Council Meeting
Tuesday, October 3, 2023
City Council Chamber
6:30 p.m.
AGENDA

CITY OF WINDOM

Call to Order

Pledge of Allegiance

1. Consent Agenda
    - Minutes
        - Council Minutes– September 19 & 26, 2023
        - Park & Rec Commission – September 13, 2023
        - HRA – September 19, 2023
        - Telecom Commission – September 25, 2023
        - Utility Commission – September 27, 2023
    - Regular Bills
2. Department Heads
3. Windom Area Health
    - Bond Issuance Resolution
    - Demolition of Medical Clinic
4. State Appropriation
    - Resolution Deed Grant Agreement
    - Loan Documents – Windom Apts LLC
5. Resolution Accepting Donation – Judith Hintze – Library
6. Liquor Store Fundraiser – Transfer to Fire Department General Fund
7. Resolution Calling for a Public Hearings
    - 2023 Miscellaneous Special Assessments
    - Closeout of SCDP Grant
8. Personnel
    - Community Center On-Call – Rylie Raverty
9. Contractor Payments
    - Des Moines Forcemain Crossing – Hodgman Drainage Co Pmt. #1-$183,422.20
    - Truck Garage- Wilcon Construction Services Pmt #4 - $31,806.95
    - Transmission Line Reconstruction - IES Commercial Inc. Pmt #2 - $1,390,669.41
10. New Business
11. Old Business
12. Council Comments
13. Adjourn

star city FOR ECONOMIC DEVELOPMENT

P.O. Box 38 • 444 Ninth Street • Windom, MN 56101 • Phone 507-831-6129 • FAX 507-831-6127

Preliminary

Regular Council Meeting
City Hall, Council Chamber
September 19, 2023
6:30 p.m.

1. Call to Order:
   The meeting was called to order by Mayor Dominic Jones

2. Roll Call:

Council Present:	Dominic Jones, Dennis Esplan, James Nelson, Jenny Quade and Scott Benson
Council Absent:	Marv Grunig
City Staff Present:	Steve Nasby, City Administrator; Jason Sykora, Electric Superintendent; Andy Spielman, Building Official; Cheryl Ulferts, Finance Director; Ben Derickson, Fire Chief and Scott Peterson, Police Chief.

3. Pledge of Allegiance

4. Consent Agenda:
   - Minutes
     - City Council Minutes – September 5, 2023
     - Telecom Commission – August 14, 2023
     - Street Committee – August 31, 2023
     - Community Center Commission – September 11, 2023
     - Economic Development Authority – September 11, 2023
     - Planning Commission – September 12, 2023
     - Library Board – September 12, 2023
     - Utility Commission – September 13, 2023
   - Licenses & Permits – Exempt Gaming Permits
     - Windom Women of Today – October 24, 2023
     - Windom Fire Dept. Relief Association – April 27, 2024
   - Regular Bills

   Motion by Benson second by Esplan approving the Consent Agenda. Motion carried 4 – 0.

5. Swearing in Police Officers – Officer Hunter Braun and Officer Andrew Kinnetz:
   Mayor Jones performed the swearing in ceremony with both officers. The Mayor and City Council welcomed them to the Windom Police Department. Additionally, other Windom PD officers were in attendance to recognize and support their fellow officers.

   Officer Braun thanked the Windom PD and City Council and is looking forward to working in Windom.

   Officer Kinnetz thanked the Windom PD, City Council and his family for their support.

   Quade said she wanted to personally thank the police officers for all they do and for keeping the community safe. She gave each of the officers a card of appreciation.

6. Department Heads:
   None.

7. Resolution Bid Award – Construction of Electric Generation Plant:
   Jason Sykora, Electric Superintendent, said the Electric Generation building had been re-bid and three bids were received and two deemed as responsive. The low bid was from Wilcon Construction in the amount of $5,563,762.48. The Utility Commission and engineers are recommending accepting the bid. Sykora said that Wilcon is on site building the Truck Garage at this time and the project is going well. The engineers did background reference checks and they are okay. There is some winter work due to the project start time.

   Council Member Quade introduced the Resolution No. 2023-42, entitled "A RESOLUTION AWARDING THE CONTRACT FOR THE CONSTRUCTION OF A GENERATION PLANT". The Resolution was seconded by Nelson and on roll call vote: Aye: Nelson, Esplan, Benson and Quade. Nay: None. Absent: Grunig. Abstain: None. Resolution passed 4 – 0.

   Jones asked about the project estimate. Sykora replied that the original estimate from July 2022 was for $4.33 million based on square footage, but the soil borings had not been done yet so an additional contingency for soil borings, inflation, etc. was added for about $1 million.

8. Bond Pre-sale Report – Series 2023B:
   Todd Hagen, Ehlers Associates, said the proposed bond sale is for a share of the electric generation building, generating equipment and the liquor store project. Usually these bonds would be straight revenue bonds, but those are expensive in today's market. So, State statute does allow for a pledging of tax abatement revenues to make them more like general obligation bonds which makes the interest rates paid lower. This issue is a combination of tax abatement bonds and equipment certificates. The debt on these bonds will be paid through the revenues of the electric department and liquor store but are essentially backed by the abatements. They are working towards an interest rate of 4 – 4.5%. There is a call or redemption feature at 10 years so they can be paid off early if the City wishes. Due to the issuance of the hospital bonds and these bonds both will be non-Bank Qualified, but there is not much difference in the market as compared to the typical bank qualified bonds. He said there are three resolutions needed tonight. To authorize Ehlers to solicit bond offers, setting a public hearing and to authorize general obligation bond equipment certificates.

   Council Member Esplan introduced the Resolution No. 2023-43, entitled "RESOLUTION PROVIDING FOR THE SALE OF $7,230,000 GENERAL OBLIGATION BONDS, SERIES 2023B". The Resolution was seconded by Benson and on roll call vote: Aye: Esplan, Benson, Quade and Nelson. Nay: None. Absent: Grunig. Abstain: None. Resolution passed 4 – 0.

   Council Member Nelson introduced the Resolution No. 2023-44, entitled "RESOLUTION CALLING FOR A PUBLIC HEARING ON PROPOSED PROPERTY TAX ABATEMENTS FOR A NEW ELECTRIC GENERATION BUILDING AND MUNICIPAL LIQUOR STORE RENOVATIONS". The Resolution was seconded by Benson and on roll call vote: Aye: Esplan, Nelson, Benson and Quade. Nay: None. Absent: Grunig. Abstain: None. Resolution passed 4 – 0.

Council Member Benson introduced the Resolution No. 2023-45, entitled "RESOLUTION DETERMINING THE NECESSITY TO ISSUE NOT TO EXCEED $3,600,000 GENERAL OBLIGATION EQUIPMENT CERTIFICATES OF 2023". The Resolution was seconded by Nelson and on roll call vote: Aye: Quade, Nelson, Esplan and Benson. Nay: None. Absent: Grunig. Abstain: None. Resolution passed 4 – 0.

9. Planning Commission Recommendations:
Andy Spielman, Building Official, reviewed the application for a preliminary plat for the South Cottonwood Lake subdivision (aka former Cemstone site). The owners, DVK Limited submitted the information to the Planning Commission and they are proposing a subdivision along the lake, some lots backing to the existing pit and a multifamily building fronting Cottonwood Lake Drive. This plat shows 490th Street dedicated to the City but remaining as a gravel drive. There was a comment at the hearing about access to one property outside of the plat off of 490th Street and that was reviewed with the City Attorney. The access issue was determined to be a civil matter between private parties and not impacting the consideration of this plat. The preliminary plat was provided to utilities and City departments. The Street Department wants curb and gutter added. The plat shows a paved road with a ditch system and culverts, the key to maintaining this system is enforcement and inclusion of language in a home owners association or similar mechanism. As this is in the shoreland district a system of ditches and retention a retention area is preferred over a typical storm sewer system.

Jones asked if the Planning Commission's recommendation on approval was for the plat as is with the ditch system. Spielman said that is correct and it lessens run off into the lake.

Benson asked about public access to the lake off of 490th Street as he remembers that as a kid. Spielman said that was researched and there was not any official access recorded nor did DNR. Any access that was made in the past was over private property.

Motion by Quade second by Benson to approve the Preliminary Plat for the South Cottonwood Lake subdivision as proposed and recommended by the Planning Commission. Motion carried 4 – 0.

Spielman said the next recommendations from the Planning Commission were for a conditional use and residential planned unit development within a shoreland district also for the South Cottonwood Lake subdivision. There is a density restriction in the shoreland district and he reviewed the tiers and how they applied to density. He said the calculations on the proposed development show that there is 59% of the area as open space and the limit would be 89 units, but this development is proposing 66 units so it easily is under the maximum. A public hearing was held and there were no comments. The Planning Commission is recommending approval of both the conditional use permit and residential planned unit development.

Motion by Quade second by Nelson to approve the Conditional Use Permit for a PUD. Motion carried 4 – 0.

Motion by Benson second by Quade to approve the General Concept Plan for a PUD. Motion carried 4 – 0.

10. Annual Firefighter Relief Association Report:
Nasby said that the Fire Chief is here if there are any questions, but the report is required by the State to show the financial condition of the Relief Association which pays for the firefighter pensions. The audit had been completed and the State report shows that there are sufficient funds to pay for the pensions as approved within the Relief Association with a surplus of $464,381.

Motion by Esplan second by Benson to approve the Windom Fire Relief Association 2023 State Report as presented. Motion carried 4 – 0.

11. Preliminary 2024 Budget Levy – Resolution:
Nasby said he and the Finance Director are proposing a preliminary property tax levy increase of 5.71%. This number was arrived at through the budget process so far with submissions by the Department Heads and reviews by the Finance Director and himself. Key factors for the preliminary budget included the following:

- Inflationary price increases on supplies and construction costs
- Fuel prices very recently going up again
- Equipment price increases and surcharges
- Health Insurance costs up 9.5%
- Workers Comp, Property, Liability & Auto Insurance costs projected to be up 3 – 10%
- Increases in State Aid. Local Government Aid went up by $228,000
- No, or very little, Small Cities Street Improvement Funds distributed for 2024

Nasby added that the Council will have some remaining ARPA funds to use for capital items, have a discussion with Department Heads on capital improvements being requested and any operational changes that are proposed. The required debt service for past bonds paid through the tax levy are nearly the same as 2022 as no new general obligation debt was added in 2023. The General Fund reserve is calculated to be 46.5% of 2024 anticipated expenditures, which is within the City Council's range of 35-60% for the reserve. The City Council's long standing goal is to lower the property tax rate and even with the levy increase last year the tax rate did go down. The preliminary levy is a maximum amount and the Council can always reduce that number before the final levy but it cannot go up once it is set.

Jones asked what the preliminary levy was last year. Nasby said the Council set it at 7.67%. Jones noted that inflation is up the last two years. Comparable cities have preliminary levies going up more than what is proposed here and the County just set a 6.75% preliminary levy.

Benson asked about the Hylife closure and impact on taxes. Nasby said the biggest budget impacts are on the electric and wastewater utilities. At present their property taxes are still in a TIF, but there will be a change in the County Assessor's valuation in January that will impact the tax base.

Quade said she thought the preliminary levy would be higher due to inflation and labor agreements yet to be completed.

Jones said there has not been any new progress on the State funds from DEED which would help with wastewater, but it is supposed to be coming shortly.

Esplan said he feels that the taxes are still too high. Increases of 5, 6 or 7% each year are a lot of money to people. His house payment went up as did it for others and that is hard for people. He hopes the City Council can cut the budget during its discussions.

Nelson questioned what to cut. We need the police, fire, library and other amenities. Council can look to cut programs or facilities but that is difficult.

Jones said in looking at what taxes pay for it is amenities, it is not enterprise funds. Amenities cost money so things such as the Arena, Community Center and Pool are the type of things Council would have to consider. People want these facilities and activities and Council needs to pay for them. He re-emphasized that tax rates are the measure Council uses and has done a good job keeping it down and increased valuations help, but that will turn around some day.

Esplan said he recognizes the need to have a starting point for the budget discussion and Council has the opportunity to review the budgets and adjust.

Council Member Nelson introduced the Resolution No. 2023-46, entitled "A RESOLUTION ADOPTING PROPOSED PROPERTY TAX LEVY". The Resolution was seconded by Quade and on roll call vote: Aye: Benson, Quade, Nelson and Esplan. Nay: None. Absent: Grunig. Abstain: None. Resolution passed 4 – 0.

Benson said Council has a tough job and if the public has ideas on what to cut to lower taxes he wants input. Council has to balance wants and needs.

Nelson said people do complain about taxes, but we are consistent with comparable cities and some are higher.

12. <u>Mayor Appointment:</u>
Jones said he is recommending the appointment of Pastor Rick Fredrickson to the Hospital Board to fill a vacant, unexpired term.

Motion by Esplan second by Quade to approve the Mayor's appointment of Rick Fredrickson to the Hospital Board. Motion carried 4 – 0.

13. <u>Contractor Payment – Wilcon Construction – Pay Request #3:</u>
Sykora said that the building project is coming along well and the Utility Commission is recommending approval.

Motion by Benson second by Esplan to approve Pay Request #3 for Wilcon Construction in the amount of $249,154.30. Motion carried 4 – 0.

Sykora said the first change order is for $580.00 due to a change in door size that was mistaken on the plans.

Motion by Quade second by Benson to approve Wilcon Construction – Truck Garage Change Order #1 for $580.00. Motion carried 4 – 0.

Sykora said the second change order is for $32,901.00 for the removal of old concrete footings and foundations for the former cooling towers. Soil borings were completed, but missed the buried materials. The engineer and City did negotiate with the contractor to get the price down. The majority of the cost is for the landfill as the concrete had a lot of re-bar and no one wanted it.

Motion by Quade second by Nelson to approve Wilcon Construction – Truck Garage Change Order #2 for $32,907.00. Motion carried 4 – 0.

14. New Business:
None.

15. Old Business:
None.

16. Council Comments:
Benson reiterated if people have input on the budget or ways to cut to contact him.

Quade said she is on the Southwest Regional Development Commission board via City Council appointment and the SRDC celebrated their 50th year of service. She attended the Lion's Shelter ribbon-cutting on September 16th. Cottonwood County is held their cannabis ordinance public hearings today. The City's plan is to review the County ordinance when it is done and either adopt that language or consider making changes of our own. She again expressed her appreciation for law enforcement.

Nelson thanked the Police Department for their work.

17. Adjournment:
Mayor Jones adjourned the City Council meeting by unanimous consent at 8:22 p.m.

______________________________	Attest: ______________________________
Dominic Jones, Mayor	Steve Nasby, City Administrator

Preliminary

Special City Council
Windom Community Center – 1750 Cottonwood Lake Drive
September 26, 2023
6:00 p.m. Budget Work Session

1. Call to Order:
   The City Council budget workshop was called to order by Mayor Pro Tem Dennis Esplan.

2. Roll Call:

Council Present:	Marv Grunig, Jenny Quade, James Nelson, Dennis Esplan and Scott Benson
Council Absent:	Mayor Dominic Jones
City Staff Present:	Cheryl Ulferts, Finance Director; Ryan Anderson, Water/Wastewater Superintendent; Kristen Porath, Ambulance Director; John Nelson, Liquor Store Manager; Jason Sykora, Electric Superintendent; Jeff Dahna, Windomnet General Manager

3. 2024 Budget – Presentation of Enterprise Funds:
   Ulferts said this meeting is to hear the operational budget information and Capital requests from the Enterprise funds, which do not impact the tax levy.

   Wastewater
   - Revenue rate increase will be discussed with the Utility Commission.
   - Commercial revenue is expected to be down $635,000 and we will not receive cost sharing $396,468 for debt related to HyLife closing. We are still expecting $2,000,000 from State to assist with debt payments.
   - Premium Iowa Pork is discussing not using ponds but pre-treating waste before it comes to plant with reduced volume (30,000 gal per day) compared to HyLife.
   - Expenses are up including wages, insurance, training travel & meals to keep licenses current ($1,000), and lab testing ($5,000).
   - Expense expected to decrease are chemicals related to HyLife ($140,000), electricity usage because pumps are not working as hard ($15,000).
   - All capital items are basic maintenance for pumps and other equipment that may fail and need replacing during the year.
   - Rolling Green Project is complete. Pumping hours at Rolling green are down nearly 50%, so the pumps are working more efficiently now. The project took 2 weeks and we were happy with the contractor's performance.

   Water

   - Revenue is expected to have minimal change. Premium Iowa Pork is expecting to use 30,000 gal of water daily from plant instead of their wells. PIP does not have a start date for production.
   - Expected expense increases in lab testing ($5,000), postage ($700), Landfill ($7,500) 50% shared expense, wages and insurance.
   - Capital replacement of equipment as needed for pumps, filtration, hydrants etc. during the year.
   - Unit #61 replacement which is 11 years old. Replacement parts are hard to get. Ryan plans to check with Enterprise for leasing option.
   - Water usage is up because of dry weather and POET has been pulling water the last few days. Currently do not see a need for a new well and we have capacity for the apartments and expected housing additions.

Ambulance

- Revenue is reduced by $20,000 to be more relative to 2022 runs of 1,087. So far in 2023 they are currently within 10 runs of this time last year.
- Refuse disposal expense has been increasing so we budgeted a $100 increase. Insurance and wages have also been increased.
- The new rig was in an accident. It will be repaired soon. Another rig has an oil leak that is being monitored and repair quotes are being reviewed.
- Defibulators are being pushed to 2025 since we are not having any issues. Orders are being filled in a 3 to 4-month window.
- Radios and Pagers are also being pushed to 2025 because originally it was felt ambulances would have an encrypted channel. Hopefully the FD will have some loaner radios once they transition to the new radios. Grants will be researched for equipment, but not aware of any at this time.
- Ambulance replacement for Unit #28 in 2025 was discussed.

Liquor

- Sales budgeted up $159,400 or 7%. THC sales have begun, budgeting $2500 revenue for 2024. Miller/Coors are doing a cost increase adjustment. We will see if others follow.
- Repair expense should be down with the remodel.
- Interest expense will start in 2024 related to bonding the remodel project. In 2025 and moving forward, we will have principal and interest payments totaling approximately $45,000.
- Transfers of $100,000 to General fund and EMS building remain the same as in the past. Coors sales increase has generated a $600 transfer to FD for equipment.
- Landscaping and fencing along Hwy 60 was discussed. Possibly advertising banners would be hung on the fencing for specials.
- Remodel & expansion project was reviewed with possible change orders of adding insulation, sidewalk replacement or heated sidewalk, replace awning, and channel lighting.
- Store will be closed for epoxy flooring 4 to 7 days. Option while closed is to operate using an online website or app for shopping and ordering. Pickup or delivery may be an option to minimize people in the store.
- Shelf spacing has been finalized. Contractor plans to start project this week or next. The completion date is set for May 1st.

Electric

- Industrial electric budget 1.5 mil lower than last year related to HyLife. Reduced power purchased expense will offset some of the decrease in revenue. Currently Premium Iowa Pork is using one compressor to keep coolers operable. Residential and Commercial revenue is budgeted same as last year.
- Besides power purchased, we will see savings in Demand costs and railroad permits of $10,000.
- Expense increases are training ($1,000), postage ($1,500), insurance and interest ($244,467) on bonded project. In 2025 we will have interest and principal payments ($560,000) on bonds.
- AMR meter replacement system with 2-way communication from the meter would allow shut off and turn on ability in the office as well as more detailed information on usage at any time.
- Distribution upgrade continues at East Hill working on underground placement of electric lines.
- Operational equipment replacement as needed estimate $40,000.
- Generation Plant update and Generator replacement project will begin in October and go through 2024.
- Large Bucket Truck #320 is wearing out. It is important for this vehicle to be reliable. Expected replacement in 2025.
- Single Cab Line Truck #310 has been having some problems. We request replacement in 2024 for $60,000.

- Transmission project will be done by the end of October and they are scheduled to be running the line over the railroad October 2nd.

Telecom

- Revenue is down in Cable and Telephone but up in Internet. This year Internet dropped with the move out of HyLife employees but is coming back up as time goes by. Rack space rental is almost at maximum capacity with only 2 open racks.
- Labor, Insurance, Repairs and Supplies are all on the rise. Supplies are still hard to get timely. Some equipment has a wait time of up to a year. Still having issues with damaged peds. The system is getting older and repairs are more frequent and costlier.
- Migration & Integration for Streaming is expected to be completed by Spring 2024.
- NOC 48V DC Power Battery Backup – An additional string needs to be added to provide the 8-hour battery run time required by some contracts. We are currently at 5 to 6 hours of run time through the battery backup system. The current equipment being placed on racks have a high energy draw which brings down the amount of battery backup time.
- DC to AC Inverter Power System – This aged system replacement is expected to cost $35,000. The replacement will save power and heat load.
- NOC HVAC System – An additional unit plus replacement of aged equipment is need to cool room because of the additional equipment being placed in the building. Estimated cost is $60,000.
- The building is running out of space because it was built for just City of Windom use not for the rental of rack space.
- Metaswitch Voicemail System – At least half of the space is being used by SMBS system. Current system is from 2005 and needs to be replaced prior to failure with a cost of $28,000.
- Expansion of Co Rd 13/15 North – We have no points outside of town. Dahna would like to see four points outside of town. The original system was not designed for the points outside of town. This should push to 2025.
- Transport project North – This 2025 project will enhance fiber network going north of town.
- Hospital expansion – The current fiber at WAH should be sufficient, but may need to be moved to a more protected area during construction.

4. Adjournment:

Mayor Pro Tem Esplan adjourned the meeting by unanimous consent at 8:55 pm.

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Dennis Esplan, Mayor Pro Tem

Attest: ____________________________

Cheryl Ulferts, Finance Director

Windom Park & Recreation Commission

Agenda for Wednesday, September 13th, 2023

Roll Call:
Present: Paul Johnson, Jill Knapp, Ron Kuecker, Jackie Jurgens, Pam Hogan, Scott Benson, Jenny Quade, Jess Smith
City Staff: Tim Hogan, Jon Ketzenberg
Public: None
Absent: Mitchell Chmielewski

City Hall Council Chambers

Call the Meeting to Order at 5:30 p.m. Meeting was called to order at 5:31pm by Johnson.

1. **Motion to Approve or amend agenda:** Motion to approve the Agenda by Pam Hogan and a second by Jurgens. Motion carries.

2. **Approve Minutes from August 9th, 2023:** Motion to approve the minutes from August 9th was made by Jurgens and a second by Smith. Motion carries.

3. **Recreation Director report:**

    a) Horse show Recap 2023: Hogan said he wanted to give the commission an update on the season this past year. Hogan said that they had a decent amount of shows this year and will continue to look to build more weekend shows as that is what brings in the most money. Hogan said they had 3 shows that booked a multi-day show with stalls and about 6 one day events. Hogan also said that they also held the 4-H show as well as the Wednesday night clinics. Hogan also noted that the biggest show they had was at the end of August which was an outdoor event with 109 stalls rented. Hogan said that he has 3 show dates already booked for next year for weekend shows. Benson asked if the flyers that were made showed any activity from the expo. Hogan said that he did not receive any calls for booking but said he expected that this would take time to see bookings and that it was more to let people know the facility is an option for user groups. Hogan said that all shows were very happy with staff and set up for the shows. Johnson asked how the cleanup was going. Hogan said that they are still cleaning the Arena and trying to get things ready in time to start getting ready for ice. Kuecker asked how the help status is at the Arena. Tim expressed that his staff is limited and that he could use another fulltime person. Hogan also said that based on the costs of hiring a full-time person would impact the levy and most likely not be approved. Keucker wanted it noted that we have a department head doing most of the work due to staffing issues. Hogan said he would still try to hire part-time staff but it isn't easy.

    b) Ice Start up: Set for October 2nd. Hogan said they are hoping to get everything cleaned up and ready to start the ice system by October 2nd . Hogan said Carlson Stewart will be down to start and check the system and hopes to have ice ready by October 10th-12th. Hogan said user groups are hoping to start around the 15th of October.

4. **Park Superintendent Report:**

    a) Parks Update

        i. Tegels Park cameras: Ketzenberg said the Lion's Club is planning on having a ribbon cutting on September 16th. Ketzenberg said that the Lion's Club also went down and painted the well house and bathrooms to match the shelter and looks really nice that it all matches. Ketzenberg also said that he is working with the security company on getting the cameras installed. Johnson asked how the rentals were going with the shelter. Hogan said that they have had about a dozen rentals this summer and already have people looking for next year for graduations and other events. Quade asked where the funds for go for shelter rentals. Ketzenberg said that the income goes back into the General Fund and not into the parks budget. Quade asked if that is something that can be brought up at budget discussions because we get new things in the parks or things like this new shelter, but we don't have money to maintain them. Quade said if we are getting funds for rental that the money should go back into the park's budget to help with maintenance and repairs. Ketzenberg said what he is allowed in his parks repair and maintenance budget each year is put back in the general fund each year and does not carry over the next year. Ketzenberg said if he does not a year with major issues and has money left over that he can't carry it over to the next year in case a major repair is needed. Quade asked to make sure that is discussed at budget meetings to see if money for rentals can be put back into the parks budget.

Ketzenberg also said that Tom White would like to put in a sidewalk from the community Center down to the new shelter as it will see more traffic due to weddings at the community center. Ketzenberg said that Tom White would pay for the project. Kuecker asked if it would be maintained during the winter months. Ketzenberg said that the shelter is closed during the winter months so the snow would not be cleared during winter months. Consensus from the commission was in favor of the project.

b) Special City Archery Season: Ketzenberg updated the commission that he has signs made for the special archery season. Ketzenberg said that he is closing Mayflower Park during this special season. Ketzenberg said that Windom PD is doing proficiency testing for applicants. Ketzenberg also said that even though archery hunters are allowed all camo during archery season, he added that they must wear at least one piece of orange clothing such as a hat for identification. Benson asked how many applicants they have for the season. Ketzenberg said that there were about 6-8 applicants.

c) Additional Parks Info: Ketzenberg said that he was contacted to add additional pickleball courts up at the tennis ball courts and wanted to know what the commission thought about adding additional lines for pickleball. The commission discussed and determined to get quotes for getting the striping done and decide when the costs are in.

Keucker added a comment about the grant for the control of emerald ash bore. Kuecker asked if that grant was just for the removal of infected trees or if it would treat trees as a preventative measure. Ketzenberg said that it was for removal of infected trees. Kuecker said he has researched numerous organizations that deal with treatment and expressed that it's expensive but can be an option.

5. **Old Business:** Hogan wanted to add in old business that he wanted to revisit the reimbursement of certifications for lifeguard staff at the pool. Hogan said there have been discussions but was not sure where things were at regarding reimbursement for certifications. Quade and Benson said that they had approved reimbursements at City Council. Johnson recommended reviewing the council minutes and move forward with the approval based on the council minutes.

6. **New Business: None**

7. **Commission Comments:** Jill Knapp asked about signage for disc golf at Mayflower Park. Hogan said he believes that there were already some signs that were in the works with EDA and he would check into where things were at and getting those up.

8. **Adjourn meeting.** Meeting was adjourned at 6:25 by unanimous consent.

9. **Next Meeting October 11th @ 5:30 in the City Council Chambers**

REGULAR MEETING OF THE HOUSING AND REDEVELOPMENT AUTHORITY OF WINDOM, MN
September 19, 2023 at 8:30 a.m.

A regular meeting of the Board of Directors was held on September 19th, 2023 at the Riverview Apartments. Board Members present: Jean Fast, Tom White, Margaret McDonald, Joel LaCanne and Sheryl Skarset, Tenant Liaison. Also present was Executive Director Linda Loewen and Operations Managers Tami Wahdan and Michelle Eckert. Absent: Linda Jaakola and City Liaison Jim Nelson.

The Regular Board Meeting was called to order at 8:36 a.m. with the consent agenda approved which included minutes from the August meeting, the Agenda, Balance Report and Bills Report. (LaCanne/McDonald)

Scheduled Guests: none

Old Business consisted of:

1. The Executive Director introduced and welcomed the new staff members. Chris Anderson joining our Maintenance staff in Windom and Michelle Eckert our Operations Manager in Jackson.
2. The Executive Director reported Kjell will resume today with the RV Entry System.
3. The Executive Director gave an update on the Apartment #113 modification. We are waiting on a boiler switch to be replaced. Once that is completed, she will put the ap0artment back online with HUD and proceed with a move-in.

New Business consists of:

1. The Executive Director reported that the training in Duluth was successful. Many Administrative changes will be starting on 1/1/2024.
2. The Executive Director reported that we received another principal payment in the amount of $2,571.43 from the Gove Acres Loan.
3. The Executive Director reported a payment request from SCDP/SWMN housing partnership in the amount of $550.00 for 688 Prospect Ave.
4. The Executive Director presented quotes for a new dryer(S) Dryer at HS. After some discussion it was approved to purchase two new dryers from Town & Country in the amount of $3,899.98. (White/LaCanne)
5. The Executive Director reported in an August HSA payment was sent to the past maintenance staff's account. The bank requested the return on the $200.00/payment and she refused the request. After some discussion it was approved not to rebut the $200.00 payment. (White/McDonald)
6. The Executive Director reported in-house Inspections will begin in October for all locations
7. The Executive Director reported that the current tenant will be vacating 957 River Road on October 31, 2023.
8. The Executive Director Reported on the new closet doors at RV. Schrader4 Construction has started installing the doors and anticipate this will be a 6-week project.
9. The Executive director is working on the following, FYE, ACOP, Training, HOTMA, ELOCCS.
10. Upcoming Board Meetings are scheduled for October 11th (HS) and November 8th (RV) at 8:30 am.

With no further business, the meeting was adjourned at 9:17 a.m. (McDonald/LaCanne)

Jean Fast, Chairman

Linda Loewen, Executive Director

TELECOMMUNICATIONS COMMISSION MEETING
CITY OF WINDOM CITY HALL September 25th, 2023

I. Call Meeting to Order. The meeting was called to order by Pres. Abraham at 6:01PM

II. Roll Call:

President:	Dirk Abraham	City Staff:	Steve Nasby *absent*
V President:	Josh Peterson	City Staff:	Jeff Dahna
Secretary:	*vacant*	Council Liaison:	Scott Benson *absent*
Commissioner:	Jayesun Sherman	Council Liaison:	Dennis Esplan
Commissioner:	Tim Hiley	Others Present:	-

III. Approval of Minutes from August 14th, 2023 meeting

Motion by commissioner Hiley, to approve minutes from the August 14th, 2023 meeting. Seconded by commissioner Sherman. Motion approved 4 to 0.

IV. Project Updates: Dahna updated commissioners on the various projects

V. Manager's Report: Dahna reports:
-Email Server- Due to several compromised email accounts with weak passwords, NOC technician has been contacting subscribers with weak passwords to change to stronger passwords.

-Windomnet web camera – The replacement web camera on the town square is working. Had a few reports of flashing or jitter. Troubleshooting showed that iPhones have issues with the web cam video. Android and desktop PCs work normally. Axis Support stated that their system does not support Apple IOS browsers and to use Chrome or Firefox. We can duplicate issue on tech's iPhone. Continuing to research a fix or work around. May have to go to the YouTube channel option.

- Cable TV Headend – Lost some channels and restored back to service. KEYC CBS ch 12 and KEYC Fox ch 21 are Out of DMA Carriage stations with the monthly programming cost of $1.20 per subscriber. $1,304/month, $15,648/year. They can be removed from the channel lineup with a 60-day prior notice to Gray Media via NCTC. KEYC will not be available on the streaming TV platform. Maintaining Headend as necessary.

VI. New Business: -Commission meeting attendees discussed New Residential Data Service rate pricing.
Motion by commissioner Peterson to recommend to city council to add new Residential Data Service rate monthly pricing 10Mb (Home Wi-Fi not included. Add on $9.95) $35.00, 100Mb $85.00, 250Mb $100.00, 1000Mb (1Gb) $125.00. Seconded by commissioner Sherman, Motion approved 4-0.

