

CITY OF TWO HARBORS

May 22, 2023

5:00 p.m. Call to order.

Appearances:

1. Keith Larson, Lake County Veteran's Memorial Association, re: proposed memorial project and use of land.

Administrator updates.

Attorney updates.

Finance Director updates.

City Planner updates.

City Engineer updates.

Other agenda questions or additions.

TWO HARBORS CITY COUNCIL

AGENDA

May 22, 2023

6:00 P.M. Call to order regular meeting of the City Council of the City of Two Harbors.

Roll call:

Pledge of Allegiance:

Additions or Changes to the Agenda:

[M] Approval of the Agenda.

Items may be added to the agenda prior to approval of the agenda. Items brought forth once the agenda has been approved shall be referred to administration and/or committee.

[M] *Closing the meeting for the purpose of discussing a proposed real-estate transaction in accordance with Minnesota Statutes 13D.05.*

[M] *Opening the meeting.*

Appearances:

1. Miles Woodruff, 124 First Avenue
Re: Application to join the Edna G. Commission.

Administrative Reports:

Committee Reports:

Finance & Budget Committee
Utilities Committee
Recreation Board
Edna G. Commission
Trees & Trails Commission

Other.

[R] **Approving the Consent Agenda Items:**

Items listed on the Consent Agenda are routine in nature and typically do not require discussion. If there is an item on the consent agenda that a councilmember feels warrants discussion, it should be removed from the consent agenda and dealt with individually.

1. Approving minutes from the May 8, 2023 Regular City Council meeting.
2. Allowing claims against the City of Two Harbors to be paid on May 23, 2023.

3. Approving payroll for the first half of May, 2023.
4. Approving the Master Agreement for Professional Services Airport Planning Engineering and Construction Services, May 2023 through February 2028 between the City of Two Harbors and Bolton & Menk and authorizing the Mayor and Administrator to execute and deliver said agreement on behalf of the City.
5. Approving the agreement between the City of Two Harbors and Audacity HR to provide professional Human Resources services and authorizing the Mayor and Administrator to execute and deliver said agreement on behalf of the City.
6. Accepting the proposal of Dave Berg for conducting gas and electric utility rate studies in the amount of \$18,000.
7. Authorizing written approval to Lake County for a bid alternate to their aggregate stockpile crushing project to allow the City to purchase 2,000 cubic yards of Class 5 for the Public Works Department.
8. Approving the agreement between the City of Two Harbors and Dylan Svoboda for rental of the property at 622 Seventh Avenue on a month-to-month basis.
9. Accepting, with regret, the notice of retirement from Michael Aho, from his position as Patrol Officer with the Police Department, effective May 31, 2023, and authorizing a letter of appreciation for his service.
10. Authorizing internal and external bulletins for the position of Patrol Officer with the Police Department.
11. Accepting the resignation of Tara Wittlief, with regret, from the position of EDP Technician, effective May 24, and authorizing a letter of appreciation for her service.
12. Authorizing internal and external bulletins for the position of EDP Technician at City Hall.
13. Authorizing internal and external bulletins for the position of Parks, Grounds and Building Maintenance in the Public Works Department.
14. Hiring temporary seasonal employees in the Public Works, and Gas, Water & Sewer Departments and at the Liquor Store.
15. Approving the first quarter financial statements for the City of Two Harbors.
16. Approving the MN Lawful Gambling LG214 Premises Permit Application of Two Harbors Moose Lodge 1463 to operate a pull-tab dispensing machine at the Earthwood Inn.
17. Accepting the proposal of Gulbranson Excavating to bore 4" electrical conduit for the Wastewater Treatment Plant and Van Hoven Park for an amount of \$42,000.
18. Accepting the proposal of Seagren's Home Hardware & Outdoors for the purchase of two lawn mowers for the Public Works Department for an amount of \$9,298.99 including trade in of two mowers for \$2,200.

19. Approving the Special Event Permit Application of the CMVA Regional Rally August 3-6, 2023.

Communications:

1. A letter from Donna Gangestad, 902 Fifth Avenue, objecting to the proposed transfer of property in Segog to the HRA.

Unfinished Business:

New Business:

1. [R] Accepting the recommendation of the Finance & Budget Committee to authorize the purchase of a 2023 International CV515 with an 11' steel contractor dump body from Mid-State Truck Service for an amount of \$96,421, to replace the existing 1997 Chevy 3500 1-ton pickup.
2. [R] Accepting the recommendation of the Finance & Budget Committee to authorize \$12,000 for the 2023 Neighborhood Revitalization Mini-Grant Program, if the County HRA matches that amount.
3. [R] Accepting the recommendation of the Finance & Budget Committee to authorize the payment of \$40,000 to the City HRA with the condition that an agreement is established and executed, which requires the City HRA to provide quarterly reporting on expenditures from this contribution and any funds received as a result of this contribution.
4. [R] Authorizing the Mayor and City Clerk to execute and deliver a Purchase Agreement between the City of Two Harbors and ACRE Development, LLC.
5. [M] Accepting the recommendation of the Utilities Committee to call a special meeting for the purpose of considering a request by John Luepke, of Serene Quarters for permission to connect gas, water and sewer lines to his property on East Stanley Road.
6. [R] Accepting the proposal of Bark's Tree Service to remove trees and brush from Marie and Seventeenth Avenues for the Electrical Department.

Adjourn:



City of Two Harbors
522 1st Avenue
Two Harbors, MN 55616

Application to Join a City of Two Harbors Committee or Commission

Date: 5-5-23

Name of Committee(s)/Commission(s) you are interested in joining:

Edna G Commission

Full Legal Name: Miles Monroe Woodruff

Address: 124 1st Ave

Do you reside in the 55616 zip code: yes

Phone: 218-830-1153

Email: lefty91183@yahoo.com

How did you hear about the Committee(s)/Commission(s) you are applying to join?

used to be on it

Why would you like to join the Committee(s)/Commission(s) you are applying to join?

To help preserve the history and heritage of the tug.

Please submit completed application to Two Harbors City Hall

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Candidate Name: _____

Date: _____

INTERVIEW SCORE SHEET FOR CITY BOARDS AND COMMISSIONS:

All candidates for each committee position will be called to the podium at once. Each candidate will have an opportunity to respond to the question, taking turns at being the first to respond to each question.

(0-10 points each)

Points Awarded:

1. Why are you interested in serving on the City
_____ board/commission? _____
2. What do you know about this board/commission? _____
3. What experience do you have serving on boards
or commissions? Board members bring experience,
wisdom and strategic thinking. What do you hope
to bring to our board in terms of personal skills and
abilities? _____
4. This board or commission meets ____ times per
month and will likely involve reading or other
work outside of the meetings. How much time
are you able to commit to the organization?
(review schedule of meetings for said commission) _____
5. Are there any limitations that may prevent you
from serving at full capacity?
(example: going away for the winter.) _____
6. What role would you hope to play on the board? _____
7. What do you hope to accomplish within your term? _____
8. What do you feel are the characteristics of a great
board member? _____
9. Are you aware of any conflicts of interest you
would have in serving on this board or commission? _____

TOTAL: _____

City Code requires that City board and commission members take an oath of office and abide by a code of conduct and ethics, are you willing to take said oath and abide by a code of conduct and ethics as it pertains to serving on this board or commission? *(Provide a copy of oath of office and code of conduct and ethics.)*

RESIDENCY REQUIREMENTS:

Which of the following describes you: a resident of the City of Two Harbors, property owner in the City;
Or do you reside in the 55616 zip code.
(No points for this question.)

Interview Committee Member Name: _____

* * * * *

May 8, 2023

Regular meeting of the City Council of the City of Two Harbors, Minnesota, held on Monday, May 8, 2023, at 6:00 p.m.

The meeting was called to order by President Redden.

Members present, Councilors: Hefter, Glaser, Kasell, Conner, Erickson, Redden. 6.

Members absent, Councilor: Passe. 1.

Others present: Administrator, Nordean
Finance Director, Pietila
City Attorney, Costley.

Administrator Nordean requested that the following items be added to the agenda: New Business 8. Authorizing the Public Works, Gas, Water & Sewer and Electric Departments to operate under a schedule of four ten-hour shifts, Monday through Thursdays from Memorial Day through Labor Day on a trial basis; and New Business 9. Authorizing the rental of the house at 622 Seventh Avenue on a temporary basis for new electrical department staff, and authorizing staff to establish a monthly rental fee and the attorney to develop a lease agreement; Consent Agenda 23. Authorizing payment to Bolton & Menk in the amount of \$3,063 for the Chlorine Tank; 24. Authorizing payment to Bolton & Menk in the amount of \$362.63 for professional services for the Wastewater Treatment Project; and New Business 10, Accepting the proposal of Bolton & Menk to provide construction administration services for the Water Treatment Plant Project in the amount of \$618,500.

Motion by Conner and Hefter approving the agenda with the changes proposed by the administrator. Carried.

Motion by Glaser and Kasell closing the meeting for the purpose of discussing a proposed real-estate transaction in accordance with Minnesota Statutes 13D.05. Carried.

Motion by Erickson and Glaser re-opening the meeting. Carried.

Administrator Report:

Nordean reported on issues the administrative staff have been working on including labor negotiations with the Teamsters bargaining unit; attendance at the Airport Conference in Alexandria; Classification and Classification Study; City Scene, posting of certain City jobs;

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meeting with real estate agent regarding a request for re-zoning and discussions regarding the proposed extension of utilities for the East Stanley Road Project.

Liquor Store Advisory Group:

Nordean reported that at their last meeting, the group selected paint and flooring samples for the interior and siding and trim for the exterior of the building. Redden expressed that the group has requested an estimate of the cost for their next meeting and that there will still be a need for some small group meetings to complete selection of shelving and fixtures.

Planning Commission:

Councilor Glaser reported on the Planning Commission's May 2 meeting where they discussed the HRA's request for the transfer of lots in Segog for affordable housing, parklets, social distancing and unoccupied buildings within the City.

Library Board:

Councilor Hefter reported on a scholarship received by Librarian Jarvis for attendance at the Regional Library Conference, the group is working on updates to policy language regarding disruptive behavior, summer hours, e-books platform and an opportunity to partner with Kulture City, to make the Library be more inclusive for individuals with sensory issues.

Motion by Hefter and Conner that the following consent agenda items:

1. Approving minutes from the February 27, March 13 and 27, and April 10, 2023 Regular City Council meetings.
2. **RESOLUTION NO. 5-142-23 ALLOWING CLAIMS AGAINST THE CITY OF TWO HARBORS, IN THE AMOUNT OF \$1,789,361.02.**
3. Approving payroll for the second half of April, 2023, in the amount of \$224,667.80.
4. **RESOLUTION NO. 5-143-23 AUTHORIZING PAYMENT TO WSB FOR MATERIALS TESTING FOR THE WASTEWATER TREATMENT PLANT PROJECT IN THE AMOUNT OF \$880.00.**
5. **RESOLUTION NO. 5-144-23 AUTHORIZING PAYMENT TO BOLTON & MENK IN THE AMOUNT OF \$965.00 FOR PROFESSIONAL SERVICES FOR THE GIS ONLINE MIGRATION.**
6. **RESOLUTION NO. 5-145-23 AUTHORIZING PAYMENT TO BOLTON & MENK IN THE AMOUNT OF \$1,981 FOR GENERAL ENGINEERING SERVICES FROM FEBRUARY 4 THROUGH MARCH 3, 2023.**
7. **RESOLUTION NO. 5-146-23 AUTHORIZING PAYMENT TO BOLTON & MENK IN THE AMOUNT OF \$966 FOR PROFESSIONAL SERVICES FOR THE 2018 STREET IMPROVEMENT PROJECT.**

- 7A. **RESOLUTION NO. 5-147-23 AUTHORIZING PAYMENT TO BOLTON & MENK IN THE AMOUNT OF \$804 FOR PROFESSIONAL SERVICES FOR THE 2021 – 2022 STREET IMPROVEMENT PROJECT.**
8. **RESOLUTION NO. 5-148-23 AUTHORIZING PAYMENT TO BOLTON & MENK IN THE AMOUNT OF \$51,224.50 FOR PROFESSIONAL SERVICES FOR THE 2023-2024 STREET IMPROVEMENT PROJECT.**
9. **RESOLUTION NO. 5-149-23 AUTHORIZING PAYMENT TO BOLTON & MENK IN THE AMOUNT OF \$5,564 FOR PROFESSIONAL SERVICES FOR THE LIQUOR STORE PROJECT.**
10. **RESOLUTION NO. 5-150-23 AUTHORIZING PAYMENT TO BOLTON & MENK IN THE AMOUNT OF \$449.50 FOR PROFESSIONAL SERVICES FOR THE MNDOT RECONSTRUCTION PROJECT.**
11. **RESOLUTION NO. 5-151-23 AUTHORIZING PAYMENT TO LAKEHEAD CONSTRUCTION IN THE AMOUNT OF \$874,375.32 FOR THE WASTEWATER TREATMENT PLANT PROJECT.**
12. **RESOLUTION NO. 5-152-23 AUTHORIZING PAYMENT TO LAKE COUNTY HIGHWAY DEPARTMENT FOR TREE REMOVAL FOR THE 2023 – 2024 STREET IMPROVEMENT PROJECT IN THE AMOUNT OF \$408.33.**
13. **RESOLUTION NO. 5-153-23 ACCEPTING THE PROPOSAL FROM ANDERSON'S GREENHOUSE TO PROVIDE 47 HANGING BASKETS FOR AN AMOUNT OF \$8,595, WITH THE OPTION TO PROVIDE WATERING AND FERTILIZING SERVICES AT A COST OF \$200 EACH TIME.**
14. **RESOLUTION NO. 5-154-23 AUTHORIZING THE PURCHASE OF AN EXHAUST FILTER FOR THE CASE BACKHOE FOR THE PUBLIC WORKS DEPARTMENT, FOR AN AMOUNT OF \$2,300.**
15. **RESOLUTION NO. 5-155-23 AUTHORIZING THE PURCHASE OF 3000' OF 4" SDR 13.5 PIPE FROM GULBRANSON EXCAVATING FOR AN AMOUNT OF \$13,800 FOR THE WASTEWATER TREATMENT PLANT PROJECT AND TO BRING POWER TO VAN HOVEN PARK.**
16. **RESOLUTION NO. 5-156-23 AUTHORIZING THE PURCHASE OF FOUR 40' LIGHT POLES FROM MILLERBERND TO REPLACED DAMAGED POLES ON HIGHWAY 61 AT A COST OF \$8,636.**
17. **Accepting the resignation of Jadell Cavallin from the position of Custodian in the Public Works Department, effective June 1, 2023, with regret, and authorizing a letter of appreciation for her service.**
18. **Authorizing internal and external postings for the position of Custodian in the Public Works Department.**

19. Accepting the resignation of Evan Sandretsky, from his position as Journey Lineworker, effective May 22, 2023, with regret, and authorizing a letter of appreciation for his service.
20. Authorizing internal and external postings for the position of Lineworker in the Electrical Department.
21. **RESOLUTION NO. 5-157-23 MEMORIALIZING THE SHORT-TERM RENTAL BASELINE ESTABLISHED BY THE PLANNING COMMISSION ON JUNE 6, 2022.**
22. **RESOLUTION NO. 5-158-23 AUTHORIZING THE MAYOR AND ADMINISTRATOR TO EXECUTE AND DELIVER THE GRANT CONTRACT AGREEMENT BETWEEN THE CITY OF TWO HARBORS AND THE STATE OF MINNESOTA THROUGH ITS COMMISSIONER OF THE DEPARTMENT OF IRON RANGE RESOURCES AND REHABILITATION FOR A RESIDENTIAL REDEVELOPMENT GRANT FOR A PROJECT BY DONNA HEIL LOCATED AT 506 EIGHTH AVENUE IN THE AMOUNT OF \$4,032 FOR A RESIDENTIAL DEMOLITION.**
23. **RESOLUTION NO. 5-159-23 AUTHORIZING PAYMENT TO BOLTON & MENK IN THE AMOUNT OF \$3,063 FOR PROFESSIONAL SERVICES RELATED TO THE CHLORINE TANK.**
24. **RESOLUTION NO. 5-160-23 AUTHORIZING PAYMENT TO BOLTON & MENK FOR PROFESSIONAL SERVICES FOR THE WASTEWATER TREATMENT PLANT.**

Be adopted as read. Carried by a unanimous vote of all members present on roll call.

Communications:

1. A memo from Jennifer Selchow, P.E., Bolton & Menk, Inc. regarding the Wastewater Treatment Plant Project.
2. A memo from Joe Rhein, Bolton & Menk, providing an update on City engineering projects.
3. A memo from Joe Rhein, Bolton & Menk, providing an update on the Odegard Park Trail Project.
4. An email from Josie Olson, MnDOT, providing options for the accesses and pedestrian crossings in the area between Fourth Street and Park Road, and requesting to know which has City support.

New Business:

Motion by Erickson and Glaser that **RESOLUTION NO. 5-161-23 UPDATING SIGNING AND KEY EXECUTIVE AUTHORITY FOR THE CITY OF TWO HARBORS PETTY CASH ACCOUNT WITH PARK STATE BANK** be adopted as read. Carried by a unanimous yea vote of all members present on roll call.

Motion by Glaser and Conner referring to the Finance and Budget Committee, a proposed housing development by P & R Companies. Carried.

Motion by Hefter and Conner that **RESOLUTION NO. 5-162-23 LIFTING OF THE CURRENT MORATORIUM ON HEMP-BASED THC PRODUCTS** be adopted as read. Carried by the following vote: Yeas: Hefter, Conner, Redden. Abstain: Kasell; Nays: Glaser, Erickson.

Motion by Erickson and Conner referring to the Recreation Board and Finance Committee, a request to transfer certain parcels located in Segog Park to the HRA for a project with THHS to construct affordable housing units. Carried.

Motion by Erickson and Hefter directing that Odegard Trail plans be updated as outlined in Option B1. Carried.

Motion by Hefter and Glaser to offer replacement trees to all households impacted by street or sidewalk improvement projects from 2018 – 2022. Carried.

Motion by Erickson and Kassel to pursue consideration for establishment of a social district in downtown Two Harbors. Carried.

Motion by Glaser and Hefter authorizing the Public Works, Gas, Water & Sewer and Electric Departments to operate under a schedule of four ten-hour shifts, Monday through Thursday, from Memorial Day through Labor Day on a trial basis. Carried.

Motion by Glaser and Kassel authorizing the rental of the house at 622 Seventh Avenue on a temporary basis for new Electrical Department staff and authorizing staff to establish a monthly rental fee and the Attorney to develop a lease agreement. Carried.

Motion by Erickson and Conner that **RESOLUTION NO. 5-163-23 ACCEPTING THE PROPOSAL OF BOLTON & MENK TO PROVIDE CONSTRUCTION ADMINISTRATION SERVICES FOR THE WATER TREATMENT PROJECT IN THE AMOUNT OF \$618,500** be adopted as read. Carried by a unanimous yea vote of all members present on roll call.

Motion by Glaser and Conner that the meeting adjourn. Carried by a unanimous yea vote of all members present on roll call.

Ben Redden, President, City Council

Patricia D. Nordean, City Clerk



**CITY OF TWO HARBORS
CITY COUNCIL**

**AGENDA ITEM
COVER SHEET**

| | | |
|--|-------------------------------|----------------------------|
| Originating Staff: Miranda Pietila | Department: Airport | Date: 05/22/2023 |
| Agenda Item Subject: Consider approving Master Agreement for Professional Services for Airport Planning, Engineering and Construction Services from May 2023 to February 2028 | Fiscal Impact: | |
| BACKGROUND: See attached agreement from Bolton & Menk. Per FAA guidelines, the city needs to request engineering service proposals every 5 years. This contract is from May 2023 to February 2028. | | |
| COUNCIL ACTION REQUESTED: Approve Master Agreement for Professional Services for Airport Planning, Engineering and Construction Services from May 2023 to February 2028 | | |
| RECOMMENDATION: Approve Master Agreement for Professional Services for Airport Planning, Engineering and Construction Services from May 2023 to February 2028 | | |
| ATTACHMENTS: Master Agreement | | |

**MASTER AGREEMENT FOR PROFESSIONAL SERVICES
AIRPORT PLANNING, ENGINEERING AND CONSTRUCTION SERVICES
MAY 2023 THROUGH FEBRUARY 2028**

**TWO HARBORS MUNICIPAL AIRPORT (TWM)
CITY OF TWO HARBORS, MINNESOTA**

This Agreement made this 22nd day of May 2023, by and between the City of Two Harbors, 522 First Avenue, Two Harbors, MN 55616, hereinafter referred to as CLIENT, and BOLTON & MENK, INC., 7533 Sunwood Drive NW Suite 206, Ramsey, MN 55303, hereinafter referred to as CONSULTANT.

WITNESS, whereas the CLIENT requires professional services in conjunction with future airport planning, engineering, and construction services as listed in the ACIP for the Two Harbors Municipal Airport and whereas the CONSULTANT agrees to furnish the various professional services required by the CLIENT throughout the 5-year Airport Consultant Selection period.

NOW, THEREFORE, in consideration of the mutual covenants and promises between the parties hereto, it is agreed:

SECTION 1 - CONSULTANT'S SERVICES

- A. The CONSULTANT agrees to perform the various Basic Services in connection with the proposed project as described in future Work Orders.
- B. Upon mutual agreement of the parties hereto, Additional Services may be authorized as described in subsequent Work Orders or as described in Paragraph 4.B and the associated Work Order may be revised accordingly through a mutually agreed addendum.

SECTION 2 - THE CLIENT'S RESPONSIBILITIES

- A. The CLIENT shall promptly compensate the CONSULTANT in accordance with Section 3 of this Agreement.
- B. The CLIENT shall place any and all previously acquired information in its custody at the disposal of the CONSULTANT for its use. Such information shall include, but is not limited to: boundary surveys, topographic surveys, preliminary sketch plan layouts, building plans, soil surveys, abstracts, deed descriptions, tile maps and layouts, aerial photos, utility agreements, environmental reviews, and zoning limitations. The CONSULTANT may rely upon the accuracy and sufficiency of all such information in performing services unless otherwise instructed, in writing, by CLIENT.
- C. The CLIENT will guarantee access to and make all provisions for entry upon public portions of the project and reasonable efforts to provide access to private portions and pertinent adjoining properties.
- D. The CLIENT will give prompt notice to the CONSULTANT whenever the CLIENT observes or otherwise becomes aware of any defect in the proposed project.
- E. The CLIENT shall designate a liaison person to act as the CLIENT'S representative with respect to services to be rendered under this Agreement. Said representative shall have the authority to transmit instructions, receive instructions, receive information, interpret, and define the CLIENT'S policies with respect to the project and CONSULTANT'S services.
- F. The CONSULTANT'S services do not include legal, insurance counseling, accounting, independent cost estimating, financial advisory or "municipal advisor" (as described in Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act 2010 and the municipal advisor registration rules issued by the SEC) professional services and the CLIENT shall provide such services as may be required for completion of the Project described in this Agreement.
- G. The CLIENT will obtain any and all regulatory permits required for the proper and legal execution of the Project. CONSULTANT will assist CLIENT with permit preparation and documentation to the extent described in Exhibit A.
- H. The CLIENT may hire, at its discretion, when requested by the CONSULTANT, an independent test company to perform laboratory and material testing services, and soil investigation that can be justified for the proper design and construction of the Project. The CONSULTANT shall assist the CLIENT in selecting a testing company. Payment for testing services shall be made directly to the testing company by the CLIENT and is not part of this Agreement. If CLIENT elects not to hire an independent test company, CLIENT shall provide CONSULTANT with guidance and direction on completing those aspects of design and construction that require additional testing data.

SECTION 3 - COMPENSATION FOR SERVICES

A. FEES.

1. The CLIENT will compensate the CONSULTANT in accordance with the applicable Exhibit B Schedule of Fees ("Schedule of Fees") attached to each future Work Order for the time spent in performance of Agreement services or as otherwise explicitly described in the future Work Order or Addendum for the specific assignment.
2. Additional Services as outlined in Section 1.B and 4.B will vary depending upon project conditions and will be billed in addition to the agreed compensation in each Work Order.

a. Construction Services

The CONSULTANT and CLIENT agree that the duration of the construction activity is dependent upon factors that are outside of the control of the CONSULTANT, such as weather, site conditions, contractor experience, contractor expertise, contractor scheduling and contractor efficiency. When the extent of these construction services beyond the control of the CONSULTANT occurs, the CLIENT agrees that the CONSULTANT will be reimbursed for additional Construction Services in excess of the budget stated in the Work Order. Compensation shall be based on the standard hourly rate for the individuals providing services on the project.

3. Basic Services as outlined in each Work Order will vary depending upon project conditions and will be billed in accordance with the rate schedule attached to the Work Order. Hourly rates may be adjusted by CONSULTANT, on an annual basis thereafter to reflect reasonable changes in its operating costs, or as may be appropriate for a specific Task Order. Adjusted rates will become effective on January 1st of each subsequent year; or, upon mutual agreement of the parties and inclusion in a Task Order, upon execution of that Task Order
4. Rates and charges do not include sales tax. If such taxes are imposed and become applicable after the date of this Agreement CLIENT agrees to pay any applicable sales taxes.
5. The rates in the Schedule of Fees include labor, general business and other normal and customary expenses associated with operating a professional business. Unless otherwise agreed in writing, the above fees include vehicle and personal expenses, mileage, telephone, survey stakes and routine expendable supplies; and no separate charges will be made for these activities and materials.
6. Reimbursable Direct Expenses: Except for those expenses identified in Paragraph 3.A.5, any expenses required to complete the agreed scope of services or identified in this paragraph will be listed separately on the invoice, and include but are not limited to large quantities of prints; extra report copies; out-sourced graphics and photographic reproductions; document recording fees; special field and traffic control equipment rental; outside professional and technical assistance; geotechnical services; and other items of this general nature required by the CONSULTANT to fulfill the terms of this Agreement. CONSULTANT shall be reimbursed at cost plus an overhead fee (not-to-exceed 10%) for these Direct Expenses incurred in the performance of the work, subject to any limit set forth in Section 3 or any Task Order.

B. PAYMENTS AND RECORDS

1. The payment to the CONSULTANT will be made by the CLIENT upon billing at intervals not more often than monthly at the herein rates and terms.
2. If CLIENT fails to make any payment due CONSULTANT for undisputed services and expenses within 45 days after date of the CONSULTANT'S invoice, a service charge of one and one-half percent (1.5%) per month or the maximum rate permitted by law, whichever is less, will be charged on any unpaid balance.
3. In addition to the service charges described in preceding paragraph, if the CLIENT fails to make payment for undisputed services and expenses within 60 days after the date of the invoice, the CONSULTANT may, upon giving seven days' written notice to CLIENT, suspend services and withhold project deliverables due under this Agreement until CONSULTANT has been paid in full for all past due amounts for undisputed services, expenses and charges, without waiving any claim or right against the CLIENT and without incurring liability whatsoever to the CLIENT.
4. Documents Retention. The CONSULTANT will maintain records that reflect all revenues, costs incurred, and services provided in the performance of the Agreement. The CONSULTANT will also agree that the CLIENT, State, or their duly authorized representatives may, at any time during normal business hours and as often as reasonably necessary, have access to and the right to examine, audit, excerpt, and transcribe any books, documents, papers, records, etc., and accounting procedures and practices of the CONSULTANT which are relevant to the contract for a period of six years.

SECTION 4 - GENERAL

A. STANDARD OF CARE

Professional services provided under this Agreement will be conducted in a manner consistent with that level of care and skill ordinarily exercised by members of the CONSULTANT'S profession currently practicing under similar conditions. No warranty, express or implied, is made.

B. CHANGE IN PROJECT SCOPE

In the event the CLIENT changes or is required to change the scope or duration of the project from that described in this Agreement, any Task Order or Addendum, and such changes require Additional Services by the CONSULTANT, the CONSULTANT shall be entitled to additional compensation at the applicable hourly rates. To the fullest extent practical, the CONSULTANT shall give notice to the CLIENT of any Additional Services, prior to furnishing such Additional Services. Except for Additional Services required to address emergencies or acts of God that impact the Project, the CONSULTANT shall furnish an estimate of additional cost, prior to authorization of the changed scope of work. Any change will be memorialized in writing and executed, either as an Addendum to this Agreement or the affected Task Order; or issuance of a new Task Order for the Additional Services.

C. LIMITATION OF LIABILITY

1. General Liability of CONSULTANT. For liability other than professional acts, errors, or omissions, and to the fullest extent permitted by law, CONSULTANT shall indemnify, defend and hold harmless CLIENT from losses, damages, and judgments (including reasonable attorneys' fees and expenses of litigation) arising from claims or actions relating to the project, provided that any such claim, action, loss, damages, or judgment is attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of tangible property, but only to the extent caused by the acts and omissions in the non-professional services of CONSULTANT or CONSULTANT'S employees, agents, or subconsultants.
2. Professional Liability of CONSULTANT. With respect to professional acts, errors and omissions and to the fullest extent permitted by law, CONSULTANT shall indemnify and hold harmless CLIENT from losses, damages, and judgments (including reasonable attorneys' fees and expenses of litigation) arising from third-party claims or actions relating to the project, provided that any such claim, action, loss, damages, or judgment is attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of tangible property, but only to the extent caused by a negligent act, error or omission of CONSULTANT or CONSULTANT'S employees, agents, or subconsultants. This indemnification shall include reimbursement of CLIENT'S reasonable attorneys' fees and expenses of litigation, but only to the extent that defense is insurable under CONSULTANT'S liability insurance policies.
3. General Liability of CLIENT. To the fullest extent permitted by law and subject to the maximum limits of liability set forth in Minnesota Statutes Section 466.04, CLIENT shall indemnify, defend and hold harmless CONSULTANT from losses, damages, and judgments (including reasonable attorneys' fees and expenses of litigation) arising from third-party claims or actions relating to the project, provided that any such claim, action, loss, damages, or judgment is attributable to bodily injury, sickness, disease, or death, or to injury to or

- destruction of tangible property, but only to the extent caused by the acts or omission of CLIENT or CLIENT'S employees, agents, or other consultants.
4. Nothing contained in this Agreement shall create a contractual relationship with or a cause of action in favor of a third party against either the CLIENT or the CONSULTANT. The CONSULTANT'S services under this Agreement are being performed solely for the CLIENT'S benefit, and no other entity shall have any claim against the CONSULTANT because of this Agreement or the performance or nonperformance of services provided hereunder.
 5. To the fullest extent permitted by law, CLIENT and CONSULTANT waive against each other, and the other's employees, officers, directors, members, agents, insurers, partners, and consultants, any and all claims for or entitlement to special, incidental, indirect, or consequential damages arising out of, resulting from, or in any way related to this Agreement, from any cause or causes.
 6. CLIENT waives all claims against individuals involved in the services provided by CONSULTANT under this Agreement and agrees that any claim, demand, or suit shall be directed/asserted only against the CONSULTANT's corporate entity.

