



CITY OF HOWARD LAKE

City Council Meeting

*The City of Howard Lake strives to build upon its good neighbor traditions –
A welcoming community for all, supported by vibrant and engaged businesses and community organizations, involved citizens, and
diverse amenities that provide a well-rounded quality of life.*

TENTATIVE AGENDA

April 17, 2023 – 7:00 pm

A. CALL TO ORDER

B. PLEDGE OF ALLEGIANCE

C. APPROVAL OF AGENDA

Any additions, deletions, modifications to the agenda will be done at this time.

D. COUNCIL MEETING MINUTES

- a. Consider Approving Council Meeting Minutes from the March 20, 2023 Council Meeting.

E. CITIZEN INPUT

F. COUNCIL/COMMITTEE REPORT

G. DEPARTMENT REPORTS

- a. Howard Lake Wine and Spirits P & L

H. CONSENT AGENDA

- a. Consider Accepting all Reports & Payment of Claims.
- b. Consider Various Personnel Appointments.
- c. Consider Ordinance 23-01 Modifying Parking Ordinance.
- d. Consider Resolution 23-07 Approving Summary Publication of Parking Ordinance.
- e. Consider Approving Downtown Revitalization Grant for Maria's Mexican Restaurant.

I. PRESENTATIONS, PUBLIC HEARINGS & RELATED APPROVALS

- a. Police Chief Pinning Ceremony: Sean Hartneck & Beau Hartneck
- b. Public Hearing: Wellhead Protection Plan

J. NEW BUSINESS

- a. Consider Resolution 23-08 Amending Preliminary & Approving Final Plat for Shoreline Homes 2nd Addition.
- b. Consider Various Library Construction Approvals.
 - Quit Claim Deed from City of Howard Lake to EDA for Property
 - Resolution 23-10 Awarding Construction Bids
 - Resolution 23-11 Authorizing Temporary Construction Financing
 - Resolution 23-12 Establishing Procedures Relating to Compliance with Reimbursement Bond Regulations.
- c. Consider Various Approvals for Terning Trails Apartment Development
 - Approval of Modifications to Purchase Agreement.
 - Discuss Site Plan and Final Plat.
- d. Consider Agreement to Release Mortgage between City and MAB Development.
- e. Consider Approving Resolution 23-13 Proclaiming No Mow May.
- f. Consider Revised LOU for Tomorrow's Leaders Childcare.
- g. Consider Selection of Grocery Store Entity & Direct Staff to Draft Legal Documents.
- h. Consider Closed Session Pursuant to MS13D.03 Labor Negotiations Strategy.
- i. Consider Approval of Labor Contract for Public Works Department – IUOE 49ers.

K. OLD BUSINESS

L. ADMINISTRATOR'S REPORT

M. ADJOURN



CITY OF HOWARD LAKE

Nicholas A. Haggenmiller, City Administrator

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HOWARD LAKE CITY COUNCIL

Howard Lake City Hall -

March 20, 2023

MEETING MINUTES

COUNCIL PRESENT

Mayor Zimmerman

Tom Kutz

Allan Munson

Jason Deiter

Gene Gilbert

COUNCIL ABSENT

STAFF PRESENT

Nick Haggenmiller, City Administrator

Meagan Theisen, Assistant City Administrator

ALSO PRESENT

Josh Halvorson, Bolton & Menk

CALL TO ORDER

Mayor Zimmerman called the meeting to order at 7:00 p.m.

PLEDGE OF ALLEGIANCE

All present recited the Pledge of Allegiance.

APPROVAL OF AGENDA

Council Member Kutz moved to approve the agenda. The motion was seconded by Council Member Munson and passed unanimously.

APPROVAL OF MINUTES

Council Member Kutz moved to approve the minutes from the March 20, 2023 regular Council meeting. The motion was seconded by Council Member Deiter and passed unanimously.

CITIZEN INPUT

No residents addressed the Council.

COUNCIL/COMMITTEE REPORT

Council Members Deiter and Gilbert provided an update from the PPC meeting.

Mayor Zimmerman thanked the American Legion for the donation to purchase new light pole flags and hardware.

DEPARTMENT REPORTS

Myra presented a recap of the Howard Lake Liquor Store in 2022.

CONSENT AGENDA

a. CONSIDER ACCEPTING ALL REPORTS AND PAYMENT OF CLAIMS

GENERAL FUND	60571-60691	\$439,043.60
PAYROLL	27242-27256, 5025741-502627	\$58,517.56
ELECTRONIC	1384-1403	\$47,641.76
TOTAL		\$545,202.92

AMBULANCE CLAIMS	5934-5944	\$9,357.44
ELECTRONIC	39	\$73.34
TOTAL		\$9,430.78

b. Consider approving Spring Clean Up Date & Charges.

c. Consider Various Personnel Appointments.

Council Member Kutz moved to approve the Consent Agenda. The motion was seconded by Council Member Gilbert and passed unanimously.

PUBLIC HEARING/PRESENTATION

a. Public Hearing for 2023 Street & Utility Reconstruction Project

Mayor Zimmerman closed the regular meeting at 7:20 pm and opened the public hearing.

Halvorson presented a timeline of what to expect of the length of this project. He also reviewed the existing facilities within the City and presented options for each phase of the replacement. After reviewing the options he shared the BMI suggestions for each phase and options for financing. They anticipate the whole project should be complete by July 2026.

Mayor Zimmerman closed the public hearing at 7:53 and reopened the regular meeting.

NEW BUSINESS

a. Consider Resolution 23-06 Approving PER authorizing the preparation of plans and specs.

After closing the public hearing, Council Member Munson moved to approve Resolution 23-06 Approving PER authorizing the preparation of plans and specs. The motion was seconded by Council Member Deiter and passed unanimously.

b. Discuss Good Neighbor Days 2023.

Staff & Council reviewed proposed ideas for this years Good Neighbor Days.

OLD BUSINESS

None.

ADMINISTRATORS REPORT

Haggenmiller looked for clarification on if Council Members who sit on the planning commission receive their normal meeting compensation of \$75 each or if they get the PPC compensation of \$25 each.

Council unanimously recalled that it should have been \$75 per meeting for Council Members who are on commissions.

ADJOURN

Council Member Kutz moved to adjourn the meeting at 8:33 pm. The motion was seconded by Council Member Gilbert and passed unanimously.

Attest – City Administrator/Clerk

Mayor

Howard Lake Wine & Spirits

Profit & Loss Statement

for the period 3/1/2023 to 3/31/2023

SALES	Mnthly Amnt	YTD Amount	Budget to be updated	% of Budget	2022		+/- Pr Yr
					Mnthly Amt	YTD1Amt	
Liquor	\$ 27,751	\$ 79,319	\$ 397,000	20%	\$ 28,016	\$ 81,992	\$ (2,673)
Beer	\$ 35,857	\$ 103,802	\$ 675,000	15%	\$ 43,012	\$ 123,592	\$ (19,790)
Wine	\$ 5,978	\$ 19,110	\$ 102,000	19%	\$ 7,233	\$ 25,560	\$ (6,450)
Discounts	\$ (851)	\$ (2,256)	\$ (18,000)	13%	\$ (1,110)	\$ (4,920)	\$ 2,664
Misc(Pop/Mixes/Tobaco)	\$ 1,356	\$ 3,930	\$ 33,600	12%	\$ 1,194	\$ 3,480	\$ 450
Non Tax	\$ 526	\$ 1,437	\$ 14,400	10%	\$ 381	\$ 1,318	\$ 120
Loyalty Program	\$ -	\$ -	\$ (3,000)	0%	\$ (27)	\$ (91)	\$ 91
On Sale Revenue - SSEC	\$ 1,308	\$ 2,011			\$ -	\$ 250	
Other Revenue	\$ 19	\$ 59			\$ 14	\$ 61	
TOTAL SALES	\$ 71,944	\$ 207,412	\$ 1,201,000	17%	\$ 78,712	\$ 231,242	\$ (25,588)
COST OF SALES							
Liquor	\$ 19,661	\$ 56,681	\$ 228,000	25%	\$ 19,083	\$ 55,698	\$ 983
Beer	\$ 27,708	\$ 82,739	\$ 532,000	16%	\$ 32,570	\$ 93,910	\$ (11,171)
Wine	\$ 4,587	\$ 13,913	\$ 66,000	21%	\$ 4,878	\$ 16,459	\$ (2,546)
Misc Tax	\$ 1,477	\$ 2,939	\$ 17,500	17%	\$ 305	\$ 2,216	\$ 724
Misc Non Tax	\$ -	\$ -	\$ 8,500	0%	\$ -	\$ 179	\$ (179)
Freight	\$ 688	\$ 2,028	\$ 8,000	25%	\$ 583	\$ 2,012	\$ 17
TOTAL COST OF SALES	\$ 54,121	\$ 158,301	\$ 860,000	18%	\$ 57,419	\$ 170,473	\$ (12,173)
GROSS PROFIT	\$ 17,824	\$ 49,112					
EXPENSES							
Wages/Benefits	\$ 13,035	\$ 39,995	\$ 171,825	23%	\$ 11,204	\$ 39,390	\$ 605
Consulting	\$ -	\$ -	\$ 12,000	0%	\$ 700	\$ 2,100	\$ (2,100)
Training & Seminars	\$ -	\$ -	\$ 1,000	0%	\$ 60	\$ 60	\$ (60)
Travel	\$ -	\$ -	\$ 1,000	0%	\$ 155	\$ 194	\$ (194)
Dues & Subscriptions	\$ -	\$ -	\$ 1,000	0%	\$ -	\$ 20	\$ (20)
Cash Short/Over	\$ 10	\$ 48	\$ -		\$ (22)	\$ 72	\$ (24)
Credit Card Expense	\$ 1,250	\$ 4,463	\$ 18,000	25%	\$ 1,212	\$ 4,648	\$ (185)
Insurance	\$ 9,370	\$ 9,370	\$ 9,300	101%	\$ 1,920	\$ 9,152	\$ 218
Repair & Maintenance	\$ 231	\$ 1,201	\$ 8,000	15%	\$ 375	\$ 1,771	\$ (569)
Computer Supplies/Technology	\$ -	\$ 1,891	\$ 4,500	42%	\$ 1,182	\$ 3,445	\$ (1,554)
Utilities	\$ 1,167	\$ 3,187	\$ 12,000	27%	\$ 1,852	\$ 3,228	\$ (41)
Advertising	\$ -	\$ -	\$ 2,500	0%	\$ -	\$ 1,976	\$ (1,976)
Misc	\$ 473	\$ 900	\$ 5,000	18%	\$ -	\$ 599	\$ 302
Depreciation	\$ 625	\$ 1,875	\$ 7,500	25%	\$ 625	\$ 1,875	\$ -
TOTAL EXPENSES	\$ 26,160	\$ 62,931	\$ 253,625	25%	\$ 19,263	\$ 68,529	\$ (5,599)
PROFIT/(LOSS)	\$ (8,336)	\$ (13,819)			\$ 2,031	\$ (7,761)	

CITY OF HOWARD LAKE
CLAIMS & DONATIONS APPROVED
DATE - March 21, 2023 - April 14, 2023

GENERAL FUND	CHECKS: 60692-60816	\$661,023.04
PAYROLL	27257-27274, 502628-502680	66,225.07
ELECTRONIC	1404-1421	<u>52,002.63</u>
TOTAL		\$779,250.74

AMBULANCE CLAIMS	CHECKS: 5945-5954	\$55,279.86
ELECTRONIC		
TOTAL		\$55,279.86

Approved:

CITY OF HOWARD LAKE

*Check Summary Register©

Checks 03/21/23-04/14/23

Name	Check Date	Check Amt	
1010 CITIZEN ALLIANCE			
1404e	INTERNAL REVENUE SERVICE	3/24/2023	\$9,313.35 PR #6 3-24-23
1405e	MN DEPT OF REVENUE	3/24/2023	\$1,629.80 PR #6 3-24-2023
1406e	PERA	3/24/2023	\$7,624.62 PR #6 3-24-2023
1407e	LEAP-WEX	3/24/2023	\$512.53 PR #6 3-24-2023
1408e	HEARTLAND PYMT SERVICES	3/31/2023	\$1,101.51
1409e	AUTHNET GATEWAY BILLING	3/31/2023	\$25.00
1410e	LS WEEKEND CASH	3/31/2023	\$2,500.00
1411e	CITY OF BUFFALO	3/31/2023	\$60.00 ACCT# 26-022950-00
1412e	NCR SECURE PAY	3/31/2023	\$123.90
1413e	WEX HEALTH INC	3/31/2023	\$8.25
1414e	CITIZENS ALLIANCE BANK	3/31/2023	\$131.81 Deposit slips
1415e	PSN	3/31/2023	\$888.78
1416e	INTERNAL REVENUE SERVICE	4/6/2023	\$8,996.27 PR 04-07-2023
1417e	MN DEPT OF REVENUE	4/6/2023	\$1,656.82 PR 04-07-2023
1418e	PERA	4/6/2023	\$7,562.46 PR 04-07-2023
1419e	LEAP-WEX	4/6/2023	\$512.53
1420e	MN DEPT OF REVENUE	4/6/2023	\$6,880.00 LS Mar 2023 Sales Tax
1421e	MN DEPT OF REVENUE	4/6/2023	\$2,475.00 UB Mar 2023 Sales Tax
27257	DEITER, JASON	3/24/2023	\$1,154.37
27258	KUTZ, TOM	3/24/2023	\$1,154.37
27259	ZIMMERMAN, PETER A	3/24/2023	\$1,616.12
27260	GOEPFERT, THOMAS	3/24/2023	\$149.74
27261	MANZ, KRISTINA J	3/24/2023	\$157.63
27262	MILLER, EDWARD M	3/24/2023	\$207.10
27263	HARTNECK, BEAU P.	3/24/2023	\$115.20
27264	HARTNECK, SEAN M.	3/24/2023	\$115.20
27265	GOEPFERT, THOMAS	4/7/2023	\$209.21
27266	ARNOLD, KAYLA	4/7/2023	\$221.38
27267	DRUSCH, JACOB D	4/7/2023	\$317.63
27268	MAGES, ALEX	4/7/2023	\$298.38
27269	PETERSON, JEREMY	4/7/2023	\$92.35
27270	SHEROD, JOSEPH L.	4/7/2023	\$92.35
27271	STOLL, ERIC	4/7/2023	\$329.00
27272	WIECH, KYLE	4/7/2023	\$182.69
27273	MILLER, EDWARD M	4/7/2023	\$209.82
27274	HARTNECK, BEAU P.	4/7/2023	\$120.97
60692	HOWARD LAKE POSTMASTER	3/22/2023	\$409.92 UB March postage
60693	ARTISAN BEER COMPANY	3/23/2023	\$123.00
60694	BELLBOY CORPORATION	3/23/2023	\$704.00
60695	BREAKTHRU BEVERAGE	3/23/2023	\$453.54
60696	C & C EMBROIDERY	3/23/2023	\$914.50
60697	CAPITOL BEVERAGE SALES	3/23/2023	\$3,299.50
60698	CINTAS	3/23/2023	\$98.38
60699	DAHLHEIMER BEVERAGE, LLC	3/23/2023	\$3,703.50
60700	EMERGENCY MEDICAL TRAININ	3/23/2023	\$1,600.00 1 EMT Basic
60701	HEIMAN FIRE EQUIPMENT, INC	3/23/2023	\$2,902.00 Jackets/pants
60702	HOWARD LAKE FIRE RELIEF AS	3/23/2023	\$29,770.27 Supplimental Fire Aid
60703	HOWARD LAKE TIRE & AUTO	3/23/2023	\$166.39
60704	JOE'S SPORT SHOP	3/23/2023	\$1,201.12
60705	JOHNSON BROTHERS LIQUOR C	3/23/2023	\$2,545.69
60706	MYRA LAWAY	3/23/2023	\$46.67
60707	MEDIACOM LLC	3/23/2023	\$264.90
60708	MN ST COMMUNITY & TECH COL	3/23/2023	\$600.00 Moorhead Fire School
60709	MN VALLEY TESTING LAB, INC	3/23/2023	\$37.40

CITY OF HOWARD LAKE

*Check Summary Register©

Checks 03/21/23-04/14/23

Name	Check Date	Check Amt	
60710	536600-NCPERS GROUP LIFE IN	3/23/2023	\$48.00
60711	NORTH FORK CUSTOM MEATS L	3/23/2023	\$18.90
60712	PAUMEN COMPUTER SERVICES	3/23/2023	\$14,235.70
60713	PHILLIPS WINE & SPIRITS	3/23/2023	\$2,154.14
60714	PREMIUM WATERS, INC	3/23/2023	\$39.82
60715	SHAW BROTHERS	3/23/2023	\$200.00
60716	TIMMYS PUB CLUB, LLC	3/23/2023	\$40.00
60717	USA BLUEBOOK	3/23/2023	\$215.25
60718	WASTEWATER COMMISSION	3/23/2023	\$100,843.07 January 2023 SIU
60719	WRIGHT HENNEPIN ELECTRIC	3/23/2023	\$1,010.00 WH SECURITY
60720	ZIEGLER INC	3/23/2023	\$309,661.69 Loader
60721	BELLBOY CORPORATION	3/30/2023	\$98.89
60722	BOARMAN KROOS VOGEL GRO	3/30/2023	\$40,492.40
60723	BOEHLKE AG & DIESEL REPAIR	3/30/2023	\$229.97
60724	BOLTON & MENK, INC	3/30/2023	\$5,725.00
60725	BREAKTHRU BEVERAGE	3/30/2023	\$542.56
60726	CAPITOL BEVERAGE SALES	3/30/2023	\$971.35
60727	CENTERPOINT ENERGY	3/30/2023	\$4,607.14
60728	CINTAS	3/30/2023	\$152.86
60729	CIVICPLUS	3/30/2023	\$3,450.00
60730	COKATO PARTS CITY	3/30/2023	\$82.97
60731	COMMISSIONER OF TRANSPOR	3/30/2023	\$1,262.50 Refund duplicate pmt
60732	DAHLHEIMER BEVERAGE GREE	3/30/2023	\$5,508.45
60733	DISPLAY SALES	3/30/2023	\$3,469.50
60734	EARTHLINK INC	3/30/2023	\$13.95
60735	FORD, JERRY	3/30/2023	\$250.00 REFUND DUPLICATE PAYMENT
60736	JOE'S SPORT SHOP	3/30/2023	\$1,500.00 PREPAY-CREDIT ON ACCOUNT
60737	JOHNSON BROTHERS LIQUOR C	3/30/2023	\$864.84
60738	DEBRA MCALPINE	3/30/2023	\$45.80
60739	MEDIACOM LLC	3/30/2023	\$136.90
60740	MINN DEPARTMENT OF HEALTH	3/30/2023	\$23.00 J OTTENSTROER FEES
60741	NAPA AUTO PARTS COKATO	3/30/2023	\$7.59
60742	PHILLIPS WINE & SPIRITS	3/30/2023	\$1,376.25
60743	RED BULL DISTRIBUTION CO, IN	3/30/2023	\$104.64
60744	STREICHER'S	3/30/2023	\$1,096.90
60745	THE HOME CITY ICE COMPANY	3/30/2023	\$99.90
60746	VERIZON	3/30/2023	\$80.02
60747	VIKING BEVERAGES.	3/30/2023	\$218.55
60748	VISA	3/30/2023	\$3,170.32
60749	ZIEGLER INC	3/30/2023	\$396.35
60750	ARTISAN BEER COMPANY	4/4/2023	\$61.50
60751	BELLBOY CORPORATION	4/4/2023	\$1,179.90
60752	BREAKTHRU BEVERAGE	4/4/2023	\$2,243.47
60753	CAPITOL BEVERAGE SALES	4/4/2023	\$2,558.55
60754	DAHLHEIMER BEVERAGE GREE	4/4/2023	\$5,309.60
60755	JOHNSON BROTHERS LIQUOR C	4/4/2023	\$4,632.02
60756	PAUSTIS WINE COMPANY	4/4/2023	\$729.00
60757	PHILLIPS WINE & SPIRITS	4/4/2023	\$7,160.12
60758	VINOCOPIA, INC	4/4/2023	\$98.50
60759	AMAZON CAPITAL SERVICES	4/4/2023	\$404.79
60760	KEITH BOBROWSKE	4/4/2023	\$65.00 Cell Allowance
60761	BURNET TITLE .	4/4/2023	\$70.51 Overpmt on UB 200 Orchard Court Howard La
60762	CENTERPOINT ENERGY	4/4/2023	\$1,062.75
60763	CENTURYLINK	4/4/2023	\$630.28
60764	COURI, & RUPPE, P.L.L.P.	4/4/2023	\$483.75

