



CITY COUNCIL MEETING
February 17, 2026
City Council Chamber
6:30 p.m.

CITY OF WINDOM, MN
444 Ninth Street, P. O. Box 38
Windom, MN 56101
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AGENDA

Call to Order
Pledge of Allegiance

1. Consent Agenda
 - Minutes
 - Council Minutes – February 3, 2026
 - Community Center – February 9, 2026
 - Housing & Redevelopment Authority – February 11, 2026
 - Library Board – February 9, 2026
 - Cigarette License – Windom Vape & Tobacco
 - Regular Bills
2. Department Heads
3. Public Comments
 - Mike Lohre
 - Diane Kruger
4. MN DOT – Traffic Light Project Update
5. First Reading – Ordinance No 204, 2nd Series – Disposition of Real Estate (WindomNet)
6. Engineering Service Agreement – SEH Engineering – 2026 Airport Apron Reconstruction
7. Indemnification, Defense, Hold Harmless, and Insurance Agreement – Cottonwood County Ag Society
8. Windom Fire Department
 - Ratification of Fire Department Elections
 - Fire District Agreement
9. City Attorney Services
10. New Business
11. Old Business
12. Council Comments
13. Adjourn

**Regular Council Meeting
City Hall, Council Chamber
February 3, 2026
4:30 p.m.**

1. Call to Order:

The meeting was called to order by Mayor Hilary Mathis

2. Roll Call:

Council Present: Mayor Hilary Mathis, Jenny Quade, James Nelson, Scott Benson and Jayesun Sherman

Council Absent: Dennis Esplan

City Staff Present: Steve Nasby, City Administrator; Ron Schramel, City Attorney; Scott Peterson, Police Chief; Jeff Dahna, Windomnet General Manager; Jon Ketzenberg, Streets & Parks Superintendent; Jordan Bussa, Telecom; Brian Turner, Telecom and Sonya Wilt, EDA Director

3. Pledge of Allegiance

4. Consent Agenda:

- Minutes
 - Council Minutes – January 20, 2026
 - Telecom Commission – December 15, 2025
 - Utility Commission – January 22, 2026
- License/Permit Applications
 - Exempt Gambling Permit – Business Arts & Recreation Center – March 17, 2026
- Regular Bills

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

5. Department Heads:

None.

6. Public Comment – Mike Lohre:

Mr. Lohre was not present.

7. First Reading - Ordinance No. 204, 2nd Series – Disposition of Real Estate (Windomnet):

Mathis said that Councilmember Esplan was absent and as he is a liaison to the Telecom Commission, been on the ad hoc negotiations committee and has a lot of input into this decision she would prefer to table the first reading on this ordinance.

Motion by Nelson second by Sherman to table the 1st Reading of Ordinance No. 204, 2nd Series to February 17, 2026. Motion carried 3 – 1 (Benson).

8. Resolution - Approving Rates and Fees for an Enterprise Fund - Telecom:

Jeff Dahna, Windomnet General Manager, said that the Telecom Commission had voted to revise the Business Data packages and prices. The new data packages will start at 100 MB\sec speed, so the old Business 20 and 70 packages are going away.

Mathis asked if there is an increase in speed or price. Dahna said that rates on the higher business speed packages are going down to be more in-line with other offerings in the area and the move from Business 20 & 70 to the new 100 package is a price increase.

Council Member Sherman introduced the Resolution No. 2026-06, entitled “RESOLUTION ESTABLISHING RATES, CHARGES AND FEES FOR TELECOMMUNICATIONS ENTERPRISE FUND” and moved its adoption. The Resolution was seconded by Nelson and on roll call vote: Aye: Nelson, Quade, Benson and Sherman. Nay: None. Absent: Esplan. Abstain: None. Resolution passed 4 - 0.

9. Resolution – 2026 National School Resource Officer Day Proclamation:
Council Member Benson introduced the Resolution No. 2026-07, entitled “CITY OF WINDOM 2026 NATIONAL SCHOOL RESOURCE OFFICER DAY PROCLAMATION” and moved its adoption. The Resolution was seconded by Quade and on roll call vote: Aye: Quade, Benson, Sherman and Nelson. Nay: None. Absent: Esplan. Abstain: None. Resolution passed 4 - 0.

Mathis thanked Officer Dana Wallace for all her work at the school.

10. Resolution – Approving Amendments to the Fees & Charges Schedule:
Nasby said this fee schedule covers charges from the various departments at the City and is updated annually with rate changes. The changes are highlighted and he reviewed the changes. He said that staff updates the schedule as costs change and it is important to update the fee schedule as this is what is used for FEMA reimbursements.

Council Member Quade introduced the Resolution No. 2026-08, entitled “RESOLUTION APPROVING AMENDMENTS TO THE FEES AND CHARGES SCHEDULE” and moved its adoption. The Resolution was seconded by Sherman and on roll call vote: Aye: Benson, Sherman, Nelson and Quade. Nay: None. Absent: Esplan. Abstain: None. Resolution passed 4 - 0.

11. City-wide Clean Up Event:
Nasby said that staff had contacted Hometown about setting up a date for 2026. The event is typically done in May and a weekend the landfill is open, so the dates were May 16 or 30. The May 30th date was already booked so staff tentatively scheduled May 16th. This will include the 10-item bulky item curb collection, mattress pick-up and drop off site for residents. More details and advertising will happen closer to the event, but staff is requesting Council approval of the date before everything moves ahead with planning and contracting.

Motion by Quade second by Nelson to approve May 16th as the 2026 Spring Clean-up date and to continue the \$7.00 per item subsidy for two mattress tags per household. Motion carried 4 – 0.

12. Contractor Payment:
Nasby said that the final pay request for the Island Park berm in the amount of \$16,417.14 has been recommended for payment by the engineers.

Motion by Benson second by Quade to approve Pay Request #3 (Final) for Mathiowetz Construction in the amount of \$16,417.14 for the Island Park Berm Project. Motion carried 5 – 0.

Nasby said that the first item for the Community Center roof project is a change order reducing the amount for the roof project as there was some damage caused by the contractor and they are making an

Preliminary

adjustment to cover half the cost. The City's insurance carrier is covering the other half of the cost of the damage. Also, there are two pay requests, #2 and #3 which is the final. The engineers have recommended making both of the payments and approving the change order.

Motion by Benson second by Nelson to approve Change Order #1 for the Community Center roof project as presented. Motion carried 5 – 0.

Motion by Nelson second by Benson to approve Pay Request #2 for Gag Sheet Metal, Inc. in the amount of \$8,023.74. Motion carried 5 – 0.

Motion by Benson second by Sherman to approve Pay Request #3 (final) in the amount of \$5,970.64 for Gag Sheet Metal, Inc. Motion carried 5 – 0.

13. New Business:

None.

14. Old Business:

Nasby said that the City was notified by the State HSEM office that the City's original FEMA appeal for the pool was null after FEMA re-issued their determination letter with a corrected amount. This started the appeal process all over, as such a new appeal letter was sent out about a week ago. FEMA then has 90 days for the new appeal so it will be a while before we get a reply.

Second, Nasby said that MN DOT is planning on coming to the February 17th meeting to discuss the traffic lights and that good news on the cost share is expected as MN DOT is adding an ability to pay factor to their formula.

15. Council Comments:

Benson said that the Windomnet issue is on everyone's mind and there is information out there that is both accurate and inaccurate. It is a tough decision and he is always trying to do his best for the citizens of Windom and no one is trying to hide anything or do anything shady. He's trying to do his best for the taxpayers and ratepayers and not everyone will be happy with whatever decision is made but he's doing what he feels is in the best interest of the community.

Sherman said he is open to input and encouraged people to contact him.

Quade said that Federated had sent a letter following up on the questions raised at the public meeting on January 14th about local control and investment into the community. Federated's letter states they are intending on forming an advisory committee for the telecom side of their business and that committee would advise the Federated Board. Also, Federated has been discussing the expansion of their patronage whereas customers get capital credits and having this include telecom customers.

Mathis said she has been receiving comments on Windomnet and thanked the public for input.

16. Adjournment:

Mayor Mathis adjourned the meeting by unanimous consent at 5:03 p.m.

Hilary Mathis, Mayor

Attest: _____
Steve Nasby, City Administrator

Community Center Commission Minutes

Monday February 9, 2026

1. Call to Order: 5:31 pm

2. Present:

President: Linda Stuckenbroker
CC Director: Tim Snyder
Commission Members: Mitch Voehl
Brady Haugen
Al Baloun - Absent
William Hanson
Commission Liaisons: Scott Benson
Jim Nelson
City Administrator: Steve Nasby – Absent

3. Approval of Minutes: Motion by William Hanson, seconded by Brady Haugen, approved 3 – 0.

4. Director Report:

Personnel:

A. Would like a part-time non-union employee at 20 hours a week for maintenance with a wage of \$15.50.

Financial Report:

A. End of year financials were better than budgeted with only 8 weddings hosted in 2025.

5. Old Business:

- A. Reptile Expo would like summer (possible Saturday of Riverfest) and fall shows.
- B. 279 events here at the Community Center in 2025.

6. New Business:

- A. Lighting in gym completed on February 2, 2026.
- B. Roofing project completed and paid by LMCIT.
- C. Clarified wedding cancellation policy; 50% refund if done 6 months in advance.
- D. Discussed different online platforms for more exposure.
- E. Discussed examples of events where we could host complimentary activities such as car shows, Farm 40 Free, etc.
- F. Swearing in of Brady Haugen and Mitchell Voehl.
- G. Election of officers at March meeting for President and Secretary.

7. Commissioners Comments:

A. None.

Next Meeting: March 9, 2026 5:30 pm.

Motion to adjourn by William Hanson; seconded by Brady Haugen at 6:31pm, motion approved 3-0.

REGULAR MEETING OF THE HOUSING AND REDEVELOPMENT AUTHORITY OF WINDOM, MN

February 11, 2026, at 8:30 a.m.

A regular meeting of the Board of Directors was held on February 11, 2026, at Hillside Manor. Board Members present: Tony Scott, Nick Kulseth and LeWayne Pigman. Also present was Executive Director Linda Loewen and Operations Manager Tami Wahdan. Absent: Linda Jaakola-excused, Heidi Hill-excused and City Liaison Jim Nelson.

The Regular Board Meeting was called to order at 8:39 a.m. with the consent agenda approved which included minutes from the December meeting, the Agenda, Balance Report and Bills Reports. (Kulseth/Pigman)

Scheduled Guests: none

The Regular meeting was closed at 8:41 a.m. (Kulseth/Pigman) and the Annual meeting was opened at 8:41a.m. (Kulseth/Pigman). A motion was made to keep the same chair holders as follows: Tony Scott, Chair, Linda Jaakola, Vice Chair and Nick Kulseth, Secretary/Treasurer. (Pigman/Kulseth) Board members signed the Oath of Office. The Annual meeting was closed at 8:42 a.m. (Kulseth/Pigman) and the Regular meeting was reopened at 8:42 a.m. (Kulseth/Pigman).

Old Business consisted of:

1. The Executive Director gave an update on the Hillside window project. All windows and trim are complete outside of one hall window. The only thing remaining will be caulking outside of the building which will be completed when the weather is warmer in the Spring.
2. The Executive gave an update on the Heat Exchanger at the Riverview building. She reached out to Schwalbach's after last month's meeting to inform them that they had won the bid. However, after talking with Mike, he stated that there was likely an increase in the price and that he needed to do some checking prior to honoring the quote that was presented. The Executive Director talked to him yesterday and he is still waiting to hear back from Trane on this. She will bring it back to the March meeting.
3. The Executive Director gave an update on the heat/stairwell project at Riverview. The project has been completed by Ron's Electric, and we are just waiting for a pay request.

New Business consists of:

1. The Executive Director introduced the new board member, LeWayne Pigman.
2. The Executive Director presented quotes for the new camera system at Hillside Manor, from Safe-N-Secure and Master Electric. After some discussion, a motion was made to accept the quote from Safe-N-Secure in the amount of \$26,959.74 along with the quote from Ron's Electric in the amount of \$9,850.00. (Kulseth/Pigman)
3. The Executive Director reported that she has reached out to Kjell Turner for a quote on door locks at Hillside Manor but hadn't received anything from him prior to the meeting.
4. The Executive Director reported that Monday, January 19th is Martin Luther King Jr. Day, and the office will be closed.
5. The Executive Director reported that February 23-26, in-house inspections will be completed at Windom and Jackson HRA's, and we would be sharing staff in both locations.
6. The Executive Director presented the new Elevator Emergency Call Procedure and explained why the updates were made. After some discussion, a motion was made to approve the Procedure as presented. (Kulseth/Pigman)

7. The Executive Director presented a quote from Brother's Fire for replacement of a swing check in the amount of \$4,575.00, that was discovered as not working and a deficiency, during the annual alarm inspections. After some discussion a motion was made to approve the quote as presented. (Kulseth/Pigman)
8. The Executive Director presented the FYE March 31, 2027, budget, which was sent to board members prior to the meeting, for review. After some discussion, a motion was made to approve the budget as presented. (Kulseth/Pigman)
9. The Executive Director reported that the Working Together Conference has been scheduled for Thursday, April 16, 2026. As in the past, she intends to have all staff attend and head to the conference on Wednesday, April 15, 2026, and spend the night.
10. The Executive Director reviewed the February Overview with the board.
11. The Regular meeting was closed at 9:22 a.m. (Kulseth/Pigman) to discuss the Personnel Policy, Retirement and a Personnel issue. The closed meeting was reopened at 10:02 a.m. (Kulseth/Pigman) There will be a change made to the Personnel Policy regarding Inclement Weather. (Kulseth/Pigman)

Upcoming Board Meetings are scheduled for March 11th (RV) and April 8th (HS) at 8:30 am. The Executive Director asked to change the date of the March meeting as she will be off that day. After some discussion, a motion was made to change the meeting to the following Wednesday, March 18th (RV) at the same time. (Kulseth/Pigman)

With no further business, the meeting was adjourned at 10:04 a.m. (Kulseth/Pigman)

Tony Scott, Chairman

Linda Loewen, Executive Director

Windom Library Board Meeting
Monday, February 9, 2026 at 5:05 pm

Call to Order- Called to order @ 5:05 pm by John Duscher

Roll Call- John Duscher, Steve Fresk, Fran Swenson, Sarah Peterson, Diane Sykora

Library Staff-Kari Hanson

Financial Report- December 2025 report given. January 2026 report will be emailed when information becomes available. Motion to approve December financial report by F Swenson and second by S Fresk. Motion carried.

Librarian's Report-

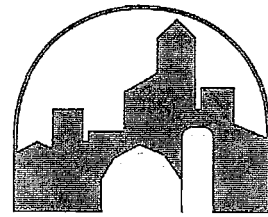
1. The first participant for the 1,000 Books Before Kindergarten program was recognized. Wendy is re-vamping the program to give sheets for 100 books at a time.
2. Allen Eskens Zoom meeting was attended by 80 people. It was a good event.
3. The winter reading program has 101 participants.
4. The Plum Creek Library System is doing a "Love My Library" promotion in February. Participants fill out a card that will be entered into a drawing by Plum Creek Library System.
5. Kari Hanson reported that the library has been "nice and busy".

Old Business- None

New Business- None

Adjournment- Meeting adjourned by John Duscher at 5:21 pm.

Next Library Board Meeting is Tuesday, March 10, 2026.



APPLICATION FOR MUNICIPAL LICENSES
CITY OF WINDOM
WINDOM, MN

WINDOM

STATE OF MINNESOTA
COUNTY OF COTTONWOOD
CITY OF WINDOM

TO: Windom Vape and Tobacco
335 1st Street
Windom MN 56101

This application is appropriate for item or items checked below, for the term of one year from January 1, 2026 to December 31, 2026.

☒ Cigarette License \$20.00

☐ Game of Skill \$50.00 for first game and \$15.00 for each additional game

☐ Theatre \$25.00

Required

MN Tax ID # 1674391

Federal Tax ID # 41-4130071

Total \$20.00

Dated this 10 Day of Feb, 2026.

Hanna Tanchin
Robert Tanchin
Signature of Applicant





Windom, MN

Expense Approval Report

By Fund

Payment Dates 1/31/2026 - 2/13/2026

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
Fund: 100 - GENERAL					
Activity: 41110 - Mayor & Council					
STEVE NASBY	2-9-2026	02/10/2026	MAYOR, ADMIN & COUNCIL -	100-41110-334	19.90
CITIZEN PUBLISHING CO	JAN 2026	02/09/2026	AMBO-EDA-STREET-MAYOR/C	100-41110-350	175.60
CITIZEN PUBLISHING CO	JAN 2026	02/09/2026	AMBO-EDA-STREET-MAYOR/C	100-41110-350	397.50
Activity 41110 - Mayor & Council Total:					593.00
Activity: 41310 - Administration					
INNOVATIVE SYSTEMS LLC	INV-29953	02/09/2026	INVOICE-INSERTS	100-41310-200	126.00
A & B BUSINESS	IN1337100	02/10/2026	OPERATING SUPPLIES	100-41310-217	376.87
U S POSTAL SERVICE	FEB 2026	02/02/2026	POST OFFICE BOX	100-41310-322	17.33
PLAN IT SOFTWARE LLC	PLAN-2359	02/02/2026	CAPITAL PLANNING SOFTWARE	100-41310-444	2,625.00
Activity 41310 - Administration Total:					3,145.20
Activity: 41910 - Building & Zoning					
INDOFF, INC	3842058	02/03/2026	EDA/P&Z- SUPPLIES	100-41910-200	1.70
WINDOM PRINTING LLC	T2639	02/03/2026	EDA-P&Z- SUPPLIES	100-41910-200	18.95
WEX BANK	110351137	02/06/2026	FUEL	100-41910-212	78.12
A & B BUSINESS	IN1337100	02/10/2026	MAINTENANCE CONTRACT -	100-41910-217	151.82
Activity 41910 - Building & Zoning Total:					250.59
Activity: 41940 - City Hall					
CRISTINA MAZARIEGOS	12/29/2025-1/30/2026	02/02/2026	CLEANING	100-41940-406	1,050.00
SCHWALBACH HARDWARE	SCHWALBACHS JAN 2026	01/29/2026	Office	100-41940-409	1,325.97
SCHWALBACH HARDWARE	SCHWALBACHS JAN 2026	01/29/2026	P&Z	100-41940-409	84.90
Activity 41940 - City Hall Total:					2,460.87
Activity: 42120 - Crime Control					
INDOFF, INC	3841459	02/06/2026	POLICE DEPT- SUPPLIES	100-42120-200	105.89
WEX BANK	110351137	02/06/2026	FUEL	100-42120-212	565.39
WEX BANK	110351137	02/06/2026	FUEL	100-42120-212	-10.58
KWIK TRIP INC & SUBSIDIARIE	JAN 2026	02/09/2026	POLICE/WCC/MOTOR FUEL	100-42120-212	-175.03
KWIK TRIP INC & SUBSIDIARIE	JAN 2026	02/09/2026	POLICE/WCC/MOTORFUEL	100-42120-212	1,618.60
STREICHER'S, INC	I1806432	02/06/2026	POLICE DEPT- UNIFORMS	100-42120-218	499.87
AMAZON CAPITAL SERVICES, I	1W3G-3QNQ-FDV9	02/06/2026	POLICE DEPT- TELEPHONE	100-42120-321	126.83
U S POSTAL SERVICE	FEB 2026	02/02/2026	POST OFFICE BOX	100-42120-322	17.33
ALPHA WIRELESS - MANKATO	32862	02/06/2026	POLICE DEPT-RADIO UNITS	100-42120-323	120.00
BAYCOM INC	EQUIPINV_060109	02/06/2026	POLICE DEPT- DATA PROCESSI	100-42120-326	3,720.00
M. J. DONOVAN ENTERPRISES	169183	02/06/2026	POLICE DEPT- PRINTING	100-42120-350	230.00
WINDOM PRINTING LLC	T2638	02/06/2026	POLICE DEPT- PRINTING	100-42120-350	94.20
CRYSTAL CLEAN CAR WASH LL	1254	02/06/2026	POLICE- VEHICLE MAINT.	100-42120-405	62.00
AMAZON CAPITAL SERVICES, I	1YCF-LKQM-69PQ	02/06/2026	POLICE DEPT- MISC	100-42120-480	144.98
Activity 42120 - Crime Control Total:					7,119.48
Activity: 42220 - Fire Fighting					
WEX BANK	110351137	02/06/2026	FUEL	100-42220-212	122.41
RUNNINGS SUPPLY, INC	RUNNINGS JAN 2026	02/02/2026	Fire	100-42220-215	33.97
RUNNINGS SUPPLY, INC	RUNNINGS JAN 2026	02/02/2026	Fire	100-42220-215	22.97
RUNNINGS SUPPLY, INC	RUNNINGS JAN 2026	02/02/2026	Fire	100-42220-215	112.35
A & B BUSINESS	IN1337100	02/10/2026	MAINTENANCE CONTRACT -	100-42220-217	133.63
RUNNINGS SUPPLY, INC	RUNNINGS JAN 2026	02/02/2026	Fire	100-42220-217	41.88
U S POSTAL SERVICE	FEB 2026	02/02/2026	POST OFFICE BOX	100-42220-322	17.33
PAUL MARSH	36245	01/30/2026	FIRE DEPT- VEHICLE MAINT.	100-42220-405	329.11
PAUL MARSH	36285	02/05/2026	FIRE DEPT- VEHICLE MAINT	100-42220-405	1,637.55
MN STATE FIRE DEPT ASSOC	02/01/2026	02/10/2026	FIRE- DUES	100-42220-433	290.00
ADVANTAGE COLLECTION PR	8834781	02/09/2026	FIRE DEPT- MISC	100-42220-480	300.00
Activity 42220 - Fire Fighting Total:					3,041.20

Expense Approval Report

Payment Dates: 1/31/2026 - 2/13/2026

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
Activity: 42700 - Animal Control					
COTTONWOOD VET CLINIC	14105	01/29/2026	ANIMAL IMPOUND	100-42700-300	82.83
COTTONWOOD VET CLINIC	14107	01/29/2026	ANIMAL IMPOUND	100-42700-300	104.20
Activity 42700 - Animal Control Total:					187.03
Activity: 43100 - Streets					
INDOFF, INC	3842989	02/10/2026	STREETS - SUPPLIES	100-43100-200	7.99
WEX BANK	110351137	02/06/2026	FUEL	100-43100-212	-49.67
WEX BANK	110351137	02/06/2026	FUEL	100-43100-212	2,653.35
STAPLES ENTERPRISES, INC.	11220635	02/09/2026	STREET-MOTOR FUEL	100-43100-212	129.52
A & B BUSINESS	IN1337100	02/10/2026	MAINTENANCE CONTRACT -	100-43100-217	17.48
FRANKS SHOE REPAIR	04062025	02/10/2026	STREETS-UNIFORMS	100-43100-218	165.00
NEGEN CONSTRUCTION LLC	1/12/2026	02/03/2026	STREET-STREET MAINTENANC	100-43100-224	1,663.27
COTTONWOOD CO SOLID WA	2676927	02/03/2026	STREET-LANDSCAPING MATER	100-43100-225	10.00
COTTONWOOD CO SOLID WA	2676939	02/03/2026	STREET-LANDSCAPING MATER	100-43100-225	10.00
COTTONWOOD CO SOLID WA	2676941	02/03/2026	STREET-LANDSCAPING MATER	100-43100-225	10.00
COTTONWOOD CO SOLID WA	2676971	02/03/2026	STREET-LANDSCAPING MATER	100-43100-225	10.00
COTTONWOOD CO SOLID WA	2676981	02/03/2026	STREET-LANDSCAPING MATER	100-43100-225	10.00
COTTONWOOD CO SOLID WA	2677004	02/03/2026	STREET-LANDSCAPING MATER	100-43100-225	10.00
COTTONWOOD CO SOLID WA	2677022	02/03/2026	STREET-LANDSCAPING MATER	100-43100-225	10.00
RUNNINGS SUPPLY, INC	RUNNINGS JAN 2026	02/02/2026	street	100-43100-241	65.49
U S POSTAL SERVICE	FEB 2026	02/02/2026	POST OFFICE BOX	100-43100-322	17.33
CITIZEN PUBLISHING CO	JAN 2026	02/09/2026	AMBO-EDA-STREET-MAYOR/C	100-43100-350	667.15
SOUTHERN MN INSPECTION C	26654	02/06/2026	STREET-SEWER-MAINTENANC	100-43100-401	343.75
SCHWALBACH HARDWARE	SCHWALBACHS JAN 2026	01/29/2026	Street	100-43100-401	6.99
SCHWALBACH HARDWARE	SCHWALBACHS JAN 2026	01/29/2026	Street	100-43100-401	2.00
SCHWALBACH HARDWARE	SCHWALBACHS JAN 2026	01/29/2026	Street	100-43100-401	15.58
SCHWALBACH HARDWARE	SCHWALBACHS JAN 2026	01/29/2026	Street	100-43100-401	54.99
TEXAS REFINERY CORP	310747	02/06/2026	STREET-MAINTENANCE - OFFI	100-43100-404	687.70
RUNNINGS SUPPLY, INC	RUNNINGS JAN 2026	02/02/2026	Street	100-43100-404	126.39
RUNNINGS SUPPLY, INC	RUNNINGS JAN 2026	02/02/2026	Street	100-43100-404	19.98
WINDOM AUTO VALUE	34328751	02/02/2026	STREET-MAINTENANCE - VEHI	100-43100-405	6.61
Activity 43100 - Streets Total:					6,670.90
Activity: 45120 - Recreation					
A & B BUSINESS	IN1337100	02/10/2026	MAINTENANCE CONTRACT -	100-45120-217	19.25
Activity 45120 - Recreation Total:					19.25
Activity: 45202 - Park Areas					
U S POSTAL SERVICE	FEB 2026	02/02/2026	POST OFFICE BOX	100-45202-200	17.33
RUNNINGS SUPPLY, INC	RUNNINGS JAN 2026	02/02/2026	Parks	100-45202-404	5.99
COTTONWOOD CO SOLID WA	2676876	02/03/2026	PARKS-MAINTENANCE - GRO	100-45202-406	10.00
COTTONWOOD CO SOLID WA	2676889	02/03/2026	PARKS-MAINTENANCE - GRO	100-45202-406	10.00
COTTONWOOD CO SOLID WA	2676894	02/03/2026	PARKS- MAINTENANCE - GRO	100-45202-406	10.00
COTTONWOOD CO SOLID WA	2676900	02/03/2026	PARKS-MAINTENANCE - GRO	100-45202-406	10.00
COTTONWOOD CO SOLID WA	2676902	02/03/2026	PARKS-MAINTENANCE - GRO	100-45202-406	10.00
COTTONWOOD CO SOLID WA	2676919	02/03/2026	PARKS-MAINTENANCE - GRO	100-45202-406	10.00
COTTONWOOD CO SOLID WA	2676952	02/03/2026	PARKS-MAINTENANCE - GRO	100-45202-406	10.00
COTTONWOOD CO SOLID WA	2676995	02/03/2026	STREET-LANDSCAPING MATER	100-45202-406	10.00
Activity 45202 - Park Areas Total:					103.32
Fund 100 - GENERAL Total:					23,590.84
Fund: 211 - LIBRARY					
Activity: 45501 - Library					
SCHWALBACH HARDWARE	SCHWALBACHS JAN 2026	01/29/2026	Library	211-45501-200	19.99
PLUM CREEK LIBRARY	000112	02/09/2026	LIBRARY-OTHER OPERATING S	211-45501-217	375.00
A & B BUSINESS	IN1337100	02/10/2026	MAINTENANCE CONTRACT -	211-45501-217	212.97
CRISTINA MAZARIEGOS	12/29/2025-1/30/2026	02/02/2026	CLEANING	211-45501-402	750.00
VESTIS GROUP, INC	2560462155	01/30/2026	LIBRARY- MAINTENANCE - ST	211-45501-402	44.65
MT LAKE PUBLIC LIBRARY	056	02/03/2026	LIBRARY-DUES	211-45501-433	99.00