D. INSURANCE

1. The CONSULTANT agrees to maintain, at CONSULTANT'S expense a commercial general liability (CGL) and excess or umbrella general liability insurance policy or policies insuring CONSULTANT against claims for bodily injury, death or property damage arising out of CONSULTANT'S general business activities. The general liability coverage shall provide limits of not less than \$2,000,000 per occurrence and not less than \$2,000,000 general aggregate. Coverage shall include Premises and Operations Bodily Injury and Property Damage; Personal and Advertising Injury; Blanket Contractual Liability; Products and Completed Operations Liability.
2. The CONSULTANT also agrees to maintain, at CONSULTANT'S expense, a single limit or combined limit automobile liability insurance and excess or umbrella liability policy or policies insuring owned, non-owned and hired vehicles used by CONSULTANT under this Agreement. The automobile liability coverages shall provide limits of not less than \$1,000,000 per accident for property damage, \$2,000,000 for bodily injuries, death and damages to any one person and \$2,000,000 for total bodily injury, death and damage claims arising from one accident.
3. CLIENT shall be named Additional Insured for the CGL and Auto liability policies.
4. The CONSULTANT agrees to maintain, at the CONSULTANT'S expense, statutory worker's compensation coverage together with Coverage B, Employer's Liability limits of not less than \$500,000 for Bodily Injury by Disease per employee, \$500,000.00 for Bodily Injury by Disease aggregate and \$500,000 for Bodily Injury by Accident.
5. The CONSULTANT also agrees to maintain, at CONSULTANT'S expense, Professional Liability Insurance coverage insuring CONSULTANT against damages for legal liability arising from a negligent act, error or omission in the performance of professional services required by this Agreement during the period of CONSULTANT'S services and for three years following date of final completion of its services. The professional liability insurance coverage

shall provide limits of not less than \$2,000,000 per claim and an annual aggregate of not less than \$2,000,000 on a claims-made basis.

6. CLIENT shall maintain statutory Workers Compensation insurance coverage on all of CLIENT'S employees and other liability insurance coverage for injury and property damage to third parties due to the CLIENT'S negligence.
7. Prior to commencement of this Agreement, CONSULTANT will provide the CLIENT with certificates of insurance, showing evidence of required coverages. All policies of insurance shall contain a provision or endorsement that the coverage afforded will not be canceled or reduced in limits by endorsement for any reason except non-payment of premium, until at least 30 days prior written notice has been given to the Certificate Holder, and at least 10 days prior written notice in the case of non-payment of premium

E. OPINIONS OR ESTIMATES OF CONSTRUCTION COST

Where provided by the CONSULTANT as part of any Task Order or Addendum or otherwise, opinions or estimates of construction cost will generally be based upon public construction cost information. Since the CONSULTANT has no control over the cost of labor, materials, competitive bidding process, weather conditions and other factors affecting the cost of construction, all cost estimates are opinions for general information of the CLIENT and the CONSULTANT does not warrant or guarantee the accuracy of construction cost opinions or estimates. The CLIENT acknowledges that costs for project financing should be based upon contracted construction costs with appropriate contingencies.

F. CONSTRUCTION SERVICES

It is agreed that the CONSULTANT and its representatives shall not at any time supervise, direct, control, or have authority over any contractor's work, nor shall CONSULTANT have authority over or be responsible for the means, methods, techniques, sequences, or procedures of construction selected or used by any contractor, or the safety precautions and programs incident thereto, for security or safety at any Project site, nor for any failure of a contractor to comply with Laws and Regulations applicable to that contractor's furnishing and performing of its work. CONSULTANT shall not be responsible for the acts or omissions of any contractor. CLIENT acknowledges that on-site contractor(s) are solely responsible for construction site safety programs and their enforcement.

G. USE OF ELECTRONIC/DIGITAL DATA

1. Because of the potential instability of electronic/digital data and susceptibility to unauthorized changes, copies of documents that may be relied upon by CLIENT are limited to the printed copies (also known as hard copies) that are signed or sealed by CONSULTANT. Except for electronic/digital data which is specifically identified as a project deliverable for this Agreement or except as otherwise explicitly provided in this Agreement, all electronic/digital data developed by the CONSULTANT as part of the project is acknowledged to be an internal working document for the CONSULTANT'S purposes solely and any such information provided to the CLIENT shall be on an "AS IS" basis strictly for the convenience of the CLIENT without any warranties of any kind. As such, the CLIENT is advised and acknowledges that use of such information may require substantial modification and independent verification by the CLIENT (or its designees).

2. Provision of electronic/digital data, whether required by this Agreement or provided as a convenience to the Client, does not include any license of software or other systems necessary to read, use or reproduce the information. It is the responsibility of the CLIENT to verify compatibility with its system and long-term stability of media. CLIENT shall indemnify and hold harmless CONSULTANT and its Subconsultants from all claims, damages, losses, and expenses, including attorneys' fees arising out of or resulting from third party use or any adaptation or distribution of electronic/digital data provided under this Agreement, unless such third-party use and adaptation or distribution is explicitly authorized by this Agreement.

H. REUSE OF DOCUMENTS

1. Drawings and Specifications and all other documents (including electronic and digital versions of any documents) prepared or furnished by CONSULTANT pursuant to this Agreement are instruments of service in respect to the project and CONSULTANT shall retain an ownership interest therein. Upon payment of all fees owed to the CONSULTANT, the CLIENT shall acquire a limited license in all identified deliverables (including Reports, Plans and Specifications) for any reasonable use relative to the project and the general operations of the CLIENT. Such limited license to Owner shall not create any rights in third parties.
2. CLIENT may make and disseminate copies for information and reference in connection with the use and maintenance of the project by the CLIENT. However, such documents are not intended or represented to be suitable for reuse by CLIENT or others on extensions of the project associated with any particular Task Order or Addendum or on any other project. Any reuse by CLIENT or, any other entity acting under the request or direction of the CLIENT, without written verification or adaptation by CONSULTANT for such reuse will be at CLIENT'S sole risk and without liability or legal exposure to CONSULTANT and CLIENT shall indemnify and hold harmless CONSULTANT from all claims, damages, losses, and expenses including attorney's fees arising out of or resulting from such reuse.

I. CONFIDENTIALITY

CONSULTANT agrees to keep confidential and not to disclose to any person or entity, other than CONSULTANT'S employees and subconsultants any information obtained from CLIENT not previously in the public domain or not otherwise previously known to or generated by CONSULTANT. These provisions shall not apply to information in whatever form that comes into the public domain through no fault of CONSULTANT; or is furnished to CONSULTANT by a third party who is under no obligation to keep such information confidential; or is information for which the CONSULTANT is required to provide by law or authority with proper jurisdiction; or is information upon which the CONSULTANT must rely for defense of any claim or legal action.

J. PERIOD OF AGREEMENT

This Agreement will remain in effect for the longer of a period of five (5) years after written authorization to proceed is issued by CLIENT; or until the specified completion date for any subsequently issued Task Order or Addendum that falls after the end of that period; or such other expressly identified completion date, after which time the Agreement may be extended upon mutual agreement of both parties.

K. HAZARDOUS MATERIALS

1. Except as expressly stated in a specific Task Order, the parties acknowledge that CONSULTANT'S Services do not include any services related to Constituents of Concern. If CONSULTANT or any other party encounters, uncovers, or reveals a Constituent of Concern at the Project site or should it become known in any way that such materials may be present at the site or any adjacent areas that may affect the performance of the CONSULTANT's services, then CONSULTANT may, at its option and without liability for consequential or any other damages: 1) suspend performance of Services on the portion of the Project affected thereby until the CLIENT retains appropriate specialist consultant(s) or contractor(s) to identify, abate and/or remove such materials, and warrant that the site is in full compliance with applicable laws and regulations; or, 2) terminate the applicable specific Task Order if it is not practical to continue providing Services.
 - a. Constituent of Concern is defined as asbestos, petroleum, radioactive material, polychlorinated biphenyls (PCBs), lead based paint (as defined by the HUD/EPA standard), hazardous waste, and any substance, product, waste, or other material of any nature whatsoever that is or becomes listed, regulated, or addressed pursuant to laws and regulations regulating, relating to, or imposing liability or standards of conduct concerning, any hazardous, toxic, or dangerous waste, substance, or material.

L. TERMINATION

1. For Cause: This Agreement or any Task Order may be terminated by either party upon 7 days written notice in the event of substantial failure by other party to perform in accordance with the terms of this Agreement through no fault of the terminating party.
 - a. For termination by CONSULTANT, Cause includes, but is not limited to, failure by CLIENT to pay undisputed amounts owed to CONSULTANT within 120 days of invoice and delay or suspension of CONSULTANT's services for more than 120 days for reasons beyond CONSULTANT'S cause or control.
 - b. Notwithstanding the foregoing and with consent of terminating party, this Agreement will not terminate under paragraph 4.L.1 if the party receiving such notice immediately commences correction of any substantial failure and cures the same within 10 days of receipt of the notice.
2. For Convenience: This Agreement or any Task Order may be terminated for convenience by CLIENT upon 7 days written notice to CONSULTANT.
3. The notice of termination shall identify the individual Task Order being terminated, or if the terminating party intends to terminate the entire Agreement the notice shall so state. This Termination process shall apply only to those elements expressly identified in the notice.
4. In the event of termination by CLIENT for convenience or by CONSULTANT for cause, the CLIENT shall be obligated to the CONSULTANT for payment of amounts due and owing including payment for services performed or furnished to the date and time of termination, computed in accordance with Section 3 of this Agreement. Upon receipt of payment, CONSULTANT shall deliver, and CLIENT shall have, at its sole risk, right of use of any completed or partially completed deliverables, subject to provisions of Paragraph 4.H.

5. In event of termination by CLIENT for cause, CLIENT shall compensate CONSULTANT for all undisputed amounts owed CONSULTANT as of date of termination and, upon receipt of payment, CONSULTANT shall deliver to CLIENT and CLIENT shall have, at its sole risk, right of use of any completed or partially completed deliverables, subject to the provisions of Section 4.H. All other matters will be resolved in accordance with the Dispute Resolution clause of this Agreement.

M. INDEPENDENT CONTRACTOR

Nothing in this Agreement is intended or should be construed in any manner as creating or establishing the relationship of co-partners between the parties hereto or as constituting the CONSULTANT or any of its employees as the agent, representative, or employee of the CLIENT for any purpose or in any manner whatsoever. The CONSULTANT is to be and shall remain an independent contractor with respect to all services performed under this Agreement.

N. CONTINGENT FEE

The CONSULTANT warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for the CONSULTANT to solicit or secure this Agreement, and that it has not paid or agreed to pay any company or person, other than a bona fide employee, any fee, commission, percentage, brokerage fee, gift or any other consideration, contingent upon or resulting from award or making of this Agreement.

O. NON-DISCRIMINATION

The provisions of any applicable law or ordinance relating to civil rights and discrimination shall be considered part of this Agreement as if fully set forth herein. **The CONSULTANT is an Equal Opportunity Employer** and it is the policy of the CONSULTANT that all employees, persons seeking employment, subcontractors, subconsultants and vendors are treated without regard to their race, religion, sex, color, national origin, disability, age, sexual orientation, marital status, public assistance status or any other characteristic protected by federal, state or local law.

P. ASSIGNMENT

Neither party shall assign or transfer any interest in this Agreement without the prior written consent of the other party.

Q. SURVIVAL

All obligations, representations and provisions made in or given in Section 4 and Documents Retention clause of this Agreement will survive the completion of all **services** of the CONSULTANT under this Agreement or the termination of this Agreement for any reason.

R. SEVERABILITY

Any provision or part of the Agreement held to be void or unenforceable under any law or regulation shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon CLIENT and CONSULTANT, who agree that the Agreement shall be reformed to

replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

S. CONTROLLING LAW

This Agreement is to be governed by the law of the State of Minnesota and venued in courts of Minnesota; or at the choice of either party, and if federal jurisdictional requirements can be met, in federal court in the district in which the project is located.

T. DISPUTE RESOLUTION

CLIENT and CONSULTANT agree to negotiate all disputes between them in good faith for a period of 30 days from the date of notice of dispute prior to proceeding to formal dispute resolution or exercising their rights under law. Any claims or disputes unresolved after good faith negotiations shall then be submitted to mediation using a neutral from the Minnesota District Court Rule 114 Roster, or if mutually agreed at time of dispute submittal, a neutral from the American Arbitration Association Construction Industry roster. If mediation is unsuccessful in resolving the dispute, then either party may seek to have the dispute resolved by bringing an action in a court of competent jurisdiction.

U. MINNESOTA GOVERNMENT DATA PRACTICES ACT

All data collected, created, received, maintained, or disseminated, or used for any purposes in the course of the CONSULTANT'S performance of the Agreement is governed by the Minnesota Government Data Practices Act, Minnesota Statutes Section 13.01, et seq. or any other applicable state statutes and state rules adopted to implement the Act, as well as state statutes and federal regulations on data privacy. The Consultant agrees to abide by these statutes, rules, and regulations and as they may be amended. In the event the CONSULTANT receives a request to release data, it shall notify CLIENT as soon as practical. The CLIENT will give instructions to CONSULTANT concerning release of data to the requesting party and CONSULTANT will be reimbursed as Additional Services by CLIENT for its reasonable expenses in complying with the request

V. SECTION 508 OF THE REHABILITATION ACT

All electronic Information Technology (IT) procured, developed, maintained or used as part of this Contract shall comply with Section 508 standards.

W. FEDERAL CONTRACT PROVISIONS

The agreement includes all provisions of the attached Exhibit I, "Required A/E Contact Provisions apply for Airport Improvement Program and for Obligated Sponsors" for Architectural/Engineering Professional Services funded under the Federal Airport Improvement Program (AIP) are deemed part of this agreement and are incorporated herein. All references to "contractor" shall also mean "CONSULTANT".

X. AUDIT REVIEW

The CLIENT, the Federal Aviation Administration, the Comptroller General of the United States, or any of the duly authorized representatives shall have access to any books, documents, papers,

and records of consultants, which are directly pertinent to a specific grant program, for the purpose of making audits, examinations, excerpts, and transcriptions. CONSULTANT shall maintain all required records for 3 years after the sponsor makes final payment and all other pending matters are closed.

SECTION V - SIGNATURES

THIS INSTRUMENT embodies the whole agreement of the parties, there being no promises, terms, conditions or obligation referring to the subject matter other than contained herein. This Agreement may only be amended, supplemented, modified or canceled by a duly executed written instrument signed by both parties.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in their behalf.

CLIENT: City of Two Harbors

CONSULTANT: Bolton & Menk, Inc.



Mr. Lew Conner Mayor

Mr. Silas Parmar Principal Engineer

Ms. Patricia Nordean City Administrator

Attachment: Exhibit I, "Federal Contract Provisions Attachment"

EXHIBIT I

FEDERAL CONTRACT PROVISIONS FOR A/E AGREEMENTS

ALL REFERENCES MADE HEREIN TO "CONTRACTOR", "PRIME CONTRACTOR",
"BIDDER", "OFFEROR", AND "APPLICANT" SHALL PERTAIN TO THE
ARCHITECT/ENGINEER (A/E).

ALL REFERENCES MADE HEREIN TO "SUBCONTRACTOR", "SUB-TIER CONTRACTOR"
OR "LOWER TIER CONTRACTOR" SHALL PERTAIN TO ANY SUBCONSULTANT UNDER
CONTRACT WITH THE A/E.

ALL REFERENCES MADE HEREIN TO "SPONSOR" AND "OWNER" SHALL PERTAIN TO
THE STATE, CITY, AIRPORT AUTHORITY OR OTHER PUBLIC ENTITY EXECUTING
CONTRACTS WITH THE A/E.

PROVISIONS APPLICABLE TO ALL CONTRACTS

ACCESS TO RECORDS AND REPORTS

Reference: 2 CFR § 200.334
2 CFR § 200.337
FAA Order 5100.38

The Contractor must maintain an acceptable cost accounting system. The Contractor agrees to provide the Owner, the Federal Aviation Administration and the Comptroller General of the United States or any of their duly authorized representatives access to any books, documents, papers and records of the Contractor which are directly pertinent to the specific contract for the purpose of making audit, examination, excerpts and transcriptions. The Contractor agrees to maintain all books, records and reports required under this contract for a period of not less than three years after final payment is made and all pending matters are closed.

CIVIL RIGHTS – GENERAL

Reference: 49 USC § 47123

In all its activities within the scope of its airport program, the Contractor agrees to comply with pertinent statutes, Executive Orders, and such rules as identified in Title VI List of Pertinent Nondiscrimination Acts and Authorities to ensure that no person shall, on the grounds of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance.

This provision is in addition to that required by Title VI of the Civil Rights Act of 1964.

CIVIL RIGHTS – TITLE VI ASSURANCES

Reference: 49 USC § 47123
FAA Order 1400.11

Title VI Solicitation Notice

The Sponsor, in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 USC §§ 2000d to 2000d-4) and the Regulations, hereby notifies all bidders or offerors that it will affirmatively ensure that for any contract entered into pursuant to this advertisement, disadvantaged business enterprises will be afforded full and fair opportunity to submit bids in response to this invitation and no businesses will be discriminated against on the grounds of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability in consideration for an award.

Title VI List of Pertinent Nondiscrimination Acts and Authorities

During the performance of this contract, the Contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "Contractor") agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC § 2000d *et seq.*, 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination in Federally-Assisted programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 USC § 4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973 (29 USC § 794 *et seq.*), as amended (prohibits discrimination on the basis of disability); and 49 CFR part 27 (Nondiscrimination on the Basis of Disability in Programs or Activities Receiving Federal Financial Assistance);
- The Age Discrimination Act of 1975, as amended (42 USC § 6101 *et seq.*) (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982 (49 USC § 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987 (PL 100-259) (broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990 (42 USC § 12101, *et seq.*) (prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities) as implemented by U.S. Department of Transportation regulations at 49 CFR parts 37 and 38;
- The Federal Aviation Administration's Nondiscrimination statute (49 USC § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);

- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations (ensures nondiscrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations);
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs [70 Fed. Reg. 74087 (2005)];
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC § 1681, et seq).

Nondiscrimination Requirements / Title VI Clauses for Compliance

Compliance with Nondiscrimination Requirements:

During the performance of this contract, the Contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "Contractor") agrees as follows:

1. **Compliance with Regulations:** The Contractor (hereinafter includes consultants) will comply with the Title VI List of Pertinent Nondiscrimination Acts and Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.
2. **Nondiscrimination:** The Contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The Contractor will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR part 21.
3. **Solicitations for Subcontracts, including Procurements of Materials and Equipment:** In all solicitations, either by competitive bidding or negotiation made by the Contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the Contractor of the contractor's obligations under this contract and the Nondiscrimination Acts and Authorities on the grounds of race, color, or national origin.
4. **Information and Reports:** The Contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Sponsor or the Federal Aviation Administration to be pertinent to ascertain compliance with such Nondiscrimination Acts and Authorities and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish the information, the Contractor will so certify to the Sponsor or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.

5. **Sanctions for Noncompliance:** In the event of a Contractor's noncompliance with the non-discrimination provisions of this contract, the Sponsor will impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to:
- a. Withholding payments to the Contractor under the contract until the Contractor complies; and/or
 - b. Cancelling, terminating, or suspending a contract, in whole or in part.
6. **Incorporation of Provisions:** The Contractor will include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations, and directives issued pursuant thereto. The Contractor will take action with respect to any subcontract or procurement as the Sponsor or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the Contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the Contractor may request the Sponsor to enter into any litigation to protect the interests of the Sponsor. In addition, the Contractor may request the United States to enter into the litigation to protect the interests of the United States.

PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT

Reference: 2 CFR § 200, Appendix II(K)
2 CFR § 200.216

Contractor and Subcontractor agree to comply with mandatory standards and policies relating to use and procurement of certain telecommunications and video surveillance services or equipment in compliance with the National Defense Authorization Act [Public Law 115-232 § 889(f)(1)].

FEDERAL FAIR LABOR STANDARDS ACT (FEDERAL MINIMUM WAGE)

Reference: 29 USC § 201, et seq
2 CFR § 200.430

All contracts and subcontracts that result from this solicitation incorporate by reference the provisions of 29 CFR part 201, et seq, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part-time workers.

The Contractor has full responsibility to monitor compliance to the referenced statute or regulation. The Contractor must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

OCCUPATIONAL SAFETY AND HEALTH ACT OF 1970

Reference: 20 CFR Part 1910

All contracts and subcontracts that result from this solicitation incorporate by reference the requirements of 29 CFR Part 1910 with the same force and effect as if given in full text. The employer must provide a work environment that is free from recognized hazards that may cause death or serious

physical harm to the employee. The employer retains full responsibility to monitor its compliance and their subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR Part 1910). The employer must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

RIGHT TO INVENTIONS

Reference: 2 CFR Part 200, Appendix II(F)
37 CFR Part 401

Contracts or agreements that include the performance of experimental, developmental, or research work must provide for the rights of the Federal Government and the Owner in any resulting invention as established by 37 CFR part 401, Rights to Inventions Made by Non-profit Organizations and Small Business Firms under Government Grants, Contracts, and Cooperative Agreements. This contract incorporates by reference the patent and inventions rights as specified within 37 CFR § 401.14. Contractor must include this requirement in all sub-tier contracts involving experimental, developmental, or research work.

SEISMIC SAFETY

Reference: 49 CFR Part 41

In the performance of design services, the Consultant agrees to furnish a building design and associated construction specification that conform to a building code standard that provides a level of seismic safety substantially equivalent to standards as established by the National Earthquake Hazards Reduction Program (NEHRP). Local building codes that model their building code after the current version of the International Building Code (IBC) meet the NEHRP equivalency level for seismic safety. At the conclusion of the design services, the Consultant agrees to furnish the Owner a "certification of compliance" that attests conformance of the building design and the construction specifications with the seismic standards of NEHRP or an equivalent building code.

TAX DELINQUENCY AND FELONY CONVICTIONS

Reference: Section 8113 of the Consolidated Appropriations Act, 2022 (Public Law 117-103) and similar provisions in subsequent appropriations acts
DOT Order 4200.6 – Appropriations Act Requirements for Procurement and Non-Procurement Regarding Tax Delinquency and Felony Convictions

The Contractor certifies:

- 1) It is not a corporation that has any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability. A tax delinquency is any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted, or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability.

- 2) It is not a corporation that was convicted of a criminal violation under any Federal law within the preceding 24 months. A felony conviction is a conviction within the preceding twenty four (24) months of a felony criminal violation under any Federal law and includes conviction of an offense defined in a section of the U.S. code that specifically classifies the offense as a felony and conviction of an offense that is classified as a felony under 18 USC § 3559.

The Contractor agrees to incorporate the above certification in all lower tier subcontracts.

TRADE RESTRICTION CERTIFICATION

Reference: 49 USC § 50104
49 CFR Part 30

By submission of an offer, the Offeror certifies that with respect to this solicitation and any resultant contract, the Offeror:

- 1) is not owned or controlled by one or more citizens of a foreign country included in the list of countries that discriminate against U.S. firms as published by the Office of the United States Trade Representative (USTR);
- 2) has not knowingly entered into any contract or subcontract for this project with a person that is a citizen or national of a foreign country included on the list of countries that discriminate against U.S. firms as published by the USTR; and
- 3) has not entered into any subcontract for any product to be used on the Federal project that is produced in a foreign country included on the list of countries that discriminate against U.S. firms published by the USTR.

This certification concerns a matter within the jurisdiction of an agency of the United States of America and the making of a false, fictitious, or fraudulent certification may render the maker subject to prosecution under Title 18 USC § 1001.

The Offeror/Contractor must provide immediate written notice to the Owner if the Offeror/Contractor learns that its certification or that of a subcontractor was erroneous when submitted or has become erroneous by reason of changed circumstances. The Contractor must require subcontractors provide immediate written notice to the Contractor if at any time it learns that its certification was erroneous by reason of changed circumstances.

Unless the restrictions of this clause are waived by the Secretary of Transportation in accordance with 49 CFR § 30.17, no contract shall be awarded to an Offeror or subcontractor:

- 1) who is owned or controlled by one or more citizens or nationals of a foreign country included on the list of countries that discriminate against U.S. firms published by the USTR; or
- 2) whose subcontractors are owned or controlled by one or more citizens or nationals of a foreign country on such USTR list; or
- 3) who incorporates in the public works project any product of a foreign country on such USTR list.

Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the certification required by this provision. The knowledge and information of a contractor is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

The Offeror agrees that, if awarded a contract resulting from this solicitation, it will incorporate this provision for certification without modification in all lower tier subcontracts. The Contractor may rely on the certification of a prospective subcontractor that it is not a firm from a foreign country included on the list of countries that discriminate against U.S. firms as published by USTR, unless the Offeror has knowledge that the certification is erroneous.

This certification is a material representation of fact upon which reliance was placed when making an award. If it is later determined that the Contractor or subcontractor knowingly rendered an erroneous certification, the Federal Aviation Administration (FAA) may direct through the Owner cancellation of the contract or subcontract for default at no cost to the Owner or the FAA.

VETERAN'S PREFERENCE

Reference: 49 USC § 47112(c)

In the employment of labor (excluding executive, administrative, and supervisory positions), the Contractor and all sub-tier contractors must give preference to covered veterans as defined within Title 49 United States Code Section 47112. Covered veterans include Vietnam-era veterans, Persian Gulf veterans, Afghanistan-Iraq war veterans, disabled veterans, and small business concerns (as defined by 15 USC § 632) owned and controlled by disabled veterans. This preference only applies when there are covered veterans readily available and qualified to perform the work to which the employment relates.

PROVISIONS APPLICABLE TO CONTRACTS EXCEEDING \$10,000

DISTRACTED DRIVING

Reference: Executive Order 13513
DOT Order 3902.10

In accordance with Executive Order 13513, "Federal Leadership on Reducing Text Messaging While Driving", (10/1/2009) and DOT Order 3902.10, "Text Messaging While Driving", (12/30/2009), the Federal Aviation Administration encourages recipients of Federal grant funds to adopt and enforce safety policies that decrease crashes by distracted drivers, including policies to ban text messaging while driving when performing work related to a grant or subgrant.

In support of this initiative, the Owner encourages the Contractor to promote policies and initiatives for its employees and other work personnel that decrease crashes by distracted drivers, including policies that ban text messaging while driving motor vehicles while performing work activities associated with the project. The Contractor must include the substance of this clause in all sub-tier contracts exceeding \$10,000 that involve driving a motor vehicle in performance of work activities associated with the project.

EQUAL EMPLOYMENT OPPORTUNITY (EEO)

Reference: 2 CFR Part 200, Appendix II(C)
41 CFR § 60-1.4
41 CFR § 60-4.3
Executive Order 11246

Equal Opportunity Clause

During the performance of this contract, the Contractor agrees as follows:

- (1) The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff, or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.
- (2) The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.
- (3) The contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the contractor's legal duty to furnish information.
- (4) The Contractor will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided by the agency contracting officer, advising the labor union or workers' representative of the Contractor's commitments under this section 202 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- (5) The Contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- (6) The Contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (7) In the event of the Contractor's noncompliance with the nondiscrimination clauses of this contract or with any such rules, regulations, or orders, this contract may be canceled,

terminated, or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

- (8) The Contractor will include the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions, including sanctions for noncompliance: *Provided*, however, that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

PROHIBITION OF SEGREGATED FACILITIES

Reference: 2 CFR Part 200, Appendix II(C)
41 CFR Part 60-1

- (a) The Contractor agrees that it does not and will not maintain or provide for its employees any segregated facilities at any of its establishments, and that it does not and will not permit its employees to perform their services at any location under its control where segregated facilities are maintained. The Contractor agrees that a breach of this clause is a violation of the Equal Employment Opportunity clause in this contract.
- (b) "Segregated facilities," as used in this clause, means any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees that are segregated by explicit directive or are in fact segregated on the basis of race, color, religion, sex, sexual orientation, gender identity, or national origin because of written or oral policies or employee custom. The term does not include separate or single-user rest rooms or necessary dressing or sleeping areas provided to assure privacy between the sexes.
- (c) The Contractor shall include this clause in every subcontract and purchase order that is subject to the Equal Employment Opportunity clause of this contract.

TERMINATION OF CONTRACT

Reference: 2 CFR Part 200, Appendix II(B)
FAA Advisory Circular 150/5370-10, Section 80-09

Termination for Convenience (Professional Services)

The Owner may, by written notice to the Consultant, terminate this Agreement for its convenience and without cause or default on the part of Consultant. Upon receipt of the notice of termination, except as explicitly directed by the Owner, the Contractor must immediately discontinue all services affected.

Upon termination of the Agreement, the Consultant must deliver to the Owner all data, surveys, models, drawings, specifications, reports, maps, photographs, estimates, summaries, and other documents and materials prepared by the Engineer under this contract, whether complete or partially complete.

Owner agrees to make just and equitable compensation to the Consultant for satisfactory work completed up through the date the Consultant receives the termination notice. Compensation will not include anticipated profit on non-performed services.

Owner further agrees to hold Consultant harmless for errors or omissions in documents that are incomplete as a result of the termination action under this clause.

Termination for Cause (Professional Services)

Either party may terminate this Agreement for cause if the other party fails to fulfill its obligations that are essential to the completion of the work per the terms and conditions of the Agreement. The party initiating the termination action must allow the breaching party an opportunity to dispute or cure the breach.

The terminating party must provide the breaching party seven (7) days advance written notice of its intent to terminate the Agreement. The notice must specify the nature and extent of the breach, the conditions necessary to cure the breach, and the effective date of the termination action. The rights and remedies in this clause are in addition to any other rights and remedies provided by law or under this agreement.

a) **Termination by Owner:** The Owner may terminate this Agreement for cause in whole or in part, for the failure of the Consultant to:

1. Perform the services within the time specified in this contract or by Owner approved extension;
2. Make adequate progress so as to endanger satisfactory performance of the Project; or
3. Fulfill the obligations of the Agreement that are essential to the completion of the Project.

Upon receipt of the notice of termination, the Consultant must immediately discontinue all services affected unless the notice directs otherwise. Upon termination of the Agreement, the Consultant must deliver to the Owner all data, surveys, models, drawings, specifications, reports, maps, photographs, estimates, summaries, and other documents and materials prepared by the Engineer under this contract, whether complete or partially complete.

Owner agrees to make just and equitable compensation to the Consultant for satisfactory work completed up through the date the Consultant receives the termination notice. Compensation will not include anticipated profit on non-performed services.

Owner further agrees to hold Consultant harmless for errors or omissions in documents that are incomplete as a result of the termination action under this clause.

If, after finalization of the termination action, the Owner determines the Consultant was not in default of the Agreement, the rights and obligations of the parties shall be the same as if the Owner issued the termination for the convenience of the Owner.

b) **Termination by Consultant:** The Consultant may terminate this Agreement for cause in whole or in part, if the Owner:

1. Defaults on its obligations under this Agreement;
2. Fails to make payment to the Consultant in accordance with the terms of this Agreement;

3. Suspends the project for more than one hundred eighty (180) days due to reasons beyond the control of the Consultant.

Upon receipt of a notice of termination from the Consultant, Owner agrees to cooperate with Consultant for the purpose of terminating the agreement or portion thereof, by mutual consent. If Owner and Consultant cannot reach mutual agreement on the termination settlement, the Consultant may, without prejudice to any rights and remedies it may have, proceed with terminating all or parts of this Agreement based upon the Owner's breach of the contract.

In the event of termination due to Owner breach, the Consultant is entitled to invoice Owner and to receive full payment for all services performed or furnished in accordance with this Agreement and all justified reimbursable expenses incurred by the Consultant through the effective date of termination action. Owner agrees to hold Consultant harmless for errors or omissions in documents that are incomplete as a result of the termination action under this clause.