CITY OF HOWARD LAKE

***Check Summary Register©**

Checks 03/21/23-04/14/23

Name	Check Date	Check Amt	
60765	GILBERT, DEBBIE	4/4/2023	\$20.00 Swim lessons reimburse
60766	GOPHER STATE ONE-CALL, INC	4/4/2023	\$14.85
60767	NICK HAGGENMILLER	4/4/2023	\$365.00 Cell Allowance
60768	HALVORSON LEGAL	4/4/2023	\$2,925.00
60769	HERALD JOURNAL PUBLISHING	4/4/2023	\$73.60 Wellhead Protection
60770	JOE'S SPORT SHOP	4/4/2023	\$934.91
60771	MYRA LAWAY	4/4/2023	\$65.00 Cell Allowance
60772	DEBRA MCALPINE	4/4/2023	\$65.00 Car Allowance
60773	JARED MERGES	4/4/2023	\$65.00 Cell Allowance
60774	METRO WEST INSPECTION SER	4/4/2023	\$5,311.56
60775	MN MUNICIPAL BEVERAGE ASS	4/4/2023	\$1,122.00 Conference
60776	MUMFORD SANITATION	4/4/2023	\$11,500.69 COMPOST LEASE
60777	NAPA AUTO PARTS COKATO	4/4/2023	\$53.93
60778	JIM OTTENSTROER	4/4/2023	\$65.00 Cell Allowance
60779	PLUNKETT'S PEST CONTROL	4/4/2023	\$119.07
60780	CLAYTON PRESTIDGE	4/4/2023	\$65.00 Cell Allowance
60781	RUSSELL SECURITY RESOURC	4/4/2023	\$2,022.50
60782	THEISEN, MEAGAN	4/4/2023	\$215.00 Cell Allowance
60783	USA BLUEBOOK	4/4/2023	\$448.87
60784	WEX BANK	4/4/2023	\$67.04
60785	AMAZON CAPITAL SERVICES	4/12/2023	\$324.26
60786	AUTOMATIC SYSTEMS CO	4/12/2023	\$390.00
60787	AXON ENTERPRISE INC	4/12/2023	\$770.50 Training cartridge
60788	BOEHLKE AG & DIESEL REPAIR	4/12/2023	\$3,297.07
60789	BRASS FOUNDRY BREWING CO	4/12/2023	\$98.91
60790	BREAKTHRU BEVERAGE	4/12/2023	\$788.31
60791	CAPITOL BEVERAGE SALES	4/12/2023	\$367.36
60792	CINTAS	4/12/2023	\$425.65
60793	COKATO PARTS CITY	4/12/2023	\$56.97
60794	DAHLHEIMER BEVERAGE GREE	4/12/2023	\$1,994.30
60795	FINKEN WATER CENTERS	4/12/2023	\$25.45
60796	JOHNSON, LADONNA	4/12/2023	\$250.00 Snow removal assistance
60797	WAYNE KOZITKA	4/12/2023	\$250.00 Snow removal assistance
60798	MYRA LAWAY	4/12/2023	\$4.92
60799	LEAGUE OF MN CITIES INS TRU	4/12/2023	\$244.44
60800	MARCO TECHNOLOGIES LLC	4/12/2023	\$516.31
60801	MHSRC/RANGE	4/12/2023	\$490.00 Class - Thompson
60802	MN PEIP	4/12/2023	\$17,975.43 May premium
60803	NORTHWEST ASSOC CONSULT	4/12/2023	\$5,330.18
60804	PAUMEN COMPUTER SERVICES	4/12/2023	\$1,210.00
60805	PHILLIPS WINE & SPIRITS	4/12/2023	\$4,123.67
60806	PIT STOP TIRE & AUTO	4/12/2023	\$856.68
60807	PLUNKETT'S PEST CONTROL	4/12/2023	\$32.05
60808	PREMIUM WATERS, INC	4/12/2023	\$54.32
60809	SOUTHERN GLAZER WINE & SPI	4/12/2023	\$4,389.38
60810	THE KNOT WORLDWIDE, INC	4/12/2023	\$7,999.00 The Knot advertising
60811	T-MOBILE	4/12/2023	\$386.03
60812	VERIZON CONNECT NWF, INC	4/12/2023	\$97.14
60813	VIKING BEVERAGES.	4/12/2023	\$278.40
60814	ED WARN	4/12/2023	\$20.00 Pop Club Senior Bucks
60815	XCEL ENERGY	4/12/2023	\$242.60
60816	THE BROKEN BOLT	4/12/2023	\$2,239.00 Brakes, bearings, radiator
502628e	CARGILL, ZACHARY C	3/24/2023	\$629.65
502629e	GILBERT, EMMAGENE	3/24/2023	\$1,144.01
502630e	HAGGENMILLER, NICHOLAS A	3/24/2023	\$3,717.85

CITY OF HOWARD LAKE

*Check Summary Register©

Checks 03/21/23-04/14/23

Name	Check Date	Check Amt	
502631e	MERGES, JARED M	3/24/2023	\$2,067.33
502632e	MONSON, GABRIEL J	3/24/2023	\$173.30
502633e	MUNSON, ALLAN W.	3/24/2023	\$1,144.01
502634e	REMER, TANYA M	3/24/2023	\$1,017.01
502635e	THEISEN, MEAGAN	3/24/2023	\$2,121.08
502636e	OTTENSTROER, JAMES D	3/24/2023	\$2,050.18
502637e	PRESTIDGE, CLAYTON P	3/24/2023	\$1,399.07
502638e	SWENDSEN, JENNIFER	3/24/2023	\$2,080.01
502639e	DE'ENGUARDE, ASPEN K.	3/24/2023	\$234.95
502640e	GROW, SAMANTHA L.	3/24/2023	\$106.44
502641e	LAWAY, MYRA	3/24/2023	\$2,034.64
502642e	MCALPINE, DEBRA-ANN	3/24/2023	\$1,202.81
502643e	VIRNALA, TASIA, R	3/24/2023	\$378.15
502644e	HALL, JUSTIN D	3/24/2023	\$222.51
502645e	JOHNSON, JACOB D	3/24/2023	\$1,920.20
502646e	PREUSSE, MITCHELL D	3/24/2023	\$322.57
502647e	SZCZEPANIK, DARIUSZ J	3/24/2023	\$2,219.47
502648e	THOMPSON, DAVID G	3/24/2023	\$2,466.21
502649e	THOMPSON, KYLE	3/24/2023	\$957.76
502650e	CARGILL, ZACHARY C	4/7/2023	\$753.01
502651e	HAGGENMILLER, NICHOLAS A	4/7/2023	\$3,717.85
502652e	MERGES, JARED M	4/7/2023	\$1,937.70
502653e	MONSON, GABRIEL J	4/7/2023	\$123.89
502654e	REMER, TANYA M	4/7/2023	\$934.51
502655e	THEISEN, MEAGAN	4/7/2023	\$2,121.08
502656e	OTTENSTROER, JAMES D	4/7/2023	\$2,090.00
502657e	PRESTIDGE, CLAYTON P	4/7/2023	\$1,520.08
502658e	SWENDSEN, JENNIFER	4/7/2023	\$2,080.01
502659e	BERG, TIMOTHY W	4/7/2023	\$92.35
502660e	BOBROWSKE, KEITH	4/7/2023	\$323.07
502661e	DALBEC, JOSHUA S	4/7/2023	\$317.63
502662e	DALBEC, MATTHEW R	4/7/2023	\$69.26
502663e	DRUSCH, ZACHARY R.	4/7/2023	\$413.88
502664e	KITTOCK, BRIAN	4/7/2023	\$115.44
502665e	KITTOCK, NICOLE D	4/7/2023	\$267.05
502666e	LOEBERTMANN, AMANDA G	4/7/2023	\$461.75
502667e	LOEBERTMANN, CRAIG	4/7/2023	\$384.09
502668e	PETERSON, DAVID T	4/7/2023	\$46.17
502669e	RISCHMILLER, ALEX A	4/7/2023	\$57.71
502670e	DE'ENGUARDE, ASPEN K.	4/7/2023	\$177.67
502671e	GROW, SAMANTHA L.	4/7/2023	\$216.32
502672e	LAWAY, MYRA	4/7/2023	\$2,034.64
502673e	MCALPINE, DEBRA-ANN	4/7/2023	\$1,221.61
502674e	VIRNALA, TASIA, R	4/7/2023	\$392.48
502675e	HALL, JUSTIN D	4/7/2023	\$170.00
502676e	JOHNSON, JACOB D	4/7/2023	\$1,920.20
502677e	PREUSSE, MITCHELL D	4/7/2023	\$855.36
502678e	SZCZEPANIK, DARIUSZ J	4/7/2023	\$2,219.47
502679e	THOMPSON, DAVID G	4/7/2023	\$2,466.21
502680e	THOMPSON, KYLE	4/7/2023	\$371.86
Total Checks			\$779,250.74

CITY OF HOWARD LAKE

04/14/23 8:55 AM

Page 1

*Check Summary Register©

Checks 03/21/23-04/14/23

	Name	Check Date	Check Amt	
1012	CAB - AMBULANCE			
5945	ALLINA HEALTH EMS	3/23/2023	\$400.00	
5946	BOUNDTREE MEDICAL	3/23/2023	\$141.72	
5947	CENTRAL MCGOWAN, INC	3/23/2023	\$31.56	
5948	CITY OF HOWARD LAKE	3/23/2023	\$2,787.50	February 2023 wages
5949	EMERGENCY MEDICAL TRAININ	3/23/2023	\$522.00	
5950	HOWARD LAKE TIRE & AUTO	3/23/2023	\$73.39	
5951	JOE'S SPORT SHOP	3/23/2023	\$428.71	
5952	KEAVENY PHARMACY	3/23/2023	\$2,100.85	
5953	STRYKER SALES, LLC	3/23/2023	\$48,183.11	MTS PWRPRO COT HIGH
5954	VISA	3/30/2023	\$611.02	
		Total Checks	\$55,279.86	



HOWARD LAKE CITY COUNCIL MEETING

April 17, 2023

AGENDA ITEM: Consider Accepting Various Personnel Appointments

SECTION: Consent

FROM: Meagan Theisen, Assistant City Administrator

BACKGROUND: Per statute, the City Administrator appoints and the City Council confirms employment classification as part of the official record. The following individuals are submitted for approval:

Hired – Sean Hartneck – HLPD Part-time
Hired – Beau Hartneck – HLPD Part-time

DECISION MAKING METRICS:

FINANCIAL: This position is budgeted as part of the 2023 General Fund Budget.

LEGAL: All personnel appointments are contingent upon successful background check.

STRATEGIC PLAN: Deliver High Quality, Reliable Infrastructure and Public Services

COUNCIL ACTION REQUESTED: Approve appointments as presented.

ATTACHMENTS: N/A



HOWARD LAKE CITY COUNCIL MEETING

April 17, 2023

AGENDA ITEM: Consider Ordinance 23-01 Amending Chapter 12.02 Regulating Parking on City Streets

SECTION: Consent

FROM: Meagan Theisen, Assistant City Administrator

BACKGROUND: To allow for staff/Council to use discretion on where to regulate parking on City Streets, without having to amend an Ordinance, staff is suggesting amending the ordinance by adding the following subdivision to Chapter 12.02, Section 8:

Section 8. Parked Vehicles. No vehicle shall be left standing or parked more than twenty-four (24) hours on any street or highway within the city limits of the City of Howard Lake.

Subdivision 1. The Chief of Police of the City of Howard Lake with the approval of the City Council shall have the authority to prohibit parking on any street, alley or parking lot within the City of Howard Lake city limits. Said parking restrictions shall become effective upon the erection of signs designating the no parking zone in said restricted parking zone.

Adding “No Parking” Signs:

City staff fielded several complaints about vehicles parking on the south side of 9th street & near accidents with traffic coming from the east. This area often has vehicles parking on both sides of the street and traffic coming both directions, making it dangerous for drivers and pedestrians. This specific area was an issue all winter long with apartment dwellers parking on both sides of the street (even overnight) and not moving for snowplows.

City Staff is recommending posted no parking in the area designated above.



DECISION MAKING METRICS:

FINANCIAL: Purchase of no parking signs to be placed along the designated area.

LEGAL:

COUNCIL ACTION REQUESTED: Approve Ordinance 23-01, regulating parking along 9th Street.

ATTACHMENTS:

1. Ordinance 23-01
2. Resolution 23-07
3. Full Parking Ordinance

ORDINANCE 23-01

AN ORDINANCE MODIFYING SECTION 12.02 OF THE CITY CODE
REGULATING PARKING ON CITY STREETS AND IN MUNICIPAL PARKING LOTS

THE CITY OF HOWARD LAKE ORDAINS:

Section 8. Parked Vehicles. No vehicle shall be left standing or parked more than twenty-four (24) hours on any street or highway within the city limits of the City of Howard Lake.

Subdivision 1. The Chief of Police of the City of Howard Lake with the approval of the City Council shall have the authority to prohibit parking on any street, alley or parking lot within the City of Howard Lake city limits. Said parking restrictions shall become effective upon the erection of signs designating the no parking zone in said restricted parking zone.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF HOWARD LAKE THIS 17th
DAY OF APRIL, 2023

APPROVED:

Peter Zimmerman
Mayor of Howard Lake

ATTEST:

Nicholas Haggemiller

**CITY OF HOWARD LAKE
RESOLUTION 23-07**

**A RESOLUTION AUTHORIZING SUMMARY PUBLICATION OF
ORDINANCE NO. 23-01 REGARDING PARKING REGULATIONS**

WHEREAS, as authorized by Minnesota Statutes, Section 412.191, subd. 4, the City Council has determined that publication of the title and summary of Ordinance No. 23-01 will clearly inform the public of the intent and effect of the Ordinance; and

WHEREAS, a printed copy of the Ordinance is available for inspection during regular office hours in the office of the City Clerk.

NOW THEREFORE, BE IT RESOLVED that the following summary of Ordinance No. 23-01 is approved for publication:

**CITY OF HOWARD LAKE
ORDINANCE NO. 23-01**

Section 1. The Howard Lake City Code is hereby amended to include the following ordinance summarized below:

Section 8. Parked Vehicles. No vehicle shall be left standing or parked more than twenty-four (24) hours on any street or highway within the city limits of the City of Howard Lake.

Subdivision 1. The Chief of Police of the City of Howard Lake with the approval of the City Council shall have the authority to prohibit parking on any street, alley or parking lot within the City of Howard Lake city limits. Said parking restrictions shall become effective upon the erection of signs designating the no parking zone in said restricted parking zone.

Section 2. The full ordinance will be in effect upon this summary publication.

Section 3. The full ordinance is available for review during regular office hours in the office of the City Clerk.

PASSED AND ADOPTED this 17th day of April, 2023.

Peter Zimmerman, Mayor

ATTEST:

Nicholas Haggemiller, City Clerk-Administrator

Chapter 12.02

Regulating Parking On City Street And In Municipal Parking Lots

Section 1. Unless otherwise ordered by proper signs, all vehicles shall be parked parallel to the curb immediately adjacent to which said vehicle is parked.

Section 2. Time. No person shall park a motor vehicle upon the following named streets within the City of Howard Lake, Minnesota for a longer consecutive period than two hours:

On Sixth Street from Seventh Avenue to Tenth Avenue

On Seventh Avenue from Sixth Street to Seventh Street

On Eighth Avenue from Sixth Street to Seventh Street

Subdivision 1. The Chief of Police of the City of Howard Lake with the approval of the City Council shall have the authority to limit the time which a motor vehicle may be parked on the streets, alleys, or parking lots of the City of Howard Lake, or any part thereof. In no event shall the consecutive period of parking in a parking zone be restricted to less than five minutes. Said parking restrictions shall become effective upon the erection of signs designating the parking zone and parking time limit in said restricted parking zone.

Section 3. Length of Vehicle. No operator shall park any vehicle with an over-all length of more than 20 feet upon any of the business streets of the city except for the purpose of loading or of unloading merchandise and then only for such period as is reasonable necessary to complete said loading or unloading merchandise and then only for such period as is reasonable necessary to complete said loading or unloading.

Section 4. Double Parking. No vehicle shall be parked double on a public street except for loading purposes for the purposes of receiving or discharging passengers, and then only for such time as is reasonably necessary for such business, and in a manner not to obstruct other vehicles from passing.

Section 5. U-Turns. No operator of any vehicle shall make a u-turn on any of the business streets between Street intersections.

Section 6. Loading Zones. Parking shall not be permitted in loading zones for motor vehicle common carriers, or between the signs designating said loading zones.

Section 7. Towed Vehicles. The City Police Department is hereby authorized to have towed away and stored any vehicle found to be parked in violation of this chapter. The owner may reclaim the vehicle by exhibiting satisfactory proof of ownership and paying in full all towing and storage charges for said vehicle.

Section 8. Parked Vehicles. No vehicle shall be left standing or parked more than twenty-four (24) hours on any street or highway within the city limits of the City of Howard Lake.

Subdivision 1. The Chief of Police of the City of Howard Lake with the approval of the City Council shall have the authority to prohibit parking on any street, alley or parking lot within the City of Howard Lake city limits. Said parking restrictions shall become effective upon the erection of signs designating the no parking zone in said restricted parking zone.

Section 9. Highway 12 Parking. No motor vehicle of any kind shall be allowed to park on the north and south sides of U.S. Trunk Highway 12 from the East Howard Lake City limits to the West Howard Lake City limits upon contract completion of U.S. Trunk Highway 12.

Section 10. Municipal Parking Lot Time Limit. No vehicle shall be left standing or parked in any Howard Lake Municipal Parking Lot in any one place for a longer continuous period than 48 hours. Specific limitations on parking shall include the enforcement of the following:

1. 2 Hour Parking, Monday – Friday on 8th Avenue between 801 6th Street and 733 6th Street.
2. A designated loading spot shall be erected and enforced behind 801 6th Street.
3. Community Center parking lot shall have a sign erected and enforced for “Community Center Use Only.”

Section 11. Municipal Parking Lot Designated Spaces. Every vehicle, when parked in any Howard Lake Municipal Parking Lot, where parking spaces are marked, shall be parked in a single space marked for vehicle parking by painted lines on the parking lot surface or curb, and no part of the vehicle shall extend into any other marked space.

