



**AGENDA
CITY COUNCIL MEETING
MONDAY, MAY 18, 2026
5:30 PM
CITY HALL COUNCIL CHAMBERS**

Call to Order

Pledge of Allegiance

Roll Call

1. Approving minutes from May 04, 2026
 2. *Consent Agenda
 - a. Licenses
Mobile: Right of Way, H&M Underground Solutions, Austin, MN
Mobile: First Alliance Credit Union, Rochester, MN
Mobile: The Sugar Shack, Albert Lea, MN
 - b. Event Permits
4th Avenue Fest on June 3, 2026
Freedom Fest 2026 on July 3-5, 2026
More Than Pink/Beyond Blue 5k on July 30, 2026
 - c. Credit Card Transactions: 1st Quarter 2026
 - d. Financial Reports: 1st Quarter 2026
 - e. Claims Report: May 1, 2026 through May 14, 2026
 3. Proclamations
 - a. Public Works Proclamation
 - b. Buddy Poppy Proclamation
- Public Hearings
4. Reviewing a tax abatement application from New Horizon
 - a. Resolution - Approving the Tax Abatement

Bids & Awards

PETITIONS AND REQUESTS

5. MnDOT Cooperative Construction Agreement
 - a. Resolution - Approving MnDOT Construction Agreement
6. Sale of City Equipment
7. DNR Flood Hazard Mitigation Grant
 - a. Resolution - Accepting a Grant from the MN DNR
8. MPCA Grant for Stormwater Resilience
 - a. Resolution - Approving WHKS agreement
9. Request for Variance
10. Fence Appeal Request
11. CivicPlus Process Automation and Digital Services Add-On Approval Request
 - a. Resolution - Approving the CivicPlus PADS Add-On
12. 2026, 2027 and 2028 Base Pay Structure (BPS) Approval
 - a. Resolution - Approving the 2026, 2027, and 2028 BPS
13. Resolution - Accepting Donations to the City of Austin

CITIZENS ADDRESSING THE COUNCIL

Members of the public may address the City Council on items that are not otherwise on the agenda. Each speaker is limited to two minutes. The Council will listen to comments but may not enter into a dialogue, take immediate action, or answer questions during this time.

HONORARY COUNCIL MEMBER COMMENTS

REPORTS AND RECOMMENDATIONS

All items listed with an asterisk () are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a council member or citizen so requests in which event the item will be removed from the general order of business and considered in its normal sequence on the agenda.

M I N U T E S
CITY COUNCIL MEETING
May 4, 2026
5:30 PM
Council Chambers

MEMBERS PRESENT: Mayor King, Council Members Laura Helle, Rebecca Waller, Jason Baskin, Oballa Oballa, Michael Postma and Council Member-at-Large Jeff Austin

MEMBERS ABSENT: Council Member Paul Fischer

STAFF PRESENT: City Administrator Craig Clark, Police Chief David McKichan, , Public Works Director Steven Lang, Park, Recreation and Forestry Director Jason Sehon, Library Director Julie Clinefelter, City Attorney Craig Byram, Finance Director Emily Burns, and Human Resources Director Tricia Wiechmann

APPEARING IN PERSON: Austin Daily Herald, Members of the Community, Officers from the Austin Police Department and Firefighters from the Austin Fire Department

Mayor King called the meeting to order at 5:30 p.m.

Moved by Council Member Oballa, seconded by Council Member Baskin, approving the agenda. Carried.

Moved by Council Member Postma, seconded by Council Member Oballa, approving Council minutes from April 20, 2026. Carried.

Mayor King recognized the retirement of Administrative Assistant Patty Hamilton from the Parks, Recreation and Forestry Department.

Mayor King recognized the retirement of Firefighter Tim Hanson from the Austin Fire Department.

Police Chief McKichan, Lt. Hartman, and Officer Betts from the Police Department presented awards to Officer Tamke, Officer Hansen, Officer Bradley, and Officer Sherwood for their exceptional service in the field. The Police department has created a new program to recognize officers, citizens, and staff for going above and beyond their everyday duties and responsibilities and hopes to grow this program in the future.

CONSENT AGENDA

Moved by Council Member Baskin, seconded by Council Member Waller, approving the consent agenda.

Licenses:

Temporary Liquor: VFW Post 1216 on June 6, 2026
Temporary Liquor: Pundit Beer Co. LLC on July 3-4, 2026
Temporary Liquor: VFW Post 1216 on August 8, 2026
Temporary Liquor: Mower County Fair on August 11-16, 2026
Exempt Gambling (raffle): United Catholic Schools Foundation on June 19, 2026
Exempt Gambling (bingo): United Way of Mower County on August 21, 2026
Mobile Business: Kettlecorn Retriever, Brownsdale, MN
Mobile Business: Love Bubble Tea, Austin, MN
Lodging Establishment: The Cozy Corner, Austin, MN
Sign Installer: Scenic Sign, Corp, Sauk Rapids, MN

Claims:

a. Pre-list of Bills

Events:

Taste of Nations on May 16, 2026
Downtown Dish – Arts & Eats Festival on June 13, 2026

Appointments:

Emilia Rojas Felix to the Library Board – term expiring December 31, 2027

Carried.

PUBLIC HEARINGS

A public hearing was held for a tax abatement requested by Bigelow & Lennon. They are proposing to build a single-family home located on a vacant lot on parcel identification number 34.523.0270, valued at approximately \$269,000.00. City Administrator Craig Clark stated the application is in conformance with the City's policy for tax abatement.

There were no comments from the public.

Moved by Council Member Baskin, seconded by Council Member Postma, approving the tax abatement. Carried 6-0.

PETITIONS AND REQUESTS

Finance Director Emily Burns requested Council approve the voluntary participation in the Performance Measurements Program. The City has been participating since 2013.

Moved by Council Member-at-Large Austin, seconded by Council Member Helle, adopting a resolution approving participation in the Office of the State Auditor's Voluntary 2026 Performance Measurements Program. Carried 6-0.

Public Works Director Steven Lang stated the City is pursuing a Hazard Mitigation Grant for property acquisition to remove flood-prone properties from the floodplain, specifically 210 4th Street NE and 500 Oakland Avenue East. The DNR has identified up to \$490,000 in grant funding, which will be matched with Local Option Sales Tax dollars for \$980,000 in eligible project costs. An additional \$43,500 in engineering services for appraisals and environmental testing is not grant-eligible and will be paid entirely with Local Option Sales Tax funds. The total project budget is \$1,023,500, with \$490,000 funded by the DNR grant and \$533,500 funded through Local Option Sales Tax. Mr. Lang is requesting an amendment to Resolution 17277 to revise the City's local funding commitment to \$533,500 from Fund 40000.

Moved by Council Member Baskin, seconded by Council Member Postma, adopting a resolution approving an amendment to a DNR Flood Mitigation Grant. Carried 6-0.

Public Works Director Steven Lang stated the Hormel Stipulation Agreement details penalties associated with exceedances in relations to an ICM agreement. This has been reviewed by all parties. This agreement would date back to July 2025 and go to present. Mr. Lang is requesting approval of the agreement.

Moved by Council Member Postma, seconded by Council Member Waller, adopting a resolution approving the Hormel Stipulation Agreement. Carried 4-0. (Council Member Baskin and Oballa abstaining)

Public Works Director Steven Lang stated they received a proposal for an agreement in the amount of \$25,000 to develop plans and specs for the rebidding of the replacement of the failed coating system on the Industrial EQ/Digester No. 2. Mr. Lang recommends approval of this agreement.

Moved by Council Member Oballa, seconded by Council Member Helle, adopting a resolution approving an agreement with WHKS for engineering services at the Wastewater Treatment Plant. Carried 6-0.

Moved by Council Member Baskin, seconded by Council Member Oballa, adopting a resolution accepting donations to the City of Austin. Carried 6-0.

REPORTS AND RECOMMENDATIONS

City Administrator Craig Clark stated Fire Chief Jim McCoy will be retiring on the 8th of May. Mr. Clark thanked him for his service. Troy Tigner will stand in as interim Fire Chief.

Mr. Clark announced Lt. Michael Hartman will be the new Police Chief beginning June 22nd.

Mr. Clark stated the local option sales tax is moving along in the legislature. He stated there is a joint School/County/City Board meeting on May 11th. He would request they cancel the Joint County/City meeting on May 20th.

Council Member Helle stated she would like to begin working on the City Council Code of Conduct. She stated budgeting will be upon them before they know it. She would like to see any information or proposals on alternate revenue sources. She would be interested in information on municipal cannabis. She stated 4th Avenue Fest is on June 3rd and invited the public to attend.

Council Member Postma thanked the Officers that were recognized this evening and congratulated both the exiting and entering Police Chiefs.

Council Member Baskin congratulated those that retired and thanked the police officers. He commended the officers on their recognition program and would like to see this rolled out to other departments. He thanked Chief McKichan and Chief McCoy for their service to the City of Austin. He welcomed Chief Hartman to the City of Austin.

Mayor King read the May anniversaries.

Moved by Council Member-at-Large Austin, seconded by Council Member Oballa, adjourning the meeting to May 18, 2026. Carried.

Adjourned: _____ 6:11 p.m. _____

Approved: _____ May 4, 2026 _____

Mayor: _____

City Clerk: _____

From the Office of the Mayor



500 Fourth Avenue NE
Austin, Minnesota 55912-3773
Phone: 507-437-9965
Fax: 507-434-7197
www.ci.austin.mn.us

Proclamation

WHEREAS: *The employees of the City of Austin Public Works Department provide essential services that protect public health, safety, and quality of life for residents, businesses, and visitors throughout the community; and*

WHEREAS: *The City of Austin Public Works Department consists of Engineering, Planning, Zoning, Building, Rental, Wastewater Treatment, Streets, Sanitary and Storm Sewer Collection, Building Maintenance, Central Garage, Airport, and Solid Waste Transfer Station; and*

WHEREAS: *Through Minnesota winters, snow removal operations, floods, storm response efforts, community events, and the daily maintenance of streets, infrastructure, wastewater treatment, stormwater collection, and public facilities and equipment, Public Works employees demonstrate dependable service, professionalism, and dedication to the community; and*

WHEREAS: *The hard work and commitment of these employees contribute directly to the strength, stability, and continued success of the City of Austin, often through behind-the-scenes efforts that frequently go unnoticed; and*

WHEREAS: *The Mayor and City Council wish to formally recognize and thank all Public Works employees for their service, dedication, and lasting contributions to the community.*

NOW, THEREFORE, I, Stephen M. King, Mayor of the City of Austin, Minnesota do hereby proclaim May 17 – 23, 2026, as National Public Works Week in the City of Austin and encourage all residents to recognize and express appreciation for the employees who work every day to serve our community.

NATIONAL PUBLIC WORKS WEEK

Stephen M. King
Mayor



From the Office of the Mayor



500 Fourth Avenue NE
Austin, Minnesota 55912-3773
Phone: 507-437-9965
Fax: 507-434-7197
www.ci.austin.mn.us

Proclamation

WHEREAS: *The annual distribution of Buddy Poppies by the Veterans of Foreign Wars of the United States has been officially recognized and endorsed by governmental leaders since 1922; and*

WHEREAS: *VFW Buddy Poppies are assembled by disabled veterans, and the proceeds of this worthy fundraising campaign are used exclusively for the benefit of disabled and needy veterans and the widows and orphans of deceased veterans; and*

WHEREAS: *The basic purpose of the annual distribution of Buddy Poppies by the Veterans of Foreign Wars is eloquently reflected in the desire to "Honor the Dead by Helping the Living."*

NOW, THEREFORE, I, Stephen M. King, Mayor of the City of Austin, Minnesota, do hereby proclaim May 22nd & 23rd, 2026 as:

BUDDY POPPY DAYS

And I urge all patriotic citizens to wear a Buddy Poppy as mute evidence of our gratitude to the men and women of this country who have risked their lives in defense of the freedoms which we continue to enjoy as American citizens.



Stephen M. King
Mayor

City of Austin
500 Fourth Avenue N.E.
Austin, Minnesota 55912-3773



Brianne Wolf
City Clerk
bwolf@ci.austin.mn.us
(507) 437-9944

Memorandum

To: Council
From: Brianne Wolf, City Clerk
Date: May 18, 2026
Subject: Reviewing a tax abatement application from New Horizon

This is a tax abatement requested by New Horizon. They are proposing to build a single-family home located at 1304 17th St NW, parcel number 34.468.0100, valued at approximately \$400,000.00. The application is in conformance with the City's policy for tax abatement. If you have any questions, please contact City Administrator, Craig Clark.

Request Council approval of the application.

HOUSING TAX ABATEMENT APPLICATION

(Application Period 1-1-2023 through 12-31-2025)

Property Owner / Applicant: New Horizon Homes

Current Address: 25388 670th St, Kasson, MN, 55944, USA

Telephone: 507-250-3069

E-Mail: Newhorizonhomes.jon@gmail.com

Has applicant ever defaulted on property taxes? No

If Yes, provide details on separate page(s).

Are property taxes current? Yes

PROJECT (check all that apply)	
Single-Family	Multi-family Complex
New Construction	
Is this an application for a replacement of an existing housing unit on the same parcel? <u>No</u>	
Is this application for an existing housing unit you intend to move to this parcel? <u>No</u>	
If YES, where is the unit being relocated from?	
Project Address: <u>1304 17TH ST NE</u>	<u>AUSTIN MN 55912</u>
Project Legal Description: <u>Block 001 Lot 010 SubdivisionCd 34468 SubdivisionName NATURE RIDGE THIRD</u>	
Parcel Number: <u>34.468.0100</u>	Est. Project Valuation: <u>\$ 400,000</u>

Attach building plans, site plan, certification from zoning entity that housing project complies with zoning regulations and there are no outstanding land use issues. (Include letter of consent from property owner if subject to purchase agreement or include a copy of the purchase agreement.)

I / We as applicant(s) for the Housing Tax Abatement submit this application having read the policy and understand the provisions as outlined including, but not limited to, the potential of a partial abatement in year one, due to % of completion on January 2nd, there are not any non-compliance or non-conformity outstanding land use issues on the parcel, construction must commence within one year of the approval, assessors cannot be refused access to the property for assessment purposes and the abatement is awarded annually following full payment of real estate taxes due.

New Horizon Homes - Applicant submitted via online form and agreed to conditions above 04/23/2026

Signature of Applicant(s)

Date

FOR OFFICE USE ONLY:

ELIGIBLE / APPLICABLE APPROVALS

Mower County

Date:

City or Township of

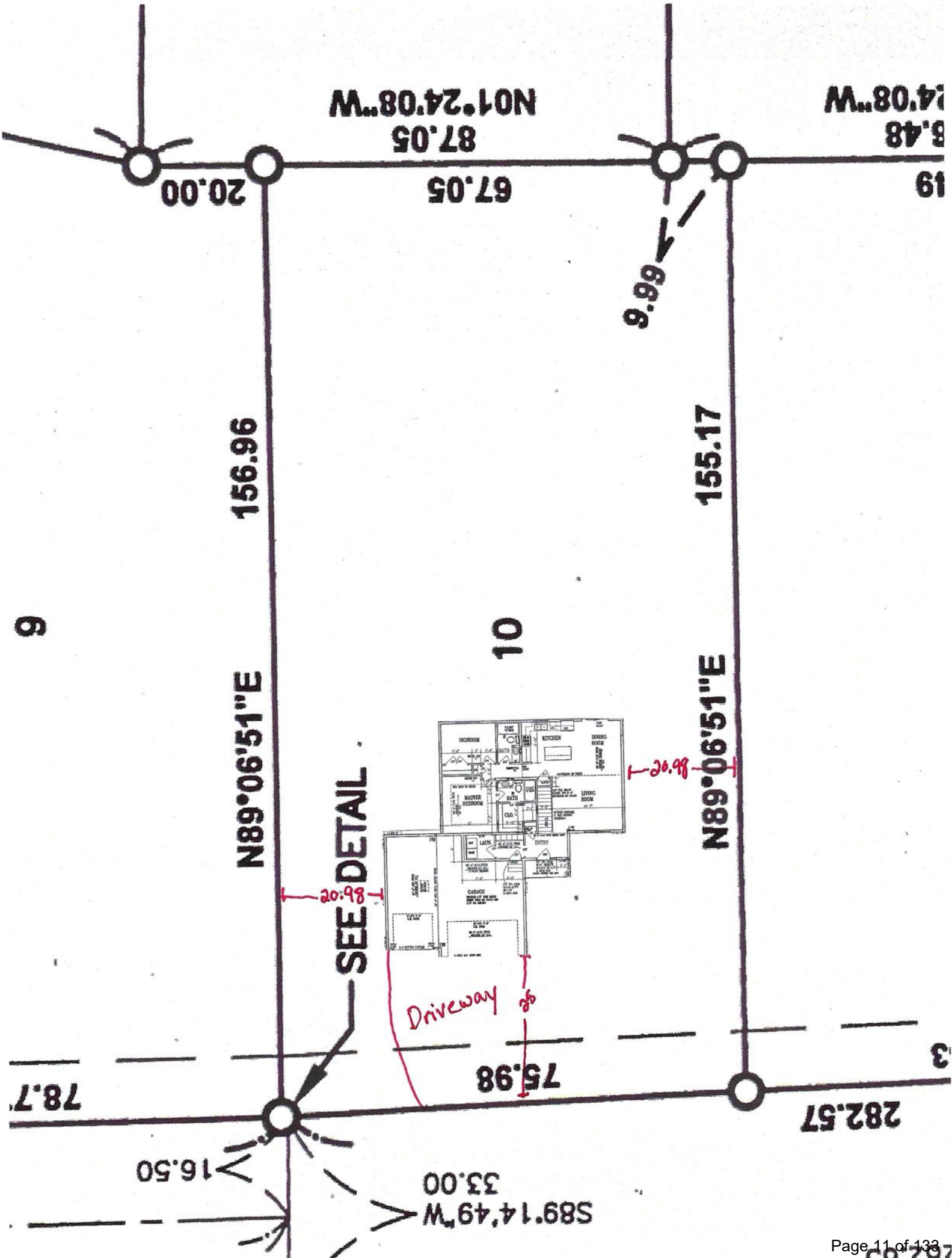
Date:

School District of

Date:

Disclaimer: Each taxing entity makes its own decision on approval or denial of application for tax abatement. Applications must comply with all requirements of the policy/program as outlined in the policy/program guidelines and build within allotted timeframe or tax abatement offer will be automatically terminated.

Notice – City of Austin Housing Projects This application must be approved prior to the building permit being issued by the City of Austin.



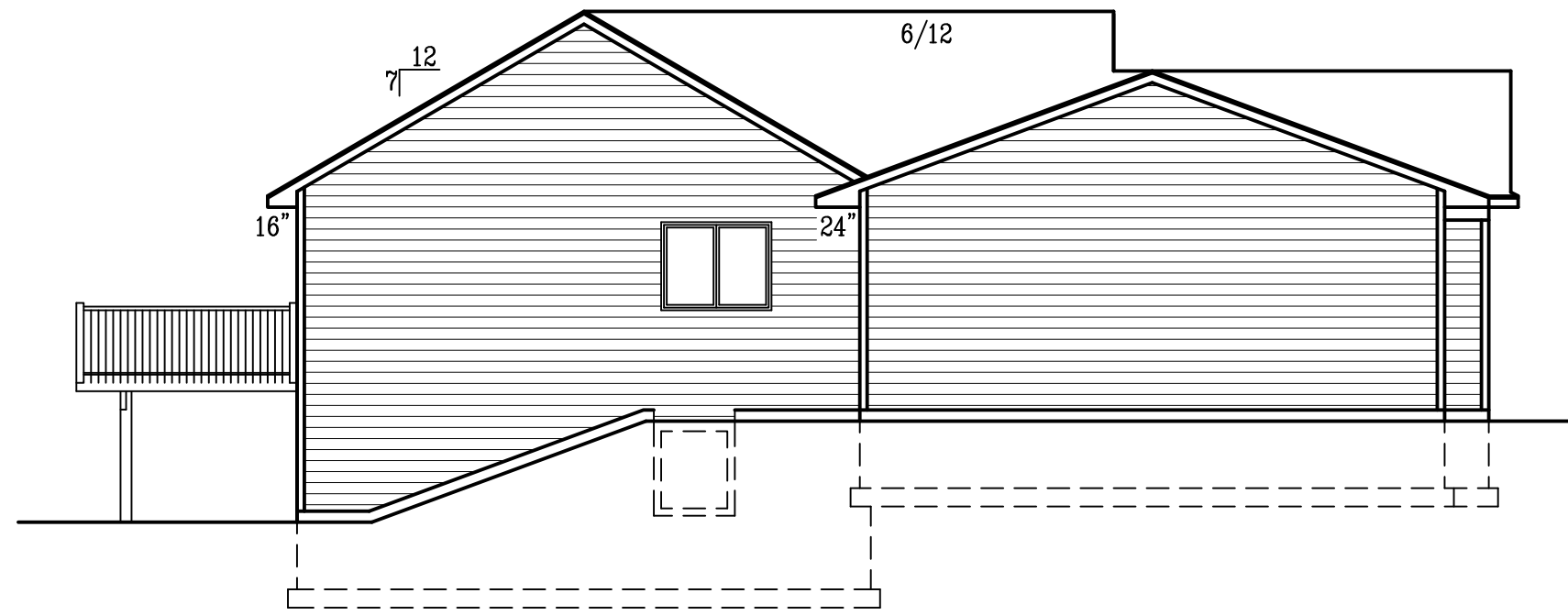
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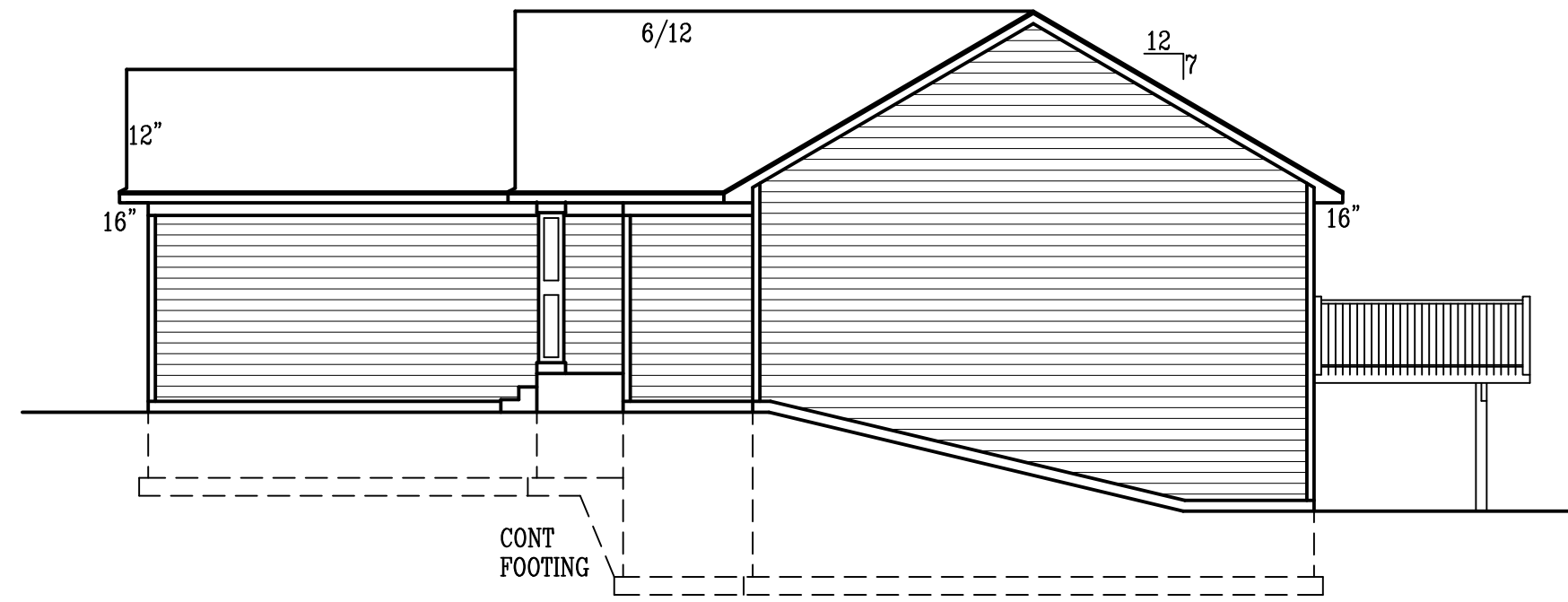
3

SEE DETAIL

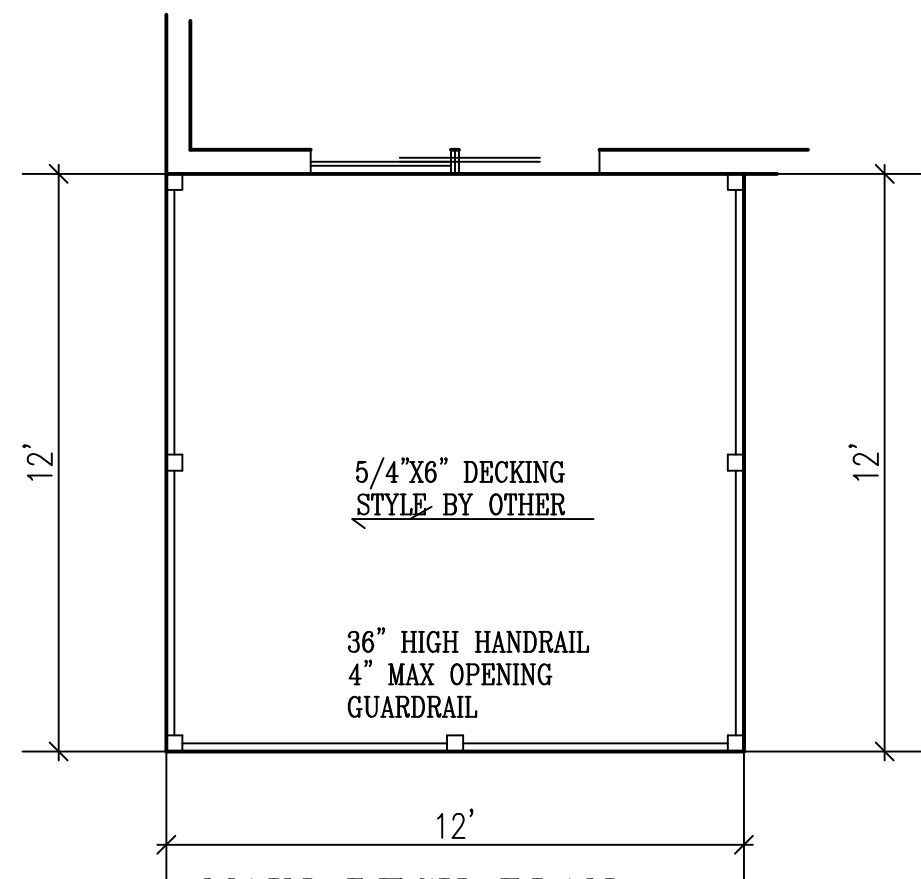
Driveway



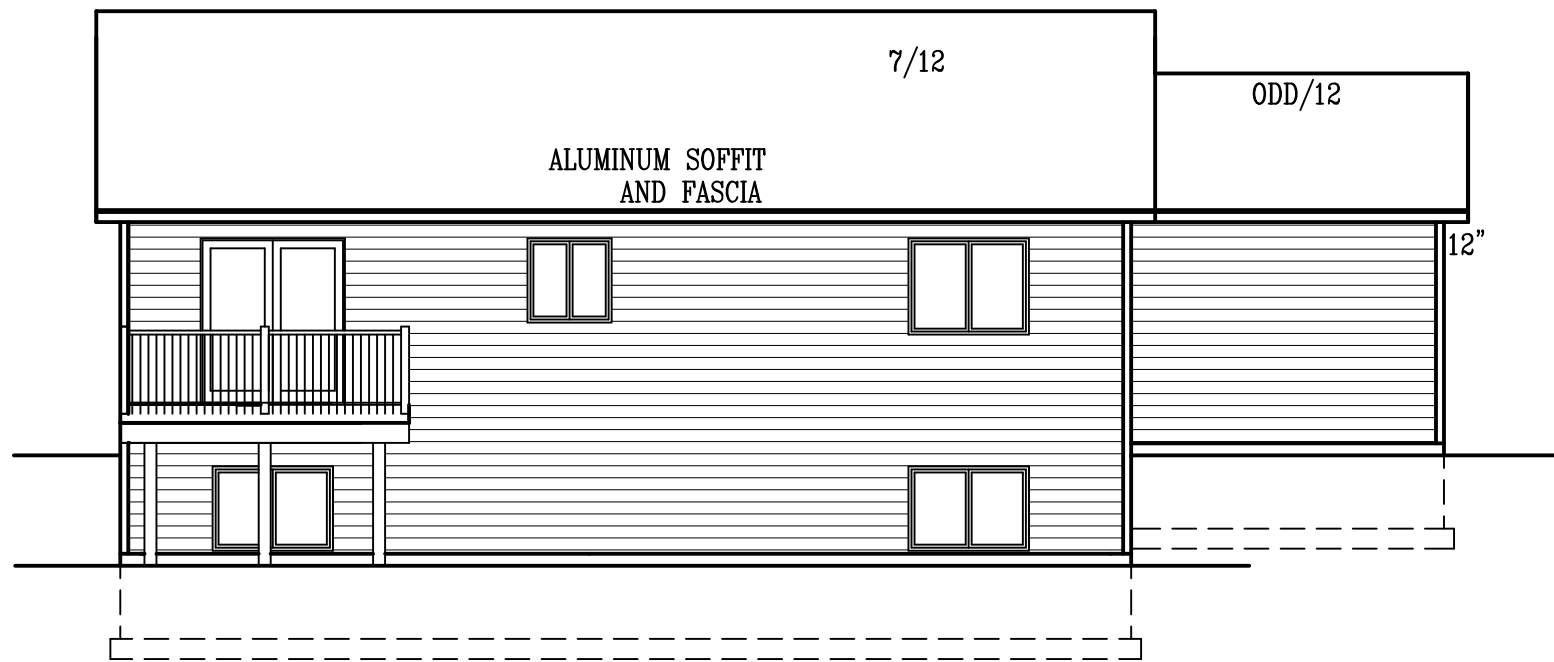
LEFT ELEVATION
SCALE 1/8"=1'-0"



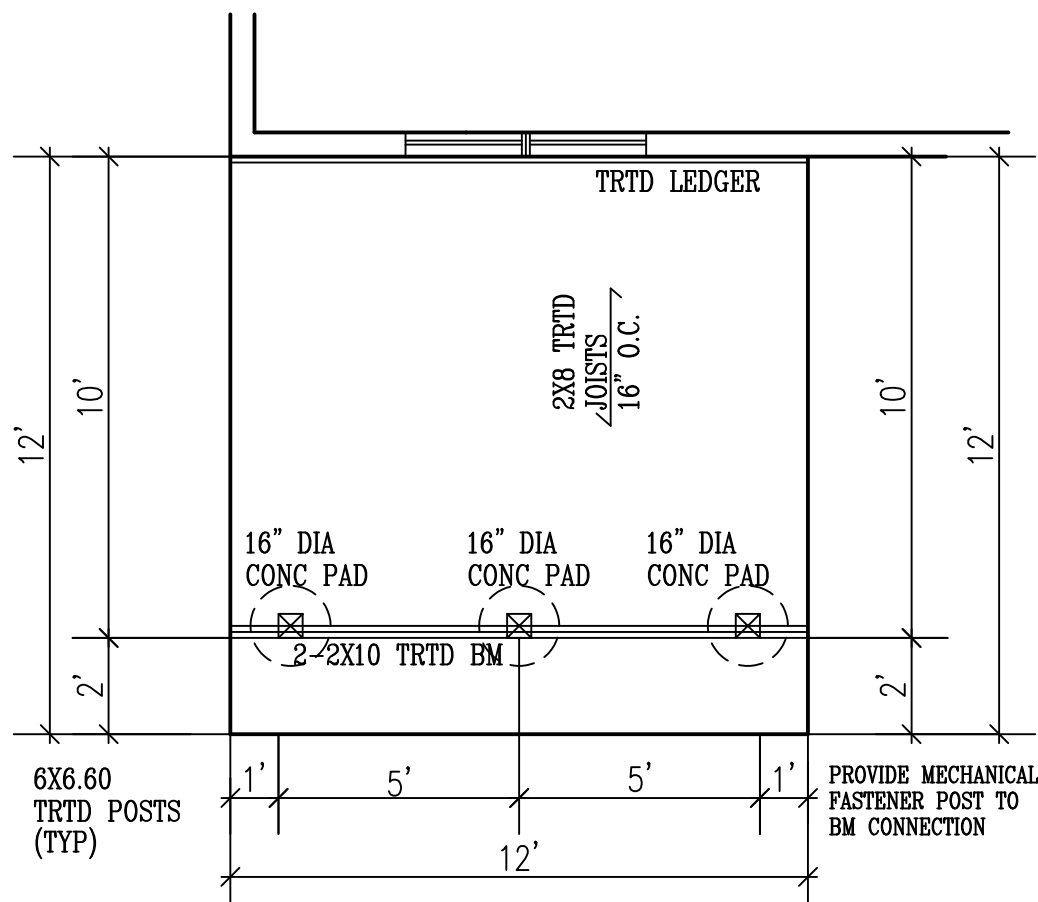
RIGHT ELEVATION
SCALE 1/8"=1'-0"



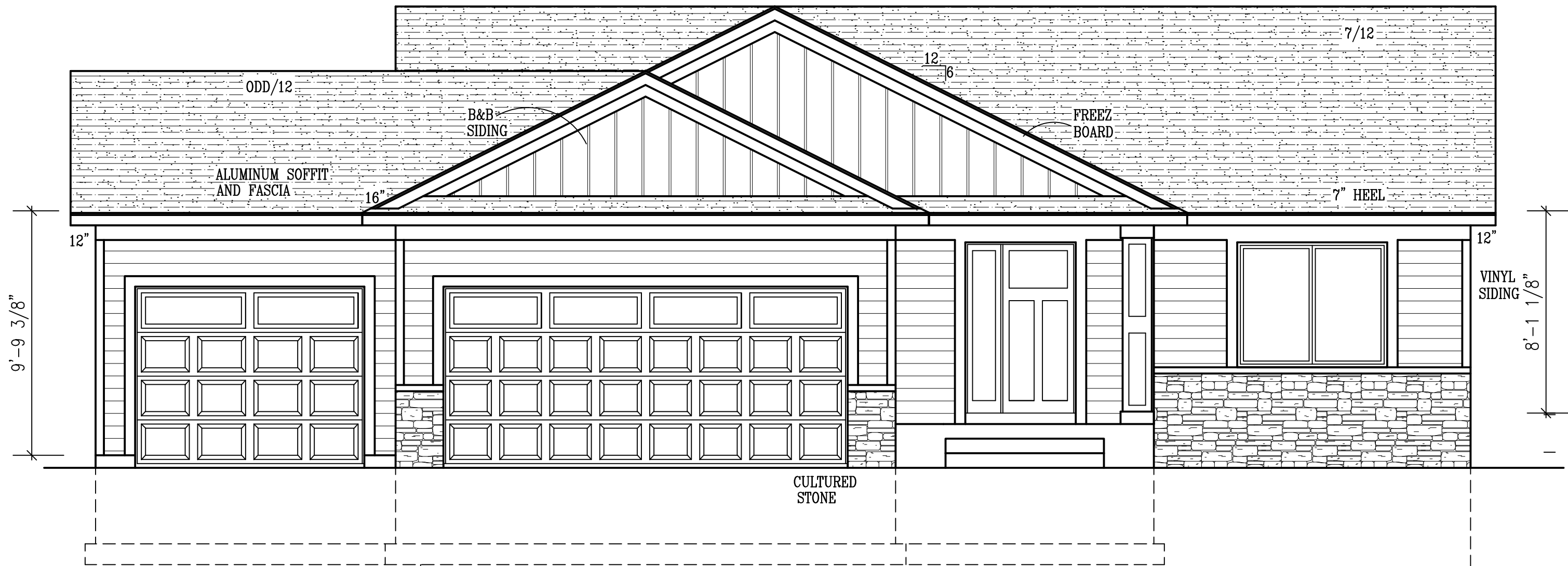
MAIN DECK PLAN
SCALE 1/4"=1'-0"



REAR ELEVATION
SCALE 1/8"=1'-0"



FOUNDATION PLAN
SCALE 1/4"=1'-0"



FRONT ELEVATION
SCALE 1/4"=1'-0"

PROGRESSIVE PLAN
DESIGN LLP

RESIDENTIAL ARCHITECTURE
714 County RD. 3 NW Byron MN, 56920
(507-775-6877) progressiveplandesign@gmail.com

These drawings have been prepared using information provided by the customer/contractor who is solely responsible for the accuracy of the information provided. The drawings are not a substitute for permit drawings prepared by a contractor or architect and may not meet the requirements of any applicable building codes, ordinances, rules and regulations, and local codes and practices. Before starting construction, the customer should consult a contractor or architect for advice on building codes, ordinances, rules and regulations, and local codes and practices. The customer is responsible for obtaining all necessary permits and approvals from the appropriate authorities. The customer is responsible for determining if a building permit is required. We assume no responsibility for claims or damages arising from errors, omissions, deficiencies, improper construction, or defects of the drawings.
Acknowledged by _____ Customer/Contractor Signature _____ Date _____

CONTRACTOR:
VALLEY HOME IMPROVEMENT

OWNER:
**BUCKNELL FIRST
LOT#1 BLOCK#1**

DRAWN BY:
R.H.

