

Mountain Lake City Council Meeting
Mountain Lake City Hall
Monday, March 7, 2016
6:30 p.m.

AGENDA

1. Meeting called to order by Mayor Mike Nelson
 - * Further information on agenda item is attached

2. Approval of Agenda and Consent Agenda
 - a. Bills: Check #'s 9918467 - 9918524; 426E-427E*(1-6)
 - b. Approval of Payroll Checks #'s 62324 - 62354
 - c. Approval of Feb. 16 Council Minutes*(7-8)
 - d. Approval of Jan. 11 Lake Commission Minutes*(9)
 - e. Approval of Jan. 28 Utility Commission Minutes and Feb. 11 Notes*(10-12)
 - f. Adopt Resolution #8-16 Permit Gambling, Mt. Lake Chamber event*(13)
 - g. Adopt Resolution #9-16, Attach Unpaid Utility Bills*(14-15)

3. Public – A total of ten (10) minutes is allotted for individuals to briefly discuss a topic of concern with the Council.

4. Guaranteed Energy Savings Program(GESP)
 - a. Approval of Work Order Contract*(16-31)

5. Hometown Sanitation *(30-35)
 - a. Approval Amendment to Contract*(32-34)
 - b. City-Wide Contract Amendments*(35-36)

6. Wastewater Treatment Project
 - a. FYI - Updated Preliminary Engineering Report* Separate Handout
 - b. Authorization to begin Land Acquisition

7. Campground
 - a. Storage of Units on Site
 - b. Number of Lots Available for Seasonal Rental

8. City of Mt. Lake vs. Ken and Rachel Yoder Update, Meeting may be Closed, Attorney/Client Privilege

9. Adjourn

City of Mt. Lake Local Board of Adjustment and Equalization will be held Thurs. May 5, 5:30 – 6 PM.

***Check Detail Register©**

February 2016 to March 2016

March 7, 2016
mtg
9918467-9918524
426E+427E

	Check Amt	Invoice	Comment
10100 United Prairie			
Paid Chk# 9918467 2/12/2016 KAREN & MAKAYLAS LITTLE CARE			
G 230-10639 Karen & MaKaylas Little Care	\$1,294.27		DAYCARE SUPPLIES-LOAN
Total KAREN & MAKAYLAS LITTLE CARE	\$1,294.27		
Paid Chk# 9918468 2/12/2016 INGRAM			
E 211-45500-590 Capital Outlay Books	\$332.38		LIBRARY BOOKS
Total INGRAM	\$332.38		
Paid Chk# 9918469 2/12/2016 PLUM CREEK LIBRARY SYSTEM			
E 211-45500-430 Miscellaneous	\$1,445.00		LIBRARY DELIVERY
E 211-45500-590 Capital Outlay Books	\$856.18		LIBRARY-E-BOOKS
E 211-45500-309 Automation/Tech Expense	\$3,056.66		LIBRARY AUTOMATION
Total PLUM CREEK LIBRARY SYSTEM	\$5,357.84		
Paid Chk# 9918470 2/12/2016 COTTONWOOD COUNTY AUD/TREAS			
G 230-10675 Puente-Hometown Café contract	\$3,361.10		PROPERTY TAX 22.320.0040 HOMETOWN CAFÉ
Total COTTONWOOD COUNTY AUD/TREAS	\$3,361.10		
Paid Chk# 9918471 2/16/2016 KAREN & MAKAYLAS LITTLE CARE			
G 230-10639 Karen & MaKaylas Little Care	\$1,393.10		SUPPLIES-LOAN
Total KAREN & MAKAYLAS LITTLE CARE	\$1,393.10		
Paid Chk# 9918472 2/18/2016 AFLAC			
G 101-21713 AFLAC	\$192.74		
Total AFLAC	\$192.74		
Paid Chk# 9918473 2/18/2016 AFSCME COUNCIL 65			
G 101-21707 Union Dues	\$154.86		
Total AFSCME COUNCIL 65	\$154.86		
Paid Chk# 9918474 2/18/2016 BCBS/HSA			
G 101-21714 HSA	\$393.85		
Total BCBS/HSA	\$393.85		
Paid Chk# 9918475 2/18/2016 COMMISSIONER OF REVENUE			
G 101-21702 State Withholding	\$761.60		
Total COMMISSIONER OF REVENUE	\$761.60		
Paid Chk# 9918476 2/18/2016 GISLASON & HUNTER			
G 101-21712 Garnishments	\$362.77		
Total GISLASON & HUNTER	\$362.77		
Paid Chk# 9918477 2/18/2016 INTERNAL REVENUE SERVICE			
G 101-21703 FICA Tax Withholding	\$2,333.54		
G 101-21701 Federal Withholding	\$1,759.62		
Total INTERNAL REVENUE SERVICE	\$4,093.16		
Paid Chk# 9918478 2/18/2016 PERA			
G 101-21704 PERA	\$4,142.09		
Total PERA	\$4,142.09		
Paid Chk# 9918479 2/18/2016 SW/WC SERVICE COOPERATIVES			
G 101-21708 Employee Paid Health Insurance	\$1,169.90		
Total SW/WC SERVICE COOPERATIVES	\$1,169.90		
Paid Chk# 9918480 2/18/2016 VALIC			

(1)

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February 2016 to March 2016

			Check Amt	Invoice	Comment
G 101-21705	VALIC		\$1,088.79		
	Total VALIC		\$1,088.79		
Paid Chk#	9918481	2/29/2016	COTTONWOOD COUNTY AUD/TREAS		
E 240-46500-354	Real Estate Taxes		\$1,250.56		REAL ESTATE TAX 22.520.0350
	Total COTTONWOOD COUNTY AUD/TREAS		\$1,250.56		
Paid Chk#	9918482	3/3/2016	AFLAC		
G 101-21713	AFLAC		\$192.74		
	Total AFLAC		\$192.74		
Paid Chk#	9918483	3/3/2016	BCBS/HSA		
G 101-21714	HSA		\$393.85		
	Total BCBS/HSA		\$393.85		
Paid Chk#	9918484	3/3/2016	COMMISSIONER OF REVENUE		
G 101-21702	State Withholding		\$754.71		
	Total COMMISSIONER OF REVENUE		\$754.71		
Paid Chk#	9918485	3/3/2016	GISLASON & HUNTER		
G 101-21712	Garnishments		\$362.77		
	Total GISLASON & HUNTER		\$362.77		
Paid Chk#	9918486	3/3/2016	INTERNAL REVENUE SERVICE		
G 101-21701	Federal Withholding		\$1,730.78		
G 101-21703	FICA Tax Withholding		\$2,235.34		
	Total INTERNAL REVENUE SERVICE		\$3,966.12		
Paid Chk#	9918487	3/3/2016	LAW ENFORCEMENT LABOR SERV		
G 101-21711	PD UNION DUES		\$98.00		
	Total LAW ENFORCEMENT LABOR SERV		\$98.00		
Paid Chk#	9918488	3/3/2016	PERA		
G 101-21704	PERA		\$4,122.07		
	Total PERA		\$4,122.07		
Paid Chk#	9918489	3/3/2016	VALIC		
G 101-21705	VALIC		\$665.59		
	Total VALIC		\$665.59		
Paid Chk#	9918490	3/4/2015	FRONTIER		
E 211-45500-321	Telephone		\$77.32		LIBRARY PHONE-507-427-2506
	Total FRONTIER		\$77.32		
Paid Chk#	9918491	3/4/2016	ALPHA WIRELESS COMMUNICATIONS		
E 221-42200-404	Repairs/Maint Machinery/Equip		\$57.00	200132	REPAIR FD PAGER
E 221-42200-404	Repairs/Maint Machinery/Equip		\$17.20	200133	REPAIR FD PAGER
E 231-42154-404	Repairs/Maint Machinery/Equip		\$92.56	681872	BATTERY-AMB RADIO
	otal ALPHA WIRELESS COMMUNICATIONS		\$166.76		
Paid Chk#	9918492	3/4/2016	AMAZON		
E 211-45500-590	Capital Outlay Books		\$47.98		LIBRARY BOOKS
E 211-45500-592	A.V. Materials		\$278.35		LIBRARY AV
	Total AMAZON		\$326.33		
Paid Chk#	9918493	3/4/2016	ANDYS AUTO REPAIR & TOWING		
E 101-42100-406	Vehicle Maint/Gen Repairs		\$207.00	15911	TOW CHARGER TO TOWNS EDGE