PROVISIONS APPLICABLE TO CONTRACTS EXCEEDING \$25,000

DEBARMENT AND SUSPENSION

Reference: 2 CFR Part 180 (Subpart B)
2 CFR Part 200, Appendix II(H)
2 CFR Part 1200
DOT Order 4200.5
Executive Orders 12549 and 12689

Certification of Offeror/Bidder Regarding Debarment

By submitting a bid/proposal under this solicitation, the bidder or offeror certifies that neither it nor its principals are presently debarred or suspended by any Federal department or agency from participation in this transaction.

Certification of Lower Tier Contractors Regarding Debarment

The successful bidder, by administering each lower tier subcontract that exceeds \$25,000 as a "covered transaction", must confirm each lower tier participant of a "covered transaction" under the project is not presently debarred or otherwise disqualified from participation in this federally-assisted project. The successful bidder will accomplish this by:

1. Checking the System for Award Management at website: <http://www.sam.gov>.
2. Collecting a certification statement similar to the Certification of Offeror /Bidder Regarding Debarment, above.
3. Inserting a clause or condition in the covered transaction with the lower tier contract.

If the Federal Aviation Administration later determines that a lower tier participant failed to disclose to a higher tier participant that it was excluded or disqualified at the time it entered the covered transaction, the FAA may pursue any available remedies, including suspension and debarment of the non-compliant participant.

PROVISIONS APPLICABLE TO CONTRACTS EXCEEDING \$100,000

CONTRACT WORKHOURS AND SAFETY STANDARDS ACT REQUIREMENTS

Reference: 2 CFR Part 200, Appendix II(E)
2 CFR § 5.5(b)
40 USC § 3702
40 USC § 3704

1. Overtime Requirements.

No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic, including watchmen and guards, in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

2. Violation; Liability for Unpaid Wages; Liquidated Damages.

In the event of any violation of the clause set forth in paragraph (1) of this clause, the Contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (1) of this clause, in the sum of \$29 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (1) of this clause.

3. Withholding for Unpaid Wages and Liquidated Damages.

The Federal Aviation Administration (FAA) or the Owner shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (2) of this clause.

4. Subcontractors.

The Contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraphs (1) through (4) and also a clause requiring the subcontractor to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (1) through (4) of this clause.

LOBBYING AND INFLUENCING FEDERAL EMPLOYEES

Reference: 31 USC § 1352 – Byrd Anti-Lobbying Amendment
2 CFR Part 200, Appendix II(I)
49 CFR Part 20, Appendix A

Certification Regarding Lobbying

The Bidder or Offeror certifies by signing and submitting this bid or proposal, to the best of his or her knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the Bidder or Offeror, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- (3) The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

PROVISIONS APPLICABLE TO CONTRACTS EXCEEDING \$150,000

CLEAN AIR AND WATER POLLUTION CONTROL

References: 2 CFR Part 200, Appendix II(G)
42 USC § 7401, et seq
33 USC § 1251, et seq

Contractor agrees to comply with all applicable standards, orders, and regulations issued pursuant to the Clean Air Act (42 USC §§ 7401-7671q) and the Federal Water Pollution Control Act as amended (33 USC §§ 1251-1387). The Contractor agrees to report any violation to the Owner immediately upon discovery. The Owner assumes responsibility for notifying the Environmental Protection Agency (EPA) and the Federal Aviation Administration.

The Contractor must include this requirement in all subcontracts that exceed \$150,000.

PROVISIONS APPLICABLE TO CONTRACTS EXCEEDING \$250,000

BREACH OF CONTRACT TERMS

Reference: 2 CFR § 200 Appendix II(A)

Any violation or breach of terms of this contract on the part of the Contractor or its subcontractors may result in the suspension or termination of this contract or such other action that may be necessary to enforce the rights of the parties of this agreement.

Owner will provide Contractor written notice that describes the nature of the breach and corrective actions the Contractor must undertake in order to avoid termination of the contract. Owner reserves the right to withhold payments to Contractor until such time the Contractor corrects the breach or the Owner elects to terminate the contract. The Owner's notice will identify a specific date by which the Contractor must correct the breach. Owner may proceed with termination of the contract if the Contractor fails to correct the breach by the deadline indicated in the Owner's notice.

The duties and obligations imposed by the Contract Documents and the rights and remedies available thereunder are in addition to, and not a limitation of, any duties, obligations, rights and remedies otherwise imposed or available by law.

DISADVANTAGED BUSINESS ENTERPRISE

Reference: 49 CFR Part 26

Prime Contracts (Contracts Covered by a DBE Program)

Contract Assurance (49 CFR § 26.13)

The Contractor, subrecipient or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The Contractor shall carry out applicable requirements of 49 CFR part 26 in the award and administration of DOT-assisted contracts. Failure by the Contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the recipient deems appropriate, which may include, but is not limited to:

- 1) Withholding monthly progress payments;
- 2) Assessing sanctions;
- 3) Liquidated damages; and/or
- 4) Disqualifying the Contractor from future bidding as non-responsible.

Prompt Payment (49 CFR § 26.29)

The prime contractor agrees to pay each subcontractor under this prime contract for satisfactory performance of its contract no later than thirty (30) calendar days from the receipt of each payment the prime contractor receives from Owner. The prime contractor agrees further to return retainage payments to each subcontractor within thirty (30) calendar days after the subcontractor's work is satisfactorily completed. Any delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of the Owner. This clause applies to both DBE and non-DBE subcontractors.



**CITY OF TWO HARBORS
CITY COUNCIL**

**AGENDA ITEM
COVER SHEET**

| | | |
|--|---------------------------|----------------------------|
| Originating Staff: Miranda Pietila | Department: All | Date: 05/22/2023 |
| Agenda Item Subject: Consider approving HR Agreement with Audacity. | Fiscal Impact: | |
| BACKGROUND: The City is contracting out HR Services with Audacity HR, the contract will extend to 12.31.2023. Monthly fees are \$1,950 per month for 10 hours of HR Support, including a initial HR Assessment, where they will learn about our current system and looking for gaps for areas to shore up. | | |
| COUNCIL ACTION REQUESTED: Approve HR Agreement with Audacity. | | |
| RECOMMENDATION: Approve HR Agreement with Audacity. | | |
| ATTACHMENTS: Audacity HR Contract | | |

May 12, 2023

Patty Nordean
Miranda Pietila
City of Two Harbors
522 1st Ave
Two Harbors, MN 55616



Dear Patty and Miranda,

Thank you for the opportunity to work with the **City of Two Harbors** (Organization)!

This Letter of Agreement (Agreement) confirms the terms between Organization and Audacity LLC (Consultant) regarding the following:

- HR Strategic Partner Package

Organization and Consultant agree as follows:

1. Organization will pay Consultant the agreed upon fee of \$1,950 per month, according to the terms outlined below:
 - a. Payments of \$1,950 per month for twelve months.
 - b. HR Strategic Partner includes an HR Assessment and ten (10) hours of HR support each month.
 - c. Consultant provides Human Resource consultation and support, NOT legal advice, consultation or services.
 - d. Organization and Consultant will work together on a monthly basis to identify and prioritize HR tasks and projects.
 - e. All payments may be made by check or bank transfer.
 - f. Outstanding account balances will be charged an interest rate of 18% annually. Interest will accrue at 1.5% monthly.
 - g. As a Strategic Partner, Organization is eligible for additional hours of HR Support, as agreed upon between the parties.
 - h. At the conclusion of twelve months, Consultant and Organization have the option to renew and/or renegotiate the terms of this Agreement.
2. Consultant will have access to confidential information ("Confidential Information") and hereby agrees as follows:
 - a. Consultant will hold the Confidential Information received from Organization in strict confidence and shall exercise due diligence to prevent disclosure;
 - b. Consultant will not disclose or divulge Confidential Information to others unless first authorized to do so by Organization in writing, or as required by law; and

- c. Consultant will not reproduce the Confidential Information nor use this information for any purpose other than the performance of duties.

This agreement may not be amended or assigned in any way without the prior written consent of both parties.

Consultant and Organization reserve the right to cancel this Agreement with ninety (90) days written notice to the other party.

I look forward to working with you!

Kind regards,

Stacy Johnston

Signatures below signify that Organization and Consultant agree to the terms and conditions of the agreement stated above.

For Organization:

By: _____

Date

For Consultant:



By: Stacy Johnston, President

May 12, 2023

Date



**CITY OF TWO HARBORS
CITY COUNCIL**

**AGENDA ITEM
COVER SHEET**

| | | |
|--|---|----------------------------|
| Originating Staff: Miranda Pietila | Department: Electric & Gas Rate Study | Date: 05/22/2023 |
| Agenda Item Subject: Consider accepting proposal from Dave Berg Consulting for a utility rate study for the electric and gas services. | Fiscal Impact: Electric & Gas Rate Study | |
| BACKGROUND: The electrical and gas rates have not been reviewed in over 10 years. With new contracts in place with MN Power the city would like an analysis of the current rate structure. | | |
| COUNCIL ACTION REQUESTED: Accept proposal from Dave Berg Consulting for a utility rate study for the electric and gas services for \$18,000. | | |
| RECOMMENDATION: Accept proposal from Dave Berg Consulting for a utility rate study for the electric and gas services for \$18,000. | | |
| ATTACHMENTS: Proposal – Dave Berg | | |

PROPOSAL
to
Two Harbors, MN
for
Electric and Natural Gas
Cost of Service
and
Rate Design Study
by
Dave Berg Consulting, LLC

May 16, 2022





May 16, 2022

City of Two Harbors
522 1st Avenue
Two Harbors, MN 55616

Attn Miranda Pietila:

I am pleased to present this proposal to perform a cost-of-service and rate design study for Two Harbors' electric and natural gas utilities. After 25 years providing services as a senior consultant with R.W. Beck/SAIC, I formed my own firm, Dave Berg Consulting, in 2012 to provide professional and personal consulting services to clients such as Two Harbors. I have a broad base of experience, with an emphasis on retail rate analysis and design, that I believe makes me well suited to undertake this study for Two Harbors. As a small firm, I am committed to making sure I meet Two Harbors' needs in this endeavor. I also have experience working for numerous Midwest municipally owned utilities like Two Harbors while bringing expertise gained working for many large utilities across the country. I recently assisted Two Harbors and the other NEMMPA members during the negotiations of the new wholesale power agreement with Minnesota Power. Additionally, in 2006/2007 I was engaged by Two Harbors as an expert witness in its territory acquisition case with Cooperative Light and Power.

I look forward to the prospect of again being of service to Two Harbors; if you have any questions regarding this proposal, feel free to contact me.

Sincerely,

Dave Berg Consulting, LLC

A handwritten signature in black ink, appearing to read "David A. Berg", with a stylized flourish at the end.

David A. Berg, PE

Principal

Email: dave@davebergconsulting.com

Project Understanding and Scope

Project Understanding

Two Harbors wishes to undertake a comprehensive cost-of-service analysis and rate design study to review its system of rates and charges for the electric and natural gas utilities. The study will include an examination of allocated cost to serve each of Two Harbors' customer classes as compared to the revenues received from each class. The study will also extend to consideration of the interrelationship between rates/revenue from retail customers and important fiscal aspects of Two Harbors such as capital improvements, debt service, and reserve levels.

Scope of Services

The Scope of Services as outlined below has been prepared in response to my discussions with Two Harbors staff.

Task 1- Data Request

Upon receiving notice to proceed, a written data request will be submitted to Two Harbors detailing the data required for the study. The data is necessary to facilitate an in-depth understanding of the relationship between Two Harbors' expenses, revenues and sales to retail customers.

Task 2 – Kickoff Meeting

I will travel to Two Harbors and meet with Two Harbors staff to review goals for the study and answer questions regarding the data request. I believe this is an important feature of this proposed scope of services. This will be designed to enhance Two Harbors understanding of the process and my understanding of Two Harbors' goals and concerns.

Task 3 – Financial Forecast – Existing Rates

Based on projected sales to retail customers and estimated utility revenue requirements, a 5- year forecast (the study period) of Two Harbors' electric and natural gas operating results will be prepared. Revenues for this forecast will be based on existing retail rates. This forecast will also include funding for expected capital improvements during the study period and an analysis of the resulting impact on reserve fund levels. The results of this task provide an important indication of the overall fiscal health of each of the utilities and the need, if any, for additional revenues.

Task 4 – Cost of Service Analysis

The results of Task 3 give an indication of overall revenue needs for the utility. The cost-of-service analysis is utilized to determine how the revenues should be collected from different classes of customers as well as through different components of the rates within each class. To facilitate the cost-

of-service analysis, a 'test year' revenue requirement is established. The test year financial and operating statistics provide the basis for determining the relationship between sales and expenses for the utility. The test year revenue requirements are first functionalized by their operational category such as wholesale power, transmission, distribution and customer service for electric and gas supply and transportation, local distribution and customer service for natural gas. Within each function, the revenue requirements are then classified as demand, energy, customer, revenue-related or direct assignment (electric) and demand, commodity, customer, revenue-related or direct assignment (natural gas). Based on the classified costs within each function, the revenue requirements are allocated to each of the customer classes. Specifically designed allocators appropriate to each cost classification are utilized to allocate costs. Based on this analysis, the allocated cost to serve each customer class is determined. The allocated cost to serve each class is then compared to the revenues received from that class to determine if any class-specific revenue adjustments are warranted. Additionally, the cost-of-service study yields specific functionalized/classified costs for each class which can be utilized in the design of individual rate components for each class of customers.

Task 5 – Interim Report

An interim report will be prepared summarizing the analyses prepared to date. This interim report will be sent to Two Harbors for review and comment. The purpose of the interim report is to clearly demonstrate the basis for moving forward with rate design.

Task 6 – Rate Design Discussion

A telephone conference call will be held with Two Harbors staff to discuss specifics related to alternatives for consideration in the design of proposed retail rates. The results to date will also be presented to the Two Harbors Public Utilities Committee to explain any rate related issues and ideas for rate changes going forward.

Task 7 – Rate Design

Based on the revenue needs of each utility, the results of the cost-of-service analysis and discussions with staff, proposed rates will be developed for each of the retail customer classes. The rates will be designed to meet the overall revenue goals of each utility as well as specific rate design goals of Two Harbors. Rate comparisons will be prepared to compare the class by class proposed rates to the existing Two Harbors in each class. Rate design will also include any recommended changes to the wholesale power cost adjustment or the wholesale gas passthrough.

Task 8 - Financial Forecast – Proposed Rates

The financial forecast prepared as part of Task 3 will be revised to show the impact of the proposed rates on the five-year study period operating results for each utility. A primary focus of the analysis will be the resulting cash balances in Two Harbors reserve funds.

Task 9 – Preliminary Report

The results of Tasks 6-8 will be added to the Interim Report prepared in Task 5 and submitted to Two Harbors for review as a preliminary report for the study.

Task 10 – Report Review

A telephone conference call will be held with Two Harbors staff to discuss the preliminary report with a focus on any areas requiring additional explanation or areas of the study requiring additional analysis.

Task 11 – Final Report

Based on the discussions in Task 10, the preliminary report will be finalized and provided to Two Harbors.

Task 12 – Report Presentation

A presentation will be prepared and delivered at a Two Harbors Public Utilities Committee or City Council meeting to explain the conduct of the study and resulting rate recommendations as well as to answer any questions.

Meetings

The scope includes three meetings in Two Harbors (tasks 2, 6 and 12).

Schedule

I propose to begin this work as outlined above during July with presentation of final results in September.

Compensation

Dave Berg Consulting, LLC proposes to perform the scope of services outlined in this proposal to Two Harbors for the combined Electric and Natural Gas Cost of Service and Rate Design Study for a fixed fee of \$18,000 plus applicable expenses. Applicable expenses would be for surface travel, lodging, meals, copying services and shipping.

I propose to bill the \$18,000 fixed fee in two installments: 1) \$10,000 following the submittal of the interim report in Task 5 and 2) \$8,000 following the report presentation in Task 12 or completion of the study. Itemized expenses would be added to each applicable fixed fee invoice.

Personnel and Experience

Personnel

Dave Berg Consulting, LLC is a single person entity that specializes in financial services to utilities such as Two Harbors, especially rate related services. Dave would serve as project manager and rates analyst for this assignment. This approach ensures that Dave's experience and judgment will be applied to every phase of the study. At no time will any tasks be delegated to an inexperienced junior analyst. Dave formed Dave Berg Consulting in late 2012 after spending 28 years working for large consulting firms, the last 25 with R.W. Beck/SAIC located in the Minneapolis/St. Paul metro area.

Experience

Dave has 38 years of experience providing professional consulting services to utilities. These services have required a combination of technical and economic expertise to assist clients with important decisions affecting the operational and financial health of their utilities. Over the course of his career he has managed projects including retail and wholesale utility cost-of-service and rate design, power generation feasibility studies, power supply planning analyses, energy supply contract negotiations, consulting engineer reports in support of bond financings and utility education courses.

Retail Cost of Service and Rate Design

He has directed retail cost-of-service and rate design studies for over 100 separate utilities, including multiple studies for many utility clients. These studies have been performed for electric, natural gas, water, wastewater, steam and hot water and communications utilities. He has an in-depth understanding of the analysis of utility costs and the design of rates with the goals of meeting utility revenue requirements, managing customer expectations and delivering proper price signals to end users. His rate design experience ranges from relatively simple rates to more complex time-based rates for use with advanced metering systems. He has worked with many utility clients to assist them in managing difficult transitions from current rate structures (that may have been established years ago) to updated rates that more properly reflect current utility costs.

Since 2004 he has been an instructor for an in-depth electric cost-of-service and rate design course that has been taught throughout the U.S. This course has been attended by U.S. and foreign based utility staff including investor and consumer owned utilities, state utility commissions, independent power producers, attorneys and other industry professionals. More than 1500 utility professionals have attended his training courses. He has also provided in-house training to both utility and state commission staff. In-house training sessions have been for entities such as the Iowa Utilities Board staff, California State PUC staff, Utah State PUC staff, Texas State PUC staff, Hawaii PUC staff, Kauai Island Utility Cooperative staff, Caribbean Electric Utility Service Corporation members, Austin, TX utility staff, Indiana Municipal Power Agency members, Duke Energy staff and New Brunswick Power staff.

Clients

Shown below is a representative list of clients that Dave has provided rate-related services to during the last 35 years.

- Alameda, CA
- Alexandria, MN
- Ames, IA
- Anaheim, CA
- Anoka, MN
- Auburn, IN
- Austin, MN
- Austin, TX
- Bagley, MN
- Baudette, MN
- Blooming Prairie, MN
- Brainerd, MN
- Brigham, UT
- Brownton, MN
- Bryan, TX
- Buffalo, MN
- Buhl, MN
- California Public Utilities Commission
- Cedar Falls, IA
- Del Rio, TX
- Denison, IA
- Detroit Lakes, MN
- Duluth, MN
- Elk River, MN
- Estherville, IA
- Eugene, OR
- Fairmont, MN
- Fosston, MN
- Grafton, ND
- Grand Marais, MN
- Grand Rapids, MN
- Halstad, MN
- Hannibal, MO
- Harlan, IA
- Hawarden, IA
- Hawley, MN
- Hermantown, MN
- Hutchinson, MN
- Hyrum, UT
- Imperial Irrigation District, CA
- Indiana Municipal Power Agency
- Iowa Utilities Board
- Keewatin, MN
- Lake City, MN
- Lehi, UT
- Levan, UT
- Litchfield, MN
- Logan City, UT
- Los Angeles, CA
- Manitowoc, WI
- Manti, UT
- Marshall, MN
- Missouri River Energy Services, SD
- Mora, MN
- Morgan, UT
- Moorhead, MN
- Murray, UT
- Muscatine, IA
- Nephi, UT
- New Braunfels, TX
- New Brunswick Power
- New Hampshire Electric Cooperative
- New Prague, MN
- New Ulm, MN
- North Branch, MN
- Ohio Gas Company
- Owatonna, MN
- Palo Alto, CA
- Park River, ND
- Payson, UT
- Pella, IA
- Pierz, MN
- Princeton, MN
- Provo, UT
- Redwood Falls, MN
- Riverside, CA
- Rochester, MN
- Rock Rapids, IA
- Roseau, MN
- Salem, UT
- Santee Cooper, SC
- Shakopee, MN
- Sibley, IA
- Sioux Center, IA
- Southern Minnesota Municipal Power Agency
- Spanish Fork, UT
- Springfield, MO
- Stanton Co. Public Power District, NE
- Stephen, MN
- Thief River Falls, MN
- TransGas Energy
- Utah Municipal Power Agency
- Vermont DPS
- Vinton, IA
- Volga, SD
- Wadena, MN
- Warren, MN
- Warroad, MN
- Watertown, SD
- Waukegan, IA
- Waverly, IA
- West Bend, WI
- Westerville, OH
- Willmar, MN
- Winthrop, MN

TWO HARBORS CITY COUNCIL



AGENDA ITEM SUMMARY

AGENDA ITEM SUBJECT: Purchase Class 5 from County

ORIGINATING SOURCE/DEPARTMENT: Public Works

FUNDING SOURCE: Road materials

BACKGROUND: We are looking to purchase 2000yds of Class 5 from the county this year while they are having it crushed

ESTIMATED DATE OF COMPLETION: End of Summer

COMMITTEE/COMMISSION RECOMMENDATION: .

ADMINISTRATION/STAFF RECOMMENDED COUNCIL ACTION: .

Agenda Item # CA-7 Meeting Date: 5/22/23



Jason DiPiazza
County Highway Engineer
Highway Department
1513 Hwy 2
Two Harbors MN 55616
218-834-8509
Jason.DiPiazza@co.lake.mn.us

May 10, 2023

Jim Gilbert, Public Works Director
City of Two Harbors
503 20th Avenue
Two Harbors, MN 55616

Email to: jgilbert@twoharborsmn.org

RE: Gravel Stockpile Transfer & Crushing Opportunity

Dear Jim,

The Lake County Highway Department is preparing a bid letting for an aggregate stockpile crushing project and is aware that City of Two Harbors is interested in purchasing crushed material through that contract.

Please review and provide authorized and written approval of the proposed actions and provisions, as follows.

- Lake County will include specifications and bid items in a bid alternate* format to crush the following aggregate product in the Old Drummond Pit (Section 5, T53, R11W)
 - o Approximately 2,000 cubic yards of Class 5 Base Aggregate material.

**The bid alternate format allows Lake County to award a crushing contract without including the bid alternate. This allows City of Two Harbors flexibility to award or decline to accept the bid based on the bid costs.*

- If City of Two Harbors approves award of the bid alternate:
 - o City of Two Harbors agrees to pay 100% of the total contract cost for crushing approximately 2,000 cubic yards, plus or minus 5%, of Class 5 Base Aggregate material, based on the contract unit price.
 - o City of Two Harbors agrees to pay a prorated percentage of mobilization costs, based on the total of crushed material produced in the Old Drummond Pit, based on the contract unit cost for mobilization to the Old Drummond pit.
 - o City of Two Harbors agrees to pay pit royalty fees of \$0.50 per cubic yard of crushed material, in addition to the contract unit price.
- Lake County reserves the right to reject all bids, including the bid alternate for City of Two Harbors, based on Lake County's review of the bid results.

Jim Gilbert
May 10, 2023

Page 2

Lake County intends to let this contract for bids in June, 2023 and will set the completion date for June 1, 2024. Please let me know if City of Two Harbors needs the Class 5 Base Aggregate material sooner than June 1, 2024 and a schedule modification can be discussed.

Thank you, Jim,



Jason DiPiazza
County Highway Engineer
Lake County, MN

Cc: Matthew Huddleston, Lake County Administrator (EMAIL)
John Schlangen, Engineering Supervisor (EMAIL)
Neil Udenberg, Highway Maintenance Superintendent (EMAIL)



CITY OF TWO HARBORS CITY COUNCIL

AGENDA ITEM COVER SHEET

| | | |
|--|--------------------------------------|-------------------------|
| Originating Staff: P. Nordean | Department: Administration | Date: 5/18/23 |
| Agenda Item Subject: Lease Agreement Svoboda | Fiscal Impact: | |
| BACKGROUND: Dylan Svoboda has been made a contingent offer of employment for the position of Journey Lineworker in the Public Works Department. He has been unable to locate housing in the area. He would like to rent the City-owned residence located at 622 7 th Avenue on a month-to-month basis. The City Attorney was asked to draft a rental agreement, which has now been completed. | | |
| COUNCIL ACTION REQUESTED: Approve the agreement between the City of Two Harbors and Dylan Svoboda for rental of the residence at 622 7 th Avenue and authorize the Mayor and Administrator to execute the agreement on behalf of the City. RECOMMENDATION: Staff recommends the Council action requested. | | |
| ATTACHMENTS: | | |

RESIDENTIAL LEASE AGREEMENT

THIS LEASE AGREEMENT is made effective this 23rd day of May 2023, between the City of Two Harbors, a Minnesota municipal corporation ("Lessor") and Dylan Svoboda ("Lessor").

1. Premises. Lessor in consideration of the rents and covenants hereinafter mentioned, to be paid and performed by the Lessee, does hereby lease unto the Lessee and the Lessee does hereby rent from the Lessor, the following described house owned by Lessor located at 622 7th Avenue, Two Harbors, Lake County, Minnesota ("**Premises**").

2. Term. The term of this lease shall be:

- a. Prorated Term - From the 23rd day of May, 2023, until May 31, 2023; and
- b. Full Term - From June 1, 2023 and continuing on a month-to-month basis thereafter, unless sooner terminated as hereinafter provided.

3. Rent. Rent for the Prorated Term shall be in the sum of \$100, payable on or before May 23, 2023. Rent for the Full Term is payable monthly, in advance on the first (1st) day of each month, in the sum of \$900.00 per month throughout the term of this lease. The rent shall be payable directly to the Lessor or at such other place as the Lessor may designate in writing. Lessee agrees to pay \$30.00 for each dishonored check received by Lessor for payment of rent.

4. Late Fee. Time is of the essence of this agreement. If rent is not received by 11:59 p.m. on the first (1st) of each month, a late fee of 5% of the rental fee of \$45.00 will be due and owing by Lessee. If rent is not received by 11:59 on the fifth (5th) day of each month, a late fee of 10% of the rental fee of \$90.00 will be due and owing by Lessee.

5. Utilities. Lessor shall be responsible to pay the following utilities: gas, water/sewer and electric. Lessee shall be responsible for all other utilities to include garbage, cable, etc. during the term of the lease.

6. Indemnification Deposit. Lessor acknowledges receipt of the sum of Nine Hundred Dollars (\$900.00) as a deposit to indemnify Lessor against damage to the property and for Lessee's fulfillment of the conditions of this lease. Deposit will be returned to Lessee within thirty (30) days after the residence is vacated if:

- (a) Lease term has expired or agreement has been terminated by both parties;
- and

- (b) All monies due Lessor by Lessee have been paid; and
- (c) Premises is not damaged and is left in its original condition, normal and reasonable wear and tear excepted; and
- (d) Lessor is in receipt of a copy of paid bills for all utilities he is responsible for (cable T.V., telephone, garbage); and
- (e) Entire Premises including stove, refrigerator, bathrooms, closets, cabinets and sinks must be cleaned; and
- (f) Carpet is cleaned by an entity of Lessor's choosing.

Deposit will not be returned if Lessee leaves before a monthly lease term is completed. Deposit may be applied by Lessor to satisfy all or part of Lessee's obligations and such act shall not prevent Lessor from claiming damages in excess of the deposit. Lessee may apply any portion of the deposit to unpaid rent.

7. Zoning compliance. That the Lessee shall use the Premises for such purposes as are consistent with residential purposes and shall comply with all laws and zoning ordinances regulating such purposes. That there shall be no commercial business conducted on the Premises.

8. Surrender. That the Lessee shall upon any termination of this lease surrender possession of the Premises in as good repair and condition as they were in on the date of this lease.

9. Refuse removal. That the Lessee shall keep the Premises in good order and free from all refuse and shall promptly remove all garbage and refuse of any kind from the Premises in a manner consistent with all applicable laws relating to waste disposal.

10. Repairs/Renovations. Lessee shall not during the term of this lease make any improvements or alterations to the Premises including land or buildings without the express written consent of Lessor. Lessee agrees to promptly notify Lessor of any conditions in the Premises that are dangerous to the health or safety of themselves or visitors or which may do damage to the Premises itself.

11. Snow removal. Lessee shall be responsible for the cost and obligation of snow removal for the Premises.

12. Right of Entry. Lessor shall have reasonable right of entry to the Premises during reasonable hours for the purpose of examining or exhibiting same and shall not unnecessarily interfere with the Lessee's use of the Premises.

13. Premises Insurance. That the Lessor alone shall be responsible for carrying public liability, fire and extended coverage insurance on the leased property and buildings on the Premises.

14. Personal Property Insurance. That the Lessee alone shall be responsible for providing insurance coverage on his personal property located on the Premises.

15. Public liability/Waiver of Claims for Damage, Injury or Death. That in the area of public liability, the Lessor shall not be liable to the Lessee, or to any other person, for any injury, loss or damage occurring on said Premises, and the Lessee shall assume, and hold harmless and indemnify the Lessor from all such injury, loss or damage, except that the Lessee does not hereby assume any liability for loss or damage caused by the gross negligence or intentional misconduct of the Lessor, its agents or employees.

16. Pets. That Lessee shall have the right to have no more than two (2) pets on the Premises, provided that said pet is controlled and cared for in compliance with the animal control ordinances of the City of Two Harbors. As consideration for this provision, at Lessor's request, Lessee agrees to have the carpets cleaned by an entity of Lessor's choice upon surrender or termination of this lease.

17. Taxes. That the Lessor shall pay during the term of this lease or any renewal thereof all real estate taxes and special assessments due and payable on the Premises.

18. Eminent Domain. In the event the entire Premises is taken by eminent domain, this lease shall terminate and the rent shall be apportioned to the time of such condemnation or taking.

19. Bankruptcy. The Lessor may cancel this lease ten (10) days after giving notice to the Lessee if the latter is adjudged bankrupt or makes an assignment for the benefit of their creditors.

20. Default. The Lessor shall give the Lessee written notice of any default by the Lessee in the payment of rent or the performance of any other obligation to be kept or performed by the Lessee, and if such default continues for a period of thirty (30) days after receipt by the Lessee of a written notice from the Lessor specifying such default, the Lessor may thereafter, without further notice or demand, enter onto the Premises and take full and absolute possession thereof, without such re-entry causing a forfeiture of the rent to be paid or the covenants to be performed by the Lessee hereunder for the full term of this lease, and may thereafter lease or

sublease the Premises for such rent as the Lessor may reasonable obtain, crediting the Lessee with the rent so obtained after deducting the costs the Lessor reasonably incur by such re-entry, leasing or subleasing, or the Lessor, at their election, may terminate this lease and re-enter and take full and absolute possession of the Premises free from any further right or claim by the Lessee.

That the Lessee shall give the Lessor written notice of any default by the Lessor in the performance of any covenant or obligation to be kept or performed hereunder, and if such default continues for a period of thirty (30) days after receipt by the Lessor of a written notice from the Lessee specifying such default, then and in such event the Lessee, at their election, may themselves remedy the default and deduct the reasonable cost thereof from the rent due Lessor hereunder.

