

**CITY OF TWO HARBORS**  
**COMMITTEE OF THE WHOLE/AGENDA MEETING**

June 26, 2023

5:00 p.m.      Call to order.

Appearances:                      1.      Keith Larson, Veteran's Memorial Project.

Administrator updates.

Attorney updates.

Finance Director updates.

City Planner updates.

City Engineer updates.

Other agenda questions or additions.

# TWO HARBORS CITY COUNCIL

## AGENDA

June 26, 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.*

**Appearances:**

1. Erik Wedge, DSGW Architecture  
Re: Proposed Liquor Store Project

**Administrative Reports:**

**Committee Reports:**

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 22 and June 12, 2023 Regular City Council meetings.
2. Allowing claims against the City of Two Harbors to be paid on June 27, 2023.
3. Approving payroll for the first half of June, 2023.
4. Authorizing payment to Bolton & Menk in the amount of \$1,446 for professional services for the MNDOT Reconstruction Project.
5. Authorizing payment to Bolton & Menk in the amount of \$6,479 for professional services for the Liquor Store Project.
6. Authorizing payment to Bolton & Menk in the amount of \$58,766 for professional services for the 23-24 Street Improvement Project.
7. Authorizing payment to Bolton & Menk in the amount of \$300 for general engineering services.

8. Authorizing payment to Bolton & Menk in the amount of \$804 for professional services for the 2021 – 2022 Street Improvement Project.
9. Authorizing payment to Bolton & Menk in the amount of \$4,632 for the GIS online migration project.
10. Accepting the recommendation of the Utilities Committee to accept the proposal of Bolton & Menk to provide engineering services for analysis for the west-end sanitary sewer and water utilities extension to be constructed in coordination with MNDOT's Highway 61 Project.
11. Authorize the purchase of 3" gas line from Border States for an amount of \$12,100 for installation of a gas main loop along 8<sup>th</sup> Street from Eighth Avenue to South Avenue.
12. Accepting the recommendation of the Edna G. Commission to accept a proposed agreement for management of the Edna G between the City of Two Harbors and the Friends of the Edna G.
13. Accepting the recommendation of the Edna G. Commission that the City collaborate with Lake County Veterans organization to integrate the Edna G. into the Veteran's Memorial in Van Hoven Park, potentially redesignating a portion of the Park as a War Memorial rather than a park to meet historic designation requirements.
14. Accepting the recommendation of the Edna G. Commission that the City submit the Edna G. Relocation Project to the State of Minnesota for the next bonding cycle.
15. Approving the application of Chelsie Grayhawk for new massage therapy license at 621 First Avenue, pending approval of the Chief of Police and Building Official.
16. Approving the request of the Water and Wastewater Treatment Superintendent to allow travel and expenses for Gary Ganser to attend the MRWA Water and Wastewater Operation Maintenance Training Session in Wahkon, MN.
17. Authorizing extension of existing Massage Therapy Licenses through July 30, 2023.
18. Consider approving the Special Event Permit Application of Wild Embers Events for an outdoor concert featuring country music on Friday, July 21, 2023, pending the approval of administration.

**Communications:**

1. An email from Mark Zellers, requesting permission to plant a tree and place a modest plaque in Thomas Owens Park in memory of his mother, Kathy Zellers.
2. An email from Jason DiPiazza, Lake County Highway Engineer, announcing that a Transportation Alternatives funding swap from 2025 to 2027, for the MNDOT project, has been agreed on and will be finalized in the next cycle of STIP updates.

3. A letter from members of AFSCME Local 1123, expressing appreciation for recognizing and honoring the Juneteenth holiday and for providing employees with the opportunity for flexible summer scheduling.
4. A memorandum from Shawn McMahon, Short Elliott Hendrickson, outlining remaining work obligations they have under agreement with the City including target dates for completion.

**Unfinished Business:**

Other.

**New Business:**

1. [R] Accepting the proposal of Bolton & Menk to provide engineering services for the the Beacon Replacement Project at the Airport for an amount of \$48,000 which includes a 90% federal and 5% state match and the local share of 5% or \$2,400, pending the approval of the Airport Commission.
2. [R] Consider the request of the Lake County Veteran's Memorial regarding placement of a memorial in the area of Van Hoven Park.
3. [R] Consider the request of John Leupke, Serene Quarters, for extension of utilities for a project on East Stanley Road.
4. [R] Consider approving plans and specifications and authorizing an advertisement for bids for the Liquor Store Project.
5. [R] Consider approving the Agreement between the Department of the Army and City of Two Harbors for design and construction assistance for the Street and Utility Improvements Project and authorizing the Mayor and City Administrator to execute and deliver said agreement on behalf of the City.
6. [R] Consider approving the City of Two Harbors Street and Utility Improvements Project Assessment of Non-Federal Sponsor's Real Estate Acquisition Capability, Non-Federal Sponsor's Self-Certification of Financial Capability for Agreements and Two Harbors Section 569 Project Assessment of Non-Federal Sponsor's Real Estate Acquisition Capability form and authorizing the Mayor and City Administrator to execute and deliver said forms on behalf of the City.

Other.

**Adjourn:**

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May 22, 2023

Regular meeting of the City Council of the City of Two Harbors, Minnesota, held on Monday, May 22, 2023, at 6:00 p.m.

The meeting was called to order by President Redden.

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

Members absent, Councilor: Kasell. 1.

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

Administrator Nordean requested the addition of a resolution appointing Miles Woodruff as a member of the Edna G. Commission under appearances and the addition of New Business 7. A resolution to approve the MOU between the City and IBEW for summer hours and authorizing the Mayor and Administrator to execute said MOU; New Business 8 a resolution approving the MOU between the City of Two Harbors and AFSCME for summer hours and authorizing the Mayor and Administrator to execute said MOU; and New Business 9 a resolution authorizing the Library Director to make applications for grants for up to \$5,000 without approval by the City Council.

Motion by Glaser and Conner approving the agenda with the Changes proposed by the Administrator. Carried.

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

Motion by Glaser and Conner opening the meeting. Carried.

**Appearances:**

Miles Woodruff, 124 First Avenue, was present and interviewed for a position on the City's Edna G. Commission. Motion by Erickson and Hefter that **RESOLUTION NO. 5-164-23 APPOINTING MILES WOODRUFF AS A MEMBER OF THE EDNA G. COMMISSION** be adopted as read. Carried by a unanimous yea vote of all members present on roll call.

**Administrator Report:**

Administrator Nordean reviewed items staff has been working on since the last Council meeting including discussions regarding the propose development on East Stanley Road, water treatment capacity, Segog Park property restrictive covenants, property blight, hiring processes, Odegard

CA. 1A 6/26/23

Trail, and discussions with Jeff Anderson of the Costin Group regarding items that have been passed by the legislature that will have an impact on the City.

**Finance & Budget Committee:**

Vice President Erickson reported that at their recent meeting, the committee discussed and recommended that the Council approve the proposal of the Public Works Director to purchase a 2023 International CV515 with an 11' steel contractor dump body to replace an existing 1997 Chevy 3500 1-ton pickup. They also discussed the Neighborhood Mini-grant program and the committee's recommendations regarding this funding are on the agenda under New Business.

**Utilities Committee:**

Councilor Hefter reported on the most recent meeting of the Utilities Committee where they received an update from Brian Guldán of Bolton & Menk on the capacity of the wastewater treatment plant, Jen Selchow was present regarding re-routing the trail during the water treatment plant construction project. They also recommended acceptance of a proposal from Braun for water testing services and discussed the proposal for the extension of utilities to the project on East Stanley Road.

**Recreation Board:**

Vice President Erickson reported on the recent Recreation Board meeting where they were joined by two new members. They discussed a proposed recreation assessment by UMD, repairs to the skateboard park, Segog Park property, reprioritizing rinks, the purchase of a tractor for fields and summer recreation programs.

**Trees & Trails Commission:**

Councilor Passe reported on the May 18 meeting of Trees & Trails where they discussed the temporary re-routing of the trail around the Water Treatment Plant Project and goals for 2023.

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

1. Approving minutes from the May 8, 2023 Regular City Council meeting.
2. **RESOLUTION NO. 5-165-23 ALLOWING CLAIMS AGAINST THE CITY OF TWO HARBORS, IN THE AMOUNT OF \$2,782,639.74.**
3. Approving payroll for the first half of May, 2023, in the amount of \$224,047.75.
4. **RESOLUTION NO. 5-166-23 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. **RESOLUTION NO. 5-167-23 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. **RESOLUTION NO. 5-168-23 ACCEPTING THE PROPOSAL OF DAVE BERG FOR CONDUCTING GAS AND ELECTRIC UTILITY RATE STUDIES IN THE AMOUNT OF \$18,000.**
7. **RESOLUTION NO. 5-169-23 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. **RESOLUTION NO. 5-170-23 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. **RESOLUTION NO. 5-171-23 HIRING TEMPORARY SEASONAL EMPLOYEES IN THE PUBLIC WORKS, AND GAS, WATER & SEWER DEPARTMENTS AND AT THE LIQUOR STORE.**
15. **RESOLUTION NO. 5-172-23 APPROVING THE FIRST QUARTER FINANCIAL STATEMENTS FOR THE CITY OF TWO HARBORS.**
16. **RESOLUTION NO. 5-173-23 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. **RESOLUTION NO. 5-174-23 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. **RESOLUTION NO. 5-175-23 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. **RESOLUTION NO. 5-176-23 APPROVING THE SPECIAL EVENT PERMIT APPLICATION OF THE CMVA REGIONAL RALLY AUGUST 3-6, 2023.**

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

**Communications:**

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

**New Business:**

Motion by Erickson and Glaser that **RESOLUTION NO. 5-177-23 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** be adopted as read. Carried by a unanimous yeas vote of all members present on roll call.

Motion by Glaser and Conner that **RESOLUTION NO. 5-178-23 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** be adopted as read. Carried by a unanimous yeas vote of all members present on roll call.

Motion by Erickson and Glaser that **RESOLUTION NO. 5-179-23 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** be adopted as read. Carried by a unanimous yeas vote of all members present on roll call.

Motion by Glaser and Conner that **RESOLUTION NO. 5-180-23 AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE AND DELIVER A PURCHASE AGREEMENT BETWEEN THE CITY OF TWO HARBORS AND ACRE DEVELOPMENT, LLC** be adopted as read. Carried by the following vote: Yeas: Glaser, Conner, Erickson, Redden. 4. Nays: Hefter, Passe. 2.

Motion by Hefter and Erickson calling a special meeting for 5:30 PM on Tuesday, May 30, 2023, 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 be adopted as read. Carried.



Motion by Glaser and Erickson that **RESOLUTION NO. 5-181-23 ACCEPTING THE PROPOSAL OF BARK'S TREE SERVICE TO REMOVE TREES AND BRUSH FROM MARIE AND SEVENTEENTH AVENUES FOR THE ELECTRICAL DEPARTMENT** be adopted as read. Carried by a unanimous yea vote of all members present on roll call.

Motion by Erickson and Passe that **RESOLUTION NO. 5-182-23 APPROVING THE MOU BETWEEN THE CITY OF TWO HARBORS AND IBEW FOR SUMMER HOURS AND AUTHORIZING THE MAYOR AND ADMINISTRATOR TO EXECUTE SAID MOU ON BEHALF OF THE CITY** be adopted as read. Carried by a unanimous yea vote of all members present on roll call.

Motion by Passe and Conner that **RESOLUTION NO. 5-183-23 APPROVING THE MOU BETWEEN THE CITY OF TWO HARBORS AND AFSCME FOR SUMMER HOURS AND AUTHORIZING THE MAYOR AND ADMINISTRATOR TO EXECUTE SAID MOU ON BEHALF OF THE CITY** be adopted as read. Carried by a unanimous yea vote of all members present on roll call.

Motion by Hefter and Erickson that **RESOLUTION NO. 5-184-23 AUTHORIZING THE LIBRARY DIRECTOR TO MAKE APPLICATIONS FOR GRANTS FOR UP TO \$5,000 WITHOUT APPROVAL BY THE CITY COUNCIL** be adopted as read. Carried by a unanimous yea vote of all members present on roll call.

Motion by Erickson and Passe that the meeting adjourn. Carried.

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Ben Redden, President, City Council

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Patricia D. Nordean, City Clerk

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June 12, 2023

Regular meeting of the City Council of the City of Two Harbors, Minnesota, held on Monday, June 12, 2023, at 6:00 p.m.

The meeting was called to order by President Redden.

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

Members absent, Councilor: Glaser. 1.

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

Administrator Nordean requested that Consent Agenda 1 be removed from the agenda and that Consent Agenda Item 13 be added: Authorizing Payment to Bolton & Menk for engineering services for the Liquor Store Project in the amount of \$1,286, and that subsequent consent agenda items be renumbered following Consent Agenda 13.

Motion by Erickson and Passe approving the agenda with the changes recommended by the Administrator. Carried.

**Appearances:**

Jeff Anderson was present and addressed the Council providing an update on 2023 legislation adopted. He expressed appreciation to those councilors who visited St. Paul and noted his opinion that these visits are truly helpful in the process. He reported that legislators have said that there will be a bonding bill again next year. He expressed appreciation to our local legislators for their work in securing legislation for our community and encouraged the City to prepare for next year and to look to the future for opportunities related to the Northern Lights Express which is anticipated to be up and running in three to six years.

Tara Solem, Lake County Soil & Water Conservation District was present and addressed the Council providing a review of upcoming stormwater management projects within the City including the Two Harbors Stormwater Outlet at Agate Bay, the Agate Bay Two-Stage Ditch with Biochar and the Sixth Avenue Road Reconstruction projects. Councilor Erickson inquired about the timeline for the Agate Bay Two-Stage Ditch project and asked if it had been determined if the grant could be extended for another year. Ms. Solem responded that she had inquired about that but has not yet received a response from the grantor. Erickson indicated that she was aware

CA 13 6/26/23

that Councilor Glaser, although not in attendance, has expressed concerns with the project due to its location and that future plans for the property, which is in the process of being transferred from the DNR to the City, have yet to be made. She expressed interest in receiving the response and inquired if there was action that could be taken by the Council to rescind the resolution which gave authorization for the project. Attorney Costley indicated that it would be possible to rescind the resolution. President Redden suggested that the Council hold off to see if there is a response by the grantor and indicated his opinion that the Council has already considered the project.

**Administrator Report:**

Administrator Nordean provided an update on administrative staff's activities since the last regular Council meeting including the following items: working on hiring processes with new HR consultants; development agreement with Serene Quarters on the proposed extension of utilities outside of the City limits; issuance of special event and public market stand permits, Airport CIP updates and funding assistance for future projects, addressing blight, discussion of bonding requests for 2024, NE MN Regional Housing Forum, PR Properties proposed project, MnDOT Project details, and more. She reported that she has heard from Jolene Brink that the grant application for CIRD Design Workshop has been awarded to their group for the City's waterfront property.

**Personnel Committee:**

Vice President Erickson reported on the most recent meeting of the Personnel Committee where they discussed the Juneteenth holiday and recommended a Memorandum of Understanding be adopted with each of the City's bargaining units to allow employees to receive 8 hours of holiday pay for the 2023 Juneteenth holiday and requires negotiation for said holiday in future years.

