1. CALL TO ORDER -
   Regular meeting of the Fairmont City Council held on
   MONDAY, MARCH 9, 2020
   at 5:30 p.m. in the City Hall Council Chambers

2. ROLL CALL -

   Mayor Foster
   Councilors: Cyphers
               Hasek
               Hawkins
               Lubenow
               Peters

3. DETERMINATION OF QUORUM -

4. PLEDGE OF ALLEGIANCE -

5. APPROVAL OF AGENDA -

6. READING OF MINUTES –
   6.1 Minutes of Regular Meeting, February 24, 2020 (01-02)
   6.2 Minutes of Special Meeting, February 27, 2020 (03)

7. CELEBRATION TIME (04)

8. OPEN DISCUSSION (05)
9. RECOGNITIONS/PRESENTATIONS -

9.1 Proclaim March 2020 as Colorectal Cancer Awareness Month (06)
   9.1a Proclamation (07)

10. SCHEDULED HEARINGS –

10.1 Public Hearing – Sale of 110 Webster St. (08)
   10.1a Hearing Notice (09)
   10.1b Draft Ordinance 2020-04 (10-11)

10.2 Public Hearing – To Approve a Facility Plan for the Lime Pond Closure (12)
   10.2a Resolution 2020-14 (13)
   10.2b Excerpts from Facility Plan (14-17)
   10.2c Hearing Notice (18)

11. ADMINISTRATIVE APPEALS –

12. FINANCIAL REPORTS –

12.1 Interfund Transfers (19)
   12.1a 2019 Interfund Transfers (20)

12.2 Year End Fund Balance Designations (21)
   12.2a Resolution 2020-13 (22-23)

13. REPORTS OF BOARDS, COMMITTEES, AND DEPARTMENT HEADS –

14. LICENSES AND PERMITS –
15. OLD BUSINESS –
   15.1 City Administrator Search Update (24)
   15.2 Community Center Project Update (25)
   15.3 City Civil Attorney Search Update (26)

16. NEW BUSINESS –
   16.1 Local Road Improvement Grant Agreement (#10364421) (27)
       16.1a Resolution 2020-15 (28)
       16.1b Grant Agreement 1036421 (29-54)
   16.2 2020 Minnesota Governor’s Pheasant Hunting Opener – Donation Request
       16.2a Donation request letter (56)
       16.2b Sponsorship levels (57)
   16.3 Fairmont Emergency Operations Plan (58)
       16.3a Resolution 2020-16 (59)
   16.4 House Demolition Assistance (60)
       16.4a Application and estimate (61)
       16.4b Property information and photos (62-66)

17. REGULAR AND LIQUOR DISPENSARY BILLS –
18. STATUS REPORTS/COUNCIL/STAFF INFORMATION
19. ADJOURNMENT –

ADDITIONAL ATTACHMENTS –
The minutes of the Fairmont City Council meeting held on Monday, February 24, 2020 at the City Hall Council Chambers.

Mayor Pro-tem Tom Hawkins called the meeting to order at 5:30 p.m.

Council Members Ruth Cyphers, Wayne Hasek, Tom Hawkins, Randy Lubenow and Bruce Peters were present. Mayor Deborah J. Foster was absent. Also, in attendance: Interim City Administrator Mark Sievert, Public Works Director/City Engineer Troy Nemmers, Finance Director Paul Hoye, City Clerk Patricia J. Monsen, Police Chief Mike Hunter and by speaker phone Interim City Attorney Robert Scott.

Council Member Peters made a motion to approve the agenda with the addition of 16.3 Advertise for Bids for 2020-B Construction Project. Council Member Hasek seconded the motion and the motion carried.

Council Member Peters made a motion to approve the minutes of the February 10, 2020 City Council meeting. Council Member Cyphers seconded the motion and the motion carried.

Council Member Lubenow wished the Red Bulls Wrestling Team good luck at the State Tournament.

There was no open discussion.

Chief Mike Hunter presented the 2019 Fairmont Police Department Annual Report and thanked the City Council for their support.

Council Member Hasek made a motion to approve the One Day Temporary Liquor License for the Fairmont Opera House located at 45 Downtown Plaza for March 28, 2020. Council Member Lubenow seconded the motion and the motion carried.

Council Member Peters made a motion to approve the renewal of the Consumption & Display (Set-Up) license application for the Chain of Lakes Yacht Club. Council Member Hasek seconded the motion and the motion carried.

Jennifer McCoy and Aaron Warford, Engineers with Bolton & Menk presented information to the Council regarding the proposed mini-roundabout at the intersection of Blue Earth Avenue and Downtown Plaza.

Discussion regarding Local Option Sales Tax for use on street projects was held. Consensus from the Council was to continue to move forward with the goal to generate more money for street improvements.

Marlys Brummond, Chairperson for the Interlaken Heritage Days Committee shared events planned for the weekend and asked for the continued support of the City. Council Member Cyphers made a motion to approve $6,000.00 in funding to the Interlaken Heritage Days Committee for the 2020 community festival. Council Member Peters seconded the motion and the motion carried.
Council Member Peters made a motion to authorize the Mayor to sign agreements with Aclara for the AMI conversion project contingent on the City Attorney's final review. Council Member Hasek seconded the motion and the motion carried.

Council Member Cyphers made a motion to adopt Resolution 2020-11, approving advertising of the 2020 -B Construction Project (Ward Park parking lot). Council Member Hasek seconded the motion. On roll call: Council Members Cyphers, Hasek, Hawkins, Lubenow and Peters all voted aye. No one voted nay. Mayor Pro-tem Hawkins declared said motion passed.

Council Member Peters made a motion to approve the bills for the month of February 2020 in the amount of $551,054.95. Council Member Hasek seconded the motion and the motion carried.

Mayor Pro-tem reminded Council of the Special City Council meeting scheduled for Thursday, February 27, 2020 at 5:30 p.m. to hold a public hearing on the 2020 Small Cities Development Program Full Application and Designation of Slum and Blight District.

Mayor Pro-tem reminded Council of the work session scheduled for Monday, March 2, 2020 at 5:30 p.m. to review proposals received for the Civil City Attorney.

A motion was made by Council Member Peters, seconded by Council Member Hasek and carried to adjourn the meeting at 6:44 p.m.

Deborah J. Foster, Mayor

ATTEST:

Patricia J. Monsen, City Clerk
The minutes of the Special Fairmont City Council meeting held on Thursday, February 27, 2020 at the City Hall Council Chambers.

Mayor Pro-tem Tom Hawkins called the meeting to order at 5:30 p.m.

Council Members Ruth Cyphers, Wayne Hasek, Tom Hawkins, Randy Lubenow and Bruce Peters were present. Mayor Deborah J. Foster was absent. Also, in attendance: City Clerk Patricia J. Monsen, Police Chief Mike Hunter.

Council Member Cyphers made a motion to approve the agenda as presented. Council Member Peters seconded the motion and the motion carried.

Mayor Pro-tem Hawkins opened the public hearing to provide information to the public about the city’s upcoming grant application to the Small Cities Development Program (SCDP) and designation of a targeted area of the downtown as a Slum and Blight District. Economic Development Coordinator Linsey Preuss and Judd Schultz of Minnesota Valley Action Council spoke about the project. No public comment was received. Council Member Peters made a motion to close the public hearing. Council Member Lubenow seconded the motion and the motion carried.

Council Member Peters made a motion to approve Resolution 2020-10 declaring the slum and blight district as required by the SCDP program for undertaking commercial building rehabilitation. Council Member Hasek seconded the motion. On roll call: Council Members Peters, Cyphers, Hasek, Hawkins and Lubenow all voted aye. No one voted nay. Mayor Pro-tem Hawkins declared said motion passed.

Council Member Cyphers made a motion to approve Resolution 2020-12 authorizing the Mayor and City Clerk to execute documents for applying to DEED for SCDP funds. Council Member Hasek seconded the motion. On roll call: Council Members Hasek, Hawkins, Lubenow, Peters and Cyphers all voted aye. No one voted nay. Mayor Pro-tem declared said motion passed.

A motion was made by Council Member Hasek, seconded by Council Member Cyphers and carried to adjourn the meeting at 5:41 p.m.

Deborah J. Foster, Mayor

ATTEST:

Patricia J. Monsen, Cty Clerk
MEETING DATE: March 9, 2020

SUBJECT: Celebration Time

REVIEWED BY: Mark Sievert, Interim City Administrator

SUBJECT INITIATION BY:

- Petition
- Board
- Staff [X]
- Council
- Commission
- Committee

SUBJECT BACKGROUND: Mark Sievert, Interim City Administrator

INTRODUCED BY: Mayor Deborah J. Foster

COUNCIL LIAISON:

TYPE OF ACTION:

<table>
<thead>
<tr>
<th>Motion (Voice Vote)</th>
<th>Resolution (Roll Call)</th>
<th>Discussion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ordinance 1st Reading (Introduction only)</td>
<td>Set Public Hearing (Motion)</td>
<td>[X] Information Only</td>
</tr>
<tr>
<td>Ordinance 2nd Reading (Roll call)</td>
<td>Hold Public Hearing (Motion to close)</td>
<td></td>
</tr>
</tbody>
</table>

RECOMMENDED ACTION BY:

<table>
<thead>
<tr>
<th>City Staff</th>
<th>Board</th>
<th>Commission</th>
<th>Committee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Issuance</td>
<td>Approval</td>
<td>Authorization</td>
<td>No recommendation</td>
</tr>
<tr>
<td>Denial</td>
<td>Rejection</td>
<td>[X] No action needed</td>
<td></td>
</tr>
</tbody>
</table>

STATEMENT: This is a time to talk about and celebrate good things happening in the community.

MOTION: None

VOTE REQUIRED:

ATTACHMENTS:
1. 
2. 
3. 

*******************************************************************************

Council Action: ___________________________ Date: _________________
MEETING DATE: March 9, 2020

SUBJECT: Open Discussion

REVIEWED BY: Mark Sievert, Interim City Administrator

SUBJECT INITIATION BY:

<table>
<thead>
<tr>
<th>Petition</th>
<th>Board</th>
<th>Staff</th>
<th>Council</th>
<th>Commission</th>
<th>Committee</th>
</tr>
</thead>
</table>

SUBJECT BACKGROUND:

INTRODUCED BY: Mayor Deborah J. Foster

COUNCIL LIAISON:

TYPE OF ACTION:

<table>
<thead>
<tr>
<th>Motion (Voice Vote)</th>
<th>Resolution (Roll Call)</th>
<th>Discussion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ordinance 1st Reading (Introduction only)</td>
<td>Set Public Hearing (Motion)</td>
<td>X Information Only</td>
</tr>
<tr>
<td>Ordinance 2nd Reading (Roll call)</td>
<td>Hold Public Hearing (Motion to close)</td>
<td></td>
</tr>
</tbody>
</table>

RECOMMENDED ACTION BY:

<table>
<thead>
<tr>
<th>City Staff</th>
<th>Board</th>
<th>Commission</th>
<th>Committee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Issuance</td>
<td>Approval</td>
<td>Authorization</td>
<td>No recommendation</td>
</tr>
<tr>
<td>Denial</td>
<td>Rejection</td>
<td>X No action needed</td>
<td></td>
</tr>
</tbody>
</table>

STATEMENT: Prior to regular business, is there any open discussion?

MOTION: None

VOTE REQUIRED:

ATTACHMENTS:

1. 
2. 
3. 

Council Action: ___________________________ Date: ___________________________
MEETING DATE: March 9, 2020

SUBJECT: Proclaim March 2020 as Colorectal Cancer Awareness Month

REVIEWED BY: Mark Sievert, Interim City Administrator

SUBJECT INITIATION BY:

<table>
<thead>
<tr>
<th></th>
<th>Petition</th>
<th>Board</th>
<th>Staff</th>
<th>Council</th>
<th>Commission</th>
<th>Committee</th>
</tr>
</thead>
<tbody>
<tr>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

SUBJECT BACKGROUND: Mark Sievert, Interim City Administrator

INTRODUCED BY: Mark Sievert, Interim City Administrator

COUNCIL LIAISON:

TYPE OF ACTION:

<table>
<thead>
<tr>
<th>Motion (Voice Vote)</th>
<th>Resolution (Roll Call)</th>
<th>Discussion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ordinance 1st Reading (Introduction only)</td>
<td>Set Public Hearing (Motion)</td>
<td>X Information Only</td>
</tr>
<tr>
<td>Ordinance 2nd Reading (Roll call)</td>
<td>Hold Public Hearing (Motion to close)</td>
<td></td>
</tr>
</tbody>
</table>

RECOMMENDED ACTION BY:

<table>
<thead>
<tr>
<th>City Staff</th>
<th>Board</th>
<th>Commission</th>
<th>Committee</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Issuance</th>
<th>Approval</th>
<th>Authorization</th>
<th>No recommendation</th>
</tr>
</thead>
<tbody>
<tr>
<td>X Denial</td>
<td>Rejection</td>
<td></td>
<td>No action needed</td>
</tr>
</tbody>
</table>

STATEMENT: Mayor Deborah J. Foster will proclaim March 2020 as Colorectal Cancer Awareness Month in the City of Fairmont.

MOTION:

VOTE REQUIRED:

ATTACHMENTS:

1. Proclamation
2.
3.

Council Action: ___________________________ Date: ___________________
PROCLAMATION

WHEREAS, colorectal cancer is the second-leading cause of cancer deaths in the United States among men and women combined, but there is currently no cure; and,

WHEREAS, colorectal cancer is one of the few cancers that can be prevented with timely screening; and,

WHEREAS, incidence rates of colorectal cancer among young and middle-aged adults are continuing to rise, including people under the age of 50; and,

WHEREAS, it is estimated that over 147,000 people will be diagnosed with colorectal cancer and over 53,000 people will die of colorectal cancer in 2020; and,

WHEREAS, the national goal established by the National Colorectal Cancer Roundtable is to strive to increase timely colorectal cancer screening rates to 80 percent in every community for all Americans eligible for screening and 73.6% of Minnesotans are up to date on recommended screening; and,

WHEREAS, it is critical that all people, of all ages, know the signs and symptoms of the disease; and,

WHEREAS, observing a Colorectal Cancer Awareness Month during the month of March would provide a special opportunity to offer education on the importance of early detection and screening.

