professionals





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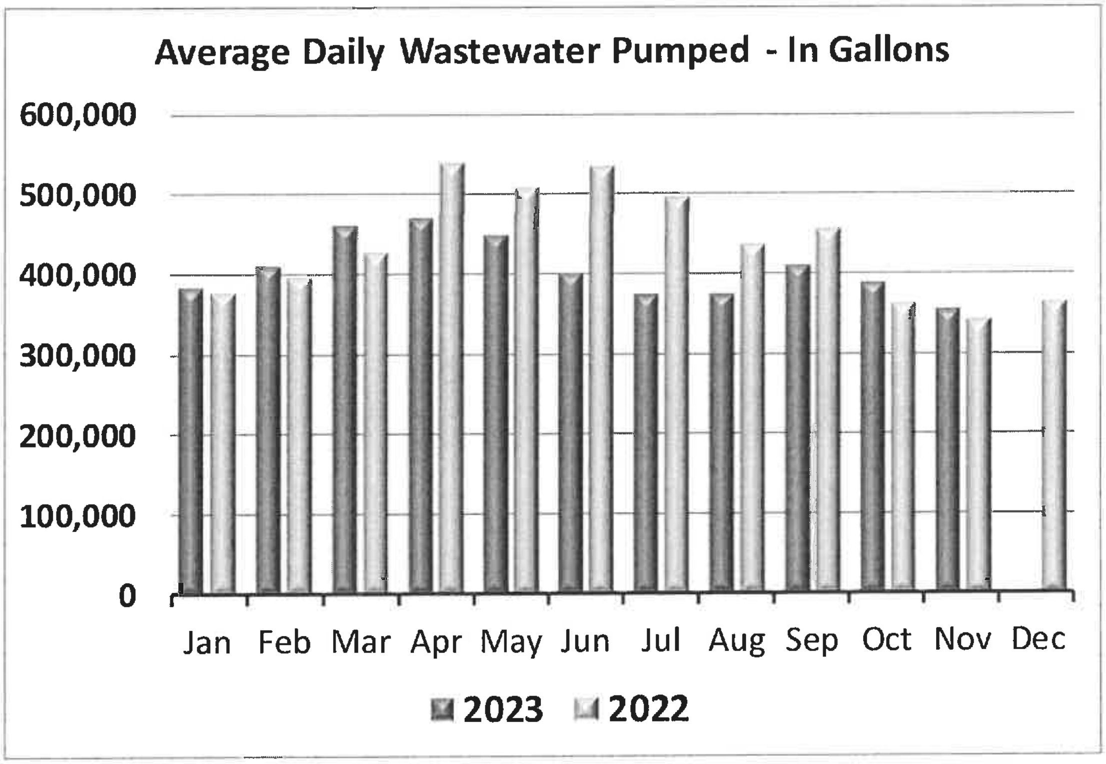
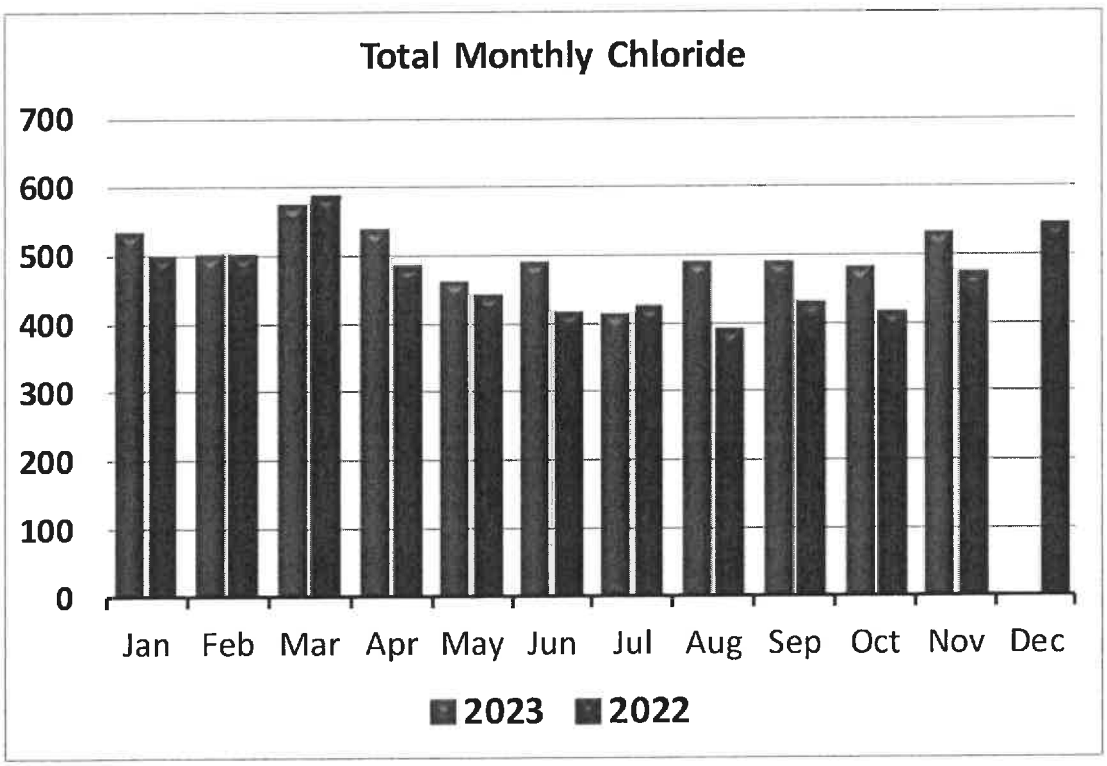




Date: January 10, 2024

To: City of Pelican Rapids

From: Dennis Dalager, Calvin Miller, Operators

O & M Report: December 2023

DEADLINE FOR YOU TO COMPLETE THE LEAD SERVICE LINE (LSL) INVENTORY IS OCTOBER 16, 2024

Water Operation & Maintenance

- Fluoride report sent in to MDH.
- Rotated well sequence and high service pumps.
- Change chlorine tanks as needed.
- Hawkins chemical delivery.
- Daily well checks.
- Check chlorine concentration daily.
- Found issue with filter #4 having to take offline waiting for parts from Kodru Mooney. Should be in by end of week.

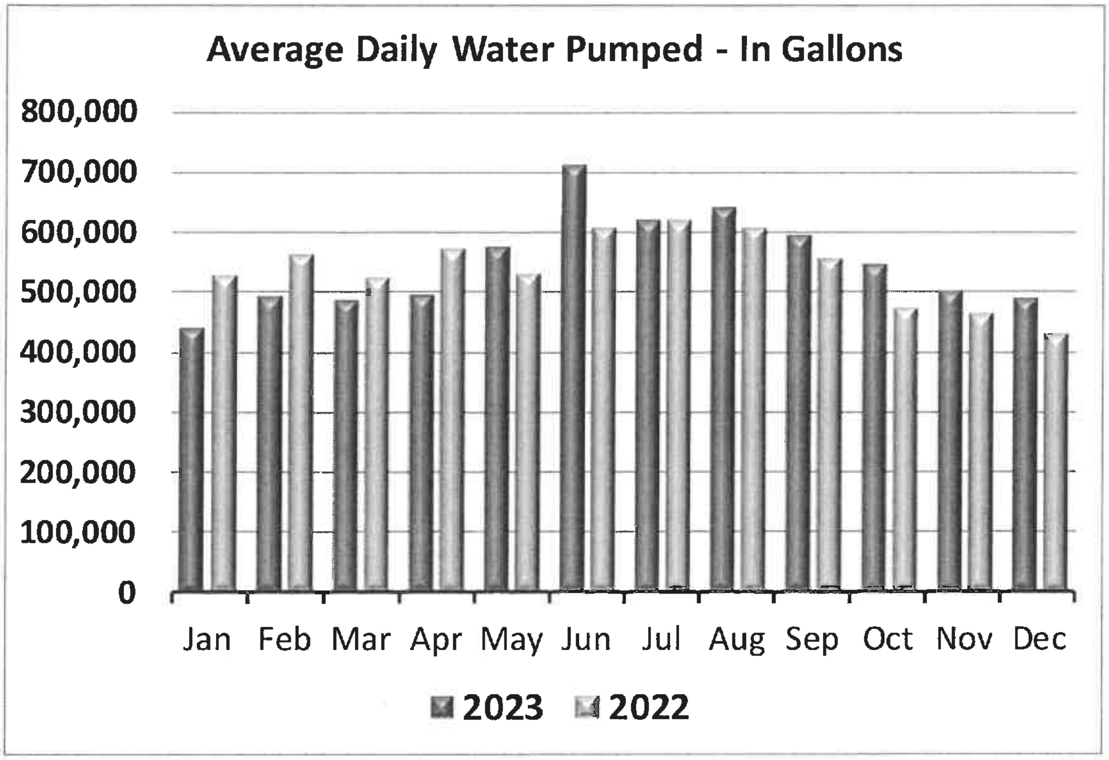
Wastewater Operation & Maintenance

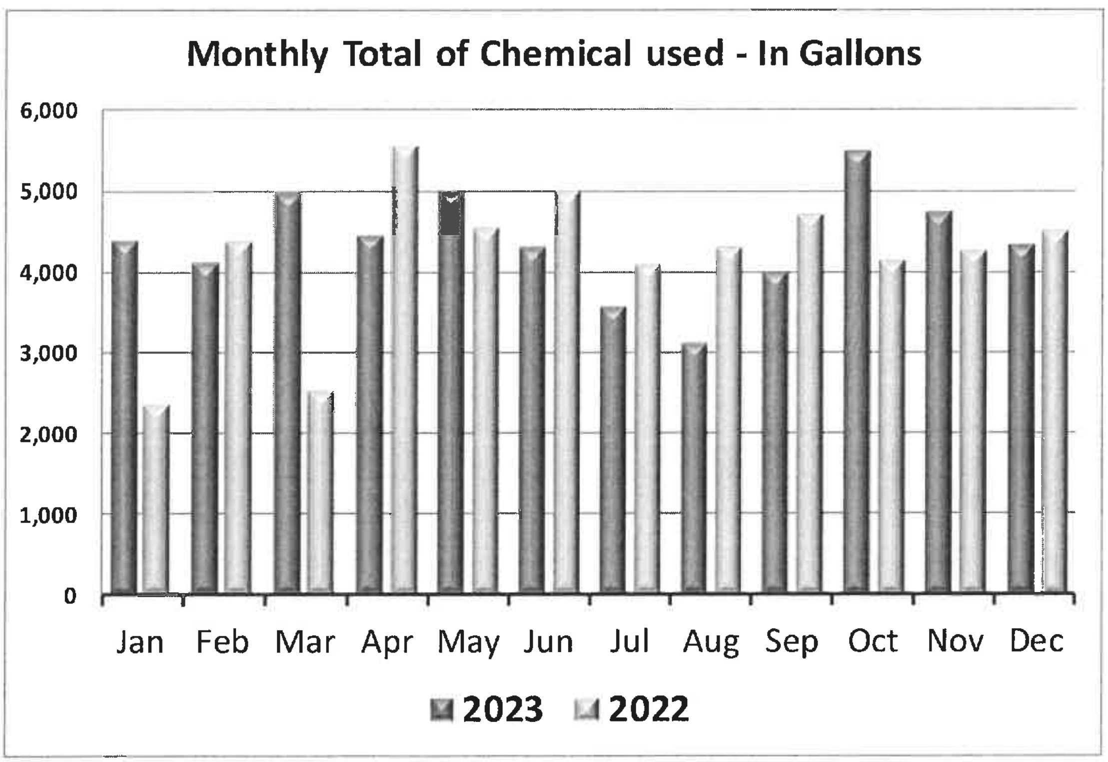
- Collected required weekly samples and sent them to RMB Labs.
- Recorded all findings on DMR.
- Measured pond levels weekly, when possible, transferred from Primary #1 to Primary #2 (aerated pond).
- Performed all daily labs, adjusted plant, as necessary.
- Ran generator two times for monthly maintenance.
- Checked lift stations daily.
- Lift stations have been working fine for this month. Have been adding degreaser to both lift stations.

PeopleService INC.
Water & Wastewater Professionals

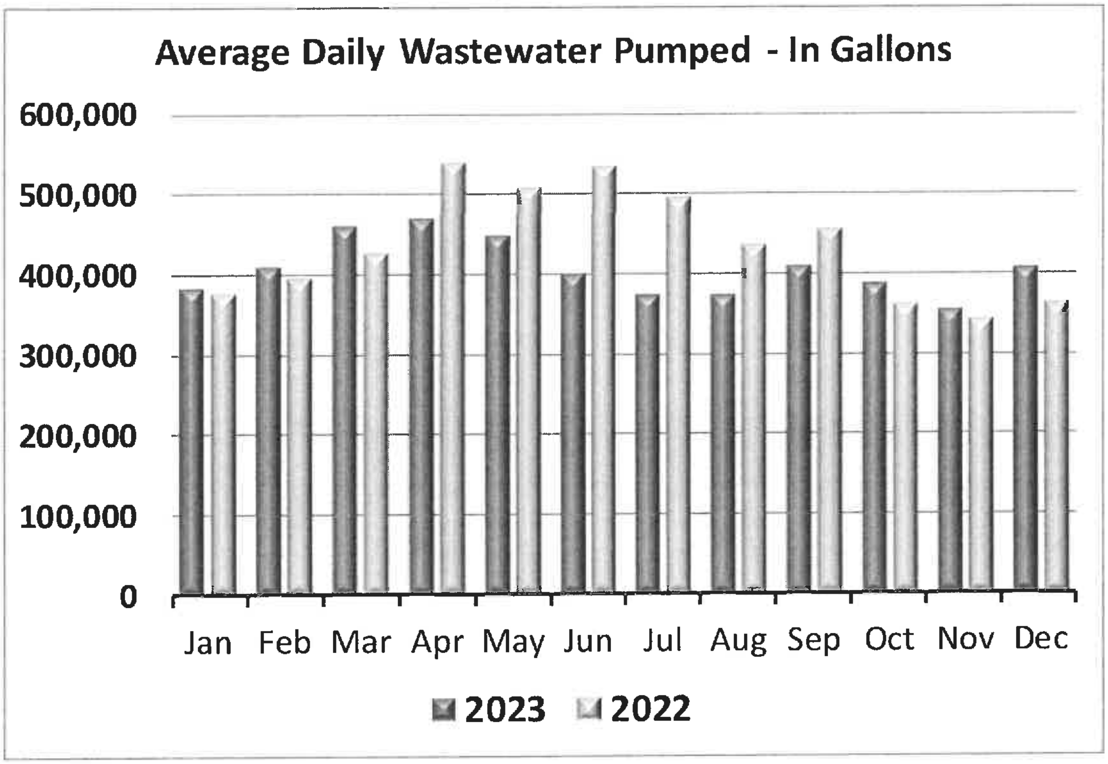
Water	Units	December-23	November-23	December-22
Average Daily Pumped	gallons	488,516	503,290	433,548
Maximum Daily Pumped	gallons	728,000	681,000	549,000
Total Monthly Pumped	gallons	15,144,000	15,602,000	13,440,000
Average Daily Fluoride Conc.	mg/L	0.62	0.56	0.59
Fluoride used	gallons	136.00	94.00	145.00
Total Chlorine Residual	mg/L	1.43	0.82	0.88
Chlorine used	lbs	415.00	514.00	508.00
Phosphorus				
Phos Influent	mg/L	7	7	10
Phos Effluent	mg/L	0.40	0.40	0.40
Phos Effluent Permit Limit	mg/L	1	1	1
Phos Effluent Loading	kg/YTD	192.50	38.69	333.80
Phos Effluent Loading Permit Limit	kg/YTD	1,257.60	1,257.60	1,257.60
Chemical Used	gallons	4,303.00	4,721.00	4,505.00
Total Chloride	mg/L	508.00	530.00	545.00
Effluent Flow				
Average Daily	gallons	409,000	356,000	365,000
Maximum Daily	gallons	523,000	406,000	477,000
Total Monthly	gallons	12,665,000	10,684,000	13,660,000
Precipitation Monthly Total	Inches	2.13	0.07	1.60
Contract True-Ups - Current Contract Year				
Item	Budgeted Amount	Amount Spent	% of Budget	% of Time
Maintenance Budget	$17,917.00	$20,403.00	114%	100%
Total	$17,917.00	$20,403.00	114%	100%

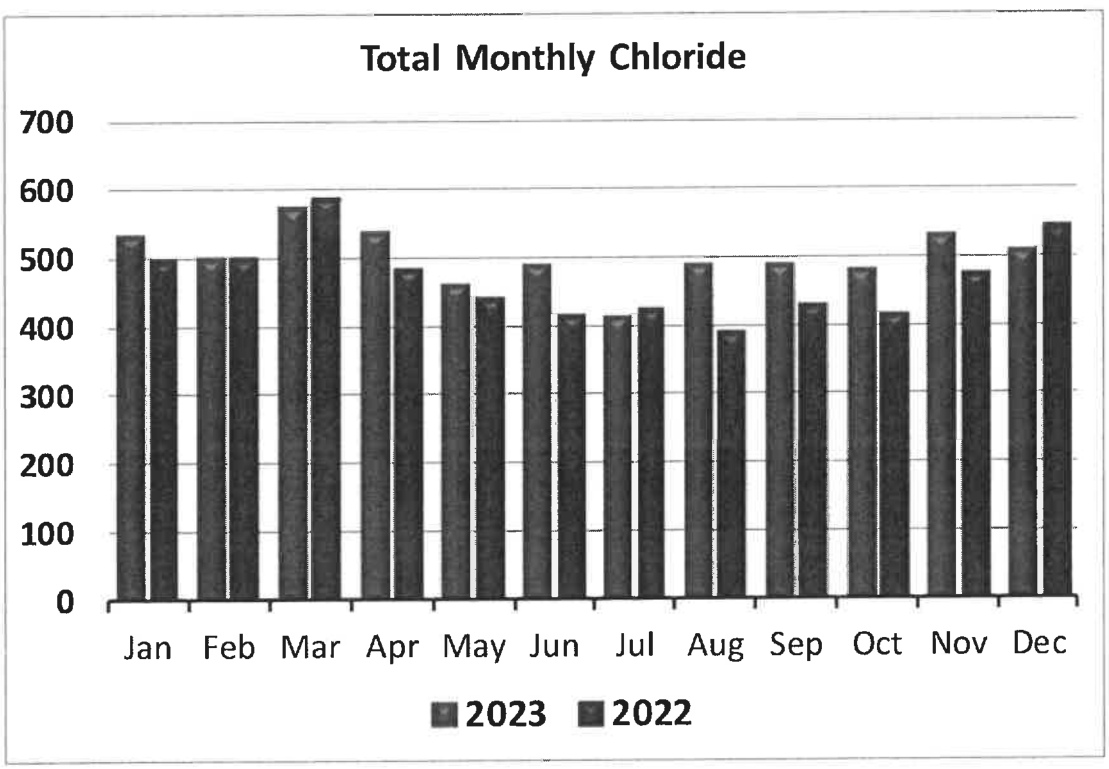
PeopleService INC.
Water & Wastewater Professionals