**Public Safety Committee:**

Councilor Passe reported on the most recent meeting of the Public Safety Committee where they discussed upcoming festivals and the need for additional police presence during festivals and special events.

**Planning Commission:**

Planner Otsea was present and addressed the Council regarding the most recent meeting of the Planning Commission where they conducted a public hearing on the variance request of Burlington Express Hospitality LLC, for relief of the height restrictions outlined in the zoning ordinance and the Shoreland Overlay District. He reported that there was no public comment received regarding the variance request and that the Planning Commission voted to recommend that the City Council approve the request. They also discussed moving their July meeting due to the Independence Day holiday.

**Public Works Committee:**

Councilor Passe reported on the June 8, 2023 meeting of the Public Works Committee where they discussed the tree replacement program, the puddle in front of City Hall, Odegard Trail and proposed changes to the CIP for the purchase of a fume extractor and vent for the North Campus due to fumes when working on vehicles. They also discussed a proposal to start looking at a new building as they are outgrowing their current building and having to store equipment outside.

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

2. **RESOLUTION NO. 6-185-23 ALLOWING CLAIMS AGAINST THE CITY OF TWO HARBORS, IN THE AMOUNT OF \$2,782,639.74.**
3. Approving payroll for the second half of May, 2023, in the amount of \$252,102.74.
4. **RESOLUTION NO. 6-186-23 AUTHORIZING PAYMENT TO PRIMETIME CONCRETE LLC FOR RETAINAGE FOR THE 2022 SIDEWALK PROJECT IN THE AMOUNT OF \$7,481.25.**
5. **RESOLUTION NO. 6-187-23 AUTHORIZING PAYMENT TO BOLTON & MENK IN THE AMOUNT OF \$1,425 FOR PROFESSIONAL ENGINEERING SERVICES FOR THE LIGHTHOUSE POINT, SERENE QUARTERS AND ODEGARD TRAIL PROJECTS.**
6. **RESOLUTION NO. 6-188-23 AUTHORIZING PAYMENT TO BOLTON & MENK IN THE AMOUNT OF \$804 FOR PROJECT MANAGEMENT AND COORDINATION SERVICES FOR THE 2018 STREET IMPROVEMENT PROJECT.**
7. **RESOLUTION NO. 6-189-23 AUTHORIZING PAYMENT TO BOLTON & MENK IN THE AMOUNT OF \$1,005 FOR PROFESSIONAL SERVICES FOR THE 2021 – 2022 STREET IMPROVEMENT PROJECT.**
8. **RESOLUTION NO. 6-190-23 AUTHORIZING PAYMENT TO BOLTON & MENK FOR PROFESSIONAL SERVICES FOR THE 2023 & 2024 STREET IMPROVEMENT PROJECT FOR \$50,957.50.**
9. **RESOLUTION NO. 6-191-23 AUTHORIZING PAYMENT TO BOLTON & MENK FOR PROFESSIONAL SERVICES FOR THE MNDOT RECONSTRUCTION PROJECT IN THE AMOUNT OF \$502.50.**
10. **RESOLUTION NO. 6-192-23 AUTHORIZING PAYMENT TO BOLTON & MENK IN THE AMOUNT OF \$965 FOR PROFESSIONAL SERVICES RELATED TO GIS ONLINE MIGRATION.**
11. **RESOLUTION NO. 6-193-23 AUTHORIZING PAYMENT TO BOLTON & MENK IN THE AMOUNT OF \$35,092 FOR PROFESSIONAL SERVICES FOR THE WASTEWATER TREATMENT PLANT PROJECT.**

12. **RESOLUTION NO. 6-194-23 AUTHORIZING PAYMENT TO BOLTON & MENK IN THE AMOUNT OF \$6,973.46 FOR THE CHLORINE TANK AND BUILDING REPAIRS PROJECT.**
13. **RESOLUTION NO. 6-195-23 AUTHORIZING PAYMENT TO BOLTON & MENK IN THE AMOUNT OF \$1,286 FOR PROFESSIONAL SERVICES FOR THE LIQUOR STORE PROJECT.**
14. **RESOLUTION NO. 6-196-23 AUTHORIZING PAYMENT TO NORTHLAND CONSTRUCTORS IN THE AMOUNT OF \$51,730.59 FOR PAY APPLICATION #7 FOR FINAL PAYMENT OF THE 2018 STREET & ALLEY IMPROVEMENT PROJECT.**
15. **RESOLUTION NO. 6-197-23 AUTHORIZING PAYMENT TO LAKEHEAD CONSTRUCTORS FOR PAY APPLICATION #19 FOR THE WASTEWATER TREATMENT PLANT PROJECT IN THE AMOUNT OF \$1,962,407.97.**
16. **RESOLUTION NO. 6-198-23 AUTHORIZING PAYMENT TO WSB FOR MATERIALS TESTING FOR THE WASTEWATER TREATMENT PLANT PROJECT IN THE AMOUNT OF \$1,000.**
17. **RESOLUTION NO. 6-199-23 ACCEPTING THE RECOMMENDATION OF THE UTILITY COMMITTEE TO ACCEPT THE PROPOSAL OF BRAUN INTERTEC FOR SPECIAL INSPECTION AND TESTING SERVICES FOR THE WATER TREATMENT FACILITY IMPROVEMENT PROJECT.**
18. **RESOLUTION NO. 6-200-23 APPROVING THE AGREEMENT BETWEEN THE CITY OF TWO HARBORS AND MNDOT FOR THE AIRPORT MAINTENANCE AND OPERATION GRANT AND AUTHORIZING THE MAYOR AND ADMINISTRATOR TO EXECUTE THE AGREEMENT ON BEHALF OF THE CITY.**
19. Approving the request of the Chief of Police to allow Nate Gens to attend Firearms Instructor recertification training in Spicer, MN.
20. Approving the recommendation of the Planning Commission to amend the City Code to allow parklets in commercial areas within the City.
21. **RESOLUTION NO. 6-201-23 ACCEPTING THE RECOMMENDATION OF THE PERSONNEL COMMITTEE TO AUTHORIZE THE MAYOR AND ADMINISTRATOR TO EXECUTE AND DELIVER A MEMORANDUM OF UNDERSTANDING WITH EACH OF THE CITY'S BARGAINING UNITS AND THOSE EMPLOYEES NOT REPRESENTED BY A BARGAINING UNIT EXCEPT LIBRARY EMPLOYEES TO PROVIDE FOR 8 HOURS OF HOLIDAY PAY FOR THE 2023 JUNETEENTH HOLIDAY FOR ALL EMPLOYEES, THEN THE ITEM IS TO BE NEGOTIATED FOR FUTURE YEARS AS A PART OF EACH OF THE CITY'S BARGAINING AGREEMENTS AND THOSE**

**EMPLOYEES NOT REPRESENTED BY A BARGAINING UNIT EXCEPT LIBRARY EMPLOYEES.**

22. **RESOLUTION NO. 6-202-23 HIRING ROBERT OLSON FOR THE POSITION OF PUBLIC WORKS SPECIALIST I.**
23. **RESOLUTION NO. 6-203-23 HIRING THOMAS KESSLER FOR THE POSITION OF PUBLIC WORKS SPECIALIST I.**
24. Authorizing the City Administrator to extend contingent offers of employment for the Administrative Assistant/Deputy Clerk; Electronic Data Processing Technician and Building Maintenance Custodian positions following the required interview process.
25. Refer to Public Affairs, proposed process changes for addressing blight, unpaid parking tickets and cemetery lot ownership and forfeiture.

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

**Communications:**

1. A letter from the THHS After Prom Committee expressing appreciation for the use of the City's projector for the After Prom Party.
2. A letter from Donna Gangestad, 902 Fifth Avenue, expressing her opinion and inquiring about the proposed extension of utilities in the area of Pork City Hill.
3. A memorandum from Joe Rhein and Brian Guldán, Botton & Menk, providing engineering project updates.
4. A memorandum from Jennifer Selchow, Bolton & Menk, regarding the Wastewater Treatment Facility Improvements.

**New Business:**

Motion by Erickson and Passe that **RESOLUTION NO. 6-204-23 APPROVING THE SPECIAL EVENT PERMIT APPLICATION OF THE SPECIAL OLYMPICS LAW ENFORCEMENT TORCH RUN AND FESTIVAL** be adopted as read. Carried by a unanimous yea vote of all members present on roll call.

Motion by Erickson and Conner that **RESOLUTION NO. 6-205-23 ADOPTING THE TWO HARBORS CITY COUNCIL ECONOMIC INTEREST DISCLOSURE POLICY** be adopted as read. Carried by a unanimous yea vote of all members present on roll call.

Motion by Erickson and Hefter that **RESOLUTION NO. 6-206-23 ADOPTING FINDINGS OF FACT AND APPROVING THE REQUEST OF BURLINGTON EXPRESS HOSPITALITY LLC, FOR A VARIANCE FROM THE BUILDING HEIGHT STANDARDS OF THE B-1 HIGHWAY BUSINESS DISTRICT OF THE CITY CODE SECTION 11.40, TO BUILD A HOTEL ABOVE THE ALLOWABLE LIMIT HEIGHT**

**AND THE SHORELAND OVERLAY DISTRICT, WHICH STATES THAT ANY USE SHALL NOT EXCEED THREE (3) STORIES OR THIRTY FIVE FEET FOR THE PROPERTY LOCATED AT 1329 HIGHWAY 61** be adopted as read. Carried by a unanimous yea vote of all members present on roll call.

Councilor Passe expressed his desire that there be landscape installed to mitigate the impact of the height of the building.

Motion by Passe and Hefter that **RESOLUTION NO. 2-207-23 APPOINTING CONNER AND ERICKSON TO A COMMITTEE FOCUSED ON HOUSING DEVELOPMENT AND THAT THEY BE PROVIDED COMPENSATION FOR THE MEETINGS OF THIS COMMITTEE** be adopted as read. Carried by the following vote: Yeas: Hefter, Kassel, Redden. (3) Abstain: Conner, Erickson. (2).

Motion by Conner and Erickson that the meeting adjourn. Carried.

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Ben Redden, President, City Council

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Patricia D. Nordean, Administrator



**CITY OF TWO HARBORS  
CITY COUNCIL**

**AGENDA ITEM  
COVER SHEET**

<b>Originating Staff:</b> Miranda Pietila	<b>Department:</b> Street Improvement Fund	<b>Date:</b> 06/26/2023
<b>Agenda Item Subject:</b> Consider approving invoice to Bolton & Menk for professional services for the MNDOT Reconstruction Project for \$1,446.	<b>Fiscal Impact:</b> Funds are budgeted for Street Improvement Project	
<b>BACKGROUND:</b> Submitting invoice for Bolton & Menk engineering services for \$1,446. from April 1 <sup>st</sup> to April 28th for correspondence and meeting preparation for the MnDot reconstruction project. Total engineering contract was not to exceed \$50,000, remaining funds are \$4,663.50.		
<b>COUNCIL ACTION REQUESTED:</b> Approve invoice for \$1,446 to Bolton & Menk.		
<b>RECOMMENDATION:</b> Approve invoice for \$1,446 to Bolton & Menk.		
<b>ATTACHMENTS:</b> Invoice from Bolton & Menk		





Real People. Real Solutions.

Please Remit To: Bolton & Menk, Inc.  
 1960 Premier Drive | Mankato, MN 56001-5900  
 507-625-4171 | 507-625-4177 (fax)

Payment by Credit Card Available Online at [www.Bolton-Menk.com](http://www.Bolton-Menk.com)  
 To Ensure Proper Credit, Provide Invoice Numbers with Payment

City of Two Harbors  
 Miranda Pietila, Finance Director  
 522 First Ave  
 Two Harbors, MN 55616-1504

May 24, 2023  
 Project No: 0U1.126067  
 Invoice No: 0312668  
 Client Account: TWOHARB\_CI\_MN

### Two Harbors/TH 61 - MnDOT Reconstruction

This is a MnDOT Project Proposed for Construction on TH 61 through Two Harbors from Approximately Scenic Drive to Park Road.  
 Construction Anticipated in 2025-2026

### Professional Services from April 1, 2023 to April 28, 2023

Project Management and Meetings (001)

Project Management and Correspondence; Provide Requested Information on City Utilities to MnDOT Consultant for Their Use in Project Purpose and Need Documentation; Research Potential Project Funding Programs and Prepare for May 1st Meeting with City and County Staff

### Professional Services

	Hours	Amount	
Principal	2.00	402.00	
Specialist	4.50	531.00	
Senior Planner	3.00	513.00	
Totals	9.50	1,446.00	
Total Labor			1,446.00
		Total this Task	\$1,446.00
		Total this Invoice	\$1,446.00

Bolton & Menk, Inc. is an equal opportunity employer and federal contractor or subcontractor. Consequently, the parties agree that, as applicable, they will abide by the requirements of 41 CFR 60-1.4(a), 41 CFR 60-300.5(a) and 41 CFR 60-741.5(a) and that these laws are incorporated herein by reference. These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity or national origin. These regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, protected veteran status or disability. The parties also agree that, as applicable, they will abide by the requirements of Executive Order 13496 (29 CFR Part 471, Appendix A to Subpart A), relating to the notice of employee rights under federal labor laws.