NOW THEREFORE, I, Deborah J. Foster, MAYOR OF THE CITY OF FAIRMONT, do hereby proclaim March 2020 as:

COLORECTAL CANCER AWARENESS MONTH

in the City of Fairmont

Deborah J. Foster, Mayor
MEETING DATE: March 9, 2020

SUBJECT: Public Hearing – Sale of 110 Webster Street

REVIEWED BY: Mark Sievert, Interim City Administrator

SUBJECT INITIATION BY:

| X | Petition | Board | Staff | Council | Commission | Committee |

SUBJECT BACKGROUND: Mark Sievert, Interim City Administrator

INTRODUCED BY: Mark Sievert, Interim City Administrator

COUNCIL LIAISON:

TYPE OF ACTION:

<table>
<thead>
<tr>
<th>Motion (Voice Vote)</th>
<th>Resolution (Roll Call)</th>
<th>Discussion</th>
</tr>
</thead>
<tbody>
<tr>
<td>X Ordinance 1st Reading (Introduction only)</td>
<td>Set Public Hearing (Motion)</td>
<td>Information Only</td>
</tr>
<tr>
<td>Ordinance 2nd Reading (Roll call)</td>
<td>X Hold Public Hearing (Motion to close)</td>
<td></td>
</tr>
</tbody>
</table>

RECOMMENDED ACTION BY:

<table>
<thead>
<tr>
<th>X</th>
<th>City Staff</th>
<th>Board</th>
<th>Commission</th>
<th>Committee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Issuance</td>
<td>X Approval</td>
<td>Authorization</td>
<td>No recommendation</td>
<td></td>
</tr>
<tr>
<td>Denial</td>
<td>Rejection</td>
<td>No action needed</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

STATEMENT: The Council will take public input on the sale of 110 Webster Street to Brady and Sara Anderson through a quit claim deed.

MOTION #1: To close Public Hearing

VOTE REQUIRED MOTION #1: Simple majority

ATTACHMENTS:
1. Hearing Notice
2. Draft Ordinance 2020-04

Council Action: ___________________________ Date: ____________
PUBLIC HEARING NOTICE
CITY OF FAIRMONT

YOUR ATTENTION is called by the Fairmont City Council to a public hearing to be held on March 9, 2020 at 5:30 p.m. at the Fairmont City Hall Council Chambers, 100 Downtown Plaza, in the City of Fairmont to take public input on the:

Request to purchase property owned by the City of Fairmont:

Legal description: Lot Six (6), of Webster and Johnston’s Addition (now City) of Fairmont, Martin County, Minnesota, according to the plat thereof on file and of record in the office of the Register of Deeds in and for said County and State.

Physical description: 110 Webster Street, Fairmont, MN 56031

All persons interested are invited to attend the public hearing to offer their comments related to the purchase of this City-owned parcel. Written comments can also be submitted to Patricia J. Monsen, City Clerk, Fairmont City Hall, 100 Downtown Plaza, Fairmont, MN 56031.

/s/ Patricia J. Monsen
City Clerk
ORDINANCE NO. 2020-04

ORDINANCE TO SELL REAL PROPERTY

WHEREAS, the City of Fairmont is the owner of real estate located at 110 Webster Street, Fairmont, Martin County, Minnesota, and;

WHEREAS, said real property is legally described as:

Lot Six (6), of Webster and Johnston’s Addition (now City) of Fairmont, Martin County, Minnesota, according to the plat thereof on file and of record in the office of the Registrar of Deeds in and for said County and State.

and;

WHEREAS, City staff was approached by Brady and Sara Anderson with a request to purchase the vacant property described above for $2,250.00, and;

WHEREAS, the City obtained title to the above described real property so that it could demolish a blighted building located thereon, and;

WHEREAS, the blighted building has been demolished and the City does not have any plans to develop the described real property, and;

WHEREAS, it would be in the City’s best interest to have the real property placed back on the tax rolls by transferring it into a private ownership, and;

WHEREAS, the Fairmont City Council, after holding a public hearing, determined that it is in the best interest of the City of Fairmont to transfer the above described real estate to Brady and Sara Anderson.

NOW THEREFORE, it is hereby ordained by the Fairmont City Council as follows:

1. The real property described above will be transferred from the City of Fairmont to Brady and Sara Anderson for the sum of $2,250.00.

2. The City of Fairmont will pay all costs associated with the transfer of the real estate.

3. The Mayor and the City Clerk are authorized to sign any and all documents necessary to transfer the real property described above.
PASSED, APPROVED AND ADOPTED, this 23rd day of March 2020.

Motion by:
Seconded by:
All in favor:
Opposed:
Abstained:
Absent:

__________________________
Deborah J. Foster, Mayor

ATTEST:

__________________________
Patricia J. Monsen, City Clerk

1st Reading: March 9, 2020
2nd Reading: March 23, 2020
MEETING DATE:    March 9, 2020

SUBJECT:    Public Hearing – To Approve a Facility Plan for the Lime Pond Closure

REVIEWED BY:    Mark Sievert, Interim City Administrator

SUBJECT INITIATION BY:

| Petition | Board | Staff | Council | Commission | Committee |

SUBJECT BACKGROUND:    Troy Nemmers, Public Works Director/City Engineer

INTRODUCED BY:    Troy Nemmers, Public Works Director/City Engineer

COUNCIL LIAISON:    Councilor Hasek

TYPE OF ACTION:

<table>
<thead>
<tr>
<th>Motion (Voice Vote)</th>
<th>Resolution (Roll Call)</th>
<th>Discussion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ordinance 1st Reading (Introduction only)</td>
<td>Set Public Hearing (Motion)</td>
<td>Information Only</td>
</tr>
<tr>
<td>Ordinance 2nd Reading (Roll call)</td>
<td>Hold Public Hearing (Motion to close)</td>
<td></td>
</tr>
</tbody>
</table>

RECOMMENDED ACTION BY:

<table>
<thead>
<tr>
<th>City Staff</th>
<th>Board</th>
<th>Commission</th>
<th>Committee</th>
</tr>
</thead>
</table>

STATEMENT:    City staff has been working with Barr Engineering and the MPCA for several years on closure of the existing lime ponds west of the City. This Facility Plan document summarizes all the data obtained regarding the ponds as well as the preliminary plans to complete the closure. The MPCA has reviewed and approved the preliminary construction documents for closure. The Facility Plan is required by the MPCA to make the project eligible for Clean Water funds through the MN Public Facilities Authority. The Council will take public input on the proposed resolution to accept the facility plan and authorize submittal of the plan to the MPCA. The cost of the project is estimated at $2.9 million.

MOTION #1:    To close Public Hearing

VOTE REQUIRED MOTION #1: Simple majority

MOTION #2:    To approve resolution 2020-14

VOTE REQUIRED MOTION #2: Simple majority - Roll call

ATTACHMENTS:

1. Resolution 2020-14
2. Excerpts from the Facility Plan (full document can be viewed in the engineering dept.)
3. Hearing Notice

**************************************************
Council Action: ___________________________ Date: ____________
RESOLUTION NO. 2020-14

RESOLUTION RECEIVING AND ACCEPTING THE FACILITY PLAN

STATE OF MINNESOTA )
MARTIN COUNTY    ) SS
CITY OF FAIRMONT  )

WHEREAS, a Facility Plan meeting the requirements of MN Administrative Rules 7077.0272 FACILITIES PLAN FOR WASTEWATER TREATMENT SYSTEMS has been prepared by Barr Engineering Inc.; and,

WHEREAS, the Facility Plan includes improvements related to the closure of the City’s existing water treatment lime pond storage facilities; and,

WHEREAS, Such persons as desire to be heard with reference to the potential improvements will be heard at this meeting; and,

WHEREAS, this report was received by the council on March 9, 2020.

NOW THEREFORE, BE IT RESOLVED that the Fairmont City Council accepts the Facility Plan-Water treatment lime ponds closure and directs its submittal to the MN Pollution Control Agency.

Motion by: 
Seconded by: 
All in Favor: 
Opposed: 
Abstained: 
Absent: 

PASSED, APPROVED AND ADOPTED, this 9th day of March 2020.

__________________________________________________________
Deborah J. Foster, Mayor

ATTEST:

__________________________________________________________
Patricia J. Monsen, City Clerk
Facilities Plan

*Water Treatment Lime Ponds Closure*

Prepared for
City of Fairmont, Minnesota

February 21, 2020
Facilities Plan, Water Treatment Lime Ponds Closure

February 21, 2020

Contents

1 Introduction and Background ......................................................................................................................................... 1
  1.1 Report Organization .............................................................................................................................................. 1

List of Appendices

Appendix A Environmental Impact Evaluation (EIE), Phase III Facility Closure Plan
Appendix B MPCA Approval – Phase III Facility Closure Plan
Appendix C CWRF Facilities Plan Checklist
Appendix D CWRF Cost and Effectiveness Certification Checklist
Appendix E CWRF Cost and Effectiveness Certification Form
Appendix F CWRF B3 2030 Exemption Form
Appendix G Environmental Information Worksheet
Appendix H Environmental Review Mailing List
Appendix I Public Hearing Information (to be included in final Facilities Plan)
Appendix J Resolution Adopting Facilities Plan (to be included in final Facilities Plan)
Certifications

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.

Jeff Ubl
PE #: 19646

2/21/2020
Date
1 Introduction and Background

The City of Fairmont (City) owns and maintains existing municipal water treatment facility lime ponds which they plan to permanently cap in place.

In January 2014, the Minnesota Pollution Control Agency (MPCA) issued guidance for completing an Environmental Impact Evaluation (EIE) for municipal lime ponds. This guidance and regulatory process was created for the owner or operator of an existing municipality owned and operated water treatment lime storage facility seeking approval for permanent closure of lime ponds. One option for closure allowed under the MPCA EIE is to cap the ponds with the lime in place. The City has followed the EIE process to evaluate methods available to close the existing lime ponds. The Phase I EIE Report, dated October 9, 2015 (Barr, 2015), and the Phase II EIE Memorandum, dated January 22, 2016 (Barr, 2016a), have been completed and the recommendations contained therein were agreed to by the MPCA in letters dated January 8, 2016, and February 25, 2016, respectively.

The Phase III EIE Facility Closure Plan (Barr, revised July 2019) (Appendix A) was conditionally approved by the MPCA in a January 18, 2017 email with final approval provided in an MPCA letter dated September 19, 2019 (Appendix B).

1.1 Report Organization

This Facilities Plan is prepared to satisfy the requirements of the MPCA's Clean Water Revolving Fund (CRWF) Program. Most of the required Facilities Plan information is in the Phase III EIE Facility Closure Plan provided in Appendix A which is the current plan for closing the lime ponds.

The CWRF checklists are contained in Appendix C through Appendix F. Appendix G provides the Environmental Information Worksheet, and Appendix H is the environmental review mailing list. The public hearing information and a City resolution adopting the Facilities Plan (Appendix I and Appendix J respectively) are planned to be submitted shortly after the March 9, 2020 City Council meeting.
OFFICIAL PUBLICATION

TO WHOM IT MAY CONCERN:

PLEASE TAKE NOTICE that the City Council of Fairmont, MN will meet in the council chambers located at 100 Downtown Plaza on the 9th day of March 2020 at 5:30pm, to consider potential improvements to the existing lime pond system. Planning for improvement to close and cap-in-place the existing lime pond system. Such persons as desire to be heard with reference to the proposed improvements will be heard at this meeting.

A complete copy of the Lime Pond Closure Facility Plan may be viewed at the City Engineer’s office.

BY ORDER OF THE CITY OF FAIRMONT

/s/ Patricia J. Monsen
Patricia J. Monsen, City Clerk
MEETING DATE: March 9, 2020

SUBJECT: Interfund Transfers

REVIEWED BY: Mark Sievert, Interim City Administrator

SUBJECT INITIATION BY:

| Petition | Board | X | Staff | Council | Commission | Committee |

SUBJECT BACKGROUND: Paul Hoye, Finance Director

INTRODUCED BY: Paul Hoye, Finance Director

COUNCIL LIAISON:

TYPE OF ACTION:

<table>
<thead>
<tr>
<th>X</th>
<th>Motion (Voice Vote)</th>
<th>Resolution (Roll Call)</th>
<th>Discussion</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Ordinance 1st Reading (Introduction only)</td>
<td>Set Public Hearing (Motion)</td>
<td>Information Only</td>
</tr>
<tr>
<td></td>
<td>Ordinance 2nd Reading (Roll call)</td>
<td>Hold Public Hearing (Motion to close)</td>
<td></td>
</tr>
</tbody>
</table>

RECOMMENDED ACTION BY:

<table>
<thead>
<tr>
<th>X</th>
<th>City Staff</th>
<th>Board</th>
<th>Commission</th>
<th>Committee</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Issuance</td>
<td>X</td>
<td>Approval</td>
<td>Authorization</td>
</tr>
<tr>
<td></td>
<td>Denial</td>
<td></td>
<td>Rejection</td>
<td></td>
</tr>
</tbody>
</table>

STATEMENT: As a part of the budget process, certain interfund transfers are budgeted. During the course of the year, other transfers are required for the sound operation of the City. These transfers must be approved by the City Council.

MOTION: To approve the interfund transfers for 2019 as listed on the attached schedule.

VOTE REQUIRED: Simple majority.

ATTACHMENTS:
1. 2019 Interfund Transfers
2.
3.