2

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February 2016 to March 2016

		Check Amt	Invoice	Comment
Total ANDYS AUTO REPAIR & TOWING		\$207.00		
Paid Chk#	9918494	3/4/2016	AVENET, LLC	
E 101-41400-320	Internet	\$500.00	38057	WEBSITE 2-1-16 TO 6-30-16
Total AVENET, LLC		\$500.00		
Paid Chk#	9918495	3/4/2016	BERKLEY RISK ADMINISTRATORS CO	
E 101-00000-430	Miscellaneous	\$1,000.00		DEDUCTIBLE ON M.STOESZ CLAIM
Total BERKLEY RISK ADMINISTRATORS CO		\$1,000.00		
Paid Chk#	9918496	3/4/2016	BOUND TREE MEDICAL	
E 231-42154-404	Repairs/Maint Machinery/Equip	\$183.51	82057093	DEFIB PADS,COLLARS, NASAL CANNULA
E 231-42154-404	Repairs/Maint Machinery/Equip	\$27.22	82057094	SUPER SANI-CLOTH
E 231-42154-404	Repairs/Maint Machinery/Equip	\$250.00	82063876	COMBI-TUBES & I-GEL-AMB
E 231-42154-404	Repairs/Maint Machinery/Equip	\$12.92	85065486	GUAGE REPLACEMENT-AMB
Total BOUND TREE MEDICAL		\$473.65		
Paid Chk#	9918497	3/4/2016	CARDMEMBER SERVICE	
E 101-00000-430	Miscellaneous	\$29.00		LATE FEE
E 101-00000-430	Miscellaneous	\$9.99		MONTHLY BACKUP FEE
E 101-42100-430	Miscellaneous	\$649.95		PENS FOR POLICE DEPT
E 101-00000-430	Miscellaneous	\$23.46		MODEM FOR PUBLIC ACCESS CHANNELL
E 101-00000-430	Miscellaneous	\$3.17		INTERST CHARGE
E 101-00000-430	Miscellaneous	(\$11.88)		RETURN MODEM-PUBLIC ACCESS CHANNEL
Total CARDMEMBER SERVICE		\$703.69		
Paid Chk#	9918498	3/4/2016	CITIZEN PUBLISHING	
E 101-41910-200	Office Supplies	\$129.99	239110	FENCE PERMIT FORMS
Total CITIZEN PUBLISHING		\$129.99		
Paid Chk#	9918499	3/4/2016	COMFREY TIMES	
E 211-45500-591	Periodicals	\$35.00		LIBRARY PERIODICALS-1 YR
Total COMFREY TIMES		\$35.00		
Paid Chk#	9918500	3/4/2016	DENNIS HULZEBOS	
E 101-45186-400	Janitor-Repairs/Maint	\$250.00		MARCH MAINT AT SR CTR
E 211-45500-400	Janitor-Repairs/Maint	\$345.00		MARCH MAINT AT LIBRARY
Total DENNIS HULZEBOS		\$595.00		
Paid Chk#	9918501	3/4/2016	DOUGLAS A. WOODHALL	
E 101-42100-308	Training & Instruction	\$450.00		DEFENSIVE TACTICS-JAKE
Total DOUGLAS A. WOODHALL		\$450.00		
Paid Chk#	9918502	3/4/2016	EMILY MATHIOWETZ	
E 101-42100-205	Uniforms	\$120.00		REIMBURSE FOR WORK SHOES
Total EMILY MATHIOWETZ		\$120.00		
Paid Chk#	9918503	3/4/2016	FRONTIER	
E 101-00000-430	Miscellaneous	\$98.71		UT-PHONE
E 101-42100-321	Telephone	\$219.96		POLICE DEPT PHONE-427-3403
E 101-43100-321	Telephone	\$61.11		STREET DEPT PHONE-427-2997
E 101-45186-321	Telephone	\$55.89		SR CTR PHONE-427-2151
E 205-46500-321	Telephone	\$5.06		CHAMBER 800#
E 101-41400-321	Telephone	\$190.67		CITY HALL PHONE-427-2999
E 205-46500-321	Telephone	\$37.50		EDA PORTION OF DSL & 427-2999
Total FRONTIER		\$668.90		

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February 2016 to March 2016

			Check Amt	Invoice	Comment
Paid Chk#	9918504	3/4/2016	GREATAMERICA FINANCIAL SVCS		
E 101-00000-430	Miscellaneous		\$91.31	18317245	UT-MONTHLY COLOR COPY MACHINE LEASE
E 101-00000-430	Miscellaneous		\$8.43	18317245	CHAMBER-MONTHLY COLOR COPY MACHINE LEASE
E 101-42100-200	Office Supplies		\$8.78	18317245	PD-MONTHLY COLOR COPY MACHINE LEASE
E 205-46500-200	Office Supplies		\$5.62	18317245	EDA-MONTHLY COLOR COPY MACHINE LEASE
E 101-41400-200	Office Supplies		\$26.35	18317245	OFFICE-MONTHLY COLOR COPY MACHINE LEASE
Total GREATAMERICA FINANCIAL SVCS			\$140.49		
Paid Chk#	9918505	3/4/2016	INDOFF INCORPORATED		
E 205-46500-200	Office Supplies		\$76.29	2744752	BINDERS
E 101-41400-200	Office Supplies		\$10.46	2748202	AMB LEDGER SHEETS
E 205-46500-200	Office Supplies		\$38.47	2749654	BINDER
E 101-41400-200	Office Supplies		\$394.37	2754484	2500 #10 ENVELOPES
E 101-41400-200	Office Supplies		\$20.08	2755118	POST-IT NOTES
E 101-41400-200	Office Supplies		\$165.79	2756514	LAMINATOR & POUCHES, BINDER CLIPS
Total INDOFF INCORPORATED			\$705.46		
Paid Chk#	9918506	3/4/2016	INTERNAL REVENUE SERVICE		
E 101-00000-430	Miscellaneous		\$487.63		LATE PAYMENT PENALTY
Total INTERNAL REVENUE SERVICE			\$487.63		
Paid Chk#	9918507	3/4/2016	JR TOWING LLC		
E 101-42100-406	Vehicle Maint/Gen Repairs		\$144.00	172	TOW CHARGER TO JACKSON
Total JR TOWING LLC			\$144.00		
Paid Chk#	9918508	3/4/2016	KAREN & MAKAYLAS LITTLE CARE		
G 230-10639	Karen & MaKaylas Little Care		\$1,825.55		SUPPLIES-LOAN
Total KAREN & MAKAYLAS LITTLE CARE			\$1,825.55		
Paid Chk#	9918509	3/4/2016	MIDWAY FARM EQUIPMENT		
E 101-43100-404	Repairs/Maint Machinery/Equip		\$23.02	IM17021	PARTS-ST DEPT
Total MIDWAY FARM EQUIPMENT			\$23.02		
Paid Chk#	9918510	3/4/2016	MINNESOTA CHIEFS OF POLICE		
E 101-42100-433	Dues and Subscriptions		\$165.00		2016 MEMBERSHIP
Total MINNESOTA CHIEFS OF POLICE			\$165.00		
Paid Chk#	9918511	3/4/2016	MINNESOTA ENERGY RESOURCE CORP		
E 101-45186-383	Gas Utilities		\$218.97		SR CTR GAS-ACCT#0504742031-00001
E 101-41400-383	Gas Utilities		\$333.83		CITY HALL GAS-ACCT#0505387558-00001
E 221-42200-383	Gas Utilities		\$296.70		FIRE DEPT PORTION OF FIREHALL GAS-ACCT#0507634940-00001
E 231-42154-383	Gas Utilities		\$146.15		AMB PORTION OF FIREHALL GAS-ACCT#0507634940-0001
E 101-43100-383	Gas Utilities		\$720.69		STREET GARAGE GAS-ACCT#0503270939-00001
E 211-45500-383	Gas Utilities		\$278.48		LIBRARY GAS-ACCT#4134278-3
Total MINNESOTA ENERGY RESOURCE CORP			\$1,994.82		
Paid Chk#	9918512	3/4/2016	MINNESOTA MUTUAL LIFE		
E 101-42100-135	Employer Paid Other		\$1.70		MARCH BRIAN LUNZ LIFE INSURANCE
E 101-42100-134	Employer Paid Life		\$6.80		MARCH LIFE INS-POLICE DEPT
E 101-41400-134	Employer Paid Life		\$1.70		MARCH WENDY FAST-LAKER APTS-LIFE INS
E 211-45500-134	Employer Paid Life		\$1.70		MARCH LIFE INS-LIBRARY
E 101-43100-134	Employer Paid Life		\$3.06		MARCH LIFE INS-ST DEPT
E 101-45200-134	Employer Paid Life		\$1.02		MARCH LIFE INS-PARKS DEPT
E 205-46500-134	Employer Paid Life		\$1.70		MARCH LIFE INS-EDA ROB ANDERSON
G 101-21706	Hospitalization/Medical Ins		\$10.90		MARCH LIFE INS-DARON FRIESEN

4

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February 2016 to March 2016

			Check Amt	Invoice	Comment
G 101-21706	Hospitalization/Medical Ins		\$12.00		MARCH LIFE INS-STEVE PETERS
G 101-21706	Hospitalization/Medical Ins		\$25.30		MARCH LIFE INS-ROBB ANDERSON
E 101-46200-134	Employer Paid Life		\$1.02		MARCH LIFE INS-CEMETERY
E 101-41400-134	Employer Paid Life		\$3.40		MARCH LIFE INS-OFFICE
Total MINNESOTA MUTUAL LIFE			\$70.30		
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Paid Chk#	9918513	3/4/2016	MUNICIPAL UTILITIES		
E 231-42154-380	Elec,Water,Sewer		\$57.12		AMB PORTION OF FIREHALL UT
E 607-46330-380	Elec,Water,Sewer		\$1.52		4-PLEX PORTION OF ST LITE ON HERITAGE DRIVE
E 101-45171-380	Elec,Water,Sewer		\$500.62		WATER AT ICE RINK
E 101-43100-380	Elec,Water,Sewer		\$212.77		ST DEPT UT
E 608-46330-380	Elec,Water,Sewer		\$2.94		8-PLEX PORTION OF ST LITE ON HERITAGE DRIVE
E 101-45200-380	Elec,Water,Sewer		\$9.08		LAWCON PARK LIGHTS
E 211-45500-380	Elec,Water,Sewer		\$352.64		LIBRARY UT
E 221-42200-380	Elec,Water,Sewer		\$115.95		FIRE DEPT PORTION OF FIREHALL UT
E 101-45186-380	Elec,Water,Sewer		\$273.87		SR CTR UT
E 101-45200-380	Elec,Water,Sewer		\$0.14		UT AT CITY PARK SHELTERHOUSE
E 101-41400-380	Elec,Water,Sewer		\$302.73		CITY HALL UT
E 101-45200-380	Elec,Water,Sewer		\$131.35		CITY PARK RESTROOMS UT
Total MUNICIPAL UTILITIES			\$1,960.73		
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Paid Chk#	9918514	3/4/2016	MUSKE, MUSKE, SURHOFF		
E 101-41400-304	Legal Fees		\$1,400.00		MARCH LEGAL RETAINER
Total MUSKE, MUSKE, SURHOFF			\$1,400.00		
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Paid Chk#	9918515	3/4/2016	NAM DESIGN		
E 231-42154-430	Miscellaneous		\$260.00	5275	2 JACKETS-AMBULANCE
Total NAM DESIGN			\$260.00		
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Paid Chk#	9918516	3/4/2016	NORTHERN SAFETY TECHNOLOGY INC		
E 101-42100-550	Motor Vehicles		\$2,290.50	40560	ITEMS FOR NEW POLICE VEHICLE
Total NORTHERN SAFETY TECHNOLOGY INC			\$2,290.50		
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Paid Chk#	9918517	3/4/2016	PRAXAIR		
E 231-42154-210	Operating Supplies		\$122.98	72296584	OXYGEN FOR AMB
Total PRAXAIR			\$122.98		
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Paid Chk#	9918518	3/4/2016	ROGOTZKE COMMUNICATIONS		
E 101-45183-530	Improvements Other Than Bldgs		\$2,708.63		NEW TOWER FOR CAMPGROUND(TRADED IN USED TOWER)
Total ROGOTZKE COMMUNICATIONS			\$2,708.63		
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Paid Chk#	9918519	3/4/2016	RUNNINGS		
E 101-43100-404	Repairs/Maint Machinery/Equip		\$26.96	1-28-2016	BULK BOLTS & WASHERS-ST DEPT
Total RUNNINGS			\$26.96		
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Paid Chk#	9918520	3/4/2016	SANFORD HEALTH		
E 231-42154-430	Miscellaneous		\$221.00	11/19/15	L.BOT HEPATITUS VACCINE
Total SANFORD HEALTH			\$221.00		
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Paid Chk#	9918521	3/4/2016	SOUTH CENTRAL COLLEGE		
E 231-42154-308	Training & Instruction		\$3,154.88	00144324	EMT REFRESHER
Total SOUTH CENTRAL COLLEGE			\$3,154.88		
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Paid Chk#	9918522	3/4/2016	THIRD AVENUE AUTO PARTS		
E 101-43100-404	Repairs/Maint Machinery/Equip		(\$6.79)		2% CREDIT
E 101-45200-404	Repairs/Maint Machinery/Equip		\$11.59	S151434	LED CLEAR LITE-#4