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**CITY OF TWO HARBORS  
CITY COUNCIL**

**AGENDA ITEM  
COVER SHEET**

<b>Originating Staff:</b> Miranda Pietila	<b>Department:</b> Liquor Store Fund	<b>Date:</b> 06/26/2023
<b>Agenda Item Subject:</b> Consider approving invoice to Bolton & Menk for professional services for the Liquor Store Project for \$6,479	<b>Fiscal Impact:</b> Liquor Store reserves of approximately \$1.6M are assisting with development of project, remaining funds are proposed to come from a low interest loan from the Electrical Fund.	
<b>BACKGROUND:</b> Submitting invoice for Bolton & Menk engineering services for \$6,479 from April 1 <sup>st</sup> to April 28 <sup>th</sup> for preliminary design, topographic surveys and field delineations for wetlands for the Liquor Store Project. Total engineering contract was \$42,250, remaining funds are \$4,077.50.		
<b>COUNCIL ACTION REQUESTED:</b> Approve invoice for \$6,479 to Bolton & Menk.		
<b>RECOMMENDATION:</b> Approve invoice for \$6,479 to Bolton & Menk.		
<b>ATTACHMENTS:</b> Invoice from Bolton & Menk		



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Please Remit To: Bolton & Menk, Inc.  
1960 Premier Drive | Mankato, MN 56001-5900  
507-625-4171 | 507-625-4177 (fax)

Payment by Credit Card Available Online at [www.Bolton-Menk.com](http://www.Bolton-Menk.com)  
To Ensure Proper Credit, Provide Invoice Numbers with Payment

City of Two Harbors  
Miranda Pietila, Finance Director  
522 First Ave  
Two Harbors, MN 55616-1504

May 24, 2023  
Project No: 0U1.129441  
Invoice No: 0312667  
Client Account: TWOHARB\_CI\_MN

**Two Harbors/Municipal Liquor Store****Professional Services from April 1, 2023 to April 28, 2023**

Topographic Survey (002)

Stake Locations of Proposed Soil Borings on the Project Site

**Professional Services**

	Hours	Amount	
Graduate Surveyor	3.00	459.00	
Totals	3.00	459.00	
<b>Total Labor</b>			<b>459.00</b>
<b>Total this Task</b>			<b>\$459.00</b>

Site Design (004)

Meeting with City Advisory Committee on April 6th; Begin Design of Preferred Site Plan Option; Design Meetings with Architect on April 12th and 26th; Begin Preparation of Wetland Impact/Replacement Permit Application Materials

**Professional Services**

	Hours	Amount	
Principal	1.50	301.50	
Specialist	13.00	1,737.00	
Design Engineer	7.50	1,042.50	
Project Engineer	19.00	2,939.00	
Totals	41.00	6,020.00	
<b>Total Labor</b>			<b>6,020.00</b>
<b>Total this Task</b>			<b>\$6,020.00</b>
<b>Total this Invoice</b>			<b>\$6,479.00</b>

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**CITY OF TWO HARBORS  
CITY COUNCIL**

**AGENDA ITEM  
COVER SHEET**

<b>Originating Staff:</b> Miranda Pietila	<b>Department:</b> Street Improvement Fund	<b>Date:</b> 06/26/2023
<b>Agenda Item Subject:</b> Consider approving invoice to Bolton & Menk for professional services for the 2023 & 2024 Street Improvement Project for \$58,766.	<b>Fiscal Impact:</b> Funds are budgeted for Street Improvement Project	
<b>BACKGROUND:</b> Submitting invoice for Bolton & Menk engineering services for \$58,766 from April 1 <sup>st</sup> to April 28th for preliminary design of the 2023 & 2024 Street Improvement Project. Total engineering contract for final design services are \$412,750, approved at the October 24 <sup>th</sup> Council meeting, remaining funds are \$124,663.		
<b>COUNCIL ACTION REQUESTED:</b> Approve invoice for \$58,766 to Bolton & Menk.		
<b>RECOMMENDATION:</b> Approve invoice for \$58,766 to Bolton & Menk.		
<b>ATTACHMENTS:</b> Invoice from Bolton & Menk		



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 507-625-4171 | 507-625-4177 (fax)

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City of Two Harbors  
 Miranda Pietila, Finance Director  
 522 First Ave  
 Two Harbors, MN 55616-1504

May 24, 2023  
 Project No: 0U1.127379  
 Invoice No: 0312665  
 Client Account: TWOHARB\_CI\_MN

## Two Harbors/2023-2024 Street Improvement

### Professional Services from April 1, 2023 to April 28, 2023

Project Management (001)

Project Management, Coordination and Correspondence

#### Professional Services

	Hours	Amount	
Principal	5.50	1,105.50	
Totals	5.50	1,105.50	
Total Labor			1,105.50
Total this Task			\$1,105.50

Final Design - City (005)

Continue Preparation of Detailed Plans; Continue Work on Project Specifications; Coordination and Details Regarding Skunk Creek Impacts and Restoration

#### Professional Services

	Hours	Amount	
Principal	39.50	7,300.50	
Design Engineer	29.50	3,687.50	
Project Engineer	108.50	16,784.50	
Technician	50.50	5,914.50	
Project Manager	2.50	457.50	
Senior Project Engineer	12.00	1,956.00	
Totals	242.50	36,100.50	
Total Labor			36,100.50
Total this Task			\$36,100.50

Permits and Easements (006)

Continue Preparation of Applications for Aquatic Resource Impacts and No Loss Activities

#### Professional Services

	Hours	Amount
Principal	2.50	502.50

Project	0U1.127379	Two Harbors/2023-2024 Street Improvement	Invoice	0312665
Specialist		35.00	3,888.00	
	Totals	37.50	4,390.50	
	Total Labor			4,390.50
		Total this Task		\$4,390.50

Final Design Coordination - County (015)

Coordination with County Design Team; Continue Coordination for Incorporation of Potential Stormwater Treatment Structures in Project; Project Meetings with Lake County and SWCD on April 1st and 6th; Continue Response to Comments for MnDOT State Aid Plan Review

**Professional Services**

	Hours	Amount	
Principal	5.00	1,005.00	
Design Engineer	7.50	1,065.00	
Project Engineer	26.00	4,030.00	
Technician	5.00	450.00	
Project Manager	12.50	2,225.00	
Senior Project Engineer	51.50	8,394.50	
	Totals	107.50	17,169.50
	Total Labor		17,169.50
		Total this Task	\$17,169.50
		Total this Invoice	\$58,766.00

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**CITY OF TWO HARBORS  
CITY COUNCIL**

**AGENDA ITEM  
COVER SHEET**

<b>Originating Staff:</b> Miranda Pietila	<b>Department:</b> General Fund	<b>Date:</b> 06/26/2023
<b>Agenda Item Subject:</b> Consider approving invoice to Bolton & Menk for general engineering services for \$300.	<b>Fiscal Impact:</b> General Services are budgeted for in 2023 in the General Fund	
<b>BACKGROUND:</b> Submitting invoice for Bolton & Menk engineering services for \$300 from April 1 <sup>st</sup> to April 28 <sup>th</sup> . This is for assistance with review of Odegard trail.		
<b>COUNCIL ACTION REQUESTED:</b> Approve invoice for \$300 to Bolton & Menk.		
<b>RECOMMENDATION:</b> Approve invoice for \$300 to Bolton & Menk.		
<b>ATTACHMENTS:</b> Invoice from Bolton & Menk		



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City of Two Harbors  
Miranda Pietila, Finance Director  
522 First Ave  
Two Harbors, MN 55616-1504

May 24, 2023  
Project No: 0U1.123538  
Invoice No: 0312666  
Client Account: TWOHARB\_CI\_MN

**Two Harbors/General Professional Service**

Professional Services from April 1, 2023 through April 28, 2023:

\$ 300.00 - Odegard Trail: Meet with Staff on Funding and Options; Prepare Materials for Trees and Trails Commission

\$ 300.00 - Task 001 Total

**Reduced Rate Services (001)****Professional Services**

	Hours	Amount	
Principal	4.00	300.00	
Totals	4.00	300.00	
<b>Total Labor</b>			<b>300.00</b>
<b>Total this Task</b>			<b>\$300.00</b>

**No-Charge Meeting Attendance (003)**

Prepare For and Attend the Following Meetings:

- City Council Regular Meeting - April 24th
- City Council Special Meeting - April 17th
- Utilities Committee Meeting - April 19th
- Trees & Trails Commission Meeting - April 26th

**Professional Services**

	Hours	Amount	
Principal	10.50	2,110.50	
Totals	10.50	2,110.50	
<b>Total Labor</b>			<b>2,110.50</b>

**Additional Fees**

Meetings - No Charge	-2,110.50	
<b>Total Additional Fees</b>	<b>-2,110.50</b>	<b>-2,110.50</b>
<b>Total this Task</b>		<b>0.00</b>
<b>Total this Invoice</b>		<b>\$300.00</b>

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**CITY OF TWO HARBORS  
CITY COUNCIL**

**AGENDA ITEM  
COVER SHEET**

<b>Originating Staff:</b> Miranda Pietila	<b>Department:</b> Street Improvement Fund	<b>Date:</b> 06/26/2023
<b>Agenda Item Subject:</b> Consider approving invoice to Bolton & Menk for professional services for the 2021 & 2022 Street Improvement Project for \$804.	<b>Fiscal Impact:</b> Funds are budgeted for Street Improvement Project	
<b>BACKGROUND:</b> Submitting invoice for Bolton & Menk engineering services for \$804 from April 1 <sup>st</sup> to April 28th for project management and coordination of the 2021 & 2022 Street Improvement Project. Total engineering contract for construction services in 2022 are \$175,000, remaining funds are \$60,234.45.		
<b>COUNCIL ACTION REQUESTED:</b> Approve invoice for \$804 to Bolton & Menk.		
<b>RECOMMENDATION:</b> Approve invoice for \$804 to Bolton & Menk.		
<b>ATTACHMENTS:</b> Invoice from Bolton & Menk		



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City of Two Harbors  
 Miranda Pietila, Finance Director  
 522 First Ave  
 Two Harbors, MN 55616-1504

May 24, 2023  
 Project No: N16.121170  
 Invoice No: 0312664  
 Client Account: TWOHARB\_CI\_MN

**Two Harbors/2021-2022 Street Improvement****Professional Services from April 1, 2023 to April 28, 2023**

Project Management (001)

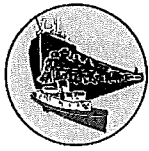
Project Management, Coordination and Correspondence; Meet with City Staff and City Attorney Regarding Property Owner Assessment Objections, Including Associated Preparation and Follow Up

**Professional Services**

	Hours	Amount	
Principal	4.00	804.00	
Totals	4.00	804.00	
<b>Total Labor</b>			<b>804.00</b>
<b>Total this Task</b>			<b>\$804.00</b>
<b>Total this Invoice</b>			<b>\$804.00</b>

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**CITY OF TWO HARBORS  
CITY COUNCIL**

**AGENDA ITEM  
COVER SHEET**

<b>Originating Staff:</b> Miranda Pietila	<b>Department:</b> Gas, Electric, Water & Sewer	<b>Date:</b> 06/26/2023
<b>Agenda Item Subject:</b> Consider approving invoice to Bolton & Menk for professional services for the GIS Online Migration	<b>Fiscal Impact:</b> 2023 Budgeted line item	
<b>BACKGROUND:</b> Submitting invoice for Bolton & Menk engineering services for \$4,632 from April 1 <sup>st</sup> to April 28th for professional services related to GIS Online Migration. Total contract is \$7,500, remaining funds is \$1,903		
<b>COUNCIL ACTION REQUESTED:</b> Approve invoice for \$4,632 to Bolton & Menk.		
<b>RECOMMENDATION:</b> Approve invoice for \$4,632 to Bolton & Menk.		
<b>ATTACHMENTS:</b> Invoice from Bolton & Menk		



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 1960 Premier Drive | Mankato, MN 56001-5900  
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 To Ensure Proper Credit, Provide Invoice Numbers with Payment

City of Two Harbors  
 Miranda Pietila, Finance Director  
 522 First Ave  
 Two Harbors, MN 55616-1504

May 18, 2023  
 Project No: 0X1.130393  
 Invoice No: 0312330  
 Client Account: TWOHARB\_CI\_MN

## Two Harbors/ArcGIS Online Migration

## Professional Services

	Hours	Amount	
Principal	24.00	4,632.00	
Totals	24.00	4,632.00	
Total Labor			4,632.00
Total this Invoice			\$4,632.00

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**BOLTON  
& MENK**

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4960 Miller Trunk Highway  
Suite 550  
Duluth, MN 55811

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

## MEMORANDUM

Date: June 26, 2023  
To: Two Harbors City Council  
City Administrator Patricia Nordean  
From: City Engineer Joe Rhein  
Subject: West End City Utilities  
Planning/Engineering Analysis

---

### Overview

In March 2022 a conceptual layout and cost estimate was prepared for potential sanitary sewer and watermain extensions near the western City limits. This request was initiated by City Staff as the subject of potential utility extensions had been raised during preliminary discussions with the Minnesota Department of Transportation (MnDOT) regarding the Highway 61 project. The concept layout was provided to City Staff on March 3, 2022. A copy is included with this memo for reference.

As 2022 progressed, the attention of MnDOT was focused on the eastern portion of the Highway 61 corridor. As a result, no further investigation was performed regarding potential utility extensions in the west area. Now that funding has been secured, MnDOT has renewed discussions regarding the entire project corridor, including a June 12<sup>th</sup> meeting with City and County Staff.

It would be prudent for the City to perform the next level of planning/engineering analysis for potential west-end utility extensions. Doing so would review potential route options, compare characteristics of each, and help determine what City utility improvements in the western area should be included with the MnDOT project. An updated cost estimate and identification of any other pertinent issues, such as need for potential easements, would be provided. It would also position the City to be ready when MnDOT initiates the next level of planning/design for the Highway 61 project.

This matter was discussed with the Utilities Committee on June 21<sup>st</sup>, and the Committee passed a motion recommending the City Council authorize the next level of planning/engineering analysis for the west-end sanitary sewer and water utilities.

The proposed analysis would include investigation of proposed watermain layout, up to three route options for sanitary sewer layout, cost estimates for each option, comparison of the characteristics of each option, and a summary letter report. The estimated engineering fee for this work is \$18,000.

**Action**

If the Council concurs with the recommendation of the Utilities Committee, the appropriate action would be: **Adopt a motion directing the City Engineer to perform planning analysis on the potential west-end utility extensions, at an estimated cost of \$18,000.**

We will be present at the City Council meeting on June 26<sup>th</sup> to review this information. Please let us know if you have questions or need further information in advance of the meeting. I can be reached at 651-968-7384 or via e-mail at [joseph.rhein@bolton-menk.com](mailto:joseph.rhein@bolton-menk.com).

**Attachments:**

- Concept West End Utility Layout (March 2022) (1 page)

# CONCEPT UTILITY LAYOUT FOR WEST END EXTENSIONS

City of Two Harbors



March 2022

# TWO HARBORS CITY COUNCIL



## AGENDA ITEM SUMMARY

**AGENDA ITEM SUBJECT:** *3 in gas main loop*

**ORIGINATING SOURCE/DEPARTMENT:** *Gas*

**FUNDING SOURCE:** *Budgeted 103,000*

**BACKGROUND:** *Install 3 inch gas main from 8th avenue to south avenue along 8th street to loop the gas system.*

**ESTIMATED DATE OF COMPLETION:** **09/01/2023**

**COMMITTEE/COMMISSION RECOMMENDATION:**

**ADMINISTRATION/STAFF RECOMMENDED COUNCIL ACTION:** *Click here to enter text. Purchase from Border states for \$12,100. Groebner was \$12,160.*

Agenda Item # CA.11

Meeting Date: 6/26/23





## Quote

Page: 1 of 1

Border States Electric - DUL  
4451 Airpark Blvd  
Duluth MN 55811-5728  
Phone: 218-727-8170

BSE Quote: 27083563  
Sold-To Acct #: 5175  
Valid From: 06/12/2023 To: 06/19/2023  
Payment Terms: Net 25th prox

Created By: Jarid Schmidt  
Tel No: 763-497-6816  
Fax No:  
/

CITY OF TWO HARBORS-UTILITY  
522 1ST AVE  
TWO HARBORS MN 55616-1504

Inco Terms:  
FOB ORIGIN

Ship-to:  
CITY OF TWO HARBORS-ELECTRICAL DEPT  
503 20TH AVE  
TWO HARBORS MN 55616

Cust Item	BSE Item	Material MFG - Description	Quantity	Price	Per	UoM	Value
	000010		2,000 FT	6.05	/ 1	FT	12,100.00
		- 3# coils of 4710 black w/ yellow stripe IN STOCK ARO		1	FT= 1	EA	
Total \$							12,100.00
State Tax \$							0.00
County Tax \$							0.00
Local Tax \$							0.00
Other Tax1 \$							0.00
Other Tax2 \$							0.00
Other Tax3 \$							0.00
Tax Subtotal \$							0.00
Net Amount \$							12,100.00

To access BSE's Terms and Conditions of Sale, please go to  
<https://www.borderstateselectric.com>

The quoted sales tax is an estimate only based upon the information provided in this quote and will be finalized at the time of Invoice based upon the material purchased, quantity purchased, and delivery location.