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Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
INGRAM INDUSTRIES	JAN 2026	02/05/2026	LIBRARY-BOOKS/PAMPHLETS	211-45501-435	1,329.22
				Activity 45501 - Library Total:	2,830.83
				Fund 211 - LIBRARY Total:	2,830.83

Fund: 225 - AIRPORT**Activity: 45127 - Airport**

RED ROCK RURAL WATER	2/2/2026	02/02/2026	SERVICE	225-45127-200	34.00
SEH	502850	02/09/2026	AIRPORT- ENGINEERING & SU	225-45127-303	4,800.00
				Activity 45127 - Airport Total:	4,834.00
				Fund 225 - AIRPORT Total:	4,834.00

Fund: 230 - POOL**Activity: 45124 - Pool**

A & B BUSINESS	IN1337100	02/10/2026	MAINTENANCE CONTRACT -	230-45124-217	19.25
U S POSTAL SERVICE	FEB 2026	02/02/2026	POST OFFICE BOX	230-45124-322	17.33
				Activity 45124 - Pool Total:	36.58
				Fund 230 - POOL Total:	36.58

Fund: 235 - AMBULANCE

MARK ALLEN CRISPIN	2025066022	02/05/2026	AMBO- PATIENT OVER PAYME	235-34205	202.42
VIRGINIA BETH ABILD	2025087932	02/05/2026	AMBO- PATIENT OVERPAYME	235-34205	119.24
					321.66

Activity: 42153 - Ambulance

WEX BANK	110351137	02/06/2026	FUEL	235-42153-212	2,872.04
WEX BANK	110351137	02/06/2026	FUEL	235-42153-212	-53.76
A & B BUSINESS	IN1337100	02/10/2026	MAINTENANCE CONTRACT -	235-42153-217	15.25
LEWIS FAMILY DRUG, LLC	1/14/2026	02/05/2026	AMBO- OTHER MERCHANDISE	235-42153-261	590.98
JENNA VACHUSKA	1/22/2026-1/29/2026	02/02/2026	AMBO-MEALS-REGISTRATION	235-42153-308	25.00
AMBER SVOBODA	1/23/2026	02/02/2026	AMBO- REGISTRATION	235-42153-308	25.00
KRISTEN PORATH	1/23/2026-1/30/2026	02/02/2026	AMBO- MEALS-REGISTRATION	235-42153-308	25.00
WINDOM AREA HEALTH	734-0024-01-2026-01	02/09/2026	AMBO- NURSING REIMB	235-42153-321	4,047.07
U S POSTAL SERVICE	FEB 2026	02/02/2026	POST OFFICE BOX	235-42153-322	17.33
REBEKAH ELLINGSON	1/16/2026-1/31/2026	02/02/2026	AMBO- MEALS	235-42153-334	99.08
LEESA ARNDT	1/22/2026	02/02/2026	AMBO- MEALS	235-42153-334	27.27
JENNA VACHUSKA	1/22/2026-1/29/2026	02/02/2026	AMBO-MEALS-REGISTRATION	235-42153-334	50.93
KRISTEN PORATH	1/23/2026-1/30/2026	02/02/2026	AMBO- MEALS-REGISTRATION	235-42153-334	113.56
MEGAN BRAMSTEDT	1/27/2026-1/28/2026	02/02/2026	AMBO MEALS	235-42153-334	73.31
JODI JOHNSON	1/29/2026	02/03/2026	AMBO MEALS	235-42153-334	23.69
CITIZEN PUBLISHING CO	JAN 2026	02/09/2026	AMBO-EDA-STREET-MAYOR/C	235-42153-340	254.25
PAUL MARSH	36169	02/05/2026	AMBO- VEHICLE MAINT.	235-42153-405	240.48
				Activity 42153 - Ambulance Total:	8,446.48
				Fund 235 - AMBULANCE Total:	8,768.14

Fund: 250 - EDA GENERAL**Activity: 46520 - EDA**

INDOFF, INC	3842058	02/03/2026	EDA/P&Z- SUPPLIES	250-46520-200	1.69
WINDOM PRINTING LLC	T2639	02/03/2026	EDA-P&Z- SUPPLIES	250-46520-200	18.95
A & B BUSINESS	IN1337100	02/10/2026	MAINTENANCE CONTRACT -	250-46520-217	151.82
EHLERS & ASSOC., INC.	105012	02/10/2026	EDA - CONSULTING & AUDITI	250-46520-301	295.00
U S POSTAL SERVICE	FEB 2026	02/02/2026	POST OFFICE BOX	250-46520-322	17.33
WINDOM AREA CHAMBER OF	5203	01/30/2026	ANNUAL ADVERTISING BILL	250-46520-340	300.00
CITIZEN PUBLISHING CO	JAN 2026	02/09/2026	AMBO-EDA-STREET-MAYOR/C	250-46520-340	174.40
THE BROOKSHIRE CO, LLC	26-1687	02/10/2026	EDA - DUES	250-46520-433	3,500.00
				Activity 46520 - EDA Total:	4,459.19
				Fund 250 - EDA GENERAL Total:	4,459.19

Fund: 306 - 2013 STREET IMPROVEMENT**Activity: 41000 - General Government**

EHLERS & ASSOC., INC.	105011	02/09/2026	ARBITRAGE REPORT - SERIES	306-41000-480	3,750.00
				Activity 41000 - General Government Total:	3,750.00
				Fund 306 - 2013 STREET IMPROVEMENT Total:	3,750.00

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Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
Fund: 401 - GENERAL CAPITAL PROJECTS					
Activity: 49950 - Capital Outlay					
AXON ENTERPRISE, INC	INUS417861	02/02/2026	POLICE DEPT- CAPITAL	401-49950-501	53,699.18
MN STATE TREASURER'S OFFI	WD18030285	02/09/2026	FORFEITED PROPERTY: CASH	401-49950-501	151.20
COTTONWOOD CO ATTORNEY	WD18030285	02/09/2026	FORFEITED PROPERTY: CASH	401-49950-501	302.40
MN STATE TREASURER'S OFFI	WD18080800	02/09/2026	FORFEITED PROPERTY : CASH	401-49950-501	6.70
COTTONWOOD CO ATTORNEY	WD18080800	02/09/2026	FORFEITED PROPERTY: CASH	401-49950-501	13.40
COTTONWOOD CO ATTORNEY	WD20010054	02/09/2026	FORFEITED PROPERTY:CASH	401-49950-501	2.80
MN STATE TREASURER'S OFFI	WD20010054	02/09/2026	FORFEITED PROPERTY: CASH	401-49950-501	1.40
MN STATE TREASURER'S OFFI	WD23010030	02/09/2026	FORFEITED PROPERTY: CASH	401-49950-501	20.40
COTTONWOOD CO ATTORNEY	WD23010030	02/09/2026	FORFEITED PROPERTY: CASH	401-49950-501	40.80
MN STATE TREASURER'S OFFI	WD23040266	02/09/2026	FORFEITED PROPERTY: VEHICL	401-49950-501	15.00
COTTONWOOD CO ATTORNEY	WD23040266	02/09/2026	FORFEITED PROPERTY : VEHIC	401-49950-501	30.00
MATHIOWETZ CONSTRUCTIO	375041 PAYMENT # 3	02/04/2026	ISLAND PARK BERM	401-49950-508	16,417.14
Activity 49950 - Capital Outlay Total:					70,700.42
Fund 401 - GENERAL CAPITAL PROJECTS Total:					70,700.42
Fund: 601 - WATER					
Activity: 49400 - Water					
WEX BANK	110351137	02/06/2026	FUEL	601-49400-212	268.81
AMAZON CAPITAL SERVICES, I	11GP-99DP-R3TK	02/06/2026	WATER- CHEMICALS	601-49400-216	899.99
CORE & MAIN LP	INV0025609	02/06/2026	WATER-SEWER-CHEMICALS	601-49400-216	721.91
RED ROCK RURAL WATER	1/1/2026-1/31/2026	02/02/2026	JOHNSON AUTO	601-49400-217	45.05
A & B BUSINESS	IN1337100	02/10/2026	MAINTENANCE CONTRACT -	601-49400-217	89.60
MN VALLEY TESTING	1344162	02/10/2026	WATER-LAB TESTING	601-49400-310	77.50
U S POSTAL SERVICE	FEB 2026	02/02/2026	POST OFFICE BOX	601-49400-322	17.33
INNOVATIVE SYSTEMS LLC	INV-29743	02/02/2026	SYSTEM MAINTENANCE	601-49400-326	1,091.51
INNOVATIVE SYSTEMS LLC	INV-29743	02/02/2026	SOFTWARE SERVICE PAYMENT	601-49400-326	517.50
INNOVATIVE SYSTEMS LLC	INV-29953	02/09/2026	INVOICE-PROCEESSING	601-49400-326	161.28
RUNNINGS SUPPLY, INC	RUNNINGS JAN 2026	02/02/2026	Water	601-49400-404	23.85
RUNNINGS SUPPLY, INC	RUNNINGS JAN 2026	02/02/2026	Water	601-49400-404	118.63
WINDOM AUTO VALUE	34328437	02/02/2026	WATER-MAINTENANCE - VEHI	601-49400-405	57.87
WINDOM AUTO VALUE	34328513	02/02/2026	WATER-MAINTENANCE - VEHI	601-49400-405	6.61
GOPHER STATE ONE CALL	6010852	02/06/2026	WATER-MAINTENANCE - DIST	601-49400-408	59.45
Activity 49400 - Water Total:					4,156.89
Fund 601 - WATER Total:					4,156.89
Fund: 602 - SEWER					
SCHWALBACH HARDWARE	SCHWALBACHS JAN 2026	01/29/2026	Sewer	602-16200	43.98
					43.98
Activity: 49450 - Sewer					
WEX BANK	110351137	02/06/2026	FUEL	602-49450-212	111.02
CORE & MAIN LP	INV0025609	02/06/2026	WATER-SEWER-CHEMICALS	602-49450-216	316.68
A & B BUSINESS	IN1337100	02/10/2026	MAINTENANCE CONTRACT -	602-49450-217	95.62
RUNNINGS SUPPLY, INC	RUNNINGS JAN 2026	02/02/2026	sewer	602-49450-217	61.75
RUNNINGS SUPPLY, INC	RUNNINGS JAN 2026	02/02/2026	Sewer	602-49450-241	24.27
MN VALLEY TESTING	1342424	01/29/2026	SEWER-LAB TESTING	602-49450-310	93.20
MN VALLEY TESTING	1342425	01/29/2026	SEWER- LAB TESTING	602-49450-310	251.20
MN VALLEY TESTING	1342453	01/29/2026	SEWER- LAB TESTING	602-49450-310	93.20
MN VALLEY TESTING	1342849	01/29/2026	SEWER- LAB TESTING	602-49450-310	251.20
MN VALLEY TESTING	1343088	02/02/2026	SEWER- LAB TESTING	602-49450-310	153.20
MN VALLEY TESTING	1343266	02/02/2026	SEWER- LAB TESTING	602-49450-310	93.20
MN VALLEY TESTING	1343267	02/02/2026	SEWER- LAB TESTING	602-49450-310	110.40
MN VALLEY TESTING	1343424	02/02/2026	SEWER- LAB TESTING	602-49450-310	109.20
MN VALLEY TESTING	1343466	02/02/2026	SEWER LAB TESTING	602-49450-310	171.20
MN VALLEY TESTING	1343885	02/05/2026	SEWER- LAB TESTING	602-49450-310	251.20
MN VALLEY TESTING	1343924	02/05/2026	SEWER- LAB TESTING	602-49450-310	110.40
MN VALLEY TESTING	1344149	02/10/2026	WATER-LAB TESTING	602-49450-310	153.20
MN VALLEY TESTING	1344267	02/10/2026	SEWER- LAB TESTING	602-49450-310	171.20
U S POSTAL SERVICE	FEB 2026	02/02/2026	POST OFFICE BOX	602-49450-322	17.33
INNOVATIVE SYSTEMS LLC	INV-29953	02/09/2026	INVOICE-POSTAGE	602-49450-322	301.98

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Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
INNOVATIVE SYSTEMS LLC	INV-29953	02/09/2026	INVOICE-POSTAGE	602-49450-322	301.97
INNOVATIVE SYSTEMS LLC	INV-29743	02/02/2026	SOFTWARE SERVICE PAYMENT	602-49450-326	517.50
INNOVATIVE SYSTEMS LLC	INV-29743	02/02/2026	SYSTEM MAINTENANCE	602-49450-326	1,091.51
INNOVATIVE SYSTEMS LLC	INV-29953	02/09/2026	INVOICE-PROCEESSING	602-49450-326	161.28
VESSCO INC.	100063	02/02/2026	SEWER-MAINTENANCE - OFFI	602-49450-404	1,334.79
RUNNINGS SUPPLY, INC	RUNNINGS JAN 2026	02/02/2026	Sewer	602-49450-404	49.99
SOUTHERN MN INSPECTION C	26654	02/06/2026	STREET-SEWER-MAINTENANC	602-49450-408	361.25

Activity 49450 - Sewer Total: 6,758.94

Fund 602 - SEWER Total: 6,802.92

Fund: 604 - ELECTRIC

BORDER STATES	931852432	02/03/2026	ELECTRIC- INVENTORY	604-14200	1,045.40
BORDER STATES	931866348	02/03/2026	ELECTRIC- INVENTORY	604-14200	261.87
TANTALUS SYSTEMS INC.	31137	01/30/2026	ELECTRIC-IMPROVEMENTS OT	604-16300	1,907.60
TANTALUS SYSTEMS INC.	31383	01/30/2026	ELECTRIC- IMPROVEMENTS O	604-16300	190.54
TANTALUS SYSTEMS INC.	31428	01/30/2026	ELECTRIC- IMPORVEMENTS O	604-16300	42,452.56
TANTALUS SYSTEMS INC.	31436	01/30/2026	ELECTRIC- IMPROVEMENTS O	604-16300	24,798.71
JULIA PESQUEDA	00019759-5	01/20/2026	ELECTRIC PREPAYMENT REFU	604-22000	300.00
					70,956.68

Activity: 49550 - Electric

WEX BANK	110351137	02/06/2026	FUEL	604-49550-212	541.16
RD OFFUTT COMPANY	P4370704	01/29/2026	ELECTRIC- OTHER OPERATING	604-49550-217	977.89
SCHWALBACH HARDWARE	SCHWALBACHS JAN 2026	01/29/2026	Electric	604-49550-217	71.55
AMARIL UNIFORM COMPANY	IV291763	02/05/2026	ELECTRIC- UNIFORMS	604-49550-218	305.06
AMAZON CAPITAL SERVICES, I	1GRH-66F6-3VND	02/06/2026	ELECTRIC- SMALL TOOLS	604-49550-241	287.83
RUNNINGS SUPPLY, INC	RUNNINGS JAN 2026	02/02/2026	Electric	604-49550-241	249.00
STAPLES OIL CO	30369529427	01/30/2026	ELECTRIC-MERCH FOR RESALE	604-49550-262	14,398.20
MN MUNICIPAL UTILITIES ASS	68375	01/29/2026	ELECTRIC- TRAINING & REGIS	604-49550-308	1,170.00
RUNNINGS SUPPLY, INC	RUNNINGS JAN 2026	02/02/2026	Electric	604-49550-308	25.49
CMP - CENTRAL MUNICIPAL P	8074	02/09/2026	ELECTRIC-ENERGY DEVELOPM	604-49550-315	53,630.21
U S POSTAL SERVICE	FEB 2026	02/02/2026	POST OFFICE BOX	604-49550-322	17.33
INNOVATIVE SYSTEMS LLC	INV-29953	02/09/2026	INVOICE-POSTAGE	604-49550-322	301.97
OZ GROUP INC	5073176-020126	02/05/2026	ELECTRIC- DISPATCHING	604-49550-325	58.30
INNOVATIVE SYSTEMS LLC	INV-29743	02/02/2026	SOFTWARE SERVICE PAYMENT	604-49550-326	1,035.00
INNOVATIVE SYSTEMS LLC	INV-29743	02/02/2026	SYSTEM MAINTENANCE	604-49550-326	2,176.49
INNOVATIVE SYSTEMS LLC	INV-29953	02/09/2026	INVOICE-PROCEESSING	604-49550-326	161.28
RUNNINGS SUPPLY, INC	RUNNINGS JAN 2026	02/02/2026	Electric	604-49550-402	12.45
SCHWALBACH HARDWARE	SCHWALBACHS JAN 2026	01/29/2026	Electric	604-49550-402	60.76
SCHWALBACH HARDWARE	SCHWALBACHS JAN 2026	01/29/2026	Electric	604-49550-402	11.58
CARQUEST - SMITH AUTO SUP	8514	01/30/2026	ELECTRIC- MAINTENANCE - O	604-49550-404	8.99
GDF ENTERPRISES, INC	A29960	01/30/2026	ELECTRIC- MAINTENANCE - L	604-49550-404	207.20
GDF ENTERPRISES, INC	A29982	02/11/2026	ELECTRIC- MAINTENANCE - O	604-49550-404	-49.72
CARQUEST - SMITH AUTO SUP	8464	01/29/2026	ELECTRIC- VEHICLE MAINT.	604-49550-405	70.07
CARQUEST - SMITH AUTO SUP	8468	01/29/2026	ELECTRIC- VEHICLE MAINT.	604-49550-405	63.33
CARQUEST - SMITH AUTO SUP	8475	01/29/2026	ELECTRIC- VEHICLE MAINT	604-49550-405	139.99
CARQUEST - SMITH AUTO SUP	8517	01/30/2026	ELECTRIC- VEHICLE MAINT	604-49550-405	42.26
CARQUEST - SMITH AUTO SUP	8625	02/03/2026	ELECTRIC- MAINTENANCE - V	604-49550-405	124.58
ELECTRIC FUND	# 1152	02/06/2026	ELECTRIC-MAINTENANCE - DI	604-49550-408	0.23
BORDER STATES	931866337	02/05/2026	ELECTRIC- MAINTENANCE - DI	604-49550-408	113.30
RUNNINGS SUPPLY, INC	RUNNINGS JAN 2026	02/02/2026	Electric	604-49550-409	31.47
RUNNINGS SUPPLY, INC	RUNNINGS JAN 2026	02/02/2026	Electric	604-49550-409	91.41
WINDOM AREA DEVELOPME	DEC 2025	02/09/2026	ELECTRIC-PAYMENTS TO OTHE	604-49550-491	1,200.00
WINDOM AREA DEVELOPME	FEB 2026	02/09/2026	ELECTRIC-PAYMENTS TO OTHE	604-49550-491	1,200.00
WINDOM AREA DEVELOPME	JAN 2026	02/09/2026	ELECTRIC-PAYMENTS TO OTHE	604-49550-491	1,200.00
WINDOM AREA DEVELOPME	NOV 2025	02/09/2026	ELECTRIC-PAYMENTS TO OTHE	604-49550-491	1,200.00
WINDOM AREA DEVELOPME	OCT 2025	02/09/2026	ELECTRIC-PAYMENTS TO OTHE	604-49550-491	1,200.00
WINDOM AREA DEVELOPME	SEPT 2025	02/09/2026	ELECTRIC-PAYMENTS TO OTHE	604-49550-491	1,200.00

Activity 49550 - Electric Total: 83,534.66

Fund 604 - ELECTRIC Total: 154,491.34

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Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
Fund: 609 - LIQUOR STORE					
Activity: 49751 - Liquor Store					
VESTIS GROUP, INC	2560462157	02/03/2026	LIQUOR STORE- CLEANING SU	609-49751-211	57.05
A & B BUSINESS	IN1337100	02/10/2026	MAINTENANCE CONTRACT -	609-49751-217	25.00
SOUTHERN GLAZER'S OF MN	0117050	02/03/2026	LIQUOR STORE- LIQUOR	609-49751-251	-121.00
BREAKTHRU BEVERAGE MN	125382035	02/03/2026	LIQUOR STORE- LIQUOR-WIN	609-49751-251	1,341.66
BREAKTHRU BEVERAGE MINN	125383262	02/03/2026	LIQUOR STORE- LIQUOR	609-49751-251	227.30
DOLL DISTRIBUTING, LLC	1949314	02/03/2026	LIQUOR STORE- LIQUOR-BEER	609-49751-251	239.20
DOLL DISTRIBUTING, LLC	1949320	02/03/2026	LIQUOR STORE- LIQUOR- BEE	609-49751-251	-15.92
DOLL DISTRIBUTING, LLC	1955055	02/10/2026	LIQUOR STORE- LIQUOR-BEER	609-49751-251	-7.96
SOUTHERN GLAZER'S OF MN	2705432	02/02/2026	LIQUOR STORE-LIQUOR - FREI	609-49751-251	1,053.55
SOUTHERN GLAZER'S OF MN	2719366	02/03/2026	LIQUOR STORE- LIQUOR- FREI	609-49751-251	1,114.57
JOHNSON BROS.	2979489	02/03/2026	LIQUOR STORE- LIQUOR- FREI	609-49751-251	2,348.49
JOHNSON BROS.	2985655	02/10/2026	LIQUOR STORE- LIQUOR- FREI	609-49751-251	1,580.66
BREAKTHRU BEVERAGE MN	414404163	01/26/2026	LIQUOR STORE-LIQUOR-FREIG	609-49751-251	-409.50
PHILLIPS WINE & SPIRITS	5118393	02/03/2026	LIQUOR STORE- LIQUOR-FREI	609-49751-251	2,502.41
PHILLIPS WINE & SPIRITS	5123219	02/10/2026	LIQUOR STORE- LIQUOR- FREI	609-49751-251	3,171.51
BREAKTHRU BEVERAGE MINN	124988799	01/12/2026	LIQUOR STORE- BEER	609-49751-252	89.85
DOLL DISTRIBUTING, LLC	1949314	02/03/2026	LIQUOR STORE- LIQUOR-BEER	609-49751-252	11,947.80
DOLL DISTRIBUTING, LLC	1949320	02/03/2026	LIQUOR STORE- LIQUOR- BEE	609-49751-252	-3.19
DOLL DISTRIBUTING, LLC	1955050	02/10/2026	LIQUOR STORE - BEER	609-49751-252	2,064.40
DOLL DISTRIBUTING, LLC	1955053	02/10/2026	LIQUOR STORE- BEER	609-49751-252	-26.40
DOLL DISTRIBUTING, LLC	1955054	02/10/2026	LIQUOR STORE - BEER	609-49751-252	32.75
DOLL DISTRIBUTING, LLC	1955055	02/10/2026	LIQUOR STORE- LIQUOR-BEER	609-49751-252	-272.88
ARTISAN BEER COMPANY	3827415	02/03/2026	LIQUOR STORE-BEER	609-49751-252	217.70
ARTISAN BEER COMPANY	3828947	02/10/2026	LIQUOR STORE - BEER	609-49751-252	73.80
BREAKTHRU BEVERAGE MINN	414351688	01/12/2026	LIQUOR STORE- BEER	609-49751-252	-89.85
BEVERAGE WHOLESALERS	419737	02/03/2026	LIQUOR STORE- BEER-SOFT D	609-49751-252	4,673.05
BEVERAGE WHOLESALERS	420708	02/10/2026	LIQUOR STORE - BEER	609-49751-252	4,083.65
DOLL DISTRIBUTING, LLC	921177	02/10/2026	LIQUOR STORE- BEER	609-49751-252	-24.80
BREAKTHRU BEVERAGE MN	125382035	02/03/2026	LIQUOR STORE- LIQUOR-WIN	609-49751-253	224.00
DOLL DISTRIBUTING, LLC	1955050	02/10/2026	LIQUOR STORE - BEER - WINE-	609-49751-253	63.60
SOUTHERN GLAZER'S OF MN	2719367	02/03/2026	LIQUOR STORE-WINE-FREIGH	609-49751-253	106.44
JOHNSON BROS.	2979490	02/03/2026	LIQUOR STORE-WINE- FREIGH	609-49751-253	1,000.40
JOHNSON BROS.	2985656	02/10/2026	LIQUOR STORE - WINE- FREIG	609-49751-253	176.99
PHILLIPS WINE & SPIRITS	5118394	02/03/2026	LIQUOR STORE- WINE-SOFT D	609-49751-253	781.32
INDIAN ISLAND WINERY	INV-0024	02/03/2026	LIQUOR STORE- WINE	609-49751-253	866.15
BREAKTHRU BEVERAGE MN	125382035	02/03/2026	LIQUOR STORE- LIQUOR-WIN	609-49751-254	60.00
DOLL DISTRIBUTING, LLC	1949314	02/03/2026	LIQUOR STORE- LIQUOR-BEER	609-49751-254	108.00
BEVERAGE WHOLESALERS	419737	02/03/2026	LIQUOR STORE- BEER-SOFT D	609-49751-254	27.00
RED BULL DISTRIBUTION CO, I	5021273445	02/10/2026	LIQUOR STORE- SOFT DRINKS	609-49751-254	223.93
PHILLIPS WINE & SPIRITS	5118394	02/03/2026	LIQUOR STORE- WINE-SOFT D	609-49751-254	176.00
ATLANTIC COCA-COLA	5585289	02/10/2026	LIQUOR STORE- SOFT DRINKS	609-49751-254	202.00
JOHNSON BROS.	2979491	02/03/2026	LIQUOR STORE-THC	609-49751-258	538.14
JOHNSON BROS.	2985657	02/10/2026	LIQUOR STORE - THC	609-49751-258	80.00
PHILLIPS WINE & SPIRITS	5104453	02/06/2026	LIQUOR STORE-THC	609-49751-258	406.00
PHILLIPS WINE & SPIRITS	5118395	02/03/2026	LIQUOR STORE - THC	609-49751-258	285.00
PHILLIPS WINE & SPIRITS	5123220	02/10/2026	LIQUOR STORE - THC	609-49751-258	20.00
GLOBAL RESERVE LLC	ORD-23108	02/05/2026	LIQUOR STORE-THC	609-49751-258	1,022.00
DOLL DISTRIBUTING, LLC	1949314	02/03/2026	LIQUOR STORE- LIQUOR-BEER	609-49751-259	137.90
DOLL DISTRIBUTING, LLC	1955050	02/10/2026	LIQUOR STORE - BEER	609-49751-259	283.70
U S POSTAL SERVICE	FEB 2026	02/02/2026	POST OFFICE BOX	609-49751-322	17.33
BREAKTHRU BEVERAGE MN	125382035	02/03/2026	LIQUOR STORE- LIQUOR-WIN	609-49751-333	36.70
DOLL DISTRIBUTING, LLC	1949314	02/03/2026	LIQUOR STORE- LIQUOR-BEER	609-49751-333	7.00
DOLL DISTRIBUTING, LLC	1955050	02/10/2026	LIQUOR STORE - BEER - WINE-	609-49751-333	7.00
SOUTHERN GLAZER'S OF MN	2705432	02/02/2026	LIQUOR STORE-LIQUOR - FREI	609-49751-333	31.60
SOUTHERN GLAZER'S OF MN	2719366	02/03/2026	LIQUOR STORE- LIQUOR- FREI	609-49751-333	17.08
SOUTHERN GLAZER'S OF MN	2719367	02/03/2026	LIQUOR STORE-WINE-FREIGH	609-49751-333	4.10
JOHNSON BROS.	2979489	02/03/2026	LIQUOR STORE- LIQUOR- FREI	609-49751-333	34.16
JOHNSON BROS.	2979490	02/03/2026	LIQUOR STORE-WINE- FREIGH	609-49751-333	22.55