PeopleService INC.
Water & Wastewater Professionals





CITY OF PELICAN RAPIDS

Liquor Store Profit & Loss

December 2023

Account Descr		December 2023 Amt	December 2022 Amt	Difference to LY	2023 YTD Amt	2022 YTD Amt	YTD Difference
R Revenue							
R 609-34766	Refunds &	$0.00	$0.00	$0.00	$0.00	$500.00	($500.00)
R 609-34950	Other Revenues	$13.00	$26.00	($13.00)	$277.00	$357.00	($80.00)
R 609-36210	Interest Earnings	$646.39	$485.35	$161.04	$8,343.31	$2,195.57	$6,147.74
R 609-37811	Liquor & Wine Sales	$47,576.65	$56,452.89	($8,876.24)	$611,809.77	$590,553.87	$21,255.90
R 609-37812	Beer Sales	$61,985.60	$73,563.58	($11,577.98)	$1,047,302.07	$970,614.95	$76,687.12
R 609-37813	Ice Sales	$380.00	$275.00	$105.00	$21,074.47	$16,373.66	$4,700.81
R 609-37814	Pop/Mix/Misc Sales	$1,874.75	$2,227.23	($352.48)	$26,397.20	$24,136.64	$2,260.56
R 609-37815	NA Beer/Wine Sales	$648.70	$452.76	$195.94	$10,545.49	$7,700.81	$2,844.68
R 609-37817	Gift Cards Sold	$410.00	$925.00	($515.00)	$2,244.00	$2,015.00	$229.00
R 609-37940	Cash Short/Long	$1.20	($0.07)	$1.27	$6.82	($1.62)	$8.44
R Revenue		$113,536.29	$134,407.74	($20,871.45)	$1,728,000.13	$1,614,445.88	$113,554.25
E Expenditure							
E 609-49750-100	Wages and	$18,522.49	$15,712.77	$2,809.72	$164,314.23	$140,912.59	$23,401.64
E 609-49750-105	Overtime	$523.78	$689.04	($165.26)	$523.78	$689.04	($165.26)
E 609-49750-120	Employer Contrib	$1,411.87	$1,230.14	$181.73	$11,805.89	$10,495.98	$1,309.91
E 609-49750-122	FICA	$1,328.26	$1,148.76	$179.50	$11,421.02	$9,954.34	$1,466.68
E 609-49750-130	Employer Paid	$2,308.09	$2,866.49	($558.40)	$35,554.25	$34,562.95	$991.30
E 609-49750-140	Unemployment	$0.00	$0.00	$0.00	$0.00	$270.58	($270.58)
E 609-49750-200	Office Supplies	$129.63	$201.16	($71.53)	$682.34	$565.88	$116.46
E 609-49750-208	Education	$0.00	$0.00	$0.00	$712.55	$755.28	($42.73)
E 609-49750-210	Operating	$202.56	$439.34	($236.78)	$4,877.64	$3,085.98	$1,791.66
E 609-49750-220	Repair/Maint	$49.36	$0.00	$49.36	$262.69	$197.78	$64.91
E 609-49750-230	Banking Charges	$0.00	$28.00	($28.00)	$360.40	$1,053.36	($692.96)
E 609-49750-231	Credit Card Fees	$89.00	$3,620.94	($3,531.94)	$59,675.51	$50,929.86	$8,745.65
E 609-49750-251	Liquor & Wine	$24,259.59	$19,918.60	$4,340.99	$408,160.37	$385,837.60	$22,322.77
E 609-49750-252	Beer Costs	$47,307.62	$41,955.63	$5,351.99	$762,870.18	$685,485.38	$77,384.80
E 609-49750-253	NA Beer/Wine	$520.40	$249.95	$270.45	$13,333.02	$4,673.18	$8,659.84
E 609-49750-254	Pop/Mix/Bar	$4,251.94	$334.62	$3,917.32	$22,114.28	$13,702.28	$8,412.00
E 609-49750-257	Ice Costs	$232.91	$155.70	$77.21	$10,410.37	$9,501.40	$908.97
E 609-49750-260	Gift Cards Used	$504.33	$529.80	($25.47)	$2,433.54	$1,653.69	$779.85
E 609-49750-300	Professional Srvs	$0.00	$0.00	$0.00	$0.00	$2,072.34	($2,072.34)
E 609-49750-301	Auditing Services	$0.00	$0.00	$0.00	$3,000.00	$2,000.00	$1,000.00
E 609-49750-320	Communications	$186.70	$184.72	$1.98	$2,233.03	$2,236.78	($3.75)
E 609-49750-330	Freight Expense	$0.00	$0.00	$0.00	$0.00	$306.50	($306.50)
E 609-49750-331	Travel Expenses	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
E 609-49750-340	Advertising	$0.00	$0.00	$0.00	$1,714.28	$1,330.00	$384.28
E 609-49750-360	Insurance & Bond	$167.00	$167.00	$0.00	$9,328.25	$9,249.09	$79.16
E 609-49750-380	Utility Services	$814.62	$774.02	$40.60	$10,447.78	$9,565.05	$882.73
E 609-49750-400	Repairs & Maint	$282.70	$81.62	$201.08	$9,184.82	$1,466.30	$7,718.52
E 609-49750-405	Depreciation	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
E 609-49750-432	Uncollectable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
E 609-49750-433	Dues, Fees,	$0.00	$41.00	($41.00)	$1,950.00	$1,961.00	($11.00)
E 609-49750-500	Capital Outlay	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
E 609-49750-609	Principle	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
E 609-49750-610	Interest	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
E 609-49750-700	Transfers	$0.00	$0.00	$0.00	$299,712.45	$141,156.00	$158,556.45
E Expenditure		$103,092.85	$90,329.30	$12,763.55	$1,847,082.67	$1,525,670.21	$321,412.46

CITY OF PELICAN RAPIDS

Liquor Store - Balance Sheet

December 2023

	Bal Sht	Bal Sht Descr	Current Balance
	10100	Wells Fargo (1957)	($372,195.73)
	10114	MN 9650 - LS	$108,678.22
	10140	Credit Cards	$2,033.93
	10143	MN National Bank (0524 LS)	$160,645.24
	10146	Bell Bank City (0102)	$460,218.28
	10148	Bell Bank LS (0136)	$119,514.90
	10149	Bell Bank LS Save (0185)	$263,094.16
	10200	Petty Cash	$1,000.00
	13910	Deferred Outflows-Pension	$31,337.00
	14211	Inv - Liquor & Wine	$195,223.35
	14212	Inv - Beer	$45,389.05
	14213	Inv - Ice	$60.46
	14214	Inv - Pop/Mix/Bar Supplies	$2,749.50
	14215	Inv - NA Beer & Wine	$562.92
	15500	Prepaid Insurance	$1,776.88
	16100	Fixed Asset-Land	$96,588.00
	16130	Accum. Depr. Land	($9,408.25)
	16160	Land Improvements	$13,333.63
	16200	Fixed Asset-Buildings	$562,782.00
	16230	Accum Depr. Building	($178,258.88)
	16400	Fixed Asset-Equip/Machinery	$11,255.42
	16430	Accum Deprec-Equipment	($5,448.50)
1 A			$1,510,931.58
	20200	Accounts Payable	($39,060.12)
	20850	Sales & Use Tax - LS	($12,090.23)
	21600	Accrued Wages & Salaries Payab	($3,343.55)
	23600	Compensated Absences Pay NC	($4,885.05)
	23900	Other Long-term Liabilities	($141,240.00)
	23910	Deferred Inflows-Pension	($350.00)
2 L			($200,968.95)
	25300	Fund Balance	($1,312,468.13)
	27200	Unreserved Retained Earn-	$2,505.50
3 E			($1,309,962.63)

CITY OF PELICAN RAPIDS
Liquor Store Profit & Loss
November 2023

Account Descr		November 2023 Amt	November 2022 Amt	Difference to LY	2023 YTD Amt	2022 YTD Amt	YTD Difference
R Revenue							
R 609-34766	Refunds &	$0.00	$0.00	$0.00	$0.00	$500.00	($500.00)
R 609-34950	Other Revenues	$21.00	$36.00	($15.00)	$264.00	$331.00	($67.00)
R 609-36210	Interest Earnings	$600.81	$403.41	$197.40	$7,696.92	$1,710.22	$5,986.70
R 609-37811	Liquor & Wine Sales	$43,112.81	$34,532.47	$8,580.34	$564,233.12	$534,100.98	$30,132.14
R 609-37812	Beer Sales	$62,885.45	$46,009.36	$16,876.09	$985,316.47	$897,051.37	$88,265.10
R 609-37813	Ice Sales	$489.00	$159.50	$329.50	$20,694.47	$16,098.66	$4,595.81
R 609-37814	Pop/Mix/Misc Sales	$1,555.46	$1,204.71	$350.75	$24,522.45	$21,909.41	$2,613.04
R 609-37815	NA Beer/Wine Sales	$641.68	$342.84	$298.84	$9,896.79	$7,248.05	$2,648.74
R 609-37817	Gift Cards Sold	$150.00	$20.00	$130.00	$1,834.00	$1,090.00	$744.00
R 609-37940	Cash Short/Long	($0.72)	($0.61)	($0.11)	$5.62	($1.55)	$7.17
R Revenue		$109,455.49	$82,707.68	$26,747.81	$1,614,463.84	$1,480,038.14	$134,425.70
E Expenditure							
E 609-49750-100	Wages and	$11,726.25	$10,517.77	$1,208.48	$145,791.74	$125,199.82	$20,591.92
E 609-49750-105	Overtime	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
E 609-49750-120	Employer Contrib	$879.47	$788.83	$90.64	$10,394.02	$9,265.84	$1,128.18
E 609-49750-122	FICA	$807.68	$735.77	$71.91	$10,092.76	$8,805.58	$1,287.18
E 609-49750-130	Employer Paid	$3,114.56	$3,151.41	($36.85)	$33,246.16	$31,696.46	$1,549.70
E 609-49750-140	Unemployment	$0.00	$0.00	$0.00	$0.00	$270.58	($270.58)
E 609-49750-200	Office Supplies	$15.55	$12.12	$3.43	$552.71	$364.72	$187.99
E 609-49750-208	Education	$0.00	$0.00	$0.00	$712.55	$755.28	($42.73)
E 609-49750-210	Operating	$157.40	$232.41	($75.01)	$4,675.08	$2,646.64	$2,028.44
E 609-49750-220	Repair/Maint	$0.00	$97.78	($97.78)	$213.33	$197.78	$15.55
E 609-49750-230	Banking Charges	$28.72	$28.84	($0.12)	$360.40	$1,025.36	($664.96)
E 609-49750-231	Credit Card Fees	$2,508.28	$3,824.06	($1,315.78)	$59,586.51	$47,308.92	$12,277.59
E 609-49750-251	Liquor & Wine	$39,337.80	$47,323.99	($7,986.19)	$383,900.78	$365,919.00	$17,981.78
E 609-49750-252	Beer Costs	$58,681.54	$46,934.09	$11,747.45	$715,562.56	$643,529.75	$72,032.81
E 609-49750-253	NA Beer/Wine	$606.43	$328.85	$277.58	$12,812.62	$4,423.23	$8,389.39
E 609-49750-254	Pop/Mix/Bar	$1,045.84	$1,135.43	($89.59)	$17,862.34	$13,367.66	$4,494.68
E 609-49750-257	Ice Costs	$260.54	$252.90	$7.64	$10,177.46	$9,345.70	$831.76
E 609-49750-260	Gift Cards Used	$40.00	$40.76	($0.76)	$1,929.21	$1,123.89	$805.32
E 609-49750-300	Professional Srvs	$0.00	$0.00	$0.00	$0.00	$2,072.34	($2,072.34)
E 609-49750-301	Auditing Services	$0.00	$0.00	$0.00	$3,000.00	$2,000.00	$1,000.00
E 609-49750-320	Communications	$186.61	$184.72	$1.89	$2,046.33	$2,052.06	($5.73)
E 609-49750-330	Freight Expense	$0.00	$0.00	$0.00	$0.00	$306.50	($306.50)
E 609-49750-331	Travel Expenses	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
E 609-49750-340	Advertising	$0.00	$0.00	$0.00	$1,714.28	$1,330.00	$384.28
E 609-49750-360	Insurance & Bond	$1,122.75	$1,003.00	$119.75	$9,161.25	$9,082.09	$79.16
E 609-49750-380	Utility Services	$619.91	$856.59	($236.68)	$9,633.16	$8,791.03	$842.13
E 609-49750-400	Repairs & Maint	$485.48	$485.47	$0.01	$8,902.12	$1,384.68	$7,517.44
E 609-49750-405	Depreciation	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
E 609-49750-432	Uncollectable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
E 609-49750-433	Dues, Fees,	$0.00	$20.00	($20.00)	$1,950.00	$1,920.00	$30.00
E 609-49750-500	Capital Outlay	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
E 609-49750-609	Principle	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
E 609-49750-610	Interest	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
E 609-49750-700	Transfers	$0.00	$0.00	$0.00	$299,712.45	$141,156.00	$158,556.45
E Expenditure		$121,624.81	$117,954.79	$3,670.02	$1,743,989.82	$1,435,340.91	$308,648.91

CITY OF PELICAN RAPIDS
Liquor Store - Balance Sheet
November 2023

	Bal Sht	Bal Sht Descr	Current Balance
	10100	Wells Fargo (1957)	($372,195.73)
	10114	MN 9650 - LS	$108,608.32
	10140	Credit Cards	$1,988.90
	10143	MN National Bank (0524 LS)	$160,608.49
	10146	Bell Bank City (0102)	$467,455.72
	10148	Bell Bank LS (0136)	$100,070.42
	10149	Bell Bank LS Save (0185)	$248,554.42
	10200	Petty Cash	$1,000.00
	13910	Deferred Outflows-Pension	$31,337.00
	14211	Inv - Liquor & Wine	$202,686.97
	14212	Inv - Beer	$53,086.28
	14213	Inv - Ice	$178.37
	14214	Inv - Pop/Mix/Bar Supplies	$3,444.67
	14215	Inv - NA Beer & Wine	$710.67
	15500	Prepaid Insurance	$1,776.88
	16100	Fixed Asset-Land	$96,588.00
	16130	Accum. Depr. Land	($9,408.25)
	16160	Land Improvements	$13,333.63
	16200	Fixed Asset-Buildings	$562,782.00
	16230	Accum Depr. Building	($178,258.88)
	16400	Fixed Asset-Equip/Machinery	$11,255.42
	16430	Accum Deprec-Equipment	($5,448.50)
1 Assets			$1,500,154.80
	20200	Accounts Payable	($39,060.12)
	20850	Sales & Use Tax - LS	($11,756.89)
	21600	Accrued Wages & Salaries Payab	($3,343.55)
	23600	Compensated Absences Pay NC	($4,885.05)
	23900	Other Long-term Liabilities	($141,240.00)
	23910	Deferred Inflows-Pension	($350.00)
2 Liabilities			($200,635.61)
	25300	Fund Balance	($1,302,024.69)
	27200	Unreserved Retained Earn-	$2,505.50
3 Equity			($1,299,519.19)
			$0.00

6

PARTIAL PAYMENT ESTIMATE

Client Project No.

HEI Project No. 8675-0002

PAYMENT NUMBER: 7 (Final)

Project: Pelican Rapids Dam Removal and River Restoration
Location: Pelican Rapids, Minnesota

PERIOD OF ESTIMATE:
FROM **10/3/2023** TO **12/7/2023**

CONTRACT CHANGE ORDER SUMMARY

Change Order NO.	DATE	AMOUNT ADDITIONS	DEDUCTIONS
1	03/15/23	$1,320.00	
2	04/06/23	$14,030.00	
3	05/31/23	$4,800.00	
4	06/28/23	$1,400.00	
TOTALS		$ 21,550.00	$ -
NET CHANGE		$ 21,550.00	

ESTIMATE

1. Original Contract		$	2,496,702.90
2. Change Orders		$	21,550.00
3. Revised Contract (1+2)		$	2,518,252.90
4. Work Completed*		$	2,610,804.13
5. Stored Materials*		$	-
6. Adjustments*		$	-
7. Subtotal (4+5+6)		$	2,610,804.13
8. Retainage	0.00%	$	-
9. Previous Payments		$	2,449,162.20
10. Amount Due (7-8-9)		**$**	**161,641.93**

*Detailed Breakdown Attached if Non-Zero Value

CONTRACT TIME

Completion Date Contract

Original (days)	N/A
Revised	N/A
Remaining	N/A

On Schedule? Yes

Starting Date: 12/14/2022

Final Completion: 12/7/2023

CONTRACTOR'S CERTIFICATION:

The undersigned Contractor certifies, to the best of his/her knowledge, the following:
(1) All previous progress payments received from Owner on account of Work done under the Contract have been applied on account to discharge Contractor's legitimate obligations incurred in connection with the Work covered by prior Applications for Payment;
(2) Title to all Work, materials and equipment incorporated in said Work, or otherwise listed in or covered by this Application for Payment, will pass to Owner at time of payment free and clear of all Liens, security interests, and encumbrances (except such as are covered by a bond acceptable to Owner indemnifying Owner against any such Liens, security interest, or encumbrances); and
(3) All the Work covered by this Application for Payment is in accordance with the Contract Documents and is not defective.

Contractor: **Rachel Contracting**

By:

Date: 1/3/24

ENGINEER'S RECOMMENDATION:

I have reviewed the progress of the work, and to the best of my knowledge, information and belief, in accordance with the terms of the Contract, the Contractor is entitled to a partial payment in the amount requested.

HOUSTON engineering, inc.