Shipping and handling fees in this quote are an estimate only and will be finalized at the time of Invoice.

All clerical errors contained herein are subject to correction. In the event of any cost or price increases from manufacturers or other suppliers, caused by, but not limited to, currency fluctuations, raw material or labor prices, fuel or transportation cost increases, and any import tariffs, taxes, fees, or surcharges, BSE reserves the exclusive right to change its pricing at the time of shipping and will provide notice of any such change to its customers prior to costs being incurred.



# GROEBNER

## Quote

Order #

129327-00

Date

Expire Date

PO #

Page #

06/07/23

06/15/23

1

## Bill To

City Of Two Harbors

522 1ST AVE

## Cust #

TWO HARBORS, MN 55616-1504

136

## Remit To

GROEBNER

21801 INDUSTRIAL BLVD

ROGERS, MN 55374-9575

Phone: (800)638-8322

## Ship To

City Of Two Harbors

522 First Avenue

Two Harbors, MN 55616

## Instructions

## Taken By

KDP

## Ship Point

## Via

GROEBNER - MN Division

BEST WAY

## SlsRepIn/Out

59 / 34

## Shipped

## Terms

Net 30 Days

## Freight Terms Description

No Freight Charge

Ln #	Product And Description	Quantity Ordered	Quantity Backordered	Qty UM	Unit Price	Price UM	Amount (Net)
1	Ordered By: Paul Johnson 3" Pipe 3" MDPE Pipe, 500' Coil Currently in stock, pricing good for 1 week Price includes freight	2000		FT	6.08	FT	12160.00

1 Lines Total

Total

12160.00

Quote Total

12160.00



**CITY OF TWO HARBORS  
CITY COUNCIL**

**AGENDA ITEM  
COVER SHEET**

Originating Staff: <b>P. Nordean</b>	Department: <b>Administration</b>	Date: <b>6/22/23</b>
Agenda Item Subject: <b>Agreement for Management of Edna G.</b>	Fiscal Impact:	
<b>BACKGROUND:</b> The Edna G. Commission has recommended that the attached management agreement between the City and Friends of the Edna G. be accepted.		
<b>COUNCIL ACTION REQUESTED:</b>		
<b>RECOMMENDATION:</b>		
<b>ATTACHMENTS:</b>		



**CITY OF TWO HARBORS  
CITY COUNCIL**

**AGENDA ITEM  
COVER SHEET**

Originating Staff: <b>P. Nordean</b>	Department: <b>Administration</b>	Date: <b>6/26/23</b>
Agenda Item Subject: <b>Veterans Memorial</b>	Fiscal Impact:	
<b>BACKGROUND:</b> The Edna G. Commission recommends that the City collaborate with LC Veterans organization to integrate the Edna G. into the Veteran's Memorial in Van Hoven Park, potentially redesignating a portion of the park as a war memorial rather than a park to meet historic designation requirements.		
<b>COUNCIL ACTION REQUESTED:</b> Collaborate with the Lake County Veteran's organization to integrate the Edna G into the Veteran's memorial in Van Hoven Park.		
<b>RECOMMENDATION:</b>		
<b>ATTACHMENTS:</b>		



**CITY OF TWO HARBORS  
CITY COUNCIL**

**AGENDA ITEM  
COVER SHEET**

Originating Staff: <b>P. Nordean</b>	Department: <b>Administration</b>	Date: <b>6/26/23</b>
Agenda Item Subject: <b>Edna G Relocation</b>	Fiscal Impact:	
<b>BACKGROUND:</b> Accepting the recommendation of the Edna G. Commission that the City submit the Edna G. Relocation Project to the State of Minnesota for the next bonding cycle.		
<b>COUNCIL ACTION REQUESTED:</b> Authorize a bonding request for the Edna G. Relocation Project. <b>RECOMMENDATION:</b>		
<b>ATTACHMENTS:</b>		

CITY OF TWO HARBORS  
EDNA G COMMISSION  
Minutes

Wednesday June 21, 2023

6:00 p.m.      Call to order. Present - Derrick Passe, Tom Koehler, Kathy Glenn.  
Absent - Hayes Scriven, Miles Woodruff

New Business:

- 1) Contract between City and Friends of the Edna G.  
Proposed Agreement prepared by Friends of the Edna G and the City establishing Friends Group as Manager of the Edna G and outlining budget preparation and payment was discussed. Agreement was submitted to City Administrator and Attorney for review. **Commission made recommendation to Council to accept agreement.**
- 2) Discuss Lake County Veteran's Memorial Proposal  
Lake County Veteran's Association Proposal to locate Memorial Project in Van Hoven Park was discussed. Memorial Location was compared to draft designs that have been previously prepared for the Edna G relocation site. Findings: Edna G must remain in context with historic use. Edna G was purchased by the US Government and served in WW 1 as well as moved millions of tons of iron ore during the WW2 Era making her an integral part of both WW1 and WW2. The proposed Veteran's Memorial Site would be compatible with the site for the Edna G relocation site. **Commission made recommendation that the City collaborate with the Lake County Veterans organization to integrate the Edna G into the Veteran's Memorial in Van Hoven Park, potentially redesignating a portion of the Park as a War Memorial rather than a Park to meet Historic Designation requirements.**
- 3) Discuss Bonding Proposal for Edna G Removal from Lake Superior  
Potential to submit the Edna G Relocation as a City Project during the next Bonding Cycle. **Commission made recommendation that the City submit the Edna G Relocation to the State of MN for the next Bonding Cycle.**
- 4) Increasing Committee Membership - Miles Woodruff has been added to the Edna G Commission. Lake County Veteran's Committee is potential source for new member(s).

Other. Friends of the Waterfront - Edna G Commission should maintain Communication with Group during Planning Effort.

This Agreement is made between the City of Two Harbors (the Owner) and the Friends of the Edna G (the Manager). regarding the historic tugboat "Edna G" located in Agate Bay, Two Harbors, Minnesota. (the Site).

IT IS AGREED AS FOLLOWS:

1. The Manager shall manage, preserve, interpret and utilize the tug for historical, educational and other purposes for the term beginning XXXXXXXXX.
2. The Manager shall be responsible for the operation, basic maintenance, interpretation and other expenses of operation of the Site including the hiring, training and supervision of any staff necessary to fulfill the terms of this agreement. The Site shall be open to the public as deemed appropriate by the Manager.
3. Monthly reports will be submitted to the owner for the first year of the contract. After the first year of the contract the owner and manager will negotiate a regular reporting process.
4. The authorized agent for the Manager for the purposes of this agreement will be the President of the Friend of the Edna G or their designate. The authorized agent for the owner for the purpose of this agreement is the "Two Harbors Edna G Commission."
5. The Manager may charge an admission fee for entrance to the Site. The amount of the fee will be determined by the Manager. All income derived from the admission shall be used by the manager for their operation.
6. The Manager will present a proposed budget yearly to the Owner and must be approved by the Edna G Commission and City Council.
7. Once the budget is approved The Owner will authorize the use of the Edna G tourism tax funds to the Manager for the operation of the tugboat as a Museum Ship at the Manager's discretion.
8. The Manager will keep an accounting log of all income and expenses and report back to the Owner as part of the regular reporting schedule.
9. The Manager must develop a business plan in the first year of the contract.
10. Major repairs needed as a result of normal operation of the Site will be reported to the Owner's Agent far enough in advance for review by the owner's agent and forwarding to the City Council for consideration as a normal part of the budgeting process for the City.
  - a. A long term preservation plan shall be developed by the Manager during the term of this contract.
11. The Manager shall not remove from the Site any historical artifacts or interpretive props without the approval of the Owner's Agent.
12. The Owner will maintain insurance for personal injury or property damage on the site and the Manager will be named as additional insured.
13. In the event of the tug sinking the Owner will be responsible for the recovery of the vessel and all clean up associated with it.
14. The Manager shall comply with all the applicable statutes and ordinances.
15. The Manager shall neither assign nor transfer any rights or obligations under this agreement without written prior consent of the Owner's Agent.

16. Any amendments to this Agreement shall be in writing and shall be executed by the same parties who executed the original, or their successors.
17. The agreement may be terminated by either party upon sixty (60) days written notice to the other party.
18. The Manager shall have two one-year options to renew this agreement under the same terms as this agreement. Such options must be exercised on or before XXX of the year that the option will be exercised. Any exercise of the option must be made in writing to the City prior to the date set forth in the preceding sentence.





**CITY OF TWO HARBORS  
CITY COUNCIL**

**AGENDA ITEM  
COVER SHEET**

Originating Staff: <b>P. Nordean</b>	Department: <b>Administration</b>	Date: <b>6/26/23</b>
Agenda Item Subject: <b>Massage Therapy License</b>	Fiscal Impact:	
<b>BACKGROUND:</b> Chelsie Grayhawk has submitted application for a new massage therapy license at 621 First Avenue.		
<b>COUNCIL ACTION REQUESTED:</b> Approve the application of Chelsie Grayhawk for a new massage therapy license for 621 First Avenue pending the approval of the Chief of Police and Building Official. <b>RECOMMENDATION:</b> Staff recommends the council action requested.		
<b>ATTACHMENTS:</b>		

# TWO HARBORS CITY COUNCIL

## AGENDA ITEM SUMMARY

**AGENDA ITEM SUBJECT:** Request for Gary Ganser to attend the MRWA Water and Wastewater Operation and Maintenance Training Session – June 28 & 29, 2023 in Wahkon, Minnesota. Meal and mileage reimbursement.

**ORIGINATING SOURCE/DEPARTMENT:** Water and Wastewater Department

**FUNDING SOURCE:** Water and Wastewater Department

**BACKGROUND:** Minnesota Rural Water Association

**ESTIMATED DATE OF COMPLETION:** 6/30/23

**COMMITTEE/COMMISSION RECOMMENDATION:**

**ADMINISTRATION/STAFF RECOMMENDED COUNCIL ACTION:**

Agenda Item # CA.16 Meeting Date: 6/26/23



**CITY OF TWO HARBORS  
CITY COUNCIL**

**AGENDA ITEM  
COVER SHEET**

Originating Staff: <b>P. Nordean</b>	Department: <b>Administration</b>	Date: <b>6/26/23</b>
Agenda Item Subject: <b>Massage Therapy Licenses</b>	Fiscal Impact:	
<b>BACKGROUND:</b> Current holders of massage therapy licenses have not received license renewal packets. Staff is requesting that their current licenses be extended to allow for renewal by July 30.		
<b>COUNCIL ACTION REQUESTED:</b> Authorizing the extension of current massage therapy licenses through July 30, 2023.		
<b>RECOMMENDATION:</b> Staff recommends the council action requested.		
<b>ATTACHMENTS:</b>		

Agenda Item # CA.17

Meeting Date 6/26/23



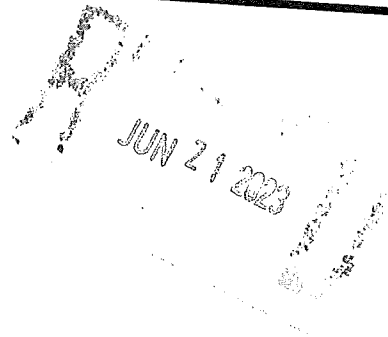
# CITY OF TWO HARBORS CITY COUNCIL

## AGENDA ITEM COVER SHEET

Originating Staff: <b>P. Nordean</b>	Department: <b>Administration</b>	Date: 6/26/23
Agenda Item Subject: <b>Special Event Permit</b>	Fiscal Impact:	
<b>BACKGROUND:</b> Wild Embers Events, on behalf of Burlington Station, has requested a special event permit for an outdoor country music concert at the former football field adjacent to the campground to be held on Friday, July 21, 2023. Staff has not received the application as of time of print of the Council Packets.		
<b>COUNCIL ACTION REQUESTED:</b> Consider approving a special event permit application of Wild Embers Events for an outdoor country music concert on Friday, July 21, 2023.		
<b>RECOMMENDATION:</b> Staff has not received the application so department heads have not had an opportunity to review the request. It may be necessary to approve the permit conditionally upon approval by Administration so that we can get some details worked out. The request will include liquor sales and staff has concerns about disruption of campers and the unknown attendance estimates.		
<b>ATTACHMENTS:</b>		

**Rachel Williams**

**From:** Zellers, Mark <mzellers@ccri.edu>  
**Sent:** Wednesday, June 21, 2023 3:15 PM  
**To:** Rachel Williams  
**Subject:** Fw: Memorial Tree  
**Attachments:** KZ town tree.pdf



Hi Rachel,

The below and attached are what I sent earlier this spring. Please let me know if you need anything else from me.  
Thanks,  
Mark

---

**From:** Zellers, Mark  
**Sent:** Wednesday, April 19, 2023 8:06 PM  
**Subject:** Memorial Tree

Dear Two Harbors City Council:

Kathy Zellers was born in, grew up in, married in and raised a son in Two Harbors. On March 23rd she passed away suddenly. She always loved the town and the people in it. She worked at Lake View hospital in the ER for 30 years, helping people in every conceivable way. She served in many other ways, too—as a nurse, a humanitarian, someone who loved the land, and a friend.

I, Mark (her son), along with my wife, Kate Oggel, and family Linda, Terry and Amy Oggel, humbly request permission to plant or pay to plant a memorial tree with a modest plaque in Two Harbors. Kathy grew up going to hear music played at the bandshell in the park and we hoped there would be room there to plant an eastern white pine or a serviceberry tree.

We are happy to pay for planting the tree and related costs. We would also like to arrange for a flat stone marker with "In Honor of Kathy Zellers" by the tree.

It will be in Two Harbors in late May and can help dig or otherwise help out. Thank you for your time and consideration.

Thank you,  
Mark Zellers and family

## Patty Nordean

---

**From:** Jason DiPiazza <Jason.DiPiazza@co.lake.mn.us>  
**Sent:** Wednesday, June 21, 2023 11:03 AM  
**To:** Patty Nordean; Miranda Pietila; Joe Rhein (Joseph.Rhein@bolton-menk.com); jay.owens@ci.red-wing.mn.us; Krysten Saatela Foster (DOT) (Krysten.SaatelaFoster@state.mn.us); Cabral Neto, Fausto (DOT)  
**Subject:** FW: RE: ATP 1 & ATP 6 TA Funding Swap

**Follow Up Flag:** Follow up  
**Flag Status:** Completed

City of Two Harbors Staff: The TA funding swap from 2025 to 2027 has been agreed on and will be finalized in the next cycle of STIP updates. District 1 has finalized a project schedule that, as it stands, will allow for delivery of the TH 61 project in fiscal year 2027, allowing us to include \$575,591 in TA funds with MnDOT's project. We'll keep on eye on project development for any potential schedule delays.