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Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
JOHNSON BROS.	2985655	02/10/2026	LIQUOR STORE- LIQUOR- FREI	609-49751-333	18.79
JOHNSON BROS.	2985656	02/10/2026	LIQUOR STORE - WINE- FREIG	609-49751-333	4.61
BREAKTHRU BEVERAGE MN	414404163	01/26/2026	LIQUOR STORE-LIQUOR-FREIG	609-49751-333	-3.70
PHILLIPS WINE & SPIRITS	5118393	02/03/2026	LIQUOR STORE- LIQUOR-FREI	609-49751-333	41.17
PHILLIPS WINE & SPIRITS	5118394	02/03/2026	LIQUOR STORE- WINE-SOFT D	609-49751-333	20.50
PHILLIPS WINE & SPIRITS	5123219	02/10/2026	LIQUOR STORE- LIQUOR- FREI	609-49751-333	37.75
NEXT STEP BROADCASTING IN	26010309	02/03/2026	LIQUOR STORE- ADVERTISING	609-49751-340	127.50
NEXT STEP BROADCASTING IN	26010310	02/03/2026	LIQUOR STORE- ADVERTISING	609-49751-340	51.00
NEXT STEP BROADCASTING IN	26010311	02/03/2026	LIQUOR STORE- ADVERTISING	609-49751-340	265.20
NEXT STEP BROADCASTING IN	26010312	02/03/2026	LIQUOR STORE- ADVERTISING	609-49751-340	40.80
NEXT STEP BROADCASTING IN	26010313	02/03/2026	LIQUOR STORE- ADVERTISING	609-49751-340	204.00
WINDOM AREA CHAMBER OF	5203	01/30/2026	ANNUAL ADVERTISING BILL	609-49751-340	300.00
WINDOM PRINTING LLC	T2641	02/05/2026	LIQUOR STORE- PRINTING	609-49751-350	120.00
CARLSON & STEWART REFRIG	74936	02/03/2026	LIQUOR STORE-MAINTENANC	609-49751-402	422.25
COTTONWOOD CO AUD/TREA	10/8/2025	10/15/2025	LIQUOR STORE- LICENSE FEES	609-49751-444	100.00

Activity 49751 - Liquor Store Total: 44,588.86

Fund 609 - LIQUOR STORE Total: 44,588.86

Fund: 614 - TELECOM

Activity: 49870 - Telecom

CITY LAUNDERING CO.	2202457	02/05/2026	TELECOM- CLEANING SUPPLIE	614-49870-211	28.92
WEX BANK	110351137	02/06/2026	FUEL	614-49870-212	188.00
A & B BUSINESS	IN1337100	02/10/2026	MAINTENANCE CONTRACT -	614-49870-217	71.05
POWER & TEL	8229787-00	02/05/2026	TELECOM-UTILITY SYSTEM	614-49870-227	1,011.99
SCHRAMEL LAW OFFICE	JAN 2026	02/02/2026	TELECOM- LEGAL FEES	614-49870-304	2,565.00
U S POSTAL SERVICE	FEB 2026	02/02/2026	POST OFFICE BOX	614-49870-322	17.38
INNOVATIVE SYSTEMS LLC	INV-29953	02/09/2026	INVOICE-POSTAGE	614-49870-322	301.97
INNOVATIVE SYSTEMS LLC	INV-29743	02/02/2026	SYSTEM MAINTENANCE	614-49870-326	2,426.50
INNOVATIVE SYSTEMS LLC	INV-29743	02/02/2026	SOFTWARE SERVICE PAYMENT	614-49870-326	1,035.00
INNOVATIVE SYSTEMS LLC	INV-29953	02/09/2026	INVOICE-PROCEESSING	614-49870-326	161.28
NEUSTAR, INC.	L-0000053260	02/10/2026	ELECTRIC- MAINTENANCE - O	614-49870-326	7.50
VIKING AUTOMATIC SPRINKLE	1025-F466560	02/05/2026	TELECOM- MAINTENANCE - O	614-49870-404	982.00
ECOMMUNITY SFN LLC	1338	02/09/2026	TELECOM- SUBSCRIBER FEES	614-49870-442	21,698.30
CONSOLIDATED COMMUNICA	2/1/2026 - 2/28/2026	02/10/2026	TELECOM- SUBSCRIBER FEES	614-49870-442	1,444.95
ARVIG ENTERPRISES, INC	355024	02/05/2026	TELECOM-SUBSCRIBER FEES	614-49870-442	207.50
SHOWTIME NETWORKS INC	99068	02/02/2026	TELECOM- SUBSCRIBER FEES	614-49870-442	102.30
CONSOLIDATED CALL CENTER	28567	02/05/2026	TELECOM-SWITCH FEES	614-49870-445	124.95
1623 FARNAM LLC	00012589	02/05/2026	TELECOM-INTERNET EXPENSE	614-49870-447	200.00
ZAYO GROUP, LLC	2026020045189	02/05/2026	TELECOM- INTERNET EXPENS	614-49870-447	1,950.00
MANKATO NETWORKS, LLC	390617	02/10/2026	TELECOM-INTERNET EXPENSE	614-49870-447	1,342.42
HURRICANE ELECTRIC LLC	98573929-IN	02/05/2026	TELECOM-INTERNET EXPENSE	614-49870-447	4,100.00
GOLDEN WEST TECH & INT SO	40002124	02/05/2026	TELECOM-ON CALL SUPPORT	614-49870-448	212.69
SWWC - SOUTHWEST WEST C	80994	02/10/2026	TELECOM-ON CALL SUPPORT	614-49870-448	997.50
ONVOY, LLC dba INTELIGENT	625472	02/05/2026	TELECOM-CALL COMPLETION	614-49870-451	128.19
ONVOY, LLC dba INTELIGENT	625530	02/05/2026	TELECOM- CALL COMPLETION	614-49870-451	89.05

Activity 49870 - Telecom Total: 41,394.44

Fund 614 - TELECOM Total: 41,394.44

Fund: 615 - ARENA

Activity: 49850 - Arena

AMAZON CAPITAL SERVICES, I	1K6G-PJHM-CK4J	02/11/2026	ARENA- CLEANING SUPPLIES	615-49850-211	276.59
JCL SOLUTIONS - JANITORS CL	2027253	02/10/2026	ARENA - CLEANING/ SUPPLIES	615-49850-211	219.56
VESTIS GROUP, INC	2560464310	02/10/2026	ARENA- CLEANING/SUPPLIES	615-49850-211	59.39
COUNTRY PRIDE SERVICE	9048446	02/10/2026	ARENA- MOTOR FUELS	615-49850-212	120.00
RUNNINGS SUPPLY, INC	RUNNINGS JAN 2026	02/02/2026	Arena	615-49850-215	24.97
HAWKINS, INC	7319941	02/10/2026	ARENA - CHEMICALS	615-49850-216	7,604.50
A & B BUSINESS	IN1337100	02/10/2026	MAINTENANCE CONTRACT -	615-49850-217	42.97
RUNNINGS SUPPLY, INC	RUNNINGS JAN 2026	02/02/2026	Arena	615-49850-217	15.98
U S POSTAL SERVICE	FEB 2026	02/02/2026	POST OFFICE BOX	615-49850-322	17.33
WINDOM AREA CHAMBER OF	5203	01/30/2026	ANNUAL ADVERTISING BILL	615-49850-340	300.00

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Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
R & R SPECIALTIES	0092212-IN	02/10/2026	ARENA- MAINTENANCE - OFFI	615-49850-404	60.90
				Activity 49850 - Arena Total:	8,742.19
				Fund 615 - ARENA Total:	8,742.19

Fund: 617 - M/P CENTER

LUIS A GUTIERREZ	2/3/2026	02/03/2026	WEDDING RETURN	617-38510	250.00
PRIME WEST HEALTH	2/3/2026	02/03/2026	WCC/M	617-38510	229.78
CONNIE LUBBEN	1/28/2026	02/02/2026	WCC/ GRATUITY	617-38599	153.00
					632.78

Activity: 49860 - M/P Center

VESTIS GROUP, INC	2560462167	01/30/2026	WCC/ CLEANING SUPPLIES	617-49860-211	18.37
INDOFF, INC	3842671	02/05/2026	WCC/ CLEANING SUPPLIES-M	617-49860-211	173.98
SCHWALBACH HARDWARE	SCHWALBACHS JAN 2026	01/29/2026	M/P Building	617-49860-211	24.46
KWIK TRIP INC & SUBSIDIARIE	JAN 2026	02/09/2026	POLICE/WCC/MOTOR FUEL	617-49860-212	30.00
KWIK TRIP INC & SUBSIDIARIE	JAN 2026	02/09/2026	POLICE/WCC/MOTOR FUEL	617-49860-212	-3.57
A & B BUSINESS	IN1337100	02/10/2026	MAINTENANCE CONTRACT -	617-49860-217	105.00
SCHWALBACH HARDWARE	SCHWALBACHS JAN 2026	01/29/2026	M/P Building	617-49860-217	13.18
DOLL DISTRIBUTING, LLC	1949323	02/09/2026	WCC/LIQUOR-FREIGHT	617-49860-251	76.35
SEH	502982	02/10/2026	COMMUNITY CENTER - CONS	617-49860-301	880.00
U S POSTAL SERVICE	FEB 2026	02/02/2026	POST OFFICE BOX	617-49860-322	17.33
DOLL DISTRIBUTING, LLC	1949323	02/09/2026	WCC/LIQUOR-FREIGHT	617-49860-333	7.00
WINDOM AREA CHAMBER OF	5203	01/30/2026	ANNUAL ADVERTISING BILL	617-49860-340	300.00
RON'S ELECTRIC INC	155527	01/29/2026	WCC-MAINTENANCE - STRUC	617-49860-402	5,939.12
FREEDOM SECURITY & SURVE	2408	01/30/2026	WCC/MAINTENANCE - STRUC	617-49860-402	500.00
FREEDOM SECURITY & SURVE	2439	02/03/2026	WCC/-MAINTENANCE - STRUC	617-49860-402	9,574.37
JOHNSON CONTROLS FP	53434551	02/05/2026	WCC/ FIRE ALARM PROJECT	617-49860-402	525.00
JOHNSON CONTROLS FP	53463101	02/05/2026	WCC/ FIRE ALARM PROJECT	617-49860-402	2,142.70
GAG SHEET METAL, INC	83475	02/04/2026	WCC/ MAINT. STRUCTURES	617-49860-402	8,023.74
GAG SHEET METAL, INC	83476	02/04/2026	WCC/ MAINT. STRUCTURES	617-49860-402	5,970.64
J. H. LARSON	S103538943.001	01/30/2026	COMMUNITY CENTER LIGHTS	617-49860-402	4,104.12
SCHWALBACH HARDWARE	SCHWALBACHS JAN 2026	01/29/2026	M/P Building	617-49860-402	180.58
FREEDOM SECURITY & SURVE	2409	01/30/2026	WCC/MAINTENANCE - OFFICE	617-49860-404	90.00
FREEDOM SECURITY & SURVE	2441	02/10/2026	COMMUNITY CENTER- MAINT	617-49860-404	135.00
SCHWALBACH HARDWARE	SCHWALBACHS JAN 2026	01/29/2026	M/P Building	617-49860-404	35.96
INDOFF, INC	3842671	02/05/2026	WCC/ CLEANING SUPPLIES-M	617-49860-406	35.00
SCHWALBACH HARDWARE	SCHWALBACHS JAN 2026	01/29/2026	M/P maint/grounds	617-49860-406	13.18
PEYTON BANKS	1/31/2026	02/03/2026	WCC/ BASKETBALL REF	617-49860-480	105.00
DEREK HARDER	1/31/2026	02/03/2026	WCC/ BASKETBALL REF	617-49860-480	105.00
THEODORE DOUGLAS EVERS	1/31/2026	02/03/2026	WCC/BASKETBALL REF	617-49860-480	210.00
STEVE DOLL	1/31/2026	02/03/2026	WCC/ BASKETBALL REF	617-49860-480	240.00
BOB BLOM	1/31/2026	02/03/2026	WCC/ BASKETBALL REF	617-49860-480	210.00

Fund: 700 - PAYROLL

Internal Revenue Service-Payr	INV0002751	02/02/2026	Federal Tax Withholding	700-21701	12,577.02
MN Department of Revenue -	INV0002752	02/02/2026	State Withholding	700-21702	6,837.52
Internal Revenue Service-Payr	INV0002751	02/02/2026	Social Security	700-21703	15,552.90
MN Pera	INV0002749	02/02/2026	PERA	700-21704	11,233.35
MN Pera	INV0002749	02/02/2026	PERA	700-21704	17,593.03
MN Pera	INV0002749	02/02/2026	PERA	700-21704	1,012.10
MN State Deferred	INV0002750	02/02/2026	Deferred Roth	700-21705	1,172.00
MN State Deferred	INV0002750	02/02/2026	Deferred Compensation	700-21705	3,055.00
NECA IBEW FAMILY MEDICAL	MARCH 2026	02/11/2026	HEALTH INSURANCE	700-21706	48,689.14
STATE OF MINNESOTA MANA	MARCH 2026	02/11/2026	HEALTH INSURANCE / DENTAL	700-21706	29,226.30
LAW ENFORCEMENT LABOR S	FEB 2026	02/06/2026	POLICE-UNION DUES	700-21708	584.00
Internal Revenue Service-Payr	INV0002751	02/02/2026	Medicare Withholding	700-21711	4,685.76
WEX Health Inc	INV0002748	02/02/2026	HSA Employee Contribution	700-21723	831.17
STATE OF MINNESOTA MANA	MARCH 2026	02/11/2026	HEALTH INSURANCE / DENTAL	700-21725	1,284.54

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Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
BLUE CROSS/BLUE SHIELD	260130213634	02/02/2026	VISION INSURANCE	700-21726	176.43
					154,510.26
				Fund 700 - PAYROLL Total:	154,510.26
				Grand Total:	574,071.19

Report Summary

Fund Summary

Fund	Payment Amount
100 - GENERAL	23,590.84
211 - LIBRARY	2,830.83
225 - AIRPORT	4,834.00
230 - POOL	36.58
235 - AMBULANCE	8,768.14
250 - EDA GENERAL	4,459.19
306 - 2013 STREET IMPROVEMENT	3,750.00
401 - GENERAL CAPITAL PROJECTS	70,700.42
601 - WATER	4,156.89
602 - SEWER	6,802.92
604 - ELECTRIC	154,491.34
609 - LIQUOR STORE	44,588.86
614 - TELECOM	41,394.44
615 - ARENA	8,742.19
617 - M/P CENTER	40,414.29
700 - PAYROLL	154,510.26
Grand Total:	574,071.19

Account Summary

Account Number	Account Name	Payment Amount
100-41110-334	Meals/Lodging	19.90
100-41110-350	Printing & Design	573.10
100-41310-200	Office Supplies	126.00
100-41310-217	Other Operating Supplie	376.87
100-41310-322	Postage	17.33
100-41310-444	License Fees	2,625.00
100-41910-200	Office Supplies	20.65
100-41910-212	Motor Fuels	78.12
100-41910-217	Other Operating Supplie	151.82
100-41940-406	Repairs & Maint - Groun	1,050.00
100-41940-409	Repairs & Maint - Utilitie	1,410.87
100-42120-200	Office Supplies	105.89
100-42120-212	Motor Fuels	1,998.38
100-42120-218	Uniforms	499.87
100-42120-321	Telephone	126.83
100-42120-322	Postage	17.33
100-42120-323	Radio Units	120.00
100-42120-326	Data Processing	3,720.00
100-42120-350	Printing & Design	324.20
100-42120-405	Repairs & Maint - Vehicl	62.00
100-42120-480	Other Miscellaneous	144.98
100-42220-212	Motor Fuels	122.41
100-42220-215	Materials & Equipment	169.29
100-42220-217	Other Operating Supplie	175.51
100-42220-322	Postage	17.33
100-42220-405	Repairs & Maint - Vehicl	1,966.66
100-42220-433	Dues & Subscriptions	290.00
100-42220-480	Other Miscellaneous	300.00
100-42700-300	Charges for Services	187.03
100-43100-200	Office Supplies	7.99
100-43100-212	Motor Fuels	2,733.20
100-43100-217	Other Operating Supplie	17.48
100-43100-218	Uniforms	165.00
100-43100-224	Street Maint Materials	1,663.27
100-43100-225	Landscaping Materials	70.00
100-43100-241	Small Tools	65.49
100-43100-322	Postage	17.33

Account Summary

Account Number	Account Name	Payment Amount
100-43100-350	Printing & Design	667.15
100-43100-401	Repairs & Maint - Buildi	423.31
100-43100-404	Repairs & Maint - M&E	834.07
100-43100-405	Repairs & Maint - Vehicl	6.61
100-45120-217	Other Operating Supplie	19.25
100-45202-200	Office Supplies	17.33
100-45202-404	Repairs & Maint - M&E	5.99
100-45202-406	Repairs & Maint - Groun	80.00
211-45501-200	Office Supplies	19.99
211-45501-217	Other Operating Supplie	587.97
211-45501-402	Repairs & Maint - Struct	794.65
211-45501-433	Dues & Subscriptions	99.00
211-45501-435	Books and Pamphlets	1,329.22
225-45127-200	Office Supplies	34.00
225-45127-303	Engineering and Surveyi	4,800.00
230-45124-217	Other Operating Supplie	19.25
230-45124-322	Postage	17.33
235-34205	Ambulance Revenues -	321.66
235-42153-212	Motor Fuels	2,818.28
235-42153-217	Other Operating Supplie	15.25
235-42153-261	Other Merchandise-Med	590.98
235-42153-308	Training & Registrations	75.00
235-42153-321	Telephone	4,047.07
235-42153-322	Postage	17.33
235-42153-334	Meals/Lodging	387.84
235-42153-340	Advertising & Promotion	254.25
235-42153-405	Repairs & Maint - Vehicl	240.48
250-46520-200	Office Supplies	20.64
250-46520-217	Other Operating Supplie	151.82
250-46520-301	Auditing & Consulting Se	295.00
250-46520-322	Postage	17.33
250-46520-340	Advertising & Promotion	474.40
250-46520-433	Dues & Subscriptions	3,500.00
306-41000-480	Other Miscellaneous	3,750.00
401-49950-501	Capital Outlay - Police	54,283.28
401-49950-508	Capital Outlay - Island Pa	16,417.14
601-49400-212	Motor Fuels	268.81
601-49400-216	Chemicals and Chemical	1,621.90
601-49400-217	Other Operating Supplie	134.65
601-49400-310	Lab Testing	77.50
601-49400-322	Postage	17.33
601-49400-326	Data Processing	1,770.29
601-49400-404	Repairs & Maint - M&E	142.48
601-49400-405	Repairs & Maint - Vehicl	64.48
601-49400-408	Repairs & Maint - Distrib	59.45
602-16200	Buildings	43.98
602-49450-212	Motor Fuels	111.02
602-49450-216	Chemicals and Chemical	316.68
602-49450-217	Other Operating Supplie	157.37
602-49450-241	Small Tools	24.27
602-49450-310	Lab Testing	2,012.00
602-49450-322	Postage	621.28
602-49450-326	Data Processing	1,770.29
602-49450-404	Repairs & Maint - M&E	1,384.78
602-49450-408	Repairs & Maint - Distrib	361.25
604-14200	Inventory	1,307.27
604-16300	Improvements Other Th	69,349.41
604-22000	Prepayments	300.00

Account Summary

Account Number	Account Name	Payment Amount
604-49550-212	Motor Fuels	541.16
604-49550-217	Other Operating Supplie	1,049.44
604-49550-218	Uniforms	305.06
604-49550-241	Small Tools	536.83
604-49550-262	Merchandise for Resale -	14,398.20
604-49550-308	Training & Registrations	1,195.49
604-49550-315	Energy Development	53,630.21
604-49550-322	Postage	319.30
604-49550-325	Dispatching	58.30
604-49550-326	Data Processing	3,372.77
604-49550-402	Repairs & Maint - Struct	84.79
604-49550-404	Repairs & Maint - M&E	166.47
604-49550-405	Repairs & Maint - Vehicl	440.23
604-49550-408	Repairs & Maint - Distrib	113.53
604-49550-409	Repairs & Maint - Utilitie	122.88
604-49550-491	Payments to Other Orga	7,200.00
609-49751-211	Cleaning Supplies	57.05
609-49751-217	Other Operating Supplie	25.00
609-49751-251	Liquor	13,024.97
609-49751-252	Beer	22,765.88
609-49751-253	Wine	3,218.90
609-49751-254	Soft Drinks & Mix	796.93
609-49751-258	Liquor Store THC	2,351.14
609-49751-259	Non- Alcoholic	421.60
609-49751-322	Postage	17.33
609-49751-333	Freight and Express	279.31
609-49751-340	Advertising & Promotion	988.50
609-49751-350	Printing & Design	120.00
609-49751-402	Repairs & Maint - Struct	422.25
609-49751-444	License Fees	100.00
614-49870-211	Cleaning Supplies	28.92
614-49870-212	Motor Fuels	188.00
614-49870-217	Other Operating Supplie	71.05
614-49870-227	Utility System Maint Sup	1,011.99
614-49870-304	Legal Fees	2,565.00
614-49870-322	Postage	319.35
614-49870-326	Data Processing	3,630.28
614-49870-404	Repairs & Maint - M&E	982.00
614-49870-442	Subscriber Fees	23,453.05
614-49870-445	Switch Fees	124.95
614-49870-447	Internet Expense	7,592.42
614-49870-448	On-Call Support	1,210.19
614-49870-451	Call Completion	217.24
615-49850-211	Cleaning Supplies	555.54
615-49850-212	Motor Fuels	120.00
615-49850-215	Materials & Equipment	24.97
615-49850-216	Chemicals and Chemical	7,604.50
615-49850-217	Other Operating Supplie	58.95
615-49850-322	Postage	17.33
615-49850-340	Advertising & Promotion	300.00
615-49850-404	Repairs & Maint - M&E	60.90
617-38510	M/P Room Rent	479.78
617-38599	M/P Other Income	153.00
617-49860-211	Cleaning Supplies	216.81
617-49860-212	Motor Fuels	26.43
617-49860-217	Other Operating Supplie	118.18
617-49860-251	Liquor	76.35
617-49860-301	Auditing & Consulting Se	880.00

Account Summary

Account Number	Account Name	Payment Amount
617-49860-322	Postage	17.33
617-49860-333	Freight and Express	7.00
617-49860-340	Advertising & Promotion	300.00
617-49860-402	Repairs & Maint - Struct	36,960.27
617-49860-404	Repairs & Maint - M&E	260.96
617-49860-406	Repairs & Maint - Groun	48.18
617-49860-480	Other Miscellaneous	870.00
700-21701	Federal Withholding	12,577.02
700-21702	State Withholding	6,837.52
700-21703	FICA Tax Withholding	15,552.90
700-21704	PERA Contributions	29,838.48
700-21705	Retirement	4,227.00
700-21706	Medical Insurance	77,915.44
700-21708	PD Union Dues	584.00
700-21711	Medicare Tax Withholdi	4,685.76
700-21723	HSA Employee Contribu	831.17
700-21725	Dental Insurance	1,284.54
700-21726	Vision Insurance	176.43
Grand Total:		574,071.19 ✓

Project Account Summary

Project Account Key	Payment Amount
None	574,071.19
Grand Total:	574,071.19 ✓

Donna Sheehan

MB



CITY COUNCIL AGENDA REQUEST

Name of Requester Mike Lohme		Today's Date 1-16
Name of Business, if applicable Lohme Small Farm MN		Phone Number 507-363-8281
Email Address mike@lohme.com		
Street Address 26188 County Road 5		
City Lamberton	State MN	Zip Code 56152
Requested City Council Date 1-20		Alternative Date 2-3

Description of Item

Latest VACCINE MRNA
injury study, and
censorship of information
to public

Handwritten:

☒ Yes

☐ No

Computer Hook Up Requested

☐ Yes

☐ No

By signing this form, I understand that:

- This form gives citizens an opportunity to express concerns to the council without expectation of discussion or action.
- This form can be used only once a month by the same individual(s).
- This is not a venue to bypass policies and procedures of the city commissions and committees.
- No more than 2 people can speak on the same topic at any one meeting.
- Comments should not exceed 5 minutes per person.
- Comments should be directed to the council as a whole and not to any individual member or department head.
- Handouts and other materials, if any, must be provided to City Hall with the submission of this form (Limit 10 pages).

Requester Signature

Mike Lohme

Date & Time Received

Received By



CITY COUNCIL AGENDA REQUEST

Name of Requestor <i>Diane Kruger</i>		Today's Date <i>2-11-2026</i>
Name of Business, if applicable		Phone Number <i>507-831-3447</i>
Email Address <i>diane.kruger@windomnet.com</i>		
Street Address <i>605 Prospect Avenue</i>		
City <i>Windom</i>	State <i>MN</i>	Zip Code <i>56101</i>
Requested City Council Date <i>February 17, 2026</i>		Alternative Date
Discussion Item <i>Windomnet - potential sale</i>		
Handouts ☐ Yes ☐ No		Computer Hook Up Requested ☐ Yes ☒ No
By signing this form, I understand that: • This format gives citizens an opportunity to express concerns to the council without expectation of discussion or action. • This form can be used only once a month by the same individual(s). • This is not a venue to bypass policies and procedures of the city commissions and committee's. • No more than 2 people can speak on the same topic at any one meeting. • Remarks should not exceed 5 minutes per person. • Remarks should be directed to the council as a whole and not to any individual member or department head. • Handouts and other materials, if any, must be provided to City Hall with the submission of this form (Limit 10 pages).		
Requester Signature <i>Diane Kruger</i>		Date & Time Received <i>2/12/2026 9:40 am</i>
Received By <i>[Signature]</i>		

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: City Administrator *GC*
DATE: January 30, 2026
RE: Federated Proposal to Purchase Windomnet

In late 2024 the City had been contacted by Southwest Minnesota Broadband Services (SMBS) and Federated Electric\Broadband in Jackson, MN (Federated) about possible partnerships, project coordination and shared services. The Telecom Commission formed an ad hoc committee to talk with both groups. During 2025 discussions continued with that ad hoc group and in June/July 2025 Federated made a proposal to the Telecom Commission to acquire Windomnet as they are building out a fiber system in Jackson County, Martin County and in Cottonwood County. In August 2025 the City Council heard a presentation from Federated about their interest in acquiring Windomnet. At that time the City Council voted to continue discussions with Federated about a possible acquisition and authorized staff to arrange for an independent appraisal of the Windomnet system.

November 18, 2025 the City Council held a closed session to review the independent appraisal and discuss financial parameters related to a possible sale of Windomnet. On December 1, 2025 and December 8, 2025 an ad hoc committee consisting of Telecom Commissioners, City Council and staff met with Federated to discuss the framework for a possible purchase agreement. On December 16, 2025 the City Council again held a closed session to discuss the terms of a possible sale. On January 6, 2026 the City Council set a Special Joint Meeting with the Telecom Commission to be held on January 14, 2026 for the purpose of hearing about Federated's services, rates, governance and to answer questions from the public. At the January 14th meeting the timing for next steps was established to be the City Council meeting on February 3, 2026 to consider a 1st Reading of an Ordinance for the sale of real estate (Windomnet) as required by the Charter (Section 8.02).

This Council packet includes the Asset Purchase Agreement for Windomnet, an Internet Services Agreement (which provides for a discount for the City of Windom) and a Purchase Agreement for a small parcel of land owned by the EDA that is across the alley from the Windomnet NOC Building. Consideration of the Ordinance is for the Asset Purchase Agreement. The Internet Services Agreement would follow the final approval of the sale of Windomnet if that is the decision of the City Council. The Purchase Agreement for the small EDA-owned lot will go to the EDA and follow their procedures for disposition. **The City Attorney will be present at the meeting to guide the Council through these documents.**

If the City Council approves the 1st Reading of the Ordinance to dispose of real estate (Windomnet) the next step would be a second reading at the February 17, 2026 Council meeting and publication of the ordinance.