Section 12. Prima Facie Violation. The presence of any vehicle on any Street or highway or municipal parking lot when standing or parking in violation of this ordinance is prima facie evidence that the registered owner of the vehicle committed or authorized the commission of the violation.

Section 13. Penalty. Any person violating any provision of this ordinance is guilty of a misdemeanor.



HOWARD LAKE CITY COUNCIL MEETING

April 17, 2023

AGENDA ITEM: Consider Approving Revitalization Grant

SECTION: Consent Agenda

FROM: Nick Haggenmiller, City Administrator

BACKGROUND: In 2017, the City established a Revitalization Grant Program to assist business owners with façade renovations.

Maria's Mexican Restaurant

The owners prior to the restaurant being purchased by Maria's Mexican Restaurant in 2017, put in a patio that partially covered part of the parking lot. The patio is in rough shape and the current owners of the restaurant are looking to remove the wood patio and recreate a patio on the pavement. They received a grant in 2021 to help with updates for COVID protocol and have submitted for another \$5,000 grant to help with the patio project.

ALTERNATIVE OPTIONS: Council may choose to not approve the grant as presented.

FINANCIAL: \$5,000 payable from the Downtown Enhancement Fund.

STAFF RECOMMENDATION: Approve As Presented

ATTACHMENTS: N/A



HOWARD LAKE CITY COUNCIL MEETING

APRIL 17, 2023

AGENDA ITEM: Consider Resolution 23-08 Amending Preliminary Plat and Approving Final Plat for Shoreline Homes 2nd Addition.

SECTION: New Business

FROM: Nick Haggemiller, City Administrator
Julie and Doug Larson, Property Owner

BACKGROUND: The Larson's approached the City to subdivide their parcel to accommodate the development of a second twinhome. The initial code review completed by staff suggested that this would be permitted using a simple minor subdivision which is able to be approved administratively. The site is zoned appropriately for additional units and existing site conditions such as a second curb approach, all lend to the intention of future development. However, upon review by the city planner, the parcel would be required to file a final plat as well as meet the requirements of the Shoreland Overlay District which calls for more restrictive development and approval process including review by the DNR.



In order to accommodate this request, the Larsons completed a final plat which shows a second parcel that meets the stated zoning requirements. A public hearing of the planning commission was held on April 12, 2023 to consider the request. Notification was provided to property owners within 350 feet and notice was placed in the Herald Journal Newspaper.

The planning commission recommendation for approval was contingent upon satisfying staff and consultant comments. Specifically, minor modifications to the plat is required to meet code requirements for lot size and related setbacks.

At the time this staff report was written, a 30 day notification/comment period provided to the DNR was not commented upon formally.

DECISION MAKING METRICS:

FINANCIAL: Open

LEGAL: The resolution was drafted by the city planner. The final plat would be required to be filed by the applicant at Wright County including the creation/approval of mylars.

COUNCIL ACTION REQUESTED: Approve Resolution 23-08 Amending Preliminary Plat and Approving Final Plat for Shoreline Homes 2nd Addition.

ATTACHMENTS:

1. Planning Commission Materials
 - a. Staff Report
 - b. Plat
2. Resolution 23-08



NORTHWEST ASSOCIATED CONSULTANTS, INC.

4150 Olson Memorial Highway, Ste. 320, Golden Valley, MN 55422
Telephone: 763.957.1100 Website: www.nacplanning.com

To: Howard Lake City Council
Nicholas Haggemiller, City Administrator

From: Nate Sparks, City Planner

Date: April 13, 2023

Re: Larson Lot Preliminary Plat

BACKGROUND

The City has received an application for a plat of property located at 901 Shoreline Drive. The proposed division would be to create a second twinhome lot on the property.

COMPREHENSIVE PLAN / ZONING

The property is guided for a Medium Density Residential Land Use which allows for two-family dwellings.

The property is also a PUD for the apartments, townhomes, and twinhomes in the area.

It has been understood that this parcel was previously preliminarily approved for this second twinhome lot, as there is a utility stub and driveway apron to the property.

SITE PLAN / PERFORMANCE STANDARD REVIEW

Zoning Performance Standards

The minimum lot size for a twinhome lot in the Shoreland District is 35,000 square feet with 135 feet in width. The R-6 District requires 15,000 square feet and 85 feet in width.

The applicant proposes one lot of about 14,700 square feet in area and 80 feet in width and another with 19,000 with 100 feet.

The required setbacks are 20 feet to the side, 30 to the front, and 75 to the lake. The applicant is proposing 15 on one side, 25 on the other, and 30 to the front.

The applicant should adjust the lots to meet the R-6 size and width standards (15,000 / 85') and the 20 foot Shoreland side yard setbacks.

Park Dedication

Park dedication is required in the form of cash-in-lieu in the amount of \$5380.

DNR Comments

The DNR has been provided the application and made preliminary comments that there was a preference the City follow the Shoreland Ordinance standards.

PLANNING COMMISSION RECOMMENDATION

It appears that the proposed division was contemplated as being acceptable once before by the City, as there are utilities and a driveway apron present. Therefore, the Planning Commission found this proposal to be acceptable, provided all Staff comments are addressed:

1. Lots should be adjusted to meet the width and size requirements on the R-6 District (15,000 square feet and 85 feet in width) and 20 foot side yard setbacks from the Shoreland District.
2. All comments from the City Engineer shall be addressed.
3. All comments from the City Attorney shall be addressed.
4. Parkland dedication in the form of cash-in-lieu shall be provided.
5. The plat shall be renamed to Shoreline Homes 2nd Addition.

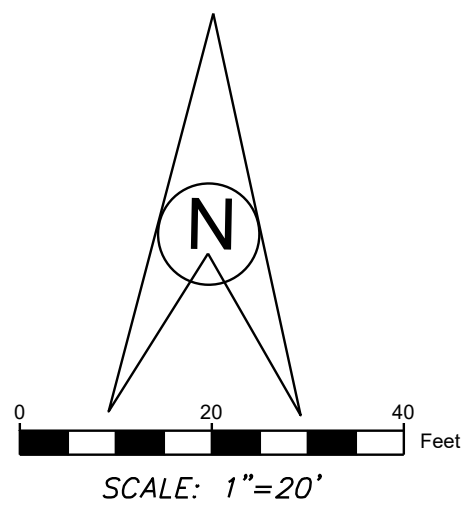
Attachments:

Applicant's Plan Set

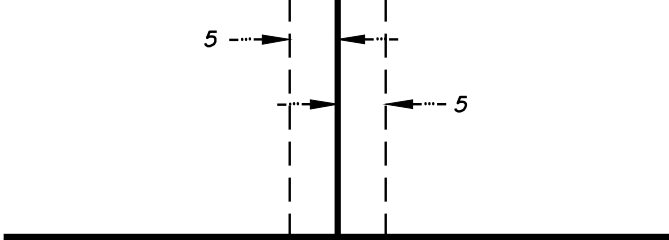
Preliminary Plat of LARSON LOT

SHEET INDEX

SHEET NO.	DESCRIPTION
1	PRELIMINARY PLAT
2	GRADING PLAN

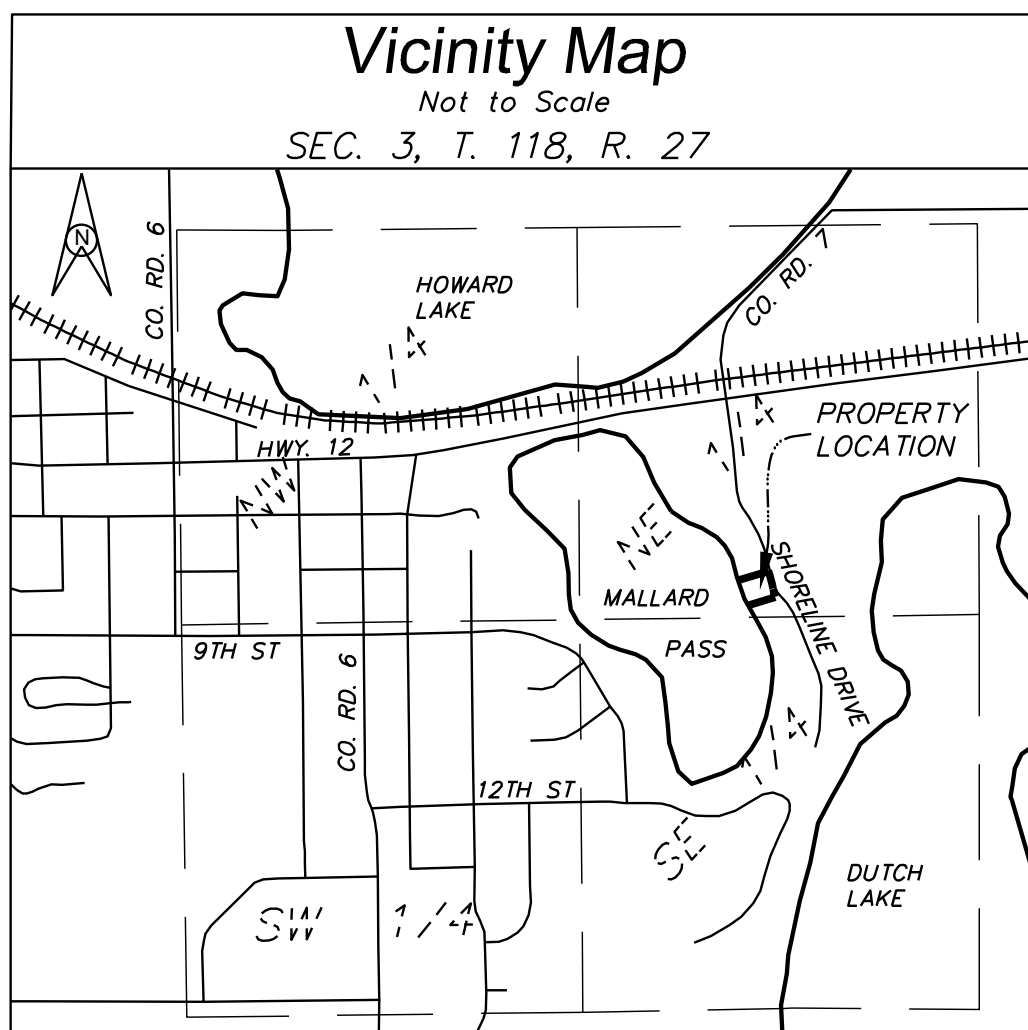


DRAINAGE AND UTILITY EASEMENTS ARE SHOWN THUS:



BEING 5 FEET IN WIDTH, UNLESS OTHERWISE INDICATED, AND ADJOINING LOT LINES, AS SHOWN ON THE PLAT.

- LEGEND**
- 988 — denotes Existing Contour
 - 988.00 X denotes Existing Spot Elevation
 - FF=989.36 denotes Finished Floor Elevation
 - ⊕ denotes Telephone Pedestal
 - ⊕ denotes Electrical Pedestal
 - ⊗ denotes Water Valve
 - ⊗ denotes Sanitary Manhole
 - ⊗ denotes Hydrant
 - SS — denotes Sanitary Sewer Line
 - - - denotes Drainage and Utility Easement per the plat SHORELINE HOMES
 - - - denotes Building Setback Line
- Front = 30'
Side = 10'



PROPERTY DESCRIPTION:

That part of Outlot E, SHORELINE HOMES, Wright County, Minnesota, according to the recorded plat thereof; lying Northerly of a line described as follows:

Commencing at the Northeast corner of said Outlot E; thence Southerly along the East line along a nontangential curve concave West, having a central angle of 07 degrees 41 minutes 34 seconds, a radius of 920.00 feet, an arc distance of 123.52 feet; the chord of said curve bears South 14 degrees 40 minutes 22 seconds East, assuming the North line of said Outlot E bears South 73 degrees 22 minutes 35 seconds West; thence South 10 degrees 49 minutes 35 seconds East, continuing along said East line, a distance of 25.05 feet; thence Southerly continuing along said East line on a tangential curve concave East, having a central angle of 04 degrees 22 minutes 19 seconds, a radius of 400.74 feet, an arc distance of 30.58 feet to point of beginning of said line; thence South 73 degrees 22 minutes 35 seconds West, a distance of 208.00 feet, more or less, to the East line of Outlot G and said line there terminating.

MALLARD PASS

O.H.W.L. = 996.9(NGVD29) per MN DNR

OUTLOT G

E. line of Outlot G

Preliminary Plat of LARSON LOT, Wright County, MN.

I hereby certify that this survey, plan, or report was prepared by me or under my direct supervision and that I am a duly Licensed Land Surveyor under the laws of the State of Minnesota.

Paul E. Otto
Paul E. Otto
License #40062 Date: 1-30-23

Requested By:

Doug & Julie Larson

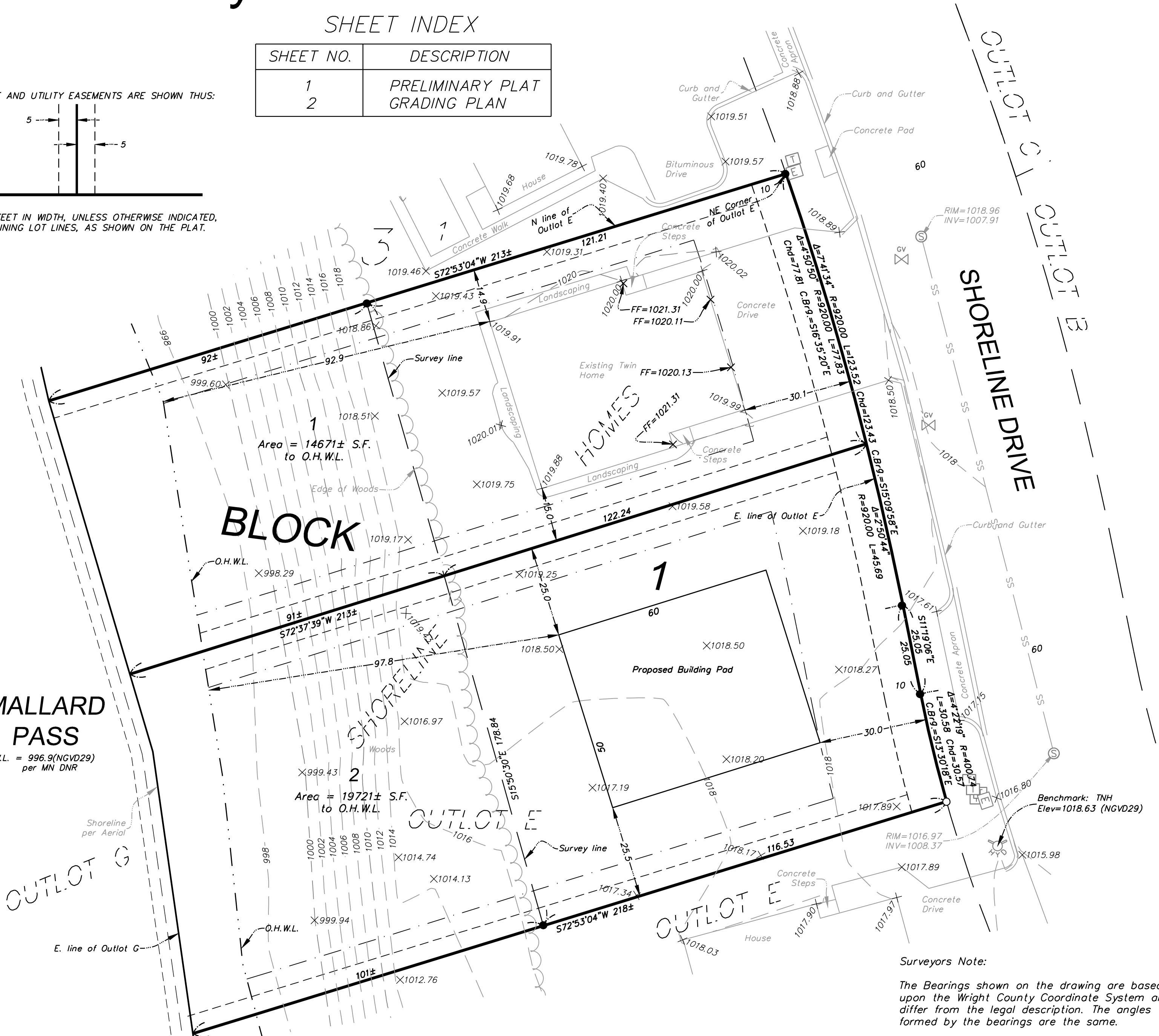
Date: 1-27-23 Drawn By: T.R.K. Scale: 1"=20' Checked By: P.E.O.



www.ottoassociates.com
9 West Division Street
Buffalo, MN 55313
(763)682-4727
Fax: (763)682-3522

- denotes iron monument found
- denotes 1/2 inch by 14 inch iron pipe set and marked by License #40062