DATE:
3/6/26

SQ. FT.:

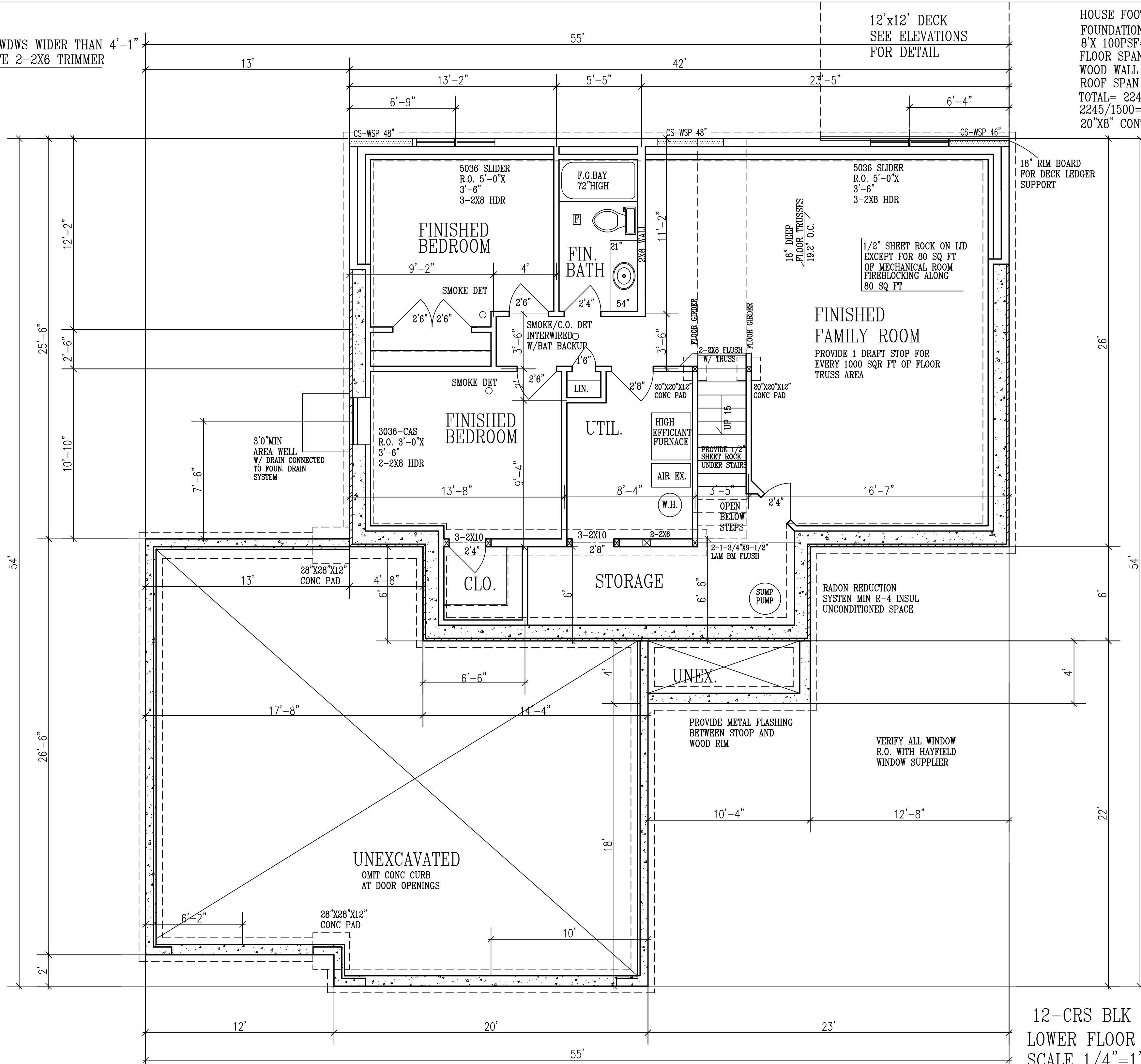
JOB NUM:
2615104

SCALE:
NOTED

SHEET: _____ OF: _____

1/4"=1'0" 18x24

NOTE: WDWS WIDER THAN 4'-1"
TO HAVE 2-2X6 TRIMMER



HOUSE FOOTINGS
 FOUNDATION WALL 8' TALL @ 100#SF
 8'X 100PSF= 800PLF
 FLOOR SPAN 26' 13'X50PSF=650PLF
 WOOD WALL 8' TALL 8X10#=80PLF
 ROOF SPAN 26'-0" 13'X55PSF=715PLF
 TOTAL= 2245PLF
 2245/1500=1.49'
 20"X8" CONT CONC FOOTING

**PROGRESSIVE PLAN
 DESIGN LLP**
 RESIDENTIAL ARCHITECTURE
 714 County RD. 3 NW Byron MN, 56920
 (507-775-6877) progressiveplandesign@gmail.com

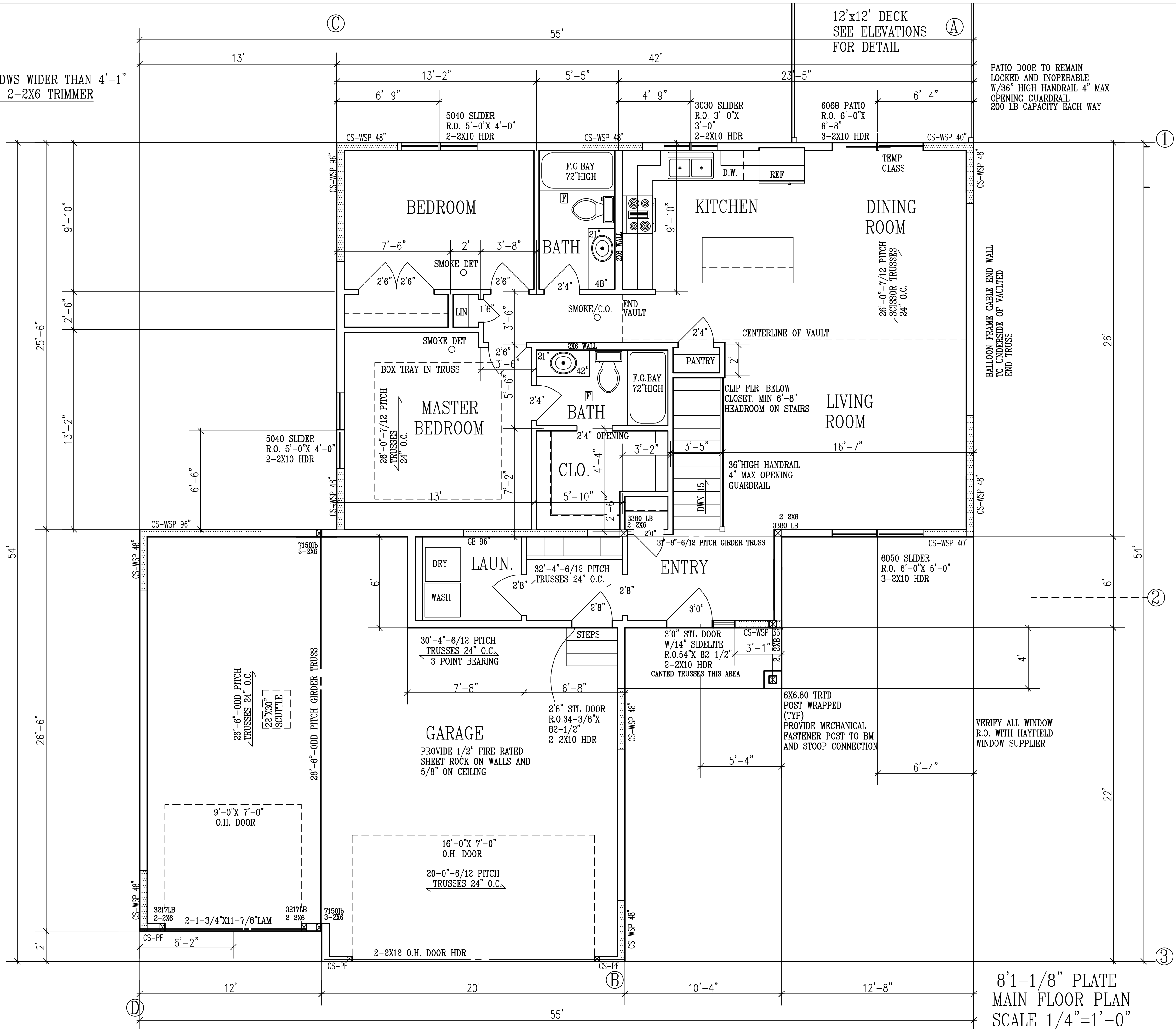
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 Acknowledged by _____ Date _____
 Customer/Contractor Signature

CONTRACTOR:
VALLEY HOME IMPROVEMENT
 OWNER:
**BUCKNELL FIRST
 LOT#1 BLOCK#1**

DRAWN BY:	R.H.
DATE:	
SQ. FT.	1241
JOB NUM.	2615104
SCALE:	NOTED
SHEET:	OF:
1/4"=1'0" 18x24	

12-CRS BLK
 LOWER FLOOR PLAN
 SCALE 1/4"=1'-0"

NOTE: WDWS WIDER THAN 4'-1"
TO HAVE 2-2X6 TRIMMER



8'1-1/8" PLATE
MAIN FLOOR PLAN
SCALE 1/4"=1'-0"

**PROGRESSIVE PLAN
DESIGN LLP**
RESIDENTIAL ARCHITECTURE
714 County RD. 3 NW Byron MN, 56220
(507-775-6877) progressiveplandesign@gmail.com

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CONTRACTOR:
VALLEY HOME IMPROVEMENT

OWNER:
BUCKNELL FIRST
LOT#1 BLOCK#1

DATE:	
SO. FT.	1241
JOB NUM.	2615104
SCALE:	NOTED
SHEET:	
1/4"=1'0" 18x24	

ROOF SYSTEM:

- TRUSSES 24" O.C. SPECS BY MFG.
- 1/2" OSB ROOF SHEATHING P.I.I. 32/16
- WINTERGUARD APPLIED SHINGLE FASHION TO A POINT 24" INSIDE EXTERIOR WALL.
- 15# FELT ON REMAINING.
- 20 YEAR 3 TAB ASPHALT SHINGLES
- PROVIDE STEEL SUPPLEMENTAL UPLIFT BRACKETS FOR ALL TRUSSES.
- PROVIDE CLIPS AS REQUIRED FOR ROOF SHEATHING

WINDWASH BARRIER:

- AT EXTERIOR EDGE OF ATTIC INSULATION, A MINIMUM OF 1" OF AIR SPACE SHALL BE PROVIDED BETWEEN INSUL AND SHEATHING.

ENG. PRODUCTS IRC SEC. R502.11.3:

- TRUSS MEMBERS AND COMPONENTS SHALL NOT BE CUT, NOTCHED SPLICED OR OTHERWISE ALTERED IN ANY WAY WITHOUT THE APPROVAL OF A REGISTERED REGISTERED DESIGN PROFESSIONAL.

HANDRAILS

- PROVIDE TYPE 1 OR TYPE 2 HANDRAIL
- HANDRAILS HAVING MINIMUM AND MAXIMUM HEIGHTS OF 34" AND 38", RESPECTIVELY, MEASURED VERTICALLY FROM THE NOSING OF THE TREADS, SHALL BE PROVIDED ON AT LEAST ONE SIDE OF STAIRWAYS.
- ALL REQUIRED HANDRAILS SHALL BE CONTINUOUS THE FULL LENGTH OF THE STAIRS WITH FOUR OR MORE RISERS FROM A POINT DIRECTLY ABOVE THE LOWEST RISER OF THE FLIGHT.
- ENDS SHALL BE RETURNED OR TERMINATE IN NEWEL POSTS OR SAFETY TERMINALS. HANDRAILS ADJACENT TO A WALL SHALL HAVE A SPACE OF NOT LESS THAN 1.5" BETWEEN THE WALL AND THE HANDRAIL.

- EXCEPTIONS:
HANDRAILS SHALL BE PERMITTED TO BE INTERRUPTED BY A NEWEL POST AT A TURN. THE USE OF A VOLUTE, TURNOUT OR STAIRING EASING SHALL BE ALLOWED OVER THE LOWEST TREAD.

EXTERIOR WALL:

- SIDING NOTED ON ELEVATIONS
- TYVEK OR TYPAR HOUSE WRAP TO UNDERSIDE OF TOP CHORD OF TRUSS OR RAFTER.
- 7/16" OSB. WALL SHEATHING
- 2X6 STUDS 16" O.C.
- 5-1/2" F.F. INSULATION R-20
- 4 MIL POLY PERM VAPOR BARRIER TAPED @ JOINTS
- 1/2" SHEET ROCK
- 2-2X12 HDRS ON ALL OPENINGS UNLESS OTHERWISE NOTED.

FIREBLOCKING AND DRAFTSTOPS:

- PROVIDE IN CONCEALED SPACES OF STUD WALLS AND PARTITIONS INCLUDING FURRED SPACES AT CEILINGS AND FLOOR VEVELS AT 10' INTERVALS BOTH VERTICAL AND HORIZONTAL.

EAVE SYSTEM:

- 2X6 SUBFASCIA
- ALUMINUM FASCIA
- 2X4 LOOKOUTS 24" O.C.
- ALUMINUM SOFFIT W/CANT VENT
- AIR CHUTES 48" O.C.

GUARDRAIL

- GUARDS ARE TO WITHSTAND A 200 LB. LOAD IN ANY DIRECTION TABLE: IRC R301.5
- GUARDS REQUIRED FOR PORCHES, BALCONIES OR RAISED FLOOR SURFACES LOCATED MORE THAN 36" IN HEIGHT. OPEN SIDES OF STAIRS WITH A TOTAL RISE OF MORE THAN 30" ABOVE THE FLOOR OR GRADE BELOW SHALL HAVE GUARDS NOT LESS THAN 34" IN HEIGHT MEASURED VERTICALLY FROM THE MOSING OF THE TREADS.
- GUARD OPENING LIMITATIONS.
REQUIRED GUARDS ON OPEN SIDES OF STAIRWAYS, RAISED FLOOR AREAS, BALCONIES AND PORCHES SHALL HAVE INTERMEDIATE RAILS OR ORNAMENTAL CLOSURES THAT DO NOT ALLOW PASSAGE OF A SPHERE 4" IN DIA.
- EXCEPTION:
THE TRIANGULAR OPENINGS FORMED BY THE RISER, TREAD AND BOTTOM RAIL OF A GUARD AT THE OPEN SIDE OF A STAIRWAY ARE PERMITTED TO BE OF SUCH A SIZE THAT A SPHERE 6" CANNOT PASS THROUGH.

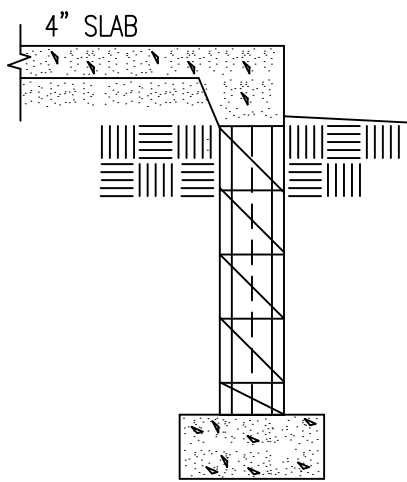
GENERAL NOTES:

- 115 MPH WIND LOAD
- FLR 40lb LL-10lb DL= 50 TL
- ROOF 35lb LL-17lb DL= 52 TL
- IRC R502.11.3 TRUSS MEMBERS AND COMPONENTS SHALL NOT BE CUT, NOTCHED, SPLICED OR OTHERWISE ALTERED IN ANY WAY WITHOUT APPROVAL OF A REGISTERED DESIGN PROFESSIONAL.
- FOUNDATION- MIN 3000 P.S.I. AIR ENTRAINED CONC.
- FOOTINGS- MIN 5000 P.S.I.
- PLAIN CONCRETE- 2000 P.S.I.
- REROD- MIN GRADE 60
- FOOTINGS TO BEAR ON ORIGINAL SOIL.
- WOOD FRAMING 2X4, 2X6 STD #2 GRADE OR BETTER
- BRIDGING AT CENTERLINE OF SPANS.
- PROVIDE SOLID BLOCKING AT FLOOR JSTS BEARING POINTS, INTERIOR BEARING WALLS AND CANTILEVERED FLOOR JOISTS AS REQUIRED.
- PROVIDE RIGID AIR BARRIER AT ALL PLUMBING AND MECHANICAL HEAT DUCT PENETRATIONS OF EXTERIOR WALLS, CEILINGS, AND FLOORS.
- 16"x16" PLUMBING ACCESS PANEL.
PROVIDE A M.R. AIR BARRIER AT THE INSIDE SURFACE OF EXTERIOR ENVELOPE BEHIND TUB AND SHOWER UNITS. (1/2" AWW PLYWD.) DUROC OR 5/8" W.R. GYP. TO 72" WHEN & WHERE REQ.
- SHEATHING JOINTS WHICH ARE NOT SUPPORTED BY FRAMING MEMBERS MUST BE CAULKED.
- ALL PENETRATIONS INSTALLED THROUGH THE INTERIOR AIR BARRIER MUST BE SEALED PRIOR TO THE FRAMING INSPECTION.
- ADD 1/2" TO ALL WINDOW ROUGH OPENINGS FOR INSUL.
- MINIMUM BSMNT CEILING HGTS. 7'0" MIN.
- WINDOWS AND DOORS ARE TO BE SEALED TO PREVENT THE ENTRY OF OUTSIDE AIR. SEE MFG'S INSTALLATION.

WDWS U.	.31
R.	.61 STEEL SIDING
R.	.06 TYVEK
R.	.54 7/16" STRUCT. PANEL (R. 9.44) 2x6 STUDS @ 16" O.C.
R.	20.00 5-1/2" F.G. INSUL.
R.	.06 6 MIL. POLY V.B.
R.	.45 1/2" GYP. BD.
R.	.85 AIR FILMS
R.	22.57 TOTAL WALL

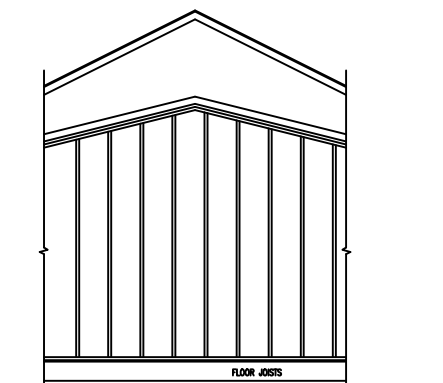
RADON VENT:

HOLLOW BLK FOUNDATION WALLS SHALL BE CONSTRUCTED WITH EITHER A CONT. CRS OF SOLID MASONRY, OR 1 CRS MASORY GROUDED SOLID, OR SOLID CONC BM, AT OR ABOVE FINISHED GRADE TO PREVENT PASSAGE OF AIR FROM INTERIOR OF THE WALL INTO LIVING SPACE. WHERE BRICK LEDGE IS INSTALLED, THE CRS IMMEDIATELY BELOW THAT LEDGE SHALL BE SEALED. JOINTS, CRACKS, OR OTHER OPENINGS AROUND PENETRATIONS OF BOTH EXTERIOR AND INTERIOR SURFACES OF MASONARY WALL. WOOD FOUNDATION WALLS BELOW GRADE SURFACE SHALL BE FILLED WITH POLYURETHANE CAULK. MIN 3" ABS.PVC, OR EQUIVALENT GASIGHT PIPE SHALL BE EMBEDDED VERTICALLY INTO SUB SLAB AGGREGATED OR OTHER PERMIABLE MATERIAL A "T" FITTING WITH ONE 10' SECTION OF PERFORATED PIPE CONNECTED TO EACH SIDE OF "T" OR 3" PIPE SHALL BE INSERTED INTO INTERIOR PERIMETER DRAIN TILE LOOP OR THROUGH A SEALED SUMP COVER. WHERE THE SUMP IS EXPOSED TO THE SUB-SLAB AGGREGATE. RADON VENTS SHALL CONNECT TO SINGLE PIPE THAT TERMINATES AT LEAST 12" ABOVE ROOF. RADON PIPES SHALL PROVIDE ENOUGH SPACE AROUND PIPE FOR REQ FAN, MIN 24" DIA. CENTERED ON AXIS OF VENT STACK A MIN VERTICAL DISTANCE OF 36". RADON PIPES SHALL BE IDENTIFIED WITH ONE LABEL ON EACH FLOOR, LABEL SHALL READ(RADON REDUCTION SYSTEM)



STOOP

- 18"x8" CONTINUOUS CONC FOOTING
- 2-#4 REROD CONT
- 4-1/2 CRS 8" CONC BLOCK
- #4 REROD 48" O.C. VERT FULLY GROUDED CORES MIN 7" EMBEDMENT
- MIN 40 BAR DIA LAP ALL VERTICAL REINFORCEMENT SPLICES



WHEN SCISSOR TRUSSES ARE USED THE CABLE END FRAME SHALL MATCH THE PROFILE OF THE SCISSOR TRUSSES ADJACENT TO IT FOR PROPER BOTTOM CHORD PLANE BRACING TO BE INSTALLED

TEMPERED GLASS IRC R308.4:

- GLAZING, IN AN INDIVIDUAL FIXED OR OPERABLE PANEL ADJACENT TO A DOOR WHERE THE NEAREST VERTICAL EDGE IS WITHIN A 24" ARC OF THE DOOR AND IS LESS THAN 60" ABOVE THE FLOOR OR WALKING SURFACE. GLAZING IN AN INDIVIDUAL FIXED OR OPERABLE PANEL, OTHER THAN THOSE LOCATIONS DESCRIBED IN ITEM 5 AND 6 ABOVE, THAT MEETS ALL OF THE FOLLOWING CONDITIONS:
- 7.1 EXPOSED AREA OF AN INDIVIDUAL PANE GREATER THAN 9 SQ. FT.
- 7.2 BOTTOM EDGE LESS THAN 18" ABOVE THE FLOOR.
- 7.3 TOP EDGE GREATER THAN 36" ABOVE THE FLOOR.
- 7.4 ONE OR MORE WALKING SURFACES WITHIN 36" HORIZONTALLY OF THE GLAZING.

FOAM PLASTIC

SILL PLATES & HEADERS. FOAM PLASTIC SHALL BE PERMITTED TO BE SPRAY APPLIED (WITHOUT THERMAL BARRIER) TO A SILL PLATE AND HEADER (RIM) SUBJECT TO ALL OF THE FOLLOWING.
THE MAXIMUM THICKNESS OF THE FOAM PLASTIC SHALL BE 3-1/4" THE DENSITY OF THE FOAM SHALL BE BETWEEN 1.5 TO 2.0 PCF. FLAME SPREAD INDEX OF 25 OR LESS AND A SMOKE DEVELOPED INDEX OF 450 OR LESS WHEN TESTED IN ACCORDANCE WITH ASTM E84

FOAM PROTECTION

- IF FOUNDATION WALL INSULATION IS ON THE EXTERIOR, THE PORTION FROM THE TOP OF THE FOUNDATION WALL TO SIX INCHES BELOW GRADE MUST BE COVERED BY AN APPROVED PROTECTIVE COATING.

STAIR SYSTEM:

- 3-2X12 STRINGERS D-FIR
- 1X8 PINE RISERS
- 5/4X 10" PARTIAL BOARD TREADS OR 2X10 HEM FIR SECURED TO STRINGERS W/4-16d CC NAILS PER STRINGER. PROVIDE HANDRAIL 34"-38" HIGH 36" HIGH GUARDRAIL W/4" MAX OPENINGS. 7-3/4" MAX RISE, 10" MIN RUN. 5/8" S.R. WALLS AND SOFFIT OF ENCLOSED UNSEABLE UNDERSTAIRS.
- 6"-8" MIN HEADROOM.

LANDINGS

- LANDINGS FOR STAIRWAYS: THERE SHALL BE A FLOOR OR LANDING AT THE TOP AND BOTTOM OF EACH STAIRWAY.
- EXCEPTION: AT THE TOP OF AN INTERIOR FLIGHT OF STAIRS, PROVIDED A DOOR DOES NOT SWING OVER THE STAIRS.
- LANDING AT DOORS: THERE SHALL BE A FLOOR OR LANDING ON EACH SIDE OF EACH EXTERIOR DOOR. THE FLOOR OR LANDING AT A DOOR SHALL NOT BE MORE THAN 1.5" LOWER THAN THE TOP OF THE THRESHOLD.
- EXCEPTION: AN EXTERIOR DR. SHALL NOT BE MORE THAN 7-3/4" BELOW THE TOP OF THE THRESHOLD, PROVIDED THE DOOR, OTHER THAN AN EXTERIOR STORM OR SCREEN DR. DOES NOT SWING OVER THE LANDING. THE WIDTH OF LANDING SHALL NOT BE LESS THAN THE STAIRWAY OR DR. SERVED. MIN. 36" IN THE DIRECTION OF TRAVEL.

- A NOSING OF NOT LESS THAN 3/4" OR MORE THAN 1-1/4" IS REQUIRED AND IS NOT REQ. IF TREAD DEPTH IS MIN. 11" RISER MAY BE OPEN PROVIDED THE OPENING DOES NOT PERMIT THE PASSAGE OF A 4" DIAMETER SPHERE IRC R311.5.3

- 1/2" AC PLYWOOD SECURED TO DBL STAIR HEADER W/4-8d CC NAILS PER STRINGER, STRINGERS SECURED TO PLYWOOD W/4-16d CC NAILS PER STRINGER.
- 4" MIN NET DEPTH OF STAIR STRINGERS AT CUT OUTS

A NOSING OF NOT LESS THAN 3/4" OR MORE THAN 1-1/4" IS REQUIRED ON STAIR TREADS LESS THAN 11"

12 CRS. BSMNT:

- 20"x 8" CONTINUOUS CONC FOOTING
- 12- CRS 10" CONC BLOCK
- #6 PEROD 48" O.C. VERTICAL .6-3/4" FROM SOIL SIDE FACE OF WALL.
- 1/2"x 10" ANCHOR BOLTS 48" O.C. TO SHARE FULLY GROUDED CORES. MIN 7" EMBEDMENT
- 2X12 .40 TRTD SILL PLATE
- 10" CLOSED CELL SILL SEALER
- 40-MIL POLYMER-MODIFIED ASPHALT OR 6 MIL POLY FROM FOOTING TO TOP OF FNDATION.
- WATERPROOFING MIN 40 BAR DIA. LAP ALL VERTICAL REINFORCEMENT.

EMERGENCY ESCAPE WINDOWS: AND WINDOW WELL SPECS.

- 5 SQ. FT. MIN. 20" WIDE, MIN. 24" HIGH CLEAR OPENING. WINDOWS PERMITTED AT GRADE LEVEL. GRADE LEVEL IS DEFINED AS THE WINDOW HAVING A SILL HGT. OF NOT MORE THAN 44" ABOVE OR BELOW GROUND LEVEL.
- MINNESOTA RULES, 1309.0310, SEC. R310.1 MIN. CEILING HGT. 36" MAINTAINED ABOVE EXTERIOR GRADE FROM EXTERIOR WALL TO PUBLIC WAY (I.E. UNDER DECKS OR CANT.)
- MIN 36" CLEAR SPACE IN FRONT OF WINDOW.
- WINDOW WELLS WITH A VERTICAL DEPTH GREATER THAN 44" BELOW THE ADJACENT GROUND LEVEL SHALL BE EQUIPPED WITH A PERMANENTLY AFFIXED LADDER OR STEPS USABLE WITH THE WINDOW IN THE FULLY OPEN POSITION. THE LADDER OR STAIRS SHALL BE PERMITTED TO ENCR OACH A MAXIMUM OF 6 INCHES. LADDERS OR RUNGS SHALL HAVE AN INSIDE WIDTH OF AT LEAST 12" AND SHALL PROJECT AT LEAST 3" FROM THE WALL AND SHALL BE SPACED NOT MORE THAN 18" ON CENTER VERTICALLY FOR THE FULL HEIGHT OF THE WINDOW WELL.

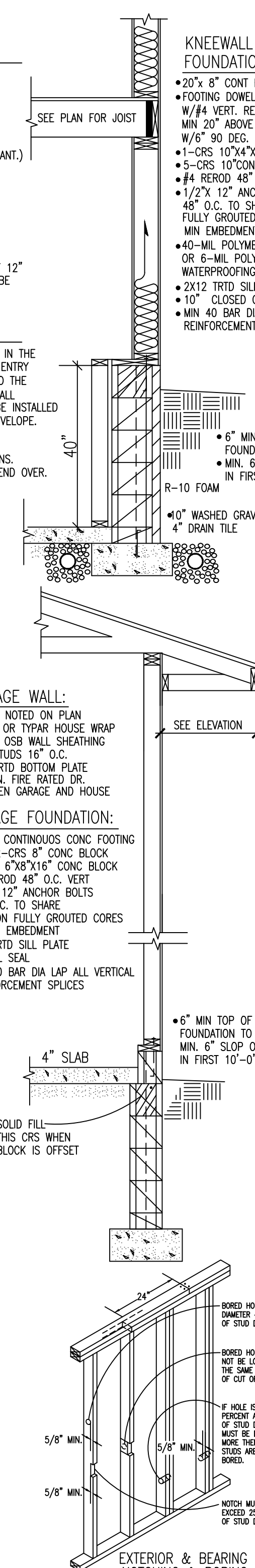
FLASHING & COUNTERFLASHING

- APPROVED CORROSION-RESISTIVE FLASHING SHALL BE PROVIDED IN THE EXTERIOR WALL ENVELOPE IN SUCH A MANNER AS TO PREVENT ENTRY OF WATER INTO THE WALL CAVITY OR PENETRATION OF WATER TO THE BUILDING STRUCTURAL FRAMING COMPONENTS. THE FLASHING SHALL EXTEND TO THE SURFACE OF THE EXTERIOR WALL FINISH AND BE INSTALLED TO PREVENT WATER FROM RE-ENTERING THE EXTERIOR WALL ENVELOPE.
- FLASHING SHALL BE INSTALLED CONTINUOUSLY ABOVE ALL PROJECTING WOOD TRIM.
- FLASHING SHALL BE INSTALLED AT WALL AND ROOF INTERSECTIONS.
- EXTEND DRIP CAPS PAST THE END OF THE BRICK MOLD AND BEND OVER.
- INSTALL KICK OUT FLASHING WHERE STEP FLASHING BEGINS.

KNEEWALL FOUNDATION:

- 20"x 8" CONT FOOTING
- FOOTING DOWELED TO BLOCK W/#4 VERT. REROD 48" O.C. MIN 20" ABOVE FTG. IN GROUDED CORE.
- W/6" 90 DEG. HOOK IN GROUDED CORE.
- 1-CRS 10"x4"x16" CONC BLOCK
- 5-CRS 10" CONC BLOCK
- #4 REROD 48" O.C. VERTICAL 2" FROM SOIL
- 1/2"x 12" ANCHOR BOLTS 48" O.C. TO SHARE COMMON FULLY GROUDED CORES MIN EMBEDMENT 7"
- 40-MIL POLYMER-MODIFIED ASPHALT OR 6-MIL POLY FTG TO TOP OF FNDATION WATERPROOFING
- 2X12 TRTD SILL PLATE.
- 10" CLOSED CELL SILL SEALER
- MIN 40 BAR DIA LAP ALL VERT. REINFORCEMENT SPLICES

- 6" MIN TOP OF FOUNDATION TO GRADE
- MIN. 6" SLOP OF GRADE IN FIRST 10'-0"



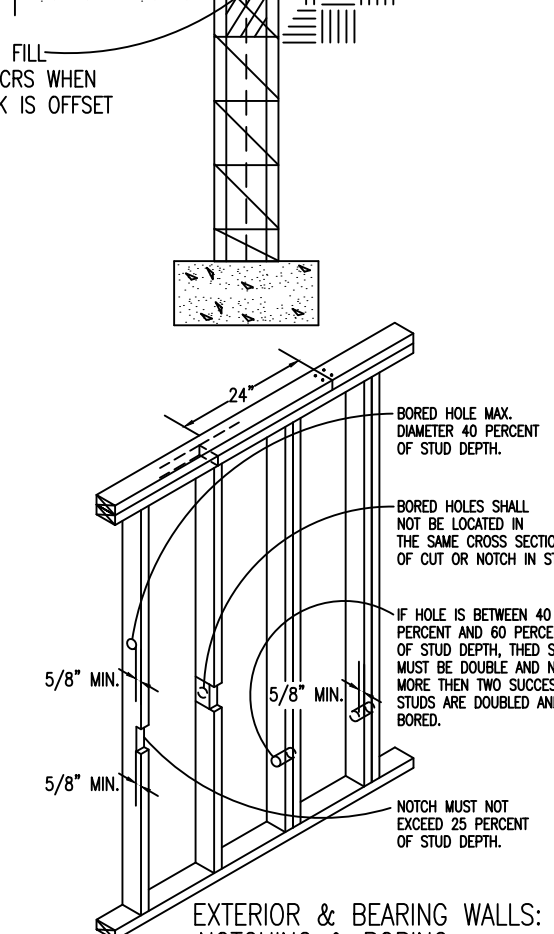
GARAGE WALL:

- SIDING NOTED ON PLAN
- TYVEK OR TYPAR HOUSE WRAP
- 7/16" OSB WALL SHEATHING
- 2X4 STUDS 16" O.C.
- 2X4 TRTD BOTTOM PLATE
- 20 MIN. FIRE RATED DR. BETWEEN GARAGE AND HOUSE

GARAGE FOUNDATION:

- 18"x8" CONTINUOUS CONC FOOTING
- 4-1/2-CRS 8" CONC BLOCK
- 1-CRS 6"x8"x16" CONC BLOCK
- #4 REROD 48" O.C. VERT 1/2"x 12" ANCHOR BOLTS 48" O.C. TO SHARE COMMON FULLY GROUDED CORES MIN 7" EMBEDMENT
- 2X6 TRTD SILL PLATE
- 6" SILL SEAL
- MIN 40 BAR DIA LAP ALL VERTICAL REINFORCEMENT SPLICES

- 6" MIN TOP OF FOUNDATION TO GRADE
- MIN. 6" SLOP OF GRADE IN FIRST 10'-0"



PROGRESSIVE PLAN DESIGN LLP
RESIDENTIAL ARCHITECTURE
714 County RD. 3 NW Byron MN, 56920
(507-775-6877) progressiveplandesign@gmail.com

These drawings have been prepared using information provided by the customer/contractor who is solely responsible for the accuracy of the information provided. The drawings are not a substitute for permit drawings prepared by a contractor or architect and may not meet all applicable codes and practices. Before starting construction, the customer should consult a contractor and local building codes and regulations. The contractor shall be responsible for obtaining all necessary permits to project of project site. Consult local building officials to determine if a building permit is required. We assume no responsibility for claims or damages arising from errors, omissions, deficiencies, improper construction, or defects of the drawings.
Customer/Contractor Signature _____ Date _____
Acknowledged by _____

VALLEY HOME IMPROVEMENT
OWNER: BUCKNELL FIRST LOT#1 BLOCK#1
CONTRACTOR:
DRAWN BY: R.H.
DATE:
SQ. FT.:
JOB NUM: 2615104
SCALE: NOTED
SHEET: OF:
1/4"=1'0" 18x24

