



Inver Grove Heights City Council
Monday, June 9, 2025 at 6:00 PM
8150 Barbara Ave, Inver Grove Heights, MN 55077

AGENDA

NOTICE TO RESIDENTS: Individuals may submit written public comments in advance of the meeting by emailing comments to Rebecca Kiernan (rkiernan@ighmn.gov). Comments received prior to **12:00 p.m.** on Monday, June 9, 2025, will be provided to the Council at or before the June 9, 2025 meeting. To watch remotely, individuals may go to www.townsquare.tv/webstreaming or watch from Cable TV Live on the Second and Fourth Mondays of the month at 6 p.m. on Channel 14/799 HD.

1. **Call to Order**
2. **Roll Call**
3. **Approval of Agenda**
4. **Presentations**
 - A. Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting
5. **Consent Agenda**

All items on the consent agenda are considered routine and have been made available to the City Council at least two days prior to the meeting; the items will be enacted in one motion. There will be no separate discussion of these items unless a Councilmember or citizen so requests, in which event the item will be removed from this agenda and considered in normal sequence.

 - A. Approval of Minutes of the April 7, 2025, City Council Work Session
 - B. Approval of Minutes of the April 14, 2025, City Council Meeting
 - C. Approval of Disbursements
 - D. Personnel Actions
 - E. Resolution Establishing Change Fund and Petty Cash Fund Balances
 - F. Cost Sharing Agreement with Dakota County for New Voting Equipment
 - G. Resolution Approving a New City Seal
 - H. Resolutions Awarding Contract and Approving Budget for City Project No. 2025-08 - 2025 Sanitary Sewer Rehabilitation
 - I. Resolution Approving Joint Powers Agreement for City Project No. 2023-19 - 80th Street Safe Routes to School
 - J. Resolutions Approving Joint Powers Agreement, Contract Award, and Budget for City Project No. 2023-15 - 80th Street Lane Reduction Improvement
 - K. Resolution Awarding a Contract to SEH for Final Design and Bidding Services for City Projects Nos. 2026-0D through 2026-09L

- L. Resolution Approving Joint Powers Agreement for Final Design of City Project No. 2026-09H - Upper 55th & 57th Street
- M. Resolution Approving Contracts with Wold Architects & Engineers for Architectural Services and Kraus-Anderson Construction Company for Construction Manager as Adviser Services for a New Central Maintenance Facility (City Project No. 2017-01).
- N. Authorization to Enter into 2025-26 Labor Agreement with IUOE, Local No. 70
- O. Resolution Amending Resolution No. 2024-88; Approving Modified Utility Connection Fees for the Yellow Tree Apartment Development
- P. Resolution Approving Improvement Agreement and SWFMA for Yellow Tree Apartment Development
- Q. Approval of Resolution Regarding Inver Wood Golf Course Addition Plat Fees
- R. Resolution Amending Purchase Agreement for Sale of Excess Golf Course Property to the EDA

6. **Public Hearing**

- A. Temporary Expansion of Premise Authorization for Mississippi Pub
- B. Approval of Massage Business and Therapist Licenses

7. **Regular Business**

- A. Rental Housing Licenses
- B. 2024 Annual Audit & Financial Report
- C. Ordinance Amending City Code relating to Exterior Building Materials (Hoop Structures)
- D. Ordinances Amending City Code Related to Above-Ground Fuel Storage Tanks
- E. ~~REMOVED: Closed Session to Consider the Purchase of Real Property~~
- F. **ADDED:** Consideration of Resolution of Support for State Bonding Request

8. **Public Comment**

Public comment provides an opportunity for the public to address the Council on items that are not on the agenda. Comments will be limited to three (3) minutes per person.

9. **Mayor and Council Comments**

10. **Adjourn**



Request for Council Action

SUBJECT: **Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting**

MEETING DATE: June 9, 2025

ITEM TYPE: Presentations

CONTACT: Amy Hove, Finance Director, 651.450.2521

ACTION REQUESTED

The Council is asked to receive a short presentation on the Certificate of Achievement for Excellence in Financial Reporting, which has been awarded to the City by the Government Finance Officers Association.

BACKGROUND

The Certificate of Achievement for Excellence in Financial Reporting has been awarded to the City of Inver Grove Heights by the Government Finance Officers Association of the United States and Canada (GFOA) for its 2023 comprehensive annual financial report. The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

The GFOA, founded in 1906, represents public finance officials throughout the United States and Canada. The association's more than 20,000 members are federal, state/provincial, and local finance officials deeply involved in planning, financing, and implementing thousands of government operations within their jurisdictions. The GFOA's mission is to advance excellence in public finance.

The City has earned this award from the GFOA annually since 1986, which warrants a special thanks to the entire Finance Department team for their efforts.

FISCAL IMPACT

None

RECOMMENDATION

ATTACHMENTS

None

INVER GROVE HEIGHTS CITY COUNCIL WORK SESSION

MONDAY, April 7, 2025 - 6:00 P.M. - 8055 BARBARA AVENUE, COMMUNITY ROOM 3

1. CALL TO ORDER:

The City Council of Inver Grove Heights met in regular session on Monday, April 7, 2025. Mayor Dietrich called the meeting to order at 6:00 p.m. The Pledge of Allegiance was recited.

2. ROLL CALL:

Present In-Person: Mayor Dietrich; Council Members: Murphy, Gliva and Scales; City Administrator Wilson, Deputy City Clerk Katie Malott City Attorney Nason, Finance Director Hove, Parks & Recreation Director Lares.

Absent: Council Member Mary T’Kach

3. APPROVAL OF AGENDA:

Motion to approve the agenda with the addition of 4.D. Brief Legislative Updates by Murphy, second by Gliva.

Ayes: 4

Nays: 0 Motion carried.

4. DISCUSSION ITEMS:

A. Results of Feasibility Study for Historic Buildings Relocation

Presented by Parks and Recreation Director Adam Lares and Amber Sausen with Alliance

Background

- Both buildings were constructed in the early 1930s.
- Neither building is listed on the National Historic Registry.
- The long-term plan is to relocate both buildings to Heritage Village Park (HVP).
- The Council has expressed interest in relocating the buildings using ARPA funds.
- The Council entered into an agreement with Alliance to conduct a feasibility study to determine if the buildings could be moved and to provide cost estimates.

Goals

- 1. Move and Make Safe
 - Move buildings to Heritage Village Park
 - Construct new basements to support relocated buildings
 - Provide accessible route to building entrances
 - Repair building exterior to make safe and visually appealing
 - Remove existing below grade elements and repair sites
- 2. (Optional) Ready for Interior Use

- Prepare buildings for interior access by the public or City
- Repair interior finishes
- Install utilities
- Provide restroom
- Install plumbing for future use

The first phase is to make the buildings safe with a holistic approach. Repairs include window reglazing, siding, foundation, roofing, and accessibility via a new ramp for potential future utilization. Removal of the basement, front columns, and mechanical equipment would be removed to move the buildings.

Phase two will be the readying the buildings to be inhabitable. Depending on planned use of the buildings will determine the amount of renovation to be done. Main goal is to make safe. Planning for a future restroom on the main level.

Cost

- School House
 - Move and Make Safe - \$1,152,643
 - Ready for Interior Use (Optional) - \$330,609
 - Total - \$1,483,252
 - Alternate: Replace Window Assembly - \$41,677
 - Total with Alternate - \$1,524,929
- Town Hall
 - Move and Make Safe - \$1,302,979
 - Ready for Interior Use (Optional) - \$382,999
 - Total - \$1,685,978
 - Alternate: Replace Window Assembly - \$42,198
 - Total with Alternate - \$1,728,176

Potential Funding Sources

- Excess General Fund balance resulting from the City's ARPA funds
- The Parks Acquisition and Development Fund
- Consider Alternate funding options

Next Steps

- If the Council decides to proceed with some, or all of the project, staff recommends extending Alliance's contract for professional services. These services would require a separate contract from the feasibility study
- Staff can work with the Parks & Recreation Advisory Commission to explore alternative ways to incorporate the history of Inver Grove Heights and/or these specific buildings at Heritage Village Park - without relocating them.
- Consider restoring one or both buildings at their current locations instead of relocating them.

Totals include design and contractor mark-up. There might be some efficiencies in doing both buildings. For future use of the buildings, it would make more sense financially to do both the make safe and move phase along with the activation/get ready for use phase. The project will take a lot of coordination to do it right, making the buildings safe and inhabitable along with cleaning up the spots from which they are moved.

Staff is asking for discussion around which options Council would like staff to pursue.

Council members agreed the cost was high and would not want funds for this project hinder fundamentals, building a project in the NW quadrant of the city or aging pipes and culverts. Moving the buildings would be a legacy project.

They discussed the town hall makes the most historical sense, but the town hall makes the most efficient sense by either rehabbing in place for Rich Valley, the Veterans Memorial Greenway, or moving the park maintenance building. The schoolhouse may also dilapidate quicker. Alliance said they could provide estimates for the cost of rehabbing the buildings in their current locations. The Parks & Recreation Advisory Commission would be involved in the planning of what the site would look like if more specifically the schoolhouse were left in place and rehabbed.

Fundraising was discussed as a way to have community buy in and engagement. Council members typically have a greater success rate in this type of community engagement with residents and local businesses. It was discussed what it could take to get the state or county buy in on the project if these buildings were part of regional destinations or part of county efforts in long-term planning.

Next steps would be to have estimates written up of what the cost would be to leave the buildings in place and bring up to code. Consider what the plan could be with leaving the schoolhouse in place and future planning of Rich Valley park and the Veterans Memorial Greenway.

B. Uses for Excess Fund Balance in the General Fund - Resulting from 2024 ARPA Dollars

Presented by Finance Director Amy Hove.

American Rescue Plan Act (ARPA) has Federal funds provided to local governments to support response to and recovery from the COVID-19 pandemic. It is different than the CARES Act funding received earlier in the pandemic. City of IGH's ARPA Funds totaled \$3.9 million and was accepted under the category of "revenue replacement". The funds could be spent on any "governmental purpose" or could be divided up and spent on multiple things. Funds had to be obligated by Dec. 31, 2024, and must be fully spent by Dec. 31, 2026

Some uses Considered for ARPA Funds are the 117th Street Reconstruction - Covered by State Bonding, Heritage Village Park - Splash Pad & Inclusive Playground - was covered by State Bonding or the Water Treatment Plant Rehabilitation. The May 13, 2024 City Council Resolution allocated \$2.5 million in ARPA funds to this project and the Police Department Payroll, in September 23, 2024 - Council allocated \$1,397,440.98 to PD's 2024 full-time wages. Other uses include an acquisition of park land (specifically in the NWA), movement of

historic buildings to Heritage Village Park (Old town Hall) & School House) or additional funding needs in the City's Sewer and/or Storm Water Capital Funds.

The discussion included that the general fund's balance grew by \$1,397,440.98 at year end 2024, as a result of using ARPA funds for 2024 Police Payroll. The General Fund balance complies with City policy without these funds. Therefore, Council discussed what they wanted to do with this \$1.4 million.

A council member thanked council member Murphy for being a great negotiator for the recent Host Community Agreement.

What will park dedication fees be for some of the developments coming up? A development that was recently brought to Council will be a little over \$1 million in park dedication fees. The National Land Holdings development will be a combination of cash and land for parks in their development. Ideally, park land in the NWA would be around 12 to 13 acres of useable park area. There has been an area identified that would meet the criteria for park land.

Council members agreed that putting the money in the Park Acquisition & Development Fund may be the best use of the money. Most members are not in favor of using it for the moving of the historic buildings. The Host Community Fund has allocations that need to be covered at certain points of the year and ongoing costs and with the new agreement the fund will stay stable. A resolution will be brought to the next regular Council meeting to accept the transfer of remaining ARPA funds to the Park Acquisitions & Development Fund.

C. Review of Draft Council Code of Conduct

Council members Murphy and Scales worked together to develop the document.

Expectations for how Council deals with the media will add verbiage about articulating decisions of the Council rather than based on opinions and contacting the City Administrator to let staff and other council members know members of the media are contacting them.

The chain of command from Council to staff is mentioned for clarification. The clarification is that council members should try when they can to ask their counterparts from other cities for information. Directives should also be brought to department heads to delegate to City staff.

Council members discussed whether the code of conduct should be upheld by members of commissions also. It was decided that it should not since the Council and Mayor do not oversee commissions and that would be a decision for the department heads if they wanted this code of conduct or similar.

Clarification will be made for what is meant by influencing decisions made by commissioners. Council members can interact with commissioners and attend meetings but may not try to have them vote a certain way on a topic.

Council members are in agreement with the document with the additions mentioned and brought to the next regular council meeting for approval.

D. Legislatives Updates (added by K. Wilson)

City Administrator Kris Wilson and our Legislative Lobbyist were able to set up a meeting with Inver Grove Heights delegates: Senator Kline, Representative Hanson and Representative McClardy along with two council members.

The zoning preemption bills have slowed and there is over a month left of the legislative session. The bill was heard before the housing committee and was referred to other committees but did not make it onto those agendas. Much of the focus has turned to the state budget. Efforts by Inver Grove Heights and other cities would seem to be working and can be re-iterated at meeting with district representatives.

The state bonding bill for Phase 6 of Heritage Village Park was carried forward by Senator Hanson, however, the committee has not been meeting or considering individual bills. It is expected that the bill will mirror the previous bill that Inver Grove Heights unfortunately was not successful, but making it on the state bonding bill can be a multi-year process.

The governor's and the Senate's budget proposals have cut DEED Host Community grant budget to \$165,000 for each of the two cities that qualify for it. Testimonies may be taken at the next Senate hearing, the city could try to get on the list to testify, but a letter drafted by Administrator Wilson and Community Development Director Ziemer would help to express that Inver Grove Heights has worked with the landfill to take on more waste and suggest that options to use the funds should be relaxed in order to spend the dollars awarded. A hand delivered letter was an idea to make sure the letter is seen and more impactful.

ADJOURN:

Motion to Adjourn at 8:18 p.m. by Scales, second by Gliva.

Ayes: 4

Nays: 0 Motion carried.

Minutes prepared by Deputy City Clerk Katie Malott

**INVER GROVE HEIGHTS CITY COUNCIL MEETING
MONDAY, APRIL 14, 2025 - 6:00 P.M. - 8150 BARBARA AVENUE**

1. CALL TO ORDER:

The City Council of Inver Grove Heights met in regular session on Monday, April 14, 2025, in person. Mayor Dietrich called the meeting to order at 6:00 p.m. The Pledge of Allegiance was recited.

2. ROLL CALL:

Present In-Person: Mayor Dietrich; Council Members: Gliva, Murphy, Scales

Council Member T'Kach joined remotely.

Staff In Attendance: City Administrator Wilson, City Attorney Nason, Community Development Director Ziemer, Parks and Recreation Director Lares, Public Works Director Connolly, City Engineer Merchlewicz, City Clerk Kiernan

3. APPROVAL OF AGENDA:

Motion to and approve as published with the exception to remove Item 5P by Scales, second by Gliva.

Ayes: 5

Nays: 0 Motion carried.

4. PRESENTATIONS:

None

5. CONSENT AGENDA:

- A.** Approve Minutes of the January 27, 2025, City Council Meeting
- B.** Approval of Disbursements, **Resolution 2025-072**
- C.** Personnel Actions
- D.** Resolution Authorizing Contract with Lexipol for Development and Review of Fire Department Policies & Procedures, **Resolution 2025-073**
- E.** Resolution Authorizing Purchase of Fire Department Radios and Adopting Associated Budget Amendment, **Resolution 2025-074**
- F.** Resolutions Awarding Contract and Approving Budget for 2025 Pavement Maintenance - Crack Sealing (City Project No. 2025-09A), **Resolutions 2025-075 & 2025-076**
- G.** Resolutions Awarding Contract and Approving Budget for 2025 Sewer Cleaning & Televising (City Project 2025-07) **Resolutions 2025-077 & 2025-078**
- H.** Resolutions Awarding Contract and Approving Budget for 2025 Pavement Management Initiative - Groveland Area and 50th Street Area (City Project Nos. 2025-09D & 2025-09E) **Resolutions 2025-079, 2025-080, & 2025-081**
- I.** Resolutions Awarding Contract and Approving Budget for 2025 Pavement Management Initiative - Bacardi Avenue and 88th Street Reconstruction (City Project No. 2025-09G), **Resolutions 2025-082 & 2025-083**
- J.** Resolution Approving Contract with Barr Engineering for Updates to the City's Water

- Resource Management Plan and Authorizing an Associated Budget Amendment (City Project No. 2024-10) **Resolution 2025-084**
- K.** Resolution Accepting Final Report for the Central Maintenance Facility Needs Analysis and Site Plan Study and Authorizing Negotiation of Final Design Services (City Project No. 2017-01), **Resolution 2025-085**
 - L.** Resolution Scheduling Public Hearings for 2026 Pavement Management Projects Nos. 2026-09D through 2026-09L, **Resolution 2025-086**
 - M.** Resolution Approving Transfer of \$1.4 million from the General Fund to the Parks Acquisition & Development Fund, **Resolution 2025-087**
 - N.** Exempt Gambling Permit for Ducks Unlimited
 - O.** Resolution Approving a Conditional Use Permit (CUP) for a Seasonal Agricultural Stand at 9226 Old Concord Blvd, **Resolution 2025-088**
 - P.** Resolution Authorizing Fiber Extension to Groveland Park and Associated Budget Amendment

Motion to approve Consent Agenda Items A - 0 by Gliva, second by Scales

Ayes: 5

Nays: 0 Motion carried.

6. PUBLIC HEARINGS:

7. REGULAR BUSINESS:

A. Rental Housing Licenses

Director Ziemer presented 14 rental housing licenses, including 13 new applications and one renewal. All applications have been reviewed by staff and found to meet the necessary requirements. Staff recommends approval of all licenses.

Motion to Approve 14 Rental Licenses by Scales, second by Gliva.

Ayes: 5

Nays: 0 Motion carried.

B. Application for Chicken-Keeping License, 6179 Dawn Avenue.

The Inver Grove Heights City Code, Title 5, Chapter 4: Keeping of Animals allows chickens to be kept on urban residential lots with a valid license. The ordinance permits a maximum of six hens, prohibits roosters, adult male chickens, and breeding, and does not allow the slaughtering of chickens on residential property. It also sets specific standards and setback requirements for chicken coops. Additionally, the Clerk Kiernan is required to notify all property owners directly adjacent to the proposed location of any chicken license application.

Clerk Kiernan noted that under section 5-4-2B(5) of the City Code, if an abutting property owner submits an objection to a chicken license application, the matter must be placed on the next available City Council agenda for review and a decision on whether to issue the license.

The timeline presented showed that Mr. Mercer submitted a chicken-keeping license application on February 28, 2025. On March 21, 2025, the City received an objection. The concerns raised in the objection included the belief that the proposed chicken coop and chickens would be an eyesore and potentially reduce property values. The objection also questioned the adequacy of the chicken run, expressing concern that it was too small to realistically contain the chickens full-time. The yard was noted to be unfenced, and residents do not want chickens potentially escaping into the street or neighboring yards.

The property at 6179 Dawn Avenue has fencing along the property line, though it is not fully enclosed. A chain link fence connects the two ends of the fencing at the rear of the property.

Mayor Dietrich asked whether code compliance had inspected the property and if there was any indication of other violations or concerns about the property not being properly maintained.

Clerk Kiernan responded that there was no code violations associated with the property.

Councilor Murphy asked if there is information available on how much space chickens require.

Clerk Kiernan responded that she did not know the exact space requirements for chickens.

Councilor T'Kach recalled that when the City debated allowing chickens, the number discussed ranged widely, but six hens was ultimately agreed upon as reasonable. She added that while she could not say for certain, the proposed space likely seems adequate.

Councilor Scales said he saw no issue with the application, noting it aligns with the intent behind allowing chickens and that the applicant is following all City requirements.

Mayor Dietrich said she is aware of other property owners who keep chickens, and, to her knowledge, there have been no complaints, which leads her to favor approving the license.

Motion to approve an application for a Chicken Keeping License at 6179 Dawn Avenue by Scales, second by T'Kach.

Ayes: 5

Nays: 0 Motion carried.

C. Conveyance of Easements to Dakota County for Veterans Memorial Greenway.

City Attorney Bridget Nason stated that representatives from Dakota County were in attendance to request two easements necessary for the continuation and construction of the Veterans Memorial Greenway. She acknowledged the presence of Mr. Tony Wotzka, Parks Project Manager; Al Singer, Dakota County Real Estate Manager; and Commissioner William Droste.

Mr. Wotzka outlined the County's vision for an interconnected system of greenways. It included updates on the various phases of the project, details regarding the Regional Greenway Trail Easement, and the Regional Greenway Corridor Easement.

The Veterans Memorial Greenway is a 200-mile County wide vision, with a significant portion located in Inver Grove Heights and Eagan. The project is being developed in three phases: central, eastern, and western. Construction began in April 2024 and is expected to conclude by

the end of the year. Phase II is currently in final design, with construction planned to begin next year. Phase III will follow, extending the trail from Rich Valley and incorporating a grade-separated crossing at Highway 52.

Phase I began in April 2024, with substantial completion achieved by November 2024 and final completion anticipated by July 2025. This phase includes two memorial nodes, MIA Prairie/Path of Service and Places We Served. Additional landscaping, interpretive features, and plaza construction will be completed under separate contracts later in the year.

Phase II is currently in final design, with construction scheduled to begin next year. Phase III will follow, extending the trail from Rich Valley and continuing with a grade-separated crossing either under or over Highway 52. A few highlights from the project include two miles of new greenway alignment along Cliff Road (CSAH 32) and within Flint Hills Resources easement, a tunnel under Rich Valley Boulevard (CSAH 73) with a custom sandbag façade, a Stars and Stripes Plaza, enhancements to the parking lot, and the installation of a midblock crossing with lighting along 105th Street to Rich Valley Park.