ORDINANCE NO. ____, 2ND SERIES

**AN ORDINANCE OF THE CITY OF WINDOM, MINNESOTA,
APPROVING THE SALE OF CITY-OWNED REAL ESTATE**

THE CITY COUNCIL OF THE CITY OF WINDOM ORDAINS:

WHEREAS, the City of Windom, Minnesota, owns the following described "Real Estate":

Lots 20, 21, 22 and 23; the vacated alley located between Lots 21 and 22; and the North 12 feet of the vacated alley located between Lot 1 and Lots 20 through 25, EXCEPT the West 58.00 feet thereof; all in Block 18 of the Original Townsite of the Village (now City) of Windom in Cottonwood County, Minnesota. ("Real Estate") Parcel #25-820-1690; and

WHEREAS, the City of Windom is seeking to dispose of Windomnet, a public telecommunications utility, the real property, building, underground fiber optic lines and related infrastructure and all equipment, inventory, vehicles and other personal property contained on the Real Estate (hereinafter "Windomnet"); and

WHEREAS, the acquisition proposal from Federated Electric\Broadband ("Federated") shall also contain Federated's guarantee to operate Windomnet as part of the purchase of this Real Estate; and if approved, will result in a binding contract with the terms and conditions covering the sale of this Real Estate with the City of Windom; and

WHEREAS, Section 8.02, "Sale of Real Property" of the Charter for the City of Windom states: No real property of the City shall be disposed of except by ordinance; and

WHEREAS, the City Council of the City of Windom, after review of the proposal by Federated and recommendation of the Telecommunications Commission and public information, herein approves the terms of the sale of the Real Estate to Federated, along with the assets of Windomnet, to be in the best interests of the City of Windom and its citizens.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF WINDOM, MINNESOTA, APPROVES AND ORDAINS:

THE PROPERTY DESCRIBED AS: Lots 20, 21, 22 and 23; the vacated alley located between Lots 21 and 22; and the North 12 feet of the vacated alley located between Lot 1 and Lots 20 through 25, EXCEPT the West 58.00 feet thereof; all in Block 18 of the Original Townsite of the Village (now City) of Windom in Cottonwood County, Minnesota. ("Real Estate") Parcel #25-820-1690; and (the "Real Estate"), Parcel #25-820-1690, and Windomnet assets shall be sold to Federated.

THE CITY COUNCIL OF THE CITY OF WINDOM, MINNESOTA, FURTHER ORDAINS:

EFFECTIVE DATE: This ordinance, or an approved Title and Summary of this ordinance, shall be published in the COTTONWOOD COUNTY CITIZEN; and this ordinance shall be in full force and effect immediately upon publication.

ADOPTED AND PASSED by the City Council of the City of Windom, Minnesota, this _____ day of _____.

Hilary Mathis, Mayor

ATTEST:

Steven Nasby, City Administrator

1st Reading: February 17, 2026
2nd Reading: March 3, 2026
Adoption: March 3, 2026
Published: March 4, 2026

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT is made as of March _____, 2026, between, the City of Windom, dba Windomnet (hereinafter referred to as “Windomnet”) and Federated Rural Electric Association, a Cooperative Association under the laws of the State of Minnesota (hereinafter called “Federated”).

RECITALS

WHEREAS, The City of Windom Minnesota owns and operates a broadband business known as Windomnet; and,

WHEREAS, Windomnet desires to sell and Federated desires to purchase the real property, structures, personal property, software programming, client lists, records, inventory, fixtures and equipment, and other miscellaneous assets required to operate Windomnet, on the terms and conditions contained set forth in this Asset Purchase Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual agreements contained in this Asset Purchase Agreement, the parties agree as follows:

1. **ASSETS SOLD AND PURCHASE PRICE.** As of the Closing Date designated in Paragraph 3, Windomnet agrees to sell, assign and transfer to Federated and Federated agrees to purchase, accept and assume the assets and property described as follows (hereinafter collectively called “Assets”) in compliance with all applicable laws, statutes and regulations:

(a) **PURCHASE PRICE.** Windomnet’s assets shall will be purchased for \$6,000,000.00.

(b) **PERSONAL PROPERTY.** The personal property herewith sold and purchased shall include the personal property required to operate the Windomnet business and shall include but not be limited to: the Network Operations Center (NOC); IP addresses; all of Windomnet’s records including all hard copies and electronically stored copies of the customer lists and mailing lists used by Windomnet in its operations and in the possession of Windomnet through the date of closing; all account lists; Windomnet files; operating records; Windomnet supplies; Windomnet furniture; fixtures; installation equipment; other operations equipment; Windomnet computer equipment; Windomnet proprietary information and trade secrets; licenses; customer orders; contract rights; telephone numbers; goodwill; and other tangible or intangible property as may be used by Windomnet in its business. Windomnet shall furnish Federated with a copy of its 2025 audit inventory when it’s completed.

Furthermore, Windomnet covenants and agrees that it shall take such steps as may be commercially reasonable to assure Federated that the confidential information comprising these assets in this Section 1(b) will not be diverted or used by any employee of Windomnet or the City of Windom after closing to promote, start a business or compete with Federated's operation of Windomnet. Federated will permit Windomnet reasonable post-closing access to the business records for the purpose of collecting receivables.

(b) **REAL PROPERTY.** The real estate and buildings thereon to be purchased as part of this transaction are located at 443 10th Street, Windom, MN 56101 in Cottonwood County, Minnesota, (Property) described as follows:

Lots 20, 21, 22 and 23; the vacated alley located between Lots 21 and 22; and the North 12 feet of the vacated alley located between Lot 1 and Lots 20 through 25, EXCEPT the West 58.00 feet thereof; all in Block 18 of the Original Townsite of the Village (now City) of Windom in Cottonwood County, Minnesota.

The Property shall include proper and adequate access and parking or easements shall be granted to provide for such access and use.

The following titled property (vehicles) is also included in this sale/purchase: 2016 GMC with VIN-1GTV2LEC8GZ392803; 2009 Chevrolet with VIN-1GCEK14X89Z256697; 2012 GMC with VIN-1GTR2VE71CZ266924; 2024 Trailer (splicing trailer) with VIN-50ZBE1223RR048125; and, 2022 Ford F250 with VIN-1FT7W2B68NEE92460.

(c) **REAL PROPERTY CONTRACT RIGHTS.** Windomnet shall assign and transfer to Federated all licenses, easements, leases and subleases of Windomnet as may be used by Windomnet in its business. Such assignment of licenses, easements, leases and subleases shall be in recordable form to permit recording in the Cottonwood County Records records or elsewhere as may be required. Windomnet, as the legal owner or holder of these assets, shall prepare the instruments of assignment and transfer and secure the necessary approvals to complete these transfers.

Federated will not accept any contracts or agreements that Windomnet has to operate its cable television service. In addition, Federated does not accept the following contracts with: Adara Technologies Inc.; AZAR Computer Software Services, Inc.; eLation; Kulseth Lawn Landscaping & Concrete; and Award Consulting.

Federated shall attempt to identify licenses, easements, leases and subleases of Windomnet that Federated will not accept prior to closing but shall have 6 months following closing to identify any additional licenses, easements, leases and subleases of Windomnet that it does not want and which the parties will use their best efforts to promptly cancel.

(d) The company name, Windomnet.

SPECIFICALLY EXCLUDED FROM THE SALE AND THE ASSETS WHICH WILL BE RETAINED BY Windomnet are: Bond reserves; account receivables due as of the closing date; cash collected as of the date of closing; and the “rack space” presently occupied (approximately 3 feet) in the “NOC”.

2. **ALLOCATION OF ASSETS PURCHASE PRICE:** The purchase price of Six Million and no/100ths Dollars (\$6,000,000.00) shall be allocated by the parties hereto after all assets have been inventoried and good faith reasonable market values have been assigned to the assets. The parties will in good faith work to complete the allocations within 12 months of the closing. The real estate value, for the purpose of this sale and the determination of the deed tax amount, shall be Cottonwood County’s assessed tax market value of the property in the year of the sale.

3. **INVENTORY DATE AND CLOSING DATE.** The Inventory Date shall be Thursday, April 30, 2026, and the Closing Date shall be Friday, May 1, 2026. The closing shall be held on the Closing Date set forth above at the Windom Minnesota’s Council Chambers. The transfer of possession and sale of all property and assets sold under this Asset Purchase Agreement shall be effective as of the commencement of the business day on the May 1, 2026, unless by mutual agreement of the parties a different date and time would be more beneficial.

At the closing, the City of Windom shall execute and deliver to Federated: a Minnesota Uniform Warranty deed, in recordable form to transfer all real estate; a proper Bill of Sale to the above assets and property warranting that the same are free and clear of all liens and encumbrances the form of which is attached to this Agreement as Exhibit C; and, any other instruments, bills of sale, assignments, or other documents necessary to properly effect the transfer of marketable title to the Assets and property. At the time the Assets and property are inventoried, Windomnet shall provide Federated with an accurate count of the Inventory. Windomnet shall complete and cooperate with Federated in complying with any and all state or federal or local laws pertaining to the transfer of the licenses held by Windomnet to Federated to operate Windomnet.

4. **PAYMENT OF PURCHASE PRICE.** \$5,750,000.00 of the purchase prices specified in Section 1 above shall be paid in cash at Closing, subject to and upon conveyance and assignment of good and merchantable title of the purchased Assets. \$250,000.00 of the purchase price shall be booked as a liability owed by Federated to the City of Windom for 18 months following the closing. If Federated spends in excess of \$250,000.00 as upgrades and improvements to the Windomnet system by the end of the 18-month period, as demonstrated by written paid invoices, then the \$250,000.00 liability will be cancelled.

The transaction contemplated herein is a conveyance of assets only, and not the purchase and sale of a business. Nothing in this Agreement should be construed to create any form of partnership or joint venture between Federated and Windomnet. Federated shall not assume any debts, liabilities, contracts, or other obligations of Windomnet, except as specifically set forth herein, and Windomnet shall make no representations to the contrary to any third party, unless specifically identified by Windomnet.

5. Among the obligations for which Windomnet shall continue to be liable are the following:

- (a) All fees, costs and expenses incurred by Windomnet for legal services, accounting services, or other services related to the sale of the Assets or the negotiations leading toward this Agreement;
- (b) All liabilities of Windomnet for wages, vacation pay, termination pay, employee benefits, employment taxes, severance pay, or other obligations of Windomnet with respect to Windomnet's employees;
- (c) All liabilities, expenses and costs of Windomnet, including attorneys' fees, incurred as a result of any past, present or future litigation arising out of any transaction or occurrence that took place before the sale of the Assets to Federated, except for Federated's failure to pay full consideration;
- (d) All costs, expenses, liabilities, or other obligations incurred by Windomnet as a result of sale and transfer of the inventory, records, and other assets under this Agreement;
- (e) All costs, expenses, liabilities, or other claims arising as part of Windomnets operations prior to the closing date; and,
- (f) Windomnet's accounts payable due for the period before the closing date.
- (g) The City of Windom, through Windomnet, shall assist Federated for up to three (3) months after the Closing Date with the transfer of the billing procedures to Federated and for the proper accounting of the City of Windom's revenues from the billing periods prior to the Closing Date.

It is expressly understood and acknowledged by Windomnet, that Federated is under no obligation to employ any employees, agents or independent contractors related to the operation of Windomnet's business. Federated will make reasonable efforts to employ Windomnet staff at pay rates comparable to their current rate of pay. Federated will give credit to employees of Windomnet who are employed by Federated for their years of service with Windomnet as it pertains to participation in paid time off benefits. Their employment will be subject to Federated's normal and customary employment rules, regulations, and guidelines.

6. **INVENTORY IN TRANSIT.** Windomnet shall attempt to avoid ordering inventory and supplies that will not be delivered and paid for prior to closing. Inventory and supplies normally ordered in the usual course of business by Windomnet but that cannot be delivered to Windomnet on or prior to the Closing Date stated in Section 3, shall become the property of Federated, and Federated shall pay the supplier directly for such inventory and

supplies, provided that Federated is consulted and agrees to pay for said order prior to the order being made.

7. **RISK OF LOSS.** Until the Closing Date, Windomnet assumes all risk of destruction, loss or damage from fire, casualty or any other cause to the assets and property sold. Federated shall have the right to terminate this Agreement and be entitled to be promptly refunded any payments made against the purchase price. If the business operations of Windomnet are curtailed or interrupted prior to the Closing Date because of any loss, damage or destruction of the assets thereof, unless such loss, damage or destruction of assets is not of such a nature as to curtail or interrupt the said business, then Windomnet shall use its best efforts to replace, repair or restore the same prior to the Closing Date at Windomnets expense. If any such repairs, replacement or restoration shall not have been completed at the Closing Date, the purchase price shall be adjusted, after all insurance proceeds are applied, at the Closing Date to reflect such loss, destruction or damage.

8. **CONDUCT OF BUSINESS PENDING CLOSING.** The Windomnet business will be conducted by Windomnet up to the Closing Date according to and conforming to all laws, rules and regulations of the city, state and federal governments. Up to the Closing Date Windomnet will operate and maintain its business in the normal and regular manner in accordance with Windomnet's usual business practices now in force and will use its best efforts to preserve the good will of its customers.

9. **WARRANTIES AND REPRESENTATIONS OF WINDOMNET AND FEDERATED.** The parties specifically warrant and represent to each other, and agree to provide satisfactory evidence thereof at Closing as follows:

(A) WINDOMNET REPRESENTS AND WARRANTS:

(a) Windomnet is duly authorized to do business in the State of Minnesota, as it is currently being conducted;

(b) All actions and appropriate proceedings required to be part of the transaction by Windomnet for the authorization and performance of this agreement by Windomnet under the laws of the State of Minnesota;

(c) Windomnet has full and unrestricted power to sell, transfer and deliver to Federated all the Assets and property sold pursuant to this Agreement and that any Bills of Sale to the same to be delivered pursuant to this agreement are valid in accordance with their terms and effectively vest in Federated good and marketable title to the same as contemplated by this agreement free and clear of any and all liens, liabilities, obligations and encumbrances;

(d) Windomnet shall indemnify and defend Federated against any and all claims brought against Federated or the Assets purchased hereunder as a result of Windomnet's failure to convey good title to the Assets to Federated;

(e) That Windomnet is, and will be as of the Closing, the lawful owner of all Assets purchased under this agreement; that it has, and will have as of the Closing, good and marketable title to the Assets; and that the Assets are, and will be as of the closing, free and clear of any judgments, liens, security interests, encumbrances, actions, charges, claims, proceedings, liabilities and obligations;

(f) That Windomnet shall promptly pay and discharge all debts, liabilities and obligations having to do with the Assets purchased hereunder as each comes due;

(g) That Windomnet will not enter into any other contract or take any action to sell, mortgage, or encumber all or part of the Assets to be sold under this Agreement;

(h) That the sale of the Assets under this Agreement will not conflict with the terms of any agreement or lease to which Windomnet is a party or create any lien, charge, or encumbrance upon the Assets;

(i) That Windomnet will indemnify and defend Federated against all losses, liabilities, and expenses, including reasonable attorney fees, court costs, and settlement costs, incurred by Federated as a result of Windomnet's breach of any warranty contained in this Section;

(j) That the transfer of Assets under this Agreement will comply with all applicable federal, state, and local laws and regulations;

(k) That Windomnet is not, and will not, sell or convey any portion of the assets to any person other than Federated, and that after the effective date of this Agreement, Windomnet shall not disclose all or any part of the information constituting any part of this Agreement to any person other than Federated, except that the assets and their contents may be disclosed to Windomnet's employees. This provision shall not apply to demands for files or other records made pursuant to subpoena or order of a government agency or which are considered public data, subject to release pursuant to state law. Windomnet agrees that it shall not use any copies or reproduction of the information included in the Assets for purposes of operating a similar competing business;

(l) That Windomnet will be operated by Windomnet through Closing in accordance with all applicable federal, state and local laws and regulations;

(B) FEDERATED REPRESENTS AND WARRANTIES:

(a) Federated is a non-profit cooperative association under the laws of the State of Minnesota and duly authorized to do business in the State of Minnesota, as it is currently being conducted;

(b) All actions and appropriate proceedings required to be taken by Federated for the authorization and performance of this Agreement by Federated under the laws of the State of Minnesota have been taken.

(c) Federated shall indemnify and defend Windomnet against all losses, liabilities and expenses, including reasonable attorney fees, court costs, and settlement costs, incurred by Windomnet as a result of Federated's breach of any term of this agreement or the need to enforce this agreement.

10. SURVIVAL OF REPRESENTATIONS, WARRANTIES & AGREEMENTS. All representations, warranties, covenants and agreements made in this Agreement shall survive the execution of this Purchase Agreement and the Closing Date of the sale under this Agreement.

11. MISCELLANEOUS.

a. This Agreement contains the entire agreement between the parties hereto with respect to the transactions contemplated herein, and all prior understandings or agreements, whether written or oral, shall be deemed to have been merged into this agreement and shall have no further force or effect to the extent to which they may conflict with respect to any of the terms and conditions set forth herein.

b. There shall be no amendments to this Agreement unless mutually agreed upon between the parties in writing.

c. The terms and conditions of this Agreement shall survive the Closing and shall not be merged into the Bill of Sale, deeds, assignments or any other instrument of conveyance.

d. Time is of the essence of this Agreement.

e. This Agreement shall not be severable with respect to the Inventory, records and other assets herein described. Federated must complete the purchase of all such assets in order to perform its obligations hereunder except as noted in the risk of loss provision above.

f. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns but this Agreement shall not be assignable without the written consent of the other party.

12. CONTINUED CUSTOMER SERVICE. Federated shall use its best efforts to continue, and exceed if possible, the standard of services to the customers of Windomnet. Federated shall continue the level of internet service and endeavor to exceed the level of internet services at no

or minimal additional cost to the consumers of Windomnet. Federated shall employ an information notification campaign to and with Windomnet consumers to help them through the transition of operations to Federated and to address customer concerns.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date set forth above.

Federated Rural Electric Association

City of Windom, Minnesota

By _____
Its President

By _____
Hilary Mathis, Mayor

By _____
Its Secretary/Treasurer

Attest: _____
Steve Nasby, City Administrator

ACKNOWLEDGEMENTS

STATE OF MINNESOTA, COUNTY OF COTTONWOOD) ss.

On the _____ day of March, 2026, before me, personally appeared, Hilary Mathis and Steve Nasby, the Mayor and City Administrator respectively of the City of Windom Minnesota on behalf of Windomnet, a political subdivision of the City of Windom, being authorized so to do, executed the foregoing instrument for the purposes therein contained.

Notary Public

STATE OF MINNESOTA, COUNTY OF JACKSON) ss.

This instrument was acknowledged before me this _____ day of March, 2026, by David Meschke and Jon Saxon, the President and Secretary/Treasurer, respectively, of Federated Rural Electric Association, a Cooperative Association under the laws of the State of Minnesota, on behalf of the Association, Federated.

Notary Public

EXHIBIT C

BILL OF SALE

KNOW ALL MEN BY THESE PRESENTS:

This BILL OF SALE is made this ____ day of April, 2026, by Hilary Mathis and Steve Nasby, the Mayor and City Administrator respectively of the City of Windom Minnesota on behalf of Windomnet, a political subdivision of the City of Windom, being authorized so to execute this Bill of Sale, (hereinafter collectively referred to as "Assignor") and Federated Rural Electric Association, a cooperative association under the laws of the State of Minnesota, located at 77100 US Highway 71, Jackson, MN 56143 (hereinafter called "Assignee"),

In consideration of One Dollar and other good and valuable consideration, Assignor hereby sells, bargains, grants, conveys, transfers, and assigns to Assignee, free and clear of all encumbrances, liens, restrictions, and security interests whatsoever, all personal property described in the Asset Purchase Agreement.

TO HAVE AND TO HOLD the same by Assignee, its successors and assigns, forever, and Assignor, does for itself, and its successors and assigns, covenant and agree to and with Assignee to warrant and defend the said property hereby sold unto Assignee, its successors and assigns, against all and every person and persons whatsoever.

IN WITNESS WHEREOF, Assignor, has hereunto caused this instrument to be executed at Windom, Minnesota on the year and date first above written.

WINDOMNET, ASSIGNOR:

City of Windom, Minnesota:

By _____
Hilary Mathis, Mayor

Attest: _____
By Steve Nasby, City Administrator

ACKNOWLEDGEMENTS

STATE OF MINNESOTA, COUNTY OF COTTONWOOD) ss.

On the _____ day of April, 2026, before me, personally appeared, Hilary Mathis and Steve Nasby, the Mayor and City Administrator respectively of the City of Windom Minnesota on behalf of Windomnet, a political subdivision of the City of Windom, being authorized so to do, executed the foregoing instrument for the purposes therein contained.

Notary Public

INTERNET SERVICE AGREEMENT

THIS INTERNET SERVICE AGREEMENT is made as of March____, 2026, between, the City of Windom, (hereinafter referred to as “Windom”) and Federated Rural Electric Association, a Cooperative Association under the laws of the State of Minnesota (hereinafter called “Federated”) dba Federated Broadband and Windomnet.

RECITALS

WHEREAS, The City of Windom Minnesota sold its broadband business known as Windomnet to Federated; and,

WHEREAS, Federated has agreed to provide Windom with discounted internet services as consideration for the sale and cooperative transfer of Windomnet to Federated.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual agreements contained in this Agreement, the parties agree as follows:

1. Internet Discount Agreement.

Upon closing and continuing for 5 years thereafter there will be zero-dollar charge for Federated Broadband’s 100/100 business internet service to the city of Windom for 12 locations of their choosing. Beginning the sixth year Federated Broadband will begin billing 20% of Federated Broadband’s 100/100 business plan at Federated’s monthly advertised rate. Each consecutive year the amount of the rate charged will increase by 20% until Federated is billing 100% of Federated’s monthly rate.

Discount Schedule:

Year 1	0%	Year 6	20%
Year 2	0%	Year 7	40%
Year 3	0%	Year 8	60%
Year 4	0%	Year 9	80%
Year 5	0%	Year 10	100%

The Federated Broadband’s 100/100 business internet service offered to the city of Windom above shall include Windom’s current AMI electric meter and security system back-haul of data to all active internet accounts.

Should Windom require any additional service greater than provided herein then the value of the discounted service, “Federated Broadband’s 100/100 business internet service” for 12 locations and the current AMI backhaul shall be a credit applied to the then current cost of the additional service provided to Windom.

2. Entire Agreement. This Agreement contains the entire agreement between the parties hereto with respect to the internet services provided to Windom by Federated after the closing of the Windomnet sale to Federated and all prior understandings or agreements, whether written or oral, shall be deemed to have been merged into this agreement and shall have no further force or effect to the extent to which they may conflict with respect to any of the terms and conditions set forth herein.

3. Amendments. There shall be no amendments to this Agreement unless mutually agreed upon between the parties in writing.

4. Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date set forth above.

FEDERATED:

WINDOM:

Federated Rural Electric Association

City of Windom, Minnesota

By _____
Its President

By _____
Hilary Mathis, Mayor

By _____
Its Secretary/Treasurer

Attest: _____
Steve Nasby, City Administrator

ACKNOWLEDGEMENTS

STATE OF MINNESOTA, COUNTY OF COTTONWOOD) ss.

On the _____ day of March, 2026, before me, personally appeared, Hilary Mathis and Steve Nasby, the Mayor and City Administrator respectively of the City of Windom Minnesota on behalf of Windomnet, a political subdivision of the City of Windom, being authorized so to do, executed the foregoing instrument for the purposes therein contained.

Notary Public

STATE OF MINNESOTA, COUNTY OF JACKSON) ss.

This instrument was acknowledged before me this _____ day of March, 2026, by David Meschke and Jon Saxen, the President and Secretary/Treasurer, respectively, of Federated Rural Electric Association, a Cooperative Association under the laws of the State of Minnesota, on behalf of the Association, Federated.

Notary Public

PURCHASE AGREEMENT

FOR VALUABLE CONSIDERATION, IT IS HEREBY AGREED as follows by and between Windom Economic Development Authority, a City of Windom governmental entity, as “Seller;” and Federated Rural Electric Association a Cooperative Association under the laws of the State of Minnesota, with a record address of 77100 US Hwy 71 S., PO Box 69, Jackson, MN 56143, “Buyer” as follows:

1. Property: Seller hereby sells and agrees to convey to Buyer and Buyer hereby purchases from Seller, certain real property in Cottonwood County, Minnesota, described as follows (“Property”):

The West 40 feet of Lots 18 and 19 in Block 18 of the Original Townsite to the City of Windom, Cottonwood County, Minnesota

2. Purchase price: The total purchase price of the Property is Two Thousand Three Hundred and no/100ths (\$2,300.00) Dollars, payable to Seller on or before May 1, 2026.

3. Closing: Closing shall occur at the Windom Minnesota City Hall on or before **May 1, 2026** or at such other place and time as upon which Seller and Buyer may hereafter agree. Closing may be postponed for a reasonable time for good cause. Seller shall pay the normal Seller’s closing costs including: deed tax, the cost of recertification of the Abstract of Title once, title correction costs and Seller’s attorney’s fees to prepare Seller’s closing documents. Buyer will pay their normal closing costs including recording of the deed, title opinion or title insurance expense and any financing expenses.

4. Real estate taxes: Seller shall pay the taxes payable in 2025 and all prior years. Buyer shall pay the real estate taxes due and payable in 2026 and all subsequent years.

5. Possession: Sellers shall deliver possession of the Property to Buyer on the date of closing.

6. Conveyance of title: Subject to Buyer’s performance, Seller shall deliver to Buyer at closing a Warranty Deed, fully executed and in recordable form, conveying marketable title in and to the Property, subject to the following exceptions: **“Building and zoning laws, ordinances, State and Federal regulations; restrictions relating to the use or improvement of the Property without effective forfeiture provisions; reservation of any minerals or mineral rights to the State of Minnesota, if previously so reserved; covenants, conditions, restrictions, declarations and easements of record.”**

7. Abstract of Title and objections to title: No abstract of title is available for the Property. Buyer shall undertake whatever title examination Buyer deems appropriate to assure itself that Buyer will have good and marketable title to the property. If any objections are made, the Seller shall be allowed 120 days to make title marketable. Pending correction of title, the payments hereunder shall be postponed; but upon correction of title, and within 10 days after written notice to Buyer, the parties shall perform this agreement according to its terms.

8. Risk of loss: If for any reason – including, but not limited to, fire, vandalism, flood, earthquake, or act of God – there is any loss or damage to the Property prior to closing, the risk of

loss shall be on the Sellers. If the Property is destroyed or substantially damaged before the closing, Buyer, at Buyer's option, may declare this Purchase Agreement to be null and void, and in such event Sellers and Buyer shall sign an instrument canceling and terminating this agreement.

9. Default: If a party defaults on this agreement, the defaulting party shall be liable to the non-defaulting party for attorney's fees and costs incurred as a result of the default. This provision shall not deprive either party of the right of enforcing the specific performance of this contract, provided [a] that the contract has not been terminated as aforesaid, and [b] that the action to enforce such specific performance is commenced within six months after the right of action arises.

10. General warranties: Sellers warrant [a] that there are no buildings or improvements on the Property; [b] that there is a right of access to the Property from a public right-of-way; [c] that prior to closing payment in full has been made for all labor, materials, machinery, fixtures, or tools furnished within 120 days immediately preceding the date of closing in connection with construction, alteration, or repair of any structure on or improvement to the Property; [d] that Sellers have not received notice from any person or governmental authority as to any violation of any law, ordinance, regulation, or restrictive covenant and that any such notice received by Sellers will be provided to Buyer immediately. Sellers certify that there are no known water wells or septic systems located on the Property and these warranties shall satisfy all reporting requirements. ***These warranties shall survive closing.***

11. Property: The parties acknowledge that the Buyers are purchasing the Property "**AS IS**" with no warranties except as to title.