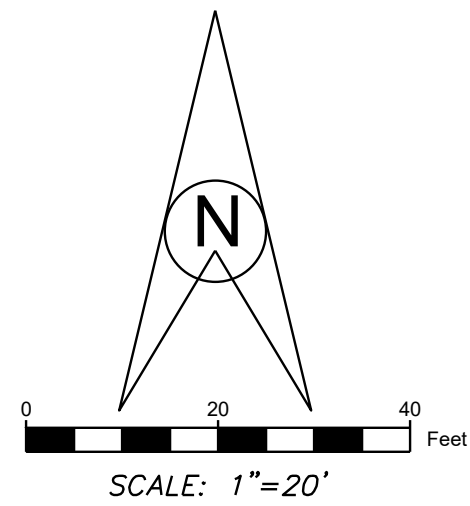
Project No. 23-0100



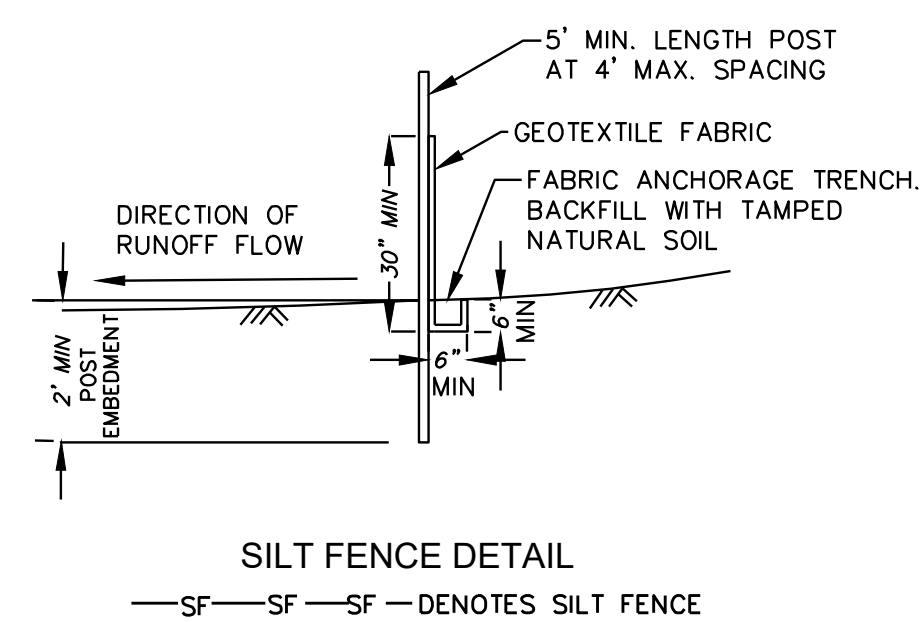
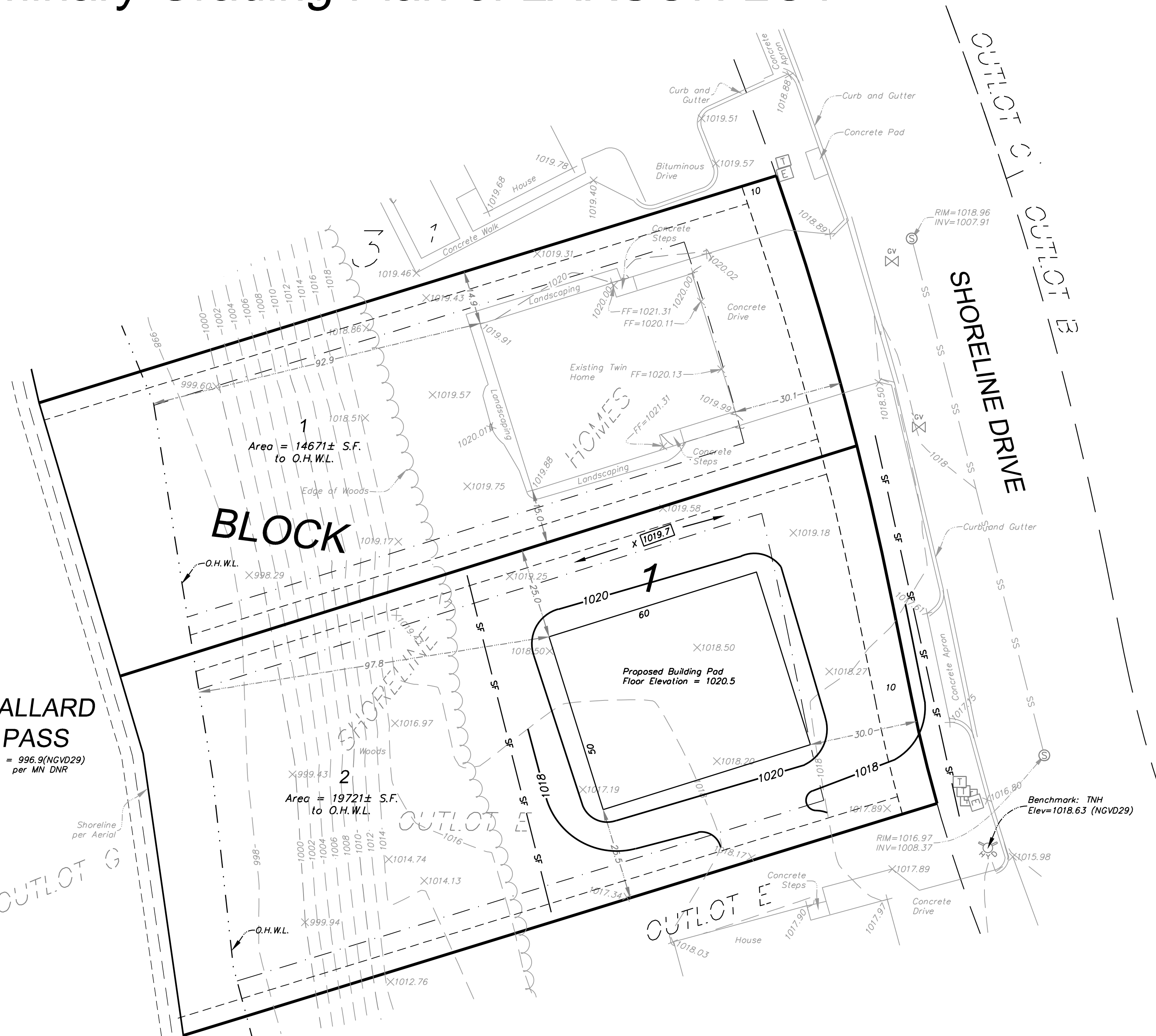
Surveyors Note:

The Bearings shown on the drawing are based upon the Wright County Coordinate System and differ from the legal description. The angles formed by the bearings are the same.

Preliminary Grading Plan of LARSON LOT



- LEGEND**
- 1010 — denotes Proposed Contour
 - 1017.5 X denotes Proposed Spot Elevation
 - > denotes Proposed Drainage
 - 988 — denotes Existing Contour
 - 988.00 X denotes Existing Spot Elevation
 - FF=989.36 denotes Finished Floor Elevation
 - [T] denotes Telephone Pedestal
 - [E] denotes Electrical Pedestal
 - [V] denotes Water Valve
 - [S] denotes Sanitary Manhole
 - [H] denotes Hydrant
 - SS — denotes Sanitary Sewer Line
 - - - denotes Drainage and Utility Easement
 - - - denotes Building Setback Line
Front = 30'
Side = 10'



GRADING NOTES

1. THE LOCATIONS OF EXISTING UNDERGROUND UTILITIES ARE SHOWN IN AN APPROXIMATE WAY ONLY. THE CONTRACTOR SHALL DETERMINE THE EXACT LOCATION OF ALL EXISTING UTILITIES BEFORE COMMENCING WORK. HE AGREES TO BE FULLY RESPONSIBLE FOR ANY AND ALL DAMAGES WHICH MIGHT BE OCCASIONED BY HIS FAILURE TO EXACTLY LOCATE AND PRESERVE ANY AND ALL UNDERGROUND UTILITIES.

Preliminary Grading Plan of LARSON LOT,
Wright County, MN.

Revised:

I hereby certify that this survey, plan, or report was prepared by me or under my direct supervision and that I am a duly Licensed Land Surveyor under the laws of the State of Minnesota.

Paul E. Otto
Paul E. Otto
License #40062 Date: 1-30-23

Requested By:

Doug & Julie Larson

Date: 1-27-23 Drawn By: T.R.K. Scale: 1"=20' Checked By: P.E.O.

OTTO ASSOCIATES
Engineers & Land Surveyors, Inc.

www.ottoassociates.com
9 West Division Street
Buffalo, MN 55313
(763)682-4727
Fax: (763)682-3522

- denotes iron monument found
- denotes 1/2 inch by 14 inch iron pipe set and marked by License #40062

Project No. 23-0100

**CITY OF HOWARD LAKE
RESOLUTION 23-08**

**RESOLUTION APPROVING A PRELIMINARY & FINAL PLAT
AT 901 SHORELINE DRIVE**

WHEREAS, there has been submitted to the City Council of the City of Howard Lake an application for a Preliminary Plat and a Final Plat at 901 Shoreline Drive; and

WHEREAS, the legal description of the property (the “Property”) is:

That part of Outlot E, Shoreline Homes, Wright County, Minnesota, according to the recorded plat thereof; lying Northerly of a line described as follows: Commencing at the Northeast corner of said Outlot E; thence Southerly along the East line along a nontangential curve concave West, having a central angle of 07 degrees 41 minutes 34 seconds, a radius of 920.00 feet, an arc distance of 123.52 feet; the chord of said curve bears South 14 degrees 40 minutes 22 seconds East, assuming the North line of said Outlot E bears South 73 degrees 22 minutes 35 seconds West; thence South 10 degrees 49 minutes 35 seconds East, continuing along said East line, a distance of 25.05 feet; thence Southerly continuing along said East line on a tangential curve concave East, having a central angle of 04 degrees 22 minutes 19 seconds; a radius of 400.74 feet, an arc distance of 30.58 feet to point of beginning of said line; thence South 73 degrees 22 minutes 35 seconds West, a distance of 208.00 feet, more or less, to the East line of Outlot G and said line there terminating.

WHEREAS, the Planning Commission held a duly-noticed public hearing regarding the request on April 12, 2023; and

WHEREAS, the City Council by this Resolution desires to set forth its findings and ruling with respect to the application; and

WHEREAS, finds that the Preliminary Plat and Final Plat generally meet the requirements of the zoning and subdivision ordinance as conditioned in this resolution; and

WHEREAS, the City Council finds that the proposed plat is consistent with the standards set forth by the Shoreline Homes planned unit development standards; and

NOW THEREFORE, BE IT RESOLVED by the City of Howard Lake that it hereby makes the following findings of fact on the Preliminary Plat and Final Plat:

1. The proposed subdivision is consistent with the Comprehensive Plan.
2. The proposed subdivision will be compatible with present and future land uses of the area.
3. The proposed subdivision will not tend to or actually depreciate the area in which it is proposed.
4. The proposed subdivision can be accommodated with existing and future planned public services and will not overburden the City’s service capacity.
5. Traffic generated by the proposed subdivision is within capabilities of streets serving the property.
6. The proposed final plat is consistent with the proposed preliminary plat.

BE IT FURTHER RESOLVED that the City Council approves the Preliminary Plat and Final Plat with the following conditions:

1. Lots should be adjusted to meet the width and size requirements on the R-6 District (15,000 square feet and 85 feet in width) and 20 foot side yard setbacks from the Shoreland District.
2. All comments from the City Engineer shall be addressed.
3. All comments from the City Attorney shall be addressed.
4. Parkland dedication in the form of cash-in-lieu shall be provided in the amount of \$5380..
5. The final plat shall be named “Shoreline Homes Second Addition.”

PASSED AND ADOPTED this 17th day of April, 2023.

Pete Zimmerman, Mayor

ATTEST:

Nicholas Haggemiller, City Administrator-Clerk

Attachments:

Exhibit A: Preliminary Plat

Exhibit B: Final Plat



HOWARD LAKE CITY COUNCIL MEETING

APRIL 17, 2023

AGENDA ITEM: Consider Various Library Construction Approvals

SECTION: New Business

FROM: Nick Haggemiller, City Administrator
 BKV Architects
 CGI Inc

BACKGROUND: In August 2022, city council rejected in full, bids for the proposed library/community room. In addition to being over budget, most concerning were nearly half a dozen bid categories that failed to solicit a response at all. The City Council directed the project team to identify possible modifications to the project that would retain the proposed scope and goals of the project while also providing project savings. In other words, “modify” rather than “redesign.” The project was released for rebids in late January and advertised for three consecutive weeks, consistent with necessary legal requirements. The second bid opening occurred on March 6, 2023.

Bid Results

Bid results received brought forward a total net savings from the initial bid let of just under \$430,000. However, as several bid categories were not responded to in the first bid let, the project estimate relied upon earlier design estimates. Through the bid confirming process, it was also noted that the perceived low bidder for HVAC failed to acknowledge an addendum. Doing so, required us to accept the second lowest bid for that bid category. Collectively, the fluctuations net out to a total project savings from the second bid let of \$67,000.

	DD Est.21	22 Bid Results	% off	Bid Results / Budget Amt	3-6-23 Bids	22 bids vs 23 bids	Bid to Bid Comp
Category 1 - Earthwork / Exterior Improvements / Utilities	287,452.66	411,700.00	143%	411,700.00	\$398,975.00	\$12,725.00	\$398,975.00
Category 2 - Landscaping	156,521.00	152,700.00	98%	152,700.00	\$111,466.00	\$41,234.00	\$111,466.00
Category 3 - Concrete	149,943.16	167,928.00	112%	167,928.00	\$154,800.00	\$13,128.00	\$154,800.00
Category 4 - Masonry	231,923.00		0%	231,923.00	\$468,250.00	-\$236,327.00	
Category 5 - Structural Steel Erection	28,012.25	23,600.00	84%	23,600.00	\$33,360.00	-\$9,760.00	\$33,360.00
Category 6 - Rough Carpentry	74,074.25	45,000.00	61%	45,000.00	\$44,700.00	\$300.00	\$44,700.00
Category 7 - Casework	75,580.00		0%	75,580.00	\$132,128.74	-\$56,548.74	
Category 8 - Metal Panel Siding & Roofing	350,928.00	674,900.00	192%	674,900.00	\$791,631.00	-\$116,731.00	\$791,631.00
Category 9 - Aluminum Windows/Doors & Glazing	138,455.00	202,140.00	146%	202,140.00	\$298,997.00	-\$96,857.00	\$298,997.00
Category 10 - Gypsum Board	422,540.00	530,538.00	126%	530,538.00	\$514,900.00	\$15,638.00	\$514,900.00
Category 11 - Tile	14,805.00	20,660.00	140%	20,660.00	\$15,150.00	\$5,510.00	\$15,150.00
Category 12 - Acoustical Treatments	24,176.00	61,690.00	255%	61,690.00	\$39,800.00	\$21,890.00	\$39,800.00
Category 13 - Flooring	26,926.00	40,453.00	150%	40,453.00	\$36,925.00	\$3,528.00	\$36,925.00
Category 14 - Painting	27,388.00	26,500.00	97%	26,500.00	\$32,835.00	-\$6,335.00	\$32,835.00
Category 15 - Window Treatments - By Owner	6,000.00		0%			\$0.00	
Category 16 - Mechanical / Plumbing	120,605.00	391,000.00	324%	391,000.00	\$174,330.00	\$216,670.00	\$174,330.00
Category 17 - HVAC	269,700.00	444,000.00	165%	444,000.00	\$289,700.00	\$154,300.00	\$289,700.00
Category 18 - Controls	76,400.00	57,350.00	75%	57,350.00		\$57,350.00	
Category 19 - Testing & Balancing		5,270.00	0%	5,270.00	\$4,200.00	\$1,070.00	\$4,200.00
Category 20 - Electric/Communications/Safety & Security	456,500.00	397,777.00	87%	397,777.00	\$417,770.00	-\$19,993.00	\$417,770.00
Category 21 - Steel Supply Only	80,035.00		0%	80,035.00	\$77,208.00	\$2,827.00	
Category 22 - Standard Doors/Frames/Hardware Material Only	44,910.00	120,057.00	267%	120,057.00	\$76,059.00	\$43,998.00	\$76,059.00
Category 23 - Specialties - Material Only	17,485.00	53,800.00	308%	53,800.00	\$33,671.00	\$20,129.00	\$33,671.00
Totals:	3,079,389.31	3,827,063.00		4,214,601.00	\$4,146,855.74		\$3,469,269.00

Proposed Value Engineering

The collective project team spent considerable amount of time verifying bid compliance while also simultaneously attempting to find project savings through value engineering. Ultimately, the constraints associated with financing, especially revolving around energy efficiency, really limited what could be considered without entirely starting the design process over as well as rejecting grant funds. The items listed below appear to be items that could potentially be removed from the project to provide savings without also causing larger impacts elsewhere:

Exterior Finishes

Sun Shade

A modest sun shade is proposed off the north side of the building. Removing in full is estimated to save \$6,000.

Reading Patio

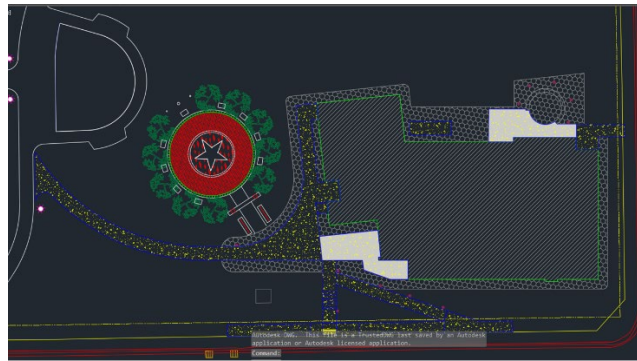
Total Removal is estimated to save about \$40,000. This should be considered as it could be pulled now, but as the proposed improvements would not occur until towards the end of the project; it could be added back into the project.

American Legion – Veterans Memorial

(NOT A CITY PROJECT) Approvals will be sought for a to-be Veterans Memorial adjacent to the library. This is noted as remaining approvals that will be sought. However, noting the proposed improvement now may impact council's decision whether or not to move forward with the reading patio.



Mitch Littfin Design



Interior Finishes

- The current base bid includes several round windows between the children's technology area and the reading room. Removing in full would provide an estimated \$10,000 in savings.
- Clear Story windows above entrances/between rooflines – removal via not accepting alternatives would save an estimated \$10,000.

Unknowns

The total project budget includes a design contingency. Most projects have owner-led changes that come forward through the project. Additionally, soil boring completed for the project yielded necessary soil corrections relating to debris left behind from the previous high school. It is strongly suggested to keep this plug figure in tact in the event additional soil corrections or owner amendments are identified.

Abbreviated Project Timeline

- | | |
|---|----------------|
| - GRRL Facilities Assessment | 2017 |
| - Water Intrusion Issue | 2018 |
| - Renovations Identified, Bids Approved | 2019 |
| o <i>Bid was not honored, not completed</i> | - |
| - BKV Retained Facilities Study | 2019 |
| - General Project Development | 2020-2021 |
| o <i>Grants funding sought/awarded</i> | |
| o <i>General financing approved</i> | |
| o <i>Planning and Zoning</i> | |
| o <i>Design Development</i> | |
| - 1 st Bid Let | 2022 |
| - Current Bid Let | 2023 |
| ----- | |
| - Anticipated Bid Approval | April 17, 2023 |
| - Contract Executions | May, 2023 |
| - Construction Start | June 2023 |
| - Project Completion | Spring 2024 |

Approvals Necessary to Proceed

Approve Quit Claim Deed

The school provided land to the City for the purpose of establishing a community park in 2018. At that time, the library project was not on the City's immediate radar. The Great River Regional Library Facilities Assessment and soon thereafter, a perceived water intrusion issue at the current library facility redirected council priorities. Siting the proposed library at Central Park was conceived and determined to be an overall savings to the city as the library would also provide bathroom facilities to the park.

The City is using lease-revenue bonds through USDA to finance construction. A deliberate ownership/lease structure has been established that requires the Howard Lake Economic Development Authority to own the facility and lease to the City in an amount equal to debt service payments. Therefore, the property that is currently held under the City of Howard Lake needs to be transitioned to the Howard Lake EDA. To do so, the attached quit claim deed is attached for approval. It is noted that the totality of the library site currently fits on one pre-existing parcel. Therefore, only this parcel is proposed to change legal ownership.

Recommended Council Action: Approve Quit Claim Deed to transfer library from the City of Howard Lake to the Howard Lake Economic Development Authority.

Resolution 23-10 Awarding Construction Bids

Resolution 23-10 and related Exhibit A reflects approval of the lowest responsible bids received for the project. Council is asked to approve in full as listed. In the event of council directed value engineering items, proposed contract amendments for the specific bid categories would need be drafted and brought back to council for approval. The resolution directs the mayor and city administrator to execute documents necessary to advance the project.

Recommended Council Action: Approve Resolution 23-10 Awarding Construction Bids.

Resolution 23-11 Authorizing Temporary Construction Financing

Similar to construction loans for residential buildings, temporary construction financing is needed prior to a full closing on permanent financing through USDA. This has been considered throughout the project development (capitalized interest is included on the overall project budget). Resolution 23-11 drafted by the city's financial advisor, Shannon Sweeney/David Drown authorizes temporary financing in the form of a bank placed note. We would anticipate this to be a drawable note not a lump sum note. However, as various grant sources also mandate reimbursement upon completion of the project, temporary financing is sought for the TOTAL project. Note: this resolution starts said process of obtaining temporary financing, but additional approvals to officially approve must be brought forward for approval.

Recommended Council Action: Approve Resolution 23-11 Authorizing Temporary Financing.