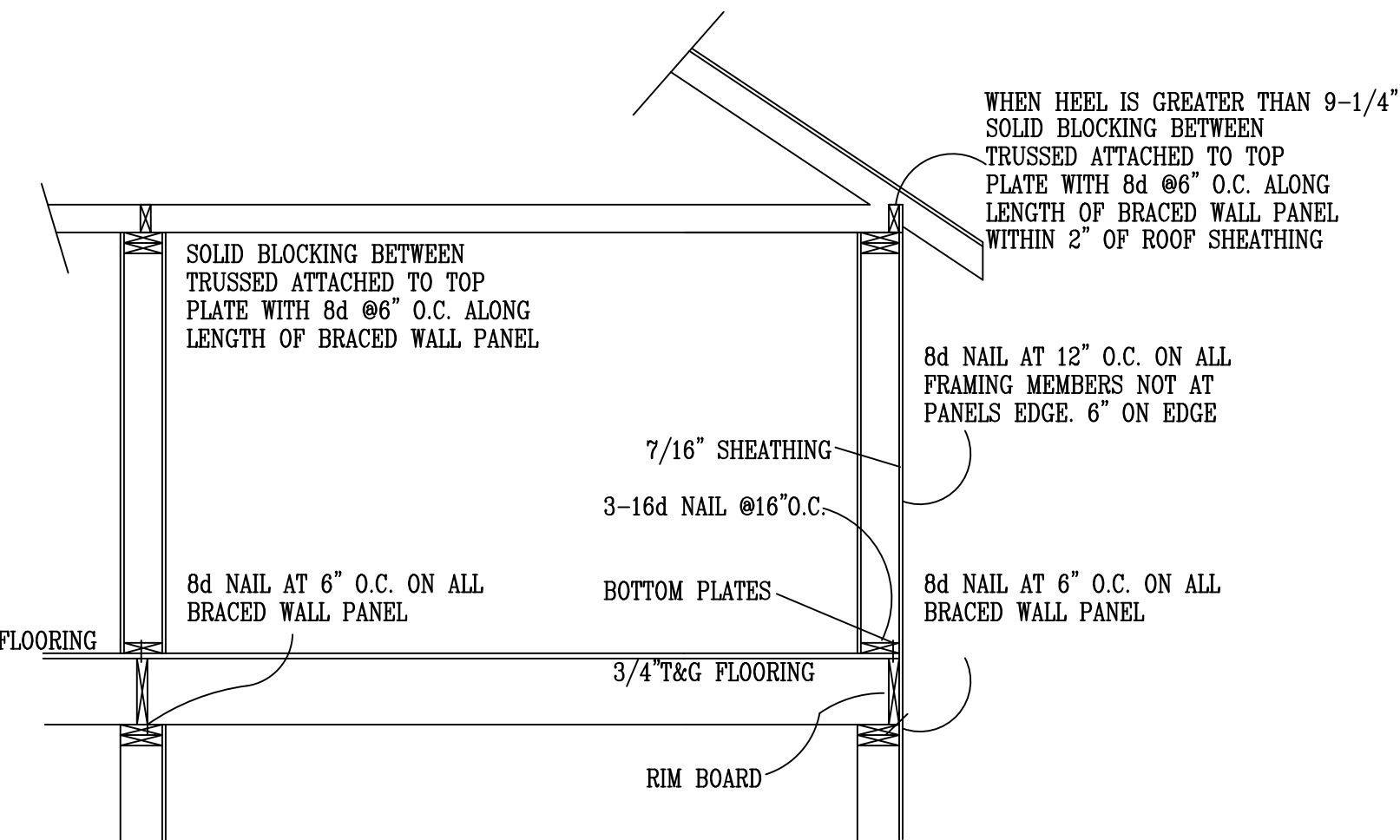
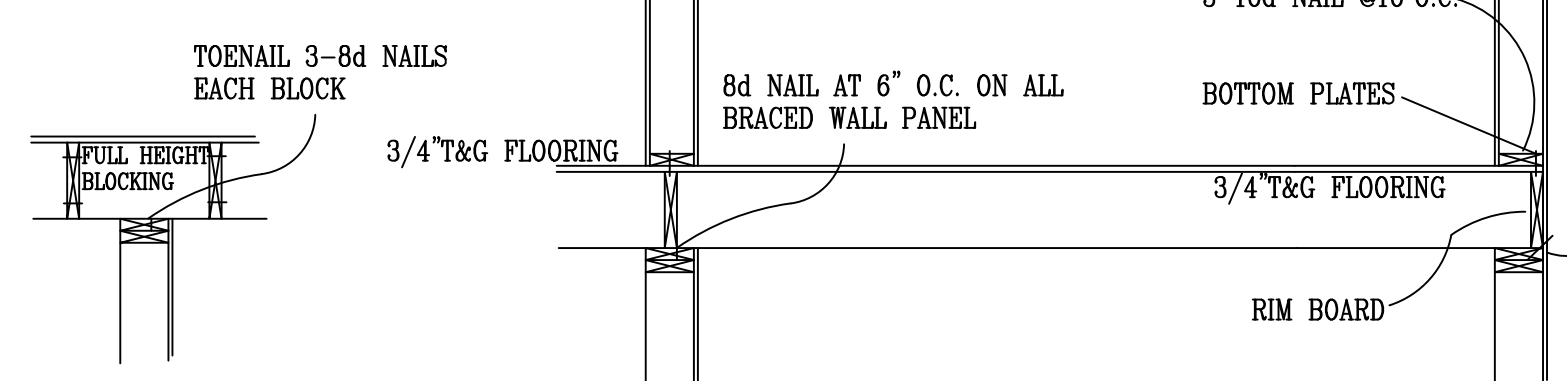
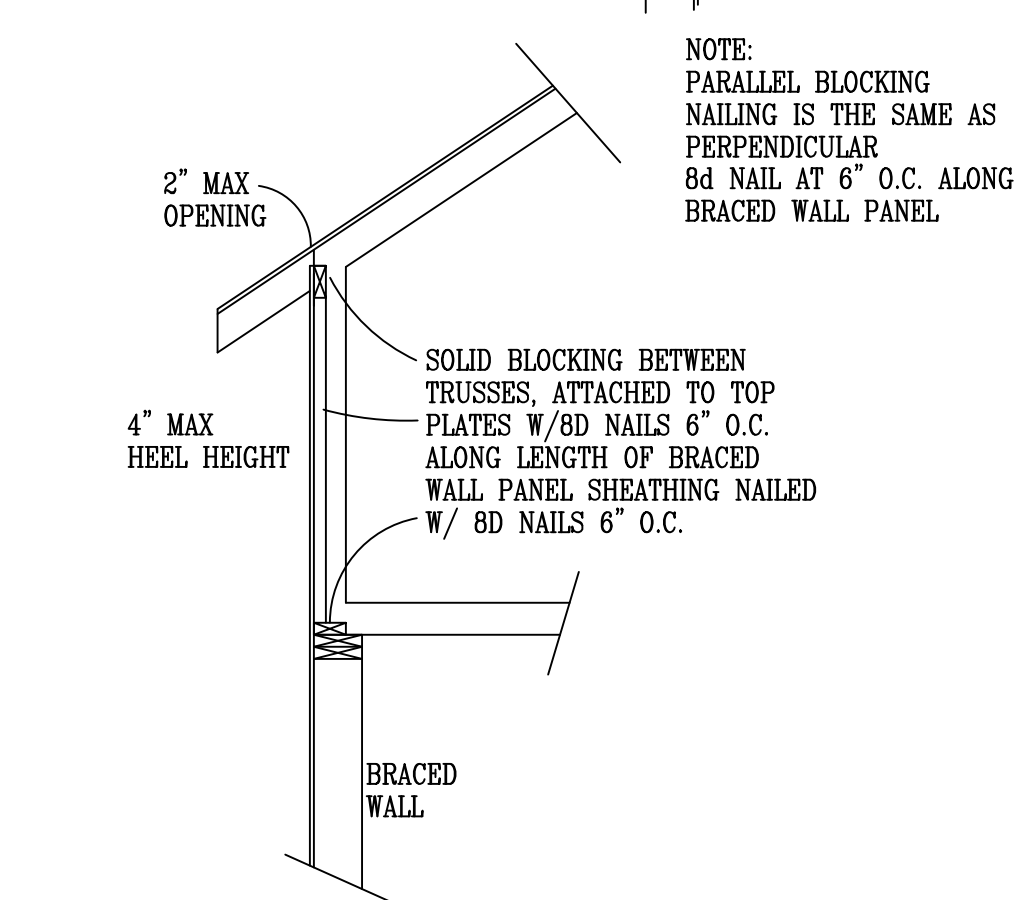
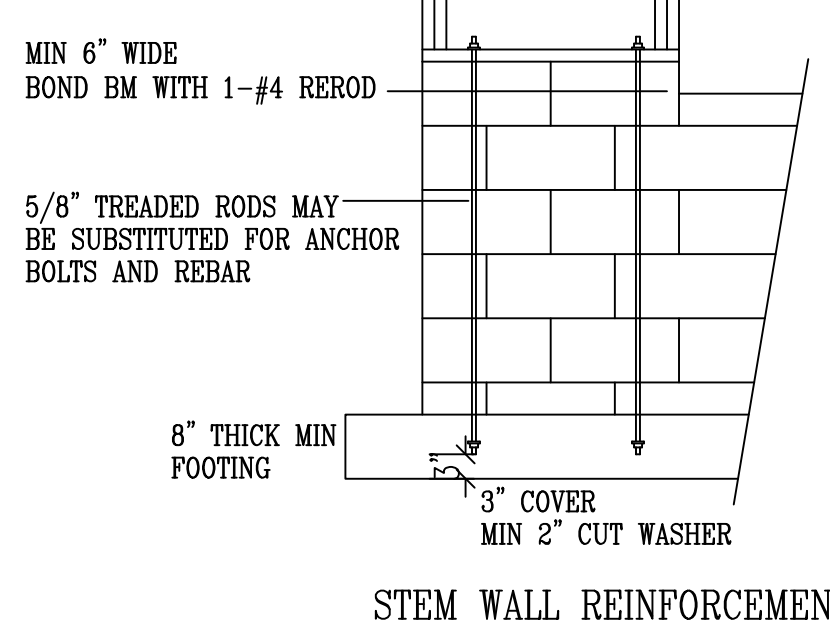
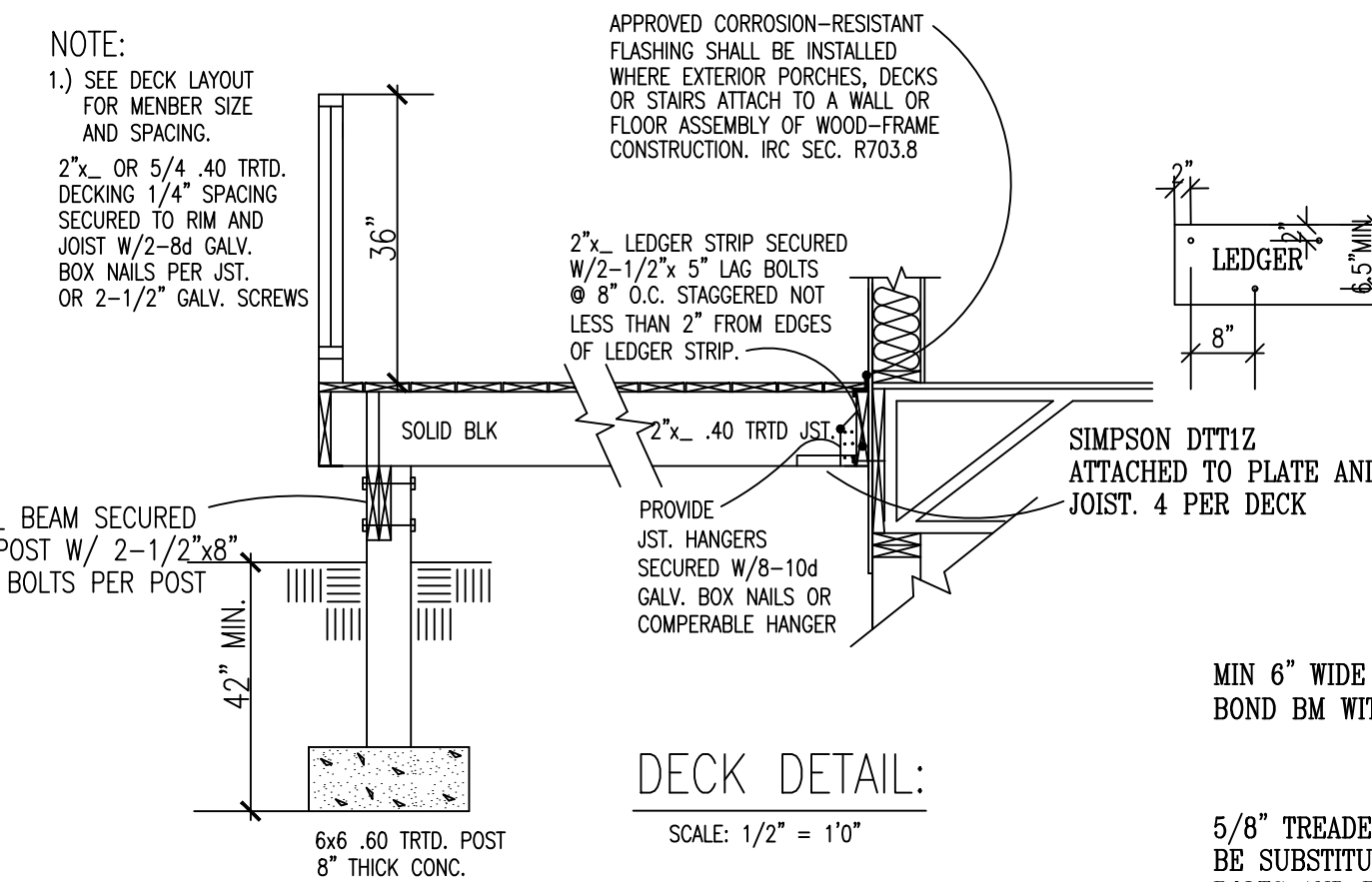
DISCRIPTION: MAIN FLOOR DATE:

BRACED PANEL LENGTH TABLE									
* ADJUSTMENT CALCULATION EXAMPLE									
BRACED WALL LINE	BRACING METHOD TABLE R602.10.4.1	BRACED WALL LINE SPACING	REQUIRED BRACING LENGTH (FEET)	EXPOSURE FACTOR CONDITION	ROOF TO EAVE TOTAL	WALL HEIGHT TOTAL	NUMBER BRACED WALL LINES	REQUIRED BRACING LENGTH (FEET)	PROVIDED BRACING LENGTH
①	CS-WSP	30 FT.	4.5'	1.0	0.94	0.90	1.3	4.9'	11.3'
②	GB	30 FT.	9.5'	1.0	0.94	0.90	1.3	11.0'	22.3'
③	CS-PF	24 FT.	3.9	1.0	0.94	1.0	1.3	4.7'	5.6'

BRACED PANEL LENGTH TABLE									
* ADJUSTMENT CALCULATION EXAMPLE									
BRACED WALL LINE	BRACING METHOD TABLE R602.10.4.1	BRACED WALL LINE SPACING	REQUIRED BRACING LENGTH (FEET)	EXPOSURE FACTOR CONDITION	ROOF TO EAVE TOTAL	WALL HEIGHT TOTAL	NUMBER BRACED WALL LINES	REQUIRED BRACING LENGTH (FEET)	PROVIDED BRACING LENGTH
A	CS-WSP	42 FT.	6.3'	1.0	0.94	0.90	1.45	7.7'	12.0'
B	CS-WSP	32 FT.	4.8'	1.0	0.94	1.0	1.45	6.5'	8.0'
C	CS-WSP	42 FT.	6.3'	1.0	0.94	0.90	1.45	7.7'	12.0'
D	CS-WSP	32 FT.	4.8'	1.0	0.94	1.0	1.45	6.5'	8.0'

DISCRIPTION: LOWER FLOOR DATE:

BRACED PANEL LENGTH TABLE									
* ADJUSTMENT CALCULATION EXAMPLE									
BRACED WALL LINE	BRACING METHOD TABLE R602.10.4.1	BRACED WALL LINE SPACING	REQUIRED BRACING LENGTH (FEET)	EXPOSURE FACTOR CONDITION	ROOF TO EAVE TOTAL	WALL HEIGHT TOTAL	NUMBER BRACED WALL LINES	REQUIRED BRACING LENGTH (FEET)	PROVIDED BRACING LENGTH
①	CS-WSP	10 FT.	3.5	1.0	0.97	0.90	1.0	3.0'	11.8'



NOTE: PARALLEL BLOCKING NAILING IS THE SAME AS PERPENDICULAR 8d NAIL AT 6" O.C. ALONG BRACED WALL PANEL

GB BRACED WALL PLATE FASTENED TO FLOOR W/ 3-16d NAILS @ 16"O.C. OR FULL HEIGHT BLOCKING 16"O.C. 3-8D NAILS EACH BLOCK. SHEET ROCK SCREWS @ 7" AT EDGES AND IN FIELD.

NOTE: BLOCK IS REQUIRED WHERE JOISTS ARE PERPENDICULAR AND IN LINE WITH BRACED WALL LINE ABOVE

WALL BRACING NOTES CS-WSP

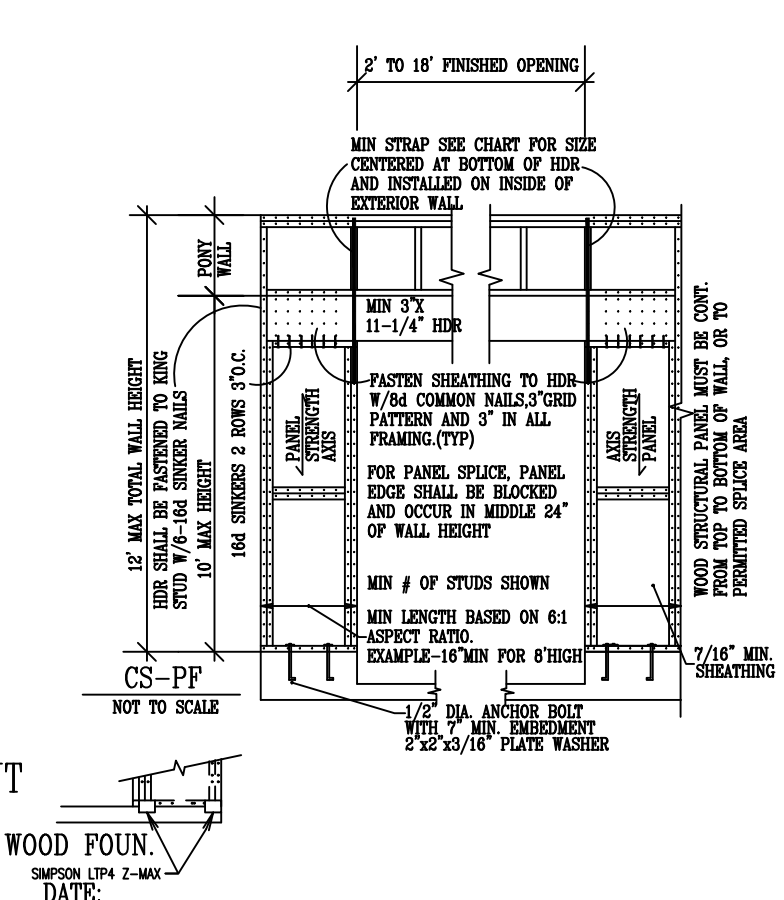
1. ALL WALLS SHALL BE CONTINUOUSLY SHEATHED WITH WOOD STRUCTURAL PANELS

2. CS-WSP ON PLANS INDICATE AREAS OF BRACED PANELS

3. BRACED PANELS SHALL BE CONSTRUCTED WITH 16" O.C. STUDS. TOP PLATES FASTENED TO SOLID FRAMING WITH 8d NAILS 6" O.C. BOTTOM PLATES FASTENED TO SOLID FRAMING W/ 3-16d NAILS 16" O.C. 7/16" OSB SHEATHING W/ 24/16 INDEX FASTENED W/ 8d COMMON NAILS 6" O.C. ON EDGES AND 12" O.C. IN FIELD. SOLID BLOCKING BETWEEN TRUSSED WITH HEEL GREATER THAN 9-1/4" TO WITHIN 2" OF ROOF SHEATHING FASTENED WITH MIN 8d NAILS 6" O.C. ALONG LENGTH OF PANEL

4. ANY OTHER TYPE OF BRACING METHOD SHALL BE INDICATED ON PLAN AND SEPARATE DETAIL WILL BE PROVIDED.

TENSION STRAP CAPACITY FOR WIND PRESSURE REQ. FOR PFH, PFG, AND CS-PF					
MIN WALL STUD FRAMING NOMINAL SIZE AND GRADE	MAXIMUM PONY WALL HEIGHT	MAXIMUM TOTAL WALL HEIGHT	MAXIMUM OPENING WIDTH	TENSION STRAP CAPACITY REQ. 115MPH WIND	
				EXPOSURE B	EXPOSURE C
2X4 NO.2 GRADE	0	10	18	1000	1000
			9	1000	1000
	1	10	16	1025	2500
			18	1275	2850
	2	10	9	1000	1875
			16	2175	4125
	2	12	9	1500	3175
			16	3375	DR
4	12	9	2750	DR	
		12	3775	DR	
2X6 STUD GRADE	2	12	9	1000	2025
			16	2150	3675
	4	12	9	2550	DR
			16	1750	3125
	4	12	16	2400	DR
			18	3800	DR



PROGRESSIVE PLAN DESIGN LLP
RESIDENTIAL ARCHITECTURE
714 County Rd. 3 NW Byron MN, 55920
(507-775-6677) progressiveplandesign@gmail.com

Customer/Contractor Signature _____ Date _____

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CONTRACTOR: VALLEY HOME IMPROVEMENT
OWNER: BUCKNELL FIRST LOT#1 BLOCK#1

DRAWN BY: R.H.
DATE: _____
SQ. FT. _____
JOB NUM: 2615104
SCALE: NOTED
SHEET: _____ OF _____
1/4"=1'0" 18x24

PURCHASE AGREEMENT

RECEIVED OF New Horizon Homes, LLC the sum of \$500.00 as earnest money in part payment for the purchase of property in Mower County, Minnesota, described as:

Lot 10, Block 1, Nature Ridge Third in Outlot D and Outlot E, Nature Ridge and Northeast Quarter of the Southeast Quarter of Section 35, Township 103 North, Range 18 West, Austin, Mower County, Minnesota.

LEGAL TO GOVERN, all of which property the undersigned has this day sold to the buyer for the sum of \$43,900.00, which the buyer agrees to pay as follows: Earnest money \$500.00 and \$43,400.00 cash when the buyer obtains the construction loan but not later than June 1, 2025. Seller will defer \$10,000.00 of the purchase price until the spec home is sold by buyer herein and buyer will sign a Promissory Note for 10,000.00 with no interest to accrue.

The real estate taxes due and payable in the year 2025 shall be prorated as of the date of closing. The real estate taxes due and payable in the year 2026 and thereafter shall be paid by the buyer.

Any special terms, conditions or representations, not readily determined by actual inspection are to appear on the reverse side of this contract.

Subject to performance by the buyer, the seller agrees to execute and deliver a Warranty Deed conveying a marketable title to said premises subject only to the following exceptions: (a) Building regulations, zoning laws, ordinances, state and federal regulations, (b) Restrictions relating to use or improvement of premises not subject to unreleased forfeiture, (c) Reservation of any minerals or mineral rights to the State of Minnesota. Utility Easements. Subject to rights of tenants, if any.

Seller certifies that there are no wells or septic system on said property.

To the best of Sellers knowledge, there are no hazardous substances or underground storage tanks except herein noted: NONE.

Seller is not aware of any methamphetamine production that has occurred on the property.

The seller further agrees to deliver possession not later than June 1, 2025 PROVIDED THAT ALL THE CONDITIONS OF THIS AGREEMENT HAVE BEEN COMPLIED WITH. Closing date shall be on or before June 1, 2025.

The Seller shall at its sole cost and expense provide Buyer with a current Commitment from a title insurer acceptable to Buyer for issuance of an Owner's Title Insurance Policy (the "Title Commitment"). Buyer shall be allowed twenty (20) days after receipt of the Title Commitment for examination and the making of any objections thereto, such objections (exclusive of any of the Permitted Title Exceptions) to be made in writing or deemed to be waived. If any objections are so made, Seller shall be allowed sixty (60) days after receipt of such objections to

91226

make title marketable. If title is not marketable and is not made to within said sixty (60) days of this Agreement, Buyer may either (i) waive the uncured title defect and proceed with this transaction; (ii) terminate this Agreement by written notice to Seller, whereupon the Earnest Money shall be returned to Buyer and the parties shall be relieved of all further liability under this Agreement; (iii) exclude from this Agreement in writing the portions of the Property affected by the uncured title defect and proceed with this Agreement as to the remainder of the Property, with appropriate adjustment in the Purchase Price. If the title to the Property is found marketable or is made so within said time, and this Agreement is terminated by Seller in accordance with Minnesota Statutes Section 559.21, all Earnest Money shall be retained by Seller as liquidated damages.

(1) The following shall be Permitted Title Exceptions:

- (a) Easements of record which do not interfere with the Buyer's intended use of the Property.
- (b) Reservations of minerals or mineral rights by the State of Minnesota.
- (c) Building, zoning and subdivision laws and regulations provided the Property and its current use are in compliance with the same.
- (d) The lien of real estate taxes which are payable by Buyer pursuant to the terms and conditions of this Agreement.

(2) The following shall not be Permitted Encumbrances:

- (a) Any mortgage now of record against the Property.
- (b) Judgments or liens not satisfied at or before Closing.
- (c) Real estate taxes and special assessments which are the responsibility of Seller pursuant to the terms and conditions of this Agreement.

Buyer has a general willingness to take title subject to the listed Permitted Title Exceptions subject to the other provisions of this Agreement and to an examination of title based upon the Minnesota Title Standards and upon Minnesota law.

Buyer also reserves the right to evaluate the Permitted Title Exceptions in the light of Buyer's intended uses and enjoyment of the Property. Buyer shall have until the end of the period for stating Title Objections under subparagraph B above to make the evaluation and determine if these title issues will affect Buyer's intended use and enjoyment of the Property. If Buyer, in Buyer's sole discretion, determines that these title issues will adversely affect Buyer's intended use and enjoyment of the Property, Buyer may declare this Purchase Agreement void by timely notice to Seller, neither party shall be liable for damages hereunder to the other, and earnest money shall be refunded to Buyer. If the period for stating Title Objections passes without Buyer's declaring that these title issues will adversely affect Buyer's intended use and enjoyment of the Property, then, subject to Seller's covenant to deliver a good and marketable title of record, Buyer shall take title subject to all Permitted Title Exceptions.

By delivery of the foregoing documents to Purchaser, Seller shall be deemed to have represented that all such documents and information are to Seller's Knowledge true, correct and

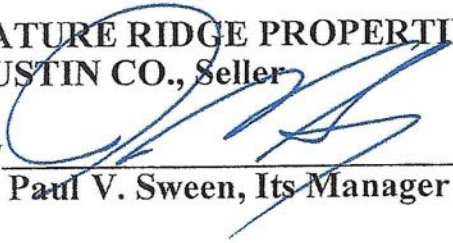
complete.

Buyer shall pay for the cost of an Owner's Title Insurance Policy.

I hereby agree to sell/purchase the said property for the price and upon the terms above mentioned, and subject to all conditions herein expressed.

Dated this 23rd day of October, 2024.

**NATURE RIDGE PROPERTIES OF
AUSTIN CO., Seller**

By 
Paul V. Sween, Its Manager

**NEW HORIZON HOMES, LLC,
Buyer**

By 
Jon Blaine, Its President

**THIS IS A LEGALLY BINDING CONTRACT BETWEEN BUYER AND
SELLER. IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN
APPROPRIATE PROFESSIONAL.**

C:\Users\jschumacher\Documents\91226 New Horizon\2024,10.23 91226 PURCHASE AGREEMENT Lot 10, Block 1, Nature Ridge
3rd.docx

NEW HORIZON HOMES LLC

Vendor Name: NATURE RIDGE PROPERTIES OF AUSTIN CO.

Check Date: 10/24/2024

Total Payment: \$ 500.00

Memo: Earnest Money Lot 10, Block 1, Nature Ridge Third



New Horizon Homes LLC
25388 670th Street
Kasson MN 55944-1822

EZShieldTM Check Fraud
Protection for Business

10-24-24

Pay to the order of:

NATURE RIDGE PROPERTIES OF AUSTIN CO.

\$ 500.00

the sum of:

FIVE HUNDRED AND 00/100

DOLLARS

Memo: **EARNEST MONEY LOT 10, BLOCK 1, NATURE RIDGE THIRD**

Bremer Bank
Bremer.com
1-800-908-2265

Security features. Details on back.

RESOLUTION NO.

**RESOLUTION APPROVING TAX ABATEMENT
FOR CERTAIN PROPERTY PURSUANT TO MINN. STAT. 469.1813**

WHEREAS, the Austin Home Initiative’s purpose is to provide incentives to encourage the construction of new owner occupied and residential housing units within the City of Austin for the public benefit including, but not limited to, capturing future taxes from units that would not have otherwise been constructed and increasing housing inventory to support local business growth.

WHEREAS, Minnesota Statute 469.1813 gives authority to the City of Austin to grant an abatement of taxes imposed by the City if certain criteria are met; and

WHEREAS, in addition to the statutory requirements, the City of Austin has adopted the Austin Home Initiative guidelines which must be met before an abatement of taxes will be granted for residential development; and

WHEREAS, New Horizon Homes is the owner of certain property within the City of Austin legally described as follows:

Lot 10, Block 1, Nature Ridge Third Addition, City of Austin, County of Mower

WHEREAS, New Horizon Homes has made an application to the City of Austin for the abatement of taxes as to the above-described parcel; and

WHEREAS, New Horizon Homes has met the statutory requirements outlined under Minnesota Statute 469.1813 Subdivision (1) and Subdivision 2(i) as well as the Austin Home Initiative guidelines for abatement;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Austin, Minnesota:

The City of Austin does hereby grant an abatement of the City of Austin’s share of real estate taxes upon the above-described parcel for the construction of a single family dwelling on the subject property.

The tax abatement will commence with the receipt of the Certificate of Occupancy, or not more than one year following approval of the taxing authority’s resolution, whichever is first, and shall continue for five years.

The City shall provide the awarded abatement payments following the payment of due real estate taxes annually. Payments shall be made to the owner of record at the time of the payment.

The tax abatement shall be limited to the increase in property taxes resulting from the improvement of the property. Land values are not eligible and will not be abated.

The abatement shall be null and void if construction is not commenced within one year of the approval of this resolution or if the real estate taxes are not paid on or before the respective payment deadlines annually.

Passed by a vote of yeas and nays this 18th day of May, 2026.

Yeas

Nays

ATTEST:

APPROVED:

City Clerk

Mayor

City of Austin
500 Fourth Avenue N.E.
Austin, Minnesota 55912-3773



Steven J. Lang, P.E.
City Engr./Public Works Dir.
507-437-9949
slang@ci.austin.mn.us

Memorandum

To: City Council
From: Steven Lang, Public Works Director
Date: May 18, 2026
Subject: MnDOT Cooperative Construction Agreement

MnDOT Cooperative Construction Agreement
Pedestrian Bridge No. R0954, near I90 over Cedar River

Attached for Council review is a MnDOT Cooperative Construction Agreement outlining cost participation and ongoing maintenance responsibilities for the proposed project.

Project Scope

- Construction of a pedestrian bridge over the Cedar River, along with a pedestrian trail from 400 feet east of 4th Street NW to 225 feet west of 2nd Street NE, adjacent to Trunk Highway 90. State Project No. 5080-181 (TH 90=009)

City Maintenance Responsibilities

- Routine maintenance of storm sewers.
- Sidewalk and Trail maintenance, including snow and ice removal, debris clearing, and necessary repairs or replacement.
- Pedestrian bridge maintenance, including snow and ice removal, debris clearing, patching, graffiti removal, and signing/stripping.

Key Agreement Terms

1. **Cost Participation:**
 - 100% State funded project, no local construction costs
2. **Authorized Representative:**
 - Steven Lang, Public Works Director/City Engineer (or successor)

The project is currently out for bids. MnDOT requires Council approval of the Cooperative Construction Agreement to proceed. Please feel free to reach out with any questions.

**STATE OF MINNESOTA
DEPARTMENT OF TRANSPORTATION
AND
CITY OF AUSTIN
COOPERATIVE CONSTRUCTION
AGREEMENT**

State Project Number (SP): 5080-181
Trunk Highway Number (TH): 90=009
Pedestrian Bridge Number: R0954

This Agreement is between the State of Minnesota, acting through its Commissioner of Transportation (“State”), and the City of Austin, acting through its City Council (“City”).

Recitals

1. The State will perform grading, paving, ADA improvements, and Bridge No. R0954 construction and other associated construction upon, along, and adjacent to Trunk Highway No. 90 on the existing trail from 400 feet east of 4th Street Northwest to 225 feet west of 2nd Street Northeast according to State-prepared plans, specifications, and special provisions designated by the State as State Project No. 5080-181 (TH 90=009) (“Project”); and
2. The City will participate in the maintenance of the sidewalk, trails, and Pedestrian Bridge No. R0954 construction; and
3. Minnesota Statutes § 161.20, subdivision 2 authorizes the Commissioner of Transportation to make arrangements with and cooperate with any governmental authority for the purposes of constructing, maintaining, and improving the trunk highway system.

Agreement

1. Term of Agreement; Survival of Terms; Plans; Incorporation of Exhibits

- 1.1. *Effective Date.*** This Agreement will be effective on the date the State obtains all signatures required by Minnesota Statutes § 16C.05, subdivision 2.
- 1.2. *Expiration Date.*** This Agreement will expire when all obligations have been satisfactorily fulfilled.
- 1.3. *Survival of Terms.*** All clauses which impose obligations continuing in their nature and which must survive in order to give effect to their meaning will survive the expiration or termination of this Agreement, including, without limitation, the following clauses: 3. Maintenance by the City; 6. Liability; Worker Compensation Claims; 8. State Audits; 9. Government Data Practices; 10. Governing Law; Jurisdiction; Venue; and 12. Force Majeure.
- 1.4. *Plans, Specifications, and Special Provisions.*** Plans, specifications and special provisions designated by the State as State Project No. 5080-181 (TH 90=009) are on file in the office of the Commissioner of Transportation at St. Paul, Minnesota, and incorporated into this Agreement by reference (“Project Plans”).

2. Construction by the State

- 2.1. *Contract Award.*** The State will advertise for bids and award a construction contract to the lowest responsible bidder according to the Project Plans.

State Let on State Right-of-Way with Local Maintenance (Cooperative Agreements)

- 2.2. *Direction, Supervision, and Inspection of Construction by the State.*** The State will direct and supervise all construction activities performed under the construction contract and perform all construction engineering and inspection functions in connection with the contract construction. All contract construction will be performed according to the Project Plans.
- 2.3. *Satisfactory Completion of Contract.*** The State will perform all other acts and functions necessary to cause the construction contract to be completed in a satisfactory manner. Acceptance by the State of the completed contract construction will be final, binding, and conclusive upon the City as to the satisfactory completion of the contract construction.

3. **Maintenance by the City**

Upon completion of the Project, the City will provide the following without cost or expense to the State:

- 3.1. *Storm Sewers.*** Routine maintenance of any storm sewer facilities construction. Routine maintenance includes, but is not limited to, removal of sediment, debris, vegetation and ice from grates and catch basins, and any other maintenance activities necessary to preserve the facilities and to prevent conditions such as flooding, erosion, or sedimentation, this also includes informing the District Maintenance Engineer of any needed repairs.
- 3.2. *Sidewalks.*** Maintenance of any sidewalk construction, including stamped and colored concrete sidewalk (if any) and pedestrian ramps. Maintenance includes, but is not limited to, snow, ice, and debris removal, patching, crack repair, panel replacement, cross street pedestrian crosswalk markings, vegetation control of boulevards (if any) and any other maintenance activities necessary to perpetuate the sidewalks in a safe, useable, and aesthetically acceptable condition.
- 3.3. *Trails.*** Maintenance of the trail construction. Maintenance includes, but is not limited to, snow and ice control/removal, sweeping and debris removal, patching, crack repair, pavement replacement, vegetation control, signing, pavement markings, and any other maintenance activities necessary to perpetuate the trail in a safe and usable condition.
- 3.4. *Pedestrian Bridge No. R0954.*** The City will perform all maintenance including, but not limited to, snow and ice control/removal, sweeping and debris removal, patching, graffiti removal, signing, pavement markings, and any other maintenance activities necessary to perpetuate the pedestrian trail bridge in a safe, usable, and aesthetically acceptable condition. The State will perform periodic safety inspections of the pedestrian trail bridge. State will perform all structural maintenance or repair including but not limited to crack repair, pavement replacement, ornamental railing anchor and panel repair, painting and/or replacement of damaged ornamental metal railing panels.
- 3.5. *Additional Drainage.*** No party to this Agreement will drain any additional drainage volume into the storm sewer facilities constructed under the construction contract that was not included in the drainage for which the storm sewer facilities were designed, without first obtaining written permission to do so from the other party.

4. **Authorized Representatives**

Each party's Authorized Representative is responsible for administering this Agreement and is authorized to give and receive any notice or demand required or permitted by this Agreement.

- 4.1.** The State's Authorized Representative will be:

Name, Title:	Malaki Ruranika, Cooperative Agreements Engineer (or successor)
Address:	395 John Ireland Boulevard, Mailstop 682, St. Paul, MN 55155
Telephone:	(651) 366-4634
E-Mail:	malaki.ruranika@state.mn.us

4.2. The City's Authorized Representative will be:

Name, Title: Steven Lang, Public Works Director/City Engineer (or successor)
 Address: 500 4th Avenue NE, Austin, MN 55912
 Telephone: (507) 437-9950
 E-Mail: slang@ci.austin.mn.us

5. Assignment; Amendments; Waiver; Contract Complete

- 5.1. *Assignment.*** No party may assign or transfer any rights or obligations under this Agreement without the prior consent of the other party and a written assignment agreement, executed and approved by the same parties who executed and approved this Agreement, or their successors in office. The foregoing does not prohibit the City from contracting with a third-party to perform City maintenance responsibilities covered under this Agreement.
- 5.2. *Amendments.*** Any amendment to this Agreement must be in writing and will not be effective until it has been executed and approved by the same parties who executed and approved the original Agreement, or their successors in office.
- 5.3. *Waiver.*** If a party fails to enforce any provision of this Agreement, that failure does not waive the provision or the party's right to subsequently enforce it.
- 5.4. *Contract Complete.*** This Agreement contains all prior negotiations and agreements between the State and the City. No other understanding regarding this Agreement, whether written or oral, may be used to bind either party.

6. Liability; Worker Compensation Claims

- 6.1.** Each party is responsible for its own acts, omissions, and the results thereof to the extent authorized by law and will not be responsible for the acts, omissions of others, and the results thereof. Minnesota Statutes § 3.736 and other applicable law govern liability of the State. Minnesota Statutes Chapter 466 and other applicable law govern liability of the City.
- 6.2.** Each party is responsible for its own employees for any claims arising under the Workers Compensation Act.

7. Nondiscrimination

Provisions of Minnesota Statutes § 181.59 and of any applicable law relating to civil rights and discrimination are considered part of this Agreement.