Council Action: ________________________________ Date: ____________________
<table>
<thead>
<tr>
<th>FROM</th>
<th>TO</th>
</tr>
</thead>
<tbody>
<tr>
<td>101 General Fund  Fire Calls</td>
<td>410 Fire Truck Fund</td>
</tr>
<tr>
<td>101 General Fund  Move Land Rent to Airport</td>
<td>230 Airport</td>
</tr>
<tr>
<td>101 General Fund  Adventure Playground</td>
<td>677 Adventure Playground</td>
</tr>
<tr>
<td>210 Economic Dev Fund  MVAC Admin for 2016 Housing Grant</td>
<td>228 2016 Housing Grant</td>
</tr>
<tr>
<td>210 Economic Dev Fund  TIF Legal Fees</td>
<td>101 General Fund</td>
</tr>
<tr>
<td>215 Revolving Loan Fund  Administration Expense</td>
<td>210 Economic Dev Fund</td>
</tr>
<tr>
<td>215 Revolving Loan Fund  Administration Expense</td>
<td>228 2016 Housing Grant</td>
</tr>
<tr>
<td>222 2001 Housing Grant  Close Fund</td>
<td>228 2016 Housing Grant</td>
</tr>
<tr>
<td>224 2006 Housing Grant  MVAC Admin for 2016 Housing Grant</td>
<td>228 2016 Housing Grant</td>
</tr>
<tr>
<td>226 2011 Housing Grant  MVAC Admin for 2016 Housing Grant</td>
<td>228 2016 Housing Grant</td>
</tr>
<tr>
<td>250 Local Option Sales Tax  Community Center Study</td>
<td>430 Community Center Fund</td>
</tr>
<tr>
<td>305 Fire Truck Fund  Close Fund</td>
<td>410 Fire Truck Fund</td>
</tr>
<tr>
<td>323 Debt Service Reserves  Close Fund</td>
<td>402 Capital Reserve Fund</td>
</tr>
<tr>
<td>323 Debt Service Reserves  2017 GO Bond Issue</td>
<td>377 2017 GO Bonds</td>
</tr>
<tr>
<td>402 MSA  Margaret Street</td>
<td>477 2017 Capital Improvements</td>
</tr>
<tr>
<td>476 2016 Capital Improvements  Close Fund</td>
<td>479 2019 Capital Improvements</td>
</tr>
<tr>
<td>401 Water  Payment in Lieu of Taxes</td>
<td>101 General Fund</td>
</tr>
<tr>
<td>401 Water  Payment in Lieu of Taxes</td>
<td>210 Economic Dev</td>
</tr>
<tr>
<td>402 Sewer  Payment in Lieu of Taxes</td>
<td>101 General Fund</td>
</tr>
<tr>
<td>402 Sewer  Payment in Lieu of Taxes</td>
<td>210 Economic Development</td>
</tr>
<tr>
<td>404 Electric  Payment in Lieu of Taxes</td>
<td>101 General Fund</td>
</tr>
<tr>
<td>404 Electric  Payment in Lieu of Taxes</td>
<td>210 Economic Development</td>
</tr>
<tr>
<td>409 Liquor Store Fund  Margaret St. Trail Extension</td>
<td>101 General Fund</td>
</tr>
<tr>
<td>409 Liquor Store Fund  Margaret St. Trail Extension</td>
<td>210 Economic Development</td>
</tr>
<tr>
<td>409 Liquor Store Fund  Aquatic Park</td>
<td>210 Economic Development</td>
</tr>
<tr>
<td>409 Liquor Store Fund  Adventure Playground</td>
<td>101 General Fund</td>
</tr>
<tr>
<td>605 Liquor Store Fund  To fund deficit</td>
<td>212 SMEC</td>
</tr>
<tr>
<td>609 Liquor Store Fund  Airport T-Hanger</td>
<td>450 Airport Construction</td>
</tr>
<tr>
<td>609 Liquor Store Fund  City Shore - Mini Golf Course</td>
<td>891 Mini Golf Course</td>
</tr>
</tbody>
</table>

**File Name:** PHCF.xis
MEETING DATE: March 9, 2020

SUBJECT: Year End Fund Balance Designations

REVIEWED BY: Mark Sievert, Interim City Administrator

SUBJECT INITIATION BY:

<table>
<thead>
<tr>
<th>Petition</th>
<th>Board</th>
<th>Staff</th>
<th>Council</th>
<th>Commission</th>
<th>Committee</th>
</tr>
</thead>
</table>

SUBJECT BACKGROUND: Paul Hoye, Finance Director

INTRODUCED BY: Paul Hoye, Finance Director

COUNCIL LIAISON:

TYPE OF ACTION:

<table>
<thead>
<tr>
<th>Motion (Voice Vote)</th>
<th>Resolution (Roll Call)</th>
<th>Discussion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ordinance 1st Reading (Introduction only)</td>
<td>Set Public Hearing (Motion)</td>
<td>Information Only</td>
</tr>
<tr>
<td>Ordinance 2nd Reading (Roll call)</td>
<td>Hold Public Hearing (Motion to close)</td>
<td></td>
</tr>
</tbody>
</table>

RECOMMENDED ACTION BY:

<table>
<thead>
<tr>
<th>City Staff</th>
<th>Board</th>
<th>Commission</th>
<th>Committee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Issuance</td>
<td>Approval</td>
<td>Authorization</td>
<td>No recommendation</td>
</tr>
<tr>
<td>Denial</td>
<td>Rejection</td>
<td>No action needed</td>
<td></td>
</tr>
</tbody>
</table>

STATEMENT: For many years, the City has been designating the general fund balance at the end of the year. The December 31, 2019 unrestricted general fund balance of $8,092,478.55 is 74% of general fund operating expenditures for 2020, which is over the 55-65% range established by the City’s fund balance policy. Current general fund balance is larger than normal, as we have set aside $2,724,976.85 for a new Street/Park building which is included in our 2020 budget.

MOTION: To adopt Resolution No. 2020-13 designating fund balances for specific purposes.

VOTE REQUIRED: Simple majority – roll call

ATTACHMENTS:
1. Resolution 2020-13
2. 

Council Action: _______________________________ Date: ___________________
RESOLUTION FOR COMMITTING FUND BALANCE

RESOLUTION NO. 2020-13

COMMITTING FUND BALANCES FOR SPECIFIC PURPOSES

WHEREAS, the City Council of the City of Fairmont, Minnesota, does hereby find as follows:

WHEREAS, the Governmental Accounting Standards Board’s Statement No. 54 defines committed fund balance as amounts that can only be used for specific purposes pursuant to constraints imposed by formal action by Council, and;

WHEREAS, Council action is required before year end to formalize the commitment of fund balance to specified purposes, and;

WHEREAS, those committed amounts cannot be used for any other purpose unless the City removes or changes the specified use by taking the same type of action it employed to previously commit those amounts.

NOW, THEREFORE, BE IT HEREBY PROCLAIMED by the City, that the specific portions of fund balance in the identified funds are committed as follows:

<table>
<thead>
<tr>
<th>City of Fairmont</th>
<th>General Fund Balance</th>
<th>12/31/2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Balance 12-31-18</td>
<td>Additions</td>
</tr>
<tr>
<td>Restricted</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fire Dept Capital</td>
<td>70,050.00</td>
<td>2,000.00</td>
</tr>
<tr>
<td>Police Dept Capital</td>
<td>50.00</td>
<td></td>
</tr>
<tr>
<td>Lincoln Park</td>
<td>3,000.00</td>
<td>3,000.00</td>
</tr>
<tr>
<td>LaFrance Restoration</td>
<td>4,172.50</td>
<td></td>
</tr>
<tr>
<td>Bike Trails</td>
<td>1,950.00</td>
<td>2,690.00</td>
</tr>
<tr>
<td></td>
<td>79,222.50</td>
<td>80,912.50</td>
</tr>
<tr>
<td>Assigned</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Police Equipment</td>
<td>35,723.03</td>
<td>500.00</td>
</tr>
<tr>
<td>Police Social Services</td>
<td>10,000.00</td>
<td></td>
</tr>
<tr>
<td>Police - Drug Enforcement</td>
<td>31,807.95</td>
<td>13,379.70</td>
</tr>
<tr>
<td>Fire Equipment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Building Inspection</td>
<td>11,143.00</td>
<td></td>
</tr>
<tr>
<td>Engineering Equipment</td>
<td>122,800.27</td>
<td></td>
</tr>
<tr>
<td>Description</td>
<td>Amount</td>
<td>Description</td>
</tr>
<tr>
<td>------------------------------</td>
<td>----------</td>
<td>------------------------------</td>
</tr>
<tr>
<td>Park Equipment</td>
<td>112,952.06</td>
<td></td>
</tr>
<tr>
<td>Park Trails</td>
<td>324,154.55</td>
<td>190,000.00</td>
</tr>
<tr>
<td>Aquatic Park</td>
<td>29,847.72</td>
<td></td>
</tr>
<tr>
<td>Cash Flow</td>
<td>3,000,000.00</td>
<td></td>
</tr>
<tr>
<td>Housing Demolition</td>
<td>69,532.35</td>
<td>89,000.00</td>
</tr>
<tr>
<td>Street Land &amp; Bldg.</td>
<td>36,237.00</td>
<td></td>
</tr>
<tr>
<td>Park Land &amp; Bldg.</td>
<td>295,212.44</td>
<td>150,000.00</td>
</tr>
<tr>
<td>Street/Park Bldg. Replacement</td>
<td>2,290,146.60</td>
<td>150,000.00</td>
</tr>
<tr>
<td>Gen. Govt Land &amp; Bldg.</td>
<td>101,825.87</td>
<td></td>
</tr>
<tr>
<td>Street - Capital Outlay</td>
<td>120,880.02</td>
<td></td>
</tr>
<tr>
<td>Finance Dept. Equip.</td>
<td>195,366.83</td>
<td></td>
</tr>
<tr>
<td>Planning &amp; Zoning Equip.</td>
<td>20,000.00</td>
<td></td>
</tr>
<tr>
<td></td>
<td>6,807,629.69</td>
<td>592,879.70</td>
</tr>
<tr>
<td><strong>Unassigned</strong></td>
<td></td>
<td><strong>Unassigned</strong></td>
</tr>
<tr>
<td>Unassigned</td>
<td>931,665.06</td>
<td></td>
</tr>
<tr>
<td></td>
<td>7,818,517.25</td>
<td>592,879.70</td>
</tr>
</tbody>
</table>

The foregoing resolution was passed by the City Council of the City of Fairmont this 9th day of March 2020.

Motion by: 
Seconded by: 
All in favor: 
Opposed: 
Abstained: 
Absent: 

Deborah J. Foster, Mayor

ATTEST:

Patricia J. Monsen, City Clerk
MEETING DATE: March 9, 2020

SUBJECT: City Administrator Search Update

REVIEWED BY: Mark Sievert, Interim City Administrator

SUBJECT INITIATION BY: 

<table>
<thead>
<tr>
<th>Petition</th>
<th>Board</th>
<th>Staff</th>
<th>Council</th>
<th>Commission</th>
<th>Committee</th>
</tr>
</thead>
</table>

SUBJECT BACKGROUND: Mark Sievert, Interim City Administrator

INTRODUCED BY: Mark Sievert, Interim City Administrator

COUNCIL LIAISON:

TYPE OF ACTION:

<table>
<thead>
<tr>
<th>Motion (Voice Vote)</th>
<th>Resolution (Roll Call)</th>
<th>Discussion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ordinance 1st Reading (Introduction only)</td>
<td>Set Public Hearing (Motion)</td>
<td>x Information Only</td>
</tr>
<tr>
<td>Ordinance 2nd Reading (Roll call)</td>
<td>Hold Public Hearing (Motion to close)</td>
<td></td>
</tr>
</tbody>
</table>

RECOMMENDED ACTION BY:

<table>
<thead>
<tr>
<th>City Staff</th>
<th>Board</th>
<th>Commission</th>
<th>Committee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Issuance</td>
<td>Approval</td>
<td>Authorization</td>
<td>x No recommendation</td>
</tr>
<tr>
<td>Denial</td>
<td>Rejection</td>
<td>No action needed</td>
<td></td>
</tr>
</tbody>
</table>

STATEMENT: Staff will be contacting the search consultant prior to the council meeting for a current search update and will relay that information at the meeting.

The position is open until filled, however the first review of resumes will occur on March 20th. The Council is to receive a semi-finalist report by March 23rd. A special meeting is tentatively planned for March 30th to select finalists.

MOTION:

VOTE REQUIRED:

ATTACHMENTS:

1. 

Council Action: ___________________________ Date: ___________________________
MEETING DATE: March 9, 2020

SUBJECT: Community Center Project Update

REVIEWED BY: Mark Sievert, Interim City Administrator

SUBJECT INITIATION BY:

- Petition
- Board
- X Staff
- Council
- Commission
- Committee

SUBJECT BACKGROUND: Mark Sievert, Interim City Administrator

INTRODUCED BY: Mark Sievert, Interim City Administrator

COUNCIL LIAISON:

TYPE OF ACTION:

<table>
<thead>
<tr>
<th>Motion (Voice Vote)</th>
<th>Resolution (Roll Call)</th>
<th>Discussion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ordinance 1st Reading (Introduction only)</td>
<td>Set Public Hearing (Motion)</td>
<td>Information Only</td>
</tr>
<tr>
<td>Ordinance 2nd Reading (Roll call)</td>
<td>Hold Public Hearing (Motion to close)</td>
<td></td>
</tr>
</tbody>
</table>

RECOMMENDED ACTION BY:

<table>
<thead>
<tr>
<th>City Staff</th>
<th>Board</th>
<th>Commission</th>
<th>Committee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Issuance</td>
<td>Approval</td>
<td>Authorization</td>
<td>No recommendation</td>
</tr>
<tr>
<td>Denial</td>
<td>Rejection</td>
<td>No action needed</td>
<td></td>
</tr>
</tbody>
</table>

STATEMENT: Dennis Dieser from the YMCA will be present to give an update on the community Center Project.

MOTION:

VOTE REQUIRED:

ATTACHMENTS:

1.