5

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February 2016 to March 2016

		Check Amt	Invoice	Comment
E 101-43100-215	Shop Supplies	\$6.19	S151476	TIRE FOAM
E 101-43100-404	Repairs/Maint Machinery/Equip	\$2.79	S151511	WASHER FLUID
E 101-43100-404	Repairs/Maint Machinery/Equip	\$11.49	S151656	PRIMER-#16
E 101-43100-404	Repairs/Maint Machinery/Equip	\$36.61	S151676	OIL & FILTER-#4 & #20
E 101-43100-404	Repairs/Maint Machinery/Equip	\$14.30	S151741	FUEL FILTER-#11
E 101-43100-404	Repairs/Maint Machinery/Equip	\$38.65	S151762	PRIMER-#16
E 101-43100-404	Repairs/Maint Machinery/Equip	\$11.59	S151786	OIL FILTER-320D
E 221-42200-404	Repairs/Maint Machinery/Equip	\$3.89	S151818	CLEAR LIGHT-FD
E 101-42100-406	Vehicle Maint/Gen Repairs	\$50.11	S151908	OIL CHANGE-PD EXPEDITION
E 101-43100-404	Repairs/Maint Machinery/Equip	\$7.98	S151923	CARB CLEANER
Total THIRD AVENUE AUTO PARTS		\$188.40		

Paid Chk#	Date	Vendor	Check Amt	Comment
9918523	3/4/2016	VERIZON		
E 101-42100-321	Telephone		\$35.01	PD TABLET #2
E 101-42100-321	Telephone		\$35.01	PD TABLET #1
E 231-42154-321	Telephone		\$10.51	AMB CELL PHONE
E 101-42100-321	Telephone		\$9.08	POLICE CELL PHONE
Total VERIZON			\$89.61	

Paid Chk#	Date	Vendor	Check Amt	Comment
9918524	3/4/2016	WENDY MEYER		
E 101-41400-331	Travel Expenses		\$85.32	MCFOA MEETING
E 101-41400-308	Training & Instruction		\$10.00	MCFOA MEETING
Total WENDY MEYER			\$95.32	
10100 United Prairie			\$59,433.78	

Fund Summary

10100 United Prairie	
101 GENERAL FUND	\$38,003.82
205 ECONOMIC DEVELOPMENT AUTHORITY	\$164.64
211 LIBRARY FUND	\$7,106.69
221 FIRE DEPT FUND	\$490.74
230 REVOLVING LOAN FUND	\$7,874.02
231 AMBULANCE FUND	\$4,538.85
240 PROTIENT-DTED LOAN	\$1,250.56
607 EDA---4 PLEX FUND	\$1.52
608 EDA---8 PLEX FUND	\$2.94
Total	\$59,433.78

Paid Chk#	Date	Vendor	Check Amt	Comment
000426E	2/20/2016	SELECT ACCOUNT		
E 101-41400-141	Admin Fees-HSA		\$6.33	FEBRUARY HSA ADMIN FEES
E 101-45200-141	Admin Fees-HSA		\$1.27	FEBRUARY HSA ADMIN FEES
E 101-43100-141	Admin Fees-HSA		\$3.80	FEBRUARY HSA ADMIN FEES
E 211-45500-141	Admin Fees-HSA		\$2.11	FEBRUARY HSA ADMIN FEES
E 101-42100-141	Admin Fees-HSA		\$8.44	FEBRUARY HSA ADMIN FEES
E 101-46200-141	Admin Fees-HSA		\$1.26	JANUARY HSA ADMIN FEES
E 101-45200-141	Admin Fees-HSA		\$1.27	JANUARY HSA ADMIN FEES
E 101-43100-141	Admin Fees-HSA		\$3.80	JANUARY HSA ADMIN FEES
E 211-45500-141	Admin Fees-HSA		\$2.11	JANUARY HSA ADMIN FEES
E 101-42100-141	Admin Fees-HSA		\$8.44	JANUARY HSA ADMIN FEES
E 101-41400-141	Admin Fees-HSA		\$6.33	JANUARY HSA ADMIN FEES
E 101-46200-141	Admin Fees-HSA		\$1.26	FEBRUARY HSA ADMIN, FEES
E 205-46500-141	Admin Fees-HSA		\$2.11	JANUARY HSA ADMIN FEES
E 205-46500-141	Admin Fees-HSA		\$2.11	FEBRUARY HSA ADMIN FEES
Total SELECT ACCOUNT			\$50.64	

Paid Chk#	Date	Vendor	Check Amt	Comment
000427E	2/16/2016	UNITED PRAIRIE BANK		
E 101-41400-301	Auditing and Acct g Services		\$16.00	PUENTE RETURN ITEM CHARGE
Total UNITED PRAIRIE BANK			\$16.00	

6

DRAFT
Mountain Lake City Council Meeting
Mountain Lake City Hall
Tuesday, February 16, 2016
6:30 p.m.

Members Present: Mike Nelson, Dana Kass, Darla Kruser, David Savage,

Members Absent: Andrew Ysker

Staff Present: Wendy Meyer, Clerk/Administrator; Maryellen Suhrhoff, Muske, Muske and Suhrhoff

Others Present: Eileen Augustin, Jeff Weldon, Jeff Janssen, Carolyn Karschnik, United Prairie Bank; Doug Regehr

Call to Order

Mayor Nelson called the meeting to order at 6:30 p.m.

Agenda and Consent Agenda

Motion by Savage, seconded by Kass, to approve the consent agenda and agenda as presented.

Motion carried unanimously.

Bills: Check #'s 9918407-9918466; 424E-425E

Payroll Checks #'s 62292-62323

Feb. 1 Council Minutes

Jan. 8 EDA Minutes

Jan. 13 Library Board Minutes, Jan. Library Report and Jan. Expenditures

Jan. 14 Police Commission Minutes

Resolution #6-16, Attach Private Sewer Line Replacement Costs

Rick Oeltjenbruns Resignation, Fire Dept. effective Feb. 10

Public

No one present addressed the council during this portion of the meeting.

Insured Cash Sweep

Representatives of United Prairie Bank, Eileen Augustin, Jeremy Janssen, Carolyn Karschnik, Jeff Weldon were present to discuss Insured Cash Sweep (ICS) a different way of providing collateral tracking (pledging) for city accounts at the bank. Advantages for the city and the bank were discussed. Motion by Kruser, seconded by Savage, to move to ICS effective April 1, 2016.

Motion carried unanimously.

League of MN Cities Insurance Trust 2016 Renewal

The city attorney briefly discussed the tort liability limit options; and the administrator briefly reviewed the three workers' compensation premium options available. Motion by Kass, seconded by Savage, to not waive the tort liability limit and select the regular premium option. Motion carried unanimously.

Website/E-mail

City staff will be getting new e-mails as part of the move to a new website. It was agreed that to make the transition smooth the existing e-mail addresses will be operational until June 30, 2016 and longer if staff determines it is necessary.

Guaranteed Energy Savings Program (GESp) Update

Two Energy Savings Companies (ESCOs) McKinstry and Siemens submitted proposals to the city. The proposals were evaluated by city staff and two council members. MN Dept. of Commerce staff will be preparing agreements for the March 7 meeting.

Active Living Plan Active Places Demonstration Project

Ideas for a demonstration project were discussed. City staff will formulate, write and submit a proposal.

Hometown Sanitation Contract

Draft changes to the contract were reviewed and additional changes were discussed. The complete contract extension will be reviewed and adopted at the March 7 council meeting.

2015 Budget Review

The 2015 year end expenses and revenues were reviewed and discussed. No action taken.

City of Mt. Lake vs. Ken and Rachel Yoder Update

The city attorney did not have an update as planned and the meeting was not closed.

Adjourn

The meeting was adjourned at 7:47 p.m.

ATTEST:

Wendy Meyer

**Regular Lake Commission Meeting
Monday, Jan. 11, 2016**

Members Present: Jim Peterson, Jay Schied, John Oeltjenbruns, Dave Bucklin,
Jean Haberman

Guests Present: Wendy Meyer, Cheryl Hiebert, Mike Nelson, Jason Kruser

Chair Peterson called the meeting to order at 6:30 p.m. M/S/P Oeltjenbruns/Bucklin
to approve the minutes of the December 15, 2015 meeting.

Treasurer's Report:

Bills:

Country Pride - Mouse poison for aeration shed	8.54
Utilities - Postage 10/1/15-12/29/15	4.76
Grandprey - Commissioner for Yoder Hearing	814.95
Muske - Trail legal fees	3,150.00

Income:

Cottonwood County - Aquatic Invasive Species Grant (BWSR funds \$10,000 for weed harvester replacement/repairs and \$2,000 for aeration electricity expenses)	12,000.00
Cottonwood County - 2 nd half of tax levy	750.00
League of MN Cities - Insurance dividend	116.60

M/S/P Schied/Oeltjenbruns to approve Treasurer's Report

Lake/Aeration: Jim reported that there is around 4 inches of good ice, so the
aeration system can be turned on. Lake Commission members and other volunteers
will meet at 10:00 Sat. morning to place thin ice signs and turn on the aeration
system.