VII. Old Business: - Dahna and Commission meeting attendees recap of the streaming video monthly rates.

VIII. Commissioner's concerns and questions:

IX. Set Next Telecom meeting: October 23rd, 2023 at 6:00 pm in Council Chambers or City Hall.

X. Adjourn: Meeting adjourned by unanimous consent at 6:53 pm.

UTILITY COMMISSION MINUTES
Council Chambers
September 27, 2023

Call Meeting to Order: The Utility Commission meeting was called to order at 10:00 AM

Members Present: Utility Commission Chairperson: Mike Schwalbach
Members Present: Tom Riordan and Glen Francis
Member Absent: None
City Council Liaison: Marv Grunig
Staff Present: Jason Sykora, Electric Superintendent; Ryan Anderson, Water/Wastewater Superintendent; Andy Spielman, Building Official (11:50 AM) and Leesa Arndt, Utility Billing/Analyst

Others Present: Nick Klisch, Cottonwood County Engineer and Tom Appel, Cottonwood County Commissioner

APPROVE MINUTES

Motion by Riordan second by Francis to approve September 13, 2023 Minutes. Motion carried 3 – 0.

ELECTRIC ITEMS

Transmission Line Project Update

Sykora stated the contractor has been progressing on the project well. They are currently waiting for a crane to lift a larger pole and a flagging crew from the railroad to complete the crossings. They are still projecting a substantial completion date of October 31st.

Transmission Line Project Pay Request #2

Motion by Riordan second by Francis to approve Pay Request #2 in the amount of $1,390,669.41 for the Transmission Line Reconstruction Project. Motion carried 3 – 0.

Truck Shed Addition Project Update

Sykora mentioned a minor weather set back last week. The contractor has completed the cement apron, are cutting lines/relief joints, and working on the firewall construction. Sykora added roof panel delivery was pushed back three weeks.

Truck Shed Addition Pay Request #4

Sykora explained the pay request was for the Change Orders #1 and #2 that were approved at the previous meeting.

Motion by Francis second by Riordan to approve Pay Request #4 in the amount of $31,806.95 for the Truck Shed Addition Project. Motion carried 3 – 0.

Generation Plant Project Update

Sykora told the Commission that paperwork and bonding are being finalized. The contractor hopes to begin construction soon.

Windom Area Health Ribbon Request

Sykora received a request to place ribbons along the light poles for cancer awareness. He added that this was allowed prior for Domestic Abuse awareness and Support the Troops. The

Commission consensus was to allow the placement (as a city owned entity) and stressed those placing the ribbons exercise caution and safety. They added that traffic views must remain unobscured. There would be no financial impact to the city.

Grant Writing Consulting Agreement
Sykora and Nasby reviewed the Consulting Agreement with Frontier Energy. This grant application requires no funding match. Staff expressed those costs should be lower than the $10,000 (not to exceed cost) as much of the information has been gathered for the previous application.

Motion by Riordan second by Francis to approve the Grant Writing Consulting Agreement with Frontier Energy Services and the City of Windom. Motion carried 3 – 0.

Rate Study
Sykora explained the forecasted electric department financials. He included projections with and without the processing plant electric loads. The Commission discussed the anticipated load requirements and current power contracts. Comparable towns' costs comparisons were also shown. Sykora added that seven of these cities are also completing rate studies. The Commission is comfortable with an increase of 4% for 2024 and will present this to MRES. Staff will request additional scenarios based on industry projections, grant monies, and future bond payments. Sykora will have more solid information at the next regular meeting.

Other Electric Items
Sykora briefed the commission on the status of the relocating Minnesota Energy's DRS (Distribution Regulating Station) that is located just east of the substation. Minnesota Energy came across an easement for the DRS dating back to 1955. Due to the easement, it complicates how the moving of the DRS will be funded, if at all. Staff has expressed their concerns and recommendations to the gas company as to the importance of relocating the station.

WATER/WASTEWATER ITEMS
Rolling Green Force Main Project/Pay Request #1
Anderson explained the project work is completed. He noticed a drop in the amount of pumping time. The contractor did excavate some old material from a previous business to run the new line. Anderson and DGR are recommending approval.

Motion by Riordan second by Francis to approve Pay Request #1 in the amount of $183,422.20 for the Rolling Green Force Main Project. Motion carried 3 – 0.

CSAH 15 Extension Discussion
Nick Klisch, Cottonwood County Engineer and Tom Appel, Cottonwood County Commissioner handed out preliminary plans for the water and sewer line extension on CSAH 15. The County's predicted usage for the building would only require 6" water and sanitary sewer lines. The city currently has a 12" water line and 8" sanitary sewer line. Klisch requested a cost-share from their needed 6" service line to the oversized lines for future development. Schwalbach said the Utility Commission has had a past precedence of paying for the over-sized costs that would encourage future development or connections. The Commission agreed to pay the difference of the line costs as the County's full project would include linear footage costs of 6" lines.

Other Water/Wastewater Items

Anderson received a call from the Cottonwood County Vet Clinic staff inquiring about hooking up to city water service. The Commission talked about the annexation requirements, potential connection points, and if the clinic's current septic system would be allowed. Schwalbach asked Spielman if there was anything in the City Code about the allowance of septic systems. Spielman replied that the most recent code changes were for new subdivisions and would have to research existing code for clarification if an existing septic system would be permissible. The Commission discussed a variance option. Staff will present options to the clinic.

Anderson stated hydrant flushing will take place the week of October 9th. Landfill testing will also be completed in October.

Anderson is working on budgets. He noted the income loss due to the plant closure, but also has cost savings with reduced chemical needs.

Francis left the meeting at 12:03 PM.

<u>REGULAR BILLS</u>
Motion by Riordan second by Schwalbach to approve the Regular bills as presented. Motion carried 2 – 0.

<u>OLD BUSINESS</u>
Anderson said administrative staff is making progress on the grant funds from the state.

<u>NEW BUSINESS</u>
The next regular meeting was set for October 25th at 10:00 in the City Council Chambers.

<u>ADJOURN</u>

Schwalbach adjourned the meeting at 12:12 PM.

____
Mike Schwalbach, Chairperson

Attest: __

____
Steve Nasby, City Administrator

Windom, MN

Expense Approval Report
By Fund

Payment Dates 9/16/2023 - 9/29/2023

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
Fund: 100 - GENERAL					
WILLIAM & CHELSIE BARLOW	12294-9	09/14/2023	CREDIT REFUND	100-20191	56.37
MOISES SANDOVAL HERNAND	12590-8	09/14/2023	CREDIT REFUND	100-20191	179.24
CARRIE WESTERMAN	14343-3	09/14/2023	CREDIT REFUND	100-20191	48.93
E.C WIEMANN	21292-6	09/14/2023	CREDIT REFUND	100-20191	29.17
MARILYN SUDENGA	24332-1	09/14/2023	CREDIT REFUND	100-20191	41.56
RYAN ZAMZOW	27949-2	09/14/2023	CREDIT REFUND	100-20191	18.04
JOSE C GUZMAN	2862-6	09/14/2023	CREDIT REFUND	100-20191	63.85
GOLDIE GRANT	57100-0	09/14/2023	CREDIT REFUND	100-20191	21.20
MATTHEW D STRUM	65324-7	09/14/2023	CREDIT REFUND	100-20191	14.55
KARLEE RAE HILL	9772-1	09/14/2023	CREDIT REFUND	100-20191	130.82
MN REVENUE	AUGUST 2023	09/19/2023	SALES TAX	100-20202	26,181.37
MN REVENUE	AUGUST 2023	09/19/2023	SALES TAX	100-20202	146.00
MN REVENUE	AUGUST 2023	09/19/2023	SALES TAX	100-20202	5,846.00
MN REVENUE	AUGUST 2023	09/19/2023	SALES TAX	100-20202	229.00
					33,006.10
Activity: 41110 - Mayor & Council					
BRENT JAMES HOGEN	23246	09/15/2023	DEER HUNT/PRINTING	100-41110-350	324.00
COALITION OF GREATER MN C	2024 CGMC	09/14/2023	2024 CGMC GENERAL DUES A	100-41110-433	8,559.00
COTTONWOOD CO RECORDE	A 297248	09/15/2023	CITY/A 297248/HUTTONS & C	100-41110-480	46.00
CONVENT. & VISITOR BUREAU	AUGUST 2023	09/25/2023	LODGING TAX/AMERICINN	100-41110-491	4,729.76
CONVENT. & VISITOR BUREAU	AUGUST 2023	09/25/2023	LODGING TAX/RED CARPET IN	100-41110-491	1,202.70
			Activity 41110 - Mayor & Council Total:		**14,861.46**
Activity: 41310 - Administration					
INDOFF, INC	3675653	09/14/2023	CITY OFFICE/SUPPLIES	100-41310-200	64.08
WEX Health Inc	0001807859-IN	09/20/2023	PARTICIPANT FEE	100-41310-217	121.00
STEVE NASBY	9-22-23	09/25/2023	SW CITY ADMINISTRATOR ME	100-41310-331	89.08
			Activity 41310 - Administration Total:		**274.16**
Activity: 41940 - City Hall					
HOMETOWN SANITATION SER	0000526037	09/13/2023	CITY HALL/REFUSE DISPOSAL	100-41940-384	108.99
			Activity 41940 - City Hall Total:		**108.99**
Activity: 42120 - Crime Control					
INDOFF, INC	3676697	09/21/2023	POLICE/SUPPLIES	100-42120-200	129.96
WINDOM AREA HEALTH	318985774	09/14/2023	POLICE/MEDICAL FEES	100-42120-305	65.00
ALPHA WIRELESS - MANKATO	17472	09/21/2023	POLICE/RADIO UNITS	100-42120-323	108.00
ALPHA WIRELESS - MANKATO	22184	09/07/2023	POLICE/RADIO UNITS	100-42120-323	108.00
SHI INTERNATIONAL CORP	B17325542	09/07/2023	POLICE/DATA PROCESSING	100-42120-326	476.00
LANGUAGE LINE SERVICES, IN	11096203	09/14/2023	POLICE/INTERPRETATION FEE	100-42120-327	17.50
LEAGUE OF MN CITIES INS TR	21385	09/21/2023	00493308/WC DEDUCTIBLE	100-42120-364	1,000.00
HIGLEY FORD	132182	09/14/2023	POLICE/MAINTENANCE - VEHI	100-42120-405	3.59
PAUL MARSH	28664	09/12/2023	POLICE/MAINTENANCE - VEHI	100-42120-405	1,104.60
MT LAKE POLICE DEPARTMEN	SEPT 2023	09/14/2023	POLICE/TIRE REPLACEMENT/S	100-42120-405	932.71
SCB PUBLIC FINANCE	10-14-2023	09/12/2023	POLICE/40049-01/5-60/VEHIC	100-42120-419	1,054.07
FLEET SERVICES DIVISION	2024020001	09/21/2023	POLICE/VEHICLE LEASE	100-42120-419	716.23
WINDOM FIRE & SAFETY, LLC	0008403	09/14/2023	POLICE/MISC	100-42120-480	39.95
ADAPTIVE MICRO SYSTEMS, L	IA0028121	09/19/2023	POLICE/MISC	100-42120-480	248.97
			Activity 42120 - Crime Control Total:		**6,004.58**
Activity: 42220 - Fire Fighting					
MN FIRE SERVICE CERTIFICATI	11788	09/19/2023	FIRE/TRAINING & REGISTRATI	100-42220-308	50.00
HOMETOWN SANITATION SER	0000526094	09/13/2023	FIRE/REFUSE DISPOSAL	100-42220-384	43.50
MUNICIPAL EMERGENCY SER	IN1930400	09/21/2023	FIRE/MAINTENANCE - OFFICE	100-42220-404	455.52

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
WW COMMUNICATIONS AND	7425	09/26/2023	FIRE/AMBO/MAINTENANCE -	100-42220-406	180.00
				Activity 42220 - Fire Fighting Total:	**729.02**
Activity: 43100 - Streets					
FLOORCOAT MIDWEST, LLC	91123	09/14/2023	STREET	100-43100-224	1,950.00
HOMETOWN SANITATION SER	0000526038	09/13/2023	STREET/REFUSE DISPOSAL	100-43100-384	108.99
RICHARD BARNETT	739	09/25/2023	STREET/2220 7TH AVE	100-43100-402	650.00
MACQUEEN EQUIP. CO.	P52562	09/15/2023	STREET/49 SWEEPER	100-43100-404	318.12
CARQUEST - SMITH AUTO SUP	8-31-2023	09/26/2023	MAINTENANCE	100-43100-405	281.38
				Activity 43100 - Streets Total:	**3,308.49**
Activity: 45202 - Park Areas					
MN DEPT OF NAT RES - ECO-	8107601	09/14/2023	STREET/PRINTING	100-45202-350	22.80
HOMETOWN SANITATION SER	0000526039	09/13/2023	SQUARE/REFUSE DISPOSAL	100-45202-384	62.98
HOMETOWN SANITATION SER	0000526056	09/13/2023	ISLAND PARK/REFUSE DISPOS	100-45202-384	45.30
HOMETOWN SANITATION SER	0000526057	09/13/2023	TEGELS PARK/REFUSE DISPOS	100-45202-384	51.68
HOMETOWN SANITATION SER	0000526058	09/13/2023	WRA/REFUSE DISPOSAL	100-45202-384	38.98
HOMETOWN SANITATION SER	0000526059	09/13/2023	KASTLE KINGDOM/REFUSE DI	100-45202-384	69.98
HOMETOWN SANITATION SER	0000526072	09/13/2023	MAYFLOWER/REFUSE DISPOS	100-45202-384	45.98
HOMETOWN SANITATION SER	0000526100	09/13/2023	ABBY PARK/REFUSE DISPOSAL	100-45202-384	21.98
US LBM OPERATING CO 3009	10060265	09/15/2023	STREET/WRA DUGOUTS	100-45202-402	228.18
US LBM OPERATING CO 3009	2006811	09/12/2023	STREET/MAINTENANCE - STR	100-45202-402	55.52
US LBM OPERATING CO 3009	2008322	09/12/2023	STREET/MAINTENANCE - STR	100-45202-402	631.54
SCHILLING SUPPLY COMPANY	928719-00	09/21/2023	STREET/MAINTENANCE - STR	100-45202-402	239.88
SCHILLING SUPPLY COMPANY	931356-00	09/12/2023	STREET/MAINTENANCE - STR	100-45202-402	-205.85
M-R SIGN CO., INC	221403	09/14/2023	STREET/MAINTENANCE - GRO	100-45202-406	109.57
				Activity 45202 - Park Areas Total:	**1,418.52**
				Fund 100 - GENERAL Total:	**59,711.32**
Fund: 211 - LIBRARY					
Activity: 45501 - Library					
MICROMARKETING, LLC	933454	09/25/2023	LIBRARY/BOOKS/PAMPHLETS	211-45501-435	92.75
				Activity 45501 - Library Total:	**92.75**
				Fund 211 - LIBRARY Total:	**92.75**
Fund: 225 - AIRPORT					
Activity: 45127 - Airport					
BEST OIL COMPANY	81765	09/26/2023	AIRPORT/	225-45127-264	29,588.33
SOUTHWEST MN BROADBAN	09-15-2023	09/20/2023	AIRPORT/TELEPHONE	225-45127-321	102.24
				Activity 45127 - Airport Total:	**29,690.57**
				Fund 225 - AIRPORT Total:	**29,690.57**
Fund: 235 - AMBULANCE					
Activity: 42153 - Ambulance					
LINDE GAS & EQUIPMENT INC	38047328	09/12/2023	AMBO/MERCHANDISE-MEDIC	235-42153-261	602.04
AMBER SVOBODA	9-9-23	09/19/2023	AMBO/TRAINING & REGISTRA	235-42153-308	35.24
APRIL PETERSON JURGENS	9-9-23	09/19/2023	AMBO/MILEAGE	235-42153-331	94.98
MEGAN BRAMSTEDT	8-30-23	09/19/2023	AMBO/MEALS	235-42153-334	30.00
LANDON JOHNSON	9-12-23 - 9-14-23	09/19/2023	AMBO/MEALS	235-42153-334	71.70
DAN MESNER	9-15-23	09/19/2023	AMBO/MEALS	235-42153-334	16.32
KRISTEN PORATH	9-16-23	09/19/2023	AMBO/MEALS	235-42153-334	19.69
TIM HACKER	9-4-23	09/19/2023	AMBO/MEALS	235-42153-334	15.79
ROB VISKER	9-6-23 - 9-14-23	09/19/2023	AMBO/MEALS	235-42153-334	41.43
KIM POWERS	9-8-23 - 9-11-23	09/19/2023	AMBO/MEALS	235-42153-334	65.50
JODI JOHNSON	9-9-23	09/19/2023	AMBO/MEALS	235-42153-334	13.60
HOMETOWN SANITATION SER	0000526094	09/13/2023	AMBO/REFUSE DISPOSAL	235-42153-384	43.49
ALPHA WIRELESS - MANKATO	22342	09/21/2023	AMBO/MAINTENANCE - OFFI	235-42153-404	14.50
ZOLL MEDICAL CORPORATION	3809636	09/21/2023	AMBO/MAINTENANCE - OFFI	235-42153-404	1,569.48
SIRIUS XM RADIO INC	X7-1938790553	09/21/2023	AMBO/MAINTENANCE - VEHI	235-42153-405	20.29
WW COMMUNICATIONS AND	7425	09/26/2023	FIRE/AMBO/MAINTENANCE -	235-42153-406	120.00
				Activity 42153 - Ambulance Total:	**2,774.05**
				Fund 235 - AMBULANCE Total:	**2,774.05**

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
Fund: 250 - EDA GENERAL					
Activity: 46520 - EDA					
STEVE NASBY	SEPT 15, 2023	09/20/2023	EDA/CJN EVENT/TRAVEL EXPE	250-46520-331	167.68
STEVE NASBY	09-20-2023	09/25/2023	PREMIUM IOWA PORK/MEAL	250-46520-334	16.83
BRENT JAMES HOGEN	F2340	09/19/2023	EDA/ADVERTISING	250-46520-340	199.00
WINDOM THEATER, INC.	HOLIDAY 2023	09/11/2023	EDA/ADVERTISING	250-46520-340	50.00
CITIZEN PUBLISHING CO	2023 SUSCRIPTION	09/21/2023	EDA/SUBSCRIPTION RENEWA	250-46520-433	72.00
COTTONWOOD CO RECORDE	A 297383	09/15/2023	EDA/RESOLUTION # 2023-36	250-46520-480	46.00
COTTONWOOD CO RECORDE	A 297384	09/19/2023	RESOUTION #2023-36/SURVE	250-46520-480	46.00
				Activity 46520 - EDA Total:	**597.51**
				Fund 250 - EDA GENERAL Total:	**597.51**
Fund: 254 - NORTH IND PARK					
Activity: 46520 - EDA					
KULSETH LAWN LANDSCAPE	4015	09/27/2023	EDA/NWIP MOWING	254-46520-406	210.00
				Activity 46520 - EDA Total:	**210.00**
				Fund 254 - NORTH IND PARK Total:	**210.00**
Fund: 309 - 2024 STREET PROJECT					
Activity: 41000 - General Government					
DGR ENGINEERING	00262777	09/21/2023	STREET/2024 STREET IMPROV	309-41000-303	2,126.00
				Activity 41000 - General Government Total:	**2,126.00**
				Fund 309 - 2024 STREET PROJECT Total:	**2,126.00**
Fund: 401 - GENERAL CAPITAL PROJECTS					
Activity: 49950 - Capital Outlay					
DGR ENGINEERING	00262764	09/21/2023	CUL-DE-SAC	401-49950-503	2,765.00
REDWOOD FALLS NURSERY, IN	8-14-23	09/26/2023	WINDOM VETERANS MEMOR	401-49950-504	4,504.00
				Activity 49950 - Capital Outlay Total:	**7,269.00**
				Fund 401 - GENERAL CAPITAL PROJECTS Total:	**7,269.00**
Fund: 601 - WATER					
MBS - MULTI-BANK SECURITIE	171152	09/18/2023	WATER/INVESTMENTS/FIFTH	601-10400	243,000.00
					243,000.00
Activity: 49400 - Water					
CHAD BRAND	9-11-23	09/26/2023	WATER/SAFTY BOOTS	601-49400-217	150.00
MN VALLEY TESTING	1216085	09/14/2023	WATER/LAB TESTING	601-49400-310	85.25
GOPHER STATE ONE CALL	3080846	09/08/2023	LOCATES	601-49400-321	17.21
INNOVATIVE SYSTEMS LLC	INV-12807	09/14/2023	POSTAGE	601-49400-322	255.51
INNOVATIVE SYSTEMS LLC	INV-12644	09/08/2023	DATA PROCESSING	601-49400-326	876.77
INNOVATIVE SYSTEMS LLC	INV-12644	09/08/2023	DATA PROCESSING	601-49400-326	517.50
INNOVATIVE SYSTEMS LLC	INV-12807	09/14/2023	PROCESSING	601-49400-326	162.40
COUNTY WIDE DIRECTORY	73769	09/01/2023	ADVERTISING	601-49400-340	90.00
INNOVATIVE SYSTEMS LLC	INV-12807	09/14/2023	INSERTS	601-49400-350	1.50
LEAGUE OF MN CITIES INS TR	21352	09/21/2023	00492076/WC DEDUCTIBLE	601-49400-364	317.03
HOMETOWN SANITATION SER	0000526041	09/13/2023	WASTEWATER/REFUSE DISPO	601-49400-384	113.98
STANTEC CONSULTING SERVIC	2124046	09/08/2023	WATER/LANDFILL	601-49400-386	5,405.06
UNITED SYSTEMS & SOFTWAR	101035	09/26/2023	WATER/MAINTENANCE - DIST	601-49400-408	2,861.14
WESTRUM LEAK DETECTION I	4062	09/14/2023	WATER/MAINTENANCE - DIST	601-49400-408	1,800.00
FLOORCOAT MIDWEST, LLC	8723	09/26/2023	WATER/MAINTENANCE - DIST	601-49400-408	5,250.00
FLOORCOAT MIDWEST, LLC	91123	09/14/2023	WATER	601-49400-408	450.00
BRENT HANSON	9954	09/21/2023	WATER/MAINTENANCE - DIST	601-49400-408	442.20
				Activity 49400 - Water Total:	**18,795.55**
				Fund 601 - WATER Total:	**261,795.55**
Fund: 602 - SEWER					
Activity: 49450 - Sewer					
MN VALLEY TESTING	1215767	09/08/2023	SEWER/LAB TESTING	602-49450-310	324.06
MN VALLEY TESTING	1215796	09/08/2023	SEWER/LAB TESTING	602-49450-310	130.46
MN VALLEY TESTING	1216032	09/14/2023	SEWER/LAB TESTING	602-49450-310	200.86
MN VALLEY TESTING	1216243	09/14/2023	SEWER/LAB TESTING	602-49450-310	273.90
MN VALLEY TESTING	1216618	09/21/2023	SEWER/LAB TESTING	602-49450-310	16.72

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
MN VALLEY TESTING	1216619	09/21/2023	SEWER/LAB TESTING	602-49450-310	155.76
MN VALLEY TESTING	1216621	09/21/2023	SEWER/LAB TESTING	602-49450-310	130.46
MN VALLEY TESTING	1216794	09/21/2023	SEWER/LAB TESTING	602-49450-310	324.06
MN VALLEY TESTING	1216834	09/21/2023	SEWER/LAB TESTING	602-49450-310	63.25
GOPHER STATE ONE CALL	3080846	09/08/2023	LOCATES	602-49450-321	17.22
INNOVATIVE SYSTEMS LLC	INV-12807	09/14/2023	POSTAGE	602-49450-322	255.50
INNOVATIVE SYSTEMS LLC	INV-12644	09/08/2023	DATA PROCESSING	602-49450-326	876.78
INNOVATIVE SYSTEMS LLC	INV-12644	09/08/2023	DATA PROCESSING	602-49450-326	517.50
INNOVATIVE SYSTEMS LLC	INV-12807	09/14/2023	PROCESSING	602-49450-326	162.40
COUNTY WIDE DIRECTORY	73769	09/01/2023	ADVERTISING	602-49450-350	90.00
INNOVATIVE SYSTEMS LLC	INV-12807	09/14/2023	INSERTS	602-49450-350	1.50
FLOORCOAT MIDWEST, LLC	91123	09/14/2023	SEWER	602-49450-408	6,400.00
				Activity 49450 - Sewer Total:	**9,940.43**
				Fund 602 - SEWER Total:	**9,940.43**

Fund: 604 - ELECTRIC

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
MBS - MULTI-BANK SECURITIE	171149	09/20/2023	EL/INVESTMENT/WEX BANK	604-10400	243,000.00
MBS - MULTI-BANK SECURITIE	171150	09/18/2023	EL/INVESTMENT/BANK OF CHI	604-10400	243,000.00
MBS - MULTI-BANK SECURITIE	171151	09/20/2023	EL/INVESTMENT/CD TIAA FSB	604-10400	243,000.00
ELECTRIC FUND	# 476 RETURN	09/26/2023	EL/1105 1ST AVE NORTH	604-14200	496.67
VAN METER INC	S012892515.001	09/08/2023	EL/INVENTORY	604-14200	60.06
IRBY ELECTRICAL DISTRIBUTO	S013693022.001	09/11/2023	EL/INVENTORY	604-14200	864.00
J. H. LARSON	S103005596.001	09/08/2023	EL/INVENTORY	604-14200	149.75
DAKOTA SUPPLY GROUP	S103026171.001	09/08/2023	EL/INVENTORY	604-14200	549.08
WILCON CONSTRUCTION SER	9-20-2023	09/20/2023	EL/# 3 TRUCK GARAGE	604-16200	249,154.30
AMERICAN ENGINEERING TES	INV-148369	09/14/2023	EL/BUILDINGS	604-16200	1,915.00
ELECTRIC FUND	# 803	09/25/2023	EL/EAST HILL	604-16300	3,448.60
ELECTRIC FUND	# 805	09/25/2023	EL/EAST HILL	604-16300	24,005.07
ELECTRIC FUND	# 806	09/26/2023	EL/EAST HILL	604-16300	1,198.00
MN REVENUE	AUGUST 2023	09/19/2023	SALES TAX	604-20202	948.63
WILLIAM & CHELSIE BARLOW	12294-9 DEPOSIT	09/15/2023	ELECTRIC PREPAYMENT REFU	604-22000	125.00
CARRIE WESTERMAN	14343-3 DEPOSIT	09/15/2023	ELECTRIC PREPAYMENT REFU	604-22000	300.00
JERICCA ANDERSEN	26629-3 DEPOSIT	09/15/2023	ELECTRIC PREPAYMENT REFU	604-22000	300.00
RYAN ZAMZOW	27949-2 DEPOSIT	09/15/2023	ELECTRIC PREPAYMENT REFU	604-22000	300.00
BYRON I LOPEZ BARRIOS	28973-4 DEPOSIT	09/15/2023	ELECTRIC PREPAYMENT REFU	604-22000	300.00
JOSE VEGA CHAVEZ	3374-7	09/15/2023	ELECTRIC PREPAYMENT REFU	604-22000	300.00
HAILEY CARTER	36141-5 DEPOSIT	09/15/2023	ELECTRIC PREPAYMENT REFU	604-22000	300.00
JOSE GARCIA CORTES	45869-3	09/15/2023	ELECTRIC PREPAYMENT REFU	604-22000	229.47
JOHN AGUILA	46636-4 DEPOSIT	09/15/2023	ELECTRIC PREPAYMENT REFU	604-22000	300.00
MATTHEW D STRUM	65324-7 DEPOSIT	09/14/2023	ELECTRIC PREPAYMENT REFU	604-22000	300.00
JOSE ANGEL ORTIZ	7470-2 DEPOSIT	09/15/2023	ELECTRIC PREPAYMENT REFU	604-22000	300.00
					1,014,843.63

Activity: 49550 - Electric

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
CARQUEST - SMITH AUTO SUP	8-31-2023	09/26/2023	MAINTENANCE	604-49550-241	11.03
CMP - CENTRAL MUNICIPAL P	7566	09/12/2023	EL/TRANSMISSION	604-49550-263	156,726.70
CMP - CENTRAL MUNICIPAL P	7566	09/12/2023	EL/ENERGY	604-49550-263	77,372.09
DEPARTMENT OF ENERGY	BFPB000800823	09/12/2023	EL/MERCHANDISE FOR RESAL	604-49550-263	101,534.15
MN MUNICIPAL UTILITIES ASS	62241	09/21/2023	EL/TRAINING & REGISTRATIO	604-49550-308	676.00
GOPHER STATE ONE CALL	3080846	09/08/2023	LOCATES	604-49550-321	17.21
INNOVATIVE SYSTEMS LLC	INV-12807	09/14/2023	POSTAGE	604-49550-322	255.51
INNOVATIVE SYSTEMS LLC	INV-12644	09/08/2023	DATA PROCESSING	604-49550-326	1,753.54
INNOVATIVE SYSTEMS LLC	INV-12644	09/08/2023	DATA PROCESSING	604-49550-326	1,035.00
INNOVATIVE SYSTEMS LLC	INV-12807	09/14/2023	PROCESSING	604-49550-326	162.40
STEVE NASBY	9-14-2023	09/15/2023	CMPAS ANNUAL MEETING	604-49550-331	99.56
COUNTY WIDE DIRECTORY	73769	09/01/2023	ADVERTISING	604-49550-340	90.00
INNOVATIVE SYSTEMS LLC	INV-12807	09/14/2023	INSERTS	604-49550-350	1.50
HOMETOWN SANITATION SER	0000526042	09/13/2023	EL/REFUSE DISPOSAL	604-49550-384	111.98
US LBM OPERATING CO 3009	2002231	09/08/2023	EL/MAINTENANCE - STRUCTU	604-49550-402	22.23
COTTONWOOD CO SOLID WA	5120	09/26/2023	EL/LANDFILL	604-49550-402	4.00
ELECTRIC FUND	# 798	09/19/2023	EL/MAINTENANCE - DISTRIBU	604-49550-408	45.62