Engineer:

By: **Wesley J. Keller, PE**

Date: 1/5/2024

OWNER'S APPROVAL:

Owner: **City of Pelican Rapids**

By:

Date:

REMIT PAYMENT TO:
Rachel Contracting
4180 Napier Court NE
St. Michael, MN 55376

PARTIAL PAYMENT ESTIMATE 7 (FINAL) BREAKDOWN														
ITEM NO.	ITEM	UNIT	TOTAL ESTIMATED CONTRACT QUANTITY	UNIT PRICE	AMOUNT	RIVER RESTORATION CONTRACT QUANTITY	RIVER RESTORATION CURRENT QUANTITY	RIVER RESTORATION CURRENT AMOUNT	BRIDGE CONTRACT QUANTITY	BRIDGE CURRENT QUANTITY	BRIDGE CURRENT AMOUNT	NON-PARTICIPATING CONTRACT QUANTITY	NON-PARTICIPATING CURRENT QUANTITY	NON-PARTICIPATING CURRENT AMOUNT
2021.501	MOBILIZATION	LUMP SUM	1	$ 269,860.00	$ 269,860.00	1		$ -	0		$ -	0		$ -
2104.502	REMOVE DRAINAGE STRUCTURE	EACH	2	$ 610.20	$ 1,220.40	0		$ -	0		$ -	2		$ -
2104.502	REMOVE LIGHTING UNIT	EACH	2	$ 495.60	$ 991.20	2		$ -	0		$ -	0		$ -
2104.503	REMOVE SEWER PIPE (STORM)	LIN. FT.	146	$ 19.50	$ 2,847.00	0		$ -	0		$ -	146		$ -
2104.503	SAWING CONCRETE PAVEMENT (FULL DEPTH)	LIN. FT.	24	$ 58.00	$ 1,392.00	24	5	$ 290.00	0		$ -	0		$ -
2104.503	SALVAGE METAL RAILING (P)	LIN. FT.	525	$ 3.50	$ 1,837.50	525		$ -	0		$ -	0		$ -
2104.503	SALVAGE SEWER PIPE (STORM)	LIN. FT.	53	$ 82.80	$ 4,388.40	0		$ -	0		$ -	53		$ -
2104.504	REMOVE CONCRETE DRIVEWAY PAVEMENT	SQ. YD.	10	$ 46.20	$ 462.00	10	40	$ 1,848.00	0		$ -	0		$ -
2106.507	COMMON EMBANKMENT	CU. YD.	5995	$ 18.90	$ 113,305.50	5995	95	$ 1,795.50	0		$ -	0		$ -
2106.507	EXCAVATION - CHANNEL AND POND (P)	CU. YD.	19092	$ 18.30	$ 349,383.60	19092	218	$ 3,989.40	0		$ -	0		$ -
2106.601	DEWATERING	LUMP SUM	1	$ 91,238.10	$ 91,238.10	1		$ -	0		$ -	0		$ -
2211.507	AGGREGATE BASE (CV) CLASS 5	TON	215	$ 31.20	$ 6,708.00	215	103	$ 3,213.60	0		$ -	0		$ -
2401.507	STRUCTURAL CONCRETE (3B52) (P)	CU. YD.	103	$ 1,389.20	$ 143,087.60	58		$ -	45		$ -	0		$ -
2401.601	STRUCTURE EXCAVATION	LUMP SUM	1	$ 15,710.40	$ 15,710.40	0		$ -	1		$ -	0		$ -
2402.503	ORNAMENTAL METAL RAILING (P)	LIN. FT.	71	$ 347.30	$ 24,658.30	42		$ -	29		$ -	0		$ -
2402.601	PEDESTRIAN BRIDGE (SUPERSTRUCTURE)	LUMP SUM	1	$ 298,666.50	$ 298,666.50	0		$ -	1		$ -	0		$ -
2406.504	BRIDGE APPROACH PANELS	SQ. YD.	8	$ 840.00	$ 6,720.00	0		$ -	8		$ -	0		$ -
2411.508	REINFORCEMENT BARS (EPOXY COATED) (P)	LB.	16220	$ 2.30	$ 37,306.00	10400		$ -	5820		$ -	0		$ -
2433.501	STRUCTURE REMOVALS	LUMP SUM	1	$ 201,924.00	$ 201,924.00	1		$ -	0		$ -	0		$ -
2451.607	STRUCTURAL BACKFILL	CU. YD.	330	$ 36.25	$ 11,962.50	200		$ -	130		$ -	0		$ -
2452.502	CIP CONCRETE TEST PILE 65 FT LONG 12"	EACH	2	$ 9,261.00	$ 18,522.00	0		$ -	2		$ -	0		$ -
2452.502	PILE POINTS 12"	EACH	6	$ 347.30	$ 2,083.80	0		$ -	6		$ -	0		$ -
2452.503	CIP CONCRETE PILING 12"	LIN. FT.	220	$ 84.50	$ 18,590.00	0		$ -	220		$ -	0		$ -
2501.502	42" RC PIPE APRON	EACH	1	$ 4,716.00	$ 4,716.00	0		$ -	0		$ -	1		$ -
2501.503	42" RC PIPE CULVERT DESIGN 3006 CLASS III	LIN. FT.	54	$ 283.50	$ 15,309.00	0		$ -	0		$ -	54		$ -
2501.602	TRASH GUARD FOR 42" PIPE APRON	EACH	1	$ 6,281.50	$ 6,281.50	0		$ -	0		$ -	1		$ -
2502.501	DRAINAGE SYSTEM TYPE (B910)	LUMP SUM	1	$ 5,776.20	$ 5,776.20	0		$ -	1		$ -	0		$ -
2506.502	CONSTRUCT DRAINAGE STRUCTURE DESIGN 72-4020	EACH	1	$ 6,453.00	$ 6,453.00	0		$ -	0		$ -	1		$ -
2506.502	CASTING ASSEMBLY	EACH	1	$ 1,901.00	$ 1,901.00	0		$ -	0		$ -	1		$ -
2506.602	MODIFY DRAINAGE STRUCTURE	EACH	1	$ 6,187.20	$ 6,187.20	0		$ -	0		$ -	1		$ -
2511.507	RANDOM RIPRAP CLASS II	CU. YD.	1300	$ 135.70	$ 176,410.00	1300	48	$ 6,513.60	0		$ -	0		$ -
2511.507	RANDOM RIPRAP CLASS V	CU. YD.	2300	$ 135.50	$ 311,650.00	2300		$ -	0		$ -	0		$ -
2511.602	ADDITIONAL BOULDERS (36"-72" DIA)	EACH	30	$ 313.20	$ 9,396.00	30		$ -	0		$ -	0		$ -
2511.602	ADDITIONAL FLAT ROCK BOULDERS (48"-72" DIA)	EACH	12	$ 323.00	$ 3,876.00	12		$ -	0		$ -	0		$ -
2511.603	ROCK WEIRS (36"-72" DIA BOULDERS)	LIN. FT.	1130	$ 80.40	$ 90,852.00	1130		$ -	0		$ -	0		$ -
2521.518	6" CONCRETE WALK	SQ. FT.	3082	$ 13.90	$ 42,839.80	3082	910	$ 12,649.00	0		$ -	0		$ -
2540.601	RELOCATE MONUMENT	LUMP SUM	1	$ 13,423.60	$ 13,423.60	1		$ -	0		$ -	0		$ -
2554.502	ANCHORAGE ASSEMBLY	EACH	2	$ 1,736.50	$ 3,473.00	2		$ -	0		$ -	0		$ -
2563.601	TRAFFIC CONTROL	LUMP SUMJ	1	$ 4,520.00	$ 4,520.00	1		$ -	0		$ -	0		$ -
2571.502	DECIDUOUS TREE 2" CAL BR	EACH	4	$ 347.30	$ 1,389.20	4		$ -	0		$ -	0		$ -
2571.502	PERENNIAL	EACH	282	$ 19.70	$ 5,555.40	282		$ -	0		$ -	0		$ -
2573.501	STABILIZED CONSTRUCTION EXIT	LUMP SUM	1	$ 3,608.20	$ 3,608.20	1		$ -	0		$ -	0		$ -
2573.502	STORM DRIAN INLET PROTECTION	EACH	11	$ 224.60	$ 2,470.60	11		$ -	0		$ -	0		$ -
2573.503	SEDIMENT CONTROL LOG TYPE STRAW	LIN. FT.	1000	$ 5.90	$ 5,900.00	1000		$ -	0		$ -	0		$ -
2573.503	SILT FENCE, TYPE MS	LIN. FT.	392	$ 5.30	$ 2,077.60	392		$ -	0		$ -	0		$ -
2573.503	FLOTATION SILT CURTAIN TYPE MOVING WATER	LIN. FT.	924	$ 5.30	$ 4,897.20	924		$ -	0		$ -	0		$ -
2574.507	COMMON TOPSOIL BORROW	CU. YD.	430	$ 77.90	$ 33,497.00	430		$ -	0		$ -	0		$ -
2575.504	ROLLED EROSION PREVENTION CATEGORY 25	SQ. YD.	34364	$ 2.90	$ 99,655.60	34364	756	$ 2,192.40	0		$ -	0		$ -
2575.505	DISK ANCHORING	ACRE	18	$ 115.90	$ 2,086.20	18		$ -	0		$ -	0		$ -

2575.505	SEEDING	ACRE	25	$ 115.80	$ 2,895.00	25	0.20	$ 23.16	0		$ -	0		$ -
2575.508	SEED, MIXTURE 21-111	POUND	1800	$ 0.50	$ 900.00	1800		$ -	0		$ -	0		$ -
2575.508	SEED, MIXTURE 25-151	POUND	100	$ 7.00	$ 700.00	100	32	$ 224.00	0		$ -	0		$ -
2575.507	MULCH MATERIAL TYPE 6	CU. YD.	14	$ 69.50	$ 973.00	14		$ -	0		$ -	0		$ -
2575.509	MULCH MATERIAL TYPE 1	TON	36	$ 115.80	$ 4,168.80	36		$ -	0		$ -	0		$ -
2503.603	12" HDPE PIPE SEWER	LIN. FT.	53	$ 24.91	$ 1,320.00	0		$ -	0		$ -	0		$ -
2106.607	COMMON EMBANKMENT SPECIAL (CV)	CU. YD.	580	$ 11.00	$ 6,380.00	580		$ -	0		$ -	0		$ -
2451.507	COARSE AGGREGATE BEDDING (CV)	CU. YD.	50	$ 153.00	$ 7,650.00	50		$ -	0		$ -	0		$ -
2106.601	HAUL AND DISPOSE OF CONTAMINATED MATERIAL	LUMP SUM	1	$ 4,800.00	$ 4,800.00	1		$ -	0		$ -	0		$ -
2104.602	REMOVE CONCRETE STEPS	EACH	1	$ 1,400.00	$ 1,400.00	0		$ -	0		$ -	1		$ -
		ORIGINAL CONTRACT AMOUNT =			$ 2,518,252.90	PAYMENT 7 AMOUNT =		$ 32,738.66	PAYMENT 7 AMOUNT =		$ -	PAYMENT 7 AMOUNT =		$ -
						RELEASED RETAINAGE		$ 103,580.04	RELEASED RETAINAGE		$ 22,722.06	RELEASED RETAINAGE		$ 2,601.17
		TOTAL PAYMENT 7 AMOUNT =			$ 161,641.93	PAYMENT 7 TOTAL AMOUNT =		$ 136,318.70	PAYMENT 7 TOTAL AMOUNT =		$ 22,722.06	PAYMENT 7 TOTAL AMOUNT =		$ 2,601.17

= Change Order 1

= Change Order 2

= Change Order 3 & 4

HOUSTON engineering, inc.

Client Project No.
HEI Project No. *8675-0002*
Project: *Pelican Rapids Dam Removal and River Restoration*
Location: *Pelican Rapids, Minnesota*
Contractor: *Rachel Contracting*

PAY ESTIMATE

PAY ESTIMATE #:	7 (Final)
SUBMITTED:	1/9/2024
BEGIN DATE:	10/3/2023
END DATE:	12/7/2023

ITEM NO.	DESCRIPTION	UNIT	CONTRACT			CURRENT PAY ESTIMATE		PREVIOUS PAY ESTIMATES		PAY ESTIMATES TO DATE	
			QUANTITY	PRICE	AMOUNT	QUANTITY	AMOUNT	QUANTITY	AMOUNT	QUANTITY	AMOUNT
Original Contract Items											
2021.501	MOBILIZATION	LUMP SUM	1	$ 269,860.00	$ 269,860.00		$ -	1.	$ 269,860.00	1.	$ 269,860.00
2104.502	REMOVE DRAINAGE STRUCTURE	EACH	2	$ 610.20	$ 1,220.40		$ -	2.	$ 1,220.40	2.	$ 1,220.40
2104.502	REMOVE LIGHTING UNIT	EACH	2	$ 495.60	$ 991.20		$ -	3.	$ 1,486.80	3.	$ 1,486.80
2104.503	REMOVE SEWER PIPE (STORM)	LIN. FT.	146	$ 19.50	$ 2,847.00		$ -	146.	$ 2,847.00	146.	$ 2,847.00
2104.503	SAWING CONCRETE PAVEMENT (FULL DEPTH)	LIN. FT.	24	$ 58.00	$ 1,392.00	5.	$ 290.00	8.	$ 464.00	13.	$ 754.00
2104.503	SALVAGE METAL RAILING (P)	LIN. FT.	525	$ 3.50	$ 1,837.50		$ -	525.	$ 1,837.50	525.	$ 1,837.50
2104.503	SALVAGE SEWER PIPE (STORM)	LIN. FT.	53	$ 82.80	$ 4,388.40		$ -	53.	$ 4,388.40	53.	$ 4,388.40
2104.504	REMOVE CONCRETE DRIVEWAY PAVEMENT	SQ. YD.	10	$ 46.20	$ 462.00	40.	$ 1,848.00		$ -	40.	$ 1,848.00
2106.507	COMMON EMBANKMENT	CU. YD.	5995	$ 18.90	$ 113,305.50	95.	$ 1,795.50	7,359.	$ 139,085.10	7,454.	$ 140,880.60
2106.507	EXCAVATION - CHANNEL AND POND (P)	CU. YD.	19092	$ 18.30	$ 349,383.60	218.	$ 3.989.40	20,596.	$ 376,906.80	20,814.	$ 380,896.20
2106.601	DEWATERING	LUMP SUM	1	$ 91,238.10	$ 91,238.10		$ -	1.	$ 91,238.10	1.	$ 91,238.10
2211.507	AGGREGATE BASE (CV) CLASS 5	TON	215	$ 31.20	$ 6,708.00	103.	$ 3,213.60	215.	$ 6,708.00	318.	$ 9,921.60
2401.507	STRUCTURAL CONCRETE (3B52) (P)	CU. YD.	103	$ 1,389.20	$ 143,087.60		$ -	103.	$ 143,087.60	103.	$ 143,087.60
2401.601	STRUCTURE EXCAVATION	LUMP SUM	1	$ 15,710.40	$ 15,710.40		$ -	1.	$ 15,710.40	1.	$ 15,710.40
2402.503	ORNAMENTAL METAL RAILING (P)	LIN. FT.	71	$ 347.30	$ 24,658.30		$ -	71.	$ 24,658.30	71.	$ 24,658.30
2402.601	PEDESTRIAN BRIDGE (SUPERSTRUCTURE)	LUMP SUM	1	$ 298,666.50	$ 298,666.50		$ -	1.	$ 298,666.50	1.	$ 298,666.50
2406.504	BRIDGE APPROACH PANELS	SQ. YD.	8	$ 840.00	$ 6,720.00		$ -	8.	$ 6,720.00	8.	$ 6,720.00
2411.508	REINFORCEMENT BARS (EPOXY COATED) (P)	LB.	16220	$ 2.30	$ 37,306.00		$ -	17,860.	$ 41,078.00	17,860.	$ 41,078.00
2433.501	STRUCTURE REMOVALS	LUMP SUM	1	$ 201,924.00	$ 201,924.00		$ -	1.	$ 201,924.00	1.	$ 201,924.00
2451.607	STRUCTURAL BACKFILL	CU. YD.	330	$ 36.25	$ 11,962.50		$ -	297.	$ 10,766.25	297.	$ 10,766.25
2452.502	CIP CONCRETE TEST PILE 65 FT LONG 12"	EACH	2	$ 9,261.00	$ 18,522.00		$ -	2.	$ 18,522.00	2.	$ 18,522.00
2452.502	PILE POINTS 12"	EACH	6	$ 347.30	$ 2,083.80		$ -	6.	$ 2,083.80	6.	$ 2,083.80
2452.503	CIP CONCRETE PILING 12"	LIN. FT.	220	$ 84.50	$ 18,590.00		$ -	148.	$ 12,506.00	148.	$ 12,506.00
2501.502	42" RC PIPE APRON	EACH	1	$ 4,716.00	$ 4,716.00		$ -	1.	$ 4,716.00	1.	$ 4,716.00
2501.503	42" RC PIPE CULVERT DESIGN 3006 CLASS III	LIN. FT.	54	$ 283.50	$ 15,309.00		$ -	54.	$ 15,309.00	54.	$ 15,309.00
2501.602	TRASH GUARD FOR 42" PIPE APRON	EACH	1	$ 6,281.50	$ 6,281.50		$ -	1.	$ 6,281.50	1.	$ 6,281.50
2502.501	DRAINAGE SYSTEM TYPE (B910)	LUMP SUM	1	$ 5,776.20	$ 5,776.20		$ -	1.	$ 5,776.20	1.	$ 5,776.20
2506.502	CONSTRUCT DRAINAGE STRUCTURE DESIGN 72-4020	EACH	1	$ 6,453.00	$ 6,453.00		$ -	1.	$ 6,453.00	1.	$ 6,453.00
2506.502	CASTING ASSEMBLY	EACH	1	$ 1,901.00	$ 1,901.00		$ -	1.	$ 1,901.00	1.	$ 1,901.00
2506.602	MODIFY DRAINAGE STRUCTURE	EACH	1	$ 6,187.20	$ 6,187.20		$ -	1.	$ 6,187.20	1.	$ 6,187.20
2511.507	RANDOM RIPRAP CLASS II	CU. YD.	1300	$ 135.70	$ 176,410.00	48.	$ 6,513.60	1,344.	$ 182,380.80	1,392.	$ 188,894.40
2511.507	RANDOM RIPRAP CLASS V	CU. YD.	2300	$ 135.50	$ 311,650.00		$ -	2,300.	$ 311,650.00	2,300.	$ 311,650.00
2511.602	ADDITIONAL BOULDERS (36"-72" DIA)	EACH	30	$ 313.20	$ 9,396.00		$ -	24.	$ 7,516.80	24.	$ 7,516.80
2511.602	ADDITIONAL FLAT ROCK BOULDERS (48"-72" DIA)	EACH	12	$ 323.00	$ 3,876.00		$ -	12.	$ 3,876.00	12.	$ 3,876.00
2511.603	ROCK WEIRS (36"-72" DIA BOULDERS)	LIN. FT.	1130	$ 80.40	$ 90,852.00		$ -	1,130.	$ 90,852.00	1,130.	$ 90,852.00
2521.518	6" CONCRETE WALK	SQ. FT.	3082	$ 13.90	$ 42,839.80	910.	$ 12,649.00	3,165.	$ 43,993.50	4,075.	$ 56,642.50
2540.601	RELOCATE MONUMENT	LUMP SUM	1	$ 13,423.60	$ 13,423.60		$ -	1.	$ 13,423.60	1.	$ 13,423.60
2554.502	ANCHORAGE ASSEMBLY	EACH	2	$ 1,736.50	$ 3,473.00		$ -	2.	$ 3,473.00	2.	$ 3,473.00
2563.601	TRAFFIC CONTROL	LUMP SUMJ	1	$ 4,520.00	$ 4,520.00		$ -	1.	$ 4,520.00	1.	$ 4,520.00
2571.502	DECIDUOUS TREE 2" CAL BR	EACH	4	$ 347.30	$ 1,389.20		$ -	4.	$ 1,389.20	4.	$ 1,389.20
2571.502	PERENNIAL	EACH	282	$ 19.70	$ 5,555.40		$ -	282.	$ 5,555.40	282.	$ 5,555.40

HOUSTON engineering, inc

PAY ESTIMATE

Client Project No.
HEI Project No. *8675-0002*
Project: *Pelican Rapids Dam Removal and River Restoration*
Location: *Pelican Rapids, Minnesota*
Contractor: *Rachel Contracting*

PAY ESTIMATE #:	7 (Final)
SUBMITTED:	1/9/2024
BEGIN DATE:	10/3/2023
END DATE:	12/7/2023

ITEM NO.	DESCRIPTION	UNIT	CONTRACT			CURRENT PAY ESTIMATE		PREVIOUS PAY ESTIMATES		PAY ESTIMATES TO DATE	
			QUANTITY	PRICE	AMOUNT	QUANTITY	AMOUNT	QUANTITY	AMOUNT	QUANTITY	AMOUNT
2573.501	STABILIZED CONSTRUCTION EXIT	LUMP SUM	1	$ 3,608.20	$ 3,608.20		$ -	2.	$ 7,216.40	2.	$ 7,216.40
2573.502	STORM DRIAN INLET PROTECTION	EACH	11	$ 224.60	$ 2,470.60		$ -	2.	$ 449.20	2.	$ 449.20
2573.503	SEDIMENT CONTROL LOG TYPE STRAW	LIN. FT.	1000	$ 5.90	$ 5,900.00		$ -	2,043.	$ 12,053.70	2,043.	$ 12,053.70
2573.503	SILT FENCE, TYPE MS	LIN. FT.	392	$ 5.30	$ 2,077.60		$ -	1,482.	$ 7,854.60	1,482.	$ 7,854.60
2573.503	FLOTATION SILT CURTAIN TYPE MOVING WATER	LIN. FT.	924	$ 5.30	$ 4,897.20		$ -	300.	$ 1,590.00	300.	$ 1,590.00
2574.507	COMMON TOPSOIL BORROW	CU. YD.	430	$ 77.90	$ 33,497.00		$ -	430.	$ 33,497.00	430.	$ 33,497.00
2575.504	ROLLED EROSION PREVENTION CATEGORY 25	SQ. YD.	34364	$ 2.90	$ 99,655.60	756.	$ 2,192.40	35,575.	$ 103,167.50	36,331.	$ 105,359.90
2575.505	DISK ANCHORING	ACRE	18	$ 115.90	$ 2,086.20		$ -		$ -		$ -
2575.505	SEEDING	ACRE	25	$ 115.80	$ 2,895.00	0.2	$ 23.16	7.4	$ 856.92	7.6	$ 880.08
2575.508	SEED, MIXTURE 21-111	POUND	1800	$ 0.50	$ 900.00		$ -	1,800.	$ 900.00	1,800.	$ 900.00
2575.508	SEED, MIXTURE 25-151	POUND	100	$ 7.00	$ 700.00	32.	$ 224.00	134.	$ 938.00	166.	$ 1,162.00
2575.507	MULCH MATERIAL TYPE 6	CU. YD.	14	$ 69.50	$ 973.00		$ -	14.	$ 973.00	14.	$ 973.00
2575.509	MULCH MATERIAL TYPE 1	TON	36	$ 115.80	$ 4,168.80		$ -		$ -		$ -
Extra / Change Order Items											
2503.603	12" HDPE PIPE SEWER	LIN. FT.	53	$ 24.91	$ 1,320.00		$ -	53.	$ 1,320.00	53.	$ 1,320.00
2106.607	COMMON EMBANKMENT SPECIAL (CV)	CU. YD.	580	$ 11.00	$ 6,380.00		$ -	580.	$ 6,380.00	580.	$ 6,380.00
2451.507	COARSE AGGREGATE BEDDING (CV)	CU. YD.	50	$ 153.00	$ 7,650.00		$ -	50.	$ 7,650.00	50.	$ 7,650.00
2106.601	HAUL AND DISPOSE OF CONTAMINATED MATERIAL	LUMP SUM	1	$ 4,800.00	$ 4,800.00		$ -	1.	$ 4,800.00	1.	$ 4,800.00
2104.602	REMOVE CONCRETE STEPS	EACH	1	$ 1,400.00	$ 1,400.00		$ -	1.	$ 1,400.00	1.	$ 1,400.00
Totals											
				Original Contract Amount	$ 2,496,702.90						
				Extra / Change Order Amount	$ 21,550.00						
						Work Completed	$ 32,738.66		$ 2,578,065.47		$ 2,610,804.13

INVOICE

HOUSTON engineering, inc.