Trail:

- The City has filed an appeal regarding the judgment in the Yoder case.
- Wendy will bring curve warning sign samples and prices to the next meeting.
- Jim talked to Ron Melson about putting in a root barrier where the willow
roots are forcing their way up through the trail. He said the city is willing to
help with that project. The city has a trencher that will go 24" deep. Jean will
do some research on samples and pricing. Dave suggested using steel siding
as a barrier.

Special Meeting
Mt. Lake Utilities Commission
Thursday, January 28, 2016
7 AM

Members Present: Mark Langland, John Carrison, Mike Johnson, Todd Johnson, David Savage, Council Liaison

Members Absent: Brett Lohrenz

Staff Present: Wendy Meyer, Clerk/Administrator; Lynda Cowell, Utilities Office Manager; Ron Melson, Electric Supt.; Kevin Krahn, Water and Wastewater Supt.; David Watkins, Water and Wastewater Worker

Others Present: None

Call to Order

Chairman Langland called the meeting to order at 7 AM. There was one addition to the agenda 3a. Milk Specialties

Minutes and Bills

Several questions were asked and answered about specific bills. Check # 15963 has been voided. Motion by Carrison, seconded by M. Johnson, to approve the Jan. 14 minutes and check numbers #15931- #15971. Motion carried unanimously.

Milk Specialties

Electric Supt. Ron Melson has been informed by Milk Specialties (MSC) that they will be adding equipment of 900 h.p. to 'polish' their reverse osmosis 'reject water' later this year. The effect on the feeder and other equipment was discussed. It may be necessary to hire an electrical engineer.

2016 Private Sewer Lines to be Televised

Water/Wastewater Supt. Kevin Krahn presented the list of private sewer lines to be televised in 2016 and if necessary upgraded. The properties lie between 12th and 15th Street on 3rd Ave. Motion by T. Johnson, seconded by Carrison, authorizing 2016 program. Motion carried unanimously.

Water filter and Reverse Osmosis Update

John Graupman, Bolton & Menk, was at the water plant on Jan. 25. The water filters at the water treatment plant will continue to be monitored and tested. Any changes to the system,

including replacing the sand, should be done before any reverse osmosis membranes are replaced.

Discontinue the sending of 2nd Notices

The current shut-off policies require that second notices be sent following the bill due date, usually the 5th of the month. With weekends and US Postal Service changes the second notices often do not arrive at the customer's home until a day or two before the shut-off date, usually the 15th of the month. The office sends an average of 100 second notices a month. Motion by M Johnson, seconded by T. Johnson, to revise the policies to eliminate second notices. Motion carried unanimously. A draft of the changes will be reviewed at the next meeting.

Contribution to Mt. Lake Chamber

In the past, in addition to its regular due the Utility has made a \$1,410 contribution to the Chamber. Motion by Carrison, seconded by M. Johnson, to make a \$1,410 contribution again in 2016. Motion carried unanimously.

January 26 Public Meeting & 2015 Conservation Improvement Plan (CIP) Summary

The meeting and summary were briefly discussed.

Fairbanks Morse Contract

The contract for the upgrading of the two caterpillar generators to meet emission standards was briefly reviewed. Motion by M. Johnson, seconded by Carrison, to approve the contract.

Adjourn

The meeting was adjourned at 7:37 AM.

Regular Meeting
Mt. Lake Utilities Commission
Thursday, February 11, 2016
7 AM

Members Present: Todd Johnson, Brett Lohrenz; David Savage, Council Liaison

Members Absent: Mark Langland, John Carrison, Mike Johnson

Staff Present: Wendy Meyer, Clerk/Administrator; Lynda Cowell, Utilities Office Manager at 7:45 am; Ron Melson, Electric Supt.; Patrick Oja, Lineman; Kevin Krahn, Water and Wastewater Supt.; David Watkins, Water and Wastewater Worker

Others Present: Kyle Haemig, Economist/Resource Planner, CMPAS

Call to Order

There was no quorum.

Power Supply Coalition Presentation

Kyle Haemig discussed the city's current power purchase agreements and the work CMPAS has been doing to replace those that are ending. CMPAS's recommendation of agreements for Mt. Lake were explained and discussed. The recommendation will further diversity the mixture of sources and improve cost controls. Mt. Lake is being asked to enter into a non-binding agreement with CMPAS that directs CMPAS to negotiate contracts based on the recommendations. The agreement will be considered at the next utility commission meeting.

The Clean Power Plan, drinking water safety, and a change in the company that provides processing of credit and debit cards for utility customers were discussed.

Resolution #8-16

RESOLUTION TO PERMIT GAMBLING

City of Mountain Lake, Minnesota

WHEREAS, an official of the City of Mountain Lake, Minnesota has received a Minnesota Lawful Gambling Application for an Exempt Permit submitted by the Mountain Lake Chamber of Commerce on March 1, 2016; and

WHEREAS, the City of Mountain Lake has no objection to the application, which would allow the Mountain Lake Chamber of Commerce to conduct a raffle at PJ's II Saturday, April 23, 2016.

NOW THEREFORE, BE IT RESOLVED, that the City of Mountain Lake waives the 30-day waiting period and approves the application with no waiting period; and

BE IT FURTHER RESOLVED that the City of Mountain Lake recommends prompt approval of said application by the Minnesota Gambling Control Board.

Adopted this 7th day of March, 2016.

Mike Nelson, Mayor

ATTEST:

Dawn Fast, Deputy Administrator/Clerk

Resolution #9-16

Certification of Unpaid Utility Charges

City of Mt. Lake, MN

WHEREAS the City Council of the City of Mountain Lake, Minnesota acknowledges that the Mt. Lake Utilities Accounts listed below have unpaid utility charges; and

Parcel Identification Number	Account Number	Amount Attached
22.443.0140	3300-00-8	\$147.12
22.161.0370	9240-00-7	\$216.97
22.711.0050	8330-01-5	\$407.62
22.443.0200	4680-00-2	\$355.51

WHEREAS the cost of the utilities has been billed to the account holders and to this date remain unpaid; and

WHEREAS Minnesota Statutes, Chapter 444.075 (Subd. 3e) allows unpaid utility charges to be certified to the county auditor for collection as other taxes are collected and provides a procedure for such certification; and

WHEREAS City Ordinance 3.05 Subd. 8 allows unpaid utility charges to be made a lien upon the premises served and provides a procedure for certification;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Mountain Lake, Minnesota that it approve the certification as listed above, payable in a single installment at an annual rate of 0% interest.

BE IT FURTHER RESOLVED that the City Clerk is hereby authorized and directed to certify the same to the County Auditor.

Adopted by the Council this 7th day of March, 2016.

Mike Nelson, Mayor

ATTEST: _____
Dawn Fast, Deputy Administrator/Clerk

Utility Bills to be Attached
March 7 Council Meeting

Acct. No.	Total Bill	Amount Assessed	Utility Loss	
3300-00-8	\$147.12	\$147.12	\$0.00	Owner
9240-00-7	\$285.87	\$216.97	\$68.90	renter
8330-01-5	\$407.62	\$407.62	\$0.00	renter
4680-00-2	\$355.51	\$355.51	\$0.00	renter
	\$1,196.12	\$1,127.22	\$68.90	

STATE OF MINNESOTA WORK ORDER CONTRACT

This Work Order Contract is between the State of Minnesota, acting through its City of Mountain Lake, P. O. Box C Mountain Lake, MN 56159 ("State Institution") and McKinstry Co, LLC, 6900 WEDGWOOD ROAD N. #480 MAPLE GROVE, MN 55311 ("Contractor"). This Work Order Contract is issued under the authority of Master Contract T-Number 12AES, Contract Number 47085, and is subject to all provisions of the Master Contract which is incorporated by reference.

Work Order Contract

1. Term of Contract

1.1 **Effective date:** 03/09/2016, or the date the State Institution obtains all required signatures under Minn. Stat. § 16C.05, subd. 2, whichever is later.

The Contractor must not begin work under this contract until this contract is fully executed and the Contractor has been notified by the State Institution's Authorized Representative to begin the work.

1.2 **Expiration date:** 10/31/2016, or until all obligations have been satisfactorily fulfilled, whichever occurs first.

2. Contractor's Duties

The Contractor, who is not a state employee, will perform the duties specified in Exhibit A which is attached and incorporated into this Work Order Contract.

3. Consideration and Payment

3.1. Consideration

The State Institution will pay for all services performed by the Contractor an amount not to exceed the lesser of the total obligation specified in this clause or the product derived from the calculation specified in Exhibit B, which is attached and incorporated into this Work Order Contract, unless recommendations provided in the Investment Grade Audit report are not, in the sole discretion of the State Institution, deemed reasonable and viable.

3.1.1. **Compensation.** The Contractor will be paid for actual eligible costs incurred, not to exceed **Five Thousand Four Hundred Twenty Three Dollars and Eighty Cents (\$5,423.80)**.

3.1.2. **Travel Expenses.** Reimbursement for travel and subsistence expenses actually and necessarily incurred by the Contractor as a result of this Work Order Contract will be reimbursed in same manner and in no greater amount than provided in the current "Commissioner's Plan" promulgated by the commissioner of Minnesota Management & Budget. The Contractor will not be reimbursed for travel and subsistence expenses incurred outside Minnesota unless it has received the State Institution's prior written approval for out of state travel. Minnesota will be considered the home state for determining whether travel is out of state, and will not exceed **Zero** dollars (\$0.00).

3.1.3. **Total Obligation.** The total obligation of the State Institution for all compensation and reimbursements to the Contractor under this Work Order Contract will not exceed **Five Thousand Four Hundred Twenty Three Dollars and Eighty Cents (\$5,423.80)**.

3.2. Payment

3.2.1. **Invoices.** The State Institution will promptly pay the Contractor after the Contractor presents an itemized invoice for the services actually performed and the State Institution's Authorized Representative accepts the invoiced services. When performing an Investment Grade Audit, no invoice shall be submitted until either: 1) the State Institution opts to not proceed with a viable project, or 2) both an amendment outlining the project work and price, and a project financing agreement, where applicable, has been executed. Then invoices must be submitted timely and no more frequently than monthly for completed work.