Resolution 23-12 Establishing Procedures Relating to Compliance with Reimbursement Bond Regulations

The City of Howard Lake Finance Department serves as the fiduciary agent for the total project for all sources/uses of funds. It is the stated intent of the council to provide general fund dollars to the project estimated at \$460,000 total. However, that figure includes some grant proceeds as well as design expenses paid to-date. Resolution 23-12 provides the City the legal right to reimburse itself using bond proceeds for funds in to the project, if necessary. Understanding the complex financing of this project, this was proposed by the financial advisor as a good precautionary measure in event disbursements do not align closely with receipt of bond proceeds. As drafted, this provides the authority to the city council to 'declare intent' through a 'certification' kept on file. It is noted that the general resolution provides the authority for the city to do so with ANY bond. However, the certification is specific to the project. This is noted as the City intends to complete sizable street and utility projects in the near future. The resolution would be useful in that application as well. Separate certifications would be needed for each capital project.

Recommended Council Action: Approve Resolution 23-12 Establishing Procedures Relating to Compliance with Reimbursement Bond Regulations.

FINANCIAL: A full project budget is included in the attachments. An abbreviated sources/uses is as follows:

HOWARD LAKE LIBRARY		
USES	LOC 3.2.22	4/1/2023
Construction	\$ 3,079,359	\$ 4,146,855
Architectural, CM, Consult	\$ 735,813	\$ 803,559
Other Costs	\$ 364,569	\$ 364,569
Interim Construction Interest	\$ 60,000	\$ 60,000
Project Contingency	\$ 322,259	\$ 322,259
TOTALS	\$ 4,562,000	\$ 5,697,242
SOURCES	LOC 3.2.22	4/1/2023
USDA Loan	\$ 3,582,000	\$ 3,582,000
USDA Supplemental Loan	-	\$ 924,771
Applicant Contribution	\$ 250,898	\$ 461,369
MN Dpt of Ed Grant	\$ 729,102	\$ 729,102
TOTALS	\$ 4,562,000	\$ 5,697,242

LEGAL: The primary financing for this project is USDA Community Facilities Note. Anticipating the recommendation to proceed, staff and consultants have completed the exhaustive requirements and received the concurrence letters necessary to be in place prior to council approval.

ATTACHMENTS:

1. USDA Contract Concurrence Letter
2. Quit Claim Deed
3. Resolution 23-10 Awarding Construction Bids
4. Memo, Shannon Sweeney RE: Temporary Financing
5. Resolution 23-11 Authorizing Temporary Construction Financing
6. Resolution 23-12 Reimbursement Resolution
7. Total Project Budget



CONTRACT CONCURRENCE LETTER

April 10, 2023

City of Howard Lake Economic Development Authority
Nick Haggemiller, City Administrator, Howard Lake
625 8th Avenue
Howard Lake, MN 55349

Dear Mr. Prafke:

USDA - Rural Development has reviewed the bidding material submitted by your consulting architect. We concur in the award of the Construction Manager contracts on your City Library project, as follows:

Total Estimated Construction Costs \$5,579,605

RD 1942-A Guide19, Attachment 7, "Notice of Award", should be completed, signed and sent to the above Construction Manager as Contractor. A signed copy is also to be included in each contract.

Construction contracts can now be prepared in bound form and signed. Please refer to RD "Information and Forms for Architects of Community Facility Projects", (enclosed) for the Standard Contract Document List. Enough originals should be prepared so that all parties concerned will receive a signed copy. The contracts are to be reviewed and signed on RD Instruction 1942-A, Guide 18, page 7 by your attorney. All parties to the contract must sign page 4 on RD Instruction 1942-A, Guide 27, Attachment 3 prior to submission to this office for our approval as the lender.

RD now calculates project costs to be:

Table with 2 columns: Bid Amounts, Contingency, General Conditions, CM Fees, Architect Fees, Total Construction. Values range from \$4,146,856 to \$5,245,208.

Other project costs

Table with 2 columns: Permits & Fees, Equipment & Furnishings, Interim Interest, Other Costs, Total Other Costs. Values range from \$49,300 to \$452,034.

Total Project Costs \$5,697,242

RD Funding for the project will include no more than \$4,776,771 in loan funding. Other funding in the amount of \$729,102 will come from the Minnesota Department of Education Grant and the remaining \$461,369 will come from the city.

Temporary financing should be obtained in amount of the RD loan of \$4,776,771. It is required that the City will pay the interim interest as it is incurred up to the date of closing. A copy of the bond opinion for this issue should be provided to our office. Upon request, we will send a letter to the issuer stating our funding commitment to this project.

A pre-construction conference is to be scheduled between your project architect, city attorney, the contractor, a RD construction specialist, this office, and any other interested parties, prior to issuing the RD Instruction 1942-A Guide 19, Attachment 8, "Notice to Proceed" and the start of construction. Your project architect will conduct this meeting per MN 1924-A Guide 13 "Record of Pre-Construction Meeting", (enclosed).

Sincerely,

Doug Grindberg
Area Specialist

cc: Project Architect
City Attorney
Bond Counsel
USDA Rural Development State Architect

**QUITCLAIM DEED
CORPORATION TO CORPORATION**

No delinquent taxes and transfer entered; Certificate of real estate value () filed () not required; Certificate of Real Estate Value Number _____

County Auditor
by _____
Deputy

STATE DEED TAX DUE HEREON: \$ _____

April 17, 2023

FOR VALUABLE CONSIDERATION, City of Howard Lake, a municipal corporation under the laws of the State of Minnesota, Grantor, hereby conveys and quitclaims to the City of Howard Lake Economic Development Authority, a political subdivision of the State of Minnesota, Grantee, real property in Wright County, Minnesota described as follows:

Lots 1 and 2, Block 33, Greens Addition, according to the plat of record in the office of the Wright County Recorder, Wright County, Minnesota.

together with all hereditaments and appurtenances belonging thereto.

(Seller certifies this transaction totals less than \$500.)

CITY OF HOWARD LAKE

Peter Zimmerman, Mayor

Nick Haggenmiller, City Administrator/Clerk

**CITY OF HOWARD LAKE
RESOLUTION 23-10**

Resolution Approving Award of Bid for the Library & Community Room Construction Project

WHEREAS, pursuant to an advertisement for bids for the Library and Community Room Construction Project, located at 625 8th Avenue, Howard Lake, MN 55349.

WHEREAS, bids were received, opened, and tabulated according to the law; and,

WHEREAS, Exhibit A references the lowest and best bids for the project.

NOW THEREFORE, BE IT RESOLVED BY THE CITY OF HOWARD LAKE that the bids are awarded to bidders as shown on exhibit A for a total of \$4,146,855

BE IT FURTHER RESOLVED, that the Mayor and/or City Administrator is authorized to execute any and all documents to complete the Library and Community Room Project.

Adopted by the city council this 17th day of April, 2023.

Peter Zimmerman, Mayor

ATTEST:

Nick Haggemiller, City Administrator/Clerk

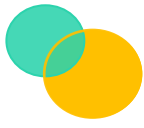
EXHIBIT A

City of Howard Lake Library

Date: April 11, 2023 [For Bid Approval]



CATEGORY OF WORK		TRADE CONTRACTOR NAME	ORIGINAL CONTRACT	CHANGE ORDERS	ADJUSTED CONTRACT	PAID TO DATE	BALANCE TO FINISH
1	Earthwork / Exterior Improvements / Utilities	New Look Contracting, Inc.	\$398,975.00	\$0.00	\$398,975.00	\$0.00	\$398,975.00
2	Landscaping	Autumn Ridge Landscaping, Inc.	\$111,466.00	\$0.00	\$111,466.00	\$0.00	\$111,466.00
3	Concrete	Ultra Concrete	\$154,800.00	\$0.00	\$154,800.00	\$0.00	\$154,800.00
4	Masonry	Rice Lake Construction Group	\$468,250.00	\$0.00	\$468,250.00	\$0.00	\$468,250.00
5	Structural Steel Erection	Vos Construction	\$33,360.00	\$0.00	\$33,360.00	\$0.00	\$33,360.00
6	Carpentry	BCI Construction, Inc.	\$44,700.00	\$0.00	\$44,700.00	\$0.00	\$44,700.00
7	Casework	Woodside Industries, Inc.	\$132,128.74	\$0.00	\$132,128.74	\$0.00	\$132,128.74
8	Metal Panel Siding & Roofing	Progressive Building Systems	\$791,631.00	\$0.00	\$791,631.00	\$0.00	\$791,631.00
9	Aluminum Windows / Doors & Glazing	Heartland Glass Company, Inc.	\$298,997.00	\$0.00	\$298,997.00	\$0.00	\$298,997.00
10	Gypsum Board	Olympic Companies, Inc.	\$514,900.00	\$0.00	\$514,900.00	\$0.00	\$514,900.00
11	Tile	Grazzini Brothers & Company	\$15,150.00	\$0.00	\$15,150.00	\$0.00	\$15,150.00
12	Acoustical Treatments	St. Cloud Acoustics, Inc.	\$39,800.00	\$0.00	\$39,800.00	\$0.00	\$39,800.00
13	Flooring	Grazzini Brothers & Company	\$36,925.00	\$0.00	\$36,925.00	\$0.00	\$36,925.00
14	Painting	High Performance Coatings, Inc.	\$32,835.00	\$0.00	\$32,835.00	\$0.00	\$32,835.00
16	Mechanical / Plumbing	Wenzel Plymouth Plumbing	\$174,330.00	\$0.00	\$174,330.00	\$0.00	\$174,330.00
17	HVAC	Mc Dowall Company	\$289,700.00	\$0.00	\$289,700.00	\$0.00	\$289,700.00
18	Testing / Adjusting & Balancing	Marcus Global, Inc. dba SMB of Minnesota	\$4,200.00	\$0.00	\$4,200.00	\$0.00	\$4,200.00
19	Electrical / Communications / Safety & Security	Design Electric, Inc.	\$417,770.00	\$0.00	\$417,770.00	\$0.00	\$417,770.00
20	Steel Supply - Material Only	Construction Systems, Inc.	\$77,208.00	\$0.00	\$77,208.00	\$0.00	\$77,208.00
21	Standard Doors / Frames / Hardware - M.O.	Mid Central Door	\$76,059.00	\$0.00	\$76,059.00	\$0.00	\$76,059.00
22	Specialties - Material Only	Building Material Supply, Inc.	\$33,671.00	\$0.00	\$33,671.00	\$0.00	\$33,671.00
TRADE CONTRACTOR TOTAL:			\$4,146,855.74	\$0.00	\$4,146,855.74	\$0.00	\$4,146,855.74



DDA

David Drown Associates, Inc.
Public Finance Advisors

Cologne Office:
10555 Orchard Road
Cologne, MN 55322
(952) 356-2992
shannon@daviddrown.com

April 12, 2023

City of Howard Lake
Nick Haggenmiller, City Administrator
P.O. Box 736
Howard Lake, MN 55349

RE: Construction Financing – Library Project

Honorable Mayor, Council Members, and Administrator Haggenmiller:

The City of Howard Lake has received construction bids for the construction of a new library. Long-term financing for that project will be provided in the form of loans from USDA-Rural Development, a grant from the Minnesota Department of Education, and a cash contribution from the City.

As USDA-Rural Development and the MN Department of Education will not provide their funding until the project is essentially complete, the City will need to arrange for temporary construction lending should the Council determine that it is appropriate to proceed with the project. We have used a placement agent for similar lending on prior projects to solicit competitive proposals for the provision of construction lending, including drawn-down financing that would allow the City to draw funds as needed and reduce interest expense.

Enclosed for consideration is a resolution authorizing staff to execute an engagement letter with D.A. Davidson to serve as placement agent for the financing. We have worked with staff from D.A. Davidson to put similar financing in place for other projects and have found them to be efficient and capable at providing this service.

Please feel free to contact me if you would like to discuss this information in additional detail.

Sincerely,

Shannon Sweeney, Associate
David Drown Associates, Inc.

EXTRACT OF MINUTES OF A MEETING
OF THE CITY COUNCIL OF THE
CITY OF HOWARD LAKE, MINNESOTA

HELD: April 17, 2023

Pursuant to due call and notice thereof, a regular meeting of the City Council of the City of Howard Lake, Minnesota, was duly held on Monday, April 17, 2023 at 7:00 p.m.

The following Council members were present:

and the following were absent:

Council member _____ introduced the following resolution and moved its adoption:

**RESOLUTION AUTHORIZING THE ENGAGEMENT OF
D.A. DAVIDSON AS PLACEMENT AGENT FOR CONSTRUCTION
LENDING FOR THE LIBRARY PROJECT**

BE IT RESOLVED by the City Council of the City of Howard Lake, State of Minnesota (herein, the "City"), as follows:

1. The City Council hereby finds and declares that it is necessary and expedient for the City to arrange for construction financing for the Library Project as required by USDA-Rural Development; and
2. David Drown Associates, Inc. (herein, "DDA") municipal advisor to the City is authorized to negotiate with D.A. Davidson to provide placement agent services for the proposed temporary financing; and
3. City staff is authorized to execute an engagement letter for placement agent services with fees contingent upon securing a construction financing proposal that is approved by the City Council.

The motion for the adoption of the foregoing resolution was duly seconded by Member _____, and upon vote being taken thereon, the following in favor thereof:

and the following voted against the same:

Whereupon said resolution was declared duly passed and adopted.

STATE OF MINNESOTA
COUNTY OF WRIGHT
CITY OF HOWARD LAKE

I, the undersigned, being the duly qualified and acting City Administrator of the City of Howard Lake, Minnesota, DO HEREBY CERTIFY that I have compared the attached and foregoing extract of minutes with the original thereof on file in my office, and that the same is a full, true and complete transcript of the minutes of a meeting of the City Council of said City, duly called and held on the date therein indicated, insofar as such minutes relate to securing the services of a placement agent for the temporary construction financing for the library project .

WITNESS my hand this _____ day of _____, 2023.

Nick Haggemiller
City Administrator

RESOLUTION NO. 23-12

RESOLUTION ESTABLISHING PROCEDURES
RELATING TO COMPLIANCE WITH REIMBURSEMENT BOND
REGULATIONS UNDER THE INTERNAL REVENUE CODE

BE IT RESOLVED by the City Council (the "Council") of the City of Howard Lake, Minnesota (the "City"), as follows:

1. Recitals.

(a) The Internal Revenue Service has issued Treasury Regulations, Section 1.150-2 (as the same may be amended or supplemented, the "Regulations"), dealing with "reimbursement bond" proceeds, being proceeds of the City's bonds used to reimburse the City for any project expenditure paid by the City prior to the time of the issuance of those bonds.

(b) The Regulations generally require that the City make a declaration of intent to reimburse itself for such prior expenditures out of the proceeds of subsequently issued bonds, that such declaration be made not later than 60 days after the expenditure is actually paid, and that the bonding occur and the written reimbursement allocation be made from the proceeds of such bonds within 18 months after the later of (1) the date of payment of the expenditure or (2) the date the project is placed in service (but in no event more than 3 years after actual payment).

2. Official Intent Declaration. The Regulations, in the situations in which they apply, require the City to have declared an official intent (the "Declaration") to reimburse itself for previously paid project expenditures out of the proceeds of subsequently issued bonds. The Council hereby authorizes the City Administrator to make the City's Declarations or to delegate from time to time that responsibility to other appropriate City employees. Each Declaration shall comply with the requirements of the Regulations, including without limitation the following:

(a) Each Declaration shall be made not later than 60 days after payment of the applicable project cost and shall state that the City reasonably expects to reimburse itself for the expenditure out of the proceeds of a bond issue or similar borrowing. Each Declaration may be made substantially in the form of the Exhibit A which is attached to and made a part of this Resolution, or in any other format which may at the time comply with the Regulations.

(b) Each Declaration shall (1) contain a reasonably accurate description of the "project," as defined in the Regulations (which may include the property or program to be financed, as applicable), to which the expenditure relates and (2) state the maximum principal amount of bonding expected to be issued for that project.

(c) Care shall be taken so that the City, or its authorized representatives under this Resolution, not make Declarations in cases where the City doesn't reasonably expect to issue reimbursement bonds to finance the subject project costs, and the City officials are hereby authorized to consult with bond counsel to the City concerning the requirements of the Regulations and their application in particular circumstances.

(d) The Council shall be advised from time to time on the desirability and timing of the issuance of reimbursement bonds relating to project expenditures for which the City has made Declarations.

3. Reimbursement Allocations. The designated City officials shall also be responsible for making the "reimbursement allocations" described in the Regulations, being generally written allocations that evidence the City's use of the applicable bond proceeds to reimburse the original expenditures.

4. Effect. This Resolution shall amend and supplement all prior resolutions and/or procedures adopted by the City for compliance with the Regulations (or their predecessor versions), and, henceforth, in the event of any inconsistency, the provisions of this Resolution shall apply and govern.

Adopted this 17th day of April, 2023, by the Howard Lake City Council.

EXHIBIT A

Declaration of Official Intent

The undersigned, being the duly appointed and acting City Administrator of the City of Howard Lake, Minnesota (the "City"), pursuant to and for purposes of compliance with Treasury Regulations, Section 1.150-2 (the "Regulations"), under the Internal Revenue Code of 1986, as amended, hereby states and certifies on behalf of the City as follows:

1. The undersigned has been and is on the date hereof duly authorized by the Howard Lake City Council to make and execute this Declaration of Official Intent (the "Declaration") for and on behalf of the City.

2. This Declaration relates to the following project, property or program (the "Project") and the costs thereof to be financed:

Project Name & Costs:

3. The City reasonably expects to reimburse itself for the payment of certain costs of the Project out of the proceeds of a bond issue or similar borrowing (the "Bonds") to be issued by the City after the date of payment of such costs. As of the date hereof, the City reasonably expects that \$5,200,000 is the maximum principal amount of the Bonds which will be issued to finance the Project.

4. Each expenditure to be reimbursed from the Bonds is or will be a capital expenditure or a cost of issuance, or any of the other types of expenditures described in Section 1.150-2(d)(3) of the Regulations.

5. As of the date hereof, the statements and expectations contained in this Declaration are believed to be reasonable and accurate.

Date: April 17, 2023

Nicholas Haggemiller, City Administrator
City of Howard Lake, Minnesota

CERTIFICATION

The undersigned, being the duly qualified and acting City Administrator of the City of Howard Lake, Minnesota, hereby certifies the following:

The foregoing is true and correct copy of a Resolution on file and of official, publicly available record in the offices of the City, which Resolution relates to procedures of the City for compliance with certain IRS Regulations on reimbursement bonds. Said Resolution was duly adopted by the governing body of the City (the "Council") at a regular meeting of the Council held on _____, 2023. Said meeting was duly called, regularly held, open to the public, and held at the place at which meetings of the Council are regularly held. Councilmember _____ moved the adoption of the Resolution, which motion was seconded by Councilmember _____. A vote being taken on the motion, the following members of the Council voted in favor of the motion to adopt the Resolution:

and the following voted against the same:

Whereupon said Resolution was declared duly passed and adopted. The Resolution is in full force and effect and no action has been taken by the Council which would in any way alter or amend the Resolution.

WITNESS MY HAND officially as the City Administrator of the City of Howard Lake, Minnesota, this ____ day of _____, 2023.