Remit to:
1401 21st Ave N, Fargo, ND 58102
Phone: 701.237.5065
Fed Tax ID: 45-0314557
Interest of 1%/month applied to past due invoices

City of Pelican Rapids
PO Box 350
Pelican Rapids, MN 56572-0350

Invoice Number: 69179
Date: January 24, 2024
Project Number: R008675-0002

Pelican Rapids Dam Removal & Fish Passage Structure

For Professional Services Rendered Through: January 24, 2024

Email invoices to: pradmin@loretel.net and prclerk1@loretel.net

Professional services for construction administration, construction observation, and project closeout through 1-24-2024.

003 - Construction Management

Professional Services

	Hours	Rate	Amount
Engineer 12	2.00	250.00	$500.00
Engineer 2	3.00	150.00	$450.00
Engineer 7	23.50	186.00	$4,371.00
Engineer 7	6.00	198.00	$1,188.00
Engineer 8	2.00	208.00	$416.00
Technician 5	2.00	141.00	$282.00
Technician 7	4.00	156.00	$624.00
Technician 7	5.50	166.00	$913.00
	48.00		**$8,744.00**

Reimbursable Expenses

	Units	Rate	Amount
Unit - Company Car Mileage (FGO)	100.0000	.655	$65.50
Unit - Company Truck Mileage (FGO)	110.0000	.855	$94.05
Unit - Small UAS (FGO)	2.0000	25.000	$50.00
			$209.55

003 - Construction Management Total: **$8,953.55**

Invoice Total **$8,953.55**

Outstanding Invoices

Invoice Number	Invoice Date	0 - 30	31 - 60	61-90	Over 90	Balance
Total Prior Billing						

INVOICE

HOUSTON engineering, inc.

Remit to:
1401 21st Ave N, Fargo, ND 58102
Phone: 701.237.5065
Fed Tax ID: 45-0314557
Interest of 1%/month applied to past due invoices

City of Pelican Rapids
PO Box 350
Pelican Rapids, MN 56572-0350

Invoice Number: 69180
Date: January 24, 2024
Project Number: R008675-0003

Pelican Rapids Pedestrian Bridge

For Professional Services Rendered Through: January 24, 2024

Email invoices to: pradmin@loretel.net and prclerk1@loretel.net

Professional services for construction administration, construction observation, and project closeout through 1-24-2024.

002 - Bridge Construction Management

Professional Services

	Hours	Rate	Amount
Engineer 2	1.50	150.00	$225.00
Engineer 7	2.50	186.00	$465.00
Engineer 7	3.50	198.00	$693.00
Technician 7	3.00	166.00	$498.00
	10.50		**$1,881.00**

002 - Bridge Construction Management Total: **$1,881.00**

Invoice Total **$1,881.00**

Outstanding Invoices

Invoice Number	Invoice Date	0 - 30	31 - 60	61-90	Over 90	Balance
Total Prior Billing						

8

S & S Security Services, LLC

20679 State Hwy 108
Pelican Rapids,MN 56572
Phone # 218-863-4970

Estimate

Date	Estimate #
1/23/2024	1184

Name / Address
Pelican Rapids Fire Department 200 S Broadway Pelican Rapids,MN 56572

Description	Qty	Rate	Total
ACE 16Ch/16PoE Pro Series 1U NVR, 4K, 2 SATA 160/160Mbps 6TB HDD	1	1,295.00	1,295.00T
ACE 8MP IPC Fixed EXIR Turre,3840*2160@20fps,2.8m, 30m IR, IP67,	8	275.00	2,200.00T
8MP IPC FIXED EXIR BULLET,3840*2160@20 fps, 2.8mm Camera	1	295.00	295.00T
Junction Box- Pro Series IR Turret	6	20.00	120.00T
Junction Box-Pro Series EXIR Bullet	1	20.00	20.00T
Pole Mount For Turret Camera	2	25.00	50.00T
Vericom Cat 6 PL 23AWG 4 PR Riser	1,200	0.30	360.00T
2U Equipment Mounting Rack	1	45.00	45.00T
Wallmount Bracket-Flatscreen Monitor	1	50.00	50.00T
RJ-45 CABLE CONNECTORS	20	1.50	30.00T
Installations Supplies		35.00	35.00T
SURGE PROTECTION STRIP	1	35.00	35.00T
40" LED Monitor 1920X1080P	1	275.00	275.00T
Labor	22	80.00	1,760.00

Estimates are good for 30 days.

Subtotal	$6,570.00
Sales Tax (0.0%)	$0.00
Total	$6,570.00

10

Apex Engineering Group

Water | Transportation | Municipal | Facilities

Council Meeting Agenda

Trunk Highway 59/108 Assessments

City of Pelican Rapids

January 30, 2024 | 4:30 p.m. | Pelican Rapids City Hall

1. **General Information**
   A. It is anticipated the City will be special assessing portions of the improvements as has been done on past projects
   B. If the City wishes to specially assess a portion of the improvements, assessment methodologies will have to be determined and a public hearing will have to be held
   C. The City's Assessment Policy includes the information on the following table for reconstruction projects

Item	Cost Sharing		Assessable Units
	Assessable	City	
Sanitary Sewer Main	0%	100%	NA
Sewer Services	100%	0%	Each
Water Main	0%	100%	NA
Water Services	100%	0%	Each
Streets	40%	60%	Linear Feet
Curb and Gutter	20%	80%	Linear Feet
Storm Sewer	20%	80%	Linear Feet
Driveway Aprons	100%	0%	Square Yard
Sidewalk (Residential)	50%	50%	Square Foot
Sidewalk (Commercial)	100%	0%	Square Foot
Sidewalk District	0%	100%	Square Foot
Pump Stations/Forcemains	0%	100%	NA

2. **Estimated Costs and Cost Sharing**
   A. Attached is a table showing the following information for various items being constructed as part of this project *(please realize this information is estimated and will change)*
      - Estimated cost
      - Estimated grant amounts
      - Estimated city and assessable shares using the above table
      - Estimated assessment amounts for various sized parcels

3. **Items to Discuss (Street)**
   A. It is being proposed to assess the items in yellow on the attached table as street
   B. If street improvements are being made on state, county, or city right of way adjacent to a parcel that is within the City's corporate limits, it is being proposed to specially assess the parcel on a linear foot basis
   C. No grant funds are anticipated for street costs

4. **Items to Discuss (Shared Use Paths/Sidewalk)**
   A. It is being proposed to assess the items in orange on the attached table as sidewalk/path
   B. If sidewalk and/or path improvements are being made on state, county, or city right of way adjacent to a parcel that is within the City's corporate limits, it is being proposed to specially assess the parcel on a square foot basis
      - Should consideration be given to assessing all parcels for sidewalks/paths even if sidewalks/paths are not being constructed adjacent to the parcel?
   C. It is being proposed to reduce the assessments using the anticipated grants the City will receive

5. **Items to Discuss (Water Service Laterals)**
   A. It is being proposed to assess the items in blue on the attached table as water services
   B. It is being proposed to assess parcels for each water service that is installed on a per each basis
   C. No grant funds are anticipated for water system improvements

6. **Items to Discuss (Sanitary Service Laterals)**
   A. It is being proposed to assess the items in green on the attached table as sanitary services
   B. It is being proposed to assess parcels for each sanitary service that is installed on a per each basis
   C. It is being proposed to not reduce assessments using anticipated grants the City may receive

7. **Moving Forward**
   A. It is anticipated as bid cost information will be available from MnDOT soon
   B. Final decisions should be made on assessment methodologies
   C. A public hearing will have to be held
      - City must pass resolution setting time/date for public hearing
      - Notice of the public hearing must be published twice in newspaper with at least 3 days elapsing between last publication and date of hearing
      - Notice of hearing must be mailed to affected properties at least 10 days prior to the hearing

Estimated ***City Project Cost, Cost Sharing, and Assessment Information***
Proposed Assessment Methodologies
Highway 59 and 108 Improvements
City of Pelican Rapids

Item	Parking Lanes	Mailboxes	Aesthetics	Shared Use Paths (Com.)	Shared Use Paths (Res.)	Watermain	Sanitary Sewer	Street	Sidewalk (Com.)	Sidewalk (Res.)	1" Water Service	2" Water Service	4" Water Service	6" Water Service	4" Sanitary Service	6" Sanitary Service	Total	
Estimated Cost	$36,424.25	$15,900.10	$89,524.23	$945,037.16	$399,128.48	$3,323,851.41	$2,544,018.12	$50,044.68	$21,913.75	$9,255.09	$610,239.67	$7,693.26	$7,830.49	$19,925.70	$882,532.45	$13,127.28	**$8,976,446.11**	
Estimated Grant	$0.00	$0.00	$89,524.23	$645,746.13	$275,153.87	$0.00	$1,780,812.68	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$617,772.71	$9,189.09	**$3,418,198.73**	
Remaining Cost	$36,424.25	$15,900.10	$0.00	$299,291.03	$123,974.61	$3,323,851.41	$763,205.44	$50,044.68	$21,913.75	$9,255.09	$610,239.67	$7,693.26	$7,830.49	$19,925.70	$264,759.73	$3,938.18	**$5,558,247.38**	
City Share	$21,854.55	$9,540.06	$0.00	$0.00	$61,987.30	$3,323,851.41	$763,205.44	$30,026.81	$0.00	$4,627.54	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	**$4,215,093.11**	68%
Assessable Share	$14,569.70	$6,360.04	$0.00	$299,291.03	$61,987.30	$0.00	$0.00	$20,017.87	$21,913.75	$4,627.54	$610,239.67	$7,693.26	$7,830.49	$19,925.70	$882,532.45	$13,127.28	**$1,970,116.07**	32%
Total	**$36,424.25**	**$15,900.10**	**$0.00**	**$299,291.03**	**$123,974.61**	**$3,323,851.41**	**$763,205.44**	**$50,044.68**	**$21,913.75**	**$9,255.09**	**$610,239.67**	**$7,693.26**	**$7,830.49**	**$19,925.70**	**$882,532.45**	**$13,127.28**	**$6,185,209.19**	
Assessable Units	22,292	22,292	NA	81,619	34,778	NA	NA	22,292	81,619	34,778	113	1	1	2	172	1		
Assessment Rate	$0.65	$0.29	$0.00	$3.67	$1.78	$0.00	$0.00	$0.90	$0.27	$0.13	$5,400.35	$7,693.26	$7,830.49	$9,962.85	$5,131.00	$13,127.28		
Units	Lin. Feet	Lin. Feet	NA	Square Ft.	Square Ft.	NA	NA	Lin. Feet	Square Ft.	Square Ft.	Each	Each	Each	Each	Each	Each		

Example No. 1 - 25' Interior Parcel

Item	Assessable Units	Assessment Rate	Total
Street	25	$1.84	$45.92
Sidewalk/Path	200	$1.92	$383.09
1" Water Service	1	$5,400.35	$5,400.35
4" Sanitary Service	1	$5,131.00	$5,131.00
Total Residential Assessment:			***$10,960.36***
Total Commercial Assessment			***$11,364.36***

Example No. 1 - 50' Interior Parcel

Item	Assessable Units	Assessment Rate	Total
Street	50	$1.84	$91.84
Sidewalk/Path	400	$1.92	$766.17
1" Water Service	1	$5,400.35	$5,400.35
4" Sanitary Service	1	$5,131.00	$5,131.00
Total Residential Assessment:			***$11,389.37***
Total Commercial Assessment:			***$12,197.36***

Example No. 1 - 75' Interior Parcel

Item	Assessable Units	Assessment Rate	Total
Street	75	$1.84	$137.77
Sidewalk/Path	600	$1.92	$1,149.26
1" Water Service	1	$5,400.35	$5,400.35
4" Sanitary Service	1	$5,131.00	$5,131.00
Total Residential Assessment:			***$11,818.38***
Total Commercial Assessment:			***$13,030.37***

Example No. 1 - 100' Interior Parcel

Item	Assessable Units	Assessment Rate	Total
Street	100	$1.84	$183.69
Sidewalk/Path	800	$1.92	$1,532.34
1" Water Service	1	$5,400.35	$5,400.35
4" Sanitary Service	1	$5,131.00	$5,131.00
Total Residential Assessment:			***$12,247.39***
Total Commercial Assessment:			***$13,863.37***

Council Meeting Agenda

2nd Avenue SE Drainage Improvements

City of Pelican Rapids

January 30, 2024 | 4:30 p.m. | Pelican Rapids City Hall

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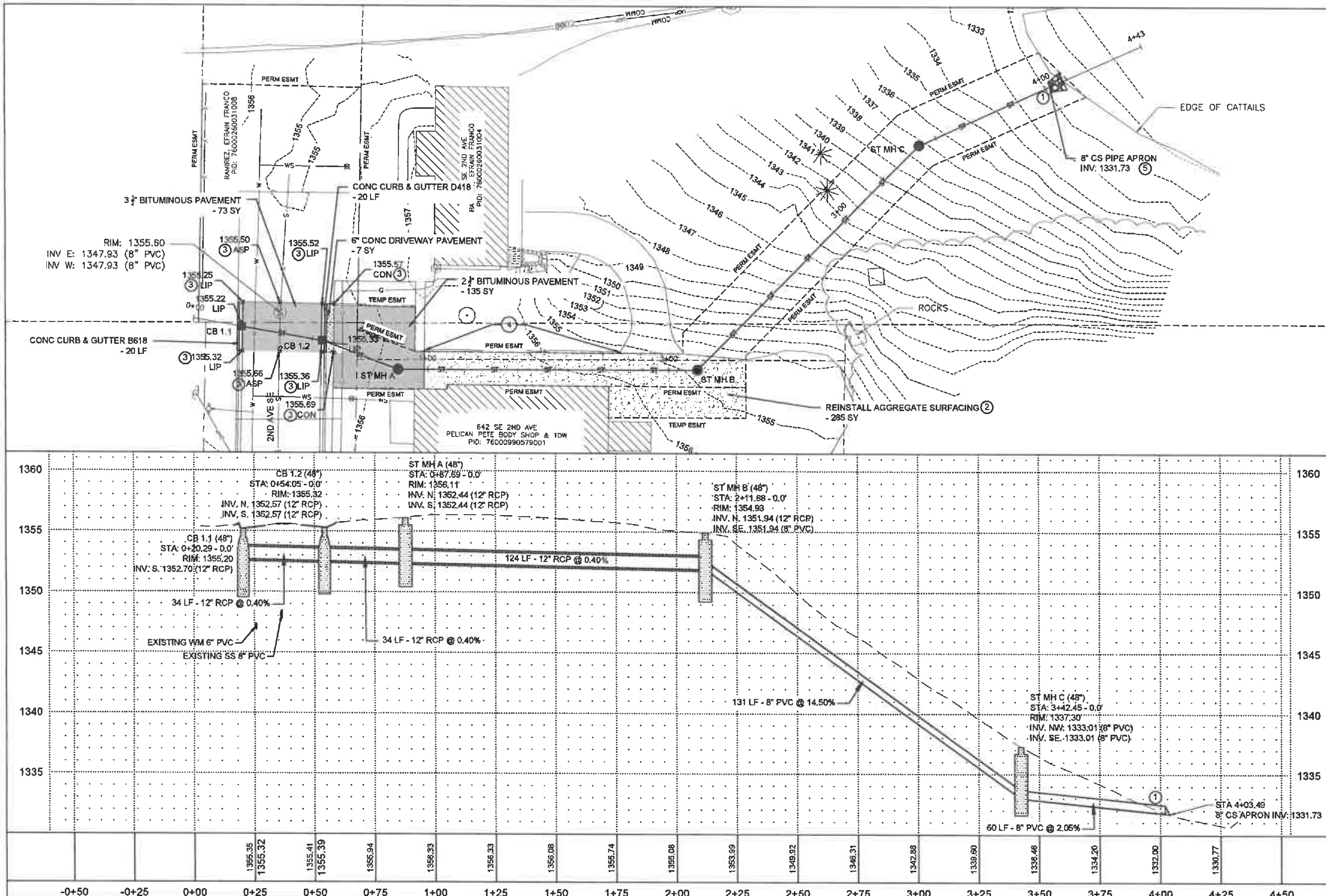
1. **General Information**
   - A. Design documents have been completed for the above reference project
   - B. A plan sheet showing the proposed improvements is attached
   - C. The estimated project cost is $115,000
   - D. If the City wishes to move forward authorization should be given to advertise for construction bids
   - E. An estimated schedule is shown below
     - Obtain Authorization to Advertise for Bids: January 30th
     - Advertise for Bids: Week of February 5th – Week of February 26th
     - Open Bids – Week of March 4th
     - Award Construction Contract – March 12th



CONSTRUCTION NOTES

1. CONTRACTOR SHALL GRADE AND COVER STORM SEWER PIPE/APRON SUCH THAT THE PIPE IS NOT EXPOSED.
2. REINSTALL SALVAGED AGGREGATE SURFACING AND ADD AN ADDITIONAL 2" OF AGGREGATE SURFACING TO REPLACEMENT AREA.
3. VERIFY EXISTING TIE IN ELEVATIONS ON EXISTING CURB & GUTTER, ASPHALT PAVEMENT, AND CONCRETE SIDEWALK. FIELD VERIFY SLOPE OF SURFACE AND MATCH PROPOSED WITH EXISTING.
4. PROTECT EXISTING V-CURB
5. CONTRACTOR SHALL INSTALL A STEEL TRASH GUARD ON THE APRON. INSTALLATION OF TRASH GUARD SHALL BE INCIDENTAL TO BID ITEM "8" CS PIPE APRON."