Jay/Fausto/Krysten: Thank you for your effort and cooperation in getting these funds swapped to help out Two Harbors; much appreciated!

*Jason DiPiazza*

Jason DiPiazza, Highway Engineer  
Lake County Highway Department  
1513 Hwy 2, Two Harbors MN 55616  
Phone 218-834-8509



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---

**From:** Owens, Jay <jay.owens@ci.red-wing.mn.us>  
**Sent:** Wednesday, June 21, 2023 8:56 AM  
**To:** Saatela Foster, Krysten (DOT) <Krysten.SaatelaFoster@state.mn.us>; Jason DiPiazza <Jason.DiPiazza@co.lake.mn.us>; Cabral Neto, Fausto (DOT) <fausto.cabral@state.mn.us>; Johnson, Scott (DOT) <scott.johnson@state.mn.us>  
**Cc:** Anderson, Bryan (DOT) <bryan.anderson@state.mn.us>; Madill, Jeffrey (DOT) <jeff.madill@state.mn.us>  
**Subject:** [External]RE: ATP 1 & ATP 6 TA Funding Swap

Thanks Everyone for working on this and last week I also noticed the draft STIP did not account for the \$575,591 but Fausto left me a voice message that the funds are secure – my response:



Two Harbors City Hall  
531 1<sup>st</sup> Avenue  
Two Harbors, Mn 55616

June 21, 2023,

Mayor Connor, Two Harbors City Councilors, & Administrator Nordean:

The members of AFSCME Local 1123 would like to take the opportunity to say "Thank you" for recognizing and honoring Juneteenth & for the opportunity to have a flexible summer schedule. As employees we are grateful for the opportunity and are confident it will be a productive summer.

We appreciate your efforts to improve moral and offer our sincere thank you and gratitude.

Respectfully,

Local 1123 Members

Comm. 3 6/26/23



Building a Better World  
for All of Us<sup>®</sup>

## MEMORANDUM

TO: Patty Nordean  
FROM: Shawn McMahon, PE  
DATE: June 19, 2023  
RE: Remaining Contractual Obligations

This memo is intended to outline the remaining work obligations SEH has under our signed agreements. The following are the remaining projects to be addressed, action items and targeted completion:

### 1. SRE Acquisition (SEH Project #165041)

- a. SEH scope included preparation of grant application and grant closeout report.
- b. Deliverable - Submittal of Grant Closeout Report to MNDOT
  - i. Draft closeout forwarded to MnDOT on June 19, 2023.
  - ii. SEH will respond to any additional comments from MnDOT or FAA and route to Miranda for signature. Completion timeline will be dependent on FAA and MnDOT reviews.

### 2. Automated Weather Observation System (AWOS) Relocation (SEH Project #160048)

- a. The scope of this project included site selection, design of the AWOS relocation and bidding services.
- b. Design efforts were divided into two separate MnDOT grants. City didn't copy SEH on grants. Grants are understood to be broken out into these two efforts.
  - i. Site Selection.
  - ii. Design and Bidding
- c. Site Selection
  - i. Complete per July 28, 2022 correspondence from Jacque Zirbes (SEH) to John Dalton (MnDOT).
  - ii. With site selection completed, SEH is completing the environmental, airspace, and ALP Sheet Update. The environmental required additional scope effort not included in this original contract, and a new scope and contract were prepared. Airspace and ALP update are ongoing, waiting on completion of the environmental process.
- d. Design and Bidding
  - i. Plans are 90% complete.
  - ii. Wetland delineation task was completed in Fall of 2022.
  - iii. Final plans will be completed once environmental process is complete. See environmental contract.
  - iv. Need additional survey for AWOS Access Road design. SEH to complete once environmental work is finalized.
  - v. Bidding to be completed once CATEX is received. Anticipated late Summer.
  - vi. The construction will include tree clearing that will require winter clearing to avoid impacts to the Long Eared Bat (endangered species). The project is anticipated

Engineers | Architects | Planners | Scientists

Short Elliott Hendrickson Inc., 3535 Vadnais Center Drive, St. Paul, MN 55110-3507

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CA.4 6/26/23



to be constructed by Summer 2024. Construction administration services are not included in SEH's contract.

- e. Deliverable – Project bidding documents once environmental determination is made by FAA (Anticipated September 2023)

**3. AWOS Environmental Determination (SEH Project # 169803)**

- a. State Grant A3801-57
- b. This project includes additional environmental field work required by FAA that was not included in the AWOS relocation project.
- c. Deliverables
  - i. Phase 1 Archaeology Survey (research and site survey)
    - 1. Duluth Archaeology is subcontracted to complete this work.
      - a. Research task has been completed.
      - b. Site Survey will require at least 100 shovel tests. The work was required to be completed after frost conditions. SEH has requested Duluth Archaeology complete the work ASAP.
      - c. Report to be submitted to FAA for coordination with SHPO once completed.
      - d. Deliverable anticipated for September 2023
    - 2. Documented CATEX
      - a. Once archaeology is completed, SEH will submit CATEX document to FAA. SEH anticipates this submittal to be September 2023.
    - 3. Wetland permitting application
      - a. Permit application to be submitted following CATEX determination.
      - b. Deliverable anticipated for November 2023

**4. Items for which SEH is not under contract**

- a. Construction/installation of AWOS project
- b. MnDOT coordination for installation
- c. MnDOT State Grant applications for construction/installation

Please let me know if you have any questions regarding this information. We've appreciated the opportunity to work with the City of Two Harbors.



**CITY OF TWO HARBORS  
CITY COUNCIL**

**AGENDA ITEM  
COVER SHEET**

Originating Staff: <b>P. Nordean</b>	Department: <b>Administration</b>	Date: <b>6/26/23</b>
Agenda Item Subject: <b>Airport Engineering Services</b>	Fiscal Impact:	
<b>BACKGROUND:</b> Bolton & Menk has submitted a proposal to provide engineering services for a project to replace the beacon at the Airport. The proposal has not been reviewed by the Airport Commission, but they are scheduled to meet on June 28.		
<b>COUNCIL ACTION REQUESTED:</b> Accepting the proposal of Bolton & Menk to provide engineering services for the Beacon Replacement Project at the Airport for an amount of \$48,000, which includes a 90% federal, 5% state and 5% local match (\$2,400.) pending the approval of the Airport Commission.		
<b>RECOMMENDATION:</b> Staff recommends the council action requested.		
<b>ATTACHMENTS:</b>		

Agenda Item # NB.1

Meeting Date 6/26/23



**BOLTON  
& MENK**

Real People. Real Solutions.

7533 Sunwood Drive NW  
Suite 206  
Ramsey, MN 55303-5119

Ph: (763) 433-2851  
Fax: (763) 427-0833  
Bolton-Menk.com

June 21, 2023

Ms. Patricia Nordean  
City Administrator  
City of Two Harbors  
522 First Avenue  
Two Harbors, MN 55616

RE: Two Harbors Municipal Airport – Helgeson Field (TWM)  
Beacon Replacement  
BMI Work Order No.1  
Proposal for Professional Services

Dear Ms. Nordean,

Bolton & Menk is pleased to submit our proposal for Professional Services for the Beacon Replacement project at the Two Harbors Municipal Airport – Helgeson Field. This will be Work Order No.1 to the Professional Services Contract between the City and Bolton & Menk with an effective date of May 23, 2023.

Our understanding of the project is the city desires to replace the existing beacon and tower with an LED version mounted on a tip down pole. The existing beacon is beyond its useful life and is experiencing significant issues requiring a high level of maintenance and lamp replacements. The new beacon is anticipated to remain near the current location with new conduit and circuitry installed from the airfield electrical vault.

This proposal will include design, bid, and construction administration services.

**SCOPE OF SERVICES:**

**TASK 1 DESIGN & BID ADMINISTRATION:**

**1.1 Project Scoping**

Consultant shall confer with the Sponsor on, and ascertain, project requirements, finances, schedules, and other pertinent matters affecting the project and shall arrive at a mutual understanding of such matters with the Sponsor.

Consultant shall coordinate with the Sponsor, FAA, MnDOT, and other applicable agencies to complete the work elements in Task 1.

## **1.2 Project Meetings**

Up to three (3) meetings with the city, FAA, and MnDOT are included. It is anticipated that these meetings will include appropriate city, FAA, and MnDOT personnel and be conducted virtually. Meetings will be scheduled as necessary for work items included in Task 1.

## **1.3 Environmental Documentation**

Consultant will complete a Categorical Exclusion (CATEX) document for the project. Consultant will conduct a site visit and contact various local, state, and federal agencies which may have jurisdiction in the proposed development. The format for this document will follow the procedures set forth in Federal Aviation Administration (FAA) Order 5050B. Copies of the final document will be distributed to the FAA for review and finding. If there are any impacts which require extensive research, the additional work shall be done under a separate Task Order.

## **1.4 Topographical Survey**

Consultant shall establish survey control for the design survey utilizing existing established control points adjacent to the airport. Lake County coordinates shall be utilized for the survey. Survey work will include all utilities, pavement center, edges, and intermediate shots, ground shots, lights, signs, drainage structures, and buildings. It is anticipated survey field work will require one trip to the airport. Consultant shall convert the survey data in CAD format for use in design. This will require one field visit by the survey crew.

## **1.5 Engineer's Design Report (EDR)**

Consultant shall prepare the Engineer's Design Report in accordance with FAA guidance. An initial draft of the EDR will be completed and submitted to FAA for review. Comments provided by the FAA will be addressed and resubmitted as the final EDR. The EDR will include the scope of the project, site photographs, construction safety overview, environmental considerations, permitting, electrical design details, DBE participation, project schedule, engineer's estimate, and project funding with summary of funding sources.

## **1.6 Construction Safety and Phasing Plan (CSPP)**

Consultant will complete FAA Form 7460-1 and the Construction Safety and Phasing Plan (CSPP), through FAA's Obstruction Evaluation / Airport Airspace Analysis (OE/AAA) website portal. The 7460 form and CSPP will be prepared according to current FAA Guidelines.

## **1.7 Prepare Preliminary Plans, Specifications, and Cost Estimate**

Consultant will prepare preliminary plans. The plan sheets will be limited to those sheets necessary to carry-out the construction of the proposed project.

Consultant will assemble the technical specifications necessary for the intended work. Standard FAA specifications will be utilized where possible. Additional specifications will be prepared to address work items or materials that are not covered by FAA specifications. Consultant will assemble preliminary contract documents including instruction to bidders, proposal, equal opportunity clauses, construction clauses, construction contract agreement, performance bond, payment bond, bid bond, State Requirements, Federal Requirements, bid schedule, wage rates, and general provisions.

Consultant shall prepare preliminary construction cost estimate.

**1.8 Final Plans, Specifications, and Cost Estimate**

Consultant shall submit 90% plans, specifications, and cost estimate to the Sponsor for review. One (1) virtual design review meeting will be held to review the bidding documents and discuss Sponsor comments.

A final set of plans, specifications, and cost estimate will be prepared which incorporates revisions, modifications, and corrections determined during the Sponsors review.

**1.9 FAA Final Plans and Specifications Review**

Per FAA policy, Consultant shall submit the final draft plans and specifications to FAA for review. Consultant will review and address all FAA comments on the plans and specifications for preparation of the final bidding documents.

**1.10 Prepare Final Bidding Documents**

Consultant shall prepare, reproduce, and distribute 10 sets of bidding documents for the project. In addition, electronic copies of the bid documents will be made available for download through the Quest Construction Document Network website (QuestCDN). The Consultant shall keep a current list of plan holders and distribute this to interested parties upon request. This task also includes coordination required to facilitate these requests.

Required advertisement dates, and bidding dates will be established. Consultant will submit a copy to the Sponsor for distribution to local and selected publications of the project. The Sponsor shall pay for the associated cost of advertising.

**1.11 Pre-Bid and Bid Opening**

No pre-bid meeting will be scheduled for this project.

Consultant shall attend the virtual bid opening and process the bidding proposals.

**1.12 Bid Assistance, Review, and Award**

During the bidding process, Consultant will be available to clarify bidding questions with contractors and suppliers, and for consultation with the various entities associated with the project. This item also includes contacting bidders to generate interest in the project.

Consultant shall issue addenda as appropriate to interpret, clarify, or change the bidding documents as required. Addenda will be made available to the plan holders through Quest CDN. Any addenda that are generated as a sole result of the Sponsors error or omission will be considered as extra services and Consultant shall be reimbursed for this effort as an amendment to this contract.

Consultant shall advise the Sponsor as to the acceptability of any subcontractors, suppliers, and other persons and organizations proposed by the bidders and as to the acceptability of substitute materials and equipment proposed by bidders. Consultant shall prepare a spreadsheet that includes all bid items for the purpose evaluating the lowest bidder. Consultant shall input the as-bid unit prices into the spreadsheet and to verify mathematical computations of the bids. Consultant will then provide recommendations to the Sponsor as to the name of the apparent low bidder.

Consultant will prepare a recommendation of award for the Sponsor to accept or reject the bids submitted. If rejection is recommended, Consultant will supply an explanation for their recommendation and possible alternative actions the Sponsor can pursue to complete the project. Once the Contract Award is made, Consultant will distribute the bid tabulations on request of the Sponsor.

#### **1.13 Prepare Grant Application**

Consultant shall prepare the Federal Grant Application after project design has been completed and the bids accepted. Consultant shall submit the Application to the Sponsor for approval and signatures. After obtaining the necessary signatures, Consultant will forward copies to the FAA for further processing.

### **TASK 2 CONSTRUCTION ADMINISTRATION:**

#### **2.1 Pre-Construction Meeting**

Consultant will arrange for and conduct the pre-construction meeting. The Project Manager and the Resident Project Representative will establish this meeting to review Local, State, Federal Aviation Administration (FAA) and project specific requirements prior to commencing construction. The meeting will be conducted at the Airport and will include the Sponsor/Owner, MnDOT Aeronautics (if available), Subconsultants, FAA DMA-ADO (if available), Contractor, Subcontractors and utility companies.

#### **2.2 Initial Construction Layout**

Consultant shall layout proposed construction for the Contractor. This shall require one trip to the airport by the Resident Project Representative.

#### **2.3 Prepare Contract Manuals**

The Consultant is required to check that the construction contracts are in order, verify Contractor has met DBE goals (or made valid good faith effort), Contractor has provided proof of insurance, the bonds have been completed, and the Owner, Contractor and applicable Agencies has been provided with adequate copies of the executed Contract Manual to include the Agreement and all addenda.

The Plans will be updated to include all addenda items issued during bidding as necessary and adequate copies provided to the Contractor. Clerical will prepare the quantity sheets, field book, testing sheets, construction report format, etc. for use by the RPR.

#### **2.4 Construction Management**

The Consultant and Sponsor agree that construction engineering services furnished shall be to the extent necessary to determine compliance with plans and specifications, including necessary general supervision of Resident Project Representative Services authorized by the Sponsor. Services shall include interpretation of the plans and specifications, review of pay applications, explanation of bidding documents to contractor, review of field/change orders, and monitoring of certified payroll reports.