Design work for Phase II is nearly complete, with construction planned for 2025. This phase will add four memorial nodes honoring Native American Veterans, Gold Star Families, Military Units and Flyers, and Support Organizations. It will also include a grade-separated bridge at Highway 3, trail improvements in Lakeside Park in Eagan and Southern Lakes Park in Inver Grove Heights, and upgrades on City-owned property in Inver Grove Heights that includes transmission lines. New regional trail easements will be established in collaboration with Xcel Energy, the City of Eagan, and the City of Inver Grove Heights.

Phase III, scheduled for final engineering in 2025 and construction in 2026–2027, will feature two more memorial nodes, Main Memorial and County Military Places. It also includes a grade-separated tunnel or bridge at Highway 52 and a trail alignment that starts at Rich Valley Park and extends east along 105th Street, which will undergo full reconstruction.

As part of Phase I, an easement was considered through the park that follows the primary alignment of the trail. This small easement accommodates the trail's layout on the park property. In Phase II, the proposed easements expand to include a defined center line for the trail and a designated area for both trail access and a broader corridor. The corridor easement is intended to support restoration efforts and additional landscaping alongside the trail.

The County has revised the trail alignment to avoid the pipeline easement in accordance with requirements from Flint Hills Resources and to prevent additional wetland impacts based on feedback from the Minnesota Department of Natural Resources. A site review and tree inventory were also conducted, and the County will work to minimize grading and avoid valuable mature trees as much as possible.

A revised trail alignment concept is currently being developed. On March 4, letters were sent to residents adjacent to City and Xcel property to inform them of the proposed changes to the corridor trail alignment. In response, the City and County received ten comments or inquiries from residents regarding the Greenway or the updated alignment.

Mr. Singer explained that the County will handle the construction of the paved recreational trail along the corridor. After construction, the County will be responsible for the trail's maintenance, repairs, eventual replacement, and the removal of hazardous trees. These

responsibilities will be outlined in a future Supplemental Maintenance Agreement. Vegetation management will follow a jointly approved Vegetation Management Plan, which will be carried out through a Maintenance Agreement requiring joint approval.

Since State bonds are being used to finance the trail construction, formal easements are required, and any changes to these easements must be approved by the Minnesota Department of Natural Resources and the Commissioner of Minnesota Management and Budget. The County will also indemnify the City against any claims resulting from its use of or work within the easement area.

Dakota County is requesting that the City Council adopt a resolution Approving the Conveyance of a Regional Greenway Trail Easement within Rich Valley Park and a Regional Greenway Corridor Easement on City-owned property adjacent to and within Southern Lakes Park. These easements would be granted to Dakota County in forms substantially similar to those presented during the meeting.

Michael Shaughnessy, who resides at 10760 Amherst Way, expressed concern that the revised trail alignment brings the path too close to his property, potentially affecting his privacy and views. He requested information about the trail's elevation, construction plans, and how issues such as soil stability and slope will be managed. He also raised concern that decisions regarding the alignment may already be finalized without adequate input.

Mayor Dietrich asked if he had spoken with the County.

Mr. Shaughnessy stated that he contacted Mr. Wotzka and received a detailed response but is still uncertain about how much of the plan has been finalized.

Edward Ambrose, who resides at 10764 Amherst Way, expressed concern that the revised trail alignment brings the paved path much closer to nearby homes. He pointed out that existing drainage through his and neighboring yards is already causing erosion and noted that the current plans do not seem to address the increased runoff expected from the new paved surface.

Joe Glidden, who resides at 10608 Amery Court, expressed concern about the unclear alignment of the proposed trail behind his home. He noted that it may be shifted closer to his and neighboring properties due to pipeline easement restrictions. He emphasized the need for clarity on the trail's exact location before approval, citing concerns about privacy, increased traffic, and potential impact on property values.

Richard Mast, who resides at 10758 Amherst Way, expressed concern about the potential proximity of the proposed trail to their home, noting it could be as close as 30 to 40 feet. He emphasized the importance of understanding the exact trail alignment before raising formal objections, citing potential impacts on privacy and property value.

Sandy Honerbrink, who resides at 2318 75th Street East, questioned the need for another trail and asked whether a full inventory of existing trails and parks had been completed. She urged the County to prioritize maintenance over expansion and expressed concern about taxpayer costs, despite the County claiming financial responsibility. She also cited ongoing work on 80th Street as a reason to avoid unnecessary trail development.

Laura Mast, who resides at 10758 Amherst Way, expressed concern about the proposed trail's impact on child safety, particularly near a steep slope by the pond and sledding area.

Edward Ambrose, who resides at 10764 Amherst Way, asked why the trail was not routed around the large pond, noting that such an alignment might have resolved pipeline concerns, eliminated the need for a bridge, and potentially reduced costs for the County.

Michael Shaughnessy, who resides at 10760 Amherst Way, asked why the current trail alignment is being changed, noting that it appears to already comply with existing regulations.

Mayor Dietrich responded that she would follow up to obtain answers to all the questions that were raised.

Mayor Dietrich requested that Mr. Wotzka provide an explanation of what prompted the need for the proposed change.

Mr. Wotzka explained that the trail location identified in the current plan is part of a long-term planning process that began in the late 2000s. Through that process, this corridor was selected as the preferred alignment for the Veterans Memorial Greenway, which was originally known as the Rich Valley Greenway. The plan also considered the placement of memorial nodes, including one proposed for this location, both of which contributed to selecting this alignment.

As the project progressed into the preliminary design phase, more detailed analysis of existing conditions was conducted. It was determined that the current trail exceeds acceptable slope standards for a regional facility, particularly in relation to ADA compliance, with some areas reaching slopes of 9 percent or more. The proposed serpentine alignment is intended to reduce the steepness of the trail to meet compliance requirements. This adjustment enhances user safety and ensures accessibility for individuals with impairments.

Mayor Dietrich asked whether that was one of the factors in the decision not to route the trail around the large pond.

Mr. Wotzka said he could not speak to the design considerations for routing the trail around the larger pond but would follow up with staff to see if any analysis had been done. In his three years leading the project, no exploration of that eastern alignment had occurred. He noted that the area presents slope and utility challenges, as well as significant vegetation clearing concerns due to its wooded nature compared to the current alignment.

Mayor Dietrich asked if the trail's elevation and exact placement could be clarified, and whether the area is currently staked to help residents visualize its proposed location.

Mr. Wotzka explained that the trail is not currently staked, as the alignment is still being finalized. In other areas, staking has been used to show the trail's center line for review. He noted that elevation changes vary along the route, with some areas being raised or lowered depending on site conditions and limitations related to Flint Hills and nearby wetlands. He confirmed that staking the trail is possible once the design is further refined.

Mayor Dietrich asked whether a map of all trails is available on the County's website and, if so, requested that staff direct residents to its location.

Mr. Wotzka confirmed that a Dakota County greenways and trails map is available and may include local trails. He will review the information and share it as follow-up material, noting that he cannot speak specifically to the Inver Grove Heights trail system.

Mayor Dietrich asked, with respect to funding, who is responsible for maintaining the trail in perpetuity.

Mr. Wotzka responded that Dakota County will be fully responsible for the ongoing and long-term maintenance of the trail. This includes upkeep of the asphalt surface, mowing of adjacent areas, and management of surrounding vegetation.

Mayor Dietrich inquired about how drainage will be addressed along the proposed trail alignment.

Mr. Wotzka stated that while the County can manage trail runoff, its ability to address drainage beyond the project area is limited. Stormwater design is being used to direct water appropriately within the construction limits.

Mayor Dietrich suggested that neighbors directly affected by the project may need more information. She recommended gathering their email addresses to follow up on questions, arranging for the trail area to be staked, and identifying appropriate next steps.

Councilor Gliva asked what the timeline would be to have the trail alignment staked out.

Mr. Wotzka stated that staking could likely take place within a week, depending on the availability of the County's survey team. He explained that the alignment shown would reflect the most current version, though it may still change pending final design approval from MnDOT and the City. The proposed trail lies within a 100-foot-wide easement, which is the area under consideration for authorization. He added that all alignment adjustments and alternative analyses to date have remained within this designated area.

Mayor Dietrich asked Attorney Nason whether the trail alignment within the easement boundaries could be adjusted based on feedback from the residents' meeting and how the Council's decision might affect that process.

Attorney Nason explained that if the Council approves the easements, the County will have legal authority to construct the trail and related features anywhere within the 100-foot corridor, even if the alignment changes slightly. Although the easement includes an expected layout, it is not legally binding. Approval would allow the County to move forward while alignment discussions continue. If the Council wants more information before deciding, it may delay action and request specific details. She also noted that the County is working within certain construction and funding timelines.

Mayor Dietrich inquired about the timeline.

Mr. Wotzka explained that all easements and right-of-way acquisitions must be secured before the project can be submitted for construction bidding. This is a requirement for obtaining the right-of-way certificate from MnDOT and securing project funding.

Councilor T'Kach asked whether the County could stake the full 100-foot width of the easement to give residents and Council a clearer understanding of the trail's potential location, noting the significant flexibility within that space.

Mr. Wotzka confirmed that it is feasible to stake both the full easement width and the trail centerline. He stated that they will assess the current alignment in relation to the easement boundaries to provide a clearer understanding of the trail's placement.

Mayor Dietrich asked whether the elevation will be indicated on the stakes.

Mr. Wotzka explained that indicating elevation on the stakes is more complex due to the area's varying topography. Some sections of the trail will be raised, while others will be lowered, depending on the location. He stated that they can review existing construction plans and discuss elevation changes in the field to help illustrate the expected grade adjustments.

Councilor T'Kach recommended tabling the item until more information is available, noting that similar concerns may arise with the upcoming segment on 105th Street. While expressing support for the trail, she emphasized the need for greater clarity for residents.

Councilor Scales asked staff, if the item is tabled, how soon it could be brought back before the Council for consideration.

Administrator Wilson responded that City staff can place the item on any upcoming Council agenda. The timeline depends on when the County can complete staking and allow sufficient time for residents to view and assess the area.

Mr. Wotzka responded that he would defer to the Council and staff on timing but noted that staking could likely be completed within a short period, allowing residents and the City to review the area and ask questions.

Mayor Dietrich asked whether bringing the item back on April 28th would allow adequate time for the County to complete necessary preparations without delaying the project.

Mr. Wotzka stated that April 28th is feasible, and the County is willing to accommodate that timeline, provided it allows adequate time for review and feedback.

Mayor Dietrich requested that residents in attendance complete the contact information sheets located at the back of the room and submit them to Mr. Wotzka. She asked that residents indicate their preferred method of contact, whether by email or phone, noting that this will be the approach used for future communication and follow-up.

Councilor T'Kach asked whether the County could send a brief notice to nearby residents who were unable to attend the meeting, informing them about the upcoming staking and its purpose. She also inquired whether the full 100-foot easement is necessary for a 10-foot-wide trail, and whether the easement is permanent or temporary for construction and vegetation management purposes.

Mayor Dietrich asked Councilor T'Kach which specific residents she was referring to who may share concerns but were not in attendance.

Councilor T'Kach clarified that she was referring to residents along Amherst Way.

Mayor Dietrich thanked Dakota County Commissioner Droste for attending the meeting and noted that Commissioner Atkins sent his regrets for not being able to attend.

Mayor Dietrich thanked Mr. Wotzka for his efforts in working with residents and expressed appreciation to the residents who attended the meeting for their involvement and engagement.

Motion to Table Item to April 28, 2025, City Council Meeting by T’Kach, second by Scales.

Ayes: 5

Nays: 0 Motion carried.

D. Resolution Approving an Amendment to the Joint Powers Agreement with Dakota County for County Project 28-69 (City Project No. 2024-16) - 80th Street Trail Gap,

Director Connolly introduced Ms. Laberee, Transportation Director for Dakota County, who presented a request to amend the Joint Powers Agreement (JPA) for the 80th Street trail project. The proposed trail would be located on the north side of 80th Street between Cahill and Concord Boulevard and is identified as project number 28-69. This trail segment was designated a priority in the 2021 Safe Routes to School Plan, developed in partnership with Inver Grove Middle School and Simley High School. It is also included in both County and City planning documents as a future trail connection.

The project is tied to related trail improvements on Concord Boulevard, identified as project 56-14 on the map, and is supported by RAISE grant funding. At the time of the original JPA, it was believed the grant would cover the full scope of expenses, including design, right-of-way, and construction. However, following discussions with MnDOT, it was clarified that the grant only covers construction costs. Usually, for trail projects, cities have a 15% cost share, and the County covers 85%. In this case, Dakota County will contribute \$436,000, representing its 85% share of the design and right-of-way costs.

Construction costs for the 80th Street portion are estimated at \$1.5 million for the 28-69 portion and will be fully funded by outside grants, resulting in no construction cost to the City. Similarly, the Concord Boulevard project, estimated at \$2.5 million, will also be completed at no cost to the City using a combination of the RAISE grant and other grant sources.

While the original JPA included a 15% city cost share for all project phases, it also assumed those costs would be covered by the grant. Due to this change, the County is now respectfully requesting that the City fund the share for the design and right-of-way expenses, estimated at \$77,000. Ms. Laberee expressed regret for the late notice and the unexpected cost to the City.

Sandy Honerbrink, who resides at 2318 75th Street East, questioned the need for a new sidewalk on the north side of 80th Street, noting that a sidewalk already exists on the south side. She suggested improving the existing sidewalk instead, stating it would save money and reduce maintenance. She expressed concern that taxpayers will ultimately bear the cost.

Mayor Dietrich asked Ms. Laberee if the project was based on a study or a recommendation from the school district and inquired whether the district was contributing any funding toward the project.

Ms. Laberee explained that the project originated from the Safe Routes to School Plan, which was completed in 2021 in partnership with the school districts and MnDOT. She also noted that the school district is not contributing funding to the project and, to her knowledge, was not asked to do so.

Mayor Dietrich requested clarification on the purpose of the sidewalks, specifically questioning the need for an additional one, and remarked that it would be helpful for everyone to understand the reasoning behind the proposal.

Ms. Laberee responded that in suburban areas, there is significant value and a safety benefit in having sidewalks and trails on both sides of the road. This allows pedestrians and bicyclists to avoid crossing the street to access a trail or sidewalk on the opposite side. This is especially important near schools, as it enables children to remain on the north side of the road until they reach a stoplight, reducing the need to cross busy streets.

Mayor Dietrich asked whether, with this project, the trail would be maintained and plowed by the County.

Ms. Laberee responded that the County is responsible for long-term maintenance, such as repairs or repaving, but the City is responsible for snow plowing.

Councilor Scales expressed concern about the City being asked to cover costs after the fact, acknowledging that while the oversight was likely an honest mistake, it was still a surprise. He emphasized the importance of following the proper process when working with the County and suggested improving project management by involving the City earlier and putting key details in place sooner.

Mayor Dietrich stated that \$77,000 is a significant amount and not a minor expense, as it comes from taxpayers and is not included in the City's budget. She acknowledged the funding change was out of the County's control but stressed the importance of being good stewards of public funds. She also noted that the City's sidewalk plowing equipment is costly to maintain and prone to breakdowns, which adds to her concerns.

Councilor Murphy stated that he has no issue with the sidewalk if it improves safety for children. However, he noted that the original information from staff indicated there would be zero cost to the City, which influenced his support. Since a cost is now involved, he cannot support the amendment, as he had assured residents there would be no expense.

Councilor Gliva agreed with fellow Council members and acknowledged resident concerns about tree removal and the inclusion of sidewalks on both sides. While she recognized the safety benefits, she expressed difficulty supporting the project now that it involves City funding, noting that the original agreement indicated there would be no cost to the City. As someone who monitors the budget closely, she could not support allocating funds for the project.

Councilor T'Kach acknowledged the oversight related to the grant and emphasized the need for the County to closely monitor bids and comply with grant requirements. She highlighted the safety benefits of placing the trail on the north side of 80th Street for all pedestrians. She also pointed out that regardless of whether the funding comes from the City or the County, it ultimately affects the same taxpayers. Stressing the importance of maintaining a strong

partnership with the County, she expressed support for proceeding with the project, provided staff confirm that the City has the \$77,000 available to cover the cost.

Mayor Dietrich asked Director Connolly if the funds are available to cover the \$77,000 cost and, if so, what projects or priorities might be delayed or not happen as a result of using those funds.

Director Connolly explained that the recommended funding source for the City's share of the project is the pavement management fund. Although no money was budgeted for this project, the City has saved more than the required amount through lower-than-expected bids on other pavement projects this year. As a result, no other projects will be impacted or left unfunded. He confirmed there is an adequate fund balance to cover the cost and noted the Council has traditionally been protective of this fund, which supports all pavement-related projects.

Councilor Scales asked whether the trail is getting built regardless of their approval.

Ms. Laberee responded that the matter would need to be reviewed further, as they are bound by their costs and existing policy. She explained that she would have to bring the issue back to the Board of Commissioners to determine whether they would be willing to allow an exception.

Councilor Scales noted that the trees have already been removed and questioned whether the County will abandon the project if the City declines to contribute \$77,000.

Ms. Laberee responded that they are not indicating they will walk away from the project, but they must follow the established process, and the final decision rests with the Board.

Councilor Scales stated that, like the City, the County will also need to return for approval.

Motion to Deny Approval of a Resolution to Amendment to the Joint Powers Agreement with Dakota County for County Project 28-69 (City Project 2024-16) 80th Street Trail Gap by Murphy, second by Gliva.

Ayes: 4

Nays: 1 (T'Kach) Motion carried.

8. PUBLIC COMMENT:

Ms. Sandy Honerbrink, a resident of 2318 75th Street East in Inver Grove Heights, asked whether the City includes long-term budgeting in all its projects, emphasizing the importance of financial oversight. She also urged the Council to request a report comparing the costs of electronic voting systems versus hand-counted ballots, as part of her support for President Trump's proposed election reforms, which include one-day voting, ID requirements, and proof of citizenship. She believes adopting these measures could increase election security and reduce costs.

Ms. Honerbrink also raised concern about fluoride in the City's water, referencing Robert F. Kennedy Jr.'s recommendation to remove it and citing Salt Lake City's recent ban. She urged the City to consider becoming the first in Minnesota to eliminate fluoride from its water supply.

She concluded by suggesting that the City Council require all planning commission proposals to include a long-term maintenance and management budget to ensure sustainable City operations and safeguard taxpayer interests.

Mayor Dietrich asked Ms. Honerbrink if she could include the remainder of her comments in writing and provide them to the Clerk Kiernan.

Mayor Dietrich asked Director Connolly whether the annual maintenance costs for the Central Maintenance Facility have already been incorporated into the planning or if the project has not yet progressed to that stage.

Director Connolly explained that the project has not reached that stage yet, as there is no final design and they are still conducting a needs analysis. He added that the facilities manager, who will be involved in the design process, would be better positioned to address questions about operating and maintenance costs, since those responsibilities fall under a separate division.

Mayor Dietrich asked if that information will be covered during the work session when the Central Maintenance Facility is discussed in more depth.

Administrator Wilson stated that an update is planned for the May work session, but it will not include operating cost estimates. She explained that the building must first be designed, and decisions made about energy efficiency before reasonable cost estimates can be provided.

Mayor Dietrich asked if Clerk Kiernan could restate the City's position and protocol on voting for the benefit of the viewing public.

Administrator Wilson explained that Dakota County selects the election equipment used by all cities within the County. While cities can review the options, the final decision is made by County staff and approved by the County Board. The County must choose from systems approved by the Minnesota Secretary of State, meaning only equipment that has been tested and verified for accuracy can be used. Although the City participates in the process, it does not have decision-making authority.

Mayor Dietrich encouraged constituents to make their voices heard by contacting their legislators.

9. MAYOR AND COUNCIL COMMENTS

Mayor Dietrich announced that the Healthy Living Fair will take place on Wednesday, April 16, from 10 a.m. to 1 p.m. in the National Guard Gymnasium. The event is free to attend and will feature vendors and presentations throughout the day. She encouraged everyone to stop by as their schedules allow.

10.ADJOURN:

Motion to Adjourn at 7:46 p.m. by Dietrich, second by Scales.

Ayes: 5

Nays: 0 Motion carried.

Minutes prepared by Recording Secretary Tammy Greenlee



Request for Council Action

SUBJECT: Approval of Disbursements

MEETING DATE: June 9, 2025
ITEM TYPE: Consent Agenda
CONTACT: Amy Hove, Finance Director, 651.450.2521

ACTION REQUESTED

The Council is asked to adopt the attached Resolution, approving disbursements for the period of May 21 – June 3, 2025.

BACKGROUND

The following chart represents a summary by fund type of the disbursements processed during the period of May 21 – June 3, 2025. Disbursement details are attached to this memo.

Fund Type	Amount
General Fund	\$481,687.90
Special Revenue	82,057.16
Debt Service	-
Capital Projects	118,485.37
Enterprise	308,884.12
Internal Service	55,884.07
Escrows	6,840.16
Total - All Funds	\$1,053,838.78

FISCAL IMPACT

The disbursements are within adopted budgets for the associated funds or have otherwise been approved by the Council.

RECOMMENDATION

Staff recommends approval of the disbursements as presented.

ATTACHMENTS

1. Resolution 06.09.2025
2. Disbursements Listing (5.21.2025 - 6.03.2025)

**CITY OF INVER GROVE HEIGHTS
DAKOTA COUNTY, MINNESOTA**

RESOLUTION NO. ____

**RESOLUTION APPROVING DISBURSEMENTS FOR THE PERIOD OF MAY 21, 2025 -
JUNE 3, 2025.**

WHEREAS, a detailed listing of disbursements for the period of May 21, 2025 - June 3, 2025 was presented to council for approval.