8. State Audits

Under Minnesota Statutes § 16C.05, subdivision 5, the City's books, records, documents, accounting procedures, and practices relevant to this Agreement are subject to examination by the State and the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this Agreement.

9. Government Data Practices

The City and State must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided under this Agreement, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the City under this Agreement. The civil remedies of Minnesota Statutes §13.08 apply to the release of the data referred to in this clause by either the City or the State.

10. Governing Law; Jurisdiction; Venue

Minnesota law governs the validity, interpretation, and enforcement of this Agreement. Venue for all legal proceedings arising out of this Agreement, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.

11. Termination; Suspension

11.1. *By Mutual Agreement.* This Agreement may be terminated by mutual agreement of the parties.

11.2. *Termination for Insufficient Funding.* The State may immediately terminate this Agreement if it does not obtain funding from the Minnesota Legislature, or other funding source; or if funding cannot be continued at a level sufficient to allow for the performance of contract construction under the Project. Termination must be by written or fax notice to the City.

11.3. *Suspension.* In the event of a total or partial government shutdown, the State may suspend this Agreement and all work, activities and performance of work authorized through this Agreement.

12. Force Majeure

No party will be responsible to the other for a failure to perform under this Agreement (or a delay in performance) if such failure or delay is due to a force majeure event. A force majeure event is an event beyond a party's reasonable control, including but not limited to, unusually severe weather, fire, floods, other acts of God, labor disputes, acts of war or terrorism, or public health emergencies.

[The remainder of this page has been intentionally left blank]

CITY OF AUSTIN

The undersigned certify that they have lawfully executed this contract on behalf of the Governmental Unit as required by applicable charter provisions, resolutions, or ordinances.

By: _____

Title: _____

Date: _____

By: _____

Title: _____

Date: _____

DEPARTMENT OF TRANSPORTATION

Recommended for Approval:

By: _____
(District Engineer)

Date: _____

Approved:

By: _____
(State Design Engineer)

Date: _____

COMMISSIONER OF ADMINISTRATION

By: _____
(With Delegated Authority)

Date: _____

INCLUDE COPY OF RESOLUTION APPROVING THE AGREEMENT AND AUTHORIZING ITS EXECUTION.

CITY OF AUSTIN

RESOLUTION

IT IS RESOLVED that the City of Austin enter into MnDOT Agreement No. 1061906 with the State of Minnesota, Department of Transportation for the following purposes:

To provide for maintenance by the City of the sidewalk, trail, and Pedestrian Bridge No. R0954 construction to be performed upon, along, and adjacent to Trunk Highway No. Trunk Highway No. 90 on the existing trail from 400 feet east of 4th Street Northwest to 225 feet west of 2nd Street Northeast and at the proposed noise wall from 200 feet east of 4th Street Northwest to 130 feet west of the Cedar River within the corporate City limits under State Project No. 5080-181 (TH 90=009).

IT IS FURTHER RESOLVED that the Mayor and the _____
(Title)
are authorized to execute the Agreement and any amendments to the Agreement.

CERTIFICATION

I certify that the above Resolution is an accurate copy of the Resolution adopted by the Council of the City of Austin at an authorized meeting held on the _____ day of _____, 2026, as shown by the minutes of the meeting in my possession.

Subscribed and sworn to me this _____ day of _____, 2026
Notary Public _____
My Commission Expires _____

_____ (Signature)
_____ (Type or Print Name)
_____ (Title)

RESOLUTION NO.

**AUTHORIZATION TO EXECUTE
MINNESOTA DEPARTMENT OF TRANSPORTATION AGREEMENT
1061906 WITH THE STATE OF MINNESOTA, DEPARTMENT OF TRANSPORTATION**

IT IS RESOLVED that the City of Austin enter into MnDOT Agreement No. 1061906 with the State of Minnesota, Department of Transportation for the following purposes:

To provide for maintenance by the City of the sidewalk, trail, and Pedestrian Bridge No. R0954 construction to be performed upon, along, and adjacent to Trunk Highway No. Trunk Highway No. 90 on the existing trail from 400 feet east of 4th Street Northwest to 225 feet west of 2nd Street Northeast and at the proposed noise wall from 200 feet east of 4th Street Northwest to 130 feet west of the Cedar River within the corporate City limits under State Project No. 5080-181 (TH 90=009).

BE IT FURTHER RESOLVED that the Mayor and City Engineer are authorized to execute the Agreement and any amendments to the Agreement.

Passed by a vote of yeas and nays this 18th day of May, 2026.

YEAS

NAYS

ATTEST:

APPROVED:

City Clerk

Mayor

CERTIFICATION

I certify that the above Resolution is an accurate copy of the Resolution adopted by the Council of the City of Austin at an authorized meeting held on the 18th day of May, 2026, as shown by the minutes of the meeting in my possession.

Brianna D. Wolf, City Clerk

Subscribed and sworn to before me
this 18th day of May, 2026.

Notary Public

My Commission Expires: _____

City of Austin
500 Fourth Avenue N.E.
Austin, Minnesota 55912-3773



Steven Lang

Memorandum

To: City Council
From: Steven Lang, Public Works Director
Date: May 18, 2026
Subject: Sale of City Equipment

We request Council approval for the sale of the following equipment:

- **2006 Sterling Acterra Tandem Axle Dump Truck #77**
 - VIN: 2FZHATDC96ZX02503
 - 10,128 hours
 - Automatic transmission
- **2011 Ford F-150 #91**
 - VIN: 1FTFX1EF6BFC40193
 - 119,327 miles
- **2005 Dodge Ram 2500 #92**
 - VIN: 3D7KS26D45G832233
 - 59,870 miles

This equipment is scheduled for replacement as part of the City's CIP equipment replacement program. Staff requests authorization to sell the equipment through Hamilton Auction Company.

Truck #77



Truck #91



Truck #92



City of Austin
500 Fourth Avenue N.E.
Austin, Minnesota 55912-
3773



Steven J. Lang, P.E.
City Engr./Public Works Dir.
507-437-9949
slang@ci.austin.mn.us

Memorandum

To: City Council
From: Steven Lang, Public Works Director
Date: May 18, 2026
Subject: DNR Flood Hazard Mitigation Grant

DNR Flood Hazard Mitigation Grant

Attached is a Flood Hazard Mitigation grant from the MnDNR using state general obligation bonds for acquisition of flood prone properties. The grant will reimburse the City 50% of all eligible project expenses, not to exceed \$490,000. The remaining \$533,500 of project expenses will come from the Local Option Sales Tax. The project costs will involve acquisition, environmental and demolition for a total project cost of \$1,023,500. The details of the grant are as follows:

Grantor: Minnesota Department of Nature Resources

Grantee: City of Austin

Grant Funds: 50% eligible costs up to \$490,000, requirement for local match

Effective date: May 20, 2026 or when all necessary signatures are completed

Grant Use: Property acquisition, environmental and demolition

Declaration: DEED restriction for limiting sale and future use of the property

Contracts: Requirement for use of prevailing wages for all construction contracts

Authorized Representatives:

- Matt Bauman, MnDNR
- Steven Lang, City Engineer

We would request council authorization for the Mayor and Administrator to execute the grant agreement. Please let me know if you have any questions, thanks.

Total Project Cost \$ 1,023,500

50% MnDNR \$ 490,000

50% LOST \$ 533,500 (\$43,500 engineering costs ineligible)

Contract #290473/3000299654

General Obligation Bond Proceeds

Grant Agreement - Construction Grant
for the
Austin 2026 Acquisition of Flood Prone
Property Project
under the
Flood Hazard Mitigation Grant Program

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General Obligation Bond Proceeds
Grant Agreement – Construction Grant
for the
Austin 2026 Acquisition of Flood Prone Property Project
under the
Flood Hazard Mitigation Grant Program

THIS AGREEMENT shall be effective as of May 20, 2026, or the date of final signature, whichever is later, and is between the City of Austin, a home rule charter city (the “Public Entity”), and the Minnesota Department of Natural Resources (the “State Entity”).

RECITALS

A. The State Entity has created and is operating a Flood Hazard Mitigation Grant Program (the “State Program”) under the authority granted by Minn. Stat. §103F.161 and all rules related to such legislation (the “State Program Enabling Legislation”).

B. Under the State Program, the State Entity is authorized to provide grants that are funded with proceeds of state general obligation bonds authorized to be issued under Article XI, § 5(a) of the Minnesota Constitution.

C. Under the State Program the recipients of a grant must use such funds to perform those functions delineated in the State Program Enabling Legislation.

D. The Public Entity submitted, if applicable, a grant application to the State Entity in which the Public Entity requests a grant from the State Program the proceeds of which will be used for the purposes delineated in such grant application.

E. The Public Entity has applied to and been selected by the State Entity for a receipt of a grant from the State Program in an amount of \$490,000 (the “Program Grant”), the proceeds must be used by the Public Entity to perform those functions and activities imposed by the State Entity under the State Program and, if applicable, delineated in that certain grant application (the “Grant Application”) attached hereto as **Attachment V** that the Public Entity submitted to the State Entity.

F. Under the provisions contained in Minnesota Statutes, Chapter 465, the Public Entity has been given the authority to perform those functions and activities required of it under the State Program and, if applicable, delineated in the Grant.

G. The Public Entity’s receipt and use of the Program Grant to acquire an ownership interest in and/or improve real property (the “Real Property”) and, if applicable, structures situated thereon (the “Facility”) will cause the Public Entity’s ownership interest in all of such real property

and structures to become “state bond financed property”, as such term is used in Minn. Stat. § 16A.695 (the “G.O. Compliance Legislation”) and in that certain “Fourth Order Amending Order of the Commissioner of Finance Relating to Use and Sale of State Bond Financed Property” executed by the Commissioner of Minnesota Management and Budget and dated July 30, 2012, as amended (the “Commissioner’s Order”), even though such funds may only be a portion of the funds being used to acquire such ownership interest and/or improve such real property and structures and that such funds may be used to only acquire such ownership interest and/or improve a part of such real property and structures.

H. The Public Entity and the State Entity desire to set forth herein the provisions relating to the granting and disbursement of the proceeds of the Program Grant to the Public Entity and the operation of the Real Property and, if applicable, Facility.

IN CONSIDERATION of the grant described and other provisions in this Agreement, the parties to this Agreement agree as follows.

Article I DEFINITIONS

Section 1.01 **Defined Terms.** As used in this Agreement, the following terms shall have the meanings set out respectively after each such term (the meanings to be equally applicable to both the singular and plural forms of the terms defined), unless the context specifically indicates otherwise:

“Advance(s)” – means an advance made or to be made by the State Entity to the Public Entity and disbursed in accordance with the provisions contained in Article VI hereof.

“Agreement” - means this General Obligation Bond Proceeds Grant Agreement - Construction Grant for the Austin 2026 Acquisition of Flood Prone Property Project under the Flood Hazard Mitigation Grant Program, as such exists on its original date and any amendments, modifications or restatements thereof.

“Approved Debt” – means public or private debt of the Public Entity that is consented to and approved, in writing, by the Commissioner of MMB, the proceeds of which were or will be used to acquire an ownership interest in or improve the Real Property and, if applicable, Facility, other than the debt on the G.O. Bonds. Approved Debt includes, but is not limited to, all debt delineated in **Attachment III** to this Agreement; provided, however, the Commissioner of MMB is not bound by any amounts delineated in such attachment unless he/she has consented, in writing, to such amounts.

“Architect”, if any - means NOT APPLICABLE, which will administer the Construction Contract Documents on behalf of the Public Entity.

“Code” - means the Internal Revenue Code of 1986, as amended from time to time, and all treasury regulations, revenue procedures and revenue rulings issued pursuant thereto.

“Commissioner of MMB” - means the commissioner of Minnesota Management and Budget, and any designated representatives thereof.

“Commissioner’s Order” - means the “Fourth Order Amending Order of the Commissioner of Finance Relating to Use and Sale of State Bond Financed Property” executed by the Commissioner of Minnesota Management and Budget and dated July 30, 2012, as amended.

“Completion Date” – means June 30, 2027, the date of projected completion of the Project.

“Contractor” - means any person engaged to work on or to furnish materials and supplies for the Construction Items including, if applicable, a general contractor.

“Construction Contract Documents” - means the document or documents, in form and substance acceptable to the State Entity, including but not limited to any construction plans and specifications and any exhibits, amendments, change orders, modifications thereof or supplements thereto, which collectively form the contract between the Public Entity and the Contractor or Contractors for the completion of the Construction Items on or before the Completion Date for either a fixed price or a guaranteed maximum price.

“Construction Items” – means the work to be performed under the Construction Contract Documents.

“Counterparty” - means any entity with which the Public Entity contracts under a Use Contract. *This definition is only needed and only applies if the Public Entity enters into an agreement with another party under which such other party will operate the Real Property, and if applicable, Facility. For all other circumstances this definition is not needed and should be ignored and treated as if it were left blank, and any reference to this term in this Agreement shall be ignored and treated as if the reference did not exist.*

“Declaration” - means a declaration, or declarations, in the form contained in **Attachment I** to this Agreement and all amendments thereto, indicating that the Public Entity’s ownership interest in the Real Property and, if applicable, Facility is bond financed property within the meaning of the G.O. Compliance Legislation and is subject to certain restrictions imposed thereby.

“Draw Requisition” - means a draw requisition that the Public Entity, or its designee, submits to the State Entity when an Advance is requested, as referred to in Section 6.02.

“Event of Default” - means one or more of those events delineated in Section 2.07.

“Facility”, if applicable, - means NOT APPLICABLE, which is located, or will be constructed and located, on the Real Property and all equipment that is a part thereof that was purchased with the proceeds of the Program Grant.

“Fair Market Value” – means either (i) the price that would be paid by a willing and qualified buyer to a willing and qualified seller as determined by an appraisal that assumes that all liens and encumbrances on the property being sold that negatively affect the value of such property, will be paid and released, or (ii) the price bid by a purchaser under a public bid procedure after reasonable public notice, with the proviso that all liens and encumbrances on the property being sold that negatively affect the value of such property, will be paid and released at the time of acquisition by the purchaser.

“G.O. Bonds” - means that portion of the state general obligation bonds issued under the authority granted in Article XI, § 5(a) of the Minnesota Constitution the proceeds of which are used to fund the Program Grant and any bonds issued to refund or replace such bonds.

“G.O. Compliance Legislation” - means Minn. Stat. § 16A.695, as it may be amended, modified or replaced from time to time unless such amendment, modification or replacement imposes an unconstitutional impairment of a contract right.

“Grant Application” – means that certain grant application attached hereto as **Attachment V** that the Public Entity submitted to the State Entity. *This definition is only needed and only applies if the Public Entity submitted a grant application to the State Entity. If the Public Entity did not submit a grant application to the State Entity, then this definition is not needed and should be ignored and treated as if it were left blank, and any reference to this term in this Agreement shall be ignored and treated as if the reference did not exist.*

“Initial Acquisition and Betterment Costs” – means the cost to acquire the Public Entity’s ownership interest in the Real Property and, if applicable, Facility if the Public Entity does not already possess the required ownership interest, and the costs of betterments of the Real Property and, if applicable, Facility; provided, however, the Commissioner of MMB is not bound by any specific amount of such alleged costs unless he/she has consented, in writing, to such amount.

“Inspecting Engineer”, if any - means the State Entity's construction inspector, or its designated consulting engineer.

“Leased/Easement Premises” - means the real estate and structures, if any, that are leased to the Public Entity under a Real Property/Facility Lease or granted to the Public Entity under an easement. *This definition is only needed and only applies if the Public Entity’s ownership interest in the Real Property, the Facility, if applicable, or both is by way of a leasehold interest under a Real Property/Facility Lease or by way of an easement. For all other circumstances this definition is not needed and should be ignored and treated as if*

it were left blank, and any reference to this term in this Agreement shall be ignored and treated as if the reference did not exist.

“Lessor/Grantor” – means the fee owner/lessor or grantor of the Leased/Easement Premises. *This definition is only needed and only applies if the Public Entity’s ownership interest in the Real Property, the Facility, if applicable, or both, is by way of a leasehold interest under a Real Property/Facility Lease or by way of an easement. For all other circumstances this definition is not needed and should be ignored and treated as if it were left blank, and any reference to this term in this Agreement shall be ignored and treated as if the reference did not exist.*

“Outstanding Balance of the Program Grant” – means the portion of the Program Grant that has been disbursed to or on behalf of the Public Entity minus any portions thereof previously paid back to the Commissioner of MMB.

“Ownership Value”, if any – means the value, if any, of the Public Entity’s ownership interest in the Real Property and, if applicable, Facility that existed concurrent with the Public Entity’s execution of this Agreement. Such value shall be established by way of an appraisal or by such other manner as may be acceptable to the State Entity and the Commissioner of MMB. The parties hereto agree and acknowledge that such value is \$ _____ or X Not Applicable; provided, however, the Commissioner of MMB is not bound by any inserted dollar amount unless he/she has consented, in writing, to such amount. If no dollar amount is inserted and the blank “Not Applicable” is not checked, a rebuttable presumption that the Ownership Value is \$0.00 shall be created. *(The blank “Not Applicable” should only be selected and checked when a portion of the funds delineated in **Attachment III** attached hereto are to be used to acquire the Public Entity’s ownership interest in the Real Property and, if applicable, Facility, and in such event the value of such ownership interest should be shown in **Attachment III** and not in this definition for Ownership Value).*

“Program Grant” - means a grant of monies from the State Entity to the Public Entity in the amount identified as the “Program Grant” in Recital E to this Agreement, as the amount thereof may be modified under the provisions contained herein.

“Project” - means the Public Entity’s acquisition, if applicable, of the ownership interests in the Real Property and, if applicable, Facility denoted in Section 2.02 along with the performance of activities denoted in Section 2.03. *(If the Public Entity is not using any portion of the Program Grant to acquire the ownership interest denoted in Section 2.02, then this definition for Project shall not include the acquisition of such ownership interest, and the value of such ownership interest shall not be included in **Attachment III** hereto and instead shall be included in the definition for Ownership Value under this Section.)*

“Public Entity” - means the entity identified as the “Public Entity” in the lead-in paragraph of this Agreement.

“Real Property” - means the real property located in the County of Mower, State of Minnesota, legally described in **Attachment II** to this Agreement.

“Real Property/Facility Lease” - means a long term lease of the Real Property, the Facility, if applicable, or both by the Public Entity as lessee thereunder. *This definition is only needed and only applies if the Public Entity’s ownership interest in the Real Property, the Facility, if applicable, or both is a leasehold interest under a lease. For all other circumstances this definition is not needed and should be ignored and treated as if it were left blank, and any reference to this term in this Agreement shall be ignored and treated as if the reference did not exist.*

“State Entity” - means the entity identified as the “State Entity” in the lead-in paragraph of this Agreement.

“State Program” – means the program delineated in the State Program Enabling Legislation.

“State Program Enabling Legislation” – means the legislation contained in the Minnesota statute(s) delineated in Recital A and all rules related to such legislation.

“Subsequent Betterment Costs” – means the costs of betterments of the Real Property and, if applicable, Facility that occur subsequent to the date of this Agreement, are not part of the Project, would qualify as a public improvement of a capital nature (as such term in used in Minn. Constitution Art. XI, §5(a) of the Minnesota Constitution), and the cost of which has been established by way of written documentation that is acceptable to and approved, in writing, by the State Entity and the Commissioner of MMB.

“Use Contract” - means a lease, management contract or other similar contract between the Public Entity and any other entity that involves or relates to any part of the Real Property and/or, if applicable, Facility. *This definition is only needed and only applies if the Public Entity enters into an agreement with another party under which such other party will operate the Real Property and/or, if applicable, Facility. For all other circumstances this definition is not needed and should be ignored and treated as if it were left blank, and any reference to this term in this Agreement shall be ignored and treated as if the reference did not exist.*

“Useful Life of the Real Property and, if applicable, Facility” – means the term set forth in Section 2.05.X, which was derived as follows: (i) 30 years for Real Property that has no structure situated thereon or if any structures situated thereon will be removed, and no new structures will be constructed thereon, (ii) the remaining useful life of the Facility as of the effective date of this Agreement for Facilities that are situated on the Real Property as of the date of this Agreement, that will remain on the Real Property, and that will not be bettered, or (iii) the useful life of the Facility after the completion of the construction or betterments for Facilities that are to be constructed or bettered.

**Article II
GRANT**

Section 2.01 **Grant of Monies.** The State Entity shall make and issue the Program Grant to the Public Entity, and disburse the proceeds in accordance with the provisions of this Agreement. The Program Grant is not intended to be a loan even though the portion thereof that is disbursed may need to be returned to the State Entity or the Commissioner of MMB under certain circumstances.

Section 2.02 **Public Ownership.** The Public Entity acknowledges and agrees that the Program Grant is being funded with the proceeds of G.O. Bonds, and as a result thereof all of the Real Property and, if applicable, Facility must be owned by one or more public entities. Such ownership may be in the form of fee ownership, a Real Property/Facility Lease, or an easement. In order to establish that this public ownership requirement is satisfied, the Public Entity represents and warrants to the State Entity that it has, or will acquire, the following ownership interests in the Real Property and, if applicable, Facility, and, in addition, that it possess, or will possess, all easements necessary for the operation, maintenance and management of the Real Property and, if applicable, Facility in the manner specified in Section 2.04:

(Check the appropriate box for the Real Property and, if applicable, for the Facility.)

Ownership Interest in the Real Property.

- Fee simple ownership of the Real Property.
- A Real Property/Facility Lease for the Real Property that complies with the requirements contained in Section 2.06.
(If the term of the Real Property/Facility Lease is for a term authorized by a Minnesota statute, rule or session law, then insert the citation: _____.)
- An easement for the Real Property that complies with the requirements contained in Section 2.06.
(If the term of the easement is for a term authorized by a Minnesota statute, rule or session law, then insert the citation: _____.)

Ownership Interest in, if applicable, the Facility.

- Fee simple ownership of the Facility.
- A Real Property/Facility Lease for the Facility that complies with all of the

requirements contained in Section 2.06.

(If the term of the Real Property/Facility Lease is for a term authorized by a Minnesota statute, rule or session law, then insert the citation: _____.)

Not applicable because there is no Facility.

Section 2.03 **Use of Grant Proceeds.** The Public Entity shall use the Program Grant solely to reimburse itself for expenditures it has already made, or will make, in the performance of the following activities, and may not use the Program Grant for any other purpose.

(Check all appropriate boxes.)

- Acquisition of fee simple title to the Real Property.
- Acquisition of a leasehold interest in the Real Property.
- Acquisition of an easement for the Real Property.
- Improvement of the Real Property.
- Acquisition of fee simple title to the Facility.
- Acquisition of a leasehold interest in the Facility.
- Construction of the Facility.
- Renovation of the Facility.
- Demolition and remediation.
(Describe other or additional purposes.)

Section 2.04 **Operation of the Real Property and Facility.** The Real Property and, if applicable, Facility must be used by the Public Entity or the Public Entity must cause such Real Property and, if applicable, Facility to be used for those purposes required by the State Program and in accordance with the information contained in the Grant Application, or for such other purposes and uses as the Minnesota legislature may from time to time designate, and for no other purposes or uses.

The Public Entity may enter into Use Contracts with Counterparties for the operation of all or any portion of the Real Property and, if applicable, Facility; provided that all such Use Contracts must have been approved, in writing, by the Commissioner of MMB and fully comply with all of the provisions contained in Sections 3.01, 3.02 and 3.03.

The Public Entity must, whether it is operating the Real Property and, if applicable, Facility or has contracted with a Counterparty under a Use Contract to operate all or any portion of the Real Property and, if applicable, Facility, annually determine that the Real Property and, if applicable, Facility is being used for the purpose required by this Agreement, and shall annually supply a statement, sworn to before a notary public, to such effect to the State Entity and the Commissioner of MMB.

For those programs, if any, that the Public Entity will directly operate on all or any portion of the Real Property and, if applicable, Facility, the Public Entity covenants with and represents and warrants to the State Entity that: (i) it has the ability and a plan to fund such programs, (ii) it has demonstrated such ability by way of a plan that it submitted to the State Entity, and (iii) it will annually adopt, by resolution, a budget for the operation of such programs that clearly shows that forecast program revenues along with other funds available for the operation of such program will be equal to or greater than forecast program expenses for each fiscal year, and will supply to the State Entity and the Commissioner of MMB certified copies of such resolution and budget.

For those programs, if any, that will be operated on all or any portion of the Real Property and, if applicable, Facility by a Counterparty under a Use Contract, the Public Entity covenants with and represents and warrants to the State Entity that: (i) it will not enter into such Use Contract unless the Counterparty has demonstrated that it has the ability and a plan to fund such program, (ii) it will require the Counterparty to provide an initial program budget and annual program budgets that clearly show that forecast program revenues along with other funds available for the operation of such program (from all sources) will be equal to or greater than forecast program expenses for each fiscal year, (iii) it will promptly review all submitted program budgets to determine if such budget clearly and accurately shows that the forecast program revenues along with other funds available for the operation of such program (from all sources) will be equal to or greater than forecast program expenses for each fiscal year, (iv) it will reject any program budget that it believes does not accurately reflect forecast program revenues or expenses or does not show that forecast program revenues along with other funds available for the operation of such program (from all sources) will be equal to or greater than forecast program expenses, and require the Counterparty to prepare and submit a revised program budget, and (v) upon receipt of a program budget that it believes accurately reflects forecast program revenues and expenses and that shows that forecast program revenues along with other funds available for the operation of such program (from all sources) will be equal to or greater than forecast program expenses, it will approve such budget by resolution and supply to the State Entity and the Commissioner of MMB certified copies of such resolution and budget.

Section 2.05 Public Entity Representations and Warranties. The Public Entity further covenants with, and represents and warrants to the State Entity as follows:

A. It has legal authority to enter into, execute, and deliver this Agreement, the Declaration, and all documents referred to herein, and it has taken all actions necessary to its execution and delivery of such documents.

B. It has legal authority to use the Program Grant for the purpose or purposes described in the State Program Enabling Legislation.

C. It has legal authority to operate the State Program and the Real Property and, if applicable, Facility for the purposes required by the State Program and for the functions and activities proposed in the Grant Application.

D. This Agreement, the Declaration, and all other documents referred to herein are the legal, valid and binding obligations of the Public Entity enforceable against the Public Entity in accordance with their respective terms.

E. It will comply with all of the terms, conditions, provisions, covenants, requirements, and warranties in this Agreement, the Declaration, and all other documents referred to herein.

F. It will comply with all of the provisions and requirements contained in and imposed by the G.O. Compliance Legislation, the Commissioner's Order, and the State Program.

G. It has made no material false statement or misstatement of fact in connection with its receipt of the Program Grant, and all of the information it has submitted or will submit to the State Entity or Commissioner of MMB relating to the Program Grant or the disbursement of any of the Program Grant is and will be true and correct.

H. It is not in violation of any provisions of its charter or of the laws of the State of Minnesota, and there are no actions, suits, or proceedings pending, or to its knowledge threatened, before any judicial body or governmental authority against or affecting it relating to the Real Property and, if applicable, Facility, or its ownership interest therein, and it is not in default with respect to any order, writ, injunction, decree, or demand of any court or any governmental authority which would impair its ability to enter into this Agreement, the Declaration, or any document referred to herein, or to perform any of the acts required of it in such documents.

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

J. The contemplated use of the Real Property and, if applicable, Facility will not violate any applicable zoning or use statute, ordinance, building code, rule or regulation, or any covenant or agreement of record relating thereto.

K. The Project will be completed in full compliance with all applicable laws, statutes, rules, ordinances, and regulations issued by any federal, state, or local political subdivisions having jurisdiction over the Project.

L. All applicable licenses, permits and bonds required for the performance and completion of the Project have been, or will be, obtained.

M. All applicable licenses, permits and bonds required for the operation of the Real Property and, if applicable, Facility in the manner specified in Section 2.04 have been, or will be, obtained.

N. It will operate, maintain, and manage the Real Property and, if applicable, Facility or cause the Real Property and, if applicable, Facility, to be operated, maintained and managed in compliance with all applicable laws, statutes, rules, ordinances, and regulations issued by any federal, state, or local political subdivisions having jurisdiction over the Real Property and, if applicable, Facility.

O. It will fully enforce the terms and conditions contained in any Use Contract.

P. It has complied with the matching funds requirement, if any, contained in Section 7.23.

Q. It will not, without the prior written consent of the State Entity and the Commissioner of MMB, allow any voluntary lien or encumbrance or involuntary lien or encumbrance that can be satisfied by the payment of monies and which is not being actively contested to be created or exist against the Public Entity's ownership interest in the Real Property or, if applicable, Facility, or the Counterparty's interest in the Use Contract, whether such lien or encumbrance is superior or subordinate to the Declaration. Provided, however, the State Entity and the Commissioner of MMB will consent to any such lien or encumbrance that secures the repayment of a loan the repayment of which will not impair or burden the funds needed to operate the Real Property and, if applicable, Facility in the manner specified in Section 2.04, and for which the entire amount is used (i) to acquire additional real estate that is needed to so operate the Real Property and, if applicable, Facility in accordance with the requirements imposed under Section 2.04 and will be included in and as part of the Public Entity's ownership interest in the Real Property and, if applicable, Facility, and/or (ii) to pay for capital improvements that are needed to so operate the Real Property and, if applicable, Facility in accordance with the requirements imposed under Section 2.04.

R. It reasonably expects to possess the ownership interest in the Real Property and, if applicable, Facility described Section 2.02 for the entire Useful Life of the Real Property and, if applicable, Facility, and it does not expect to sell such ownership interest.

S. It does not reasonably expect to receive payments under a Use Contract in excess of the amount the Public Entity needs and is authorized to use to pay the operating expenses

of the portion of the Real Property and, if applicable, Facility that is the subject of the Use Contract or to pay the principal, interest, redemption premiums, and other expenses on any Approved Debt.

T. It will supply, or cause to be supplied, whatever funds are needed above and beyond the amount of the Program Grant to complete and fully pay for the Project.

U. The Construction Items will be completed substantially in accordance with the Construction Contract Documents by the Completion Date, and all such items along with, if applicable, the Facility will be situated entirely on the Real Property.

V. It will require the Contractor or Contractors to comply with all rules, regulations, ordinances, and laws bearing on its performance under the Construction Contract Documents.

W. It has or will promptly record a fully executed Declaration with the appropriate governmental office and deliver a copy thereof to the State Entity and to Minnesota Management and Budget (attention: Capital Projects Manager) that contains all of the recording information.

X. The Useful Life of the Real Property and, if applicable, Facility is 30 years.

Y. It shall furnish such satisfactory evidence regarding the representations and warranties described herein as may be required and requested by either the State Entity or the Commissioner of MMB.

Section 2.06 Ownership by Leasehold or Easement. *This Section shall only apply if the Public Entity's ownership interest in the Real Property, the Facility, if applicable, or both is by way of a Real Property/Facility Lease or an easement. For all other circumstances this Section is not needed and should be ignored and treated as if it were left blank, and any reference to this Section in this Agreement shall be ignored and treated as if the reference did not exist.*

A. A Real Property/Facility Lease or easement must comply with the following provisions.

1. It must be in form and contents acceptable to the Commissioner of MMB, and specifically state that it may not be modified, restated, amended, changed in any way, or prematurely terminated or cancelled without the prior written consent and authorization by the Commissioner of MMB.

2. It must be for a term that is equal to or greater than 125% of the Useful Life of the Real Property and, if applicable, Facility, or such other period of time specifically authorized by a Minnesota statute, rule or session law.

3. Any payments to be made under it by the Public Entity, whether designated as rent or in any other manner, must be by way of a single lump sum payment that is due and payable on the date that it is first made and entered into.

4. It must not contain any requirements or obligations of the Public Entity that if not complied with could result in a termination thereof.

5. It must contain a provision that provides sufficient authority to allow the Public Entity to operate the Real Property and, if applicable, Facility in accordance with the requirements imposed under Section 2.04.

6. It must not contain any provisions that would limit or impair the Public Entity's operation of the Real Property and, if applicable, Facility in accordance with the requirements imposed under Section 2.04.

7. It must contain a provision that prohibits the Lessor/Grantor from creating or allowing, without the prior written consent of the State Entity and the Commissioner of MMB, any voluntary lien or encumbrance or involuntary lien or encumbrance that can be satisfied by the payment of monies and which is not being actively contested against the Leased/Easement Premises or the Lessor's/Grantor's interest in the Real Property/Facility Lease or easement, whether such lien or encumbrance is superior or subordinate to the Declaration. Provided, however, the State Entity and the Commissioner of MMB will consent to any such lien or encumbrance if the holder of such lien or encumbrance executes and files of record a document under which such holder subordinates such lien or encumbrance to the Real Property/Facility Lease or easement and agrees that upon foreclosure of such lien or encumbrance to be bound by and comply with all of the terms, conditions and covenants contained in the Real Property/Facility Lease or easement as if such holder had been an original Lessor/Grantor under the Real Property/Facility Lease or easement.

8. It must acknowledge the existence of this Agreement and contain a provision that the terms, conditions and provisions contained in this Agreement shall control over any inconsistent or contrary terms, conditions and provisions contained in the Real Property/Facility Lease or easement.

9. It must provide that any use restrictions contained therein only apply as long as the Public Entity is the lessee under the Real Property/Facility Lease or grantee under the easement, and that such use restrictions will terminate and not apply to any successor lessee or grantee who purchases the Public Entity's ownership interest in the Real Property/Facility Lease or easement. Provided, however, it may contain a provisions that limits the construction of any new structures on the Real Property or modifications of any existing structures on the Real Property without the written consent of Lessor/Grantor, which will apply to any such successor lessee or grantee.

10. It must allow for a transfer thereof in the event that the lessee under the Real Property/Lease or grantee under the easement makes the necessary determination to sell its interest therein, and allow such interest to be transferred to the purchaser of such interest.

11. It must contain a provision that prohibits and prevents the sale of the underlying fee interest in the Real Property and, if applicable, Facility without first obtaining the written consent of the Commissioner of MMB.

12 The Public Entity must be the lessee under the Real Property/Lease or grantee under the easement.

B. The provisions contained in this Section are not intended to and shall not prevent the Public Entity from including additional provisions in the Real Property/Facility Lease or easement that are not inconsistent with or contrary to the requirements contained in this Section.

C. The expiration of the term of a Real Property/Facility Lease or easement shall not be an event that requires the Public Entity to reimburse the State Entity for any portion of the Program Grant, and upon such expiration the Public Entity's ownership interest in the Real Property and, if applicable, Facility shall no longer be subject to this Agreement.

D. The Public Entity shall fully and completely comply with all of the terms, conditions and provisions contained in a Real Property/Facility Lease or easement, and shall obtain and file, in the Office of the County Recorder or the Registrar of Titles, whichever is applicable, the Real Property/Facility Lease or easement or a short form or memorandum thereof.

Section 2.07 **Event(s) of Default.** The following events shall, unless waived in writing by the State Entity and the Commissioner of MMB, constitute an Event of Default under this Agreement upon either the State Entity or the Commissioner of MMB giving the Public Entity 30 days written notice of such event and the Public Entity's failure to cure such event during such 30 day time period for those Events of Default that can be cured within 30 days or within whatever time period is needed to cure those Events of Default that cannot be cured within 30 days as long as the Public Entity is using its best efforts to cure and is making reasonable progress in curing such Events of Default, however, in no event shall the time period to cure any Event of Default exceed 6 months unless otherwise consented to, in writing, by the State Entity and the Commissioner of MMB.

A. If any representation, covenant, or warranty made by the Public Entity in this Agreement, in any Draw Requisition, in any other document furnished pursuant to this Agreement, or in order to induce the State Entity to disburse any of the Program Grant, shall prove to have been untrue or incorrect in any material respect or materially misleading as of the time such representation, covenant, or warranty was made.

B. If the Public Entity fails to fully comply with any provision, term, condition, covenant, or warranty contained in this Agreement, the Declaration, or any other document referred to herein.

C. If the Public Entity fails to fully comply with any provision, term, condition, covenant or warranty contained in the G.O. Compliance Legislation, the Commissioner's Order, or the State Program Enabling Legislation.

D. If the Public Entity fails to complete the Project, or cause the Project to be completed, by the Completion Date.

E. If the Public Entity fails to provide and expend the full amount of the matching funds, if any, required under Section 7.23 for the Project.

F. If the Public Entity fails to record the Declaration and deliver copies thereof as set forth in Section 2.05.W.

Notwithstanding the foregoing, any of the above delineated events that cannot be cured shall, unless waived in writing by the State Entity and the Commissioner of MMB, constitute an Event of Default under this Agreement immediately upon either the State Entity or the Commissioner of MMB giving the Public Entity written notice of such event.

Section 2.08 **Remedies.** Upon the occurrence of an Event of Default and at any time thereafter until such Event of Default is cured to the satisfaction of the State Entity, the State Entity or the Commissioner of MMB may enforce any or all of the following remedies.

A. The State Entity may refrain from disbursing the Program Grant; provided, however, the State Entity may make such disbursements after the occurrence of an Event of Default without thereby waiving its rights and remedies hereunder.

B. If the Event of Default involves a failure to comply with any of the provisions contained herein other than the provisions contained in Sections 4.01 or 4.02, then the Commissioner of MMB, as a third party beneficiary of this Agreement, may demand that the Outstanding Balance of the Program Grant be returned to it, and upon such demand the Public Entity shall return such amount to the Commissioner of MMB.