***********************************************************

Council Action: ___________________________ Date: ____________
MEETING DATE: March 9, 2020

SUBJECT: City Civil Attorney Search Update

REVIEWED BY: Mark Sievert, Interim City Administrator

SUBJECT INITIATION BY:

<table>
<thead>
<tr>
<th>Petition</th>
<th>Board</th>
<th>X</th>
<th>Staff</th>
<th>Council</th>
<th>Commission</th>
<th>Committee</th>
</tr>
</thead>
</table>

SUBJECT BACKGROUND: Mark Sievert, Interim City Administrator

INTRODUCED BY: Mark Sievert, Interim City Administrator

COUNCIL LIAISON:

TYPE OF ACTION:

<table>
<thead>
<tr>
<th>Motion (Voice Vote)</th>
<th>Resolution (Roll Call)</th>
<th>Discussion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ordinance 1st Reading (Introduction only)</td>
<td>Set Public Hearing (Motion)</td>
<td>x Information Only</td>
</tr>
<tr>
<td>Ordinance 2nd Reading (Roll call)</td>
<td>Hold Public Hearing (Motion to close)</td>
<td></td>
</tr>
</tbody>
</table>

RECOMMENDED ACTION BY:

<table>
<thead>
<tr>
<th>City Staff</th>
<th>Board</th>
<th>Commission</th>
<th>Committee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Issuance</td>
<td>Approval</td>
<td>Authorization</td>
<td>x</td>
</tr>
<tr>
<td>Denial</td>
<td>Rejection</td>
<td>No action needed</td>
<td></td>
</tr>
</tbody>
</table>

STATEMENT: After personal visits with potential law firms, Council should get together to discuss the selection process.

MOTION: To call for a special City Council meeting for Monday, March 16, 2020 to continue the selection process of the Civil City Attorney.

VOTE REQUIRED: Simple majority.

ATTACHMENTS:

1. "[Attachment URL]"

Council Action: ____________________________ Date: ________________
CITY OF FAIRMONT—AGENDA CONTROL SHEET—AGENDA ITEM NO. 15.4

MEETING DATE: March 9, 2020

SUBJECT: Walterman Assessment Appeal

REVIEWED BY: Mark Sievert, Interim City Administrator

SUBJECT INITIATION BY:

| Petition | Board | X | Staff | Council | Commission | Committee |

SUBJECT BACKGROUND: Troy Nemmers, Public Works Director/City Engineer

INTRODUCED BY: Troy Nemmers, Public Works Director/City Engineer

COUNCIL LIAISON:

TYPE OF ACTION:

<table>
<thead>
<tr>
<th>Motion (Voice Vote)</th>
<th>X</th>
<th>Resolution (Roll Call)</th>
<th>Discussion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ordinance 1st Reading (Introduction only)</td>
<td>Set Public Hearing (Motion)</td>
<td>Information Only</td>
<td></td>
</tr>
<tr>
<td>Ordinance 2nd Reading (Roll call)</td>
<td>Hold Public Hearing (Motion to close)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

RECOMMENDED ACTION BY:

<table>
<thead>
<tr>
<th>X</th>
<th>City Staff</th>
<th>Board</th>
<th>Commission</th>
<th>Committee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Issuance</td>
<td>X</td>
<td>Approval</td>
<td>Authorization</td>
<td>No recommendation</td>
</tr>
<tr>
<td>Denial</td>
<td>Rejection</td>
<td></td>
<td>No action needed</td>
<td></td>
</tr>
</tbody>
</table>

STATEMENT: Marlyn and Beverly Walterman filed an appeal to their assessment for the property located at 3801 Albion Avenue. Their property was assessed for the overlay project that was completed on Albion last summer. They have a single family residence on a larger rural lot. Because of the increased frontage they received a larger assessment than would the average single family residential home. Their attorney and the City's attorney have worked through the appeal process and both sides have reached an agreement for a revised assessment amount as well as a senior citizen deferral of the principal. Staff is recommending approval of the assessment agreement.

MOTION: To approve Resolution 2020-17.

VOTE REQUIRED: Roll call - Simple majority

ATTACHMENTS:
1. Resolution 2020-17 – Attachment A, Assessment Agreement
2.
3.

Council Action: ___________________________ Date: ___________________________
ATTACHMENT A

SETTLEMENT AND RELEASE AGREEMENT
NOW THEREFORE, the City and the Waltermans agree to fully and finally resolve all issues related to the assessment appeals action or which could have been made in the assessment appeals action pursuant to the following terms and conditions:

I. RELEASES AND DISCHARGES

A. The Waltermans waive, releases, and forever discharges the City and their respective employees, officials, agents, successors or assigns from any and all claims, demands, actions, suits and causes of action that were made in, that could have been made in, or that relate to the assessment appeals action, including any claims for attorneys' fees and/or litigation expenses, excepting claims as necessary to enforce any right or obligation under this Agreement.

B. The City waives, releases, and forever discharges the Waltermans, and their respective successors, heirs and assigns from any and all claims, demands, actions, suits and causes of action that were made in, that could have been made in, or that relate to the assessment appeals action, including any claims for attorneys' fees and/or litigation expenses, excepting claims as necessary to enforce any right or obligation under this Agreement.

II. CONSIDERATION

A. Reassessment. Pursuant to Minn. Stat. § 429.071, subd. 2, the City Council shall adopt a resolution (1) finding the assessment of the Waltermans' property that is the subject of the assessment appeal action excessive; and (2) reassessing the Walterman property in the amount of $6,000 (the "reassessment").

B. Deferment of Reassessment. The Waltermans' represent that the reassessment poses an economic hardship due to their age and income limitations, and based on said representation, the City agrees to grant the Waltermans a deferment of the principal amount of
B. **Data Practices Act.** The Parties acknowledge that this Agreement is subject to the requirements of Minnesota's Government Data Practices Act, Minnesota Statutes, Section 13.01 et. seq.

C. **Jurisdiction.** The Parties consent to the jurisdiction of the Courts of the State of Minnesota for any suit arising out of or relating to the performance of this Agreement. This Agreement shall be governed by and interpreted according to the substantive laws of the State of Minnesota.

D. **Entire Agreement.** This Agreement constitutes the entire agreement between the Parties pertaining to the settlement of all issues related to the assessment appeals action or which could have been made in the assessment appeals action, and supersedes any earlier drafts, communications or previous agreements between the Parties (or any of them) pertaining to the subject matters of this Agreement.

E. **Amendment.** This Agreement may not be modified or amended except in writing executed by the Parties.

F. **Binding Effect.** This Agreement shall be binding upon, and inure to the benefit of the agents, successors, heirs, assigns, employees, and officials of Marlyn and Beverly Walterman and the City.

G. **Authorized Signatories.** The Parties warrant that the persons signing this Agreement are authorized signatories for the persons or entities represented and indemnify and hold each other harmless against any assertion of lack of such authority.

H. **Survivability.** All covenants, guarantees, releases, waivers, representations and warranties by any party, and any undischarged obligations of a party arising prior to the
PLAINTIFFS MARLYN J. WALTERMANN and
BEVERLY J. WALTERMANN

Dated: 3-2-2020
By: Marlyn Walterman

Dated: 3-2-2020
By: Beverly Walterman
MEETING DATE: March 9, 2020

SUBJECT: Local Road Improvement Grant Agreement (#1036421)

REVIEWED BY: Mark Sievert, Interim City Administrator

SUBJECT INITIATION BY: PetitionBoardStaffCouncilCommissionCommittee

SUBJECT BACKGROUND: Troy Nemmers, Public Works Director/City Engineer

INTRODUCED BY: Troy Nemmers, Public Works Director/City Engineer

COUNCIL LIAISON: Troy Nemmers, Public Works Director/City Engineer

TYPE OF ACTION:

<table>
<thead>
<tr>
<th>Motion (Voice Vote)</th>
<th>Resolution (Roll Call)</th>
<th>Discussion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ordinance 1st Reading (Introduction only)</td>
<td>Set Public Hearing (Motion)</td>
<td>Information Only</td>
</tr>
<tr>
<td>Ordinance 2nd Reading (Roll call)</td>
<td>Hold Public Hearing (Motion to close)</td>
<td></td>
</tr>
</tbody>
</table>

RECOMMENDED ACTION BY:

| X | City Staff | Board | Commission | Committee |

STATEMENT: The Winnebago Avenue project (SAP 123-105-005) was awarded $1,000,000 in Local Road Improvement Program (LRIP) funds from the State of MN. The City Council needs to approve the attached grant agreement with MNDOT to be eligible to receive the funds. Staff is recommending approval of the grant agreement.

MOTION: To approve Resolution 2020-15.

VOTE REQUIRED: Simple majority – Roll call

ATTACHMENTS:
1. Resolution 2020-15
2. Grant Agreement 1036421
3. 

Council Action: ____________________________ Date: _____________
WHEREAS, the City of Fairmont has applied to the Commissioner of Transportation for a grant from the Minnesota State Transportation Fund for Local Road Improvement; and,

WHEREAS, the Commissioner of Transportation has given notice that funding for this project is available; and,

WHEREAS, the amount of the grant has been determined to be $1,000,000; and,

WHEREAS, the grant agreement number with MNDOT is 1036421.

NOW THEREFORE, be it resolved that the City of Fairmont does hereby agree to the terms and conditions of the grant consistent with Minnesota Statutes, section 174.52 and will pay any additional amount by which the cost exceeds the estimate, and will return to the Minnesota State Transportation Fund any amount appropriated for the project but not required. The Mayor and City Clerk are authorized to execute a grant agreement and any amendments thereto with the Commissioner of Transportation concerning the above-referenced grant.

Motion by:
Seconded by:
All in favor:
Opposed:
Abstained:
Absent:

Deborah J. Foster

ATTEST:

Patricia J. Monsen, City Clerk
LOCAL ROAD IMPROVEMENT PROGRAM (LRIP)
GRANT AGREEMENT

This Agreement between the Minnesota Department of Transportation ("MnDOT") and the Grantee named below is made pursuant to Minnesota Statutes Section 174.52 and pursuant to Minn. Laws 2018, Chapter 214- H.F. 4425. The provisions in that section and the Exhibits attached hereto and incorporated by reference constitute this Agreement and the persons signing below agree to fully comply with all of the requirements of this Agreement. This Agreement will be effective on the date State obtains all required signatures under Minnesota Statutes §16C.05, subdivision 2.

1. Public Entity (Grantee) name, address and contact person:

City of Fairmont
100 Downtown Plaza
Fairmont, MN 56031

Contact: Troy Nemmers, PE – Director of Public Works/City Engineer

2. Project(s):

<table>
<thead>
<tr>
<th>Name of Project &amp; Project Number (See Exhibit C for location)</th>
<th>Amount of LRIP Funds</th>
<th>Amount of Required Matching Funds</th>
<th>Completion Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Winnebago Avenue 123-105-005</td>
<td>$1,000,000</td>
<td>$286,270.14</td>
<td>November 1, 2020</td>
</tr>
</tbody>
</table>

3. Total Amount of LRIP Grant for all projects under this Agreement: $1,000,000

4. The following Exhibits for each project are attached and incorporated by reference as part of this Agreement:

   Exhibit A  Completed Sources and Uses of Funds Schedule
   Exhibit B  Project Completion Schedule
   Exhibit C  Bond Financed Property Certification
   Exhibit D  Grant Application
   Exhibit E  Grantee Resolution Approving Grant Agreement
   Exhibit F  General Terms and Conditions
5. Additional requirements, if any: NONE

6. Any modification of this Agreement must be in writing and signed by both parties.

(The remaining portion of this page was intentionally left blank.)
PUBLIC ENTITY (GRANTEE)

By:______________________________
Title:____________________________
Date:____________________________

DEPARTMENT OF TRANSPORTATION
Approval and Certifying Encumbrance

By:______________________________
Title: State Aid Programs Engineer
Date:____________________________

Office of Financial Management, Grant Unit

By:______________________________ Agency Grant Supervisor
Date:____________________________

OFFICE OF CONTRACT MANAGEMENT

By:______________________________ Contract Administrator
Date:____________________________
## EXHIBIT A

### SOURCES AND USES OF FUNDS SCHEDULE

<table>
<thead>
<tr>
<th>SOURCES OF FUNDS</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>State Funds:</strong></td>
<td></td>
</tr>
<tr>
<td>LRIP Grant</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>Other:</td>
<td>$</td>
</tr>
<tr>
<td></td>
<td>$</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>$1,000,000</td>
</tr>
<tr>
<td><strong>Public Entity Funds:</strong></td>
<td>$1,488,165.19</td>
</tr>
<tr>
<td>Matching Funds</td>
<td>$286,270.05</td>
</tr>
<tr>
<td>Other:</td>
<td></td>
</tr>
<tr>
<td>MSAS Funds</td>
<td>$1,201,895.14</td>
</tr>
<tr>
<td></td>
<td>$</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>$1,488,165.19</td>
</tr>
<tr>
<td><strong>TOTAL FUNDS</strong></td>
<td>$2,488,465.19</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>USES OF FUNDS</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Items Paid for with LRIP Grant Funds:</strong></td>
<td>$1,000,000</td>
</tr>
<tr>
<td>Street construction</td>
<td>$761,855</td>
</tr>
<tr>
<td>Storm sewer</td>
<td>$206,852</td>
</tr>
<tr>
<td>Sidewalk</td>
<td>$31,293</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>$1,000,000</td>
</tr>
<tr>
<td><strong>Items paid for with Non-LRIP Grant Funds:</strong></td>
<td>$1,488,165.19</td>
</tr>
<tr>
<td>Street construction</td>
<td>$884,947.94</td>
</tr>
<tr>
<td>Storm sewer</td>
<td>$285,652.43</td>
</tr>
<tr>
<td>Sidewalk</td>
<td>$31,294.77</td>
</tr>
<tr>
<td>Sewer and water</td>
<td>$286,270.05</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>$1,488,165.19</td>
</tr>
<tr>
<td><strong>TOTAL PROJECT COSTS</strong></td>
<td>$2,488,165.19</td>
</tr>
</tbody>
</table>
EXHIBIT B

PROJECT COMPLETION SCHEDULE
(Provide for enough time to final the project through the MnDOT state aid pay request process.)