NOW, THEREFORE BE IT RESOLVED, BY THE CITY OF INVER GROVE HEIGHTS:
Payment of the disbursements for the following fund types are approved:

Fund Type	Amount
General Fund	\$481,687.90
Special Revenue	82,057.16
Debt Service	-
Capital Projects	118,485.37
Enterprise	308,884.12
Internal Service	55,884.07
Escrows	6,840.16
Total - All Funds	\$1,053,838.78

Approved by the City of Inver Grove Heights, Minnesota this 9th day of June 2025.

Brenda Dietrich, Mayor

ATTEST:

Rebecca Kiernan, City Clerk



Expense Approval Report

By Fund

Payment Dates 5/21/2025 - 6/3/2025

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
Fund: 101 - GENERAL FUND					
DAKOTA ELECTRIC ASSN	200002501658 05/21/2025	05/21/2025	Electric	101.4200.000.5355	329.76
BEACON ATHLETICS	0613141-IN	05/22/2025	field marking chalk	101.4200.000.5125	701.00
REVOLUTIONARY SPORTS, LLC	0725	05/22/2025	preschool tball classes 4.2025	101.4300.454.5310	988.00
BILL RASCHER MECHANICAL I...	10296	05/22/2025	repairs to sink & drinking foun...	101.4200.000.5400	954.43
OCCUPATIONAL HEALTH CEN...	104181179	05/22/2025	Pre-employment physical	101.1120.000.5310	207.00
OCCUPATIONAL HEALTH CEN...	104184354	05/22/2025	Pre-employment physical and...	101.1120.000.5310	574.00
UNIVERSAL ATHLETIC, LLC	10425431	05/22/2025	U7 Mite Baseballs	101.4300.454.5190	195.96
EXPERT TREE SERVICE AND SC...	12917	05/22/2025	removed diseased trees	101.4200.000.5425	2,100.00
AMERICAN SECURITY CABINE...	143675	05/22/2025	New Drop Box Decal Wrap	101.1800.000.5190	214.00
MTI DISTRIBUTING CO	1473823-00	05/22/2025	parts for parks irrigation	101.4200.000.5150	1,646.50
AMAZING ATHLETES	1626344	05/22/2025	Amazing Tots Classes 4.2025	101.4300.454.5310	630.00
FIRST IMPRESSION GROUP	168900	05/22/2025	summer school flyers (x 1,603)	101.4300.459.5333	244.00
OYE SPA LLC	250	05/22/2025	Refund for Massage License O...	101.0000.000.4118	75.00
OYE SPA LLC	250	05/22/2025	Refund License Investigation F...	101.2000.000.4337	175.00
OCCUPATIONAL HEALTH CEN...	257758372	05/22/2025	Pre-employment physical	101.1120.000.5310	215.00
TAHO SPORTSWEAR	25TS01866	05/22/2025	BB/SB coaches shirts	101.4300.454.5190	428.50
M & J SERVICES, LLC	3079	05/22/2025	repairs to pad at No Valley	101.4200.000.5400	3,360.00
ASPEN MILLS	351047	05/22/2025	new boots for Bernardy II	101.2200.000.5175	219.00
TOTAL CONSTRUCTION & EQU...	42872	05/22/2025	Repairs to lights at Skyview Pa...	101.4200.000.5400	667.49
WELLS FARGO CREDIT CARD A...	5.11, Inc. Monica Chi WF 4/25	05/22/2025	New uniform pants	101.2200.000.5175	84.95
CITY OF SOUTH ST PAUL	5/19/2025	05/22/2025	SSP Street Lights 1.24-4.24.20...	101.0000.000.2206	52.20
CINTAS CORPORATION	5271426601	05/22/2025	first aid supplies	101.4200.000.5190	33.74
DAKOTA CTY FINANCIAL SVCS	5503705	05/22/2025	1st Quarter Electric Billing - 2...	101.3400.000.5355	930.06
VICS CRANE & HEAVY HAUL, I...	56052	05/22/2025	Hoist rock at Southern Lakes	101.4200.000.5310	1,160.00
GMES LLC	7476485	05/22/2025	Carabiners, rope clutches & he...	101.2200.000.5160	2,519.94
GMES LLC	7486342	05/22/2025	climbing gear	101.2200.000.5160	2,225.95
TOTAL TOOL SUPPLY, INC	77107224	05/22/2025	annual OSHA hoist inspections...	101.2200.000.5310	520.00
GRAINGER	9500834073	05/22/2025	Extension spring for boat 1	101.2200.000.5405	148.95
WELLS FARGO CREDIT CARD A...	Ace Hardware 693 Brian Swob...	05/22/2025	marking paint & tape	101.4200.000.5125	48.96
WELLS FARGO CREDIT CARD A...	Ace Hardware 693 Cory Rosen...	05/22/2025	supply hose and mouse traps ...	101.2200.000.5190	31.49
WELLS FARGO CREDIT CARD A...	Ace Hardware 693 Eric Bergu...	05/22/2025	Syringe & Fasteners	101.2200.000.5190	16.27
WELLS FARGO CREDIT CARD A...	Ace Hardware 693 Eric Bergu...	05/22/2025	Coupler & elbow piping	101.2200.424.5405	10.56
WELLS FARGO CREDIT CARD A...	Ace Hardware 693 Joe Hawkin...	05/22/2025	duct tape	101.4200.000.5125	23.98
WELLS FARGO CREDIT CARD A...	Ace Hardware 693 Joe Hawkin...	05/22/2025	shop towels - graffiti remover	101.4200.000.5125	58.95
WELLS FARGO CREDIT CARD A...	Ace Hardware 693 Joe Hawkin...	05/22/2025	utility knife & blades	101.4200.000.5160	22.98
WELLS FARGO CREDIT CARD A...	Ace Hardware 693 Kyle Ravn ...	05/22/2025	utility blade, scraper	101.4200.000.5160	21.98
WELLS FARGO CREDIT CARD A...	Amazon MktpL 3469a3e13 Pub...	05/22/2025	Key rings for Rick	101.3200.000.5105	12.96
WELLS FARGO CREDIT CARD A...	Amazon MktpL 7g7mw3623 Jo...	05/22/2025	"No Parking" Signage	101.3200.000.5125	36.89
WELLS FARGO CREDIT CARD A...	Amazon MktpL Cu1hz9n93 Emi...	05/22/2025	Firearm cleaning supplies	101.2000.000.5190	35.89
WELLS FARGO CREDIT CARD A...	Amazon MktpL Da37u66o3 St...	05/22/2025	Arrow GNSS GPS Ipad Mount ...	101.5200.000.5160	79.96
WELLS FARGO CREDIT CARD A...	Amazon MktpL Fh4le1eq3 Mar...	05/22/2025	PD Scanner	101.2000.000.5160	671.62
WELLS FARGO CREDIT CARD A...	Amazon MktpL Fj9ha1hj3 Reb...	05/22/2025	New Keyboard & Canned Air	101.1140.000.5105	37.66
WELLS FARGO CREDIT CARD A...	Amazon MktpL Fw52f71n3 M...	05/22/2025	"Not an exit" signs	101.2200.000.5190	17.11
WELLS FARGO CREDIT CARD A...	Amazon MktpL Fy3rz9823 Mon...	05/22/2025	not an exit signs	101.2200.000.5190	17.11
WELLS FARGO CREDIT CARD A...	Amazon MktpL G78d07nl3 Pub...	05/22/2025	notebooks for mechanics	101.3200.000.5105	16.88
WELLS FARGO CREDIT CARD A...	Amazon MktpL Gk2ze9om3 Pu...	05/22/2025	Clorox disinfecting wipes	101.4200.000.5190	41.02
WELLS FARGO CREDIT CARD A...	Amazon MktpL Gz0qa26j3 Reb...	05/22/2025	Canned Air - Amazon	101.1140.000.5105	16.39
WELLS FARGO CREDIT CARD A...	Amazon MktpL L07de2783 Re...	05/22/2025	Rolling Bag for Work Session ...	101.1000.000.5190	80.93
WELLS FARGO CREDIT CARD A...	Amazon MktpL Lx4p37ch3 Emi...	05/22/2025	Mouse pads & pack of sheet p...	101.2000.000.5105	26.97
WELLS FARGO CREDIT CARD A...	Amazon MktpL Lx4p37ch3 Emi...	05/22/2025	Q-tips for firearm cleaning	101.2000.000.5190	16.11
WELLS FARGO CREDIT CARD A...	Amazon MktpL N25qp2702 Ra...	05/22/2025	Cone sleeves for special event...	101.4300.453.5190	18.90
WELLS FARGO CREDIT CARD A...	Amazon MktpL N25qp2702 Ra...	05/22/2025	Cone sleeves for special event...	101.4300.454.5190	18.90
WELLS FARGO CREDIT CARD A...	Amazon MktpL Nb9229h52 Jo...	05/22/2025	Laptop stand for Records (6) a...	101.2000.000.5105	153.93

Expense Approval Report

Payment Dates: 5/21/2025 - 6/3/2025

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
WELLS FARGO CREDIT CARD A...	Amazon MktpI P00821c73 Pub..	05/22/2025	clips needed for Parks	101.4200.000.5125	59.99
WELLS FARGO CREDIT CARD A...	Amazon MktpI Pe77p9zh3 Pub..	05/22/2025	door stops for Parks crew	101.4200.000.5160	26.95
WELLS FARGO CREDIT CARD A...	Amazon MktpI Yz19j5lI3 Steve...	05/22/2025	Ram Mount Tablet Holder for ...	101.5200.000.5160	106.48
WELLS FARGO CREDIT CARD A...	Amazon MktpI Ze1bx0jo3 Ste...	05/22/2025	Ipad Screen Protector	101.5200.000.5105	20.58
WELLS FARGO CREDIT CARD A...	Amazon MktpIace Pmts Steve...	05/22/2025	Return noncompatible Ram m...	101.5200.000.5160	-36.99
WELLS FARGO CREDIT CARD A...	Amazon.Com Dw5vt78v3 Emil...	05/22/2025	Large easel notepads, manilla ...	101.2000.000.5105	49.72
WELLS FARGO CREDIT CARD A...	Amazon.Com N283q0do2 Ste...	05/22/2025	Two Compatible Ipad Cases for..	101.5200.000.5160	85.98
WELLS FARGO CREDIT CARD A...	Amazon.Com Nb7kp7hw2 Emi...	05/22/2025	Wireless keyboard for 3691 n...	101.2000.000.5105	34.98
WELLS FARGO CREDIT CARD A...	Amazon.Com Nb83I9zz2 Public..	05/22/2025	Insect Repellent	101.3200.000.5190	20.98
WELLS FARGO CREDIT CARD A...	Amazon.Com Uj0im13g3 Acco...	05/22/2025	File folders	101.1120.000.5105	37.98
WELLS FARGO CREDIT CARD A...	Apparellab O248863 Melissa ...	05/22/2025	Shirts-guest presenters/volun...	101.2000.000.5182	397.96
WELLS FARGO CREDIT CARD A...	Bca Training Education Dane ...	05/22/2025	MNSANI conference - Derosier	101.2000.000.5340	250.00
WELLS FARGO CREDIT CARD A...	Bca Training Education Dane ...	05/22/2025	MNSANI conference - Winget	101.2000.000.5340	250.00
WELLS FARGO CREDIT CARD A...	Bca Training Education Emily ...	05/22/2025	DMT Training - Decker	101.2000.000.5340	75.00
WELLS FARGO CREDIT CARD A...	Bca Training Education Emily ...	05/22/2025	Steinberg MSANI CANAM Trai...	101.2000.000.5340	250.00
WELLS FARGO CREDIT CARD A...	Bp#2018240capI lI01qps Eric ...	05/22/2025	fuel for driving to FDIC	101.2200.000.5340	52.17
WELLS FARGO CREDIT CARD A...	Bwy Fbinaa NatI Offic Joshua ...	05/22/2025	FBI NA yearly association dues	101.2000.000.5335	125.00
WELLS FARGO CREDIT CARD A...	Carhartt Jacob Kreu WF 4/25	05/22/2025	Jeans & cargo pants	101.4200.000.5175	285.45
WELLS FARGO CREDIT CARD A...	Carhartt Public Wor WF 4/25	05/22/2025	Shirts	101.4200.000.5175	300.40
WELLS FARGO CREDIT CARD A...	Carhartt Public Wor WF 4/25	05/22/2025	Brian Swoboda work pants	101.4200.000.5175	180.47
WELLS FARGO CREDIT CARD A...	Caseys #1590 Eric Bergu WF 4...	05/22/2025	fuel for driving from FDIC	101.2200.000.5340	46.51
WELLS FARGO CREDIT CARD A...	Caseys #2427 Eric Bergu WF 4...	05/22/2025	fuel for driving to FDIC	101.2200.000.5340	44.01
WELLS FARGO CREDIT CARD A...	Caseys Gen Store 4286 Eric Be...	05/22/2025	fuel for driving from FDIC	101.2200.000.5340	51.00
DIAMOND VOGEL PAINT	CD99148389	05/22/2025	Traffic Paint	101.3200.000.5125	11,550.00
WELLS FARGO CREDIT CARD A...	Cherokee Manufacturing Ray ...	05/22/2025	Straw Wattles	101.4200.000.5125	630.00
WELLS FARGO CREDIT CARD A...	Clarion Events Inc Scott Oswa...	05/22/2025	FDIC training - Oswell & Bergun	101.2200.000.5340	174.00
WELLS FARGO CREDIT CARD A...	Courtyard Indianapolis Monica..	05/22/2025	FDIC hotel rooms - Tim H & R...	101.2200.000.5340	1,783.08
WELLS FARGO CREDIT CARD A...	Courtyard Indianapolis Monica..	05/22/2025	FDIC hotel rooms - Cory R & D...	101.2200.000.5340	1,783.08
WELLS FARGO CREDIT CARD A...	Courtyard Indianapolis Scott O..	05/22/2025	Hotel for Eric and Scott at FDIC	101.2200.000.5340	1,065.74
WELLS FARGO CREDIT CARD A...	Courtyard Indianapolis Scott O..	05/22/2025	charge used to hold room in l...	101.2200.000.5340	1.00
WELLS FARGO CREDIT CARD A...	Courtyard St. Cloud Emily Heid..	05/22/2025	Jakobson Final Room Charge - ...	101.2000.000.5340	2.10
WELLS FARGO CREDIT CARD A...	Courtyard St. Cloud Emily Heid..	05/22/2025	Schiltz Final Room Charge - S...	101.2000.000.5340	2.10
WELLS FARGO CREDIT CARD A...	Courtyard St. Cloud Emily Heid..	05/22/2025	Pung Final Room Charge - SW...	101.2000.000.5340	2.11
WELLS FARGO CREDIT CARD A...	Cub Foods #1639 Eric Bergu ...	05/22/2025	cake for pinning ceremony	101.2200.000.5190	36.99
WELLS FARGO CREDIT CARD A...	Cub Foods #1639 Eric Bergu ...	05/22/2025	pop and water for standby cr...	101.2200.000.5190	77.50
WELLS FARGO CREDIT CARD A...	Culvers Black River Fa Eric Ber...	05/22/2025	lunch for Scott and Eric on dri...	101.2200.000.5340	33.29
WELLS FARGO CREDIT CARD A...	Delta 00642372127876 Cory ...	05/22/2025	excess baggage Cory R	101.2200.000.5340	35.00
WELLS FARGO CREDIT CARD A...	Delta 00642372128123 Cory ...	05/22/2025	excess baggage fee Robert C	101.2200.000.5340	45.00
WELLS FARGO CREDIT CARD A...	Delta 00642373562386 Cory ...	05/22/2025	excess baggage charge Tim H	101.2200.000.5340	80.00
WELLS FARGO CREDIT CARD A...	Delta 00642376418180 Cory ...	05/22/2025	excess baggage charge Robert...	101.2200.000.5340	35.00
WELLS FARGO CREDIT CARD A...	Delta 00642377844006 Cory ...	05/22/2025	excess baggage charge for Dan...	101.2200.000.5340	35.00
WELLS FARGO CREDIT CARD A...	Dive Rescue Internatio Eric Be...	05/22/2025	Water rescue training - Patna...	101.2200.000.5340	2,000.00
WELLS FARGO CREDIT CARD A...	Dollar Tree Emily Heid WF 4/25	05/22/2025	Basket, cards, gumie candy, fr...	101.1120.000.5178	13.75
WELLS FARGO CREDIT CARD A...	Fc Recycling Assoc Stacy Bods...	05/22/2025	RAM/SWANA Conference Regi...	101.5000.000.5340	572.22
ESS BROTHERS & SONS INC	FF2111	05/22/2025	manhole cover	101.3200.000.5125	458.00
ESS BROTHERS & SONS INC	FF2365	05/22/2025	manhole adjustment rings	101.3200.000.5125	4,120.00
WELLS FARGO CREDIT CARD A...	Gdp Gdp Lexisnexis Tra Emily ...	05/22/2025	Fugitive Training - DeRosier	101.2000.000.5340	600.00
WELLS FARGO CREDIT CARD A...	Hobby-Lobby #753 Emily Heid...	05/22/2025	Whiteboard & markers	101.2000.000.5105	20.93
WELLS FARGO CREDIT CARD A...	Holiday Stations 0310 Melissa...	05/22/2025	Fuel purchase 4.27.2025	101.2000.000.5340	39.00
WELLS FARGO CREDIT CARD A...	Hon Analytics Inc. Monica Chi...	05/22/2025	annual maintenance of Posi C...	101.2200.000.5405	1,190.00
BRITTANY MISKOWIEC	IGHFD-04142025	05/22/2025	FD Therapy Sessions 3.2025	101.2200.000.5310	1,133.00
BRITTANY MISKOWIEC	IGHFD-05162025	05/22/2025	FD Therapy Sessions 4.2025	101.2200.000.5310	1,815.00
INNOVATIVE OFFICE SOLUTIO...	IN4837680	05/22/2025	south valley special bags for tr...	101.4200.000.5125	87.08
WELLS FARGO CREDIT CARD A...	Indianapolis Conventio Cory R...	05/22/2025	lunch at FDIC on 4-9-2025	101.2200.000.5340	13.08
WELLS FARGO CREDIT CARD A...	Indianapolis Conventio Cory R...	05/22/2025	breakfast at FDIC on 4-11-2025	101.2200.000.5340	10.90
WELLS FARGO CREDIT CARD A...	Indianapolis Conventio Cory R...	05/22/2025	food for Cory Rosendale at FD...	101.2200.000.5340	11.99
WELLS FARGO CREDIT CARD A...	Indianapolis Conventio Cory R...	05/22/2025	breakfast at FDIC 4-8-2025	101.2200.000.5340	18.53
WELLS FARGO CREDIT CARD A...	Indianapolis Conventio Monica..	05/22/2025	lunch at FDIC on 4-7-2025 Ro...	101.2200.000.5340	39.24
WELLS FARGO CREDIT CARD A...	Intl Code Council Inc Scott Os...	05/22/2025	ICC Annual Membership - Os...	101.2200.000.5335	74.40
WELLS FARGO CREDIT CARD A...	Jones & Bartlett Learn Daniel ...	05/22/2025	EMT training book for Dan Dan...	101.2200.424.5179	145.37