3.2.2. **Retainage.** Under Minn. Stat. § 16C.08, subd. 5(b), no more than 90 percent of the amount due under any Work Order Contract may be paid until the final product of the Work Order Contract has been reviewed by the State Institution's agency head. The balance due will be paid when the State Institution's agency head determines that the Contractor has satisfactorily fulfilled all the terms of the Work Order Contract.

4. Project Managers

The State Institution's Authorized Representative is **Wendy Meyer**, City Administrator, 507-427-2999 Ext. 1, or his/her successor. The State Institution's Authorized Representative will certify acceptance on each invoice submitted for payment.

The Contractor's Authorized Representative is **Paul Gustafson**, Business Unit Manager, 763-898-5281, or his/her successor. If the Contractor's Authorized Representative changes at any time during this Work Order Contract, the Contractor must immediately notify the State Institution.

The Contractor's Project Manager is **Chris Sawyer**, Construction Services Manager, 763-898-5279, or his/her successor. If the Contractor's Project Manager changes at any time during this Work Order Contract, the Contractor must immediately notify the State Institution.

1. STATE INSTITUTION ENCUMBRANCE VERIFICATION

Individual certifies that funds have been encumbered as required by Minnesota Statutes, Sections 16A.15 and 16C.05 (with delegated authority)

Signed: _____

Date: _____

WOC No.: _____

2. CONTRACTOR

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

By: _____

Title: _____

Date: _____

3. STATE INSTITUTION

Individual certifies that funds have been encumbered as required by Minnesota Statutes, Sections 16A.15 and 16C.05 (with delegated authority)

By: _____

Title: _____

Date: _____

4. MN DEPT. OF COMMERCE

By: _____

Title: _____

Date: _____

Section I

Contractor's Duties for Investment Grade Audit and Energy Savings Contract Proposal

The Contractor shall do all things necessary to complete an Investment Grade Audit (IGA) and an Energy Savings Performance Contract (ESPC) Proposal for the following facilities (the Facilities):

Building List						
State ID	Building Name	Address	Square Footage	Year Built	Primary Use	Include in IGA
	Library	1054 4 th Ave.	5,000	1968	Library	yes
	New Water Plant	1417 Prince St.	5,610	2004	Treating drinking water	yes
	City Hall	930 Third Ave.	6,730	2000	Offices	yes
	Street Shop	1050 2 nd Ave.	14,462	2002	Equipment storage	yes
	Community Center	1027 2 nd Ave.	6,050	Unknown	Meeting/conference space/ senior dining mealsite	yes
	Power Plant	925 2 nd Ave.	8,623	19305	Houses five diesel engines for production of electricity, electric switch gear, and other equipment	yes
	Utility Garage	210 9 th St. N.	1,518		Houses electric dept. vehicles and equipment	yes
	Fire/ Ambulance Hall	356 11 th St. N.	5,020	1970	Houses fire and ambulance vehicles and equipment, small meeting room	yes
	Old Water Plant	231 3 rd Ave.	1,225		Water and Sewer Dept. equipment	yes
	Street Lights	36 Poles & 175 Lights	Na	Na		yes
Total			54,238			

In the performance of its duties, the Contractor shall provide all services necessary and reasonable to complete the following tasks. When these duties permit the Contractor to determine if an action is necessary, the Contractor will make such determination as would a reasonable and prudent person possessing knowledge and expertise of the subject matter.

Upon reasonable and timely request, to the extent permitted by the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, the State Institution agrees to provide to the Contractor relevant information, data, drawings and plans held by or accessible to the State Institution, and to provide access to the Facilities and its staff and occupants at reasonable, mutually agreed times.

1. Task 1: Preliminary Assessment of Needs and Opportunities

- 1.1. Meet with State Institution representative(s) to establish work plans, schedules and milestones, communication procedures, and meet and confer requirements.
- 1.2. Collect data and background information from the State Institution concerning facilities operation and energy use for the most recent three years from the effective date of this Work Order Contract. The State Institution shall provide to the Contractor, upon reasonable request, accurate and complete data and information held by or accessible to the State Institution. Where information is not available from State Institution, Contractor will make a diligent effort to collect such information through the other means such as facility inspection, staff interviews and utility -providers' records. The State Institution shall provide data release authorization(s) to the Contractor for relevant data held by other entities, including but not limited to utility, fuel, material and service providers. Contractor shall assess the validity and accuracy of information provided and to confirm or correct as needed.

Data and background information to be collected includes but is not limited to:

- 1.2.1. Building square footage;
 - 1.2.2. Construction data of buildings and major additions including building envelope;
 - 1.2.3. Utility provider invoices;
 - 1.2.4. Occupancy and usage information;
 - 1.2.5. Descriptions of all energy-consuming or energy-saving equipment used and energy management procedures practiced at or by the Facilities;
 - 1.2.6. Description of any energy or water use related improvements completed or currently being implemented;
 - 1.2.7. Description of any changes made to the structure of the Facilities or its energy-using or water-using equipment during the baseline period;
 - 1.2.8. Description of future plans regarding building modifications or equipment modifications and replacements;
 - 1.2.9. Drawings, as available including mechanical, plumbing, electrical, building automation and temperature controls, structural, architectural, modifications and remodels;
 - 1.2.10. Original construction submittals and factory data such as specifications and pump curves as available.
 - 1.2.11. Operating engineer logs, maintenance work orders and like materials, as available.
 - 1.2.12. Records of maintenance expenditures for energy-using or related equipment, including service contracts.
 - 1.2.13. Prior completed energy audits or studies, if any.
- 1.3. Perform a preliminary walk-through of the Facilities and interview staff and occupants to identify potential energy and water saving measures.
 - 1.3.1. Interview the Facilities management, maintenance staff, subcontractors and occupants of each building regarding:
 - a) Facilities operation, including energy management procedures;
 - b) Equipment maintenance problems;
 - c) Comfort problems and requirements;
 - d) Equipment reliability;
 - e) Projected equipment needs;
 - f) Occupancy and use schedules for the Facilities and specific equipment therein; and
 - g) Completed, current, planned and anticipated Facility improvements.
 - 1.3.2. Survey major energy-using equipment, including but not limited to:
 - a) lighting (indoor and outdoor);
 - b) heating and heat distribution systems;
 - c) cooling systems and related equipment;
 - d) automatic temperature control systems and equipment;
 - e) air distribution systems and equipment, outdoor air ventilation systems and equipment, exhaust systems and equipment;
 - f) hot water systems;
 - g) electric motors, transmission and drive systems;

- h) special systems such as kitchen/dining equipment;
 - i) water consuming systems such as restroom fixtures, water fountains, irrigation systems;
 - j) renewable energy systems; and
 - k) any other major energy using systems.
- 1.3.3. Perform surveys outside of normal business hours and/or on weekends when necessary, and subject to prior approval of the State Institution, to verify Facilities systems and occupancy schedules.
- 1.3.4. Develop a preliminary list of potential energy and water saving measures, with consideration given to the following for each system:
- a) Comfort and maintenance problems;
 - b) Energy use, loads, proper sizing, efficiencies and hours of operation;
 - c) Current operating condition;
 - d) Remaining useful life;
 - e) Feasibility of system replacement;
 - f) Hazardous materials or other environmental concerns that may be present;
 - g) Future plans for equipment replacement or building renovations and use;
 - h) Facilities operation and maintenance procedures that could be affected; and
 - i) Capability to effectively monitor performance and verify savings.

Contractor shall assess the validity and accuracy of information provided and shall verify or correct the information as needed.

- 1.4. Meet with State Institution representative(s) to present preliminary findings and negotiate agreement on energy and water saving measures to be analyzed.

2. Task 2: Preliminary Analysis of Measures

- 2.1. Establish base year consumption and reconcile with end-use consumption estimates.

- 2.1.1. Establish base year consumption by examining relevant utility and fuel provider bills for the past three years, including but not limited to electricity, building heating fuels, steam and water. Establish base year consumption as appropriate in:
- a) energy units such as kilowatt-hours of usage, kilowatts of demand;
 - b) physical units of fuel, such as "hundred cubic feet" (ccf) or gallon;
 - c) energy content, such as therms or British thermal units (Btus);
 - d) cost structure, such as firm or interruptible;
 - e) cost per unit and cost per billing period; and
 - f) cost per square foot of conditioned space.

The Contractor shall consult with facility personnel or other parties as needed to identify and account for any anomalous schedule or operating conditions that could affect an accurate base year representation, such as significant occupancy or use changes or periods of time when relevant equipment was malfunctioning, repaired or replaced.

- 2.1.2. Estimate loading, usage and/or hours of operation for all major end uses of total facility energy and water consumption, including but not limited to: lighting, heating, cooling, motors (fans and pumps), plug loads, and other major energy and water using equipment. Where loading or usage is highly variable (such as cooling loads), the Contractor may use its best judgment to determine if direct measurement or monitoring is appropriate. However, the Contractor may not assume that equipment run hours equal the operating hours of the building(s) or facility staff estimates.
- 2.1.3. Reconcile actual annual end-use loads and consumption with the calculated base year loads and consumption and modify calculated base year values as needed to conform actual loads and consumption.
- 2.1.4. Propose adjustments to the baseline for energy and water saving measures that will be implemented in the future.
- 2.1.5. Provide a detailed description of the process(es), calculations, variables and adjustment factors used to establish the base year consumption .

- 2.2. Within ninety (90) days of the effective date of this Work Order Contract, develop and submit to the State Institution a preliminary analysis of potential energy and water saving measures.

- 2.2.1. Provide a comprehensive list of all potential energy and water saving measures including but not limited to: lighting systems, heating/ventilating/air conditioning equipment and distribution systems, controls systems, building envelope, motors, kitchen equipment, pools, renewable energy systems, other special equipment, irrigation systems, and water saving devices.
- 2.2.2. For each measure, prepare a preliminary estimate of energy or water cost savings including description of analysis methodology, supporting calculations and assumptions used to estimate savings.
- 2.2.3. Identify those measures which are reasonably likely to be cost effective and therefore warrant detailed analyses.
- 2.3. Meet with State Institution representative(s) to present preliminary findings and recommendations, and to establish agreement on measures, if any, to include in the detailed analysis and audit report. Provide information on potential project economics, including but not limited to an assessment of energy use, savings potential, project opportunities, recommended measures for further analysis, and the Contractor's assessment of its potential to develop an energy savings contract proposal that conforms to the requirements of this Work Order Contract. The State Institution may accept in whole or in part, or may reject the Contractor's analysis or recommendations if the Contractor's analysis or recommendations do not meet the requirements of the State Institution's Work Order Contract.