#### **2.5 Resident Project Representative Services**

The Sponsor as part of this agreement authorizes Resident Engineering Services and the

Consultant agrees to provide a Resident Project Representative in the execution of the Construction Engineering Services for the project work. The Sponsor and Consultant agree that the Consultant may employ the Resident Project Representative on other work during periods of temporary job shutdown when such services are not required by this project. Normally, the Resident Project Representative will give intermittent part-time service on this project when construction is in progress to include temporary interruptions due to weather or mechanical failure.

For this Project **Part-Time Resident Project Representative** services will be provided. It is anticipated the Project will be completed within **10 Working Days**. This will involve four (4) trips by the RPR and one (1) by the electrical engineer.

Resident Project Representative Services shall be completed in accordance with the following:

- Coordinate with Contractor regarding schedule, work progress, quality of work, and notify contractor of equipment and methods which do not comply with the Contract requirements. The Resident Project Representative shall notify the Sponsor in the event that the Contractor elects to continue the use of questioned equipment and methods.
- Maintain daily records of the Contractor's progress and activities during the course of construction, to include progress of all work. These records document work in progress, quality and quantity of materials delivered, test locations and results, instructions provided the Contractor, weather, equipment use, labor requirements, safety problems, and changes required.
- Evaluate and discuss potential Field Orders and Change Orders with the Contractor as necessary.
- Evaluate possible material substitutions as requested by the Contractor.
- Prepare, process and distribute to Project Engineer weekly Construction Progress and Inspection Reports (FAA Form 5370-1).
- Measure and compute as-built quantities of all materials incorporated in the work and items of work completed and maintain an item record account.
- Prepare periodic Pay Requests for review by the Project Engineer and Contractor.
- Monitor the contractor's compliance with airport operations to include coordination with airport manager, hangar owners and airport users and with the Construction Safety Phasing Plan (CSPP).
- Attend and participate in construction progress meetings.

- Perform other services as reasonably required by the Sponsor and as outlined in the Contract Documents.

## **2.6 Final Inspection and Documentation**

The Consultant will schedule and conduct a final inspection with the Sponsor, Contractor, State and FAA representatives to determine whether the project has reached substantial completion and the work is in accordance with the plans and specifications. The Consultant will document items found to be deficient.

The Consultant will prepare a punch list correspondence including the deficient items and will forward this correspondence to the Contractor requiring correction of the items and request a schedule for completion. The Consultant will send a copy to the Sponsor and include a copy in the Grant Closeout Report.

Once all the punch list items have been completed to the satisfaction of the Sponsor, State and FAA, the Consultant will prepare a Certification of Construction Acceptance for the project. This certification will also be included in the Grant Closeout Report. Assemble documentation for the project closeout report once the project is complete. This will include gathering all construction documentation, supplemental agreements (if applicable), weekly reports, pay requests, testing result summaries, final certification documentation, and change orders in preparation for closeout.

## **2.7 As-Built Plans**

Consultant will collaboratively assemble a set of as-built plans for the project. The as-built plans will include field constructed conditions included as part of this Project including any field surveying required to compute final quantities and the drawings will become record information. The Consultant shall provide Owner with two (2) sets of reproducible "Record Drawings" in both digital and hardcopy format.

## **2.8 Project Closeout**

Consultant shall prepare the FAA Project Financial Closeout Forms and Report and submit to the Sponsor for submittal at the conclusion of the project.



**CONSIDERATION:**

The services described above in this proposal shall be completed on a **LUMP SUM** basis of **\$48,000**.

The anticipated funding participation is as follows:

- Federal (90%): \$ 43,200.00
- State (5%): \$ 2,400.00
- Local (5%): \$ 2,400.00

**SCHEDULE:**

We anticipate the work can be performed according to the following schedule.

- Design: July – August 2023
- Bid Letting: September 2023
- Construction: October 2023 (contingent upon material availability)
- Project Closeout: July 2024

Bolton & Menk, Inc. puts a high priority on ensuring that our company's efforts are consistent with our clients' needs. If you find this proposal acceptable, please return a signed and dated copy our proposal.

Sincerely,

Bolton & Menk, Inc.



Silas Parmar, P.E.  
Aviation Project Manager

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**Authorization and acceptance of this letter proposal.**

**City of Two Harbors, Minnesota**

\_\_\_\_\_  
Mr. Lew Connor - Mayor

\_\_\_\_\_  
Date

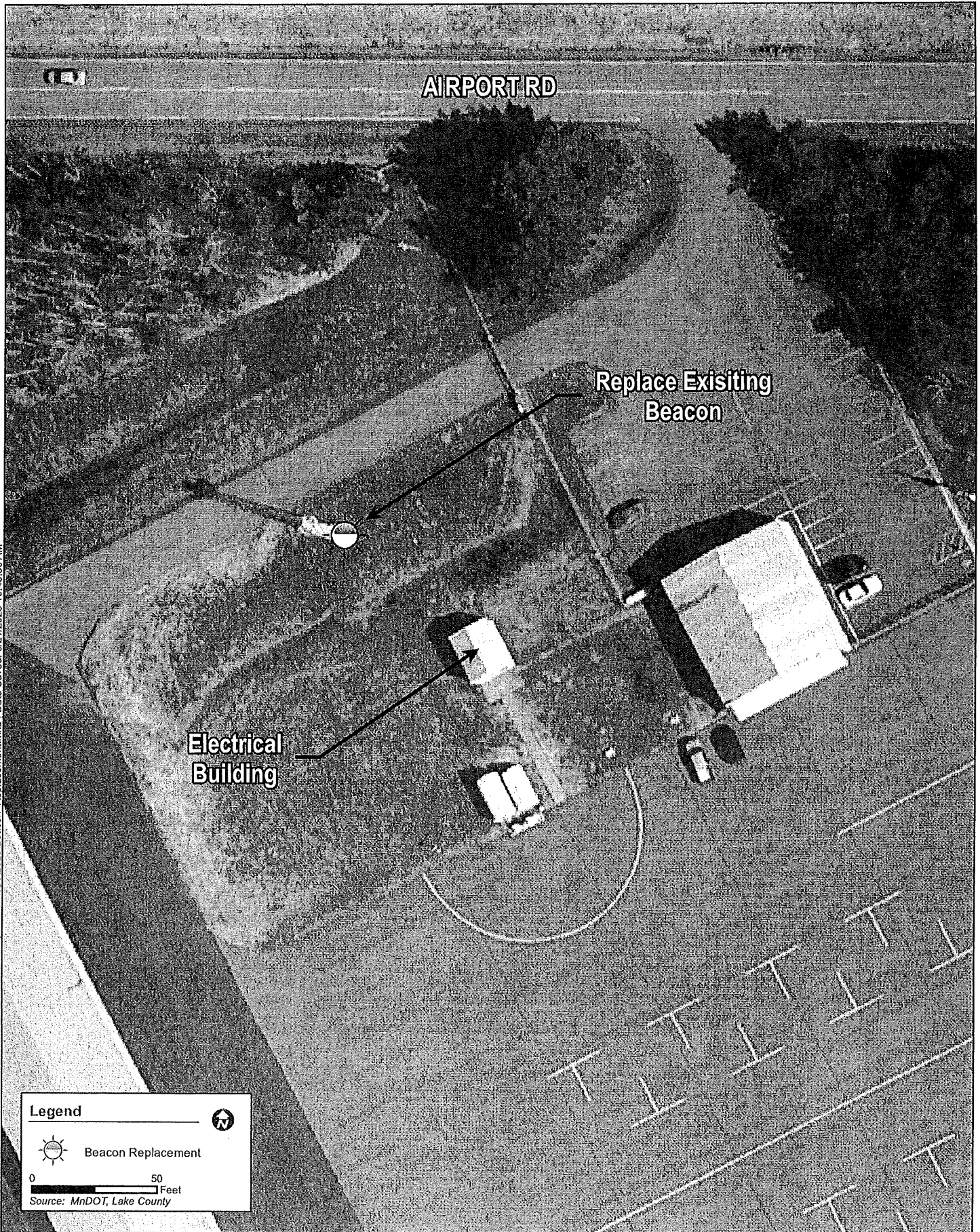
\_\_\_\_\_  
Ms. Patricia Nordean - City Administrator

\_\_\_\_\_  
Date



# PROJECT FEE ESTIMATE

CLIENT:	City of Two Harbors, MN						DATE:	6/21/2023
PROJECT:	Two Harbors Municipal Airport - Helgeson Field (TMM) - Beacon Replacement Project					PREPARED BY:		SP
Task	Task Description	Estimated Person Hours Required						Totals
		Sr. Eng.	Grad. Eng.	Eng. Tech.	Surveyor	Env. Planner	Admin.	
1	Design & Bid Administration							
1.1	Project Scoping	2	2	0	0	0	0	4
1.2	Project Meetings	4	4	0	0	0	0	8
1.3	Environmental Documentation	1	4	4	0	8	0	17
1.4	Topographical Survey	0	0	0	8	0	0	8
1.5	Engineer's Design Report	2	8	4	0	2	0	16
1.6	Construction Safety and Phasing Plan (CSPP)	1	8	8	0	0	0	17
1.7	Prepare Prelim. Plans, Specs., and Cost Est.	4	16	24	0	0	8	52
1.8	Prepare Final Plans, Specs., and Cost Est.	2	8	16	0	0	4	30
1.9	FAA Final Plans and Specs. Review	1	4	8	0	0	2	15
1.10	Prepare Final Bidding Documents	0	0	0	0	0	2	2
1.11	Pre-Bid and Bid Opening	2	0	0	0	0	2	4
1.12	Bid Assistance, Review, and Award	4	8	0	0	0	4	16
1.13	Prepare Grant Application	2	4	0	0	0	4	10
Total Person Hours		25	66	64	8	10	26	199
Direct Labor Rate		\$55.00	\$30.00	\$25.00	\$40.00	\$35.00	\$25.00	
Total Direct Labor Cost		\$1,375.00	\$1,980.00	\$1,600.00	\$320.00	\$350.00	\$650.00	\$6,275.00
Overhead Rate 2.257		\$3,103.38	\$4,468.86	\$3,611.20	\$722.24	\$789.95	\$1,467.05	\$14,162.68
Subtotal Labor Cost								\$20,437.68
Direct Expenses								
		Geotechnical Investigation - AET						\$4,000.00
		Electrical Engineering - Barr						\$6,000.00
Total Expenses								\$4,000.00
Fixed Fee 15% x Subtotal Labor Cost								\$3,065.65
Total Task 1								\$27,504.00
Task	Task Description	Estimated Person Hours Required						Totals
		Sr. Eng.	Grad. Eng.	Eng. Tech.	Surveyor	Env. Planner	Admin.	
2	Construction Administration							
2.1	Pre-Construction Meeting	8	8	0	0	0	0	16
2.2	Initial Construction Layout	0	0	0	8	0	0	8
2.3	Prepare Contract Manual	0	0	0	0	0	4	4
2.4	Construction Management	8	16	4	0	0	8	36
2.5	Resident Project Representative Service							0
Number of Days		0	4	0	0	0	0	
Hours Per Day		10	10	10	10	10	10	
Total Hours		0	40	0	0	0	0	40
2.6	Final Inspection and Documentation	1	4	0	0	0	0	5
2.7	As-Built Plans	1	2	4	0	0	0	7
2.8	Project Closeout	1	8	4	0	0	4	17
Total Person Hours		19	78	12	8	0	16	133
Direct Labor Rate		\$55.00	\$30.00	\$25.00	\$40.00	\$35.00	\$25.00	
Total Direct Labor Cost		\$1,045.00	\$2,340.00	\$300.00	\$320.00	\$0.00	\$400.00	\$4,405.00
Overhead Rate 2.257		\$2,358.57	\$5,281.38	\$677.10	\$722.24	\$0.00	\$902.80	\$9,942.09
Subtotal Labor Cost								\$14,347.09
Direct Expenses								
		Electrical Engineering - Barr						\$4,000.00
Total Expenses								\$4,000.00
Fixed Fee 15% x Subtotal Labor Cost								\$2,152.06
Total Task 2								\$20,500.00
Total Project Fee								\$48,004.00





**CITY OF TWO HARBORS  
CITY COUNCIL**

**AGENDA ITEM  
COVER SHEET**

Originating Staff: <b>P. Nordean</b>	Department: <b>Administration</b>	Date: <b>6/26/23</b>
Agenda Item Subject: <b>Lake County Veteran's Memorial</b>	Fiscal Impact:	
<b>BACKGROUND:</b> Consider the request of the Lake County Veteran's Memorial regarding placement of a memorial in the area of Van Hoven Park. The matter was referred to Public Affairs, however, they did not discuss at their last meeting.		
<b>COUNCIL ACTION REQUESTED:</b>		
<b>RECOMMENDATION:</b>		
<b>ATTACHMENTS:</b>		



# CITY OF TWO HARBORS CITY COUNCIL

## AGENDA ITEM COVER SHEET

Originating Staff: <b>P. Nordean</b>	Department: <b>Administration</b>	Date: <b>6/26/23</b>
Agenda Item Subject: <b>Utility extension</b>	Fiscal Impact:	
<b>BACKGROUND:</b> John Leupke has requested a utility extension beyond City limits for a proposed development on E. Stanley Road.		
<b>COUNCIL ACTION REQUESTED:</b>		
<b>RECOMMENDATION:</b> Staff is recommending that the utilities not be extended beyond City limits.		
<b>ATTACHMENTS:</b>		

Agenda Item # NB 3

Meeting Date 6/26/23



**CITY OF TWO HARBORS  
CITY COUNCIL**

**AGENDA ITEM  
COVER SHEET**

Originating Staff: <b>P. Nordean</b>	Department: <b>Administration</b>	Date: <b>6/26/23</b>
Agenda Item Subject: <b>Liquor store</b>	Fiscal Impact:	
<b>BACKGROUND:</b> The liquor store plans have been designed and the Finance Committee will on 6/26/23 consider the funding mechanisms available for the project. They will provide a recommendation following their meeting. In order for the project to move forward, it would be necessary to approve the plans and specifications and publish and advertisement for bids.		
<b>COUNCIL ACTION REQUESTED:</b> Consider approving plans and specifications and authorizing an advertisement for bids for the Liquor Store Project.		
<b>RECOMMENDATION:</b> Staff will make a recommendation following the Finance Committee meeting.		
<b>ATTACHMENTS:</b>		



**CITY OF TWO HARBORS  
CITY COUNCIL**

**AGENDA ITEM  
COVER SHEET**

Originating Staff: <b>P. Nordean</b>	Department: <b>Administration</b>	Date: <b>6/26/23</b>
Agenda Item Subject: <b>6<sup>th</sup> Avenue Storm Water Project Agreement</b>	Fiscal Impact:	
<b>BACKGROUND:</b> The Agreement between the Department of the Army and the City of Two Harbors for design and construction assistance for the street and utility improvement project would be necessary to complete the stormwater project on 6 <sup>th</sup> Avenue. The attached agreement has been submitted by LCSWCD.		
<b>COUNCIL ACTION REQUESTED:</b> Approve the agreement between the Army and the City for design and construction assistance for the 6 <sup>th</sup> Avenue stormwater project.		
<b>RECOMMENDATION:</b> Staff is awaiting attorney review of contract documents. Recommendation is anticipated at the meeting.		
<b>ATTACHMENTS:</b>		

AGREEMENT  
BETWEEN  
THE DEPARTMENT OF THE ARMY  
AND  
CITY OF TWO HARBORS, MINNESOTA  
FOR  
DESIGN AND CONSTRUCTION ASSISTANCE  
FOR THE  
STREET AND UTILITY IMPROVEMENTS PROJECT

THIS AGREEMENT is entered into this \_\_\_\_ day of \_\_\_\_\_, 2023, by and between the Department of the Army (hereinafter the "Government"), represented by the District Commander for Detroit District (hereinafter the "District Commander") and the Lake County Soil and Water Conservation District represented by its District Manager and the City of Two Harbors, Minnesota (hereinafter the "Non-Federal Sponsor"), represented by its Mayor.