LEGEND

- AGGREGATE SURFACING
- BITUMINOUS PAVEMENT
- 6" CONCRETE DRIVEWAY PVMT
- CONCRETE CURB & GUTTER
- PROPOSED STORM PIPE
- PROPOSED STORM MANHOLE
- PROPOSED CATCH BASIN
- XXXX.XX FINISHED SURFACE ELEVATION

REVISIONS		
Issue #	Description	Date

Apex Engineering Group
Bismarck - Detroit Lakes
Dickinson - Fargo - St. Cloud
920 McKinley Ave
Detroit Lakes, Minnesota 56501
Office: 218-844-2580
www.apexenggroup.com

PELICAN RAPIDS

Apex Project #: 23.189.0204
Date: JAN 17, 2024
Drawn By: JAJ
Checked By: RCS
Approved By: RCS

I hereby certify that this plan, specification or report was prepared by me or under my direct supervision and that I am a duly Licensed Professional Engineer under the laws of the State of Minnesota.
Print Name: Robert [illegible]
Signed:
Date: X/XX/XX License Number: 45864

PRELIMINARY

2ND AVE SE DRAINAGE IMPROVEMENTS

STORM SEWER PLAN & PROFILE AND SURFACE RESTORATION

Sheet: 13 OF 13

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12

In Control, Inc.
5301 E River Rd, Suite 108
Fridley, MN 55421

PROPOSAL # QM23112102-01

To: City of Pelican Rapids

Date: January 15, 2024
From: Jeff Iverson
Valid: 30 days
Page: 1 of 5

Attn: Lance Roisum – City Administrator

Re: Automation & Cybersecurity Service Plan – 2023 Annual Renewal

In Control, Inc. is pleased to provide our proposal for the annual renewal of your Automation & Cybersecurity Service Plan (ACSP) that expired November 15, 2023. Renewal of your ACSP includes annual subscriptions that support WatchGuard's Total Security Suite 24/7 firewall monitoring, AuthPoint Multi-Factor Authentication (MFA), and RealVNC Remote Access software.

As you are aware, cybersecurity threats are constantly evolving, and it is imperative to ensure that your SCADA system is well-protected against such threats. Our maintenance plan provides the necessary updates and patches to prevent potential security breaches which can be detrimental for both the City and residents.

The annual renewal comes with a host of benefits such as regular security updates, access to our technical support team, and round-the-clock monitoring of your SCADA control network. On site inspection and maintenance of all related control hardware is critical in keeping your control system reliable. With our maintenance plan, you can be confident that your business is secure from any unauthorized access, data breaches, or malicious activities.

This annual renewal keeps your system maintained and protected November 15, 2024.

We value our relationship with you and are committed to providing first-class solutions to meet your automation and cybersecurity needs. By renewing your maintenance plan, you can continue to focus on your day-to-day operations with the peace of mind that your control system infrastructure is in good hands.

Proposed Materials and Services

Item 1 - Cybersecurity Defense – Configured Firewall Hardware
The hardware firewalls located at the Waste Water Treatment Plant and Water Treatment Plant were installed as part of your 2022/2023 maintenance plan and is up-to-date. It is recommended that the hardware firewall be replaced every 3-5 years.

A. Waste Water Treatment Plant Firewall – WatchGuard Firebox T20
B. Water Treatment Plant Firewall – WatchGuard Firebox T20

Item 2 - Automation & Cybersecurity Service Plan

A. Supervisory Control Panels (Plant or Remote Sites) – Annual Maintenance (On-site)
  1. Inspection:
     a. Verify control panels are properly grounded.
     b. Check PLC diagnostic information for errors and low battery conditions.
     c. Visually inspect radio cabling for damage and check radio indicators for alarms.
     d. Visually inspect control panels for abnormalities (frayed or loose wires, moisture, seals).
     e. Verify electrical schematics are present in each control panel and are up to date.
  2. Testing:
     a. Load test operation of Uninterruptible Power Supply (UPS) and check for alarms.
     b. Test communication-fail alarms.
     c. Test critical alarms (Example high/low level and float backup for lift stations).
  3. Maintenance:
     a. Vacuum control panel, lube panel hinges, and check for burnt out light bulbs.
     b. Backup Programmable Logic Controller (PLC) programs.
     c. Backup Operator Interface Terminals (OIT) programs and set OIT's to correct date and time.
     d. Review spares inventory condition and count.
  4. Main Facility Control Panels Covered (13):
     a. WWTP Supervisory Control Panel
     b. WWTP Blower Control Panel
     c. WWTP RAS Control Panel
     d. WWTP Bio Solids Control Panel
     e. WWTP Lagoon Control Panel
     f. WWTP Aerated Pond Bypass Control Panel
     g. WWTP Pre Treatment Control Panel Raw Water Station Panel
     h. WTP Supervisory Control Panel
     i. WTP Filter Control Panel
     j. WTP Well 7 Control Panel
     k. WTP Well 8&9 Control Panel
     l. WTP Well 13 Control Panel
     m. WTP Well 15 Control Panel

B. Network Components (Computers & Servers) – Semi-Annual Maintenance (On-site and Office)
  1. Inspection:
     a. Check computer hardware, fans, and filters for basic function.
     b. Review computer error logs, database size, resource utilization, and available storage space.
  2. Testing:
     a. Test communication function of software alarm dialers and remote access.
     b. Test communication function of backup hardware alarm dialer.
     c. Verify on-demand report generation.
  3. Maintenance:
     a. Power down and clean fans and filters.
     b. Backup SCADA programs.

c. Backup software configurations for switches, firewalls, VOIP dialers, and other devices.
d. Renew licensing for subscription software. (Cost of subscriptions included in Plan cost.)
e. Apply approved Windows updates for the existing operating system.

4. Software Subscriptions and/or Support Included:
   a. RealVNC Remote Access (1 license)
5. Network Equipment Covered:
   a. WWTP SCADA Computer

C. Cybersecurity Defense – Ongoing services, Semi-Annual Maintenance (Office)
1. Inspection: Check firewall* software, security logs, and identify required firmware updates.
2. Maintenance: Install firewall security updates, if available, and renew security subscriptions.
3. On-going Services: Implement and maintain Unified Threat Management (UTM) system including:
   a. URL filtering, Intrusion Prevention System (IPS), and Gateway Antivirus (GAV)
   b. APT Blocker – Defends against ransomware, zero-day threats, advanced malware
   c. DNS Filtering – Detects and blocks dangerous connections via a cloud-based service using DNS-level (Domain Name System) filtering
   d. Threat Detection & Response – Identifies and isolates infected computers on the network
   e. Cloud Data Retention – Real-time monitoring and thirty-day retention of traffic logs of all activity on the network.
4. Secure Remote Access through a VPN and Multi-factor Authentication Service:
   a. Virtual Private Network (VPN) – Limit remote connections to those established through a secure connection using IPSec and/or SSL
   b. Multi-Factor Authentication – Verify all remote connections with a second means of authentication through a separate smartphone application
   c. Provide user administration support as requested, including creating and removing user accounts, resetting passwords, and supporting multifactor authentication and remote access
5. Included security services subscriptions, software, and support:
   a. WatchGuard's Total Security Suite
   b. AuthPoint Multi-Factor Authentication (Up to 10 users)
6. Covered Cybersecurity Devices
   a. Waste Water Treatment Plant Firewall – WatchGuard Firebox T20
   b. Water Treatment Plant Firewall – WatchGuard Firebox T20

D. Controls System Planning Meeting – Annual meeting with Controls Engineer to develop and review multi-year control system and cybersecurity defense posture.

E. Warranty Extension for Identified Projects – This plan extends In Control's warranty term an additional 12 months for controls engineering services (equipment excluded). This extension applies to any work completed by In Control in the past 30 days and any new work completed during the life of this Plan. Plan must be active for extended warranty to be valid.
1. Projects covered by warranty extension include:
   a. 22211MA MN City of Pelican Rapids - Water and Wastewater Controls Improvements

F. Rate Schedule Discount – A 5.0% discount on In Control's current Rate Schedule for all engineering service calls.

~~G. Scheduled Service Hour Block – Block of XX hours must be used within one calendar year.~~

H. Equipment – Required equipment upgrades and replacements will be identified to customer. If not covered under warranty and if approved, equipment will be replaced and billed separately. Cost of replacement or upgrade is not included in Plan cost.

I. Agreement Duration & Invoicing – One calendar year from the date of execution, automatically renewed each year. Invoicing will be due Net 30 and submitted on a quarterly basis at the beginning of the coverage period.

Proposal Summary

Automation & Cybersecurity Service Plan (Includes all Main Facility Control Panel maintenance and extended warranty coverage)
The below pricing for the items above excludes sales and use taxes. Freight is included, FOB shipping point.

Item 1 – Cybersecurity Defense – Firewall Hardware Configuration $ 0.00 (one time cost)

Item 2 - Automation & Cybersecurity Service Plan $ 7,464.00 (annual cost)
(Includes service and extended warranty coverage for all sites)

Total cost of the Plan is $ 7,464.00 .

Our proposal specifically excludes the following:

- Field installation of equipment.
- Any equipment or services that are not defined in the scope of work detailed in this proposal.
- Installation of software revision upgrades and related migration of applications and testing.

Thank you in advance for the consideration of our offer and for the opportunity to work together. Should you have any questions regarding this proposal, please contact me directly at your convenience. I look forward to hearing from you soon to secure and coordinate this project.

Best Regards,

Jeff Iverson
Sr Technical Sales Engineer
Mobile: 612.802.8875
Office: 763.783.9500 x3001
E-Mail: jeff.iverson@incontrol.net

ACCEPTANCE: To accept this proposal please return a signed copy with purchase order. Thank you!

Signature:____________________ **Purchase Order:**__________

Print Name:____________________ **Date:**__________

Title:____________________ **Proposal Number: QM23112102-01**

Service Plan Terms and Conditions of Sale

These terms and conditions are in effect between the party ("Purchaser") executing the Automation Service Plan agreement ("Agreement") and In Control, Inc. ("In Control").

1. ACCEPTANCE – Acceptance of this Agreement will be in writing within 30 days of receipt, subject to approval of the Purchaser's credit by In Control and compliance with the acceptance criteria set forth herein. Upon acceptance, this Agreement will constitute the entire agreement between In Control and Purchaser, supersede all prior negotiations and discussions, and may not be modified or terminated except in writing signed by both Purchaser and In Control.
2. TERMINATION – Notification of termination of this Agreement shall be made in writing with 14 days notice. If Purchaser terminates this Agreement at no fault of In Control, Purchaser shall pay for services rendered at In Control's published rates, reimbursable expenses, and equipment ordered through the date of termination.
3. ATTORNEY FEES - If either party commences or is made a party to an action or proceeding to enforce or interpret this Agreement, the prevailing party in such action or proceeding will be entitled to recover from the other party all reasonable attorneys' fees, costs and expenses incurred in connection with such action or proceeding or any appeal or enforcement of any judgment.
4. INDEMNIFICATION - Purchaser will indemnify and hold harmless In Control from and against any and all claims, actions, proceedings, costs, expenses, losses and liability, including all reasonable attorneys' fees, costs and expenses, arising out of or in connection with or relating to any goods or services not furnished by In Control pursuant to this Agreement, including without limitation all product liability claims and any claims involving personal injury, death or property damage. The obligations set forth in this Section will survive the termination or fulfillment of this Agreement.
5. LIMITATIONS OF LIABILITY - In no event will In Control be liable in contract, tort, strict liability, warranty or otherwise, for any special, incidental or consequential damages, such as delay, disruption, loss of product, loss of anticipated profits or revenue, loss of use of the equipment or system, non-operation or increased expense of operation of other equipment or systems, cost of capital, or cost of purchase or replacement equipment systems or power. In particular, unless otherwise agreed to in writing between the Purchaser and In Control, In Control will not accept liquidated damages.
6. FORCE MAJEURE – In no event shall In Control be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, supply chain disruptions, accidents, acts of war or terrorism, civil or military disturbances, health crises, nuclear or natural catastrophes or acts of God, and interruptions of utilities, communications or computer services. It being understood that In Control shall use all commercially reasonable efforts to resume performance as soon as practicable under the circumstances.
7. WARRANTY - In Control warrants that the goods and services furnished will be of good quality, free from defects in material, design and workmanship will conform to the specifications and drawings and be suitable for their intended purpose. In Control's standard warranty will be in force for eighteen (18) months after shipment or twelve (12) months from startup, whichever is shorter. This Agreement extends those warranty periods an additional twelve (12) months for all controls engineering services provided thirty days prior to the date of execution of the Agreement. This warranty extension remains valid only if this Agreement remains in place. In Control reserves the right to terminate warranty should the Purchaser's account be in arrears.
8. ESCALATION – This Agreement is conditioned upon the ability of In Control to complete the work at present prices for material and at the existing scale of wages for labor. If In Control is, at any time during the term of the Agreement, unable to complete the work at the present prices and wages, then the Agreement sum shall be equitably adjusted by change order to compensate In Control for significant price increases, where a significant price increase is defined as a change of 10% or more between the date of quote and the date of applicable work.
9. PAYMENT TERMS - The payment terms are due thirty (30) days after an invoice is sent. Any balance remaining over 31 days beyond the invoice date will be subject to a 2.0% monthly service fee until paid. Debit or credit card payment is accepted and subject to a 3.0% surcharge of the payment amount. Should a payment default occur, In Control reserves the right to stop all work, including but not limited to startup of equipment. All reasonable attempts will be made between both parties to resolve the disputed portions of any invoice within the payment terms.
10. NONWAIVER - The failure by In Control to enforce at any time, or for any period of time, any of the provisions hereof will not be a waiver of such provisions nor the right of In Control thereafter to enforce each and every such provision.
11. REMEDIES - Remedies herein reserved to In Control will be cumulative and in addition to any other or further remedies provided in law or equity.

13

General Fund

Grant Agreement – Construction Grant

for the

<u>Pelican Rapids Aquatic Center</u>

Project

SPAP-23-0021-P-FY24

TABLE OF CONTENTS

General Fund

Grant Agreement - Construction Grant
for the
Pelican Rapids Aquatic Center
Project

THIS AGREEMENT shall be effective as of, **June 2, 2023**, and is between **the City of Pelican Rapids**, a **State Statutory City** (the "Grant Recipient"), and the **Minnesota Department of Employment and economic Development** (the "State Entity").

RECITALS

A. Under the provisions contained in **Minnesota Session Laws 2023, Chapter 71 (H.F.No. 670), Article 1, Section 14, Subdivision 32**, the State of Minnesota has allocated $**1,500,000**, which is to be given to the Grant Recipient as a grant to assist it in the **predesign, design, construction, furnish and equip a new aquatic center, including a swimming pool, water slide, zero-depth entry, splash pad, and bathhouse**; and

B. The monies allocated to fund the grant to the Grant Recipient are appropriated money from the State of Minnesota's general fund; and

C. The Grant Recipient and the State Entity desire to set forth herein the provisions relating to the granting of such monies and the disbursement thereof to the Grant Recipient.

IN CONSIDERATION of the grant described and other provisions in this Agreement, the parties to this Agreement agree as follows.

Article I - Definitions

Section 1.01 Defined Terms. As used in this Agreement, the following terms shall have the meanings set out respectively after each such term (the meanings to be equally applicable to both the singular and plural forms of the terms defined), unless the context specifically indicates otherwise:

"Advance(s)" – means an advance made or to be made by the State Entity to the Grant Recipient and disbursed in accordance with the provisions contained in Article IV hereof.

"Agreement" - means this General Funds Grant Agreement Construction Grant for the **Pelican Rapids Aquatic Center** Project.

"Architect", if any – means **Scott DeMartelaere, Principal Architect, Design Intent Architects**, which will administer the Construction Contract Documents on behalf of the Grant Recipient.

"Commissioner of Management and Budget" - means the State of Minnesota acting through its Commissioner of Management and Budget, and any designated representatives thereof.

"Completion Date" – means **December 31, 2024**, the date of projected completion of the Project as specified in the Construction Contract Documents.

"Contractor" - means any person engaged to work on or to furnish materials and supplies for the Project including, if applicable, a general contractor.

"Construction Contract Documents" - means the document or documents, in form and substance acceptable to the State Entity, including but not limited to any construction plans and specifications and any exhibits, amendments, change orders or supplements thereto, which collectively form the contract between the Grant Recipient and the Contractor or Contractors concerning the Project and which provide for the completion of the Project on or before the Completion Date for either a fixed price or a guaranteed maximum price.

"Declaration" - means a declaration, or declarations, in the form as **Attachment I** and all amendments thereto, indicating that the Grant Recipient's interest in the Real Property and, if applicable, the Facility is subject to the provisions of this Agreement.

"Draw Requisition" - means a draw requisition that the Grant Recipient, or its designee, will submit to the State Entity when an Advance is requested, and which is referred to in Section 4.02.

"Event of Default" - means those events delineated in Section 2.05.

"Facility", if applicable, - means **Pelican Rapids Aquatic Center**, which is located, or will be constructed and located, on the Real Property.

"Fair Market Value" – means either (i) the price that would be paid by a willing and qualified buyer to a willing and qualified seller as determined by an appraisal which assumes that all mortgage liens or encumbrances on the property being sold, which negatively affect the value of such property, will be released, or (ii) the price bid by a purchaser under a public bid procedure after reasonable public notice, with the proviso that all mortgage liens or encumbrances on the property being sold, which negatively affect the value of such property, will be released at the time of acquisition by the purchaser.

"Grant" - means a grant of monies from the State Entity to the Grant Recipient in an amount of $**1,500,000**.

"Grant Recipient" - means **the City of Pelican Rapids**, a **State Statutory City**.

"Inspecting Engineer", if any - means the State Entity's construction inspector, or its designated consulting engineer.

"Project" - means the acquisition of an interest in the Real Property and, if applicable, the Facility, along with the performance of those activities indicated in Section 2.03.

"Real Property" - means the real property located in the County of **Otter Tail**, State of Minnesota, legally described in **Attachment II**.

"State Entity" - means the **Minnesota Department of Employment and Economic Development**.

"Use Contract" - means a lease, management contract or other similar contract between Grant Recipient and any other entity, and which involves or relates to the Real Property and, if applicable, the Facility.

"Usee" - means any entity with which the Grant Recipient contracts under a Use Contract.

"Useful Life of the Real Property and, if applicable, the Facility" – means the term set forth in Section 2.04.T. of this Agreement.

Article II - GRANT

Section 2.01 Grant of Monies. The State Entity shall issue the Grant to the Grant Recipient and disburse the proceeds in accordance with the provisions of this Agreement. The Grant is not intended to be a loan.

Section 2.02 Use of Grant Proceeds. The Grant Recipient shall use the Grant solely to reimburse itself for expenditures it has already made, or will make, in the performance of the following activities:

(Check all appropriate boxes.)

- ☐ Acquisition of fee simple title to the Real Property;
- ☐ Acquisition of a leasehold interest in the Real Property;
- ☐ Acquisition of an easement on the Real Property;
- ☐ Improvement of the Real Property;
- ☐ Acquisition of the Facility;
- ☐ Improvement of the Facility;
- ☐ Renovation or rehabilitation of the Facility;
- ☒ Construction of the Facility; or
- ☐ ________________.