12. Entire agreement: This contract contains the entire agreement between the parties, and neither Seller nor Buyer has relied upon any verbal or written representations, agreements, or understandings not set forth herein.

SELLER: Windom Economic Development Authority

By: _____ and _____
President Treasurer

BUYER: Federated Rural Electric Association

Its President

Its Secretary/Treasurer

Drafted by: BRADLEY W. ANDERSON, Attorney at Law, 309 Sherman Street, Box 225, Jackson, MN 56143-0225, 507-847-2052

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: City Administrator *[Signature]*
DATE: February 12, 2026
RE: Federated Proposal to Acquire Windomnet – Additional Information

The 1st Reading of the Ordinance for the potential sale of Windomnet was tabled from the February 3rd meeting to February 17, 2026. Just prior to the February 3, 2026 meeting the Council was provided with two letters and additional information related to this agenda item.

Attached are the two letters, one from Federated discussing items raised at the public meeting held on January 14, 2026, responding to local control and revenue sharing. The second letter is from Midco outlining their interest in Windomnet.

Also, included in this packet is a summary of the equipment/system upgrades that was identified as needed according to Finley Engineering for their review of Windomnet on behalf of Federated.

Last, the City Council is releasing the independent appraisal that the City of Windom had completed to determine the value of Windomnet. This information had been used by the City for negotiations. Due to the receipt of a purchase offer and to address speculation by the public as to the system's value the appraisal is being released.

To: Windomnet Telecom Commissioners

From: The Federated board of Directors, Troy Rasmussen and Reimer; Federated Rural Electric and Broadband.



Scott

Date: February 2, 2026

Agenda Item(s): Follow up. Federated Proposal to Purchase Windomnet.

Description/History

At the January 14, 2026, joint meeting between the City of Windom city council and the Windomnet Telecom Commission, Federated presented to the attendees, who we are, what we do, how we do it and a general vision of Federated Broadband. At that meeting several attendees spoke out for various reasons however two comments were brought up in which we would like to address here and hopefully provide some closure too.

Narrative

Item # 1 which was brought up at this meeting, and previously, was local governance and local control. The Federated board has discussed this issue firmly believes this would be something worth addressing.

Formation of an Ad-Hoc Broadband Advisory Committee

An ad-hoc broadband advisory committee would be established by the cooperative's board to provide focused guidance on broadband operations, strategy, and community needs.

The board would define the committee's scope—such as reviewing service expansion plans, evaluating subscriber feedback, or advising on technology investments.

Through rotation of participants which would provide for term limits, this structure ensures the group remains mission-driven and aligned with the cooperative's governance framework while allowing flexibility in address emerging broadband challenges.

Committee membership rotation would be drawn from a diverse cross-section of the community, to include broadband subscribers, local business owners, educators, city and county representation, and other stakeholders who rely heavily on connectivity. Members would be appointed by the board through an open nomination process to ensure transparency and broad representation. By incorporating community voices directly into the decision-making process, the cooperative gains valuable insight into local priorities and strengthens trust in its broadband initiatives. The committee's recommendations would help guide leadership as they refine policies, improve service offerings, redundancy and consultation for long-term growth.

Item #2 addresses a different topic relating to the concern of revenue leaving the community.

Since the beginning of the cooperative movement many decades earlier, the concept of patronage allocation has been used to give member and patrons a financial stake in the cooperative business operations. Benefits of extending patronage to Non-Member broadband subscribers is something the Federated board has contemplated and in fact, our bylaws were modified to create another entity called a patron who is specifically someone to receives the other services the cooperative offers but is not a voting member of the coop receiving electric service. We will be proponents of a bylaw change to allow this activity to begin once the bylaws are amended by a vote of the membership to allow it. The earliest

opportunity for that would be January 1, 2027. The current Federated policy will determine the availability of retirement distribution when it becomes available.

Offering patronage to non-member broadband subscribers (patrons) can significantly strengthen the cooperative's long-term financial health. When non-members receive patronage allocations tied to their broadband usage, they gain a tangible long-term stake in the cooperative's success. This incentive encourages loyalty, reduces subscriber turnover, and positions the cooperative's broadband service as a community-minded alternative to investor-owned competitors. The result is a more stable revenue base that supports continued investment in infrastructure and service improvements. The cooperative, a 501(c)(12) organization is an IRS-designated tax-exempt entity using a cost-based rate strategy as a way of ensuring affordability of our services.

Extending patronage also reinforces the cooperative principle of operating for the benefit of the community as a whole. Broadband has become an essential service, and many rural residents rely on their electric cooperative to bridge the digital divide. By sharing margins with non-member subscribers (patrons) as the business grows and succeeds financially, a retirement of patronage may become available for distribution. The cooperative demonstrates that it values everyone it serves—not just those who receive electric service. This approach builds goodwill, strengthens the cooperative's reputation, and aligns with the mission of improving quality of life across the service territory.

Finally, offering patronage to non-members helps create a unified subscriber base across electric and broadband operations. As broadband becomes a larger part of the cooperative's portfolio, treating all subscribers equitably fosters a sense of shared ownership and community investment. This can lead to increased participation in cooperative programs, higher adoption rates for new services, and stronger support for future capital projects. In the long run, the cooperative benefits from a more engaged, more satisfied, and more supportive community.

Summary

In summary, we want the Windom community to know, we have your back. Our goal of exemplary service, providing a local voice, and giving you a stake in the operations goes hand in hand with the cooperative principals that we live by.

We want you to feel confident that by allowing Windomnet into the Federated family through this acquisition, you will maintain and grow the great legacy you've started so many years ago. The staff and directors here at Federated are poised and ready to show you how we can act on our commitment to the Windom Community.

In closing, we encourage you to share this message with the Mayor and Council in support of the 1st reading of the ordinance to dispose of real estate (Windomnet) as noted in the complete memo dated January 30, 2026, from City Administrator Steve Nasby.

We look forward to your support as this matter moves ahead with confidence.

Cooperatively,

The entire Federated family



February 3, 2026

VIA EMAIL

City of Windom
444 9th Street
PO Box 38
Windom, MN 56101-0038

Greetings to the Mayor, City Council Members, and City Administrator:

Midcontinent Communications ("Midco") writes this letter to reaffirm our interest in engaging with the City of Windom ("City") regarding the potential purchase of the City's fiber internet system and its associated voice and video service offerings, collectively known as Windomnet.

We are grateful for the recent opportunity to meet with members of the Telecom Commission and City staff to discuss Windomnet and to share our initial interest. At that time, we expressed our willingness to provide a formal, confidential, and non-binding indication of interest for the purchase of the assets. To respect the City's process, we have waited to present any confidential offer until the City is ready to engage with Midco more formally.

We understand the City is now formally reviewing Federated Rural Electric Association's proposed Asset Purchase Agreement. Based on the publicly available terms, we are confident Midco can provide the City with an indication of interest containing a more favorable overall proposal, addressing both economic and non-economic considerations that affect the City and Windomnet customers, subject to the opportunity to complete our due diligence and meet with the appropriate stakeholders.

Upon execution of a standard non-disclosure and confidentiality agreement, Midco is prepared to immediately provide the City with a formal, non-binding indication of interest, including the underlying purchase price assumptions. Midco anticipates a purchase price range of seven to eight million dollars (\$7,000,000-\$8,000,000), subject to Midco's completion of customary due diligence and the negotiation and execution of a mutually agreeable asset purchase agreement. These assumptions were substantially developed prior to learning the terms of Federated's offer and are ready to be presented should the City wish to proceed.

Our team stands ready to engage at your convenience. For ease of reference, contact information for Midco's internal team is provided below:

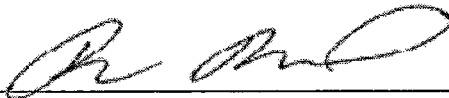
- **Ben Dold, President & Chief Operations Officer**
 - (605) 274-3012 – benjamin.dold@midco.com

- **Patrick McCann, SVP of Legal & General Counsel**
 - (605) 271-4144 – patrick.mccann@midco.com
- **Andrew Curley, Sr. Director of Government Relations**
 - (605) 357-5835 – andrew.curley@midco.com
- **Riley McAdaragh, Director of Strategic Finance**
 - riley.mcadaragh@midco.com

We appreciate the City's thoughtful consideration of its options and welcome the opportunity for further discussion should you determine it would be beneficial.

Regards,

MIDCONTINENT COMMUNICATIONS
By: MIDCONTINENT COMMUNICATIONS
INVESTOR, LLC, Its Managing General Partner

By: 
Ben Dold, President & Chief Operations Officer

Core Network

The Windomnet core network is located at their co-location facility. The core network consists of carrier grade redundant Juniper routers and switches connecting to the Internet over two 10G links running BGP to Hurricane Electric. The Juniper MX80 routers are edge routers and will only accept default BGP routes, as they cannot handle full tables. They are limited to 10G connections and have a throughput of only 80Gbps. Finley recommends a future replacement of these routers with carrier grade core routers and suggests a budget of \$100,000. Windomnet (ASN=46692) peers at Midwest Internet Cooperative Exchange with interconnection at Cologix (511 11th Ave) in Minneapolis, MN and at Omaha Internet Exchange in Omaha, NE. Windomnet owns a /20 and a /22 of IPV4 space along with IPV6 space.

The addition of two wholly owned core locations (Jackson HQ and Windomnet) would provide Federated with redundant BGP connectivity to the Internet adding carrier grade resiliency and redundancy to the Federated ISP offering.

All Windomnet systems are managed on virtualized servers shared between Windomnet and the City of Windom. This includes BSS/OSS, NMS, utilities (dhcp, NTP, etc). Finley recommends new servers for these functions. This cost is estimated at \$65,000. Customer service records should migrate with ease as both Federated and Windomnet use Elations. This would be an immediate expense required for the operation and management of this network.

Access Network

All active equipment in the Windomnet network resides at the co-location facility. Triple-play services are currently provided over a Calix GPON access system and an Optical Solutions (OSI) BPON system. Video is integrated with the PON systems via CWDM at 1550nm. There are 269 subscribers that remain on the OSI BPON system which are actively being moved to the Calix GPON system. Windomnet stated that they have already purchased the required inventory to move these customers to GPON, but Finley was unable to confirm through requested warehouse inventory reports.

The Calix GPON system consists of E7 shelves located in the CO delivering GPON via GPON-8 cards in E7 shelves at revision level 3.4.0.131. Aggregation is achieved through E7 shelves equipped with 10GE-12 cards, which have an end of sale date of 9/30/22 and end of support 12/31/2027. The system hardware is utilizing the EXA software platform, which Calix has replaced with AXOS in all newer cards. The system is monitored and configured via CMS software, which has no end of life notice, but Calix SMx is the platform used for management of AXOS based systems. In the Windomnet access system, some services are delivered to the end user with P-series outdoor ONTs, which reached end of sale dates in 2020 and will reach end of support 8/30/25. Newer services are delivered to the end user with indoor 800 series GigaCenters ONTs, which have also reached end of sale and end of support.

Since Federated provides services over XGS-PON with the Calix AXOS system and Windom currently provides services over BPON and GPON with an EXA platform using CMS, Finley recommends a complete replacement of the Calix system to upgrade all customers to XGS-PON. The E7 shelves may be re-purposed for this, but all other components will need replacement. There are three options available for the access system upgrade:

The first option is to continue with the planned migration of the 269 OSI customers to the Calix GPON system using the inventory in the Windomnet warehouse. This option requires hosting CMS on a server to manage and configure the GPON system. No capital investment would be required if the server hosting CMS was made part of the acquisition, but there would be a labor component to complete this activity that is estimated at \$107,600. This first option would require Federated to work closely with the City of Windom to move the City software off of the servers. Federated could also install new servers for CMS and utility services. Finley estimates this cost at \$65,000. A method for remote management of the network must be determined either way. The cost of this option ranges from \$0 to \$172,600 depending on the approach Federated chooses to take.

The second option would be to migrate the 269 OSI customers to XGS-PON. Finley estimates this cost at \$65,000 for the servers, \$40,893 for the CO equipment (E7 shelves cards, and optics), and \$201,336 for CPE Equipment upgrades for a total of \$307,229.

The third option would be a complete migration of all 2082 customers to the XGS-PON & AXOS platform. If this option is chosen, Finley recommends the CO equipment be purchased within the first year and the customers migrating to the AXOS platform over the next five years. Finley estimates this cost at \$65,000 for the servers, \$169,306 for the CO equipment and \$1,558,293 for CPE Equipment upgrades. This option requires a minimum capital expenditure of \$234,306 to establish the Calix nodes and servers at the core and a total expense of \$1,792,600 to move all Windomnet customers to the Calix XS-PON platform. Finley recommends either option 2 or 3, as these will allow for full network integration between existing Federated and Windomnet transport and access systems with a single NMS for management. It will also provide transport for the existing Federated network to reach the core at Windom. More research needs to be done to determine the best path to align the two networks, however, these options highlight some of the major pros and cons and give a range of expected capital expenditure required.

Voice services are provisioned from a Class4/5 Metaswitch. The Integrated Softswitch is on the CH6010 hardware at version 9.5.40. The system includes a Metaview Server with SAS and a Perimeta Session Border Controller (SBC) on Dell hardware. Call Feature Server functions are provided with an Innova Systems APMAX. TDM timing is achieved with a Symmetricom BITS clock with Stratum 3E Quartz holdover. Windom has a 10000 block assigned by NANPA (706-832) and is currently utilizing two blocks of 1000 (507-832-2xxx & 507-832-2xxx). Metaswitch was acquired by Microsoft in May of 2024 and swiftly announced end of life for this product as Dec 2029. It was recently acquired by Allianz on March 3, 2025. They have announced that end of life has been retracted, pledged to stabilize support, and announced a roadmap for development will be available in Q3 2025. Given the volatility surrounding the life of this product, Finley has assigned no value, however, there appear to be two viable options. The first would be to migrate all of Windomnet's voice customers to GigTel to align with Federated's voice offering. The second would be to move Federation's voice traffic to the Metaswitch. We do not have enough information at this time to provide a recommendation. The factors to be considered include the roadmap of each offering, the number of subscribers to be migrated from one platform to the other, and the intricacies and challenges of the conversion. The cost and complexities must be weighed in a more detailed review.



October 30, 2025

Steve Nasby
City Administrator
City of Windom, MN

Re: Valuation of the Broadband Business

Steve:

Following is my opinion of the fair market valuation of the Windomnet broadband business owned by the City of Windom. This valuation is based upon the financial results of Windomnet up through September 2025.

Below you will find the valuation summary of the company. I set the value of the business between \$5.5 million and \$6.2 million. Any sale within that range would be a fairly valued market transaction.

But in your case, it would not be unusual for a buyer to take a different view of the adjustments I have suggested for the cable TV and telephone lines of business, which could theoretically swing the values as much as \$1 million in both directions. As you'll see in the memo, dealing with valuing the two product lines is not straightforward.

Please contact me if you have any questions..

Doug Dawson
President
CCG Consulting
Blackbean2@ccgcomm.com

Valuation Basics

Standard and Definition of Value: The appropriate standard of value for this type of business is fair market value, defined as: the price at which a property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or to sell, both having reasonable knowledge of relevant facts.

My valuation analysis considered the following factors:

- The nature of the business and the history of the enterprise.
- The economic outlook in general and the conditions and outlook specific to the telecom industry.
- The earnings capacity of the business.
- The market value of corporations engaged in the same or similar lines of business.

In creating the valuation, I used the industry standard practice of applying valuation multiples times adjusted cash flows. Multiples for the industry come from looking at recent transactions where similar companies have been sold.

Summary Description of the Company

Windomnet is owned by the City of Windom, MN, that has been established as a separate utility with its own set of books. The city also owned the electric and water utilities.

Windomnet became operational in 2005 as a cable and voice provider, and over time added broadband. The business began with a network using technology provided by Optical Solutions and is now operating a second generation of fiber-to-the-premise technology provided by Calix.

In 2007, Windomnet collaborated with eight small nearby communities that together formed the Southwest Minnesota Broadband Services. While Windomnet still provides some small amount of service to SMBS, that company has taken over its own operations.

Because Windomnet has its own separate books, the valuation is specifically based on Windomnet and does not look at the remainder of the city. However, I did examine the charges between Windomnet and other parts of the city to understand intra-government charging.

Sources of Information

I used the following information in creating this valuation:

- Books ending December 31, 2024, including income statements, balance sheets, and cash flow statements for Windomnet.
- Financial summaries from previous years.
- A current count of customers by month starting with November 2024.
- Discussions with City staff about the operations of the business.

Analysis of the Telecom Industry

The company operates in three distinctive market segments of the communications industry: as a CATV company, as a broadband ISP, and as a telephone provider. I will look at the trends in each of those areas.

Trends in Cable TV

Traditional Cable TV is Dying. The nationwide cable penetration rate has dropped by 75% since its peak. Cable companies are continuing to lose millions of customers every quarter as customers change to streaming video options. There is a huge change in the method of programming delivery underway, as programming won't come from satellites but will be delivered terrestrially over broadband. This will increase the costs for rural providers who have to pay for a lot of dedicated broadband connections. It's becoming harder to find traditional cable headend hardware as vendors ease out of the business.

Increasing Programming Prices. Programmers don't seem to get it and keep increasing the price of buying programming.

Trends in Voice

Copper Networks are Dying. At the end of August, the FCC issued a Notice of Proposed Rulemaking (NPRM) that would make it easy for telephone companies to tear down copper networks. The Rulemaking proposes to change the disclosure laws, meaning that there won't be a lot of required notice to the public or other carriers when copper is retired. This Docket would formalize the temporary process instituted in July, where the FCC exempted telcos from many of the notice procedures for two years.

PSTN to be Dismantled. This same FCC Docket is the first FCC document in many years that hints at dismantling the vestiges of the Public Switched Telephone Network (PSTN) that is in place to interconnect telephone companies. As copper networks are torn down, this is going to be accompanied by eliminating traditional trunks between carriers, tandem switches, EAS arrangements, etc. There is a high chance that the PSTN will be dismantled by 2030.

This shift has been coming for decades as the number of telephones nationwide has dropped from 98% penetration to less than 15% penetration. Many of the remaining phones are provisioned by VoIP, not by the traditional PSTN.

VOIP Will Replace Traditional Voice. The shift to VOIP will continue to the point where there may be no remaining traditional telephone service. That would eliminate a lot of the traditional telephone revenue streams like features, long-

distance, 800-service, etc. It would mean the end of billing by the call or even looking at call detail records. It means the end of access charges and access billing.

End of Telephone Regulation. All of this presages the end of traditional telephone regulations. Regulators decided a long time ago that VoIP is not the same as traditional voice from a regulatory perspective.

Trends in Broadband

Broadband Demand Continues to Grow. The firm OpenVault measures total usage using software deployed in Internet hubs by the biggest ISPs around the country and around the world. The following statistics are the average nationwide monthly broadband usage per customer, which includes both residential and small businesses. These numbers combine download and upload usage.

1st Quarter 2018	215 Gigabytes
4th Quarter 2018	270 Gigabytes
4th Quarter 2019	344 Gigabytes
4th Quarter 2020	483 Gigabytes
4th Quarter 2021	536 Gigabytes
4th Quarter 2022	587 Gigabytes
4th Quarter 2023	641 Gigabytes
4th Quarter 2024	698 Gigabytes

Customers Willing to Pay for Speed. OpenVault also reported that over 40% of all U.S. households are paying for a download speed of 1 Gbps or faster.

Trends in Competition.

FWA Cellular is Dominating the Industry. FWA is home broadband sold by cellular companies using spectrum from cell towers. Today, this mostly shares the same frequencies used for 5G, but the carriers have been so successful that they are all considering dedicating spectrum just for FWA. Unlike fixed wireless, which requires an external dish to receive the signal, the FWA signal is delivered to a receiver placed anywhere indoors.

The three biggest cellular carriers have been incredibly successful with this new product. At the end of the second quarter of 2025, AT&T had 1 million customers, T-Mobile had 7.3 million, and Verizon had 5.1 million. The FWA product has accounted for the overall growth of broadband in the country for the past several years. Consider the following table that shows the net quarterly change in customers for FWA compared to all of the publicly-traded telephone and cable companies:

	<u>Net Additions</u>				
	1Q 2024	2Q 2024	3Q 2024	4Q 2024	1Q 2025
AT&T	110,000	139,000	135,000	158,000	181,000
T-Mobile	405,000	406,000	415,000	428,000	424,000
Verizon	354,000	378,000	363,000	373,000	308,000
	869,000	923,000	913,000	959,000	913,000
Telco	(23,562)	78,649	74,854	166,779	199,200
Cable	(159,900)	(336,279)	(265,400)	(376,126)	(316,737)

The New Bundle is Broadband and Cellular. Windomnet and many other companies succeeded in the past by assembling a bundle of telephone, cable TV, and broadband. However, as described above, the telephone and cable TV product lines are quickly dying. FWA bundles cellular with cellular broadband. The cable companies have also been highly successful in offering cell service. Consider new net sales of cell service from the first two quarters of this year:

	<u>Q1 2025</u>	<u>Q2 2025</u>
Boost Mobile	150,000	212,000
AT&T	401,000	419,000
T-Mobile	830,000	777,000
Verizon	278,000	128,000
Charter	500,000	539,000
Comcast	378,000	322,000
Total	2,537,000	2,397,000

This trend is not beneficial to smaller ISPs like Windomnet that don't have access to a cellular product (or at least one that makes any profit).

Fiber Race. There is a frenzied race for fiber overbuilders to overbuild towns and cities that don't have fiber. The most aggressive overbuilder is AT&T, which plans to build fiber past almost 20 million additional passings by 2030. Towns and cities the size of Windom that don't have fiber likely will in the next few years.

Technology is Improving

Practically every broadband technology is seeing major improvements.

- Fiber. XGS-PON has supplanted GPON, meaning an upgrade from 2.4 Gbps to 10 Gbps per cluster of customers. The vendors are starting to introduce 20 Gbps PON, and several have trials 50 Gbps PON. CableLabs has a version of PON in the labs at 100 Gbps.
- Cable HFC. Cable companies can now buy DOCSIS 4.0 technology that can provide 5 Gbps download and 2 Gbps upload speeds. There are intermediate technologies called mid-splits that can improve upload speeds to over 200 Mbps on DOCSIS 3.1 networks.

- Fixed Wireless. The latest Tarana radios, and similar brands, can deliver download speeds of 500 Mbps, or even more, using unlicensed 6 GHz spectrum.
- FWA Cellular Broadband. Verizon has launched some trials of FWA in Michigan and California that show some speed tests as fast as one gigabit.
- Satellite. The new generation of Starlink satellite, which is supposed to start launching in the first quarter of 2026, provides 10 times more total bandwidth capacity for communicating with the ground than current satellites. Since satellites only last about five years, the introduction of the new satellites and a gradual replacement of the old ones should result in a significant increase in speed.

Valuation Multiples

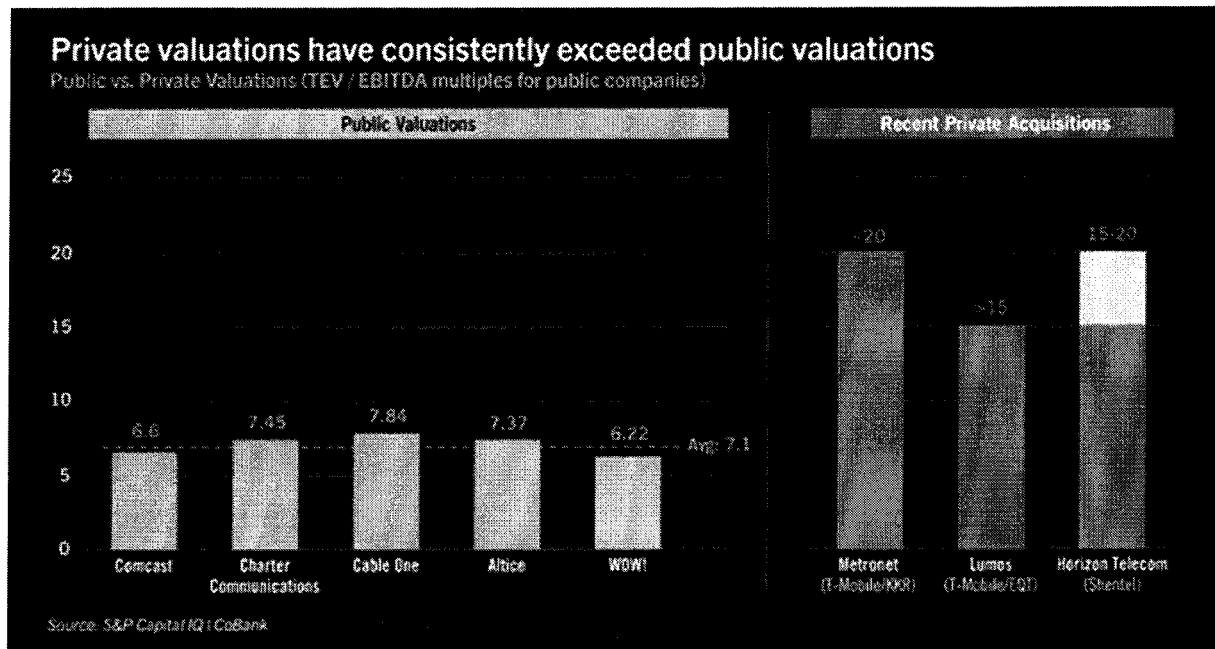
In creating the valuation, I used the industry standard practice of applying valuation multiples times adjusted cash flow. Typically, adjusted cash flow is measured by looking at adjusted EBITDA (Earnings before Interest, Taxes, Depreciation and Amortization). Buyers look at EBITDA since it is a good measure of the net effect of revenues and expenses before considering debt or tax rates. Post-EBITDA expenses vary widely by company, and the debt or the tax rate of the seller has nothing to do with how the buyer will operate the company.

Multiples, in general, are based upon recent transactions where similar companies have been sold. However, there have not been a lot of sales of similar businesses, and even where there have been sales, the details are not public. This is not unusual over the last decade. The next discussion looks at valuation in general.

Valuations of Public Companies

The first place to look at industry valuations is at the trends impacting the valuation of publicly traded ISPs.

The following chart, which was published by CoBank in November 2024, shows the valuations of the large cable companies and also the estimated valuations of some of the largest transactions of fiber ISPs in 2024. CoBank is a bank that lends mostly to cooperatives for broadband and electric utility projects.



On the left are the valuation multiples of the five largest publicly traded cable companies. Since this chart was created, WOW! was taken private and no longer issues public financial statements.

This shows some surprisingly low valuation multiples for these companies that range from 6.22 to 7.84 times the EBITDA of each company. Valuations of public companies are set by the market instead of by a valuation process, and the total value of a company at any given time is calculated by the price of a share of stock times the number of outstanding shares. It's actually not quite that simple since these large companies typically have several different kinds of shares of stock other than the publicly-traded ones.

To some degree, these low valuations are an anomaly. For most of the last twenty-five years, the big publicly-traded companies had a higher valuation than smaller companies – a trend which is common in most industries. However, cable company stock prices (and valuations) have taken a real hit over the last few years when the companies started losing customers every quarter after a decade of non-stop customer growth.