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
ELECTRIC FUND	# 799	09/19/2023	EL/MAINTENANCE - DISTRIBU	604-49550-408	98.01
ELECTRIC FUND	# 800	09/19/2023	EL/MAINTENANCE - DISTRIBU	604-49550-408	293.51
ELECTRIC FUND	# 801	09/21/2023	EL/MAINTENANCE - DISTRIBU	604-49550-408	33.07
ELECTRIC FUND	# 802	09/21/2023	EL/MAINTENANCE - DISTRIBU	604-49550-408	238.18
ELECTRIC FUND	# 804	09/25/2023	EL/MAINTENANCE - DISTRIBU	604-49550-408	2.31
SCOTT VEENKER	30032	09/21/2023	EL/MAINTENANCE - DISTRIBU	604-49550-408	41.25
CARQUEST - SMITH AUTO SUP	8-31-2023	09/26/2023	MAINTENANCE	604-49550-410	-227.78
CARQUEST - SMITH AUTO SUP	8-31-2023	09/26/2023	MAINTENANCE	604-49550-410	227.78
MN DEPT OF COMMERCE	1000050649	09/11/2023	EL/CONSERVATION - ENERGY	604-49550-433	540.99
MN DEPT OF COMMERCE	1000050649	09/11/2023	EL/CONSERVATION - ENERGY	604-49550-450	850.71
CMP - CENTRAL MUNICIPAL P	7566	09/12/2023	EL/CIP	604-49550-450	3,610.30
WINDOM AREA SCHOOLS	SEPT 2023	09/20/2023	EL/CONSERVATION - ENERGY	604-49550-450	10,942.73
MN REVENUE	AUGUST 2023	09/19/2023	SALES TAX	604-49550-460	227.00
				Activity 49550 - Electric Total:	**356,796.58**
				Fund 604 - ELECTRIC Total:	**1,371,640.21**
Fund: 609 - LIQUOR STORE					
DGR ENGINEERING	00262775	09/21/2023	LIQUOR S/STORE ADDITION	609-16200	384.00
CITY OF WINDOM	9-13-23	09/15/2023	LIQUOR S/BUILDING PERMIT	609-16200	5,990.75
MN REVENUE	AUGUST 2023	09/19/2023	SALES TAX	609-20202	18,999.00
					25,373.75
Activity: 49751 - Liquor Store					
AH HERMEL COMPANY	989173/989173	09/12/2023	LIQUOR S/OPERATING SUPPLI	609-49751-211	128.31
AH HERMEL COMPANY	989173/989173	09/12/2023	LIQUOR S/OPERATING SUPPLI	609-49751-217	20.90
VINOCOPIA, INC	0335324-IN	09/05/2023	LIQUOR S/LIQUOR/FREIGHT	609-49751-251	892.50
BREAKTHRU BEVERAGE MN	111736723	09/14/2023	LIQUOR S/LIQUOR/FREIGHT	609-49751-251	446.46
BREAKTHRU BEVERAGE MN	112131279	09/21/2023	LIQUOR S/LIQUOR/SOFT DRIN	609-49751-251	3,598.01
SOUTHERN GLAZER'S OF MN	2387913	09/12/2023	LIQUOR S/LIQUOR/FREIGHT	609-49751-251	4,243.54
BREAKTHRU BEVERAGE MN	411414980	09/21/2023	LIQUOR S/LIQUOR/FREIGHT	609-49751-251	-82.60
BREAKTHRU BEVERAGE MN	411441503	09/25/2023	LIQUOR S/LIQUOR/FREIGHT	609-49751-251	-225.63
BREAKTHRU BEVERAGE MN	112131279	09/21/2023	LIQUOR S/LIQUOR/SOFT DRIN	609-49751-254	24.00
ATLANTIC COCA-COLA	4156305	09/12/2023	LIQUOR S/SOFT DRINKS & MI	609-49751-254	270.00
AH HERMEL COMPANY	989175/989175	09/08/2023	LIQUOR S/MERCHANDISE	609-49751-254	100.42
AH HERMEL COMPANY	989175/989175	09/08/2023	LIQUOR S/MERCHANDISE	609-49751-256	108.67
HOME CITY ICE COMPANY	7067230583	09/14/2023	LIQUOR S/ICE/FREIGHT	609-49751-257	156.32
AH HERMEL COMPANY	989175/989175	09/08/2023	LIQUOR S/MERCHANDISE	609-49751-261	111.30
ZABINSKI BUSINESS SERVICES,	3008	09/21/2023	LIQUOR S/DATA PROCESSING	609-49751-326	240.00
VINOCOPIA, INC	0335324-IN	09/05/2023	LIQUOR S/LIQUOR/FREIGHT	609-49751-333	14.00
BREAKTHRU BEVERAGE MN	111736723	09/14/2023	LIQUOR S/LIQUOR/FREIGHT	609-49751-333	11.41
BREAKTHRU BEVERAGE MN	112131279	09/21/2023	LIQUOR S/LIQUOR/SOFT DRIN	609-49751-333	57.35
SOUTHERN GLAZER'S OF MN	2387913	09/12/2023	LIQUOR S/LIQUOR/FREIGHT	609-49751-333	71.06
BREAKTHRU BEVERAGE MN	411414980	09/21/2023	LIQUOR S/LIQUOR/FREIGHT	609-49751-333	-0.77
BREAKTHRU BEVERAGE MN	411441503	09/25/2023	LIQUOR S/LIQUOR/FREIGHT	609-49751-333	-1.85
HOME CITY ICE COMPANY	7067230583	09/14/2023	LIQUOR S/ICE/FREIGHT	609-49751-333	5.25
AH HERMEL COMPANY	989175/989175	09/08/2023	LIQUOR S/MERCHANDISE	609-49751-333	8.95
UNIVERSAL PUBLICATIONS	165137	09/19/2023	LIQUOR S/ADVERTISING	609-49751-340	300.00
COMMUNITY FIRST BROADCA	23080666	09/14/2023	LIQUOR S/ADVERTISING	609-49751-340	375.00
COUNTY WIDE DIRECTORY	73767	09/08/2023	LIQUOR S/ADVERTISING	609-49751-340	370.00
BRENT JAMES HOGEN	F2385	09/19/2023	LIQUOR S/ADVERTISING	609-49751-340	234.00
FORUM COMMUNICATIONS C	MP2999810823	09/14/2023	LIQUOR S/ADVERTISING	609-49751-340	35.00
HOMETOWN SANITATION SER	0000526040	09/13/2023	LIQUOR S/REFUSE DISPOSAL	609-49751-384	183.99
MN REVENUE	AUGUST 2023	09/19/2023	SALES TAX	609-49751-460	13.00
				Activity 49751 - Liquor Store Total:	**11,708.59**
				Fund 609 - LIQUOR STORE Total:	**37,082.34**
Fund: 614 - TELECOM					
Activity: 49870 - Telecom					
MN DEPT OF COMMERCE	1000050356	09/21/2023	TELECOM/LEGAL FEES	614-49870-304	404.87
OLSEN THIELEN & CO.,LTD	78297	09/26/2023	TELECOM/LEGAL FEES	614-49870-304	420.00
INTERSTATE TRS FUND	82580760069-0923	09/25/2023	514b OBLIGATION INTERSTAT	614-49870-304	2.05
INTERSTATE TRS FUND	82580760069-0923	09/25/2023	514a OBLIGATION TOTAL 499	614-49870-304	597.44

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
GOPHER STATE ONE CALL	3080846	09/08/2023	LOCATES	614-49870-321	17.21
INNOVATIVE SYSTEMS LLC	INV-12807	09/14/2023	POSTAGE	614-49870-322	255.51
INNOVATIVE SYSTEMS LLC	INV-12644	09/08/2023	DATA PROCESSING	614-49870-326	936.25
INNOVATIVE SYSTEMS LLC	INV-12644	09/08/2023	DATA PROCESSING	614-49870-326	1,753.54
INNOVATIVE SYSTEMS LLC	INV-12644	09/08/2023	DATA PROCESSING	614-49870-326	1,035.00
INNOVATIVE SYSTEMS LLC	INV-12807	09/14/2023	PROCESSING	614-49870-326	162.40
NEUSTAR, INC.	L-0000044070	09/21/2023	TELECOM/DATA PROCESSING	614-49870-326	380.50
COUNTY WIDE DIRECTORY	73769	09/01/2023	ADVERTISING	614-49870-340	100.00
BRENT JAMES HOGEN	F2352	09/19/2023	TELECOM/ADVERTISING	614-49870-340	169.00
WINDOM THEATER, INC.	MATINEE 2023	09/21/2023	TELECOM/ADVERTISING/HOLI	614-49870-340	100.00
INNOVATIVE SYSTEMS LLC	INV-12807	09/14/2023	INSERTS	614-49870-350	1.50
HOMETOWN SANITATION SER	0000526043	09/13/2023	TELECOM/REFUSE DISPOSAL	614-49870-384	99.99
SMITH AUTOMOTIVE CO	43198	09/21/2023	TELECOM/UNIT #904/2009 SI	614-49870-405	271.70
KULSETH LAWN LANDSCAPE	4016	09/26/2023	TELECOM/MAINTENANCE - G	614-49870-406	90.84
CENTURY LINK	535303	09/21/2023	DIRECTORY LISTINGS	614-49870-441	301.18
CONSOLIDATED COMMUNICA	09-01-23	09/21/2023	TELECOM/507-151-0204/0/S	614-49870-442	1,444.95
AZAR COMPUTER SOFTWARE	142483	09/21/2023	TELECOM/SUBSCRIBER FEES	614-49870-442	2,145.00
BIG TEN NETWORK, LLC	238871	09/15/2023	TELECOM/SUBSCRIBER FEES	614-49870-442	1,337.15
FOX TELEVISION STATIONS, LL	238872	09/15/2023	TELECOM/SUBSCRIBER FEES	614-49870-442	240.87
FOX TELEVISION STATIONS, LL	238873	09/15/2023	TELECOM/SUBSCRIBER FEES	614-49870-442	2,994.60
DISPLAY SYSTEMS INTERNATI	27257	09/19/2023	TELECOM/SUBSCRIBER FEES	614-49870-442	198.44
NEXSTAR BROADCASTING GR	531635	09/15/2023	TELECOM/SUBSCRIBER FEES	614-49870-442	216.00
ADARA TECHNOLOGIES INC	AP100223CW-55	09/21/2023	TELECOM/SUBSCRIBER FEES	614-49870-442	11,025.00
BALLY SPORTS NORTH	V38695	09/15/2023	TELECOM/SUBSCRIBER FEES	614-49870-442	6,549.19
UNIVERSAL SERVICE ADMIN C	UBDI0001393581	09/25/2023	DESCRIPTION - 499A CONTRIB	614-49870-443	1,612.36
NORTH AMERICAN NUMBERI	IN125880	09/21/2023	TELECOM/LICENSE FEES	614-49870-444	44.22
CONSOLIDATED CALL CENTER	23831	09/08/2023	TELECOM/SWITCH FEES	614-49870-445	2.55
1623 FARNAM LLC	00008329	09/08/2023	TELECOM/INTERNET EXPENSE	614-49870-447	200.00
SWWC - SOUTHWEST WEST C	73403	09/12/2023	TELECOM/ON CALL SUPPORT	614-49870-448	950.00
SWWC - SOUTHWEST WEST C	73473	09/19/2023	TELECOM/NOVEMBER 2022/	614-49870-448	950.00
ZAYO GROUP, LLC	2023090002376	09/21/2023	TELECOM/CALL COMPLETION	614-49870-451	2,101.40
ONVOY, LLC dba INTELIQUENT	367004	09/21/2023	TELECOM/CALL COMPLETION	614-49870-451	3,471.97
ONVOY, LLC dba INTELIQUENT	367074	09/21/2023	TELECOM/CALL COMPLETION	614-49870-451	187.39
CENTURY LINK	SEPT 16, 2023	09/25/2023	507 831-1075/TELEPHONE	614-49870-451	86.76
MN REVENUE	AUGUST 2023	09/19/2023	SALES TAX	614-49870-460	360.00
				Activity 49870 - Telecom Total:	**43,216.83**
				Fund 614 - TELECOM Total:	**43,216.83**

Fund: 615 - ARENA

Activity: 49850 - Arena

CARQUEST - SMITH AUTO SUP	8-31-2023	09/26/2023	MAINTENANCE	615-49850-217	7.81
HOMETOWN SANITATION SER	0000526044	09/13/2023	ARENA/REFUSE DISPOSAL	615-49850-384	169.99
MN REVENUE	AUGUST 2023	09/19/2023	SALES TAX	615-49850-460	285.00
				Activity 49850 - Arena Total:	**462.80**
				Fund 615 - ARENA Total:	**462.80**

Fund: 617 - M/P CENTER

Activity: 49860 - M/P Center

INDOFF, INC	3676694	09/19/2023	WCC/SUPPLIES	617-49860-200	14.19
INDOFF, INC	3676694	09/19/2023	WCC/SUPPLIES	617-49860-200	4.69
ESPENSON GROUP LLC	1527	09/07/2023	WCC/MISC	617-49860-211	50.00
INDOFF, INC	3676694	09/19/2023	WCC/SUPPLIES	617-49860-211	165.98
INDOFF, INC	3676694	09/19/2023	WCC/SUPPLIES	617-49860-211	94.59
BRENT JAMES HOGEN	F2369	09/15/2023	WCC/ADVERTISING	617-49860-340	309.00
BRENT JAMES HOGEN	23250	09/15/2023	CITY OFFICE/PRINTING	617-49860-350	67.80
HOMETOWN SANITATION SER	0000526045	09/13/2023	WCC/REFUSE DISPOSAL	617-49860-384	485.96
COTTONWOOD CO SOLID WA	5120	09/26/2023	WCC/LANDFILL	617-49860-384	65.00
RON'S ELECTRIC INC	150251	09/19/2023	WCC/MAINTENANCE - OFFICE	617-49860-404	197.26
LUCAN COMMUNITY TV INC	1656	09/21/2023	WCC/MAINTENANCE - UTILITI	617-49860-409	980.00
MN REVENUE	AUGUST 2023	09/19/2023	SALES TAX	617-49860-460	817.00

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
ESPENSON GROUP LLC	1530	09/27/2023	WCC/MISC	617-49860-480	213.75
				Activity 49860 - M/P Center Total:	**3,465.22**
				Fund 617 - M/P CENTER Total:	**3,465.22**
Fund: 700 - PAYROLL					
Internal Revenue Service-Payr	INV0002333	09/22/2023	Federal Tax Withholding	700-21701	11,897.98
MN Department of Revenue -	INV0002334	09/22/2023	State Withholding	700-21702	5,803.22
Internal Revenue Service-Payr	INV0002333	09/22/2023	Social Security	700-21703	14,525.16
MN Pera	INV0002331	09/22/2023	PERA	700-21704	437.50
MN Pera	INV0002331	09/22/2023	PERA	700-21704	793.62
MN Pera	INV0002331	09/22/2023	PERA	700-21704	9,352.44
MN Pera	INV0002331	09/22/2023	PERA	700-21704	15,224.80
MN State Deferred	INV0002332	09/22/2023	Deferred Roth	700-21705	1,752.00
MN State Deferred	INV0002332	09/22/2023	Deferred Compensation	700-21705	5,499.66
LOCAL UNION #949	SEPT 2023	09/20/2023	UNION DUES	700-21707	1,666.70
LAW ENFORCEMENT LABOR S	SEPT 2023	09/20/2023	POLICE/UNION DUES	700-21708	472.50
Internal Revenue Service-Payr	INV0002333	09/22/2023	Medicare Withholding	700-21711	4,276.70
WEX Health Inc	9-15-2023	09/20/2023	FLEX SPENDING	700-21712	280.00
WEX Health Inc	9-19-2023	09/20/2023	FLEX SPENDING	700-21712	20.27
WEX Health Inc	9-20-2023	09/20/2023	FLEX SPENDING	700-21712	35.98
AFLAC	238985	09/19/2023	INSURANCE SEPT 2023	700-21715	263.93
AFLAC	238985	09/19/2023	INSURANCE SEPT 2023	700-21716	704.23
MN BENEFIT ASSOCIATION	2023-0219862	09/15/2023	INSURANCE	700-21717	5.84
MN BENEFIT ASSOCIATION	2023-0219862	09/15/2023	INSURANCE	700-21719	539.55
WEX Health Inc	INV0002330	09/22/2023	VEBA Employer Contribution	700-21720	8,645.95
WEX Health Inc	INV0002329	09/22/2023	HSA Employer Contribution	700-21722	4,687.59
WEX Health Inc	INV0002328	09/22/2023	HSA Employee Contribution	700-21723	671.54
					87,557.16
				Fund 700 - PAYROLL Total:	**87,557.16**
				Grand Total:	**1,917,631.74**

Report Summary

Fund Summary

Fund	Payment Amount
100 - GENERAL	59,711.32
211 - LIBRARY	92.75
225 - AIRPORT	29,690.57
235 - AMBULANCE	2,774.05
250 - EDA GENERAL	597.51
254 - NORTH IND PARK	210.00
309 - 2024 STREET PROJECT	2,126.00
401 - GENERAL CAPITAL PROJECTS	7,269.00
601 - WATER	261,795.55
602 - SEWER	9,940.43
604 - ELECTRIC	1,371,640.21
609 - LIQUOR STORE	37,082.34
614 - TELECOM	43,216.83
615 - ARENA	462.80
617 - M/P CENTER	3,465.22
700 - PAYROLL	87,557.16
Grand Total:	**1,917,631.74**

Account Summary

Account Number	Account Name	Payment Amount
100-20191	Unapplied Cash	603.73
100-20202	Sales Tax Payable	32,402.37
100-41110-350	Printing & Design	324.00
100-41110-433	Dues & Subscriptions	8,559.00
100-41110-480	Other Miscellaneous	46.00
100-41110-491	Payments to Other Orga	5,932.46
100-41310-200	Office Supplies	64.08
100-41310-217	Other Operating Supplie	121.00
100-41310-331	Travel Expense	89.08
100-41940-384	Refuse Disposal	108.99
100-42120-200	Office Supplies	129.96
100-42120-305	Medical & Dental Fees	65.00
100-42120-323	Radio Units	216.00
100-42120-326	Data Processing	476.00
100-42120-327	Interpretation Fees	17.50
100-42120-364	Insurance - Worker's Co	1,000.00
100-42120-405	Repairs & Maint - Vehicl	2,040.90
100-42120-419	Vehicle Lease	1,770.30
100-42120-480	Other Miscellaneous	288.92
100-42220-308	Training & Registrations	50.00
100-42220-384	Refuse Disposal	43.50
100-42220-404	Repairs & Maint - M&E	455.52
100-42220-406	Repairs & Maint - Groun	180.00
100-43100-224	Street Maint Materials	1,950.00
100-43100-384	Refuse Disposal	108.99
100-43100-402	Repairs & Maint - Struct	650.00
100-43100-404	Repairs & Maint - M&E	318.12
100-43100-405	Repairs & Maint - Vehicl	281.38
100-45202-350	Printing & Design	22.80
100-45202-384	Refuse Disposal	336.88
100-45202-402	Repairs & Maint - Struct	949.27
100-45202-406	Repairs & Maint - Groun	109.57
211-45501-435	Books and Pamphlets	92.75
225-45127-264	Merchandise For Resale	29,588.33
225-45127-321	Telephone	102.24
235-42153-261	Other Merchandise-Med	602.04
235-42153-308	Training & Registrations	35.24

Account Summary

Account Number	Account Name	Payment Amount
235-42153-331	Travel Expense	94.98
235-42153-334	Meals/Lodging	274.03
235-42153-384	Refuse Disposal	43.49
235-42153-404	Repairs & Maint - M&E	1,583.98
235-42153-405	Repairs & Maint - Vehicl	20.29
235-42153-406	Repairs & Maint - Groun	120.00
250-46520-331	Travel Expense	167.68
250-46520-334	Meals/Lodging	16.83
250-46520-340	Advertising & Promotion	249.00
250-46520-433	Dues & Subscriptions	72.00
250-46520-480	Other Miscellaneous	92.00
254-46520-406	Repairs & Maint - Groun	210.00
309-41000-303	Engineering and Surveyi	2,126.00
401-49950-503	Capital Outlay - Streets	2,765.00
401-49950-504	Capital Outlay - Parks	4,504.00
601-10400	Investments - Current	243,000.00
601-49400-217	Other Operating Supplie	150.00
601-49400-310	Lab Testing	85.25
601-49400-321	Telephone	17.21
601-49400-322	Postage	255.51
601-49400-326	Data Processing	1,556.67
601-49400-340	Advertising & Promotion	90.00
601-49400-350	Printing & Design	1.50
601-49400-364	Insurance - Worker's Co	317.03
601-49400-384	Refuse Disposal	113.98
601-49400-386	Landfill	5,405.06
601-49400-408	Repairs & Maint - Distrib	10,803.34
602-49450-310	Lab Testing	1,619.53
602-49450-321	Telephone	17.22
602-49450-322	Postage	255.50
602-49450-326	Data Processing	1,556.68
602-49450-350	Printing & Design	91.50
602-49450-408	Repairs & Maint - Distrib	6,400.00
604-10400	Investments - Current	729,000.00
604-14200	Inventory	2,119.56
604-16200	Buildings	251,069.30
604-16300	Improvements Other Th	28,651.67
604-20202	Sales Tax Payable	948.63
604-22000	Prepayments	3,054.47
604-49550-241	Small Tools	11.03
604-49550-263	Merchandise for Resale -	335,632.94
604-49550-308	Training & Registrations	676.00
604-49550-321	Telephone	17.21
604-49550-322	Postage	255.51
604-49550-326	Data Processing	2,950.94
604-49550-331	Travel Expense	99.56
604-49550-340	Advertising & Promotion	90.00
604-49550-350	Printing & Design	1.50
604-49550-384	Refuse Disposal	111.98
604-49550-402	Repairs & Maint - Struct	26.23
604-49550-408	Repairs & Maint - Distrib	751.95
604-49550-410	Repairs & Maint - Gener	0.00
604-49550-433	Dues & Subscriptions	540.99
604-49550-450	Conservation	15,403.74
604-49550-460	Miscellaneous Taxes	227.00
609-16200	Buildings	6,374.75
609-20202	Sales Tax Payable	18,999.00
609-49751-211	Cleaning Supplies	128.31

Account Summary

Account Number	Account Name	Payment Amount
609-49751-217	Other Operating Supplie	20.90
609-49751-251	Liquor	8,872.28
609-49751-254	Soft Drinks & Mix	394.42
609-49751-256	Tobacco Products	108.67
609-49751-257	Ice	156.32
609-49751-261	Other Merchandise	111.30
609-49751-326	Data Processing	240.00
609-49751-333	Freight and Express	165.40
609-49751-340	Advertising & Promotion	1,314.00
609-49751-384	Refuse Disposal	183.99
609-49751-460	Miscellaneous Taxes	13.00
614-49870-304	Legal Fees	1,424.36
614-49870-321	Telephone	17.21
614-49870-322	Postage	255.51
614-49870-326	Data Processing	4,267.69
614-49870-340	Advertising & Promotion	369.00
614-49870-350	Printing & Design	1.50
614-49870-384	Refuse Disposal	99.99
614-49870-405	Repairs & Maint - Vehicl	271.70
614-49870-406	Repairs & Maint - Groun	90.84
614-49870-441	Transmission Fees	301.18
614-49870-442	Subscriber Fees	26,151.20
614-49870-443	Intergovernmental Fees	1,612.36
614-49870-444	License Fees	44.22
614-49870-445	Switch Fees	2.55
614-49870-447	Internet Expense	200.00
614-49870-448	On-Call Support	1,900.00
614-49870-451	Call Completion	5,847.52
614-49870-460	Miscellaneous Taxes	360.00
615-49850-217	Other Operating Supplie	7.81
615-49850-384	Refuse Disposal	169.99
615-49850-460	Miscellaneous Taxes	285.00
617-49860-200	Office Supplies	18.88
617-49860-211	Cleaning Supplies	310.57
617-49860-340	Advertising & Promotion	309.00
617-49860-350	Printing & Design	67.80
617-49860-384	Refuse Disposal	550.96
617-49860-404	Repairs & Maint - M&E	197.26
617-49860-409	Repairs & Maint - Utilitie	980.00
617-49860-460	Miscellaneous Taxes	817.00
617-49860-480	Other Miscellaneous	213.75
700-21701	Federal Withholding	11,897.98
700-21702	State Withholding	5,803.22
700-21703	FICA Tax Withholding	14,525.16
700-21704	PERA Contributions	25,808.36
700-21705	Retirement	7,251.66
700-21707	Union Dues	1,666.70
700-21708	PD Union Dues	472.50
700-21711	Medicare Tax Withholdi	4,276.70
700-21712	Flex Account	336.25
700-21715	Individual Insurance-Afla	263.93
700-21716	Individual Insurance-Afla	704.23
700-21717	Individual Insurance-MB	5.84
700-21719	Individual Insurance-MB	539.55
700-21720	VEBA Contributions	8,645.95
700-21722	HSA Contribution	4,687.59
700-21723	HSA Employee Contribu	671.54
	Grand Total:	**1,917,631.74**

CAM
9/29/23

Project Account Summary

Project Account Key		Payment Amount
None		1,917,631.74
	Grand Total:	**1,917,631.74**

RESOLUTION #2023-

INTRODUCED:
SECONDED:
VOTED: **Aye:**
Nay:
Absent:

RESOLUTION APPROVING THE ISSUANCE AND SALE OF HEALTH CARE FACILITIES GROSS REVENUE BONDS, SERIES 2023A, AND AUTHORIZING THE EXECUTION OF DOCUMENTS RELATING THERETO

BE IT RESOLVED, by the City Council of the City of Windom, Cottonwood County, Minnesota, as follows:

Section 1. Definitions; Recitals; Findings.

1.01 Definitions. The following terms have the meanings given:

Act: Minnesota Statutes, Chapter 447, as amended.

Authorized Officers: the Mayor and the Administrator of the Issuer.

Bond Counsel: Fryberger, Buchanan, Smith & Frederick, P.A., bond counsel to the Issuer.

Bond Documents: the Indenture, the Bond Purchase Agreement, the Negative Pledge Agreement and the Continuing Disclosure Agreement

Bond Purchase Agreement: the Bond Purchase Agreement, entered into between the Issuer and the Purchaser, pursuant to which the Purchaser has agreed to purchase the Bonds from the Issuer.

Bonds: the Issuer's Health Care Facilities Gross Revenue Bonds, Series 2023A.

City Council: the governing body of the Issuer.

Continuing Disclosure Agreement: the Continuing Disclosure Agreement between the Issuer and the Trustee pursuant to which the Issuer will agree to make certain continuing disclosures of information for the benefit of the holders of the Bonds.

Gross Revenues: all revenues derived by the Issuer from the operation of the Hospital Facilities as a first and prior lien thereon, as further described in the Indenture.

Hospital Facilities: Windom Area Hospital, a municipal hospital providing acute care, rehabilitation and birthing services, located at 2150 Hospital Drive in the Issuer.

Indenture: the Trust Indenture dated December 1, 2014 entered into between the Issuer and the Trustee pursuant to which the Issuer pledged and granted a security interest in the Gross Revenues, as supplemented by a first supplement to the Trust Indenture.

Issuer: the City of Windom, Cottonwood County, Minnesota, a municipal corporation and political subdivision.

Negative Pledge Agreement: the Negative Pledge Agreement from the Issuer to the Trustee, pursuant to which the Issuer pledges not to encumber the Hospital Facilities.

Placement Agent: Ehlers & Associates, Inc.

Pricing Committee: the pricing committee established by resolution of the City Council adopted on August 15, 2023.

Purchaser: United Prairie Bank, Windom, Minnesota.

State: the State of Minnesota.

Trustee: U.S. Bank Trust Company, National Association, St. Paul, Minnesota, its successors and assigns.

1.02 Recitals. The City Council makes the following recitals of fact:

a. Bond Counsel has informed the Issuer that Section 447.45 of the Act, authorizes the Issuer to issue revenue bonds to finance the acquisition and betterment of hospital, nursing home and related medical facilities; and further, that Section 447.46 of the Act allows the Issuer to pledge and appropriate the revenues to be derived from its operation of the facilities to pay the principal and interest on the bonds when due and to create and maintain reserves for that purpose as a first and prior lien on the revenues of the facilities.

b. The Issuer owns and operates the Hospital Facilities.

c. The Issuer has agreed to issue the Bonds to (a) finance the cost of construction of an approximately 57,000 SF/4-level medical office building on the campus of the Hospital Facilities to be attached to the existing facilities; (b) fund a debt service reserve fund for the Bonds; and (c) pay costs of issuance of the Bonds.

d. The Bonds shall be issued pursuant to this Resolution and the Indenture.

e. The forms of the Bond Documents have been prepared and made available to the City Council.

1.03 Findings. The Issuer acknowledges, finds, determines and declares that the provision of necessary health care facilities, so that adequate health care services are available to residents of the State at reasonable cost, is a public and essential governmental purpose; and the issuance and sale of the Bonds by the Issuer is in the best interest of the Issuer and its residents.

Section 2. Authorization of Bonds.

a. The issuance, sale and delivery of the Bonds to the Purchaser (a) in the aggregate principal amount of not to exceed $21,138,646, (b) in one or more series, (c) to be designated by the Issuer as its Gross Revenue Hospital Bonds, Series 2023A, (d) with a true interest cost of 5.787% per annum, and (e) maturing ten years from the closing date on the Bonds, is authorized. The Bonds shall be in such form and denominations, shall have such maturities, shall bear interest at such rates, shall be subject to redemption prior to maturity and shall have such other details and provisions as are prescribed in the Indenture, as supplemented and the Bond Purchase Agreement.

b. The actions of the Pricing Committee taken with respect to execution of the Bond Purchase Agreement are ratified and confirmed.

Section 3. Revenue Pledge.

3.01 The Bonds shall not be general obligations but shall be special limited obligations of the Issuer, payable solely out of Gross Revenues (other than to the extent payable out of proceeds of the Bonds or the net proceeds of insurance claims or condemnation awards). No holder of the Bonds shall ever have the right to compel any exercise of the taxing power of the Issuer to pay the Bonds or the interest thereon. The Bonds shall not cause the indebtedness of the Issuer to exceed any constitutional or statutory limitation. The Bonds shall be secured as provided in the Indenture. The Issuer has agreed to segregate the Gross Revenues on its official books and records and to remit such Gross Revenues to the Trustee pursuant to the Indenture. No provision, covenant or agreement contained in the Bond Documents, the Bonds or in any other document related to the Bonds, and no obligation therein or herein imposed upon the Issuer or the breach thereof, shall constitute or give rise to any charge upon the Issuer's taxing power.

3.02 The Mayor and the Administrator are authorized and directed to execute and deliver the Bonds in accordance with the Indenture.

3.03 The Bonds, when executed and delivered, shall contain a recital that they are issued pursuant to the Act, and such recital shall be conclusive evidence of the validity of the Bonds and the regularity of the issuance thereof, and that all acts, conditions and things required by the laws of the State relating to the adoption of this Resolution, to the issuance of the Bonds and to the execution of the Bond Documents to happen, exist and be performed precedent to and in the enactment of this Resolution, and precedent to issuance of the Bonds and precedent to the execution of the Bond Documents have happened, exist and have been performed as so required by law.

Section 4. Approval of Documents; Execution.

4.01 The Bond Documents are approved.

4.02 The Authorized Officers are authorized and directed to execute and deliver the Bond Documents, substantially in the forms now on file with the Administrator, with such necessary and appropriate omissions, modifications, insertions and additions as do not materially affect the substance of the transaction, consistent with the Act, as the Mayor in his or her discretion shall determine. The execution of the Bond Documents by the Authorized Officers, with the advice of the Issuer's attorney, shall be conclusive evidence of such determination. All of the provisions of the Bond Documents, when executed and delivered as authorized herein, shall be deemed to be a part of this Resolution as fully and to the same extent as if incorporated herein and shall be in full force and effect from the date of execution and delivery thereof.

4.03 The Authorized Officers are authorized and directed to execute and deliver all other documents which may be required under the terms of the Bond Documents, or by Bond Counsel, and to take such other action as may be required or deemed appropriate for the performance of the duties imposed thereby to carry out the purposes thereof.

4.04 The Authorized Officers and other officers of the Issuer are authorized to furnish to the Purchaser, the Trustee and Bond Counsel certified copies of all proceedings and records of the Issuer relating to the Bonds, and such other affidavits and certificates as may be required to show the facts relating to the legality, tax exemption and marketability of the Bonds as such facts appear from the books and records in the officers' custody and control or as otherwise known to them; and all such certified copies, certificates, and affidavits, including any heretofore furnished, shall constitute representations of the Issuer as to the truth of all statements made by the Issuer and contained therein.

4.05 The officers of the Issuer, attorneys, engineers and other agents or employees of the Issuer are authorized to do all acts and things required of them by or in connection with this Resolution, the Bond Documents, and the Bonds for the full, punctual and complete performance of all the terms, covenants and agreements contained in the Bonds, the Bond Documents and this Resolution. In the event that for any reason the Authorized Officers are unable to carry out the execution of any of the Bond Documents or other acts provided herein, any other officer of the Issuer or member of the City Council as, in the opinion of the Issuer's attorney, are authorized to act in that capacity, shall without further act or authorization undertake such execution or acts on behalf of the Issuer, with full force and effect, which executions or acts shall be valid and binding on the Issuer.

4.06 All actions of the members, officers, employees and staff of the Issuer heretofore taken and in furtherance of this financing are approved, ratified and confirmed.

Section 5. Appointment of Bond Registrar. The Trustee is appointed as paying agent, bond registrar, authenticating agent and transfer agent for the Bonds.

Section 6. Intentionally Omitted.

Section 7. Covenants; Limitations.

7.01 All covenants, stipulations, obligations and agreements of the Issuer contained in this Resolution and the Bond Documents shall be deemed to be the covenants, stipulations, obligations and agreements of the Issuer to the full extent authorized or permitted by law, and all such covenants, stipulations, obligations and agreements shall be binding upon the Issuer upon execution and delivery of such Bond Documents. Except as otherwise provided in this Resolution, all rights, powers and privileges conferred and duties and liabilities imposed upon the Issuer or the City Council by the provisions of this Resolution or of the Bond Documents to be executed and delivered by the Issuer shall be exercised or performed by the Issuer or by such members of the Issuer, or such officers, board, body or agency thereof as may be required or authorized by law to exercise such powers and to perform such duties.

7.02 No covenant, stipulation, obligation or agreement herein contained or contained in the Bond Documents shall be deemed to be a covenant, stipulation, obligation or agreement of any member of the City Council, or any officer, agent or employee of the Issuer in that person's individual capacity, and neither the City Council nor any officer or employee executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

7.03 Except as herein otherwise expressly provided, nothing in this Resolution or in the Bond Documents expressed or implied, is intended or shall be construed to confer upon any person or firm or corporation, other than the Issuer, the Trustee, the Purchaser or any holder of the Bonds issued under the provisions of this Resolution, any right, remedy or claim, legal or equitable, under and by reason of this Resolution or any provision hereof, this Resolution, the Bond Documents and all of their provisions being intended to be and being for the sole and exclusive benefit of the Issuer, the Trustee, the Purchaser and any holder from time to time of the Bonds issued under the provisions of this Resolution.