Section 2.03 Operation of the Real Property and Facility. The Grant Recipient shall operate the Real Property and, if applicable, the Facility, or cause it to be operated, as an **Aquatic Center**, or for such other use as the Minnesota legislature may from time to time designate, and may enter into Use Contracts with Usees to so operate the Real Property and, if applicable, the Facility; provided that such Use Contracts must fully comply with all of the provisions contained in Section 3.01. The Grant Recipient shall also annually determine that the Real Property and, if applicable, the Facility are being so used, and shall annually supply a statement, sworn to before a notary public, to such effect to the State Entity.

Section 2.04 Grant Recipient Representations and Warranties. The Grant Recipient further covenants with, and represents and warrants to the State Entity as follows:

A. It has legal authority to enter into, execute, and deliver this Agreement, the Declaration, and all documents referred to herein, and it has taken all actions necessary to its execution and delivery of such documents.

B. This Agreement, the Declaration, and all other documents referred to herein are the legal, valid and binding obligations of the Grant Recipient enforceable against the Grant Recipient in accordance with their respective terms.

C. It will comply with all of the terms, conditions, provisions, covenants, requirements, and warranties in this Agreement, the Declaration, and all other documents referred to herein.

D. It has made no material false statement or misstatement of fact in connection with its receipt of the Grant, and all of the information it previously submitted to the State Entity or which it will submit to the State Entity in the future relating to the Grant or the disbursement of any of the Grant is and will be true and correct.

E. It is not in violation of any provisions of its charter or of the laws of the State of Minnesota, and there are no actions, suits, or proceedings pending, or to its knowledge threatened, before any judicial body or governmental authority against or affecting it relating to the Real Property and, if applicable, the Facility, and it is not in default with respect to any order, writ, injunction, decree, or demand of any court or any governmental authority which would impair its ability to enter into this Agreement, the Declaration, or any document referred to herein, or to perform any of the acts required of it in such documents.

F. Neither the execution and delivery of this Agreement, the Declaration, or any document referred to herein, nor compliance with any of the terms, conditions, requirements, or provisions contained in any of such documents is prevented by, is a breach of, or will result in a breach of, any term, condition, or provision of any agreement or document to which it is now a party or by which it is bound.

G. The contemplated use of the Real Property and, if applicable, the Facility will not violate any applicable zoning or use statute, ordinance, building code, rule or regulation, or any covenant or agreement of record relating thereto.

H. The Project was, or will be, completed in full compliance with all applicable laws, statutes, rules, ordinances, and regulations issued by any federal, state, or local political subdivisions having jurisdiction over the Project.

I. All applicable licenses, permits and bonds required for the performance and completion of the Project have been, or will be, obtained.

J. All applicable licenses, permits and bonds required for the operation of the Real Property and, if applicable, the Facility in the manner specified in Section 2.03 have been, or will be, obtained.

K. It will operate, maintain, and manage the Real Property and, if applicable, the Facility in compliance with all applicable laws, statutes, rules, ordinances, and regulations issued by any federal, state, or local political subdivisions having jurisdiction over the Real Property and, if applicable, the Facility.

L. It has, or will acquire, the following interest in the Real Property and, if applicable, the Facility, and, in addition, will possess all easements necessary for the operation, maintenance and management of the Real Property and, if applicable, the Facility in the manner specified in Section 2.03:

(Check the appropriate box for the Real Property and, if applicable, for the Facility.)

Ownership Interest in the Real Property:

☒ Fee simple ownership of the Real Property.

☐ A Real Property/Facility Lease for the Real Property, in form and substance acceptable to the State Entity, for a term of at least 125% of the Useful Life of the Real Property and, if applicable, Facility, which cannot be prematurely cancelled or terminated without the prior written consent of the State Entity.

(If the term of the Real Property/Facility Lease is for a term authorized by a Minnesota statute, rule or session law, then insert the citation: ________________.)

☐ An easement for the Real Property, in form and substance acceptable to the State Entity, for a term of at least 125% of the Useful Life of the Real Property and, if applicable, Facility, which cannot be prematurely cancelled or terminated without the prior written consent of the State Entity.

(If the term of the easement is for a term authorized by a Minnesota statute, rule or session law, then insert the citation: ________________.)

Ownership Interest in, if applicable, the Facility:

☒ Fee simple ownership of the Real Property.

☐ A Real Property/Facility Lease for the Real Property, in form and substance acceptable to the State Entity, for a term of at least 125% of the Useful Life of the Real Property and, if applicable, Facility, which cannot be prematurely cancelled or terminated without the prior written consent of the State Entity.

(If the term of the Real Property/Facility Lease is for a term authorized by a Minnesota statute, rule or session law, then insert the citation: ________________.)

☐ Not applicable because there is no Facility.

and such interests are or will be subject only to those easements, covenants, conditions and restrictions that will not materially interfere with the completion of the Project and the intended operation and use of the Real Property and, if applicable, the Facility, or those easements, covenants, conditions and restrictions which are specifically consented to, in writing, by the State Entity.

M. It will fully enforce the terms and conditions contained in any Use Contract.

N. It has complied with the matching funds requirement, if any, contained in Section 5.23.

O. It will supply, or cause to be supplied, whatever funds are needed above and beyond the amount of the Grant to complete and fully pay for the Project.

P. The Project will be completed substantially in accordance with the Construction Contract Documents by the Completion Date, and will be situated entirely on the Real Property.

Q. It will require the Contractor or Contractors to comply with all rules, regulations, ordinances, and laws bearing on its conduct of work on the Project.

R. It will not allow any lien or encumbrance that is prior and superior to the Declaration to be created on or imposed upon the Real Property, whether such lien or encumbrance is voluntary or involuntary and including but not limited to a mechanic's lien or a mortgage lien, without the prior written consent of the State Entity.

S. It will furnish to the State Entity as soon as possible and in any event within 7 calendar days after the Grant Recipient has obtained knowledge of the occurrence of each Event of Default, or each event which with the giving of notice or lapse of time or both would constitute an Event of Default, a statement setting forth details of each Event of Default, or event which with the giving of notice or upon the lapse of time or both would constitute an Event of Default, and the action which the Grant Recipient proposes to take with respect thereto.

T. The Useful Life of the Real Property and, if applicable, Facility is **30** years.

U. It shall furnish such satisfactory evidence regarding the representations and warranties described herein as may be required and requested in writing by either the State Entity or the Commissioner of Management and Budget.

Section 2.05 Event(s) of Default. The following events shall, unless waived in writing by the State Entity, constitute an Event of Default under this Agreement upon the State Entity giving the Grant Recipient 30 days written notice of such event, and the Grant Recipient's failure to cure such event during such 30 day time period for those Events of Default that can be cured within 30 days or within whatever time period is needed to cure those Events of Default that cannot be cured within 30 days as long as the Grant Recipient is using its best efforts to cure and is making reasonable progress in curing such Events of Default, however, in no event shall the time period to cure any Event of Default exceed 6 months. Notwithstanding the foregoing, any of the following events that cannot be cured shall, unless waived in writing by the State Entity, constitute an Event of Default under this Agreement immediately upon the State Entity giving the Grant Recipient written notice of such event.

A. If any representation, covenant, or warranty made by the Grant Recipient herein, in any Draw Requisition, or in any other document furnished pursuant to this Agreement, or in order to induce the State Entity to make any Advance, shall prove to have been untrue or incorrect in any material respect or materially misleading as of the time such representation, covenant, or warranty was made.

B. If the Grant Recipient fails to fully comply with any provision, term, condition, covenant, or warranty contained in this Agreement, the Declaration, or any other document referred to herein.

Section 2.06 Remedies. Upon the occurrence of an Event of Default and at any time thereafter until such Event of Default is cured to the satisfaction of the State Entity, the State Entity or the Commissioner of Management and Budget may enforce any or all of the following remedies.

A. The State Entity may refrain from disbursing the Grant; provided, however, the State Entity may make Advances after the occurrence of an Event of Default without thereby waiving its rights and remedies hereunder.

B. The Commissioner of Management and Budget, as a third party beneficiary of this Agreement, may demand that the portion of the Grant already disbursed to the Grant Recipient be returned to it, and upon such demand the Grant Recipient shall return such portion to the Commissioner of Management and Budget.

C. Either the State Entity or the Commissioner of Management and Budget, as a third party beneficiary of this Agreement, may enforce any additional remedies they may have in law or equity.

The rights and remedies herein specified are cumulative and not exclusive of any rights or remedies that the State Entity or the Commissioner of Management and Budget would otherwise possess.

If the Grant Recipient does not repay any portion of the amount specified in Section 2.06.B within 30 days of demand by either the State Entity or the Commissioner of Management and Budget, then such amount may, unless precluded by law, be taken from or off-set against any aids or other monies that the Grant Recipient is entitled to receive from the State of Minnesota.

Section 2.07 Notification of Event of Default. The Grant Recipient shall furnish to both the State Entity and the Commissioner of Management and Budget, as soon as possible and in any event within 7 calendar days after it has obtained knowledge of the occurrence of each Event of Default or each event which with the giving of notice or lapse of time or both would constitute an Event of Default, a statement setting forth details of each Event of Default or event which with the giving of notice or upon the lapse of time or both would constitute an Event of Default and the action which the Grant Recipient proposes to take with respect thereto.

Section 2.08 Term of Grant Agreement. This Agreement shall, unless earlier terminated in accordance with any of the provisions contained herein, remain in full force and effect for the time period starting on the effective date hereof and ending on the date that corresponds to the date established by adding a time period equal to 125% of Useful Life of the Real Property and, if applicable, Facility to the date on which the Real Property and, if applicable, Facility is first used for the purpose set forth in Section 2.03 after such effective date. If there are no uncured Events of Default as of such date this Agreement shall terminate and no longer be of any force or effect, and the State Entity shall execute whatever documents are needed to release the Real Property and, if applicable, Facility from the effect of this Agreement and the Declaration.

Section 2.09 Modification and/or Early Termination of Grant. If the Project is not started on or before **December 30, 2024**, or such later date to which the Grant Recipient and the State Entity may agree in writing, then, the State Entity's obligation to fund the Grant shall terminate, and, in such event, (i) if none of the Grant has been disbursed by such date then the State Entity's obligation to fund any portion of the Grant shall terminate and this Agreement shall also terminate and no longer be of any force or effect, and (ii) if some but not all of the Grant has been disbursed by such date then the State shall have no further obligation to provide any additional funding for the Grant and this Agreement shall remain in full force and effect but shall be modified and amended to reflect the amount of the Grant that was actually disbursed as of such date.

In addition, if all of the Grant has not been disbursed on or before the date that is 5 years from the effective date of this Agreement, then the State Entity's obligation to continue to fund the Grant shall terminate, and, in such event, (y) if none of the Grant has been disbursed by such date then the State Entity's obligation to fund any portion of the Grant shall terminate and this Agreement shall also terminate and no longer be of any force or effect, and (z) if some but not all of the Grant has been disbursed by such date then the State Entity shall have no further obligation to provide any additional funding under the Grant and this Agreement shall remain if full force and effect but shall be modified and amended to reflect the amount of the Grant that was actually disbursed as of such date.

This Agreement shall also terminate and no longer be of any force or effect upon (a) the termination of the Grant Recipient's leasehold or easement interest in the Real Property in accordance with the terms of such lease or easement, or (b) the sale of the Grant Recipient's interest in the Real Property and, if applicable, the Facility in accordance with the provisions contained in Section 3.02 and transmittal of all or a portion of the proceeds of such sale to the Commissioner of Management and Budget in compliance with the provisions contained in Section 3.03. Upon such termination the State Entity shall execute and deliver to the Grant Recipient such documents as are required to release the Real Property and, if applicable, the Facility, from the effect of the Declaration.

In the event that the legislation that authorized the Grant is amended to increase or reduce the amount of the Grant or in any other way, then this Agreement shall be deemed to have been automatically modified in accordance with such amendment and the amount of the Grant shall also be automatically modified in accordance with such amendment.

Section 2.10 Effect of Event of Default. If an Event of Default occurs and the Grant Recipient is required to and does return the amount specified in Section 2.06.B to the Commissioner of Management and Budget, then the following shall occur.

A. This Agreement shall survive and remain in full force and effect.

B. The amount returned by the Grant Recipient shall be credited against any amount that shall be due to the Commissioner of Management and Budget under Section 3.03 and against any amount that becomes due and payable because of any other Event of Default.

Section 2.11 Excess Funds. If the full amount of the Grant and any matching funds referred to in Section 5.23 are not needed to complete the Project, then, unless language in the legislation that authorized the Grant indicates otherwise, the Grant shall be reduced by the amount not needed.

Article III - USE AND SALE

Section 3.01 Use Contracts. Each and every Use Contract that the Grant Recipient enters into must comply with the following requirements:

A. The purpose for which the Use Contract was entered into must be a governmental purpose.

B. It must contain a provision setting forth the statutory authority under which the Grant Recipient is entering into the Use Contract, and must comply with the substantive and procedural provisions of such statute.

C. It must contain a provision stating that the Use Contract is being entered into in order to carry out the purpose for which the Grant was allocated, and must recite the purpose.

D. It must be for a term, including any renewals that are solely at the option of the Grant Recipient, that is, if applicable, substantially less than the useful life of the structures and improvements that make up the Facility, but may allow for renewals beyond the original term upon a determination by the Grant Recipient that the use continues to carry out the specific purpose for which the Grant was allocated. A term that is equal to or shorter than

50% of the useful life of the structures and improvements that make up the Facility will meet the requirement that it be for a time period that is substantially shorter than the useful life of such structures and improvements.

E. It must allow for termination by the Grant Recipient in the event of a default thereunder by the Usee, or in the event that the specific purpose for which the Grant was allocated is terminated or changed.

F. It must require the Usee to pay all costs of operation and maintenance of the Real Property and, if applicable, the Facility, unless the Grant Recipient is authorized by law to pay such costs and agrees to pay such costs.

G. If the amount of the Grant exceeds $200,000.00, then it must contain a provision requiring the Usee to list any vacant or new positions it may have with state workforce centers as required by Minn. Stat. § 116L.66, Subd. 1, as it may be amended, modified or replaced from time to time, for the term of the Use Contract.

Section 3.02 Sale. The Grant Recipient shall not sell any part of its ownership interest in the Real Property or, if applicable, the Facility unless all of the following provisions have been complied with fully.

A. The Grant Recipient determines, by official action, that it is no longer usable or needed as **an Aquatic Center**.

B. The sale is made as authorized by law.

C. The sale is for Fair Market Value.

D. Written notice of such proposed sale has been supplied to both the State Entity and the Commissioner of Management and Budget at least 30 days prior thereto.

The acquisition of the Grant Recipient's interest in the Real Property and, if applicable, the Facility at a foreclosure sale, by acceptance of a deed-in-lieu of foreclosure, or enforcement of a security interest in personal property used in the operation of thereof, by a lender that has provided monies for the acquisition of the Grant Recipient's interest in or betterment of the Real Property and, if applicable, the Facility shall not be considered a sale for the purposes of this Agreement if after such acquisition the lender operates such portion of the Real Property and, if applicable, the Facility in a manner which is not inconsistent with the program specified in Section 2.03 and the lender uses its best efforts to sell such acquired interest to a third party for Fair Market Value. The lender's ultimate sale or disposition of the acquired interest in the Real Property and, if applicable, the Facility shall be deemed to be a sale for the purposes of this Agreement, and the proceeds thereof shall be disbursed in accordance with the provisions contained in Section 3.03.

Section 3.03 Proceeds of a Sale. Upon the sale of the Grant Recipient's interest in the Real Property and, if applicable, the Facility the net proceeds thereof shall be disbursed in the following manner and order.

A. The first distribution shall be to the Commissioner of Management and Budget in an amount equal to the amount of the Grant actually disbursed, and if the amount of such net proceeds shall be less than the amount of the Grant actually disbursed then all of such net proceeds shall be distributed to the Commissioner of Management and Budget.

B. The remaining portion, after the distribution specified in Section 3.03.A, shall be distributed to pay in full any outstanding public or private debt incurred to acquire the Grant Recipient's interest in or for the betterment of the Real Property and, if applicable, the Facility in the order of priority of such debt.

C. Any remaining portion, after the distributions specified in Sections 3.03A and B, shall be divided and distributed in proportion to the shares contributed to the acquisition of the Grant Recipient's interest in or for the betterment of the Real Property and, if applicable, the Facilities by public and private entities, including the State Entity but not including any private entity that has been paid in full, that supplied funds in either real monies or like-kind contributions for such acquisition and betterment, and the State Entity's distribution shall be made to the Commissioner of Management and Budget. Such public and private entities may agree amongst themselves as to any redistribution of such distributed funds.

The Grant Recipient shall not be required to pay or reimburse the State Entity for any funds above and beyond the full net proceeds of such sale, even if such net proceeds are less than the amount of the Grant actually disbursed.

Article IV - DISBURSEMENT OF GRANT PROCEEDS

Section 4.01 The Advances. The State Entity agrees, on the terms and subject to the conditions set forth herein, to make Advances from the Grant to the Grant Recipient from time to time in an aggregate total amount equal to the amount of the Grant. Provided, however, in accordance with the provisions contained in Section 2.08, the State Entity's obligation to make Advances shall terminate as of the date which occurs 5 years from the effective date of this Agreement even if all of the Grant has not been disbursed by such date.

It is the intent of the parties hereto that the rate of disbursement of the Advances shall not exceed the rate of completion of the Project or the rate of disbursement of the matching funds required, if any, under Section 5.23. Therefore, the cumulative amount of all Advances disbursed by the State Entity at any point in time shall not exceed the portion of the Project that has been completed and the percentage of the matching funds required, if any, under Section 5.23 that have been disbursed as of such point in time. This requirement is expressed by way of the following two formulas:

Formula #1

$$\text{Cumulative Advances} \leq (\text{Program Grant}) \times (\text{percentage of matching funds, if any, required under Section 5.23 that have been disbursed})$$

Formula #2

$$\text{Cumulative Advances} \leq (\text{Program Grant}) \times (\text{percentage of Project completed})$$

Section 4.02 Draw Requisitions. Whenever the Grant Recipient desires a disbursement of a portion of the Grant, which shall be no more often than once each calendar month, the Grant Recipient shall submit to the State Entity a Draw Requisition duly executed on behalf of the Grant Recipient or its designee. Each Draw Requisition shall be submitted on or between the 1st day and the 15th day of the month in which an Advance is requested, and shall be submitted at least 7 calendar days before the date the Advance is desired. Each Draw Requisition with respect to construction items shall be limited to amounts equal to: (i) the total value of the classes of the work by percentage of completion as approved by the Grant Recipient and the State Entity, plus (ii) the value of materials and equipment not incorporated in the Project but delivered and suitably stored on or off the Project site in a manner acceptable to the State Entity, less (iii) any applicable retainage, and less (iv) all prior Advances.

Notwithstanding anything herein to the contrary, no Advances for materials stored on or off the Project site will be made by the State Entity unless the Grant Recipient shall advise the State Entity, in writing, of its intention to so store materials prior to their delivery and the State Entity has not objected thereto.

At the time of submission of each Draw Requisition, other than the final Draw Requisition, the Grant Recipient shall submit to the State Entity such supporting evidence as may be requested by the State Entity to substantiate all payments which are to be made out of the relevant Draw Requisition or to substantiate all payments then made with respect to the Project.

At the time of submission of the final Draw Requisition which shall not be submitted before substantial completion of the Project, including all landscape requirements and off-site utilities and streets needed for access to the Project and correction of material defects in workmanship or materials (other than the completion of punch list items) as provided in the Construction Contract Documents, the Grant Recipient shall submit to the State Entity: (i) such supporting evidence as may be requested by the State Entity to substantiate all payments which are to be made out of the final Draw Requisition or to substantiate all payments then made with respect to the Project, and (ii) satisfactory evidence that all work requiring inspection by municipal or other governmental authorities having jurisdiction has been duly inspected and approved by such authorities, and that all requisite certificates of occupancy and other approvals have been issued.