But compare the multiples that CoBank estimates for the sale of Metronet, Lumos, and Horizon Telecom, three of the largest sales of broadband ISPs in 2024. The valuations are double the valuations of the publicly traded companies. There are a number of reasons for the higher valuations:

- The three companies own fiber networks, which in the current industry environment have more cachet than the hybrid-fiber coaxial networks owned by the cable companies.
- The three companies mostly sell broadband, with maybe some voice, while the cable companies are saddled with the cable TV business, which is becoming an albatross.

- All three companies were in high-growth mode before the sale, and were awarded a lot of value for passings they have built, which still haven't reached a mature market penetration.
- Probably the most important of all was that the announcements of these sales included statements that the buyers expected the sellers to double fiber passing in the next three or four years. One reason that CoBank can't understand the real value of the transactions is that the valuation likely includes an earn-out, which only compensates a seller for meeting goals after the sale. There is no way to know how much of the announced sales price is for the existing business, and how much is to compensate the sellers for doubling the business in the future.

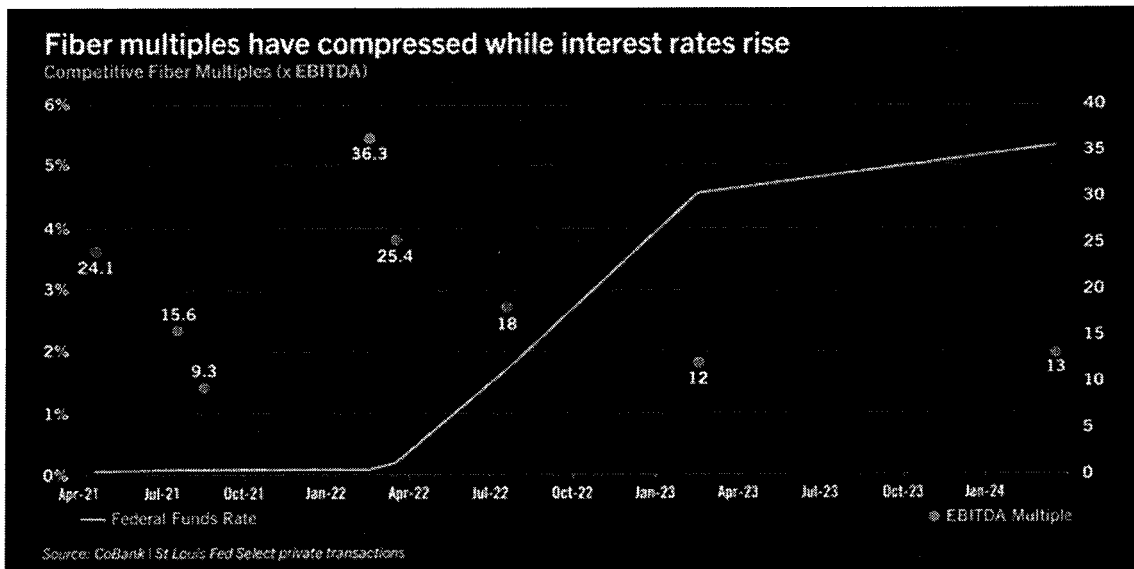
But there are still a few interesting takeaways from these figures for Windomnet:

- In the current market, smaller companies are valued higher, in general, than the publicly-traded ones.
- Fiber networks are generally valued higher than HFC networks.
- Having a cable business would depress the Windomnet valuation, but since you are ditching the product line, we can account for that.

General Market Valuations

The way that the telecom industry is perceived changes over time. In 2000, cable multiples were much higher than today, and cable properties at that time were the darlings of Wall Street. Valuations crashed when the tech bubble burst and still have not come back up to the values of the 90s. Cable values spiked a little five years ago when interest rates were incredibly low, just above zero. The low interest rates made it easy to justify borrowing to buy businesses. But as interest rates have risen, starting in 2022, valuations have generally returned to historical levels.

CoBank also published the following table that shows a correlation between interest rates and valuation multiples.



Interest rates started climbing in March 2022. According to the valuations shown in this table, valuations since March 2022 are lower than in the period when interest rates hovered just above zero.

That makes sense, and it raises an interesting point that every seller should understand. The amount of money any particular seller is going to give you is going to vary depending on the source of the funding used to buy you. Companies can pay for a purchase in multiple ways: cash from equity, cash from debt, cash from external venture capital, or stock (for public traded buyers).

The prices offered to buy a company is different depending on the sales is funded. Companies typically value retained earnings and equity cash much higher than cash that is borrowed, and someone paying from existing cash would typically want to pay less. Companies think about the cost of venture capital equity in such a wide variety of ways that it's impossible to understand the motivation of the buyer using VC money.

Let's look at the above graph a little more carefully. First, CoBank doesn't tell us who any of these sellers are, just that they are "competitive fiber" companies. In the period when interest rates were low, there were sales with multiples that ranged between 9.3 and 36.3. That's an extraordinary range, and there is obviously a giant difference between the operating and financial characteristics of the companies at the low and high end of that range.

Consider what a valuation multiple means in plain English. If a buyer is willing to pay 36 times EBITDA, they are giving the seller the EBITDA they would earn for the next 36 years (if the company didn't grow). A company getting a multiple that high must have some extraordinary potential for future revenue that the buyer is willing to pay for. But consider the low multiple range. Paying a company a multiple of 9 is paying them the margin they would generate for the next nine years.

This raised the interesting question of why any buyer is willing to pay for multiple years of earnings to buy a business. Valuations for retail businesses are much lower than valuations for fiber ISPs. For example, a valuation for an ice cream store might only be two times EBITDA. What makes a fiber business worth more?

- One factor that makes an ISP more valuable is that revenues are generally more reliable. Some economists argue that broadband is countercyclical to the economy, meaning that when the economy gets tight, more people buy broadband, and people with broadband try hard to keep it. By contrast, in a bad economy, the ice cream store might lose so much business that it folds.
- Broadband businesses tend to have predictable expenses. The industry is not affected too much at the operating expense level by external costs like the impact of tariffs on some businesses. One of the biggest expenses is labor, which is typically quite predictable. Broadband businesses aren't immune from normal inflation, but many of their expenses increase more slowly than the overall rate of inflation.

- Buyers are willing to pay a premium for expected growth. If an ISP has been growing revenues by 10% per year, and the seller can convince the buyer that the growth is sustainable, a buyer might pay more for that growth. Growth is the only way to justify the highest valuations on the CoBank graph.

How do these issues impact Windomnet? Your broadband business has been steady and predictable. There is no reason to suspect a collapse of revenues unless a new fiber overbuilder came to the City. That would be a rare event in a market of your size, since the new overbuilder is going to understand that you already effectively have all of the broadband customers.

Windom has some broadband competition today:

- The most significant competition comes from FWA cellular wireless sold by AT&T, Verizon, and T-Mobile. These companies have been successful for the last five years by bundling home broadband at an affordable price with cell service.
- There is fixed wireless competition from Midco, MVTV, Rise Broadband, and GigFire. These providers have undoubtedly gotten a few customers in the City, but Windomnet speeds are much faster and your network is reliable, while these companies are not.
- There are probably a few folks who are buying Starlink satellite broadband. Their big marketing advantage is mobility. There may be some residents who use their campers a lot and buy Starlink to use in the camper when they travel and for home when they don't travel. But Starlink is not competitive for residents who don't need that mobility.
- Windomnet's big advantage is that you are not competing against an incumbent cable company.

One last issue that doesn't affect the valuation, but that can directly influence the offer, is the banking arrangement for a buyer that uses debt financing to buy you. Every lender and a bank have specific expected metrics that are expected of a borrower. Every company has a natural borrowing limit that is set by the bank, which equates to the maximum amount of debt that a bank thinks a lender can afford. Where this comes into play in the purchase of a business is that the bank can set a cap on the amount of the purchase it is willing to finance. A buyer might think a business is worth \$10 million, but if the most the bank is willing to lend is \$8 million, then that's the highest possible offer from that buyer. We can't account for these kinds of specific issues in a valuation, but they are a real issue for any specific buyer.

Windomnet Specific Valuation Multiple

The above discussion is interesting, but doesn't talk about the specific range of valuation for Windomnet. Following is a summary of the issues that have the most impact on the Windomnet valuation.

- Your business is tiny when compared with the scale of all ISPs. This means you bring no economies of scale to most buyers, and in fact, incorporating your small business into an existing ISP might require more effort than the benefit.

- Being fiber-based gives you a higher valuation than a cable company, a telco that still has copper networks, or a fixed wireless provider.
- From a broadband growth perspective, the company is static. You gained less than 1% broadband customer growth over the last year. This puts Windomnet at the opposite end of the scale of companies like Metronet, which got a high valuation that assumed the company could double in size within five years of a sale.
- A huge downside that must be considered is that the traditional telephone service business line is dying. Windomnet lost almost 8% of telephone customers over the last year. On top of that, the traditional telephone business is starting to collapse nationwide, and I find it likely that it won't exist as we know it in another five years.
- Luckily, you have decided to abandon the cable business, and doing so greatly increases your valuation. If you tried to sell the business with the cable business intact, you'd be worth less.
- You are considered to be rural, which is a positive in terms of the likelihood of seeing any serious competition in the market. A buyer would offer a lower multiple if you were in a more heavily competitive market. But you don't face zero competition in that all facility-based ISPs are seeing some serious inroads from cellular FWA competition.
- The GPON network is operating well, but we must recognize that GPON technology will be phased out over the next 5-7 years. A buyer might ding your valuation a bit to recognize that they will have to pay for upgrades to XGS-PON. It also would not be unusual to see a buyer lower an offer if they are wedded to a different brand of electronics. But I would not suggest any adjustments for technology.
- As CoBank has shown, there is a definite relationship between valuations of all businesses and interest rates. Interest rates have come down somewhat in the past quarter, but there is already some concerns that they might need to be increased again next year.

When I consider all of these factors, I set the valuation multiple for Windomnet at a current market multiple of 8 to 9 times EBITDA. This puts your value a little higher than the big cable companies, but not nearly as high as the big public sales you've heard about over the last few years. Those big sales were companies that were very different than Windomnet, with the biggest factor being the ability to execute on fast growth and expansion into new markets.

Valuation Analysis

I based the valuation on the annualized 2025 financial statements. Annualized means that I took revenues and expenses as of the end of September 2025 and multiplied by 1.33 to estimate what the revenue and expenses would be for the whole year of 2025. I could have used the end-of-year 2024, but I felt comfortable with annualized numbers because the results were close to the 2024 numbers. Total revenues dropped less than 1% from 2024 to annualized 2025, while revenues grew by less than 1%.

I then made adjustments for known and measurable changes that affect earnings.

The first set of adjustments was to calculate EBITDA. From ledger revenues, I subtracted interest income. From ledger expenses, I subtracted depreciation, interest expense, and bond principal payments.

I then looked at what can be referred to as normalization adjustments. This would be an adjustment to remove revenues or expenses that a buyer is likely to ignore in setting a valuation (or that you might convince them to ignore). These adjustments are forward-looking and try to anticipate how a normal buyer might operate the business.

The Adjustments

I made two adjustments that need to be explained.

Cable TV

Windomnet has made the decision to exit the traditional cable business. This is becoming commonplace in the industry, and CCG knows a dozen companies that exited the business in just the last year. The traditional structure of the business is crumbling. Programming costs continue to climb at rates far higher than inflation. The vendors that make the electronics for headends are easing out of or exiting the business. The method of delivery is changing from getting TV programming from satellite links to getting programming from terrestrial broadband links, which increases the cost.

The most beneficial adjustment in your favor is to fully exclude cable TV from your financials. It's clear that you are losing money on cable TV since expenses exceed revenues. The situation worsens monthly as customers drop cable service. The adjustment that is most in your favor excises cable from your books and pretends it doesn't exist.

I've made an adjustment that removed the obvious cable TV revenues and expenses, which would show that you are losing just under \$200,000 per year on cable TV when looking at annualized revenues and costs. You may have cable-related expenses buried in other parts of the ledger that would support a higher savings from exiting the cable business line.

One of the most interesting things about valuations is that they can't predict how a potential buyer will view large adjustments like this. A buyer might not adjust your book earnings at all for exiting cable, and you might need to convince them to do so.

Depending on the buyer, there is a possible middle-ground since there are ISPs that sell a slimmed-down version of cable that offers far fewer channels and that is completely delivered to them over backhaul without the ISP having to own headend

electronics. An ISP with this product might hope to maintain some of your cable customers on their product, meaning they would not want to fully credit you with eliminating cable. A valuation can't easily consider all possible reactions from all buyers, and I've chosen adjustments that are easiest to defend.

Traditional Telephone

It's going to be a lot harder to adjust for the changes taking place in the traditional telephone business. Consider the following changes that a buyer might want to make to your books:

- In 2025, it looks like you are going to lose about 8% of traditional telephone customers, and an even greater percentage of telephone revenues. Windomnet is not unique, and the same thing is happening to everybody selling traditional voice.
- There is a big migration to VoIP underway. We even know traditional regulated telephone companies that are abandoning telephone switches and changing to VoIP to improve or maintain margins.
- It's getting more expensive to maintain and operate a traditional voice switch. Costs for things like SS7 have shot through the roof, and the companies that offer the service are obviously preparing to either exit or profit from those willing to pay to keep the dying technology.
- Telephone companies are tearing down or decommissioning copper networks at a frantic pace. It seems likely that, as this starts to reach a conclusion in 3-4 years, the traditional PSTN will not be far behind. My personal prediction is that the PSTN will be dismantled, or be in that process, by 2030. That means tandem switches will disappear. That means the end of intercarrier trunks for long-distance and local calling. It means the end of access billing, and probably the end of long-distance billing.

Windomnet also must realize that any buyer that is not a traditional voice provider is going to find your existing voice business to be a mystery. They will be unfamiliar with almost every aspect of it, such as:

- Operating the voice switch and the network consisting of segregating telephone traffic into different trunks.
- Having to buy SS7 and maintain trunks to 911 centers.
- Recording calls and billing long distance by the minute.
- Billing for CABs (this will astound them).
- Buying wholesale long-distance minutes to resell.
- Offering what they will consider as esoteric products like features, PBX trunks, and 800 numbers.

The percentage of ISPs that offer traditional voice is quickly dwindling, and there will be few outside of traditional regulated telcos that still offer the full traditional service. The chances are very high that any potential buyer is not in the business.

If a potential buyer fully recognizes that these changes are pending in the reasonably near future, they are going to want to disregard some of your telephone revenues as unsustainable. This adjustment has the opposite impact of eliminating cable TV and lowering traditional voice revenues is not in your favor.

With these issues in mind, what is a reasonable adjustment? I can think of several ways that a buyer might consider making an adjustment:

- Every buyer, including one that is already in the voice business, will discount your revenues to account for your continuing loss of customers. A practical way to adjust for this is to only assume the net present value of voice revenues that include an ongoing 8% annual loss. That math would adjust downward about 40% of all telephone revenues, which for 2025 would be \$165,000. I would not be surprised to see a buyer making a smaller adjustment, perhaps half of that. Thus, this adjustment might vary between \$80,000 and \$165,000 – but not in your favor.
- Most likely buyers will be selling VoIP. Most ISPS sell only one VoIP product – a telephone line with full features and unlimited long distance. They don't sell PBX trunks or 800 numbers or anything that is not a line with long distance. This kind of buyer might assume that they can convert many of your current customers to VoIP. If so, they would likely reduce your current revenue stream to be only that single VoIP product priced at their rate. We've seen ISPs that price VoIP between \$15 and \$30 per month, but the most common charge is \$20 per month. If we assume that your current customers would be priced at \$20 per month, a buyer would adjust your telephone revenues downward by \$153,000. If the buyer currently has a VoIP rate of \$25, the downward adjustment would be \$88,000. This adjustment eliminates every current revenue that is not direct lines. It eliminates long-distance, trunks, CABs, and every revenue that is not lines.
- Realistically, a buyer might combine the two adjustments. They might assume that the only ongoing revenue stream is their traditional VoIP product and eliminate everything else. They likely would also still want to account for the continued loss of customers. For an ISP that has a \$20 VoIP product, this would equate to an overall adjustment of \$257,000. If VoIP is priced at \$25, this adjustment would be \$218,000.
- Finally, a sophisticated buyer who believes that traditional voice will die in five years might want to drastically reduce your telephone revenue before making an offer. They might be willing to babysit the revenue stream using your current switch, but also realize that it's probably going to cost a lot of money to exit the business. I would not be surprised by a buyer with this perspective discounting your telephone revenues by 75% to 80%. You are hopefully not going to encounter a buyer with this perspective, but it would be hard to argue with their logic.

I expect that Windomnet is surprised by this adjustment because it says that your current telephone revenue stream is a liability and is worth a lot less to a buyer than your ledger numbers. You clearly understand the continuing loss of customers,

which has been happening for years. You've started to see the crumbling of the PSTN as costs like SS7 have skyrocketed. But it's likely that you haven't concluded that traditional voice is a dying product line, much like what already happened to traditional cable TV.

Real Estate

The only other adjustment that might be considered would be the value of transferring land and buildings to a buyer. In your case, that sounds like a single building.

Most valuations don't make any adjustment for real assets unless the asset has a high valuation on its own. I've seen sales of municipal networks where one of the conditions of the sale is that the buyer either leaves 2-3 years after the sale or pays a market rate for a property over and above a normal valuation.

But for most markets like yours, real estate goes along for the ride with the sales price, as do the other assets. As you'll see below, a buyer is essentially buying a profitability stream, and the assets used to drive those revenues are secondary to the transaction. A large majority of the sales I've been involved in would not put a separate value on a property that comes from a sale. Doing so would likely just motivate a buyer to lower the offer for the business to offset the real estate transaction. I've not made any adjustment for the building and land, but as the seller, you are certainly free to ask for it to be valued separately.

Base Valuation

	2025
	<u>Annualized</u>
Revenue	\$2,758,810
Expenses	\$2,098,062
EBITDA	\$ 660,749
<u>Adjustments</u>	
Eliminate Cable TV	\$ 194,816
Recognize Drop in Voice	(\$ 165,000)
Total Adjustments	<u>\$ 29,816</u>
Adjusted EBITDA	<u>\$ 690,565</u>
Valuation Multiple	Low 8 X Adjusted EBITDA High 9 X Adjusted EBITDA
Valuation	Low \$5,524,520 High \$6,215,085

As described above, this assumes the most beneficial adjustment from Windomnet's perspective. A buyer might consider something smaller. The voice adjustment is not conservative, but a buyer might also make a much larger adjustment.

As you can see, the valuation is a range, and I would expect a neutral buyer to offer to buy the company at a price somewhere in this range. However, in your case, a buyer might make a far harsher adjustments for cable TV or voice and use such adjustments to offer even less. The adjustments above are reasonable adjustments, but they are not the only way to look at cable TV and voice.

Another way to look at a valuation is to look at the valuation in terms of potential sales price per customer. I estimate that as of the end of this year, Windomnet will likely have around 2,293 broadband customers. Using the above valuation range produces a potential sales price of \$2,409 per customer for the low valuation and \$2,580 for the high valuation.

How do these customer values compare to other sales in the sector? Tiny rural cable systems have been selling for as low as \$500 per customer. Valuations for suburban fiber providers might sell for prices in the same range of \$4,000 to \$5,000 per customer. Large urban fiber systems have been going for as much as \$8,000 per customer. Some of the current public sales, like the T-Mobile purchase of Metronet, are showing huge values per purchased customer, but it's clear that T-Mobile is paying for more than just the existing customer base.

What to Do With This Valuation

You must always recognize that the motivations of a buyer might drive them to offer a purchase price outside of the range I am suggesting. If a buyer thinks that purchasing you is key to their long-term strategy, they might offer a premium price. A buyer who is intrigued, but not highly motivated might make an offer at a substantial discount. Some buyers are only looking for bargains.

Buyers don't always go through the same process as this valuation, which considers market multiples and adjustments to EBITDA. It's common for a buyer to rely on an evaluation of their banker, who gives them a top number the bank is willing to finance. That number might have less to do with Windomnet and more to do with the existing debt structure of the buyer. Nobody who uses debt financing is ever going to offer more than their banker is willing to fund.

Even buyers who look at the evaluation traditionally can come to a very different conclusion. They might assume a higher or lower market multiples. There is a lot of room to look at the adjustments for cable TV and voice in very different ways. I would not be shocked to see a buyer who makes only minor adjustments for voice.

I've done a lot of evaluations related to the sale of a business. I did a valuation for a municipal fiber network where the offer was within \$100,000 of the mid-range of my valuation. But I've also done valuations where offers came in substantially higher or lower

than my valuation. Recall at the beginning of the report I said that the valuation was based on what a neutral buyer should offer for the business. There are no neutral buyers. Everybody thinking of buying your business has their own motivations, which you will likely never understand. Buyers have their own issues with cash flow and borrowing limits, which are unrelated to the purchase.

What happens if you get an offer far below what I am suggesting? You might think about showing a buyer this evaluation, but that could just as easily drive them to offer even less since they might increase the adjustments they make to cable and telephone.

Believe it or not, when buyers and sellers are far apart, closing the gap often comes down to old-fashioned horse-trading. Buyer and sellers often go through multiple rounds of making counteroffers until they hit a number that satisfies both parties. Don't feel constrained from making counteroffers – it's part of the sales process.

Agreement for Professional Services

This Agreement is effective as of February 3, 2026, between City of Windom (Client) and Short Elliott Hendrickson Inc. (Consultant).

This Agreement authorizes and describes the scope, schedule, and payment conditions for Consultant's work on the Project described as: **2026 Apron Reconstruction**

Client's Authorized Representative: Steve Nasby

Address: 444 9th Street, Windom, Minnesota 56101, United States

Telephone: _____ **Email:** steve.nasby@windommn.com

Project Manager: Lindsay Reidt

Address: 3535 Vadnais Center Drive, St. Paul, Minnesota 55110

Telephone: 7633704055 **Email:** lreidt@sehinc.com

Scope: The Basic Services to be provided by Consultant as set forth herein are provided subject to the attached General Conditions of the Agreement for Professional Services (General Conditions Rev. 05.15.22), which is incorporated by reference herein and subject to Exhibits attached to this Agreement.
See Attachment A1

Schedule:
See Attachment A1

Payment:
The lump sum fee is \$45,400 including expenses and equipment.

This Agreement for Professional Services, attached General Conditions, Exhibits and any Attachments (collectively referred to as the "Agreement") supersedes all prior contemporaneous oral or written agreements and represents the entire understanding between Client and Consultant with respect to the services to be provided by Consultant hereunder. In the event of a conflict between the documents, this document and the attached General Conditions shall take precedence over all other Exhibits unless noted below under "Other Terms and Conditions". The Agreement for Professional Services and the General Conditions (including scope, schedule, fee and signatures) shall take precedence over attached Exhibits. This Agreement may not be amended except by written agreement signed by the authorized representatives of each party.

Other Terms and Conditions: Other or additional terms contrary to the General Conditions that apply solely to this project as specifically agreed to by signature of the Parties and set forth herein:
None.

Short Elliott Hendrickson Inc.

City of Windom

By: 

By: _____

Full Name: Shawn McMahon

Full Name: _____

Title: Principal

Title: _____

Exhibit A-2

Payments to Consultant for Services and Expenses Using the Lump Sum Basis Option

The Agreement for Professional Services is amended and supplemented to include the following agreement of the parties:

A. Lump Sum Basis Option

The Client and Consultant select the Lump Sum Basis for Payment for services provided by Consultant. During the course of providing its services, Consultant shall be paid monthly based on Consultant's estimate of the percentage of the work completed. Necessary expenses and equipment are provided as a part of Consultant's services and are included in the initial Lump Sum amount for the agreed upon Scope of Work. Total payments to Consultant for work covered by the Lump Sum Agreement shall not exceed the Lump Sum amount without written authorization from the Client.

The Lump Sum amount includes compensation for Consultant's services and the services of Consultant's Consultants, if any for the agreed upon Scope of Work. Appropriate amounts have been incorporated in the initial Lump Sum to account for labor, overhead, profit, expenses and equipment charges. The Client agrees to pay for other additional services, equipment, and expenses that may become necessary by amendment to complete Consultant's services at their normal charge out rates as published by Consultant or as available commercially.

B. Expenses Not Included in the Lump Sum

The following items involve expenditures made by Consultant employees or professional consultants on behalf of the Client and shall be paid for as described in this Agreement

1. Expense of overtime work requiring higher than regular rates, if authorized in advance by the Client.
2. Other special expenses required in connection with the Project.
3. The cost of special consultants or technical services as required. The cost of subconsultant services shall include actual expenditure plus 10% markup for the cost of administration and insurance.

The Client shall pay Consultant monthly for expenses not included in the Lump Sum amount.

General Conditions

SECTION I – SERVICES OF CONSULTANT

A. General

1. Consultant agrees to perform professional services as set forth in the Agreement ("Services"). Nothing contained in this Agreement shall create a contractual relationship with or a cause of action in favor of a third party against either the Client or the Consultant. The Consultant's services under this Agreement are being performed solely for the Client's benefit, and no other party or entity shall have any claim against the Consultant because of this Agreement or the performance or nonperformance of services hereunder.

B. Schedule

1. Unless specific periods of time or dates for providing services are specified, Consultant's obligation to render Services hereunder will be for a period which may reasonably be required for the completion of said Services.
2. If Client has requested changes in the scope, extent, or character of the Project or the Services to be provided by Consultant, the time of performance and compensation for the Services shall be adjusted equitably. The Client agrees that Consultant is not responsible for damages arising directly or indirectly from delays beyond Consultant's control. If the delays resulting from such causes increase the cost or the time required by Consultant to perform the Services in accordance with professional skill and care, then Consultant shall be entitled to an equitable adjustment in schedule and compensation.

C. Additional Services

1. If Consultant determines that any services it has been directed or requested to perform are beyond the scope as set forth in the Agreement or that, due to changed conditions or changes in the method or manner of administration of the Project, Consultant's effort required to perform its services under this Agreement exceeds the stated fee for the Services, then Consultant shall promptly notify the Client regarding the need for additional Services. Upon notification and in the absence of a written objection, Consultant shall be entitled to additional compensation for the additional Services and to an extension of time for completion of additional Services absent written objection by Client.
2. Additional Services, including delivery of documents, or information not expressly included as deliverables, shall be billed in accord with agreed upon rates, no less than Consultant's standard rates.
3. The Consultant shall not be required to sign any documents, no matter by whom requested, that require a certification, guarantee, or warranty of conditions not fully known to be true or accurate by the Consultant, or that would impose liability beyond the scope of this Agreement. The Client also agrees not to make resolution of any dispute with the Consultant or payment of any amount due to the Consultant in any way contingent upon the Consultant's signing any such certification, guarantee, or warranty.

D. Suspension and Termination

1. If Consultant's services are delayed or suspended in whole or in part by Client, or if Consultant's services are delayed by actions or inactions of others for more than 60 days through no fault of Consultant, then Consultant shall be entitled to either terminate its agreement upon seven days written notice or, at its option, accept an equitable adjustment of compensation provided for elsewhere in this Agreement to reflect costs incurred by Consultant.
2. This Agreement may be terminated by either party upon seven days written notice should the other party fail substantially to perform in accordance with its terms through no fault of the party initiating the termination.
3. This Agreement may be terminated by either party upon thirty days' written notice without cause. All provisions of this Agreement allocating responsibility or liability between the Client and Consultant shall survive the completion of the Services hereunder and/or the termination of this Agreement.
4. In the event of termination, Consultant shall be compensated for Services performed prior to termination date, including charges for expenses and equipment costs then due and all termination expenses.