Expense Approval Report

Payment Dates: 5/21/2025 - 6/3/2025

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
WELLS FARGO CREDIT CARD A...	Jones & Bartlett Learn Daniel ...	05/22/2025	EMT training & training book f...	101.2200.424.5340	491.96
WELLS FARGO CREDIT CARD A...	Jw Marriott Indy F&b Cory Ro...	05/22/2025	breakfast at FDIC on 4-10-2025	101.2200.000.5340	9.37
WELLS FARGO CREDIT CARD A...	Kahler Grand Hotel Joshua Oti...	05/22/2025	Hotel for the MN Chiefs confe...	101.2000.000.5340	526.74
WELLS FARGO CREDIT CARD A...	Kilroys Indy Scott Oswa WF 4/...	05/22/2025	FDIC lunch - Dan B., Eric B., Co...	101.2200.000.5340	120.64
WELLS FARGO CREDIT CARD A...	Kilroys Indy Scott Oswa WF 4/...	05/22/2025	FDIC lunch - Dan B., Eric B., Co...	101.2200.000.5340	99.22
WELLS FARGO CREDIT CARD A...	Kilroys Indy Scott Oswa WF 4/...	05/22/2025	FDIC lunch - Tim Tim H and Ro...	101.2200.000.5340	63.63
WELLS FARGO CREDIT CARD A...	Kwik Trip #1168 Melissa Ch W...	05/22/2025	Fuel purchase 4.4.2025	101.2000.000.5340	38.20
WELLS FARGO CREDIT CARD A...	Kwik Trip #1168 Melissa Ch W...	05/22/2025	Fuel purchase 4.14.2025	101.2000.000.5340	43.59
WELLS FARGO CREDIT CARD A...	Kwik Trip #1168 Melissa Ch W...	05/22/2025	Fuel purchase 4.9.2025	101.2000.000.5340	43.76
WELLS FARGO CREDIT CARD A...	Kwik Trip #1168 Melissa Ch W...	05/22/2025	Fuel purchase 4.1.2025	101.2000.000.5340	47.31
WELLS FARGO CREDIT CARD A...	Language Line, Inc. Rebecca Ki...	05/22/2025	Services for UB 4.2025	101.1140.000.5310	23.70
WELLS FARGO CREDIT CARD A...	Language Line, Inc. Rebecca Ki...	05/22/2025	Services for UB 4.2025	101.1140.000.5310	82.95
WELLS FARGO CREDIT CARD A...	League Of Minnesota Ci Amy ...	05/22/2025	League seminar on accessibilit...	101.1300.000.5340	20.00
WELLS FARGO CREDIT CARD A...	Loughmillers Pub & Eat Cory R...	05/22/2025	dinner at FDIC - Tim H, Cory R,...	101.2200.000.5340	112.02
WELLS FARGO CREDIT CARD A...	Menards West St Paul M Joe ...	05/22/2025	mold remover, nuts & bolts	101.4200.000.5125	75.01
WELLS FARGO CREDIT CARD A...	Menards West St Paul M Joe S...	05/22/2025	spray paint & brushes	101.4200.000.5125	78.45
WELLS FARGO CREDIT CARD A...	Menards West St Paul M Joe S...	05/22/2025	spray paints	101.4200.000.5125	98.21
WELLS FARGO CREDIT CARD A...	Menards West St Paul M Joe S...	05/22/2025	wood for repairs	101.4200.000.5190	156.54
WELLS FARGO CREDIT CARD A...	Menards West St Paul M Joe S...	05/22/2025	paint for shelters	101.4200.000.5400	126.78
WELLS FARGO CREDIT CARD A...	Menards West St Paul M Kyle ...	05/22/2025	valve stem	101.4200.000.5125	9.58
WELLS FARGO CREDIT CARD A...	Menards West St Paul M Mike...	05/22/2025	mold remover - tape - glycerin...	101.4200.000.5125	44.30
WELLS FARGO CREDIT CARD A...	Minnesota Glove & Safe Judy...	05/22/2025	Hard hat & safety vest	101.3100.000.5175	27.94
WELLS FARGO CREDIT CARD A...	Minnesota State Fire C Monica...	05/22/2025	rental of kitchen fire safety d...	101.2200.000.5430	75.00
WELLS FARGO CREDIT CARD A...	Mn Deed Bcd Events Jason Zi...	05/22/2025	2025 Spring MN DEED Redeve...	101.5000.000.5340	225.00
WELLS FARGO CREDIT CARD A...	Mn Recreation And Park Chels...	05/22/2025	Advertising job posting on MN...	101.1120.000.5330	50.00
WELLS FARGO CREDIT CARD A...	National Association O Joshua...	05/22/2025	National Association of SRO's t...	101.2000.000.5340	500.00
WELLS FARGO CREDIT CARD A...	Nfpa Natl Fire Protect Scott O...	05/22/2025	FireMarshall membership	101.2200.000.5335	225.00
WELLS FARGO CREDIT CARD A...	Oldcastle Precast Joel Jacks W...	05/22/2025	Concrete Manhole Adjustment...	101.3200.000.5125	989.25
WELLS FARGO CREDIT CARD A...	Pioneer Press Circ Amy Looze...	05/22/2025	Monthly Pioneer Press subscri...	101.1300.000.5335	34.00
WELLS FARGO CREDIT CARD A...	Positive Promotions Emily Hei...	05/22/2025	Cardboard photo op cutout for...	101.2000.000.5182	150.90
WELLS FARGO CREDIT CARD A...	Psi Exams Monica Chi WF 4/25	05/22/2025	FAA drone testing - Derek Mc...	101.2200.000.5340	175.00
WELLS FARGO CREDIT CARD A...	Py Advanced Sportswe Joel Ja...	05/22/2025	Hats	101.3200.000.5175	354.00
WELLS FARGO CREDIT CARD A...	Radiotronics, Inc Ryan Rose W...	05/22/2025	AceK9 Hot and Pop - Annual f...	101.2000.000.5180	168.00
WELLS FARGO CREDIT CARD A...	Rascals Bar & Grill Steven Joh...	05/22/2025	Building Inspector Meeting - S...	101.5200.000.5340	71.75
WELLS FARGO CREDIT CARD A...	Safety Play Joe Hawkin WF 4/...	05/22/2025	safety labels tool kit	101.4200.000.5190	799.00
WELLS FARGO CREDIT CARD A...	Sams Club #4738 Emily Heid ...	05/22/2025	Food tray, chips, foil, napkins ...	101.2000.000.5182	79.51
WELLS FARGO CREDIT CARD A...	Samsclub #4738 Ben Madsen...	05/22/2025	Food for firearms and use of f...	101.2000.000.5190	52.02
WELLS FARGO CREDIT CARD A...	Samsclub.Com Chelsea Sw WF...	05/22/2025	Egg Hunt supplies for the swag...	101.4300.453.5190	317.44
WELLS FARGO CREDIT CARD A...	Simplifile.Com Rebecca Ki WF ...	05/22/2025	Annual License Renewal for S...	101.1140.000.5395	449.00
WELLS FARGO CREDIT CARD A...	Sonetics Corporation Eric Ber...	05/22/2025	radio headsets	101.2200.000.5160	984.12
WELLS FARGO CREDIT CARD A...	Sp Rapidradios.Com Barry Un...	05/22/2025	2-way radios for flaggers and j...	101.3200.000.5160	478.96
WELLS FARGO CREDIT CARD A...	Spee Dee Delivery Monica Chi...	05/22/2025	Pickup & fuel charges for deliv...	101.2200.000.5310	66.34
WELLS FARGO CREDIT CARD A...	Sq Phancy Face Painti Emily He...	05/22/2025	PD Open House Face Painter &...	101.2000.000.5182	825.00
WELLS FARGO CREDIT CARD A...	Target 00025197 Cora Henke...	05/22/2025	Pyrex containers & Bakeware ...	101.1120.000.5178	95.47
WELLS FARGO CREDIT CARD A...	The Corner Store Cory Rosen...	05/22/2025	gas for lawn mowers	101.2200.000.5405	52.93
WELLS FARGO CREDIT CARD A...	The Corner Store Cory Rosen...	05/22/2025	fuel for gas can at station 2	101.2200.000.5405	27.93
WELLS FARGO CREDIT CARD A...	The Corner Store Eric Bergu ...	05/22/2025	fuel for boat 2	101.2200.000.5405	175.00
WELLS FARGO CREDIT CARD A...	The Corner Store Eric Bergu ...	05/22/2025	fuel for boat 2	101.2200.000.5405	175.00
WELLS FARGO CREDIT CARD A...	The Corner Store Eric Bergu ...	05/22/2025	fuel for boat 2	101.2200.000.5405	19.66
WELLS FARGO CREDIT CARD A...	The Corner Store Eric Bergu ...	05/22/2025	car wash for squad car	101.2200.000.5410	12.98
WELLS FARGO CREDIT CARD A...	The Corner Store Joe Hawkin...	05/22/2025	un-oxygenated gas for large e...	101.4200.000.5130	109.14
WELLS FARGO CREDIT CARD A...	The Corner Store Joe Hawkin...	05/22/2025	un-oxygenated gas for large e...	101.4200.000.5130	130.78
WELLS FARGO CREDIT CARD A...	The Corner Store Joe Hawkin...	05/22/2025	un-oxygenated gas for large e...	101.4200.000.5130	133.19
WELLS FARGO CREDIT CARD A...	The Home Depot #2833 Ryan ...	05/22/2025	Paint, primer, wall anchors & a...	101.2000.000.5150	228.79
WELLS FARGO CREDIT CARD A...	The Home Depot #2833 Ryan ...	05/22/2025	Paint & Wall Anchors	101.2000.000.5150	39.71
WELLS FARGO CREDIT CARD A...	The Home Depot #2843 Joe S...	05/22/2025	tape	101.4200.000.5125	7.97
WELLS FARGO CREDIT CARD A...	The Home Depot #2843 Joel J...	05/22/2025	Supplies to repair mailboxes	101.3200.000.5125	367.50
WELLS FARGO CREDIT CARD A...	The Home Depot #2843 Kyle ...	05/22/2025	towels, gloves, cleaners	101.4200.000.5125	165.36
WELLS FARGO CREDIT CARD A...	The Home Depot #2843 Mike ...	05/22/2025	lock cuts for chainsaws	101.4200.000.5160	23.62
WELLS FARGO CREDIT CARD A...	The Home Depot #2843 Mike ...	05/22/2025	storage tote	101.4200.000.5190	34.98

Expense Approval Report

Payment Dates: 5/21/2025 - 6/3/2025

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
WELLS FARGO CREDIT CARD A...	The Home Depot #2843 Ryan ...	05/22/2025	Wall Anchors	101.2000.000.5190	9.81
WELLS FARGO CREDIT CARD A...	Theiacp Melissa Ch WF 4/25	05/22/2025	2025 IACP Dues-Chiodo	101.2000.000.5335	220.00
WELLS FARGO CREDIT CARD A...	Tractor-Supply-Co #019 Brian ...	05/22/2025	spray paint	101.4200.000.5125	14.99
WELLS FARGO CREDIT CARD A...	Tractor-Supply-Co #019 Daniel...	05/22/2025	Propane refills	101.2200.424.5405	54.92
WELLS FARGO CREDIT CARD A...	Tractor-Supply-Co #019 Eric B...	05/22/2025	Pins, rivets, wire hooks & FP dr...	101.2200.000.5190	33.54
WELLS FARGO CREDIT CARD A...	Tractor-Supply-Co #019 Eric B...	05/22/2025	Extension cord, bait station & ...	101.2200.000.5190	113.97
WELLS FARGO CREDIT CARD A...	Tractor-Supply-Co #019 Eric B...	05/22/2025	Battery, Ratchet & Cleaner	101.2200.000.5190	114.97
WELLS FARGO CREDIT CARD A...	Tractor-Supply-Co #019 Joe S...	05/22/2025	ratchet straps & ratchets	101.4200.000.5160	60.65
WELLS FARGO CREDIT CARD A...	Tractor-Supply-Co #019 Joel J...	05/22/2025	Storage Container	101.3200.000.5190	47.99
WELLS FARGO CREDIT CARD A...	Tractor-Supply-Co #019 Mike ...	05/22/2025	d-rings	101.4200.000.5125	8.99
WELLS FARGO CREDIT CARD A...	Tst The District Tap - Monica ...	05/22/2025	Dinner at FDIC Cory R, Robert ...	101.2200.000.5340	104.47
WELLS FARGO CREDIT CARD A...	Tst The District Tap - Monica ...	05/22/2025	Dinner at FDIC Cory R, Robert ...	101.2200.000.5340	111.60
WELLS FARGO CREDIT CARD A...	Tst The Neon Bison Scott Osw...	05/22/2025	FDIC lunch - Eric Bergum & Sc...	101.2200.000.5340	47.52
WELLS FARGO CREDIT CARD A...	Twin Cities Magic & Co Chelse...	05/22/2025	Bunny costume rental	101.4300.453.5430	98.33
WELLS FARGO CREDIT CARD A...	Tyler Technologies, In Account...	05/22/2025	ERP PRO 10 - General Ledger T...	101.1800.000.5340	925.00
WELLS FARGO CREDIT CARD A...	Tyler Technologies, In Account...	05/22/2025	ERP PRO 10 - Fixed Assets Trai...	101.1800.000.5340	450.00
WELLS FARGO CREDIT CARD A...	U Of M Contlearning Ol Craig ...	05/22/2025	Construction installer recertifi...	101.3100.000.5340	130.00
WELLS FARGO CREDIT CARD A...	U Of M Contlearning Ol Craig ...	05/22/2025	Illicit discharge mangement - ...	101.3100.000.5340	50.00
WELLS FARGO CREDIT CARD A...	Uber Trip Cory Rosen WF 4/25	05/22/2025	Uber ride for Cory at FDIC airp...	101.2200.000.5340	52.28
WELLS FARGO CREDIT CARD A...	Uber Trip Cory Rosen WF 4/25	05/22/2025	tip for trip from airport to hot...	101.2200.000.5340	8.00
WELLS FARGO CREDIT CARD A...	Uber Trip Cory Rosen WF 4/25	05/22/2025	Tip for Uber trip from hotel to...	101.2200.000.5340	5.00
WELLS FARGO CREDIT CARD A...	Uber Trip Cory Rosen WF 4/25	05/22/2025	Uber trip from hotel to airport ..	101.2200.000.5340	34.02
WELLS FARGO CREDIT CARD A...	Vcn Quickservlicen035c Emily...	05/22/2025	DVS Title transfer forfeit vehic...	101.2000.000.5310	29.62
WELLS FARGO CREDIT CARD A...	Walgreens #6943 Katrina Le ...	05/22/2025	Walgreens- Lucy Dept. Photo	101.2000.000.5310	2.24
WELLS FARGO CREDIT CARD A...	Walgreens #6943 Katrina Le ...	05/22/2025	Walgreens- Jacque Dept. Photo	101.2000.000.5310	2.24
WELLS FARGO CREDIT CARD A...	Wal-Mart #5089 Emily Heid W...	05/22/2025	Food bars & sports drinks for ...	101.1120.000.5178	81.07
WELLS FARGO CREDIT CARD A...	Wal-Mart #5089 Eric Bergu WF...	05/22/2025	New TV	101.2200.000.5160	203.48
WELLS FARGO CREDIT CARD A...	Wal-Mart #5089 Judy Wonic ...	05/22/2025	Eagan/IGH WMO meeting sna...	101.3100.000.5190	19.29
WELLS FARGO CREDIT CARD A...	Westin Indianapolis Fb Cory R...	05/22/2025	FDIC lunch - Cory R, Robert C, ...	101.2200.000.5340	109.12
WELLS FARGO CREDIT CARD A...	Wwww.Apwa.Net Judy Wonic ...	05/22/2025	APWA membership renewal (...)	101.3100.000.5335	798.15
WELLS FARGO CREDIT CARD A...	Wwww.Apwa.Net Judy Wonic ...	05/22/2025	APWA membership renewal (...)	101.3200.000.5335	266.05
WELLS FARGO CREDIT CARD A...	Yard House Zk 0108360 Moni...	05/22/2025	dinner at FDIC - Cory R, Rober...	101.2200.000.5340	92.59
WELLS FARGO CREDIT CARD A...	Zoom.Com 888-799-966 Melis...	05/22/2025	Zoom charges 4.2025	101.2000.000.5395	15.99
WELLS FARGO CREDIT CARD A...	Zoom.Com 888-799-9666 Katr...	05/22/2025	Zoom	101.2000.000.5395	12.79
DAKOTA ELECTRIC ASSN	200002468379 05/27/2025	05/27/2025	Electric	101.4200.000.5355	371.56
DAKOTA ELECTRIC ASSN	200003935632 05/27/2025	05/27/2025	Electric	101.4200.000.5355	213.70
DAKOTA ELECTRIC ASSN	200004267134 05/27/2025	05/27/2025	Electric	101.3400.000.5355	54.49
DAKOTA ELECTRIC ASSN	200004430542 05/27/2025	05/27/2025	Electric	101.4200.000.5355	20.17
DAKOTA ELECTRIC ASSN	200010036635 05/27/2025	05/27/2025	Electric	101.2200.000.5355	2,534.66
XCEL ENERGY	926760851	05/27/2025	PD electric	101.2000.000.5355	48.37
DAKOTA ELECTRIC ASSN	200001093947 05/28/2025	05/28/2025	Electric	101.3400.000.5355	1,674.11
EARL F ANDERSEN INC	0139578-IN	05/29/2025	Road Sign Supplies	101.3200.000.5125	48.00
ZARNOTH BRUSH WORKS	0202230-IN	05/29/2025	cold patching materials	101.3200.000.5125	879.20
LANGUAGE LINE SERVICES	11590263	05/29/2025	Interpretation services 4.2025	101.2000.000.5310	483.84
ANCOM COMMUNICATIONS, ...	127790	05/29/2025	Siren batteries	101.2000.000.5314	1,589.96
EXPERT TREE SERVICE AND SC...	12927	05/29/2025	dead tree removal at Southern..	101.4200.000.5310	875.00
EXPERT TREE SERVICE AND SC...	12928	05/29/2025	removed downed trees at Sle...	101.4200.000.5310	725.00
UNIFIRST CORPORATION	1410144109	05/29/2025	Uniforms-Streets	101.3200.000.5175	69.57
UNIFIRST CORPORATION	1410144109	05/29/2025	Uniforms-Parks	101.4200.000.5175	36.90
UNIFIRST CORPORATION	1410145515	05/29/2025	Uniforms-Streets	101.3200.000.5175	63.39
UNIFIRST CORPORATION	1410145515	05/29/2025	Uniforms-Parks	101.4200.000.5175	31.91
FIRST IMPRESSION GROUP	169219	05/29/2025	Signage for student art recept...	101.1300.000.5333	144.00
FIRST IMPRESSION GROUP	169270	05/29/2025	Goats at South Valley yard sig...	101.4200.000.5333	144.00
KENNEDY & GRAVEN	188021	05/29/2025	General City Business 4.2025	101.1000.000.5305	12,672.00
KENNEDY & GRAVEN	188021	05/29/2025	HR and Personnel Matters 4.2...	101.1120.000.5305	1,008.00
FIRE PROTECTION SERVICES, I...	1972	05/29/2025	plan reviews	101.2200.000.5310	165.00
FIRE PROTECTION SERVICES, I...	1973	05/29/2025	plan reviews	101.2200.000.5310	165.00
FIRE PROTECTION SERVICES, I...	1974	05/29/2025	plan reviews	101.2200.000.5310	137.50
CHEROKEE MANUFACTURING ...	229628	05/29/2025	Wood stakes & straw for co...	101.4200.000.5190	970.00
PINE BEND PAVING, INC.	250838	05/29/2025	Asphalt sand mix	101.3200.000.5125	289.44

Expense Approval Report

Payment Dates: 5/21/2025 - 6/3/2025

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
DAKOTA AWARDS & ENGRAV...	26733	05/29/2025	Commissioner Plaques	101.1000.000.5190	35.00
MN GLOVE & SAFETY, INC.	352175	05/29/2025	High visibility vest and work p...	101.3100.000.5175	109.90
ASPEN MILLS	354403	05/29/2025	Honor Guard Uniforms - Rand...	101.2000.000.5175	1,874.32
CAMPBELL KNUTSON, P.A.	4/30/2025	05/29/2025	Prosecution services 4.2025	101.2000.000.5306	28,596.40
BUREAU OF CRIMINAL APPRE...	41135	05/29/2025	2 Day Operations Training- Ja...	101.2000.000.5340	150.00
BUREAU OF CRIMINAL APPRE...	41137	05/29/2025	2 Day Operations Trainings- L...	101.2000.000.5340	150.00
TOTAL CONSTRUCTION & EQU...	42871	05/29/2025	Street Light Repairs - 117th & ...	101.3400.000.5405	2,269.40
DAKOTA CTY FINANCIAL SVCS	5503769	05/29/2025	MHZ subscriber fee 4.2025 - ...	101.2000.000.5310	1,913.06
DAKOTA CTY FINANCIAL SVCS	5503769	05/29/2025	MHZ subscriber fee 4.2025 - FD	101.2200.000.5310	1,819.74
DAKOTA CTY FINANCIAL SVCS	5503769	05/29/2025	MHZ subscriber fee 4.2025 - ...	101.3200.000.5310	46.66
HOLMES DESIGN, INC.	5614	05/29/2025	Design services for all depts 3...	101.1300.000.5310	1,041.25
HOLMES DESIGN, INC.	5616	05/29/2025	Design needs 4.2025 - all dept...	101.1300.000.5310	1,767.50
AT&T MOBILITY	561708	05/29/2025	SRG Phone Seach Warrant	101.2000.000.5310	275.00
INVER GROVE HEIGHTS ANIM...	939755	05/29/2025	Chase Vet bill 5.7.2025	101.2000.000.5180	54.85
INVER GROVE HEIGHTS ANIM...	940375	05/29/2025	Chase Vet Visit 5.17.2025	101.2000.000.5180	54.85
INVER GROVE HEIGHTS ANIM...	940767	05/29/2025	Chase Vet Visit 5.21.2025	101.2000.000.5180	54.85
DAKOTA 911	AR-0000000724	05/29/2025	Dakota 911 Fee 6.2025	101.2000.000.5313	70,852.50
DAKOTA 911	AR-0000000724	05/29/2025	Dakota 911 Capital Fee 6.2025	101.2000.000.5313	1,845.50
DAKOTA 911	AR-0000000724	05/29/2025	Dakota 911 Capital Fee 6.2025	101.2200.000.5313	1,845.50
DAKOTA 911	AR-0000000724	05/29/2025	Dakota 911 Fee 6.2025	101.2200.000.5313	7,872.50
INVER HILLS COMMUNITY COL...	CI0000010012	05/29/2025	EMR refresher training for ND...	101.2200.424.5340	2,532.76
TRI-STATE BOBCAT INC.	E37395	05/29/2025	hydro mulcher rental	101.4200.000.5430	632.50
ENTERPRISE FM TRUST	FBN5316351	05/29/2025	Monthly Lease Charges 5.2025	101.2000.000.5430	12,173.60
ESS BROTHERS & SONS INC	FF2253	05/29/2025	manhole adjustment rings	101.3200.000.5125	2,060.00
ESS BROTHERS & SONS INC	FF2347	05/29/2025	manhole risers	101.3200.000.5125	237.00
SOLDO CONSULTING PC	FINAL	05/29/2025	Internal Investigations 1.27 - 4...	101.2000.000.5310	4,293.70
PRECISE MRM	IN200-2005432	05/29/2025	GPS data	101.3200.000.5310	120.00
INNOVATIVE OFFICE SOLUTIO...	IN4844220	05/29/2025	Tape for displays at council ev...	101.1000.000.5190	9.17
INNOVATIVE OFFICE SOLUTIO...	IN4844226	05/29/2025	Toilet paper for south valley	101.4200.000.5125	68.19
INNOVATIVE OFFICE SOLUTIO...	IN4845327	05/29/2025	White cardstock for focus gro...	101.1300.000.5105	13.82
ICMA RETIREMENT TRUST - 4...	INV0218231	05/30/2025	457 -AGE <49	101.0000.000.2038	5,111.38
ICMA RETIREMENT TRUST - 4...	INV0218232	05/30/2025	457 -AGE <49 %	101.0000.000.2038	11,491.14
ICMA RETIREMENT TRUST - 4...	INV0218233	05/30/2025	457 -AGE 50+	101.0000.000.2038	1,150.29
ICMA RETIREMENT TRUST - 4...	INV0218234	05/30/2025	457 PLAN -AGE 50+ %	101.0000.000.2038	1,082.62
ICMA RETIREMENT TRUST - 4...	INV0218235	05/30/2025	457 - ROTH AGE <50	101.0000.000.2038	1,746.00
ICMA RETIREMENT TRUST - 4...	INV0218236	05/30/2025	457 - ROTH AGE <50 %	101.0000.000.2038	2,010.68
ICMA RETIREMENT TRUST - 4...	INV0218237	05/30/2025	457 - ROTH AGE 50+	101.0000.000.2038	20.00
MINNESOTA DEPARTMENT OF...	INV0218238	05/30/2025	CASE #001570640001	101.0000.000.2220	347.94
TEXAS STATE DISBURSEMENT...	INV0218239	05/30/2025	CASE #0012022247	101.0000.000.2220	230.77
MINNESOTA DEPARTMENT OF...	INV0218240	05/30/2025	CASE #001490481201	101.0000.000.2220	373.26
MINNESOTA DEPARTMENT OF...	INV0218241	05/30/2025	CASE #000115468905	101.0000.000.2220	69.22
MINNESOTA DEPARTMENT OF...	INV0218242	05/30/2025	CASE #001563363401	101.0000.000.2220	445.31
WI SCTF (WI SUPPORT COLLEC...	INV0218243	05/30/2025	PARTICIPANT ID#0004986316	101.0000.000.2220	433.06
MN STATE RETIREMENT SYST...	INV0218246	05/30/2025	MINNESOTA DEFERRED COM...	101.0000.000.2038	2,995.30
MN STATE RETIREMENT SYST...	INV0218247	05/30/2025	MINNESOTA DEFERRED COM...	101.0000.000.2038	799.86
MN STATE RETIREMENT SYST...	INV0218248	05/30/2025	457 ROTH IRA (AGE 49 & UND...	101.0000.000.2038	970.00
EFTPS	INV0218258	05/30/2025	FEDERAL WITHHOLDING	101.0000.000.2213	86,692.56
MN DEPT OF REVENUE (PAYR...	INV0218259	05/30/2025	STATE WITHHOLDING	101.0000.000.2215	37,229.03
EFTPS	INV0218260	05/30/2025	MEDICARE WITHHOLDING	101.0000.000.2211	24,135.36
EFTPS	INV0218261	05/30/2025	SOCIAL SECURITY WITHHOLDI...	101.0000.000.2210	63,015.48
EFTPS	INV0218275	06/03/2025	MEDICARE WITHHOLDING	101.0000.000.2211	6.36
EFTPS	INV0218276	06/03/2025	SOCIAL SECURITY WITHHOLDI...	101.0000.000.2210	27.18
Fund 101 - GENERAL FUND Total:					481,687.90