Section 8. Severability. In case any one or more of the provisions of this Resolution, or of the Bond Documents, or of the Bonds issued hereunder shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Resolution, or of the Bond Documents, or of the Bonds, but this Resolution, the Bond Documents, and the Bonds shall be construed and enforced as if such illegal or invalid provision had not been contained therein.

Section 9. Tax Matters.

9.01 The Issuer covenants and agrees with the holders of the Bonds that the Issuer will (a) take all action on its part necessary to cause the interest on the Bonds to be exempt from federal income taxes including, without limitation, restricting, to the extent necessary, the yield on investments made with the proceeds of the Bonds and investment earnings thereon, making required payments to the federal government, if any, and maintaining books and records in a specified manner, where appropriate, and (b) refrain from taking any action which would cause interest on the Bonds to be subject to federal income taxes, including, without limitation, refraining from spending the proceeds of the Bonds and investment earnings thereon on certain specified purposes.

Adopted by the Council this 3rd day of October, 2023.

____
Dominic Jones, Mayor

Attest:____________________________
Steve Nasby, City Administrator

ACTION ITEM

CITY OF WINDOM
444 9th Street
Windom, MN 56101
Phone: 507-831-6129
Fax: 507-831-6127
www.windom-mn.com

TO: City Council
FROM: Windom Area Health – Board and Management
DATE: September 29, 2023
RE: Medical Office Building Project – Demolition of Existing Clinic
DEPT: Windom Area Health (WAH)
CONTACT: Shelby Medina: shelby.medina@sanfordhealth.org or John Peyerl: john.peyerl@windomareahealth.org

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Recommendations/Options/Action Requested

1. The WAH Board and management is requesting the City Council's permission to proceed with the demolition of the medical clinic at 2170 Hospital Drive.

Issue Summary/Background

As part of the new Medical Office Building project, the existing medical clinic will need to be demolished to provide the area needed for the construction of the new facility. The City of Windom owns the property and requires the City Council's authority to proceed.

If the funding of the Medical Office Building is approved by the City Council this evening, the WAH has contractors on-site to begin demolition immediately to permit as much time yet this fall to start dirt work and foundations.

Fiscal Impact

The demolition of the medical clinic will be a cost covered by the construction budget from the WAH.

Attachments

1. None.

ACTION ITEM

CITY OF WINDOM
444 9th Street
Windom, MN 56101
Phone: 507-831-6129
Fax: 507-831-6127
www.windom-mn.com

TO: CITY COUNCIL
FROM: TIFFANY LAMB, EDA DIRECTOR
CC MEETING DATE: OCTOBER 3, 2023
RE: Resolution Accepting Special Appropriation & Approving Grant Agreement
DEPT: EDA
CONTACT: Tiffany Lamb, EDA Director, at 832-8661 or tiffany.lamb@windommn.com

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Recommendations/Options/Action Requested

Staff recommends that the City Council adopt the Resolution accepting the Special (Legislative) Appropriation and approve the Grant Contract Agreement with the Minnesota Department of Employment and Economic Development ("DEED") concerning matters related to the closing of the HyLife Foods Windom processing plant ("HyLife").

Issue Summary/Background

A special appropriation has been awarded to the City of Windom in the amount of $13,000,000 to assist with expenses related to facilitate completion of the Windom HyLife Affordable Housing Development, expenses related to repayment of loans issued to the City from the Public Facilities Authority for wastewater improvements related to HyLife, and expenses related to recruitment efforts related to the HyLife plant. The Minnesota Department of Employment and Economic Development ("DEED") has been designated as the administrator for this special appropriation.

Pursuant to requirements of DEED, on August 15, 2023, the City Council approved the submission of an application to DEED for this special appropriation. The application was submitted and revised as required by DEED. The City has now received notice of the approval of the application and also a proposed Grant Contract Agreement ("Grant Agreement") between DEED and the City. The proposed Grant Agreement has been reviewed by City Staff and the City Attorney and they are recommending approval of the Grant Agreement.

There is no required City match for this special appropriation.

Fiscal Impact

There should be no fiscal impact for the City to accept the special appropriation and adopt a Resolution approving the Grant Agreement.

Attachments

1. Resolution Authorizing Acceptance of Special Appropriation and Approving Grant Contract Agreement.
2. Grant Contract Agreement SPAP-23-0019-P-FY24.

RESOLUTION #2023-

INTRODUCED:

SECONDED:

VOTED: Aye:
Nay:
Absent:

RESOLUTION AUTHORIZING ACCEPTANCE OF SPECIAL APPROPRIATION AND APPROVING GRANT CONTRACT AGREEMENT

WHEREAS, on August 15, 2023, the City Council adopted a Resolution stating that the City of Windom, Minnesota, shall act as the legal sponsor for the projects contained in **House File 1938/Senate File 1811 Article 15, Section 33** and entitled "APPROPRIATION; CITY OF WINDOM"; and this Resolution further authorized the Mayor to execute any required documents for the submission of the Application to the Minnesota Department of Employment and Economic Development ("DEED") as administrator for the special appropriation; and

WHEREAS, the Application was submitted and revised as required by DEED; and

WHEREAS, the City of Windom (the "City") has received notification of approval of the Application and awarding of the $13,000,000 special appropriation, to be administered by DEED, which is set forth as follows:

A. $10,000,000 for expenses related to facilitate completion of the Windom HyLife Affordable Housing Development delineated as follows:

i. $2,491,731.67 for debt repayment;
ii. $2,808,268.33 for construction costs incurred;
iii. $4,700,000.00 new loan from City to Housing Developer (Windom Apartments LLC);

B. $2,000,000 for expenses related to repayment of loans issued to the City from the Public Facilities Authority for wastewater improvements related to the HyLife Foods Windom processing plant;

C. $1,000,000.00 for expenses related to recruitment efforts related to the HyLife Windom processing plant;

pursuant to the terms of Grant Contract Agreement SPAP-23-0019-P-FY24 ("Grant Agreement") between DEED (also referred to in said Grant Agreement as the "State") and the City; and

WHEREAS, no non-DEED or non-State source(s) of funds were identified in the sources and amounts in the application and no local match requirements were contained in the legislation, **House File 1938/Senate File 1811 Article 15, Section 33;** and no local match was required in the "Appropriation; City of Windom"; and

WHEREAS, the expiration date of the Grant Agreement between the State and the City is June 30, 2025, or until all obligations have been satisfactorily fulfilled, whichever occurs first; and

WHEREAS, the Grant Agreement has been reviewed and approved by the City Attorney; and

WHEREAS, it is in the best interests of the City that this special appropriation be accepted and that the City approve and execute the Grant Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF WINDOM, MINNESOTA, AS FOLLOWS:

1. The City of Windom hereby accepts the special appropriation as set forth above.

2. The City of Windom approves Grant Contract Agreement SPAP-23-0019-P-FY24. The Mayor and City Administrator are hereby authorized to execute the Grant Contract Agreement and any future amendments on behalf of the City of Windom.

3. The City of Windom certifies that it will comply with applicable laws and regulations and requirements as contained in the Grant Contract Agreement and any amendments thereto.

Adopted by the Council this 3rd day October, 2023.

____
Dominic Jones, Mayor

Attest:

____
Steven Nasby, City Administrator

STATE OF MINNESOTA
GRANT CONTRACT AGREEMENT

SPAP-23-0019-P-FY24

This grant contract agreement is between the State of Minnesota, acting through the Department of Employment and Economic Development (DEED) ("State") and the City of Windom, 444 9th Street, P.O. Box 38, Windom, MN 56101-0038 ("Grantee").

Recitals

1. Under 2023 Minnesota Laws, Chapter 64, Article 15, Section 33 the State is empowered to enter into this grant contract agreement.
2. The State is required under Recital 1 to provide a grant to the City of Windom to facilitate the completion of the Windom HyLife Affordable Housing Development, to repay loans issued to the city from the Public Facilities Authority for wastewater improvements related to the HyLife Foods Windom processing plant, and for recruitment efforts including locating and securing a purchaser of the HyLife Foods Windom processing plant.
3. The Grantee represents that it is duly qualified and agrees to perform all services described in this grant contract agreement to the satisfaction of the State. Pursuant to Minn. Stat. §16B.98, Subd.1, the Grantee agrees to minimize administrative costs as a condition of this grant contract agreement.

Grant Contract Agreement

1 Term of Grant Contract Agreement

1.1 ***Effective date:***
The date the State obtains all required signatures under Minn. Stat.§16B.98, Subd. 5. The Department of Administration and Minnesota Management and Budget Policy 21.01 states: "A grant agreement with a specifically named, legislatively appropriated, noncompetitive grant recipient may incur eligible expense based upon an agreed-upon work plan and budget for up to 60 days prior to an encumbrance being established in the accounting system per M.S. 16B.98, Subd. 11." Per Minn.Stat.§16B.98 Subd. 7, no payments will be made to the Grantee until this grant contract agreement is fully executed.

1.2 Expiration date: June 30, 2025, ***or until all obligations have been satisfactorily fulfilled, whichever occurs first.***

1.3 The Grantee's application and supporting documentation is incorporated into this grant contract agreement by reference.

1.4 ***Survival of Terms.***
The following clauses survive the expiration or termination of this grant contract agreement: 10. Liability; 11. State Audits; 12. Government Data Practices and Intellectual Property Rights; 14. Publicity and Endorsement; 15. Governing Law, Jurisdiction, and Venue; and 17. Data Disclosure.

2 Grantee's Duties

2.1 The Grantee, who is not a state employee, will:

Comply with required grants management policies and procedures set forth through Minn. Stat. §16B.97, Subd. 4 (a) (1).

a. Provide documentation to the satisfaction of the State to verify $10,000,000.00 million of expenses related to facilitate completion of the Windom HyLife Affordable Housing Development and document that these costs were incurred on or after June 5, 2023.

The line-item breakdown on the $10 million of grant assistance is:

i. $2,491,731.67 million for debt repayment.

ii. $2,808,268.33 million for construction costs incurred.

iii. $4,700,000.00 million new loan from city to housing developer.

b. Provide documentation to the satisfaction of the State to verify $2,000,000.00 million of expenses related to repayment of loans issued to the city from the Public Facilities Authority for wastewater improvements related to the HyLife Foods Windom processing plant and documentation that these costs were incurred.

c. Provide documentation to the satisfaction of the State to verify $1,000,000.00 million of expenses related to recruitment efforts to locate and secure a purchaser of the HyLife Foods Windom processing plant and document that these costs were incurred on or after June 5, 2023.

2.2 Provisions for Contracts and Sub-grants.

(a) ***Contract Provisions.*** The Grantee must include in any contract loan agreement and sub-grant, in addition to provisions that define a sound and complete agreement, such provisions that require contractors and sub-grantees to comply with applicable state and federal laws. Along with such provisions, the Grantee must require that contractors performing work covered by this grant be in compliance with all applicable OSHA regulations, especially the federal Hazardous Waste Operations and Emergency Response Standards (29 CFR 1910.120 and 29 CFR 1926.65).

(b) ***Payment of Contractors and Subcontractors.*** The Grantee must ensure that all contractors and subcontractors performing work covered by this grant are paid for their work that is satisfactorily completed.

3 Time

The Grantee must comply with all the time requirements described in this grant contract agreement. In the performance of this grant contract agreement, time is of the essence.

4 Consideration and Payment

4.1 ***Consideration***

The State will disburse funds to Grantee under this grant contract agreement as follows:

(a) ***Compensation***

The Grantee will be paid after the State receives sufficient invoices and supporting documentation, as applicable and to the satisfaction of the State, that the funds will be used in accordance with clause 2 in this contract agreement.

(b) ***Total Obligation***

The total obligation of the State for all compensation and reimbursements to the Grantee under this grant contract agreement will not exceed $13,000,000.00 million.

4.2 ***Payment***

(a) Invoices/Documentation

The State will promptly pay the Grantee after the Grantee presents an itemized invoice or documentation as described in clause 4.1(a) in this contract agreement for the Grantee's duties actually performed, and the State's Authorized Representative accepts the invoices for the grantee's duties performed. Invoices and supporting documentation must be submitted in a timely manner and upon completion of Grantee's duties, as determined by the State. Before final payment is processed, DEED will require (i) submission of a certificate of occupancy for the Windom HyLife Affordable Housing Development (ii) submission of a satisfactory final report and (iii) may reserve $250,000.00 as retainage.

(b) Unexpended Funds

The Grantee must promptly return to the State any unexpended funds that have not been accounted for annually in a financial report to the State due at grant closeout.

4.3 ***Contracting and Bidding Requirements***

Per Minn. Stat. §471.345, grantees that are municipalities as defined in Subd. 1 must follow the law.

(a) For projects occurring on or after June 5, 2023 that include construction work of $25,000 or more, prevailing wage rules apply per Minn. Stat. §§177.41 through 177.44, consequently, the bid request must state the project is subject to prevailing wage. These rules require that the wages of laborers and workers should be comparable to wages paid for similar work in the community as a whole. A prevailing wage form provided by DEED must accompany these bid submittals.

(b) The grantee must not contract with vendors who are suspended or debarred in MN: https://mn.gov/admin/osp/government/suspended-debarred/.

5 Reporting Requirements

(a) Progress Reports, including financial reports, will be submitted annually and include reporting on outcomes. The State will provide forms to the Grantee to submit progress reports, including a final report.

(b) Information will be provided as may be deemed necessary to complete the Annual Report to the U.S. Department of Labor as described in the Workforce Innovation and Opportunity Act, Section 136(d) (1), (2).

(c) Special reports will be provided as requested.

(d) Grantee shall also make such reports to the Secretary of Labor, the Comptroller General of the United States, and others as applicable.

6 Conditions of Payment

The Grantee's duties under this grant contract agreement must be performed to the State's satisfaction, as determined at the sole discretion of the State's Authorized Representative and in accordance with all applicable federal, state, and local laws, ordinances, rules, and regulations. The Grantee will not receive payment for work found by the State to be unsatisfactory or performed in violation of federal, state, or local law or if required reports are unsatisfactory.

7 Monitoring and Corrective Action

Grantee agrees to permit onsite monitoring by the State to determine grant contract agreement performance and compliance with grant contract agreement provisions. Grantee further agrees to cooperate with the State in performing and completing such monitoring activities and Grantee agrees to implement and comply with such remedial action as is proposed by the State. Grantee must provide any financial records, timesheets or other supporting documentation, upon the request of the State. To comply with this provision, Grantee must secure all necessary agreements and approvals to allow the State to perform onsite monitoring.

8 Authorized Representative

The State's Authorized Representative is Patrick H. Armon, 332 Minnesota Street, First National Bank Building, Suite E200, St. Paul, MN 55101, 651-259-7245, or his/her successor, and has the responsibility to monitor the Grantee's performance and the authority to accept the services provided under this grant contract agreement. If the services are satisfactory, the State's Authorized Representative will certify acceptance on each invoice submitted for payment.

The Grantee's Authorized Representative is Steve Nasby, City Administrator, City of Windom, 444 9th Street, PO Box 38, Windom, MN 56101, or his/her successor. If the Grantee's Authorized Representative changes at any time during this grant contract agreement, the Grantee must immediately notify the State.

9 Assignment, Amendments, Waiver and Grant Contract Agreement Complete

9.1 ***Assignment***

The Grantee shall neither assign nor transfer any rights or obligations under this grant contract agreement without the prior written consent of the State, approved by the same parties who executed and approved this grant contract agreement, or their successors in office.

9.2 ***Amendments***

Any amendments to this grant contract agreement must be in writing and will not be effective until it has been executed and approved by the same parties who executed and approved the original grant contract agreement, or their successors in office.

9.3 ***Waiver***

If the State fails to enforce any provision of this grant contract agreement, that failure does not waive the provision or the State's right to enforce it.

9.4 ***Grant Contract Agreement Complete***

This grant contract agreement contains all negotiations and agreements between the State and the Grantee. No other understanding regarding this grant contract agreement, whether written or oral, may be used to bind either party.

10 Liability

The Grantee must indemnify, save, and hold the State, its agents, and employees harmless from any claims or causes of action, including attorney's fees incurred by the State, arising from the performance of this grant contract agreement by the Grantee or the Grantee's agents, employees or independent contractors. This clause will not be construed to bar any legal remedies the Grantee may have for the State's failure to fulfill its obligations under this grant contract agreement.

11 State Audits

Under Minn. Stat. § 16B.98, Subd.8, the Grantee's books, records, documents, and accounting procedures and practices of the Grantee or other party relevant to this grant contract agreement or transaction are subject to examination by the Commissioner of Administration, by the State granting agency and/or the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this grant contract agreement, receipt and approval of all final reports, or the required period of time to satisfy all state and program retention requirements, whichever is later.

12 Government Data Practices and Intellectual Property Rights

12.1 ***Government Data Practices***

The Grantee and State must comply with the Minnesota Government Data Practices Act, Minn. Stat. Ch. 13, as it applies to all data provided by the State under this grant contract agreement, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Grantee under this grant contract agreement. The civil remedies of Minn. Stat. §13.08 apply to the release of the data referred to in this clause by either the Grantee or the State. If the Grantee receives a request to release the data referred to in this Clause, the Grantee must immediately notify the State. The State will give the Grantee instructions concerning the release of the data to the requesting party before the data is released. The Grantee's response to the request shall comply with applicable law.

12.2 ***Intellectual Property Rights***

The Grantee represents and warrants that Grantee's intellectual property used in the performance of this grant contract agreement does not and will not infringe upon any intellectual property rights of other persons or entities. Notwithstanding Clause 10, the Grantee will indemnify; defend, to the extent permitted by the Attorney General; and hold harmless the State, at the Grantee's expense, from any action or claim brought against the State to the extent that it is based on a claim that all or part of Grantee's intellectual property used in the performance of this grant contract agreement infringe upon the intellectual property rights of others. The Grantee will be responsible for payment of any and all such claims, demands, obligations, liabilities, costs, and damages, including but not limited to, attorney fees. If such a claim or action arises, or in the Grantee's or the State's opinion is likely to arise, the Grantee must, at the State's discretion, either procure for the State the right or license to use the intellectual property rights at issue or replace or modify the allegedly infringing intellectual property as necessary and appropriate to obviate the infringement claim. This remedy of the State will be in addition to and not exclusive of other remedies provided by law.

13 Workers Compensation

The Grantee certifies that it is in compliance with Minn. Stat. §176.181, Subd. 2, pertaining to workers' compensation insurance coverage. The Grantee's employees and agents will not be considered State employees. Any claims that may arise under the Minnesota Workers' Compensation Act on behalf of these employees and any claims made by any third party as a consequence of any act or omission on the part of these employees are in no way the State's obligation or responsibility.

14 Publicity and Endorsement

14.1 ***Publicity***

Any publicity regarding the subject matter of this grant contract agreement must identify the State as the sponsoring agency and must not be released without prior written approval from the State's Authorized Representative. For purposes of this provision, publicity includes notices, informational pamphlets, press releases, research, reports, signs and similar public notices prepared by or for the Grantee individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this grant contract agreement. All projects primarily funded by state grant appropriations must publicly credit the State of Minnesota, including on the grantee's website when practicable.

14.2 ***Endorsement***

The Grantee must not claim that the State endorses its products or services.

15 Governing Law, Jurisdiction and Venue
Minnesota law, without regard to its choice-of-law provisions, governs this grant contract agreement. Venue for all legal proceedings out of this grant contract agreement, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.

16 Termination

16.1

(a) Termination by the State

The State may immediately terminate this grant contract agreement with or without cause, upon 30 days' written notice to the Grantee. Upon termination, the Grantee will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed.

(b) Termination by The Commissioner of Administration

The Commissioner of Administration may unilaterally cancel this grant contract agreement if further performance under the agreement would not serve agency purposes or is not in the best interest of the State.

16.2 ***Termination for Cause***

The State may immediately terminate this grant contract agreement if the State finds that there has been a failure to comply with the provisions of this grant contract agreement, that reasonable progress has not been made or that the purposes for which the funds were granted have not been or will not be fulfilled. The State may take action to protect the interests of the State of Minnesota, including the refusal to disburse additional funds and requiring the return of all or part of the funds already disbursed.

16.3 ***Termination for Insufficient Funding***

The State may immediately terminate this grant contract agreement if:

(a) It does not obtain funding from the Minnesota Legislature.

(b) Or, if funding cannot be continued at a level sufficient to allow for the payment of the services covered here. Termination must be by written or fax notice to the Grantee. The State is not obligated to pay for any services that are provided after notice and effective date of termination. However, the Grantee will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed to the extent that funds are available. The State will not be assessed any penalty if the contract is terminated because of the decision of the Minnesota Legislature or other funding source, not to appropriate funds. The State must provide the Grantee notice of the lack of funding within a reasonable time of the State's receiving that notice.

17 Data Disclosure
Under Minn. Stat. § 270C.65, Subd. 3, and other applicable law, the Grantee consents to disclosure of its social security number, federal employer tax identification number, and/or Minnesota tax identification number, already provided to the State, to federal and state tax agencies and state personnel involved in the payment of state obligations. These identification numbers may be used in the enforcement of federal and state tax laws which could result in action requiring the Grantee to file state tax returns and pay delinquent state tax liabilities, if any.

18 Conflicts of Interest
The State will take steps to prevent individual and organizational conflicts of interest in reference to Grantees per Minn.Stat.§16B.98 and Department of Administration, Office of Grants Management, Policy Number 08-01 Conflict of Interest Policy for State Grant-Making (Current Policies tab). When a conflict of

interest concerning State grant-making is suspected, disclosed, or discovered, transparency shall be the guiding principle in addressing it.

In cases where a potential or actual individual or organizational conflict of interest is suspected, disclosed, or discovered by the Grantee throughout the life of the grant contract agreement, they must immediately notify the State for appropriate action steps to be taken, as defined above.

The Grantee must complete a Conflict-of-Interest Disclosure Form.

19 Other Provisions:

19.1 Grantee agrees to comply with all business subsidy laws, as applicable.

19.2 Grantee shall provide the State evidence, in form and substance acceptable to the State, that the Windom HyLife Affordable Housing Development has sufficient property insurance in an amount of at least $10,000,000.00 million.

1. STATE ENCUMBRANCE VERIFICATION

Individual certifies that funds have been encumbered as required by Minn. Stat. § 16A.15.

Signed: Robin Culbertson

Date: 09/20/23

SWIFT Contract/PO No(s): 236291 PR 80046 PO 3000521944

2. GRANTEE

The Grantee certifies that the appropriate person(s) has executed the grant contract agreement on behalf of the Grantee as required by applicable articles, bylaws, resolutions, or ordinances.

By:____________________

Title:____________________

Date:____________________

By:____________________

Title:____________________

Date:____________________

3. STATE OF MINNESTOA: DEPARTMENT OF EMPLOYMENT AND ECONOMIC DEVELOPMENT

By:____________________
(WITH DELEGATED AUTHORITY)

Title:____________________

Date:____________________

Distribution:
- Agency
- Grantee
- State's Authorized Representative

ACTION ITEM

CITY OF WINDOM
444 9th Street
Windom, MN 56101
Phone: 507-831-6129
Fax: 507-831-6127
www.windom-mn.com

TO: CITY COUNCIL
FROM: TIFFANY LAMB, EDA DIRECTOR
CC MEETING DATE: OCTOBER 3, 2023
RE: Approval of Loan Documents for Special Housing Appropriation
DEPT: EDA
CONTACT: Tiffany Lamb, EDA Director, at 832-8661 or tiffany.lamb@windommn.com

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Recommendations/Options/Action Requested

Staff recommends that the City Council review the attached loan documents governing the loan of $10,000,000 to Windom Apartments LLC to facilitate completion of the Windom HyLife Affordable Housing Development. Staff recommends that the City Council approve these loan documents contingent on approval of a written modification of the Contract for Private Redevelopment in which Windom Apartments LLC relinquishes its rights to any tax increment to be paid pursuant to that Contract.

Issue Summary/Background

A special appropriation in the amount of $10,000,000 from the State of Minnesota has been awarded to the City of Windom by the State of Minnesota. The purpose of this special appropriation is to facilitate completion of the Windom HyLife Affordable Housing Development. These funds will be disbursed by the State of Minnesota to the City of Windom and the City will then loan these funds to Windom Apartments LLC (Apartment Developer).

The disbursement of funds has been structured as two separate loans. A bridge loan of $5,300,000 will be issued to repay recent debt related to satisfying all outstanding invoices and contractor payments as well as completion of construction. A permanent financing loan of $4,700,000 will be issued contingent upon an appraisal of the completed valuation of the property and improvements.

Pursuant to negotiations between the parties, the following loan documents have been prepared for review by the City Council: Financial Assistance Plan Loan Agreement, Bridge Loan Promissory Note, Permanent Financing Promissory Note, Security Agreement, and a Guaranty by Headwaters Development LLC which is a managing member of Windom Apartments LLC.

The City and Windom Apartments LLC previously entered into a Contract for Private Redevelopment concerning the construction of the workforce housing apartments on Windom Apartments LLC's property at 1925 North Redding Avenue. The parties have reached a verbal agreement whereby Windom Apartments LLC will relinquish the tax increment payments required in said Contract in exchange for the approval of these loans. The terms of this agreement will be set forth in a modification of this Contract which will be presented to the City Council for review in the future.

The loan of these funds to Windom Apartments LLC is not classified as a business subsidy pursuant to Minnesota Statutes.

The City Attorney and City Staff have reviewed these loan documents and recommend approval.

It is in the best interests of the City that these apartments be completed and that these funds be loaned to Windom Apartments LLC to facilitate the completion of the construction of these apartments.

Fiscal Impact

There should be no fiscal impact for the City to approve these loan documents as the loan will be financed through the special appropriation from the State of Minnesota.

Attachments

1. Financial Assistance Plan Loan Agreement,
2. Bridge Loan Promissory Note,
3. Permanent Financing Promissory Note,
4. Security Agreement,
5. Guaranty by Headwaters Development LLC.

TL:mah

FINANCIAL ASSISTANCE PLAN
LOAN AGREEMENT

THIS AGREEMENT is made and entered into as the ___ day of September, 2023 by and between the City of Windom, Minnesota (the "**Lender**") and Windom Apartments LLC, a Minnesota limited liability company (the "**Borrower**");

Recitals

1. The Lender has received an Award of Funding from the Minnesota Department of Employment and Economic Development (the "**State**"); and

2. The Grant Contract between the State and the Lender will be executed to insure the legislated use of funds, the Lender requires that the Borrower agree to loan terms with the Lender regarding this Financial Assistance Plan; and

3. Borrower and Lender wish to set forth the terms and conditions upon which Lender will make the Loan to Borrower and for the repayment thereof.

NOW THEREFORE, it is agreed by and between the parties hereto as follows:

ARTICLE 1
Definitions

Section 1.1. **Definitions**. In this Loan Agreement, unless a different meaning clearly appears from the context:

"**Bank**" means the financing to be provided by the first mortgage holder Bell Bank.

"**Borrower**" means Windom Apartments LLC.

"**City**" means City of Windom.

"**Compliance Date**" means December 31, 2023.

"**County**" means Cottonwood County.

"**Development Property**" means the real property described in the existing Contract for Private Redevelopment executed between the Borrower and the City.

"**Grant Contract**" means Minnesota Department of Employment and Economic Development Grant Contract related to the Housing Appropriation Funds.

"**Lender**" means the City of Windom.

"**Loan**" means, collectively, the Bridge Loan funds and Permanent Financing Loan funds loaned by the Lender to the Borrower pursuant to this Loan Agreement.

"Loan Proceeds" means the funds disbursed to the Borrower pursuant to this Loan Agreement and any proceeds thereof.

"Project" means the Borrower's private redevelopment as described in the Contract for Private Redevelopment executed between the Borrower and the City.

"Promissory Note" means, initially, both the Bridge Loan Promissory Note and the Permanent Financing Promissory Note that Borrower is delivering to Lender on the date of this Loan Agreement, and then, when the Bridge Loan is converted to Permanent Financing, "Promissory Note" means the amended and restated Permanent Financing Promissory Note in the amount of $10,000,000.

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

"Termination Date" means the date of the final payment made by the Borrower to the Lender.

ARTICLE 2
Loan, Use of Proceeds and Conditions of Repayment

Section 2.1. **Financial Assistance Plan Loan Funds.** The Lender agrees, on the terms and subject to the conditions hereinafter set forth, to make a loan to the Borrower in an aggregate principal amount not to exceed Ten Million dollars ($10,000,000.00) to facilitate completion of the Project and provide long-term financing. The obligation of the Borrower to repay the Loan shall be evidenced by the Promissory Note. The Lender's obligations under this Loan Agreement are expressly contingent on the Lender's receipt of funds from the State in an amount adequate to make the Loan and the City of Windom approving the Grant Contract with the State.

Section 2.2. **Other Project Funds.** The Borrower has closed on a construction and term loan of up to $9,155,000 from the Bank. The Bell Bank loan is secured by a first priority mortgage on the Development Property.

(a) The Borrower has invested at least Two Million, Five Hundred Ninety-Five Thousand dollars ($2,595,000) of its own equity financing for the completion of the Project. Borrower agrees not to make distributions to its members before the Termination Date except for normal course distributions of cash flow available after the payment of debt service. In addition, Borrower may make distributions to its members upon a sale, partial sale, or recapitalization of the Development Property or Project subject to Lender consent, which will not be unreasonably withheld and provided within 30 days of request from Borrower.

(b) The Borrower agrees to use the proceeds of the Bell Bank loan in the amounts, for the purposes, and under the terms, rates and conditions as specified in the Bell Bank loan documents unless written consent is received from the Lender prior to expenditure.

Section 2.3. **Loan Terms.** The Financial Assistance Plan Loan Funds will be disbursed in two tranches.

(Tranche A) The Lender will issue a Bridge Loan in an aggregate principal amount not to exceed Five Million, Three Hundred Thousand dollars ($5,300,000.00). Interest will accrue at zero percent (0.00%) on Bridge Loan funds for a term of up to eighteen (18) months. Bridge Loan funds will convert into Tranche B funds upon the earlier of the eighteen (18) month term, a recapitalization, or sale event (unless repaid).

(Tranche B) The Lender will issue a Permanent Financing Loan in an aggregate principal amount not to exceed Four Million, Seven Hundred Thousand dollars ($4,700,000.00). Upon conversion of Bridge Loan funds to merge into the Permanent Financing Loan, the total aggregate principal amount is not to exceed Ten Million dollars ($10,000,000.00). Interest will accrue on the $4,700,000 Tranche B portion of the Loan at one-and-one-half percent (1.5%) per year through December 31, 2024 with a payment of simple interest due to the Lender on December 31, 2024. After December 31, 2024, interest will accrue at three percent (3.00%) per year. Full payments of interest and principal will begin January 1, 2025, based on a 30-year amortization term. The Loan matures on December 10, 2044, with all accrued and unpaid interest and the remaining unpaid principal balance being due in a balloon payment on that date. The amortization schedule is attached as Exhibit A.

Section 2.4. **Early Repayment.** The Promissory Note may be prepaid in whole or in part at any time without penalty. A prepayment shall first be applied against any accrued interest, and then against any outstanding and past due payments which are due and owing hereunder or under the Promissory Note, and then the remaining portion of such prepayment shall be applied against the remaining outstanding and unpaid principal balance.

Section 2.5. **Maintenance and Operation of the Project.** As long as any portion of the Loan is still outstanding, Borrower shall maintain and operate the Project and use the proceeds of the Loan in compliance with the terms of the Act, this Loan Agreement, and all applicable federal, state and local laws, regulations and ordinances, including but not limited to all environmental laws and regulations.

Article 3
Conditions of Lending

Section 3.1. **Condition Precedent to Any Advance.** The obligation of the Lender to close the Loan and disburse the proceeds thereof to Borrower shall be subject to the condition precedent that the Lender shall have received on or before the date of such closing the Bridge Loan Promissory Note and the Permanent Financing Promissory Note duly executed by the Borrower.

Section 3.2. **Further Conditions Precedent to Disbursement.** The obligation of the Lender to disburse the proceeds of the Loan shall also be subject to the following conditions precedent:

(a) There is no Event of Default by the Borrower under the Contract for Private Redevelopment.

(b) No Event of Default hereunder or event which would constitute such an Event of Default but for the requirement that notice be given or that a period of grace or time elapse, shall have occurred and be continuing.

(c) All Loan Funds of the aggregate principal amount not to exceed $10,000,000.00 must be drawn and applied prior to December 31, 2023.