SECTION II – CLIENT RESPONSIBILITIES

A. General

1. The Client shall, in proper time and sequence and where appropriate to the Project, at no expense to Consultant, provide full information as to Client's requirements for the Services provided by Consultant and access to all public and private lands required for Consultant to perform its Services.
2. Client shall provide its own legal, accounting, financial and insurance counseling, and other special services as may be required for the Project. Client shall provide to Consultant all data (and professional interpretations thereof) prepared by or services performed by others pertinent to Consultant's Services, such as previous reports; sub-surface explorations; laboratory tests and inspection of samples; environmental assessment and impact statements, surveys, property descriptions; zoning; deeds; and other land use restrictions; as-built drawings; and electronic databases and maps. The costs associated with correcting, creating or recreating any data that is provided by the Client that contains inaccurate or unusable information shall be the responsibility of the Client.

3. Client shall provide written notice to Consultant within seven (7) days of when the Client observes or otherwise becomes aware of any changes in the Project or any defect or alleged defect in Consultant's Services. Client shall examine all studies, reports, sketches, opinions of construction costs, specifications, drawings, proposals, change orders, supplemental agreements, and other documents presented by Consultant within ten (10) business days of receipt and render the necessary decisions and instructions in writing so that Consultant may provide Services in a timely manner. Client's failure to provide timely notice of defects or timely review and approval shall constitute a waiver of any claims related to such defects or delays caused by late review.
4. Client shall require all utilities with facilities within the Project site to locate and mark said utilities upon request, relocate and/or protect said utilities to accommodate work of the Project, submit a schedule of the necessary relocation/protection activities to the Client for review, and comply with agreed upon schedule. Consultant shall not be liable for damages which arise out of Consultant's reasonable reliance on the information or services furnished by utilities to Client or others hired by Client.
5. Consultant shall be entitled to rely on the accuracy and completeness of information or services furnished by the Client or others directed or hired by the Client and shall not be liable for damages arising from reasonable reliance on such materials. Consultant shall promptly notify the Client if Consultant discovers that any information or services furnished by the Client is in error or is inadequate for its purpose. Consultant shall not be held responsible for any errors or omissions that may arise as a result of erroneous or incomplete information provided by the Client or others directed or hired by the Client.
6. Client agrees to reasonably cooperate, when requested, to assist Consultant with the investigation and addressing of any complaints made by Consultant's employees related to inappropriate or unwelcomed actions regarding the Project. This shall include, but not be limited to, providing access to Client's employees for Consultant's investigation, attendance at hearings, responding to inquiries and providing full access to Client files and information related to Consultant's employees, if any. Client agrees that Consultant retains the absolute right to remove any of its employees from Client's facilities if Consultant, in its sole discretion, determines such removal is advisable. Consultant, likewise, agrees to reasonably cooperate with Client with respect to the foregoing in connection with any complaints made by Client's employees.

SECTION III – PAYMENTS

A. Invoices

1. Undisputed portions of invoices are due and payable within 30 days. Client must notify Consultant in writing of any disputed items within 15 days from receipt of invoice. Amounts due Consultant will be increased at the rate of 1.0% per month (or the maximum rate of interest permitted by law, if less) for invoices 30 days past due. Consultant reserves the right to suspend performance of Services and to retain deliverables and Instruments of Service until all invoices are paid in full. Consultant will not be liable for any claims of loss, delay, or damage by Client for reason of suspending Services or withholding deliverables or Instruments of Service until all invoices are paid in full, and Client shall be responsible for any additional costs incurred by Consultant due to such suspension and subsequent remobilization. Consultant will not be liable for any claims of loss, delay, or damage by Client for reason of withholding Services, deliverables, or Instruments of Service until all invoices are paid in full. Consultant shall be entitled to recover all reasonable costs and disbursements, including reasonable attorney's fees, incurred in connection with collecting amounts owed by Client.
2. Should taxes, fees or costs be imposed, they shall be in addition to Consultant's agreed upon compensation.
3. Notwithstanding anything to the contrary herein, Consultant may pursue collection of past due invoices without the necessity of any mediation proceedings.

SECTION IV – GENERAL CONSIDERATIONS

A. Standards of Performance

1. The standard of care for all professional engineering and related services performed or furnished by Consultant under this Agreement will be the care and skill ordinarily exercised by members of Consultant's profession practicing under similar circumstances at the same time and in the same locality. Consultant makes no warranties, express or implied, under this Agreement or otherwise, in connection with its Services.
2. Consultant neither guarantees the performance of any Contractor nor assumes responsibility for any Contractor's failure to furnish and perform the work in accordance with its construction contract or the construction documents prepared by Consultant. Client acknowledges Consultant will not direct, supervise or control the work of construction contractors or their subcontractors at the site or otherwise. Consultant shall have no authority over or responsibility for the contractor's acts or omissions, nor for its means, methods, or procedures of construction. Consultant's Services do not include review or evaluation of the Client's, contractor's or subcontractor's safety measures, or job site safety or furnishing or performing any of the Contractor's work. Site Safety is the responsibility of the contractor.

3. Consultant's Opinions of Probable Construction Cost are provided if agreed upon in writing and made on the basis of Consultant's experience and qualifications. Consultant has no control over the cost of labor, materials, equipment or service furnished by others, or over the Contractor's methods of determining prices, or over competitive bidding or market conditions. Consultant cannot and does not guarantee that proposals, bids or actual construction cost will not vary from Opinions of Probable Construction Cost prepared by Consultant. If Client wishes greater assurance as to construction costs, Client shall employ an independent cost estimator.

B. Environmental Issues

1. Consultant is not a user, generator, handler, operator, arranger, storer, transporter, or disposer of hazardous or toxic substances. Therefore the Client agrees to hold harmless, indemnify, and defend Consultant and Consultant's officers, directors, subconsultant(s), employees and agents from and against any and all claims; losses; damages; liability; and costs, including but not limited to costs of defense, arising out of or in any way connected with, the presence, discharge, release, or escape of hazardous or toxic substances, pollutants or contaminants of any kind at the site.
2. Client agrees that it will waive any claim against Consultant related to severe weather events that exceed those addressed by existing codes and standards. Consultant's sole liability will be based on actual damages to the extent caused by Consultant's failure to meet applicable codes. Notwithstanding the above, the Parties agree that, as the Project progresses, such codes or standards may change or the applicability of such codes or standards may vary from Consultant's original interpretation through no fault of Consultant and that additional costs necessary to conform to such changes or interpretations after execution of this Agreement may be subject to an equitable adjustment in Consultant's compensation and schedule.
3. If hazardous substances are found on the project site, then Consultant may stop work until Client has remediated the site.

C. Limitations on Liability

1. To the fullest extent permitted by law, Consultant's total liability to Client for any and all claims, losses, or damages arising out of or related to this Agreement or the Project, whether based on negligence, errors, omissions, strict liability, breach of contract, or warranty, shall not exceed the lesser of (i) the total compensation paid to Consultant under this Agreement or (ii) \$500,000. If Client requests higher limits, such change must be agreed to in writing, and Consultant's fee shall increase by at least 1% for each additional \$500,000 of liability, up to a maximum limit of \$5,000,000.
2. To the extent permitted by applicable law, neither Party shall be liable to the other for consequential damages, including without limitation lost rentals; increased rental expenses; loss of use; loss of income; lost profit, financing, business, or reputation; and loss of management or employee productivity, incurred by one another or their subsidiaries or successors, regardless of whether such damages are foreseeable and are caused by unforeseen severe weather events, breach of contract, willful misconduct, negligent act or omission, or other wrongful act of either of them. Consultant expressly disclaims any duty to defend Client for any alleged actions or damages.
3. It is intended by the parties to this Agreement that Consultant's Services shall not subject Consultant's employees, officers or directors to any personal legal exposure for the risks associated with this Agreement. The Client agrees that as the Client's sole and exclusive remedy, any claim, demand or suit shall be directed and/or asserted only against Consultant, and not against any of Consultant's individual employees, officers or directors, and Client knowingly waives all such claims against Consultant individual employees, officers or directors.
4. Causes of action between the parties to this Agreement pertaining to acts or failures to act shall be deemed to have accrued, and the applicable statutes of limitations shall commence to run, not later than the earliest of: (a) the date of Substantial Completion for acts or failures to act occurring prior to Substantial Completion; (b) the date of issuance of Consultant's final invoice for acts or failures to act occurring after Substantial Completion; or (c) the date when Consultant's Services are substantially completed. The parties acknowledge that this provision may shorten the time period otherwise available under applicable law for bringing claims, and each party knowingly and voluntarily agrees to this shortened limitations period. This provision shall not apply to claims for fraud, willful misconduct, or intentional misrepresentation. Notwithstanding the foregoing, in no event shall any claim be brought more than two (2) years after the cause of action has accrued as defined herein, regardless of when the injury or damage is discovered.
5. The parties agree, to the fullest extent permitted by law, to waive any and all rights against each other and any of their contractors, subcontractors, consultants, subconsultants, construction managers, owner's representatives, employees, directors, officers, agents and assigns for any and all damages, including without limitation bodily injury, death, damage to real and personal property, and all consequential damages including delay and lost profits covered by any insurance applicable to the Project or the site upon which the Project is located.

D. Assignment

1. Aside from Consultant's assignment of amounts owed under this Agreement, neither party to this Agreement shall transfer, sublet or assign any rights under,

or interests in, this Agreement or claims based on this Agreement without the prior written consent of the other party. Any assignment in violation of this subsection shall be null and void.

2. Parties acknowledge that Consultant has subsidiaries or affiliates that hold necessary registrations, certifications or special skills or resources that may be needed for the proper performance of the Services. Consultant may subcontract or assign all or part of the Services to any of its subsidiaries or affiliates; provided, however, that Consultant shall remain liable for the performance, obligations and responsibilities of such services under this Agreement.

E. Dispute Resolution

1. Any dispute between Client and Consultant arising out of or relating to this Agreement or the Services (except for unpaid invoices which are governed by Section III) shall be submitted to mediation as a precondition to litigation unless the parties mutually agree otherwise in writing.
2. The Client shall make no claim for professional negligence, either directly or by way of a cross complaint against the Consultant unless the Client has first provided the Consultant with a written certification executed by an independent consultant currently practicing in the same discipline as the Consultant and licensed in the State in which the Project is located. This certification shall: a) contain the name and license number of the certifier; b) specify the acts or omissions that the certifier contends are not in conformance with the standard of care for a consultant performing professional services under similar circumstances; and c) state in detail the basis for the certifier's opinion that such acts or omissions do not conform to the standard of care.
3. Any dispute not settled through mediation shall be settled through litigation in the state and county where the Project at issue is located.

SECTION V – INTELLECTUAL PROPERTY

A. Proprietary Information

1. All documents, including reports, drawings, calculations, specifications, CADD materials, computers software or hardware or other work product prepared by Consultant pursuant to this Agreement are Consultant's Instruments of Service ("Instruments of Service"). Consultant retains all ownership interests in Instruments of Service, including all available copyrights.
2. Notwithstanding anything to the contrary, Consultant shall retain all of its rights in its proprietary information including without limitation its methodologies and methods of analysis, ideas, concepts, expressions, inventions, know how, methods, techniques, skills, knowledge, and experience possessed by Consultant prior to, or acquired by Consultant during, the performance of this Agreement and the same shall not be deemed to be work product or work for hire and Consultant shall not be restricted in any way with respect thereto. Consultant shall retain full rights to electronic data and the drawings, specifications, including those in electronic form, prepared by Consultant and its subconsultants and the right to reuse component information contained in them in the normal course of Consultant's professional activities.

B. Client Use of Instruments of Service

1. Provided that Consultant has been paid in full for its Services, Client shall have the right in the form of a nonexclusive license to use Instruments of Service delivered to Client exclusively for purposes of constructing, using, maintaining, altering and adding to the Project. Consultant shall be deemed to be the author of such Instruments of Service, electronic data or documents, and shall be given appropriate credit in any public display of such Instruments of Service.
2. Records requests or requests for additional copies of Instruments of Services outside of the scope of Services, including subpoenas directed from or on behalf of Client are available to Client subject to Consultant's current rate schedule. Consultant shall not be required to provide CADD files or documents unless specifically agreed to in writing as part of this Agreement.

C. Reuse of Documents

1. All Instruments of Service prepared by Consultant pursuant to this Agreement are not intended or represented to be suitable for reuse by the Client or others on extensions of the Project or on any other Project. To the extent permitted by law, any reuse of the Instruments of Service without written consent or adaptation by Consultant for the specific purpose intended will be at the Client's sole risk and without liability or legal exposure to Consultant; and the Client shall release Consultant from all claims arising from such use. Client shall also defend, indemnify, and hold harmless Consultant from all claims, damages, losses, and expenses including attorneys' fees arising out of or resulting from reuse of Consultant documents without written consent.

ATTACHMENT A1

Windom Municipal Airport (MWM)

2026 Apron Reconstruction

Scope of Work

(Engineer's Design Report, Final Design, Plans and Specifications, and Bidding)

PROJECT SCOPE:

This project consists of reconstructing the general aviation apron (approx. 90,000 sq ft). The apron was last reconstructed in 2005. The 2024 PCI shows the Apron condition as "Very Poor", with a PCI of 27. Pavement reconstruction is recommended approximately every 20 years, and as a result, the apron is at the end of its useful life. Reconstructing the apron's pavement will allow safe and usable pavement for the next 20 years.

The apron is forecasted to be 19.4 at the time of reconstruction (planned for 2026). The pavement is currently experiencing large cracking throughout the entire apron. Cracks in the apron are in excess of 2 to 3 inches wide which indicates a base failure. Since the pavement is exhibiting signs of a base failure, we are recommending full reconstruction of the pavement.

For this project, the entire apron is expected to be removed or reclaimed, graded, and paved, as shown in Figure 1. The project will require temporary closure of the apron. The project will be phased to provide runway access at all times. There will be no impacts to the runway, taxiways, or hangar area. Impacts to the use of the fuel system will be minimized through phasing. The closures and limited access will be coordinated with the airport around their schedule.



Figure 1: 2026 Apron Reconstruction

SCOPE OF SERVICES:

Services to be provided include program coordination, project formulation, engineer's design report, final design, bidding services, subcontractor coordination, and project management. Deliverables will include final plans and specifications for a 2026 construction project. (Construction observation, administration services, and closeout report are NOT included in this scope.)

Specific tasks to be performed by the Consultant are as follows:

1. Scoping, Review and Project Coordination: Detailed project scoping, including review and coordination with MnDOT, FAA, and other regulatory agencies. Update scope, as needed, based on input received.
2. Project Formulation: Completion of the project and grant pre-application, cost breakdowns and eligibility determinations. The required categorical exclusion (CATEX) checklist and letter will also be submitted to the FAA for approval.
3. Engineer's Design Report (EDR): An engineer's design report will be completed per FAA requirements. An initial draft version of the EDR will be completed and sent to the FAA for review and comments. Comments provided by the FAA will be addressed and resubmitted as the final design report.
4. Topographical Survey: A comprehensive field survey will be completed to obtain topographical information including existing equipment and relevant ground elevations.
5. Construction Safety Plan/Airspace Analysis: A construction safety and phasing plan will be prepared for the Project and submitted to the FAA. A safety plan and compliance document form and an airspace analysis during construction will be submitted with the safety plan.
6. Detailed Design: Detailed design includes the apron design, drainage, pavement design, typical sections, and tie-down layout.
7. Construction Plans: Prepare construction drawings consisting of approximately the following plan sheets:
 - Title sheet
 - Construction Safety Plan
 - Construction Phasing Plan
 - Statement of Estimated Quantities
 - Details, Standard Plates, and Construction Notes
 - Demolition Plan
 - Erosion Control Plan and Details
 - Typical Section(s)
 - SWPPP
 - Site Plan Drawings
 - Plan and Profile Drawings
 - Tie-down Layout and Details
 - Pavement Marking Plan
8. Quantity Calculations and Cost Estimates: Quantities will be calculated for use on the bid form and for updating the construction cost estimates.
9. Construction Bidding Documents: Prepare a bid proposal project manual consisting of advertisement for bids, table of contents, MnDOT / FAA requirements, proposal documents, specifications, special provisions, wage rates and schedule of prices.
10. Quality Control Review: Provide quality control review and final review of the plans and specifications. QA/QC includes the time required by the Consultant for the overall administration

of the project, including internal meetings; quality control and assurance; reviews; and coordination with the Owner, FAA, MnDOT, and other regulatory agencies and utilities.

11. Bidding and Award: Respond to questions from prospective bidders and issue addenda as needed. Assist the sponsor with obtaining construction bids for project, including arranging for bid advertisement, attending bid opening and tabulating bid results. Provide a recommendation of award of contractor to the Sponsor and assist with requesting an FAA and State grant for the project.
12. Subcontractor Coordination: Scheduling, coordination, project site escorting, and review of subcontractor deliverables, including subcontracts, reports and design data.
13. Project Management: Overall administration of the project, including internal and external meetings, coordination of plan and specification review with the Owner, MnDOT Office of Aeronautics, FAA, and other regulatory agencies as required.

Sub-consultants performing work under this proposal include the following:

1. Braun Intertec. Standard penetration soil borings, and a geotechnical analysis will be performed by Braun Intertec, of St. Cloud, Minnesota.

PROJECTED SUBMITTAL DATES:

The anticipated submittal dates are:

February 2026	Consideration of Design Proposal
February 2026	90% FAA Submittal
April 2026	Bid Opening
April 2026	Contract Award Recommendation
May 1, 2026	Final Grant Request Application Submittal to FAA

ESTIMATED FEES AND EXPENSES - FAA ELIGIBLE
ATTACHMENT B1
2026 APRON RECONSTRUCTION
FINAL DESIGN, PLANS, SPECIFICATIONS, AND BIDDING
WINDOM MUNICIPAL AIRPORT

Task No.	Task Description	Project Manager	Project Engineer	Senior Technician	Survey Crew Chief	Administrative Assistant
1.	Scoping, Review, and Project Coordination	1	1			1
2.	Project Formulation	1	1			
3.	Engineer's Design Report (EDR)	1	5			
4.	Topographical Survey		8		12	
5.	Construction Safety Plan/Airspace Analysis	1	4	4		
6.	Detailed Design	2	25	4		
7.	Construction Plans	2	40	20		
8.	Quantity Calculations and Cost Estimates	1	4	1		
9.	Construction Bidding Documents	2	6	1		1
10.	Quality Control Review	4	4			2
11.	Bidding and Award	2	4			
12.	Subcontractor Coordination	2	4			2
13.	Project Management	6	4			2
	Total Hours per Labor Category	25	110	30	12	8

ESTIMATE OF LABOR COSTS:

Labor Category	Hours	Rate	Extension
Principal Engineer	25	\$84.69	\$2,117.25
Project Engineer	110	\$48.64	\$5,350.40
Senior Technician	30	\$49.93	\$1,497.90
Survey Crew Chief	12	\$44.88	\$538.56
Administrative Assistant	8	\$36.62	\$292.96
Total Direct Labor Costs:	185		\$9,797.07
General, Salary, and Administrative Overhead			\$18,720.24
Total Labor Costs			\$28,517.31

Fixed Fee on Labor Costs (15%)

\$4,277.60

ESTIMATE OF EXPENSES:

Direct Expenses	Quantity	Rate	Extension
Survey Equipment (GPS)	12	\$45.00	\$540.00
Survey Van	12	\$7.50	\$90.00
Employee Mileage	500	\$0.725	\$362.50
Equipment Usage	185	\$6.00	\$1,110.00
Geotechnical Investigation (Braun Intertec)	1	\$10,373.00	\$10,373.00
Reproductions / Miscellaneous	1	\$100.00	\$100.00
Total Expenses			\$12,575.50

SUMMARY:

Total Labor Costs + Expenses + Fixed Fees

\$45,370.41

Estimated Total

\$45,400.00

January 28, 2026

Proposal 10006596_001

Lindsay Reidt, PE
Short Elliott Hendrickson, Inc.
3535 Vadnais Center Drive
St. Paul, MN 55110

Re: Proposal for a Geotechnical Evaluation
Apron Reconstruction
Windom Municipal Airport
48572 County Road 28
Windom, Minnesota

Dear Ms. Reidt:

Braun Intertec Corporation (Braun Intertec) submits this proposal to complete a geotechnical evaluation for the Apron Reconstruction project at the referenced site.

Project Information

Per our correspondence with you, the project will include reconstruction of the apron at the Windom Municipal Airport. The apron to be reconstructed is currently bituminous surfaced and 89,348 square feet. We understand the new pavements will be designed in accordance with Federal Aviation Association (FAA) design and construction standards for aircrafts less than 60,000 pounds. The locations of the cores and soil borings will be surveyed and staked by Short Elliott Hendrickson, Inc. (SEH) prior to our field work.

Purpose

The purpose of our geotechnical evaluation will be to characterize subsurface geologic conditions at selected exploration locations, evaluate their impact on the project, and provide geotechnical recommendations for the design and reconstruction of the apron.

Scope of Services

We propose the following tasks to help achieve the stated purpose. If we encounter unfavorable or unforeseen conditions during the completion of our tasks that lead us to recommend an expanded scope of services, we will contact you to discuss the conditions before resuming our services.



Site Access

Based on aerial photographs, the borings are accessible to a truck-mounted drill rig or track-mounted GeoProbe drill rig. We understand SEH will coordinate with the airport to ensure any required Notice to Airmen (NOTAM) is in place while field work is conducted. Our drill crew will attach an orange and white checkered flag to the top of our mast and have beacons on top of support vehicles while on the airfield.

We assume there will be no cause for delays in accessing the exploration locations. Depending on access requirements, ground conditions or potential utility conflicts, our field crew may alter the exploration locations from those proposed to facilitate accessibility.

Staking

We understand that SEH personnel will stake the boring locations prior to our arrival. We request the GPS coordinates and ground elevations at the borings be provided to aid in our preparation of our Geotechnical Evaluation Report.

Utility Clearance

Prior to drilling or excavating, we will contact Gopher State One Call and arrange for notification of the appropriate utility vendors to mark and clear the exploration locations of public underground utilities. You, or your authorized representative, are responsible to notify us before we begin our work of the presence and location of any underground objects or private utilities that are not the responsibility of public agencies.

We will not be liable for any damages resulting from unidentified or misidentified underground objects or utilities. Further, we reserve the right to stop work if underground objects or utilities are suspected or known to exist, but locations cannot be accurately determined.

Pavement Coring

We will core the bituminous pavement at each soil boring location prior to completing the borings. The cores will be extracted and visually evaluated. Thicknesses and pavement condition of the cores will be reported. Since water is required for our coring, this work will need to take place when temperatures are moderate (typically above freezing).

Penetration Test Borings

As requested, we will drill four standard penetration test borings within the core holes for the project, extending them each to a depth of 10 feet. We will perform standard penetration tests continuously in the upper 5 feet and at 2 1/2-foot vertical intervals at greater depths. If the borings encounter groundwater during or immediately after drilling of each boring, we will record the observed depth on the boring logs.

If the intended boring depths do not extend through unsuitable material, we will extend the borings at least 5 feet into suitable material at greater depths. We will contact you prior to increasing our total estimated drilled footage and submit a Change Order summarizing the anticipated additional effort and the associated cost, for your review and authorization.



MDH Sealing Record

Since our planned exploration will be less than 15 feet in depth, the Minnesota Statutes will not require that we complete any notifications or sealing records. If we extend any of the borings to a depth of 15 feet or greater, the Statutes requires that we seal the boreholes and complete a Sealing Record. If 25 feet or greater, the Statutes also require us to complete a Sealing Notification Form. If the Record or Form are required, we will contact you to discuss the additional fees and sealing requirements.

Borehole Abandonment

After completing the soil borings, the borings will be backfilled with cuttings and patched with a bituminous cold patch. Over time, subsidence of borehole backfill may occur, requiring releveling of surface grades or replacing bituminous patches. We are not assuming responsibility for releveling or re-patching after we complete our fieldwork.

Sample Review and Laboratory Testing

We will return recovered samples to our laboratory, where a geotechnical engineer will visually classify and log them. To help classify the materials encountered and estimate the engineering properties necessary to our analyses, we anticipate performing four moisture content tests, a mechanical analysis (through a #200 sieve only), an Atterberg limits test, a sieve hydrometer analysis, a standard Proctor test, and a California Bearing Ratio test. We will adjust the actual number and type of tests based on the results of our borings.

Engineering Analyses

We will use data obtained from the boring and laboratory tests to evaluate the subsurface profile and groundwater conditions, and to perform engineering analyses related to pavement design and performance.

Report

We will prepare a report including:

- A sketch showing the exploration locations.
- Logs of the soil borings describing the materials encountered and presenting the results of our groundwater measurements and laboratory tests.
- A summary of the subsurface profile and groundwater conditions.
- Discussion identifying the subsurface conditions that will impact design and construction.
- Discussion regarding the reuse of on-site materials during construction.
- Recommendations for preparing pavement subgrades, and the selection, placement, and compaction of fill.
- Recommended CBR value to aid in pavement design.



We will only submit an electronic copy of our report to you unless you request otherwise. At your request, we can also send the report to additional project team members.

Schedule

We anticipate performing our work according to the following schedule.

- Drill rig mobilization – within about 4 weeks following receipt of written authorization
- Field exploration – 1 day on site to complete the work
- Classification and laboratory testing – within 2 weeks after completion of field exploration
- Preliminary results – within 1 week after completion of field exploration
- Final report submittal – within 4 weeks after completion of field exploration

If we cannot complete our proposed scope of services according to this schedule due to circumstances beyond our control, we may need to revise this proposal prior to completing the remaining tasks.

Fees

We will furnish the services described in this proposal for a lump sum fee of \$10,373. Please note that our drilling/field services were budgeted to occur within our normal work hours of 7:00 a.m. to 4:00 p.m., Monday through Friday. If conditions occur that require us to work outside of these hours, we will request additional fees to cover our additional overtime costs.



General Remarks

We based the proposed fee on the scope of services described and the assumption that you will authorize our services within 30 days and that others will not delay us beyond our proposed schedule.

We will provide our services under the terms of our Master Subcontractor Agreement with Short Elliott Hendrickson, Inc., dated March 19, 2024. To accept this proposal and authorize us to proceed, please sign and return it to us in its entirety.

We appreciate the opportunity to present this proposal to you. We will be happy to meet with you to discuss our proposed scope of services further and clarify the various scope components.

To have questions answered or schedule a time to meet and discuss our approach to this project further, please contact Colin Anderson at 320.305.0628 or coanderson@braunintertec.com.

Sincerely,

Braun Intertec Corporation

Colin L. Anderson, PE
Project Engineer

Philip E. Bailey, PE
Associate Director, Senior Engineer

The proposal is accepted, and Braun Intertec is authorized to proceed.

Authorizer's Firm

Authorizer's Signature

Authorizer's Name (please print or type)

Authorizer's Title

Date

EXHIBIT B

FAA CONTRACT PROVISIONS

ACCESS TO RECORDS AND REPORTS

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

BREACH OF CONTRACT TERMS

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

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

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

GENERAL CIVIL RIGHTS PROVISIONS

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

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

The above provision binds the Consultant and subcontractors from the bid solicitation period through the completion of the contract.

Title VI Solicitation Notice:

As a condition of a grant award, the Sponsor shall demonstrate that it complies with the provisions of Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d et seq) and implementing regulations (49 CFR part 21) including amendments thereto, the Airport and Airway Improvement Act of 1982 (49 U.S.C. § 47123), the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794 et seq.), the Americans with Disabilities Act of 1990 (42 U.S.C. § 12101, et seq.), U.S. Department of Transportation and Federal Aviation Administration (FAA) Assurances, and other relevant civil rights statutes, regulations, or authorities, including any amendments or updates thereto. This may include, as applicable, providing a current Title VI Program Plan to the FAA for approval, in the format and according to the timeline required by the FAA, and other information about the communities that will be benefited and impacted by the project. A completed FAA Title VI Pre-Grant Award Checklist is required for every grant application, unless excused by the FAA. The Sponsor shall affirmatively ensure

that when carrying out any project supported by this grant that it complies with all federal nondiscrimination and civil rights laws based on race, color, national origin, sex, creed, age, disability, genetic information, in consideration for federal financial assistance. The Department's and FAA's Office of Civil Rights may provide resources and technical assistance to recipients to ensure full and sustainable compliance with Federal civil rights requirements. Failure to comply with civil rights requirements will be considered a violation of the agreement or contract and be subject to any enforcement action as authorized by law.