Nicholas Haggemiller, City Administrator
City of Howard Lake, Minnesota

City of Howard Lake Library

Date: **March 25, 2023**



CATEGORY OF WORK	TRADE CONTRACTOR NAME	ORIGINAL CONTRACT	CHANGE ORDERS	ADJUSTED CONTRACT	PAID TO DATE	BALANCE TO FINISH
1 Earthwork / Exterior Improvements / Utilities	New Look Contracting, Inc.	\$398,975.00	\$0.00	\$398,975.00	\$0.00	\$398,975.00
2 Landscaping	Autumn Ridge Landscaping, Inc.	\$111,466.00	\$0.00	\$111,466.00	\$0.00	\$111,466.00
3 Concrete	Ultra Concrete	\$154,800.00	\$0.00	\$154,800.00	\$0.00	\$154,800.00
4 Masonry	Rice Lake Construction Group	\$468,250.00	\$0.00	\$468,250.00	\$0.00	\$468,250.00
5 Structural Steel Erection	Vos Construction	\$33,360.00	\$0.00	\$33,360.00	\$0.00	\$33,360.00
6 Carpentry	BCI Construction, Inc.	\$44,700.00	\$0.00	\$44,700.00	\$0.00	\$44,700.00
7 Casework	Woodside Industries, Inc.	\$132,128.74	\$0.00	\$132,128.74	\$0.00	\$132,128.74
8 Metal Panel Siding & Roofing	Progressive Building Systems	\$791,631.00	\$0.00	\$791,631.00	\$0.00	\$791,631.00
9 Aluminum Windows / Doors & Glazing	Heartland Glass Company, Inc.	\$298,997.00	\$0.00	\$298,997.00	\$0.00	\$298,997.00
10 Gypsum Board	Olympic Companies, Inc.	\$514,900.00	\$0.00	\$514,900.00	\$0.00	\$514,900.00
11 Tile	Grazzini Brothers & Company	\$15,150.00	\$0.00	\$15,150.00	\$0.00	\$15,150.00
12 Acoustical Treatments	St. Cloud Acoustics, Inc.	\$39,800.00	\$0.00	\$39,800.00	\$0.00	\$39,800.00
13 Flooring	Grazzini Brothers & Company	\$36,925.00	\$0.00	\$36,925.00	\$0.00	\$36,925.00
14 Painting	High Performance Coatings, Inc.	\$32,835.00	\$0.00	\$32,835.00	\$0.00	\$32,835.00
16 Mechanical / Plumbing	Wenzel Plymouth Plumbing	\$174,330.00	\$0.00	\$174,330.00	\$0.00	\$174,330.00
17 HVAC	Mc Dowall Company	\$289,700.00	\$0.00	\$289,700.00	\$0.00	\$289,700.00
18 Testing / Adjusting & Balancing	Marcus Global, Inc. dba SMB of Minnesota	\$4,200.00	\$0.00	\$4,200.00	\$0.00	\$4,200.00
19 Electrical / Communications / Safety & Security	Design Electric, Inc.	\$417,770.00	\$0.00	\$417,770.00	\$0.00	\$417,770.00
20 Steel Supply - Material Only	Construction Systems, Inc.	\$77,208.00	\$0.00	\$77,208.00	\$0.00	\$77,208.00
21 Standard Doors / Frames / Hardware - M.O.	Mid Central Door	\$76,059.00	\$0.00	\$76,059.00	\$0.00	\$76,059.00
22 Specialties - Material Only	Building Material Supply, Inc.	\$33,671.00	\$0.00	\$33,671.00	\$0.00	\$33,671.00
TRADE CONTRACTOR TOTAL:		\$4,146,855.74	\$0.00	\$4,146,855.74	\$0.00	\$4,146,855.74
Contingency	Budget	\$322,259.00	\$0.00	\$322,259.00	\$0.00	\$322,259.00
General Conditions	Budget	\$383,611.71	\$0.00	\$383,611.71	\$5,671.11	\$377,940.60
CM Fee	Contegrity Group, Inc.	\$98,000.00	\$0.00	\$98,000.00	\$24,500.00	\$73,500.00
Architect / Engineering / Cx Fee	Architect	\$249,202.00	\$0.00	\$249,202.00	\$0.00	\$249,202.00
Architect Reimbursables	Architect	\$5,000.00	\$0.00	\$5,000.00	\$0.00	\$5,000.00
Architect Rebid	Architect	\$40,750.00	\$0.00	\$40,750.00	\$0.00	\$40,750.00
CONSTRUCTION TOTAL:		\$5,245,678.45	\$0.00	\$5,245,678.45	\$30,171.11	\$5,215,507.34
Building Permit / Plan Review		\$23,800.00	\$0.00	\$23,800.00	\$0.00	\$23,800.00
WAC / SAC (Water and Sewer Access Fees)		\$25,500.00	\$0.00	\$25,500.00	\$0.00	\$25,500.00
FF&E (Furniture-Equipment-Moving)		\$201,798.00	\$0.00	\$201,798.00	\$0.00	\$201,798.00
Utility Re-location		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Technology - AV		\$53,471.00	\$0.00	\$53,471.00	\$0.00	\$53,471.00
Signage - Exterior/Interior		\$40,000.00	\$0.00	\$40,000.00	\$0.00	\$40,000.00
Artwork		\$20,000.00	\$0.00	\$20,000.00	\$0.00	\$20,000.00
PROJECT TOTAL:		\$5,610,247.45	\$0.00	\$5,610,247.45	\$30,171.11	\$5,580,076.34



HOWARD LAKE CITY COUNCIL MEETING

APRIL 17, 2023

AGENDA ITEM: Consider Agreement to Release Mortgage between City and MAB Development

SECTION: New Business

FROM: Nick Haggemiller, City Administrator
Gary Barons, MAB Development

BACKGROUND: In the late 00's, the City entered into a development agreement for two plats: Dutch Lake Woods and Dutch Lake Preserve. Ultimately this development agreement was responsible to Gary Barons dba MAB Development.

The street and utilities for Dutch Lake Woods as well as many homes were constructed prior to the Housing Crash of 2008. Dutch Lake Preserve has had a mix of development, but most of the subdivision is still in a preliminary plat status.



Chronological Summary of Circumstances

2007

- The City and MAB enter into a development agreement detailing necessary street and utility improvements needed for Dutch Lake Preserve.

2008

- Housing Crash

2009

- Street and Utilities are incomplete
- City pressures MAB Development for completion of various public improvements.
- MAB Development indicates to City inability to obtain a standard letter of credit typically used as security to complete necessary public improvements in the event of a default.
- City Engineer creates a punch list and engineer's estimate for necessary utility corrections estimated at \$230,000.
- City Council agrees to \$300,000 mortgage placed on parcel in Dutch Lake Woods in lieu of LOC.

2010

- City council approved bids in the amount of \$135,000 related to Dutch Lake Preserve utility corrections.
- City council issued GO Bond to complete various street and utility improvements in BOTH Dutch Lake Preserve and Terning Trails.
- City Council placed deferred special assessments on parcels in both Dutch Lake Preserve and Terning Trails equivalent to cost of improvements.

2015

- Council agreed to waive special assessments in Dutch Lake Preserve to spur development.

2017

- Council agreed to waive special assessments in Terning Trails to spur development.

2023

- Resident Edward (Skip) Miller approaches property owner of 187 Dutch Lake Trail about purchasing the parcel to construct a new slab-on-grade home. City staff completes standard assessment search, determines no outstanding balance due to the City.
- Miller and MAB Development agree to terms of a sale. Subsequent title work unearths the 2009 mortgage previously unknown to city staff.

LEGAL Recourse

The City has the legal right to foreclose on the mortgage that is in place against the property to attempt recover the estimated \$135,000 of City funds into the project. Per the city attorney:

While the statute of limitations has run on any promissory note that would have been due in 2010 (promissory notes must be sued upon within 6 years of the date the promissory note is due), Minn. Stat. 541.03 allows a party to foreclose on a mortgage up to 15 years after the underlying debt is due. In this case, the developer was supposed to complete the utility and street installation in Dutch Lake Preserve by August 10, 2010. Per Minnesota law, the City has until August 10, 2025 to foreclose on the property that is secured by the mortgage.

Miller and MAB Development have agreed to a sales price of the parcel of \$30,000. This is close to the estimated tax value of the parcel as well. If the City were to proceed with foreclosure, we would anticipate a legal process that would take 6-12 months and cost the City \$5,000 - \$10,000 in associated legal fees. Therefore, **the City would reasonably expect to net about \$20,000 from the property provided the City is able to sell after foreclosure proceedings are complete.**

Despite strong residential startups over the last several years, Miller is the first to express interest in this parcel. The parcel itself is heavily wooded, located within the restrictive Shoreland Overlay District and is anticipated to require soil corrections prior to construction. Miller has indicated the need to construct in 2023. It is not known whether another buyer would be identified following foreclosure proceedings.

Proposed Settlement

In hopes of avoiding the time and expense associated with foreclosure proceedings, the city administrator and MAB Development have tentatively come to terms with a proposed settlement. The settlement would provide the **City with \$10,000** of the proposed \$30,000 sales price. Doing so, would preserve the overall sale of the property as well as ensure Miller is able to construct a new home in 2023. This is believed to be the best path forward per the city attorney, MAB Development and the city administrator. If agreed upon by council, the settlement would permit the mortgage to be released in full.

DECISION MAKING METRICS:

FINANCIAL: The City would receive \$10,000 in net proceeds if council agrees to the settlement. The proceeds would be required to be used for debt service associated with the development. The council is further asked to approve the satisfaction agreement associated with the settlement.

LEGAL: In addition to the legal notes above, it is noted that Miller is an employee of the City of Howard Lake. This is NOT a conflict of interest, per city attorney. Moreover, agreeing to the settlement would follow past council precedence which includes waiving immediately related development fees in the same development.

COUNCIL ACTION REQUESTED: Approve agreement releasing mortgage on 187 Dutch Lake Woods.

ATTACHMENTS:

1. Agreement to release mortgage.
2. Mortgage Satisfaction.

AGREEMENT TO RELEASE MORTGAGE

WHEREAS, MAB Homes, Inc. (“MAB”) granted a mortgage to the City of Howard Lake (“City”) on February 8, 2010, against Lot 3, Block 3, Dutch Lake Woods, recorded as document number T27542 in the office of the Registrar of Titles, Wright County, Minnesota (“Mortgage”), as security for the completion of municipal improvements undertaken by MAB; and

WHEREAS, the City expended funds in excess of \$100,000 to complete the municipal improvements originally undertaken by MAB and the City has more than \$10,000 in unreimbursed costs from the completion of such municipal improvements outstanding; and

WHEREAS, the Mortgage has never been satisfied by MAB; and

WHEREAS, MAB desires to have the mortgage released so that MAB can sell said Lot 3, Block 3, Dutch Lake Woods (“Property”); and

WHEREAS, the City is willing to release the Mortgage upon payment to the City of \$10,000 from MAB;

NOW, THEREFORE, the parties agree as follows:

1. At the closing for the sale of the Property, MAB shall deliver \$10,000 to the City. Said funds shall be in the form of a wire transfer or a check from a title company acceptable to the City.
2. Simultaneous with the receipt of said \$10,000, the City shall deliver a satisfaction of the Mortgage in recordable form to MAB.
3. This Agreement shall expire if the closing on the Property does not occur by December 31, 2023.

Dated: April 17, 2023

CITY OF HOWARD LAKE

MAB HOMES, INC.

Peter Zimmerman, Mayor

By: _____

Its: _____

Nick Haggemiller
City Administrator/Clerk

SATISFACTION OF MORTGAGE

Date: _____, 2023

THAT CERTAIN MORTGAGE, owned by the undersigned and dated February 8, 2010, executed by MAB Homes, Inc. as mortgagor to the City of Howard Lake, as mortgagee and filed for record February 18, 2010 as document number T27542 in the office of the Registrar of Titles, Wright County, Minnesota, is fully paid and satisfied.

CITY OF HOWARD LAKE

Pete Zimmerman, Mayor

Nick Haggemiller
City Administrator/Clerk

STATE OF MINNESOTA

ss.

COUNTY OF WRIGHT

The foregoing instrument was acknowledged before me this _____ day of _____, 2023 by Pete Zimmerman, Mayor of the City of Howard Lake.

Notary Public

STATE OF MINNESOTA

ss.

COUNTY OF WRIGHT

The foregoing instrument was acknowledged before me this _____ day of _____, 2023,
by Nick Haggenmiller, City Administrator/Clerk of the City of Howard Lake.

Notary Public

THIS INSTRUMENT WAS DRAFTED BY:

Couri & Ruppe, P.L.L.P.

P.O. Box 369

St. Michael, Minnesota 55376

763-497-1930

Doc. No. T 27542

OFFICE OF THE REGISTRAR OF TITLES
WRIGHT COUNTY, MINNESOTA

Cert. No. 5670 Vol. S Page 198

Certified Filed on 02-18-2010 at 12:00

Check #: 22419 Fee: \$46.00

Payment Code 02

Add. Fee

Larry A. Unger, Registrar of Titles

Ag Preservation Land Fee and Registration
Tax Receipt # 030218, MRT amount
of \$ 690.00, has been paid this
Date: 2-18, Year: 2010

Robert J. Hiiivala, Auditor/Treasurer

By [Signature], clerk

MDocs Miller/Davis Company © - Minneapolis, MN - (612) 312-1570

MORTGAGE
by Business Entity (Top 3 inches reserved for recording data) Minnesota Uniform Conveyancing Blanks Form 20.1.2 (2006) (42-M)

MORTGAGE REGISTRY TAX DUE: \$ 690.00 DATE: February 2, 2010
(month/day/year)

CHECK IF APPLICABLE: NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREIN, ENFORCEMENT OF THIS MORTGAGE IN MINNESOTA IS LIMITED TO A DEBT AMOUNT OF \$ _____ UNDER CHAPTER 287 OF MINNESOTA STATUTES.

THIS MORTGAGE ("Mortgage") is given by MAB Homes, Inc.
(insert name of Borrower)

a Minnesota Corporation under the laws of Minnesota,
the City of Howard Lake, a Municipal Corporation,

as mortgagor ("Borrower"), to as mortgagee ("Lender").

In consideration of the time extension granted ~~to MAB Development, LLC~~ by the City of Howard Lake to MAB Development, LLC to complete the Dutch Lake Preserve utility ~~and street improvements~~ and street improvements estimated to cost \$300,000.00
~~In consideration of the receipt of~~ *(insert amount of Indebtedness)* ~~x Dollars~~

(\$ 300,000.00) (the "Indebtedness") from Lender, Borrower hereby mortgages, with power of sale, the real property in Wright County, Minnesota, legally described as follows:

Lot 3, Block 3, Dutch Lake Woods, according to the plat on file in the office of the Registrar of Titles, Wright County, Minnesota.

Check here if all or part of the described real property is Registered (Torrens)

together with all hereditaments and appurtenances belonging thereto (the "Property"), subject to the following exceptions:

- (a) Covenants, conditions, restrictions (without effective forfeiture provisions) and declarations of record, if any;
- (b) Reservations of minerals or mineral rights by the State of Minnesota, if any;
- (c) Utility and drainage easements which do not interfere with present improvements;
- (d) Applicable laws, ordinances, and regulations;
- (e) The lien of real estate taxes and installments of special assessments not yet due and payable; and
- (f) The following liens or encumbrances, if any: *(insert encumbrances)* None

If Borrower and MAB Development, LLC by August 1, 2010

Borrower covenants with Lender as follows: comply with their obligations and commitments contained in the Promissory Note dated February 8, 2010, and

1. **Repayment of Indebtedness.** If Borrower (a) pays the Indebtedness to Lender according to the terms of the promissory note ~~xxx~~ dated February 8, 2010, final payment of which is due on August 1, 2010; (b) pays interest on the Indebtedness as provided in the Note;

(insert maturity date)

(c) repays to Lender, at the times and with interest as specified, all sums advanced in protecting the lien of this Mortgage, if any; and (d) keeps and performs all the covenants and agreements contained herein, then Borrower's obligations under this Mortgage will be satisfied, and Lender will deliver an executed satisfaction of this Mortgage to Borrower. It is Borrower's responsibility to record any satisfaction of this Mortgage at Borrower's expense.

2. **Statutory Covenants.** Borrower makes and includes in this Mortgage the following covenants and provisions set forth in Minn. Stat. 507.15, and the relevant statutory covenant equivalents contained therein are hereby incorporated by reference:

- (a) To warrant the title to the Property;
- (b) To pay the Indebtedness as herein provided;
- (c) To pay all taxes;
- (d) That the Property shall be kept in repair and no waste shall be committed;
- (e) To pay principal and interest on prior mortgages (if any).
- (f) To complete the Dutch Lake Preserve utility and street improvements by August 1, 2010

3. **Additional Covenants and Agreements of Borrower.** Borrower makes the following additional covenants and agreements with Lender:

(a) Borrower shall keep all buildings, improvements, and fixtures now or later located on all or any part of the Property (collectively, the "Improvements") insured against loss by fire, lightning, and such other perils as are included in a standard all-risk endorsement, and against loss or damage by all other risks and hazards covered by a standard extended coverage insurance policy, including, without limitation, vandalism, malicious mischief, burglary, theft, and if applicable, steam boiler explosion. Such insurance shall be in an amount no less than the full replacement cost of the Improvements, without deduction for physical depreciation. If any of the Improvements are located in a federally designated flood prone area, and if flood insurance is available for that area, Borrower shall procure and maintain flood insurance in amounts reasonably satisfactory to Lender. Borrower shall procure and maintain liability insurance against claims for bodily injury, death, and property damage occurring on or about the Property in amounts reasonably satisfactory to Lender and naming Lender as an additional insured, all for the protection of the Lender.

(b) Each insurance policy required pursuant to Paragraph 3(a) must contain provisions in favor of Lender affording all right and privileges customarily provided under the so-called standard mortgagee clause. Each policy must be issued by an insurance company or companies licensed to do business in Minnesota and acceptable to Lender. Each policy must provide for not less than ten (10) days written notice to Lender before cancellation, non-renewal, termination, or change in coverage. Borrower will deliver to Lender a duplicate original or certificate of such insurance policies and of all renewals and modifications of such policies.

(c) If the Property is damaged by fire or other casualty, Borrower must promptly give notice of such damage to Lender and the insurance company. In such event, the insurance proceeds paid on account of such damage will be applied to payment of the amounts owed by Borrower pursuant to the Note, even if such amounts are not otherwise then due, unless Borrower is permitted to make an election as described in the next paragraph. Such amounts first will be applied to unpaid accrued interest and next to the principal to be paid as provided in the Note in the inverse order of their maturity. Such payment(s) will not postpone the due date of the installments to be paid pursuant to the Note or change the amount of such installments. The balance of the insurance proceeds, if any, will be the property of Borrower.

(d) Notwithstanding the provisions of Paragraph 3(c), and unless otherwise agreed by Borrower and Lender in writing, if (i) Borrower is not in default under this Mortgage (or after Borrower has cured any such default); (ii) the mortgagees under any prior mortgages

do not require otherwise; and (iii) such damages do not exceed ten percent (10%) of the then assessed market value of the Improvements, then Borrower may elect to have that portion of such insurance proceeds necessary to repair, replace, or restore the damaged Property (the "Repairs") deposited in escrow with a bank or title insurance company qualified to do business in Minnesota, or such other party as may be mutually agreeable to Lender and Borrower. The election may only be made by written notice to Lender within sixty (60) days after the damage occurs; and the election will only be permitted if the plans, specifications, and contracts for the Repairs are approved by Lender, and then the Borrower and Lender



HOWARD LAKE CITY COUNCIL MEETING

APRIL 17, 2023

AGENDA ITEM: Consider Revised Letter of Understanding for Tomorrow's Leaders Childcare.

SECTION: New Business

FROM: Nick Haggemiller, City Administrator

BACKGROUND: The City Council adopted a master plan for Terning Trails in 2012. The master plan included various developments such as single-family homes, assisted living facility, patio homes, apartment developments and a childcare center.