(d) All loan amounts will be subject to standard draw requests, consistent with the same standards as the draw process in place for the Bridge Loan. Borrower may draw on the Permanent Financing Loan to pay down existing debt. In addition, **at Lender's sole discretion,** Borrower may draw on the Permanent Loan Financing for other purposes **solely approved by Lender**. Amounts funded by the Lender will be placed in a separate account and released directly to payees from the draw process and will be subject to lien waivers and final release documentation.

(e) Permanent financing must be supported by an independent appraisal by a qualified and certified appraiser of the Lender's choosing. An appraisal, at the Borrower's expense, must be completed and delivered to Lender by December 15, 2023 or prior to release of Permanent Financing. The appraisal must document the value of the property is sufficient to secure all recorded debt.

(f) Any funds that Borrower receives as a result of its claim in the HyLife Foods Windom LLC and Tritek International Inc. bankruptcy proceedings must be first applied directly to remaining senior debt and then paid to Lender to be applied to principal and interest owed under the Loan, subject to compliance with secured debt requirements.

(g) Loan proceeds will only be disbursed to Borrower after the State funds are available to the Lender.

Section 3.3. **Disbursement and Deposit of Loan Proceeds.** Upon the execution of this Loan Agreement and the satisfaction of all of the conditions specified in Section 6, the Lender shall disburse the proceeds of the Loan to the Borrower.

Section 3.4. **Termination**. This Loan Agreement shall automatically terminate without any notice to Borrower if no loan proceeds have been disbursed to the Borrower prior to the Compliance Date, subject to a three-month extension if the State does not disburse the Loan funds to Lender in a timely manner.

ARTICLE 4
Acknowledgments, Representations, and Warranties

Section 4.1. **Acknowledgments.**

(a) The Borrower acknowledges that the Lender has entered into the Grant Contract with the State. The Borrower further acknowledges it is designated and identified under the Grant Contract.

(b) A copy of the Grant Contract and this Loan Agreement shall be provided by the Lender to the Borrower. In the event any provision of this Loan Agreement relating to the Borrower's obligations hereunder is inconsistent with the provisions of the Grant Contract relating to the Borrower's activities there under, the provisions of the Grant Contract shall prevail.

(c) The Borrower acknowledges that nothing contained in the Grant Contract or this Loan Agreement, nor any act of the State or the Lender, shall be deemed or construed to create between the State and the Borrower (or, except as Borrower and Lender between the Lender and the Borrower) any relationship, including but not limited to that of third party beneficiary, principal and agent, limited or general partnership, or joint venture. As such, the Borrower agrees to hold the Lender harmless from any claim, demand, suit, action, or other proceeding whatsoever by any person or entity whatsoever arising or purportedly arising from this Loan Agreement, any events related to the Project or the Borrower's participation in this Loan, or Borrower's activities on the Development Property.

Section 4.2. **Representations and Warranties.** The Borrower warrants and represents, in connection with the Loan and for the benefit of the State and the Lender, that:

(a) It is a Minnesota business entity organization, registered and in good standing under the laws of the State of Minnesota, and is authorized to enter into this Loan Agreement and perform any of the acts required herein.

(b) Headwaters Development LLC owns 55.22% of the ownership interests in Borrower. Headwaters Development LLC has invested more than $1,600,000 in Borrower and has not received any distributions from Borrower.

(c) Michael J. Hoagberg, Brian J. Nicholson, and Daniel Kersten collectively own, directly or indirectly, all ownership interests in Headwaters Development LLC.

(d) It has the legal authority and is duly authorized to operate the Project, to incur the indebtedness of the Promissory Note and the obligations of this Loan Agreement, to execute and deliver this Loan Agreement, Promissory Note and all other documents referred to herein to which it is a party and it has taken all actions necessary and incident to its execution and delivery of this Loan Agreement and other related documents.

(e) Its execution and delivery of this Loan Agreement, the Promissory Note, and all other documents referred to herein to which it is a party, and its incurrence of the loan and obligations evidenced by the Promissory Note, this Loan Agreement, and such other documents, does not violate any provision of law or Borrower's corporate documents.

(f) The Promissory Note was duly and validly authorized, executed and delivered, and it constitutes the legal, valid and binding obligation of the Borrower enforceable in accordance with its terms. This Loan Agreement and all other documents referred to herein to which it is a party, have been duly and validly authorized, executed and delivered, and are the legal, valid and binding obligations of the Borrower enforceable against the Borrower in accordance with their respective terms, except to the extent the enforceability thereof may be limited by bankruptcy, insolvency or other law affecting creditor's rights, or the application of equitable principles generally.

(g) Borrower is not in violation of any provisions of its organizational documents or of the laws of local governments, State of Minnesota or U.S. Government, and there are no actions, suits or proceedings pending, or to its knowledge threatened, before or by any judicial body or governmental authority, against or effecting it, and it is not in default with respect to any order, writ, injunction, decree, or demand of any court or any governmental authority which would impair its ability to enter into this Loan Agreement or to perform any of the acts required of it in this Loan Agreement or any document referred to herein to which it is a party.

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

(i) Borrower will comply with any applicable Minnesota statutes and all of the terms, conditions, provisions and requirements, contained in this Loan Agreement, the Promissory Note, and all documents referred to herein to which it is a party.

(j) Representations, statements, and other matters provided by the Borrower relating to the Development Property and the Project made to the Lender were true and complete in all material respects as of the date of submission to the Lender and that such representations, statements, and other matters are true as of the date of this Loan Agreement and that there are no adverse material changes in the financial condition of the Borrower's business.

(k) The Borrower acknowledges that the State, in selecting the Lender as recipient of the Loan Funds, relied in material part upon the assured completion of the Project to be carried out by the Borrower, and the Borrower warrants that said Project will be carried out as promised. Certificates of Occupancy for all six buildings of the Project will be obtained within one hundred fifty (150) days of the execution of this Loan Agreement, subject only to delays caused by force majeure events outside of Borrower's reasonable control.

(l) The Borrower warrants that to the best of its knowledge, it has obtained all federal, state, and local governmental approvals, reviews, and permits required by law to be obtained in connection with the Project and has undertaken and completed all actions necessary for it to lawfully execute this Loan Agreement as binding upon it.

Section 4.3. **Affirmative Covenants**. Borrower further warrants and agrees that:

(a) It has sufficient funds to complete the purposes of the Project and sufficient capacity to administer the Project.

(b) The Project will be performed in full compliance with all applicable federal, state and local laws, regulations, rules and ordinances, which include but are not limited to all applicable environmental laws, regulations and rules.

ARTICLE 5
Events of Default and Rights and Remedies

Section 5.1. **Events of Default.** Any one or more of the following events shall be deemed and shall constitute an "**Event of Default**":

(a) The interest or principal due under the Promissory Note, or any other payments due and payable under this Loan Agreement or any other document referred to herein, are not paid when due and such nonpayment is not remedied within ten (10) business days after written notice thereof to the Borrower by the Lender.

(b) The Borrower is in breach of any of the requirements, terms, conditions, covenants or other agreements in this Loan Agreement, Promissory Note or other document referred to herein and remains in breach in any material respect for thirty (30) business days after written notice thereof to the Borrower by the Lender; provided, however, that if such breach shall reasonably be incapable of being cured within such thirty (30) business days after notice, and if the Borrower commences and diligently prosecutes the appropriate steps to cure such breach, no default shall exist so long as the Borrower is proceeding to cure such breach in reasonable period of time.

(c) Any representation or warranty made by the Borrower in this Loan Agreement, the Promissory Note, any other document referred to in such documents, or any financial statement, certificate, or report furnished pursuant to this Loan Agreement, or any representation or warranty made order to induce the Lender to close the Loan or disburse the proceeds of the Loan, which proves to have been untrue in any material respect or materially misleading as of the time such representation or warranty was made.

(d) Borrower shall make an assignment for the benefit of its creditors, or shall be dissolved, or shall commit an act of bankruptcy under the United States Bankruptcy Act (as now or hereafter amended), or shall admit in court its inability to pay its debts as they become due, or shall file a petition in bankruptcy, or shall become or be adjudicated as bankrupt or insolvent, however defined, or shall file a petition seeking any reorganization, dissolution, liquidation, arrangement, composition, readjustment or similar relief under any present or future bankruptcy or insolvency statute, law or regulation, or shall file an answer admitting to or not contesting the material allegations of a petition filed against it in such proceedings, or shall not, within 60 days after the filing of such a petition against it, have the same dismissed or vacated, or shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of a material part of its properties, or shall not, within 60 days after the appointment (without its consent or acquiescence) of a trustee, receiver or liquidator of any material part of its properties, have such appointment vacated.

(e) A court of competent jurisdiction shall enter an order, judgment or decree approving a petition filed against Borrower seeking any reorganization, dissolution or similar relief under any present or future federal, state or other statute, law or regulation relating to bankruptcy, insolvency or other relief for debtors, or any trustee, receiver or liquidator of such entity, shall be appointed without the consent or acquiescence of the Lender.

(f) Borrower shall refuse to allow the Lender, at any reasonable time and upon prior written notice, to inspect, audit, copy or abstract, any and all of its books, records, papers or other documents relevant to the Borrower's use of the proceeds of the Loan.

(g) The Borrower merges or consolidates with any other entity without the prior written approval of the Lender.

(h) There is a loss, theft, substantial damage, or destruction of all or any part of the Development Property that is not remedied to the Lender's satisfaction within a reasonable time after written notice thereof by the Lender to the Borrower.

(i) The Lender is notified of loss of property or liability insurance coverage and Borrower does not cure this Default within 30 days of policy expiration.

Section 5.2. **Rights and Remedies**. Upon the occurrence of an Event of Default and at any time thereafter until such Event of Default is cured to the satisfaction of the Lender, the Lender may, at its option, exercise any and all of the following rights and remedies (as well as any other rights and remedies available to it):

(a) The Lender may, by notice in writing to the Borrower, refrain from disbursing any of the proceeds of the Loan; provided, however, the Lender may make such disbursements after the occurrence of an Event of Default without thereby waiving its rights and remedies hereunder, or waiving its right to make any additional disbursements.

(b) The Lender may, by written notice to the Borrower, declare immediately due and payable all principal and interest due under the Promissory Note, together with all other sums payable under this Loan Agreement, the Promissory Note and the same shall thereupon be immediately due and payable without presentment or other demand, protest, notice of dishonor or any other notice of any kind, all of which are hereby expressly waived.

(c) The Lender shall have the right, in addition to any other rights provided by law or equity, to enforce its rights and remedies under this Loan Agreement and the Promissory Note, or any other document referred to herein, including all rights and remedies available under the Uniform Commercial Code.

(d) The Lender shall have the right, in addition to any other rights provided by law or equity, to initiate litigation for the breach of any term, condition, covenant, requirement or provision contained in this Loan Agreement, the Promissory Note, or any document referred to herein, and to recover damages for such breach.

(e) The Lender shall have the right, in addition to any other rights provided by law or equity, to apply to any court, state or federal, for specific performance of any term, condition, covenant, requirement or provision contained in this Loan Agreement, the Promissory Note, or any other document referred to herein; for an injunction against any violation of any such term, condition, covenant, requirement and/or provision; or for such other relief as may be appropriate, since the injury to the Lender arising from a default under any of the terms, conditions, covenants requirements and/or provisions of this Loan Agreement, the Promissory Note or any other document referred to herein, would be irreparable and the amount of damage would be difficult to ascertain.

Section 5.3. **Rights and Remedies Cumulative.** The rights and remedies of the parties to this Loan Agreement, whether provided by operation of law or by this Loan Agreement, shall be cumulative, and the exercise by either party of any one or more of such remedies shall not be construed to preclude or waive its right to exercise, at the same or different times, any of the other such remedies for the same default or breach, or of any of its remedies for any other default or breach by the other party.

No waiver made by either such party with respect to the performance, manner or time thereof, of any obligation of the other party or any condition to its own obligation under this Loan Agreement or any document referred to herein, shall be considered a waiver of any rights of the party making the waiver with respect to the particular obligation of the other party or condition to its own obligation beyond those expressly waived in writing and to the extent thereof, or a waiver in any respect in regard to any other rights of the party making the waiver or any other obligations of the other party. No delay or failure by either party to exercise any right or remedy shall be a waiver of such right or remedy, and no single or partial exercise by either party of any right or remedy shall preclude other or further exercise thereof for the exercise of any other right or remedy at any other time.

Section 5.4. **Collection.** Upon the occurrence of an Event of Default and at any time thereafter until such Event of Default is cured to the satisfaction of the Lender, Borrower agrees to pay all costs and expenses of the Lender, including, but not limited to, reasonable attorney's fees, in the collection of any of the obligations or the enforcement of any of the Lender's rights. If any notice of sale, disposition or other intended action by the Lender is required by law to be given to Borrower, such notice shall be deemed reasonably and properly given if mailed to Borrower at the address specified in Section 7.3, or at such other address of Borrower as may be shown on the Lender's records, at least 15 days before such sale, disposition or other intended action.

Section 5.5. **Assignment.** If, prior to the Termination Date, the Borrower sells, conveys, transfers, further mortgages or encumbers, or disposes of the Development Property, or any part thereof or interest therein, the Borrower shall immediately repay all amounts then outstanding on the Loan. This shall be in addition to any other remedies at law or equity available to the Lender.

Section 5.6. **Appointment for Foreclosure.** Upon the occurrence of an Event of Default and at any time thereafter until such Event of Default is cured to the satisfaction of the Lender, Borrower agrees that the Lender may appoint an individual or entity to handle the default proceedings.

ARTICLE 6
Disbursement Provisions

Section 6.1. **Payment Requisition Documentation**. The Lender will disburse the loan funds via draw requests upon receipt and approval by the Lender of the following documentation:

(a) This Loan Agreement, fully executed;

(b) Promissory Note;

(c) As a condition to disbursing the Tranche B Permanent Financing portion of the Loan, the Borrower agrees to grant a mortgage on the Development Property, securing the entire Loan (both the Bridge Loan and the Permanent Financing Loan) that is subordinate to the Bell Bank mortgage on terms that have been approved by Bell Bank. At Bell Bank's request, Lender agrees to enter into a subordination and inter creditor agreement with Bell Bank on mutually agreeable terms, at the time Borrower grants the subordinate mortgage to Lender.

(d) UCC filings with the State and County

(e) As a condition to disbursing the Tranche A portion of the Loan, a security agreement signed by Headwaters Development LLC, the managing member of Borrower, granting to Lender a security interest in the managing member's membership interest in Borrower. Lender agrees to terminate this security agreement and release the security interest when Borrower grants the subordinate mortgage to Lender in connection with Lender's disbursement of the Tranche B portion of the Loan.

(f) Documentation of total project expenditures.

(g) The Borrower shall maintain property insurance in adequate amounts covering loss or damage to the collateral. The Borrower shall maintain liability insurance of a minimum of ($1,000,000) one million dollars per occurrence and ($2,000,000) two million dollar aggregate for the duration of the promissory note. The Lender must be listed as loss payee on the property insurance.

Upon receipt of such information, the Loan may be disbursed in a lump sum or upon submission of draw requests at the Lender's sole discretion.

Section 6.2. **Review of Documents.** The Borrower shall not be entitled to any disbursement of loan proceeds until the Lender's legal counsel has reviewed and approved this Loan Agreement and the exhibits attached hereto.

Section 6.3. **Adverse Changes**. The Lender will not authorize disbursement of funds if there has been any adverse change in the Borrower's financial condition, organization, operations or their ability to repay the project financing.

ARTICLE 7
Other Conditions

Section 7.1. **Release and Indemnification Covenants**. Except for any breach of the representations and warranties of the Lender or the negligence or other wrongful act or omission of the following named parties, the Borrower agrees to protect and defend the Lender and the governing body members, officers, agents, servants, and employees thereof, now and forever, and further agrees to hold the aforesaid harmless from any claim, demand, suit, action, or other proceeding whatsoever by any person or entity whatsoever arising or purportedly arising from the acquisition, construction, installation, ownership, maintenance, and operation of the Project and the Borrower's activities on the Development Property.

Section 7.2. **Modifications**. This Loan Agreement may be modified solely through written amendments hereto executed by the Borrower and the Lender.

Section 7.3. **Notices and Demands**. Any notice, demand, or other communication under this Loan Agreement by either party to the other shall be sufficiently given or delivered only if it is dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered personally:

(a) In the case of Developer, is mailed to or delivered personally to: WINDOM APARTMENTS LLC, Attention: Michael Hoagberg, Managing Director, 6757 Karmen Ave NE, Albertville, Minnesota 55301;

(b) In the case of the City, is mailed to or delivered personally to 444 Ninth Street, P.O. Box 38, Windom, Minnesota 56101-0038; Attention: City Administrator;

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

Section 7.4. **Dispute Resolution.** The Lender and Borrower shall mediate any controversy or claim arising out of or relating to this Loan Agreement, or the breach thereof. If mediation fails, the Lender and Borrower shall resolve the matter by arbitration, administered in accordance with the American Arbitration Association's Commercial Arbitration Rules. The arbitration hearing shall take place in the City of Windom, Minnesota, before a single arbitrator. Judgment on the award rendered by the arbitrator may be entered in any Court having jurisdiction thereof.

Signature Page Follows

Signature Page to Loan Agreement

IN WITNESS WHEREOF, the Lender has caused this Loan Agreement to be duly executed in its name and behalf and the Borrower has caused this Loan Agreement to be duly executed in its name and behalf as of the date first above written.

City of Windom

By ________________________

Its ________________________

By ________________________

Its ________________________

Windom Apartments LLC

By: ________________________
Michael J. Hoagberg, its manager

EXHIBIT A: AMORTIZATION AND PAYMENT SCHEDULE - BEGINNING JANUARY 2025

Month	Interest	Principal	Ending Balance
1	$25,000.00	$17,160.40	$9,982,839.60
2	$24,957.10	$17,203.30	$9,965,636.29
3	$24,914.09	$17,246.31	$9,948,389.98
4	$24,870.97	$17,289.43	$9,931,100.55
5	$24,827.75	$17,332.65	$9,913,767.90
6	$24,784.42	$17,375.98	$9,896,391.92
7	$24,740.98	$17,419.42	$9,878,972.49
8	$24,697.43	$17,462.97	$9,861,509.52
9	$24,653.77	$17,506.63	$9,844,002.89
10	$24,610.01	$17,550.40	$9,826,452.49
11	$24,566.13	$17,594.27	$9,808,858.22
12	$24,522.15	$17,638.26	$9,791,219.96
End of 2025			
13	$24,478.05	$17,682.35	$9,773,537.61
14	$24,433.84	$17,726.56	$9,755,811.05
15	$24,389.53	$17,770.88	$9,738,040.18
16	$24,345.10	$17,815.30	$9,720,224.87
17	$24,300.56	$17,859.84	$9,702,365.03
18	$24,255.91	$17,904.49	$9,684,460.54
19	$24,211.15	$17,949.25	$9,666,511.29
20	$24,166.28	$17,994.13	$9,648,517.16
21	$24,121.29	$18,039.11	$9,630,478.05
22	$24,076.20	$18,084.21	$9,612,393.84
23	$24,030.98	$18,129.42	$9,594,264.43
24	$23,985.66	$18,174.74	$9,576,089.68
End of 2026			
25	$23,940.22	$18,220.18	$9,557,869.50
26	$23,894.67	$18,265.73	$9,539,603.77
27	$23,849.01	$18,311.39	$9,521,292.38
28	$23,803.23	$18,357.17	$9,502,935.21
29	$23,757.34	$18,403.07	$9,484,532.14
30	$23,711.33	$18,449.07	$9,466,083.07
31	$23,665.21	$18,495.20	$9,447,587.87
32	$23,618.97	$18,541.43	$9,429,046.44
33	$23,572.62	$18,587.79	$9,410,458.65
34	$23,526.15	$18,634.26	$9,391,824.40
35	$23,479.56	$18,680.84	$9,373,143.55
36	$23,432.86	$18,727.54	$9,354,416.01
End of 2027			
37	$23,386.04	$18,774.36	$9,335,641.65
38	$23,339.10	$18,821.30	$9,316,820.35
39	$23,292.05	$18,868.35	$9,297,951.99
40	$23,244.88	$18,915.52	$9,279,036.47
41	$23,197.59	$18,962.81	$9,260,073.66
42	$23,150.18	$19,010.22	$9,241,063.44
43	$23,102.66	$19,057.74	$9,222,005.70
44	$23,055.01	$19,105.39	$9,202,900.31
45	$23,007.25	$19,153.15	$9,183,747.15
46	$22,959.37	$19,201.04	$9,164,546.12

47	$22,911.37	$19,249.04	$9,145,297.08
48	$22,863.24	$19,297.16	$9,125,999.92
End of 2028			
49	$22,815.00	$19,345.40	$9,106,654.52
50	$22,766.64	$19,393.77	$9,087,260.75
51	$22,718.15	$19,442.25	$9,067,818.50
52	$22,669.55	$19,490.86	$9,048,327.64
53	$22,620.82	$19,539.58	$9,028,788.06
54	$22,571.97	$19,588.43	$9,009,199.62
55	$22,523.00	$19,637.40	$8,989,562.22
56	$22,473.91	$19,686.50	$8,969,875.72
57	$22,424.69	$19,735.71	$8,950,140.01
58	$22,375.35	$19,785.05	$8,930,354.95
59	$22,325.89	$19,834.52	$8,910,520.44
60	$22,276.30	$19,884.10	$8,890,636.33
End of 2029			
61	$22,226.59	$19,933.81	$8,870,702.52
62	$22,176.76	$19,983.65	$8,850,718.88
63	$22,126.80	$20,033.61	$8,830,685.27
64	$22,076.71	$20,083.69	$8,810,601.58
65	$22,026.50	$20,133.90	$8,790,467.68
66	$21,976.17	$20,184.23	$8,770,283.45
67	$21,925.71	$20,234.69	$8,750,048.75
68	$21,875.12	$20,285.28	$8,729,763.47
69	$21,824.41	$20,335.99	$8,709,427.47
70	$21,773.57	$20,386.83	$8,689,040.64
71	$21,722.60	$20,437.80	$8,668,602.84
72	$21,671.51	$20,488.90	$8,648,113.94
End of 2030			
73	$21,620.28	$20,540.12	$8,627,573.82
74	$21,568.93	$20,591.47	$8,606,982.35
75	$21,517.46	$20,642.95	$8,586,339.41
76	$21,465.85	$20,694.55	$8,565,644.85
77	$21,414.11	$20,746.29	$8,544,898.56
78	$21,362.25	$20,798.16	$8,524,100.40
79	$21,310.25	$20,850.15	$8,503,250.25
80	$21,258.13	$20,902.28	$8,482,347.97
81	$21,205.87	$20,954.53	$8,461,393.44
82	$21,153.48	$21,006.92	$8,440,386.52
83	$21,100.97	$21,059.44	$8,419,327.08
84	$21,048.32	$21,112.09	$8,398,215.00
End of 2031			
85	$20,995.54	$21,164.87	$8,377,050.13
86	$20,942.63	$21,217.78	$8,355,832.35
87	$20,889.58	$21,270.82	$8,334,561.53
88	$20,836.40	$21,324.00	$8,313,237.53
89	$20,783.09	$21,377.31	$8,291,860.22
90	$20,729.65	$21,430.75	$8,270,429.47
91	$20,676.07	$21,484.33	$8,248,945.14
92	$20,622.36	$21,538.04	$8,227,407.10
93	$20,568.52	$21,591.89	$8,205,815.21
94	$20,514.54	$21,645.87	$8,184,169.35
95	$20,460.42	$21,699.98	$8,162,469.37

96	$20,406.17	$21,754.23	$8,140,715.14
End of 2032			
97	$20,351.79	$21,808.62	$8,118,906.52
98	$20,297.27	$21,863.14	$8,097,043.39
99	$20,242.61	$21,917.79	$8,075,125.59
100	$20,187.81	$21,972.59	$8,053,153.00
101	$20,132.88	$22,027.52	$8,031,125.48
102	$20,077.81	$22,082.59	$8,009,042.89
103	$20,022.61	$22,137.80	$7,986,905.09
104	$19,967.26	$22,193.14	$7,964,711.95
105	$19,911.78	$22,248.62	$7,942,463.33
106	$19,856.16	$22,304.25	$7,920,159.09
107	$19,800.40	$22,360.01	$7,897,799.08
108	$19,744.50	$22,415.91	$7,875,383.17
End of 2033			
109	$19,688.46	$22,471.95	$7,852,911.23
110	$19,632.28	$22,528.13	$7,830,383.10
111	$19,575.96	$22,584.45	$7,807,798.66
112	$19,519.50	$22,640.91	$7,785,157.75
113	$19,462.89	$22,697.51	$7,762,460.24
114	$19,406.15	$22,754.25	$7,739,705.99
115	$19,349.26	$22,811.14	$7,716,894.85
116	$19,292.24	$22,868.17	$7,694,026.68
117	$19,235.07	$22,925.34	$7,671,101.35
118	$19,177.75	$22,982.65	$7,648,118.70
119	$19,120.30	$23,040.11	$7,625,078.59
120	$19,062.70	$23,097.71	$7,601,980.88
End of 2034			
121	$19,004.95	$23,155.45	$7,578,825.43
122	$18,947.06	$23,213.34	$7,555,612.09
123	$18,889.03	$23,271.37	$7,532,340.72
124	$18,830.85	$23,329.55	$7,509,011.17
125	$18,772.53	$23,387.88	$7,485,623.29
126	$18,714.06	$23,446.35	$7,462,176.95
127	$18,655.44	$23,504.96	$7,438,671.99
128	$18,596.68	$23,563.72	$7,415,108.26
129	$18,537.77	$23,622.63	$7,391,485.63
130	$18,478.71	$23,681.69	$7,367,803.94
131	$18,419.51	$23,740.89	$7,344,063.05
132	$18,360.16	$23,800.25	$7,320,262.80
End of 2035			
133	$18,300.66	$23,859.75	$7,296,403.06
134	$18,241.01	$23,919.40	$7,272,483.66
135	$18,181.21	$23,979.19	$7,248,504.47
136	$18,121.26	$24,039.14	$7,224,465.32
137	$18,061.16	$24,099.24	$7,200,366.08
138	$18,000.92	$24,159.49	$7,176,206.60
139	$17,940.52	$24,219.89	$7,151,986.71
140	$17,879.97	$24,280.44	$7,127,706.27
141	$17,819.27	$24,341.14	$7,103,365.13
142	$17,758.41	$24,401.99	$7,078,963.14
143	$17,697.41	$24,463.00	$7,054,500.15
144	$17,636.25	$24,524.15	$7,029,976.00

End of 2036			
145	$17,574.94	$24,585.46	$7,005,390.53
146	$17,513.48	$24,646.93	$6,980,743.60
147	$17,451.86	$24,708.54	$6,956,035.06
148	$17,390.09	$24,770.32	$6,931,264.74
149	$17,328.16	$24,832.24	$6,906,432.50
150	$17,266.08	$24,894.32	$6,881,538.18
151	$17,203.85	$24,956.56	$6,856,581.62
152	$17,141.45	$25,018.95	$6,831,562.67
153	$17,078.91	$25,081.50	$6,806,481.18
154	$17,016.20	$25,144.20	$6,781,336.98
155	$16,953.34	$25,207.06	$6,756,129.92
156	$16,890.32	$25,270.08	$6,730,859.84
End of 2037			
157	$16,827.15	$25,333.25	$6,705,526.58
158	$16,763.82	$25,396.59	$6,680,130.00
159	$16,700.32	$25,460.08	$6,654,669.92
160	$16,636.67	$25,523.73	$6,629,146.19
161	$16,572.87	$25,587.54	$6,603,558.65
162	$16,508.90	$25,651.51	$6,577,907.14
163	$16,444.77	$25,715.64	$6,552,191.51
164	$16,380.48	$25,779.92	$6,526,411.58
165	$16,316.03	$25,844.37	$6,500,567.21
166	$16,251.42	$25,908.99	$6,474,658.23
167	$16,186.65	$25,973.76	$6,448,684.47
168	$16,121.71	$26,038.69	$6,422,645.78
End of 2038			
169	$16,056.61	$26,103.79	$6,396,541.99
170	$15,991.35	$26,169.05	$6,370,372.94
171	$15,925.93	$26,234.47	$6,344,138.47
172	$15,860.35	$26,300.06	$6,317,838.41
173	$15,794.60	$26,365.81	$6,291,472.60
174	$15,728.68	$26,431.72	$6,265,040.88
175	$15,662.60	$26,497.80	$6,238,543.08
176	$15,596.36	$26,564.05	$6,211,979.03
177	$15,529.95	$26,630.46	$6,185,348.58
178	$15,463.37	$26,697.03	$6,158,651.55
179	$15,396.63	$26,763.77	$6,131,887.77
180	$15,329.72	$26,830.68	$6,105,057.09
End of 2039			
181	$15,262.64	$26,897.76	$6,078,159.33
182	$15,195.40	$26,965.01	$6,051,194.32
183	$15,127.99	$27,032.42	$6,024,161.90
184	$15,060.40	$27,100.00	$5,997,061.91
185	$14,992.65	$27,167.75	$5,969,894.16
186	$14,924.74	$27,235.67	$5,942,658.49
187	$14,856.65	$27,303.76	$5,915,354.73
188	$14,788.39	$27,372.02	$5,887,982.72
189	$14,719.96	$27,440.45	$5,860,542.27
190	$14,651.36	$27,509.05	$5,833,033.22
191	$14,582.58	$27,577.82	$5,805,455.40
192	$14,513.64	$27,646.76	$5,777,808.64
End of 2040			

193	$14,444.52	$27,715.88	$5,750,092.75
194	$14,375.23	$27,785.17	$5,722,307.58
195	$14,305.77	$27,854.63	$5,694,452.95
196	$14,236.13	$27,924.27	$5,666,528.68
197	$14,166.32	$27,994.08	$5,638,534.60
198	$14,096.34	$28,064.07	$5,610,470.53
199	$14,026.18	$28,134.23	$5,582,336.30
200	$13,955.84	$28,204.56	$5,554,131.74
201	$13,885.33	$28,275.07	$5,525,856.66
202	$13,814.64	$28,345.76	$5,497,510.90
203	$13,743.78	$28,416.63	$5,469,094.28
204	$13,672.74	$28,487.67	$5,440,606.61
End of 2041			
205	$13,601.52	$28,558.89	$5,412,047.72
206	$13,530.12	$28,630.28	$5,383,417.44
207	$13,458.54	$28,701.86	$5,354,715.58
208	$13,386.79	$28,773.61	$5,325,941.96
209	$13,314.85	$28,845.55	$5,297,096.42
210	$13,242.74	$28,917.66	$5,268,178.75
211	$13,170.45	$28,989.96	$5,239,188.80
212	$13,097.97	$29,062.43	$5,210,126.37
213	$13,025.32	$29,135.09	$5,180,991.28
214	$12,952.48	$29,207.93	$5,151,783.35
215	$12,879.46	$29,280.94	$5,122,502.41
216	$12,806.26	$29,354.15	$5,093,148.26
End of 2042			
217	$12,732.87	$29,427.53	$5,063,720.73
218	$12,659.30	$29,501.10	$5,034,219.63
219	$12,585.55	$29,574.85	$5,004,644.77
220	$12,511.61	$29,648.79	$4,974,995.98
221	$12,437.49	$29,722.91	$4,945,273.07
222	$12,363.18	$29,797.22	$4,915,475.85
223	$12,288.69	$29,871.71	$4,885,604.13
224	$12,214.01	$29,946.39	$4,855,657.74
225	$12,139.14	$30,021.26	$4,825,636.48
226	$12,064.09	$30,096.31	$4,795,540.17
227	$11,988.85	$30,171.55	$4,765,368.62
228	$11,913.42	$30,246.98	$4,735,121.63
End of 2043			
229	$11,837.80	$30,322.60	$4,704,799.03
230	$11,762.00	$30,398.41	$4,674,400.63
231	$11,686.00	$30,474.40	$4,643,926.23
232	$11,609.82	$30,550.59	$4,613,375.64
233	$11,533.44	$30,626.96	$4,582,748.67
234	$11,456.87	$30,703.53	$4,552,045.14
235	$11,380.11	$30,780.29	$4,521,264.85
236	$11,303.16	$30,857.24	$4,490,407.61
237	$11,226.02	$30,934.38	$4,459,473.23
238	$11,148.68	$31,011.72	$4,428,461.51
239	$11,071.15	$31,089.25	$4,397,372.26
240	$4,397,372.26	$31,166.97	$0
End of 2044 – Last payment balloon of $4,428,539.23 due December 2044			

BRIDGE LOAN PROMISSORY NOTE

$5,300,000.00 September ___, 2023

Windom Apartments LLC, a Minnesota limited liability company (the "Borrower"), for value received, hereby promises to pay to the City of Windom (the "Lender") or its assigns at its designated principal office or such other place as the Lender may designate in writing, the principal sum of Five Million, Three Hundred Thousand dollars and No/100 ($5,300,000.00) (the "Bridge Loan") and so much thereof as may be advanced under this Promissory Note (this "Note"), with interest as hereinafter provided, in any coin or currency which at the time or times of payment is legal tender for the payment of private debts in the United States of America.