Contract completion date: June 19, 2020
Final project closeout: November 1, 2020
EXHIBIT C

BOND FINANCED PROPERTY CERTIFICATION

State of Minnesota
General Obligation Bond Financed Property

The undersigned states that it has a fee simple, leasehold and/or easement interest in the real property located in the City of Fairmont, State of Minnesota that is generally described or illustrated graphically in Attachment 1 attached hereto and all improvements thereon (the “Restricted Property”) and acknowledges that the Restricted Property is or may become State bond-financed property. To the extent that the Restricted Property is or becomes State bond-financed property, the undersigned acknowledges that:

A. The Restricted Property is State bond-financed property under Minn. Stat. Sec. 16A.695, is subject to the requirements imposed by that statute, and cannot be sold, mortgaged, encumbered or otherwise disposed of without the approval of the Commissioner of Minnesota Management and Budget; and

B. The Restricted Property is subject to the provisions of the Local Road Improvement Program Grant Agreement between the Minnesota Department of Transportation and the undersigned dated ________________, 20__; and

C. The Restricted Property shall continue to be deemed State bond-financed property for 37.5 years or until the Restricted Property is sold with the written approval of the Commissioner of Minnesota Management and Budget.

Date: ________________, 20__

City of Fairmont, a political subdivision of the State of Minnesota

By: ____________________________
Name: __________________________
Title: __________________________

By: ____________________________
Name: __________________________
Title: __________________________
GENERAL DESCRIPTION OF RESTRICTED PROPERTY

A 66' wide easement for the purposes of a road way. The 66' wide easement located on Winnebago Avenue at the point where said street intersects TH 15. The easement begins at the eastern edge of the existing TH 15 right-of-way and extends east paralleling the centerline of the existing roadway approximately 2,450 LF.
EXHIBIT D

GRANT APPLICATION
<table>
<thead>
<tr>
<th>A. Applicant Information</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Title: Mr.</td>
<td>2. First Name: Troy</td>
</tr>
<tr>
<td>3. Last Name: Nemmers</td>
<td>4. Phone Number: 507-238-9461</td>
</tr>
<tr>
<td>5. E-mail: <a href="mailto:tnemmers@fairmont.org">tnemmers@fairmont.org</a></td>
<td></td>
</tr>
<tr>
<td>6. Agency: City of Fairmont</td>
<td></td>
</tr>
<tr>
<td>7. Agency Position: Public Works Director/City Engineer</td>
<td></td>
</tr>
<tr>
<td>8. Street Address: 100 Downtown Plaza</td>
<td></td>
</tr>
<tr>
<td>9. Additional Address Line:</td>
<td></td>
</tr>
<tr>
<td>10. City: Fairmont</td>
<td></td>
</tr>
<tr>
<td>11. State: MN</td>
<td></td>
</tr>
<tr>
<td>12. Zip Code: 56031</td>
<td></td>
</tr>
<tr>
<td>13. Is the applicant a sponsor on this project? Yes</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>B. Project Location</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. MnDOT District: 07 - Mankato</td>
<td></td>
</tr>
<tr>
<td>2. County: Martin</td>
<td></td>
</tr>
<tr>
<td>3. City: Fairmont</td>
<td></td>
</tr>
<tr>
<td>4. Township: Fairmont</td>
<td></td>
</tr>
<tr>
<td>5. Name of Road: Winnegabo Avenue (MSAS No. 105)</td>
<td></td>
</tr>
<tr>
<td>6. Type of Road: Municipal State Aid Street</td>
<td></td>
</tr>
<tr>
<td>7. Road Authority*: State Aid City</td>
<td></td>
</tr>
<tr>
<td>8. Road Authority Name*:</td>
<td></td>
</tr>
<tr>
<td>9. Project Termini: From State Street (T.H. No. 15)</td>
<td></td>
</tr>
<tr>
<td>10. To: Point 570 feet East of Indus Street</td>
<td></td>
</tr>
<tr>
<td>*Complete if road authority is not the applicant.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>C. Project Description</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Select type of project Reconstruction</td>
<td></td>
</tr>
<tr>
<td>2. Provide a detailed description of the proposed project (2,000 character limit).</td>
<td></td>
</tr>
<tr>
<td>Winnebago Avenue provides the primary access for the industrial area located east of State Street and is in very poor condition. The original concrete pavement was constructed with a 24’ width in 1969. A follow-up project in 1981 widened the first 829’ (Marcus St.) to a width of 44’ which also included curb &amp; gutter. This project also replaced some of the existing concrete panels totaling approximately 30% of the original 24’ width for that segment. The remaining 1,770’ is as originally constructed, without curb or shoulders. The major deficiency is delamination cracking at the transverse joints and a fair amount of longitudinal and transverse random cracks. City Maintenance Crews have contributed a significant effort to patch the failed joints with bituminous material to maintain a drivable route.</td>
<td></td>
</tr>
<tr>
<td>The street is proposed to be reconstructed with a new bituminous pavement section from State Street to the east end of the project. The pavement width from State Street to Marcus Street will remain at the same 44’ width and include curb &amp; gutter. The remaining segment will be constructed with a 36’ width and also include curb &amp; gutter. Parking will be restricted along the narrower street width. This project will also include salvaging the existing concrete pavement and aggregate base to be reused as base material.</td>
<td></td>
</tr>
</tbody>
</table>

http://www.dot.state.mn.us/stateaid/kip.html
### C. Project Description

Pedestrian improvements will include constructing a sidewalk along the north side to provide pedestrian access to the mobile home park and the industrial area to the east. Curb ramps will be provided at both intersections and as needed.

Storm sewer improvements will include new pipe and catch basins as necessary to provide surface drainage for the street. Judicial Ditch No. 48 will provide the outlet for the system.

Other existing utilities include approximately 600 LF of 8" diameter sanitary sewer and 1,950 LF of 12" diameter watermain. These utilities will be inspected and repaired as necessary, but they are not planned to be completely replaced.

### D. Eligibility

1. Select the LRIP Account your project is eligible under.
   - Routes of Regional Significance

2. Does your project meet one or more of the Routes of Regional Significance Criteria (select all that apply)?

| ☑ Farm to Market route | ☐ Part of a 10-ton route network |
| ☐ Part of an economic development plan | ☐ Connect to regional tourist destination |
| ☑ Provides capacity or congestion relief to a parallel trunk highway system or county road | ☑ Is a connection to the IRC system, trunk highway or a county road |

3. Describe the project contribution to the local, regional or state economic development or redevelopment efforts (1,500 character limit).

Several businesses depend on this route to provide access for customers, deliveries, shipments and employees, which contributes significantly to the local and regional economic development. As mentioned earlier, Winnebago Avenue provides the primary access to the industrial area located east of State Street (TH No. 15). Convenient and safe access is critical to all of these businesses which include, to name a few, Cloverleaf Cold Storage, Zierke Built Manufacturing, Beemer Companies, MnDOT Truck Station and Martin County Highway Department - See Letters of Support included with this application. All of these businesses rely on heavy commercial traffic to provide their service or distribute their product. And ease of access from Interstate 90 and TH No. 15 is one reason why this area was selected as an industrial area and why these companies chose to locate here.

In addition to the existing businesses, there is also approximately 20 acres of undeveloped property adjacent to the north side of Winnebago Avenue that could support 2-3 new industrial prospects.

The mobile home park adjacent to the project also provides living accommodations for people that are employed in the local region and support the community.

---

http://www.dot.state.mn.us/stateaid/lrip.html
### E. Project Readiness

<table>
<thead>
<tr>
<th>Question</th>
<th>Answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Construction Year: 2019</td>
<td></td>
</tr>
<tr>
<td>2. Does the project have any historical/archeological impacts?</td>
<td>No</td>
</tr>
<tr>
<td>3. Are there railroad impacts (railroad crossings or railroad tracks within 600’ of the project)?</td>
<td>No RR crossings or RR tracks within 600’</td>
</tr>
<tr>
<td>4. What is the status of the engineering and design work on the project?</td>
<td>Design work has not started</td>
</tr>
<tr>
<td>5. What is the Right-of-Way (R/W) status of the project?</td>
<td>No R/W is needed or all work is within owner R/W</td>
</tr>
</tbody>
</table>

### F. Safety

<table>
<thead>
<tr>
<th>Question</th>
<th>Answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Is this project or components of this project identified in a County Safety Plan?</td>
<td>No</td>
</tr>
<tr>
<td>2. If applicable, select the appropriate focus area your project/safety strategy align with in the Minnesota Strategic Highway Safety Plan.</td>
<td>Not applicable</td>
</tr>
<tr>
<td>3. Identify the transportation deficiency, type of crash, or safety hazard this project is trying to address (1,000 character limit). Respond even if project is in a county safety plan or the Minnesota Strategic Highway Safety Plan.</td>
<td>The major transportation deficiency for Winnebago Avenue is related to the deterioration of the concrete pavement and narrow width of the street (24 feet) from Marcus Street to the east end (1,750 feet). In addition, the narrower segment does not have improved shoulders to allow vehicles to pull over in case of emergencies. The lack of a pedestrian route is also a safety concern.</td>
</tr>
<tr>
<td>4. Describe how this project improves safety, reduce traffic crashes, fatalities, injuries, and property damages (1,000 character limit). Respond even if project is in a county safety plan or the Minnesota Strategic Highway Safety Plan.</td>
<td>This project will improve safety by reconstructing the street and increasing the width of the pavement to a 36 foot width from Marcus Street to the east end (on-street parking will be restricted). The segment from State Street to Marcus Street is proposed to remain at a 44 foot width. The project also includes providing curb &amp; gutter for the segment east of Marcus Street along with the necessary storm sewer improvements to provide surface drainage. A sidewalk will also be constructed to provide a route for pedestrians.</td>
</tr>
</tbody>
</table>

### G. Multimodal/Complete Street

Identify infrastructure improvements for non-motorized users on this project (1,500 character limit).

Winnebago Avenue provides the only access for a 110 unit mobile home park located on the north side of the street. This access does not provide any means for pedestrian traffic besides walking on the edge of the street. In addition, the segment east of Marcus Street is only 24’ wide without improved shoulders, which is a significant safety concern, especially when combined with the heavy commercial traffic that uses this route.

As part of this project, it is proposed to construct a new sidewalk along the north side of the street to provide a safe pedestrian corridor between State Street (TH No. 15) and Indus Street. This sidewalk will be extended from recent ADA, sidewalk and traffic signal improvements completed by MnDOT at the State Street.
G. Multimodal/Complete Street

intersection this past summer (2017). This work will also include new pedestrian cross walks/ramps at each of the intersections and entrances to the mobile home park.

This sidewalk will also provide access for pedestrians who are employed in the industrial park that may choose to walk to their place of employment.

H. Estimated Project Cost

<table>
<thead>
<tr>
<th>Source of Funding</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. LRIP Request:</td>
<td>1,000,000</td>
</tr>
<tr>
<td>2. Federal Funds:</td>
<td>0</td>
</tr>
<tr>
<td>3. State Aid Funds:</td>
<td>250,000</td>
</tr>
<tr>
<td>4. Local/Other Funds:</td>
<td>551,050</td>
</tr>
<tr>
<td>5. Total Project Cost:</td>
<td>1,801,050</td>
</tr>
</tbody>
</table>

I. Attachments

- At least one project location map with routes labeled
- Engineer’s Estimate with an itemized breakdown
- Project schedule
- Local agency resolution
- Sponsor agency resolution (if applicable)
- Letters of concurrence or support

When you are ready to submit the application, save the application form with LRIP, agency and road in the name of the document; e.g. LRIP_RamseyCounty_CSAH30.docx.

The application and attachments are due November 3, 2017 for county and state aid city applicants and December 1, 2017 for township and non-state aid city applicants. Applications and attachments should be submitted electronically to saltirhelp.dot@state.mn.us.

More information on the program is available on the Local Road Improvement Program website, http://www.dot.state.mn.us/stateaid/lrip.html. If you have questions regarding this solicitation, contact Patti Loken at 651-366-3803 or Patti.Loken@state.mn.us.

http://www.dot.state.mn.us/stateaid/lrip.html
EXHIBIT E

GRANTEE RESOLUTION APPROVING GRANT AGREEMENT
EXHIBIT F

GENERAL TERMS AND CONDITIONS FOR
LOCAL ROAD IMPROVEMENT PROGRAM (LRIP) GRANTS

Article I
DEFINITIONS

Section 1.01 Defined Terms. 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 MnDOT to the Public Entity and disbursed in accordance with the provisions contained in Article VI hereof.

“Agreement” - means the Local Road Improvement Program Grant Agreement between the Public Entity and the Minnesota Department of Transportation to which this Exhibit is attached.

“Certification” - means the certification, in the form attached as Exhibit C, in which the Public Entity acknowledges that its interest in the Real Property is bond financed property within the meaning of Minn. Stat. Sec. 16A.695 and is subject to certain restrictions imposed thereby.

“Code” - means the Internal Revenue Code of 1986, as amended, and all treasury regulations, revenue procedures and revenue rulings issued pursuant thereto.

“Commissioner” - means the Commissioner of Minnesota Management & Budget.

“Commissioner’s Order” - means the “Fourth Order Amending Order of the Commissioner of Minnesota Management & Budget Relating to Use and Sale of State Bond Financed Property” dated July 30, 2012, as it may be amended or supplemented.

“Completion Date” - means the projected date for completion of the Project as indicated in the Agreement.

“Construction Contract Documents” - means the document or documents, in form and substance acceptable to MnDOT, including but not limited to any construction plans and specifications and any exhibits, amendments, change orders, modifications thereof or supplements thereto, which collectively form the contract between the Public Entity and the Contractor(s) for the completion of the Construction Items on or before the Completion Date for either a fixed price or a guaranteed maximum price.