21. Covenant of Quiet Enjoyment. The Lessor covenants that it is the owner of the Premises, and has full right and power to enter into this lease for the full term and upon all the conditions herein contained, and that the Lessee, on paying the said rent and performing the covenants agreed to be performed, shall and may peaceably and quietly have, hold and enjoy the Premises for the purpose and term stated herein.

22. Notice. Whenever notice, demand or communication shall be required to be given to the Lessee, it shall be deemed sufficient for the purpose to mail such notice to the Lessee at 622 7th Avenue, Two Harbors, MN 55616, or at such other place as the Lessee may from time to time designate in writing, and notice given as aforesaid shall be sufficient service thereof.

Whenever notice, demand or communication is given to or made on the Lessor, it shall be deemed sufficient for the purpose to mail such notice to the Lessor at City Hall, 522 1st Avenue, Two Harbors, MN 55616, or at such other place as the Lessor may from time to time designate in writing, and notice given as aforesaid shall be sufficient service thereof.

23. Sublet. Lessee may not sublet residence or assign this lease without the express written consent of Lessor.

24. Condition of Premises. Lessee acknowledges that Lessor makes no representations or warranties regarding the condition or habitability of the Premises and accepts the Premises in an "As Is" condition. Lessee has had an opportunity to inspect the Premises and deems it acceptable in its current condition. Lessee acknowledges that Lessor has made no

representations or warranties that any repairs will be made to the Premises beyond those necessary to protect Lessee, his guests or invitees from physical harm. Should Lessee require repair to the Premises, Lessor reserves the right to cancel this lease upon notice to Lessee.

25. Termination. Either party may terminate this lease upon 30 days written notice to the other.

26. Entire Agreement. The terms and conditions hereof shall be binding upon and inure to the benefit of the heirs and assigns of the parties hereto.

IN WITNESS WHEREOF, the parties have signed this lease the day and year first above written.

LESSOR:
City of Two Harbors

By: _____
Lew Connor
Mayor

By: _____
Patricia Nordean
City Administrator

LESSEE:

Dylan Svoboda

THIS DOCUMENT WAS DRAFTED BY:
Timothy A. Costley #248927
Costley & Morris, P.C.
609 First Avenue/PO Box 340
Two Harbors, MN 55616
(218) 834-2194
tac@costleylaw.com

Attorney for City of Two Harbors

DAMAGE DEPOSIT RECEIPT

Payment of the sum of Nine Hundred Dollars (\$900.00) for a damage deposit for the property located at 622 7th Avenue, Two Harbors, Minnesota, is hereby acknowledged as being received by the City of Two Harbors.

Dated: _____, 2023.


Miranda Pietila
Finance Director



Memo

Date: May 15, 2023

To: Officials of Local Governments and Political Subdivisions

From: Jim Schowalter, Commissioner 

RE: 2024 Capital Budget Instructions

I am pleased to present the 2024 Capital Budget Instructions. All local unit of government and political subdivision capital project requests are due to Minnesota Management and Budget (MMB) through CBS by June 16, 2023, and final edits are due October 13, 2023. Prosperity and opportunity for all people in all parts of our state stems from the well-being of their community. While communities across Minnesota may look different, many share the same goals and face the same challenges. Governor Walz's capital budget will continue to focus resources on the most critical projects and strategic investments across the state and give local leaders tools they need to succeed, with particular focus on projects that:

- Address life and safety issues
- Preserve existing infrastructure and repair existing facilities before starting new projects
- Provide at least a 50% local match
- Are proposed following community engagement
- Have a local resolution of support from the governing body
- Aid in making Minnesota the best state in the country for kids to grow up
- Integrate climate preparedness and/or clean energy
- Address and undo historical and systemic disparities and inequities, including those based on race, gender, veterans' status, geography, and economic status

Key dates

- **June 16, 2023** – All local unit of government requests are due to MMB through CBS.
- **July 17, 2023** – MMB submits all local unit of government requests and state agency preliminary requests to the Legislature.
- **October 13, 2023** – Final edits to local government requests are due to MMB.
 - Note: After June 16, send any edits or updates to MMB's Capital Budget Coordinator, Marianne.Conboy@state.mn.us.
- **January 16, 2024** – Governor Walz submits his 2024 Capital Budget Recommendations to the Legislature and MMB publishes all requests.

How to Submit Your 2024 Capital Budget Request

- Review the local government-specific Capital Budget Instructions posted on [MMB's Capital Budget Instructions website](#). The website also includes answers to frequently asked questions about bonding including allowable uses of general obligation bond proceeds.
- Check your local government's access to the Capital Budget System (CBS). If you have not yet verified access to CBS, email Budget.Finance.mmb@state.mn.us.
- Review CBS training materials, including the User Guide and the new CBS training video, on the ["System Training Materials" section of MMB's CBS website](#) for details about how to use the system.

New in 2024

- A new "Capital Request Form" (PDF) is available on [MMB's Capital Budget Instructions website](#) to provide users the option to work on narratives and other information offline, before entry in CBS.
- MMB will host a Q&A session for local governments on **May 31 at 1 p.m.** The session is designed to answer questions brought by local governments, after they have reviewed the 2024 Capital Budget Instructions, the [FAQ website](#), and CBS training materials, including the training video. MMB will send a meeting invitation to CBS users.
- Local governments that submit water infrastructure projects may be contacted for additional information about their project, in coordination with the Public Facilities Authority.

Reminders

Local governments should submit draft bill language for their requests using the "Upload Documents" screen in CBS by June 16.

Local governments may choose to copy a previous year's project request narrative by using the "Copy Previous Requests" function in CBS. As with all 2024 requests, project costs must be entered in July 2023 dollars to use MMB's inflation schedule to add inflation costs. If a project from 2022 is copied over into 2024, you can escalate project costs by:

- Identifying the 2022 project costs before inflation is included, which are in July 2021 dollars.
- Adding 17% to those project costs, which brings amounts to July 2023 dollars.
- Local units of government should either enter a mid-point of construction date in the Project Overview screen of CBS to add system-generated inflation or include inflation in the project costs and select the "Inflation Already Included" checkbox on the Project Overview screen. Updated construction inflation factor estimates are presented in Appendix 2 of the 2024 Local Unit of Government Capital Budget Instructions, based on various mid-point of construction dates.

Do not use the capital budget request process for requests for assistance that could be funded through a state agency financial assistance program. If your request could be funded by an

existing state grant program (such as local bridge or road repair, infrastructure redevelopment, flood mitigation, water/wastewater treatment systems, historic preservation, or trails), you should submit your request directly to the state agency that administers the relevant grant program.

Capital projects funded from state general obligation bonds must comply with the Minnesota Constitution, which limits funding to projects that are publicly owned and provide a public purpose, and applicable federal tax law. All project requests must come from a political subdivision. Private individuals, businesses, and nonprofit organizations are not eligible to receive state general obligation bond financing.

Applicants should be aware that bond proceeds may only be used for qualified capital expenditures, such as predesign/design expenses, construction, and acquisition or improvement of specific tangible long-lived fixed assets. General operating expenses such as services, programs, strategic planning, master planning, and moving and relocation costs are not bond-eligible expenses. Expenses that are not bond-eligible can be submitted as part of your request, but if you desire state monies to pay for those expenses, you will need to request cash appropriations from the general fund or other state fund.

Projects that are considered for state funding should come with substantial financial commitments from the local government. Because competition for limited state resources will be very strong, MMB encourages local governments to be selective in their requests and propose only the most important project(s) with clear regional or statewide significance. A 50% non-state match from local governments is normally required. Separately, full funding must be in place in order for state funds to be released for a capital project.

Questions?

If you have questions about the capital budget process, requirements, or due dates, please contact MMB's Capital Budget Coordinator, Marianne Conboy (Marianne.Conboy@state.mn.us or 651-201-8189).

If you have questions about CBS, including system access and system issues, please contact MMB Budget Operations (Budget.Finance.MMB@state.mn.us).

Governor Walz and MMB appreciate your dedication in preparing timely and thoughtful requests. We look forward to discussing your projects.



**CITY OF TWO HARBORS
CITY COUNCIL**

**AGENDA ITEM
COVER SHEET**

| | | |
|---|--------------------------------------|-------------------------|
| Originating Staff: P. Nordean | Department: Administration | Date: 5/18/23 |
| Agenda Item Subject: Retirement – M. Aho | Fiscal Impact: | |
| BACKGROUND: Michael Aho has submitted his notice of intention to retire from his position as Patrol Officer with the Two Harbors Police Department, effective May 31, 2023. | | |
| COUNCIL ACTION REQUESTED: Accept his notice of retirement, with regret, and authorize a letter of appreciation for his service. | | |
| RECOMMENDATION: Staff recommends the Council Action Requested. | | |
| ATTACHMENTS: | | |



**CITY OF TWO HARBORS
CITY COUNCIL**

**AGENDA ITEM
COVER SHEET**

| | | |
|---|--------------------------------------|-------------------------|
| Originating Staff: P. Nordean | Department: Administration | Date: 5/18/23 |
| Agenda Item Subject: Resignation – T. Wittlief | Fiscal Impact: | |
| BACKGROUND: Tara Wittlief has submitted notice of resignation from her position as EDP Tech at City Hall, effective May 24, 2023. | | |
| COUNCIL ACTION REQUESTED: Accept her resignation, with regret, and authorize a letter of appreciation for her service. | | |
| RECOMMENDATION: Staff recommends the Council Action Requested. | | |
| ATTACHMENTS: | | |


May 10, 2023

Patty and Miranda,

Please accept this letter as a notice of my resignation. My last day of work will be May 24, 2023.

Thank you for the opportunities provided to me in the last few years.

Sincerely,


Tara Wittlief

RECEIVED
MAY 10 2023



**CITY OF TWO HARBORS
CITY COUNCIL**

**AGENDA ITEM
COVER SHEET**

| | | |
|---|--------------------------------------|-------------------------|
| Originating Staff: P. Nordean | Department: Administration | Date: 5/18/23 |
| Agenda Item Subject: Hiring Temporary Seasonal Empl. | Fiscal Impact: | |
| BACKGROUND: Each year, temporary/seasonal employees are hired for various positions to help with various seasonal tasks and increased traffic due to tourism. They work at the Liquor Store, Campground, Golf Course, Gas, Water & Sewer and Public Works Departments. Attached is a list of the individuals who will be hired contingent upon background checks. | | |
| COUNCIL ACTION REQUESTED: Hire temporary/seasonal employees in the Public Works and Gas, Water & Sewer Departments and at the Liquor Store. RECOMMENDATION: Staff recommends the Council Action Requested. | | |
| ATTACHMENTS: | | |

2023 Temps Log

| Wage | Age | Dept | Emp # | Name | Student | Days Avail | Days Left | Jan | | Feb | | March | | April | | May | | June | |
|-------|-----|------|-------|----------------------|---------|------------|-----------|------|-------|------|-------|-------|-------|-------|-------|------|-------|------|-------|
| | | | | | | | | 1-15 | 16-31 | 1-15 | 16-28 | 1-15 | 16-31 | 1-15 | 16-30 | 1-15 | 16-31 | 1-15 | 16-30 |
| 17.00 | 29 | LQ | 723 | Barthel-Wagner, John | N | 65 | 65 | | | | | | | | | | | | |
| 17.00 | 22 | CEM | 1442 | Jones, Austin | N | 65 | 65 | | | | | | | | | | | | |
| 15.00 | 16 | PW | | Peterson, Cameron | Y | 100 | 100 | | | | | | | | | | | | |
| 17.00 | 18 | CAMP | 1464 | Underdale, Casey | Y | 100 | 100 | | | | | | | | | | | | |
| 15.50 | 17 | AIR | 1682 | Bentler, Zach | Y | 100 | 72 | 11 | 7 | 4 | 4 | 2 | 0 | 0 | 0 | | | | |
| 17.00 | 18 | AIR | 1432 | Churness, Alec | Y | 100 | 100 | | | | | | | | | | | | |
| 15.50 | 17 | AIR | 1471 | Jackson, Dexter | Y | 100 | 100 | | | | | | | | | | | | |
| 15.00 | 16 | PW | 1496 | Fischer, Logan | Y | 100 | 100 | | | | | | | | | | | | |
| 15.00 | 17 | GAS | 1499 | Williams, Biker | Y | 100 | 100 | | | | | | | | | | | | |
| 15.00 | 16 | PW | 1497 | McMillan, Ben | Y | 100 | 100 | | | | | | | | | | | | |
| 15.00 | 16 | CAMP | 1498 | Swartout, Avery | Y | 100 | 100 | | | | | | | | | | | | |
| 17.00 | 20 | PW | | Olson, Emily | | | | | | | | | | | | | | | |
| 15.00 | 20 | GOLF | | Seipke, Emily | Y | 100 | | | | | | | | | | | | | |
| 15.00 | 20 | GOLF | | Conlin, Mya | Y | 100 | | | | | | | | | | | | | |
| 15.00 | 16 | PW | 1655 | Marks, Ryan | Y | 100 | 100 | | | | | | | | | | | | |
| 15.00 | 15 | PW | 1656 | Bentler, Addison | Y | 100 | 100 | | | | | | | | | | | | |

2023 **Employee referral=\$100 after 60 days

Zach Bentler/Addison Bentler

Cameron Peterson/Casey Underdale

Avery Swartout/Casey Underdale

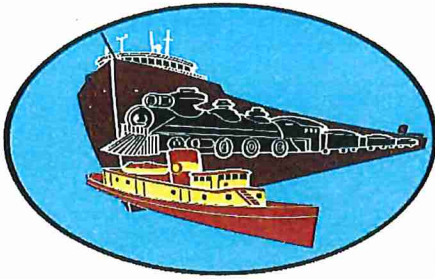
no app yet



**CITY OF TWO HARBORS
CITY COUNCIL**

**AGENDA ITEM
COVER SHEET**

| | | |
|---|---------------------------|----------------------------|
| Originating Staff: Miranda Pietila | Department: All | Date: 05/22/2023 |
| Agenda Item Subject: Consider approving the 2023 1 st Quarter Financials. | Fiscal Impact: | |
| BACKGROUND: See attached memo | | |
| COUNCIL ACTION REQUESTED: Approve 1 st Quarter Financials | | |
| RECOMMENDATION: Approve 1 st Quarter Financials | | |
| ATTACHMENTS: Memo on 1 st Quarter Financials & Summery 2022 & 2023 comparison financial reports | | |



FINANCIAL HIGHLIGHTS - 1st Quarter 2023

The following financial report and analysis offers readers a narrative overview of the financial activities of the City of Two Harbors during the first quarter of Fiscal Year 2023. This report includes the following funds – General, Library, Airport, Golf Course, Debt Service, Capital Equipment, Street Improvement, Water, Sewer, Electric, Gas, Liquor Store, Stormwater, and Campground. The readers are encouraged to consider the information presented in conjunction with the unaudited financial statements attached to this report, the adopted budget and the five-year Capital Improvement Plan.

GENERAL FUND – REVENUES

- Historically, the General Fund has a net loss during the first quarter with expenditures exceeding revenues due to the timing of property tax collections.
- **Property Tax Revenues** – Property tax payments make up 48% of total General fund revenues. Payments are received in two installments in July and December from Lake County. The General fund property tax revenues are anticipated to be \$2,460,952 for 2023.
- **Licenses and Permits** – Building permit revenues increases as compared to 2022 by \$1,676.
- **Intergovernmental** – Local Government Aid is about 40% of total General fund revenues. Payments are received from MN Department of Revenue in two installments in July and December. LGA for 2023 is \$1,893,603.
- **Charges for Services** – General government services are in line with the budget and are exceeding the prior year by \$12,000. Fire contracts with Lake County and Silver Creek increased from prior years.
- **Miscellaneous Revenues** – Miscellaneous revenues are up about \$17,433; this can be attributed to timing of Heritage Day and Winter Frolic contributions, along with increases in interest rates for investments.

1st QUARTER FINANCIAL HIGHLIGHTS – continued

GENERAL FUND – EXPENDITURES

- **General Government** – Expenditures for the first quarter are at 20% of 2023 budget. A full-time Human Resources position was budgeted for in 2023, the city is currently looking at contracting out services for 2023, reducing personnel costs. .
- **Public Safety** – Expenditures for the first quarter are at 24% of 2023 budget. Property and General Liability Insurance has increased from prior year by about \$5,100.
- **Public Works** – Expenditures are 22% of budget, decrease of 19% from prior year. This is due to Public Works Department down two laborer positions compared to same time last year. Worker's Compensation insurance decreased significantly from prior year as well.
- **Culture and Recreation** – Expenditures are at only 16% of 2023 budget this is consistent with 2022.
- **Health and Welfare** – Expenditures are at 30% of 2023 budget. Increase in costs are associated to personnel changes at the Cemetery in 2023.
- **Miscellaneous** – Expenditures are at 13% of 2023 budget. Costs are comparable to same time last year.

LIBRARY FUND

- The library's main revenue source comes from Lake County and the City, which contributes \$65,000 and \$237,000 respectively. Revenues are received in two installments in July and December.
- Expenditures are at 26% of 2023 budget down only \$197 compared to 2022.

AIRPORT FUND

- Revenues are up \$756 from the same period in 2022, this is attributed to a small increase in hangar rentals and fuel revenues.
- Expenditures are up by \$7,618 compared to March 30, 2022, increase is from labor for snow removal over the winter season. Total expenditures are at 28.4% of 2023 budget.

Golf FUND

- The golf season is approximately 6 months long, beginning in April and ending in October, start and end of season is contingent on the weather.
- Expenditures are currently at 2023 budgeted levels, about \$10,662 decrease from the same time last year.

1st QUARTER FINANCIAL HIGHLIGHTS – continued

Debt Service FUND

- Revenues for this fund come from the special assessments received for the 2018, 2019 and 2021-2022 Street Improvement Project.
- Expenditures are bond payments for the 2018, 2019 and 2021-2022 Street Improvement Project.
- Transfer In from the Local Sales Tax Fund is budgeted for 2023 in the amount of \$250,000. This supports future and current bond payments.

Capital Equipment FUND

- Revenues for this fund come from federal and state grants, Fire Department reimbursement contracts from Lake County and Silver Creek, special assessments from sidewalk projects, transfer in from General Fund, Electric and Gas Fund, and bond proceeds.
- Expenditures are bond payments for capital equipment purchases. Below is a list of current projects:
 - **City Hall Upgrades** - \$154,500 was budgeted for updates to the building exterior.
 - **Community Building Upgrades** – \$50,500 was budgeted for upgrades. Exterior of the building along with interior painting.
 - **Parks & Rec Park Development Project** – \$257,500 to begin planning for opportunities for families to enjoy the city's parks and recreation amenities, including a splash play area.
 - **Parks & Rec Bandshell** - \$50,000 budgeted annually for a 4 year period to address the repairs and maintenance of the facility.
 - **Library Bathroom Renovations** - \$103,000, updating the current restroom facilities and make them ADA compliant. A Blandin grant for \$100,000 was secured for the project.
 - **Golf Cart Lease** – The golf course will be leasing 54 golf carts over a 5 year period for \$39,300 per year.
 - **Airport AWOS project** - \$159,150 is budgeted for the project, with \$45,000 anticipated in 2023 and construction in 2024 for \$114,150. AWOS stands for Automated Weather Observing System, this equipment is outdated needed to be relocated.
 - **Airport Beacon** - \$103,000 estimated cost, lighting for the equipment is outdated and hard to access, project was accepted by the FAA, with 90/10 local match.
 -

1st QUARTER FINANCIAL HIGHLIGHTS – continued

Street Improvement FUND

- Revenues for this fund come from bonding for Street Projects and transfers in from the General Fund and Local Sales Tax to fund street projects.
- Expenditures are payments for expenses incurred from the Street Improvement Projects.
- There is little activity during 1st quarter due to the winter season being a down time for construction projects.
- Engineers and City Staff are working on the upcoming 2023-2024 Street Improvement Project, estimated at approximately \$6.9 million.

Water FUND

- Water revenues are at 23.4% of budget for 2023, this is on target for what was anticipated.
- Expenditures are below budgeted estimates.
- The 2023 Capital Projects
 - Water Plant Project – Project will begin Summer 2023
 - Chlorine Tank - \$4,375,000
 - Homewood PRV Station 2 & 3 - \$775,000

Sewer FUND

- Sewer revenues are at 24.1% of budget for 2023.
- Expenditures are below budgeted estimates.
- 2022 Capital Projects
 - Wastewater Treatment Plant Project – This is year 3 of 4 for the \$33.5M Project which started in Fall 2021.
 - Sewer Plant – Truck purchase for \$60,000

Electric FUND

- Electric revenues are at 30.4% of budget for 2023. Revenues have decreased 21.3% from the same period last year.
- Expenditures are below budgeted estimates.
- The 2023 Capital Projects
 - Streetlights – HWY 61 Project - \$103,000

1st QUARTER FINANCIAL HIGHLIGHTS – continued

- Bucket Truck - \$202,950
- Electric Department – Truck purchase for \$60,000
- Crew Truck - \$52,150

Gas FUND

- Gas revenues are at 45.3% of budget for 2023, sales are down approximately 6% compared to same time last year. Consumption
- Expenditures are below budgeted estimates.
- The 2023 Capital Projects
 - Truck - \$60,000
 - Street Improvement Projects - \$103,000

Liquor Store FUND

- Sales through the first quarter amounted to \$579,163 which is a 2.1% decrease over the same period in 2022.
- Expenditures are below budgeted estimates.
- The 2023 Capital Projects
 - Municipal Liquor Store Upgrade Project – \$3,839,850

Stormwater FUND

- Stormwater revenues are 25.2% of budget for 2023.
- Expenditures are below budgeted estimates
- 2023 Capital Projects:
 - 2023-2024 Street Improvement Project – Estimated stormwater expenditure is \$354,500 for the 2023 phase.

Campground FUND

- Camping season begins May 15th, bookings for the 2023 have increased 6.4% from the same period in 2022 (\$13,201).
- 2023 Capital Projects
 - Campground Road Replacement w/ utilities – \$150,000 – sites will be completed this fall for the final phase of the pavement and utility upgrades. Electric work begin in early October with the pavement work in Spring 2024.

1st QUARTER FINANCIAL HIGHLIGHTS – continued

- Campground Office Building Bathroom Addition – In 2023 the project was to be planned out and construction to begin in 2024, recommendation from Department Heads and Administration has changed and will be discussed with Council.

1st QUARTER FINANCIAL HIGHLIGHTS – continued

CASH & INVESTMENTS

The City of Two Harbors is in stable condition for the second quarter of 2023. An analysis of available cash provides an effective insight into the City's financial condition. The following table lists the second quarter cash and investment balances for 2023.

| City of Two Harbors Cash & Investment Summary by Fund March 31, 2023 | | | | | |
|--|-----------------------------|---------------------|----------------------|----------------------|----------------------|
| Fund No. | Fund | Cash | Investments | Total | Difference from 2022 |
| 101 | General Fund | 28,508.47 | 1,749,874.51 | 1,778,382.98 | 473,927.29 |
| 205 | Revolving Loan Fund | 40,606.38 | - | 40,606.38 | (0.01) |
| 211 | Library | 47,373.79 | 100,000.00 | 147,373.79 | 34,768.25 |
| 231 | Airport | 84,997.70 | - | 84,997.70 | 39,147.97 |
| 241 | Golf Course | (37,291.44) | - | (37,291.44) | 98,827.64 |
| 251 | TIF District | 3,888.16 | 195,000.00 | 198,888.16 | 1,403.39 |
| 261 | Local Sales Tax Fund | 182,757.29 | 580,000.00 | 762,757.29 | 79,979.89 |
| 263 | Local Sales Tax - Streets | 179,924.93 | 295,000.00 | 474,924.93 | 222,951.98 |
| 301 | 2018A GOF Bond Debt Service | 355,985.60 | - | 355,985.60 | 88,561.52 |
| 401 | Capital Equipment Fund | (17,266.62) | 875,000.00 | 857,733.38 | (122,485.51) |
| 402 | Street Improvement Fund | 229,950.79 | 1,250,000.00 | 1,479,950.79 | (844,222.24) |
| 411 | Capital Projects - Edna G | 78,534.16 | 400,000.00 | 478,534.16 | 83,754.53 |
| 500 | Permanent Fund | 67,313.85 | 600,000.00 | 667,313.85 | (13,144.63) |
| 500 | Permanent Fund - Restricted | 17,000.00 | - | 17,000.00 | - |
| 601 | Water | 36,842.58 | 500,000.00 | 536,842.58 | 16,206.11 |
| 602 | Sewer | 3,222,039.14 | 1,100,000.00 | 4,322,039.14 | 925,296.69 |
| 604 | Electric | 2,567,437.75 | 7,815,031.97 | 10,382,469.72 | 631,492.01 |
| 605 | Gas | 1,280,947.80 | 1,449,260.84 | 2,730,208.64 | (100,037.72) |
| 609 | Liquor | 604,634.42 | 1,200,000.00 | 1,804,634.42 | (130,045.95) |
| 651 | Stormwater | 266,648.95 | 662,106.44 | 928,755.39 | 261,643.90 |
| 660 | Campground | 146,973.70 | 1,245,260.33 | 1,392,234.03 | 284,942.60 |
| 810 | | (132.78) | 146,000.00 | 145,867.22 | (1,187.30) |
| | | <u>9,387,674.62</u> | <u>20,162,534.09</u> | <u>29,550,208.71</u> | <u>2,031,780.41</u> |

City of Two Harbors
Summary of Budgeted Revenues and Expenditures
2022 and 2023
Budget to Actual Comparison

General Fund
1st Quarter - March 31, 2023

| REVENUES | 2022 | | 2023 | | Percent Change | Change |
|--|-----------|-------------|-----------|-------------|----------------|----------|
| | Budget | Actual | Budget | Actual | | |
| General Property Taxes | 2,412,698 | | 2,460,952 | - | 0% | - |
| Other Taxes | 37,550 | | 38,650 | - | 0% | - |
| Cable Television Franchise Tax | 28,850 | | | | -100% | - |
| Licenses and Permits | 53,700 | 6,262 | 85,250 | 7,939 | 21% | 1,676 |
| Local Government Aid | 1,853,222 | | 1,893,603 | - | 0% | - |
| Other Intergovernmental | 163,150 | 1,370 | 163,500 | 5,000 | -100% | 3,630 |
| Charges for Services | 171,850 | 396 | 164,000 | 4,521 | 91% | 4,126 |
| Fines and Forfeitures | 9,900 | 1,213 | 8,900 | 2,477 | 51% | 1,264 |
| Miscellaneous Revenues: | | | | | | |
| Investment Income | | | | | 0% | - |
| Other | 35,500 | 7,393 | 35,050 | 24,825 | 70% | 17,433 |
| Total Revenues | 4,766,420 | 16,634 | 4,849,905 | 44,762 | 63% | 28,129 |
| EXPENDITURES | | | | | | |
| Current | | | | | | |
| General Government | 767,200 | 173,601 | 877,300 | 177,815 | 2% | 4,214 |
| Public Safety | 1,582,300 | 408,490 | 1,807,700 | 441,051 | 7% | 32,560 |
| Public Works | 1,478,430 | 405,124 | 1,560,100 | 341,415 | -19% | (63,709) |
| Culture and Recreation | 252,750 | 42,553 | 250,850 | 41,204 | -3% | (1,349) |
| Health and Welfare | 139,950 | 32,425 | 144,050 | 42,826 | 24% | 10,401 |
| Miscellaneous | 171,850 | 22,050 | 226,800 | 29,116 | 24% | 7,065 |
| Total Expenditures | 4,392,480 | 1,084,243 | 4,866,800 | 1,073,426 | -1% | (10,817) |
| Excess of Revenues Over (Under) Expenditures | 373,940 | (1,067,609) | (16,895) | (1,028,663) | | |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Proceeds from Sale of Capital Assets | - | - | | | -100% | - |
| Insurance Proceeds | - | - | | | 0% | - |
| Extraordinary Items | - | - | | | 0% | - |
| Transfers In | | | | | | |
| Electric Fund | 250,831 | - | 250,191 | - | 0% | - |
| Gas Fund | 98,810 | - | 57,790 | - | 0% | - |
| Liquor Fund | 259 | - | 2,959 | - | 0% | - |
| Cem Perpetual | 2,017 | - | 258 | - | 0% | - |
| Transfers Out | | | | | | |
| Library Fund | (237,000) | - | (237,000) | - | 0% | - |
| Airport Fund | (13,250) | - | (6,850) | - | 0% | - |
| Golf Course Fund | (25,000) | - | (50,000) | - | 0% | - |
| Capital Equipment Fund | (250,000) | - | | - | 0% | - |
| Street Improvement Fund | (200,000) | - | | - | 0% | - |
| Permanent Fund | | - | | - | 0% | - |
| Total Other Financing Sources (Uses) | (373,333) | - | 17,348 | - | -100% | - |
| Net Change in Fund Balances | 607 | (1,067,609) | 453 | (1,028,663) | | |
| Beginning Fund Balance | 2,140,694 | 2,092,946 | | | | |
| Ending Fund Balance | 2,141,301 | 1,025,337 | | | | |
| | | 49% | | | | |

City of Two Harbors
Summary of Budgeted Revenues and Expenditures
2022 and 2023
Budget to Actual Comparison

Library Fund
1st Quarter - March 31, 2023

| REVENUES | 2022 | | 2023 | | Percent Change | \$\$ Change |
|--|-----------|----------|-----------|----------|----------------|-------------|
| | Budget | Actual | Budget | Actual | | |
| Intergovernmental | 65,000 | - | 65,000 | - | 0.0% | - |
| Fines and Forfeitures | 2,500 | 297 | - | 45 | 0.0% | (252) |
| Copies & Faxes | | 670 | 2,000 | 538 | 26.9% | (132) |
| Miscellaneous Revenues: | | | | | | |
| Other | - | - | 100 | 81 | 0.0% | 81 |
| Total Revenues | 67,500 | 968 | 67,100 | 664 | -46% | (304) |
| EXPENDITURES | | | | | | |
| Current | | | | | | |
| Culture & Recreation | 293,600 | 78,730 | 304,100 | 78,534 | 0% | (197) |
| Total Expenditures | 293,600 | 78,730 | 304,100 | 78,534 | 0% | (197) |
| Excess of Revenues Over (Under) Expenditures | (226,100) | (77,763) | (237,000) | (77,870) | | |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Extraordinary Items | | | | | 0.0% | - |
| Transfers In | | - | 237,000 | - | 0.0% | - |
| General Fund | 237,000 | - | | | 0.0% | - |
| Total Other Financing Sources (Uses) | 237,000 | - | 237,000 | - | 0.0% | - |
| Net Change in Fund Balances | 10,900 | (77,763) | - | (77,870) | | |

City of Two Harbors
Summary of Budgeted Revenues and Expenditures
2022 and 2023
Budget to Actual Comparison

Airport Fund
1st Quarter - March 31, 2023

| REVENUES | 2022 | | 2023 | | Percent Change | \$\$ Change |
|---|----------|----------|---------|----------|-------------------|----------------|
| | Budget | Actual | Budget | Actual | | |
| Intergovernmental | 48,100 | | 41,800 | - | 0% | - |
| Charges for Services | 138,600 | 24,068 | 146,900 | 24,824 | 3% | 756 |
| Total Revenues | 186,700 | 24,068 | 188,700 | 24,824 | 3% | 756 |
| EXPENDITURES | | | | | | |
| Current | | | | | | |
| Airport | 199,950 | 48,000 | 195,550 | 55,617 | 14% | 7,618 |
| Total Expenditures | 199,950 | 48,000 | 195,550 | 55,617 | 14% | 7,618 |
| Excess of Revenues Over (Under) Expenditures | (13,250) | (23,931) | (6,850) | (30,793) | | |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Proceeds from Sale of Capital Assets | | | | | 0% | - |
| Transfers In | 13,250 | | 6,850 | - | 0% | - |
| General Fund | | | | | 0% | - |
| Total Other Financing Sources (Uses) | 13,250 | - | 6,850 | - | 0% | - |
| Net Change in Fund Balances | - | (23,931) | - | (30,793) | | |