Title VI List of Pertinent Nondiscrimination Acts and Authorities

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

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.*, 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR Part 21 (Non-discrimination in Federally-Assisted programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964) including amendments thereto;
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794 *et seq.*), as amended (prohibits discrimination on the basis of disability); and 49 CFR part 27 (Nondiscrimination on the Basis of Disability in Programs or Activities Receiving Federal Financial Assistance);
- The Age Discrimination Act of 1975, as amended (42 U.S.C. § 6101 *et seq.*) (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982 (49 U.S.C. § 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987 (P.L. 100-259) (broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. § 12101, *et seq.*) (prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities) as implemented by U.S. Department of Transportation regulations at 49 CFR Parts 37 and 38;
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. § 1681, *et seq.*).

Compliance with Nondiscrimination Requirements:

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

1. **Compliance with Regulations:** The Contractor (hereinafter includes consultants) will comply with the Title VI List of Pertinent Nondiscrimination Acts and Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.
2. **Nondiscrimination:** The Contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, national origin, creed, sex, age, or disability in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The Contractor will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including

employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR part 21 including amendments thereto.

3. **Solicitations for Subcontracts, including Procurements of Materials and Equipment:** In all solicitations, either by competitive bidding or negotiation made by the Contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the Contractor of the contractor's obligations under this contract and the Nondiscrimination Acts and Authorities on the grounds of race, color, or national origin.
4. **Information and Reports:** The Contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Sponsor or the Federal Aviation Administration to be pertinent to ascertain compliance with such Nondiscrimination Acts and Authorities and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish the information, the Contractor will so certify to the Sponsor or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.
5. **Sanctions for Noncompliance:** In the event of a Contractor's noncompliance with the non-discrimination provisions of this contract, the Sponsor will impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to:
 - a. Withholding payments to the Contractor under the contract until the Contractor complies; and/or
 - b. Cancelling, terminating, or suspending a contract, in whole or in part.
6. **Incorporation of Provisions:** The Contractor will include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations, and directives issued pursuant thereto. The Contractor will take action with respect to any subcontract or procurement as the Sponsor or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the Contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the Contractor may request the Sponsor to enter into any litigation to protect the interests of the Sponsor. In addition, the Contractor may request the United States to enter into the litigation to protect the interests of the United States.

CLEAN AIR AND WATER POLLUTION CONTROL

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

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

CONTRACT WORKHOURS AND SAFETY STANDARDS ACT REQUIREMENTS

1. Overtime Requirements.

No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic, including watchmen and guards, in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a

rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

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

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

3. Withholding for Unpaid Wages and Liquidated Damages.

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

4. Subcontractors.

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

CERTIFICATION OF OFFEROR/BIDDER REGARDING DEBARMENT

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

CERTIFICATION OF LOWER TIER CONTRACTORS REGARDING DEBARMENT

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

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

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

DISADVANTAGED BUSINESS ENTERPRISE

Contract Assurance (49 CFR § 26.13)

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

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

Prompt Payment (49 CFR § 26.29)

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

Termination of DBE Subcontracts (49 CFR § 26.53(f))

The prime contractor must not terminate a DBE subcontractor listed in response to the DBE program. (or an approved substitute DBE firm) without prior written consent of the City. This includes, but is not limited to, instances in which the prime contractor seeks to perform work originally designated for a DBE subcontractor with its own forces or those of an affiliate, a non-DBE firm, or with another DBE firm.

The prime contractor shall utilize the specific DBEs listed to perform the work and supply the materials for which each is listed unless the contractor obtains written consent. Unless consent is provided, the prime contractor shall not be entitled to any payment for work or material unless it is performed or supplied by the listed DBE.

The City may provide such written consent only if they agree for reasons stated in the concurrence document, that the prime contractor has good cause to terminate the DBE firm. For purposes of this paragraph, good cause includes the circumstances listed in 49 CFR § 26.53.

Before transmitting to the City its request to terminate and/or substitute a DBE subcontractor, the prime contractor must give notice in writing to the DBE subcontractor, with a copy to the city of its intent to request to terminate and/or substitute, and the reason for the request.

The prime contractor must give the DBE five days to respond to the prime contractor's notice and advise [Name of Recipient] and the contractor of the reasons, if any, why it objects to the proposed termination of its subcontract and why the City should not approve the prime contractor's action. If required in a particular case as a matter of public necessity (e.g., safety), the City may provide a response period shorter than five days.

In addition to post-award terminations, the provisions of this section apply to pre-award deletions of or substitutions for DBE firms put forward by offerors in negotiated procurements.

TEXTING WHEN DRIVING

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

In support of this initiative, the Owner encourages the Contractor to promote policies and initiatives for its employees and other work personnel that decrease crashes by distracted drivers, including policies that ban text messaging while driving motor vehicles while performing work activities associated with the project. The Contractor must include the substance of this clause in all sub-tier contracts exceeding \$15,000 that involve driving a motor vehicle in performance of work activities associated with the project.

PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT

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

FEDERAL FAIR LABOR STANDARDS ACT (FEDERAL MINIMUM WAGE)

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

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

CERTIFICATION REGARDING LOBBYING

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

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

grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

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

OCCUPATIONAL SAFETY AND HEALTH ACT OF 1970

All contracts and subcontracts that result from this solicitation incorporate by reference the requirements of 29 CFR Part 1910 with the same force and effect as if given in full text. The employer must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. The employer retains full responsibility to monitor its compliance and their subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR Part 1910). The employer must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

PROCUREMENT OF RECOVERED MATERIALS

Contractor and subcontractor agree to comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, and the regulatory provisions of 40 CFR Part 247. In the performance of this contract and to the extent practicable, the Contractor and subcontractors are to use products containing the highest percentage of recovered materials for items designated by the Environmental Protection Agency (EPA) under 40 CFR Part 247 whenever:

- 1) The contract requires procurement of \$10,000 or more of a designated item during the fiscal year; or
- 2) The contractor has procured \$10,000 or more of a designated item using Federal funding during the previous fiscal year.

The list of EPA-designated items is available at www.epa.gov/smm/comprehensive-procurement-guidelines-construction-products.

Section 6002(c) establishes exceptions to the preference for recovery of EPA-designated products if the contractor can demonstrate the item is:

- a) Not reasonably available within a timeframe providing for compliance with the contract performance schedule;
- b) Fails to meet reasonable contract performance requirements; or
- c) Is only available at an unreasonable price.

SEISMIC SAFETY

The Contractor agrees to ensure that all work performed under this contract, including work performed by subcontractors, conforms to a building code standard that provides a level of seismic safety substantially equivalent to standards established by the National Earthquake Hazards Reduction Program (NEHRP). Local building codes that model their code after the current version of the International Building Code (IBC) meet the NEHRP equivalency level for seismic safety.

CERTIFICATION OF OFFEROR/BIDDER REGARDING TAX DELINQUENCY AND FELONY CONVICTIONS

The applicant must complete the following two certification statements. The applicant must indicate its current status as it relates to tax delinquency and felony conviction by inserting a checkmark (ü) in the space following the applicable response. The applicant agrees that, if awarded a contract resulting from this solicitation, it will incorporate this provision for certification in all lower tier subcontracts.

Certifications

- 1) The applicant represents that it is (☐) is not (☒) a corporation that has any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability.
- 2) The applicant represents that it is (☐) is not (☒) a corporation that was convicted of a criminal violation under any Federal law within the preceding 24 months.

Note

If an applicant responds in the affirmative to either of the above representations, the applicant is ineligible to receive an award unless the Sponsor has received notification from the agency suspension and debarment official (SDO) that the SDO has considered suspension or debarment and determined that further action is not required to protect the Government's interests. The applicant therefore must provide information to the owner about its tax liability or conviction to the Owner, who will then notify the FAA Airports District Office, which will then notify the agency's SDO to facilitate completion of the required considerations before award decisions are made.

Term Definitions

Felony conviction: Felony conviction means a conviction within the preceding twenty four (24) months of a felony criminal violation under any Federal law and includes conviction of an offense defined in a section of the U.S. Code that specifically classifies the offense as a felony and conviction of an offense that is classified as a felony under 18 USC § 3559.

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

TERMINATION FOR CONVENIENCE (PROFESSIONAL SERVICES)

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

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

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

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

TERMINATION FOR CAUSE (PROFESSIONAL SERVICES)

Either party may terminate this Agreement for cause if the other party fails to fulfill its obligations that are essential to the completion of the work per the terms and conditions of the Agreement. The party

initiating the termination action must allow the breaching party an opportunity to dispute or cure the breach.

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

- a) **Termination by Owner:** The Owner may terminate this Agreement for cause in whole or in part, for the failure of the Consultant to:
1. Perform the services within the time specified in this contract or by Owner approved extension;
 2. Make adequate progress so as to endanger satisfactory performance of the Project; or
 3. Fulfill the obligations of the Agreement that are essential to the completion of the Project.

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

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

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

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

- b) **Termination by Consultant:** The Consultant may terminate this Agreement for cause in whole or in part, if the Owner:
1. Defaults on its obligations under this Agreement;
 2. Fails to make payment to the Consultant in accordance with the terms of this Agreement;
 3. Suspends the project for more than [180] days due to reasons beyond the control of the Consultant.

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

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

TRADE RESTRICTION CERTIFICATION

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

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

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

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

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

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

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

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

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

VETERAN'S PREFERENCE

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

CERTIFICATION REGARDING DOMESTIC PREFERENCES FOR PROCUREMENTS

The Bidder or Offeror certifies by signing and submitting this bid or proposal that, to the greatest extent practicable, the Bidder or Offeror has provided a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including, but not limited to, iron, aluminum, steel, cement, and other manufactured products) in compliance with 2 CFR § 200.322.

PROHIBITION OF COVERED UNMANNED AIRCRAFT SYSTEMS (UAS)

The Bidder or Offeror certifies that they are aware of and comply with relevant Federal statutes and regulations, including those from the Federal Aviation Administration (FAA), for operating unmanned aircraft systems (UAS) in accordance, and in compliance with all related requirements in the FAA Reauthorization Act of 2024 (Public Law 118-63), section 936 (49 U.S.C. § 44801 note).

Contractor warrants that all UAS operations will be conducted in full compliance with all applicable Federal Aviation Administration (FAA) regulations, including but not limited to 14 CFR Part 107, and any other applicable local, state, or Federal laws and regulations.

Sponsors and subgrant recipients cannot use AIP grant funds to enter into, extend, or renew a contract related to covered unmanned aircraft systems (UAS). This includes both procurement and operational contracts, as well as contracts with entities that operate such systems.

INDEMNIFICATION, DEFENSE, HOLD HARMLESS, AND INSURANCE AGREEMENT

Date:

To:

City of Windom
444 9th Street
Windom, MN 56101

Re: CMSA Event – Windom Arena

Event Dates: August 5–8, 2026

Event: Cowboy Mounted Shooting Association (CMSA) Event

Occasion: 2026 Cottonwood County Fair

1. Consideration

In consideration of the City of Windom allowing the Cottonwood County Agricultural Society to use the Windom Arena and fairgrounds facilities for the CMSA event, the Cottonwood County Agricultural Society agrees to comply with all terms of this Agreement, including its obligations to defend, indemnify, and hold harmless the City of Windom.

2. Defense, Indemnification, and Hold Harmless

The Cottonwood County Agricultural Society ("Cottonwood County Ag Society") agrees to defend, indemnify, and hold harmless the City of Windom, its elected and appointed officials, officers, employees, agents, and volunteers from and against any and all claims, demands, causes of action, damages, losses, liabilities, judgments, costs, and expenses, including reasonable attorney's fees, arising out of or resulting from the CMSA event conducted at the Windom Arena during the 2026 Cottonwood County Fair, except to the extent caused by the sole negligence of the City of Windom.

3. Duty to Defend

The duty to defend shall include the obligation to provide and pay for a legal defense of the City of Windom for any claim, demand, or action arising from the CMSA event, regardless of whether such claim is groundless, false, or fraudulent, to the fullest extent permitted by Minnesota law.

4. Scope of Obligation

This obligation applies to claims arising from or related to acts or omissions of the Cottonwood County Ag Society, CMSA participants, competitors, volunteers, contractors, or spectators; horse-related activities, including riding, staging, warm-up, and competition; the use, handling, or discharge of CMSA-approved firearms utilizing blank ammunition; course design, setup, equipment, and event operations; and personal injury, bodily injury, death, or property damage occurring in connection with the event.

5. Insurance

5.1 Ag Society Coverage

The Cottonwood County Ag Society shall maintain general liability coverage through **MCIT - Minnesota Counties Intergovernmental Trust** for the duration of the CMSA event. The City of Windom shall be included as an Additional Insured for the event dates. Proof of coverage shall be provided upon request prior to the event.

5.2 CMSA Coverage

The Cowboy Mounted Shooting Association (CMSA) maintains separate liability insurance coverage for sanctioned CMSA events through its affiliated organizing entity, **Northern Plains Regulators**, applicable to CMSA-sanctioned mounted shooting activities conducted during the event period.

The Cottonwood County Agricultural Society shall require the CMSA to maintain commercial general liability insurance and to name the City of Windom as an Additional Insured, to the extent permitted by and available under the CMSA's insurance policy. Such additional insured status shall apply to claims arising out of or relating to the CMSA's activities, operations, or use of the fairgrounds.

If the CMSA's insurer limits, restricts, or conditions additional insured coverage, the Cottonwood County Agricultural Society's obligation under this Section shall be satisfied to the extent such coverage is available from the CMSA's insurer.

6. Compliance and Safety

The Cottonwood County Ag Society affirms that the event will be conducted in compliance with CMSA rules, certified Range Master oversight, controlled firearm handling procedures, designated spectator safety zones, and all applicable laws.

7. Survival

The obligations of defense, indemnification, and insurance shall survive the completion of the event and remain in effect for any claims arising therefrom.

SIGNATURES

City of Windom

By: _____

Name: _____

Title: _____

Date: _____

Cottonwood County Agricultural Society

By: _____

Name: _____

Title: _____

Date: _____



City of Windom Fire Department



TO WHOM IT MAY CONCERN,

WE HELD OUR ANNUAL ELECTION OF THE FIRE DEPARTMENT ON FEBRUARY 5, 2026. THE LISTED BELOW ARE THE RESULTS OF THAT ELECTION:

FIRE CHIEF

BEN DERICKSON

***HE HAS BEEN ON THE DEPARTMENT FOR OVER 17 YEARS

***HE IS FIRE FIGHTER 1 & 2 CERTIFIED

***HE IS IN GOOD STANDING IN THE COMMUNITY AND THE DEPARTMENT

***HE MADE 100% OF FIRE DRILLS, 100% OF FIRE CALLS, AND 100% OF MISC. EVENTS

FIRST ASSISTANT CHIEF

JORDAN BUSSA

***HE HAS BEEN ON THE DEPARTMENT FOR OVER 20 YEARS

***HE IS FIRE FIGHTER 1 & 2 CERTIFIED

***HE IS IN GOOD STANDING IN THE COMMUNITY AND THE DEPARTMENT

***HE MADE 100% OF FIRE DRILLS, 97% OF FIRE CALLS, AND 62% OF MISC. EVENTS

SECOND ASSISTANT CHIEF

BRENT REISDORFER

***HE HAS BEEN ON OUR DEPARTMENT FOR OVER 5 YEARS

***HE IS FIRE FIGHTER 1 & 2 CERTIFIED

***HE IS IN GOOD STANDING IN THE COMMUNITY AND THE DEPARTMENT

***HE MADE 83% OF FIRE DRILLS, 54% OF FIRE CALLS, AND 51% OF MISC. EVENTS

THIRD ASSISTANT CHIEF

KRISTEN PORATH

***SHE HAS BEEN ON THE DEPARTMENT FOR OVER 15 YEARS

***SHE IS FIRE FIGHTER 1 & 2 CERTIFIED

***SHE IS IN GOOD STANDING IN THE COMMUNITY AND THE DEPARTMENT

***SHE MADE 96% OF FIRE DRILLS, 72% OF FIRE CALLS, AND 55% OF MISC. EVENTS

THANKS

BEN DERICKSON

"Serving Windom and the Surrounding Rural Area Since 1885"
444 Ninth Street, P. O. Box 38, Windom, MN 56101-0038
507-831-6129 (Fax: 507-831-6127)

FIRE CONTRACT

Between City of Windom, MN and Windom Area Fire Protection District

This contract is entered into effective as of the 1st day of April, 2026 ("Anniversary Date") between the City of Windom, Cottonwood County, Minnesota, 444 9th Street, PO Box 38, Windom, MN, 56101, a public corporation ("City"), and Windom Area Fire Protection District, Cottonwood and Jackson Counties, Minnesota, 49474 343rd Street, Windom, MN 56101, a public corporation ("District").

In consideration of the mutual promises and agreements hereinafter set forth the parties do hereby agree as follows:

1. Fire Service. District agrees to purchase from City, and City agrees to provide District, the following fire services:

- | | |
|--|---|
| ☐ Structural Firefighting | ☐ Fire Scenes |
| ☐ External Structural Firefighting | ☐ Rescue Scenes |
| ☐ Interior Structural Firefighting | ☐ Hazardous Materials Response |
| ☐ Grass/Forest Firefighting | ☐ Disaster Response |
| ☐ General Firefighting | ☐ Confined Space Rescue |
| ☐ Vehicles & Equipment | ☐ High Level Rescue |
| ☐ Carbon Monoxide Calls | ☐ General Search & Rescue |
| ☐ Other Non-Structural Firefighting | ☐ Water Rescue |
| ☐ Vehicle & Equipment Extrication | ☐ *Ice and Cold Water |
| | ☐ *Swift Water Rescue |

The services indicated above are further explained, or limited, as follows:

a. Allocation of Resources. The parties understand the fire department officer in charge of the particular scene shall exercise judgment to determine, in consideration of all the established policies, guidelines, procedures, and practices, how best to allocate the available resources of the fire department under the circumstances of a given situation. Failure to provide fire services because of poor weather conditions or other conditions beyond the control of City shall not be deemed a breach of this contract.

b. No Guarantee. The parties understand and agree City will endeavor to provide the services indicated above to the best of its ability given the circumstances, but City makes no guarantees that the services it actually provides in a given situation will meet any particular criteria or standard.

2. Payment. District agrees to pay City annually on or before April 15 of each year during the term of this contract the Payment Amount for the services provided by City, as follows:

Payment Due in 2026	\$108,000.00
Payment Due in 2027	\$112,000.00
Payment Due in 2028	\$114,000.00
Payment Due in 2029	\$117,000.00
Payment Due in 2030	\$120,000.00

3. Annual Meeting of Parties. District and City shall hold at least one joint meeting annually during term of this contract between January 1 and February 28 to discuss District's satisfaction with the service provided during the year, and to discuss such other issues as either party deems relevant to this contract. The meeting shall be held separately from any regular District or City meeting.

4. Emergency Service Charge. City may impose and collect an emergency service charge on those receiving emergency services, including fire services, within District. The amount of such service charge shall be determined by City, but shall not exceed the amount billed to recipients of services within the City. In the event City is unable to collect such service charge, it shall have the right to certify the amount of such service charge as a special assessment against the real estate to which services were provided by the date determined by the County Auditor each year. City will, if legally allowed, certify the amount of such service charge as a special assessment against such real estate for collection with the subsequent years' real estate taxes. Upon receipt of payment of such special assessment, the amount shall be remitted to the City. City may also pursue collection and/or revenue recapture on any unpaid service charges that are ineligible for special assessment. District will have no right to, or in, any service charges collected by City.

City may exercise its authority to impose and collect an emergency service charge on those receiving emergency services, including fire services, within City. District shall have no right to, or interest in, any service fees collected by City.

5. Service Territory. City shall provide fire services as indicated in this contract to the area in District described below and/or as indicated on a map which is attached hereto and made part of this contract. The identified area shall constitute the District's Service Territory for the purposes of this contract. Neither District nor City shall add or subtract from the Service Territory without the written consent of the other.

6. Term. This contract shall commence on April 1, 2026, and shall expire five years from that date unless terminated earlier as provided herein.

7. Ownership. City owns the buildings and equipment associated with the Windom Fire Department and the amounts paid by District do not give rise to any ownership interest in those items.

8. City's Responsibilities. In addition to any other obligations described herein, City shall:

a. Authorize and direct the City fire department to provide the fire services described herein to District's Service Territory;

b. Disclose to District any proposed action City or the fire department intends to take that can reasonably be expected to negatively affect the Insurance Services Office Fire Protection Grade in the Service Territory or City's ability to substantially provide the fire services indicated above; and

c. Promptly disclose to District any information City can reasonably anticipate will directly affect its ability to perform its obligations under this contract.

9. District's Responsibilities. In addition to any other obligations described herein, District shall:

a. Promptly pay City the Payment Amount as indicated above for the year of service, or a prorated share of the Payment Amount for the length of service actually provided if the contract is terminated early;

b. Present a levy proposal to the District Members at each annual District meeting during the term of this contract and District Members shall levy funds as needed to pay the "Payment Amount".

c. Promptly disclose to City any information District can reasonably anticipate will directly affect its ability to perform its obligations under this contract. It is understood and agreed District shall have no responsibility whatsoever toward the firefighters or other emergency personnel including any employment related issues such as training, supervision, performance reviews, discipline, compensation, benefits, insurance coverages, compliance with any employment related federal, state, and local laws and rules such as OSHA, ERISA, RLSA, FMLA, or any other employment related issues. It is further agreed District has no responsibility, beyond paying the agreed upon Payment Amount, for acquiring, operating, maintaining, housing, or replacing equipment, vehicles, firefighting apparatus or buildings as needed to provide the fire services described herein; and that District is contracting for a service to be provided by City at City's sole expense.

10. Insurance Requirements. City shall maintain general liability insurance for its services. City shall also maintain automobile and property insurance coverages. Upon request City shall provide District proof of such insurance coverages annually by the anniversary date of this contract.

11. No Waiver. Nothing herein shall be construed to waive or limit any immunity from, or limitation on, liability available to either party, whether set forth in Minnesota Statutes Chapter 466 or otherwise.

12. Modification. This writing contains the entire agreement between the parties and no alterations, variations, modifications, or waivers of the provisions of this agreement are valid unless reduced to writing, signed by both City and District, and attached hereto.

13. Subcontracting & Assignment. City shall not subcontract or assign any portion of this contract to another without prior written permission from District. Services provided to District pursuant to a mutual aid agreement City has, or may enter into, with another entity does not constitute a subcontract or assignment requiring prior approval of District so long as City remains primarily responsible for providing fire services to District's Service Territory.

14. Termination. This contract may be terminated at any time during its term by mutual agreement of the parties. District may terminate this contract only if City is in default under the terms hereof, by giving sixty (60) day's written notice. City may terminate this agreement immediately in the event that because of natural disaster or other cause not attributable to intentional or negligent acts of City, the fire trucks, equipment, and fire apparatus of City are so damaged as to render City unable to provide the services, by providing District written notice. City may also terminate this agreement 60 days from the date of personal service of written termination notice if District fails to pay for the service according to the schedule established herein, and such default is not cured within such sixty (60) days. Notice to City shall be served on the City Administrator and notice to District shall be served on the District Chairman.

15. **Service Contract.** This is a service contract. The parties do not intend to undertake or create, and nothing herein shall be construed as creating, a joint powers agreement, joint venture, or joint enterprise between the parties.

16. **Minnesota Law Governs.** This contract shall be governed by and construed in accordance with the internal laws of the State of Minnesota. All proceedings related to this contract shall be venued in the State of Minnesota.

17. **Severability.** The provisions of this contract shall be deemed severable. If any part of this contract is rendered void, invalid, or otherwise unenforceable, such rendering shall not affect the validity and enforceability of the remainder of this contract.

IN WITNESS WHEREOF, the parties have executed this contract effective on the date indicated above.

CITY

By: Hilary Mathis, Mayor Date

Steven Nasby, City Administrator Date

**DISTRICT
(FIRE DISTRICT REPRESENTATIVE)**

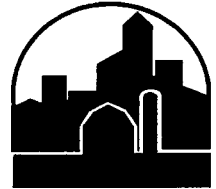
Larry R. Smith 2-3-2026
By: R. Larry Smith, its Chairperson Date

Ryan Sokolofsky 2-3-2026
Ryan Sokolofsky, District Secretary Date

Windom Fire Districts

2.79%	Amo Township= 1 section #36
68.1%	Dale Township= 24.5 sections #11-14 & 18-36 ½ of sections 15, 16, 17
50%	Carson Township= 18 sections #4-9 & 16-21, 28-33
69.44%	Lakeside Township= 25 sections #4-9, 16-21, 25-36 & ½ of 22 & 23
100%	Great Bend Township= 31.5 sections #1-36-exclude City of Windom
50%	Springfield Township= 18 sections #1-3, 10-15, 22-27 & 34-36
100%	Delafield Township= 36 sections
87.5%	Christiania Township= 31.5 sections #1-24, 26-32 & ½ 25
8.33%	Kimball Township= 3 sections #6, 7, 18
6.28%	Belmont Township= 2 ¼ sections #5, 1/3 of 6, 2/3 of 8, ¼ of 17 & 1/100 of 7
100%	City of Bingham Lake
100%	City of Wilder

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: City Administrator
DATE: February 10, 2026
RE: City Attorney Services

In January 2026, City Attorney Ron Schramel, announced his desire to discontinue the provision of legal services to the City of Windom as to focus on his private practice. The City Council appointed Mr. Schramel as City Attorney with a pending end date of April 1, 2026.

Over the last month I have been in contact with other communities in the area as to where they are utilizing legal services for City Attorney work. In Windom, we have a contract with Jackson County to do our prosecution work and all other legal work is done by the City Attorney. Variations of how communities divide their legal work ranges from in-house City Attorney (Redwood Falls) to contracting out all of the work to multiple firms (Mankato). Below are some examples:

Mountain Lake – uses contracted services for their civil (non-prosecution) legal work from Campbell Knutson which is a firm based in the twin cities. Mountain Lake notes they have been satisfied with the experience.

Redwood Falls – employs a full-time, in-house City Attorney.

Worthington – their local City Attorney resigned at the end of 2025. For 2026 they have contracted with Kennedy & Graven, based in the twin cities. They are satisfied with their service and depth of knowledge/resources.

Luverne – their local City Attorney resigned at the end of 2025. For 2026 they have contracted with Flaherty & Hood (CGMC) and use a local attorney for land transactions and other real estate work. They are satisfied with this arrangement and like having the specialties that Flaherty & Hood offer.

Marshall – did a Request for Proposals in 2022 for both civil and criminal matters. They selected Kennedy & Graven for both criminal and civil legal services and are satisfied with the experience.

Slayton – has a local City Attorney for civil work and contracts out criminal prosecutions to Murray County. They also use Flaherty & Hood for land use and employment issues.

Additionally, I have reached out to Kristi Meyeraan who is Jackson's part-time County Attorney. Jackson County (Kristi) already handles our criminal work and would be interested in taking on the civil work. I also met with Nick Anderson, who is Cottonwood County's full-time County Attorney and he indicated an interest/willingness to take on most of the City's civil work. Last, I have done a telephone conference with Pamela Whitmore (Kennedy & Graven) and Chris Hood (Flaherty & Hood).

My recommendation to the City Council is to direct the Council Personnel Committee to do interviews with Kennedy & Graven, Flaherty & Hood, Kristi Meyeraan and Nick Anderson.