1. a. Except as provided in Section 1.c. of this Note, the Bridge Loan shall bear interest at zero percent (0.0%). Interest, if any in accordance with Section 1.c. of this Note, shall commence to accrue as to the amount of the Bridge Loan disbursed as of the date disbursed in accordance with the Loan Agreement between the Borrower and the Lender of even date herewith (the "Loan Agreement") evidencing the terms of the loan evidenced by this Note.

b. On the date of this Note, Borrower is signing and delivering the separate $4,700,000 Permanent Financing Promissory Note to evidence the Permanent Financing Loan described in the Loan Agreement. Subject to the provisions of Section 2.3 of the Loan Agreement, the full principal balance of this Note shall be converted into Permanent Financing at the earliest of (i) the end of the eighteen (18) month term, (ii) upon a recapitalization or sale event, and (iii) Lender's election, under Section 5.2(b) of the Loan Agreement, to accelerate all principal and interests upon an Event of Default. Upon conversion, an amended and restated Note will be completed by the Lender and the Borrower to increase the amount of the Permanent Financing Loan to $10,000,000.00, on the terms set out in Section 2.3 of the Loan Agreement.

c. If the goals are not met by the Compliance Date (as those terms are defined in the Loan Agreement), the Borrower agrees to repay all or a part of the principal amount of this Note on a pro rata basis (as further described in this Section 1.c. the "Recaptured Principal"), plus interest set at the greater of five percent (5.0%) or the implicit price deflator defined in Minnesota Statutes, Section 275.70, Subdivision 2 ("Recapture Interest"), accruing from and after the Initial Disbursement Date, compounded annually. Recaptured Principal plus Recapture Interest thereon shall be repaid not later than 30 days after the Lender notifies the Borrower of the amount to be repaid..

2. The Borrower shall have the right to prepay the principal of this Note, in whole or in part, without prepayment penalty.

3. This Note is given pursuant to the Loan Agreement and is secured by a Security Agreement of even date herewith (the "Security Agreement") covering certain ownership interests in Borrower. In the event any such security is found to be invalid for whatever reason, such invalidity shall constitute an event of default hereunder.

4. All of the agreements, conditions, covenants, provisions, and stipulations contained in the Loan Agreement, or any instrument securing this Note are hereby made a part of this Note to the same extent and with the same force and effect as if they were fully set forth herein. It is agreed that time is of the essence of this Note. If a default occurs under the Loan Agreement, or any instrument securing this Note, and continues beyond any applicable notice and cure periods, the Lender of this Note may at its right and option, without notice, declare immediately due and payable the principal balance of this Note, together with any costs of collection including attorney fees incurred by the Lender of this Note in collecting or enforcing payment hereof, whether suit be brought or not, and all other sums due hereunder, or under any instrument securing this Note. The Borrower agrees that the Lender of this Note may, without notice to the Borrower of this Note and without affecting the liability of the Borrower of this Note, accept additional or substitute security for this Note, or release any security or any party liable for this Note or extend or renew this Note.

5. The remedies of the Lender of this Note as provided herein, and in the Loan Agreement, or any other instrument securing this Note, shall be cumulative and concurrent and may be pursued singly, successively, or together, and, at the sole discretion of the Lender of this Note, may be exercised as often as occasion therefore shall occur; and the failure to exercise any such right or remedy shall in no event be construed as a waiver or release thereof.

The Lender of this Note shall not be deemed, by any act of omission or commission, to have waived any of its rights or remedies hereunder unless such waiver is in writing and signed by the Lender of this Note and then only to the extent specifically set forth in the writing. A waiver with reference to one event shall not be construed as continuing or as a bar to or waiver of any right or remedy as to a subsequent event. This Note may not be amended, modified, or changed except only by an instrument in writing signed by the party against whom enforcement of any such amendment, modifications, or change is sought.

6. This Note shall be governed by and construed in accordance with the laws of the State of Minnesota without regard to its conflict of laws provisions. Any disputes, controversies, or claims arising out of this Note shall be heard in the state or federal courts of Minnesota, and all parties to this Note waive any objection to the jurisdiction of these courts, whether based on convenience or otherwise.

7. The headings used in this Note are solely for convenience of reference, are no part of this Note, and are not to be considered in construing or interpreting this Note.

8. This Note, with the Loan Agrement, the Permanent Financing Promissory Note, and the other documents that evidence or secure the Bridge Loan and the Permanent Financing Loan, constitutes the entire agreement between the parties pertaining to its subject matter and it supercedes all prior contemporaneous agreement, representations, and understandings of the parties pertaining to the subject matter of this Note.

9. Separability. Wherever possible, each provision of this Note and each related document shall be interpreted so that it is valid under applicable law. If any provision of this Agreement or any related document is to any extent found invalid by a court or other governmental entity of competent jurisdiction, that provision shall be ineffective only to the extent of such invalidity, without invalidating the remainder of such provision or the remaining provisions of this Note or any other related document.

10. IT IS HEREBY CERTIFIED AND RECITED that all conditions, acts, and things required to exist, happen, and be performed precedent to or in the issuance of this Note do exist, have happened, and have been performed in regular and due form as required by law.

[Signature page follows.]

IN WITNESS WHEREOF, the Borrower has caused this Bridge Loan Promissory Note to be duly executed as of the ___day of September, 2023.

Windom Apartments LLC

By ________________________________

Michael J. Hoagberg, its manager

PERMANENT FINANCING PROMISSORY NOTE

$4,700,000.00 September ___, 2023

Windom Apartments LLC, a Minnesota limited liability company (the "Borrower"), for value received, hereby promises to pay to the City of Windom (the "Lender") or its assigns at its designated principal office or such other place as the Lender may designate in writing, the principal sum of Four Million, Seven Hundred Thousand dollars and No/100 ($4,700,000.00) (the "Permanent Financing Loan") and so much thereof as may be advanced under this Promissory Note (this "Note"), with interest as hereinafter provided, in any coin or currency which at the time or times of payment is legal tender for the payment of private debts in the United States of America.

1. a. Except as provided in Section 1.c. of this Note, the Permanent Financing Loan shall bear interest at one-and-one-half percent (1.5%) per annum from January 1, 2024 through December 31, 2024 totaling Seventy Thousand, Five Hundred dollars ($70,500), which interest is due in a single lump sum on December 31, 2024.

Starting January 1, 2025, the Permanent Financing Loan shall bear interest at three percent (3.0%) per annum amortized over a thirty (30) year period. A balloon payment of the remaining principal and accrued interest is due December 10, 2044. Payment of principal and interest (in accordance with Exhibit 1 of the Loan Agreement) is due by the tenth (10^{th}) each month starting on January 10, 2025.

Interest, if any, that is due in accordance with Section 1.c. of this Note, shall commence to accrue as to the amount of the Permanent Financing Loan disbursed as of the date disbursed in accordance with the Loan Agreement between the Borrower and the Lender of even date herewith (the "Loan Agreement") evidencing the terms of the loan evidenced by this Note.

b. Subject to the provisions of Section 2.3 of the Loan Agreement, the full principal balance of an additional Note between Windom Apartments LLC and the City of Windom (the "Bridge Loan") shall be converted into Permanent Financing at the end of the eighteen (18) month term or upon a recapitalization or sale event. Upon conversion, an amended and restated Note will be completed by the Lender and the Borrower to increase the amount of the Permanent Financing Loan to $10,000,000.00, on the terms set out in Section 2.3 of the Loan Agreement.

c. If the goals are not met by the Compliance Date (as those terms are defined in the Loan Agreement), the Borrower agrees to repay all or a part of the principal amount of this Note on a pro rata basis (as further described in this Section 1.c. the "Recaptured Principal"), plus interest set at the greater of five percent (5.0%) or the implicit price deflator defined in Minnesota Statutes, Section 275.70, Subdivision 2 ("Recapture Interest"), accruing from and after the Initial Disbursement Date, compounded annually. Recaptured Principal plus Recapture Interest thereon shall be repaid not later than 30 days after the Lender notifies the Borrower of the amount to be repaid..

2. The Borrower shall have the right to prepay the principal of this Note, in whole or in part, without prepayment penalty.

3. This Note is given pursuant to the Loan Agreement and is secured by a Security Agreement of even date herewith (the "Security Agreement") covering property located in County of Cottonwood, Minnesota. In the event any such security is found to be invalid for whatever reason, such invalidity shall constitute an event of default hereunder.

4. All of the agreements, conditions, covenants, provisions, and stipulations contained in the Loan Agreement, or any instrument securing this Note are hereby made a part of this Note to the same extent and with the same force and effect as if they were fully set forth herein. It is agreed that time is of the essence of this Note. If a default occurs under the Loan Agreement, or any instrument securing this Note, and continues beyond any applicable notice and cure periods, the Lender of this Note may at its right and option, without notice, declare immediately due and payable the principal balance of this Note, together with any costs of collection including attorney fees incurred by the Lender of this Note in collecting or enforcing payment hereof, whether suit be brought or not, and all other sums due hereunder, or under any instrument securing this Note. The Borrower agrees that the Lender of this Note may, without notice to the Borrower of this Note and without affecting the liability of the Borrower of this Note, accept additional or substitute security for this Note, or release any security or any party liable for this Note or extend or renew this Note.

5. The remedies of the Lender of this Note as provided herein, and in the Loan Agreement, or any other instrument securing this Note, shall be cumulative and concurrent and may be pursued singly, successively, or together, and, at the sole discretion of the Lender of this Note, may be exercised as often as occasion therefore shall occur; and the failure to exercise any such right or remedy shall in no event be construed as a waiver or release thereof.

The Lender of this Note shall not be deemed, by any act of omission or commission, to have waived any of its rights or remedies hereunder unless such waiver is in writing and signed by the Lender of this Note and then only to the extent specifically set forth in the writing. A waiver with reference to one event shall not be construed as continuing or as a bar to or waiver of any right or remedy as to a subsequent event. This Note may not be amended, modified, or changed except only by an instrument in writing signed by the party against whom enforcement of any such amendment, modifications, or change is sought.

6. This Note shall be governed by and construed in accordance with the laws of the State of Minnesota without regard to its conflict of laws provisions. Any disputes, controversies, or claims arising out of this Note shall be heard in the state or federal courts of Minnesota, and all parties to this Note waive any objection to the jurisdiction of these courts, whether based on convenience or otherwise.

7. The headings used in this Note are solely for convenience of reference, are no part of this Note, and are not to be considered in construing or interpreting this Note.

8. This Note, with the Loan Agreement, the Bridge Loan Promissory Note, and the other documents that evidence or secure the Bridge Loan and the Permanent Financing Loan, constitutes the entire agreement between the parties pertaining to its subject matter and it supercedes all prior contemporaneous agreements, representations, and understandings of the parties pertaining to the subject matter of this Note.

9. Separability. Wherever possible, each provision of this Note and each related document shall be interpreted so that it is valid under applicable law. If any provision of this Agreement or any related document is to any extent found invalid by a court or other governmental entity of competent jurisdiction, that provision shall be ineffective only to the extent of such invalidity, without invalidating the remainder of such provision or the remaining provisions of this Note or any other related document.

10. IT IS HEREBY CERTIFIED AND RECITED that all conditions, acts, and things required to exist, happen, and be performed precedent to or in the issuance of this Note do exist, have happened, and have been performed in regular and due form as required by law.

[Signature page follows.]

IN WITNESS WHEREOF, the Borrower has caused this Permanent Financing Promissory Note to be duly executed as of the ___day of September, 2023.

Windom Apartments LLC

By ___________________________________

Michael J. Hoagberg, its manager

SECURITY AGREEMENT

September __, 2023

Windom Apartments LLC, a Minnesota limited liability company ("**Borrower**"), is borrowing a loan from the City of Windom, Minnesota ("**Lender**") in the amount of up to $10,000,000 (the "**Loan**") under the Financial Assistance Plan Loan Agreement dated the same date as this Agreement (the "**Loan Agreement**"). The Loan is evidenced by the Bridge Loan Promissory Note in the amount of up to $5,300,000 and the Permanent Financing Promissory Note in the amount of up to $4,700,000, both signed by Borrower in favor of Lender (the "**Notes**").

Headwaters Development LLC, a Minnesota limited liability company ("**Headwaters**"), is a member of Borrower with a 55.2% percentage ownership interest in Borrower. Under the Operating Agreement of Borrower dated May 27, 2022, Headwaters is the Managing Member of Borrower.

As a condition to making the Loan, Lender has required that Headwaters grant to Lender a security interest in Headwaters' ownership interest in Borrower to secure the loan.

1. Security Interest Granted. To secure all of Borrower's obligations and liabilities under the Loan Agreement, the Notes, and all other agreements and documents that evidence or secure the Loan, Headwaters hereby grants to Lender a continuing first-priority security interest in all of Headwaters' rights and interests in Borrower, including Headwaters' rights and status as a member and the Managing Member of Borrower, all rights to distributions from Borrower, and all of Borrower's other rights under Borrower's Operating Agreement and the Minnesota Revised Uniform Limited Liability Company Act, Minnesota Statues Chapter 322C, including allocations of profits and losses, management and voting rights, and rights to information about the company, together with all replacements, additions, modifications, accessions, substitutions and proceeds relating to or arising from Headwaters' rights and interest in Borrower (the "**Collateral**").

2. Representations and Warranties. Headwaters represents and warrants to Lender that:

a. Headwaters is a Minnesota limited liability company, is in good standing under the laws of the State of Minnesota, and is authorized to enter into this Agreement and perform its obligations under this Agreement.

b. Headwaters' exact legal name, type of legal entity, and state of organization are set forth in the preamble to this Agreement, and the "location" of Headwaters, for the purposes of perfecting a security interest under Article 9 of the Uniform Commercial Code, as enacted in Minnesota (the "**UCC**"), is the State of Minnesota.

c. Headwaters owns 55.22% of the ownership interests in Borrower. Headwaters has invested more than $1,600,000 in Borrower and has not received any distributions from Borrower.

d. Michael J. Hoagberg, Brian J. Nicholson, and Daniel K. Kersten collectively own, directly or indirectly, all ownership interests in Headwaters.

e. To Headwaters' knowledge, no event exists that would cause a dissolution of Borrower or Headwaters.

f. Headwaters has the power and authority to enter into and perform its obligations under this Agreement, and all such action has been duly and validly authorized by all necessary action on the part of Borrower and Headwaters. Headwaters has duly and validly signed and delivered this Agreement, this Agreement is Headwaters' legal, valid, and binding obligation, and it is enforceable against Headwaters in accordance with its terms, except to the extent the enforceability of this Agreement is limited by bankruptcy, insolvency or other similar laws of general application affecting the enforcement of creditors' rights.

g. Headwaters' signing and delivery of this Agreement does not violate any provision of law or Borrower's or Headwaters' organizational documents.

h. Headwaters is not in violation of any provisions of its organizational documents or of the laws of local governments, the State of Minnesota, or the U.S. government, and there are no actions, suits or proceedings pending, or to its knowledge threatened, before or by any judicial body or governmental authority, against or effecting it, and it is not in default with respect to any order, writ, injunction, decree, or demand of any court or any governmental authority that would impair Headwaters' ability to enter into this Agreement or to perform any of the acts required of it in this Agreement.

i. Neither the signing and delivery of this Agreement nor Headwaters' compliance with any of the terms, conditions, requirements, and provisions in this Agreement is prevented by, is a breach of, or will result in a breach of any term, condition or provision of any agreement or document to which Headwaters is now a party or by which it is bound.

j. Headwaters' representations and statements made to and information provided to Lender in connection with the Loan, the Development Property, and the Project, as the Loan Agreement defines those two terms, were true and complete in all material respects as of the date of submission to the Lender and such representations, statements, and other matters are true as of the date of this Agreement.

k. Headwaters has delivered a true and complete copy of Borrower's Operating Agreement to Lender, and the Operating Agreement is in full force and effect and has not been amended, restated, replaced, supplemented, or otherwise modified in any manner. There is no agreement other than the Operating Agreement that affects Headwaters' rights and obligations as a member of and owner of membership interests in Borrower.

l. Headwaters owns its ownership interest in Borrower, beneficially and of record, free and clear of any lien, security interest, charge or encumbrance except for the security interest created by this Agreement. No financing statement covering all or any part of Headwaters' ownership interest in Borrower is on file in any recording office, except any that have been filed in favor of Lender.

3. Headwaters Remains Liable. Notwithstanding anything else in this Agreement to the contrary: (i) Headwaters remains liable for its obligations as a member of Borrower to the extent provided by law and Borrower's Operating Agreement and agrees to perform all of its duties and obligations as a member of Borrower to the same extent as if this Agreement had not been signed; (ii) Lender's exercise of any of its rights under this Agreement does not release Headwaters from any of its duties or obligations under Borrower's Operating Agreement; and (iii) Lender has no obligation or liability to Borrower, or any of Headwaters' creditors to perform any obligation or duty of Headwaters under Borrower's Operating Agreement or otherwise as a member of Borrower, or to take any action to collect or enforce any claim for payment assigned under this Agreement, except that, upon Lender's foreclosure under this Agreement, Lender and any other transferee of the Collateral will take the Collateral subject to the terms of Borrower's Operating Agreement, to the extent applicable.

4. Headwaters' Agreements. Headwaters hereby agrees, at Headwaters' sole cost, for the benefit of Lender, as follows:

a. Headwaters agrees not to change its name or do anything that would change its "location" for the purposes of Article 9 of the UCC until it has given Lender at least thirty days' prior written notice, Lender has given its written consent to such change, and Headwaters has delivered to Lender confirmation that a financing statement has been filed where appropriate to continue the perfection of Lender's security interest in the Collateral as a first priority security interest in the Collateral.

b. Headwaters agrees to remain the sole managing member of Borrower.

c. Headwaters agrees not to sell, pledge, convey, assign (by operation of law or otherwise), mortgage, grant a security interest in, or otherwise transfer or encumber its interest in any of the Collateral, or create or suffer to exist any lien, security interest or other charge or encumbrance upon or with respect to any of the Collateral to secure debt of any person or entity, except for the security interest created by this Agreement.

d. Headwaters agrees, upon Lender's request, to promptly sign and deliver all further instruments and documents, and take all further actions that are necessary or desirable or that Lender requests, in order to perfect and protect the security interest granted by this Agreement or to enable Lender to exercise and enforce its rights and remedies under this Agreement with respect to any Collateral.

e. Headwaters hereby authorizes Lender to file one or more financing or continuation statements, and any amendments to such financing statements that relate to all or any part of the Collateral.

f. Headwaters agrees not to vote in favor of, consent to, accept, or take any other action that would cause or authorize: (a) any impairment of Lender's position or interest in any Collateral; (b) the dissolution, cancellation, or termination of Borrower, (c) the issuance by Borrower of any membership interests or other securities that are convertible into or grant the right to purchase or exchange for any membership interests in Borrower; or (e) any sale, transfer, or encumbrance of Headwaters' interest in Borrower.

5. Distributions from Borrower. Headwaters agrees not to cause or permit Borrower to make distributions to its members before the "Termination Date", as the Loan Agreement defines that term, except for normal course distributions of cash flow available after the payment of debt service. In addition, Headwaters may cause or permit Borrower to make distributions to its members upon a sale, partial sale, or recapitalization of the Development Property or Project subject to Lender's consent, which will not be unreasonably withheld and provided within thirty days of request from Borrower.

6. Lender Appointed Attorney-in-Fact. Headwaters hereby irrevocably designates and appoints Lender, and any person Lender designates, as its attorney-in-fact (coupled with an interest), with full authority in the place and stead of Headwaters and in the name of Headwaters or otherwise, in Lender's sole discretion, at any time during the existence of an Event of Default, to take any action and to sign any instrument Lender requests to accomplish the purposes of this Agreement, including, without limitation, to ask, demand, collect, sue for, recover, compound, receive, and give acquittance and receipt for, moneys due and to become due under or in connection with the Collateral, to receive, endorse, and collect any drafts or other instruments, documents and chattel paper in connection therewith, and to file any claims or take any action or institute any proceedings that Lender deems necessary or desirable for the collection thereof or to enforce compliance with the terms and conditions of Borrower's Operating Agreement. Headwaters hereby ratifies and approves all acts of the attorney taken within the scope of the authority granted. Neither Lender nor the attorney shall be liable for any acts of commission or omission nor for any error in judgment or mistake of fact or law, except that nothing in this sentence relieves or discharges any such person from liability for its gross negligence or willful misconduct. This power, being coupled with an interest, is irrevocable so long as any obligation this Agreement secures remains unpaid.

7. Lender Entitled to Perform. If Headwaters fails to perform any of its obligations under this Agreement, Lender has the right, upon prior notice to Headwaters, to perform the obligation and Headwaters agrees to pay all costs Lender incurs.

8. Lender's Duties. The powers this Agreement confers on Lender are solely to protect Lender's interest in the Collateral and do not impose any duty on Lender to exercise any such powers. Except for the safe custody of any Collateral in its possession and the accounting for money Lender actually receives under this Agreement, Lender has no duty as to any Collateral or to take any necessary steps to preserve rights against prior parties or any other rights with respect to any Collateral.

9. Events of Default and Remedies. **"Event of Default"** means any of the following: (i) an "Event of Default" as the Loan Agreement defines that term; (ii) Headwaters breaches any of its obligations under this Agreement and remains in breach in any material respect for thirty business days after Lender gives Headwaters written notice of the breach, except that if the breach is not reasonably curable within such thirty business day period, and if Headwaters commences and diligently prosecutes the appropriate steps to cure the breach, no default will exist so long as Headwaters is proceeding to cure the breach within a reasonable period of time; (iii) Headwaters files a voluntary petition in bankruptcy or is adjudicated as a bankrupt or insolvent, or files any petition or answer seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under the present or any future federal bankruptcy act or any other present or future applicable federal, state or other statute or law, makes an assignment for the benefit of creditors, or seeks or consents to or acquiesces in the appointment of any trustee, receiver or liquidator of Headwaters or of all or any substantial part of its properties; or (iv) Headwaters fails, within sixty days after the commencement of any proceeding against Headwaters seeking any reorganization, arrangement, readjustment, liquidation, dissolution or similar relief under the present or any future federal bankruptcy act or any other present or future applicable federal, state or other statute or law, to move to dismiss such proceeding and to obtain Headwaters' dismissal from the proceeding within sixty days after filing its motion to dismiss. Whenever an Event of Default has occurred and continues to exist, Lender has the right to exercise any one or more of the following remedies:

a. Exercise any or all of Lender's rights and remedies under the Loan Agreement;

b. Transfer and register in its or its nominee's name the whole or any part of the Collateral;

c. Exercise all voting and management rights with respect to the Collateral;

d. Demand, sue for, collect, receive and give acquittance for any and all cash Distributions due or to become due upon or by virtue thereof, and to settle, prosecute or defend any action or proceeding with respect thereto;

e. Receive and retain all distributions that Headwaters is entitled to receive from Borrower;

f. Otherwise enforce and act with respect to the Collateral as though Lender were the outright owner of the Collateral;

g. All of the rights and remedies of a secured party on default under the Uniform Commercial Code, including, but not limited to, selling, in one or more sales, public or private, the whole or any part of the Collateral or otherwise to transfer or assign the Collateral; and

h. All other rights and remedies available at law or in equity

If notice to Headwaters of any intended disposition of Collateral or any other intended action is required by law in a particular instance, such notice will be deemed commercially reasonable if given in accordance with Section 14 at least ten business days before the date of intended disposition or other action. Except as otherwise expressly provided in the UCC, Lender has the right to enforce its rights under this Agreement without any other notice and without compliance with any other condition precedent now or hereafter imposed by statute, rule of law or otherwise, all of which Headwaters hereby waives to the fullest extent permitted by law. Lender has the right to buy any part or all of the Collateral at any public sale conducted in accordance with the UCC. Headwaters recognizes and acknowledges that Lender may be unable to effect a public sale of all or any part of the Collateral because of prohibitions in the Securities Act and other applicable laws, but may be compelled to resort to one or more private sales to a restricted group of purchasers and may otherwise be required to impose additional limitations on sales as a result.

Headwaters agrees that any such private sales may be at prices and on other terms less favorable to the seller than if sold at public sales and that such private sales shall not by reason thereof be deemed not to have been made in a commercially reasonable manner. Headwaters agrees to make reasonable efforts to cause Borrower to sign and deliver all instruments and documents and to do or all other acts and things that are necessary or, in Lender's opinion, advisable (i) to cause the Collateral to be exempt from registration under the provisions of the Securities Act; (ii) to amend such instruments and documents that, in Lender's opinion, are necessary or advisable to meet the requirements of the Securities Act and the rules and regulations of the Securities and Exchange Commission; and (iii) to make any sales of any portion or all of the Collateral under this Section 9 valid and binding and in compliance with any and all applicable laws, provided that nothing in this Agreement requires the Collateral to be registered under the Securities Act or other similar laws. If any Collateral is sold at any public or private sale, Lender has the right to elect to sell only to a buyer who will give further assurances, satisfactory in form and substance to Lender as to compliance with the Securities Act and Blue Sky Laws, and a sale subject to such condition shall be deemed commercially reasonable. If at any time Lender exercises its right to sell all or any part of the Collateral, all or any part of the Collateral is not for any reason effectively registered under the Securities Act or registered or qualified under applicable Blue Sky Laws, as then in effect, Headwaters hereby authorizes Lender to comply with any limitation or restriction in connection with such sale as is necessary in order to avoid any violation of applicable law (including, without limitation, compliance with any procedures that might restrict the number of prospective bidders and purchasers or further restrict the prospective bidders or purchasers to persons who will represent and agree that they are purchasing for their own account for investment and not with a view to the distribution or resale of such Collateral), or in order to obtain any required approval of the sale or of the purchaser by any governmental regulatory authority or official, and Headwaters further agrees that such compliance will not result in such sale being considered or deemed not to have been made in a commercially reasonable manner, nor make Lender be liable or accountable to Headwaters for any discount allowed because the Collateral is sold in compliance with any such limitation or restriction.

Lender's sole duty with respect to the custody, safekeeping, and physical preservation of the Collateral in its possession, if any, under Section 9-207 of the UCC or otherwise, is to deal with it in the same manner Lender deals with similar property for its own account. Neither Lender nor any of its directors, officers, partners, members, employees or agents shall be liable for any failure to demand, collect, or realize upon any of the Collateral, or for any delay in doing so, or shall have any obligation to sell or otherwise dispose of any Collateral upon the request of Headwaters or otherwise.

Notwithstanding anything in Borrower's Operating Agreement to the contrary, if Lender sells the Collateral at a foreclosure sale, Headwaters hereby grants the purchaser of the Collateral (which purchaser may be Lender) the right (but not the obligation) to become a member of Borrower in place of Headwaters without any further consent of Headwaters. To exercise such right, the purchaser must give written notice to Borrower of its election to become a member of Borrower. Following such election, the purchaser will have the rights and powers of a member under the Operating Agreement.

10. Application of Proceeds. Except to the extent this Agreement or any other Loan Document expressly provides to the contrary, Lender agrees to apply the net proceeds of any

Collateral it receives, net of all costs and expenses of every kind incurred in connection with any collection, recovery, receipt, appropriation, realization, safekeeping, or sale of the Collateral or Lender's exercise of its rights under this Agreement, including reasonable attorney fees and disbursements, to the payment in whole or in part of the obligations this Agreement secures, in any order Lender elects in its sole discretion, and only after such application and after Lender's payment of any other amount required by any provision of law, including Section 9-615 of the UCC, does Lender have any obligation to account for the surplus, if any, to Headwaters.

11. Indemnity. Headwaters agrees to indemnify and defend Lender from and against any and all claims, losses and liabilities that result from this Agreement including, without limitation, Headwaters' breach of this Agreement and any enforcement by Lender of its rights under this Agreement, excluding only claims, losses or liabilities resulting from Lender's gross negligence or willful misconduct.

12. Personal Liability. Headwaters is not personally liable for Borrower's obligations under the Loan Agreement or the Notes, but Headwaters is personally liable to Lender for any breach of its representations, warranties, obligations, and liabilities under this Agreement.

13. Amendments. No amendment or waiver of any provision of this Agreement nor consent to any departure by Headwaters from the terms of this Agreement, is effective unless in writing and signed by Lender, and then such waiver or consent is effective only in the specific instance and for the specific purpose for which given.

14. Notices. All notices and other communications this Agreement requires or permits, or pursuant to the UCC, will be sufficiently given if in writing and delivered in person, sent by United States certified mail, return receipt requested, postage prepaid, sent by next business day delivery by a nationally recognized courier service, or sent by email, if to Headwaters, at Headwaters Development LLC, Attention: Michael Hoagberg, 6757 Karmen Ave NE, Albertville, Minnesota 55301, with required copies to Michael Hoagberg, mhoagberg@headwatersdevelopment.com, Brian Nicholson, bnicholson@headwatersdevelopment.com, and Daniel Kersten, dkersten@headwatersdevelopment.com, and, if to Lender, at 444 Ninth Street, P.O. Box 38, Windom, Minnesota 56101-0038; Attention: City Administrator, and, as to either party, at such other address it designates in a written notice to the other party in accordance with this Section. Notices delivered in person will be effective upon receipt; notices delivered by mail will be effective three business days after being deposited in the United States mail; notices delivered by courier will be effective on the next business day following delivery to the courier; and notices sent by email will be effective on the business day of the transmission.

15. Additional Terms. All of Lender's rights and remedies are cumulative and Lender has the right to exercise them singularly or concurrently, at Lender's option. Headwaters agrees to pay Lender on demand all costs and expenses, including reasonable attorney fees, incurred by Lender in exercising any or all rights and remedies under this Agreement. This Agreement is binding upon Headwaters and its legal representatives and heirs and inures to the benefit of Lender and its successors and assigns. If any provision of this Agreement is determined to be unenforceable or invalid, the provision that is unenforceable will be deemed severed from this Agreement and the remaining provisions carried out with the same force and effect as if the severed provision or part thereof had not been made a part of this Agreement. This Agreement may be signed electronically and in counterparts and may be delivered by email or other electronic transmission.

Signature Page Follows

Signature Page to Security Agreement

Headwaters Development LLC

By: ____________________________________
Name: ____________________________________
Title: ____________________________________

GUARANTY

August ___, 2023

In order to induce the City of Windom (the "Lender") to extend credit or other financial accommodations to Windom Apartments LLC, a Minnesota limited liability company (the "Borrower"), in an original principal amount of $10,000,000.00 (the "Loan"), made under the Loan Agreement dated the same date as this Guaranty between Lender and Borrower, which is evidenced by the Bridge Loan Promissory Note in the amount of $5,300,000 and the Permanent Financing Promissory Note in the amount of $4,700,000 (together, the "Note") of even date herewith executed by the Borrower to the order of the Lender, Headwaters Development LLC, a Minnesota limited liability company (the "Guarantor") hereby:

I. Unconditionally and absolutely guarantees to the Lender:

(a) The full and prompt payment when due, whether at the maturity date specified in the Note or earlier upon acceleration of maturity pursuant to the provisions thereof, of principal, interest, and late charges, if any, specified in the Note and any and all renewals thereof including notes taken in substitution therefore; and,

(b) The payment and performance by the Borrower and any accommodating parties of their obligations under and pursuant to the Loan and any and all documents related thereto, including specifically, but not by way of limitation, the Loan Agreement and the Security Agreement between Guarantor and Lender (the "Security Agreement"), each of even date herewith.

(The Note and such other liability, indebtedness and obligations, are hereinafter collectively referred to as the "Obligations"); together with the full and prompt payment of any and all of Lender's fees, costs and expenses of and incidental to the enforcement of the Obligations, and the enforcement of this Guaranty, including, without limitation, reasonable attorneys' fees, plus interest thereon at the lesser of 18% per annum based upon a 365 day year or the highest rate authorized by law.