The City of Howard Lake has long recognized both the need for childcare but also the difficulties associated with establishing a center in such a small, rural community. The City has provided a general project terms sheet, or letter of understanding to three previous to-be operators that ultimately were unable to execute a project for various reasons. For the last six months or so, the City has actively worked with Amanda Topp/Tomorrow's Leaders Childcare as she seeks to establish a center in Terning Trails.

Similar to City lead projects, this project is being impacted significantly by increased development costs from construction, material to labor increases. For these reasons, the project currently has a financing gap to address. The developer has indicated the project will not move forward but for city assistance in the form of a loan to the project. **It is important to note, that LOU's provided to previous to-be operators all included this provision.** It was a staff oversight that led to omitting for this particular business proposal. Finally

The City Council is asked to approve the revised and attached letter of understanding for the project. Once complete, the proposed operator would be able to finalize financing and remaining project details. At subsequent city council meetings, legally binding agreements and documents would be drafted for official approval and execution for the project.

DECISION MAKING METRICS:

FINANCIAL: The attached LOU details the proposed role and responsibilities of the City. An economic development "gap" loan is being sought up to \$150,000.

LEGAL: Pending approval of the city council, our project team including the city attorney, bond counsel and financial advisor will be engaged to draft the necessary documents and agreements.

COUNCIL ACTION REQUESTED: Approve the LOU as presented in support of Tomorrow's Leader's Childcare

ATTACHMENTS:

1. Revised Letter of Understanding City of Howard Lake to Tomorrow's Leader's Childcare.



CITY OF HOWARD LAKE

Nicholas A. Haggemiller, City Administrator

625 8TH Avenue - PO Box 736 - Howard Lake, MN 55349

Phone: 320-543-3670 | cityadmin@howard-lake.mn.us | www.howard-lake.mn.us

April 18, 2023

Developer

Dave Pokorney
c/o Community Asset Foundation
1110 Yellow Brick Road
Chaska MN 55318

Owner/Applicant

Amanda Topp
Tomorrow's Leaders Childcare LLC
8808 Farmstead Ave
Monticello, MN 55362

Greetings Amanda & Dave,

Please accept this as an opening terms and considerations for the proposed childcare center project in Terning Trails in Howard Lake, Minnesota.

I. Brief Project Description

Development of an estimated 7,500 square foot facility to house infant to school age care programming in the Terning trails Campus on a parcel owned by the City (PID 109058002010).

- 7,500 square foot stick-built facility.
- Estimated project cost of \$1.8 Million
- Estimated projected enrollment to include:
 - o Infants 16 \$320/week
 - o Toddlers 28 \$314/week
 - o Preschool 60 \$287/week
 - o School Age 15 \$0

Rates were determined by First Children's Finance using median household income for Howard Lake Market and Wright County comparable centers.

II. Tomorrow's Leaders and Community Asset Development Group LLC Roles & Responsibilities

A. Submit necessary materials suitable for planning, zoning, legal and administrative approvals including but not limited to the following:

- Provide a non refundable project escrow of ~~\$10,000~~ \$5,000 to cover expenses associated with TIF district creation and other city consultant fees to be incurred.
- Development Application
- TIF Assistance Application
- Concept Site Plan
- Preliminary & Final Plat
- Financing security and pledges
- General project and construction timelines

B. Pay Standard Development Fees & Charges

The City shall collect traditional development fees either directly or through an agreed upon development agreement. These fees and charges include:

- Land acquisition
- Building permit
- Water and sewer access fees, trunk area fees
- Consultant expenses incurred by the City
- Park dedication fees

III. City of Howard Lake Roles & Responsibilities

A. Land Contribution

The City will provide real-estate, approximately 1.4 acres for Tomorrow's Leaders Childcare. The necessary development agreement will stipulate a land contribution for \$1 in order for the developer to use land contribution for equity. However, it is also the intention of the City to structure the TIF to collect an equivalent amount after the initial duration of the developer retained TIF increment.

C. Material Support

To further assist with liquidity preservation of the developer, the City will assist by establishing a playground/park on an adjacent parcel (PID 109050001010). The playground will include toddler aged equipment to meet required specifications. If fencing or controlled access is required, it will be the responsibility of the developer to install.

D. Financial Assistance

Tax Increment Financing

The City of Howard Lake understands the challenges of developing this entity in a small, rural market. As a result, the City will make available tax increment financing. The proposed TIF may be used to reimburse the developer and/or the City for eligible expenses including land acquisition, utility improvements, parking lot and foundation construction. Please note that the final duration, dollar amount and related details are subject to the final terms and conditions of the development agreement.

Gap Loan Assistance

The City of Howard Lake further agrees, in concept, to provide loan funds in the amount up to \$150,000 needed to meet underwriting requirements of the primary lender. The City anticipates a loan with interest estimated at 4% to be secured through a subordinated mortgage to be made available to the project provided requested due diligence documents are obtained.

E. Technical Support & Assistance

The City of Howard Lake is uniquely positioned to assist the potential operator with facilitating and participating in conversations/meetings with key community stakeholders. This includes large employers, community organizations and the school district who have previously expressed interest or involvement in establishing a center.

IV. Relevant Benchmarks & Timeline Considerations (subject to change)

LEADERS OF TOMORROW ACADEMY LLC PROJECT APPROVALS & TIMELINE		
DESCRIPTION	RESPONSIBLE ENTITY	DATE
LOU, CUP & Site Plan Submittals to City	Developer	Week of January 1, 2023
Send Public Hearing Notification to HJ	Staff	Monday, January 2, 2023
CUP & Site Plan Review	Planning Commission	Wednesday, January 8, 2023
Resolution Setting Public Hearing for TIF	City Council	Monday, January 16, 2023
Terms & Conditions sent to Legal	Developer/Staff	Week of January 9, 2023
CUP & Site Plan Approval	City Council	Monday, January 16, 2023
Submit for Building Permit	Developer	Friday, January 27, 2023
Legal Agreement Review	Developer/Staff	Friday, February 10, 2023
Development Agreement		
TIF Agreement		
Business Subsidy Agreement		
Purchase Agreement		
Public Hearing for TIF	City Council	Monday, March 20, 2023
Adopt TIF Plan		
Approve Development, TIF and BS Agreements		
Close on Property	Developer/Mayor/Staff	Monday, April 3, 2023
Building Permit Issued	Metro West	Tuesday, April 4, 2023
Construction Starts	Owner	Wednesday, April 5, 2023

The following has been reviewed and agreed upon between the City of Howard Lake and Tomorrow's Leaders Childcare. Please note, the full legal terms and conditions must be formally drafted and contractually agreed upon by the full city council.

Thank you for your interest in the City of Howard Lake. We look forward to working with you and addressing our childcare needs!

For the City,



Nick Haggmiller, City Administrator

Amanda Topp, Tomorrow's Leaders Childcare



HOWARD LAKE CITY COUNCIL MEETING

April 17, 2023

AGENDA ITEM: Consider Resolution 23-08 Approving No Mow May

SECTION: Consent

FROM: Meagan Theisen, Assistant City Administrator

BACKGROUND: During the month of May in Minnesota, many bees are coming out of hibernation and need flowers to feed themselves and their babies. No Mow May is a campaign to conserve pollinators by encouraging people to let spring flowers in their lawns bloom before mowing. Common flowers blooming in lawns during the month of May include dandelions, white clover, and creeping Charlie.

Residents who want to participate in No Mow May must come to City Hall and purchase a yard sign for \$5, to validate their purpose and plans of not mowing during the month of May. Residents who have not registered with the city are subject to an overgrown grass letter.

While the program is not new, expressed interest in the program from residents is new. The following is a direct example of a resident's intentions:

- No use of pesticides or herbicides in the lawn.
- Plant white clove, thyme throughout lawn. Grass would generally be kept 6-8" height (code allows up to 8")
- Small groupings of plantings that would reach 3-5' in 20 square foot clusters.
- Wildflower and native planting perimeter around the inside of fenced back yard.
- Planting of natural mosquito deterring plants.

There are various best practices encouraged to the City as well. One notable will be waiting until June 1st to begin mosquito spraying. Mosquito spraying schedule depends greatly on the particular year. We have started as early as late April and as late as the beginning of June.

COUNCIL ACTION REQUESTED: Consider approving Resolution 23-XX "No Mow May"

ATTACHMENTS:

1. Resolution in support of No Mow May

**CITY OF HOWARD LAKE
WRIGHT COUNTY, MINNESOTA
RESOLUTION NO. 23-13**

RESOLUTION PROCLAIMING NO MOW MAY IN HOWARD LAKE

WHEREAS, insects, especially bees, serve a significant and critical role as pollinators of plants including agricultural plants; and

WHEREAS, the ideal pollinator-friendly habitat is one comprised of mostly native wildflowers, grasses, vines, shrubs, and trees blooming in succession throughout the growing season; and

WHEREAS, the formative period for establishment of pollinator and other insect species and the many songbirds and other urban wildlife species that depend upon them occurs in late spring and early summer as they emerge from dormancy and require flowering plants as crucial foraging habitat; and,

WHEREAS, “No Mow May” is a community science initiative that encourages property owners to limit lawn mowing practices during the month of May to provide early season foraging resources for pollinators that emerge in the spring; and

WHEREAS, the City of Howard Lake would like to encourage interested residents to increase pollinator-friendly habitat by encouraging pollinator-friendly lawn-care practices on their own properties for the month of May during this formative period; and

NOW, THEREFORE BE IT RESOLVED, that the Howard Lake Mayor and City Council recognizes No Mow May to actively promote and educate the community about the critical period of pollinator emergence, generation of crucial pollinator-supporting habitat and early spring foraging opportunities.

BE IT FURTHER RESOLVED, that the City of Howard Lake City Council directs staff to not issue correction notices for long grass and weed violations for the month of May, to permitted residents who have registered with the city.

Adopted by the City Council of the City of Howard Lake, Minnesota, this 17th day of April 2023.

Pete Zimmerman, Mayor

Nick Haggemiller, City Clerk



HOWARD LAKE CITY COUNCIL MEETING

APRIL 17, 2023

AGENDA ITEM: Consider Selection of Grocery Store Operator and Direct Staff to Draft Legal Documents

SECTION: New Business

FROM: Nick Haggemiller, City Administrator

BACKGROUND: Following the shuttering of Howard Lake Foods, the City purchased the real-estate and furniture, fixtures & equipment outright from previous owners.

The city council subsequently released a Request for Proposals (RFP) to provide open access and a transparent process for interested parties to submit proposals. The RFP was open to any and all interested entities but provided a scoring sheet that favored grocery and convenience businesses. Following the deadline for the RFP, there were initially four respondents; two quickly backed out, leaving two local parties interested in the site. At the Tuesday meeting, the city council received a presentation from one of the two interested parties.

Paul Bravinder and Belinda Larson, life long Howard Lake residents presented their business plan for a membership based, 24/7 access grocery store. The proposed store would be named Grand 8 Market and is a nod to the couple's 8 grandchildren. By providing 24/7, membership-based access, similar to a fitness gym, members would have access at all times. Meanwhile, perceived labor savings from very limited staffing and full-open hours would help ensure financial success of the store.

The couple plans to invest in building upgrades focused on aesthetics and security. Security items would include installing additional cameras, secured, key fob entry and self-checkout lanes. Aesthetically, the couple would increase signage and exterior curb appeal of the 'brick fortress.' Once inside, a complete store reset would occur. The store is likely too large to make use of the entire 9,000 square foot space. At least initially, the full cooler/freezer sections would not be used; the deli would remain shuttered and there would be some, but limited fresh produce and frozen meats. To fill the balance of the store, outside vendors and other local retailers would be invited to use shelf space and place kiosks inside the store. Bravinder speculated that about two-thirds of the store would remain grocery with the remaining third open for outside vendors. Additional space would be used to provide a welcoming space to eat or grab a cup of coffee.

Next Steps

Two other entities participated in parts of the RFP. Council is recommended to officially reject all other proposals.

Additionally, it is anticipated that various agreements will be needed to structure the official relationship between the City and the operator. To that end, the city council is asked to provide any guidance on proposed terms, but ultimately direct the city administrator to work with the operator to agree to terms and establish a lease agreement.

DECISION MAKING METRICS:

FINANCIAL: Open

LEGAL: It is anticipated that general terms will be proposed by staff/Bravinders and the city attorney will draft the final agreements for council review/approval.

COUNCIL ACTION REQUESTED: [See next steps section]

ALTERNATIVE ACTION: Reject all proposals, list property on MLS or brokerage company.

ATTACHMENTS: N/A



HOWARD LAKE CITY COUNCIL MEETING

APRIL 17, 2023

AGENDA ITEM: Consider Approval of Labor Contract for Public Works Department – IUOE 49ers

SECTION: New Business

FROM: Nick Haggemiller, City Administrator

BACKGROUND: The public works department filed with the State Bureau of Mediation in August of 2022 with the intention of unionizing under the International Union of Operating Engineers, commonly known as “The 49ers.”

The proposed contract has been negotiated by the city administrator, assistant city administrator and the city’s labor attorney. The public works lead and business agents with the Local 49ers met six times over the last several months to discuss and negotiate contract terms.

The attached contract will go into effect following council approval and have a duration of about 2 years with an anticipated renewal date of December 31, 2025.

DECISION MAKING METRICS:

FINANCIAL: The contract details various terms and conditions, some of which are not accounted for in the current fiscal year’s budget. These will need to be considered for the 2024 budget year. The City has expensed approximately \$10,000 in legal fees in response to the matter.

LEGAL: The contract has been drafted with assistance and oversight of the city’s labor attorney, Susan Hansen of Madden, Galanter and Hansen LLP/Bloomington.

COUNCIL ACTION REQUESTED: Approve contract as presented.

ATTACHMENTS:

1. Public Works Department IUOE 49ers Contract

LABOR AGREEMENT

BETWEEN

THE CITY OF HOWARD LAKE

AND

INTERNATIONAL UNION OF OPERATING ENGINEERS LOCAL No. 49



Effective the first day of first full pay period following execution Through December 31, 2025

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ARTICLE 1 – PURPOSE OF AGREEMENT

This Agreement is entered into between the City of Howard Lake hereinafter called the Employer, and Local No. 49, International Union of Operating Engineers, hereinafter called the Union.

The intent and purpose of this Agreement is to:

- 1.1 Establish certain hours, wages and other conditions of employment;
- 1.2 Establish procedures for the resolution of disputes concerning the interpretation or application of the specific terms and conditions of this Agreement;
- 1.3 Specify the full and complete understanding of the parties; and
- 1.4 Place in written form the parties' agreement upon terms and conditions of employment for the duration of this Agreement.

The Employer and the Union, through this Agreement, continue their dedication to the highest quality of public service. Both parties recognize this Agreement as a pledge of this dedication.

ARTICLE 2 – RECOGNITION

- 2.1 The Employer recognizes the Union as the exclusive representative for all employees employed by Public Works Department of the City of Howard Lake Minnesota, as certified by the Bureau of Mediation Services on September 20, 2022, BMS Case No 23PCE0117, and described as:

All Public Works employees employed by the City of Howard Lake, Minnesota, who are public employees within the meaning of Minn. Stat. 179A.03, subd. 14, excluding clerical, supervisory, confidential, and all other employees.

- 2.2 In the event that the Employer and the Union are unable to agree as to the inclusion or exclusion of a new or modified job classification the issue shall be submitted to the Bureau of Mediation Services for determination.

ARTICLE 3 – DEFINITIONS

- 3.1 **Union:** The International Union of Operating Engineers, Local No. 49.
- 3.2 **Employer:** The City of Howard Lake.
- 3.3 **Union Members:** A member of the International Union of Operating Engineers, Local No. 49.
- 3.4 **Employee:** A bargaining unit member of the exclusively recognized bargaining unit.

- 3.5 **Base Pay Rate:** The employee's hourly pay rate exclusive of any other special allowance or payment.
- 3.6 **Seniority:** Length of continuous service in any of the job classifications covered by Article 2 – Recognition.
- 3.7 **Overtime:** Work performed at the express authorization of the Employer in excess of forty (40) hours in a seven day work period.
- 3.8 **Call Back:** Return of an employee to a specified work site to perform assigned duties at the express authorization of the Employer at a time other than an assigned shift. An extension of or early report to an assigned shift is not a call back.
- 3.9 **Days:** Unless otherwise indicated, mean the City's regular business days.
- 3.10 **Promotion:** A change of an employee from a position in one work classification to a position in another higher work classification within the bargaining unit.
- 3.11 **Probation Period:** Means twelve (12) months from the employee's date of hire. The probationary trial period for promoted employees will be six (6) months from date of promotion.
- 3.12 **Resignation in Good Standing:** An employee leaving service with the Employer after giving a two (2) week notice, providing the employee has not been discharged for misconduct.

ARTICLE 4 – UNION SECURITY

In recognition of the Union as the exclusive representative the Employer shall:

- 4.1 Effective upon 30 days notice from the Union, the employer shall deduct from the wages of Employees, upon receipt of written authorization from each individual employee who authorize such deduction in writing, an amount necessary to cover regular monthly union dues and a working dues assessment in the amount of \$0.10 per hour or \$4.00 per week, as established by the Union and remit such deduction and working dues assessment to the appropriate designated officer. The Union shall certify to the Employer, in writing, the current amount of regular dues to be withheld. All money deducted by the employer, as provided herein, shall be remitted, along with the reporting form which states the employee's name and amount of dues to the Union's office located at 2829 Anthony Lane South, Minneapolis, MN 55418 not later than the 15th day of the month following the month in which deductions were made.
- 4.2 The Union may designate one (1) Employee from the bargaining unit to act as a Steward and shall promptly inform the Employer in writing of the name of such Steward. The Steward will not lose salary when attending negotiations while meeting with the City or involved in a grievance meeting with the City if they are scheduled during a regular workday and if his/her presence is required for the particular purpose. The scheduling of

negotiations and grievance steps shall be mutually agreed upon by the Employer and the Union.

- 4.3 When new bargaining unit members are hired, the City shall, within approximately 1 month, inform the Business Agent of the name, job title and date of hire of said employee.
- 4.4 An updated seniority list shall be provided to the Union upon written request by the Union once per year either electronically or by mail, January first or July first.
- 4.5 The Union agrees to indemnify and hold harmless the Employer against any claims, suits, order, or judgments brought or issued against the Employer under the provisions of this article.

ARTICLE 5 – EMPLOYER AUTHORITY

- 5.1 The Employer retains the full and unrestricted right to operate and manage all staffing, facilities and equipment; to establish functions and programs; to set and amend budgets; to determine the utilization of technology; to establish and modify the organizational structure; to select, direct and determine the number of personnel; to establish work schedules; and to perform any inherent managerial function not specifically limited by this Agreement.
- 5.2 Any term and condition of employment not specifically established or modified by this Agreement shall remain solely within the discretion of the Employer to modify, establish or eliminate.

ARTICLE 6 – EMPLOYER SECURITY

- 6.1 Neither the Union, its officers or agents, nor any of the Employees covered by this Agreement will engage in, encourage, sanction, support or suggest any strike, slowdowns, mass resignations, mass absenteeism, the willful absence from one's position, the stoppage of work or the abstinence in whole or in part of the full, faithful and proper performance of the duties of employment for the purpose of inducing, influencing or coercing a change in the conditions or compensation of the rights, privileges or obligations of employment, during the life of this Agreement.
- 6.2 In the event that any Employee violates this article, the Union shall immediately notify any such Employee in writing to cease and desist from such action and shall instruct them to immediately return to their normal duties. Any or all Employees who violate any of the provisions of this article may be discharged.