Fund: 201 - C.V.B. FUND

LOCAL SAVINGS PASS	1203	05/08/2025	Local Savings Pass Membershi...	201.5600.000.5330	2,400.00
MINNESOTA ASSOCIATION OF...	5/12/2025	05/22/2025	MACVB Education Summit 20...	201.5600.000.5340	225.00
CATHERINE PIEPER	9544	05/22/2025	Retainer for PPC Ads 5.2.25	201.5600.000.5330	1,000.00
CATHERINE PIEPER	9545	05/22/2025	Facebook & Google Ad Campa...	201.5600.000.5330	1,037.04
GREENSPRING MEDIA GROUP	3-3-GS30607	05/29/2025	Bike MN 2025, Digital Campai...	201.5600.000.5330	10,990.00
Fund 201 - C.V.B. FUND Total:					15,652.04

Expense Approval Report

Payment Dates: 5/21/2025 - 6/3/2025

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
Fund: 205 - COMMUNITY CENTER-OPERATING FUND					
FIRST IMPRESSION GROUP	168900	05/22/2025	summer school flyers (x 1,603)	205.4410.472.5333	366.00
DANIEL BAUER - TRUE MECH...	2070	05/22/2025	repairs to AHU 3 exhaust fan	205.4420.000.5400	516.00
DANIEL BAUER - TRUE MECH...	2070	05/22/2025	repairs to AHU 3 exhaust fan	205.4430.000.5400	344.00
DANIEL BAUER - TRUE MECH...	2070	05/22/2025	repairs to AHU 3 exhaust fan	205.4440.000.5400	645.00
DANIEL BAUER - TRUE MECH...	2070	05/22/2025	repairs to AHU 3 exhaust fan	205.4450.481.5400	215.00
AFFEKTIVE SOFTWARE LLC	4171	05/22/2025	Increased number of employe...	205.4420.000.5335	40.55
TOTAL CONSTRUCTION & EQU...	42865	05/22/2025	Replace spa timer controls	205.4420.000.5400	4,297.95
TOTAL CONSTRUCTION & EQU...	42868	05/22/2025	relocated pool equipment co...	205.4420.000.5400	1,887.16
KULLY SUPPLY, INC.	677743	05/22/2025	plumbing repair parts for Gro...	205.4420.000.5400	178.04
KULLY SUPPLY, INC.	677743	05/22/2025	plumbing repair parts for Gro...	205.4430.000.5400	118.70
CHEMSEARCH	9125270	05/22/2025	Water treatment contract 4.2...	205.4440.000.5310	668.60
CHEMSEARCH	9163128	05/22/2025	water treatment contract 5.2...	205.4440.000.5310	668.60
GRAINGER	9498913525	05/22/2025	shop vacuum	205.4420.000.5160	50.79
GRAINGER	9498913525	05/22/2025	shop vacuum	205.4430.000.5160	33.86
GRAINGER	9498913525	05/22/2025	shop vacuum	205.4440.000.5160	63.49
GRAINGER	9498913525	05/22/2025	shop vacuum	205.4450.481.5160	21.17
WELLS FARGO CREDIT CARD A...	Ace Hardware 693 Rick Roach...	05/22/2025	Wood glue for sauna repairs	205.4420.000.5150	6.50
WELLS FARGO CREDIT CARD A...	Ace Hardware 693 Rick Roach...	05/22/2025	Wood glue for sauna repairs	205.4430.000.5150	6.49
WELLS FARGO CREDIT CARD A...	Ace Hardware 693 Rick Roach...	05/22/2025	Punch/Pricking Tool	205.4430.000.5160	6.99
WELLS FARGO CREDIT CARD A...	Amazon Mark Jp8968603 Julie...	05/22/2025	Infant CPR masks	205.4420.000.5190	48.98
WELLS FARGO CREDIT CARD A...	Amazon MktpL 6k74k1nt3 Che...	05/22/2025	Laptop pad & Wall-Mounted ...	205.4410.470.5105	45.98
WELLS FARGO CREDIT CARD A...	Amazon MktpL Nr7ww78x3 Ka...	05/22/2025	Jump ropes & light mini bands...	205.4430.000.5190	57.95
WELLS FARGO CREDIT CARD A...	Amazon MktpL Ua35z5pe3 Jam...	05/22/2025	2 Desk Organizers for Guest S...	205.4410.470.5105	13.69
WELLS FARGO CREDIT CARD A...	Amazon MktpL Ua35z5pe3 Jam...	05/22/2025	Cordless Vacuum for Lifegua...	205.4420.000.5160	143.67
WELLS FARGO CREDIT CARD A...	Amazon MktpL Y92113st3 Jami...	05/22/2025	Pool Deck Storage Container f...	205.4420.000.5160	179.97
WELLS FARGO CREDIT CARD A...	American Red Cross Katelyn Br...	05/22/2025	Adult & Pediatric First Aid/CPR...	205.4430.000.5340	129.00
WELLS FARGO CREDIT CARD A...	City Of Inver Grove He Jamie ...	05/22/2025	Purchased lock to test credit c...	205.4410.470.5125	3.00
WELLS FARGO CREDIT CARD A...	Dollar Tree Adam Lares WF 4/...	05/22/2025	Event supplies-aqua egg hunt	205.4420.000.5190	49.50
WELLS FARGO CREDIT CARD A...	Fsp Cpr4life Usa Katelyn Br WF...	05/22/2025	First Aid/CPR Instructor Cours...	205.4430.000.5340	300.00
WELLS FARGO CREDIT CARD A...	In Caliber Equipment Rick Roa...	05/22/2025	Scrubber Peddle	205.4440.000.5150	203.44
WELLS FARGO CREDIT CARD A...	Inn On Lake Superior Al Vand...	05/22/2025	Hotel expense for MASS Confe...	205.4450.480.5340	352.28
WELLS FARGO CREDIT CARD A...	Menards West St Paul M Rick ...	05/22/2025	Wrench set, hooks, sprayer & ...	205.4420.000.5150	43.96
WELLS FARGO CREDIT CARD A...	Menards West St Paul M Rick ...	05/22/2025	Wrench set, hooks, sprayer & ...	205.4430.000.5150	43.95
WELLS FARGO CREDIT CARD A...	Miama Jeremy Gil WF 4/25	05/22/2025	MIAMA spring workshop regis...	205.4440.000.5340	35.00
WELLS FARGO CREDIT CARD A...	Samsclub.Com Chelsea Sw WF...	05/22/2025	Food bars, apple sauce pouch...	205.4450.482.5190	47.57
WELLS FARGO CREDIT CARD A...	Siwek Lumber & Millwor Rick ...	05/22/2025	Lumber for Sauna Repairs	205.4420.000.5150	732.25
WELLS FARGO CREDIT CARD A...	Siwek Lumber & Millwor Rick ...	05/22/2025	Lumber for Sauna Repairs	205.4430.000.5150	732.25
WELLS FARGO CREDIT CARD A...	Superior Sa Rick Roach WF 4/...	05/22/2025	1 Gal cedar bucket & Thermo...	205.4420.000.5150	55.88
WELLS FARGO CREDIT CARD A...	Superior Sa Rick Roach WF 4/...	05/22/2025	1 Gal cedar bucket & Thermo...	205.4430.000.5150	55.87
WELLS FARGO CREDIT CARD A...	The Home Depot #2843 Jerem...	05/22/2025	Batteries, duct tape, wall anc...	205.4420.000.5125	26.93
WELLS FARGO CREDIT CARD A...	The Home Depot #2843 Jerem...	05/22/2025	Batteries, duct tape, wall anc...	205.4430.000.5125	26.93
WELLS FARGO CREDIT CARD A...	The Home Depot #2843 Jerem...	05/22/2025	Batteries, duct tape, wall anc...	205.4440.000.5125	26.93
WELLS FARGO CREDIT CARD A...	The Home Depot #2843 Jerem...	05/22/2025	Batteries, duct tape, wall anc...	205.4450.481.5125	26.94
WELLS FARGO CREDIT CARD A...	The Home Depot #2843 Rick ...	05/22/2025	Lumber & screws for sauna re...	205.4420.000.5150	39.71
WELLS FARGO CREDIT CARD A...	The Home Depot #2843 Rick ...	05/22/2025	Screws, oil, spade, brush & dril...	205.4420.000.5150	42.63
WELLS FARGO CREDIT CARD A...	The Home Depot #2843 Rick ...	05/22/2025	Screws, Cedar & Nail Gun for ...	205.4420.000.5150	209.20
WELLS FARGO CREDIT CARD A...	The Home Depot #2843 Rick ...	05/22/2025	Sand paper, spade bits & shim...	205.4420.000.5150	29.94
WELLS FARGO CREDIT CARD A...	The Home Depot #2843 Rick ...	05/22/2025	Screws, Cedar & Nail Gun for ...	205.4430.000.5150	209.20
WELLS FARGO CREDIT CARD A...	The Home Depot #2843 Rick ...	05/22/2025	Screws, oil, spade, brush & dril...	205.4430.000.5150	42.63
WELLS FARGO CREDIT CARD A...	The Home Depot #2843 Rick ...	05/22/2025	Lumber & screws for sauna re...	205.4430.000.5150	39.70
WELLS FARGO CREDIT CARD A...	The Home Depot #2843 Rick ...	05/22/2025	Sand paper, spade bits & shim...	205.4430.000.5150	29.93
WELLS FARGO CREDIT CARD A...	Wal-Mart #5089 Julie Dors WF...	05/22/2025	Multi-shelf cart & combination...	205.4420.000.5190	27.92
WELLS FARGO CREDIT CARD A...	Wal-Mart #5089 Julie Dors WF...	05/22/2025	Pool noodles & floaties	205.4420.000.5190	48.50
WELLS FARGO CREDIT CARD A...	Wal-Mart #5089 Julie Dors WF...	05/22/2025	Paper plates for Bday parties	205.4420.000.5190	65.66
ACCUPRO GLASS LLC	0002364	05/29/2025	replace broken rink glass	205.4440.000.5400	1,180.00
AMERICAN RED CROSS	22826808	05/29/2025	Lifeguard Certification Course ...	205.4420.000.5335	600.00
GILBERT MECHANICAL CONTR...	260480	05/29/2025	VMCC outdoor damper repair	205.4420.000.5400	189.60
GILBERT MECHANICAL CONTR...	260480	05/29/2025	VMCC outdoor air damper rep...	205.4430.000.5400	126.40

Expense Approval Report

Payment Dates: 5/21/2025 - 6/3/2025

Vendor Name	Payable Number	Post Date
COMCAST	8772105910127188x041225	05/29/2025

Fund: 206 - COMMUNITY CENTER-CAPITAL FUND

HORIZON COMMERCIAL POOL... INV101461	05/22/2025
DANIEL BAUER - TRUE MECH... 2075	05/29/2025

Fund: 270 - HOST COMMUNITY FUND

JR'S APPLIANCE DISPOSAL 115532	05/29/2025
BARR ENGINEERING COMPANY 23190218.00-330	05/29/2025

Fund: 290 - EDA-OPERATING FUND

WELLS FARGO CREDIT CARD A... St Cloud Parking Syste Jason Z...	05/22/2025
--	------------

Fund: 401 - PARK CAPITAL IMPROVEMENT FUND

FRATTALONE COMPANIES INC 2504050	05/22/2025
FRATTALONE COMPANIES INC 2504050	05/22/2025
WELLS FARGO CREDIT CARD A... Amazon Mktp1 8k7vq2su3 Ad...	05/22/2025
WELLS FARGO CREDIT CARD A... Walmart.Com Rachel Mik WF ...	05/22/2025
MINNESOTA/WISCONSIN PLA... 2025161	05/29/2025

Fund: 402 - PARK ACQUISITION & DEVELOPMENT FUND

TRUFORM BUILDER, LTD. 1001	05/22/2025
THE ALLIANCE, INC. 2024001-01-0-4	05/22/2025
WELLS FARGO CREDIT CARD A... Ace Hardware 693 Brian Swob...	05/22/2025
WELLS FARGO CREDIT CARD A... Ace Hardware 693 Brian Swob...	05/22/2025

Fund: 437 - PW FACILITY REMODEL/EXPANSION

KENNEDY & GRAVEN 188022	05/29/2025
-------------------------	------------

Fund: 440 - PAVEMENT MGMT-LOCAL STREETS

WELLS FARGO CREDIT CARD A... Simplifile.Com Rebecca Ki WF ...	05/22/2025
KENNEDY & GRAVEN 188022	05/29/2025
SHORT ELLIOTT HENDRICKSON.. 488271	05/29/2025
SHORT ELLIOTT HENDRICKSON.. 488272	05/29/2025

Fund: 510 - WATER-OPERATING FUND

AIR-LAKE MACHINE & WELDI... 25099484	05/22/2025
CITY OF SOUTH ST PAUL 5/19/2025	05/22/2025
GOPHER STATE ONE-CALL 5040495	05/22/2025
HAWKINS, INC. 7066686	05/22/2025
WELLS FARGO CREDIT CARD A... Ace Hardware 693 Matt Johns...	05/22/2025
GERTENS K83299/6	05/22/2025
WELLS FARGO CREDIT CARD A... The Home Depot #2843 Matt ...	05/22/2025
CORE & MAIN LP W973540	05/22/2025
WELLS FARGO CREDIT CARD A... Www.Apwa.Net Judy Wonic ...	05/22/2025
HOLMES DESIGN, INC. 5616	05/29/2025
LONE OAK COMPANIES 96411	05/29/2025

Fund: 511 - WATER-CAPITAL FUND

OPTION ONE MECHANICAL LLC 5103	05/22/2025
--------------------------------	------------

Fund: 520 - SEWER-OPERATING FUND

METROPOLITAN COUNCIL 0001187278	05/22/2025
CITY OF SOUTH ST PAUL 5/19/2025	05/22/2025
DAKOTA ELECTRIC ASSN 200010048618 05/27/2025	05/27/2025
LONE OAK COMPANIES 96411	05/29/2025

Description (Item)	Account Number	Amount
VMCC cable TV 5.2025	205.4410.470.5335	296.29
Fund 205 - COMMUNITY CENTER-OPERATING FUND Total:		16,694.12

robotic pool cleaner	206.4420.000.5615	9,059.00
Remaining balance on AHU3 r...	206.4410.470.5605	31,562.50
Fund 206 - COMMUNITY CENTER-CAPITAL FUND Total:		40,621.50

Electronics recycling	270.5900.000.5389	144.00
PBL Environmental Technical ...	270.5900.000.5310	8,937.50
Fund 270 - HOST COMMUNITY FUND Total:		9,081.50

Parking at DEED Conference	290.5800.000.5340	8.00
Fund 290 - EDA-OPERATING FUND Total:		8.00

concrete recycled	401.4210.000.5310	218.00
recycled base for playground ...	401.4210.000.5610	1,137.42
Lighting control box licenses +...	401.4210.000.5610	1,678.00
Black Box CAT6 Remotely Cont...	401.4210.000.5190	552.12
VMCC playground & wood fib...	401.4210.000.5610	54,664.37
Fund 401 - PARK CAPITAL IMPROVEMENT FUND Total:		58,249.91

Archery Stands (50% down pa...	402.4210.000.5610	13,547.00
Buildings relocation study 3.2...	402.4210.000.5310	846.80
marking paint for archery ran...	402.4210.000.5190	24.00
marking paint for archery ran...	402.4210.000.5190	59.90
Fund 402 - PARK ACQUISITION & DEVELOPMENT FUND Total:		14,477.70

Contract Reviews (Final Design)	437.0000.000.5305	48.00
Fund 437 - PW FACILITY REMODEL/EXPANSION Total:		48.00

Doc 3671212 Right of Entry 8...	440.3210.000.5310	52.33
Easement Acquisition	440.3210.000.5305	231.00
2026 PMI South Report	440.3210.000.5310	19,598.68
2026 PMI North Feasibility	440.3210.000.5310	25,827.75
Fund 440 - PAVEMENT MGMT-LOCAL STREETS Total:		45,709.76

Hydrant seat repair	510.7100.000.5150	1,200.00
SSP Water 1.24-4.24.2025	510.7100.000.5362	408.85
Locate tickets	510.7100.000.5310	761.40
Chemicals	510.7100.000.5135	10.00
Strap for the camera van light	510.7100.000.5150	2.99
mulch for well houses	510.7100.000.5150	131.70
Hand tools for new service tru...	510.7100.000.5160	255.13
Smart Water Meter	510.7100.000.5158	1,512.82
APWA membership renewal (...)	510.7100.000.5335	266.05
Design needs 4.2025 - water s...	510.7100.000.5310	495.00
UB Reminder Letters (50%) 5...	510.7100.000.5310	130.56
Fund 510 - WATER-OPERATING FUND Total:		5,174.50

WTP Dehumidification/MUA p...	511.7110.000.5400	53,400.00
Fund 511 - WATER-CAPITAL FUND Total:		53,400.00

MCES Charges 6.2025	520.7200.000.5373	202,840.87
SSP Sewer 1.24-4.24.2025	520.7200.000.5372	738.76
Electric	520.7200.000.5355	190.76
UB Reminder Letters (50%) 5...	520.7200.000.5310	130.57
Fund 520 - SEWER-OPERATING FUND Total:		203,900.96