If on the date an Advance is desired the Grant Recipient has complied with all requirements of this Agreement and the State Entity approves the relevant Draw Requisition and receives a current construction report from the Inspecting Engineer recommending payment, then the State Entity shall disburse the amount of the requested Advance to the Grant Recipient.

Section 4.03 Additional Funds from Grant Recipient. If the State Entity shall at any time in good faith determine that the sum of the undisbursed amount of the Grant plus the amount of all other funds committed to the completion of the Project is less than the amount required to pay all costs and expenses of any kind which reasonably may be anticipated in connection with the completion of the Project, then the State Entity may send written notice thereof to the Grant Recipient specifying the amount which must be supplied in order to provide sufficient funds to complete the Project. The Grant Recipient agrees that it will, within 10 calendar days of receipt of any such notice, supply or have some other entity supply the amount of funds specified in the State Entity's notice.

Section 4.04 Conditions Precedent to Any Advance. The obligation of the State Entity to make any Advance hereunder (including the initial Advance) shall be subject to the following conditions precedent:

A. The State Entity shall have received a Draw Requisition for such Advance specifying the amount of funds being requested, which such amount when added to all prior requests for an Advance shall not exceed the maximum amount of the Grant set forth in Section 1.01.

B. The State Entity shall have either received a duly executed Declaration that has been duly recorded in the appropriate governmental office, with all of the recording information displayed thereon, or evidence that such Declaration will promptly be recorded and delivered to the State Entity.

C. The State Entity shall have received evidence, in form and substance acceptable to the State Entity, that (i) the Grant Recipient has legal authority to and has taken all actions necessary to enter into this Agreement and the Declaration, and (ii) this Agreement and the Declaration are binding on and enforceable against the Grant Recipient.

D. The State Entity shall have received evidence, in form and substance acceptable to the State Entity, that that the Grant Recipient has sufficient funds to fully and completely pay for the entire Project and all other expenses that may occur in conjunction therewith.

E. The State Entity shall have received evidence, in form and substance acceptable to the State Entity, that the Grant Recipient is in compliance with the matching funds requirements, if any, contained in Section 5.23.

F. The State Entity shall have received evidence, in form and substance acceptable to the State Entity, showing that the Grant Recipient currently possesses or will use the Grant to acquire the ownership interest delineated in Section 2.04.L.

G. The State Entity shall have received evidence, in form and substance acceptable to the State Entity, that the Real Property and, if applicable, the Facility and the contemplated use thereof are permitted by and will comply with all applicable use or other restrictions and requirements imposed by applicable zoning ordinances or regulations, and have been duly approved by the applicable municipal or governmental authorities having jurisdiction.

H. The State Entity shall have received evidence, in form and substance acceptable to the State Entity, that that all applicable and required building permits, other permits, bonds and licenses necessary for the completion of the Project have been paid for, issued, and obtained, other than those permits, bonds and licenses which may not lawfully be obtained until a future date or those permits, bonds and licenses which in the ordinary course of business would normally not be obtained until a later date.

I. The State Entity shall have received evidence, in form and substance acceptable to the State Entity, that that all applicable and required permits, bonds and licenses necessary for the operation of the Real Property and, if applicable, the Facility in the manner specified in Section 2.03 have been paid for, issued, and obtained, other than those permits, bonds and licenses which may not lawfully be obtained until a future date or those permits, bonds and licenses which in the ordinary course of business would normally not be obtained until a later date.

J. The State Entity shall have received evidence, in form and substance acceptable to the State Entity, that the Project will be completed in a manner that will allow the Real Property and, if applicable, the Facility to be operated in the manner specified in Section 2.03.

K. The State Entity shall have received evidence, in form and substance acceptable to the State Entity, that that the Grant Recipient has the ability and a plan to fund the program which will be operated on the Real Property and, if applicable, in the Facility.

L. The State Entity shall have received evidence, in form and substance acceptable to the State Entity, that the Construction Contract Documents are in place and are fully and completely enforceable.

M. The State Entity shall have received evidence, in form and substance acceptable to the State Entity, that the Contractor will complete the Project substantially in conformance with the Construction Contract Documents and pay all amounts lawfully owing to all laborers and materialmen who worked on the Project or supplied materials therefor, other than amounts being contested in good faith. Such evidence may be in the form of payment and performance bonds in amounts equal to or greater than the amount of the fixed price or guaranteed maximum price contained in the Construction Contract Documents which name the State Entity and the Grant Recipient dual obligees thereunder, or such other evidence as may be acceptable to the Grant Recipient and the State Entity.

N. The State Entity shall have received evidence, in form and substance acceptable to the State Entity, that that the policies of insurance required under Section 5.01 are in full force and effect.

O. The State Entity shall have received evidence, in form and substance acceptable to the State Entity, of compliance with the provisions and requirements specified in Section 5.10 and all additional applicable provisions and requirements contained in Minn. Stat. § 16B.335 that exists as of the date of this Agreement and as such may subsequently be amended, modified or replaced from time to time. Such evidence shall include, but not be limited to, evidence that: (i) the predesign package referred to in Section 5.10.B has been reviewed by and received a favorable recommendation from the Commissioner of Administration for the State of Minnesota, (ii) the program plan and cost estimates referred to in Section 5.10.C have received a recommendation by the Chairs of the Minnesota State Senate Finance Committee and Minnesota House of Representatives Ways and Means Committee, and (iii) the Chair and Ranking Minority Member of the Minnesota House of Representatives Capital Investment Committee and the Chair and Ranking Minority Member of the Minnesota Senate Capital Investment Committee have been notified pursuant to Section 5.10.G.

P. No determination shall have been made by the State Entity that the amount of funds committed to the completion of the Project is less than the amount required to pay all costs and expenses of any kind which reasonably may be anticipated in connection with the completion of the Project, or if such a determination has been made and notice thereof sent to the Grant Recipient then the Grant Recipient has supplied or has caused some other entity to supply the necessary funds in accordance with Section 4.03, or to provide evidence acceptable to the State Entity that sufficient funds are available.

Q. No Event of Default under this Agreement or event which would constitute an Event of Default but for the requirement that notice be given or that a period of grace or time elapse shall have occurred and be continuing.

R. The Grant Recipient has supplied to the State Entity all other items that the State Entity may reasonably require.

Section 4.05 Construction Inspections. The Grant Recipient and the Architect, if any, shall be responsible for making their own inspections and observations of the Project, and shall determine to their own satisfaction that the work done or materials supplied by the Contractors to whom payment is to be made out of each Advance has been properly done or supplied in accordance with the applicable contracts with such Contractors. If any work done or materials supplied by a Contractor are not satisfactory to the Grant Recipient and the Architect, if any, or if a Contractor is not in material compliance with the Construction Contract Documents in any respect, then the Grant Recipient shall immediately notify the State Entity, in writing. The State Entity and the Inspecting Engineer may conduct such inspections of the Project as either may deem necessary for the protection of the State Entity's interest, and that any inspections which may be made of the Project by the State Entity or the Inspecting Engineer are made and all certificates issued by the Inspecting Engineer will be issued solely for the benefit and protection of the State Entity, and the Grant Recipient will not rely thereon.

Article V - MISCELLANEOUS

Section 5.01 Insurance. The Grant Recipient shall maintain or cause to be maintained builders risk insurance and fire and extended coverage insurance on the Facility, if such exists, in an amount equal to the full insurable value thereof, and shall name the State Entity as loss payee thereunder. If damages which are covered by such required insurance occurs to the Facility, if such exists, then the Grant Recipient shall, at its sole option and discretion, either: (i) use or cause the insurance proceeds to be used to fully or partially repair such damage and to provide or cause to be provided whatever additional funds that may be needed to fully or partially repair such damage, or (ii) sell its interest in the Real Property and the damaged Facility, if such exists, in accordance with the provisions contained in Section 3.02. If the Grant Recipient elects to only partially repair such damage, then the portion of the insurance proceeds which are not used for such repair shall be applied in accordance with the provisions contained in Section 3.03 as if the Grant Recipient's interest in the Real Property and Facility, if such exists, had been sold, and such amounts shall be credited against the amounts due and owing under Section 3.03 upon the ultimate sale of the Grant Recipient's interest in the Real Property and Facility, if such exists. If the Grant Recipient elects to sell its interest in the Real Property and the damaged Facility, if such exists, then such sale must occur within a reasonable time period from the date the damage occurred and the cumulative sum of the insurance proceeds plus the proceeds of such sale must be applied in accordance with the provisions contained in Section 3.03, with the insurance proceeds being so applied within a reasonable time period from the date they are received by the Grant Recipient.

As loss payee under the insurance required herein the State Entity agrees to and will assign or pay over to the Grant Recipient all insurance proceeds it receives so that the Grant Recipient can comply with the requirements that this Section 5.01 imposes upon the Grant Recipient as to the use of such insurance proceeds.

If the Grant Recipient elects to maintain general comprehensive liability insurance regarding the Real Property and Facility, if such exists, then the Grant Recipient shall have the State Entity named as an additional named insured therein.

At the written request of either the State Entity or the Commissioner of Management and Budget, the Grant Recipient shall promptly furnish thereto all written notices and all paid premium receipts received by the Grant Recipient regarding the required insurance, or certificates of insurance evidencing the existence of such required insurance.

Section 5.02 Condemnation. If all or any portion of the Real Property and, if applicable, the Facility is condemned to an extent that the Grant Recipient can no longer comply with the provisions contained in Section 2.03, then the Grant Recipient shall, at its sole option and discretion, either: (i) use or cause the condemnation proceeds to be used to acquire an interest in additional real property needed for the Grant Recipient to continue to comply with the provisions contained in Section 2.03 and, if applicable, to fully or partially restore the Facility and to provide or cause to be provided whatever additional funds that may be needed for such purposes, or (ii) sell the remaining portion of its interest in the Real Property and, if applicable, the Facility in accordance with the provisions contained in Section 3.02. Any condemnation proceeds which are not used to acquire an interest in additional real property or to restore, if applicable, the Facility shall be applied in accordance with the provisions contained in Section 3.03 as if the Grant Recipient's interest in the Real Property and, if applicable, the Facility had been sold, and such amounts shall be credited against the amounts due and owing under Section 3.03 upon the ultimate sale of the Grant Recipient's interest in the Real Property and, if applicable, the Facility. If the Grant Recipient elects to sell its interest in the portion of the Real Property and, if applicable, the Facility that remains after the condemnation, then such sale must occur within a reasonable time period from the date the condemnation occurred and the cumulative sum of the condemnation proceeds plus the proceeds of such sale must be applied in accordance with the provisions contained in Section 3.03, with the condemnation proceeds being so applied within a reasonable time period from the date they are received by the Grant Recipient.

As recipient of any of condemnation awards or proceeds referred to herein, the State Entity agrees to and will disclaim, assign or pay over to the Grant Recipient all of such condemnation awards or proceeds it receives so that the Grant Recipient can comply with the requirements which this Section 5.02 imposes upon the Grant Recipient as to the use of such condemnation awards or proceeds.

Section 5.03. Use, Maintenance, Repair and Alterations. The Grant Recipient shall not, without the written consent of the State Entity, permit or suffer the use of any of the Real Property and, if applicable, the Facility, for any purpose other than the use for which the same is intended as of the effective date of this Agreement. In addition, the Grant Recipient: (i) shall keep the Real Property and, if applicable, the Facility, in good condition and repair, subject to reasonable and ordinary wear and tear, (ii) shall not, written consent of the State Entity, remove, demolish or substantially alter (except such alterations as may be required by laws, ordinances or regulations) any of the Facility, if applicable, (iii) shall not do any act or thing which would unduly impair or depreciate the value of the Real Property and, if applicable, the Facility, (iv) shall not abandon the Real Property and, if applicable, the Facility, (v) shall complete promptly and in good and workmanlike manner any building or other improvement which may be constructed on the Real Property and promptly restore in like manner any portion of the Facility, if applicable, which may be damaged or destroyed thereon and pay when due all claims for labor performed and materials furnished therefor, (vi) shall comply with all laws, ordinances, regulations, requirements, covenants, conditions and restrictions now or hereafter affecting the Real Property and, if applicable, the Facility, or any part thereof, or requiring any alterations or improvements thereto, (vii) shall not commit or permit any waste or deterioration of the Real Property and, if applicable, the Facility, (viii) shall keep and maintain abutting grounds, sidewalks, roads, parking and landscape areas in good and neat order and repair, (ix) shall comply with the provisions of any lease if the Grant Recipient's interest in the Real Property and, if applicable, the Facility, is a leasehold interest, (x) shall comply with the provisions of any condominium documents if the Real Property and, if applicable, the Facility, is part of a condominium regime, (xi) shall not remove any fixtures or personal property from the Real Property and, if applicable, the Facility, that was paid for with the proceeds of the Grant unless the same are immediately replaced with like property of at least equal value and utility, and (xii) shall not commit, suffer or permit any act to be done in or upon the Real Property and, if applicable, the Facility, in violation of any law, ordinance or regulation.

Section 5.04 Records Keeping and Reporting. The Grant Recipient shall maintain or cause to be maintained books, records, documents and other evidence pertaining to the costs or expenses associated with the completion of the Project and operation of the Real Property and, if applicable, the Facility, and compliance with the requirements contained in this Agreement, and upon request shall allow or cause the entity which is maintaining such items to allow the State Entity, auditors for the State Entity, the Legislative Auditor for the State of Minnesota, or the State Auditor for the State of Minnesota, to inspect, audit, copy, or abstract, all of its books, records, papers, or other documents relevant to the Grant. The Grant Recipient shall use or cause the entity which is maintaining such books and records to use generally accepted accounting principles in the maintenance of such books and records, and shall retain or cause to be retained all of such books, records, documents and other evidence for a period of 6 years from the date that the Project is fully completed and placed into operation.

Section 5.05 Inspection of Facility After Completion. Upon reasonable request by the State Entity the Grant Recipient shall allow, and will require any entity to whom it leases, subleases, or enters into a Use Contract for any portion of the Real Property and, if applicable, the Facility to allow, the State Entity to inspect the Real Property and, if applicable, the Facility.

Section 5.06 Data Practices. The Grant Recipient agrees with respect to any data that it possesses regarding the Grant, the Project, or the Real Property and, if applicable, the Facility, to comply with all of the provisions and restrictions contained in the Minnesota Government Data Practices Act contained in Chapter 13 of the Minnesota Statutes that exists as of the date of this Agreement and as such may subsequently be amended, modified or replaced from time to time.

Section 5.07 Non-Discrimination. The Grant Recipient agrees to not engage in discriminatory employment practices in the completion of the Project, or operation or management of the Real Property and, if applicable, the Facility, and it shall, with respect to such activities, fully comply with all of the provisions contained in Minn. Stat. Chapters 363A and 181 that exists as of the date of this Agreement and as such may subsequently be amended, modified or replaced from time to time.

Section 5.08 Worker's Compensation. The Grant Recipient agrees to comply with all of the provisions relating to worker's compensation contained in Minn. Stat. §§ 176.181, Subd. 2 and 176.182 that exists as of the date of this Agreement and as such may subsequently be amended, modified or replaced from time to time, with respect to the completion of the Project, and the operation or management of the Real Property and, if applicable, the Facility.

Section 5.09 Antitrust Claims. The Grant Recipient hereby assigns to the State Entity and the Commissioner of Management and Budget all claims it may have for over charges as to goods or services provided in its completion of the Project, and operation or management of the Real Property and, if applicable, the Facility that arise under the antitrust laws of the State of Minnesota or of the United States of America.

Section 5.10 Review of Plans and Cost Estimates. The Grant Recipient agrees to comply with all applicable provisions and requirements contained in Minn. Stat. § 16B.335 that exists as of the date of this Agreement and as such may subsequently be amended, modified or replaced from time to time, for the Project, and in accordance therewith the Grant Recipient and the State Entity agree to comply with the following provisions and requirements if such provisions and requirements are applicable.

A. The Grant Recipient shall provide all information that the State Entity may request in order for the State Entity to determine that the Project will comply with the provisions and requirements contained in Minn. Stat. § 16B.335, as it may be amended, modified or replaced from time to time.

B. Prior to its proceeding with design activities for the Project the Grant Recipient shall prepare a predesign package and submit it to the Commissioner of Administration for the State of Minnesota for review and comment. The predesign package must be sufficient to define the purpose, scope, cost, and projected schedule for the Project, and must demonstrate that the Project has been analyzed according to appropriate space and needs standards. Any substantial changes to such predesign package must be submitted to the Commissioner of Administration for the State of Minnesota for review and comment.

C. If the Project includes the construction of a new building, substantial addition to an existing building, a substantial change to the interior configuration of an existing building, or the acquisition of an interest in land, then the Grant Recipient shall not prepare final plans and specifications until it has prepared a program plan and cost estimates for all elements necessary to complete the Project and presented them to the Chairs of the Minnesota State Senate Finance Committee and Minnesota House of Representatives Ways and Means Committee and the chairs have made their recommendations, and it has notified the Chair and Ranking Minority Member of the Minnesota House of Representatives Capital Investment Committee and the Chair and Ranking Minority Member of the Minnesota State Senate Capital Investment Committee. The program plan and cost estimates must note any significant changes in the work to be performed on the Project, or in its costs, which have arisen since the appropriation from the legislature for the Project was enacted or which differ from any previous predesign submittal.

D. The Grant Recipient must notify the Chairs and Ranking Minority Members of the Minnesota State Senate Finance and Capital Investment Committees, and the Minnesota House of Representatives Capital Investment and Ways and Means Committees of any significant changes to the program plan and cost estimates referred to in Section 5.10.C.

E. The program plan and cost estimates referred to in Section 5.10.C must ensure that the Project will comply with all applicable energy conservation standards contained in law, including Minn. Stat. §§ 216C.19 to 216C.20, as they may be amended, modified or replaced from time to time, and all rules adopted thereunder.

F. If any of the Grant is to be used for the construction or remodeling of the Facility, then both the predesign package referred to in Section 5.10.B and the program plan and cost estimates referred to in Section 5.10.C must include provisions for cost-effective information technology investments that will enable the occupant of the Facility to reduce its need for office space, provide more of its services electronically, and decentralize its operations.

G. If the Project does not involve the construction of a new building, substantial addition to an existing building, substantial change to the interior configuration of an existing building, or the acquisition of an interest in land, then prior to beginning work on the Project the Grant Recipient shall just notify the Chairs and Ranking Minority Members of the Minnesota State Senate Finance and Capital Investment Committees, and the Minnesota House of Representatives Capital Investment and Ways and Means Committees that the work to be performed is ready to begin.

H. The Project must be: (i) completed in accordance with the program plan and cost estimates referred to in Section 5.10.C, (ii) completed in accordance with the time schedule contained in the program plan referred to in Section 5.10.C, and (iii) completed within the budgets contained in the cost estimates referred to in Section 5.10.C.

Provided, however, the provisions and requirements contained in this Section 5.10 only apply to public lands or buildings or other public improvements of a capital nature, and shall not apply to the demolition or decommissioning of state assets, hazardous material projects, utility infrastructure projects, environmental testing, parking lots, parking structures, park and ride facilities, bus rapid transit stations, light rail lines, passenger rail projects, exterior lighting, fencing, highway rest areas, truck stations, storage facilities not consisting primarily of offices or heated work areas, roads, bridges, trails, pathways, campgrounds, athletic fields, dams, floodwater retention systems, water access sites, harbors, sewer separation projects, water and wastewater facilities, port development projects for which the Commissioner of Transportation for the State of Minnesota has entered into an assistance agreement under Minn. Stat. § 457A.04, as it may be amended, modified or replaced from time to time, ice centers, local government projects with a construction cost of less than $1,500,000.00, or any other capital project with a construction cost of less than $750,000.00.