“Construction Items” - means the work to be performed under the Construction Contract Documents.

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

“Draw Requisition” - means a draw requisition that the Public Entity, or its designee, submits to MnDOT when an Advance is requested, as referred to in Section 4.02.
“G.O. Bonds” - means the state general obligation bonds issued under the authority granted in Article XI, Sec. 5(a) of the Minnesota Constitution, the proceeds of which are used to fund the LRIP Grant, and any bonds issued to refund or replace such bonds.

“Grant Application” - means the grant application that the Public Entity submitted to MnDOT which is attached as Exhibit D.

“LRIP Grant” - means a grant from MnDOT to the Public Entity under the LRIP in the amount specified in the Agreement, as such amount may be modified under the provisions hereof.

“LRIP” - means the Local Road Improvement Program pursuant to Minn. Stat. Sec. 174.52 and rules relating thereto.

“MnDOT” - means the Minnesota Department of Transportation.

“Outstanding Balance of the LRIP Grant” - means the portion of the LRIP Grant that has been disbursed to the Public Entity minus any amounts returned to the Commissioner.

“Project” - means the Project identified in the Agreement to be totally or partially funded with a LRIP grant.

“Public Entity” - means the grantee of the LRIP Grant and identified as the Public Entity in the Agreement.

“Real Property” - means the real property identified in the Agreement on which the Project is located.

Article II
GRANT

Section 2.01 Grant of Monies. MnDOT shall make the LRIP Grant to the Public Entity, and disburse the proceeds in accordance with the terms and conditions herein.

Section 2.02 Public Ownership. The Public Entity acknowledges and agrees that the LRIP Grant is being funded with the proceeds of G.O. Bonds, and as a result all of the Real Property must be owned by one or more public entities. The Public Entity represents and warrants to MnDOT that it has one or more of the following ownership interests in the Real Property: (i) fee simple ownership, (ii) an easement that is for a term that extends beyond the date that is 37.5 years from the Agreement effective date, or such shorter term as authorized by statute, and which cannot be modified or terminated early without the prior written consent of MnDOT and the Commissioner; and/or (iii) a prescriptive easement for a term that extends beyond the date that is 37.5 years from the Agreement effective date.

Section 2.03 Use of Grant Proceeds. The Public Entity shall use the LRIP Grant solely to reimburse itself for expenditures it has already made, or will make, to pay the costs of one of the following applicable activities: (i) preliminary, final construction and engineering and administration (ii) constructing or reconstructing city streets, county highways, or town roads with statewide or regional significance that have not been fully funded through other state, federal, or local funding sources; or (iii) capital improvement projects on county state-aid highways that are intended primarily to reduce traffic crashes, deaths, injuries, and property damage. The Public Entity shall not use the LRIP Grant for any other purpose, including but not limited to, any work to be done on a state trunk highway or within a trunk highway easement.
Section 2.04 Operation of the Real Property. The Real Property must be used by the Public Entity in conjunction with or for the operation of a county highway, county state-aid highway, town road, or city street and for other uses customarily associated therewith, such as trails and utility corridors, and for no other purposes or uses. The Public Entity shall have no intention on the effective date of the Agreement to use the Real Property as a trunk highway or any part of a trunk highway. The Public Entity must annually determine that the Real Property is being used for the purposes specified in this Section and, upon written request by either MnDOT or the Commissioner, shall supply a notarized statement to that effect.

Section 2.05 Sale or Lease of Real Property. The Public Entity shall not (i) sell or transfer any part of its ownership interest in the Real Property, or (ii) lease out or enter into any contract that would allow another entity to use or operate the Real Property without the written consent of both MnDOT and the Commissioner. The sale or transfer of any part of the Public Entity’s ownership interest in the Real Property, or any lease or contract that would allow another entity to use or operate the Real Property, must comply with the requirements imposed by Minn. Stat. Sec. 16A.695 and the Commissioner’s Order regarding such sale or lease.

Section 2.06 Public Entity’s Representations and Warranties. The Public Entity represents and warrants to MnDOT that:

A. It has legal authority to execute, deliver and perform the Agreement and all documents referred to therein, and it has taken all actions necessary to its execution and delivery of such documents.

B. It has the ability and a plan to fund the operation of the Real Property for the purposes specified in Section 2.04, and will include in its annual budget all funds necessary for the operation of the Real Property for such purposes.

C. The Agreement and all other documents referred to therein are the legal, valid and binding obligations of the Public Entity enforceable against the Public Entity in accordance with their respective terms.

D. It will comply with all of the provisions of Minn. Stat. Sec. 16A.695, the Commissioner’s Order and the LRIP. It has legal authority to use the G.O. Grant for the purpose or purposes described in this Agreement.

E. All of the information it has submitted or will submit to MnDOT or the Commissioner relating to the LRIP Grant or the disbursement of the LRIP Grant is and will be true and correct.

F. 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 or proceedings pending, or to its knowledge threatened, before any judicial body or governmental authority against or affecting it relating to the Real Property, or its ownership interest therein, 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 the Agreement or any document referred to herein, or to perform any of the acts required of it in such documents.

G. Neither the execution and delivery of the Agreement or any document referred to herein nor compliance with any of the provisions or requirements of any of such documents is prevented by, is a breach of, or will result in a breach of, any provision of any agreement or document to which it is now a party or by which it is bound.
H. The contemplated use of the Real Property will not violate any applicable zoning or use statute, ordinance, building code, rule or regulation, or any covenant or agreement of record relating thereto.

I. The Project will be completed and the Real Property will be operated in full compliance with all applicable laws, rules, ordinances, and regulations of any federal, state, or local political subdivision having jurisdiction over the Project and the Real Property.

J. All applicable licenses, permits and bonds required for the performance and completion of the Project and for the operation of the Real Property as specified in Section 2.04 have been, or will be, obtained.

K. It reasonably expects to possess its ownership interest in the Real Property described in Section 2.02 for at least 37.5 years, and it does not expect to sell such ownership interest.

L. It does not expect to lease out or enter into any contract that would allow another entity to use or operate the Real Property.

M. It will supply whatever funds are needed in addition to the LRIP Grant to complete and fully pay for the Project.

N. The Construction Items will be completed substantially in accordance with the Construction Contract Documents by the Completion Date and all such items will be situated entirely on the Real Property.

O. It will require the Contractor or Contractors to comply with all rules, regulations, ordinances, and laws bearing on its performance under the Construction Contract Documents.

P. It shall furnish such satisfactory evidence regarding the representations and warranties described herein as may be required and requested by either MnDOT or the Commissioner.

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

Section 2.07 Event(s) of Default. The following events shall, unless waived in writing by MnDOT and the Commissioner, constitute an Event of Default under the Agreement upon either MnDOT or the Commissioner giving the Public Entity 30 days' written notice of such event and the Public Entity'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 Public Entity 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 six (6) months unless otherwise consented to, in writing, by MnDOT and the Commissioner.

A. If any representation, covenant, or warranty made by the Public Entity herein or in any other document furnished pursuant to the Agreement, or to induce MnDOT to disburse the LRIP Grant, 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 Public Entity fails to fully comply with any provision, covenant, or warranty contained herein.

C. If the Public Entity fails to fully comply with any provision, covenant or warranty contained in Minn. Stat. Sec. 16A.695, the Commissioner's Order, or Minn. Stat. Sec. 174.52 and all rules related thereto.

D. If the Public Entity fails to use the proceeds of the LRIP Grant for the purposes set forth in Section 2.03, the Grant Application, and in accordance with the LRIP.

E. If the Public Entity fails to operate the Real Property for the purposes specified in Section 2.04

F. If the Public Entity fails to complete the Project by the Completion Date.

G. If the Public Entity sells or transfers any portion of its ownership interest in the Real Property without first obtaining the written consent of both MnDOT and the Commissioner.

H. If the Public Entity fails to provide any additional funds needed to fully pay for the Project.

I. If the Public Entity fails to supply the funds needed to operate the Real Property in the manner specified in Section 2.04.

Notwithstanding the foregoing, any of the above events that cannot be cured shall, unless waived in writing by MnDOT and the Commissioner, constitute an Event of Default under the Agreement immediately upon either MnDOT or the Commissioner giving the Public Entity written notice of such event.

Section 2.08 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 MnDOT, MnDOT or the Commissioner may enforce any or all of the following remedies.

A. MnDOT may refrain from disbursing the LRIP Grant; provided, however, MnDOT may make such disbursements after the occurrence of an Event of Default without waiving its rights and remedies hereunder.

B. If the Event of Default involves a sale of the Public Entity's interest in the Real Property in violation of Minn. Stat. Sec. 16A.695 or the Commissioner's Order, the Commissioner, as a third party beneficiary of the Agreement, may require that the Public Entity pay the amounts that would have been paid if there had been compliance with such provisions. For other Events of Default, the Commissioner may require that the Outstanding Balance of the LRIP Grant be returned to it.

C. Either MnDOT or the Commissioner, as a third party beneficiary of the Agreement, may enforce any additional remedies it may have in law or equity.

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

If the Public Entity does not repay the amounts required to be paid under this Section or under any other provision contained herein within 30 days of demand by the Commissioner, or any amount ordered by a court of competent jurisdiction within 30 days of entry of judgment against the Public Entity and in favor
of MnDOT and/or the Commissioner, then such amount may, unless precluded by law, be offset against any aids or other monies that the Public Entity is entitled to receive from the State of Minnesota.

Section 2.09 Notification of Event of Default. The Public Entity shall furnish to MnDOT and the Commissioner, as soon as possible and in any event within seven (7) days after it has obtained knowledge of the occurrence of each Event of Default, a statement setting forth details of each Event of Default and the action which the Public Entity proposes to take with respect thereto.

Section 2.10 Effect of Event of Default. The Agreement shall survive Events of Default and remain in full force and effect, even upon full disbursement of the LRIP Grant, and shall only be terminated under the circumstances set forth in Section 2.11.

Section 2.11 Termination of Agreement and Modification of LRIP Grant.

A. If the Project is not started within five (5) years after the effective date of the Agreement or the LRIP Grant has not been disbursed within four (4) years after the date the Project was started, MnDOT’s obligation to fund the LRIP Grant shall terminate. In such event, (i) if none of the LRIP Grant has been disbursed by such date, MnDOT shall have no obligation to fund the LRIP Grant and the Agreement will terminate, and (ii) if some but not all of the LRIP Grant has been disbursed by such date, MnDOT shall have no further obligation to provide any additional funding for the LRIP Grant and the Agreement shall remain in force but shall be modified to reflect the amount of the LRIP Grant that was actually disbursed and the Public Entity is still obligated to complete the Project by the Completion Date.

B. The Agreement shall terminate upon the Public Entity’s sale of its interest in the Real Property and transmittal of the required portion of the proceeds of the sale to the Commissioner in compliance with Minn. Stat. Sec. 16A.695 and the Commissioner’s Order, or upon the termination of the Public Entity’s ownership interest in the Real Property if such ownership interest is an easement.

Section 2.12 Excess Funds. If the full amount of the G.O. Grant and any matching funds referred to in Section 5.13 are not needed to complete the Project, then, unless language in the G.O. Bonding Legislation indicates otherwise, the G.O. Grant shall be reduced by the amount not needed.

Article III

COMPLIANCE WITH MINNESOTA STATUTE, SEC. 16A.695
AND THE COMMISSIONER’S ORDER

Section 3.01 State Bond Financed Property. The Public Entity acknowledges that its interest in the Real Property is, or when acquired by it will be, “state bond financed property”, as such term is used in Minn. Stat. Sec. 16A.695 and the Commissioner’s Order and, therefore, the provisions contained in such statute and order apply, or will apply, to its interest in the Real Property, even if the LRIP Grant will only pay for a portion of the Project.

Section 3.02 Preservation of Tax Exempt Status. In order to preserve the tax-exempt status of the G.O. Bonds, the Public Entity agrees as follows:

A. It will not use the Real Property or use or invest the LRIP Grant or any other sums treated as “bond proceeds” under Section 148 of the Code (including “investment proceeds,” “invested sinking funds” and “replacement proceeds”) in such a manner as to cause the G.O. Bonds to be classified as “arbitrage bonds” under Code Section 148.
B. It will deposit and hold the LRIP Grant in a segregated non-interest-bearing account until such funds are used for payments for the Project.

C. It will, upon written request, provide the Commissioner all information required to satisfy the informational requirements set forth in the Code, including Sections 103 and 148, with respect to the G.O. Bonds.

D. It will, upon the occurrence of any act or omission by the Public Entity that could cause the interest on the G.O. Bonds to no longer be tax exempt and upon direction from the Commissioner, take such actions and furnish such documents as the Commissioner determines to be necessary to ensure that the interest to be paid on the G.O. Bonds is exempt from federal taxation, which such action may include: (i) compliance with proceedings intended to classify the G.O. Bonds as a “qualified bond” within the meaning of Code Section 141(e), or (ii) changing the nature of the use of the Real Property so that none of the net proceeds of the G.O. Bonds will be deemed to be used, directly or indirectly, in an “unrelated trade or business” or for any “private business use” within the meaning of Code Sections 141(b) and 145(a).

E. It will not otherwise use any of the LRIP Grant or take, permit or cause to be taken, or omit to take, any action that would adversely affect the exemption from federal income taxation of the interest on the G.O. Bonds, and if it should take, permit or cause to be taken, or omit to take, as appropriate, any such action, it shall take all lawful actions necessary to correct such actions or omissions promptly upon obtaining knowledge thereof.

Section 3.03 Changes to G.O. Compliance Legislation or the Commissioner’s Order. If Minn. Stat. Sec. 16A.695 or the Commissioner’s Order is amended in a manner that reduces any requirement imposed against the Public Entity, or if the Public Entity’s interest in the Real Property becomes exempted from Minn. Stat. Sec. 16A.695 and the Commissioner’s Order, then upon written request by the Public Entity, MnDOT shall execute an amendment to the Agreement to implement such amendment or exempt the Public Entity’s interest in the Real Property from Minn. Stat. Sec. 16A.695 and the Commissioner’s Order.