Expense Approval Report

Payment Dates: 5/21/2025 - 6/3/2025

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
Fund: 530 - STORMWATER-OPERATING FUND					
ADVANCED ENGINEERING AN...	102553	05/22/2025	Stormwater Utility Rate Study ...	530.7300.000.5310	18,385.50
CITY OF SOUTH ST PAUL	5/19/2025	05/22/2025	SSP Stormwater 1.24-4.24.20...	530.7300.000.5382	131.94
GERTENS	801057/6	05/22/2025	Topsoil & Mulch	530.7300.000.5125	69.85
WELLS FARGO CREDIT CARD A...	Gertens Commercial lgh Ray R...	05/22/2025	Sod repair	530.7300.000.5125	51.90
WELLS FARGO CREDIT CARD A...	Gertens Pro Turf Eagan Ray Ri...	05/22/2025	Sealer	530.7300.000.5125	25.25
WELLS FARGO CREDIT CARD A...	Tractor-Supply-Co #019 Craig ...	05/22/2025	Blue Marking Paint	530.7300.000.5125	28.47
WELLS FARGO CREDIT CARD A...	Tractor-Supply-Co #019 Ray Ri...	05/22/2025	Vegetation management tool	530.7300.000.5160	29.74
EXPERT TREE SERVICE AND SC...	12915	05/29/2025	Tree Trimming and Debris re...	530.7300.000.5420	8,300.00
EXPERT TREE SERVICE AND SC...	12916	05/29/2025	Tree clearing and debris remo...	530.7300.000.5420	3,150.00
CORE & MAIN LP	W976987	05/29/2025	Storm water repair pipe	530.7300.000.5420	409.60
Fund 530 - STORMWATER-OPERATING FUND Total:					30,582.25
Fund: 550 - GOLF COURSE-OPERATING FUND					
DAKOTA ELECTRIC ASSN	200002013605	05/21/2025	Electric	550.7700.000.5355	224.99
COLLEGE CITY BEVERAGE	1141349	05/22/2025	beer for resale	550.7600.000.5199	444.35
BREAKTHRU BEVERAGE MINN...	121422179	05/22/2025	beer for resale	550.7600.000.5199	458.60
BREAKTHRU BEVERAGE MINN...	121532673	05/22/2025	beer for resale	550.7600.000.5199	256.10
UNIFIRST CORPORATION	1410144111	05/22/2025	GC uniforms	550.7700.000.5175	37.70
MTI DISTRIBUTING CO	1463122-00	05/22/2025	Tire & Screws for Equipment ...	550.7700.000.5405	341.63
MTI DISTRIBUTING CO	1471612-00	05/22/2025	irrigation parts	550.7700.000.5150	1,061.48
PING	18253604	05/22/2025	golf bags for resale	550.7600.000.5195	317.00
ARTISAN BEER COMPANY	3761606	05/22/2025	beer for resale	550.7600.000.5199	221.60
ARTISAN BEER COMPANY	3764918	05/22/2025	beer for resale	550.7600.000.5199	226.20
SOUTH BAY DESIGN	4/1/2025	05/22/2025	monthly site updates 3.2025	550.7600.000.5310	335.00
PROTEIN PROVISIONERS, LLC	4005	05/22/2025	food for resale	550.7600.000.5197	104.52
GEAR FOR SPORTS	42147892	05/22/2025	clothing for resale	550.7600.000.5193	507.50
COCA COLA BOTTLING COMP...	46982716022	05/22/2025	pop & water for resale	550.7600.000.5197	964.77
COCA COLA BOTTLING COMP...	47072334017	05/22/2025	pop & water for resale	550.7600.000.5197	1,038.03
COCA COLA BOTTLING COMP...	47072334019	05/22/2025	CO2 tank return	550.7600.000.5197	-130.00
SHAMROCK GROUP	479002	05/22/2025	ice for bev resale	550.7600.000.5197	348.88
DENNY'S 5TH AVENUE BAKERY	47991	05/22/2025	breads for resale	550.7600.000.5197	104.24
DENNY'S 5TH AVENUE BAKERY	48233	05/22/2025	breads for resale	550.7600.000.5197	130.22
DENNY'S 5TH AVENUE BAKERY	48279	05/22/2025	breads for resale	550.7600.000.5197	112.90
HEGGIES PIZZA	528234	05/22/2025	food for resale	550.7600.000.5197	116.35
PHILLIPS WINE & SPIRITS	6977531	05/22/2025	alcohol for resale	550.7600.000.5199	479.12
PERFORMANCE FOOD GROUP ...	75682071B	05/22/2025	Club house/f&b supplies	550.7600.000.5125	234.61
PERFORMANCE FOOD GROUP ...	75682071B	05/22/2025	Food for resale	550.7600.000.5197	1,430.47
PERFORMANCE FOOD GROUP ...	75682071B	05/22/2025	Beverage supplies for resale	550.7600.000.5197	46.33
PERFORMANCE FOOD GROUP ...	75754123B	05/22/2025	TP, paper towels, gloves & c...	550.7600.000.5125	209.11
PERFORMANCE FOOD GROUP ...	75754123B	05/22/2025	Foods for resale	550.7600.000.5197	666.38
PERFORMANCE FOOD GROUP ...	76164411	05/22/2025	supplies for Club House & F&B	550.7600.000.5125	140.73
PERFORMANCE FOOD GROUP ...	76164411	05/22/2025	foods & supplies for resale	550.7600.000.5197	918.72
BIG TOP RENTAL, INC.	82589	05/22/2025	Portable toilets for GC 4.2025	550.7700.000.5430	173.00
SHAMROCK GROUP	88-00327	05/22/2025	ice for bev resale	550.7600.000.5197	329.72
TITLEIST	920540731	05/22/2025	golf balls for resale	550.7600.000.5195	565.83
WELLS FARGO CREDIT CARD A...	Ace Hardware 693 Matt Moyni..	05/22/2025	LED light bulbs	550.7600.000.5125	21.61
WELLS FARGO CREDIT CARD A...	Ace Hardware 693 Matt Moyni..	05/22/2025	LED light bulbs	550.7600.000.5125	7.57
WELLS FARGO CREDIT CARD A...	Amazon MktpL Cg7jo23x3 Mat...	05/22/2025	coolers for FB cooler rentals	550.7600.000.5190	441.38
WELLS FARGO CREDIT CARD A...	Amazon MktpL En8qd11b3 Ma...	05/22/2025	new donut and muffin display ...	550.7600.000.5190	162.66
WELLS FARGO CREDIT CARD A...	Amazon MktpL Og1t80t63 Leo...	05/22/2025	Cart cleaning towels	550.7600.000.5190	37.83
WELLS FARGO CREDIT CARD A...	Cub Foods #1639 Matt Moyni...	05/22/2025	Mayo & lettuce	550.7600.000.5197	10.69
WELLS FARGO CREDIT CARD A...	Cub Foods #1695 Matt Moyni...	05/22/2025	club soda and tonic water	550.7600.000.5197	12.98
WELLS FARGO CREDIT CARD A...	Cub Foods #1695 Matt Moyni...	05/22/2025	lime juice	550.7600.000.5197	7.16
WELLS FARGO CREDIT CARD A...	Discount Tire Mnm 17 Timoth...	05/22/2025	tires installed on rims	550.7700.000.5310	24.00
WELLS FARGO CREDIT CARD A...	Discount Tire Mnm 17 Timoth...	05/22/2025	tires installed on rims	550.7700.000.5310	36.00
WELLS FARGO CREDIT CARD A...	Discount Tire Mnm 17 Timoth...	05/22/2025	tires installed on rims	550.7700.000.5310	48.00
TOUR EDGE GOLF MFG., INC.	IN-01753535	05/22/2025	rental club sets	550.7600.000.5430	917.00
WELLS FARGO CREDIT CARD A...	Liberty Tire Services Joel Metz...	05/22/2025	Used tire recycling	550.7700.000.5389	124.50
WELLS FARGO CREDIT CARD A...	Mn Licensed Beverage A Matt...	05/22/2025	mlba credits for alcohol server...	550.7600.000.5335	240.00
WELLS FARGO CREDIT CARD A...	Napa Store 3279003 Timothy ...	05/22/2025	Air filters for equipment repair	550.7700.000.5405	79.35

Expense Approval Report

Payment Dates: 5/21/2025 - 6/3/2025

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
WELLS FARGO CREDIT CARD A...	Nicollet Ace Hardware Timoth...	05/22/2025	keys	550.7700.000.5125	24.36
WELLS FARGO CREDIT CARD A...	Nicollet Ace Hardware Timoth...	05/22/2025	extra keys	550.7700.000.5125	20.02
WELLS FARGO CREDIT CARD A...	Officemax/Depot 6384 Matt ...	05/22/2025	Laminating pouches, envelope...	550.7600.000.5105	53.27
WELLS FARGO CREDIT CARD A...	Officemax/Depot 6384 Matt ...	05/22/2025	Returned wrong size laminati...	550.7600.000.5105	-36.54
WELLS FARGO CREDIT CARD A...	Sams Club #4738 Matt Moyni...	05/22/2025	Brooms	550.7600.000.5190	32.39
WELLS FARGO CREDIT CARD A...	Sams Club #4738 Matt Moyni...	05/22/2025	coffee cups and brooms	550.7600.000.5197	60.49
WELLS FARGO CREDIT CARD A...	Sams Club #4738 Matt Moyni...	05/22/2025	muffins	550.7600.000.5197	15.28
WELLS FARGO CREDIT CARD A...	Samsclub #4738 Matt Moyni ...	05/22/2025	candy	550.7600.000.5197	165.41
WELLS FARGO CREDIT CARD A...	Samsclub #4738 Matt Moyni ...	05/22/2025	breakfast sandwiches	550.7600.000.5197	43.24
WELLS FARGO CREDIT CARD A...	Samsclub #4738 Matt Moyni ...	05/22/2025	breakfast sandwiches	550.7600.000.5197	27.96
WELLS FARGO CREDIT CARD A...	Samsclub #4738 Matt Moyni ...	05/22/2025	pepperoni	550.7600.000.5197	7.97
WELLS FARGO CREDIT CARD A...	Target 00025197 Matt Moyni...	05/22/2025	tape cleaning supplies	550.7600.000.5105	33.11
WELLS FARGO CREDIT CARD A...	Target 00025197 Matt Moyni...	05/22/2025	spatulas	550.7600.000.5190	12.98
WELLS FARGO CREDIT CARD A...	Target 00025197 Matt Moyni...	05/22/2025	tonic water	550.7600.000.5197	3.21
WELLS FARGO CREDIT CARD A...	The Home Depot #2843 Leon ...	05/22/2025	Microfiber towels for cleaning...	550.7600.000.5190	35.64
WELLS FARGO CREDIT CARD A...	The Home Depot #2843 Leon ...	05/22/2025	Pledge polish for cart cleaning	550.7600.000.5190	32.37
WELLS FARGO CREDIT CARD A...	The Home Depot #2843 Leon ...	05/22/2025	Water softener salt	550.7600.000.5190	22.61
WELLS FARGO CREDIT CARD A...	The Home Depot #2845 Timot...	05/22/2025	parts to repair practice center...	550.7600.000.5150	59.28
WELLS FARGO CREDIT CARD A...	The Home Depot #2845 Timot...	05/22/2025	parts to repair range equipme...	550.7600.000.5150	8.23
WELLS FARGO CREDIT CARD A...	The Home Depot #2845 Timot...	05/22/2025	new shop padlocks	550.7700.000.5125	37.96
WELLS FARGO CREDIT CARD A...	The Home Depot #2845 Timot...	05/22/2025	Paint, Bolts Weld Sheet & Ligh...	550.7700.000.5125	223.85
WELLS FARGO CREDIT CARD A...	The Home Depot #2845 Timot...	05/22/2025	refund for the range ball wash...	550.7600.000.5150	-40.85
WELLS FARGO CREDIT CARD A...	Tractor-Supply-Co #019 Timot...	05/22/2025	tarps to cover sand	550.7700.000.5125	149.96
COLLEGE CITY BEVERAGE	1143137	05/29/2025	beer for resale	550.7600.000.5199	209.70
UNIFIRST CORPORATION	1410145540	05/29/2025	GC uniforms	550.7700.000.5175	37.70
Fund 550 - GOLF COURSE-OPERATING FUND Total:					15,826.41

Fund: 602 - RISK MANAGEMENT

ENTERPRISE FM TRUST	5/7/2025	05/22/2025	2023 Totaled Lease Vehicle #...	602.8200.000.5490	2,950.10
Fund 602 - RISK MANAGEMENT Total:					2,950.10

Fund: 603 - CENTRAL EQUIPMENT

NORTH AMERICAN TRAILER S...	030004244349	05/22/2025	Trailer LED Lights	603.8300.000.5405	40.68
NORTH AMERICAN TRAILER S...	030004244637	05/22/2025	Lights for dump truck	603.8300.000.5410	76.53
MTI DISTRIBUTING CO	1473734-00	05/22/2025	Ball drag machine electrical g...	603.8300.000.5405	110.78
L.T.G. POWER EQUIPMENT	293387	05/22/2025	Mower blade set	603.8300.000.5405	150.68
INVER GROVE FORD	5356895	05/22/2025	F550 brake light switch	603.8300.000.5410	34.25
INVER GROVE FORD	5357031	05/22/2025	Squad car brake lining, rotor &...	603.8300.000.5410	357.40
INVER GROVE FORD	5357046	05/22/2025	F150 TPMS sensor	603.8300.000.5410	105.78
INVER GROVE FORD	5357084	05/22/2025	Squad car tubing	603.8300.000.5410	179.40
INVER GROVE FORD	5357088	05/22/2025	Unmarked squad car rotor & b...	603.8300.000.5410	403.37
INVER GROVE FORD	5357115	05/22/2025	Unmarked squad brake lining...	603.8300.000.5410	-219.40
INVER GROVE FORD	5357120	05/22/2025	Fire truck water hose	603.8300.000.5410	75.90
INVER GROVE FORD	5357127	05/22/2025	Fire Truck Jet Kit	603.8300.000.5410	10.91
FACTORY MOTOR PARTS COM...	74-355836	05/22/2025	Stock filters	603.8300.000.5410	45.12
KREMER SERVICES LLC	96011	05/22/2025	Fire truck alignment & outer r...	603.8300.000.5410	949.51
KREMER SERVICES LLC	96068	05/22/2025	Water truck rear spring replac...	603.8300.000.5410	2,758.31
WELLS FARGO CREDIT CARD A...	Ace Hardware 693 Rick Jacks ...	05/22/2025	Misc fasteners	603.8300.000.5150	9.25
WELLS FARGO CREDIT CARD A...	Amazon Mark 0q9yt9be3 Rick ...	05/22/2025	F250 shovel/tool hanger	603.8300.000.5410	33.98
WELLS FARGO CREDIT CARD A...	Amazon Mark Nv10x7di3 Rick ...	05/22/2025	High Pressure Regulator	603.8300.000.5405	29.98
WELLS FARGO CREDIT CARD A...	Amazon.Com Mb3w10im3 Ric...	05/22/2025	Sweeper battery on/off switch	603.8300.000.5405	34.33
WELLS FARGO CREDIT CARD A...	Amazon.Com W12bw2ax3 Ric...	05/22/2025	F550 light bar cab mount	603.8300.000.5410	132.97
DAVIS EQUIPMENT CORPORAT...	EI20674	05/22/2025	Turf parts for ball drag machi...	603.8300.000.5405	198.41
WELLS FARGO CREDIT CARD A...	Oreilly 1767 Rick Jacks WF 4/25	05/22/2025	Ball drag machine HD air filter	603.8300.000.5405	18.29
WELLS FARGO CREDIT CARD A...	Oreilly 1767 Rick Jacks WF 4/25	05/22/2025	Stock filters	603.8300.000.5405	65.10
WELLS FARGO CREDIT CARD A...	Oreilly 1767 Rick Jacks WF 4/25	05/22/2025	Fire boat brackets	603.8300.000.5405	124.12
WELLS FARGO CREDIT CARD A...	Oreilly 1767 Rick Jacks WF 4/25	05/22/2025	Mower HD Air Filters	603.8300.000.5405	56.08
WELLS FARGO CREDIT CARD A...	Oreilly 1767 Rick Jacks WF 4/25	05/22/2025	Fire boat regulator	603.8300.000.5405	61.95
WELLS FARGO CREDIT CARD A...	Oreilly 1767 Rick Jacks WF 4/25	05/22/2025	Sweeper HD Cabin Air	603.8300.000.5405	33.05
WELLS FARGO CREDIT CARD A...	Oreilly 1767 Rick Jacks WF 4/25	05/22/2025	Wire tires for shop	603.8300.000.5405	4.99
WELLS FARGO CREDIT CARD A...	Oreilly 1767 Rick Jacks WF 4/25	05/22/2025	Ball drag battery	603.8300.000.5405	30.48
WELLS FARGO CREDIT CARD A...	Oreilly 1767 Rick Jacks WF 4/25	05/22/2025	Stock filters	603.8300.000.5410	39.60

Expense Approval Report

Payment Dates: 5/21/2025 - 6/3/2025

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
WELLS FARGO CREDIT CARD A...	Oreilly 1767 Rick Jacks WF 4/25	05/22/2025	F350 Seat Covers	603.8300.000.5410	79.99
WELLS FARGO CREDIT CARD A...	Oreilly 1767 Rick Jacks WF 4/25	05/22/2025	Stock filters	603.8300.000.5410	89.04
WELLS FARGO CREDIT CARD A...	Oreilly 1767 Rick Jacks WF 4/25	05/22/2025	Fire truck HD air filter	603.8300.000.5410	113.62
WELLS FARGO CREDIT CARD A...	Oreilly 1767 Rick Jacks WF 4/25	05/22/2025	Ford Escape Fuse Holder	603.8300.000.5410	13.58
WELLS FARGO CREDIT CARD A...	Oreilly 1767 Rick Jacks WF 4/25	05/22/2025	Fire truck AC Refrigerant	603.8300.000.5410	279.99
WELLS FARGO CREDIT CARD A...	Oreilly 1767 Rick Jacks WF 4/25	05/22/2025	Fire squad car mirror	603.8300.000.5410	19.99
WELLS FARGO CREDIT CARD A...	Oreilly 1767 Rick Jacks WF 4/25	05/22/2025	F550 Silicone Sealant	603.8300.000.5410	20.68
TRI-STATE BOBCAT INC.	P37334	05/22/2025	Skid loader alternator & belt	603.8300.000.5405	368.89
WELLS FARGO CREDIT CARD A...	Twin City Marina Rick Jacks W...	05/22/2025	Fire boat oil change kit, lube &...	603.8300.000.5405	98.47
WELLS FARGO CREDIT CARD A...	Twin City Marina Rick Jacks W...	05/22/2025	Boat trailer roller	603.8300.000.5405	20.34
WELLS FARGO CREDIT CARD A...	Vcn Minnesotastatepatr Rick J...	05/22/2025	Decals	603.8300.000.5410	56.50
ZARNOTH BRUSH WORKS	0202231-IN	05/29/2025	sweeper broom	603.8300.000.5405	624.00
UNIFIRST CORPORATION	1410144109	05/29/2025	Uniforms- Shop	603.8300.000.5175	48.48
UNIFIRST CORPORATION	1410144109	05/29/2025	Shop Rentals	603.8300.000.5430	113.25
UNIFIRST CORPORATION	1410145515	05/29/2025	Uniforms-Mechanics	603.8300.000.5175	37.42
UNIFIRST CORPORATION	1410145515	05/29/2025	Shop Rentals	603.8300.000.5430	113.39
PUMP AND METER SERVICE I...	4003987	05/29/2025	Arm adaptors & fuel pumps	603.8300.000.5400	1,876.66
TOTAL CONSTRUCTION & EQU...	42873	05/29/2025	Add double duplex in vehicle s...	603.8300.000.5400	482.67
POMP'S TIRE SERVICE, INC.	980133482	05/29/2025	F550 tires & valve stem	603.8300.000.5410	2,718.44
SNAP-ON INDUSTRIAL	ARV/64735279	05/29/2025	Wrench & Socket Sets	603.8300.000.5160	811.77
I-STATE TRUCK CENTER	C242926896-01	05/29/2025	Vac truck AC parts and sealant	603.8300.000.5410	380.62
DAVIS EQUIPMENT CORPORAT...	E120713	05/29/2025	Balldrag machine valve, fuel p...	603.8300.000.5405	533.69
MILLS AFTERMARKET ACCESS...	OAK-1021459-01	05/29/2025	F250 replacement window & i...	603.8300.000.5410	641.67
MACQUEEN EMERGENCY GR...	P12611	05/29/2025	Fire brush truck LED lights	603.8300.000.5410	298.00
MACQUEEN EMERGENCY GR...	P12628	05/29/2025	Fire truck shutoff valves	603.8300.000.5410	33.06
ROAD MACHINERY & SUPPLIES...	S7184601	05/29/2025	Roller Push Button	603.8300.000.5405	76.43
Fund 603 - CENTRAL EQUIPMENT Total:					15,902.44

Fund: 605 - CITY FACILITIES

TOTAL CONSTRUCTION & EQU...	042869	05/22/2025	repairs to exterior lighting at F...	605.8500.000.5400	988.10
LVC COMPANIES, INC.	168705	05/22/2025	Sprinkler head replacement ...	605.8500.000.5400	900.00
HUEBSCH SERVICES	20407468	05/22/2025	lobby mats	605.8500.000.5430	188.15
DANIEL BAUER - TRUE MECH...	2058	05/22/2025	CH heat pump 25 replacement	605.8500.000.5400	10,608.75
DANIEL BAUER - TRUE MECH...	2059	05/22/2025	repairs to heating system	605.8500.000.5400	6,800.00
MINA ADSIT ARCHITECTURE ...	2773	05/22/2025	City Hall portion of misc proje...	605.8500.000.5310	7,572.50
TOTAL CONSTRUCTION & EQU...	42866	05/22/2025	repairs to FS #1 truck bay ceili...	605.8500.000.5400	727.86
TOTAL CONSTRUCTION & EQU...	42870	05/22/2025	replaced bad RTU motor at FS...	605.8500.000.5400	5,465.62
CINTAS CORPORATION	5269271901	05/22/2025	first aid supplies	605.8500.000.5190	136.42
GRAINGER	9508439792	05/22/2025	Bearings for FS1 exhaust repair	605.8500.000.5400	237.28
WELLS FARGO CREDIT CARD A...	Amazon Mktp1 9z60w3v13 Pat...	05/22/2025	Pilot cleaner for cleaning out s...	605.8500.000.5125	45.25
WELLS FARGO CREDIT CARD A...	Menards West St Paul M Patri...	05/22/2025	Rivers to put ceiling grid back ...	605.8500.000.5150	12.99
WELLS FARGO CREDIT CARD A...	Sq Walker Display Patrick To ...	05/22/2025	Hangers for art display in front...	605.8500.000.5150	74.99
WELLS FARGO CREDIT CARD A...	The Home Depot #2843 Patric...	05/22/2025	Power strips for under office ...	605.8500.000.5125	74.91
WELLS FARGO CREDIT CARD A...	The Home Depot #2843 Patric...	05/22/2025	Wall anchors for mounting it...	605.8500.000.5150	91.29
WELLS FARGO CREDIT CARD A...	The Home Depot #2843 Patric...	05/22/2025	Circuit breaker finder to identi...	605.8500.000.5160	56.94
WELLS FARGO CREDIT CARD A...	The Home Depot #2843 Patric...	05/22/2025	Toilet plungers for fire station...	605.8500.000.5190	31.96
WELLS FARGO CREDIT CARD A...	The Home Depot #2843 Patric...	05/22/2025	Flashlights for CH & Paper to...	605.8500.000.5190	89.86
DANIEL BAUER - TRUE MECH...	2069	05/29/2025	repairs to PW exhaust fan	605.8500.000.5400	1,225.00
GILBERT MECHANICAL CONTR...	260480	05/29/2025	CH heat pump repair & FS #2 ...	605.8500.000.5400	614.00
Fund 605 - CITY FACILITIES Total:					35,941.87