City of Two Harbors
Summary of Budgeted Revenues and Expenditures
2022 and 2023
Budget to Actual Comparison

Golf Fund
1st Quarter - March 31, 2023

| | 2022 | | 2023 | | Percent Change | \$\$ Change |
|---|-----------|-----------|-----------|-----------|-------------------|----------------|
| | Budget | Actual | Budget | Actual | | |
| REVENUES | | | | | | |
| Charges for Services | 420,000 | | 435,000 | - | 0% | - |
| Total Revenues | 420,000 | | 435,000 | | 0% | - |
| EXPENDITURES | | | | | | |
| Current | | | | | | |
| Culture & Recreation | 521,050 | 156,874 | 585,000 | 146,212 | -7% | (10,662) |
| Total Expenditures | 521,050 | 156,874 | 585,000 | 146,212 | -7% | (10,662) |
| Excess of Revenues Over (Under) Expenditures | (101,050) | (156,874) | (150,000) | (146,212) | | |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Proceeds from Sale of Capital Assets | | | | | | |
| Transfers in | | | | | | |
| General Fund | | | 150,000 | | 0% | - |
| Electric Fund | | | | | 0% | - |
| Total Other Financing Sources (Uses) | 125,000 | - | 150,000 | - | 0% | - |
| Net Change in Fund Balances | 23,950 | (156,874) | - | (146,212) | | |

City of Two Harbors
Summary of Budgeted Revenues and Expenditures
2022 and 2023
Budget to Actual Comparison

Debt Service
1st Quarter - March 31, 2023

| REVENUES | 2022 | | 2023 | | Percent Change | \$\$ Change |
|--|-----------|--------|-----------|-----------|----------------|-------------|
| | Budget | Actual | Budget | Actual | | |
| Other Revenues | 141,650 | 4 | 143,800 | 50 | 93% | 46 |
| Total Revenues | 141,650 | 4 | 143,800 | 4 | 0% | - |
| EXPENDITURES | | | | | | |
| Debt Service | | | | | | |
| Professional Services | 275,000 | | 270,000 | 974 | 100% | 270,000 |
| Principal | 121,350 | | 116,000 | 59,626 | 100% | 59,626 |
| Interest | 396,350 | - | 386,000 | 330,599 | 100% | 330,599 |
| Total Expenditures | | | | | | |
| Excess of Revenues Over (Under) Expenditures | (254,700) | 4 | (242,200) | (330,595) | | |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers In | | | | | | |
| Sales Tax Fund | 275,000 | | 250,000 | | 0% | - |
| Total Other Financing Sources (Uses) | 275,000 | - | 250,000 | - | 0% | - |
| Net Change in Fund Balances | 20,300 | 4 | 7,800 | (330,595) | | |

City of Two Harbors
Summary of Budgeted Revenues and Expenditures
2022 and 2023
Budget to Actual Comparison

Capital Equipment Fund
1st Quarter - March 31, 2023

| REVENUES | 2022 | | 2023 | | Percent Change | \$\$ Change |
|--|-------------|-----------|-------------|-----------|----------------|-------------|
| | Budget | Actual | Budget | Actual | | |
| Intergovernmental | 1,013,400 | 175 | 509,100 | - | 0% | (175) |
| Charges for Services | 7,000 | - | 54,850 | - | 0% | - |
| Miscellaneous Revenues: | - | - | 259,000 | - | 0% | - |
| Other | - | - | 40,900 | 1,469 | 100% | 1,469 |
| Total Revenues | 1,020,400 | 175 | 863,850 | 1,469 | 0% | 1,294 |
| EXPENDITURES | | | | | | |
| Current | - | - | - | 807 | 100% | 807 |
| General Government | - | - | - | - | - | - |
| Debt Service | - | - | - | - | - | - |
| Principal | 185,000 | 80,000 | 185,000 | 185,000 | 57% | 105,000 |
| Interest and Other Charges | 31,600 | 17,989 | 29,350 | 15,794 | -14% | (2,195) |
| Capital Outlay | - | - | - | - | - | - |
| General Government | 260,000 | 131,018 | 154,500 | - | -100% | (131,018) |
| Public Safety | 252,850 | - | 330,650 | - | 0% | - |
| Public Works | 1,255,000 | - | 733,300 | 95,945 | 100% | 95,945 |
| Culture & Recreation | 491,250 | - | 501,300 | 25,293 | 100% | 25,293 |
| Health & Welfare | - | - | - | - | 0% | - |
| Airport | 172,600 | - | 354,000 | 2,400 | 100% | 2,400 |
| Total Expenditures | 2,648,300 | 229,006 | 2,288,100 | 325,238 | 30% | 96,231 |
| Excess of Revenues Over (Under) Expenditures | (1,627,900) | (228,831) | (1,424,250) | (323,768) | - | - |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Proceeds from Sale of Capital Assets | - | - | - | - | 0% | - |
| Bond Proceeds | - | - | 1,500,000 | - | 0% | - |
| Transfers In | - | - | 446,300 | - | - | - |
| General Fund | 250,000 | - | - | - | 0% | - |
| Golf Fund | - | - | 21,300 | - | 0% | - |
| Permanent Fund | - | - | 200,000 | - | 0% | - |
| Electric Fund | 125,000 | - | 125,000 | - | 0% | - |
| Gas Fund | 125,000 | - | 100,000 | - | 0% | - |
| Total Other Financing Sources (Uses) | 500,000 | - | 2,392,600 | - | 0% | - |
| Net Change in Fund Balances | (1,127,900) | (228,831) | 968,350 | (323,768) | - | - |

City of Two Harbors
Summary of Budgeted Revenues and Expenditures
2022 and 2023
Budget to Actual Comparison

Street Improvement Fund
1st Quarter - March 31, 2023

| REVENUES | 2022 | | 2023 | | Percent Change | \$\$ Change |
|--|-------------|--------|-------------|---------|----------------|-------------|
| | Budget | Actual | Budget | Actual | | |
| Intergovernmental | - | | | | 0% | - |
| Miscellaneous Revenues: | | | | | | |
| Interest Earnings | | | | 1,509 | 100% | 1,509 |
| Other | | | | | 0% | - |
| Total Revenues | - | - | - | 1,509 | 0% | 1,509 |
| EXPENDITURES | | | | | | |
| Current | | | | | | |
| Public Works | - | | - | 2,525 | 100% | 2,525 |
| Capital Outlay | | | | | | |
| Public Works | 1,000,600 | 525 | 3,671,000 | 500 | -5% | (25) |
| Total Expenditures | 1,000,600 | 525 | 3,671,000 | 3,025 | 83% | 2,500 |
| Excess of Revenues Over (Under) Expenditures | (1,000,600) | (525) | (3,671,000) | (1,517) | | |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Bond Proceeds | 1,000,600 | | 5,000,000 | | 0% | - |
| Transfers In | | | | | | |
| General Fund | | | | - | #DIV/0! | - |
| Sales Tax fund | 275,000 | | - | - | #DIV/0! | - |
| Transfer Out | (275,000) | | - | - | 0% | - |
| Total Other Financing Sources (Uses) | 1,000,600 | - | 5,000,000 | - | 0% | - |
| Net Change in Fund Balances | - | (525) | 1,329,000 | (1,517) | | |

City of Two Harbors
Summary of Budgeted Revenues and Expenditures
2022 and 2023
Budget to Actual Comparison

Water Fund
1st Quarter - March 31, 2023

| | 2022 | | | 2023 | | | Percent Change | \$ Amount Change |
|---|------------------|-----------------|--------------|------------------|----------------|--------------|----------------|------------------|
| | Budget | Actual | % | Budget | Actual | % | | |
| OPERATING REVENUES | | | | | | | | |
| Charges for Services | 1,276,000 | 291,202 | 22.8% | 1,314,300 | 307,285 | 23.4% | 5.5% | 16,083 |
| Penalties | 8,000 | | 0.0% | 8,000 | 2,797 | 35.0% | 100.0% | 2,797 |
| Other Services | 8,500 | | 0.0% | 5,450 | 25 | 0.5% | 100.0% | 25 |
| | <u>1,292,500</u> | <u>291,202</u> | <u>22.5%</u> | <u>1,327,750</u> | <u>310,106</u> | <u>23.4%</u> | <u>6.5%</u> | <u>18,905</u> |
| OPERATING EXPENSES | | | | | | | | |
| Wages, Salaries and Compensation | 543,750 | 131,296 | 24.1% | 446,800 | 114,811 | 25.7% | -12.6% | (16,485) |
| Employee Benefits | 299,200 | 65,230 | 21.8% | 305,600 | 51,313 | 16.8% | -21.3% | (13,916) |
| Materials and Supplies | 122,050 | 25,565 | 20.9% | 152,250 | 19,489 | 12.8% | -23.8% | (6,076) |
| Professional Services | 11,500 | 119 | 1.0% | 15,600 | 617 | 4.0% | 420.1% | 498 |
| Insurance | 9,550 | 28,627 | 299.8% | 16,800 | 23,149 | 137.8% | -19.1% | (5,478) |
| Utilities | 106,950 | 18,425 | 17.2% | 112,350 | 32,693 | 29.1% | 77.4% | 14,268 |
| Depreciation | 387,650 | - | 0.0% | 405,000 | - | 0.0% | 0.0% | - |
| Travel and Training | 8,200 | 4,082 | 49.8% | 9,500 | 1,684 | 17.7% | -58.7% | (2,398) |
| Miscellaneous | 5,250 | 691 | 13.2% | 4,900 | 966 | 19.7% | 39.8% | 275 |
| Dues and Subscriptions | 13,050 | 5,993 | 45.9% | 19,000 | 4,493 | 23.6% | -25.0% | (1,500) |
| Rentals - Leases | 250 | - | 0.0% | 250 | - | 0.0% | 0.0% | - |
| Total Operating Expenses | <u>1,507,400</u> | <u>280,027</u> | <u>18.6%</u> | <u>1,488,050</u> | <u>249,215</u> | <u>16.7%</u> | <u>-11.0%</u> | <u>(30,812)</u> |
| Operating Income (Loss) | (214,900) | 11,175 | | (160,300) | 60,892 | | | |
| NONOPERATING REVENUES (EXPENSES) | | | | | | | | |
| Investment Income | 1,000 | 55 | 5.5% | 1,000 | 1,080 | 108.0% | 1873.6% | 1,025 |
| Interest Expense | (78,500) | (10,936) | 13.9% | (78,500) | (9,721) | 12.4% | -11.1% | 1,215 |
| Miscellaneous Revenue | | | 0.0% | | | 0.0% | 0.0% | - |
| Total Nonoperating Revenues (Expenses) | <u>(77,500)</u> | <u>(10,882)</u> | <u>14.0%</u> | <u>(77,500)</u> | <u>(8,641)</u> | <u>11.2%</u> | <u>-20.6%</u> | <u>2,240</u> |
| Income (Loss) before Transfers | (292,400) | 294 | | (237,800) | 52,250 | | | |
| Capital Contributions | | | 0.0% | | | 0.0% | 0.0% | - |
| Extraordinary Items | | | 0.0% | | | 0.0% | 0.0% | - |
| Gain on Disposal of Capital Assets | | | 0.0% | | | 0.0% | 0.0% | - |
| Transfers In - Sales Tax Fund | 300,000 | - | 0.0% | 250,000 | | 0.0% | 0.0% | - |
| Transfers Out | | | 0.0% | | | 0.0% | 0.0% | - |
| Change in Net Position | 7,600 | 294 | 3.9% | 12,200 | 52,250 | 428.3% | 17699.4% | 51,957 |

City of Two Harbors
Summary of Budgeted Revenues and Expenditures
2022 and 2023
Budget to Actual Comparison

Sewer Fund
1st Quarter - March 31, 2023

| | 2022 | | | 2023 | | | Percent Change | \$ Amount Change |
|---|------------------|----------------|---------------|------------------|----------------|--------------|-------------------|---------------------|
| | Budget | Actual | % | Budget | Actual | % | | |
| OPERATING REVENUES | | | | | | | | |
| Charges for Services | 1,408,250 | 329,935 | 23.4% | 1,450,500 | 351,869 | 24.3% | 6.6% | 21,934 |
| Penalties | 8,000 | | 0.0% | 8,000 | 2,727 | 34.1% | 100.0% | 2,727 |
| Other Services | 20,100 | 1,848 | 9.2% | 19,750 | 1,678 | 8.5% | -9.2% | (170) |
| | <u>1,436,350</u> | <u>331,783</u> | <u>23.1%</u> | <u>1,478,250</u> | <u>356,274</u> | <u>24.1%</u> | <u>7.4%</u> | <u>24,491</u> |
| OPERATING EXPENSES | | | | | | | | |
| Wages, Salaries and Compensation | 451,100 | 116,763 | 25.9% | 482,450 | 125,202 | 25.0% | 7.2% | 8,439 |
| Employee Benefits | 277,050 | 63,483 | 22.9% | 320,350 | 69,305 | 19.8% | -0.3% | (179) |
| Materials and Supplies | 213,950 | 28,368 | 13.3% | 195,350 | 28,525 | 14.6% | 0.6% | 157 |
| Professional Services | 56,150 | 5,501 | 9.8% | 101,150 | 16,193 | 16.0% | 194.4% | 10,692 |
| Insurance | 23,050 | 49,742 | 215.8% | 32,800 | 62,127 | 189.4% | 24.9% | 12,385 |
| Utilities | 150,500 | 26,455 | 17.6% | 164,450 | 49,284 | 30.0% | 86.3% | 22,829 |
| Depreciation | 348,950 | - | 0.0% | 398,100 | | 0.0% | 0.0% | - |
| Travel and Training | 9,000 | 3,052 | 33.9% | 7,500 | 1,994 | 26.6% | -34.7% | (1,058) |
| Miscellaneous | 26,700 | 4,963 | 18.6% | 50,350 | 7,657 | 15.2% | 54.3% | 2,694 |
| Dues and Subscriptions | 11,900 | 7,311 | 61.4% | 23,500 | 18,493 | 78.7% | 153.0% | 11,182 |
| Rentals - Leases | 900 | - | 0.0% | 900 | | 0.0% | 0.0% | - |
| Total Operating Expenses | <u>1,569,250</u> | <u>305,638</u> | <u>19.5%</u> | <u>1,776,900</u> | <u>372,780</u> | <u>21.0%</u> | <u>22.0%</u> | <u>67,143</u> |
| Operating Income (Loss) | (132,900) | 26,146 | | (298,650) | (16,506) | | | |
| NONOPERATING REVENUES (EXPENSES) | | | | | | | | |
| GO Bond Proceeds | | | | | | | | |
| Investment Income | 25,000 | 428 | 1.7% | 25,000 | 2,370 | 9.5% | 0.0% | - |
| Interest Expense | (17,050) | (2,359) | 13.8% | (446,300) | (2,225) | 0.5% | 454.1% | 1,942 |
| Miscellaneous Revenue | 1,000 | | 0.0% | 1,000 | | 0.0% | -5.7% | 134 |
| Total Nonoperating Revenues (Expenses) | <u>8,950</u> | <u>(1,931)</u> | <u>-21.6%</u> | <u>(420,300)</u> | <u>145</u> | <u>0.0%</u> | <u>0.0%</u> | <u>2,076</u> |
| Income (Loss) before Transfers | (123,950) | 24,215 | | (718,950) | (16,361) | | | |
| Capital Contributions | | | 0.0% | | | 0.0% | 0.0% | - |
| Gain on Disposal of Capital Assets | | | 0.0% | | | 0.0% | 0.0% | - |
| Transfers In | 120,000 | - | 0.0% | 300,000 | | 0.0% | 0.0% | - |
| Transfers Out | | | 0.0% | | | 0.0% | 0.0% | - |
| Change in Net Position | (3,950) | 24,215 | -613.0% | (418,950) | (16,361) | 3.9% | -168% | (40,576) |

City of Two Harbors
Summary of Budgeted Revenues and Expenditures
2022 and 2023
Budget to Actual Comparison

Electric Fund
1st Quarter - March 31, 2023

| | 2022 | | 2023 | | Percent Change | \$ Amount Change |
|---|-----------|-----------|-----------|-----------|-------------------|---------------------|
| | Budget | Actual | Budget | Actual | | |
| SALES AND COST OF SALES | | | | | | |
| Sales | 4,059,400 | 1,084,600 | 4,059,400 | 1,081,383 | -0.3% | (3,217) |
| Cost of Sales | 2,193,900 | 381,149 | 2,237,800 | 528,041 | 38.5% | 146,892 |
| Gross Profit | 1,865,500 | 703,451 | 1,821,600 | 553,342 | -21.3% | (150,109) |
| OPERATING REVENUES | | | | | | |
| Charges for Services | 8,850 | | 11,500 | 12,085 | 10.0% | 12,085 |
| Penalties | 27,000 | | 28,200 | 8,164 | 100.0% | 8,164 |
| Other Services | 1,600 | | 10,650 | 90 | 100.0% | 90 |
| Total Operating Revenues | 37,450 | - | 50,350 | 20,340 | 100.0% | 20,340 |
| OPERATING EXPENSES | | | | | | |
| Wages, Salaries and Compensation | 611,200 | 123,231 | 456,500 | 104,302 | -15.4% | (18,929) |
| Employee Benefits | 332,750 | 67,074 | 314,400 | 62,860 | -6.3% | (4,214) |
| Materials and Supplies | 228,400 | 24,818 | 248,100 | 37,800 | 52.3% | 12,983 |
| Professional Services | 66,200 | 8,226 | 74,850 | 17,752 | 115.8% | 9,526 |
| Insurance | 13,550 | 13,627 | 14,150 | 18,457 | 35.4% | 4,830 |
| Utilities | 26,600 | 3,970 | 27,200 | 7,460 | 87.9% | 3,489 |
| Depreciation | 158,750 | - | 158,750 | - | 0.0% | - |
| Travel and Training | 8,950 | 9,572 | 12,450 | 1,506 | -84.3% | (8,066) |
| Miscellaneous | 134,550 | 27,769 | 136,850 | 21,750 | -21.7% | (6,020) |
| Dues and Subscriptions | 17,600 | 22,602 | 47,650 | 29,326 | 29.7% | 6,723 |
| Rentals - Leases | 3,400 | 1,303 | 3,500 | 1,303 | 0.0% | - |
| Total Operating Expenses | 1,601,950 | 302,192 | 1,494,400 | 302,514 | 0.1% | 323 |
| Operating Income (Loss) | 301,000 | 401,259 | 377,550 | 271,167 | | |
| NONOPERATING REVENUES (EXPENSES) | | | | | | |
| Investment Income | 30,000 | 2,872 | 30,000 | 13,828 | 100.0% | 10,956 |
| Interest Expense | (1,500) | (16) | (1,200) | (489) | 2930.0% | (473) |
| Miscellaneous Revenue | 67,100 | 48,919 | 67,100 | 21,657 | 100.0% | (27,262) |
| Total Nonoperating Revenues (Expenses) | 95,600 | 51,775 | 95,900 | 34,996 | -32.4% | (16,779) |
| Income (Loss) before Transfers | 396,600 | 453,034 | 473,450 | 306,163 | | |
| Capital Contributions | - | | | | 0.0% | - |
| Gain on Disposal of Capital Assets | - | | | | 0.0% | - |
| Transfers In | 68,000 | | | | 0.0% | - |
| Transfers Out | (515,850) | | (475,200) | | 0.0% | - |
| Change in Net Position | (51,250) | 453,034 | (1,750) | 306,163 | -32% | (146,871) |

City of Two Harbors
Summary of Budgeted Revenues and Expenditures
2022 and 2023
Budget to Actual Comparison

| | 2022 | | | 2023 | | | Percent Change | \$ Amount Change |
|---|-----------|-----------|---------|-----------|-----------|----------|----------------|------------------|
| | Budget | Actual | % | Budget | Actual | % | | |
| Gas Fund | | | | | | | | |
| 1st Quarter - March 31, 2023 | | | | | | | | |
| SALES AND COST OF SALES | | | | | | | | |
| Sales | 2,829,900 | 1,456,747 | 51.5% | 3,036,500 | 1,374,186 | 45.3% | -5.7% | (82,561) |
| Cost of Sales | 2,023,350 | 776,512 | 38.4% | 2,063,850 | 979,009 | 47.4% | 26.1% | 202,497 |
| Gross Profit | 806,550 | 680,234 | 84.3% | 972,650 | 395,176 | 40.6% | -41.9% | (285,058) |
| OPERATING REVENUES | | | | | | | | |
| Penalties | 10,000 | - | 0.0% | 12,650 | 13,979 | 110.5% | 100.0% | 13,979 |
| Other Services | 1,950 | - | 0.0% | 2,650 | - | 0.0% | #DIV/0! | - |
| Total Operating Revenues | 11,950 | - | 0.0% | 15,300 | 13,979 | 91.4% | #DIV/0! | 13,979 |
| OPERATING EXPENSES | | | | | | | | |
| Wages, Salaries and Compensation | 399,350 | 89,123 | 22.3% | 352,800 | 89,612 | 25.4% | 0.5% | 489 |
| Employee Benefits | 230,800 | 57,812 | 25.0% | 230,400 | 56,582 | 24.6% | -2.1% | (1,231) |
| Materials and Supplies | 95,850 | 9,357 | 9.8% | 94,300 | 33,956 | 36.0% | 262.9% | 24,599 |
| Professional Services | 21,250 | 3,429 | 16.1% | 27,400 | 6,394 | 23.3% | 86.5% | 2,965 |
| Insurance | 4,800 | 4,728 | 100.0% | 5,000 | 6,420 | 128.4% | 35.8% | 1,692 |
| Utilities | 21,050 | 3,765 | 17.9% | 15,050 | 5,345 | 35.5% | 42.0% | 1,580 |
| Depreciation | 50,900 | - | 0.0% | 49,400 | - | 0.0% | 0.0% | - |
| Travel and Training | 7,750 | 6,093 | 78.6% | 9,050 | 2,423 | 26.8% | -60.2% | (3,670) |
| Miscellaneous | 23,550 | 5,647 | 24.0% | 28,100 | 6,833 | 24.3% | 21.0% | 1,186 |
| Dues and Subscriptions | 22,650 | 6,464 | 28.5% | 28,700 | 16,061 | 56.0% | 148.4% | 9,596 |
| Rentals - Leases | 700 | - | 0.0% | 700 | - | 0.0% | #DIV/0! | - |
| Total Operating Expenses | 878,850 | 186,418 | 21.2% | 840,900 | 223,625 | 26.6% | 20.0% | 37,207 |
| Operating Income (Loss) | (60,350) | 493,816 | | 147,050 | 185,530 | | | |
| NONOPERATING REVENUES (EXPENSES) | | | | | | | | |
| Investment Income | 19,000 | 1,306 | 6.9% | 10,000 | 4,881 | 48.8% | 273.7% | 3,575 |
| Interest Expense | (600) | (11) | 1.8% | (600) | (281) | 46.9% | 2527.9% | (270) |
| Miscellaneous Revenue | 8,900 | - | 0.0% | 2,000 | - | 0.0% | 0.0% | - |
| Total Nonoperating Revenues (Expenses) | 27,300 | 1,296 | 4.7% | 11,400 | 4,600 | 40.4% | 255.0% | 3,305 |
| Income (Loss) before Transfers | (33,050) | 495,112 | | 158,450 | 190,130 | | | |
| Capital Contributions | - | - | 0.0% | - | - | 0.0% | 0.0% | - |
| Gain on Disposal of Capital Assets | - | - | 0.0% | - | - | 0.0% | 0.0% | - |
| Transfers In | - | - | 0.0% | - | - | 0.0% | 0.0% | - |
| Transfers Out | (198,850) | - | 0.0% | (157,800) | - | 0.0% | 0.0% | - |
| Change in Net Position | (231,900) | 495,112 | -213.5% | 650 | 190,130 | 29250.8% | -62% | (304,982) |
| CIP Funding | | | | | | | | |
| Purchase of Capital Assets | | | | | | | | |
| Repairs of Seawall Damage | 130,000 | | | | | | | |
| Cleaning & Repair New Water Tower | | | | | | | | |

City of Two Harbors
Summary of Budgeted Revenues and Expenditures
2022 and 2023
Budget to Actual Comparison

Liquor Store
1st Quarter - March 31, 2023

| | 2022 | | | 2023 | | | Percent Change | \$ Amount Change |
|---|-----------|----------|--------|-----------|----------|--------|----------------|------------------|
| | Budget | Actual | % | Budget | Actual | % | | |
| SALES AND COST OF SALES | | | | | | | | |
| Sales | 2,838,050 | 591,409 | 20.8% | 2,923,300 | 579,163 | 19.8% | -2.1% | (12,246) |
| Cost of Sales | 2,102,150 | 472,198 | 22.5% | 2,302,500 | 463,903 | 20.1% | -1.8% | (8,294) |
| Gross Profit | 735,900 | 119,212 | 16.2% | 620,800 | 115,260 | 18.6% | -3.3% | (3,951) |
| OPERATING EXPENSES | | | | | | | | |
| Wages, Salaries and Compensation | 287,200 | 68,009 | 23.7% | 321,700 | 69,090 | 21.5% | 1.6% | 1,081 |
| Employee Benefits | 122,700 | 32,730 | 26.7% | 197,000 | 34,131 | 17.3% | 4.3% | 1,402 |
| Materials and Supplies | 32,400 | 3,966 | 12.2% | 34,350 | 4,189 | 12.2% | 5.6% | 223 |
| Professional Services | 1,050 | - | 0.0% | 7,350 | 1,339 | 18.2% | 100.0% | 1,339 |
| Insurance | 5,650 | 9,722 | 100.0% | 10,500 | 10,385 | 98.9% | 6.8% | 663 |
| Utilities | 17,000 | 2,672 | 15.7% | 42,200 | 5,672 | 13.4% | 112.3% | 3,000 |
| Depreciation | 7,600 | - | 0.0% | 7,600 | - | 0.0% | 0.0% | - |
| Travel and Training | 2,000 | 759 | 38.0% | 2,000 | 49 | 2.4% | 100.0% | (710) |
| Miscellaneous | 91,400 | 18,673 | 20.4% | 103,700 | 28,996 | 28.0% | 55.3% | 10,322 |
| Dues and Subscriptions | 2,850 | 1,666 | 58.5% | 7,750 | 1,588 | 20.5% | -4.7% | (78) |
| Rentals - Leases | - | - | 0.0% | - | - | 0.0% | 0.0% | - |
| Total Operating Expenses | 569,850 | 138,198 | 24.3% | 734,150 | 155,439 | 21.2% | 12.5% | 17,241 |
| Operating Income (Loss) | 166,050 | (18,986) | | (113,350) | (40,179) | | | |
| NONOPERATING REVENUES (EXPENSES) | | | | | | | | |
| Investment Income | 4,320 | 66 | 1.5% | 1,000 | 1,328 | 132.8% | 1901.0% | 1,261 |
| Miscellaneous Revenue | 100 | - | 0.0% | - | - | 0.0% | 0.0% | - |
| Total Nonoperating Revenues (Expenses) | 4,420 | 66 | 1.5% | 1,000 | 1,328 | 132.8% | 1901.0% | 1,261 |
| Income (Loss) before Transfers | 170,470 | (18,920) | | (112,350) | (38,851) | | | |
| Transfers In | - | - | 0.0% | - | - | 0.0% | 0.0% | - |
| Transfers Out | (300.00) | - | 0.0% | - | - | 0.0% | 0.0% | - |

City of Two Harbors
Summary of Budgeted Revenues and Expenditures
2022 and 2023
Budget to Actual Comparison

Stormwater Fund
1st Quarter - March 31, 2023

| | 2022 | | | 2023 | | | Percent Change | \$ Amount Change |
|---|-----------------|----------------|--------------|-----------------|---------------|--------------|----------------|------------------|
| | Budget | Actual | % | Budget | Actual | % | | |
| OPERATING REVENUES | | | | | | | | |
| Charges for Services | 164,650 | 42,436 | 25.8% | 164,650 | 41,452 | 25.2% | -2.3% | (984) |
| Penalties | 500 | - | 0.0% | 500 | 399 | 79.8% | 100.0% | 399 |
| Other Services | - | - | 0.0% | - | - | 0.0% | 0.0% | - |
| Total Operating Revenues | 165,150 | 42,436 | 25.7% | 165,150 | 41,851 | 25.3% | -1.4% | (585) |
| OPERATING EXPENSES | | | | | | | | |
| Wages, Salaries and Compensation | - | - | 0.0% | - | - | 0.0% | 0.0% | - |
| Employee Benefits | - | - | 0.0% | - | 15 | 0.0% | #DIV/0! | 15 |
| Materials and Supplies | 2,950 | 324 | 11.0% | 5,950 | 1,002 | 16.8% | 209.0% | 678 |
| Professional Services | 4,150 | 140 | 3.4% | 15,000 | 679 | 4.5% | 384.5% | 539 |
| Insurance | 250 | 509 | 203.6% | 550 | 748 | 136.0% | 47.0% | 239 |
| Utilities | 500 | 61 | 12.1% | 500 | 60 | 12.1% | -0.2% | (0) |
| Depreciation | 30,600 | - | 0.0% | 48,400 | - | 0.0% | 0.0% | - |
| Travel and Training | - | 341 | 0.0% | - | - | 0.0% | -100.0% | (341) |
| Miscellaneous | 3,500 | 667 | 19.0% | 2,850 | 622 | 21.8% | -6.7% | (45) |
| Dues and Subscriptions | 250 | 824 | 329.4% | 4,150 | 1,587 | 38.3% | 92.7% | 764 |
| Rentals - Leases | 100 | - | 0.0% | 100 | - | 0.0% | #DIV/0! | - |
| Total Operating Expenses | 42,300 | 2,866 | 6.8% | 77,500 | 4,715 | 6.1% | 64.5% | 1,849 |
| Operating Income (Loss) | 122,850 | 39,570 | | 87,650 | 37,136 | | | |
| NONOPERATING REVENUES (EXPENSES) | | | | | | | | |
| Investment Income | 1,750 | 6 | 0.3% | 1,000 | 946 | 94.6% | 15908.3% | 940 |
| Bond Issuance Costs | - | - | 0.0% | - | - | 0.0% | 0.0% | - |
| Interest Expense | (14,200) | (1,119) | 7.9% | (12,350) | (1,193) | 9.7% | 6.6% | (74) |
| Miscellaneous Revenue | - | - | 0.0% | - | - | 0.0% | 0.0% | - |
| Total Nonoperating Revenues (Expenses) | (12,450) | (1,113) | 8.9% | (11,350) | (247) | 2.2% | -77.8% | 866 |
| Income (Loss) before Transfers | 110,400 | 38,457 | | 76,300 | 36,889 | | | |
| Capital Contributions | - | - | 0.0% | - | - | 0.0% | 0.0% | - |
| Gain on Disposal of Capital Assets | - | - | 0.0% | - | - | 0.0% | 0.0% | - |
| Transfers In | - | - | 0.0% | - | - | 0.0% | 0.0% | - |
| Transfers Out | - | - | 0.0% | - | - | 0.0% | 0.0% | - |
| Change in Net Position | 110,400 | 38,457 | 34.8% | 76,300 | 36,889 | 48.3% | -4% | (1,568) |