WITNESSETH, THAT:

WHEREAS, the Government is authorized to provide design and construction assistance for publicly owned, non-Federal water-related environmental infrastructure and resource protection and development projects in Northeastern Minnesota, including projects for wastewater treatment and related facilities, water supply and related facilities, and surface water resource protection and development pursuant to Section 569 of the Water Resources Development Act of 1999, Public Law 106-53, as amended (hereinafter "Section 569");

WHEREAS, Section 569(e)(3) provides that the Federal share of project costs under each agreement entered into under Section 569 shall be 75 percent, which may be in the form of reimbursements;

WHEREAS, as of the effective date of this Agreement, the total amount of Federal funds available for the Federal share of project costs under this Agreement is \$150,000; and

WHEREAS, the Government and the Non-Federal Sponsor have the full authority and capability to perform in accordance with the terms of this Agreement and acknowledge that this Agreement shall be enforceable in the appropriate district court of the United States.

NOW, THEREFORE, the parties agree as follows:

ARTICLE I - DEFINITIONS

A. The term "Project" means design and construction of hydrodynamic separators and bioswales to treat stormwater prior to discharging into Lake Superior, as generally described in the Letter Report for the Street and Utility Improvements Project, City of Two Harbors, Minnesota as generally described in the Letter Report for Street and Utility Improvements Project, City of Two



Harbors, Minnesota, dated April 2023, and approved by the District Commander, Detroit District on May 05, 2023.

B. The term “HTRW” means hazardous, toxic, and radioactive wastes, which includes any material listed as a “hazardous substance” (42 U.S.C. 9601(14)) regulated under the Comprehensive Environmental Response, Compensation, and Liability Act (hereinafter “CERCLA”) (42 U.S.C. 9601-9675) and any other regulated material in accordance with applicable laws and regulations.

C. The term “project costs” means all costs incurred by the Government and Non-Federal Sponsor in accordance with the terms of this Agreement that are directly related to design and construction of the Project and cost shared. The term includes the Non-Federal Sponsor’s eligible pre-Agreement design work costs, if any; the Government’s costs for conducting environmental compliance activities, providing management oversight and technical assistance, as needed, preparing monthly financial reports, reviewing design work, appraisals, and invoices provided by the Non-Federal Sponsor, conducting periodic inspections during construction, and any other costs incurred by the Government pursuant to the provisions of this Agreement; the Non-Federal Sponsor’s eligible costs for engineering, design, construction, and supervision and administration; the Non-Federal Sponsor’s eligible costs for providing real property interests and relocations, and performing permit work; and the costs of historic preservation activities except for data recovery for historic properties, if any. The term does not include any costs for operation and maintenance; HTRW cleanup and response; dispute resolution; audits; betterments; or the Non-Federal Sponsor’s cost to negotiate this Agreement.

D. The term “real property interests” means lands, easements, and rights-of-way, including those required for relocations and borrow and dredged material placement areas. Acquisition of real property interests may require the performance of relocations.

E. The term “relocation” means the provision of a functionally equivalent facility to the owner of a utility, cemetery, highway, railroad, or public facility when such action is required by applicable legal principles of just compensation. Providing a functionally equivalent facility may include the alteration, lowering, raising, or replacement and attendant demolition of the affected facility or part thereof.

F. The term “pre-Agreement design work” means the design work performed by the Non-Federal Sponsor prior to the effective date of this Agreement that the Government determines was accomplished in a satisfactory manner and is necessary for the Project.

G. The term “betterment” means a difference in the design or construction of an element of the Project that results from applying standards that the Government determines exceed those that the Government would otherwise apply to design or construction of that element.

## ARTICLE II - OBLIGATIONS OF THE PARTIES

A. As of the effective date of this Agreement, the total amount of Federal funds available for the Federal share of project costs under this Agreement is limited to \$150,000. Notwithstanding any other provision of this Agreement, the Non-Federal Sponsor shall be responsible for all costs in excess of this amount.

B. The Non-Federal Sponsor shall design and construct the Project in accordance with all requirements of applicable Federal laws and implementing regulations, including but not limited to, if applicable, Section 601 of the Civil Rights Act of 1964, as amended (42 U.S.C. 2000d), and Department of Defense Directive 5500.11 issued pursuant thereto; the Age Discrimination Act of 1975 (42 U.S.C. 6102); and the Rehabilitation Act of 1973, as amended (29 U.S.C. 794), and Army Regulation 600-7 issued pursuant thereto and the following:

1. In accordance with Article III, the Non-Federal Sponsor shall provide the real property interests and relocations required for construction and operation and maintenance of the Project. The Non-Federal Sponsor hereby gives the Government a right to enter, at reasonable times and in a reasonable manner, upon property that the Non-Federal Sponsor now or hereafter owns or controls for the purpose of performing inspections pursuant to Article II.D.

2. The Non-Federal Sponsor shall afford the Government the opportunity to review and comment on all design work, including relevant plans and specifications, and related contract solicitations, prior to the Non-Federal Sponsor's issuance of such solicitations. In addition, until the Government has provided written confirmation that environmental compliance has been completed, the Non-Federal Sponsor shall not issue the solicitation for the first construction contract for the Project or commence construction of the Project using its own forces.

3. The Non-Federal Sponsor is responsible for obtaining all permits and licenses necessary for design, construction, and operation and maintenance of the Project and for ensuring compliance with all requirements of such permits and licenses.

4. The Non-Federal Sponsor shall establish and maintain such legal and institutional structures as necessary to ensure the effective long-term operation of the Project at no cost to the Government.

5. Upon completion of design, the Non-Federal Sponsor shall furnish the Government with copies of the completed design.

6. The Non-Federal Sponsor shall operate and maintain the Project at no cost to the Government. The Non-Federal Sponsor shall furnish the Government with a copy of the as-built drawings for the completed work.

7. No more frequently than every 30 calendar days, the Non-Federal Sponsor shall provide the Government an invoice with the documentation required by Article V for the Government to determine whether costs incurred by the Non-Federal Sponsor are eligible for

inclusion in project costs. If the Non-Federal Sponsor incurred costs for pre-Agreement design work, documentation of such costs shall be included in the Non-Federal Sponsor's initial invoice. Following completion of the Project, the Non-Federal Sponsor shall notify the Government, which shall conduct a final inspection of the Project. No later than 60 calendar days after the Government conducts the final inspection, the Non-Federal Sponsor shall provide its final invoice, unless an extension is requested by Non-Federal Sponsor in writing and approved by the Government.

C. Using information developed and provided by the Non-Federal Sponsor, the Government shall ensure environmental compliance activities necessary to achieve compliance with all applicable environmental laws and regulations for design and construction of the Project are completed prior to initiation of construction. The Government will notify the Non-Federal Sponsor in writing when such compliance has been completed.

D. The Government may perform periodic inspections to verify the progress of construction and that work is being performed in a satisfactory manner. In addition, the Government may provide technical assistance to the Non-Federal Sponsor on an as-needed basis during design and construction of the Project. Further, the Government shall perform a final inspection to verify satisfactory completion of the Project.

E. Subject to the limitation on available Federal funds identified in Article II.A. for the Federal share of project costs under this Agreement, the Government shall be responsible for 75 percent of project costs, with reimbursement for costs incurred by the Non-Federal Sponsor determined in accordance with this paragraph. The Government shall review each invoice provided by the Non-Federal Sponsor and, based on the procedures, requirements, and conditions provided in Article V, shall determine the costs, or portion thereof, that are eligible for inclusion in project costs. To the maximum extent practicable, within 30 calendar days of receipt of each invoice, the Government, subject to the availability of Federal funds, shall reimburse the Non-Federal Sponsor for 75 percent of the Non-Federal Sponsor's eligible costs included in each invoice, less 25 percent of the costs incurred by the Government during that same invoice period. The Government shall provide a written explanation to the Non-Federal Sponsor for costs it determines are not eligible for inclusion in project costs.

F. The Government shall ensure compliance with the National Historic Preservation Act (NHPA) of 1966, as amended (54 U.S.C. 300101-307108), prior to initiation of construction. All costs incurred by the Government and the Non-Federal Sponsor for actions associated with historic preservation, including, but not limited to, the identification and treatment of historic properties as those properties are defined in the NHPA and the mitigation of adverse effects other than data recovery, as the Government determines necessary and subject to audit in accordance with Article X.B. to determine reasonableness, allocability, and allowability of such costs, shall be included in project costs and shared in accordance with the provisions of this Agreement. If historic properties are discovered during construction and the effect(s) of construction are determined to be adverse, strategies shall be developed to avoid, minimize, or mitigate these adverse effects. In accordance with 54 U.S.C. 312507, up to 1 percent of the total amount available for the Project may be applied toward data recovery of historic properties and such costs shall be borne entirely by the Government. In the event that costs associated with data

recovery of historic properties exceed 1 percent of the total amount authorized to be appropriated for the Project, in accordance with 54 U.S.C. 312508, the Government will seek a waiver from the 1 percent limitation under 54 U.S.C. 312507 and upon receiving the waiver, will proceed with data recovery at full Federal expense. Nothing in this Agreement shall limit or otherwise prevent the Non-Federal Sponsor from voluntarily contributing costs associated with data recovery that exceed 1 percent.

G. The Non-Federal Sponsor shall not use Federal program funds to meet any of its obligations under this Agreement unless the Federal agency providing the funds verifies in writing that the funds are authorized to be used for the Project. Federal program funds are those funds provided by a Federal agency, plus any non-Federal contribution required as a matching share for such work.

H. The Non-Federal Sponsor and the Government, in consultation with appropriate Federal and State officials, shall develop a facilities or resource protection and development plan, including appropriate engineering plans and specifications.

I. If the Non-Federal Sponsor elects to include betterments in the design or construction of the Project, the Non-Federal Sponsor shall notify the Government in writing and describe the betterments it intends to design and construct. The Non-Federal Sponsor shall be solely responsible for all costs due to betterments, including costs associated with obtaining permits for such work, without reimbursement by the Government.

### ARTICLE III - REAL PROPERTY INTERESTS AND RELOCATIONS

A. The Government and Non-Federal Sponsor shall jointly determine the real property interests required for construction, operation, and maintenance of the Project, and the Non-Federal Sponsor shall provide the Government with general written descriptions, including maps as appropriate, of such real property interests. Upon written confirmation by the Government, the Non-Federal Sponsor shall, in accordance with Article IV.A., investigate to ensure that HTRW does not exist in, on, or under the real property interests to be acquired. The Non-Federal Sponsor shall acquire such real property interests and notify the Government in writing when such interests have been acquired. The Non-Federal Sponsor shall ensure that such real property interests are retained in public ownership.

B. The Government and Non-Federal Sponsor shall jointly determine the relocations required for construction, operation, and maintenance of the Project, and the Non-Federal Sponsor shall provide the Government with general written descriptions, including maps and plans and specifications, as appropriate, for such relocations. Upon written confirmation by the Government, the Non-Federal Sponsor shall perform or ensure performance of such relocations and notify the Government in writing when such relocations have been accomplished.

C. In acquiring the real property interests for the Project, the Non-Federal Sponsor assures the Government that it will comply with the following:

(1) fair and reasonable relocation payments and assistance shall be provided to or for displaced persons, as are required to be provided by a Federal agency under 42 U.S.C. 4622, 4623 and 4624;

(2) relocation assistance programs offering the services described in 42 U.S.C. 4625 shall be provided to such displaced persons;

(3) within a reasonable period of time prior to displacement, comparable replacement dwellings will be available to displaced persons in accordance with 42 U.S.C. 4625(c)(3);

(4) in acquiring real property, the Non-Federal Sponsor will be guided, to the greatest extent practicable under State law, by the land acquisition policies in 42 U.S.C. 4651 and the provisions of 42 U.S.C. 4652; and

(5) property owners will be paid or reimbursed for necessary expenses as specified in 42 U.S.C. 4653 and 4654.

#### ARTICLE IV - HTRW

A. The Non-Federal Sponsor shall be responsible for undertaking any investigations to identify the existence and extent of any HTRW regulated under applicable law, that may exist in, on, or under real property interests required for construction, operation, and maintenance of the Project.

B. In the event the Non-Federal Sponsor discovers that HTRW exists in, on, or under any of the real property interests needed for construction, operation, and maintenance of the Project, the Non-Federal Sponsor shall provide written notice to the Government within 15 calendar days of such discovery, in addition to providing any other notice required by applicable law. If HTRW is discovered prior to acquisition, the Non-Federal Sponsor shall not proceed with the acquisition of such real property interests until the parties agree that the Non-Federal Sponsor should proceed. If HTRW is discovered after acquisition of the real property interests, no further Project activities within the contaminated area shall proceed until the parties agree on an appropriate course of action.

1. If the Non-Federal Sponsor initiates or continues construction, the Non-Federal Sponsor shall be responsible, as between the Government and the Non-Federal Sponsor, for the performance and costs of HTRW cleanup and response, including the costs of any studies and investigations necessary to determine an appropriate response to the contamination. The Non-Federal Sponsor shall pay such costs without reimbursement or credit by the Government.

2. In the event the Non-Federal Sponsor fails to discharge its responsibilities under this Article, the Government may suspend or terminate future performance under this Agreement, including reimbursements pursuant to Article II.E.

C. As between the Government and the Non-Federal Sponsor, the Non-Federal Sponsor shall be considered the owner and operator of the Project for purposes of CERCLA liability or other applicable law.

D. Any decision made pursuant to this Article shall not relieve any third party from any HTRW liability that may arise under applicable law.

## ARTICLE V - DETERMINATION OF ELIGIBLE NON-FEDERAL SPONSOR COSTS

A. The Government and the Non-Federal Sponsor agree that the Non-Federal Sponsor's costs that are eligible for inclusion in project costs shall be determined in accordance with the following procedures, requirements, and conditions and subject to audit in accordance with Article X.B. to determine reasonableness, allocability, and allowability of costs.