C. If the Event of Default involves a failure to comply with the provisions contained in Sections 4.01 or 4.02, then the Commissioner of MMB, as a third party beneficiary of this Agreement, may demand that the Public Entity pay the amounts that would have been paid if there had been full and complete compliance with such provisions, and upon such demand the Public Entity shall pay such amount to the Commissioner of MMB.

D. Either the State Entity or the Commissioner of MMB, as a third party beneficiary of this Agreement, may enforce any additional remedies they may have in law or equity.

The rights and remedies herein specified are cumulative and not exclusive of any rights or remedies that the State Entity or the Commissioner of MMB would otherwise possess.

If the Public Entity does not repay the amounts required to be paid under this Section or under any other provision contained in this Agreement within 30 days of demand by the Commissioner of MMB, or any amount ordered by a court of competent jurisdiction within 30 days of entry of judgment against the Public Entity and in favor of the State Entity and/or the Commissioner of MMB, then such amount may, unless precluded by law, be taken from or off-set against any aids or other monies that the Public Entity is entitled to receive from the State of Minnesota.

Section 2.09 Notification of Event of Default. The Public Entity shall furnish to the State Entity and the Commissioner of MMB, as soon as possible and in any event within 7 days after it has obtained knowledge of the occurrence of each Event of Default or each event which with the giving of notice or lapse of time or both would constitute an Event of Default, a statement setting forth details of each Event of Default or event which with the giving of notice or upon the lapse of time or both would constitute an Event of Default and the action which the Public Entity proposes to take with respect thereto.

Section 2.10 Survival of Event of Default. This Agreement shall survive any and all Events of Default and remain in full force and effect even upon the payment of any amounts due under this Agreement, and shall only terminate in accordance with the provisions contained in Section 2.12 and at the end of its term in accordance with the provisions contained in Section 2.11.

Section 2.11 Term of Grant Agreement. This Agreement shall, unless earlier terminated in accordance with any of the provisions contained herein, remain in full force and effect for the time period starting on the effective date hereof and ending on the date that corresponds to the date established by adding a time period equal to 125% of Useful Life of the Real Property and, if applicable, Facility to the date on which the Real Property and, if applicable, Facility is first used for the operation of the State Program after such effective date. If there are no uncured Events of Default as of such date this Agreement shall terminate and no longer be of any force or effect, and the Commissioner of MMB shall execute whatever documents are needed to release the Real Property and, if applicable, Facility from the effect of this Agreement and the Declaration.

Section 2.12 Modification and/or Early Termination of Grant. If the Project is not started on or before the date that is 5 years from the effective date of this Agreement or all of the Program Grant has not been disbursed as of the date that is 4 years from the date on which the Project is started, or such later dates to which the Public Entity and the State Entity may agree in writing, then the State Entity's obligation to fund the Program Grant shall terminate. In such event, (i) if none of the Program Grant has been disbursed by such dates then the State Entity's obligation to fund any portion of the Program Grant shall terminate and this Agreement shall terminate and no longer be of any force or effect, and (ii) if some but not all of the Program Grant has been disbursed by such dates then the State Entity shall have no further obligation to provide any additional funding for the Program Grant and this Agreement shall remain in full force and

effect but shall be modified and amended to reflect the amount of the Program Grant that was actually disbursed as of such date. This provision shall not, in any way, affect the Public Entity's obligation to complete the Project by the Completion Date.

This Agreement shall also terminate and no longer be of any force or effect upon the Public Entity's sale of its ownership interest in the Real Property and, if applicable, Facility in accordance with the provisions contained in Section 4.01 and transmittal of all or a portion of the proceeds of such sale to the Commissioner of MMB in compliance with the provisions contained in Section 4.02, or upon the termination of Public Entity's ownership interest in the Real Property and, if applicable, Facility if such ownership interest is by way of an easement or under a Real Property/Facility Lease. Upon such termination the State Entity shall execute, or have executed, and deliver to the Public Entity such documents as are required to release the Public Entity's ownership interest in the Real Property and, if applicable, Facility, from the effect of this Agreement and the Declaration.

Section. 2.13 **Excess Funds.** If the full amount of the Program Grant and any matching funds referred to in Section 7.23 are not needed to complete the Project, then, unless language in the State Program Enabling Legislation indicates otherwise, the Program Grant shall be reduced by the amount not needed.

Article III USE CONTRACTS

This Article III and its contents is only needed and only applies if the Public Entity enters into an agreement with another party under which such other party will operate any portion of the Real Property, and if applicable, Facility. For all other circumstances this Article III and its contents are not needed and should be ignored and treated as if it were left blank, and any reference to this Article III, its contents, and the term Use Contract in this Agreement shall be ignored and treated as if the references did not exist.

Section 3.01 **General Provisions.** If the Public Entity has statutory authority to enter into a Use Contract, then it may enter into Use Contracts for various portions of the Real Property and, if applicable, Facility; provided that each and every Use Contract that the Public Entity enters into must comply with the following requirements:

- A. The purpose for which it was entered into must be to operate the State Program in the Real Property and, if applicable, Facility.
- B. It must contain a provision setting forth the statutory authority under which the Public Entity is entering into such contract, and must comply with the substantive and procedural provisions of such statute.
- C. It must contain a provision stating that it is being entered into in order for the Counterparty to operate the State Program and must describe such program.

D. It must contain a provision that will provide for oversight by the Public Entity. Such oversight may be accomplished by way of a provision that will require the Counterparty to provide to the Public Entity: (i) an initial program evaluation report for the first fiscal year that the Counterparty will operate the State Program, (ii) program budgets for each succeeding fiscal year showing that forecast program revenues and additional revenues available for the operation of the State Program (from all sources) by the Counterparty will equal or exceed expenses for such operation for each succeeding fiscal year, and (iii) a mechanism under which the Public Entity will annually determine that the Counterparty is using the portion of the Real Property and, if applicable, Facility that is the subject of the Use Contract to operate the State Program.

E. It must allow for termination by the Public Entity in the event of a default thereunder by the Counterparty, or in the event that the State Program is terminated or changed in a manner that precludes the operation of such program in the portion of the Real Property and, if applicable, Facility that is the subject of the Use Contract.

F. It must terminate upon the termination of the statutory authority under which the Public Entity is operating the State Program.

G. It must require the Counterparty to pay all costs of operation and maintenance of that portion of the Real Property and, if applicable, Facility that is the subject of the Use Contract, unless the Public Entity is authorized by law to pay such costs and agrees to pay such costs.

H. If the Public Entity pays monies to a Counterparty under a Use Contract, such Use Contract must meet the requirements of Rev. Proc. 97-13, 1997-1 CB 632, so that such Use Contract does not result in “private business use” under Section 141(b) of the Code.

I. It must be approved, in writing, by the Commissioner of MMB, and any Use Contract that is not approved, in writing, by the Commissioner of MMB shall be null and void and of no force or effect.

J. It must contain a provision requiring that each and every party thereto shall, upon direction by the Commissioner of MMB, take such actions and furnish such documents to the Commissioner of MMB as the Commissioner of MMB determines to be necessary to ensure that the interest to be paid on the G.O. Bonds is exempt from federal income taxation.

K. It must contain a provision that prohibits the Counterparty from creating or allowing, without the prior written consent of the State Entity and the Commissioner of MMB, any voluntary lien or encumbrance or involuntary lien or encumbrance that can be satisfied by the payment of monies and which is not being actively contested against the Real Property or, if applicable, Facility, the Public Entity’s ownership interest in the Real Property or, if applicable, Facility, or the Counterparty’s interest in the Use Contract, whether such lien or encumbrance is superior or subordinate to the Declaration. Provided, however, the State Entity and the Commissioner of MMB will consent, in writing, to any such lien or

encumbrance that secures the repayment of a loan the repayment of which will not impair or burden the funds needed to operate the portion of the Real Property and, if applicable, Facility that is the subject of the Use Contract in the manner specified in Section 2.04 and for which the entire amount is used (i) to acquire additional real estate that is needed to so operate the Real Property and, if applicable, Facility in accordance with the requirements imposed under Section 2.04 and will be included in and as part of the Public Entity's ownership interest in the Real Property and, if applicable, Facility, and/or (ii) to pay for capital improvements that are needed to so operate the Real Property and, if applicable, Facility in accordance with the requirements imposed under Section 2.04.

L. If the amount of the Program Grant exceeds \$200,000.00, then it must contain a provision requiring the Counterparty to list any vacant or new positions it may have with state workforce centers as required by Minn. Stat. § 116L.66, as it may be amended, modified or replaced from time to time, for the term of the Use Contract.

M. It must contain a provision that clearly states that the Public Entity is not required to renew the Use Contract beyond the original term thereof and that the Public Entity may, at its sole option and discretion, allow the Use Contract to expire at the end of its original term and thereafter directly operate the governmental program in the Real Property and, if applicable, Facility or contract with some other entity to operate the governmental program in the Real Property and, if applicable, Facility.

Section 3.02 Initial Term and Renewal. The initial term for a Use Contract may not exceed the lesser of (i) 50% of the Useful Life of the Real Property and, if applicable, Facility for the portion of the Real Property and, if applicable, Facility that is the subject of the Use Contract, or (ii) the shortest term of the Public Entity's ownership interest in the Real Property and, if applicable, Facility.

A Use Contract may allow for renewals beyond its initial term on the conditions that (a) the term of any renewal may not exceed the initial term, (b) the Public Entity must make a determination that renewal will continue to carry out the State Program and that the Counterparty is suited and able to perform the functions contained in Use Contract that is to be renewed, (c) the Use Contract may not include any provisions that would require, either directly or indirectly, the Public Entity to either make the determination referred to in this Section or to renew the Use Contract with the Counterparty after the expiration of the initial term or any renewal term, and (d) no such renewal may occur prior to the date that is 6 months prior to the date on which the Use Contract is scheduled to terminate. Provided, however, notwithstanding anything to the contrary contained herein the Public Entity's voluntary agreement to reimburse the Counterparty for any investment that the Counterparty provided for the acquisition or betterment of the Real Property and, if applicable, Facility that is the subject of the Use Contract if the Public Entity does not renew a Use Contract if requested by the Counterparty is not deemed to be a provision that directly or indirectly requires the Public Entity to renew such Use Contract.

Section 3.03 Reimbursement of Counterparty. A Use Contract may but need not contain, at the sole option and discretion of the Public Entity, a provision that requires the Public

Entity to reimburse the Counterparty for any investment that the Counterparty provided for the acquisition or betterment of the Real Property and, if applicable, Facility that is the subject of the Use Contract if the Public Entity does not renew a Use Contract if requested by the Counterparty. If agreed to by the Public Entity, such reimbursement shall be on terms and conditions agreed to by the Public Entity and the Counterparty.

Section 3.04 **Receipt of Monies Under a Use Contract.** The Public Entity does not anticipate the receipt of any funds under a Use Contract; provided, however, if the Public Entity does receive any monies under a Use Contract in excess of the amount the Public Entity needs and is authorized to use to pay the operating expenses of the portion of the Real Property and, if applicable, Facility that is the subject of a Use Contract, and to pay the principal, interest, redemption premiums, and other expenses on Approved Debt, then a portion of such excess monies must be paid by the Public Entity to the Commissioner of MMB. The portion of such excess monies that the Public Entity must and shall pay to the Commissioner of MMB shall be determined by the Commissioner of MMB, and absent circumstances which would indicate otherwise such portion shall be determined by multiplying such excess monies by a fraction the numerator of which is the Program Grant and the denominator of which is sum of the Program Grant and the Approved Debt.

Article IV SALE

Section 4.01 **Sale.** The Public Entity shall not sell any part of its ownership interest in the Real Property and, if applicable, Facility unless all of the following provisions have been complied with fully.

- A. The Public Entity determines, by official action, that such ownership interest is no longer usable or needed for the operation of the State Program, which such determination may be based on a determination that the portion of the Real Property or, if applicable, Facility to which such ownership interest applies is no longer suitable or financially feasible for such purpose.
- B. The sale is made as authorized by law.
- C. The sale is for Fair Market Value.
- D. The written consent of the Commissioner of MMB has been obtained.

The acquisition of the Public Entity’s ownership interest in the Real Property and, if applicable, Facility at a foreclosure sale, by acceptance of a deed-in-lieu of foreclosure, or enforcement of a security interest in personal property used in the operation thereof, by a lender that has provided monies for the acquisition of the Public Entity’s ownership interest in or betterment of the Real Property and, if applicable, Facility shall not be considered a sale for the purposes of this Agreement if after such acquisition the lender operates such portion of the Real Property and, if applicable, Facility in a manner which is not inconsistent with

the requirements imposed under Section 2.04 and the lender uses its best efforts to sell such acquired interest to a third party for Fair Market Value. The lender's ultimate sale or disposition of the acquired interest in the Real Property and, if applicable, Facility shall be deemed to be a sale for the purposes of this Agreement, and the proceeds thereof shall be disbursed in accordance with the provisions contained in Section 4.02.

The Public Entity may participate in any public auction of its ownership interest in the Real Property and, if applicable, Facility and bid thereon; provided that the Public Entity agrees that if it is the successful purchaser it will not use any part of the Real Property or, if applicable, Facility for the State Program.

Section 4.02 Proceeds of a Sale. Upon the sale of the Public Entity's ownership interest in the Real Property and, if applicable, Facility the proceeds thereof after the deduction of all costs directly associated and incurred in conjunction with such sale and such other costs that are approved, in writing by the Commissioner of MMB, but not including the repayment of any debt associated with the Public Entity's ownership interest in the Real Property and, if applicable, Facility, shall be disbursed in the following manner and order.

A. The first distribution shall be to the Commissioner of MMB in an amount equal to the Outstanding Balance of the Program Grant, and if the amount of such net proceeds shall be less than the amount of the Outstanding Balance of the Program Grant then all of such net proceeds shall be distributed to the Commissioner of MMB.

B. The remaining portion, after the distribution specified in Section 4.02.A, shall be distributed to (i) pay in full any outstanding Approved Debt, (ii) reimburse the Public Entity for its Ownership Value, and (iii) to pay interested public and private entities, other than any such entity that has already received the full amount of its contribution (such as the State Entity under Section 4.02.A and the holders of Approved Debt paid under this Section 4.02.B), the amount of money that such entity contributed to the Initial Acquisition and Betterment Costs and the Subsequent Betterment Costs. If such remaining portion is not sufficient to reimburse interested public and private entities for the full amount that such entities contributed to the acquisition or betterment of the Real Property and, if applicable, Facility, then the amount available shall be distributed as such entities may agree in writing, and if such entities cannot agree by an appropriately issued court order.

C. The remaining portion, after the distributions specified in Sections 4.02.A and B, shall be divided and distributed to the State Entity, the Public Entity, and any other public and private entity that contributed funds to the Initial Acquisition and Betterment Costs and the Subsequent Betterment Costs, other than lenders who supplied any of such funds, in proportion to the contributions that the State Entity, the Public Entity, and such other public and private entities made to the acquisition and betterment of the Real Property and, if applicable, Facility as such amounts are part of the Ownership Value, Initial Acquisition and Betterment Costs, and Subsequent Betterment Costs.

The distribution to the State Entity shall be made to the Commissioner of MMB, and the Public Entity may direct its distribution to be made to any other entity including, but not limited to, a Counterparty.

All amounts to be disbursed under this Section 4.02 must be consented to, in writing, by the Commissioner of MMB, and no such disbursements shall be made without such consent.

The Public Entity shall not be required to pay or reimburse the State Entity or the Commissioner of MMB for any funds above and beyond the full net proceeds of such sale, even if such net proceeds are less than the amount of the Outstanding Balance of the Program Grant.

Article V
COMPLIANCE WITH G.O. COMPLIANCE LEGISLATION
AND THE COMMISSIONER’S ORDER

Section 5.01 **State Bond Financed Property.** The Public Entity and the State Entity acknowledge and agree that the Public Entity’s ownership interest in the Real Property and, if applicable, Facility is, or when acquired by the Public Entity will be, “state bond financed property”, as such term is used in the G.O. Compliance Legislation and the Commissioner’s Order, and, therefore, the provisions contained in such statute and order apply, or will apply, to the Public Entity’s ownership interest in the Real Property and, if applicable, Facility and any Use Contracts relating thereto.

Section 5.02 **Preservation of Tax Exempt Status.** In order to preserve the tax-exempt status of the G.O. Bonds, the Public Entity agrees as follows:

A. It will not use the Real Property or, if applicable, Facility, or use or invest the Program Grant or any other sums treated as “bond proceeds” under Section 148 of the Code including “investment proceeds,” “invested sinking funds,” and “replacement proceeds,” in such a manner as to cause the G.O. Bonds to be classified as “arbitrage bonds” under Section 148 of the Code.

B. It will deposit into and hold all of the Program Grant that it receives under this Agreement in a segregated non-interest bearing account until such funds are used for payments for the Project in accordance with the provisions contained herein.

C. It will, upon written request, provide the Commissioner of MMB all information required to satisfy the informational requirements set forth in the Code including, but not limited to, Sections 103 and 148 thereof, with respect to the GO Bonds.

D. It will, upon the occurrence of any act or omission by the Public Entity or any Counterparty that could cause the interest on the GO Bonds to no longer be tax exempt and upon direction from the Commissioner of MMB, take such actions and furnish such documents as the Commissioner of MMB determines to be necessary to ensure that the interest to be paid on the G.O. Bonds is exempt from federal taxation, which such action may

include either: (i) compliance with proceedings intended to classify the G.O. Bonds as a “qualified bond” within the meaning of Section 141(e) of the Code, (ii) changing the nature or terms of the Use Contract so that it complies with Revenue Procedure 97-13, as amended by Rev. Proc 2016-44 and Rev. Proc. 2017-13, with Revenue Procedure 97-13, as amended by Rev. Proc 2016-44 and Rev. Proc. 2017-13, or (iii) changing the nature of the use of the Real Property or, if applicable, Facility so that none of the net proceeds of the G.O. Bonds will be used, directly or indirectly, in an “unrelated trade or business” or for any “private business use” (within the meaning of Sections 141(b) and 145(a) of the Code), or (iv) compliance with other Code provisions, regulations, or revenue procedures which amend or supersede the foregoing.

E. It will not otherwise use any of the Program Grant, including earnings thereon, if any, or take or permit to or cause to be taken any action that would adversely affect the exemption from federal income taxation of the interest on the G.O. Bonds, nor omit to take any action necessary to maintain such tax exempt status, and if it should take, permit, omit to take, or cause to be taken, as appropriate, any such action, it shall take all lawful actions necessary to rescind or correct such actions or omissions promptly upon having knowledge thereof..

Section 5.03 Changes to G.O. Compliance Legislation or the Commissioner’s Order. In the event that the G.O. Compliance Legislation or the Commissioner’s Order is amended in a manner that reduces any requirement imposed against the Public Entity, or if the Public Entity’s ownership interest in the Real Property or, if applicable, Facility is exempt from the G.O. Compliance Legislation and the Commissioner’s Order, then upon written request by the Public Entity the State Entity shall enter into and execute an amendment to this Agreement to implement herein such amendment to or exempt the Public Entity’s ownership interest in the Real Property and, if applicable, Facility from the G.O. Compliance Legislation or the Commissioner’s Order.

Article VI DISBURSEMENT OF GRANT PROCEEDS

Section 6.01 The Advances. The State Entity agrees, on the terms and subject to the conditions set forth herein, to make Advances from the Program Grant to the Public Entity from time to time in an aggregate total amount not to exceed the amount of the Program Grant. If the amount of Program Grant that the State Entity cumulatively disburses hereunder to the Public Entity is less than the amount of the Program Grant delineated in Section 1.01, then the State Entity and the Public Entity shall enter into and execute whatever documents the State Entity may request in order to amend or modify this Agreement to reduce the amount of the Program Grant to the amount actually disbursed. Provided, however, in accordance with the provisions contained in Section 2.11, the State Entity’s obligation to make Advances shall terminate as of the dates specified in such Section even if the entire Program Grant has not been disbursed by such dates.

Advances shall only be for expenses that (i) are for those items of a capital nature for the Project, (ii) accrued no earlier than the effective date of the legislation that appropriated the funds that are used to fund the Program Grant, or (iii) have otherwise been consented to, in writing, by

the State Entity and the Commissioner of MMB.

It is the intent of the parties hereto that the rate of disbursement of the Advances shall not exceed the rate of completion of the Project or the rate of disbursement of the matching funds required, if any, under Section 7.23. Therefore, the cumulative amount of all Advances disbursed by the State Entity at any point in time shall not exceed the portion of the Project that has been completed and the percentage of the matching funds required, if any, under Section 7.23 that have been disbursed as of such point in time. This requirement is expressed by way of the following two formulas:

Formula #1

Cumulative Advances \leq (Program Grant) \times (percentage of matching funds, if any, required under Section 7.23 that have been disbursed)

Formula #2

Cumulative Advances \leq (Program Grant) \times (percentage of Project completed)

Section 6.02 **Draw Requisitions.** Whenever the Public Entity desires a disbursement of a portion of the Program Grant, which shall be no more often than once each calendar month, the Public Entity shall submit to the State Entity a Draw Requisition duly executed on behalf of the Public Entity or its designee. Each Draw Requisition shall be submitted on or between the 1st day and the 15th day of the month in which an Advance is requested, and shall be submitted at least 7 calendar days before the date the Advance is desired. Each Draw Requisition with respect to construction items shall be limited to amounts equal to: (i) the total value of the classes of the work by percentage of completion as approved by the Public Entity and the State Entity, plus (ii) the value of materials and equipment not incorporated in the Project but delivered and suitably stored on or off the Real Property in a manner acceptable to the State Entity, less (iii) any applicable retainage, and less (iv) all prior Advances.

Notwithstanding anything herein to the contrary, no Advances for materials stored on or off the Real Property will be made by the State Entity unless the Public Entity shall advise the State Entity, in writing, of its intention to so store materials prior to their delivery and the State Entity has not objected thereto.

At the time of submission of each Draw Requisition, other than the final Draw Requisition, the Public Entity shall submit to the State Entity such supporting evidence as may be requested by the State Entity to substantiate all payments which are to be made out of the relevant Draw Requisition or to substantiate all payments then made with respect to the Project.

At the time of submission of the final Draw Requisition which shall not be submitted before completion of the Project, including all landscape requirements and off-site utilities and streets needed for access to the Real Property and, if applicable, Facility and correction of material defects in workmanship or materials (other than the completion of punch list items) as provided in the Construction Contract Documents, the Public Entity shall submit to the State Entity: (i) such supporting evidence as may be requested by the State Entity to substantiate all payments which

are to be made out of the final Draw Requisition or to substantiate all payments then made with respect to the Project, and (ii) satisfactory evidence that all work requiring inspection by municipal or other governmental authorities having jurisdiction has been duly inspected and approved by such authorities, and that all requisite certificates of occupancy and other approvals have been issued.

If on the date an Advance is desired the Public Entity has complied with all requirements of this Agreement and the State Entity approves the relevant Draw Requisition and receives a current construction report from the Inspecting Engineer recommending payment, then the State Entity shall disburse the amount of the requested Advance to the Public Entity.

Section 6.03 Additional Funds. If the State Entity shall at any time in good faith determine that the sum of the undisbursed amount of the Program Grant plus the amount of all other funds committed to the Project is less than the amount required to pay all costs and expenses of any kind which reasonably may be anticipated in connection with the Project, then the State Entity may send written notice thereof to the Public Entity specifying the amount which must be supplied in order to provide sufficient funds to complete the Project. The Public Entity agrees that it will, within 10 calendar days of receipt of any such notice, supply or have some other entity supply the amount of funds specified in the State Entity's notice.

Section 6.04 Conditions Precedent to Any Advance. The obligation of the State Entity to make any Advance hereunder (including the initial Advance) shall be subject to the following conditions precedent:

A. The State Entity shall have received a Draw Requisition for such Advance specifying the amount of funds being requested, which such amount when added to all prior requests for an Advance shall not exceed the amount of the Program Grant delineated in Section 1.01.

B. The State Entity shall have either received a duly executed Declaration that has been duly recorded in the appropriate governmental office, with all of the recording information displayed thereon, or evidence that such Declaration will promptly be recorded and delivered to the State Entity.

C. The State Entity shall have received evidence, in form and substance acceptable to the State Entity, that (i) the Public Entity has legal authority to and has taken all actions necessary to enter into this Agreement and the Declaration, and (ii) this Agreement and the Declaration are binding on and enforceable against the Public Entity.

D. The State Entity shall have received evidence, in form and substance acceptable to the State Entity, that the Public Entity has sufficient funds to fully and completely pay for the Project and all other expenses that may occur in conjunction therewith.

E. The State Entity shall have received evidence, in form and substance acceptable to the State Entity, that the Public Entity is in compliance with the matching funds requirements, if any, contained in Section 7.23.

F. The State Entity shall have received evidence, in form and substance acceptable to the State Entity, showing that the Public Entity possesses the ownership interest delineated in Section 2.02.

G. The State Entity shall have received evidence, in form and substance acceptable to the State Entity, that the Real Property and, if applicable, Facility, and the contemplated use thereof are permitted by and will comply with all applicable use or other restrictions and requirements imposed by applicable zoning ordinances or regulations, and, if required by law, have been duly approved by the applicable municipal or governmental authorities having jurisdiction thereover.

H. The State Entity shall have received evidence, in form and substance acceptable to the State Entity, that that all applicable and required building permits, other permits, bonds and licenses necessary for the Project have been paid for, issued, and obtained, other than those permits, bonds and licenses which may not lawfully be obtained until a future date or those permits, bonds and licenses which in the ordinary course of business would normally not be obtained until a later date.

I. The State Entity shall have received evidence, in form and substance acceptable to the State Entity, that that all applicable and required permits, bonds and licenses necessary for the operation of the Real Property and, if applicable, Facility in the manner specified in Section 2.04 have been paid for, issued, and obtained, other than those permits, bonds and licenses which may not lawfully be obtained until a future date or those permits, bonds and licenses which in the ordinary course of business would normally not be obtained until a later date.

J. The State Entity shall have received evidence, in form and substance acceptable to the State Entity, that the Project will be completed in a manner that will allow the Real Property and, if applicable, Facility to be operated in the manner specified in Section 2.04.

K. The State Entity shall have received evidence, in form and substance acceptable to the State Entity, that the Public Entity has the ability and a plan to fund the operation of the Real Property and, if applicable, Facility in the manner specified in Section 2.04.

L. The State Entity shall have received evidence, in form and substance acceptable to the State Entity, that the insurance requirements under Section 7.01 have been satisfied.

M. The State Entity shall have received evidence, in form and substance acceptable to the State Entity, of compliance with the provisions and requirements specified in Section 7.10 and all additional applicable provisions and requirements, if any, contained in Minn. Stat. § 16B.335, as it may be amended, modified or replaced from time to time. Such

evidence shall include, but not be limited to, evidence that: (i) the predesign package referred to in Section 7.10.B has, if required, been reviewed by and received a favorable recommendation from the Commissioner of Administration for the State of Minnesota, (ii) the program plan and cost estimates referred to in Section 7.10.C have, if required, received a recommendation by the Chairs of the Minnesota State Senate Finance Committee and Minnesota House of Representatives Ways and Means Committee, and (iii) the Chair and Ranking Minority Member of the Minnesota House of Representatives Capital Investment Committee and the Chair and Ranking Minority Member of the Minnesota Senate Capital Investment Committee have, if required, been notified pursuant to Section 7.10.G.

N. No Event of Default under this Agreement or event which would constitute an Event of Default but for the requirement that notice be given or that a period of grace or time elapse shall have occurred and be continuing.

O. The State Entity shall have received evidence, in form and substance acceptable to the State Entity, that the Contractor will complete the Construction Items substantially in conformance with the Construction Contract Documents and pay all amounts lawfully owing to all laborers and materialmen who worked on the Construction Items or supplied materials therefor, other than amounts being contested in good faith. Such evidence may be in the form of payment and performance bonds in amounts equal to or greater than the amount of the fixed price or guaranteed maximum price contained in the Construction Contract Documents that name the State Entity and the Public Entity dual obligees thereunder, or such other evidence as may be acceptable to the Public Entity and the State Entity.

P. No determination shall have been made by the State Entity that the amount of funds committed to the Project is less than the amount required to pay all costs and expenses of any kind that may reasonably be anticipated in connection with the Project, or if such a determination has been made and notice thereof sent to the Public Entity under Section 6.03, then the Public Entity has supplied, or has caused some other entity to supply, the necessary funds in accordance with such section or has provided evidence acceptable to the State Entity that sufficient funds are available.

Q. The Public Entity has supplied to the State Entity all other items that the State Entity may reasonably require.

Section 6.05 **Construction Inspections.** The Public Entity and the Architect, if any, shall be responsible for making their own inspections and observations of the Construction Items, and shall determine to their own satisfaction that the work done or materials supplied by the Contractors to whom payment is to be made out of each Advance has been properly done or supplied in accordance with the Construction Contract Documents. If any work done or materials supplied by a Contractor are not satisfactory to the Public Entity or the Architect, if any, or if a Contractor is not in material compliance with the Construction Contract Documents in any respect, then the Public Entity shall immediately notify the State Entity, in writing. The State Entity and the Inspecting Engineer, if any, may conduct such inspections of the Construction Items as either may deem necessary for the protection of the State Entity's interest, and that any inspections which

may be made of the Project by the State Entity or the Inspecting Engineer, if any, are made and all certificates issued by the Inspecting Engineer, if any, will be issued solely for the benefit and protection of the State Entity, and the Public Entity will not rely thereon.

Article VII MISCELLANEOUS

Section 7.01 **Insurance.** The Public Entity shall, upon acquisition of the ownership interest delineated in Section 2.02, insure the Facility, if such exists, in an amount equal to the full insurable value thereof (i) by self insuring under a program of self insurance legally adopted, maintained and adequately funded by the Public Entity, or (ii) by way of builders risk insurance and fire and extended coverage insurance with a deductible in an amount acceptable to the State Entity under which the State Entity and the Public Entity are named as loss payees. If damages which are covered by such required insurance occur, then the Public Entity shall, at its sole option and discretion, either: (y) use or cause the insurance proceeds to be used to fully or partially repair such damage and to provide or cause to be provided whatever additional funds that may be needed to fully or partially repair such damage, or (z) sell its ownership interest in the damaged Facility and portion of the Real Property associated therewith in accordance with the provisions contained in Section 4.01.

If the Public Entity elects to only partially repair such damage, then the portion of the insurance proceeds not used for such repair shall be applied in accordance with the provisions contained in Section 4.02 as if the Public Entity's ownership interest in the Real Property and Facility had been sold, and such amounts shall be credited against the amounts due and owing under Section 4.02 upon the ultimate sale of the Public Entity's ownership interest in the Real Property and Facility. If the Public Entity elects to sell its ownership interest in the damaged Facility and portion of the Real Property associated therewith, then such sale must occur within a reasonable time period from the date the damage occurred and the cumulative sum of the insurance proceeds plus the proceeds of such sale must be applied in accordance with the provisions contained in Section 4.02, with the insurance proceeds being so applied within a reasonable time period from the date they are received by the Public Entity.

The State Entity agrees to and will assign or pay over to the Public Entity all insurance proceeds it receives so that the Public Entity can comply with the requirements that this Section imposes thereon as to the use of such insurance proceeds.

If the Public Entity elects to maintain general comprehensive liability insurance regarding the Real Property and, if applicable, Facility, then the Public Entity shall have the State Entity named as an additional named insured therein.

The Public Entity may require a Counterparty to provide and maintain any or all of the insurance required under this Section; provided that the Public Entity continues to be responsible for the providing of such insurance in the event that the Counterparty fails to provide or maintain such insurance.

At the written request of either the State Entity or the Commissioner of MMB, the Public Entity shall promptly furnish to the requesting entity all written notices and all paid premium receipts received by the Public Entity regarding the required insurance, or certificates of insurance evidencing the existence of such required insurance.

If the Public Entity fails to provide and maintain the insurance required under this Section, then the State Entity may, at its sole option and discretion, obtain and maintain insurance of an equivalent nature and any funds expended by the State Entity to obtain or maintain such insurance shall be due and payable on demand by the State Entity and bear interest from the date of advancement by the State Entity at a rate equal to the lesser of the maximum interest rate allowed by law or 18% per annum based upon a 365-day year. Provided, however, nothing contained herein, including but not limited to this Section, shall require the State Entity to obtain or maintain such insurance, and the State Entity's decision to not obtain or maintain such insurance shall not lessen the Public Entity's duty to obtain and maintain such insurance.

Section 7.02 Condemnation. If after the Public Entity has acquired the ownership interest delineated in Section 2.02 all or any portion of the Real Property and, if applicable, Facility is condemned to an extent that the Public Entity can no longer comply with the provisions contained in Section 2.04, then the Public Entity shall, at its sole option and discretion, either: (i) use or cause the condemnation proceeds to be used to acquire an interest in additional real property needed for the Public Entity to continue to comply with the provisions contained in Section 2.04 and, if applicable, to fully or partially restore the Facility and to provide or cause to be provided whatever additional funds that may be needed for such purposes, or (ii) sell the remaining portion of its ownership interest in the Real Property and, if applicable, Facility in accordance with the provisions contained in Section 4.01. Any condemnation proceeds which are not used to acquire an interest in additional real property or to restore, if applicable, the Facility shall be applied in accordance with the provisions contained in Section 4.02 as if the Public Entity's ownership interest in the Real Property and, if applicable, Facility had been sold, and such amounts shall be credited against the amounts due and owing under Section 4.02 upon the ultimate sale of the Public Entity's ownership interest in the remaining Real Property and, if applicable, Facility. If the Public Entity elects to sell its ownership interest in the portion of the Real Property and, if applicable, Facility that remains after the condemnation, then such sale must occur within a reasonable time period from the date the condemnation occurred and the cumulative sum of the condemnation proceeds plus the proceeds of such sale must be applied in accordance with the provisions contained in Section 4.02, with the condemnation proceeds being so applied within a reasonable time period from the date they are received by the Public Entity.

As recipient of any of condemnation awards or proceeds referred to herein, the State Entity agrees to and will disclaim, assign or pay over to the Public Entity all of such condemnation awards or proceeds it receives so that the Public Entity can comply with the requirements that this Section imposes upon the Public Entity as to the use of such condemnation awards or proceeds.

Section 7.03 Use, Maintenance, Repair and Alterations. The Public Entity shall (i) keep the Real Property and, if applicable, Facility, in good condition and repair, subject to reasonable and ordinary wear and tear, (ii) complete promptly and in good and workmanlike

manner any building or other improvement which may be constructed on the Real Property and promptly restore in like manner any portion of the Facility, if applicable, which may be damaged or destroyed thereon and pay when due all claims for labor performed and materials furnished therefor, (iii) comply with all laws, ordinances, regulations, requirements, covenants, conditions and restrictions now or hereafter affecting the Real Property or, if applicable, Facility, or any part thereof, or requiring any alterations or improvements thereto, (iv) keep and maintain abutting grounds, sidewalks, roads, parking and landscape areas in good and neat order and repair, (v) comply with the provisions of any Real Property/Facility Lease if the Public Entity's ownership interest in the Real Property and, if applicable, Facility, is a leasehold interest, (vi) comply with the provisions of any easement if its ownership interest in the Real Property and, if applicable, Facility is by way of such easement, and (vii) comply with the provisions of any condominium documents and any applicable reciprocal easement or operating agreements if the Real Property and, if applicable, Facility, is part of a condominium regime or is subject to a reciprocal easement or use contract.

The Public Entity shall not, without the written consent of the State Entity and the Commissioner of MMB, (a) permit or suffer the use of any of the Real Property or, if applicable, Facility, for any purpose other than the purposes specified in Section 2.04, (b) remove, demolish or substantially alter any of the Real Property or, if applicable, Facility, except such alterations as may be required by laws, ordinances or regulations or such other alterations as may improve such Real Property or, if applicable, Facility by increasing the value thereof or improving its ability to be used to operate the State Program thereon or therein, (c) do any act or thing which would unduly impair or depreciate the value of the Real Property or, if applicable, Facility, (d) abandon the Real Property or, if applicable, Facility, (e) commit or permit any waste or deterioration of the Real Property or, if applicable, Facility, (f) remove any fixtures or personal property from the Real Property or, if applicable, Facility, that was paid for with the proceeds of the Program Grant unless the same are immediately replaced with like property of at least equal value and utility, or (g) commit, suffer or permit any act to be done in or upon the Real Property or, if applicable, Facility, in violation of any law, ordinance or regulation.

If the Public Entity fails to maintain the Real Property and, if applicable, Facility in accordance with the provisions contained in this Section, then the State Entity may perform whatever acts and expend whatever funds that are necessary to so maintain the Real Property and, if applicable, Facility and the Public Entity irrevocably authorizes and empowers the State Entity to enter upon the Real Property and, if applicable, Facility, to perform such acts as may be necessary to so maintain the Real Property and, if applicable, Facility. Any actions taken or funds expended by the State Entity hereunder shall be at its sole option and discretion, and nothing contained herein, including but not limited to this Section, shall require the State Entity to take any action, incur any expense, or expend any funds, and the State Entity shall not be responsible for or liable to the Public Entity or any other entity for any such acts that are undertaken and performed in good faith and not in a negligent manner. Any funds expended by the State Entity to perform such acts as may be necessary to so maintain the Real Property and, if applicable, Facility shall be due and payable on demand by the State Entity and bear interest from the date of advancement by the State Entity at a rate equal to the lesser of the maximum interest rate allowed by law or 18% per annum based upon a 365 day year.