City of Two Harbors
Summary of Budgeted Revenues and Expenditures
2022 and 2023
Budget to Actual Comparison

Campground Fund
1st Quarter - March 31, 2023

| | 2022 | | 2023 | | Percent Change | \$ Amount Change |
|---|---------|----------|-----------|----------|----------------|------------------|
| | Budget | Actual | Budget | Actual | % | |
| SALES AND COST OF SALES | | | | | | |
| Sales | 86,350 | 192 | 87,250 | | 0.0% | (192) |
| Cost of Sales | 50,350 | 16,992 | 65,000 | 25,269 | 100.0% | 8,277 |
| Gross Profit | 36,000 | (16,800) | 22,250 | (25,269) | 100.0% | (8,469) |
| OPERATING REVENUES | | | | | | |
| Charges for Services | 686,100 | 206,892 | 715,550 | 220,093 | 6.4% | 13,201 |
| Other Services | 16,750 | 2,775 | 19,050 | 1,805 | -34.9% | (970) |
| Total Operating Revenues | 702,850 | 209,666 | 734,600 | 221,898 | 5.8% | 12,232 |
| OPERATING EXPENSES | | | | | | |
| Wages, Salaries and Compensation | 21,450 | - | 21,500 | | 0.0% | - |
| Employee Benefits | 12,450 | 899 | 12,700 | 914 | 7.2% | 15 |
| Materials and Supplies | 40,200 | 3,617 | 41,800 | 2,611 | 100.0% | (1,006) |
| Professional Services | 132,500 | 9,437 | 129,350 | 12,959 | 37.3% | 3,521 |
| Insurance | 11,350 | 6,620 | 7,000 | 8,586 | 10.0% | 1,966 |
| Utilities | 38,600 | 2,478 | 42,000 | 4,037 | 62.9% | 1,559 |
| Depreciation | 55,250 | - | 67,750 | - | 0.0% | - |
| Travel and Training | - | - | - | - | 0.0% | - |
| Miscellaneous | 38,400 | 7,786 | 40,650 | 3,359 | -56.9% | (4,427) |
| Dues and Subscriptions | 2,750 | 299 | 2,750 | 285 | -4.9% | (15) |
| Rentals - Leases | - | - | - | | 0.0% | - |
| Total Operating Expenses | 352,950 | 31,137 | 365,500 | 32,750 | 5.2% | 1,614 |
| Operating Income (Loss) | 385,900 | 161,730 | 391,350 | 163,879 | | |
| NONOPERATING REVENUES (EXPENSES) | | | | | | |
| Investment Income | 800 | 132 | 800 | 1,308 | 163.5% | 1,176 |
| Bond Issuance Cost | (5,650) | (225) | (4,850) | (212) | 0.0% | - |
| Interest Expense | - | | | | 4.4% | 13 |
| Miscellaneous Revenue | - | (92) | (4,050) | 1,096 | -100.0% | - |
| Total Nonoperating Revenues (Expenses) | (4,850) | (92) | (4,050) | 1,096 | -27.1% | 1,188 |
| Income (Loss) before Transfers | 381,050 | 161,638 | 387,300 | 164,975 | | |
| Capital Contributions | | | | | 0.0% | - |
| Gain on Disposal of Capital Assets | | | | | 0.0% | - |
| Transfers In | | | | | 0.0% | - |
| Transfers Out | | | (250,000) | - | 0.0% | - |
| Change in Net Position | 381,050 | 161,638 | 137,300 | 164,975 | 2% | 3,337 |



**CITY OF TWO HARBORS
CITY COUNCIL**

**AGENDA ITEM
COVER SHEET**

| | | |
|--|--------------------------------------|-------------------------|
| Originating Staff: P. Nordean | Department: Administration | Date: 5/18/23 |
| Agenda Item Subject: Moose Gambling Permit | Fiscal Impact: | |
| BACKGROUND: The Moose Lodge has submitted a request for the City to sign off on a Premise Permit Application for them to sell pull-tabs at Earthwood. This is outside of the City Limits, so I'm not sure why they would need our permission, however, I don't think it would hurt to sign off on their permit anyway as we would not want to hold them up on their licensing process. | | |
| COUNCIL ACTION REQUESTED: Approve the request of the Moose Lodge to allow the sale of pull-tabs at Earthwood. | | |
| RECOMMENDATION: | | |
| ATTACHMENTS: | | |

LG214 Premises Permit Application**Annual Fee \$150 (NON-REFUNDABLE)****REQUIRED ATTACHMENTS TO LG214**

1. If the premises is leased, attach a copy of your lease. Use **LG215 Lease for Lawful Gambling Activity**.
2. \$150 annual premises permit fee, for each permit (non-refundable). Make check payable to "**State of Minnesota**."

Mail the application and required attachments to:Minnesota Gambling Control Board
1711 West County Road B, Suite 300 South
Roseville, MN 55113**Questions?** Call 651-539-1900 and ask for Licensing.**ORGANIZATION INFORMATION**Organization Name: Two Harbors Moose Lodge 1463 License Number: 00367Chief Executive Officer (CEO) Jeffrey Flor Daytime Phone: (218) 830-2142Gambling Manager: Michael Hein Daytime Phone: (218) 393-6422**GAMBLING PREMISES INFORMATION**Current name of site where gambling will be conducted: Earthwood Inn

List any previous names for this location:

Street address where premises is located: 933 Stanley Road
(Do not use a P.O. box number or mailing address.)

| City: | OR Township: | County: | Zip Code: |
|-------------|--------------|---------|-----------|
| Two Harbors | | Lake | 55616 |

Does your organization own the building where the gambling will be conducted?

☐ Yes ☒ No If no, attach LG215 Lease for Lawful Gambling Activity.

A lease is not required if only a raffle will be conducted.

Is any other organization conducting gambling at this site? ☐ Yes ☒ No ☐ Don't know

Note: Bar bingo can only be conducted at a site where another form of lawful gambling is being conducted by the applying organization or another permitted organization. Electronic games can only be conducted at a site where paper pull-tabs are played.

Has your organization previously conducted gambling at this site? ☐ Yes ☒ No ☐ Don't know**GAMBLING BANK ACCOUNT INFORMATION; MUST BE IN MINNESOTA**Bank Name: Two Harbors Federal Credit Union Bank Account Number: 0000090510Bank Street Address: 801 11th Street City: Two Harbors State: MN Zip Code: 55616**ALL TEMPORARY AND PERMANENT OFF-SITE STORAGE SPACES**

| Address (Do not use a P.O. box number): | City: | State: | Zip Code: |
|--|--------------------|-----------|--------------|
| <u>709 1st Avenue (Moose Lodge 1463)</u> | <u>Two Harbors</u> | <u>MN</u> | <u>55616</u> |
| | | <u>MN</u> | |
| | | <u>MN</u> | |

ACKNOWLEDGMENT BY LOCAL UNIT OF GOVERNMENT: APPROVAL BY RESOLUTION

| CITY APPROVAL for a gambling premises located within city limits | COUNTY APPROVAL for a gambling premises located in a township |
|---|--|
| City Name: <u>Two Harbors</u> | County Name: <u>Lake</u> |
| Date Approved by City Council: _____ | Date Approved by County Board: _____ |
| Resolution Number: _____ (If none, attach meeting minutes.) | Resolution Number: _____ (If none, attach meeting minutes.) |
| Signature of City Personnel: _____ | Signature of County Personnel: _____ |
| Title: _____ Date Signed: _____ | Title: _____ Date Signed: _____ |
| <div style="border: 1px solid black; padding: 10px; width: fit-content; margin: auto;"> Local unit of government must sign. </div> | TOWNSHIP NAME: _____ Complete below only if required by the county. On behalf of the township, I acknowledge that the organization is applying to conduct gambling activity within the township limits. (A township has no statutory authority to approve or deny an application, per Minnesota Statutes 349.213, Subd. 2.) Print Township Name: _____ Signature of Township Officer: _____ Title: _____ Date Signed: _____ |

ACKNOWLEDGMENT AND OATH

- | | |
|--|---|
| <ol style="list-style-type: none"> 1. I hereby consent that local law enforcement officers, the Board or its agents, and the commissioners of revenue or public safety and their agents may enter and inspect the premises. 2. The Board and its agents, and the commissioners of revenue and public safety and their agents, are authorized to inspect the bank records of the gambling account whenever necessary to fulfill requirements of current gambling rules and law. 3. I have read this application and all information submitted to the Board is true, accurate, and complete. 4. All required information has been fully disclosed. 5. I am the chief executive officer of the organization. | <ol style="list-style-type: none"> 6. I assume full responsibility for the fair and lawful operation of all activities to be conducted. 7. I will familiarize myself with the laws of Minnesota governing lawful gambling and rules of the Board and agree, if licensed, to abide by those laws and rules, including amendments to them. 8. Any changes in application information will be submitted to the Board no later than ten days after the change has taken effect. 9. I understand that failure to provide required information or providing false or misleading information may result in the denial or revocation of the license. 10. I understand the fee is non-refundable regardless of license approval/denial. |
|--|---|

Signature of Chief Executive Officer (designee may not sign)

Date

Data privacy notice: The information requested on this form (and any attachments) will be used by the Gambling Control Board (Board) to determine your organization's qualifications to be involved in lawful gambling activities in Minnesota. Your organization has the right to refuse to supply the information; however, if your organization refuses to supply this information, the Board may not be able to determine your organization's qualifications and, as a consequence, may refuse to issue a permit. If your organization supplies the information requested, the Board will be able to process your organization's application. Your organization's name and address will be public

information when received by the Board. All other information provided will be private data about your organization until the Board issues the permit. When the Board issues the permit, all information provided will become public. If the Board does not issue a permit, all information provided remains private, with the exception of your organization's name and address which will remain public. Private data about your organization are available to: Board members, Board staff whose work requires access to the information;

Minnesota's Department of Public Safety, Attorney General, Commissioners of Administration, Minnesota Management & Budget, and Revenue; Legislative Auditor, national and international gambling regulatory agencies; anyone pursuant to court order; other individuals and agencies specifically authorized by state or federal law to have access to the information; individuals and agencies for which law or legal order authorizes a new use or sharing of information after this notice was given; and anyone with your written consent.

This form will be made available in alternative format, i.e. large print, braille, upon request.

LG215 Lease for Lawful Gambling Activity**LEASE INFORMATION**

| | | |
|--|--------------------------|----------------|
| Organization: | License/Site Number: | Daytime Phone: |
| Two Harbors Moose Lodge 1463 | 00367 | (218) 834-3234 |
| Address: | City: | State: Zip: |
| 709 1st Avenue | Two Harbors | MN 55616 |
| Name of Leased Premises: | Street Address: | |
| Earthwood Inn | 933 Stanley Road | |
| City: | State: Zip: | Daytime Phone: |
| Two Harbors | MN 55616 | (218) 834-3847 |
| Name of Legal Owner: | Business/Street Address: | |
| Sandra Fritz | 933 Stanley Rd | |
| City: | State: Zip: | Daytime Phone: |
| Two Harbors | MN 55616 | |
| Name of Lessor (if same as legal owner, write "SAME"): | Address: | |
| | | |
| City: | State: Zip: | Daytime Phone: |

Check applicable item:

- ☒ **New or amended lease.** Effective date: _____. Submit changes at least ten days **before** the effective date of the change.
- ☐ **New owner.** Effective date: _____. Submit new lease **within** ten days after new lessor assumes ownership.

CHECK ALL ACTIVITY THAT WILL BE CONDUCTED (no lease required for raffles)

- | | |
|--|--|
| <input type="checkbox"/> Pull-Tabs (paper) | <input type="checkbox"/> Electronic Pull-Tabs |
| <input checked="" type="checkbox"/> Pull-Tabs (paper) with dispensing device | <input type="checkbox"/> Electronic Linked Bingo |
| <input type="checkbox"/> Bar Bingo | <input type="checkbox"/> Bingo |
| <input type="checkbox"/> Tipboards | |
| <input type="checkbox"/> Paddlewheel | <input type="checkbox"/> Paddlewheel with table |
- Electronic games may only be conducted:
1. at a premises licensed for the on-sale of intoxicating liquor or the on-sale of 3.2% malt beverages; or
 2. at a premises where bingo is conducted as the primary business and has a seating capacity of at least 100.

PULL-TAB, TIPBOARD, AND PADDLEWHEEL RENT (separate rent for booth and bar ops)

BOOTH OPERATION: Some or all sales of gambling equipment are conducted by an employee/volunteer of a licensed organization at the leased premises.

ALL GAMES, including electronic games: Monthly rent to be paid: _____%, not to exceed **10%** of gross profits for that month.

- Total rent paid from all organizations for only booth operations at the leased premises **may not exceed \$1,750.**
- The rent cap does not include BAR OPERATION rent for electronic games conducted by the lessor.

BAR OPERATION: All sales of gambling equipment conducted by the lessor or lessor's employee.

ELECTRONIC GAMES: Monthly rent to be paid: _____%, not to exceed **15%** of the gross profits for that month from electronic pull-tab games and electronic linked bingo games.

ALL OTHER GAMES: Monthly rent to be paid: 20%, not to exceed **20%** of gross profits from all other forms of lawful gambling.

- If any booth sales conducted by a licensed organization at the premises, rent may not exceed **10%** of gross profits for that month and is subject to booth operation **\$1,750** cap.

BINGO RENT (for leased premises where bingo is the primary business conducted, such as bingo hall)

Bingo rent is limited to one of the following:

- Rent to be paid: _____%, not to exceed **10%** of the monthly gross profit from all lawful gambling activities held during bingo occasions, excluding bar bingo.
- OR -
- Rate to be paid: \$ _____ per square foot, not to exceed 110% of a comparable cost per square foot for leased space, as approved by the director of the Gambling Control Board. The lessor must attach documentation, verified by the organization, to confirm the comparable rate and all applicable costs to be paid by the organization to the lessor.
 - ⇒ **Rent may not be paid for bar bingo.**
 - ⇒ Bar bingo does not include bingo games linked to other permitted premises.

LEASE TERMINATION CLAUSE (must be completed)

The lease may be terminated by either party with a written 30 day notice. Other terms:

LG215 Lease for Lawful Gambling Activity

6/15 Page 2 of 2

Lease Term: The term of this agreement will be concurrent with the premises permit issued by the Gambling Control Board (Board).

Management: The owner of the premises or the lessor will not manage the conduct of lawful gambling at the premises. The organization may not conduct any activity on behalf of the lessor on the leased premises.

Participation as Players Prohibited: The lessor will not participate directly or indirectly as a player in any lawful gambling conducted on the premises. The lessor's immediate family and any agents or gambling employees of the lessor will not participate as players in the conduct of lawful gambling on the premises, except as authorized by Minnesota Statutes, Section 349.181.

Illegal Gambling: The lessor is aware of the prohibition against illegal gambling in Minnesota Statutes 609.75, and the penalties for illegal gambling violations in Minnesota Rules 7865.0220, Subpart 3. In addition, the Board may authorize the organization to withhold rent for a period of up to 90 days if the Board determines that illegal gambling occurred on the premises or that the lessor or its employees participated in the illegal gambling or knew of the gambling and did not take prompt action to stop the gambling. Continued tenancy of the organization is authorized without payment of rent during the time period determined by the Board for violations of this provision, as authorized by Minnesota Statutes, Section 349.18, Subd. 1(a).

To the best of the lessor's knowledge, the lessor affirms that any and all games or devices located on the premises are not being used, and are not capable of being used, in a manner that violates the prohibitions against illegal gambling in Minnesota Statutes, Section 609.75.

Notwithstanding Minnesota Rules 7865.0220, Subpart 3, an organization must continue making rent payments under the terms of this lease, if the organization or its agents are found to be solely responsible for any illegal gambling, conducted at this site, that is prohibited by Minnesota Rules 7861.0260, Subpart 1, item H, or Minnesota Statutes, Section 609.75, unless the organization's agents responsible for the illegal gambling activity are also agents or employees of the lessor.

The lessor must not modify or terminate the lease in whole or in part because the organization reported, to a state or local law enforcement authority or to the Board, the conduct of illegal gambling activity at this site in which the organization did not participate.

Other Prohibitions: The lessor will not impose restrictions on the organization with respect to providers (distributor or linked bingo game provider) of gambling-related equipment and services or in the use of net profits for lawful purposes.

The lessor, the lessor's immediate family, any person residing in the same residence as the lessor, and any agents or employees of the lessor will not require the organization to perform any action that would violate statute or rule. The lessor must not modify or terminate this lease in whole or in part due to the lessor's violation of this provision. If there is a dispute as to whether a violation occurred, the lease will remain in effect pending a final determination by the Compliance Review Group (CRG) of the Board. The lessor agrees to arbitration when a violation of this provision is alleged. The arbitrator shall be the CRG.

Access to Permitted Premises: Consent is given to the Board and its agents, the commissioners of revenue and public safety and their agents, and law enforcement personnel to enter and inspect the permitted premises at any reasonable time during the business hours of the lessor. The organization has access to the premises during any time reasonable and when necessary for the conduct of lawful gambling.

Lessor Records: The lessor must maintain a record of all money received from the organization, and make the record available to the Board and its agents, and the commissioners of revenue and public safety and their agents upon demand. The record must be maintained for 3-1/2 years.

Rent All-Inclusive: Amounts paid as rent by the organization to the lessor are all-inclusive. No other services or expenses provided or contracted by the lessor may be paid by the organization, including but not limited to:

- trash removal
- electricity, heat
- snow removal
- storage
- janitorial and cleaning services
- other utilities or services
- lawn services
- security, security monitoring
- cost of any communication network or service required to conduct electronic pull-tabs games or electronic bingo
- in the case of bar operations, cash shortages.

Any other expenditures made by an organization that is related to a leased premises must be approved by the director of the Board. Rent payments may not be made to an individual.

ACKNOWLEDGMENT OF LEASE TERMS

I affirm that this lease is the total and only agreement between the lessor and the organization, and that all obligations and agreements are contained in or attached to this lease and are subject to the approval of the director of the Gambling Control Board.

Other terms of the lease:

Signature of Lessor:

Date:

5/11/23

Signature of Organization Official (Lessee):

Date:

Print Name and Title of Lessor:

Bar manager

Print Name and Title of Lessee:

Jennifer Johnson

Questions? Contact the Licensing Section, Gambling Control Board, at 651-539-1900. This publication will be made available in alternative format (i.e. large print, braille) upon request. **Data privacy notice:** The information requested on this form and any attachments will become public information when received by the Board, and will be used to determine your compliance with Minnesota statutes and rules governing lawful gambling activities.

Mail or fax lease to:

Minnesota Gambling Control Board
1711 W. County Road B, Suite 300 South
Roseville, MN 55113

Fax: 651-639-4032

TWO HARBORS CITY COUNCIL



AGENDA ITEM SUMMARY

AGENDA ITEM SUBJECT: *Have electrical bored in for W.W.T.P and for Van Hoven Park. Gulbranson Excavating put in a bid of \$42,000 to install (bore) 4" conduit for these two projects.*

ORIGINATING SOURCE/DEPARTMENT: *Electrical department*

FUNDING SOURCE: *W.W.T.P./ Electrical fund*

BACKGROUND: *The W.W.T.P. project was already anticipated so to add the Van Hoven park power will make the over all cost much lower. Installing power in the park will help with future development and also allow for more events that need power.*

ESTIMATED DATE OF COMPLETION: **08/01/2022**

COMMITTEE/COMMISSION RECOMMENDATION: *Accept bid of \$42,000 from Gulbranson Excavating to bore 4" electrical conduit for service to W.W.T.P. and Van Hoven Park.*

ADMINISTRATION/STAFF RECOMMENDED COUNCIL ACTION: *Click here to enter text.*

CA 17 5/22/23

Bid #1

GULBRANSON EXCAVATING CO.

4770 Differding Point
Eveleth MN 55734
(218) 741-5747 Fax (218) 741-5763

May 17, 2023

Directional Bore: City of Two Harbors

The following is a price for labor and equipment for the directional bores in Two Harbors. This quote is based on an estimated footage of 2,800' pulling back one 4" duct. Gulbranson Excavating will not be responsible for damaged utilities that are unknown or improperly marked. This price does not include asphalt or concrete removal/replacement and concreting any areas that can't maintain minimum depth requirements. Gulbranson Excavating requires payment due within 30 days after job is completed.

| | |
|---|-------------|
| Labor and Equipment for project 1 estimate 1,700' | \$25,500.00 |
| Labor and Equipment for project 2 estimate 1,100' | \$16,500.00 |

Please contact me if you have any questions.

Sincerely,

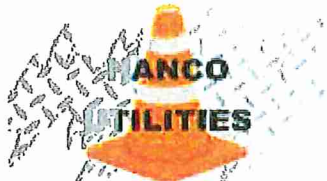
Shawn Gulbranson
General Manager

\$42,000.00

Bid # 2

Hanco Utilities, Inc

PO Box 55
Lake Nebagamon WI 54849
218.590.6295



Quotation

DATE May 17, 2023
Quotation #
Customer ID

Quote to:
City of Two Harbors
Blake Prince

Quotation valid until: May 27, 2023
Prepared by: Jeff Bright

Job: 4" Power DT Two Harbors

| Line Item | Description | Qty | Unit Cost | | Total |
|-----------|---|------|-----------|--------|---------------|
| 1 | Directional Drill(4")/Dig Crew/Hydro Truck Crew | 2950 | \$ 36.70 | Per Ft | \$ 108,265.00 |
| TOTAL | | | | | \$ 108,265.00 |

Comments or special instructions:
No Permits figured into quote
No Rock Conditions figured into quote
Materials Supplied by Customer
Net 30 payment on all Invoicing

If you have any questions concerning this quotation,
contact Jeff at 218.393.9060 or
jbright@hancoutilities.com

THANK YOU FOR YOUR BUSINESS!

TWO HARBORS CITY COUNCIL



AGENDA ITEM SUMMARY

AGENDA ITEM SUBJECT: replacement Lawn Mowers

ORIGINATING SOURCE/DEPARTMENT: Public Works

FUNDING SOURCE: Parks and Buildings Budget

BACKGROUND: We are looking to replace 2 lawn mowers See attached Quotes

ESTIMATED DATE OF COMPLETION: end of May

COMMITTEE/COMMISSION RECOMMENDATION: .

ADMINISTRATION/STAFF RECOMMENDED COUNCIL ACTION: .

*Please note, PW will be trading-in
2 mowers for \$2,200 for purchase
of 2 new mowers. Total cost: \$9,298.99.

Agenda Item # CA-18 Meeting Date: 5/22/23



Seagren's Home Hardware Outdoors
820 11th Street
Two Harbors MN 55616
218-834-2222



QUOTE

2305-174231

PAGE 1 OF 1

| SOLD TO |
|---|
| City of Two Harbors 522 1st Avenue Two Harbors MN 55616 |

| JOB ADDRESS |
|---|
| City of Two Harbors 522 1st Avenue Two Harbors MN 55616 218-834-5631 |

| ACCOUNT | JOB |
|--------------|------------|
| 01-1175 | 0 |
| CREATED ON | 05/05/2023 |
| EXPIRES ON | 06/04/2023 |
| BRANCH | 1000 |
| CUSTOMER PO# | |
| STATION | C01 |
| CASHIER | JS |
| SALESPERSON | |
| ORDER ENTRY | JS |
| MODIFIED BY | |

Thank you for your business!

| Item | Description | D | Quantity | UM | Price | Per | Amount |
|---------|-----------------------------|---|----------|----|--------------------|-----------|-------------|
| 991163 | ARIENS APEX 60" | | 1 | EA | 5999.0000 | EA | 5,999.00 |
| 991290 | GRAVELY PRO TURN ZX 60 | | 1 | EA | 9099.0000 | EA | 9,099.00 |
| 991272 | Gravely ZT HD 60" Zero Turn | | 1 | EA | 6499.0000 | EA | 6,499.00 * |
| TS354XD | HUSQVARNA riding mower | | 1 | EA | 4999.9900 | EA | 4,999.99 * |
| | | | | | | | \$11,498.99 |
| | | | | | Subtotal | | 26,596.99 |
| | | | | | TE 0.00% EXE: 0 | Sales Tax | 0.00 |
| | | | | | Total | | 26,596.99 |

Buyer:

Signature



JOHN DEERE

Selling Equipment

Quote Id: 27567260

| JOHN DEERE Z920M ZTrak | | | | |
|-----------------------------|--|----------------|--------------|--------------|
| Hours: | | Suggested List | | |
| Stock Number: | | \$ 14,190.00 | | |
| | | Selling Price | | |
| | | \$ 12,549.38 | | |
| Code | Description | Qty | Unit | Extended |
| 2147TC | Z920M ZTrak | 1 | \$ 13,499.00 | \$ 13,499.00 |
| Standard Options - Per Unit | | | | |
| 001A | United States/Canada | 1 | \$ 0.00 | \$ 0.00 |
| 1036 | 24x12x12 Pneumatic Turf Tire for 54 In. and 60 In. Decks | 1 | \$ 0.00 | \$ 0.00 |
| 1504 | 60 In. Side Discharge Mower Deck | 1 | \$ 400.00 | \$ 400.00 |
| 2091 | Deluxe Comfort Seat with Armrests (22.5" High Back) | 1 | \$ 0.00 | \$ 0.00 |
| Standard Options Total | | | | \$ 400.00 |
| Value Added Services Total | | | | \$ 0.00 |
| Suggested Price | | | | \$ 14,190.00 |
| Customer Discounts | | | | |
| Customer Discounts Total | | | \$ -1,640.62 | \$ -1,640.62 |
| Total Selling Price | | | | \$ 12,549.38 |

| JOHN DEERE X580 Select Series™ Tractor with 54-in. Accel Deep™ Mower Deck | | | | |
|---|--|----------------|-------------|-------------|
| Hours: | | Suggested List | | |
| Stock Number: | | \$ 9,513.49 | | |
| | | Selling Price | | |
| | | \$ 8,495.55 | | |
| Code | Description | Qty | Unit | Extended |
| 5352M | X580 Select Series™ Tractor with 54-in. Accel Deep™ Mower Deck | 1 | \$ 9,099.00 | \$ 9,099.00 |
| Standard Options - Per Unit | | | | |
| 001A | United States and Canada | 1 | \$ 0.00 | \$ 0.00 |
| Standard Options Total | | | | \$ 0.00 |
| Dealer Attachments | | | | |
| BUC10706 | 54A MulchControl attachment | 1 | \$ 282.49 | \$ 282.49 |
| Dealer Attachments Total | | | | \$ 282.49 |
| Value Added Services Total | | | | \$ 0.00 |



JOHN DEERE

Selling Equipment

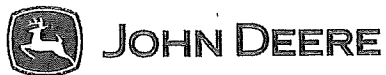
Quote Id: 27567260

| | | |
|--------------------------|--------------|--------------|
| Suggested Price | | \$ 9,513.49 |
| Customer Discounts | | |
| Customer Discounts Total | \$ -1,017.94 | \$ -1,017.94 |
| Total Selling Price | | \$ 8,495.55 |

Jim Gilbert

From: sales@duluthlawnandsport.com
Sent: Thursday, October 6, 2022 9:25 AM
To: Jim Gilbert
Cc: lmcline@ymail.com
Subject: John Deere mowers
Attachments: city of two harbors x580 z920.pdf; John Deere z950r.pdf

Jim I priced the x580 lawn tractor with 54" mower deck and mulch on demand.
A z920 zero turn with a 60" mower deck . A z950R with 60" mower deck that has power lift on mower deck
We would give you 1000.00 each on trade for the x530 tractors and 1200.00 on trade for the z820a zero turn mower.
Thank you Larry



Quote Summary

Prepared For:
City Of Two Harbors
MN

Prepared By:
Larry Kline
Duluth Lawn & Sport, Inc.
4715 Grand Avenue
Duluth, MN 55807
Phone: 218-628-3718
Mobile: 218-343-1843
lmkline@ymail.com

Quote Id: 27567260
Created On: 05 October 2022
Last Modified On: 05 October 2022
Expiration Date: 12 October 2022

| Equipment Summary | Suggested List | Selling Price | Qty | Extended |
|---|----------------|----------------|-----|---------------------|
| JOHN DEERE Z920M ZTrak | \$ 14,190.00 | \$ 12,549.38 X | 1 = | \$ 12,549.38 |
| JOHN DEERE X580 Select Series™ Tractor with 54-in. Accel Deep™ Mower Deck | \$ 9,513.49 | \$ 8,495.55 X | 1 = | \$ 8,495.55 |
| Equipment Total | | | | \$ 21,044.93 |

Quote Summary

| | |
|----------------------------|---------------------|
| Equipment Total | \$ 21,044.93 |
| SubTotal | \$ 21,044.93 |
| Est. Service Agreement Tax | \$ 0.00 |
| Total | \$ 21,044.93 |
| Down Payment | (0.00) |
| Rental Applied | (0.00) |
| Balance Due | \$ 21,044.93 |

Salesperson : X _____

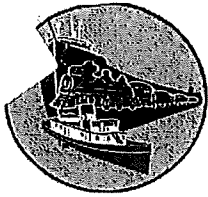
Accepted By : X _____



**CITY OF TWO HARBORS
CITY COUNCIL**

**AGENDA ITEM
COVER SHEET**

| | | |
|--|--------------------------------------|-------------------------|
| Originating Staff: P. Nordean | Department: Administration | Date: 5/18/23 |
| Agenda Item Subject: Special Event Permit Approval | Fiscal Impact: | |
| BACKGROUND: The American Legion has requested approval for a Combat Veterans Motorcycle Association (CVMA) Regional Rally August 4-6 on 1 st Ave and in the parking lot south of First Avenue in the 600 block. And for a street dance on August 5. PD, Public Works and Electrical Departments have given their approval of the event. | | |
| COUNCIL ACTION REQUESTED: Approve the special event permit of the American Legion for CVMA Regional Rally August 4-6, 2023. | | |
| RECOMMENDATION: Staff recommends the council action requested. | | |
| ATTACHMENTS: | | |



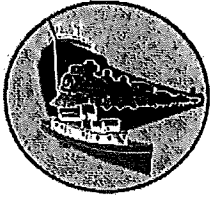
City of Two Harbors
522 1st Avenue
Two Harbors, MN 55616
218-834-5631

Special Events Permit Checklist

Please use the following as a guide to make sure your permit is complete. NOTE: This permit, along with insurance information and fees, must be returned to the City of Two Harbors a minimum of 30 calendar days prior to the event date. For large scale events involving 1,000 participants or more, application should be made 90-120 in advance of event. If shelter rental, city services or the like are required for the event, payment is due and payable prior to the event.

| Applicant Checklist | |
|-------------------------------------|---|
| <input type="checkbox"/> | 1. City of Two Harbors Special Event Permit Application (For detailed information, review regulations and guidelines prior to completing the application. Incomplete applications and/or applications not submitted within timelines will not be processed.) \$50.00 event fee. In addition, fees for other City services are required at the time of approval. |
| <input type="checkbox"/> | 2. Certificate of Liability Insurance & Liquor Liability Insurance A Certificate of Liability Insurance is required by the City for every event and MUST list the event and date and have the City listed as Additional Insured (not just certificate holder). To be furnished at least two weeks prior to the event. Liquor Liability Insurance required if alcohol is served. Guidelines for insurance coverage will be come from MN State requirements, City reserves the right to require additional insurance beyond state requirements. |
| <input checked="" type="checkbox"/> | 3. Event Maps (Required for all applications) A Site Map should show the relative location of all sources of amplified sounds; tents/canopies with sizes, stages, promotional vehicles, inflatables, restrooms, refuse containers, fencing, barricades, and other structures; locations of alcohol, food and merchandise service/sale; and proposed street closures. All site maps are subject to approval. Route Map (Parades, Runs, Walks, Bike Rides) all activities in which participants will be following a course are required to attach a Route Map and a written document of the proposed event route. All proposed route maps are subject to approval. |
| <input type="checkbox"/> | 4. Street Closure or Use of Public Right-of-Way Street Closure Consent/Objection forms with 75% in favor of event will need to be submitted prior to final approval but are not required until the event has been initially approved. |

| Information that may Apply to Your Event |
|---|
| Licenses: (As applicable, e.g., permit for alcohol, etc.) |
| Fireworks permit: If you plan to have fireworks at your event, you must contact the Fire Chief at least 30 days prior to your event to apply for a permit. |
| Food services: If your event is open to the public, contact Lake County Health Department at 218-834-8400 for more information. |
| Services from the City of Two Harbors: Must be determined in advance and are to be applied to the cost with the permit. |
| A SPECIAL EVENT PERMIT IS NOT VALID (MEANING YOU MAY NOT HAVE YOUR EVENT WITHOUT ALL THE NECESSARY APPROVAL SIGNATURES AND AN ACCURATE CERTIFICATE OF INSURANCE. |
| Return completed permit with payment to: City of Two Harbors 522 1 st Avenue Two Harbors, MN 55616 Questions? 218-834-5631 |



City of Two Harbors Special Event Permit Application

For Office Use:

Date of Submission: _____

Amount Paid: \$ _____

☐ Approved

☐ Denied

Event Information

| | | | |
|---|--|---------------------|---|
| Name of Event: | CVMA Regional Rally | | |
| Type of Event (festival, parade, athletic, etc.): | Festival | | |
| Event Location: | Legion Post 109, Parking lot Behind Aswell and Street in front | | |
| Event Setup Date: | Aug 04 2023 | Start Time: | End Time: |
| Actual Event Date(s) | Aug 04, 05, 06 | Start Time: | End Time: |
| Event Cleanup Date: | Aug 06 | Start Time: | End Time: |
| Estimated Attendance: | 200 | Open to the Public: | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| Brief Description of Event: | Combat Veterans Motorcycle Association Regional Rally Motorcycle Parking up & down 1st Ave & Vendor Set up in City lots | | |

Applicant Information

| | | | |
|---------------------------|------------------|--------|----------------------------------|
| Primary Contact Person: | Kyle Chalupsky | | |
| Address: | 1357 Gun Club RD | City: | Two Harbors State: MN Zip: 55616 |
| Phone: | 218-591-8471 | Email: | Kchalupsky@isd381.org |
| Secondary Contact Person: | Sancia Tondryk | | |
| Address: | 3710 94th Ave W | City: | Duluth State: MN Zip: 55808 |
| Phone: | 218-343-5809 | Email: | stondryk@outlook.com |

Event Features

Will food or alcohol be served?