3. Task 3: Detailed Analysis and Investment Grade Audit Report

- 3.1. Upon acceptance by the State Institution of the preliminary findings and recommendations, the Contractor shall perform a detailed analysis of the potential savings and costs for each accepted energy and water saving measure. In performing its detailed analysis, the Contractor shall:
 - 3.1.1. Use appropriate American Society of Heating, Refrigeration and Air-conditioning Engineers or other nationally-recognized analysis and calculation methodologies for each measure analyzed.
 - 3.1.2. Use assumptions, estimates, projections and baselines which best represent the true value of each measure's future energy or operational savings and the true cost of implementing each measure. Include accurate marginal costs for each unit of savings, documentation of material and labor cost savings, adjustments to the baseline if necessary to reflect current conditions at the facility, and calculations which account for any interactive effects of the recommended measures.
 - 3.1.3. Use best judgment regarding the employment and duration of instrumentation to achieve an accurate and faithful characterization of energy use.
 - 3.1.4. Use markups and fees no greater than those specified in Exhibit B, Contractor's Fees, in all cost estimates.
 - 3.1.5. Develop a preliminary measurement and verification plan for each measure in accordance with Attachment 1, Measurement and Verification Guidelines, incorporated herein.
 - 3.1.6. Comply with Scope Requirements and Guidelines set forth in Section II of this Exhibit A.
- 3.2. Upon the State Institution's acceptance of the preliminary findings and recommendations, the Contractor shall prepare a preliminary Investment Grade Audit Report containing detailed technical and financial data and calculations sufficient to complete an Energy Savings Performance Contract Proposal. The report shall include but is not limited to:
 - 3.2.1. Report overview and summary including:
 - a) Contact information;
 - b) Summary table of recommended energy and water saving measures, with itemization for each measure of total design and construction cost, annual maintenance cost, the first year cost avoidance (in dollars and energy units), simple payback and equipment service life;
 - c) Summary of annual energy and water use by fuel type and costs of existing or base year condition;
 - d) Calculation of cost savings expected if all recommended measures are implemented, and percentage savings of total facility energy cost;
 - e) Description of the existing facilities and mechanical and electrical systems;
 - f) Summary description of each recommended measure, including estimated costs and savings;
 - g) Discussion of measures considered but not investigated in detail; and
 - h) Conclusions and recommendations.
 - 3.2.2. Base year energy use including:
 - a) Description and itemization of current billing rates, including schedules and riders;
 - b) Summary of all utility billings;

- c) Identification and definition of base year consumption and description of how it was established;
 - d) Reconciliation of estimated end use consumption (i.e. lighting, cooling, heating, fans, plug loads, etc.) with calculated base year consumption, include discussion of any unusual findings.
- 3.2.3. Full description of each energy and water saving measure including:
- a) Existing conditions;
 - b) Description of equipment to be installed and how it will function;
 - c) Estimated useful service life of new equipment;
 - d) Discussion of facility operations and/or maintenance procedures that will be affected by a measure's installation or implementation;
 - e) Recommended installation and implementation plan;
 - f) Savings calculations including:
 - (1) Base year energy use and cost;
 - (2) Post-retrofit annual energy use and cost;
 - (3) Savings estimates including analysis methodology, supporting calculations, formulas, assumptions and key data used;
 - (4) Annual savings estimated for each year of the proposed contract period. Savings estimates must be attributed to the time period(s) in which they are actually realized, and must conform to any limitations on savings estimates specified by the State Institution;
 - (5) Description and calculations for any proposed utility rate changes attributable to the proposed measure;
 - (6) Explanation of how savings interactions between retrofit options are accounted for in calculations; and
 - (7) Operation and maintenance savings, including detailed calculations and description.
 - g) If a computer simulation is used to estimate savings potential, the Contractor shall provide a concise description of the simulation program and methodology and list key input data. At the State Institution's request, the Contractor shall provide access to the program and all assumptions and inputs used, and/or printouts of all input files and relevant output files and documentation sufficient to explain how the savings estimates are derived from the simulation program output.
 - h) Cost estimates and detailed scope of the construction work needed, suitable for cost estimating. Provide specifications for major mechanical components as well as detailed lighting and water fixture counts. Include all anticipated costs associated with installation and implementation:
 - (1) Engineering and/or design costs;
 - (2) Contractor/vendor estimates for labor, materials, and equipment; include any anticipated special provisions, such as overtime or shift differential pay, if necessary to accomplish the work within any operational or time restrictions specified by the State Institution;
 - (3) Permit costs;
 - (4) Construction management fees; and
 - (5) Environmental costs or benefits, such as waste handling and disposal or environmental credits.
 - i) Relevant conclusions, observation or caveats.
 - j) Preliminary commissioning plan in conformance with requirements provided in Attachment 2, System Start-up and Commissioning Requirements, incorporated herein.
 - k) Preliminary measurement and verification plan in conformance with Attachment 1, Measurement and Verification Guidelines.
 - l) Discussion of impacts that facility would incur after contract ends, including, but not limited to operation and maintenance impacts and responsibilities, and staffing and budget impacts.
 - m) Compatibility of existing control systems and equipment with proposed improvements. Provide brand name and model of any existing controls system if proposed controls systems modifications will have to be compatible with that control system, and note if sole-source procurement will be necessary to maintain system compatibility.
 - n) Appendices that fully document the data used to prepare the analyses and the sources and methods employed to collect the data.

3.3. Within 90 days of the State Institution's acceptance of the preliminary findings and recommendations, the Contractor shall meet with State Institution to present the preliminary Investment Grade Audit Report.

3.3.1. Review the recommendations, savings calculations and impact of the measures on the operations of the Facilities.

3.3.2. Specify how the estimated project costs and savings meet the State Institution's terms for completing the Investment Grade Audit and Energy Savings Performance Contract Proposal.

3.4. Upon acceptance by the State Institution of the preliminary Investment Grade Audit Report, prepare and present final Investment Grade Audit Report within ninety (90) days of acceptance.

4. Task 4: Develop Energy Savings Performance Contract Proposal

4.1. The Contractor shall prepare an Energy Savings Performance Contract Proposal to design, install, and monitor the energy and water saving measures proposed in the Investment Grade Audit Report, Contractor shall prepare a proposal for terms to be incorporated in a Energy Savings Performance Contract in conformance with Exhibit A, Section II of the Work Order Contract, to include:

4.1.1. Project Price: the total amount State Institution will pay for the project and Contractor's services. The price must not exceed the lower of the maximum construction cost category percent of total project price, markups, and fees established in the Master Contract or this Work Order Contract. Costs may include: engineering, designing, staging, packaging, procuring, installing of measures; performance/payment bond costs; construction management fees; commissioning costs; maintenance fees; monitoring fees; training fees; overhead and profit. In developing their proposal, the Contractor may desire to perform engineering and design prior to delivery of the proposal. These costs may be included in the amendment outlining the project work and price, if such an amendment is executed. If an amendment for the project work and price is not executed, the State Institution will not be responsible for any engineering and design costs.

4.1.2. Complete list of services that will be provided as related to each cost.

4.1.3. Expected term of the Energy Savings Performance Contract.

4.1.4. Description of financing options and recommendations including available interest rates and financing terms, based on interest rates likely to be available to State Institution at the time, and based on a 60-day and 90-day lock option. The Contractor will competitively solicit financing companies on behalf of the State Institution using a format approved by the State. A separate lease purchase agreement will be developed including Contractor payment schedules and lender financing terms and schedules.

4.1.5. Explanation of how the savings will be calculated and adjusted due to weather (such as heating and cooling degree days), occupancy or other factors.

4.1.6. Analysis of annual cash flow for State Institution during the contract term.

Scope Guidelines and Requirements for Energy Savings Performance Contract (ESPC) proposal

1. **Energy Savings Performance Contract Term.** An Energy Savings Performance Contract (ESPC) shall have a term no greater than permitted under Minnesota Statute and each discreet Energy Conservation Measure (ECM) within an ESPC shall have a simple payback no greater than the estimated service life of the ECM.
2. **Annual guaranteed energy and cost savings.** The annual guaranteed energy and cost savings shall be based on savings attributable to all ECMs and, in each year of the contract period, must equal or exceed the total annual contract cost to the State Institution during that year. Total annual contract cost includes, but is not limited to, debt service, Contractor fees, maintenance services, and measurement & verification services. The Contractor shall propose annual savings guarantees covering the full term of the proposed ESPC.
3. **Independent third-party review.** Contractor shall reserve 2% of annually guaranteed savings for State Institution, at its sole discretion, to hire an independent third-party professional to review the Contractor's measurement and verification reports and advise State Institution of compliance in measuring and verifying savings.
4. **Excess savings.** Annual cost savings beyond the guaranteed minimum savings shall be retained by State Institution, and may not be allocated to fulfill guarantee shortfalls in another performance period.
5. **Annual savings estimates.** The annual savings estimates for all measures must be estimated for each applicable year during the contract period.
6. **Allowable cost and savings factors.** The State or State Institution may incorporate limitations to allowable costs.
 - 6.1 Payment sources that can be incorporated:
 - 6.1.1 Energy and water cost savings.
 - 6.1.2 Material/commodity savings, including scheduled replacement of parts (only for years that these cost savings are applicable).
 - 6.1.3 Outside labor cost savings, including maintenance contracts.
 - 6.1.4 Deferred maintenance cost (State Institution's sole discretion). State Institution must delineate what budget will fund these future savings.
 - 6.1.5 Offset of future capital cost (State Institution's sole discretion). State Institution must delineate what budget will fund these future savings.
 - 6.1.6 Outside incentive funds (utility incentives, grants, rebates, etc.).
 - 6.1.7 Any savings related to maintenance and operation of the facilities will be limited to those that can be thoroughly documented.
 - 6.2 Additional factors related to establishing savings that cover all costs:
 - 6.2.1 Escalation rates as specified by the State Institution.
 - 6.2.2 Interest costs.
 - 6.2.3 State Institution cash outlay at the State Institution's sole discretion.
 - 6.3 The lower of the maximum markup costs as specified in the Master Contract or this Work Order Contract.
7. **Prevailing Wages.**
 - 7.1. Pursuant to Minnesota Statutes 177.41 to 177.44 and corresponding Minnesota Rules 5200.1000 to 5200.1120, this contract is subject to the prevailing wages as established by the Minnesota Department of Labor and Industry. Specifically, all contractors and subcontractors must pay all laborers and mechanics the established prevailing wages for work performed under the contract. Failure to comply with the aforementioned may result in civil or criminal penalties.