Section 7.04 Records Keeping and Reporting. The Public Entity shall maintain or cause to be maintained books, records, documents and other evidence pertaining to the costs or expenses associated with the Project and operation of the Real Property and, if applicable, Facility needed to comply with the requirements contained in this Agreement, the G.O. Compliance Legislation, the Commissioner's Order, and the State Program Enabling Legislation, and upon request shall allow or cause the entity which is maintaining such items to allow the State Entity, auditors for the State Entity, the Legislative Auditor for the State of Minnesota, or the State Auditor for the State of Minnesota, to inspect, audit, copy, or abstract, all of such items. The Public Entity shall use or cause the entity which is maintaining such items to use generally accepted accounting principles in the maintenance of such items, and shall retain or cause to be retained (i) all of such items that relate to the Project for a period of 6 years from the date that the Project is fully completed and placed into operation, and (ii) all of such items that relate to the operation of the Real Property and, if applicable, Facility for a period of 6 years from the date such operation is initiated.

Section 7.05 Inspections by State Entity. Upon reasonable request by the State Entity and without interfering with the normal use of the Real Property and, if applicable, Facility, the Public Entity shall allow, and will require any entity to whom it leases, subleases, or enters into a Use Contract for any portion of the Real Property and, if applicable, Facility to allow the State Entity to inspect the Real Property and, if applicable, Facility.

Section 7.06 Data Practices. The Public Entity agrees with respect to any data that it possesses regarding the Program Grant, the Project, or the operation of the Real Property and, if applicable, Facility, to comply with all of the provisions and restrictions contained in the Minnesota Government Data Practices Act contained in Chapter 13 of the Minnesota Statutes that exists as of the date of this Agreement and as such may subsequently be amended, modified or replaced from time to time.

Section 7.07 Non-Discrimination. The Public Entity agrees to not engage in discriminatory employment practices regarding the Project, or operation or management of the Real Property and, if applicable, Facility, and it shall, with respect to such activities, fully comply with all of the provisions contained in Chapters 363A and 181 of the Minnesota Statutes that exist as of the date of this Agreement and as such may subsequently be amended, modified or replaced from time to time.

Section 7.08 Worker's Compensation. The Public Entity agrees to comply with all of the provisions relating to worker's compensation contained in Minn. Stat. §§ 176.181, subd. 2 and 176.182, as they may be amended, modified or replaced from time to time, with respect to the Project and the operation or management of the Real Property and, if applicable, Facility.

Section 7.09 Antitrust Claims. The Public Entity hereby assigns to the State Entity and the Commissioner of MMB all claims it may have for overcharges as to goods or services provided with respect to the Project, and operation or management of the Real Property and, if applicable, Facility that arise under the antitrust laws of the State of Minnesota or of the United States of America.

Section 7.10 Review of Plans and Cost Estimates. The Public Entity agrees to comply with all applicable provisions and requirements, if any, contained in Minn. Stat. § 16B.335, as it may be amended, modified or replaced from time to time, for the Project, and in accordance therewith the Public Entity agrees to comply with the following provisions and requirements if such provisions and requirements are applicable.

A. The Public Entity shall provide all information that the State Entity may request in order for the State Entity to determine that the Project will comply with the provisions and requirements contained in Minn. Stat. § 16B.335, as it may be amended, modified or replaced from time to time.

B. Prior to its proceeding with design activities for the Project the Public Entity shall prepare a predesign package and submit it to the Commissioner of Administration for the State of Minnesota for review and comment. The predesign package must be sufficient to define the purpose, scope, cost, and projected schedule for the Project, and must demonstrate that the Project has been analyzed according to appropriate space and needs standards. Any substantial changes to such predesign package must be submitted to the Commissioner of Administration for the State of Minnesota for review and comment.

C. If the Project includes the construction of a new building, substantial addition to an existing building, a substantial change to the interior configuration of an existing building, or the acquisition of an interest in land, then the Public Entity shall not prepare final plans and specifications until it has prepared a program plan and cost estimates for all elements necessary to complete the Project and presented them to the Chairs of the Minnesota State Senate Finance Committee and Minnesota House of Representatives Ways and Means Committee and the chairs have made their recommendations, and it has notified the Chair and Ranking Minority Member of the Minnesota House of Representatives Capital Investment Committee and the Chair and Ranking Minority Member of the Minnesota State Senate Capital Investment Committee. The program plan and cost estimates must note any significant changes in the work to be performed on the Project, or in its costs, which have arisen since the appropriation from the legislature for the Project was enacted or which differ from any previous predesign submittal.

D. The Public Entity must notify the Chairs and Ranking Minority Members of the Minnesota State Senate Finance and Capital Investment Committees, and the Minnesota House of Representatives Capital Investment and Ways and Means Committees of any significant changes to the program plan and cost estimates referred to in Section 7.10.C.

E. The program plan and cost estimates referred to in Section 7.10.C must ensure that the Project will comply with all applicable energy conservation standards contained in law, including Minn. Stat. §§ 216C.19 to 216C.20, as they may be amended, modified or replaced from time to time, and all rules adopted thereunder.

F. If any of the Program Grant is to be used for the construction or remodeling of the Facility, then both the predesign package referred to in Section 7.10.B and the program plan and cost estimates referred to in Section 7.10.C must include provisions for cost-effective information technology investments that will enable the occupant of the Facility to reduce its need for office space, provide more of its services electronically, and decentralize its operations.

G. If the Project does not involve the construction of a new building, substantial addition to an existing building, substantial change to the interior configuration of an existing building, or the acquisition of an interest in land, then prior to beginning work on the Project the Public Entity shall just notify the Chairs and Ranking Minority Members of the Minnesota State Senate Finance and Capital Investment Committees, and the Minnesota House of Representatives Capital Investment and Ways and Means Committees that the work to be performed is ready to begin.

H. The Project must be: (i) substantially completed in accordance with the program plan and cost estimates referred to in Section 7.10.C, (ii) completed in accordance with the time schedule contained in the program plan referred to in Section 7.10.C, and (iii) completed within the budgets contained in the cost estimates referred to in Section 7.10.C.

Provided, however, the provisions and requirements contained in this Section only apply to public lands or buildings or other public improvements of a capital nature, and shall not apply to the demolition or decommissioning of state assets, hazardous material projects, utility infrastructure projects, environmental testing, parking lots, parking structures, park and ride facilities, bus rapid transit stations, light rail lines, passenger rail projects, exterior lighting, fencing, highway rest areas, truck stations, storage facilities not consisting primarily of offices or heated work areas, roads, bridges, trails, pathways, campgrounds, athletic fields, dams, floodwater retention systems, water access sites, harbors, sewer separation projects, water and wastewater facilities, port development projects for which the Commissioner of Transportation for the State of Minnesota has entered into an assistance agreement under Minn. Stat. § 457A.04, as it may be amended, modified or replaced from time to time, ice centers, local government projects with a construction cost of less than \$1,500,000.00, or any other capital project with a construction cost of less than \$750,000.00.

Section 7.11 **Prevailing Wages.** The Public Entity agrees to comply with all of the applicable provisions contained in Chapter 177 of the Minnesota Statutes, and specifically those provisions contained in Minn. Stat. §§ 177.41 through 177.435, as they may be amended, modified or replaced from time to time with respect to the Project and the operation of the State Program on or in the Real Property and, if applicable, Facility. By agreeing to this provision, the Public Entity is not acknowledging or agreeing that the cited provisions apply to the Project or the operation of the State Program on or in the Real Property and, if applicable, Facility.

Section 7.12 **Liability.** The Public Entity and the State Entity agree that they will, subject to any indemnifications provided herein, be responsible for their own acts and the results thereof to the extent authorized by law, and they shall not be responsible for the acts of the other party and

the results thereof. The liability of the State Entity and the Commissioner of MMB is governed by the provisions contained in Minn. Stat. § 3.736, as it may be amended, modified or replaced from time to time. If the Public Entity is a “municipality” as such term is used in Chapter 466 of the Minnesota Statutes that exists as of the date of this Agreement and as such may subsequently be amended, modified or replaced from time to time, then the liability of the Public Entity, including but not limited to the indemnification provided under Section 7.13, is governed by the provisions contained in such Chapter 466.

Section 7.13 Indemnification by the Public Entity. The Public Entity shall bear all loss, expense (including attorneys’ fees), and damage in connection with the Project and operation of the Real Property and, if applicable, Facility, and agrees to indemnify and hold harmless the State Entity, the Commissioner of MMB, and the State of Minnesota, their agents, servants and employees from all claims, demands and judgments made or recovered against the State Entity, the Commissioner of MMB, and the State of Minnesota, their agents, servants and employees, because of bodily injuries, including death at any time resulting therefrom, or because of damages to property of the State Entity, the Commissioner of MMB, or the State of Minnesota, or others (including loss of use) from any cause whatsoever, arising out of, incidental to, or in connection with the Project or operation of the Real Property and, if applicable, Facility, whether or not due to any act of omission or commission, including negligence of the Public Entity or any contractor or his or their employees, servants or agents, and whether or not due to any act of omission or commission (excluding, however, negligence or breach of statutory duty) of the State Entity, the Commissioner of MMB, or the State of Minnesota, their employees, servants or agents.

The Public Entity further agrees to indemnify, save, and hold the State Entity, the Commissioner of MMB, and the State of Minnesota, their agents and employees, harmless from all claims arising out of, resulting from, or in any manner attributable to any violation by the Public Entity, its officers, employees, or agents, or by any Counterparty, its officers, employees, or agents, of any provision of the Minnesota Government Data Practices Act, including legal fees and disbursements paid or incurred to enforce the provisions contained in Section 7.06.

The Public Entity’s liability hereunder shall not be limited to the extent of insurance carried by or provided by the Public Entity, or subject to any exclusions from coverage in any insurance policy.

Section 7.14 Relationship of the Parties. Nothing contained in this Agreement is intended or should be construed in any manner as creating or establishing the relationship of co-partners or a joint venture between the Public Entity, the State Entity, or the Commissioner of MMB, nor shall the Public Entity be considered or deemed to be an agent, representative, or employee of the State Entity, the Commissioner of MMB, or the State of Minnesota in the performance of this Agreement, the Project, or operation of the Real Property and, if applicable, Facility.

The Public Entity represents that it has already or will secure or cause to be secured all personnel required for the performance of this Agreement and the Project, and the operation and maintenance of the Real Property and, if applicable, Facility. All personnel of the Public Entity

or other persons while engaging in the performance of this Agreement, the Project, or the operation and maintenance of the Real Property and, if applicable, Facility shall not have any contractual relationship with the State Entity, the Commissioner of MMB, or the State of Minnesota, and shall not be considered employees of any of such entities. In addition, all claims that may arise on behalf of said personnel or other persons out of employment or alleged employment including, but not limited to, claims under the Workers' Compensation Act of the State of Minnesota, claims of discrimination against the Public Entity, its officers, agents, contractors, or employees shall in no way be the responsibility of the State Entity, the Commissioner of MMB, or the State of Minnesota. Such personnel or other persons shall not require nor be entitled to any compensation, rights or benefits of any kind whatsoever from the State Entity, the Commissioner of MMB, or the State of Minnesota including, but not limited to, tenure rights, medical and hospital care, sick and vacation leave, disability benefits, severance pay and retirement benefits.

Section 7.15 **Notices.** In addition to any notice required under applicable law to be given in another manner, any notices required hereunder must be in writing and shall be sufficient if personally served or sent by prepaid, registered, or certified mail (return receipt requested), to the business address of the party to whom it is directed. Such business address shall be that address specified below or such different address as may hereafter be specified, by either party by written notice to the other:

To the Public Entity at:

City of Austin
500 4th Ave NE
Austin, MN 55912
Attention: Steven Lang, City Engineer/Director of Public Works

To the State Entity at:

Minnesota Department of Natural Resources
500 Lafayette Road, Box 25
Saint Paul, MN 55155
Attention: Matt Bauman

To the Commissioner of MMB at:

Minnesota Department of Management and Budget
400 Centennial Office Bldg.
658 Cedar St.
St. Paul, MN 55155
Attention: Commissioner

Section 7.16 **Binding Effect and Assignment or Modification.** This Agreement and the Declaration shall be binding upon and inure to the benefit of the Public Entity and the State Entity, and their respective successors and assigns. Provided, however, that neither the Public Entity nor

the State Entity may assign any of its rights or obligations under this Agreement or the Declaration without the prior written consent of the other party. No change or modification of the terms or provisions of this Agreement or the Declaration shall be binding on either the Public Entity or the State Entity unless such change or modification is in writing and signed by an authorized official of the party against which such change or modification is to be imposed.

Section 7.17 **Waiver.** Neither the failure by the Public Entity, the State Entity, or the Commissioner of MMB, as a third party beneficiary of this Agreement, in any one or more instances to insist upon the complete and total observance or performance of any term or provision hereof, nor the failure of the Public Entity, the State Entity, or the Commissioner of MMB, as a third party beneficiary of this Agreement, to exercise any right, privilege, or remedy conferred hereunder or afforded by law shall be construed as waiving any breach of such term, provision, or the right to exercise such right, privilege, or remedy thereafter. In addition, no delay on the part of the Public Entity, the State Entity, or the Commissioner of MMB, as a third party beneficiary of this Agreement, in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right or remedy preclude other or further exercise thereof or the exercise of any other right or remedy.

Section 7.18 **Entire Agreement.** This Agreement, the Declaration, and the documents, if any, referred to and incorporated herein by reference embody the entire agreement between the Public Entity and the State Entity, and there are no other agreements, either oral or written, between the Public Entity and the State Entity on the subject matter hereof.

Section 7.19 **Choice of Law and Venue.** All matters relating to the validity, construction, performance, or enforcement of this Agreement or the Declaration shall be determined in accordance with the laws of the State of Minnesota. All legal actions initiated with respect to or arising from any provision contained in this Agreement shall be initiated, filed and venued in the State of Minnesota District Court located in the City of St. Paul, County of Ramsey, State of Minnesota.

Section 7.20 **Severability.** If any provision of this Agreement is finally judged by any court to be invalid, then the remaining provisions shall remain in full force and effect and they shall be interpreted, performed, and enforced as if the invalid provision did not appear herein.

Section 7.21 **Time of Essence.** Time is of the essence with respect to all of the matters contained in this Agreement.

Section 7.22 **Counterparts.** This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be an original, but such counterparts shall together constitute one and the same instrument.

Section 7.23 **Matching Funds.** The Public Entity must obtain and supply the following matching funds, if any, for the Project: \$490,000

Any matching funds which are intended to meet the above requirements must either be in the form of (i) cash monies, (ii) legally binding commitments for money, or (iii) equivalent funds or contributions, including equity, which have been or will be used to pay for the Project. The Public Entity shall supply to the Commissioner of MMB whatever documentation the Commissioner of MMB may request to substantiate the availability and source of any matching funds, and the source and terms relating to all matching funds must be consented to, in writing, by the Commissioner of MMB.

Section 7.24 Source and Use of Funds. The Public Entity represents to the State Entity and the Commissioner of MMB that **Attachment III** is intended to be and is a source and use of funds statement showing the total cost of the Project and all of the funds that are available for the completion of the Project, and that the information contained in such **Attachment III** correctly and accurately delineates the following information.

A. The total cost of the Project detailing all of the major elements that make up such total cost and how much of such total cost is attributed to each such major element.

B. The source of all funds needed to complete the Project broken down among the following categories:

- (i) State funds including the Program Grant, identifying the source and amount of such funds.
- (ii) Matching funds, identifying the source and amount of such funds.
- (iii) Other funds supplied by the Public Entity, identifying the source and amount of such funds.
- (iv) Loans, identifying each such loan, the entity providing the loan, the amount of each such loan, the terms and conditions of each such loan, and all collateral pledged for repayment of each such loan.
- (v) Other funds, identifying the source and amount of such funds.

C. Such other financial information that is needed to correctly reflect the total funds available for the completion of the Project, the source of such funds and the expected use of such funds.

Previously paid project expenses that are to be reimbursed and paid from proceeds of the G.O. Grant may only be included as a source of funds and included in **Attachment III** if such items have been approved, in writing, by the Commissioner of MMB.

If any of the funds included under the source of funds have conditions precedent to the release of such funds, then the Public Entity must provide to the State Entity and the Commissioner of MMB a detailed description of such conditions and what is being done to satisfy such conditions.

The Public Entity shall also supply whatever other information and documentation that the State Entity or the Commissioner of MMB may request to support or explain any of the information contained in **Attachment III**.

The value of the Public Entity's ownership interest in the Real Property and, if applicable, Facility should only be shown in **Attachment III** if such ownership interest is being acquired and paid for with funds shown in such **Attachment III**, and for all other circumstances such value should be shown in the definition for Ownership Value in Section 1.01 and not included in such **Attachment III**.

The funds shown in **Attachment III** and to be supplied for the Project may, subject to any limitations contained in the State Program Enabling Legislation, be provided by either the Public Entity or a Counterparty under a Use Contract.

Section 7.25 Project Completion Schedule. The Public Entity represents to the State Entity and the Commissioner of MMB that **Attachment IV** correctly and accurately delineates the projected schedule for the completion of the Project.

Section 7.26 Third-Party Beneficiary. The State Program will benefit the State of Minnesota and the provisions and requirements contained herein are for the benefit of both the State Entity and the State of Minnesota. Therefore, the State of Minnesota, by and through its Commissioner of MMB, is and shall be a third-party beneficiary of this Agreement.

Section 7.27 Public Entity Tasks. Any tasks that this Agreement imposes upon the Public Entity may be performed by such other entity as the Public Entity may select or designate, provided that the failure of such other entity to perform said tasks shall be deemed to be a failure to perform by the Public Entity.

Section 7.28 State Entity and Commissioner Required Acts and Approvals. The State Entity and the Commissioner of MMB shall not (i) perform any act herein required or authorized by it in an unreasonable manner, (ii) unreasonably refuse to perform any act that it is required to perform hereunder, or (iii) unreasonably refuse to provide or withhold any approval that is required of it herein.

Section 7.29 Applicability to Real Property and Facility. This Agreement applies to the Public Entity's ownership interest in the Real Property and if a Facility exists to the Facility. The term "if applicable" appearing in conjunction with the term "Facility" is meant to indicate that this Agreement will apply to a Facility if one exists, and if no Facility exists then this Agreement will only apply to the Public Entity's ownership interest in the Real Property.

Section 7.30 E-Verification. The Public Entity agrees and acknowledges that it is aware of Minn. Stat. § 16C.075 regarding e-verification of employment of all newly hired employees to confirm that such employees are legally entitled to work in the United States, and that it will, if and when applicable, fully comply with such statute and impose a similar requirement in any Use Contract to which it is a party.

Section 7.31 **Additional Requirements.** The Public Entity and the State Entity agree to comply with the following additional requirements. In the event of any conflict or inconsistency between the following additional requirements and any other provisions or requirement contained in this Agreement, the following additional requirements contained in this Section shall control.

Permits, Approvals and Environmental Review. This Agreement does not constitute State Entity approval of the project or phase funded under this Agreement, and neither negates nor precludes any mandatory environmental review or permitting requirements that may apply to the project. Public Entity may not commence construction until all permits and approvals have been obtained and the requirements of Minnesota Rules, Chapter 4410 have been satisfied.

Project Documentation. Grantee shall provide pre- and post-construction photographs and as-builts, if requested to the State prior to final payment. Grantee consents to the State, with proper acknowledgement, the use of submitted photos or other images for any lawful purpose, including publications, web content and educational materials.

Invasive Species. As a recipient of a DNR grant, the Public Entity must follow policies defined in Minnesota DNR's Operational Order 113 to prevent or limit the introduction, establishment and spread of invasive species. Specific practices and guidelines to be followed can be found on the DNR's webpage for Invasive Species Best Management Practices for DNR Contracts, Grants, and Permits (http://files.dnr.state.mn.us/assistance/grants/habitat/heritage/oporder_113.pdf)

Pollinator Best Management Practices. As a recipient of a DNR grant, the Public Entity must use best management practices and follow the pollinator habitat guidelines developed under Minnesota Statute 84.973. Practices and guidelines ensure an appropriate diversity of native species to provide habitat for pollinators through the growing season. Practices and guidelines to be followed for contract and grant work can be found on the DNR's webpage for Specific Pollinator Best Management Practices for DNR Grants and Contracts. (https://files.dnr.state.mn.us/natural_resources/npc/bmp_contract_language.pdf).

Americans With Disabilities Act. The Grantee must comply with the 2010 American Disabilities Act Standards for Accessible Design.

Non-Discrimination Requirements. No person in the United States must, on the ground of race, color, national origin, handicap, age, religion, or sex, be excluded from participation in, be denied the benefits of, or be subject to discrimination under, any program or activity receiving Federal financial assistance. Including but not limited to:

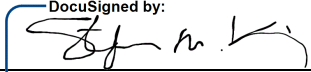
- (i) Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq.) and DOC implementing regulations published at 15 C.F.R. Part 8 prohibiting discrimination on the grounds of race, color, or national origin under programs or activities receiving Federal financial assistance; Title IX of the Education Amendments of 1972 (20 U.S.C. § 1681 et seq.) prohibiting discrimination on the basis of sex under Federally assisted education programs or activities.

- (ii) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), and DOC implementing regulations published at 15 C.F.R. Part 8b prohibiting discrimination on the basis of handicap under any program or activity receiving or benefiting from Federal assistance.
- (iii) The Age Discrimination Act of 1975, as amended (42 U.S.C. § 6101 et seq.), and DOC implementing regulations published at 15 C.F.R. Part 20 prohibiting discrimination on the basis of age in programs or activities receiving Federal financial assistance.
- (iv) Title II of the Americans with Disabilities Act (ADA) of 1990 which prohibits discrimination against qualified individuals with disabilities in services, programs, and activities of public entities. (v) Any other applicable non-discrimination law(s).

IN TESTIMONY HEREOF, the Public Entity and the State Entity have executed this General Obligation Bond Proceeds Grant Agreement Construction Grant for the 2026 Austin Acquisition of Flood Prone Property Project under the Flood Hazard Mitigation Grant Program on the day and date indicated immediately below their respective signatures.

PUBLIC ENTITY:

City of Austin,

By: 
Stephen King

Its: Mayor

Dated: May 16, 2026, _____

AND

By: _____
Craig Clark

Its: Administrator

Dated: _____, _____

STATE ENTITY:

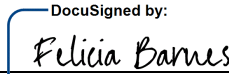
Minnesota Department of Natural Resources,

By: _____
Melissa Kuskie

Its: Director, Division of Ecological and Water Resources

Dated: _____, _____

STATE ENCUMBRANCE VERIFICATION:

By: 
Felicia Barnes

Dated: May 15, 2026, _____

SWIFT Contract #: 290473/3000299654

Attachment I to Grant Agreement

**State of Minnesota
General Obligation Bond Financed
DECLARATION**

The undersigned has the following interest in the real property located in the County of _____, State of Minnesota that is legally described in **Exhibit A** attached and all facilities situated thereon (collectively, the “Restricted Property”):

- (Check the appropriate box.)
- a fee simple title,
 - a lease, or
 - an easement,

and as owner of such fee title, lease or easement, does hereby declare that such interest in the Restricted Property is hereby made subject to the following restrictions and encumbrances:

- A. The Restricted Property is bond financed property within the meaning of Minn. Stat. § 16A.695, is subject to the encumbrance created and requirements imposed by such statute, and cannot be sold, mortgaged, encumbered or otherwise disposed of without the approval of the Commissioner of Minnesota Management and Budget, which approval must be evidenced by a written statement signed by said commissioner and attached to the deed, mortgage, encumbrance or instrument used to sell or otherwise dispose of the Restricted Property; and
- B. The Restricted Property is subject to all of the terms, conditions, provisions, and limitations contained in that certain _____ [Insert title of the general obligation grant agreement] between _____ and _____, dated _____, _____.

The Restricted Property shall remain subject to this State of Minnesota General Obligation Bond Financed Declaration for 125% of the useful life of the Restricted Property or until the Restricted Property is sold with the written approval of the Commissioner of Minnesota Management and Budget, at which time it shall be released therefrom by way of a written release in recordable form signed by both the Commissioner of _____ [Insert the name of the State Entity that provided the grant] and the Commissioner of Minnesota Management and Budget, and such written release is recorded in the real estate records relating to the Restricted Property. This Declaration may not be terminated, amended, or in any way modified without the specific written consent of the Commissioner of Minnesota Management and Budget.

(SIGNATURE BLOCK, ACKNOWLEDGMENTS, AND STATEMENT AS TO WHOM IT WAS DRAFTED BY.)

Exhibit A to Declaration
LEGAL DESCRIPTION OF RESTRICTED PROPERTY

Attachment II to Grant Agreement
LEGAL DESCRIPTION OF REAL PROPERTY

500 Oakland Avenue East, Stuttgart Tan & Travel

All that part of Lots 2 and 3, Block 19, Balcom's Addition to Austin, Minnesota, described as follows: Beginning at a point that is on the North line of said Lot 2, and 53 feet East of the East line of River Street; thence South parallel with the East line of River Street 88 feet to the south line of said Lot 3; thence West 53 feet along the South line of said lot 3 to the East line of River street; thence North 88 feet to the North line of said Lot 2; thence East 53 feet to the place of beginning; and also including that part of the Abandoned Streat Area lying West of the above-described property which is more particularly described in that certain Judgement and Decree recorded in Book 210 of Deeds, page 417 in the office of the Mower County Recorder (the said River Street now being known as Fourth Street Southeast).

The premises includes all the real property and structures constructed thereon identified by Mower County as Tax Parcel 34.100.2130 and known as Stuttgart Tan & Travel. The final legal description may be corrected as needed.

210 4th Street NE, El Parral Ballroom

All the tract or parcel of land lying and being in the City of Austin, County of Mower and State of Minnesota, described as follows, to-wit: All that part of the South Half of the Southwest Quarter of the Northwest Quarter of Section 2, Township 102 North, Range 18 West, bounded as follows: On the North by Second Avenue Northeast (formerly Bridge Street), on the South by the centerline of First Avenue Northeast (formerly Maple Street) extended East, on the East by the Cedar River, and on the West by the West line of said Section 2, excepting the following described portion of said tract;

Beginning on the West line of said Section 2 at a point 428.8 feet North of the Southwest corner of the Northwest Quarter of said Section, thence Easterly 399.28 feet along the centerline of a party wall on said premises and the extension of said centerline, to a point 383.7 feet East of the intersection of said line with the East line of the sidewalk on the East side of Fourth Street Northeast (formerly River Street), thence South 111.62 feet to the centerline of First Avenue Northeast (formerly Maple Street) extended Easterly, thence Westerly along said extended centerline to the West line of said Section 2, which point is 15.1 feet West of the intersection of said line with the aforesaid sidewalk line, thence Northerly along said section line 113.80 feet to the place of beginning.

AND ALSO

That portion of the Southwest Quarter of the Northwest Quarter of Section 2, Township 102 North, Range 18 West, Mower County, Minnesota, to-wit: Beginning on the west line of said quarter-quarter section at a point 428.8 feet north of the southwest corner thereof; thence easterly 399.28 feet along the center line of a wall on said premises and the extension of said center line to a point 383.7 feet east of the intersection of said line with the east line of the sidewalk on the east side of Fourth Street Northeast (formerly River Street); thence south 111.62 feet to the center line of First Avenue Northeast (formerly Maple Street) extended easterly; thence westerly along said extended centerline to the west line of said quarter-quarter section, which point is 15.1 feet west of the intersection of said line with the aforesaid sidewalk line; thence northerly along said section line 113.80 feet to the point of beginning except for the part designated as City of Austin street right-of-way;

The premises includes all the real property and structures constructed thereon identified my Mower County as Tax Parcels 34.860.0050 and 34.860.0040, and known as the El Parral Ballroom event center. The final legal description may be corrected as needed.

**Attachment III to Grant Agreement
SOURCE AND USE OF FUNDS FOR THE PROJECT**

Source of Funds		Use of Funds	
Identify Source of Funds	Amount	Identify Items	Amount
State G.O. Funds		Ownership Acquisition and Other Items Paid for with Program Grant Funds	
Program Grant	\$ <u>490,000</u>	Purchase of Ownership Interest	\$ <u>350,000</u>
Other State Funds		Other Items of a Capital Nature	
_____	\$ _____	Environmental Remediation	\$ <u>37,500</u>
_____	\$ _____	Demolition	\$ <u>102,500</u>
_____	\$ _____	Subtotal	\$ <u>490,000</u>
Subtotal	\$ <u>490,000</u>	Items Paid for with Non- Program Grant Funds	
Matching Funds		Purchase of Ownership Interest	\$ <u>350,000</u>
City of Austin LOST fund _____	\$ <u>533,500</u>	Environmental Remediation	\$ <u>37,500</u>
_____	\$ _____	Demolition	\$ <u>102,500</u>
Subtotal	\$ <u>533,500</u>	Environmental Testing & Appraisal	\$ <u>43,500</u>
Other Public Entity Funds		Subtotal	\$ <u>533,500</u>
_____	\$ _____		
_____	\$ _____		
Subtotal			
Loans			
_____	\$ _____		
Subtotal	\$ _____		
Other Funds			
_____	\$ _____		
Subtotal	\$ _____		-
Prepaid Project Expenses			
_____	\$ _____		
Subtotal	\$ _____		
TOTAL FUNDS	\$ <u>1,023,500</u>	TOTAL PROJECT COSTS	\$ <u>1,023,500</u>

Attachment IV to Grant Agreement
PROJECT COMPLETION SCHEDULE

August 2026	Anticipated closing
Fall 2026	Complete environmental remediation
Fall 2026	Complete demolition
Fall 2026	Final site restoration
June 30, 2027	Close grant

**Attachment V to Grant Agreement
GRANT APPLIATION**



Flood Hazard Mitigation Grant Assistance Program Application

REVISED 2026-05-14 FOR INCLUSION IN THE
GRANT AGREEMENT AS ATTACHMENT V

REVISIONS AND ADDITIONAL DETAILS ARE
SHOWN IN RED AND UNDERLINED

Complete and return this application via email to:

Matthew Bauman

Flood Hazard Mitigation Grant Assistance Program Manager

Email: matthew.bauman@state.mn.us

Phone: 651-259-5691

INTRODUCTION AND BACKGROUND

Minnesota's Flood Hazard Mitigation Grant Assistance (FHM) Program was established in 1987 to provide state assistance to local government units for reducing flood risk and damage. The FHM grant program makes reimbursable cost-share grants available to local units of government for up to 50 percent of the total cost of a flood risk reduction project. Eligible applicants include cities, counties, townships, watershed districts, watershed management organizations, lake improvement districts, joint powers organizations, and soil and water conservation districts. Grants are not available to individuals or businesses.

The majority of FHM program funding is provided by an appropriation in a state bonding bill, typically passed in even-numbered years. The application period for FHM funding assistance is always open throughout the year. Considerations in [Minnesota Statutes 103F.161](#) guide the DNR's prioritization for funding, which is further detailed in the document [Grant Prioritization – Flood Hazard Mitigation Grant Assistance Program](#). The requests for assistance routinely exceed funding availability. Occasionally, specific projects are listed as a line item in a bonding bill and will automatically receive funding without going through the competitive process.

Bond funds can only be used for publicly-owned capital improvements. Examples include:

- Acquisition and removal of flood-prone or flood-damaged structures and property,
- Engineering, design and construction of levees, floodwalls, pumping stations, flood storage facilities, diversions and other long-term capital flood risk reduction measures, and
- Water level control structures.

On occasion, other flood risk efforts of a non-capital nature are eligible for grant consideration using state general fund dollars. This source of state funding is rarely appropriated and has amounted to a small percentage of program funding. Examples of eligible projects for funding with general fund money are:

- Structure elevation, floodproofing, or relocation,
- Flood studies,
- Public information, education, and outreach,
- Farmstead ring dikes, and
- Flood warning systems

Operation and maintenance costs of public flood risk reduction infrastructure is ineligible for funding.

Property acquired or improved with state bond-funded grants must remain in public ownership for the useful life of a project and have a real estate declaration recorded with the property. Lease, sale, disposal, or private use of bond-financed or private use of bond-financed property requires the written approval of the commissioner of Minnesota Management and Budget. For more information, please refer to Minnesota Statutes 16A.695 and the MMB Commissioner's Fourth Order Relating to the Use and Sale of State Bond Financed Property.

Prior to completing the application for Flood Hazard Mitigation Grant Program assistance, please refer to the State of Minnesota [Capital Grants Manual](#). This document provides applicants with information regarding what is required prior to receiving state bond grant funds. It is recommended that the 'Capital Project Checklist' be completed prior to completing this grant application.

If you have any questions about the Flood Hazard Mitigation Grant Assistance Program or your project's eligibility for funding, please contact the FHM Program Manager at 651-259-5691 or email matthew.bauman@state.mn.us.

FLOOD HAZARD MITIGATION (FHM) GRANT ASSISTANCE PROGRAM GRANT APPLICATION

Application Submittal Date: 06.18.2025

Local Unit of Government Applicant: City of Austin

Name of Project (official or unofficial): Property Acquisition - 210 4th Street NE (Terp) AND 500 Oakland Ave East

Name of Local Government Contact: Steven Lang

Name of Authorized Agent (if applicable):

Address: 500 4th Avenue NE, Austin, MN 55912

Phone: 507-437-9950

E-mail address: slang@ci.austin.mn.us

Funding Breakout

	Approximate Cost or Percentage of Total
Total estimated project/phase* cost *If this is a multi-phase project, detail costs of current, proposed phase only	980000 <u>\$1,023,500</u>
Amount requested from DNR Flood Hazard Mitigation Program	490000
Amount from other state agencies	0
Amount of federal funding (FEMA, USACE, NRCS, etc)	0
Amount of all local government sources	490000 <u>\$533,500</u>
Prior state FHM funding provided for this project (if applicable)	0

Project Activities

For each activity selected, please specify the approximate cost and/or quantifiable totals anticipated. If this is part of a multi-phase project, please only detail the phase(s) for which you seek immediate funding. Further detail should be provided in the Project Narrative below.

	Approximate Cost or Percentage of Total
<input type="checkbox"/> Engineering (design & construction)	
<input checked="" type="checkbox"/> Property Acquisition	600,000 <u>\$700,000</u>
Total number of homes/structures to be acquired: 1 <u>2</u>	
Other acreage to be acquired: 3.3 <u>3.11</u>	
<input type="checkbox"/> Levee	
Total linear feet to be constructed or improved:	
<input type="checkbox"/> Floodwall	
Total linear feet to be constructed or improved:	
<input type="checkbox"/> Ring dikes	
Total number to be constructed or improved:	
<input type="checkbox"/> Impoundments	
Total acre-feet to be constructed or improved:	
<input type="checkbox"/> Flood storage easement	
Total acres:	
<input type="checkbox"/> Stream stabilization or modifications	
Total linear feet to be constructed/rehabilitated:	
<input type="checkbox"/> Storm sewer or modifications	
Total linear feet to be constructed/rehabilitated:	
<input type="checkbox"/> Outlet structure or modifications	
<input type="checkbox"/> Flood warning system	
<input checked="" type="checkbox"/> Other	380,000 <u>\$323,500</u>
Describe: \$150,000 Environmental Abatement \$125,000 Building Demolition \$105,000 12% Contingency/Engineering/Administrative <u>Appraisal, environmental testing, remediation, and demolition</u>	

Project Narrative

1. Summary of Flood Damages

- a) Describe the nature, extent, and severity of flood problems. (Attach supplementary information as appropriate, such as photos and/or maps. If official flood maps do not accurately identify risk in the project area, please provide inundation maps based on updated modeling, if available.)

The structure and associated property are located within the Special Flood Hazard Area, Zone A. The property has experienced repetitive flooding due to its proximity to the Cedar River.

- b) Identify the flood-related presidential disaster declarations that have been designated for the county in which the project is to be located. (See FEMA’s page [‘Disasters Declarations for States and Counties’](#) for this information)

Minnesota Severe Storms and Flooding
 2001 (DR-1370-MH)
 2004 (DR-1569-MH)
 2008 (DR-1772-MH)
 2010 (DR-1941-MH)
 2024 (DR-4797-MN)

2. Summary of Existing Floodplain Mitigation and Regulatory Measures

- a) Briefly describe the extent and effectiveness of floodplain mitigation measures that have been implemented by the local government to date.

The City of Austin is known for their effective flood mitigation program. The city is part of the CRS program, with a rating of 5. The city has acquired and removed 300+ structures from the floodplain. A 2013 summary of losses avoided due to acquisition in Austin, MN by FEMA showed the following:

Funding Sources	Acquisition Cost	Losses Avoided	(ROI)
58 bldgs. - HUD (after 1978)	\$7,112,759	\$20,351,726	2.86
4 bldgs. - sec. 1362 FEMA (after 1988)	\$270,797	\$1,521,651	5.62
101 bldgs. - HMGP FEMA (after 1993)	\$7,042,430	\$16,400,693	2.33
Totals and total averages	\$14,425,986	\$38,274,070	2.65

- b) Does the local floodplain ordinance meet the minimum state and federal standards? Does it exceed minimum standards? If so, how? (Attach or provide a link to local government’s ordinance)

Yes, link below to Chapter 12: Flood Plain Zoning:
https://codelibrary.amlegal.com/codes/austinmn/latest/austin_mn/0-0-0-17020

- c) Briefly describe the community’s floodplain enforcement program and any violations in the last 5 years (if any). If the applicant is not the permitting authority, identify the local government unit responsible. (The DNR may schedule a monitoring and assistance meeting to discuss further)

The city participates in the CRS program with a rating of 5. I am not aware that we have reported any violations in the past 5 years.