ARTICLE 7 – EMPLOYEE RIGHTS – GRIEVANCE PROCEDURE

7.1 Definition of a Grievance

A grievance is defined as a dispute or disagreement as to the interpretation or application of the specific terms and conditions of this Agreement.

7.2 **Union Representatives**

The Employer will recognize Representatives designated by the Union as the grievance representatives of the bargaining unit having the duties and responsibilities established by this Article. The Union shall notify the Employer in writing of the names of such Union Representatives and of their successors when so designated.

7.3 **Processing of a Grievance**

It is recognized and accepted by the Union and the Employer that the processing of grievances as hereinafter provided is limited by the job duties and responsibilities of the employees and shall therefore be accomplished during normal working hours only when consistent with such employee duties and responsibilities. The aggrieved employee and the Union Representative shall be allowed a reasonable amount of time without loss in pay when a grievance is investigated and presented to the Employer during normal working hours provided the employee and the Union Representative have notified and received the approval of the designated supervisor who has determined that such absence is reasonable and would not be detrimental to the work programs of the Employer.

7.4 **Procedure**

Grievances, as defined by Section 7.1, shall be resolved in conformance with the following procedure:

Step 1. An employee claiming a violation concerning the interpretation or application of this Agreement shall, within ten (10) calendar days after such alleged violation has occurred, present such grievance to the employee's supervisor as designated by the Employer. The Employer-designated representative will discuss and give an answer to such Step 1 grievance within ten (10) calendar days after receipt. A grievance not resolved in Step 1 and appealed to Step 2 shall be placed in writing setting forth the nature of the grievance, the facts on which it is based, the provision or provisions of the Agreement allegedly violated, the remedy requested and shall be appealed to Step 2 within ten (10) calendar days after the Employer-designated representative's final answer in Step 1. Any grievance not appealed in writing to Step 2 by the Union within ten (10) calendar days shall be considered waived.

Step 2. If appealed, the written grievance shall be presented by the Union and discussed with the Employer-designated Step 2 representative. The Employer-designated representative shall give the Union the Employer's Step 2 answer in writing within ten (10) calendar days after receipt of such Step 2 grievance. A grievance not resolved in Step 2 may be appealed to Step 3 within ten (10) calendar days following the Employer-designated representative's final Step 2 answer. Any grievance not appealed in writing to Step 3 by the Union within ten (10) calendar days shall be considered waived.

Step 3. A grievance unresolved in Step 2 and appealed to Step 3 shall be submitted to the Minnesota Bureau of Mediation Services (BMS) for mediation. A grievance not resolved in Step 3 may be appealed to Step 4 within ten (10) calendar days

following the Employer's final answer at Step 3. Any grievance not appealed in writing to Step 4 by the Union within ten (10) calendar days shall be considered waived.

Step 4. A grievance unresolved in Step 3 and appealed to Step 4 shall be submitted to Arbitration. The Union shall request the Bureau of Mediation Services to submit a panel of seven (7) arbitrators within said ten (10) calendar day period to initiate a Step 4 appeal. The Employer, or its representative, and the Union shall have the right to alternately strike two names from the panel. The party striking the first name shall be the party initiating the arbitration. The remaining person shall be the arbitrator. Failure to select an arbitrator within ninety (90) days of the Employer's answer in Step 3, shall be considered a "waiver" of the grievance; unless the delay in selection is caused by the Employer, or the delay is mutually agreed upon by the parties in writing.

7.5 **Arbitrator's Authority**

- A. The arbitrator shall have no right to amend, modify, nullify, ignore, add to, or subtract from the terms and conditions of the Agreement. The arbitrator shall consider and decide only the specific issue(s) submitted in writing by the Employer and the Union and shall have no authority to make a decision on any other issue not so submitted.
- B. The arbitrator shall be without power to make decisions contrary to, or inconsistent with, or modifying or varying in any way the application of laws, rules, or regulations having the force and effect of law. The arbitrator's decision shall be submitted in writing within thirty (30) days following close of the hearing or the submission of briefs by the parties, whichever be later, unless the parties agree to an extension. The decision shall be binding on both the Employer and the Union and shall be based solely on the arbitrator's interpretation or application of the express terms of this Agreement and to the facts of the grievance presented.
- C. The fees and expenses for the arbitrator's services and proceedings shall be borne equally by the Employer and the Union provided that each party shall be responsible for compensating its own representatives and witnesses. If either party desires a verbatim record of the proceedings, it may cause such a record to be made, providing it pays for the record. If both parties desire a verbatim record of the proceedings the cost shall be shared equally.

7.6 **Waiver**

If a grievance is not presented within the time limits set forth above, it shall be considered "waived." If a grievance is not appealed to the next step within the specified time limit or any agreed extension thereof, it shall be considered settled on the basis of the Employer's last answer. If the Employer does not answer a grievance or an appeal thereof within the specified time limits, the grievance will be considered denied and the Union may immediately appeal the grievance to the next step. The time limit in each step may be extended by mutual written Agreement of the Employer and the Union.

7.7 Choice of Remedy

If, as a result of the EMPLOYER response in Step 2, the grievance remains unresolved, and if the grievance involves the demotion, or discharge of an employee who has completed the required probationary period, the grievance may be appealed either to Step 4 arbitration of Article 7 or a procedure such as: Veteran's Preference. If appealed to any procedure other than Step 4 of Article 7 the grievance is not subject to the arbitration procedure as provided in Step 4 of Article 7. The aggrieved employee shall indicate in writing which procedure is to be utilized – Step 4 of Article 7 or another appeal procedure – and shall sign a statement to the effect that the choice of any other hearing precludes the aggrieved employee from making a subsequent appeal through Step 4 of Article 7.

An employee pursuing a remedy pursuant to a statute under the jurisdiction of the United States Equal Employment Opportunity Commission is not precluded from also pursuing an appeal under the grievance procedure of this Agreement. If a court of competent jurisdiction rules contrary to the ruling in *EEOC v. Board of Governors of State Colleges and Universities*, 957 F.2d 424 (7th Cir.), cert denied, 506 U.S. 906, 113 S. Ct. 299 (1992), or if *Board of Governors* is judicially or legislatively overruled, this paragraph shall be immediately null and void and shall be deleted from this Agreement.

ARTICLE 8 – DISCIPLINE

- 8.1 The Employer will discipline employees only for just cause.
- 8.2 Written reprimands, notices of suspensions, notices of demotion, and notices of dismissal which are to become part of an Employee's personnel file shall be given to the employee.

ARTICLE 9 – WORK SCHEDULES

- 9.1 The sole authority in work schedules is the Employer. The normal work week shall be 40 hours per week for full time employees Monday through Friday.
- 9.2 Service to the public may require the establishment of regular shifts for some employees on a daily, weekly, seasonal, or annual basis other than the regular work shift, normal workday or regular work week. The employer will give fourteen (14) days advance notice to the employees affected by a change in shifts, workdays or workdays.
- 9.3 In the event that work is required because of unusual circumstances such as (but not limited to) pandemic, fire, flood, snow, sleet, or breakdown of municipal equipment or facilities, no advance notice need be given.

ARTICLE 10 – SENIORITY

- 10.1 Seniority will be determined by an Employee's length of continuous service with the Employer in a job classification and posted in an appropriate location. Seniority will be the determining criterion for lay-offs only when all job-relevant qualification factors are

equal. The City will not be obligated to consider seniority for purposes of transfers or promotions, which will be determined in the City's sole discretion.

10.2 Layoff:

- A. Job classification seniority shall govern the order in which Employees are laid off only when all job-relevant qualification factors are equal. The Employer shall give written notice to the Employee(s) to be laid off with a copy provided to the Union, at least fourteen (14) calendar days prior to the effective date of the layoff whenever practicable.
- B. In the event a position of a higher class is eliminated and layoffs become necessary, Employees may exercise their seniority to displace ("bump") less senior Employees of a lower class in which the Employee is qualified.
- C. Seniority rights shall not control where it would result in the Employer not having the appropriate licensed Employees to conduct the work of the department.
- D. If employees who have been laid off are recalled at the City's sole discretion, the employee shall be notified of recall by U.S. mail sent to the Employee's last known address at least seven (7) calendar days prior to the reporting date. The Employee shall notify the Employer of their intent to return to work within 48 hours of receipt of notice and shall report to work on the reporting date specified by the Employer unless other arrangements have been agreed to by the Employer and Employee in writing. If the Employee does not return to work under the terms of recall mutually agreed to by the parties, the Employee shall be deemed to have resigned from employment with the Employer.

ARTICLE 11 – PROBATIONARY PERIODS

- 11.1 All newly hired or rehired employees will serve a twelve (12) months' probationary period.
- 11.2 At any time during the probationary period a newly hired or rehired employee may be terminated at the sole discretion of the Employer.
- 11.3 At any time during the probationary trial period a promoted or reassigned employee may be demoted or reassigned to the employee's previous position at the sole discretion of the Employer.
- 11.4 Employees who are promoted to a higher classification will serve a six (6) month probationary trial period. During this time, either the employer or the employee can request the employee be reassigned to their previous position or one of equivalent duties and pay.

ARTICLE 12 – OVERTIME PAY

- 12.1 Hours worked in excess of forty (40) hours in a seven (7) day work period with the express authorization of the City will be compensated at one and one-half (1 ½) times the Employee's regular base pay rate.
- 12.2 For the purpose of computing overtime compensation, overtime hours worked shall not be pyramided, compounded, or paid twice for the same hours worked.
- 12.3 When an employee exceeds fourteen (14) hours continuous service, all hours in excess of fourteen (14) will be paid at twice the base rate. The City and the Union agree that circumstances in which an employee may exceed fourteen (14) hours of continuous service will be extremely rare, and would generally be due to an emergency situation. As with overtime generally, Employees must obtain the Department Head's prior approval before working a shift of more than fourteen (14) continuous hours.

ARTICLE 13 – COMPENSATORY TIME

- 13.1 An employee may elect to accumulate compensatory time off in lieu of overtime pay at the rate of one and one-half (1-½) times the employee's regular base pay.
- A. The maximum compensatory time accumulation for any employee is a 120 hour cap. (This is not a rolling cap).
- B. On an annual basis, employees may elect to carry over a maximum of 80 hours compensatory time from year to year. The election is irrevocable in nature and must be made in the previous calendar year.

ARTICLE 14 – ON CALL, WEEKEND DUTY and CALL BACK

On Call: On call shall be for the course of one week. The start and end of the on-call week will be designated by the Department Head. The employee on call will be responsible for conducting routine weekend rounds and shall be compensated at \$30/day and \$60/day for the actual holiday.

Weekend Duty: Employees conducting routine weekend rounds and rounds completed on actual holidays will be compensated at a minimum of one (1) hour pay. Said work hours are eligible for overtime pay in accordance with Article 12.

Call Back - An employee called in for work to a specific work site with no advanced notice, at a time other than the employee's normal scheduled shift or weekend duties, will be compensated for a minimum of two (2) hours pay at one and one-half (1 ½) times the employee's base pay rate. This time must be separately documented on the Employee's timecard by the employee. Call back on actual holidays shall also receive holiday pay pursuant to Section 17.2.

ARTICLE 15 – PAID TIME OFF (PTO)

15.1 Each full-time employee shall be eligible for paid time off (“PTO”) on the following basis:

Years of Service	Accrual Rates	Annual Accrual	Maximum Accrual
0-1	5.23 hours per pay period	136 hours	204 hours
2-4	6.00 hours per pay period	156 hours	234 hours
5-9	6.92 hours per pay period	180 hours	270 hours
10-14	8.31 hours per pay period	216 hours	324 hours
15-19	9.85 hours per pay period	256 hours	384 hours
20+	10.77 hours per pay period	280 hours	420 hours

- 15.2 PTO shall be granted for absence from employment with the City’s prior approval unless prior approval is not possible due to an emergency or illness. PTO must be pre- authorized by the City Administrator or Department Head.
- 15.3 Leave will not be granted in less than one (1) hour increments. Priority will be given to leave scheduling based first on the earliest date of request and then on seniority if requests are submitted on the same date. PTO and compensatory time approval for employees is the responsibility of the Department Head. No employee will be permitted to waive leave for the purpose of receiving premium pay.
- 15.4 Accrual: Employees may accrue leave to a maximum of two hundred (200) hours. In the event an employee has been denied leave with proper notice and is thus unable to take advantage of leave as earned, the employee may be absent from work with notice to take leave and thus prevent the loss of leave beyond the maximum of two hundred (200) hours. Any accrued leave beyond the two hundred (200) hour limit must be taken as it is accrued, otherwise it is ineligible for accrual, subject to the following subsection.
- 15.5 Accrual Waiver: The maximum amount of leave that can be accrued by individual employees may be waived by the City Administrator.
- 15.6 Any employee leaving the service of the City in good standing will be compensated for leave accrued to the day of separation up to the maximum accrual provided said employee has served at least twelve (12) consecutive months prior to separation and has given the City at least two (2) weeks’ notice prior to the effective date of such separation. Such pay for accumulated leave will be at the same rate as the hourly rate of the employee’s base salary.
- 15.7 PTO accrual will be based upon “anniversary date” and years of service rather than a calendar year.
- 15.8 Employees may voluntarily donate a portion of their PTO to assist another employee who has eight (8) hours or less PTO time. The donation will be hour for hour at the lower rate of pay of the two employees. Both employees must be in good standing. All PTO donations must be approved by the City Administrator. This provision shall sunset December 31, 2025.

ARTICLE 16 – BEREAVEMENT LEAVE

16.1 Employees will be permitted to use up to three (3) working days, with pay, as bereavement leave upon the death of an immediate family. Immediate family includes: spouse, children (step), parents (step, in-law), siblings, grandparents.

ARTICLE 17 – HOLIDAYS

17.1 The following holidays will be paid holidays for full-time employees:

- New Year’s Day..... January 1st
- Martin Luther King Day..... 3rd Monday in January
- President’s Day..... 3rd Monday in February
- Memorial Day..... Last Monday in May
- Juneteenth..... June 19
- Independence Day..... July 4th
- Labor Day..... 1st Monday in September
- Veteran’s Day..... November 11th
- Thanksgiving Day..... 4th Thursday in November
- Day after Thanksgiving Day..... 4th Friday in November
- Half day Christmas Eve Day..... December 24th (beginning at noon)
- Christmas Day..... December 25th

17.2 If an actual holiday falls on a Saturday, it will be observed on the preceding Friday. If an actual holiday falls on a Sunday, it will be observed on the following Monday. An employee will be compensated at one and one-half (1-1/2) times their regular hourly rate for any hours worked on the actual holiday.

17.3 Full-time employees will receive pay for observed holidays at their normal straight time rates, provided they are on paid status on the last scheduled day prior to the holiday and first scheduled day immediately after the holiday. Employees are not eligible for premium pay on observed holidays unless said hours qualify for overtime compensation pursuant to Article 12.1

ARTICLE 18 – RESIGNATIONS

18.1 Any employee wishing to terminate his/her employment with the Employer in good standing shall file a written resignation with the Employer at least fourteen (14) calendar days prior to the termination date. Failure by the employee to file said resignation within the required fourteen (14) day period may be considered just cause for the Employer to deny future employment and deny severance pay to the employee.

ARTICLE 19 – UNIFORMS

- 19.1 The Employer will provide reimbursement up to Three Hundred Dollars (\$300) per year per employee for the purchase of work clothing/safety toe footwear upon presentation of a receipt.
- 19.2 Employer shall provide Public Works Employees with safety glasses, safety vests, gloves, and reflective clothing determined necessary by the Employer to perform job functions.

ARTICLE 20 – COMPENSATION

- 20.1 Rates of Pay: Employees covered by this Agreement shall be compensated in accordance with the Salary Schedule marked “Appendix A” attached hereto and made a part of this Agreement.

ARTICLE 21 – SAFETY, TRAINING AND DEVELOPMENT

- 21.1 The Employer and the Union agree to jointly promote safe and healthful working conditions, to cooperate in safety matters and to encourage employees to work in a safe manner.

ARTICLE 22 – INSURANCE

- 22.1 The Employer shall contribute the same amount as that contributed for the City’s non-union employees, toward the group health, dental, health savings account (HSA) and life insurance plan for eligible employees and their dependents.

ARTICLE 23 – WAIVER

- 23.1 Any and all prior Agreements, resolutions, practices, policies, rules and regulations regarding terms and conditions of employment, to the extent inconsistent with the provisions of this Agreement, are hereby superseded.
- 23.2 The parties mutually acknowledge that during the negotiations which resulted in this Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any terms or conditions of employment not removed by law from bargaining. All Agreements and understandings arrived at by the parties are set forth in writing in this Agreement for the stipulated duration of this Agreement. The Employer and the Union each voluntarily and unqualifiedly waives the right to meet and negotiate regarding any and all terms and conditions of employment referred to or covered in this Agreement or with respect to any term or condition of employment not specifically referred to or covered by this Agreement, even though such terms or conditions may not have been within the knowledge or contemplation of either or both parties at the time this contract was negotiated or executed.

ARTICLE 24 – SAVINGS CLAUSE

24.1 This Agreement is subject to the laws of the United States, the State of Minnesota, and the City of Howard Lake. In the event any provision of this Agreement shall be held to be contrary to law by a court of competent jurisdiction from whose final judgment or decree no appeal has been taken within the time provided, such provision shall be voided. All other provisions of this Agreement shall continue in full force and effect.

ARTICLE 25 – DURATION

This Agreement shall be effective the first day of the first full pay period following execution and shall remain in full force and effect until December 31, 2025.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on this ____ day of _____.

**FOR THE INT’L Union OF
OPERATING ENGINEERS,
LOCAL NO. 49:**

**FOR THE CITY OF
HOWARD LAKE:**

Jason George, Business Manager

Title

Aaron Rasset, Area Business Rep.

Title

Steward

APPENDIX A

Placement on new wage scale as designated Effective first full pay period following execution of Labor Agreement

2.5% general wage increase Effective January 1, 2024
 2.5% general wage increase Effective January 1, 2025

Commencing in 2024, movement within the pay grid is based on a combination of time in position and performance. Employees will be eligible for step movement once per year on the first full pay period following their anniversary date until they reach Step 8. If an employee receives a performance evaluation rating that is below satisfactory, their step movement will be delayed until such time as they have received a satisfactory performance review.

The Public Works 2 employee will be moved to the step on Grade 6 that is equal to or provides a wage increase upon certification that he has met the minimum qualifications for the position of Public Works 2. The 2023 Grade 6 Step Scale is set forth below:

	6	\$32.43	\$33.89	\$35.41	\$37.01	\$38.67	\$40.41	\$42.23	\$44.13
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The City may start a new hire at any step in the pay grid at the City’s discretion when hiring an experienced employee. In no event will an employee’s wage exceed Step 8.

City wide Grade Step Scale for 2023 with 3.0%

	Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
Public Works 1	4	\$26.56	\$27.75	\$29.00	\$30.31	\$31.67	\$33.10	\$34.59	\$36.14
Public Works 2	4	\$26.56	\$27.75	\$29.00	\$30.31	\$31.67	\$33.10	\$34.59	\$36.14
Public Works Lead	8	\$36.76	\$38.42	\$40.14	\$41.95	\$43.84	\$45.81	\$47.87	\$50.03