The prevailing hours of labor may not be more than eight hours per day or more than 40 hour per week. Pursuant to Minnesota Statutes 177.43, "No laborer or mechanic employed directly on the project work site by the Contractor or any subcontractor, agent or other person doing or contracting to do all or a part of the work of the project, is permitted or required to work more hours than the prevailing hours of labor, unless paid for all hours in excess of the prevailing hours at a rate of at least 1-1/2 times the hourly basic rate of pay; and a laborer

or mechanic may not be paid a lesser rate of wages than the prevailing wage rate in the same or most similar trade or occupation in the area.” Nothing in this Work Order Contract shall be construed as prohibiting the Contractor or subcontractor paying a higher negotiated wage rate. This requirement does not apply to wage rates and hours of employment of laborers or mechanics who process or manufacture materials or products or to the delivery of materials or products by or for commercial establishments which have a fixed place of business from which they regularly supply processed or manufactured materials or products. This section applies to laborers or mechanics who deliver mineral aggregate such as sand, gravel, or stone which is incorporated into the work under the contract by depositing the material substantially in place, directly or through spreaders, from the transporting vehicle.

7.2. To facilitate compliance pursuant to the State Statutes, wage determinations (prevailing wages) were prepared for different trades for each county from which labor for said project would be secured and are included and published in the Contract Specifications. Any wage determinations that are found not to be so promulgated do not relieve the Contractor from any responsibility for paying the prevailing wage rate of the trade in question. All laborers, workers, and mechanics must be paid the prevailing wage rate for work performed on the project. If the wage certification or published prevailing wages do not include a rate for a classification of work used on the project, the contractor shall contact the Department of Labor and Industry to obtain a rate.

7.3. In accordance with Minnesota Statutes 177.30 Sub. 4 and 177.43 Sub. 3, the Contractor and Subcontractor shall furnish to the Contracting Authority and the Project Owner all payrolls, of all workers on the project, a certified payroll report via E-mail as attachments, a State of Minnesota Prevailing Wage Payroll Report as a Microsoft Excel file and Statement of Compliance Form as a PDF file to the appropriate E-mail address:

.1 NOT USED.

.2 Use the E-mail address provided in the solicitation or as provided by the Agency.

The State of Minnesota Prevailing Wage Payroll Report and Statement of Compliance Form are available on the MMD website at www.mmd.admin.state.mn.us/mn02000.htm. Submit the completed and signed State of Minnesota Prevailing Wage Payroll Report as a Microsoft Excel file and the Statement of Compliance Form as a PDF file, no other payroll forms will be accepted to meet this requirement.

These completed forms must be furnished not more than 14 days after the end of each pay period.

The Subject Line on the Contractor’s and Subcontractor’s E-mail must show the Firm name, the Contract Number or Purchase Order Number and the pay period ending date.

Failure to maintain records as required by Minnesota Statutes 2008, Section 177.30 may be fined up to \$1,000 for each failure to maintain said records. This penalty is in addition to any penalties provided under section 177.32, Subd. 1. Contractors and subcontractors must keep these records for three years after the contracting authority has made final payment on the public works project.

For questions regarding the Prevailing Wage Laws, contact the Department of Labor and Industry at 651.284.5091.

7.4. The Contractor is solely responsible for payment of all required Prevailing Wage rates. Further, the State will not be liable for increased labor cost, errors in the rates or classifications, or changes to same prior to the awarding of Contracts. Information pertaining to the prevailing wage rates, prevailing hours of labor and hourly basic rates are included in this specification. Said wage rates must be posted in at least one conspicuous place for the employees working on the project.

7.5. Any Contractor, subcontractor, or agent, who, after executing a contract in compliance with this section, pays to any laborer, workman, or mechanic employed directly on the project, a lesser wage for work done on the project than the prevailing wage rate, shall be subject to fine and imprisonment. This misdemeanor is punishable by a fine of not more than \$700, or imprisonment for not more than 90 days, or both. Each agent or subcontractor shall furnish to the contractor evidence of compliance with this section. Each day a violation of this section continues is a separate offense.

7.6. In accordance with Minnesota Statutes 177.43, sub. 6a, upon issuance of a notice of a compliance order and withholding order issued by the Department of Labor and Industry to the Contractor of subcontractor or another employer pursuant to section 177.27, sub. 4 for violation of sections 177.41 to 177.44, the Owner, as the contracting authority shall withhold payment of sufficient sum to the prime or general contractor on the project to satisfy the back wages assessed or otherwise cure the violation, and the owner must withhold the sum ordered until the compliance order has become a final order and has been fully paid or otherwise resolved by the Contractor.

8. Competitive Bidding of Trade Work and Equipment

8.1. Competitive Bidding

The Contractor will be responsible for construction means and methods and be required to provide competitive, sealed bids to the State Institution for all trade work, equipment and/or materials anticipated to be in excess of \$50,000.

Sealed bids will be opened jointly by the Contractor and the State Institution, and reviewed by the State Institution, and/or its agent(s), and the Contractor. The Contractor will select the lowest responsive and responsible bidder to perform the work. The Contractor will supervise and be responsible for all subcontracted work.

Unless determined by the Contractor to be in violation of other agreements, in order to ensure maximum participation of qualified subcontractors as well as fair and open competition, the selected Contractor must be able and willing to qualify and hire through the competitive bidding process both union and non-union subcontractors.

TARGETED GROUP AND ECONOMICALLY DISADVANTAGE PREFERENCES

In accordance with M.S. 16C, subdivision 6 and 7, eligible certified targeted group (T.G.) vendors will receive a six percent (6%) preference and certified economically disadvantaged (E.D.) vendors will receive a four percent (4%) preference on the basis of an award for this solicitation. Preference will only be allowed if responder is certified prior to the scheduled solicitation opening. A table of eligible targeted group businesses is located below. The preference is applied only to the first \$500,000 of the response. Vendors interested in becoming a certified vendor or to verify their T.G. eligibility and certification or ED certification, should refer to the Materials Management Division's website at WWW.MMD.ADMIN.STATE.MN.US under "Vendor Information" or call the division's help line at 651.296.2600.

**TABLE OF ELIGIBLE TARGETED GROUP AND
ECONOMICALLY DISADVANTAGED BUSINESSES**

**STATE OF MINNESOTA
DEPARTMENT OF ADMINISTRATION**

**TABLE OF GROUPS EXPERIENCING DISPARITY
IN STATE OF MINNESOTA PURCHASING & CONTRACTING
CONDUCTED UNDER MINN. STAT. CHAPTER 16C
(Based on the 2009 Disparity Study)**

	Construction Prime Contracts	Construction Subcontracts	Professional Services	Other Services	Goods & Supplies
African American	X	X			X
American Indian	X	X	X		X
Asian American	X		X		X
Hispanic American	X	X	X	X	X
Nonminority Women	X	X	X	X	X
Disabled	X	X	X	X	X

Subcontractor Goals (For contracts over \$500,000)

For all subcontracting bidding with a cost of \$500,000 or more, the Contractor will be required to comply with the State's Targeted Group Business (TGB) program and established goals for TGB participation. The percentage goal amounts will be established by the owner prior to bidding the subcontractor work.

VETERAN OWNED BUSINESS PREFERENCE

In accordance with Minn. Stat. § 16C.16, subd. 6a and § 16C.19, eligible certified veteran-owned small businesses will receive a 6 percent preference on the basis of award for this solicitation. The preference is applied only to the first \$500,000 of the response.

Eligible veteran-owned small businesses should complete the Veteran-Owned Preference Form in this solicitation. Only eligible and certified, veteran-owned small businesses that provide the required form, will be given the preference. Eligible veteran-owned small businesses are certified small businesses of which the principal place of business is in Minnesota and that are majority-owned and operated by a veteran and are verified by the United States Department of Veterans Affairs as a veteran-owned small business. Eligible veteran-owned small businesses must be **currently** (at the time of solicitation due date) verified by the U.S. Department of Veterans Affairs prior to the solicitation opening date and time to receive the preference. Information regarding verification by the United States Department of Veterans Affairs may be found at <http://www.vetbiz.gov>.

8.2. Self-Performed Work

8.2.1. Incidental and Ancillary Work

The Contractor may perform incidental and ancillary work, including but not limited to work that is related to ensure jobsite safety and security, jobsite cleanliness and sanitation, limited demolition, and other incidental work that is necessary to enable subcontractors to perform their work in a timely manner.

8.2.2. Trade Work

Unless approved in writing by the State Institution, the Contractor may not self-perform trade work.

8.3. Design Guidelines

Sole source product specifications or requirements are prohibited unless approved in writing by the State Institution's Authorized Representative. The State Institution requires the Contractor to select and specify, at a minimum, 3 quality manufacturers/products, to establish minimum acceptable quality. If the Contractor determines that a process of substituting "equal or better" products during bidding is feasible, then the Contractor must specify the process and guarantee an "equal or better" product. Model or product numbers for approved alternate products must be cited in addenda when prior approvals occur.

8.4. Savings Derived From Competitive Bidding

All savings derived from competitive bidding shall be 100% credited to the State Institution, as calculated in Steps 1 through 3 below. Upon substantial completion of the work, the State Institution and Contractor shall reduce Sections 3.1.1 and 3.1.3 to the ("Adjusted Project Price"). The Adjusted Project Price shall be calculated as follows:

- Step 1 – Add the net reduction in the Total Subcontractor Costs, Equipment Costs and Other Direct Purchase Costs from the amounts shown in Section IV of this Exhibit to arrive at the Adjusted Project Total Direct Cost
- Step 2 – Apply the Project Markup %'s as listed in Section IV of this Exhibit to the Adjusted Project Total Direct Cost to arrive at the Adjusted Project Markup
- Step 3 – Add the Adjusted Project Total Direct Cost and the Adjusted Project Markup to arrive at the Adjusted Project Price

9. E-Verify Certification (In accordance with Minn. Stat. § 16C.075)

For services valued in excess of \$50,000, Contractor certifies that as of the date of services performed on behalf of the State, Contractor and all its subcontractors will have implemented or be in the process of implementing the federal E-Verify Program for all newly hired employees in the United States who will perform work on behalf of the State. Contractor is responsible for collecting all subcontractor certifications and may do so utilizing the *E-Verify Subcontractor Certification Form* available at <http://www.mmd.admin.state.mn.us/doc/EVerifySubCertForm.doc>. All subcontractor certifications must be kept on file with Contractor and made available to the State upon request.