Project Description

- a) Describe the proposed project and its objective. (If this is part of a multi-phase project, please focus the description on the phase(s) for which you are seeking immediate funding. Attach supplementary information as appropriate, such as any studies, plans, and/or inundation maps both pre- and post-project.)

The property is susceptible to flooding and the inability to make substantial improvements have impacted viable use of the structure. The project would involve acquisition, environmental abatement and demolition of the structure located at 210 4th Street NE in Austin, MN. The area would then be turned into open green space and would be part of the city’s linear park system which parallels the Cedar River.

Proposal would also include the acquisition, environmental abatement, and demolition of 500 Oakland Ave E.

Proposal also includes environmental testing for both structures.

- b) Provide high-level detail for any later phases, if applicable.

n/a

- c) List partners (if any) and their roles in this project.

n/a

4. Project Analysis

a) Summarize the alternative flood mitigation measures that were considered to achieve the desired benefits. Is the proposed project the most feasible, practical, and effective alternative?

- 1) Due to its proximity within the floodplain and adjacent public roadways, levees and walls are not feasible.
- 2) The structure is approximately 100 years old, which makes flood proofing or elevating the structure not feasible. The age and size of the structure also prohibit relocation.

b) Describe the environmental and nonflood related benefits or detriments that are anticipated as a result of this project. (e.g. surface/ground water, habitat, or biodiversity)

Our community has shown that acquisition and removal of structures from the floodplain produce positive results for both financial and resiliency thresholds.

c) Describe the social and economic benefits and detriments that are anticipated as a result of this project. Include any potential impacts to underserved communities or disadvantaged socioeconomic populations.

n/a

d) Describe public input, opinion, and response to the project.

None taken

e) Is mandatory state or federal environmental review required for this project? Has an environmental review been performed for the proposed project?

No

f) Is the proposed project or phase identified in a local water plan developed under Minnesota Statutes, Chapters 103B or 103D? (If so, provide a reference or link to this detail)

No

g) Does the applicant plan to pursue wetland replacement credit as a part of this project?

No

5. Project Financing

a) Detail the estimated cost and method of financing the proposed mitigation measures. (Include an estimated budget. If the project will be completed in phases, please include anticipated costs for later phases.)

The project would be funding using 50% locally using Local Option Sales Tax dollars set aside for flood mitigation projects and 50% DNR grant. The project budget is as follows:

1) Property acquisition	\$ 800,000	<u>\$700,000</u>	
2) Environmental abatement	\$ 460,000	<u>\$75,000</u>	
3) Building Demolition	\$ 425,000	<u>\$205,000</u>	<u>Environmental Testing & Appraisal - \$43,500</u>
4) Contingency/Engr/Admin	\$ 105,000		

b) Will the applicant contribute local money or secure other financial assistance for the project?

Yes, the City of Austin will provide 50% matching funds using Local Option Sales Tax dollars dedicated toward flood mitigation.

c) What is the financial capability of the local government to solve its flood hazard problems without financial assistance?

It is less likely that the acquisition would progress without DNR funding.

d) (For projects in the Red River Valley) Has this project been approved for additional funding by the Red River Flood Damage Reduction Work Group?

Yes No Not Applicable

RESOLUTION NO.

**ACCEPTING A GRANT FROM THE MINNESOTA
DEPARTMENT OF NATURAL RESOURCES**

WHEREAS, the City of Austin applied for a grant from the Minnesota Department of Natural Resources for the Flood Hazard Mitigation and acquisition of flood prone properties; and

WHEREAS, the grant will reimburse the City 50% of all eligible project expenses, not to exceed \$490,000;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Austin that the City of Austin accepts the grant award in the amount not to exceed \$490,000 from the Minnesota Department of Natural Resources and authorizes the Mayor and City Administrator to execute any grant documents.

Passed by a vote of yeas and nays this 18th day of May, 2026.

YEAS

NAYS

ATTEST:

APPROVED:

City Clerk

Mayor

City of Austin
500 Fourth Avenue N.E.
Austin, Minnesota 55912-
3773



Steven J. Lang, P.E.
City Engr./Public Works Dir.
507-437-9949
slang@ci.austin.mn.us

Memorandum

To: City Council
From: Steven Lang, Public Works Director
Date: May 18, 2026
Subject: MPCA Grant for Stormwater Resilience

MPCA Grant for Stormwater Resilience

Attached for Council review is a grant agreement with the MPCA for the Ellis Ditch Climate Resiliency Study. The project is identified in the 5-year CIP to evaluate stormwater flows in Ellis Ditch and develop a project to improve the storm sewer, sanitary sewer and roadway on 6th Avenue SE. The grant agreement includes the following:

Project Summary

- Expand on an existing flood reduction feasibility study to better understand surface flooding impacts under extreme rainfall events in the Ellis Ditch drainage area.
- Identify infrastructure improvements that will provide the community with greater resiliency to future intense rainfall events.
- The project expands the study area to downstream communities and develops a more detailed 1D/2D model of this project area, which is very flat and susceptible to sewer backups and roadway overtopping during flood events, to identify infrastructure improvements that reduce overland flooding.

Project Deliverables:

- 1D/2D hydrologic & hydraulic model in InfoWorksICM of the Ellis Ditch drainage area.
- Simulation results for the 25-year and 100-year, 24-hour rainfall depths under shorter (12-hour, Six (6) hour and Three (3) hour) durations based on Atlas-14, volume Eight (8), version Two (2) to simulate future, intense rainfall events.

- 2D flood depth and extent maps.
- Prioritized list of potential infrastructure improvements that reduce the risk of flooding and sewer backups in the Ellis Ditch drainage area.
- Preliminary construction plans for prioritized infrastructure improvements.
- Council landowner meeting presentation and summarizing Southeast Minnesota climate data and the results from the study.

Key Grant Components:

1. **Expiration Date:** June 30, 2027
2. **Cost Participation:**
 - Grant Funds: \$ 96,581.82
 - Local SWUD \$ 9,658.18
 - Total Project \$106,240.00
3. **Authorized Representative:**
 - Steven Lang, Public Works Director/City Engineer (or successor)

If approved, the City would then enter into an agreement with WHKS to complete the work identified in the grant. We would request Council approval of the MPCA Stormwater Resiliency Grant with local funds from the Stormwater Utility District fund.

Please let me know if you have any questions.

SWIFT Contract Number: 286971
AI: 99891
Activity ID: PRO20260001

This Grant Contract Agreement is between the state of Minnesota, acting through its Department of the **Minnesota Pollution Control Agency**, 520 Lafayette Road North, St. Paul, MN 55155 ("MPCA" or "State"), and **City of Austin**, 500 4th Avenue NE, Austin, MN 55912 ("Grantee").

Recitals

1. Under [Minnesota Statutes § 116.03, Subd. 2](#), the State is empowered to enter into this grant.
2. The State is in need of the **Ellis Ditch Climate Resiliency Study** ("project").
3. The Grantee represents that it is duly qualified and agrees to perform all services described in this Grant Contract Agreement to the satisfaction of the State.

Grant Contract Agreement

1. Term of Grant Contract Agreement

- 1.1 **Effective date: May 12, 2026**, or the date the State obtains all required signatures, whichever is later. Per [Minnesota Statutes § 16B.98, Subd. 5](#), the Grantee must not begin work until this Grant Contract Agreement is fully executed and the State's Authorized Representative has notified the Grantee that work may commence.

Per [Minnesota Statutes § 16B.98 Subd. 7](#), no payments will be made to the Grantee until this Grant Contract Agreement is fully executed.
- 1.2 **Expiration date: June 30, 2027**, or until all obligations have been satisfactorily fulfilled, whichever occurs first.
- 1.3 **Survival of terms.** The following clauses survive the expiration or cancellation of this Grant Contract Agreement: Liability; State Audits; Government Data Practices and Intellectual Property; Publicity and Endorsement; Governing Law, Jurisdiction, and Venue; and Data Disclosure.

2. Grantees Duties

The parties will perform the services outlined in **Attachment A**, which is attached and incorporated into this agreement.

3. Time

The Grantee must comply with all the time requirements described in this Grant Contract Agreement. In the performance of this Grant Contract Agreement, time is of the essence and failure to meet a deadline date may be a basis for a determination by the State's Authorized Representative that the Grantee has not complied with the terms of the Grant Contract Agreement. The Grantee is required to perform all the duties cited within clause two "Grantees Duties" within the grant period. The State is not obligated to extend the grant period.

4. Consideration and Terms of Payment

The consideration for all services performed by the Grantee pursuant to this Grant Contract Agreement shall be paid by the State as follows:

- 4.1 **Compensation.** The Grantee will be paid according to the breakdown of costs contained in **Attachment A**, which is attached and incorporated into this grant agreement. Grantee certifies they will provide no less than 10% (ten percent) of the grant award amount as cash match or in-kind services, using non-MPCA funds and/or resources.

The total obligation of the State under this Grant Contract Agreement, including all compensation and reimbursements, is not to exceed **\$96,581.82 (Ninety-Six Thousand Five Hundred Eighty-One Dollars and Eighty-Two Cents)**, which shall be paid in accordance with the terms outlined in **Attachment A**, which is attached and incorporated into this Grant Contract Agreement.

- 4.2 **Administrative Costs.** Grantee administrative costs must be necessary and reasonable.
- 4.3 **Travel expenses.** Reimbursement for travel and subsistence expenses actually and necessarily incurred by the Grantee because of this Grant Contract Agreement Will not exceed amount specified in **Attachment A**. The Grantee will not be reimbursed for travel and subsistence expenses incurred outside Minnesota unless it has received the State's prior written approval for out of state travel. Minnesota will be considered the home state for determining whether travel is out of state.

The Grantee will be reimbursed for travel and subsistence expenses in the same manner and in no greater amount than provided in the current Commissioner's Plan promulgated by the Commissioner of Minnesota Management and Budget.

4.4 **Invoices.**

Payments shall be made by the State after the Grantee's presentation of invoices for services satisfactorily performed and the written acceptance of such services by the State's Authorized Representative. Invoices shall be submitted timely, with additional details as requested by the State, and according to the following schedule: **Quarterly or at least Bi-Annually.**

Invoices for expenses incurred to-date may be submitted as frequently as monthly. First invoice is required no later than 6 (six) months or midway through the project, whichever comes first. Email updates about the status of the project are required to be provided to the State's Authorized Representative whenever an invoice is submitted to MPCA Accounts Payable. The State's Authorized Representative will not approve an invoice through the state system without this project update. A final invoice for payment of remaining grant funds expended by the project is required to be submitted at the completion of the project after a Grant Project Final Report, in a format provided to the Grantee by the MPCA, has been submitted to the State's Authorized Representative and approved. Payment of the final 10% (ten percent) of grant funds will be held back until the project is completed satisfactorily and all deliverables have been submitted and approved.

Invoices must be emailed to mpca.ap@state.mn.us, and contain the following information:

- Name of Grantee
- Grantee project manager
- Project grant amount
- Grant funds expended this invoice
- Matching funds expended this invoice
- Grant funds expended to date
- Matching funds expended to date
- Invoice number
- Invoice date
- MPCA project manager
- SWIFT Contract Number
- Invoicing period (actual working period)

- Consultant costs (invoices may be requested)
- Time breakdown of invoice (amount billed to date for work, including itemization of actual hourly rates)
- Itemized per diem expenses (receipts may be requested to be submitted with invoice)
- Other items as requested

If there is a problem with submitting an invoice electronically, please contact the Accounts Payable Unit at 651-757-2491.

The Grantee shall submit an invoice for the final payment upon submittal of the final progress and financial report within 15 (fifteen) days of the original or amended end date of this Grant Contract Agreement. The State reserves the right to review submitted invoices after 15 (fifteen) days and make a determination as to payment.

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

5. Conditions of Payment

All services provided by the Grantee under this Grant Contract Agreement must be performed to the State's satisfaction, as determined at the sole discretion of the State's Authorized Representative and in accordance with all applicable federal, state, and local laws, ordinances, rules, and regulations. The Grantee will not receive payment for work found by the State to be unsatisfactory or performed in violation of federal, state, or local law.

6. Contracting and Bidding Requirements

The Grantee is required to comply with [Minnesota Statutes § 471.345, Uniform Municipal Contracting Law](#).

6.1 The Grantee and any subrecipients must comply with prevailing wage rules per [Minnesota Statutes §§ 177.41 through 177.50](#), as applicable.

6.2 The Grantee and any subrecipients must not contract with vendors who are suspended or debarred by the State of Minnesota or the federal government: [Suspended and Debarred Vendors, Minnesota Office of State Procurement](#).

6.3 The Grantee must maintain written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award and administration of contracts.

7. Authorized Representative

7.1 The State's Authorized Representative/Project Manager is **Aimee Duchene**, 714 Lake Avenue Plaza, Suite 200 Detroit Lakes, MN 56501, 218-846-8133, aimee.duchene@state.mn.us, or their successor, and has the responsibility to monitor the Grantee's performance and the authority to accept the services provided under this Grant Contract Agreement. If the services are satisfactory, the State's Authorized Representative/Project Manager will certify acceptance on each invoice submitted for payment.

7.2 The Grantee's Authorized Representative is **Steven Lang**, 500 4th Avenue NE, Austin, MN 55912, 507-437-9949, Slang@ci.austin.mn.us, or their successor. If the Grantee's Authorized Representative changes at any time during this Grant Contract Agreement, the Grantee must immediately notify the State.

7.3 The Grantee must clearly post on the Grantee's website the names of, and contact information for, the Grantee's leadership and the employee or other person who directly manages and oversees this Grant Contract Agreement on behalf of the Grantee.

8. Assignment, Amendments, Change Orders, Waiver, and Grant Contract Agreement Complete

- 8.1 **Assignment.** The Grantee shall neither assign nor transfer any rights or obligations under this Grant Contract Agreement without the prior consent of the State and a fully executed agreement, executed and approved by the authorized parties or their successors.
- 8.2 **Amendments.** Any amendments to this Grant Contract Agreement must be in writing and will not be effective until it has been executed and approved by the same parties who executed and approved the original Grant Contract Agreement, or their successors in office.
- 8.3 **Change Orders.** If the State's Project Manager or the Grantee's Authorized Representative identifies a change needed in the budget, either party may initiate a Change Order using the Change Order Form provided by the MPCA. Change Orders may not delay or jeopardize the success of the Project, alter the overall scope of the Project, increase or decrease the overall amount of the Grant Contract Agreement, or cause an extension of the term of this Grant Contract Agreement. Major changes require an Amendment rather than a Change Order.

The Change Order Form must be approved and signed by the State's Project Manager and the Grantee's Authorized Representative in **advance of doing the work**. Documented changes will then become an integral and enforceable part of the Agreement. The MPCA has the sole discretion on the determination of whether a requested change is a Change Order or an Amendment. The state reserves the right to refuse any Change Order requests.
- 8.4 **Waiver.** If the State fails to enforce any provision of this Grant Contract Agreement, that failure does not waive the provision or the State's right to enforce it.
- 8.5 **Grant Contract Agreement complete.** This Grant Contract Agreement contains all negotiations and agreements between the State and the Grantee. No other understanding regarding this Grant Contract Agreement, whether written or oral, may be used to bind either party.

9. Subcontracting and Subcontract Payment

- 9.1 A subrecipient is a person or entity that has been awarded a portion of the work authorized by this Grant Contract Agreement by Grantee. The Grantee must document any subaward through a formal legal agreement. The Grantee must provide timely notice to the State of any subrecipient(s) prior to the subrecipient(s) performing work under this Grant Contract Agreement.
- 9.2 The Grantee must monitor the activities of the subrecipient(s) to ensure the subaward is used for authorized purposes; is in compliance with the terms and conditions of the subaward, [Minnesota Statutes § 16B.97, Subd.4 \(a\) 1](#), and other relevant statutes and regulations; and that subaward performance goals are achieved.
- 9.3 During this Grant Contract Agreement, if a subrecipient is determined to be performing unsatisfactorily by the State's Authorized Representative, the Grantee will receive written notification that the subrecipient can no longer be used for this Grant Contract Agreement.
- 9.4 No sub-agreement shall serve to terminate or in any way affect the primary legal responsibility of the Grantee for timely and satisfactory performances of the obligations contemplated by the Grant Contract Agreement.
- 9.5 The Grantee must pay any subrecipient in accordance with [Minnesota Statutes § 16A.1245](#).
- 9.6 The Grantee and any subrecipients must not contract with vendors who are suspended or debarred by the State of Minnesota or the federal government.

10. Liability

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

11. State Audits

Under [Minnesota Statutes § 16B.98, Subd. 8](#), the Grantee's books, records, documents, and accounting procedures and practices relevant to this Grant Contract Agreement are subject to examination by the Commissioner of Administration, the State granting agency, the State Auditor, the Attorney General, and the Legislative Auditor, as appropriate, for a minimum of six years from the expiration or termination of this Grant Contract Agreement, receipt and approval of all final reports, or the required period of time to satisfy all State and program retention requirements, whichever is later.

12. Government Data Practices and Intellectual Property Rights

12.1 **Government data practices.** The Grantee and State must comply with the Minnesota Government Data Practices Act, [Minnesota Statutes Chapter 13](#) as it applies to all data provided by the State under this Grant Contract Agreement, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Grantee under this Grant Contract Agreement. The civil remedies of [Minnesota Statutes § 13.08](#) apply to the release of the data referred to in this clause by either the Grantee or the State.

If the Grantee receives a request to release the data referred to in this Clause, the Grantee must immediately notify the State. The State will give the Grantee instructions concerning the release of the data to the requesting party before the data is released. The Grantee's response to the request shall comply with applicable law.

12.2 Intellectual property rights

(a) **Intellectual property rights.** The State owns all rights, title and interest in all of the intellectual property rights, including copyrights, patents, trade secrets, trademarks, and service marks in the Works and Documents created and paid for under this Grant Contract Agreement. Works means all inventions, improvements, discoveries (whether or not patentable), databases, computer programs, reports, notes, studies, photographs, negatives, designs, drawings specifications, materials, tapes, and disks conceived, reduced to practice, created or originated by the Grantee, its employees, agents, and subcontractors, either individually or jointly with others in the performance of this Grant Contract Agreement. Works includes "Documents." Documents are the originals of any databases, computer programs, reports, notes studies, photographs, negatives, designs, drawings, specifications, materials, tapes, disks, or other materials, whether in tangible or electronic forms, prepared by the Grantee, its employees, agents, or subcontractors, in the performance of this Grant Contract Agreement. The Documents shall be the exclusive property of the State and all such Documents must be immediately returned to the State by the Grantee, at the Grantee's expense, upon the written request of the State, or upon completion, termination, or cancellation of this Grant Contract Agreement. To the extent possible, those Works eligible for copyright protection under the United States' Copyright Act will be deemed to be "works made for hire." The Grantee assigns all right, title, and interest it may have in the Works and the Documents to the State. The Grantee must, at the request of the State, execute all papers and perform all other acts necessary to transfer or record the State's ownership interest in the Works and Documents.

(b) Obligations.

- (1) **Notification.** Whenever any invention, improvement, or discovery (whether or not patentable) is made or conceived for the first time or actually or constructively reduced to practice by the Grantee, including its employees and subcontractors, in the performance of this Grant Contract Agreement, the Grantee shall immediately give the State's Authorized Representative written notice thereof, and must promptly furnish the Authorized Representative with complete information and/or disclosure therein.
- (2) **Representation.** The Grantee must perform all acts, and take all steps necessary to ensure that all intellectual property rights in the Works and Documents are the sole property of the State, and that neither Grantee nor its employees, agents, or subcontractors retain any interest in and to the Works and Documents. The Grantee represents and warrants that the Works and Documents do not and will not infringe upon any intellectual property rights of other persons or entities. Notwithstanding Clause Liability, the Grantee shall indemnify, defend, to the extent permitted by the Attorney General, and

hold harmless the State, at the Grantee's expense, from any action or claim brought against the State to the extent that it is based on a claim that all or part of the Works or Documents infringe upon the intellectual property rights of others. The Grantee will be responsible for payment of any and all such claims, demands, obligations, liabilities, costs, and damages, including, but not limited to, attorney fees. If such a claim or action arises or in Grantee's or the State's opinion is likely to arise, the Grantee must, at the State's discretion, either procure for the State the right or license to use the intellectual property rights at issue or replace or modify the allegedly infringing Works or Documents as necessary and appropriate to obviate the infringement claim. This remedy of the State will be in addition to and not exclusive of other remedies provided by law.

- (3) **License.** The State hereby grants a limited, no-fee, noncommercial license to the Grantee to enable the Grantee's employees engaged in research and scholarly pursuits to make, have made, reproduce, modify, distribute, perform, and otherwise use the Works, including Documents, for research activities or to publish in scholarly or professional journals, provided that any existing or future intellectual property rights in the Works or Documents (including patents, licenses, trade or service marks, trade secrets, or copyrights) are not prejudiced or infringed upon, that the Minnesota Data Practices Act is complied with, and that individual rights to privacy are not violated. The Grantee shall indemnify and hold harmless the State for any claim or action based on the Grantee's use of the Works or Documents under the provisions of Clause 10.2(b)(2). Said license is subject to the State's publicity and acknowledgement requirements set forth in this Grant Contract Agreement. The Grantee may reproduce and retain a copy of the Documents for research and academic use. The Grantee is responsible for security of the Grantee's copy of the Documents. A copy of any articles, materials or documents produced by the Grantee's employees, in any form, using or derived from the subject matter of this license, shall be promptly delivered without cost to the State.

13. Workers' Compensation

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

14. Governing Law, Jurisdiction, and Venue

Venue for all legal proceedings out of this Grant Contract Agreement, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.

15. Termination

15.1 Termination by the State.

- A. **Without Cause.** The State may terminate this Grant Contract Agreement without cause, upon 30 days' written notice to the Grantee. Upon termination, the Grantee will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed.
- B. **With Cause.** The State may immediately terminate this Grant Contract Agreement if the State finds that there has been a failure to comply with the provisions of this Grant Contract Agreement, that reasonable progress has not been made or that the purposes for which the funds were granted have not been or will not be fulfilled. The State may take action to protect the interests of the state of Minnesota, including the refusal to disburse additional funds and requiring the return of all or part of the funds already disbursed.

15.2 Termination by The Commissioner of Administration.

The Commissioner of Administration may immediately and unilaterally terminate this Grant Contract Agreement if further performance under the agreement would not serve agency purposes or performance under the Grant Contract Agreement is not in the best interest of the State.

15.3 Termination for insufficient funding.

The State may immediately terminate this Grant Contract Agreement if it does not obtain funding from the Minnesota Legislature, or other funding source; or, if funding cannot be continued at a level sufficient to allow for the payment of the services addressed within this Grant Contract Agreement. Termination must be by written notice to the Grantee. The State is not obligated to pay for any services that are provided after notice and effective date of termination. However, the Grantee will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed to the extent that dedicated funds are available.

In the event of temporary lack of funding or appropriation, the State may pause its obligations under this Grant Contract Agreement without terminating it. This pause will be for the duration of the lack of funding or appropriation and shall not be considered a termination of the Grant Contract Agreement. The Grantee will be notified in writing of the temporary pause, and the Grantee's ability to provide services may be temporarily suspended during this period. The State will provide reasonable notice to the Grantee of the lack of funding or appropriation and shall notify the Grantee once funding is restored or appropriated, at which point the provision of services under the Grant Contract Agreement may resume.

The State will not be assessed any penalty if the Grant Contract Agreement is terminated due to insufficient funding. The State must provide the Grantee notice of the lack of funding within a reasonable time of the State's receiving notice.

16. Publicity and Endorsement

16.1 **Publicity.** Any publicity pertaining to the services resulting from this Grant Contract Agreement shall identify the State as the sponsoring agency. Publicity includes, but is not limited to; websites, social media platforms, notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Grantee or its employees individually or jointly with others or any subcontractors. All projects primarily funded by state grant appropriations must publicly credit the State, including on the grantee's website, when practicable.

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

17. Data Disclosure

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

18. Reporting Requirements

Status updates provided as part of invoice submissions will serve as ongoing, and at a minimum, annual progress reports and in a format provided by the MPCA, the Grantee shall submit a final report to the MPCA, plus all project deliverables identified in the workplan.

If the MPCA determines that the information submitted in the Final Report and/or Project Deliverables is inadequate, the Grantee shall prepare and submit additional/corrected information reasonably requested by the MPCA. The Final Report and Project Deliverables shall not be approved by the MPCA and final payment shall not be disbursed unless the Report and Deliverables contains the specified information to the satisfaction of the MPCA.

19. Publicly Posted Performance Evaluations

For awards greater than \$25,000, a grantee performance evaluation will be posted publicly in accordance with [Minnesota Statutes § 16B.98, Subdivision 12](#) and [OGM Policy 08-13](#).

Attachments

The following Attachments are attached and incorporated into this Grant Contract Agreement. In the event of a conflict between the terms of this Grant Contract Agreement and its Attachments, or between Attachments, the order of precedence is first the Grant Contract Agreement, and then in the following order:
Attachment A.

Signatures

Title	Name	Signature	Date
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DRAFT

SWIFT Contract Number: 286971

AI: 99891

Activity ID: PRO20260001

Project Title: Ellis Ditch Climate Resiliency Study**1. Project Management Contacts:**

Organization: City of Austin
Project Manager: Steven Lang
Address: 500 4th Avenue NE
Austin, MN 55912
Phone: 507-437-9949
E-mail: slang@ci.austin.mn.us

Minnesota Pollution Control Agency (MPCA):**MPCA Project Manager**

Name: Aimee Duchene
Address: 714 Lake Avenue Plaza, Suite 200
Detroit Lakes, MN 56501
Phone: 218-846-8133
E-mail: aimee.duchene@state.mn.us

Project Summary:

This Ellis Ditch Climate Resiliency Study project is to expand on an existing flood reduction feasibility study to better understand surface flooding impacts under extreme rainfall events in the Ellis Ditch drainage area, a tributary of Dobbins Creek and the Cedar River in Austin, Minnesota. The previous feasibility study was limited in budget to a scope of a simple 1D Hydrologic and Hydraulic (H&H) model and stormwater infrastructure improvements based on outdated, standard design events. The City of Austin (The City) sees this grant as an opportunity to get more data to identify infrastructure improvements that will provide the community with greater resiliency to future intense rainfall events. The project expands the study area to downstream communities and develops a more detailed 1D/2D model of this project area, which is very flat and susceptible to sewer backups and roadway overtopping during flood events, to identify infrastructure improvements that reduce overland flooding.

Goal Statement:

The goal of this climate resiliency plan is to develop a 1D/2D H&H model to create 2D flood depth and extent maps under various rainfall scenarios to design and implement flood reduction strategies that result in measurable reductions in residential impacts from Ellis Ditch flooding under high intensity rainfall events. This is particularly important with the nationwide increase in insurance claims reducing homeowners' ability to depend on insurance to mitigate against climate change in the future. The City wants to do what it can now to build resiliency for communities in the face of increasing rainfall intensities in the future.

Project Deliverables:

- 1D/2D hydrologic & hydraulic model in InfoWorksICM of the Ellis Ditch drainage area.
- Simulation results for the 25-year and 100-year, 24-hour rainfall depths under shorter (12-hour, Six (6) hour and Three (3) hour) durations based on Atlas-14, volume Eight (8), version Two (2) to simulate future, intense rainfall events.
- 2D flood depth and extent maps.
- Prioritized list of potential infrastructure improvements that reduce the risk of flooding and sewer backups in the Ellis Ditch drainage area.

- Preliminary construction plans for prioritized infrastructure improvements.
- Council landowner meeting presentation and summarizing Southeast Minnesota climate data and the results from the study.

2. Workplan Details

Objective 1: Hydrologic and Hydraulic (H&H) Model Development.

Task 1: H&H model development and scenarios.

Subtask 1a: The city and consulting staff will develop a 1D/2D hydrologic & hydraulic model in InfoWorksICM of the Ellis Ditch drainage area, and run a range of simulations under the 25-year and 100-year, 24-hour rainfall depths under shorter (12-hour, Six (6)-hour and Three (3)-hour) durations based on Atlas-14, volume Eight (8), version Two (2) to simulate future, intense rainfall events. The outcome of the modeling effort will be flood maps depicting the extent and depth of ponding over the 2D surface. City staff will coordinate collection of additional survey data, as needed.

Subtask 1b: Identification of stormwater infrastructure improvements.

The city and consulting staff will use the 2D flood maps of the 1D/2D model simulation results to identify potential infrastructure improvements that reduce the risk of flooding and sewer backups in the Ellis Ditch drainage area. These improvements may include upsizing stormwater culverts, raising roadway centerlines, constructing flood berms, and constructing upstream detention ponds.

Objective 2: Infrastructure Improvement Plan.

Task 2: Prioritization of improvements and costs.

Subtask 2a: The city and consulting staff will prioritize the storm water infrastructure and street improvements for implementation that have the biggest impact on protecting homes from future flood events. This task will also include identification of other future funding opportunities and implementation partners, such as Cedar River Watershed District and Mower County Soil and Water Conservation District (SWCD).

Subtask 2b: Public outreach and engagement.

The city and consulting staff will develop presentation slides summarizing the study. The city staff will present the study results to The City Council, Cedar River Watershed District, Mower SWCD, and private landowners. City staff will hold a public information meeting with the Ellis Ditch drainage area residents to discuss the climate data, modeling results and improvements to increase resiliency of the neighborhood to future flooding.

Subtask 2c: Construction plan development.

The city and consulting staff will develop preliminary construction plans for the prioritized infrastructure improvements. Construction plan preparation includes details, itemized opinion of probable cost, and technical specifications.

Objective 3: Final Report and Project Deliverables.

Task 3: Annual Progress Report, Final Report and Project Deliverables.

Subtask 3a: Annual Progress Report.

The City of Austin will include status updates provided as part of invoice submissions that will serve as ongoing, and at a minimum, annual progress reports.

Subtask 3b: Submit Grant Final Report.

The City of Austin will provide a final grant project report using the MPCA template to submit grant final report 30 days prior to end of the Grant Contract Agreement. The City of Austin will respond promptly to any requests by the MPCA authorized representative for additional information and/or corrections to the report.

Subtask 3c: Submit Project Deliverables.

The City of Austin will provide electronic files of all project deliverables to the MPCA authorized representative and submit grant final Report 30 days prior to end of the Grant Contract Agreement.

3. **Project Budget:**

Cost Category	Grant Funds (Not to Exceed)	Cash Match	Total Budget
Objective 1: Hydrologic and Hydraulic (H&H) Model Development			
Total Cost:	\$23,672.73	\$2,367.27	\$26,040.00
Objective 2: Infrastructure Improvement Plan			
Total Cost:	\$68,245.45	\$6,824.55	\$75,070.00
Objective 3: Final Report and Project Deliverables			
Total Cost:	\$4,663.64	\$466.36	\$5,130.00
Project Total:	\$96,581.82	\$9,658.18	\$106,240.00

RESOLUTION NO.

**APPROVING A SANITARY SEWER STUDY OF THE ELLIS DITCH
TO BE CONDUCTED BY WHKS**

WHEREAS, the City has received a proposal from WHKS, for professional services related to a study of the sanitary sewer systems for the City of Austin; and

WHEREAS, the project involves evaluating stormwater flows in Ellis Ditch and developing a project to improve the storm sewer, sanitary sewer and roadway on 6th Avenue SE; and

WHEREAS, the proposal for the services is in the amount of \$9,658.18 using local Stormwater Utility District Funds;

NOW THEREFORE, BE IT RESOLVED, that the City Council of the City of Austin approves the agreement with WHKS.

Passed by a vote of yeas and nays this 18th day of May, 2026.

YEAS

NAYS

ATTEST:

APPROVED:

City Clerk

Mayor

City of Austin
500 Fourth Avenue N.E.
Austin, Minnesota 55912-3773



Holly Wallace
Planning and Zoning
hollyw@ci.austin.mn.us
507-437-9952

Memorandum

To: City Council
From: Holly Wallace, Planning/Zoning Administrator
Date: May 18, 2026
Subject: Request for Variance

Jon and Kristie Luna, 1004 23RD AVE SW, AUSTIN MN, are requesting a variance from City Code Section 11.031, which allows a maximum of two (2) detached structures with an aggregate square footage of 1200 sq. ft. for a parcel under one acre, in an "R-1" Single-Family Residential District.

The petitioner has 3 sheds and a detached garage for a total of 1236 square feet. All but one of the sheds existed before annexation into the City of Austin. An unpermitted shed was later added to the West of the house for motorcycle storage. Petitioner is requesting a variance of from City Code Section 11.031, which allows a maximum of two (2) detached structures with an aggregate square footage of 1200 sq. ft. for a parcel under one acre, in an "R-1" Single-Family Residential District.

The property in question is approximately 0.66 acres, under one acre. The variance request is to allow 4 detached structures (all existing) and increase the aggregate square footage from 1200 sq. ft. to 1236 sq. ft. A neighbor who received notice of the public hearing, met with staff and expressed concern at another structure being added, but did not object when they realized the variance related to an existing shed. The Planning Commission considered the surrounding area and history, the size of the parcel, and the current condition of the property among other items in determining that:

1. The variance is in harmony with the general purposes and intent of the zoning ordinance.
2. The variance is consistent with the comprehensive plan.
3. The proposal puts the property to use in a reasonable manner.
4. There are unique circumstances to the property not created by the landowner.
5. The variance, if granted, will not alter the essential character of the locality in which the property is situated.

Therefore, the Planning Commission, with five members present, recommends that council approve the variance by the following vote:

Ayes – 5 Nays – 0

To approve, deny, or approve requested variance with conditions.

34.193.0110

1008

34.193.0120

1004

34.193.0150

1000

15

34.193.0180

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34.193.0330

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1006

34.193.0380

1001

City of Austin
500 Fourth Avenue N.E.
Austin, Minnesota 55912-3773



Holly Wallace
Planning and Zoning
hollyw@ci.austin.mn.us
507-437-9952

Memorandum

To: City Council
From: Holly Wallace, Planning/Zoning Administrator
Date: May 18, 2026
Subject: Fence Appeal Request

Raymundo Teoba Soledad, 210 4TH ST SW, Austin MN, requests approval of a fence appeal to place a 6 foot privacy fence in the front yard setback area.

The Petitioner wishes to add a 6-foot privacy fence between his house and garage to the sidewalk. The home is setback approximately 13 feet and the garage approximately 16 feet, less than the 25-foot residential front yard requirement. The fence may start at the setback of the house and/or garage.

City Ordinance 4.70, Subd. 5 (A), requires: A solid or opaque lot line fence constructed along or adjacent to a front yard or corner yard lot line shall not exceed 36 inches in height. A 15 foot sight triangle shall be maintained where a fence will interfere with traffic or pedestrian visibility across a driveway, street, alley or sidewalk. The sight triangle is measured along the curb for streets and the sidewalk/property line for driveways and alleys. The maximum fence height may be increased by 12 inches if constructed of open, decorative or ornamental fencing materials less than 50 percent opaque. Fences may not be modified so as to become solid or opaque fences except as otherwise allowed in this paragraph.

If approved, Staff proposed the fence be setback to the garage on the alley side of the property and at an angle on the East side of the driveway to prevent view obstruction for traveling vehicles and to protect pedestrians.

The Planning Commission expressed a great deal of concern regarding visual obstructions along the sidewalk and alley and asked what alternatives were available. The applicant could add a chain link or other type of open fence, up to 4 feet. The applicant could also start the privacy fence at the garage and house.

After review, the Planning Commission, with five members present, recommended denying the

variance by the following vote:

Ayes – 5 Nays – 0

To approve, deny or approve fence appeal request with conditions.



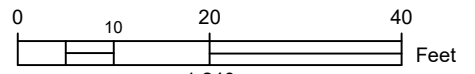
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210

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8"





AUSTIN BUILDERS SUPPLY INC.
 206 10TH STREET NE
 AUSTIN, MN 55912
 www.austinbuilderssupply.com
 (507) 437-3206

DOCUMENT NUMBER
709134

PAGE NO
1

CUST NO: *7 JOB NO: 000
 CUSTOMER: **** CASH ****

CREATED BY	SALESPERSON	DATE / TIME
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ESTIMATE

EXPIRATION DATE
5/7/26
TAX
021 MN SALES TAX / CITY/C

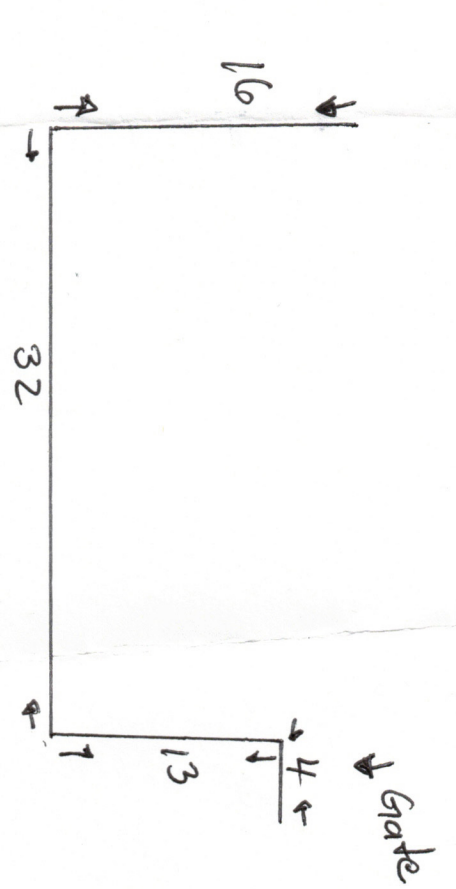
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2	131607	EA	CONCRETE MIX 60# 4000 PSI				/EA	155.74
3	241640P	EA	2X4-16 GREEN TREATED S4S				/EA	173.88
4	240840P	EA	2X4- 8 GREEN TREATED S4S				/EA	41.94
5	241240P	EA	2X4-12 GREEN TREATED S4S				/EA	19.98
6	160640DE	EA	1 X 6- 6 TREATED DOG EAR FENCE				/EA	510.40
7	405324	LB	LB TORX SCREW #9 X 2 1/2				/LB	109.90
8	405399	LB	LB TORX SCREW # 9 X 3				/LB	32.97
9	M10	EA	MISCELLANEOUS HARDWARE				/EA	160.00

TAXABLE	1401.60
NON-TAXABLE	0.00
SUBTOTAL	1401.60

TAX AMOUNT	110.38
TOTAL AMOUNT	1,511.98

X _____
 ACCEPTED BY

Estimate Note This estimate is for material only. Estimate pricing is subject to change. Austin Builders Supply does not guarantee the estimate to be the correct amount of material for any building project. Estimate may vary due to a number of factors including customers final choices.