Fund: 606 - TECHNOLOGY FUND

WELLS FARGO CREDIT CARD A...	Amazon Mark 1g8yy3t63 Marc...	05/22/2025	Laptop peripherals	606.8600.000.5190	113.97
WELLS FARGO CREDIT CARD A...	Amazon Mark 616bv6oz3 Mar...	05/22/2025	Cable management	606.8600.000.5190	50.93
WELLS FARGO CREDIT CARD A...	Amazon Mark 7q8q79983 Ma...	05/22/2025	Laptop chargers	606.8600.000.5190	50.88
WELLS FARGO CREDIT CARD A...	Amazon Mark J13al2rk3 Marc...	05/22/2025	PC Peripherals, mouse, velco s...	606.8600.000.5190	115.50
WELLS FARGO CREDIT CARD A...	Amazon Mark Nt89w1qv2 Ma...	05/22/2025	Cable	606.8600.000.5190	16.98
WELLS FARGO CREDIT CARD A...	Amazon Mark Os8q08xb3 Mar...	05/22/2025	Laptop peripherals	606.8600.000.5190	43.55
WELLS FARGO CREDIT CARD A...	Amazon Mark Qe9gf56q3 Mar...	05/22/2025	"Out of office" sign	606.8600.000.5190	19.78
WELLS FARGO CREDIT CARD A...	Amazon Mark Su23q7q63 Mar...	05/22/2025	Laptop chargers	606.8600.000.5190	56.88
WELLS FARGO CREDIT CARD A...	Amazon Mark Ta6m252m3 M...	05/22/2025	Monitor mounts	606.8600.000.5160	141.72
WELLS FARGO CREDIT CARD A...	Amazon Mktp1 576ck1043 Ma...	05/22/2025	Switch for rock island	606.8600.000.5160	154.99

Expense Approval Report

Payment Dates: 5/21/2025 - 6/3/2025

Vendor Name	Payable Number	Post Date
WELLS FARGO CREDIT CARD A...	Amazon Reta Nm8fd0t33 Mar...	05/22/2025
WELLS FARGO CREDIT CARD A...	Zoom.Com 888-799-9666 Mar...	05/22/2025
INNOVATIVE OFFICE SOLUTIO...	IN4844225	05/29/2025

Fund: 702 - ESCROW FUND

DAKOTA CTY ATTORNEY	5/14/2025	05/22/2025
DAKOTA CTY ATTORNEY	5/14/2025	05/22/2025
DAKOTA CTY ATTORNEY	5/14/2025	05/22/2025
WELLS FARGO CREDIT CARD A...	Simplifile.Com Rebecca Ki WF ...	05/22/2025
WELLS FARGO CREDIT CARD A...	Simplifile.Com Rebecca Ki WF ...	05/22/2025
BARR ENGINEERING COMPANY	23190218.02-19	05/29/2025
DUSTIN DELMONICO	5/20/2025	05/29/2025

Description (Item)	Account Number	Amount
Wireless ergonomic keyboard ...	606.8600.000.5105	104.98
VMCC Zoom	606.8600.000.5395	31.98
Printer Paper for Copiers	606.8600.000.5105	187.52
Fund 606 - TECHNOLOGY FUND Total:		1,089.66

Vehicle forfeiture (30%) - Case...	702.2000.005.2050	884.40
Legal Fees-Case 23000919	702.2000.005.2050	265.00
Vehicle forfeiture (20%) - Case...	702.2000.005.2050	1.10
Doc 3672924 Res 2025-066 Pa...	702.5100.251.2050	52.33
Doc 3672756 Res 2025-088 C...	702.5100.254.2050	52.33
PBL June '22 Expansion Permit...	702.5100.015.2050	4,238.00
Escrow Release	702.3100.320.2050	1,347.00
Fund 702 - ESCROW FUND Total:		6,840.16

Grand Total: 1,053,838.78



Request for Council Action

SUBJECT: **Personnel Actions**

MEETING DATE: June 9, 2025

ITEM TYPE: Consent Agenda

CONTACT: Janet Shefchik, HR Manager, 651.450.2512

ACTION REQUESTED

The Council is asked to confirm and approve the personnel actions as attached.

BACKGROUND

The attached listing of hires, promotions, resignations and/or retirements is presented for Council approval. Data contained in the attachment is not public information until after Council takes action and therefore the attachment is not visible to the public prior to approval.

FISCAL IMPACT

All positions to be filled are funded within the adopted City budget.

RECOMMENDATION

Staff recommends approval of the attached personnel actions.

ATTACHMENTS

1. Personnel Actions 6.9.25 (hires-terms)



Request for Council Action

SUBJECT: **Resolution Establishing Change Fund and Petty Cash Fund Balances**

MEETING DATE: June 9, 2025

ITEM TYPE: Consent Agenda

CONTACT: Amy Hove, Finance Director, 651.450.2521

ACTION REQUESTED

The Council is asked to adopt the attached Resolution, establishing Change Fund and Petty Cash Fund balances.

BACKGROUND

Change funds and petty cash funds must be established by an entity's governing body, and a "custodian" of each fund must be appointed. It is also recommended that the City Council periodically review these funds to determine if they are still necessary.

The City's current finance system shows four change funds and one petty cash fund. Staff have been unable to find any originating documentation regarding the establishment of the city's change funds and petty cash funds, including the respective appointment of a custodian for those funds. Staff have also noted some differences between the balances in the financial records and the actual cash on hand for the respective change funds. The goal of tonight's request is to bring the labeling and use of these funds into alignment with each funds' true purpose.

Change Funds

A change fund is a sum of money set aside in a cash register or cash drawers for the purpose of making change. Change funds are not to be used for making disbursements (i.e. to purchase things.).

Currently, there are four change funds recorded within the City's financial records: City Hall-Front Counter, City Hall-Community Development, Community Center, and the Golf Course.

City Hall Change Funds

The two change funds reported at City Hall total \$800. The cash on hand related to those change funds is \$380, which is \$420 less than what is recorded in the city's financial records. Staff believe the reason for some of those differences may be due to the fact that previous staff members used the funds interchangeably as both a change fund and a petty cash fund. Prior to the new chart of accounts, all of these change fund accounts were labeled "petty cash", which was misleading as they were not all used for petty cash purposes. The City's new chart of accounts structure, implemented in June 2024, relabeled those funds based on their assumed purpose.

Staff recommend these two change funds be combined into a single fund for City Hall and that the change fund be increased to \$2,000. The current available balance of \$380 is not sufficient for

current needs and staff often make special trips to the bank to get smaller denomination bills when a customer comes in to pay their bill with a larger bill, thus running the cash drawer (change fund) out of the smaller denomination bills. A larger change fund of \$2,000 can also be utilized when preparing for certain city collection events such as clean-up days. And finally, a larger change fund would allow City Hall to help provide last-minute change when any of the other city change funds (Community Center and Golf Course) run short of smaller denomination bills.

Community Center Change Fund

The Community Center's change fund is reported at \$2,050 and is used to support the various cash drawers needed throughout the facility and at certain park and recreation events. Upon review, that amount is sufficient for park and recreation change needs and the \$2,050 balance ties out to the cash on hand.

Golf Course Change Fund

The Golf Course's change fund varies throughout the year. Prior to the course opening, the Golf Course typically reports and holds a small balance of \$100 for making change. At the start of the season, staff increase that change fund to \$2,700. Like the Community Center, this larger change fund is used to support various cash drawers throughout the course during the golf season. Upon review, staff have determined that \$2,700 is sufficient for the Golf Course's needs and the balance ties out to the cash on hand.

In Summary, the Finance Department recommends adoption of the following change funds, and the appointment of the Finance Director as custodian of these funds:

- City Hall - \$2,000
- Community Center - \$2,050
- Golf Course - up to \$2,700

Petty Cash Funds

Petty cash funds, referred to as "imprest funds" within Minnesota statute, may be established by cities to pay certain bills or invoices, if it is impractical to pay that bill in any other manner. Historically, petty cash accounts were created to reimburse employees for small-dollar work-related incidentals (example: postage due on an item of mail, stamp, parking, etc.). With the increased use of credit cards, the need for petty cash accounts has decreased almost entirely. Employees are also able to submit for and receive work-related reimbursements via their payroll deposit.

The Finance Department has reviewed the petty cash needs across the City and has identified only one area where there remains a need for a petty cash account. The Police Department currently has a petty cash fund, otherwise referred to as "Confidential Funds", which they utilize for certain investigative expenses that cannot otherwise be paid for via a check. On April 22, 2024, the Council approved the Police Department's Confidential Fund Management Policy for this petty cash account and set the target balance at \$1,500. The policy outlines the allowable investigative expenditures from the fund: informant payments, purchase of illegal drugs or contraband, expenditures for authorized undercover operations, etc. And, given there are instances when funds utilized in these operations may come back into the fund, the balance can fluctuate at times. When the fund needs to be replenished, the Police Department will use resources that are available in the Police Forfeiture Account. The use of this Confidential Fund for expenditures, and any replenishment of funds are reviewed by supervisory staff in the Police Department, and the Finance Director.

Staff recommend the continuation of this \$1,500 Police Petty Cash Fund, and appointing the Finance Director as custodian of the fund.

FISCAL IMPACT

The only fiscal impact is the increase to the City Hall change fund. Given the current cash on hand at city hall equals \$380 and the request is to increase that change fund to \$2,000, staff will need to utilize \$1,620 from another city expenditure account to bridge that gap, and increase the change fund. The Finance Department can utilize funds in their 2025 budget for this purpose.

RECOMMENDATION

Staff recommends adoption of the attached Resolution, establishing Change Fund and Petty Cash Fund balances.

ATTACHMENTS

1. Resolution Establishing Change Fund & Petty Cash Fund Balances

**CITY OF INVER GROVE HEIGHTS
DAKOTA COUNTY, MINNESOTA**

RESOLUTION NO. _____

RESOLUTION ESTABLISHING CHANGE FUND & PETTY CASH FUND BALANCES

WHEREAS, change funds are sums of money set aside in a cash register or cash drawers for the purpose of making change and petty cash funds, are established to pay certain bills or invoices, if it is impractical to pay that bill in any other manner; and

WHEREAS, both types of funds must be established by an entity's governing body and a "custodian" of each fund appointed; and

WHEREAS, it is recommended that governing bodies review these funds periodically to determine if they are still necessary, and adjust accordingly; and

WHEREAS, upon a review of the city's existing change and petty cash funds, staff recommend the City Council adopt the following list of change funds and petty cash funds and appoint the Finance Director, or their designee, as custodian over those funds:

Change Fund	City Hall	\$2,000
Change Fund	Community Center	\$2,050
Change Fund	Golf Course	up to \$2,700 (during the golf season)
Petty CashFund	Police-Confidential Funds	\$1,500

NOW THEREFORE, BE IT RESOLVED by the Inver Grove Heights City Council that the following change and petty cash funds be established and the Finance Director, or their designee, appointed as custodian over those funds:

Change Fund	City Hall	\$2,000
Change Fund	Community Center	\$2,050
Change Fund	Golf Course	up to \$2,700 (during the golf season)
Petty CashFund	Police-Confidential Funds	\$1,500

Adopted this 9th day of June 2025 by the City Council of Inver Grove Heights, MN.

Brenda Dietrich, Mayor

ATTEST:

Rebecca Kiernan, City Clerk



Request for Council Action

SUBJECT: Cost Sharing Agreement with Dakota County for New Voting Equipment

MEETING DATE: June 9, 2025
ITEM TYPE: Consent Agenda
CONTACT: Rebecca Kiernan, City Clerk, 651.450.2513

ACTION REQUESTED

The Council is asked to approve the attached Cost Sharing Agreement with Dakota County for new voting equipment.

BACKGROUND

In 2013, Dakota County and the jurisdictions within Dakota County entered into a Joint Powers Agreement (JPA) for the purchase of new election tabulating equipment. At that time, there were only three vendors certified by the State of Minnesota. The vendors that submitted a proposal were ES&S, Dominion, and Hart Voting Systems. The purchase of vote tabulating equipment was completed in 2015 with Dominion Voting Systems selected as the vendor. The life expectancy of that voting equipment is approximately 10 years, and the County has now determined that it is time for a replacement.

Dakota County is preparing to evaluate and recommend to the County Board the purchase of new voting equipment to be used county-wide. City election officials are going to be able to participate in the development of this recommendation. It is expected that there will be five vendors with tabulating systems that are certified by the Minnesota Secretary of State's Office by the time equipment demonstrations take place later this year 2025.

In preparation for this purchase, Dakota County is proposing to cover 65% of the total costs, with 30% spread across the cities and townships in the county and 5% spread across the various school districts. This is a better deal for cities than the last time this equipment was purchased. The County is proposing to pay a higher share and also to have the school districts pick up a portion, which they did not do last time.

	2015 (Actual Costs)	2026 / 2027 (Anticipated Costs)
Number of IGH Precincts <i>(1 tabulator per precinct)</i>	10	12
Basis for City Cost Share	per tabulator	% of registered voters <i>(8% of Dakota County voters live in IGH)</i>
Total City of IGH Cost	\$157,156.50	\$120,192 <i>estimated</i>

Cost per Year	\$52,385.50 (x3 years)	\$24,038 (x5 years)
----------------------	---------------------------	------------------------

FISCAL IMPACT

Funding for these costs will need to be included in the City's Elections Budget starting in 2027 and continuing for five years. The annual cost is estimated to be \$24,038, which equates to a total of \$120,192 over the five-year period. However, that amount could change once the County has finalized the specific voting equipment to be purchased. This action constitutes the City's agreement to pay a percentage share, as outlined in the agreement, not a specific dollar amount.

RECOMMENDATION

Staff recommends approval of the attached Cost Share Agreement with Dakota County.

ATTACHMENTS

1. 2025 Cost Share Voting Equipment Agreement

COST SHARE AGREEMENT BETWEEN

City of Inver Grove Heights

AND COUNTY OF DAKOTA

FOR ELECTION HARDWARE, SOFTWARE, AND RELATED SERVICES

This Cost Share Agreement ("Agreement") is entered into by and between the City of Inver Grove Heights ("Municipality"), 8150 Barbara Ave, Inver Grove Heights, MN 55077, and the County of Dakota ("County"), 1590 Highway 55, Hastings, MN 55033. Municipality and County are referred to individually as the "Party" and are collectively referred to as the "Parties".

WHEREAS, pursuant to Minn. Stat. § 471.59, two or more governmental units, by agreement through action of their governing bodies, may jointly exercise powers common to the governmental units; and

WHEREAS, under Minn. Stat. § 206.805, the parties are empowered to purchase election hardware, software and related services; and

WHEREAS, the County, along with cities and townships in Dakota County, shared the cost for the purchase and implementation of voting equipment in 1998 and 2015; and

WHEREAS, the Parties are desirous of cooperating to purchase a replacement for the current voting equipment system for use by the Parties and other cities, townships, and school districts in Dakota County who enter into separate Cost Share Agreements with the County (collectively, the "Governmental Units").

NOW, THEREFORE, in consideration of the premises and covenants contained herein and subject to the provisions of Minn. Stat. § 471.59, the Parties agree as follows:

I. PURPOSE

A. The purpose of this Agreement is to authorize the County to purchase election hardware, software and related services for the Parties and to establish the obligations of the Parties with respect to their use and maintenance.

II. TERM

A. The term of this Agreement shall commence on the Effective Date, which is the date when all signatures of the Parties are obtained and shall remain in full force and effect until the Expiration Date, which is the date when the Vendor Contract entered into pursuant to Section III(A) terminates, this Agreement is terminated as provided herein, or by operation of law, whichever occurs first. This Agreement may be extended by written mutual agreement of the Parties.

III. DUTIES OF THE COUNTY

The Vendor Contract includes hardware, software, licensing, and maintenance.

A. Solicitation. In conformance with the provisions of Minnesota law, the County will prepare a Request for Proposals (RFP) for an electronic voting system that meets the requirements of all Minnesota statutes and rules, including Minn. Stat. § 206.57, to be used by all local government units in Dakota County, including the Parties. The County will consult with the Municipality in preparation of the RFP. The solicitation will consist of a competitive process consistent with state law applicable to such solicitation.

The RFP will include vendor-supplied technical maintenance and regular maintenance and upgrades of the election hardware and software, wherever stored, for at least five (5) years from the date of purchase, including assurances of sufficient parts, supplies and accessories, warranty service, and will seek to obtain a trade-in allowance for all electronic voting systems owned by Dakota County.

B. Award of Contract. The final decision on the vendor to whom the contract shall be awarded will be made by the Dakota County Board of Commissioners. The contract will be awarded to a vendor whose proposal meets all of the standards for voting systems required by Minnesota law. The County will defend and indemnify the Municipality, its elected officials, employees and/or agents and hold them harmless from all claims and damages arising out of the solicitation process and the award of contract for the election hardware, software and related services.

C. Repairs and Maintenance. The County will arrange for all necessary repairs, maintenance and upgrades to the election hardware and software between election seasons.

D. Purchase and Delivery. The County will arrange for the purchase and delivery of election hardware and peripherals.

E. Licenses. The County will obtain all licenses and other rights necessary for the Municipality to use the election hardware and software for its intended use. The County will defend and indemnify the Municipality, its elected officials, employees and/or agents and hold them harmless from all claims and damages arising out of any license, copyright or other intellectual property right.

F. Insurance. The County will include the election hardware and software on its commercial property casualty insurance coverage.

G. Ownership. The County will own the election hardware and software purchased pursuant to this Agreement, regardless of where the election hardware and software may be stored or used.

IV. DUTIES OF THE MUNICIPALITY

A. Existing Election Hardware and Software. To the extent the Municipality has ballot tabulation equipment or ballot boxes in its possession, it will turn such equipment over to the County.

B. Storage, Handling and Service. The Municipality must provide safe storage and handling of the election hardware and software when such equipment is in the Municipality's possession. The Municipality will report any needed hardware and software maintenance, in writing, to the County. Any election hardware or software problems on election days may be reported to the County orally.

C. Payment.

- a. Upon award of the contract, the County will first pay sixty-five percent (65%) of the purchase price and apply trade-in credit received, if any, to each of the election hardware and software packages purchased. The Municipality will pay its pro rata share of the remaining cost, by percentage, for the election hardware and software packages purchased by the County for the Municipality as identified in Appendix A.
- b. Payment by the Municipality to the County will be made in five (5) equal annual installments, without interest, on or before January 31st of each year beginning in 2027 and ending in 2031. The Municipality may prepay installments at any time without penalty. The Municipality will pay the County within forty-five (45) calendar days of receipt of an invoice from the County.
- c. The Municipality will pay to the County its pro rata share of the annual maintenance costs for the election equipment. The Municipality will pay the County within forty-five (45) days receipt of an invoice from the County.

D. Operation of the System. Municipality shall operate in compliance with the following General Conditions Governing Operation of the Electronic Voting System:

- a. Municipality shall distribute voting equipment to precincts in the quantities advised by the County in each election held in the Municipality through the term of this Agreement.
- b. Municipality must only use the polling place and election procedures approved by or from the County or the Minnesota Secretary of State.

V. INDEMNIFICATION

A. Municipality. The Municipality will defend and indemnify the County, its elected officials, employees, and agents and hold them harmless from all claims and damages arising out of the use, transport, storage, handling, or maintenance of the voting equipment, which are attributable to the intentional, willful, or negligent acts or omissions of the Municipality, its elected officials, employees, or agents.

B. County. The County will defend and indemnify the Municipality, its elected officials, employees, and agents and hold them harmless from all claims and damages arising out of the solicitation and award of the Vendor Contract and arising out of the transport, handling, or storage of the voting equipment attributable to the intentional, willful, or negligent acts or omissions of the County, its elected officials, employees, or agents. The County does not warrant, nor does it indemnify the Municipality for performance of or failure to perform by the Contract Vendor. Nevertheless, the County will pursue any and all rights it may have with respect to warranties, when requested by the Municipality or when necessary, to assure conformance with the intended use of the voting equipment.

C. Municipal Tort Claims Act. It is understood and agreed that the provisions of the Municipal Tort Claims Act, Minn. Stat. Ch. 466, and other applicable laws govern liability arising from the Parties' acts or omissions. Each Party warrants that it is able to comply with the aforementioned indemnity requirements through an insurance or self-insurance program and that each has minimum coverage consistent with the liability limits contained in Minn. Stat. Ch. 466. For purposes of determining total liability for tort damages which may arise from this Agreement, the Parties are to be considered a single governmental unit.

VI. STATE AUDIT

Under Minn. Stat. § 16C.05, subd. 5, each Party's books, records, documents, and accounting procedures and practices relevant to this Agreement are subject to examination by the State and/or the State Auditor or Legislative Auditor, as appropriate, for a minimum of six (6) years from the Expiration Date of this Agreement.