Food



Yes



No

Food trucks? - not provided by CVMA

NOTE: Additional permits may be necessary.

Alcohol



Yes



No

only in the legion & other bars

Food: If your event is open to the public and you are serving food you must obtain a food and beverage license from Lake County Health and Human Services and provide a copy to the City of Two Harbors prior to your event. To obtain a food permit, contact Lake County Health and Human Services at 218-834-8400.

The Minnesota Department of Agriculture regulates some categories of food, such as Cotton Candy, Popcorn, Caramel Corn, Caramel Apples, Candy Manufacturing, Bakery Manufacturing, Fruit Concessions, Ice Cream Bars (wrapped), Sno Cones, Retail Food Sales (prepackaged meats, fruit, etc.), and Cottage Food Industries (persons making non potentially hazardous food at home and selling at farmer's markets, bakes sales, craft fairs and the like). If you have questions

about those items or whether or not you need a permit or license, please contact the MN Department of Agriculture at 1-800-967-2474.

Alcohol: Catered event; licensee holding caterer's permit to provide food and liquor. Under caterer's permit, the caterer is responsible for ID/wristband, security and ensuring there is no second party transfer.

Indicate caterer being used: _____ ☒ _____

Temporary 3.2 Percent Malt Liquor and Temporary Intoxicating Liquor Licenses; only issued to charitable, religious or nonprofit organizations in existence for at least three (3) years for events not to exceed four (4) consecutive days.

Application needs to be submitted with fee and requires City Council approval and Alcohol and Gambling Enforcement Division Approval. Must be submitted to the state 45-days prior to the event.

Tents and Canopies:

☐ Yes

☒ No

If yes, they must be clearly identified on the Site Map, including the location and size and dimensions. The event organizer is liable for any damage caused to property/facility and must obtain approval prior to installation. In locations where staking of tents or canopies is prohibited, the use of weights for stabilization is subject to approval.

Food concessions/vendors are required to obtain a valid Public Market Stand Permit from the City of Two Harbors and are required to be licensed by the State of Minnesota.

Event Logistics

Refuse (Garbage & Recycling) and Public Restrooms:

Refuse: Event applicants/organizers must arrange for trash and recycling services. The number of garbage containers shall equal the number of recycling containers. Containers shall be placed next to one another throughout the event venue.

Please indicate how many will be provided: _____

Company/description(s): _____

Street, boulevard and adjacent property must be left clean. The applicant shall dispose of debris from the event. If the Street Department determines cleanup is inadequate, the cost for Public Works to cleanup will be charged to the applicant. Cleanup shall be completed within three (3) hours of the end of the event.

Public Restrooms: (required for events >100, or where beer is sold/distributed)

Number of restrooms provided: _____

Number of sinks provided: _____

Number of handicap accessible toilets: _____

(We will be using the Legion.)

Street Closures or use of Public Right-of-Way and No Parking

Are you requesting to close a ☒ Street ☒ Sidewalk ☒ Parking Lane ☐ Other _____

Applicant shall notify affected property owners 14 days prior to the closure. If businesses are affected applicant shall submit to the city the Consent/Objection Forms with 75% in favor of the event (form found at the end of this application). Information will be gathered and concerns evaluated prior to approval of any closure. Applicant must maintain a 20 feet clear fire lane. At no point is the street to be blocked with vehicles inside the fire lane area.

Applicant is to make arrangements with the Public Works Department for the purpose of No Parking signs.

Electrical Usage/Hookups

Electrical hookups: \$50 per day. Fees must be paid prior to electrical hookups.

Description of booth i.e. tent, trailer, tables:

X

Date(s) requested for electrical hookups:

Electricity is in limited areas and issued on a first come, first served basis. Please check with the City Electrical Department to verify power locations. Vendor is responsible for compliance with all state electrical codes beyond the point of connection.

Water Usage/Hookups

Water hookups: \$50 base fee in addition to the current rates for residential outside of city.

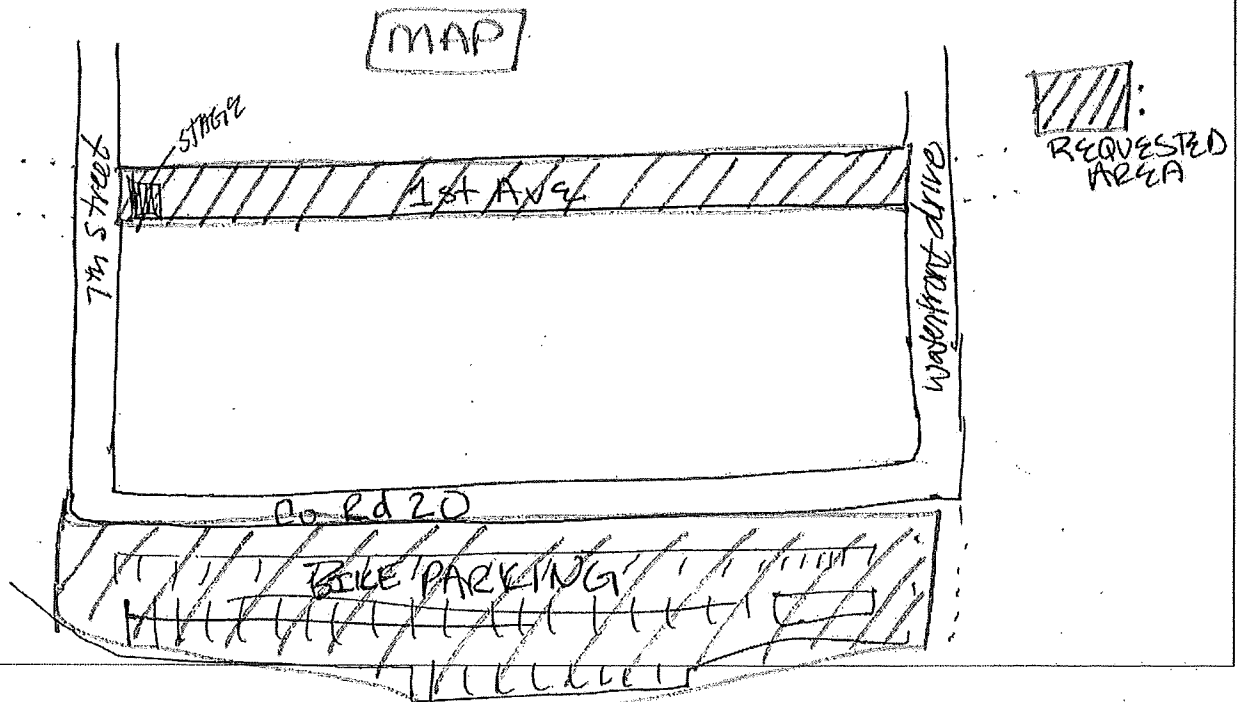
Description of water usage:

X

Date(s) requested for water hookups:

X

Water is in limited areas and issued on a first come, first served basis. Please check with the Gas, Water, Sewer Department to verify water locations.





CITY OF TWO HARBORS
ADJOINING/AFFECTED PROPERTY OWNER APPROVAL SIGN-OFF FORM
FOR SPECIAL EVENT PERMIT APPLICATION

NAME OF EVENT: CUMA REGION 4 RALLY DATE(S) OF EVENT: 8/5/2023 AM

LOCATION OF EVENT: Block of 1st Ave & Co Rd 20

TIME AND DESCRIPTION OF EVENT: Saturday Aug 05, 2023 we would
like to have a Street Dance Sponsored by Combat Vets Motorcycle
Association but open to the public. 6-10? 11?
City Parking lot FRIDAY - Sat Night.

The following adjoining or affected property owners hereby declare their approval of the above- referenced event to be held in the City of Two Harbors:

| Signature: | Printed Name & Address: | Date: |
|--------------------|---|----------------|
| <u>[Signature]</u> | <u>The American Legion 614 1st Ave, TH.</u> | <u>3/1/23</u> |
| <u>[Signature]</u> | <u>One Old Loon, 620 1st Ave, TH.</u> | <u>2/28/23</u> |
| <u>[Signature]</u> | <u>Maadela Bristle 632 1st Ave, TH.</u> | <u>2/28/23</u> |
| <u>[Signature]</u> | <u>Port City Nutrition, 627 1st Ave, TH.</u> | <u>2/28/23</u> |
| <u>[Signature]</u> | <u>Bank Bank 613 1st Ave, TH.</u> | <u>2/28/23</u> |
| <u>[Signature]</u> | <u>DEPT. TWO 621 1st Ave TH.</u> | <u>2/28/23</u> |
| <u>[Signature]</u> | <u>Superior Finds 601 First Ave, TH.</u> | <u>2/28/23</u> |
| <u>[Signature]</u> | <u>Carroll's Plumbing & Heating 112 7th St. TH.</u> | <u>2/28/23</u> |
| <u>[Signature]</u> | <u>Maedira Bistros 632 1st Ave, TH.</u> | <u>2/28/23</u> |
| <u>[Signature]</u> | <u>The Title Team 128 1st Ave, TH.</u> | <u>2/28/23</u> |
| <u>[Signature]</u> | <u>Tipoy MDSquirt 623 1st Ave suite 2</u> | <u>2/28/23</u> |
| <u>[Signature]</u> | <u>State Farm 629 1st Ave</u> | <u>2/28/23</u> |
| <u>[Signature]</u> | <u>622 1st Ave Two Harbors MN 55616</u> | <u>2/28/23</u> |
| <u>[Signature]</u> | <u>Harbor Rail Pub 602 1st Ave</u> | <u>2/28/23</u> |
| <u>[Signature]</u> | <u>Superior Hiking Trail Assoc</u> | <u>2/28/23</u> |
| <u>[Signature]</u> | <u>Park State Bank 613 1st Ave</u> | <u>2/28/23</u> |
| <u>[Signature]</u> | <u>Seagren's Hardware 604-610 1st Ave</u> | <u>3/1/23</u> |
| <u>[Signature]</u> | <u>THE SSINNA ASSOCIATES 627 1st Ave</u> | <u>3/1/23</u> |
| | | |
| | | |
| | | |

5/17/2023

City Councillor
City of Two Harbors
522 1st AV
Two Harbors
MN 55616

Mayor Lew Conner

May 17 2023

Because I was out side of the in the 2021 - 2022 Street Assessment Project, yet I was charged for street \$12,939.21 and sidewalk \$ 722.28 which I did not receive; in the 5/15/2023 City Council meeting about City of Two Harbors lots for affordable housing, there needs more questioning and illumination.

What is the City of Two Harbors doing differently to make "Affordable Housing" from the Two Harbors economy to make housing "affordable"?

How can the City of Two Harbors violate the rules for - for profit developers, which is the reason Two Harbors doesn't have affordable housing?

Is the City going to pass on the funding to who? Can I see the bank license for the City of Two Harbors? This from the City of Two Harbors; who has seen a balanced budget from the City of Two Harbors? And, justification for the Utility debacle? And, why can't the City weatherize a new million dollar camp ground bath house? Is the City going to donate the lots? Wouldn't that be discrimination by a business, if it were not the City of Two Harbors business?

Is the City going to pass on the increases in development costs on to who? Infrastructure, streets, sidewalks, sanitary hook ups, storm water fee and other utilities?

Because I was charged by the City of Two Harbors for streets and sidewalks, I did not receive, I'm asking you City Councilors not to discriminate against me further.

Reply requested.

Asking for good faith and fair dealing,

Donna Gangestad

Donna Gangestad
902 5TH AV
Two Harbors
MN 55616

work 218-834-2261
822 4TH AV
Two Harbors
MN 55616

Comm. 1

5/22/22

TWO HARBORS CITY COUNCIL



AGENDA ITEM SUMMARY

AGENDA ITEM SUBJECT: Cemetery 1 ton

ORIGINATING SOURCE/DEPARTMENT: Public Works

FUNDING SOURCE: Emergency CIP fund

BACKGROUND: We are looking to purchase a 2023 International CV515 Dump truck for a cost of \$97000 to replace the Cemetery 1 ton dump truck that is 26 years old and needs a new engine for starters and the body is showing its age also. The Public Works Dept will keep the new truck and send our Ford F-350 1 ton to the Cemetery as the replacement for him. Eventually we will want to order a couple of plows for these new trucks after we do some research on the proper ones to get this way we should be able to start plowing alleys at the same time as the streets and avenues are being done

ESTIMATED DATE OF COMPLETION: 05/24/2023

COMMITTEE/COMMISSION RECOMMENDATION: .

ADMINISTRATION/STAFF RECOMMENDED COUNCIL ACTION: .

Agenda Item # NB.1 Meeting Date: 5/22/23

Mid-State Truck Service

705 N 6th Ave W | Duluth, MN 55806

Phone: (218) 624-4855

www.midstatetruck.com

Mike Cooper

2023 International CV515

\$96,451

Stock# 458-23 VIN 1HTKTSWK6PH648901



Detailed Specifications

| | | | |
|---------------------------|---------------|-------------------------|-------------------|
| Engine Make | International | Engine Model | INTERNATIONAL 6.6 |
| Engine HP | 350 | Trans Make | Allison |
| Trans Model | 1750RDS | Suspension Type | Spring |
| Front Tire Size | 225/70R19.5 | Rear Tire Size | 225/70R19.5 |
| Axle Configuration | Single | FA Capacity | 7,500 |
| RA Capacity | 15,500 | Rear End Ratio | 4.30 |
| Wheelbase | 165" | GVWR | 19,500 |
| Front Wheels | Aluminum | Rear Wheels | Aluminum |
| Trans Speed | 6 Speed Auto | Frame Material | Steel |
| Color | Black | Interior | Diamond |
| Fuel Type | Diesel | Tank #1 Capacity | 40 |
| Brakes | Hydraulic | Interior Color | GRAY |
| Body Make | Monroe | Body Model | MTE Series |

Additional Equipment

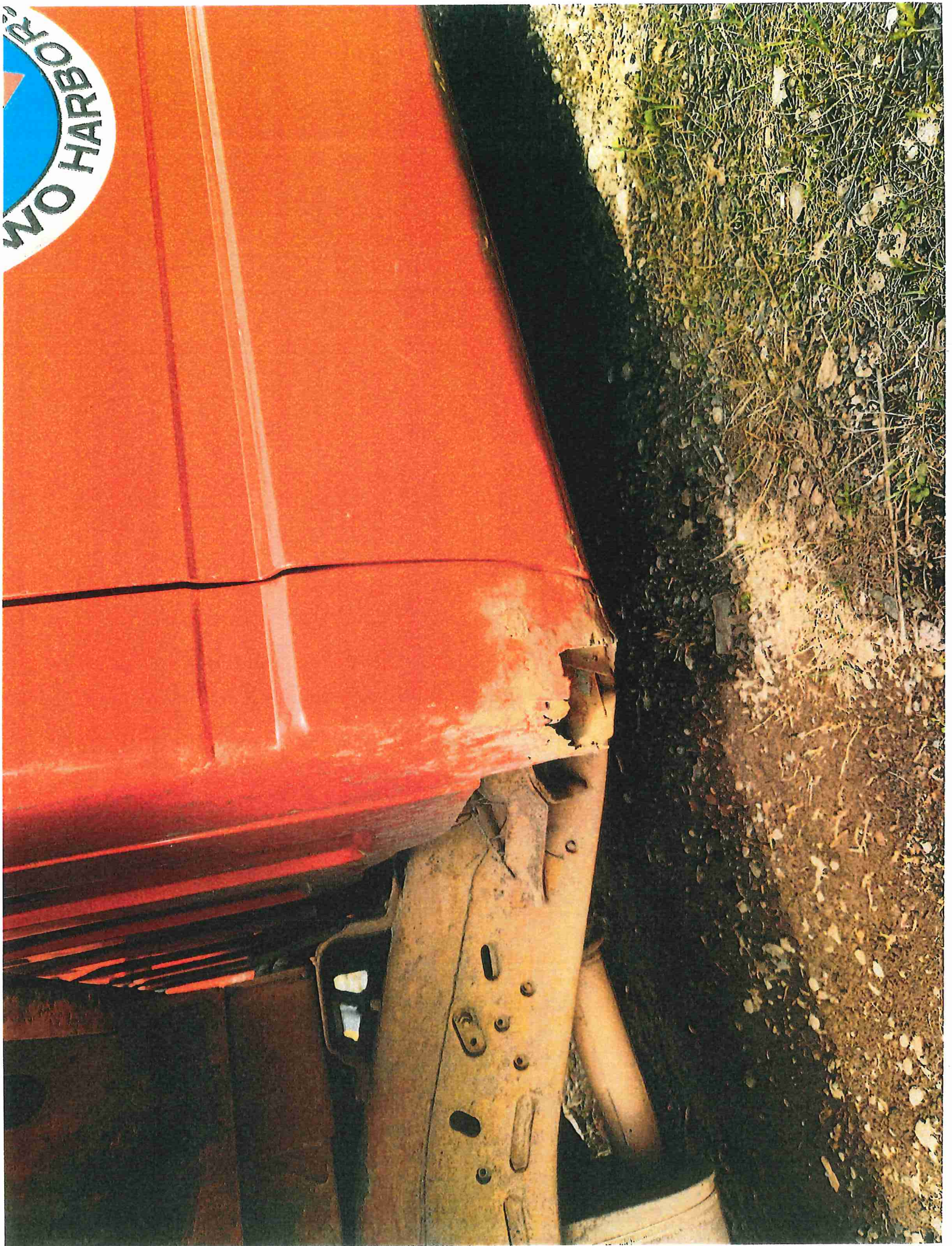
| | |
|------------------|-----------------------|
| Air Conditioning | Power Steering |
| Chrome Bumper | Heated Mirrors |
| Power Windows | Power Mirrors |
| Power Door Locks | Tilt/Telescopic Wheel |
| Cruise Control | AM/FM Cassette |
| CD Player | |

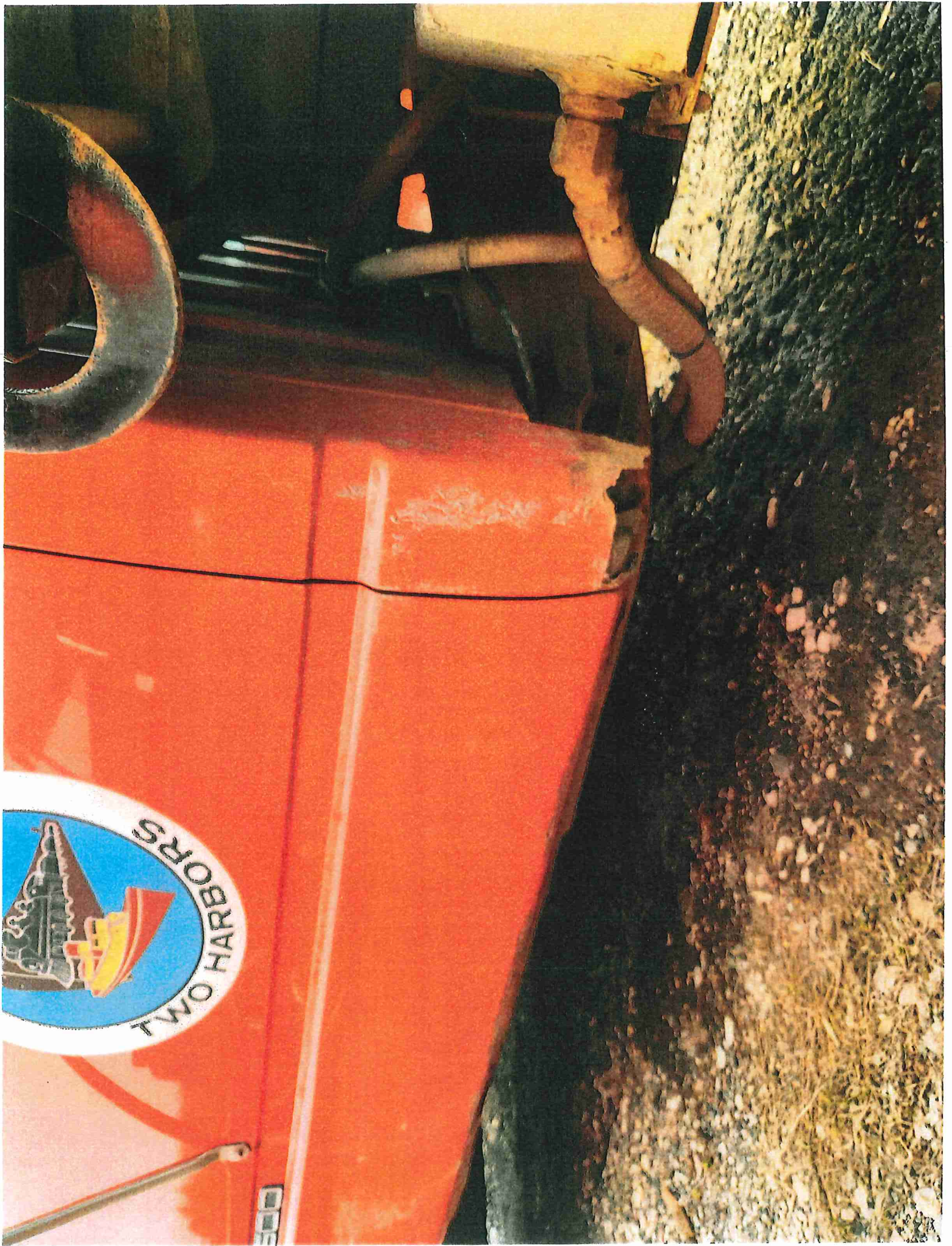
Additional Notes

Will come with 11' Steel Contractor Dump Body

All specifications are believed to be correct. However, periodically errors and omissions do occur. Mid-State Truck Service will not be held liable for errors and omissions. Please verify pertinent specifications prior to sale.

Copyright 2023 - Interstate Online Software, Inc. SOARR Inventory Sales & Management Systems Report Date: 4/17/2023











400007118
STERLING AUTO PARTS
122 WATERFRONT DRIVE
TWO HARBORS, MN 55616
(218) 834-2277

QUOTE

Date : 05/08/2023

Time : 14:30

Page : 1 / 2

Order # 66330

Quote For

790
City Of Two Harbors
522 First Ave
Two Harbors, MN 55616

Quote By

Quote By : 3, Sue
Sales Rep : 0, Salesman
Quote Date : 05/08/2023
Accounting Day : 1
Quote : 1006

| Part Number | Line | Description | Quantity | Price | Net | Total | Taxable |
|--|------|--|----------|----------|-----------|----------|---------|
| VCM9 | ATK | 1997 Chevrolet C3500 1 Ton - Pickup 5.7 L 350 CID V8 | | | | | |
| VCM9 | ATK | Engine - Complete - | 1.00 | 4,975.20 | 2525.4400 | 2,525.44 | |
| | | Core Deposit | 1.00 | 502.00 | 502.0000 | 502.00 | D |
| WARNING - Not For Motor Home, RV Or Off-Road Use. Warranty Will Be Void If Used In A Vehicle That Is Not Specified By NAPA Iron Clad Engines@; @GSA1 Supplemental Warranty Available Separately At Time Of Purchase, See Part Number GSA1. Store must confirm DC places order for GSA1 from ATK to activate GSA1 for purchased Engine@; Vehicle Identification Number (VIN) Is Required To Place Order; @ Light duty vehicles up to 10,999 pounds Gross Vehicle Weight receive a 3 Year / Unlimited Mile Warranty. Medium duty vehicles; 11,000 Pounds or greater Gross Vehicle Weight receive a 12 Month / 12,000 Mile Warranty, whichever comes first. | | | | | | | |
| 600-2786 | NOE | Exhaust Manifold Mounting | 1.00 | 26.60 | 13.9400 | 13.94 | |
| 600-3391 | NOE | NAPA OE Solutions Exhaust | 1.00 | 162.00 | 69.2900 | 69.29 | |
| 600-5464 | NOE | NAPA OE Solutions Exhaust | 1.00 | 182.50 | 80.0900 | 80.09 | |
| 600-2785 | NOE | Exhaust Manifold Mounting | 1.00 | 36.55 | 16.1900 | 16.19 | |
| 2-38887 | CRB | Fuel Injector - New | 1.00 | 905.52 | 476.5800 | 476.58 | |
| 234-4018 | DEN | Oxygen (O2) Sensor | 2.00 | 89.04 | 46.4000 | 92.80 | |
| 234-4012 | DEN | Oxygen (O2) Sensor | 1.00 | 77.16 | 40.0300 | 40.03 | |
| 41-993 | AC | Spark Plug - Iridium | 8.00 | 16.74 | 9.3200 | 74.56 | |
| | | Do Not Gap, Gap is Preset@; @Gap .060" | | | | | |
| 700955 | BEL | Spark Plug Wire Kit - | 1.00 | 103.80 | 52.7600 | 52.76 | |
| RR207 | ECH | Distributor Cap | 1.00 | 112.50 | 57.8200 | 57.82 | |
| RR256 | ECH | Distributor Rotor | 1.00 | 38.70 | 21.8900 | 21.89 | |
| 81950 | EXH | NAPA CalCat Catalytic | 1.00 | 3,898.54 | 2071.8500 | 2,071.85 | |
| 50316 | EXH | NAPA Catalytic Converter | 1.00 | 1,920.72 | 1030.1800 | 1,030.18 | |

Quote continues on next page

**** Prices and Taxes Subject to Change Without Notice ****

** Parts to replace engine*



400007118
STERLING AUTO PARTS
122 WATERFRONT DRIVE
TWO HARBORS, MN 55616
(218) 834-2277

QUOTE

Date : 05/08/2023

Time : 14:30

Page : 2 / 2

Order # 66330

Quote For

790
City Of Two Harbors
522 First Ave
Two Harbors, MN 55616

Quote By

Quote By : 3 , Sue
Sales Rep : 0 , Salesman
Quote Date : 05/08/2023
Accounting Day : 1
Quote : 1006

| Part Number | Line | Description | Quantity | Price | Net | Total | Taxable |
|-------------|------|---------------------------|----------|----------|-----------|----------|---------|
| 81950 | EXH | NAPA CalCat Catalytic | 1.00 | 3,898.54 | 2071.8500 | 2,071.85 | |
| UA311S | HUS | u bolts | 4.00 | 0.00 | 25.99 | 103.96 | |
| SHB91645 | HUS | SHACKLE BOLTS | 4.00 | 9.99 | 7.4000 | 29.60 | |
| 22-797XHD | NOE | LEAF SPRING | 2.00 | 770.78 | 433.7900 | 867.58 | |
| | FRT | Freight | 1.00 | 0.00 | 140.0 | 140.00 | D |
| 650-4100 | NOE | Rear Position Leaf Spring | 2.00 | 97.51 | 42.95 | 85.90 | |
| 31618 | EXH | Exhaust Gasket | 1.00 | 36.79 | 20.9600 | 20.96 | |
| 61683 | FPG | Exhaust Pipe Gasket | 1.00 | 21.48 | 11.2800 | 11.28 | |

**** Prices and Taxes Subject to Change Without Notice ****

Attention :

PO# :

Subtotal 10,456.55

Subtotal 10,456.55



Prepared by: Max Koolmo
05/04/2023

Boyer Ford Trucks, Inc. | 2425 Broadway Street NE Minneapolis Minnesota | 554131730

2023 F-550 Chassis 4x4 SD Regular Cab 169" WB DRW XL (F5H)

Price Level: 340

Major Equipment

- * Variable intermittent front windshield wipers
- * Seat mounted side impact driver airbag
- * Seat mounted side impact front passenger airbag
- * SecurILock immobilizer
- * 40-20-40 split-bench front seat
- * Driver seat with 4-way directional controls
- * Height adjustable front seat head restraints
- * Front seat center armrest
- * Manual reclining driver seat
- * Manual reclining passenger seat
- * Vinyl front seat upholstery
- * Manual driver seat lumbar
- * 4-wheel antilock (ABS) brakes
- * Driver front impact airbag
- * Cancellable front passenger air bag
- * 6 airbags
- * Manual climate control
- * Split-bench front seat
- * Front passenger seat with 4-way directional controls
- * Manual front seat head restraint control
- * Front seat armrest storage
- * Manual driver seat fore/aft control
- * Manual passenger seat fore/aft control
- * Vinyl front seatback upholstery
- * 4-wheel disc brakes
- * Brake assist system

Fuel Economy

City
N/A



Hwy
N/A

As Configured Vehicle

| | MSRP |
|--|----------|
| Platform Running Boards | \$320.00 |
| Rapid-Heat Supplemental Cab Heater | \$250.00 |
| 410 Amp Dual Alternators | Included |
| Engine Block Heater | \$100.00 |
| Transfer Case Skid Plates | \$100.00 |
| 110V/400W Outlet | \$175.00 |
| Front Wheel Well Liners (Pre-Installed) | \$180.00 |
| Dual 68 AH/65 AGM Battery | \$210.00 |
| Snow Plow Prep Package | \$250.00 |
| Exterior Backup Alarm (Pre-Installed) | \$175.00 |
| Amber 360-Degree Dual Beacon LED Warning Strobes | \$650.00 |
| Center High-Mounted Stop Lamp (CHMSL) | N/C |
| Front License Plate Bracket | N/C |
| Rear View Camera & Prep Kit | \$415.00 |

| | |
|--------------------|--------------------|
| SUBTOTAL | \$69,085.00 |
| Destination Charge | \$1,895.00 |
| TOTAL | \$70,980.00 |

Prices and content availability as shown are subject to change and should be treated as estimates only. Actual base vehicle, package and option pricing may vary from this estimate because of special local pricing, availability or pricing adjustments not reflected in the dealer's computer system. See salesperson for the most current information.