Article IV
DISBURSEMENT OF GRANT PROCEEDS

Section 4.01 The Advances. MnDOT agrees, on the terms and subject to the conditions set forth herein, to make Advances of the LRIP Grant to the Public Entity from time to time in an aggregate total amount not to exceed the amount of the LRIP Grant. If the amount of LRIP Grant that MnDOT cumulatively disburses hereunder to the Public Entity is less than the amount of the LRIP Grant delineated in Section 1.01, then MnDOT and the Public Entity shall enter into and execute whatever documents MnDOT may request in order to amend or modify this Agreement to reduce the amount of the LRIP Grant to the amount actually disbursed. Provided, however, in accordance with the provisions contained in Section 2.11, MnDOT’s obligation to make Advances shall terminate as of the dates specified in Section 2.11 even if the entire LRIP Grant has not been disbursed by such dates.

Advances shall only be for expenses that (i) are for those items of a capital nature delineated in Source and Use of Funds that is attached as Exhibit A, (ii) accrued no earlier than the effective date of the legislation that appropriated the funds that are used to fund the LRIP Grant, or (iii) have otherwise been consented to, in writing, by the Commissioner.

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
5.13. 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 5.13 that have been disbursed as of such point in time. This requirement is expressed by way of the following two formulas:

Formula #1:
Cumulative Advances ≤ (Program Grant) × (percentage of matching funds, if any, required under Section 5.13 that have been disbursed)

Formula #2:
Cumulative Advances ≤ (Program Grant) × (percentage of Project completed)

Section 4.02 Draw Requisitions. Whenever the Public Entity desires a disbursement of a portion of the LRIP Grant the Public Entity shall submit to MnDOT a Draw Requisition duly executed on behalf of the Public Entity or its designee. 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 Public Entity and MnDOT, plus (ii) the value of materials and equipment not incorporated in the Project but delivered and suitably stored on or off the Real Property in a manner acceptable to MnDOT, 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 Real Property will be made by MnDOT unless the Public Entity shall advise MnDOT, in writing, of its intention to so store materials prior to their delivery and MnDOT has not objected thereto.

At the time of submission of each Draw Requisition, other than the final Draw Requisition, the Public Entity shall submit to MnDOT such supporting evidence as may be requested by MnDOT 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.

The final Draw Requisition shall not be submitted before completion of the Project, including any correction of material defects in workmanship or materials (other than the completion of punch list items). At the time of submission of the final Draw Requisition the Public Entity shall submit to MnDOT: (i) such supporting evidence as may be requested by MnDOT 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 and other approvals have been issued.

If on the date an Advance is desired the Public Entity has complied with all requirements of this Agreement and MnDOT approves the relevant Draw Requisition, then MnDOT shall disburse the amount of the requested Advance to the Public Entity.

Section 4.03 Additional Funds. If MnDOT shall at any time in good faith determine that the sum of the undisbursed amount of the LRIP Grant plus the amount of all other funds committed to 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 Project, then MnDOT may send written notice thereof to the Public Entity specifying the amount which must be supplied in order to provide sufficient funds to complete the Project. The Public Entity 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 MnDOT's notice.
Section 4.04 Condition Precedent to Any Advance. The obligation of MnDOT to make any Advance hereunder (including the initial Advance) shall be subject to the following conditions precedent:

A. MnDOT 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 amount of the LRIP Grant set forth in Section 1.01.

B. 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.

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

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

E. The Public Entity has supplied to the State Entity all other items that the State Entity may reasonably require.

Section 4.05 Processing and Disbursement of Advances. The Public Entity acknowledges and agrees as follows:

A. Advances are not made prior to completion of work performed on the Project.

B. All Advances are processed on a reimbursement basis.

C. The Public Entity must first document expenditures to obtain an Advance.

D. Reimbursement requests are made on a partial payment basis or when the Project is completed.

E. All payments are made following the “Delegated Contract Process or State Aid Payment Request” as requested and approved by the appropriate district state aid engineer.

Section 4.06 Construction Inspections. The Public Entity shall be responsible for making its own inspections and observations regarding the completion of the Project, and shall determine to its own satisfaction that all work done or materials supplied have been properly done or supplied in accordance with all contracts that the Public Entity has entered into regarding the completion of the Project.

Article V
MISCELLANEOUS

Section 5.01 Insurance. If the Public Entity elects to maintain general comprehensive liability insurance regarding the Real Property, then the Public Entity shall have MnDOT named as an additional named insured therein.
Section 5.02 Condemnation. If, after the Public Entity has acquired the ownership interest set forth in Section 2.02, all or any portion of the Real Property is condemned to an extent that the Public Entity cannot longer comply with Section 2.04, then the Public Entity shall, at its sole option, either: (i) use the condemnation proceeds to acquire an interest in additional real property needed for the Public Entity to continue to comply with Section 2.04 and to provide whatever additional funds that may be needed for such purposes, or (ii) submit a request to MnDOT and the Commissioner to allow it to sell the remaining portion of its interest in the Real Property. Any condemnation proceeds which are not used to acquire an interest in additional real property shall be applied in accordance with Minn. Stat. Sec. 16A.695 and the Commissioner’s Order as if the Public Entity’s interest in the Real Property had been sold. If the Public Entity elects to sell its interest in the portion of the Real Property that remains after the condemnation, such sale must occur within a reasonable time period after the date the condemnation occurred and the cumulative sum of the condemnation and sale proceeds applied in accordance with Minn. Stat. Sec. 16A.695 and the Commissioner’s Order.

If MnDOT receives any condemnation proceeds referred to herein, MnDOT agrees to or pay over to the Public Entity all of such condemnation proceeds so that the Public Entity can comply with the requirements of this Section.

Section 5.03 Use, Maintenance, Repair and Alterations. The Public Entity shall not, without the written consent of MnDOT and the Commissioner, (i) permit or allow the use of any of the Real Property for any purpose other than the purposes specified in Section 2.04, (ii) substantially alter any of the Real Property except such alterations as may be required by laws, ordinances or regulations, or such other alterations as may improve the Real Property by increasing its value or which improve its ability to be used for the purposes set forth in Section 2.04, (iii) take any action which would unduly impair or depreciate the value of the Real Property, (iv) abandon the Real Property, or (v) commit or permit any act to be done in or on the Real Property in violation of any law, ordinance or regulation.

If the Public Entity fails to maintain the Real Property in accordance with this Section, MnDOT may perform whatever acts and expend whatever funds necessary to so maintain the Real Property, and the Public Entity irrevocably authorizes MnDOT to enter upon the Real Property to perform such acts as may be necessary to so maintain the Real Property. Any actions taken or funds expended by MnDOT shall be at its sole discretion, and nothing contained herein shall require MnDOT to take any action or incur any expense and MnDOT shall not be responsible, or liable to the Public Entity or any other entity, for any such acts that are performed in good faith and not in a negligent manner. Any funds expended by MnDOT pursuant to this Section shall be due and payable on demand by MnDOT and will bear interest from the date of payment by MnDOT at a rate equal to the lesser of the maximum interest rate allowed by law or 18% per year based upon a 365-day year.

Section 5.04 Recordkeeping and Reporting. The Public Entity shall maintain books and records pertaining to Project costs and expenses needed to comply with the requirements contained herein, Minn. Stat. Sec. 16A.693, the Commissioner’s Order, and Minn. Stat. Sec. 174.52 and all rules related thereto, and upon request shall allow MnDOT, its auditors, 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 such items. The Public Entity shall use generally accepted accounting principles in the maintenance of such items, and shall retain all of such books and records for a period of six years after the date that the Project is fully completed and placed into operation.

Section 5.05 Inspections by MnDOT. The Public Entity shall allow MnDOT to inspect the Real Property upon reasonable request by MnDOT and without interfering with the normal use of the Real Property.
Section 5.06 Liability. The Public Entity and MnDOT agree that each will be responsible for its own acts and the results thereof to the extent authorized by law, and neither shall be responsible for the acts of the other party and the results thereof. The liability of MnDOT and the Commissioner is governed by the provisions of Minn. Stat. Sec. 3.736. If the Public Entity is a “municipality” as that term is used in Minn. Stat. Chapter 466, then the liability of the Public Entity is governed by the provisions of Chapter 466. The Public Entity's liability hereunder shall not be limited to the extent of insurance carried by or provided by the Public Entity, or subject to any exclusion from coverage in any insurance policy.

Section 5.07 Relationship of the Parties. Nothing contained in the Agreement is to be construed as establishing a relationship of co-partners or joint venture among the Public Entity, MnDOT, or the Commissioner, nor shall the Public Entity be considered to be an agent, representative, or employee of MnDOT, the Commissioner, or the State of Minnesota in the performance of the Agreement or the Project.

No employee of the Public Entity or other person engaging in the performance of the Agreement or the Project shall be deemed have any contractual relationship with MnDOT, the Commissioner, or the State of Minnesota and shall not be considered an employee of any of those entities. Any claims that may arise on behalf of said employees or other persons out of employment or alleged employment, including claims under the Workers' Compensation Act of the State of Minnesota, claims of discrimination against the Public Entity or its officers, agents, contractors, or employees shall in no way be the responsibility of MnDOT, the Commissioner, or the State of Minnesota. Such employees or other persons shall not require nor be entitled to any compensation, rights or benefits of any kind whatsoever from MnDOT, the Commissioner, or the State of Minnesota, including tenure rights, medical and hospital care, sick and vacation leave, disability benefits, severance pay and retirement benefits.

Section 5.08 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 personally served or sent by prepaid, registered, or certified mail (return receipt requested), to the address of the party specified below or to such different address as may in the future be specified by a party by written notice to the others:

To the Public Entity: At the address indicated on the first page of the Agreement.

To MnDOT at: Minnesota Department of Transportation
Office of State Aid
395 John Ireland Blvd., MS 500
Saint Paul, MN 55155
Attention: Patti Loken, State Aid Programs Engineer

To the Commissioner at: Minnesota Management & Budget
400 Centennial Office Bldg.
658 Cedar St.
St. Paul, MN 55155
Attention: Commissioner

Section 5.09 Assignment or Modification. Neither the Public Entity nor MnDOT may assign any of its rights or obligations under the Agreement without the prior written consent of the other party.

Section 5.10 Waiver. Neither the failure by the Public Entity, MnDOT, or the Commissioner, as a third party beneficiary of the Agreement, in one or more instances to insist upon the complete observance or performance of any provision hereof, nor the failure of the Public Entity, MnDOT, or the Commissioner to exercise any right or remedy conferred hereunder or afforded by law shall be construed as waiving any
breach of such provision or the right to exercise such right or remedy thereafter. In addition, no delay by
any of the Public Entity, MnDOT, or the Commissioner 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 5.11 Choice of Law and Venue. All matters relating to the validity, interpretation,
performance, or enforcement of the Agreement shall be determined in accordance with the laws of the State
of Minnesota. All legal actions arising from any provision of the Agreement shall be initiated and venued
in the State of Minnesota District Court located in St. Paul, Minnesota.

Section 5.12 Severability. If any provision of the 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 5.13 Matching Funds. Any matching funds as shown on Page 1 of the Grant Agreement
that are required to be obtained and supplied by the Public Entity 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 pay for the Project. The Public Entity shall supply to MnDOT
whatever documentation MnDOT may request to substantiate the availability and source of any matching
funds.

Section 5.14 Sources and Uses of Funds. The Public Entity represents to MnDOT and the
Commissioner that the Sources and Uses of Funds Schedule attached as Exhibit A accurately shows the
total cost of the Project and all of the funds that are available for the completion of the Project. The Public
Entity will supply any other information and documentation that MnDOT or the Commissioner may request
to support or explain any of the information contained in the Sources and Uses of Funds Schedule. If any
of the funds shown in the Sources and Uses of Funds Schedule have conditions precedent to the release of
such funds, the Public Entity must provide to MnDOT a detailed description of such conditions and what
is being done to satisfy such conditions.

Section 5.15 Project Completion Schedule. The Public Entity represents to MnDOT and the
Commissioner that the Project Completion Schedule attached as Exhibit B correctly and accurately sets
forth the projected schedule for the completion of the Project.

Section 5.16 Third-Party Beneficiary. The Governmental Program 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 MMB,
is and shall be a third-party beneficiary of this Agreement.

Section 5.17 Public Entity Tasks. Any tasks that the Agreement imposes upon the Public Entity
may be performed by such other entity as the Public Entity may select or designate, provided that the failure
of such other entity to perform said tasks shall be deemed to be a failure to perform by the Public Entity.

Section 5.18 Data Practices. The Public Entity agrees with respect to any data that it possesses
regarding the G.O. Grant or the Project to comply with all of the provisions and restrictions contained in
the Minnesota Government Data Practices Act contained in Minnesota Statutes Chapter 13, as such may
subsequently be amended or replaced from time to time.

Section 5.19 Non-Discrimination. The Public Entity agrees to not engage in discriminatory
employment practices regarding the Project and it shall fully comply with all of the provisions contained in
Minnesota Statutes Chapters 363A and 181, as such may subsequently be amended or replaced from time to time.

Section 5.20 Worker’s Compensation. The Public Entity agrees to comply with all of the provisions relating to worker’s compensation contained in Minn. Stat. Secs. 176.181 subd. 2 and 176.182, as they may be amended or replaced from time to time with respect to the Project.

Section 5.21 Antitrust Claims. The Public Entity hereby assigns to MnDOT and the Commissioner of MMB all claims it may have for over charges as to goods or services provided with respect to the Project that arise under the antitrust laws of the State of Minnesota or of the United States of America.

Section 5.22 Prevailing Wages. The Public Entity agrees to comply with all of the applicable provisions contained in Minnesota Statutes Chapter 177, and specifically those provisions contained in Minn. Stat. §. 177.41 through 177.435 as they may be amended or replaced from time to time with respect to the Project. By agreeing to this provision, the Public Entity is not acknowledging or agreeing that the cited provisions apply to the Project.