### 1. Real Property Interests.

a. General Procedure. The Government shall include in project costs the value of required real property interests acquired from private owners after the effective date of this Agreement except that the value of real property interests donated to the Non-Federal Sponsor are not eligible for inclusion in project costs. The Non-Federal Sponsor shall obtain for each required real property interest acquired from private owners an appraisal of the fair market value of such interest that is prepared by a qualified appraiser who is acceptable to the parties. Subject to valid jurisdictional exceptions, the appraisal shall conform to the Uniform Standards of Professional Appraisal Practice. The appraisal must be prepared in accordance with the applicable rules of just compensation, as specified by the Government.

(1) Date of Valuation. The fair market value of real property interests acquired from private owners by the Non-Federal Sponsor shall be the fair market value of such real property interests at the time the interests are acquired.

(2) Except for real property interests acquired through eminent domain proceedings, the Non-Federal Sponsor shall submit an appraisal for each real property interest to the Government for review and approval no later than, to the maximum extent practicable, 60 calendar days after the Non-Federal Sponsor concludes the acquisition of the interest. If, after coordination and consultation with the Government, the Non-Federal Sponsor is unable to provide an appraisal that is acceptable to the Government, the Government shall obtain an appraisal to determine the fair market value of the real property interest for valuation purposes.

(3) The Government shall include in the project costs the appraised amount approved by the Government. Where the amount paid or proposed to be paid by the Non-Federal Sponsor exceeds the approved appraised amount, the Government, at the request of the Non-Federal Sponsor, shall consider all factors relevant to determining fair market value and, in its sole discretion, after consultation with the Non-Federal Sponsor, may approve in writing an amount greater than the appraised amount.

b. Eminent Domain Procedure. For real property interests acquired by eminent domain proceedings, the Non-Federal Sponsor shall notify the Government in writing of its intent to institute such proceedings and submit the appraisals of the specific real property interests to be acquired for review and approval by the Government. If the Government provides written approval of the appraisals, the Non-Federal Sponsor shall use the amount set forth in such appraisals as the estimate of just compensation for the purpose of instituting the eminent domain proceeding. If the Government provides written disapproval of the appraisals, the Government and the Non-Federal Sponsor shall consult to promptly resolve the issues that are identified in the Government's written disapproval. In the event the issues cannot be resolved, the Non-Federal Sponsor may use the amount set forth in its appraisal as the estimate of just compensation for purpose of instituting the eminent domain proceeding. The fair market value for valuation purposes shall be either the amount of the court award for the real property interests taken or the amount of any stipulated settlement or portion thereof that the Government approves in writing.

c. Waiver of Appraisal. Except as required by paragraph A.1.b. of this Article, the Government may waive the requirement for an appraisal pursuant to this paragraph if, in accordance with 49 C.F.R. Section 24.102(c)(2), the Non-Federal Sponsor determines that an appraisal is unnecessary because the valuation problem is uncomplicated and the anticipated value of the real property interest proposed for acquisition is estimated at \$25,000 or less, based on a review of available data. When the Non-Federal Sponsor determines that an appraisal is unnecessary, the Non-Federal Sponsor shall prepare the written waiver valuation required by 49 C.F.R. Section 24.102(c)(2) and submit a copy thereof to the Government for approval. When the anticipated value of the real property interest exceeds \$10,000, up to a maximum of \$25,000, the Non-Federal Sponsor must offer the owner the option of having the Non-Federal Sponsor appraise the real property interest.

d. Incidental Costs. The Government shall include in project costs eligible incidental costs, documented to the satisfaction of the Government, that the Non-Federal Sponsor incurs after the effective date of this Agreement in acquiring required real property interests from private owners. Such incidental costs include closing and title costs, appraisal costs, survey costs, attorney's fees, plat maps, mapping costs, actual amounts expended for payment of any relocation assistance benefits provided in accordance with Article III.C., and other payments by the Non-Federal Sponsor for items that are generally recognized as compensable, and required to be paid, by applicable state law due to the acquisition of required real property interests.

e. Except for permit work pursuant to Article V.A.4., any publicly owned real property interests required for the Project will be provided by the Non-Federal Sponsor at no cost to the Government.

2. Relocations. The Government shall include in project costs eligible costs of required relocations performed by the Non-Federal Sponsor after the effective date of this Agreement.

a. For a relocation other than a highway, eligible costs shall be only that portion of relocation costs that the Government determines is necessary to provide a functionally equivalent facility, reduced by depreciation, as applicable, and by the salvage value of any removed items.

b. For a relocation of a highway, which is any highway, roadway, or street, including any bridge thereof, that is owned by a public entity, eligible costs shall be only that portion of relocation costs that would be necessary to accomplish the relocation in accordance with the design standard that the State of Minnesota would apply under similar conditions of geography and traffic load, reduced by the salvage value of any removed items.

c. Relocation costs, as determined by the Government, include actual costs of performing the relocation; planning, engineering, and design costs; and supervision and administration costs. Relocation costs do not include any costs associated with betterments, as determined by the Government, nor any additional cost of using new material when suitable used material is available.

3. Design and Construction Work. The Government shall include in project costs eligible costs of the design and construction work performed by the Non-Federal Sponsor after the effective date of this Agreement and eligible costs of pre-Agreement design work, if any.

a. The Non-Federal Sponsor shall provide documentation, satisfactory to the Government, for the Government to determine the amount of eligible costs. Appropriate documentation includes invoices and certification of specific payments to contractors, suppliers, and the Non-Federal Sponsor's employees. Where the Non-Federal Sponsor's cost for completed pre-Agreement design work is expressed as fixed costs plus a percentage of project costs, the Non-Federal Sponsor shall calculate such costs based on actual costs.

b. The following costs are not eligible for inclusion in project costs: interest charges, or any adjustment to reflect changes in price levels after completion of the design or construction work; pre-Agreement design work previously reimbursed under another agreement; costs that exceed the Government's estimate of the cost for such design and construction work; design or construction work obtained at no cost to the Non-Federal Sponsor; or any construction work initiated prior to completion of environmental compliance.

4. Permit Work. The Government shall include in project costs eligible costs of permit work performed by the Non-Federal Sponsor after the effective date of this Agreement. Eligible costs shall be equivalent to the direct costs, documented to the satisfaction of the Government, that the Non-Federal Sponsor incurs in obtaining all permits and licenses necessary for design and construction of the Project, including the permits necessary for construction, operation, and maintenance of the Project on publicly owned or controlled real property interests. Appropriate documentation includes invoices and certification of specific payments to contractors, suppliers, and the Non-Federal Sponsor's employees involved in obtaining such permits. Failure to comply with these permits and licenses may result in the Government denying, in whole or part, inclusion of the Non-Federal Sponsor's costs for design and construction of the Project in project costs.



5. Compliance with Federal Labor Laws. In undertaking construction and relocations, the Non-Federal Sponsor shall comply with applicable Federal labor laws covering non-Federal construction, including, but not limited to, 40 U.S.C. 3141-3148 and 40 U.S.C. 3701-3708 (labor standards originally enacted as the Davis-Bacon Act, the Contract Work Hours and Safety Standards Act, and the Copeland Anti-Kickback Act). The Non-Federal Sponsor's failure to comply with these laws may result in the Government denying, in whole or part, inclusion of the Non-Federal Sponsor's costs for relocations and construction of the Project in project costs.

B. Notwithstanding any other provision of this Agreement, the Non-Federal Sponsor shall not be entitled to credit or reimbursement for any costs it incurs for real property interests, relocations, and permit work that exceed 25 percent of project costs, and any such excess amount cannot be applied towards the non-Federal cost share for another project; and for any costs incurred by the Non-Federal Sponsor prior to the effective date of this Agreement, excluding costs for pre-Agreement design work.

## ARTICLE VI - ACCOUNTING

A. As of the effective date of this Agreement, project costs are projected to be \$200,000 with the amount of Federal funds available for such work limited to \$150,000. Costs incurred by the Government are projected to be \$0. Costs incurred by the Non-Federal Sponsor are projected to be \$200,000, which includes eligible design and construction work after the effective date of this Agreement projected to be \$200,000, eligible pre-Agreement design work projected to be \$0, eligible real property interests projected to be \$0, eligible relocations projected to be \$0, and eligible permit work projected to be \$0. Reimbursements pursuant to Article II.E. for eligible costs incurred by the Non-Federal Sponsor are projected to be \$150,000. These amounts are estimates only that are subject to adjustment by the Government and are not to be construed as the total financial responsibilities of the Non-Federal Sponsor.

B. The Government shall provide the Non-Federal Sponsor with monthly financial reports setting forth the estimated project costs and the Government's and Non-Federal Sponsor's estimated shares of such costs; costs incurred by the Government to date; costs incurred by the Non-Federal Sponsor to date; the total amount of reimbursements made to the Non-Federal Sponsor to date; and the balance of the Federal funds available for the Project.

C. After the Non-Federal Sponsor has provided its final invoice to the Government, the Government shall conduct a final accounting and furnish the Non-Federal Sponsor with the written results of such final accounting. As a part of the final accounting, the Government will determine the total reimbursable amount by taking 75 percent of eligible costs incurred by the Non-Federal Sponsor, less 25 percent of the costs incurred by the Government for the Project. Should the final accounting determine that funds in excess of the total reimbursable amount have been reimbursed to the Non-Federal Sponsor, the Non-Federal Sponsor, within 60 calendar days of receipt of written notice from the Government, shall provide the Government with the full amount of such excess reimbursement by delivering a check payable to "FAO, USAED, H7" to the District Commander, or by providing an Electronic Funds Transfer of such funds in

accordance with procedures established by the Government. Should the final accounting determine that the reimbursements provided to the Non-Federal Sponsor are less than the total reimbursable amount, then subject to the limitation on available Federal funds identified in Article II.A. for the Federal share of project costs under this Agreement, the Government shall reimburse the Non-Federal Sponsor for the amount equal to such difference.

#### ARTICLE VII - TERMINATION OR SUSPENSION

If at any time the Non-Federal Sponsor fails to fulfill its obligations under this Agreement, the Government may suspend or terminate this Agreement. If the Government determines that the Federal funds available for the Project will be exhausted prior to completion of the Project, the Government shall notify the Non-Federal Sponsor and the Non-Federal Sponsor may continue with design and construction of the Project, at no cost to the Government, and with no further participation in the Project by the Government.

#### ARTICLE VIII - HOLD AND SAVE

The Non-Federal Sponsor shall hold and save the Government free from any and all damages arising from design, construction, or operation and maintenance of the Project, except for damages due to the fault or negligence of the Government or its contractors.

#### ARTICLE IX - DISPUTE RESOLUTION

As a condition precedent to a party bringing any suit for breach of this Agreement, that party must first notify the other party in writing of the nature of the purported breach and seek in good faith to resolve the dispute through negotiation. If the parties cannot resolve the dispute through negotiation, they may agree to a mutually acceptable method of non-binding alternative dispute resolution with a qualified third party acceptable to the parties. Each party shall pay an equal share of any costs for the services provided by such a third party as such costs are incurred. The existence of a dispute shall not excuse the parties from performance pursuant to this Agreement.

#### ARTICLE X - MAINTENANCE OF RECORDS AND AUDITS

A. The parties shall develop procedures for the maintenance by the Non-Federal Sponsor of books, records, documents, or other evidence pertaining to costs and expenses for a minimum of three years after the final accounting. The Non-Federal Sponsor shall assure that such materials are reasonably available for examination, audit, or reproduction by the Government.

B. The Government may conduct, or arrange for the conduct of, audits. Government audits shall be conducted in accordance with applicable Government cost principles and regulations. The Government's costs of audits shall not be included in project costs.

C. To the extent permitted under applicable Federal laws and regulations, the Government shall allow the Non-Federal Sponsor to inspect books, records, documents, or other evidence pertaining to costs and expenses maintained by the Government, or at the Non-Federal Sponsor's request, provide to the Non-Federal Sponsor or independent auditors any such information necessary to enable an audit of the Non-Federal Sponsor's activities under this Agreement. The Non-Federal Sponsor shall pay the costs of non-Federal audits without reimbursement or credit by the Government.

## ARTICLE XI - RELATIONSHIP OF PARTIES

In the exercise of their respective rights and obligations under this Agreement, the Government and the Non-Federal Sponsor each act in an independent capacity, and neither is to be considered the officer, agent, or employee of the other. Neither party shall provide, without the consent of the other party, any contractor with a release that waives or purports to waive any rights a party may have to seek relief or redress against that contractor.

## ARTICLE XII - NOTICES

A. Any notice, request, demand, or other communication required or permitted to be given under this Agreement shall be deemed to have been duly given if in writing and delivered personally or mailed by registered or certified mail, with return receipt, as follows:

If to the Non-Federal Sponsor:

District Manager  
Lake County Soil and Water Conservation District  
408 1<sup>st</sup> Ave  
City of Two Harbors, MN 55616

Mayor  
Address

City of Two Harbors, MN 55616

If to the Government:

District Commander  
U.S. Army Corps of Engineers, Detroit District  
477 Michigan Ave.  
Detroit, MI 48226

B. A party may change the recipient or address to which such communications are to be directed by giving written notice to the other party in the manner provided in this Article.

### ARTICLE XIII - CONFIDENTIALITY

To the extent permitted by the laws governing each party, the parties agree to maintain the confidentiality of exchanged information when requested to do so by the providing party.

### ARTICLE XIV - THIRD PARTY RIGHTS, BENEFITS, OR LIABILITIES

Nothing in this Agreement is intended, nor may be construed, to create any rights, confer any benefits, or relieve any liability, of any kind whatsoever in any third person not a party to this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, which shall become effective upon the date it is signed by the District Commander.

DEPARTMENT OF THE ARMY

LAKE COUNTY SOIL AND WATER  
CONSERVATION DISTRICT

BY: \_\_\_\_\_  
Brett M. Boyle  
Lieutenant Colonel, U.S. Army  
District Commander

BY: \_\_\_\_\_  
Tara Solem  
District Manager

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_

CITY OF TWO HARBORS, MINNESOTA

BY: \_\_\_\_\_  
[NAME]  
Mayor



**CITY OF TWO HARBORS  
CITY COUNCIL**

**AGENDA ITEM  
COVER SHEET**

Originating Staff: <b>P. Nordean</b>	Department: <b>Administration</b>	Date: <b>6/26/23</b>
Agenda Item Subject: <b>6<sup>th</sup> Avenue Storm Water Project documents</b>	Fiscal Impact:	
<b>BACKGROUND:</b> The Project Assessment of Non-Federal Sponsor's Real Estate Acquisition capability, Non-Federal Sponsor's Self-Certification of Financial Capability for Agreements and Two Harbors Section 569 Project Assessment of Non-Federal Sponsor's Real Estate Acquisition Capability forms have been submitted by LCSWCD.		
<b>COUNCIL ACTION REQUESTED:</b> Approve the forms submitted by LCSWCD for the 6 <sup>th</sup> Avenue stormwater project.		
<b>RECOMMENDATION:</b> Staff is awaiting attorney review of documents. Recommendation is anticipated at the meeting.		
<b>ATTACHMENTS:</b>		