**CITY OF TWO HARBORS
CITY COUNCIL**

**AGENDA ITEM
COVER SHEET**

| | | |
|--|-------------------------------|--------------------------------|
| Originating Staff: Miranda Pietila | Department: | Date: 05/22/2023 |
| Agenda Item Subject: Consider approving a request from the Two Harbors HRA for \$12,000 in funding assistance for the Neighborhood Revitalization Program | Fiscal Impact: | |
| BACKGROUND: The city has contributed to the Neighborhood Revitalization Mini Grant Program for 8 years from 2014 to 2021 from the Revolving Loan Fund. These are grants of up to \$500 available for exterior improvements to properties within the City. The grants are administered by the Two Harbors HRA. The HRA is requesting \$10,000 for the 2023 Neighborhood Revitalization mini-grant program, along with \$2,000 to execute and advertise the grant. The Revolving Loan fund currently has \$40,606, they are request \$40,000 for housing projects and program. Finance Director, Pietila recommends funding program from the Liquor Store Fund or Campground. | | |
| COUNCIL ACTION REQUESTED: Approve request from the Two Harbors HRA for \$12,000 in funding assistance for the Neighborhood Revitalization Program | | |
| RECOMMENDATION: Approve request from the Two Harbors HRA for \$12,000 in funding assistance for the Neighborhood Revitalization Program | | |
| | | |

ATTACHMENTS: Request from Housing & Redevelopment Authority of Two Harbors



ATTN: Two Harbors City Administration

The HRA of Two Harbors is formally requesting the \$40,000 set aside by the city for the HRA. We have housing projects and programs that would benefit from our investment of time, energy, effort and funding.

We are also requesting the \$10,000 for the 2023 Neighborhood Revitalization mini-grant program, along with \$2,000 to execute and advertize the grant. We are also requesting the same \$12,000 from the county in matching funds for this year's mini-grant program.

Sincerely,

Thomas Furman
Executive Director HRA of Two Harbors



**CITY OF TWO HARBORS
CITY COUNCIL**

**AGENDA ITEM
COVER SHEET**

| | | |
|---|-----------------------|----------------------------|
| Originating Staff: Miranda Pietila | Department: | Date: 05/22/2023 |
| Agenda Item Subject: Consider approving a request from the Two Harbors HRA for \$40,000 for housing projects and programs withing the City. | Fiscal Impact: | |
| BACKGROUND: The Revolving Loan fund currently has \$40,606, Two Harbors HRA are requesting \$40,000 for housing projects and programs | | |
| COUNCIL ACTION REQUESTED: Approve request from the Two Harbors HRA \$40,000 for housing projects and programs withing the City, contingent on a contract with the Two Harbors HRA. | | |
| RECOMMENDATION: Approve request from the Two Harbors HRA \$40,000 for housing projects and programs withing the City, contingent on a contract with the Two Harbors HRA. | | |

ATTACHMENTS: Request from Housing & Redevelopment Authority of Two Harbors



ATTN: Two Harbors City Administration

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Sincerely,

Thomas Furman

Executive Director HRA of Two Harbors



**CITY OF TWO HARBORS
CITY COUNCIL**

**AGENDA ITEM
COVER SHEET**

| | | |
|---|--------------------------------------|-------------------------|
| Originating Staff: P. Nordean | Department: Administration | Date: 5/18/23 |
| Agenda Item Subject: Purchase Agreement – ACRE Dev. | Fiscal Impact: | |
| BACKGROUND: The proposal to purchase property identified as Lake County Property ID No. 23-7600-02047 from ACRE Development has been accepted and in order for the sale to be completed, it is necessary to approve and execute a purchase agreement. | | |
| COUNCIL ACTION REQUESTED: Approve the proposed Purchase Agreement with ACRE Development and authorize the Mayor and Administrator to execute the agreement on behalf of the City. | | |
| RECOMMENDATION: Staff recommends the council action requested. | | |
| ATTACHMENTS: | | |

PURCHASE AGREEMENT

THIS AGREEMENT, made this 15th day of May, 2023 (the “**Effective Date**”), by and between the City of Two Harbors, a Minnesota municipal corporation (“**Buyer**”) and ACRE Development, LLC, a Minnesota limited liability company (“**Seller**”).

In consideration of the mutual covenants contained herein, Seller and Buyer agree as follows:

1. **Sale of Property.** Subject to the terms and conditions of this Agreement, Seller agrees to sell to Buyer, and Buyer agrees to purchase from Seller, Lake County Property ID Number 23-7600-02047, located in the City of Two Harbors, Minnesota, as depicted on Exhibit A and legally described on Exhibit B, together with all improvements constructed or located thereon and all easements, hereditaments, and rights benefiting or appurtenant thereto, including any right, title or interest in the bed of any adjacent street, road, highway or alley (collectively, the “**Property**”).

2. **Purchase Price.** The purchase price to be paid for the Property shall be (\$290,000.00) (the “**Purchase Price**”).

The Purchase Price shall be payable as follows:

- a. One Thousand Dollars earnest money (“**Earnest Money**”) to be deposited with and held in trust by Smith Law PLLC, and
 - b. The balance \$289,000.00 due upon closing.
3. **Closing.** Closing of the transaction contemplated by this Agreement (the “**Closing**”) shall occur on a date (the “**Closing Date**”) mutually agreed upon by Buyer and Seller immediately upon receipt of the Title Commitment, unless title issues exist. Closing shall occur by mail, at the offices of Buyer’s attorney, or at the offices of the Title Company, at Buyer’s discretion. Buyer shall be entitled to possession of the Property as of the date of Closing.
 4. **Due Diligence and Inspections.**
 - a. **Due Diligence Period.** Within ten days after the Effective Date, Seller shall deliver to Buyer originals or true and correct copies of all information regarding the Property as is in the possession of or reasonably available to Seller, including but not limited to existing title commitments or reports, surveys, site plans, environmental site assessments (such as Phase 1) and permits (collectively, the “**Seller Property Information**”). For a period of the longer of (a) sixty days after the Effective Date, or (b) forty-five days after Buyer’s receipt of all Seller Property Information (the “**Due Diligence Period**”), Buyer, at its expense, may conduct such studies of the Property as Buyer shall desire, including without limitation, architectural, geotechnical, environmental, marketing, engineering and

financial feasibility studies to determine whether or not the Property is suitable to Buyer.

- b. Access. Buyer and its employees and agents shall have the right and permission from and after the date hereof, at Buyer's expense, to conduct and commission such studies, analyses, and reports as Buyer may desire as to the Property, its title, boundaries, physical condition, and other characteristics. Seller will permit Buyer and any surveyors, engineers, architects or similar persons designated by Buyer to have reasonable access to the Property for purposes of inspecting and determining the physical conditions of the Property. Buyer shall (a) promptly restore any property affected or injured by the activities of Buyer or its agents to the condition it was in prior to such activities, and (b) indemnify and defend Seller against any loss, liability, and expense to the extent resulting from the activity of Buyer or its agents on the Property, including mechanics' lien claims and claims for personal injury, death or property damage, except for any such loss, liability or expense arising from Seller's negligence or misconduct, and except to the extent such claims arise from discovery or exacerbation of an existing condition (other than exacerbation that is the result of the gross negligence or misconduct of Buyer or its agents).
 - c. Extension of Due Diligence Period. In the event Buyer is not satisfied with its inspections within the Due Diligence Period, Buyer may, at Buyer's sole option, extend the Due Diligence Period for up to an additional thirty days by delivering to Seller a statement of non-satisfaction, specifically stating the item(s) as to which Buyer is not yet satisfied.
 - d. In the event Buyer, in Buyer's sole and absolute discretion, is not satisfied with the results of any inspections or investigations made pursuant to this Section 4, Buyer may terminate this Agreement by written notice to Seller given within the Due Diligence Period, for any reason or no reason. Upon such termination, the Earnest Money will be refunded to Buyer. Upon such delivery and refund of the Earnest Money, neither party shall be further liable to the other, except for such provisions as may expressly survive termination of this Agreement.
5. Entire Property Contingency. Buyer's obligations under this Agreement are expressly contingent upon Buyer closing on its acquisition of good and marketable fee simple title to Lake County Property ID Number 23-7600-02047. If the parcel proves unmarketable or unacceptable to Buyer for any reasons set forth above, Buyer reserves the right to terminate this agreement upon written notice to Seller and, in the event of such termination, Buyer shall receive a refund of all Earnest Money.
6. Marketable Title.
- a. Evidence of Title. Within twenty days after the Effective Date, Seller shall furnish to Buyer, at Seller's expense, a commitment for an owner's policy of title insurance for the Property, issued by the Title Company (the "**Commitment**"). The Commitment shall commit to insure Buyer's ownership of fee title, and shall provide coverage in an amount equal to the Purchase Price.

- b. Survey. Within thirty days after the Effective Date, Buyer shall obtain, at Buyer's expense, a current, updated ALTA Survey of the Property (the "Survey"), certified to Buyer, Buyer's lender, and the Title Company, prepared by a duly licensed surveyor in a form acceptable to the Title Company in order to allow the Title Company to delete the survey exception from the Commitment.
- c. Examination of Title. Buyer may, within twenty days after Buyer's receipt of the later of the Commitment and the Survey, provide to Seller written objection to any matters disclosed by the Commitment or Survey to which Buyer objects (the "Objections"). Any matter disclosed in the Commitment or in the Survey not objected to by Buyer in writing within said twenty days shall be a "Permitted Encumbrance."
- d. Title Corrections. If Buyer makes any Objections, Seller shall use Seller's commercially reasonable efforts to cure such Objections prior to Closing. If Seller fails to cure the Objections within thirty days of such Objections, then Buyer may, at Buyer's option: (i) terminate this Agreement and receive a refund of all Earnest Money; (ii) waive such Objection and accept such title as Seller is able to convey; or (iii) attempt to satisfy such Objection at Seller's expense, which Buyer may collect by receiving a credit against the Purchase Price, up to a maximum expense to Seller of Twenty Thousand Dollars, and delay Closing for up to sixty days and, if Buyer does not satisfy such Objection, Buyer may take either of the actions in (i) or (ii).

7. Closing.

- a. Seller's Obligations at Closing. At Closing, Seller shall execute and deliver to Buyer:
 - i. Deed. A limited warranty deed, conveying the Property to Buyer subject only to the Permitted Encumbrances.
 - ii. Non-Foreign Seller Certificate. A certificate that Seller is not a foreign person as defined in the Internal Revenue Code and regulations issued pursuant thereto.
 - iii. Affidavit of Seller. A standard form Seller's affidavit.
 - iv. Bring Down Certificate. A certificate certified to by an officer of Seller reaffirming, as of the Closing Date, the truth and accuracy of Seller's representations and warranties contained in this Agreement.
 - v. Statutory Disclosures. To the extent required by applicable law or regulation, a well disclosure certificate, storage tank disclosure, private sewer system disclosure, methamphetamine disclosure, airport zoning disclosure, and all such other disclosures as may be required by all applicable state, federal and local laws and regulations.

- vi. Settlement Statement. A closing settlement statement prepared by the Title Company.
 - vii. Additional Documents. Such other instruments as Title Company may reasonably require to consummate the transactions contemplated hereby, including, but not limited to, a certificate of good standing and a corporate resolution evidencing the approval of this transaction and the ability and capacity of the individual(s) executing this Agreement and the closing documents contemplated hereunder on behalf of Seller.
 - viii. Assignments of Leases. An assignment of all existing billboard leases currently concerning the Property.
- b. Buyer's Obligations at Closing. At Closing, Buyer shall deliver to Seller the Purchase Price in cash or other immediately available funds, all Earnest Money being credited thereto. Buyer shall also execute and deliver to Seller the closing settlement statement and other instruments as Title Company may reasonably require to evidence Buyer's authority for the consummation of the transactions contemplated hereby, including, but not limited to, a certificate of good standing and a corporate resolution evidencing the approval of this transaction and the ability and capacity of the individual(s) executing the closing documents contemplated hereunder on behalf of Buyer.
- c. Real Estate Taxes, Special Assessments, and Closing Costs.
- i. Title, Recording and Closing Fees. Seller shall pay fees charged by the Title Company related to issuing the Title Commitment, including all examination fees and title search fees. Buyer shall pay the premiums for the Title Policy. Seller and Buyer shall each pay one-half of any closing fee charged by the Title Company. Seller shall pay any deed tax, conservation tax, and the cost of recording any documents necessary to cure Buyer's Objections. Buyer shall pay all document recording fees for the deed. With respect to all other costs, each Party shall pay its share of the Closing costs which are normally assessed by the Title Company against a seller or purchaser in a transaction of this character in the County.
 - ii. Real Estate Taxes and Special Assessments. Seller will pay, on or before the Closing Date, all special assessments levied, pending or deferred as of the Closing Date. General real estate taxes payable in the year in which Closing occurs shall be prorated on a daily basis, as of the Closing Date.
8. Seller's Representations, Warranties, Covenants and Indemnities. In addition to those representations and warranties appearing in other paragraphs of this Agreement, Seller represents and warrants to Buyer that:

- a. Except for existing billboard leases to be assigned to Buyer at closing, there are no parties in possession of any portion of the Property as lessees, tenants at sufferance, or trespassers, and no party has been granted any license, lease, or other right relating to use or possession of the Property;
- b. Seller has not received notice of any default (nor is there any default) under any note, mortgage or contract for deed related to the Property, and Seller covenants to not default thereunder nor to grant or enter into any liens, leases, easements, options, rights of refusal or contracts with respect to the Property;
- c. To Seller's knowledge, there is no pending or threatened condemnation proceeding or similar proceeding or assessment affecting any part of the Property by any governmental authority;
- d. Seller has not received any notice of any violation of (nor, to Seller's knowledge, is there any violation of) any ordinance, regulation, law, or statute of any governmental authority or agency pertaining to the Property;
- e. To Seller's knowledge, the execution and delivery of this Agreement, the consummation of the transaction herein contemplated, and the compliance with terms of the Agreement will not conflict with or, with or without notice or the passage of time or both, result in a breach of any of the terms or provisions of, or constitute a default under, any indenture, mortgage, loan agreement, contract for deed, or instrument to which Seller is a party or by which Seller or Seller's property is bound, any applicable regulation or any judgment, order, or decree of any court having jurisdiction over Seller or Seller's property;
- f. There are no attachments, executions, assignments for the benefit of creditors, or voluntary or involuntary proceedings in bankruptcy or under any applicable debtor relief laws, or, to Seller's knowledge, any other litigation contemplated by or pending or threatened against Seller or the Property;
- g. Except for Seller, there are no parties with any interest in the Property, and no other signatures are required to make this Agreement fully enforceable by Buyer;
- h. At Closing, Seller will have and will convey to Buyer good and marketable fee simple title to the Property free and clear of any and all encumbrances except the Permitted Encumbrances;
- i. Seller does not know of any underground or aboveground storage tanks, individual sewage treatment systems, or wells currently or formerly located on or serving the Property;
- j. Neither Seller nor, to Seller's best knowledge and belief, any previous owner of the Property or any other person or entity has ever used, generated, processed, stored, disposed of, released, or discharged any Hazardous Substance on, under, about or in the vicinity of the Property or transported it to or from the Property,

nor, to Seller's knowledge, has any person or entity ever alleged that any such activities have occurred.

- k. To Seller's knowledge, no use by Seller, any prior owner of the Property, or any other person has occurred which violates or has been alleged to violate any applicable environmental law, regulation, ordinance or rule, and the Property is not on any "Superfund" list, nor is it subject to any lien related to any environmental matter. The term "**Hazardous Materials**" as used herein includes, without limitation, gasoline, petroleum products, explosives, radioactive materials, hazardous materials, hazardous wastes, hazardous or toxic substances, polychlorinated biphenyls or related or similar materials, asbestos or any material containing asbestos, or any other substance or material as may be defined as a hazardous or toxic substance by any federal, state or local environmental law, ordinance, rule, or regulation including, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. Section 9601, et seq.), the Hazardous Materials Transportation Act, as amended (42 U.S.C. Section 1801, et seq.), the Resource Conservation and Recovery Act, as amended (42 U.S.C. Section 1251, et seq.), the Clean Air Act, as amended (42 U.S.C. Section 7401, et seq.) and in the regulations adopted and publications promulgated pursuant thereto.
- l. As used in this Section 8, "Seller's knowledge" means the actual knowledge, without inquiry or investigation, of Craig Ankrum, the President of Seller.
- m. Buyer acknowledges and agrees that except as otherwise specifically and expressly provided herein and in the conveyancing documents for transfer of the Property, Buyer is relying on its inspection and investigation of the Property and is acquiring the Property in its "AS IS" condition, WITH ALL FAULTS, IF ANY, AND WITHOUT ANY WARRANTY, EXPRESS OR IMPLIED. Other than as expressly set forth herein, neither Seller nor any agents, representatives, or employees of Seller have made any representations or warranties, direct or indirect, oral or written, express or implied, to Buyer or any agents, representatives, or employees of Buyer with respect to the condition of the Property, its fitness for any particular purpose, or its compliance with any laws, and Purchaser is not aware of and does not rely upon any such representation by or to any other party. Buyer hereby waives all claims and causes of action against Seller, its officers, directors, employees, agents, successors and assigns, relating to the physical, environmental or geotechnical condition of the Property (including but not limited to claims for indemnification, contribution, reimbursement or other payments arising under federal and state law and the common law), except those claims directly resulting from a breach of Seller's express written representations and warranties set forth in this Agreement. The provisions of this Section 9.m shall survive Closing.
- n. Seller has obtained all necessary approval from its Board of Directors to consummate this Agreement.

9. **Buyer's Representations, Warranties, Covenants and Indemnities.** In addition to those representations and warranties appearing in other paragraphs of this Agreement, Buyer represents and warrants to Seller that:
- a. Buyer is a Minnesota municipal corporation that has authorized purchase of the Property by resolution passed by 2/3 of its duly elected city council and has all necessary power and authority to enter into this Agreement and to carry out its obligations hereunder; and
 - b. Neither the execution and delivery of this Agreement, the consummation of the transaction contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement is prevented, materially limited by, or materially conflicts with any resolution, ordinance, agreement or instrument of whatever nature to which Buyer is now a party or by which it is bound, or constitutes a default under any of the foregoing.
10. **Update and Survival of Representation, Warranties, Covenants and Indemnity.**
- a. Notwithstanding anything to the contrary contained herein, the representations, warranties and covenants in this Agreement shall be deemed remade as to the Property as of Closing, and shall survive Closing or other termination of this Agreement for a period of one year.
 - b. If any of the representations, warranties and covenants contained herein are or become untrue or incorrect before Closing, Seller or Buyer shall use its good faith best efforts to take such necessary action to make such representations, warranties and covenants true and correct as of the Closing Date.
11. **Breach of Environmental Representations.** Buyer and Seller shall each indemnify, defend and hold the other, its successors and assigns harmless from and against all fines, penalties, liabilities, claims, suits, actions, damages, losses, costs and expenses including, without limitation, attorney's fees, consequential damages and the cost of any environmental remediation, removal, response, abatement, clean-up, investigation and monitoring, directly or indirectly, and in whole or in part, arising out of or attributable to a breach of any of the representations, warranties or covenants of Buyer or Seller in this Agreement.
12. **Remedies for Breach of Representation.** In the event that any of Buyer's or Seller's representations, warranties or covenants set forth in this Agreement are not true and correct as of the Closing Date, in addition to other remedies provided herein, the party aggrieved may terminate this Agreement and receive a complete refund of the Earnest Money, or elect to Close under this Agreement notwithstanding the failure of such representation or warranty by the Seller, in which event the Closing shall not be deemed a waiver of the failure of such representation or warranty.
13. **Notice.** Any notice given under this Agreement shall be deemed given on the date the same is hand delivered to the following addresses; three business days following deposit in the United States mail (registered or certified), postage prepaid; or one business day

following deposit with a recognized overnight courier service for next-day delivery. Any notice given under this Agreement shall be addressed as follows:

If to Seller: ACRE Development, LLC
Craig Ankrum and Barb Ankrum
2489 Rice St. #40
Roseville, MN 55113

With a copy to: Tyson Smith
P.O. Box 66
Grand Marais, MN 55604
Attorney for ACRE Development, LLC

If to Buyer: City of Two Harbors
522 1st Avenue
Two Harbors, MN 55616

With a copy to: Timothy A. Costley
Costley & Morris, P.C.
609 First Avenue
Two Harbors, MN 55616
Attorney for City of Two Harbors

14. **Buyer's Remedies.** If Seller fails to consummate the transactions contemplated herein for any reason, except for termination pursuant to a right granted hereunder or a default by Buyer, Buyer may, as its exclusive remedies: (a) terminate this Agreement and receive a refund of all Earnest Money, in which event Buyer shall have no further remedies or causes of action against Seller; or (b) enforce the specific performance of this Agreement.
15. **Seller's Remedies.** If Buyer fails to consummate the transaction contemplated herein for any reason, except for termination pursuant to a right granted hereunder or a default by Seller, Seller may, as Seller's sole remedy, terminate this Agreement and retain all Earnest Money as liquidated damages.
16. **Headings.** Descriptive headings are for convenience only and shall not control or affect the meaning or construction of any provision of this Agreement.
17. **Severability.** In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.
18. **Survival.** All representations, warranties, covenants, indemnifications and obligations of the parties contained in this Agreement shall survive the closing of the transaction contemplated by this Agreement for a period of one year, unless prior thereto an action is commenced to enforce the same.

19. **Attorney Fees.** If either party shall be required to employ an attorney to enforce or defend the rights of such party hereunder, the prevailing party shall be entitled to recover reasonable costs of such enforcement or defense, including attorneys' fees.
20. **Construction.** The parties acknowledge that the parties and their counsel have reviewed and revised this Agreement and that the normal rule of construction, to the effect that any ambiguities are to be resolved against the drafting party, shall not be employed in the interpretation of this Agreement or any exhibits or amendments hereto.
21. **Execution in Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of such counterparts shall constitute one Agreement.
22. **Comprehensive Plan Approval.** Buyer's obligations under this Agreement are expressly contingent upon receipt of a written finding by the Two Harbors Planning Commission, pursuant to Minn. Stat. Sec. 462.356, subd. 2, that the purchase of Property herein is consistent with the City of Two Harbors Comprehensive Plan. Should such a written finding not be provided to Buyer by its Planning Commission, this Agreement shall be null and void and all Earnest Money shall be refunded to Buyer.

IN WITNESS WHEREOF, the parties have hereunto set their hands effective the date and year first above written.

SELLER:

**ACRE DEVELOPMENT, LLC,
a Minnesota Limited Liability Company**

By: _____
Craig Ankrum
President

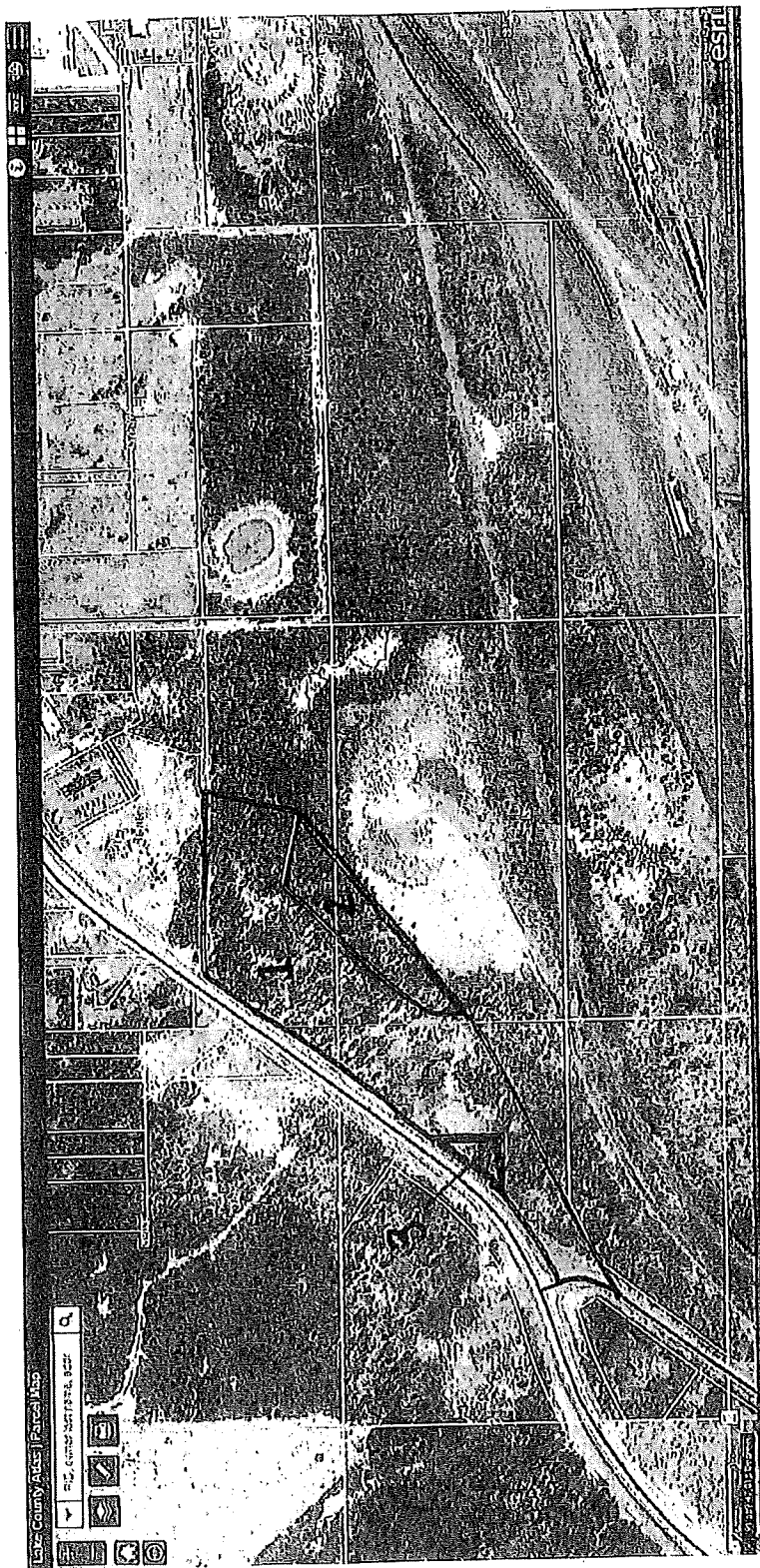
BUYER:

**CITY OF TWO HARBORS, a Minnesota
Municipal Corporation**

By: _____
Lew Connor
Mayor

By: _____
Patricia Nordean
City Administrator

Exhibit A



1 - Parcel No. 23-7600-02047

~~2 - Parcel No. 23-5211-02143~~

~~3 - Parcel No. 23-1205-02143~~

Exhibit B

Parcel 1 - Lake County Parcel Number 23-7600-02047:

All the Grantor's interests in:

All that part of the NE $\frac{1}{4}$ of Section 2, Township 52 North, Range 11 West, of the 4th Principal Meridian, described as follows:

Commencing at the Southeast corner of said NE $\frac{1}{4}$ (E $\frac{1}{4}$ corner of said Section 2); thence N 1° 15' 02" W, along the East line of said NE $\frac{1}{4}$, a distance of 1733.94 feet, to the northerly line of the South 425 feet of the NE $\frac{1}{4}$ of the NE $\frac{1}{4}$ of said Section 2; thence S 88° 49' 59" W, along said northerly line, a distance of 526.78 feet, to the point of beginning; thence continuing S 88° 49' 59" W, along said northerly line, a distance of 583.70 feet, to the southeasterly right of way line of U. S. Highway No. 61; thence S 35° 07' 11" W, along said right of way line, a distance of 1066.78 feet, to a tangential circular curve, concave to the Northwest; thence southwesterly, along said right of way line and said curve, with a delta angle of 30° 09' 32" and a radius of 1000.00 feet, a distance of 526.37 feet, to a non-tangential circular curve, concave to the Northwest; thence southwesterly, along said curve, with a delta angle of 45° 29' 17", a radius of 250.00 feet and a chord bearing of S 8° 32' 05" W, a distance of 198.48 feet; thence N 58° 00' 00" E, a distance of 995.86 feet; thence N 49° 39' 31" E, a distance of 902.14 feet; thence N 17° 30' 39" E, a distance of 311.31 feet to the point of beginning and there terminating.

Said parcel containing 13.9 acres, more or less.

TWO HARBORS CITY COUNCIL



AGENDA ITEM SUMMARY

AGENDA ITEM SUBJECT: *Have trees and brush removed from ROW on Marie ave. and 17th Ave. along City electrical lines. Cost is \$16200,00 from Barks Tree Service.*

ORIGINATING SOURCE/DEPARTMENT: *Electrical department*

FUNDING SOURCE: Click here to enter text.

BACKGROUND: *The brush and trees need to be cleared from electrical lines on Marie Ave. and 17th Ave. some of the areas can not be reached with our equipment nor do we have the man power at this time. The removal of this brush and trees will help reduce outages and damage to the electrical system in that area.*

ESTIMATED DATE OF COMPLETION: 10/31/2022

COMMITTEE/COMMISSION RECOMMENDATION: *Accept bid from Barks Tree Service of \$16200.00 to remove trees and brush.*

ADMINISTRATION/STAFF RECOMMENDED COUNCIL ACTION: *Click here to enter text.*

NB.6

6/22/23

Bark's Tree Service

PO Box 629

Two Harbors, MN 55616

(218) 349-1922

Proposal

Proposal for:

City of Two Harbors

522 1st Ave

Two Harbors MN 55616

Project

Line clearing on 17th Ave and Marie St

Description

Marie St

Line clearing on 17th Ave and Marie St

\$16,200.00

Removal of all wood

17th Ave \$7200.00
Marie St \$900.00

Notes:

Price is: \$16,200.00