Section 5.11 Prevailing Wages. The Grant Recipient agrees to comply with all of the applicable provisions contained in Chapter 177 of the Minnesota Statutes, and specifically those provisions contained in Minn. Stat. §§ 177.41 through 177.435, as they may be amended, modified or replaced from time to time with respect to the Project and the operation of the Real Property and, if applicable, Facility as intended by the Minnesota Legislature. By agreeing to this provision, the Grant Recipient is not acknowledging or agreeing that the cited provisions apply to the Project or to the operation of the Real Property and, if applicable, Facility.

Section 5.12 Liability. The Grant Recipient and the State Entity agree that they will, subject to any indemnifications provided herein, be responsible for their own acts and the results thereof to the extent authorized by law, and they shall not be responsible for the acts of the other party and the results thereof. The liability of both the State Entity and the Commissioner of Management and Budget is governed by the provisions contained in Minn. Stat. § 3.736, as it may be amended, modified or replaced from time to time. If the Grant Recipient is a "municipality" as such term is used in Chapter 466 of the Minnesota Statutes that exists as of the date of this Agreement and as such may subsequently be amended, modified or replaced from time to time, then the liability of the Grant Recipient, including but not limited to the indemnification provided under Section 5.13, is governed by the provisions contained in such Chapter 466.

Section 5.13 Indemnification by the Grant Recipient. The Grant Recipient shall bear all loss, expense (including attorneys' fees), and damage in connection with the completion of the Project or operation of the Real Property and, if applicable, the Facility, and agrees to indemnify and hold harmless the State Entity, the Commissioner of Management and Budget, and the State of Minnesota, their agents, servants and employees from all claims, demands and judgments made or recovered against the State Entity, the Commissioner of Management and Budget, and the State of Minnesota, their agents, servants and employees, because of bodily injuries, including death at any time resulting therefrom, or because of damages to property of the State Entity, the State of Minnesota, or others (including loss of use) from any cause whatsoever, arising out of, incidental to, or in connection with the completion of the Project or operation of the Real Property and, if applicable, the Facility, whether or not due to any act of omission or commission, including negligence of the Grant Recipient or any Contractor or his or their employees, servants or agents, and whether or not due to any act of omission or commission (excluding, however, negligence or breach of statutory duty) of the State Entity, the Commissioner of Management and Budget, and the State of Minnesota, their employees, servants or agents.

The Grant Recipient further agrees to indemnify, save, and hold the State Entity, the Commissioner of Management and Budget, and the State of Minnesota, their agents and employees, harmless from all claims arising out of, resulting from, or in any manner attributable to any violation by the Grant Recipient, its officers, employees, or agents, or by any Usee, its officers, employees, or agents, of any provision of the Minnesota Government Data Practices Act, including legal fees and disbursements paid or incurred to enforce the provisions contained in Section 5.06.

The Grant Recipient's liability hereunder shall not be limited to the extent of insurance carried by or provided by the Grant Recipient, or subject to any exclusions from coverage in any insurance policy.

Section 5.14 Relationship of the Parties. Nothing contained in this Agreement is intended or should be construed in any manner as creating or establishing the relationship of co-partners or a joint venture between the Grant Recipient, the State Entity, or the Commissioner of Management and Budget, nor shall the Grant Recipient be considered or deemed to be an agent, representative, or employee of either the State Entity, the Commissioner of Management and Budget, or the State of Minnesota in the performance of this Agreement, the completion of the Project, or operation of the Real Property and, if applicable, the Facility.

The Grant Recipient represents that it has already or will secure or cause to be secured all personnel required for the performance of this Agreement and the completion of the Project and the operation and maintenance of the Real Property and, if applicable, the Facility. All personnel of the Grant Recipient or other persons while engaging in the performance of this Agreement, the completion of the Project, or the operation and maintenance of the Real Property and, if applicable, the Facility shall not have any contractual relationship with either the State Entity, the Commissioner of Management and Budget, or the State of Minnesota and shall not be considered employees of any of such entities. In addition, all claims that may arise on behalf of said personnel or other persons out of employment or alleged employment including, but not limited to, claims under the Workers' Compensation Act of the State of Minnesota, claims of discrimination against the Grant Recipient, its officers, agents, contractors, or employees shall in no way be the responsibility of either the State Entity, the Commissioner of Management and Budget, or the State of Minnesota. Such personnel or other persons shall not require nor be entitled to any compensation, rights or benefits of any kind whatsoever from either the State Entity, the Commissioner of Management and Budget, or the State of Minnesota including, but not limited to, tenure rights, medical and hospital care, sick and vacation leave, disability benefits, severance pay and retirement benefits.

Section 5.15 Notices. In addition to any notice required under applicable law to be given in another manner, any notices required hereunder must be in writing, and shall be sufficient if personally served or sent by prepaid, registered, or certified mail (return receipt requested), to the business address of the party to whom it is directed. Such business address shall be that address specified below or such different address as may hereafter be specified, by either party by written notice to the other:

To the Grant Recipient at:

City Hall
315 N. Broadway
Pelican Rapids, MN 56572-0350
Attention: Lance Roisum

To the State Entity at:

Minnesota Department of Employment and Economic Development
332 Minnesota St. – Suite E. 200
St. Paul , MN 55101
Attention: Gerald Wenner

To the Commissioner of Management and Budget at:

Minnesota Department of Management and Budget
400 Centennial Office Bldg.
658 Cedar St.
St. Paul, MN 55155
Attention: Commissioner of Management and Budget

Section 5.16 Binding Effect and Assignment or Modification. This Agreement and the Declaration shall be binding upon and inure to the benefit of the Grant Recipient and the State Entity, and their respective successors and assigns. Provided, however, that neither the Grant Recipient nor the State Entity may assign any of its rights or obligations under this Agreement or the Declaration without the prior written consent of the other party. No change or modification of the terms or provisions of this Agreement or the Declaration shall be binding on either the Grant Recipient or the State Entity unless such change or modification is in writing and signed by an authorized official of the party against which such change or modification is to be imposed.

Section 5.17 Waiver. Neither the failure by the Grant Recipient, the State Entity, or the Commissioner of Management and Budget, as a third party beneficiary of this Agreement, in any one or more instances, to insist upon the complete and total observance or performance of any term or provision hereof, nor the failure of the Grant Recipient, the State Entity, or the Commissioner of Management and Budget, as a third party beneficiary of this Agreement, to exercise any right, privilege, or remedy conferred hereunder or afforded by law shall be construed as waiving any breach of such term, provision, or the right to exercise such right, privilege, or remedy thereafter. In addition, no delay on the part of either the Grant Recipient, the State Entity, or the Commissioner of Management and Budget, as a third party beneficiary of this Agreement, in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right or remedy preclude other or further exercise thereof or the exercise of any other right or remedy.

Section 5.18 Entire Agreement. This Agreement, the Declaration, and the documents, if any, referred to and incorporated herein by reference embody the entire agreement between the Grant Recipient and the State Entity, and there are no other agreements, either oral or written, between the Grant Recipient and the State Entity on the subject matter hereof.

Section 5.19 Choice of Law and Venue. All matters relating to the validity, construction, performance, or enforcement of this Agreement or the Declaration shall be determined in accordance with the laws of the State of Minnesota. All legal actions initiated with respect to or arising from any provision contained in this Agreement shall be initiated, filed and venued in the State of Minnesota District Court located in the City of St. Paul, County of Ramsey, State of Minnesota.

Section 5.20 Severability. If any provision of this Agreement is finally judged by any court to be invalid, then the remaining provisions shall remain in full force and effect and they shall be interpreted, performed, and enforced as if the invalid provision did not appear herein.

Section 5.21 Time of Essence. Time is of the essence with respect to all of the matters contained in this Agreement.

Section 5.22 Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be an original, but such counterparts shall together constitute one and the same instrument.

Section 5.23 Matching Funds. The Grant Recipient must obtain and supply the following matching funds, if any, for the completion of the Project: **$3,861,980.**

(If there are no matching funds requirements then insert the word "NONE".)

Any matching funds which are intended to meet the above requirements must either be in the form of (i) cash monies, (ii) legally binding commitments for money, or (iii) equivalent funds or contributions, including equity, which have been or will be used to complete or pay for the Project. The Grant Recipient shall supply to the Commissioner of Management and Budget whatever documentation the Commissioner of Management and Budget may request to substantiate the availability and source of any matching funds, and the source and terms relating to all matching funds must be consented to, in writing, by the Commissioner of Management and Budget.

Section 5.24 Source and Use of Funds. The Grant Recipient represents to the State Entity and the Commissioner of Management and Budget that **Attachment III** is intended to be and is a source and use of funds statement showing the total cost of the Project and all of the funds that are available for the completion of the Project, and that the information contained in such **Attachment III** correctly and accurately delineates the following information.

A. The total cost of the Project detailing all of the major elements that make up such total cost and how much of such total cost is attributed to each such major element.

B. The source of all funds needed to complete the Project broken down among the following categories:

(i) State funds including the Grant, identifying the source and amount of such funds.
(ii) Matching funds, identifying the source and amount of such funds.
(iii) Other funds supplied by the Grant Recipient, identifying the source and amount of such funds.
(iv) Loans, identifying each such loan, the entity providing the loan, the amount of each such loan, the terms and conditions of each such loan, and all collateral pledged for repayment of each such loan.
(v) Other funds, identifying the source and amount of such funds.

C. Such other financial information that is needed to correctly reflect the total funds available for the completion of the Project, the source of such funds and the expected use of such funds.

If any of the funds included under the source of funds have conditions precedent to the release of such funds, then the Grant Recipient must provide to the State Entity and the Commissioner of Management and Budget a detailed description of such conditions and what is being done to satisfy such conditions.

The Grant Recipient shall also supply whatever other information and documentation that the State Entity or the Commissioner of Management and Budget may request to support or explain any of the information contained in **Attachment III**.

The value of the Grant Recipient's ownership interest in the Real Property and, if applicable, Facility should only be shown in **Attachment III** if such ownership interest is being acquired and paid for with funds shown in such **Attachment III**, and for all other circumstances such value should be shown in the definition for Ownership Value in Section 1.01 and not included in such **Attachment III**.

The funds shown in **Attachment III** and to be supplied for the Project may, subject to any limitations contained in the legislation that authorized the Grant, be provided by either the Grant Recipient or a Usee under a Use Contract.

Section 5.25 Project Completion Schedule. The Grant Recipient represents to the State Entity and the Commissioner of Management and Budget that **Attachment IV** correctly and accurately delineates the projected schedule for the completion of the Project.

Section 5.26 Third-Party Beneficiary. The public program to be operated in conjunction with the Real Property and, if applicable, the Facility will benefit the State of Minnesota and the provisions and requirements contained herein are for the benefit of both the State Entity and the State of Minnesota. Therefore, the State of Minnesota, by and through its Commissioner of Management and Budget, is and shall be a third-party beneficiary of this Agreement.

Section 5.27 Applicability to Real Property and Facility. This Agreement applies to the Grant Recipient's interest in the Real Property and if a Facility exists to the Facility. The term "if applicable" appearing before the term "Facility" is meant to indicate that this Agreement will apply to a Facility if one exists, and if no Facility exists then this Agreement will only apply to the Grant Recipient's interest in the Real Property.

Section 5.28 E-Verification. The Grant Recipient agrees and acknowledges that it is aware of Minn. Stat. § 16C.075 regarding e-verification of employment of all newly hired employees to confirm that such employees are legally entitled to work in the United States, and that it will, if and when applicable, fully comply with such statute and impose a similar requirement in any Use Contract to which it is a party.

Section 5.29 Additional Requirements. The Grant Recipient and the State Entity agree to comply with the following additional requirements. **NONE**

(THE REMAINING PORTION OF THIS PAGE WAS INTENTIONALLY LEFT BLANK)

IN TESTIMONY HEREOF, the Grant Recipient and the State Entity have executed this General Fund Grant Agreement – Construction Grant for the **Pelican Rapids Aquatic Center** Project on the day and date indicated immediately below their respective signatures.

GRANT RECIPIENT:

the City of Pelican Rapids,
a **State Statuatory City**

By: ______________________________
Brent E Frazier
Its: **Mayor**

And: ______________________________
Danielle Hartuhn
Its: **City Clerk**

Dated: ____________________, _____

STATE ENTITY:

Minnesota Department of Employment and economic Development,

By: ______________________________
Kevin McKinnon
Its: **Deputy Commissioner**

Dated: ____________________, _____

STATE ENCUMBERANCE VERIFICATION
Individual certifies that funds have been encumbered by Minnesota Statute SS 16A.15

Signed: Robin Culbertson

Date: 01/09/24

Swift Contract/PO No(s): 234695 PR 79719 PO 3-523686

Attachment I -
DECLARATION

The undersigned has the following interest in the real property legally described in **Exhibit A** attached hereto and all facilities situated thereon (the "Restricted Property"):

(Check the appropriate box.)

☒ a fee simple title,

☐ a lease, or

☐ an easement,

and as owner of such fee title, lease or easement, does hereby declare that such interest in the Restricted Property is subject to those provisions, requirements, restrictions, and encumbrances contained in the "General Fund Grant Agreement Construction Grant for the **Pelican Rapids Aquatic Center** Project" dated «2» , «2» , between **the City of Pelican Rapids** and **the Minnesota Department of Employment and Economic Development**. The Restricted Property shall remain subject to such provisions, requirements, restrictions, and encumbrances until it is released therefrom by a written release in recordable form signed by the Commissioner of **the Minnesota Department of Employment and economic Development**, and such written release is recorded in the real estate records relating to the Restricted Property.

(SIGNATURE BLOCK AND ACKNOWLEDGMENT)

This Declaration was drafted by:

(Name and address of individual
who drafted the Declaration.)

Exhibit A to Declaration -
LEGAL DESCRIPTION OF RESTRICTED PROPERTY

All that part of Lot A of Mill Reserve No. One (1) of FRAZEE'S REARRANGEMENT of Block Seven (7) and Mill Reservations One (1) and Two (2) of FRAZEE'S ADDITION to the Village of Pelican Rapids, Minnesota, according to the recorded Plats thereof on file and record in the office of the Register of Deeds in and for Otter Tail County, Minnesota, within the following boundaries;
Commencing at a point which is 6 feet North and 370 feet East of the Southwest Corner of said Lot A; thence due North a distance of 394 feet; thence due East to the East boundary of line of said Lot A; thence South along the East boundary line of said Lot A to a point 6 feet North of the Southeast Corner of said Lot A; thence West to the point of commencement; subject, however, to a dedication of the East 33 feet thereof for public street purposes.

Attachment II -
LEGAL DESCRIPTION

All that part of Lot A of Mill Reserve No. One (1) of FRAZEE'S REARRANGEMENT of Block Seven (7) and Mill Reservations One (1) and Two (2) of FRAZEE'S ADDITION to the Village of Pelican Rapids, Minnesota, according to the recorded Plats thereof on file and record in the office of the Register of Deeds in and for Otter Tail County, Minnesota, within the following boundaries;
Commencing at a point which is 6 feet North and 370 feet East of the Southwest Corner of said Lot A; thence due North a distance of 394 feet; thence due East to the East boundary of line of said Lot A; thence South along the East boundary line of said Lot A to a point 6 feet North of the Southeast Corner of said Lot A; thence West to the point of commencement; subject, however, to a dedication of the East 33 feet thereof for public street purposes.

Attachment III -
SOURCE AND USE OF FUNDS FOR THE PROJECT

Source of Funds

Identify Source of Funds	**Amount**
State Funds	
Grant	$ 1,500,000
Other State Funds	
	$
	$
	$
Subtotal	$
Matching Funds	
Pelcan Rapids GO Bnd	$ 2,361,980
WCIF – PR -Pool Fund	$ 1,500,000
Subtotal	$ 3,861,980
Other Grant Recipient Funds	
	$
	$
Subtotal	
Loans	
	$
	$
Subtotal	$
Other Funds	
	$
	$
Subtotal	$
Prepaid Project Expenses	
	$
	$
Subtotal	$
TOTAL FUNDS	$ 5,361,980

Use of Funds

Identify Items	**Amount**
Ownership Acquisition and Other Items Paid for with Grant Funds	
Purchase of Ownership Interest	$
Other Items of a Capital Nature:	
Predesign	$ 100,000
Design	$ 100,000
Pool, Slide, Entry, Pad	$ 1,300,000
Subtotal	$ 1,500,000
Items Paid for with Non-Grant Funds	
Predesign	$ 100,000
Design	$ 100,000
Pool, Slide, Entry, Pad	$ 1,700,000
Bathhouse	$ 1,961,980
Subtotal	$ 3,861,980
TOTAL PROJECT COSTS	$ 5,361,980

Attachment IV -
PROJECT COMPLETION SCHEDULE

Activity	Finish mm/yy
Site Control	
All Funding (non-DEED fund) for Project secured and in place	**05/23**
Declaraction Recorded or Waiver from MMB	
All Permits in Place	**07/23**
Project out for Public Bid	**02/23**
Bid Accepted	**03/23**
Project Started	**07/23**
Project Complete	**07/24**
Project Inspected an Operational	**07/24**

Top 3 Inches Reserved for Recording

DECLARATION

The undersigned has the following interest in the real property legally described in **Exhibit A**, attached hereto, and all facilities situated thereon (the "Restricted Property"): a fee simple title; and as owner of such fee title, lease or easement, does hereby declare that such interest in the Restricted Property is subject to those provisions, requirements, restrictions, and encumbrances contained in the "General Fund Grant Agreement Construction Grant for the Pelican Rapids Aquatic Center Project" dated ________________________, ______, attached as **Exhibit B**, between the City of Pelican Rapids and the Minnesota Department of Employment and Economic Development. The Restricted Property shall remain subject to such provisions, requirements, restrictions, and encumbrances until it is released therefrom by a written release in recordable form signed by the Commissioner of the Minnesota Department of Employment and economic Development, and such written release is recorded in the real estate records relating to the Restricted Property.

By: ____________________________ By: ________________________________

Its: City Clerk ____________________ Its: City Mayor ______________________

State of Minnesota, County of Otter Tail

This instrument was acknowledged before me on ____________________________, 2024, by Brent E. Frazier, Mayor of Pelican Rapids, and Danielle Harthun, City Clerk/Treasurer of the City of Pelican Rapids, on behalf of the City of Pelican Rapids, a municipal corporation under the laws of Minnesota.

____
Notary Public

This Declaration was drafted by:

Krekelberg Law Firm
P.O. Box 353
Pelican Rapids, MN 56572

Exhibit A

All that part of Lot A of Mill Reserve No. One (1) of FRAZEE'S REARRANGEMENT of Block Seven (7) and Mill Reservations One (1) and Two (2) of FRAZEE'S ADDITION to the Village of Pelican Rapids, Minnesota, according to the recorded Plats thereof on file and record in the office of the Register of Deeds in and for Otter Tail County, Minnesota, within the following boundaries; Commencing at a point which is 6 feet North and 370 feet East of the Southwest Corner of said Lot A; thence due North a distance of 394 feet; thence due East to the East boundary of line of said Lot A; thence South along the East boundary line of said Lot A to a point 6 feet North of the Southeast Corner of said Lot A; thence West to the point of commencement; subject, however, to a dedication of the East 33 feet thereof for public street purposes.