2. Agrees that the Lender may demand payment from the Guarantor of any installment (or portion thereof) of principal or interest on the Loan, when due, and the Guarantor shall immediately pay the same to the Lender, and the Lender may demand payment or performance of any or all of the Obligations, when such payment or performance is due or required, and the Guarantor shall immediately pay or perform the same, whether or not the Lender has commenced repossession of any or all collateral or security, or foreclosure of any security interest, mortgage or other lien in or on any of such collateral and security, or otherwise exercised its rights and remedies hereunder or under the Loan, the documents related thereto, or applicable law.

3. Waives (i) presentment, demand, notice of non-payment, protest and notice of protest and dishonor on the Obligations, (ii) notice of acceptance of this Guaranty by the Lender, and,

(iii) notice of the creation or incurrence of the Obligations by the Borrower.

4. Grants to Lender, in Lender's sole discretion and without notice to the Guarantor, which notice is hereby waived by the Guarantor, and subject only to the provisions of any agreement between the Debtor or any other party and Lender at the time in force, the following powers:

(a) To modify or otherwise change any terms of all or any part of the Obligations or the rate of interest thereon, (but not to increase the principal amount of the Note), to grant any extension or renewal thereof and any other indulgence with respect thereto, and to effect any release, comprise or settlement with respect thereto;

(b) To enter into any agreement of forbearance with respect to all or any part of the Obligations, or with respect to all or any part of the collateral or security, and to change the terms of any such agreement;

(c) To forbear from calling for additional collateral or security, or to secure any obligation comprised in any collateral pledged to secure repayment of the Obligations;

(d) To consent to the substitution, exchange, or release of all or any part of the collateral or security, whether or not any such collateral or security received by the Lender upon any such substitution, exchange, or release shall be of the same or of a different character or value than the collateral or security surrendered by Lender; and

(e) In the event of nonpayment when due, whether by acceleration or otherwise, of any of the Obligations, or in the event of default in the performance of any obligation comprised in the collateral or security, to realize on such collateral or any part thereof, as a whole or in such parcels or subdivided interest as the Lender may elect, at any public or private sale or sales, for cash or on credit or for future delivery, without demand, advertisement of notice of the time or place of sale or any adjournment thereof (the Guarantor hereby waiving any such demand, advertisement and notice to the extent permitted by law), or by foreclosure or otherwise, or to forbear from realizing thereon, all as Lender in its sole and uncontrolled discretion may deem proper, and to purchase all or any part of such collateral or security for its own account at any such sale or foreclosure, such powers to be exercised only to the extent permitted by law.

5. Agrees that the Lender shall not be required to first resort for payment to the Borrower or any other person, corporation or entity, or their properties or estates, or any collateral or security, or other rights or remedies whatsoever, prior to enforcing this Guaranty.

6. Agrees that this Guaranty shall be construed as a continuing, absolute, and unconditional guaranty without regard to (i) the validity, regularity or enforceability of the Obligations, or the disaffirmance thereof in any insolvency or bankruptcy proceeding relating to the Borrower, or (ii) any event or any conduct or action of the Borrower, the Lender, or any

other party which might otherwise constitute a legal or equitable discharge of a surety or guarantor but for this provision.

7. Agrees that this Guaranty shall remain in full force and effect and be binding upon the Guarantor until the Obligations are paid in full.

8. Agrees that no act, omission or thing, except full payment and discharge of the Obligations, which but for this provision could act as a release or impairment of the liability of the Guarantor, or any of them, and the Guarantor waive any and all defenses of the Borrower pertaining to the Obligations, any evidence thereof, and any collateral or security therefore, except the defense of discharge by payment in full.

9. Agrees that the Lender is expressly authorized to forward or deliver any or all collateral or security which may at any time be placed with it by the Borrower, the Guarantor, or any other person, directly to the Borrower for collection and remittance or for credit, or to collect the same in any other manner and to renew, extend, compromise, exchange, release, surrender or modify the installments of, any or all of such collateral or security with or without consideration and without notice to the Guarantor, and without in any manner affecting the absolute liability of the Guarantor hereunder. Further that the liability of the Guarantor hereunder shall not be affected or impaired by the failure, neglect or omission on the part of the Lender to realize upon the Obligations, or upon any collateral or security therefore, nor by the taking by the Lender of any other guaranty or guaranties to secure the Obligations or any other indebtedness of the Borrower to the Lender, nor by the taking by the Lender of collateral or security of any kind, nor by any act or failure to act whatsoever which, but for this provision, might or could in law or in equity act to release or reduce the Guarantor's liability hereunder.

10. Guarantor' obligations hereunder, and the rights of Lender in the collateral or security, shall not be released, discharged or in any way affected, nor shall the Guarantor have any rights or recourse against Lender, by reason of the fact that (i) any of such collateral or security may be in default at the time of acceptance thereof by Lender or later, (ii) a valid lien in any of such collateral or security may not be conveyed to, or created in favor of, Lender, (iii) any of such collateral or security may be subject to equities or defenses or claims in favor of others, or may be invalid or defective in any way, (iv) any of the Obligations may be invalid for any reason whatsoever, (v) the value of any of such collateral or security, or the financial condition of the Debtor or of any obligor under or guarantor of any of such collateral or security, may not have been correctly estimated or may have changed or hereafter change, (vi) there may have been any deterioration, waste, or loss by fire, theft, otherwise of any of such collateral or security, unless such deterioration, waste, or loss be caused by the willful act or willful failure to act of the Lender.

11. Agrees that so long as any portion of the Obligations are due and owing, or to become due and owing, by the Borrower to the Lender, the Guarantor shall not, without the prior written consent of the Lender, collect or seek to collect from the Borrower the claim, if any, by subrogation or otherwise, acquired by the Guarantor through payment of any part or all of the Obligations.

12. Agrees that the liability of the Guarantor hereunder shall not be affected or impaired by the existence or creation from time to time, with or without notice to the Guarantor which notice is hereby waived, of indebtedness from the Borrower to the Lender in addition to the indebtedness evidenced by the Note. The Guarantor hereby consents to the creation or existence of such additional indebtedness.

13. Agrees that the possession of this instrument of guaranty by the Lender shall be conclusive evidence of due execution and delivery hereof by the Guarantor.

14. Agrees that this Guaranty shall be binding upon the legal representatives, successors and assigns of the Guarantor, and shall inure to the benefit of the Lender and its successors, assigns and legal representatives. That, notwithstanding the foregoing, the Guarantor shall have no right to assign or otherwise transfer its rights and obligations under this Guaranty to any third party without the prior written consent of the Lender, and that any such assignment or transfer shall not release or affect the liability of the Guarantor hereunder in any manner whatsoever.

15. Agrees that the Guarantor may be joined in any action or proceeding commenced against the Borrower in connection with or based upon the Obligations, and recovery may be had against the Guarantor in any such action or proceeding or in any independent action or proceeding against the Guarantor should the Borrower fail to duly and punctually pay any of the principal of or interest on the Obligations, without any requirement that the Lender first assert, prosecute or exhaust any remedy or claim against the Borrower or against any collateral or security.

16. Agrees that upon the occurrence at any time of an event of default under either the Note, the Mortgage or the Loan Agreement, and during the continuance thereof, the Lender shall have the right to set off any and all amounts due hereunder by the Guarantor to the Lender against any indebtedness or obligation of the Lender to the Guarantor.

17. Agrees that the Guarantor shall be liable to the Lender for any deficiency remaining after foreclosure of any mortgage or any security interest granted by the Borrower, the Guarantor or any third party to the Lender to secure repayment of the Obligations and the subsequent sale by the Lender of the property subject thereto to a third party (whether at a foreclosure sale or at a sale thereafter by the Lender in the event the Lender purchases said property at the foreclosure sale), notwithstanding any provision of applicable law which may prevent the Lender from obtaining a deficiency judgment against, or otherwise collecting a deficiency judgment from, the Borrower, including, without limitation, Minn. Stat. § 582.30.

18. Notwithstanding any payment or payments made by the Guarantor hereunder or any setoff or application of funds of the Guarantor by the Lender, the Guarantor shall not be entitled to be subrogated to any of the rights of the Lender against the Borrower or any other guarantor or any collateral, security or guarantee or right of offset held by the Lender for the payment of the Obligations, nor shall the Guarantor seek or be entitled to seek any contribution or reimbursement from the Borrower or any other guarantor in respect of payments made by

the Guarantor hereunder, until all amounts owing to the Lender by the Borrower on account of the Obligations are irrevocably paid in full. If any amount shall be paid to the Guarantor on account of such subrogation rights at any time when all of the Obligations shall not have been irrevocably paid in full, such amount shall be held by the Guarantor in trust for the Lender, segregated from other funds of the Guarantor, and shall forthwith upon receipt by the Guarantor be turned over to the Lender in the exact form received by the Guarantor (duly endorsed by the Guarantor to the Lender if required), to be applied against the Obligations, whether matured or unmatured, in such order as the Lender may determine. Notwithstanding any of the foregoing, to the extent any right of subrogation which the Guarantor may have pursuant to this Guaranty or otherwise, or any right of reimbursement or contribution or similar right against the Borrower, any property of the Borrower or any other guarantor of any of the Obligations would result in the Guarantor being a "creditor" of the Borrower within the meaning of Section 547 of Title 11 of the United States Bankruptcy Code as now in effect or hereafter amended, or any comparable provision of any successor statute, the Guarantor hereby irrevocably waives such right of subrogation, reimbursement or contribution .

19. Agrees that this Guaranty shall be deemed a contract made under and pursuant to the laws of the State of Minnesota, and shall be governed by and construed under the laws of such state. That, wherever possible, each provision of this Guaranty shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Guaranty shall be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity without invalidating the remainder of such provision or the remaining provisions of this Guaranty, and to such extent the provisions of this Guaranty shall be severable.

20. Agrees that no failure on the part of the Lender to exercise, and no delay in exercising, any right or remedy hereunder shall operate as or constitute a waiver thereof, nor shall any single or partial exercise of any right or remedy hereunder preclude any other or further exercise thereof, or the exercise of any other right or remedy granted hereby or by any related document or by law.

21. Waives any and all claims against the Lender and defenses to performance and payment hereunder relating in any way, directly or indirectly, to the performance of the Lender's obligations or exercise of any of its rights under the Note and the documents related thereto.

22. Warrants and represents to the Lender as follows:

(a) This Guaranty constitutes the legal, valid and binding obligation of the Guarantor enforceable in accordance with its terms (subject, as to enforceability, to limitations resulting from bankruptcy, insolvency or other similar laws affecting creditors' rights generally).

(b) There is no action, suit or proceeding pending or, to the knowledge of the Guarantor, threatened against or affecting the Guarantor which, if adversely determined, would have a material adverse effect on the condition (financial or otherwise), properties or assets of the Guarantor, or which would question the validity of this Guaranty or any instrument, document or other agreement related hereto or required hereby, or impair the ability of the Guarantor to perform its obligations hereunder or thereunder.

(c) Guarantor is not in default of any material provision under any material agreement, instrument, decree or order to which it is a party, or by which it or its property is bound or affected.

(d) No consent, approval, order or authorization of, or registration, declaration or filing with, or notice to, any governmental authority or any third party is required in connection with the execution and delivery of this Guaranty or any of the agreements or instruments herein mentioned to which the Guarantor is a party, or the carrying out or performance of any of the transactions required or contemplated hereby or thereby, or, if required, such consent, approval, order or authorization has been obtained or such registration, declaration or filing has been accomplished, or such notice has been given prior to the date hereof.

(e) Guarantor has filed all tax returns required to be filed, and have paid all taxes shown thereon to be due, including interest and penalties, which are not being contested in good faith and by appropriate proceedings, and it has no information or knowledge of any objections to or claims for additional taxes in respect of federal income or excess profits tax returns for prior years.

(f) The financial statements that Guarantor has delivered to Lender fairly present Guarantor's financial condition.

23. Agrees that the liability of the Guarantor and any other guarantor of the Obligations shall be joint and several.

24. Acknowledges, understands, and agrees that if Lender enters into, has entered into, or will enter into, any form of guaranty with any other lending institution under which it guaranties a portion of the Obligations, then the Guarantor will not be a coguarantor with the Lender, shall have no right of contribution with the Lender, shall have no right of contribution against the Lender, and all liability hereunder shall continue notwithstanding payment by the Lender under any guaranty to such other lending institution.

25. Agrees that the Guarantor will directly or indirectly benefit by the making of the Loan, and that the Lender has agreed to make the Loan in reliance upon this Guaranty.

26. Agrees that if, at any time, all or any part of any payment previously applied by the Lender to any of the Obligations must be returned by the Lender for any reason, whether by court order, administrative order or settlement, the Guarantor shall remain liable for the full amount returned as if said amount had never been received by the Lender, notwithstanding any term of this Guaranty or the cancellation or return of any note or other agreement

evidencing the Obligations.

27. Agrees that all liability hereunder shall continue notwithstanding the incapacity, lack of authority, death, or disability of any one or more of the Guarantor, and that any failure by the Lender or its assigns to file or enforce a claim against the estate of any of the Guarantor shall not operate to release any other of the Guarantor from liability hereunder. The failure of any other person to sign this Guaranty shall not release or affect the liability of any of the Guarantor.

28. Consents to the personal jurisdiction of the state and federal courts located in the State of Minnesota in connection with any controversy related to this Guaranty, and waives any argument that venue in such forums is not convenient.

29. Agrees to furnish Lender or the holder of the Note, so long as any part of the Obligations remain unpaid; (i) federal and state tax returns within 30 days after they have been filed, and (ii) upon demand, but not more often than semiannually, a financial statement setting forth, in reasonable detail, the assets, liabilities, and net worth of the Guarantor.

THE UNDERSIGNED entered into and executed this Guaranty on the day and date indicated on the first page.

GUARANTOR:

Headwaters Development LLC

By: ______________________________

Michael J. Hoagberg, its manager

RESOLUTION #2023-

INTRODUCED:

SECONDED:

VOTED: **Aye:**
Nay:
Absent:

AUTHORIZATION TO ACCEPT A DONATION FROM
JUDITH HINTZE
TO THE WINDOM LIBRARY

WHEREAS, Minnesota State Statute §465.03 requires that any city accepting a grant or gift of real or personal property shall accept such by resolution of the governing body expressing the terms prescribed by the donor; and

WHEREAS, the City of Windom has received a donation of $400.00 from Judith Hintze for the Windom Library; and

WHEREAS, the Donor requests that the donation be used as deemed appropriate for the Windom Library.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF WINDOM, MINNESOTA, that the City Council accepts the donation of $400.00 offered by Judith Hintze.

Adopted by the Council this 3rd day of October, 2023.

____
Dominic Jones, Mayor

Attest:__________________________
Steven Nasby, City Administrator

MEMORANDUM

CITY OF WINDOM
444 9th Street
Windom, MN 56101
Phone: 507-831-6129
Fax: 507-831-6127
www.windom-mn.com

TO: City Council
FROM: John Nelson, Liquor Store Manager
DATE: September 28, 2023
RE: 5th Annual MN Municipal Beverage Association (MMBA) Fire Department Fundraiser

In an effort to help cities promote the community value of their municipal liquor store operations, the Minnesota Municipal Beverage Association (MMBA), in partnership with MolsonCoors, coordinated the 5th annual fundraiser benefiting local fire departments.

This event ran from August 1st to September 11th. The event helped to raise additional money for local fire departments as many are running on very tight budgets. I am pleased to report that $607.50 was raised here in Windom and those funds will go directly to the Windom Fire Department.

> The Fund Transfer/donation was based on a portion of sales of Coors Banquet & Coors Light from August 1st to September 11th. The funds for the Fire Department, though sales was broken down as the following:
>
> - $1 for every 24pk Package Sold
> - $0.75 for every 15pk/18pk Package Sold
> - $0.50 for every 9pk/12pk Package Sold
> - $0.25 for every 6pk Package Sold

As previously approved on July 18th. by the City Council the portion of proceeds from this fundraiser will be transferred from the Liquor Store Fund to the Fire Department General Fund to be used to offset equipment purchases.

2023 5th Annual MMBA Fire Department Fundraiser
Coors Sales & Transfer Total

PLU #	Description	Qty Sold	Transfer	Total Transfer
00007199017037	COORS 12PK BTLS	12	$0.50	$6.00
00007199000047	COORS BANQUET 12PK C	23	$0.50	$11.50
00007199038642	COORS BANQUET 15pk-16	22	$0.75	$16.50
00071989017030	COORS BANQUET 24PK BT	14	$1.00	$14.00
00007199011600	COORS BANQUET 24PK C	31	$1.00	$31.00
00000719907028	COORS BANQUET 6PK BTL	25	$0.25	$6.25
00007199000529	COORS BANQUET 6PK-16o	22	$0.25	$5.50
00007199077008	COORS EDGE N/A 12PK C	8	$0.50	$4.00
00007199077005	COORS EDGE N/A 6PK BTL	9	$0.25	$2.25
00007199030069	COORS LT 12PK BTL	14	$0.50	$7.00
00007199000048	COORS LT 12PK CANS	55	$0.50	$27.50
00007199009527	COORS LT 15pk-16oz Alum	63	$0.75	$47.25
00007199030017	COORS LT 18PK CAN	25	$0.75	$18.75
00007199030079	COORS LT 24PK BTLS	19	$1.00	$19.00
00007199031600	COORS LT 24PK CAN	272	$1.00	$272.00
00007199030128	COORS LT 24PK-16oz CAN	94	$1.00	$94.00
00007199030005	COORS LT 6PK BTLS	15	$0.25	$3.75
00007199032000	COORS LT 6PK-16oz CANS	37	$0.25	$9.25
00007199030104	COORS LT 9PK-16oz ALUM	24	$0.50	$12.00
	Totals:	**784**		**$607.50**

2023 Misc. Assessment List **9/15/2023**

1 year 6%

Property ID	Description	Owner	Address	Service	Amount
19-751-0130	Lot 20/Block 4 Taggart's 2nd Addition 340 9th St S	Matt Macgregor	340 9th St S Bingham Lake, MN 56118	Fire Call 7-30-22 **TOTAL $**	**420.00**
25-821-0340	Lot 6/Block 29 Windom East Addition 164 9t St	Mark Ngamsaga	164 9th St Windom, MN 56101	Fire Call 9-11-22 **TOTAL $**	**1,000.00**
19-130-0270	Lot 3/Block 11 Bingham Lake - Orig Townsite 746 3rd Ave N	Hunter Konz	Travis Konz 746 3rd Ave N Bingham Lake, MN 56118	Fire Call 1-25-23 **TOTAL $**	**1,000.00**
25-352-1140	Lot 14/Block 9 Hutton & Collin Subd 1165 Prospect Ave	Gerald & Rosanna Nye	P O Box 474 Mediapolis IA 52637-0474	Mow Grass 8-29-22 **TOTAL $**	**200.00**
25-821-0260	Lot 5/Block 28 Windom East Addition 1015 Hale Place	Brandon Busch & Carolyn D	Brandon Busch & Carolyn Dou 1015 Hale Place Windom, MN 56101	Snow on sidewalk 2-8-23 **TOTAL $**	**100.00**
25-822-1120	Lot 5/Block 52 Windom Second Addition 635 3rd Ave	Kory Flatgard	Kory Flatgard 635 3rd Ave Windom, MN 56101	Nuisance Abatement 8-8-22 **TOTAL $**	**771.19**
25-351-0340	Lot 12/Block 3 Hutton & Collin Add 1453 4th Ave	Michael Bogle	1453 4th Ave Windom, MN 56101	Nuisance Abatement 8-17-22 **TOTAL $**	**5,065.00**
70-38941-0000	Section 16 Twp 122 Range 032 Paynesville, MN Stearns County	Voss Plumbing & Heating	316 Business 23 East Paynesville, MN 56362	Fire Call 7-19-22 **TOTAL $**	**1,000.00**
25-670-0160	Sect 05 Twp 116 Rng 023 Excelsior, MN Carver County	William J Fossing	6330 Cypress Dr Excelsior, MN 55331	Fire Call 8-2-22 **TOTAL $**	**1,000.00**
27-104-036	Sect 17 Twp 104 Range 3036 Windom, MN Jackson County	Timothy Hinkeldey	89313 470th Ave Windom, MN 56101	Fire Call 12-27-22 **TOTAL $**	**1,000.00**
24-341-0350	Lot 2/Blk 1 Falcon Heights Subdv Heron Lake, MN Jackson County	Agnes Lohse	521 11th St Heron Lake, MN 56137	Fire Call 7-26-22 **TOTAL $**	**1,000.00**
				$	**12,556.19**

RESOLUTION #2023-

INTRODUCED:
SECONDED:
VOTED: **Aye:**
Nay:
Absent:

RESOLUTION DECLARING THE COSTS TO BE ASSESSED, ORDERING THE CITY ADMINISTRATOR TO PREPARE AN ASSESSMENT ROLL, AND CALLING FOR A PUBLIC HEARING FOR THE "2023 MISCELLANEOUS SPECIAL ASSESSMENTS"

WHEREAS, there are invoices for city services, such as fire calls, mowing, snow removal, or rubbish removal by the City to correct nuisance violations, that have not been paid by the property owners; and

WHEREAS, it is necessary to assess the benefited property for all of the costs of these services pursuant to Minnesota Statutes, Chapter 429.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF WINDOM, MINNESOTA, AS FOLLOWS:

1. The costs of such services to be specially assessed are hereby declared to be a maximum of $12,556.19.

2. The City Administrator shall calculate the proper amounts to be assessed per parcel for such services and shall file a copy of such proposed assessments at City Hall for public inspection.

3. Such assessments shall be payable with real estate taxes in equal annual installments extending over a period of one (1) year at an interest rate of five percent (5%) per annum from the date of certification.

4. A public hearing shall be held before the City Council at the City Hall in Windom, Minnesota, on the 7th day of November, 2023, during the regular City Council Meeting commencing at 8:01 p.m., to consider and vote upon such proposed assessments. At such time and place, all persons owning property affected by such services will be given an opportunity to be heard with reference to such assessments.

5. The City Administrator is hereby directed to cause a notice of the hearing on the proposed assessments to be published once in the official newspaper at least two weeks prior to the hearing. The notice shall state the total cost of the services.

6. The City Administrator shall also cause notice of said hearing to be mailed to the owner(s) of each parcel, described in the assessment roll, not less than two (2) weeks prior to the hearing. The notice mailed to the owner(s) of each parcel shall specify the amount of the proposed assessment for that particular parcel.

Adopted by the Council this 3rd day of October, 2023.

____
Dominic Jones, Mayor

Attest:__________________________
Steve Nasby, City Administrator

ACTION ITEM

CITY OF WINDOM
444 9th Street
Windom, MN 56101
Phone: 507-831-6129
Fax: 507-831-6127
www.windom-mn.com

TO: CITY COUNCIL
FROM: TIFFANY LAMB, EDA DIRECTOR
CC MEETING DATE: OCTOBER 3, 2023
RE: Calling for Public Hearing – Closeout of SCDP Grant Round
DEPT: EDA
CONTACT: Tiffany Lamb, EDA Director, at 832-8661 or tiffany.lamb@windommn.com

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Recommendations/Options/Action Requested

Staff recommends that the City Council adopt a Resolution calling for a public hearing on the closeout of the 2018-2022 Small Cities Development Program.

Issue Summary/Background

In June 2018, the City entered into a Grant Agreement with the Minnesota Department of Employment & Economic Development ("DEED") encompassing the requirements of a Small Cities Development Program ("SCDP"). The purpose of the program was the rehabilitation of owner-occupied single-family homes owned by low to moderate income property owners in the designated target area (a segment of the properties lying east of Highways 60/71). The expiration date for the grant agreement was originally established as September 30, 2021. However, the pandemic stalled the rehabilitation projects; and the City (through the Southwest Minnesota Housing Partnership) requested and was granted two extensions of the expiration date (until September 30, 2022, and subsequently December 31, 2022).

Projects that were in process have been completed and the program requirements include a holding a public hearing, at the time of closeout of the grant, to receive any public comments on the previous grant round.

Attached, for your review, is a proposed Resolution to call for this public hearing for the City Council Meeting scheduled for October 17, 2023.

Fiscal Impact

There should be no fiscal impact to the City to call for or hold this public hearing.

Attachments

1. Resolution Calling for a Public Hearing on the Closeout of 2018-2022 Small Cities Development Program.

TL:mah

RESOLUTION # 2023-

INTRODUCED:

SECONDED:

VOTED: Aye:
Nay:
Absent:

CITY OF WINDOM, MINNESOTA

RESOLUTION CALLING FOR A PUBLIC HEARING ON THE CLOSEOUT OF 2018-2022 SMALL CITIES DEVELOPMENT PROGRAM

WHEREAS, in June 2018, the City entered into a Grant Agreement with the Minnesota Department of Employment & Economic Development ("DEED") encompassing the requirements of a Small Cities Development Program (SCDP). The purpose of this program was the rehabilitation of owner-occupied single-family homes owned by low to moderate income property owners in the designated target area (a segment of the properties lying east of Highways 60/71); and

WHEREAS, the expiration date for the grant agreement was established as September 30, 2021; and

WHEREAS, due to events beyond the City's control (i.e. the pandemic), rehabilitation projects were stalled and the City requested extensions of the expiration date of the grant contract. Extensions were granted until September 30, 2022, and subsequently until December 31, 2022; and

WHEREAS, projects that were in process have been completed and a public hearing on the closeout of the program is required for the purpose of receiving any public comments.

NOW, THEREFORE, BE IT RESOLVED by the City Council for the City of Windom, Minnesota, as follows:

1. Public Hearing. A public hearing shall be held on Tuesday, October 17, 2023, in the Council Chambers at the Windom City Hall, 444 Ninth Street, Windom, Minnesota, during the regular City Council Meeting which begins at 6:30 p.m. The purposes of this public hearing are to present a closeout report to the City Council and to receive any public comments on the 2018-2022 Small Cities Development Program.

2. Notice of Public Hearing. The City Administrator is authorized and directed to cause notice of the public hearing to be published once in the official newspaper of the City of Windom at least 10 days, but not more than 30 days, prior to October 17, 2023.

Adopted this 3rd day of October, 2023.

____
Dominic Jones, Mayor

ATTEST:______________________________
Steven Nasby, City Administrator

ACTION ITEM

CITY OF WINDOM
444 9th Street
Windom, MN 56101
Phone: 507-831-6129
Fax: 507-831-6127
www.windom-mn.com

TO:	City Council
FROM:	Tim Snyder, Community Center Director
DATE:	9/28/23
RE:	Community Center : On-Call Part-Time Worker
DEPT:	Community Center
CONTACT:	Tim.Snyder@windommn.com

Recommendations/Options/Action Requested

Director of Community Center recommends that the City Council approve the hiring of Rylie Raverty for the position of on-call part time at the wage of 12.50 per hour.

Issue Summary/Background

The Community Center is replacing a previous hire (Alex Blom) due to him being away at college for the year. Rylie is needed to work at events as well as set up and take down for events at the Community Center. We currently share 1 part-time employee with the arena and he will be working at the arena more in the winter season.

Fiscal Impact

The Community Center has budgeted hours for these on-call part time positions.

Attachments

1. No attachments

CERTIFICATE FOR PAYMENT NO. 1

Hodgman Drainage Company, Inc.
16536 County Hwy 34
Dodge Center, MN 55927

Project: Des Moines River Forcemain Crossing
Windom, MN

DGR Project No. 372014

Owner: City of Windom

For Period From: September 12, 2023 to September 22, 2023

Line No.	Estimated Units	Description	Unit Price	Contract Price	This Application Units	This Application Value	Completed to Date Units	Completed to Date Value
Base Bid + Alternate								
A1	JOB	Mobilization	L.S.	$38,000.00	100%	38,000.00	100%	38,000.00
A2	1 Ea.	Air Release Valve and Manhole	28,750.00	28,750.00	1.00	28,750.00	1.00	28,750.00
A3	318 L.F.	6" RJ PVC Pipe Sewer, C900, Trenchless	147.00	46,746.00	318.00	46,746.00	318.00	46,746.00
A4	4 Ea.	Preformed Bends	1,500.00	6,000.00	4.00	6,000.00	4.00	6,000.00
A5	2 Ea.	Connect to Existing Sanitary Sewer	5,500.00	11,000.00	2.00	11,000.00	2.00	11,000.00
A6	0 Ea.	Connect to Existing DI River Crossing	25,500.00	0.00	0.00	0.00	0.00	0.00
A7	32 S.F.	Remove & Replace 4" PCC Sidewalk	60.00	1,920.00		0.00		0.00
A8	JOB	Traffic Control	L.S.	5,000.00	100%	5,000.00	100%	5,000.00
A9	JOB	SWPPP Management	L.S.	2,500.00	100%	2,500.00	100%	2,500.00
A10	JOB	Seeding, Fertilizing and Hydro Mulching	L.S.	10,000.00	100%	10,000.00	100%	10,000.00
A11	490 L.F.	6" RJ PVC Pipe Sewer, C900, Trenchless	92.00	45,080.00	490.00	45,080.00	490.00	45,080.00
		TOTAL BASE BID + ALTERNATE		**$194,996.00**		**$193,076.00**		**$193,076.00**

Total Work Completed		$193,076.00
Stored Materials		
Less Retainage	5 %	9,653.80
		$183,422.20
Less Previous Payments		
TOTAL AMOUNT DUE THIS PAY REQUEST		**$183,422.20**

Payment Requested by:

Hodgman Drainage Company, Inc.
(Contractor)

[signature]
(signature) Date 9-26-23

Payment Recommended by: DGR Engineering

[signature]
(signature) Date 9-26-23

Payment Approved by: City of Windom

(signature) Date

PAY ESTIMATE No. 4
CONSTRUCTION OF A TRUCK GARAGE ADDITION
CITY OF WINDOM ELECTRIC DEPARTMENT
DGR Project Number 425306

For Period From: 08/31/2023 To: 09/20/2023
Contractor: Wilcon Construction Services LLC
Bid Date: May 4, 2023

DGR ENGINEERING

SUMMARY

VALUE OF WORK COMPLETED TO DATE		$760,185.11
LESS RETAINAGE...(5%)		$38,009.26
TOTAL AMOUNT DUE INCLUDING THIS PAYMENT		$722,175.85
LESS ESTIMATES PREVIOUSLY APPROVED	Pay Estimate No. 1	$346,137.50
	Pay Estimate No. 2	$95,077.10
	Pay Estimate No. 3	$249,154.30
	Pay Estimate No. 4	
	Pay Estimate No. 5	
	Pay Estimate No. 6	
	Pay Estimate No. 7	
	Pay Estimate No. 8	
	Pay Estimate No. 9	
	Pay Estimate No. 10	
	Pay Estimate No. 11	
	Pay Estimate No. 12	
TOTAL AMOUNT DUE THIS ESTIMATE		$31,806.95

ORIGINAL CONTRACT PRICE	$1,422,793.95
EXPECTED FINAL CONTRACT COST (w/C.O.s, Additions & Deletions)	$1,422,793.95
LESS TOTAL PAYMENTS, INCLUDING THIS PAYMENT	$722,175.85
EXPECTED CONTRACT BALANCE AFTER THIS PAYMENT	$700,618.10
% OF EXPECTED FINAL CONTRACT PRICE PAID, INCL. THIS PAYMENT	51%

The undersigned Contractor hereby certifies that payment has been made in full for all labor and materials incorporated in the project to date, in accordance with the terms of the Construction Contract.

By WILCON CONSTRUCTION SERVICES, LLC, Contractor

By [signature] Date 9/21/23

TIMOTHY SCOTT MATTISON
Notary Public-Minnesota
My Commission Expires Jan 31, 2025

[signature]

CERTIFICATE

THE AMOUNT OF $31,806.95 IS APPROVED FOR PAYMENT ACCORDING TO THE TERMS OF THE CONTRACT.