City of Austin
500 Fourth Avenue N.E.
Austin, Minnesota 55912-3773



Tricia Wiechmann
City of Austin
Human Resources Director
500 4th Avenue NE
Austin, MN 55912
507-437-9942

Memorandum

To: City Council
From: Trish Wiechmann, Human Resources Director
Date: May 18, 2026
Subject: CivicPlus Process Automation and Digital Services Add-On Approval Request

As part of the City's ongoing website redesign project with CivicPlus, staff is requesting approval to add the CivicPlus Process Automation and Digital Services (PADS) module to the project scope. This addition represents one of the major steps toward improving digital services, streamlining internal processes, and making City information and services more accessible to residents.

The PADS platform is designed to replace paper-based and manual workflows with online forms, automated routing, digital approvals, notifications, scheduling tools, and integrated resident services. Staff believes this tool will provide long-term operational efficiencies across nearly all City departments while also improving the customer experience for residents interacting with the City online.

The City's original CivicPlus Statement of Work included only the website redesign and the agenda management add-on. The PADS module would be an additional add-on to that same CivicPlus platform.

CivicPlus has provided a revised Statement of Work for the PADS module that reduces the City's initial implementation cost to \$3,089.58.

This discounted pricing is typically only available when the module is included with the original website purchase. Although PADS was not part of the City's 2025 website selection process, CivicPlus has agreed to extend the discount now.

CivicPlus has also agreed to align the PADS renewal schedule with the City's existing website and agenda management contracts, which will simplify future administration and budgeting.

The timing of this request is important. Because the City is still working on the website redesign

process, we can efficiently include this PADS module at this time in a practical and cost-effective manner. Adding it now will allow staff and CivicPlus to design all the service tools as part of the new website structure, rather than trying to retrofit those functions after the website design is further developed or completed.

CivicPlus has provided a demonstration with representatives from most City departments attending, and the overall feedback was very positive. Departments identified multiple opportunities where the system could reduce manual processing, improve communication, and provide residents with easier online access to City services.

Some specific Human Resources applications include:

- Online employment applications
- Electronic submission of applicant materials
- Digital onboarding and new hire paperwork
- Streamlined seasonal hiring and rehire processes
- Reduced in-person paperwork processing and office visits

These improvements could be especially beneficial for seasonal employee onboarding, where significant staff time is currently spent coordinating in-person completion of forms and documents.

The platform also integrates well with CivicRec.

Examples discussed during the demonstration included:

- Automated registration confirmations and notifications
- Workflow routing for facility reservations and approvals
- Prefilling applicant information from existing CivicRec resident profiles, including residency verification fields

Additionally, CivicPlus confirmed that the platform's AI-assisted tools can translate forms into other languages, helping improve accessibility and communication with residents.

While the City is not currently utilizing CivicPlus credit card processing services, the system does provide the option for future online payment integration should the City wish to expand our digital payment capabilities.

Overall, staff believes this investment aligns with the City's broader goals of improving customer service, modernizing operations, increasing accessibility, and creating more efficient internal workflows across all departments.



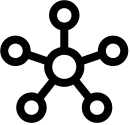

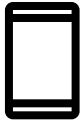

Approve the addition of the CivicPlus PADS module and authorize execution of the Statement of Work with CivicPlus.

Features & Functionality

Gone are the days of paper processes and manual workflows. Instead, today's residents expect on-demand digital access to their local government, which means administrations need configurable, scalable, easy-to-implement tools to meet these expectations.

CivicPlus' Process Automation and Digital Services solution lets you automate tasks and daily processes to free up more time to govern, serve, and operate your administration. It also allows you to provide resident-facing digital services, increasing revenue and reducing time spent by both staff and residents.

Digital Government Access

	<p>Ready-to-Use Form Templates for Departments</p> <p>We offer over 150 common form templates pre-built and ready to implement, configure, and deploy instantly. Get your most common resident and staff requests online fast.</p>
	<p>Create a Seamless Government Experience</p> <p>Make transactions easier for your residents and staff with online payments, e-signature, and digitized documents and processes. Allow residents to access the services they need from anywhere, on any device.</p>
	<p>Integrate Critical Systems</p> <p>Use our tools and out-of-the-box API integrations to connect your software systems, automate data flow, and more efficiently streamline your processes.</p>
	<p>Accessible Forms</p> <p>Replace your inaccessible and non-compliant PDFs and move to online forms to better serve all your residents with equitable access and services.</p>
	<p>Build Mobile App Solutions with No Coding</p> <p>Non-technical staff can create progressive web applications (PWAs) using easy drag-and-drop functionality.</p>
	<p>Configure Approval Workflows</p> <p>Automatically route requests and applications to departments across your municipality for review and processing.</p>

Key Features

FORMS & APPS

Stop fumbling with paper. Instead, connect your critical software systems to simplify and automate your day-to-day processes. With the system's Forms & Apps, you can eliminate inefficient paper and PDF forms and serve your residents online and provide staff an easier way to do business.

Create unlimited forms and workflows, allowing residents to contact you, sign up for various events and activities, pay bills, submit licenses and applications, and more. Various field options include multi-line text input, radio buttons, drop-down lists, and checkboxes, among others, with formatting options, CSS control, text alignment, and more. You can add advanced components to your forms as well including calculations, location positioning, and signatures. Further, staff can preview forms as they are created, in real time. Any staff member can develop these online forms with no programming knowledge necessary through a simple interface.

Forms can be submitted by either residents or staff via a webpage, link, or app. The submission data is sent via email to designated recipient(s) and is viewable in a .pdf format in the submission history. Data is encrypted in transit and at rest.

Our solution's simple app tools allow users to group forms in one downloadable app. The platform is accessible online or even off-line for residents to complete when out of the range of an internet connection. Non-technical employees can easily arrange key app components such as icons, splash screens, app names, banner images, and color themes—all without coding.

DATA MANAGER MODULE

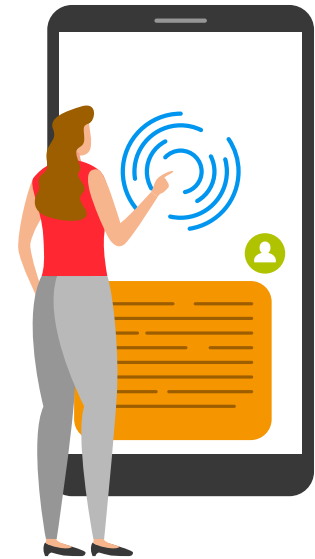
The Data Manager Module option provides up-to-date data reporting on form submissions. The feature includes two key features: the Data Manager view in the console for administrative users (those who are creating and managing forms); and the Data Manager Applet where other users can view submission data without having access to the console where the system is administered. Either view allows the users to view the submission data in a tabular (spreadsheet like) layout, sort data, filter data and export data to a .csv file.

Configurable Solution Examples

- License applications and renewals
- Inspections and audits
- Online payments, e-signature, and digitized documents
- Incident reporting
- Requests for information

POWER AUTOMATE CONNECTOR

The Power Automate Connector extends data movement functionality of our Process Automation system to feed data directly out to Office 365 products like SharePoint, Excel, etc. This easy, no code solution can automate many of your staff's daily routines and functions.



WORKFLOW & APPROVALS MODULE

Make transactions for your residents and staff easier by automatically routing resident requests and applications to stakeholders across your municipality for review and processing. With the Workflow & Approvals Module, you can:

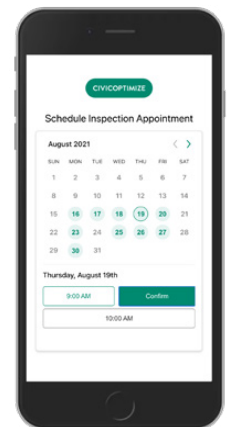
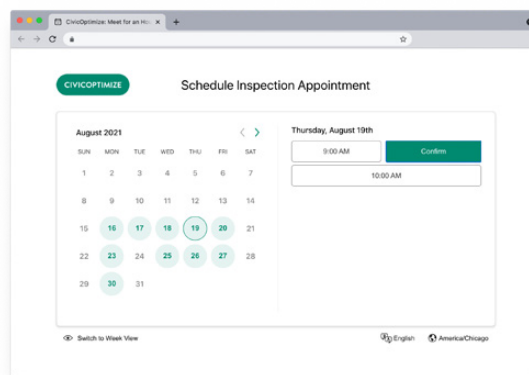
- Review and accept resident submissions
- Allow residents to receive a copy of their application via email
- Provide forms with electronic signature capabilities
- Approve, deny, comment upon, or request clarification on submissions—allowing the original submitter to make changes without having to start over
- Simplify multi-department approval processes
- Set up conditional routing and notifications
- Connect an approval workflow to any of our 150+ government form templates to launch and deliver online services in minutes

CALENDAR BOOKINGS

No more hassle of scheduling, rescheduling, and canceling appointments through mail or phone calls. Your residents can now book appointments with government entities 24/7 by utilizing the online booking service that automatically syncs calendars with relevant employees. You can also collect and validate data and payment prior to scheduling, something you can't do with other scheduling services.

Calendar Booking Provides:

- **A Branded, Local Experience** – Configure your booking pages with your logo, brand colors, and collect/verify all relevant information you require for the appointment booking.
- **Empowerment** – Allow your residents to book their appointments online, at their convenience. You reduce unwanted walk-in traffic by showing availability online, and it can be used for any in-person or virtual appointment.
- **A Ready-To-Go Solution Out-of-the-Box** – It's simple to configure from the Process Automation console.
- **A Mobile-first Experience** – Scheduling is optimized for ease-of-use from a computer or mobile device.
- **Efficiency & Transparency** – Automated appointment scheduling eliminates walk-ins looking to book appointments and also ensures the data/payment information that is required is handled prior to their appointment time.



SDK & DEVELOPER TOOL MODULE

The SDK & Developer Tool Module will enable your more tech-savvy staff to perform their own technical modification to the system, forms, and data flow. It provides developers with access to source code and API documentation for product development using our software as the foundation for their desired solution. Examples include:

- SDK Developer Access
- CLI Tools - Custom API Hosting
- CLI Tools - Web or CDN Hosting
- Webhooks for Form Submission

CREDIT CARD PROCESSING

To enhance your customer experience, CivicPlus integrates with a limited number of external payment processors to provide secure, PCI-compliant payment processing.

If utilizing a partnered external processor, CivicPlus can assist you with the facilitation, set-up, support, and troubleshooting services. In addition to our partner network, CivicPlus maintains integrations with additional external processors, in a more limited fashion, to assist you in implementing a successful system. Additional details on our supported external processor network is available upon request.

To utilize any of the integrated external processor, an agreement will need to be executed directly between you and the vendor that will assess separate merchant account and transaction fees. Use of an external processor may be subject to additional CivicPlus fees to maintain these solutions. Additional information can be provided upon request.

Because EMV devices are encrypted specifically for individual payment processors, you'll need to procure any required devices directly from your selected external processor for either purchase or rent. We are happy to assist in your procurement of such devices.



CivicPlus Resident Portal

THE NEXT EVOLUTION IN DIGITAL RESIDENT ENGAGEMENT

CivicPlus Portal is a mobile-friendly, personalized online hub from which residents can quickly, easily, and securely obtain information, access resources, discover services, complete transactions, and interact with their local government administration. It is the public gateway to the Civic Impact Platform, empowering resident self-service from one central location for everything from submitting forms, referencing recent legislation, and engaging with public meetings to managing individual alert and notification preferences.

Personalized Resident Benefits:

- One username, password, or popular platform-enabled single sign-on (via Facebook, Google, Microsoft, or Apple) to securely manage their user profile and interact with all their government resources and information.
- A personalized, customizable dashboard that serves as the launchpad to save frequently accessed digital services, view past interactions, bookmark frequent payment options, and stay up to date with featured, meaningful content.
- Anytime, anywhere access from any device.
- Enabling self-service form viewing, submission, and payments to support a variety of digital transactions from parking permits and business licenses to pet adoptions.
- Easy management of individual communication preferences related to routine and emergency alerts, website newsletters, and agenda & meeting notifications from one single view.
- A centralized hub to submit and track requests, such as public records requests, non-emergency issues, and code enforcement complaints and violations.

Staff and Administrator Benefits:

- A low-maintenance tool for administrators to easily spotlight information, share content, and link to services to further promote local government initiatives while improving public transparency and trust.
- Ability to consolidate digital services from multiple CivicPlus and third-party solutions into one intuitive, accessible, and responsive interface.
- Consolidation of siloed alerts and notifications from the variety of solutions you control into a single view residents to sign up for and manage.
- Localization of cross-department payments and forms in one place, including those from CivicPlus and third-party solutions, enhancing residents' convenience for increased payments and engagement.
- Multi-factor authentication options and optimized for security and accessibility.





CivicPlus

302 South 4th St. Suite 500
Manhattan, KS 66502
US

Quote #:
CivicPlus Pricing
Approval Date:
Expires On:

Statement of Work
Q-115657-1
5/5/2026 5:46 PM

5/31/2026

Client:
City of Austin, MN

Bill To:
AUSTIN CITY, MINNESOTA

SALESPERSON	Phone	EMAIL	DELIVERY METHOD	PAYMENT METHOD
Drew Anderson	(203) 349-6549	drew.anderson@civicplus.com		Net 30

Discount(s)

QTY	PRODUCT NAME	DESCRIPTION
1.00	Process Automation Year 1 Annual Fee Discount	Year 1 Annual Fee Discount
1.00	Process Automation Year 1 Annual Fee Discount	Year 1 Annual Fee Discount
1.00	Process Automation Year 1 Annual Fee Discount	Year 1 Annual Fee Discount
1.00	Process Automation Year 1 Annual Fee Discount	Year 1 Annual Fee Discount
1.00	Process Automation Year 1 Annual Fee Discount	Year 1 Annual Fee Discount
1.00	Process Automation Year 1 Annual Fee Discount	Year 1 Annual Fee Discount

One-time(s)

QTY	PRODUCT NAME	DESCRIPTION
1.00	Process Automation Implementation & Setup	The CivicPlus team will document your process workflow, and will work with your team to build, configure, and style your solution.

Recurring Service(s)

QTY	PRODUCT NAME	DESCRIPTION
1.00	Forms & Apps	Forms & Apps
1.00	Data Manager Module	Data Manager Module
1.00	OB Connectors, PA	OB Connectors, PA
1.00	Workflow & Approvals Module	Workflow & Approvals Module
1.00	Process Automation: Annual Professional Services - 5 Hours	Annual Professional Services - 5 Hours
1.00	Scheduling Module	Scheduling Module

List Price - Initial Term Total	USD 9,477.08
Total Investment - Initial Term	USD 3,089.58
Annual Recurring Services (Subject to Uplift)	USD 12,775.00

Initial Term	Beginning at signing and ending 1/1/2027, Renewal Term 1/2 each calendar year
Initial Term Invoice Schedule	100% invoiced at signing, to be prorated based on signature date.

Renewal Procedure	Automatic 1 year renewal term, unless 60 days notice provided prior to renewal date
Annual Uplift	5% to be applied in year 2

This Statement of Work ("SOW") shall be subject to the terms and conditions of the CivicPlus Master Services Agreement and the applicable Solution and Services terms and conditions located at <https://www.civicplus.help/hc/en-us/p/legal-stuff> (collectively, the "Binding Terms"). By signing this SOW, Client expressly agrees to the terms and conditions of the Binding Terms throughout the term of this SOW.

Please note that this document is a SOW and not an invoice. Upon signing and submitting this SOW, Client will receive the applicable invoice according to the terms of the invoicing schedule outlined herein.

Client may issue purchase orders for its internal, administrative use only, and not to impose any contractual terms. Any terms contained in any such purchase orders issued by the Client are considered null and will not alter the Binding Terms, the Agreement or this SOW.

Total Investment – Initial Term to be prorated based on signature date.

Acceptance of Quote # Q-115657-1

The undersigned acknowledges having read, understood, and agreed to be bound by the binding terms and conditions incorporated into this SOW. This SOW shall become effective as of the date of the last signature below ("Effective Date").

For CivicPlus Billing Information, please visit <https://www.civicplus.com/verify/>

Authorized Client Signature

CivicPlus

By (please sign):

By (please sign):

Printed Name:

Printed Name:

Title:

Title:

Date:

Date:

Organization Legal Name:

Billing Contact:

Title:

Billing Phone Number:

Billing Email:

Billing Address:

Mailing Address: (If different from above)

PO Number: (Info needed on Invoice (PO or Job#) if required)

RESOLUTION NO.

**RESOLUTION APPROVING THE ADDITION OF THE CIVICPLUS PROCESS
AUTOMATION AND DIGITAL SERVICES MODULE TO THE CITY'S EXISTING
WEBSITE REDESIGN PROJECT**

WHEREAS, the City is currently working with CivicPlus on a website redesign project that includes agenda management services; and

WHEREAS, staff recommends adding the CivicPlus Process Automation and Digital Services module to the existing project scope to improve digital services, streamline workflows, and expand online access to City services; and

WHEREAS, the module will support online forms, automated routing, digital approvals, notifications, scheduling tools, and other resident service functions; and

WHEREAS, CivicPlus has provided a revised Statement of Work with an initial implementation cost of \$3,089.58 and has agreed to align the module's renewal schedule with the City's existing CivicPlus contracts.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Austin, Minnesota, that the addition of the CivicPlus Process Automation and Digital Services module to the City's existing CivicPlus website redesign project scope is hereby approved.

Passed by a vote of yeas and nays this 18th day of May, 2026.

YEAS

NAYS

ATTEST:

APPROVED:

City Clerk

Mayor

MEMORANDUM

To: The Honorable Steve King
City of Austin City Council Members

cc: Craig Clark, City Administrator
Trish Wiechmann, Human Resources Director

From: Ethan T. Rundquist, Compensation and HR Analyst

Date: April 1, 2026

Re: 2026, 2027 and 2028 Base Pay Structure (BPS) Approval

Background and Process

The implementation of the Job Classification and Compensation Study completed by Flaherty & Hood P.A. for the City of Austin in 2019 and corresponding Compensation Plan approved by the City Council in 2020, included recommendations to: (1) conduct additional market survey to determine the market pay rate for positions; (2) ensure pay rates are internally equitable; and (3) make appropriate adjustments to base pay and/or the base pay structure (BPS). As a result, Flaherty and Hood, P.A. conducted a compensation update and internal review for the City to review, analyze, and recommend any adjustment to the City’s BPS and job classifications within the BPS.

The City has reached agreements with four of eight bargaining units for the 2026 through 2028 period. As part of those agreements, the BPS has been maintained with certain adjustments. The City is requesting approval of the 2026 through 2028 BPS to apply comparable adjustments to non-bargaining unit employees.

The City’s goal is to maintain internal equity by applying comparable general wage adjustments across bargaining and non-bargaining groups and to maintain market-competitive wages. The City will continue negotiations with the remaining bargaining units, and will use the approved 2026 through 2028 BPS as a continued foundation for the City’s ongoing negotiations.

Requested Course of Action

At the April 6, 2026 meeting, the City Council will be considering for approval the attached Resolution Approving 2026, 2027, and 2028 Base Pay Structures.

A summary of the items that would result if the Council approved the resolution are as follows, which arise from recommendation from Flaherty and Hood, P.A.’s update and review:

1. Base Pay Structure

- A. Maintain 36 pay grades and 7 steps per grade
- B. The starting step of the BPS increases from 70% to 75% of the max step
- C. Step differentials begin at 5.56% and gradually descend to 4.35% between each step increase

- D. 2026 BPS: 3.75% increase
- E. 2027 BPS: 3.75% increase
- F. 2028 BPS: 3.00% increase
- G. Apply to non-union and when each union agrees to be subject to it

2. Grade adjustments following the analysis of the study recommendation:

- A. Increase the pay grades by one for positions more than 7% below market and were reevaluated based on the Flaherty & Hood Job Evaluation System factors, which resulted in increased job evaluation points, and, a corresponding grade increase in the BPS. The positions impacted are: City Administrator, City Clerk, Human Resources Director, and Information Services Manager.
- B. These employees that move a grade will initially be placed at a step in their new pay grade for their job classification in the 2026 BPS that is the step that is closest to but not less than the wage they would have been at in the 2026 BPS in their old grade.

3. Step increases

- A. Employees move one step in the pay grade for their job classification, effective on the employee's anniversary date or as otherwise prescribed in a letter of hire, labor agreement or determined by the City Administrator for all employees not at top step.

The proposed wage increases and pay grade adjustments are fully incorporated into the approved 2026 budget. All incumbent employees will remain at their current step placement within the new BPS.

Please contact Flaherty & Hood, P.A. with any questions you may have prior to the meeting.

RESOLUTION NO.

RESOLUTION APPROVING THE CITY OF AUSTIN 2026, 2027 AND 2028
BASE PAY STRUCTURE (BPS)

WHEREAS, the City of Austin through Resolution #16015, dated March 2, 2020, approved the implementation of the City’s classification and compensation study, also known as the Base Pay Structure (BPS); and

WHEREAS, the current BPS, establishes wages rates for the City’s identified Position Classifications, through December 31, 2025; and

WHEREAS, the City of Austin City Council must approve base pay and other components of base pay for City of Austin employees, for calendar years in which it has not taken formal action; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Austin that:

The City Council approves the following:

1. City of Austin's Base Pay Structures, which are attached hereto and incorporated herein by reference in their entirety, for:
 - A. January 1, 2026 through December 31, 2026 (2026 BPS)
 - B. January 1, 2027 through December 31, 2027 (2027 BPS)
 - C. January 1, 2028 through December 31, 2028 (2028 BPS)

2. City of Austin employees in the following positions will be subject to the 2026 BPS, 2027 BPS, and 2028 BPS:
 - A. All positions in an appropriate unit represented by an exclusive representative who have executed an agreement agreeing to be subject to the 2026 BPS, 2027 BPS, and 2028 BPS.

 - B. All regular positions not represented by an exclusive representative.

3. City of Austin employees employed in the same job classification on January 1, 2026 as December 31, 2025 whose job classification’s Grade changed on January 1, 2026 will be paid base pay at a step in the 2026 BPS for their job classification that is the same step in the changed grade in the 2026 BPS that is closest to, but not less than, their base pay as of December 31, 2025.

Approved by the Austin City Council this 18th day of May 2026

Yeas

Nays

ATTEST:

APPROVED:

City Clerk

Mayor

2026 BPS - Step System

Job Evaluation Point Range		Grade	Pay Range						
			Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7
			Start	6 mos.	12 mos.	24 mos.	36 mos.	48 mos.	60 mos.
Min	Max	1-36	75.00%	79.17%	83.33%	87.50%	91.67%	95.83%	100.00%
150	163	1	\$24.19	\$25.53	\$26.87	\$28.22	\$29.56	\$30.91	\$32.25
164	178	2	\$24.90	\$26.28	\$27.67	\$29.05	\$30.43	\$31.82	\$33.20
179	193	3	\$25.65	\$27.08	\$28.50	\$29.93	\$31.35	\$32.77	\$34.20
194	209	4	\$26.42	\$27.88	\$29.35	\$30.82	\$32.29	\$33.75	\$35.22
210	225	5	\$27.21	\$28.72	\$30.23	\$31.75	\$33.26	\$34.77	\$36.28
226	241	6	\$28.03	\$29.59	\$31.14	\$32.70	\$34.26	\$35.81	\$37.37
242	258	7	\$28.87	\$30.47	\$32.07	\$33.68	\$35.28	\$36.88	\$38.49
259	276	8	\$29.73	\$31.38	\$33.03	\$34.69	\$36.34	\$37.99	\$39.64
277	294	9	\$30.63	\$32.33	\$34.03	\$35.74	\$37.44	\$39.14	\$40.84
295	313	10	\$31.55	\$33.30	\$35.05	\$36.80	\$38.56	\$40.31	\$42.06
314	332	11	\$32.50	\$34.30	\$36.11	\$37.91	\$39.72	\$41.52	\$43.33
333	352	12	\$33.47	\$35.33	\$37.18	\$39.04	\$40.90	\$42.76	\$44.62
353	372	13	\$34.46	\$36.38	\$38.29	\$40.21	\$42.12	\$44.03	\$45.95
373	393	14	\$35.51	\$37.48	\$39.45	\$41.42	\$43.40	\$45.37	\$47.34
394	415	15	\$36.57	\$38.60	\$40.63	\$42.67	\$44.70	\$46.73	\$48.76
416	437	16	\$37.67	\$39.77	\$41.86	\$43.95	\$46.05	\$48.14	\$50.23
438	460	17	\$38.79	\$40.95	\$43.10	\$45.26	\$47.41	\$49.56	\$51.72
461	484	18	\$39.96	\$42.18	\$44.40	\$46.62	\$48.84	\$51.06	\$53.28
485	508	19	\$41.16	\$43.45	\$45.73	\$48.02	\$50.31	\$52.59	\$54.88
509	533	20	\$42.39	\$44.75	\$47.10	\$49.46	\$51.81	\$54.16	\$56.52
534	559	21	\$43.66	\$46.08	\$48.51	\$50.93	\$53.36	\$55.78	\$58.21
560	585	22	\$44.98	\$47.48	\$49.97	\$52.47	\$54.97	\$57.47	\$59.97
586	613	23	\$46.32	\$48.90	\$51.46	\$54.04	\$56.62	\$59.18	\$61.76
614	641	24	\$47.72	\$50.37	\$53.01	\$55.67	\$58.32	\$60.97	\$63.62
642	670	25	\$49.15	\$51.88	\$54.61	\$57.34	\$60.07	\$62.80	\$65.53
671	700	26	\$50.62	\$53.43	\$56.24	\$59.05	\$61.87	\$64.68	\$67.49
701	731	27	\$52.14	\$55.04	\$57.93	\$60.83	\$63.73	\$66.62	\$69.52
732	763	28	\$53.70	\$56.69	\$59.66	\$62.65	\$65.64	\$68.61	\$71.60
764	795	29	\$55.31	\$58.39	\$61.46	\$64.53	\$67.61	\$70.67	\$73.75
796	829	30	\$56.97	\$60.14	\$63.30	\$66.47	\$69.63	\$72.79	\$75.96
830	864	31	\$58.67	\$61.93	\$65.19	\$68.45	\$71.71	\$74.97	\$78.23
865	899	32	\$60.44	\$63.80	\$67.15	\$70.51	\$73.87	\$77.22	\$80.58
900	936	33	\$62.25	\$65.71	\$69.16	\$72.63	\$76.09	\$79.54	\$83.00
937	974	34	\$64.12	\$67.68	\$71.24	\$74.80	\$78.37	\$81.93	\$85.49
975	1013	35	\$66.04	\$69.71	\$73.37	\$77.04	\$80.72	\$84.38	\$88.05
1014	1054	36	\$68.03	\$71.81	\$75.58	\$79.36	\$83.14	\$86.92	\$90.70

Notes:

- 2026 represents 3.75% base increase over 2025
- Employees starting in a position may be placed on any step at the discretion of the City Administrator.
- Employees promoted to a position that is in a higher pay grade, will be placed on a step that is at least equivalent to, but not less than, their base wage before they were promoted.
- No step increases will be awarded under this structure after December 31, 2026

2027 BPS - Step System

Job Evaluation Point Range		Grade	Pay Range - 2,080 hourly rates						
			Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7
			Start	6 mos.	12 mos.	24 mos.	36 mos.	48 mos.	60 mos.
Min	Max	1-36	75.00%	79.17%	83.33%	87.50%	91.67%	95.83%	100.00%
150	163	1	\$25.10	\$26.49	\$27.88	\$29.28	\$30.67	\$32.06	\$33.46
164	178	2	\$25.84	\$27.27	\$28.71	\$30.14	\$31.58	\$33.01	\$34.45
179	193	3	\$26.61	\$28.09	\$29.57	\$31.05	\$32.52	\$34.00	\$35.48
194	209	4	\$27.41	\$28.93	\$30.45	\$31.97	\$33.50	\$35.02	\$36.54
210	225	5	\$28.23	\$29.80	\$31.37	\$32.94	\$34.50	\$36.07	\$37.64
226	241	6	\$29.08	\$30.69	\$32.31	\$33.92	\$35.54	\$37.15	\$38.77
242	258	7	\$29.95	\$31.61	\$33.27	\$34.94	\$36.60	\$38.26	\$39.93
259	276	8	\$30.85	\$32.56	\$34.27	\$35.99	\$37.70	\$39.41	\$41.13
277	294	9	\$31.78	\$33.54	\$35.31	\$37.07	\$38.84	\$40.60	\$42.37
295	313	10	\$32.73	\$34.55	\$36.37	\$38.19	\$40.00	\$41.82	\$43.64
314	332	11	\$33.71	\$35.59	\$37.46	\$39.33	\$41.21	\$43.08	\$44.95
333	352	12	\$34.72	\$36.65	\$38.57	\$40.50	\$42.43	\$44.36	\$46.29
353	372	13	\$35.75	\$37.74	\$39.72	\$41.71	\$43.70	\$45.68	\$47.67
373	393	14	\$36.84	\$38.89	\$40.93	\$42.98	\$45.03	\$47.07	\$49.12
394	415	15	\$37.94	\$40.05	\$42.16	\$44.27	\$46.38	\$48.48	\$50.59
416	437	16	\$39.08	\$41.26	\$43.42	\$45.60	\$47.77	\$49.94	\$52.11
438	460	17	\$40.25	\$42.48	\$44.71	\$46.95	\$49.19	\$51.42	\$53.66
461	484	18	\$41.46	\$43.77	\$46.06	\$48.37	\$50.68	\$52.97	\$55.28
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509	533	20	\$43.98	\$46.43	\$48.86	\$51.31	\$53.76	\$56.19	\$58.64
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642	670	25	\$50.99	\$53.83	\$56.66	\$59.49	\$62.33	\$65.15	\$67.99
671	700	26	\$52.52	\$55.43	\$58.35	\$61.27	\$64.19	\$67.10	\$70.02
701	731	27	\$54.10	\$57.11	\$60.11	\$63.11	\$66.12	\$69.12	\$72.13
732	763	28	\$55.72	\$58.82	\$61.91	\$65.00	\$68.10	\$71.19	\$74.29
764	795	29	\$57.39	\$60.58	\$63.76	\$66.96	\$70.15	\$73.33	\$76.52
796	829	30	\$59.11	\$62.39	\$65.67	\$68.96	\$72.25	\$75.52	\$78.81
830	864	31	\$60.87	\$64.25	\$67.63	\$71.02	\$74.40	\$77.78	\$81.16
865	899	32	\$62.70	\$66.19	\$69.66	\$73.15	\$76.64	\$80.11	\$83.60
900	936	33	\$64.58	\$68.17	\$71.76	\$75.35	\$78.94	\$82.52	\$86.11
937	974	34	\$66.53	\$70.22	\$73.91	\$77.61	\$81.31	\$85.00	\$88.70
975	1013	35	\$68.51	\$72.32	\$76.12	\$79.93	\$83.74	\$87.54	\$91.35
1014	1054	36	\$70.58	\$74.50	\$78.41	\$82.34	\$86.26	\$90.18	\$94.10

Notes:

- 2027 represents 3.75% base increase over 2026
- Employees starting in a position may be placed on any step at the discretion of the City Administrator.
- Employees promoted to a position that is in a higher pay grade, will be placed on a step that is at least equivalent to, but not less than, their base wage before they were promoted.
- No step increases will be awarded under this structure after December 31, 2027

2028 BPS - Step System

Job Evaluation Point Range		Grade	Pay Range - 2,080 hourly rates						
			Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7
			Start	6 mos.	12 mos.	24 mos.	36 mos.	48 mos.	60 mos.
Min	Max	1-36	75.00%	79.17%	83.33%	87.50%	91.67%	95.83%	100.00%
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226	241	6	\$29.95	\$31.61	\$33.27	\$34.94	\$36.60	\$38.26	\$39.93
242	258	7	\$30.85	\$32.56	\$34.27	\$35.99	\$37.70	\$39.41	\$41.13
259	276	8	\$31.77	\$33.54	\$35.30	\$37.07	\$38.83	\$40.59	\$42.36
277	294	9	\$32.73	\$34.55	\$36.37	\$38.19	\$40.00	\$41.82	\$43.64
295	313	10	\$33.71	\$35.59	\$37.46	\$39.33	\$41.21	\$43.08	\$44.95
314	332	11	\$34.73	\$36.66	\$38.58	\$40.51	\$42.44	\$44.37	\$46.30
333	352	12	\$35.76	\$37.75	\$39.73	\$41.72	\$43.71	\$45.69	\$47.68
353	372	13	\$36.83	\$38.87	\$40.92	\$42.96	\$45.01	\$47.05	\$49.10
373	393	14	\$37.94	\$40.05	\$42.16	\$44.27	\$46.38	\$48.48	\$50.59
394	415	15	\$39.08	\$41.26	\$43.42	\$45.60	\$47.77	\$49.94	\$52.11
416	437	16	\$40.25	\$42.49	\$44.72	\$46.96	\$49.20	\$51.43	\$53.67
438	460	17	\$41.45	\$43.76	\$46.06	\$48.36	\$50.67	\$52.97	\$55.27
461	484	18	\$42.71	\$45.08	\$47.45	\$49.82	\$52.20	\$54.57	\$56.94
485	508	19	\$43.99	\$46.43	\$48.87	\$51.32	\$53.76	\$56.20	\$58.65
509	533	20	\$45.30	\$47.82	\$50.33	\$52.85	\$55.37	\$57.88	\$60.40
534	559	21	\$46.65	\$49.24	\$51.83	\$54.43	\$57.02	\$59.61	\$62.20
560	585	22	\$48.07	\$50.74	\$53.41	\$56.08	\$58.75	\$61.42	\$64.09
586	613	23	\$49.50	\$52.25	\$55.00	\$57.75	\$60.50	\$63.25	\$66.00
614	641	24	\$50.99	\$53.83	\$56.66	\$59.49	\$62.33	\$65.15	\$67.99
642	670	25	\$52.52	\$55.44	\$58.36	\$61.28	\$64.20	\$67.11	\$70.03
671	700	26	\$54.09	\$57.10	\$60.10	\$63.11	\$66.11	\$69.11	\$72.12
701	731	27	\$55.72	\$58.82	\$61.91	\$65.00	\$68.10	\$71.19	\$74.29
732	763	28	\$57.39	\$60.58	\$63.76	\$66.96	\$70.15	\$73.33	\$76.52
764	795	29	\$59.12	\$62.40	\$65.68	\$68.97	\$72.25	\$75.53	\$78.82
796	829	30	\$60.88	\$64.26	\$67.64	\$71.02	\$74.41	\$77.79	\$81.17
830	864	31	\$62.69	\$66.18	\$69.66	\$73.14	\$76.63	\$80.10	\$83.59
865	899	32	\$64.58	\$68.17	\$71.76	\$75.35	\$78.94	\$82.52	\$86.11
900	936	33	\$66.52	\$70.22	\$73.91	\$77.60	\$81.30	\$84.99	\$88.69
937	974	34	\$68.52	\$72.33	\$76.13	\$79.94	\$83.75	\$87.55	\$91.36
975	1013	35	\$70.57	\$74.49	\$78.41	\$82.33	\$86.25	\$90.17	\$94.09
1014	1054	36	\$72.69	\$76.73	\$80.76	\$84.81	\$88.85	\$92.88	\$96.92

Notes:

- 2028 represents 3% base increase over 2027
- Employees starting in a position may be placed on any step at the discretion of the City Administrator.
- Employees promoted to a position that is in a higher pay grade, will be placed on a step that is at least equivalent to, but not less than, their base wage before they were promoted.
- No step increases will be awarded under this structure after December 31, 2028

RESOLUTION NO.

ACCEPTING DONATIONS TO THE CITY OF AUSTIN

WHEREAS, the City has received the following donations:

<u>Gift</u>	<u>Donor</u>	<u>For</u>
\$200.00	Robin Akkerman IMO Darlene Hardy	Flower Program 2026
\$500.00	Belita Schindler	Bike Club

NOW THEREFORE, BE IT RESOLVED that the City Council of the City of Austin accepts said donations to the City of Austin.

Passed by a vote of yeas and nays this 18th day of May, 2026.

YEAS

NAYS

ATTEST:

APPROVED:

City Clerk

Mayor