Exhibit B Contractor's Fees

1. Contractor's Fees for Investment Grade Audit

The total compensation payable to the Contractor to fully perform the Contractor's Duties specified in Exhibit A, Section I of this Work Order Contract shall be the lesser of the total obligation payable under Section 3 of this Work Order Contract or an amount equal to the total square footage of building space that the State Institution authorizes, in writing, to be audited by the Contractor multiplied by \$0.10.

2. Costs, Markups, and Fees

Costs, markups and fees applicable to the cost estimates developed in the Performance of the Contractor's Duties as specified in Exhibit A, of this Work Order Contract shall not exceed the lower of the maximum amounts established in the Master Contract or this Work Order Contract. Markups shall not be applied to fees.

2.1 Project Costs

The table below indicates the Contractor's proposed Maximum Percentage of the construction project's Total Project Price for each Project Construction Cost Category.

Project Construction Cost Category	Maximum Percent of Total Project Price	Self-Performed by Contractor or Subcontracted
Subcontractor Costs (Other Contractor Costs to Contractor)	N.A.	Subcontracted
Other Direct Purchases of Equipment, Material, Supplies by the Contractor (do not include subcontractor supplied purchases as they should be included above)	N.A.	Self-Performed
Design (state at right whether this shall be completed by the Contractor or subcontracted)	6.5%	Both - Consultative
Project Management (state at right whether this shall be completed by the Contractor or subcontracted)	5.0%	Self-Performed
Commissioning (state at right whether this shall be completed by the Contractor or subcontracted)	2.0%	Self-Performed
Training (state at right whether this shall be completed by the Contractor or subcontracted)	1.0%	Both - Consultative
Warranty (state at right whether this shall be completed by the Contractor or subcontracted)	1.5%	Self-Performed
Construction Measurement and Verification (state at right whether this shall be completed by the Contractor or subcontracted)	1.0%	Self-Performed
Permits (markup allowed only if permits are acquired by Contractor)	1.0%	Self-Performed
Performance Bond	1.5%	Both

2.2 Project Markups

The table below includes the maximum percentage markups the Contractor may apply to direct purchases of material, equipment and subcontracts under this Work Order Contract.

Project Markup	Maximum Percent Markup
Overhead Percent	9%
Profit Percent	7%

2.3 Self-Performed Work Fees

The table below includes the position descriptions and hourly rates for labor and services self-performed by the Contractor. Markups shall not be applied to fees.

Position Description	Hourly Rate
Business Unit Manager	\$185
Operations Services Manager	\$185
Project Director	\$165
Account Executive	\$165
Construction Project Manager	\$165
Mechanical Design Engineer	\$165
Project Development Engineer	\$165
Energy Engineer	\$145
Commissioning Engineer	\$145
Performance Assurance Engineer	\$125
Safety Coordinator	\$125
Site Supervision	\$125
Administration	\$90

2.4 Open Book Pricing

The Contractor shall fully disclose all costs of materials and labor purchased and subcontracted by the Contractor and a list of hourly rates and position descriptions for labor or services provided by the Contractor. Estimates for number of hours required for the project and deviations of these budgeted hours shall require prior written approval by the State or shall not be paid. Contractor shall maintain cost accounting records on authorized work performed under actual costs for labor and material, or other basis requiring accounting records. Contractor shall retain these records and afford the State access thereto pursuant to Master Contract, Section 9: State Audits. Costs will be evaluated through price analysis to compare costs with reasonable criteria such as established catalog and market prices or historical prices. The pricing methodology and individual cost markups disclosed during

preliminary contract negotiations will be expected to be applied, providing the scope and size of the project remain the same as assumed when markups were disclosed.

31

AMENDMENT TO CONTRACT – EXTENSION OF TERM

THIS IS AN AMENDMENT to the “Solid Waste Services Contract” (the “Contract”) by and between the CITY OF MOUNTAIN LAKE, a political subdivision of the State of Minnesota, (the “City”) and HOMETOWN SANITATION SERVICES LLC, a Minnesota Corporation, 1041 3rd Avenue, Windom MN 56101 (“Contractor”).

RECITALS OF FACT.

- I. The City and Contractor entered into the Contract on April 1, 2013.
- II. The parties now wish to amend the Contract.

NOW THEREFORE, in consideration of the mutual covenants set out in this Amendment, the parties agree as follows:

- I. **Extension of Term.** Paragraph 6 of the Contract is amended by replacing the date “March 31, 2016” with the new date “March 31, 2021.”
- II. **The following rates as cited in paragraph 10 shall continue for 2016:**

	Base Price
1. Autopay:	
35 gallon	\$11.54
65 gallon	\$13.64
95 gallon	\$15.74
2. Paper Bill:	
35 gallon	\$12.06
65 gallon	\$14.16
95 gallon	\$16.26
3. Sr. Citizen Autopay:	
35 gallon	\$10.49
65 gallon	\$12.59
95 gallon	\$14.69
4. Sr. Citizen Paper Bill:	
35 gallon	\$11.01
65 gallon	\$13.11
95 gallon	\$15.21

- 5. Alternative 35 gallon every other week tub:**

32

Base Price

- 1. **Autopay:**
35 gallon \$8.49

- 2. **Paper Bill:**
35 gallon \$8.99

- 3. **Sr. Citizen Autopay:**
35 gallon \$7.49

- 4. **Sr. Citizen Paper Bill:**
35 gallon \$7.99

City Campground dumpster: \$120 per month

III. **Price Adjustment Beginning in 2017:** Paragraph 12 of the Contract is amended by addition of the following sentences: "There will be no price increases in 2016. Beginning on April 1, 2017, the price shall be increased by 2.5% annually." City will be notified of the new rates one month prior to their effective date.

IV. **Diesel Price Adjustments.** A new Paragraph 12-A is added to the Contract, containing the following text:

Fuel Charges. In the event that diesel fuel prices decrease to less than \$1 per gallon, or increase to over \$5 per gallon, the price shall be adjusted quarterly to reflect changes in the cost of fuel as follows:

Price Per Gallon	Monthly Payment Adjustment
Less than \$1.00	3% Decrease to Monthly Fee
\$5.00 to \$5.99	3% Increase to Monthly Fee
\$6.00 to \$6.99	6% Increase to Monthly Fee
\$7.00 to \$7.99	9% Increase to Monthly Fee

If diesel prices increase above \$8 Per Gallon, an additional 3% increase will be added for each \$1.00 increase, consistent with the adjustments in the above table.

Diesel price per gallon will be determined by calculating the average price of diesel fuel at Mt. Lake gas stations in the week preceding the beginning of each Quarter. Any such adjustment must be communicated in writing to the City by Contractor one month prior to the effective date, and must include specific details of the calculation.

33

V. **Landfill Provision.** This amendment assumes no changes in disposal fees at the Cottonwood County Landfill. If changes in fees arise, Contractor reserves the right to re-negotiate with the City of Mountain Lake.

ALL OTHER TERMS OF THE CONTRACT REMAIN THE SAME.

IN WITNESS WHEREOF, the County and Contractor have caused this Amendment to be executed as of the ___ day of _____, 2016.

Mayor Mike Nelson
City of Mountain Lake

Mike Johnson
General Manager, Hometown

Date

Date

Dawn Fast
Deputy City Administrator

Date

34

SOLID WASTE SERVICES CONTRACT
CITY-WIDE CLEAN-UP

THIS CONTRACT is made commencing the 1st day of April 2016, by and between the City of Mountain Lake, MN, hereinafter referred to as "City," and Hometown Sanitation Services, Inc., hereinafter referred to as "Contractor."

WHEREAS, Contractor has been awarded the contract for city-wide clean-up for the City for 2016-through 2018.

WHEREAS, the following sets forth the dates and compensation for such service.

NOW, THEREFORE, IT IS AGREED:

1. Contractor shall provide services for city-wide clean-up on the following dates: May 7, 2016, May 6, 2017 and May 5, 2018.
2. Such services shall not include pick up of household hazardous waste, appliances, electronics, tires, recyclables, light bulbs, and demolition and construction debris.
3. Compensation to Contractor shall be \$125 per ton in 2016, \$130 per ton in 2017, and \$135 per ton in 2018.

Hometown Sanitation Services, Inc.

City of Mountain Lake

By: _____

By: _____
Its Mayor

Its: _____

Attest: _____
Its City Administrator

Wendy Meyer

From: Mike at Hometown Sanitation <mike.hometown@hotmail.com>
Sent: Friday, February 26, 2016 4:18 PM
To: Wendy Meyer
Subject: RE: Emailing: solid waste contract city-wide clean-up 2016-18

Wendy,

I'd like to see the following points included, from our proposal:

New Point 4. If fuel is under \$4.00 per gallon in Mountain Lake on the day of the service, the rate will be as listed in the proposal. If fuel is between \$4.00 and \$4.99 per gallon, the per ton rate would increase by \$5/ton. If fuel is \$5.00-\$5.99 per gallon, the per ton rate would increase by \$10/ton, and so forth.

New Point 5. For the purposes of this proposal, Hometown defines "City-Wide Cleanup" to include only the items that the Cottonwood County Landfill accepts as standard garbage. Mattresses, or any other item that the County deems unacceptable for burial at the landfill, will NOT be included within the scope of our services. We will do our best to communicate any issues that arise on this front, and work with you to find a solution. Any services offered regarding mattresses, or other no items no longer accepted, would not be included in the price quotes listed under either option.

New Point 6. Lastly, should the Cottonwood County Landfill make other changes, specifically – but not limited to, changes in rate or other terms, Hometown reserves the right to replace the terms of this contract with new, updated terms.

Thanks, and have a great weekend!

Mike Johnson
General Manager & Co-Owner
Hometown Sanitation

507-235-5665 (office)
507-822-2337 (cell)

36