CITY OF WINDOM ELECTRIC DEPARTMENT, Owner

By

Title

Date

DGR ENGINEERING, Engineer

By [signature]

Title Project Engineer

Date 9/23/2023

PAY ESTIMATE No. 4
CONSTRUCTION OF A TRUCK GARAGE ADDITION
CITY OF WINDOM ELECTRIC DEPARTMENT
DGR Project Number 425306

For Period From: 08/31/2023 To: 09/20/2023
Contractor: Wilcon Construction Services LLC
Bid Date: May 4, 2023

DGR ENGINEERING

Unit No.	Name and Description of Construction Unit	No. of Units	UNIT PRICE Labor	Material	L & M	Ext. Price L & M	WORK COMPLETED TO DATE (Including this Pay Period) Units Comp.	% Comp.	Value of Comp. Work	WORK COMPLETED THIS PERIOD Units Comp.	% Comp.	Value of Comp. Work
C1	Excavation and Embankment (cu. yd.)	500	$ 81.25		$ 81.25	$ 40,625.00	500	100%	$ 40,625.00			$ -
C2	12" granular building fill (tons)	575	$ 33.75	$ 12.50	$ 46.25	$ 26,593.75	57.50	10%	$ 2,659.38			$ -
C3	12" Subgrade Preparation (sq. yd.)	900	$ 11.25		$ 11.25	$ 10,125.00	450	50%	$ 5,062.50			$ -
C4	7" PCC Surfacing (sq. yd.)	125	$ 43.62	$ 49.50	$ 93.12	$ 11,640.00			$ -			$ -
C5	Pavement Removal (sq. yd.)	250	$ 28.75		$ 28.75	$ 7,187.50	250	100%	$ 7,187.50			$ -
C6	12" Class 5 Surfacing (tons)	600	$ 25.00	$ 16.25	$ 41.25	$ 24,750.00	150	25%	$ 6,187.50			$ -
C7	PVC Water Service (ln. ft.)	115	$ 70.00	$ 7.50	$ 77.50	$ 8,912.50	115	100%	$ 8,912.50			$ -
C8	6" SDR-26 PVC Santitary Sewer Service (ln. ft.)	65	$ 142.50	$ 20.00	$ 162.50	$ 10,562.50	65	100%	$ 10,562.50			$ -
C9	8" PVC Roof Drain (ln. ft.)	202	$ 85.00	$ 20.00	$ 105.00	$ 21,210.00	202	100%	$ 21,210.00			$ -
C10	4" Perforated Subdrain (ln. ft.)	225	$ 8.75	$ 10.00	$ 18.75	$ 4,218.75	225	100%	$ 4,218.75			$ -
C11	Curb Stop w/ box (ea.)	1	$ 1,250.00	$ 2,500.00	$ 3,750.00	$ 3,750.00	1	100%	$ 3,750.00			$ -
C12	Sanitary Sewer Cleanout (ea.)	1	$ 1,025.00	$ 750.00	$ 1,775.00	$ 1,775.00	1	100%	$ 1,775.00			$ -
C13	Storm Sewer Cleanout (ea.)	3	$ 1,125.00	$ 1,375.00	$ 2,500.00	$ 7,500.00	3	100%	$ 7,500.00			$ -
C14	Connect to Existing Sanitary Service Tee (ea.)	1	$ 4,282.50	$ 312.50	$ 4,595.00	$ 4,595.00	1	100%	$ 4,595.00			$ -
C15	Corporation Stop (ea.)	1	$ 1,015.00	$ 1,125.00	$ 2,140.00	$ 2,140.00	1	100%	$ 2,140.00			$ -
C16	Connect to Existing Storm Outlet (ea.)	1	$ 1,093.75	$ 437.50	$ 1,531.25	$ 1,531.25	1	100%	$ 1,531.25			$ -
C17	Pipe Bollards (ea.)	4	$ 391.00	$ 984.00	$ 1,375.00	$ 5,500.00			$ -			$ -
C18	Silt Fence (ln. ft.)	250	$ 5.00	$ 1.25	$ 6.25	$ 1,562.50	250	100%	$ 1,562.50			$ -
C19	SWPPP compliance (ea.)	1	$ 6,400.00	$ 3,125.00	$ 9,525.00	$ 9,525.00	0.40	40%	$ 3,810.00			$ -
C20	Seeding, Fertilizing and Mulching (as req.)	1	$ 4,500.00	$ 2,125.00	$ 6,625.00	$ 6,625.00			$ -			$ -
C21	Clearing and Grubbing (as req.)	1	$ 6,125.00		$ 6,125.00	$ 6,125.00	1	100%	$ 6,125.00			$ -
M22	Building Core-out & Disposal	1,78(	$ 31.25		$ 31.25	$ 55,625.00	1,780	100%	$ 55,625.00			$ -
M23	6" Granular Fill (cu. yd.)	150	$ 40.00	$ 12.50	$ 52.50	$ 7,875.00	150	100%	$ 7,875.00			$ -
M24	Embankment Borrow (cu. yd.)	1,63(	$ 42.50	$ 12.50	$ 55.00	$ 89,650.00	1,630	100%	$ 89,650.00			$ -

PAY ESTIMATE No. 4
CONSTRUCTION OF A TRUCK GARAGE ADDITION
CITY OF WINDOM ELECTRIC DEPARTMENT
DGR Project Number 425306

For Period From: 08/31/2023 To: 09/20/2023
Contractor: Wilcon Construction Services LLC
Bid Date: May 4, 2023

DGR ENGINEERING

Unit No.	Name and Description of Construction Unit	No. of Units	UNIT PRICE Labor	Material	L & M	Ext. Price L & M	WORK COMPLETED TO DATE (Including this Pay Period) Units Comp.	% Comp.	Value of Comp. Work	WORK COMPLETED THIS PERIOD Units Comp.	% Comp.	Value of Comp. Work
A1	New wood-framed builidng (as req'd)	1	$ 154,412.00	$ 368,000.00	$ 522,412.00	$ 522,412.00	0.415	42%	$ 216,800.98			$ -
S1	Foundation, building (as req'd.)	1	$ 31,894.00	$ 22,605.00	$ 54,499.00	$ 54,499.00	1.000	100%	$ 54,499.00			$ -
S2	Concrete floor, building (as req'd)	1	$ 26,725.00	$ 36,496.00	$ 63,221.00	$ 63,221.00	1.000	100%	$ 63,221.00			$ -
M1	Plumbing system, building (as req'd.)	1	$ 12,500.00	$ 35,625.00	$ 48,125.00	$ 48,125.00	0.310	31%	$ 14,918.75			$ -
M2	HVAC system, building (as req'd.)	1	$ 12,500.00	$ 64,360.00	$ 76,860.00	$ 76,860.00			$ -			$ -
M3	Fuel System (as req'd)	1	$ 15,000.00	$ 43,798.00	$ 58,798.00	$ 58,798.00			$ -			$ -
G1	Mobilization (as req'd)	1	$ 38,200.00	$ 46,500.00	$ 84,700.00	$ 84,700.00	1	100%	$ 84,700.00			$ -
G2	General construction allowance (as req'd.)	1	$ 50,000.00		$ 50,000.00	$ 50,000.00	0.67	67%	$ 33,481.00	0.67	67%	$ 33,481.00
ALTERNATE ADDER #1												
AC1	7" PCC Surfacing (sq. yd.)	805	$ 29.70	$ 40.34	$ 70.04	$ 56,382.20			$ -			$ -
ALTERNATE ADDER #2												
AA2	Standing seam roof system (as req'd)	1	$ 12,500.00	$ 25,693.00	$ 38,193.00	$ 38,193.00			$ -			$ -

TOTAL CONTRACT PRICE: **$1,422,793.95** TOTAL TO DATE: **$760,185.11** CONTRACT TOTAL THIS PERIOD: **$33,481.00**

WILCON CONSTRUCTION SERVICES
P.O. BOX 502
ST. JAMES MN, 56081

PHONE 507-375-5464
FAX 507-375-4707

NAME OF PROJECT: Windom Truck Garage
PROPOSAL REQUEST #: *1* DATE 8.28.23
DESCRIPTION OF CHANGE: Increase door frame size 116.1 &116.5, plan showes 5.75"
Time Extension 0

DIRECT COSTS	UNITS	RATE	COST
	0	$60.00	0.00
Labor: Coordination by Project Mgr	0.5	$105.00	52.50
LABOR: Coordination by Job Sup	0	$80	0.00
TRAVEL TIME	0	60	0.00
MILEAGE	0	0.4	0.00
SUBSISTENCE	0	2.5	0.00
INSPECTION FEE AND TESTING	0	0	0.00
EQUIPMENT RENTAL	0	0	0.00
TOOL RENTAL	0	35	0.00
BLADE USE	0	0.5	0.00
LIFT RENTAL PER WEEK	0	650	0.00
CLEAN-UP	0	40	0.00
OTHER	0	40	0.00
BOND	0	2%	0.00
ELECTRICITY	552.5	0.00%	0.00
WATER	552.5	0%	0.00
DUMPSTER	552.5	0.00%	0.00
HEAT	552.5	0%	0.00
TELEPHONE	552.5	0%	0.00
TOTAL INDIRECT COSTS	Cost Code		52.50
Wheeler	08.1113		500
			0
			0
			0
			0
			0
			0
			0
			0
			0
			0
			0
TOTAL FROM DIVISIONS			500

TOTAL GC COSTS	$ 52.50
TOTAL FROM SUBCONTRACTORS	$ 500.00
TOTAL COST	$ 552.50
CO MARKUP ON SUBCONTRACTOR COSTS	1.05
TOTAL FOR CHANGE ORDER	$580

WILCON CONSTRUCTION SERVICES

Approved Owner / Architect

9-20-23

WILCON CONSTRUCTION SERVICES
P.O. BOX 502
ST. JAMES MN, 56081
PHONE 507-375-5464
FAX 507-375-4707

NAME OF PROJECT: WIN023
PROPOSAL REQUEST #: 2 DATE 8/28/2023
DESCRIPTION OF CHANGE: additional work to remove foundations and buried debris
Time Extension 0

DIRECT COSTS	UNITS	RATE	COST
	0	$60.00	0.00
Labor: Coordination by Project Mgr	1	$105.00	105.00
LABOR: Coordination by Job Sup	8	$80	640.00
TRAVEL TIME	0	60	0.00
MILEAGE	0	0.4	0.00
SUBSISTENCE	0	2.5	0.00
INSPECTION FEE AND TESTING	0	0	0.00
EQUIPMENT RENTAL	0	0	0.00
TOOL RENTAL	0	35	0.00
BLADE USE	0	0.5	0.00
LIFT RENTAL PER WEEK	0	650	0.00
CLEAN-UP	0	40	0.00
OTHER	0	40	0.00
BOND	31334.06	0%	0.00
ELECTRICITY	31334.06	0.00%	0.00
WATER	31334.06	0%	0.00
DUMPSTER	31334.06	0.00%	0.00
HEAT	31334.06	0%	0.00
TELEPHONE	31334.06	0%	0.00
TOTAL INDIRECT COSTS			745.00
MR Paving	31.0116		30589.06
			0
			0
			0
			0
			0
			0
			0
			0
			0
			0
			0
TOTAL FROM DIVISIONS			30589.06

TOTAL GC COSTS	$ 745.00	
TOTAL FROM SUBCONTRACTORS	$ 30,589.06	
TOTAL COST	$ 31,334.06	
CO MARKUP ON SUBCONTRACTOR COSTS	1.05	5%MU
TOTAL FOR CHANGE ORDER	$32,901	

WILCON CONSTRUCTION SERVICES

Approved
Owner / Architect

9-20-23

PAY ESTIMATE No. 2
69 kV TRANSMISSION LINE RECONSTRUCTION
CITY OF WINDOM ELECTRIC DEPARTMENT
DGR Project Number 425303

For Period From: 07/24/2023 To: 08/31/2023
Contractor: IES Commercial Inc.
Bid Date: 09/07/2022

DGR ENGINEERING

SUMMARY

VALUE OF WORK COMPLETED TO DATE		$1,696,662.36
LESS RETAINAGE...(5%)		$84,833.12
TOTAL AMOUNT DUE INCLUDING THIS PAYMENT		$1,611,829.24
LESS ESTIMATES PREVIOUSLY APPROVED	Pay Estimate No. 1	$221,159.83
	Pay Estimate No. 2	
	Pay Estimate No. 3	
	Pay Estimate No. 4	
	Pay Estimate No. 5	
	Pay Estimate No. 6	
	Pay Estimate No. 7	
	Pay Estimate No. 8	
	Pay Estimate No. 9	
	Pay Estimate No. 10	
	Pay Estimate No. 11	
	Pay Estimate No. 12	
TOTAL AMOUNT DUE THIS ESTIMATE		$1,390,669.41

ORIGINAL CONTRACT PRICE	$2,999,408.32
EXPECTED FINAL CONTRACT COST (w/C.O.s, Additions & Deletions)	$2,999,408.32
LESS TOTAL PAYMENTS, INCLUDING THIS PAYMENT	$1,611,829.24
EXPECTED CONTRACT BALANCE AFTER THIS PAYMENT	$1,387,579.08
% OF EXPECTED FINAL CONTRACT PRICE PAID, INCL. THIS PAYMENT	54%

The undersigned Contractor hereby certifies that payment has been made in full for all labor and materials incorporated in the project to date, in accordance with the terms of the Construction Contract.

By IES Commercial Inc., Contractor

By Bob P[illegible] Date 9-7-23

CERTIFICATE

THE AMOUNT OF $1,390,669.41 IS APPROVED FOR PAYMENT ACCORDING TO THE TERMS OF THE CONTRACT.

CITY OF WINDOM ELECTRIC DEPARTMENT, Owner

By

Title

Date

DGR ENGINEERING, Engineer

By [signature]

Title Project Manager

Date 9-14-2023

PAY ESTIMATE No. 2
69 kV TRANSMISSION LINE RECONSTRUCTION
CITY OF WINDOM ELECTRIC DEPARTMENT
DGR Project Number 425303

For Period From: 07/24/2023 To: 08/31/2023
Contractor: IES Commercial Inc.
Bid Date: 09/07/2022

DGR ENGINEERING

Unit No.	Name and Description of Construction Unit	No. of Units	UNIT PRICE Labor	Material	L & M	Ext. Price L & M	WORK COMPLETED TO DATE (Including this Pay Period) Units Comp.	% Comp.	Value of Comp. Work	WORK COMPLETED THIS PERIOD Units Comp.	% Comp.	Value of Comp. Work
35(4)	Wood Pole, Length 35', Class 4 (ea.)	1	$ 1,088.99	$ 639.38	$ 1,728.37	$ 1,728.37			$ -			$ -
50(2)	Wood Pole, Length 50', Class 2 (ea.)	1	1,283.45	1,343.67	2,627.12	2,627.12			-			-
65(H1)	Wood Pole, Length 65', Class H1 (ea.)	4	1,477.92	3,253.41	4,731.33	18,925.32	4	100%	18,925.32	1	25%	4,731.33
70(1)	Wood Pole, Length 70', Class 1 (ea.)	3	1,808.50	3,301.48	5,109.98	15,329.94	3	100%	15,329.94	3	100%	15,329.94
70(H1)	Wood Pole, Length 70', Class H1 (ea.)	4	1,847.40	4,315.84	6,163.24	24,652.96	4	100%	24,652.95	3	75%	18,489.72
75(H1)	Wood Pole, Length 75', Class H1 (ea.)	9	2,100.20	4,911.96	7,012.16	63,109.44	9	100%	63,109.44	7	78%	49,085.12
75(H2)	Wood Pole, Length 75', Class H2 (ea.)	5	2,100.20	5,546.54	7,646.74	38,233.70	3	60%	22,940.22	1	20%	7,646.74
80(1)	Wood Pole, Length 80', Class H1 (ea.)	3	2,100.20	4,512.95	6,613.15	19,839.45	3	100%	19,839.45	2	67%	13,226.30
80(H1)	Wood Pole, Length 80', Class H1 (ea.)	8	2,100.20	5,556.15	7,656.35	61,250.80	8	100%	61,250.80	5	63%	38,281.75
80(H2)	Wood Pole, Length 80', Class H2 (ea.)	2	2,100.20	6,262.84	8,363.04	16,726.08	2	100%	16,726.08			-
80(H3)	Wood Pole, Length 80', Class H3 (ea.)	1	2,100.20	7,114.95	9,215.15	9,215.15	1	100%	9,215.15			-
85(1)	Wood Pole, Length 85', Class 1 (ea.)	1	2,197.43	5,188.39	7,385.82	7,385.82			-			-
85(H1)	Wood Pole, Length 85', Class H1 (ea.)	5	2,197.43	6,095.78	8,293.21	41,466.05	4	80%	33,172.84	4	80%	33,172.84
85(H2)	Wood Pole, Length 85', Class H2 (ea.)	1	2,197.43	7,034.43	9,231.86	9,231.86	1	100%	9,231.86	1	100%	9,231.86
85(H3)	Wood Pole, Length 85', Class H3 (ea.)	2	2,197.43	7,885.34	10,082.77	20,165.54	2	100%	20,165.54	2	100%	20,165.54
90(H1)	Wood Pole, Length 90', Class H1 (ea.)	1	2,294.66	6,598.16	8,892.82	8,892.82	1	100%	8,892.82	1	100%	8,892.82
90(H4)	Wood Pole, Length 90', Class H4 (ea.)	4	2,294.66	9,875.60	12,170.26	48,681.04	4	100%	48,681.04	4	100%	48,681.04
SSSP-N-17	Self-Supporting Steel Pole #N-17, Contractor-furnished (ea.)	1	2,878.05	42,760.10	45,638.15	45,638.15			-			-
LWP-N-1	Laminated Wood Pole #N-1, Contractor-furnished (ea.)	1	3,266.97	20,941.62	24,208.59	24,208.59			-			-
LWP-N-2	Laminated Wood Pole #N-2, Contractor-furnished (ea.)	1	3,266.97	34,134.99	37,401.96	37,401.96			-			-
LWP-N-3	Laminated Wood Pole #N-3, Contractor-furnished (ea.)	1	3,266.97	95,587.54	98,854.51	98,854.51			-			-
LWP-N-6	Laminated Wood Pole #N-6, Contractor-furnished (ea.)	1	3,266.97	86,868.00	90,134.97	90,134.97			-			-
LWP-N-9	Laminated Wood Pole #N-9, Contractor-furnished (ea.)	1	3,266.97	97,868.60	101,135.57	101,135.57			-			-
LWP-N-14	Laminated Wood Pole #N-14, Contractor-furnished (ea.)	1	3,266.97	67,618.77	70,885.74	70,885.74			-			-

PAY ESTIMATE No. 2
69 kV TRANSMISSION LINE RECONSTRUCTION
CITY OF WINDOM ELECTRIC DEPARTMENT
DGR Project Number 425303

For Period From: 07/24/2023 To: 08/31/2023
Contractor: IES Commercial Inc.
Bid Date: 09/07/2022

DGR ENGINEERING

			UNIT PRICE				WORK COMPLETED TO DATE (Including this Pay Period)			WORK COMPLETED THIS PERIOD		
Unit No.	Name and Description of Construction Unit	No. of Units	Labor	Material	L & M	Ext. Price L & M	Units Comp.	% Comp.	Value of Comp. Work	Units Comp.	% Comp.	Value of Comp. Work
LWP-N-32	Laminated Wood Pole #N-32, Contractor-furnished (ea.)	1	3,266.97	82,909.25	86,176.22	86,176.22	1	100%	86,176.22	1	100%	86,176.22
LWP-N-33	Laminated Wood Pole #N-33, Contractor-furnished (ea.)	1	3,266.97	81,635.05	84,902.02	84,902.02	1	100%	84,902.02	1	100%	84,902.02
LWP-N-37	Laminated Wood Pole #N-37, Contractor-furnished (ea.)	1	3,266.97	80,060.38	83,327.35	83,327.35	1	100%	83,327.35	1	100%	83,327.35
LWP-N-38	Laminated Wood Pole #N-38, Contractor-furnished (ea.)	1	3,266.97	75,485.99	78,752.96	78,752.96	1	100%	78,752.96	1	100%	78,752.96
LWP-N-50	Laminated Wood Pole #N-50, Contractor-furnished (ea.)	1	3,266.97	12,923.57	16,190.54	16,190.54	1	100%	16,190.54	1	100%	16,190.54
LWP-N-51	Laminated Wood Pole #N-51, Contractor-furnished (ea.)	1	3,266.97	12,575.28	15,842.25	15,842.25	1	100%	15,842.25	1	100%	15,842.25
LWP-N-52	Laminated Wood Pole #N-52, Contractor-furnished (ea.)	1	3,266.97	12,923.57	16,190.54	16,190.54	1	100%	16,190.54	1	100%	16,190.54
LWP-N-53	Laminated Wood Pole #N-53, Contractor-furnished (ea.)	1	3,266.97	39,491.81	42,758.78	42,758.78	1	100%	42,758.78	1	100%	42,758.78
LWP-S-1	Laminated Wood Pole #S-1, Contractor-furnished (ea.)	1	3,266.97	22,544.49	25,811.46	25,811.46			-			-
LWP-S-2	Laminated Wood Pole #S-2, Contractor-furnished (ea.)	1	3,266.97	32,495.33	35,762.30	35,762.30			-			-
LWP-S-3	Laminated Wood Pole #S-3, Contractor-furnished (ea.)	1	3,266.97	75,077.61	78,344.58	78,344.58	1	100%	78,344.58	1	100%	78,344.58
LWP-S-6	Laminated Wood Pole #S-6, Contractor-furnished (ea.)	1	3,266.97	20,155.52	23,422.49	23,422.49	1	100%	23,422.49	1	100%	23,422.49
LWP-S-7	Laminated Wood Pole #S-7, Contractor-furnished (ea.)	1	3,266.97	17,447.68	20,714.65	20,714.65	1	100%	20,714.65	1	100%	20,714.65
LWP-S-12	Laminated Wood Pole #S-12, Contractor-furnished (ea.)	1	3,266.97	23,455.70	26,722.67	26,722.67	1	100%	26,722.67	1	100%	26,722.67
LWP-S-13	Laminated Wood Pole #S-13, Contractor-furnished (ea.)	1	3,266.97	21,337.74	24,604.71	24,604.71	1	100%	24,604.71	1	100%	24,604.71
LWP-S-22	Laminated Wood Pole #S-22, Contractor-furnished (ea.)	1	3,266.97	12,304.25	15,571.22	15,571.22	1	100%	15,571.22	1	100%	15,571.22
LWP-S-23	Laminated Wood Pole #S-23, Contractor-furnished (ea.)	1	3,266.97	12,304.25	15,571.22	15,571.22	1	100%	15,571.22	1	100%	15,571.22
LWP-S-24	Laminated Wood Pole #S-24, Contractor-furnished (ea.)	1	3,266.97	12,304.25	15,571.22	15,571.22	1	100%	15,571.22	1	100%	15,571.22
LWP-S-25	Laminated Wood Pole #S-25, Contractor-furnished (ea.)	1	3,266.97	12,304.25	15,571.22	15,571.22	1	100%	15,571.22	1	100%	15,571.22
LWP-S-26	Laminated Wood Pole #S-26, Contractor-furnished (ea.)	1	3,266.97	12,304.25	15,571.22	15,571.22	1	100%	15,571.22	1	100%	15,571.22
LWP-S-27	Laminated Wood Pole #S-27, Contractor-furnished (ea.)	1	3,266.97	12,304.25	15,571.22	15,571.22	1	100%	15,571.22	1	100%	15,571.22
LWP-S-28	Laminated Wood Pole #S-28, Contractor-furnished (ea.)	1	3,266.97	12,304.25	15,571.22	15,571.22	1	100%	15,571.22	1	100%	15,571.22
LWP-S-29	Laminated Wood Pole #S-29, Contractor-furnished (ea.)	1	3,266.97	12,304.25	15,571.22	15,571.22	1	100%	15,571.22	1	100%	15,571.22
LWP-S-30	Laminated Wood Pole #S-30, Contractor-furnished (ea.)	1	3,266.97	12,304.25	15,571.22	15,571.22	1	100%	15,571.22	1	100%	15,571.22

PAY ESTIMATE No. 2
69 kV TRANSMISSION LINE RECONSTRUCTION
CITY OF WINDOM ELECTRIC DEPARTMENT
DGR Project Number 425303

For Period From: 07/24/2023 To: 08/31/2023
Contractor: IES Commercial Inc.
Bid Date: 09/07/2022

DGR ENGINEERING

			UNIT PRICE				WORK COMPLETED TO DATE (Including this Pay Period)			WORK COMPLETED THIS PERIOD		
Unit No.	Name and Description of Construction Unit	No. of Units	Labor	Material	L & M	Ext. Price L & M	Units Comp.	% Comp.	Value of Comp. Work	Units Comp.	% Comp.	Value of Comp. Work
LWP-S-31	Laminated Wood Pole #S-31, Contractor-furnished (ea.)	1	3,266.97	12,304.25	15,571.22	15,571.22	1	100%	15,571.22	1	100%	15,571.22
LWP-S-32	Laminated Wood Pole #S-32, Contractor-furnished (ea.)	1	3,266.97	13,947.59	17,214.56	17,214.56	1	100%	17,214.56	1	100%	17,214.56
LWP-S-33	Laminated Wood Pole #S-33, Contractor-furnished (ea.)	1	3,266.97	15,535.75	18,802.72	18,802.72	1	100%	18,802.72	1	100%	18,802.72
LWP-S-34	Laminated Wood Pole #S-34, Contractor-furnished (ea.)	1	3,266.97	39,818.02	43,084.99	43,084.99	1	100%	43,084.99	1	100%	43,084.99
LWP-S-36	Laminated Wood Pole #S-36, Contractor-furnished (ea.)	1	3,266.97	47,956.27	51,223.24	51,223.24	1	100%	51,223.24	1	100%	51,223.24
FDN-N-17	Self-supporting Pier Foundation #N-17 (ea.)	1	26,598.79	25,302.38	51,901.17	51,901.17			-			-
TM-1	69 kV Phase Conductor Deadend, Quadrant, 1Ø (ea.)	12	194.46	228.17	422.63	5,071.56	3	25%	1,267.89	3	25%	1,267.89
TM-2	Shield Wire Deadend (ea.)	8	324.10	113.26	437.36	3,498.88	1	13%	437.36	1	13%	437.36
TP-69	69 kV Tangent, Horizontal Line Post, 3Ø (ea.)	27	285.21	1,877.33	2,162.54	58,388.58	26	96%	56,226.04	11	41%	23,787.94
TP-69B	69 kV Tangent, Stacked, Horizontal Line Post, 3Ø (ea.)	40	285.21	1,877.33	2,162.54	86,501.60	40	100%	86,501.60	20	50%	43,250.80
TP-69CL	69 kV Tangent, Clearance Structure, Horizontal Line Post, 3Ø (ea.)	1	356.51	1,886.33	2,242.84	2,242.84	1	100%	2,242.84	1	100%	2,242.84
TS-4L	69 kV Vertical, Medium Angle, Laminated Wood Pole (ea.)	4	427.82	920.88	1,348.70	5,394.80	4	100%	5,394.80	4	100%	5,394.80
TS-5GL	69 kV Vertical, Double Deadend, Corner, Laminated Wood Pole (ea.)	5	570.42	2,376.84	2,947.26	14,736.30	5	100%	14,736.30	4	80%	11,789.04
TS-5GAL	69 kV Vertical, Double Deadend, Large Angle, Laminated Wood Pole (ea.)	6	784.33	3,501.11	4,285.44	25,712.64	6	100%	25,712.64	6	100%	25,712.64
TS-5CL	69 kV Double Deadend, Clearance Structure, Laminated Wood Pole (ea.)	1	855.64	2,555.06	3,410.70	3,410.70	1	100%	3,410.70	1	100%	3,410.70
TS-5GS	69 kV Vertical, Double Deadend, Corner, Steel Pole (ea.)	1	570.42	1,627.87	2,198.29	2,198.29			-			-
SW-1I	69 kV 1-Way Switch Assembly (ea.)	2	3,889.25	25,017.40	28,906.65	57,813.30	1	50%	28,906.65	1	50%	28,906.65
SW-2I	69 kV 2-Way Switch Assembly (ea.)	1	5,185.67	33,773.94	38,959.61	38,959.61			-			-
SW-31	69 kV 3-Way Switch Assembly (ea.)	1	6,482.09	40,949.71	47,431.80	47,431.80			-			-
C1.11	15 kV Three Phase Tangent, Low Neutral, 10' Crossarm (ea.)	4	259.28	602.28	861.56	3,446.24			-			-
C1.11L	15 kV Three Phase Tangent, Low Neutral, 14' Lminated Wood Crossarm (ea.)	1	298.18	265.42	563.60	563.60			-			-
C1.41	15 kV Three Phase Tangent, 10' Crossarm (ea.)	23	259.28	584.48	843.76	19,406.48	14	61%	11,812.64	7	30%	5,906.32
C5.21	15 kV Three Phase Deadend, Low Neutral, 10' Crossarm (ea.)	1	388.93	1,141.17	1,530.10	1,530.10			-			-
C6.51-10	15 kV Three Phase Double Deadend, 10' Crossarm (ea.)	2	713.03	1,217.32	1,930.35	3,860.70	1	50%	1,930.35	1	50%	1,930.35

PAY ESTIMATE No. 2
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Contractor: IES Commercial Inc.
Bid Date: 09/07/2022

DGR ENGINEERING

Unit No.	Name and Description of Construction Unit	No. of Units	UNIT PRICE Labor	Material	L & M	Ext. Price L & M	WORK COMPLETED TO DATE (Including this Pay Period) Units Comp.	% Comp.	Value of Comp. Work	WORK COMPLETED THIS PERIOD Units Comp.	% Comp.	Value of Comp. Work
C6.51-14	15 kV Three Phase Double Deadend, 14' Crossarm (ea.)	4	777.85	1,460.31	2,238.16	8,952.64	3	75%	6,714.48	3	75%	6,714.48
C6.52	15 kV Three Phase Deadend Buckarms, 10' Crossarm (ea.)	2	725.99	1,817.28	2,543.27	5,086.54			-			-
C6.53	15 kV Three Phase Deadend Buckarms, 14' laminated Wood Crossarm (ea.)	1	816.74	920.18	1,736.92	1,736.92			-			-
4/0 ACSR	Phase Conductor, 4/0 ACSR, Penguin (Mft.)	78	2,320.59	1,767.68	4,088.27	318,885.05	24	31%	98,118.48	24	31%	98,118.48
3/8" EHS	Shield Wire, 3/8" EHS (Mft.)	26	2,320.59	833.22	3,153.81	81,999.05	8	31%	25,230.48	8	31%	25,230.48
E1.1L	Distribution Down Guy, 3/8" EHS, Single (ea.)	5	207.43	198.68	406.11	2,030.55			-			-
E2.1L	Distribution Down Guy, Crossarm Attachment, 3/8" EHS, Single (ea.)	10	259.28	234.73	494.01	4,940.10			-			-
F2.12	Distrbution Screw Anchor, Double Helix (ea.)	10	145.85	269.47	415.32	4,153.20			-			-
E5	5' Anchor Extension (ea.)	20	194.46	99.15	293.61	5,872.20			-			-
RC	Remove Conductor (Mft.)	66	369.48		369.48	24,385.68			-			-
RCL	Remove Clamp (ea.)	4	259.28		259.28	1,037.12	1	25%	259.28	1	25%	259.28
RI	Remove Insulator (ea.)	9	518.57		518.57	4,667.13	3	33%	1,555.71	3	33%	1,555.71
RP	Remove Pole & Pole Top Assembly (ea.)	64	1,037.13		1,037.13	66,376.32			-			-
RSW	Remove Switch Structure (ea.)	2	5,056.03		5,056.03	10,112.06			-			-
TOP	Top Off Pole (ea.)	27	486.16		486.16	13,126.32			-			-
XC-15-()	Transfer (4) 15 kV Conductor (ea.)	36	129.64		129.64	4,667.04			-			-
SPG	Steel Pole Ground (ea.)	1	129.64	34.59	164.23	164.23			-			-
WPG	Wood Pole Ground (ea.)	90	168.53	127.26	295.79	26,621.10	89	99%	26,325.31	53	59%	15,676.87
PSB-8	Structure Reinforcement (ea.)	3	777.85	3,004.63	3,782.48	11,347.44	3	100%	11,347.44	3	100%	11,347.44
EC	Erosion Control (lin. ft.)	320	66.94		66.94	21,420.80			-			-
TC	Traffic Control (as req'd)	1	16,065.00		16,065.00	16,065.00			-			-
U1	Mobilization (as req'd)	1	32,410.44		32,410.44	32,410.44	1	100%	32,410.44			-
V1	Construction Allowance (as req'd)	1	80,000.00		80,000.00	80,000.00			-			-

TOTAL CONTRACT PRICE: **$2,999,408.32**   TOTAL TO DATE: **$1,696,662.36**   CONTRACT TOTAL THIS PERIOD: **$1,463,862.54**