Section 5.23 Entire Agreement. The Agreement and all of the exhibits attached thereto embody the entire agreement between the Public Entity and MnDOT, and there are no other agreements, either oral or written, between the Public Entity and MnDOT on the subject matter hereof.

Section 5.24 E-Verification. The Public Entity 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 order.
CITY OF FAIRMONT—AGENDA CONTROL SHEET—AGENDA ITEM NO. 16.2

MEETING DATE: March 9, 2020

SUBJECT: 2020 Minnesota Governor’s Pheasant Hunting Opener - Donation Request

REVIEWED BY: Mark Sievert, Interim City Administrator

SUBJECT INITIATION BY:

[ ] Petition [ ] Board [ ] X Staff [ ] Council [ ] Commission [ ] Committee

SUBJECT BACKGROUND: Mark Sievert, Interim City Administrator

INTRODUCED BY: Mark Sievert, Interim City Administrator

COUNCIL LIAISON: Bruce Peters (CVB)

TYPE OF ACTION:

<table>
<thead>
<tr>
<th>X</th>
<th>Motion (Voice Vote)</th>
<th>Resolution (Roll Call)</th>
<th>Discussion</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Ordinance 1st Reading (Introduction only)</td>
<td>Set Public Hearing (Motion)</td>
<td>Information Only</td>
</tr>
<tr>
<td></td>
<td>Ordinance 2nd Reading (Roll call)</td>
<td>Hold Public Hearing (Motion to close)</td>
<td></td>
</tr>
</tbody>
</table>

RECOMMENDED ACTION BY:

[ ] X City Staff [ ] Board [ ] Commission [ ] Committee

[ ] Issuance [ ] Approval [ ] Authorization [ ] No recommendation
[ ] Denial [ ] Rejection [ ] No action needed

STATEMENT: The City has received a donation request of $5,000.00 from Ned Koppen, Co-Chair GPHO Fundraising & Sponsorship Committee, to help fund the 2020 Minnesota Governor’s Pheasant Hunting Opener. The donation would be given to the CVB.

MOTION: to approve a donation request of $5,000.00 to be given to the Fairmont CVB for the 2020 Minnesota Governor’s Pheasant Hunting Opener.

VOTE REQUIRED: Simple Majority

ATTACHMENTS:

1. Donation request letter
2. Sponsorship levels

******************************************************************************

Council Action: ____________________________ Date: ______________
To the Fairmont City Council;

On behalf of the 2020 Minnesota Governor's Pheasant Hunting Opener - Sponsorship Committee, we would like to request that the City of Fairmont help sponsor this great opportunity for our community and ensure that we are able to put on the best event possible. There are many sponsorship opportunities available and we are asking the City of Fairmont to support the event with a mid-range sponsorship of $5,000.00 (see attached sponsorship levels). This sponsorship will help the committee fund the event and will include the City of Fairmont being prominently displayed in all marketing materials and programs as a sponsor. We are dedicated to making the most of this event and the positive light it will shine on our City. Your financial support will go a long way toward making this happen. Thank you for your consideration.

Sincerely,

Ned Koppen
Co-Chair GPHO Fundraising & Sponsorship Committee
$10,000+ PLATINUM PHEASANT SPONSOR
- Company logo incorporated in large fashion on marketing materials and in community banquet printed programs
- Ability to hang a banner with company logo (4’x7’ maximum size provided by you) at weekend events
- Company logo included in pre-event promotions
- Company name on the GPHO website
- Up to 8 tickets to the Governor’s Community Banquet on Friday evening
- Up to four spots on the Saturday GPHO hunt (includes breakfast, lunch)
- Opportunity to provide product or promotional item in commemorative package
- Exhibit space during registration
- Post event thank you recognition in local media

$5,500-$9,999 GOLD PHEASANT SPONSOR
- Company logo incorporated in medium-large fashion on marketing materials and in community banquet printed programs
- Ability to hang a banner with company logo (4’x7’ maximum size provided by you) at weekend events
- Company name on the GPHO website
- Up to 6 tickets to the Governor’s Community Banquet on Friday evening
- Up to three spots on the Saturday GPHO hunt (includes breakfast, lunch)
- Opportunity to provide product or promotional item in commemorative package
- Exhibit space during registration
- Post event thank you recognition in local media

$3,000-$5,499 SILVER PHEASANT SPONSOR
- Company logo incorporated in medium fashion on marketing materials and in community banquet printed programs
- Company name on the GPHO website
- Up to 4 tickets to the Governor’s Community Banquet on Friday evening
- Up to two spots on the Saturday GPHO hunt (includes breakfast, lunch)
- Opportunity to provide product or promotional item in commemorative package
- Exhibit space during registration
- Post event thank you recognition in local media

$1,500-$2,999 BRONZE PHEASANT SPONSOR
- Company logo printed in small fashion in community banquet printed programs
- Company name on the GPHO website
- Up to 2 tickets to the Governor’s Community Banquet on Friday evening
- One spot on the Saturday GPHO hunt (includes breakfast, lunch)
- Opportunity to provide product or promotional item in commemorative package
- Post event thank you recognition in local media

$500-$1,499 BRASS PHEASANT SPONSOR
- Company listed in community banquet printed programs
- Company name on the GPHO website
- Post event thank you recognition in local media
MEETING DATE: March 9, 2020

SUBJECT: Fairmont Emergency Operations Plan

REVIEWED BY: Mark Sievert, Interim City Administrator

SUBJECT INITIATION BY:

Petition Board X Staff Council Commission Committee

SUBJECT BACKGROUND: Mark Sievert, Interim City Administrator

INTRODUCED BY: Chief Mike Hunter

COUNCIL LIAISON:

TYPE OF ACTION:

<table>
<thead>
<tr>
<th>Motion (Voice Vote)</th>
<th>X Resolution (Roll Call)</th>
<th>Discussion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ordinance 1st Reading (Introduction only)</td>
<td>Set Public Hearing (Motion)</td>
<td>Information Only</td>
</tr>
<tr>
<td>Ordinance 2nd Reading (Roll call)</td>
<td>Hold Public Hearing (Motion to close)</td>
<td></td>
</tr>
</tbody>
</table>

RECOMMENDED ACTION BY:

X City Staff Board Commission Committee

<table>
<thead>
<tr>
<th>Issuance</th>
<th>X Approval</th>
<th>Authorization</th>
<th>No recommendation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Denial</td>
<td>Rejection</td>
<td>No action needed</td>
<td></td>
</tr>
</tbody>
</table>


MOTION: To approve Resolution 2020-16

VOTE REQUIRED: Simple majority – Roll call

ATTACHMENTS:
1. Resolution 2020-16
2.

Council Action: ____________________________ Date: ______________
RESOLUTION 2020-16

ADOPTING FAIRMONT EMERGENCY OPERATIONS PLAN

WHEREAS, the City of Fairmont has an Emergency Operations Plan that was adopted in 1999; and,

WHEREAS, the current Emergency Operations Plan is outdated and needs revision; and,

WHEREAS, the Emergency Management Director of Martin County has updated the outdated plan.

NOW THEREFORE BE IT RESOLVED, that the City of Fairmont hereby approve and adopt the revised Emergency Operations Plan.

Motion by:  
Seconded by:  
All in Favor:  
Opposed:  
Abstained:  
Absent:  

PASSED, APPROVED AND ADOPTED, this 9th day of March 2020.

Deborah J. Foster, Mayor

ATTEST:

Patricia J. Monsen, City Clerk
MEETING DATE: March 9, 2020

SUBJECT: House Demolition Assistance

REVIEWED BY: Mark Sievert, Interim City Administrator

SUBJECT INITIATION BY: Petition, Board, Staff, Council, Commission, Committee

SUBJECT BACKGROUND: Mark Sievert, Interim City Administrator

INTRODUCED BY: Mark Sievert, Interim City Administrator

COUNCIL LIAISON: None

TYPE OF ACTION:

<table>
<thead>
<tr>
<th>X</th>
<th>Motion (Voice Vote)</th>
<th>Resolution (Roll Call)</th>
<th>Discussion</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Ordinance 1st Reading (Introduction only)</td>
<td>Set Public Hearing (Motion)</td>
<td>Information Only</td>
</tr>
<tr>
<td></td>
<td>Ordinance 2nd Reading (Roll call)</td>
<td>Hold Public Hearing (Motion to close)</td>
<td>Discussion</td>
</tr>
</tbody>
</table>

RECOMMENDED ACTION BY:

<table>
<thead>
<tr>
<th></th>
<th>City Staff</th>
<th>Board</th>
<th>Commission</th>
<th>Committee</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Issuance</td>
<td>Approval</td>
<td>Authorization</td>
<td>No recommendation</td>
</tr>
<tr>
<td></td>
<td>Denial</td>
<td>Rejection</td>
<td>No action needed</td>
<td>Discussion</td>
</tr>
</tbody>
</table>

STATEMENT: Mark Atkinson is the owner of the property located at 931 Albion Avenue. This house is uninhabitable and has been a neighborhood eyesore for the past several years. Mr. Atkinson is requesting the City Council assist in the demolition cost of 50% up to the total of $5,000.00 to be reimbursed.

MOTION: To approve or deny demolition assistance at 50% of the actual cost up to $5,000.00.

VOTE REQUIRED: Simple majority.

ATTACHMENTS:

1. Application and estimate.
2. Property information and photos
3. 

Council Action: ________________________________ Date: __________
ZONING PERMIT (Site plans required)

Type: Deck/Landings (under 30" above grade, minimum landing size 36"x36")

Steps (25 sq. ft. and under—minimum landing size 36"x36", attached); steps to Lake: ________

Fence _________

Sign _________

Accessory Structure (120 sq. ft. or less) _________

Include: length, width & height of structure

Demolition ________ (must have MPCA Notification of demolition)

PERMIT FEE: $25.00

APPLICANT: Mark Atkinson 23ve-7501

ADDRESS: 219 S. Main St, Fairmont ZONING:

NOTE: MUST CALL GOPHER STATE ONE CALL BEFORE DIGGING: 1-800-252-1166

Fence: Height and type of fence:

Sign: Type of Sign:

Surface Area of Sign:

Material:

Height from Ground: _________ Height to Highest Point: _________

Pylon signs higher than 10' at center require engineering.

Accessory Structure: Size _________ Anchoring method: _________ (site plan attached)

Demolition of: _________ Asbestos Assessment completed by & attached: _________

MPCA Notification Required: __ No; __ Yes (completed notification form attached)

MPCA Environmental Checklist, Guide & Notification Packet attached for applicant’s use as applicable.

If disturbing more than a 1/2 acre: __ Yes, __ No—Erosion control plan to be submitted ______

Demo Completion Date: _________ Site Location: _________

1. Water/Sewer must be capped between the back of curb and the property line at the existing curb stop. If sidewalk exists the lines may be capped within 2' of the existing sidewalk.

2. The utility capping must be completed prior to any demolition and it shall be completed by a certified pipe layer or licensed plumber.

3. Sewer and water shall be capped as required by the MN Plumbing code. This will include interior plugs or rubber caps for the sanitary sewer and soldered or threaded fittings on the water line. Crimping the water line or the use of compression fittings will not be permitted.

4. Submit a site plan showing the location of the sewer and water terminations in relation to the curb box.

5. The city water department will be called for the capping inspection. The water department will modify the curb box to indicate the presence of an abandoned service as part of their inspection.

THE APPLICANT BY SIGNATURE HEREWIT AGREES TO COMPLY WITH ALL CITY ORDINANCES, STATE LAW AND BUILDING CODES REGULATING THIS PERMIT.

Applicant’s Signature

Zoning Official’s Approval Signature

Date Approved: 03-25-2010
Inquiry - General Summary (A)

Taxpayer: MARK F & JEANNE A ATKINSON
Address: 219 S MAIN ST, FAIRMONT MN 56031

Total: 35,700
Dist: 23900
Plat: 23270 WOLLASTON'S

Deeded acres: 35,700

Alternate Address:
S25.6' LOT 5 & N72' OF 4 BLK 2 Subd:
NON-HSTD - RESIDENTIAL

Prop Address:
931 ALBION AVE FAIRMONT MN 56031-

<table>
<thead>
<tr>
<th></th>
<th>10/15/2019</th>
<th>Original</th>
<th>Adj/Chg</th>
<th>Payments</th>
<th>Unpaid Bal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Tax</td>
<td>507.00</td>
<td>507.00-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Special Asmt</td>
<td>69.00</td>
<td>69.00-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tot before P&amp;I</td>
<td>576.00</td>
<td>576.00-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Penalty</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fees</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* *Totals 576.00 576.00-

F2=Tier F14=Legal F16=Notes F17=APINs F19=OtherNames F24=MoreKeys A=GS B=ASM C=DQ E=TR F=SP H=THST I=PRASC J=COJ P=PA R=ADJ U=CAMAY=CMP

Unpaid Bal
## Name / Address

Mark Atkinson  
106 E. 1st street  
Fairmont, MN 56031

## Ship To

236-7501

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>Qty</th>
<th>U/M</th>
<th>Cost</th>
<th>Total</th>
</tr>
</thead>
</table>
| Excavator  | Demo house and 931 Albion Ave. Fairmont, MN Abestos survey, demo house, remove basement, cap sewer and water behind sidewalk, hydro seed. Abestos abatement per survey items not included: testing, settling, maintenance, damage to concrete, Mark Atkinson  
106 E. 1st street  
Fairmont, MN 56031 | 1   |     | 9,100.00 | 9,100.00 |

### Notes

1.5% Finance Charge Monthly, $.50 min.  
BALANCE DUE UPON RECEIPT  
Any dispute regarding goods or services supplied by Beemer Companies shall be litigated in a court and a county in which Beemer Companies has a business office.

Please sign for approval:

Date:

Subtotal: $9,100.00

Sales Tax (6.875%): $0.00

Total: $9,100.00