VII. GOVERNMENT DATA PRACTICES

For purposes of this Agreement, all data created, collected, received, stored, used, maintained, or disseminated by the Parties in the performance of this Agreement is subject to the requirements of the Minnesota Government Data Practices Act, Minn. Stat. Ch. 13, and its implementing rules, as well as any other applicable State or Federal laws on data privacy or security.

Each Party shall provide the other Party with prompt notice of a breach of the security of data defined in Minn. Stat. § 13.055, subd. 1(a) or suspected breach of the security of data and shall assist in remedying such breach. Providing or accepting assistance does not constitute a waiver of any claim or cause of action for breach of contract.

The Parties shall promptly notify each other when any third-party requests data related to this Agreement, the voting equipment, or the Vendor Contract.

VIII. VENUE

Venue for all legal proceedings out of this Agreement, or its breach, must be in the appropriate court of competent jurisdiction in Dakota County, Minnesota.

IX. TERMINATION

A. The County will notify the Municipality if its Governmental Unit Share as stated in Appendix A is projected to increase. Small cities and townships that utilize mail balloting will not be subject to this Agreement. Otherwise, the Parties must mutually agree to terminate this Agreement in writing by the undersigned or their successors.

B. Termination. This Agreement shall remain in effect until the occurrence of any one of the following events:

- a. Termination is necessitated by operation of law or as a result of a decision by a court of competent jurisdiction.
- b. The Agreement entered into pursuant to Paragraph III(B) above has expired or has otherwise been terminated.
- c. Parties mutually agree to terminate Agreement.

X. MISCELLANEOUS PROVISIONS

A. Severability. The provisions of this Agreement are severable. If any provision of this Agreement is void, invalid, or unenforceable, it will not affect the validity and enforceability of the remainder of this Agreement, unless the void, invalid, or unenforceable provision substantially impairs the value of the entire Agreement with respect to either Party.

B. Assignment. No Party may assign or transfer any rights or obligations under this Agreement without the prior consent of the other Party and an assignment agreement, approved and executed by all Parties to this Agreement, or their successors in office.

C. Amendments. Any amendment to this Agreement must be in writing and is not effective until approved and executed by all Parties to this Agreement, or their successors in office.

D. Waiver. If any Party fails to enforce any provision of this Agreement, such failure does not waive the provision or its right to enforce it.

E. Contract Complete. This Agreement contains all negotiations and agreements between the Parties. No other understanding regarding this Agreement, whether written or oral, is binding on any Party.

F. Compliance with Laws. The Parties shall abide by all Federal, State and local laws, statutes, ordinances, rules and regulations now in effect or hereinafter adopted pertaining to this Agreement.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the Municipality and the County have caused this Agreement to be executed on their behalf.

COUNTY OF DAKOTA

MUNICIPALITY OF

Inver Grove Heights

By: _____

Name: _____

Title: _____

Date: _____

By: _____
_____, Mayor

Date: _____

By: _____
_____, Municipality Clerk

Date: _____

Approved as to form:

/s/Tom Donely 05/16/2025

Assistant County Attorney/Date

File No. KS- 25-212

Appendix A: COST PROJECTIONS FOR INITIAL EQUIPMENT PURCHASE*

*The information in this Appendix A is informational only and based on all Governmental Units identified in the chart executing a Cost Sharing Agreement and a total Purchase Price of \$5,000,000. If one or more of these factors changes, the Municipal Share will likely increase.

	Voters	Percentage	Amount	
Dakota County	289,935	65%	\$ 3,250,000	
Cities/Townships	289,935	30%	\$ 1,500,000	
School Districts	289,935	5%	\$ 250,000	

Municipality Share	Voters	% of Reg Voters	Amount	Annual Payback
Apple Valley	35,995	12.4%	\$ 186,382	\$ 37,276
Burnsville	37,579	13.0%	\$ 194,584	\$ 38,917
Castle Rock Twp	998	0.3%	\$ 5,168	\$ 1,034
Coates	98		\$ -	\$ -
Douglas Twp	536	0.2%	\$ 2,775	\$ 555
Eagan	45,746	15.8%	\$ 236,873	\$ 47,375
Empire	2,022	0.7%	\$ 10,470	\$ 2,094
Eureka Twp	1,088	0.4%	\$ 5,634	\$ 1,127
Farmington	14,909	5.1%	\$ 77,199	\$ 15,440
Greenvale Twp	624	0.2%	\$ 3,231	\$ 646
Hampton City	440	0.2%	\$ 2,278	\$ 456
Hampton Twp	630	0.2%	\$ 3,262	\$ 652
Hastings	15,061	5.2%	\$ 77,986	\$ 15,597
Inver Grove Heights	23,212	8.0%	\$ 120,192	\$ 24,038
Lakeville	49,329	17.0%	\$ 255,426	\$ 51,085
Lilydale	802	0.3%	\$ 4,153	\$ 831
Marshan Twp	882	0.3%	\$ 4,567	\$ 913
Mendota City	148	0.1%	\$ 766	\$ 153
Mendota Heights	9,119	3.1%	\$ 47,218	\$ 9,444
Miesville	88		\$ -	\$ -
New Trier	62		\$ -	\$ -
Nininger Twp	631	0.2%	\$ 3,267	\$ 653
Northfield	989	0.3%	\$ 5,121	\$ 1,024
Randolph City	297	0.1%	\$ 1,538	\$ 308
Randolph Twp	560	0.2%	\$ 2,900	\$ 580
Ravenna Twp	1,738	0.6%	\$ 8,999	\$ 1,800
Rosemount	18,686	6.5%	\$ 96,756	\$ 19,351
Sciota Twp	340	0.1%	\$ 1,761	\$ 352
South St. Paul	12,322	4.3%	\$ 63,803	\$ 12,761
Sunfish Lake	435	0.2%	\$ 2,252	\$ 450
Vermillion City	307	0.1%	\$ 1,590	\$ 318
Vermillion Twp	918	0.3%	\$ 4,753	\$ 951
Waterford Twp	395	0.1%	\$ 2,045	\$ 409
West St. Paul	12,949	4.5%	\$ 67,050	\$ 13,410

ISD 191	33,351	11.5%	\$ 28,757	\$ 5,751
ISD 192	24,434	8.4%	\$ 21,069	\$ 4,214
ISD 194	37,762	13.0%	\$ 32,561	\$ 6,512
ISD 195	1,603	0.6%	\$ 1,382	\$ 276
ISD 196	108,067	37.3%	\$ 93,182	\$ 18,636
ISD 197	30,660	10.6%	\$ 26,437	\$ 5,287
ISD 199	18,833	6.5%	\$16,239	\$ 3,248
ISD 200	20,498	7.1%	\$ 17,675	\$ 3,535
ISD 252	129	0.0%	\$ 111	\$ 22
ISD 659	2,337	0.8%	\$ 2,015	\$ 403
SSD 6	12,261	4.2%	\$ 10,572	\$ 2,114



Request for Council Action

SUBJECT: **Resolution Approving a New City Seal**

MEETING DATE: June 9, 2025

ITEM TYPE: Consent Agenda

CONTACT: Rebecca Kiernan, City Clerk, 651.450.2513

ACTION REQUESTED

The Council is asked to adopt the attached Resolution, adopting a new City Seal for the City of Inver Grove Heights.

BACKGROUND

In 1965, when Inver Grove Heights became a city, an official seal was needed to prove a document was official. The City adopted a seal that followed the state's seal at that time, which was an image of a farmer, trees, a horse and rider, and a sun with rays, along with the French words "L'Etoile Du Nord" (Star of the North). In May 2024, a new state flag and seal were implemented, with the seal featuring a lake, a loon, and the North Star, along with the words "Mni Sota Makoce" (Land of the Sky Tinted Water).

Staff are recommending the establishment of a new City seal that stands alone from the state seal and reflects something that is uniquely Inver Grove Heights. After reviewing several options, the seal shown on the attached Resolution, which features the Rock Island Swing Bridge, is recommended as the new City seal.

FISCAL IMPACT

The cost of a new seal embosser is incorporated into the City Clerk's adopted budget for 2025.

RECOMMENDATION

Staff recommends adoption of the attached Resolution, approving a new city seal.

ATTACHMENTS

1. Resolution - New City Seal

**CITY OF INVER GROVE HEIGHTS
DAKOTA COUNTY, MINNESOTA**

RESOLUTION NO. _____

RESOLUTION APPROVING A NEW CITY SEAL

WHEREAS, in 1965, when Inver Grove Heights became a city, an official seal was needed to prove a document was official, and

WHEREAS, the existing seal followed the State of Minnesota seal at the time, which was an image of a farmer, trees, a horse and rider, and a sun with rays, along with the French words “L’Etoile Du Nord” (Star of the North), and

WHEREAS, in May 2024, a new state flag and seal were implemented, with the new state seal featuring a lake, a loon, and the North Star along with the words “Mni Sota Makoce” (Land of the Sky Tinted Water), and

WHEREAS, upon direction of the City Council, it was determined that a new city seal was needed for official documents.

NOW THEREFORE, BE IT RESOLVED BY THE INVER GROVE HEIGHTS CITY COUNCIL that the following design is hereby adopted as the official seal of the City of Inver Grove Heights:



Adopted by the City Council of the City of Inver Grove Heights, Minnesota this 9th day of June, 2025.

Brenda Dietrich, Mayor

ATTEST:

Rebecca Kiernan, City Clerk



Request for Council Action

SUBJECT: **Resolutions Awarding Contract and Approving Budget for City Project No. 2025-08 - 2025 Sanitary Sewer Rehabilitation**

MEETING DATE: June 9, 2025

ITEM TYPE: Consent Agenda

CONTACT: Chris English, Graduate Civil Engineer, 651-248-0157

ACTION REQUESTED

The Council is asked to adopt the attached Resolutions, awarding the contract and approving the budget for City Project No. 2025-08 - 2025 Sanitary Sewer Rehabilitation.

BACKGROUND

Four bids for City Project No. 2025-08 were received and opened on May 29, 2025, for the 2025 Sanitary Sewer Rehabilitation project. National Power Rodding Corp. was the lowest responsible bidder, with a total bid of \$160,618.

FISCAL IMPACT

The costs for City Project No. 2025-08 are summarized as follows:

Improvement Type	Low Bid (Contract Award)	10% LEAF (Legal, Engineering, Administrative, Finance)	10% Construction Contingency	Proposed Budget
Sanitary Sewer	\$160,618.00	\$16,061.80	\$16,061.80	\$192,741.60
Total	\$160,618.00	\$16,061.80	\$16,061.80	\$192,741.60

The estimated cost of this work as shown in the 2025-2029 Capital Improvement Plan was \$270,000, so the proposed project budget is substantially lower than the amount budgeted. Funding for City Project No. 2025-08 is recommended from the Sewer Capital Fund (Fund 521).

RECOMMENDATION

Staff recommends adoption of the attached Resolutions, awarding the contract to National Power Rodding Corp. in the amount of \$160,618 and approving the budget for City Project No. 2025-08.

ATTACHMENTS

1. Resolution Awarding Contract (2025-08)
2. Resolution Approving Budget (2025-08)

**CITY OF INVER GROVE HEIGHTS
DAKOTA COUNTY, MINNESOTA**

RESOLUTION NO. _____

**RESOLUTION AWARDING CONTRACT TO NATIONAL POWER RODDING CORP. FOR
CITY PROJECT NO. 2025-08 - 2025 SANITARY SEWER REHABILITATION**

WHEREAS, pursuant to an advertisement for bids for the 2025 Sanitary Sewer Rehabilitation (City Project No. 2025-08), bids were received and opened online on May 29, 2025, at 10:00 a.m., read aloud, and tabulated according to law. The following bids were received complying with the advertisement:

Contractor	5% Bid Bond	Base Bid
National Power Rodding Corp.	Yes	\$160,618.00
Hydro-Klean	Yes	\$183,002.40
Visu-Sewer	Yes	\$215,518.00
Insituform Technologies USA, LLC	Yes	\$265,922.00

WHEREAS, National Power Rodding Corp. is the lowest responsible bidder for a total contract amount of **\$160,618.00**.

**NOW, THEREFORE BE IT RESOLVED BY THE INVER GROVE HEIGHTS CITY COUNCIL,
THAT:**

1. The Mayor and Clerk are hereby authorized and directed to enter a contract with National Power Rodding Corp. in the name of the City of Inver Grove Heights, for 2025 Sanitary Sewer Rehabilitation, City Project No. 2025-08, according to plans and specifications on file at the Office of the City Clerk.
2. The City Clerk is hereby authorized and directed to return, forthwith, to all bidders, the deposits made with their bids except for the deposition of the successful bidder and the next lowers bidder shall be retained until the contract has been fully executed.
3. Project funding for City Project No. 2025-08 in the contract amount of \$160,618.00 shall be provided by the Sewer Capital funds (Fund 521).

Approved by the City Council of the City of Inver Grove Heights, Minnesota, on this 9th day of June 2025.

Brenda Dietrich, Mayor

ATTEST:

Rebecca Kiernan, City Clerk

**CITY OF INVER GROVE HEIGHTS
DAKOTA COUNTY, MINNESOTA**

RESOLUTION NO. _____

**RESOLUTION APPROVING THE BUDGET FOR 2025 SANITARY SEWER REHABILITATION, CITY
PROJECT NO. 2025-08**

WHEREAS, the City Council has considered City Project No. 2025-08 providing lining services for the sanitary sewer in locations as identified in the project plans and specifications; and

WHEREAS, finding the project to be necessary and beneficial to the orderly and efficient construction and/or maintenance of city infrastructure, the City Council has ordered the project and awarded a contract for project construction.

**NOW, THEREFORE, BE IT RESOLVED BY THE INVER GROVE HEIGHTS CITY COUNCIL,
THAT:**

1. The following budget is hereby adopted for City Project No. 2025-08:

PROJECT COSTS	2025-08
Construction Bid	\$160,618.00
Legal, Engineering, Administrative & Finance (LEAF) (10%)	\$16,061.80
Construction Contingency (10%)	\$16,061.80
TOTAL	\$192,741.60

FUNDING SOURCES	2025-08
Sewer Capital (Fund 521)	\$192,741.60
TOTAL	\$192,741.60

2. The Public Works Director is authorized to direct the use of contingency funds up to the approved amount for project work in the case of changes in site conditions, quantity adjustment, or unforeseen expenses necessary to complete the project as proposed.

Approved by the City Council of the City of Inver Grove Heights, Minnesota, this 9th day of June 2025.

Brenda Dietrich, Mayor

ATTEST:

Rebecca Kiernan, City Clerk



Request for Council Action

SUBJECT: **Resolution Approving Joint Powers Agreement for City Project No. 2023-19 - 80th Street Safe Routes to School**

MEETING DATE: June 9, 2025

ITEM TYPE: Consent Agenda

CONTACT: Paul Merchlewicz, City Engineer, 651.450.2572

ACTION REQUESTED

The Council is asked to adopt the attached Resolution, approving a Joint Powers Agreement (JPA) with Dakota County for the construction, maintenance, and cost participation of City Project No. 2023-19 - 80th Street Safe Routes to School improvements.

BACKGROUND

In 2022, Dakota County received a Safe Routes to School (SRTS) grant of approximately \$200,000 to address sidewalk, trail, and intersection pedestrian improvements to improve safety, multi-modal mobility, and increase accessibility for students walking and biking to school around the Simley High School campus. The project is located along County State Aid Highway 28 (80th Street E) at the intersections of Bowman Avenue, Boyd Avenue and Simley High School's eastern driveway entrance.

Dakota County has completed design of the project, and as part of the County's cost-sharing policy, is covering the full cost of the proposed improvements from design through construction. The City, by separate agreement, has maintenance responsibilities for certain components of stormwater infrastructure that will be installed/modified as part of this project (City Maintenance Agreement No. C0025413), and the project impacts City-owned street and utility infrastructure within the project limits. As such, a Joint Powers Agreement (JPA) is proposed in accordance with Minnesota State Statutes 162.17 and 471.59 to authorize the improvements to the City's facilities, and to identify responsibilities between the participating agencies for completion of the construction and maintenance of the project improvements in the future.

FISCAL IMPACT

In accordance with the Dakota County 2040 Transportation Plan (July 2021), Appendix A policies F.1 through F.19 (which are included in Attachment A of the attached JPA), Dakota County will pay for 100 percent of the local share of the project. As noted in Section 7 of the JPA, the County and City agree that there shall be no cost to the City for this project.

RECOMMENDATION

Staff recommends adoption of the attached Resolution, approving the Joint Powers Agreement (JPA) with Dakota County for the construction, maintenance, and cost participation of City Project No. 2023-19 - 80th Street Safe Routes to School.

ATTACHMENTS

1. RESOLUTION - Approving JPA for City Project 2023-19
2. JPA for 80th St Safe Routes to School Project (City Project 2023-19)

**CITY OF INVER GROVE HEIGHTS
DAKOTA COUNTY, MINNESOTA**

RESOLUTION NO. _____

**RESOLUTION TO ENTER INTO A JOINT POWERS AGREEMENT WITH DAKOTA
COUNTY FOR CONSTRUCTION, MAINTENANCE, AND COST PARTICIPATION ON CSAH 28
(80TH STREET) SAFE ROUTES TO SCHOOL PROJECT**

WHEREAS, the City of Inver Grove Heights (“City”) and Dakota County (“County”) desire to complete construction of a pedestrian and multi-modal transportation improvement with a grant received for the Safe Routes to School (SRTS) program on CSAH 28 (80th Street) between Bowman Ave. and the eastern driveway access to Simley High School; and

WHEREAS, the County, as the lead agency, has completed final design, bid, and awarded a contract to construct the SRTS improvements as designed; and

WHEREAS, as part of the County’s cost sharing policy, the County is covering the full cost (100%) of the SRTS improvements from design through construction; and

WHEREAS, the City, by way of separate maintenance agreements with the County, has maintenance responsibilities for components of the existing stormwater system along 80th Street, and the project impacts City-owned street and utility infrastructure within the project limits; and

WHEREAS, the City and County have drafted a Joint Powers Agreement (JPA) in accordance with Minnesota State Statutes 162.17 and 471.59 to authorize the improvements to the City’s infrastructure facilities, and to identify responsibilities between the two parties for the completion of construction and maintenance of the project improvements.

**NOW THEREFORE, BE IT RESOLVED BY THE INVER GROVE HEIGHTS CITY COUNCIL
THAT:**

- 1) The Joint Powers Agreement with Dakota County for the Construction, Maintenance, and Cost Participation for City Project No. 2023-19 – 80th Street Safe Routes to School improvement is hereby approved.
- 2) The City Engineer, Mayor, City Attorney, and City Clerk are hereby authorized to carry out the agreement on the City’s behalf.

Approved by the City Council of the City of Inver Grove Heights, Minnesota this 9th day of June 2025.

Brenda Dietrich, Mayor

ATTEST:

Rebecca Kiernan, City Clerk

**JOINT POWERS AGREEMENT FOR
CONSTRUCTION, MAINTENANCE, AND COST PARTICIPATION**

**BETWEEN
THE COUNTY OF DAKOTA
AND
THE CITY OF INVER GROVE HEIGHTS
FOR**

DAKOTA COUNTY PROJECT NO. 28-66

CITY PROJECT NO. 2023-19

SYNOPSIS: Dakota County and the City agree to construction, ongoing maintenance, and cost share of the Safe Routes To School (SRTS) Crossing Infrastructure Improvements along County State Aid Highway (CSAH) 28 (80th Street East) between Bowman Avenue and 500 feet West of Cahill Avenue in Inver Grove Heights.

THIS JOINT POWERS AGREEMENT ("Agreement"), is made and entered into by and between the County of Dakota ("County"), a political subdivision of the State of Minnesota, and the City of Inver Grove Heights a municipal corporation existing under the laws of the State of Minnesota, hereafter collectively referred to as "Parties", and individually as "Party", and witnesses the following:

WHEREAS, under Minnesota Statutes sections 162.17, subd. 1 and 471.59, subd. 1, two governmental units may enter into an agreement to cooperatively exercise any power common to the contracting parties, and one of the participating governmental units may exercise one of its powers on behalf of the other governmental units; and

WHEREAS, to provide a safe and efficient transportation system, the County and the City are proceeding with County Project 28-66 and City Project 2023-19; and

WHEREAS, the purpose and need for the project is to improve safety, multi-modal mobility, and increase accessibility for students walking and biking to school near the Simley High School campus; and

WHEREAS, to address the purpose and need for this Project, County Project 28-66 will include crossing infrastructure improvements ("the Project") along County State Aid Highway 28 (80th Street E) at the intersections of Bowman Avenue, Boyd Avenue and Simley High School's eastern egress access; and

WHEREAS, a \$198,565.80 Minnesota State Safe Routes To School (SRTS) grant was awarded to Dakota County in 2022 for construction of the Project; and.

WHEREAS, to more efficiently deliver the Project, the County and the City mutually desire to partner with one another in exercising their joint powers to complete construction, administration, and maintenance of the Project, as well as to determine each Parties' respective share of Project costs; and

WHEREAS, the County and City will jointly participate in the costs of said construction per the provisions of Section 7 of this Agreement, and future maintenance of the Project per the Cost Sharing Policy within the Dakota County 2040 Transportation Plan (July 2021); and

NOW, THEREFORE, it is agreed the County and City will share Project responsibilities as detailed in this Agreement and, jointly participate in Project costs as set forth herein. The above recitals are incorporated by reference and are made a part hereof as if fully set forth below.

1. Project Administration. The County shall be the lead agency for construction, construction administration, and maintenance of the Project. Subject to the requirements below, the County and the City shall each retain final decision-making authority within their respective jurisdictions.
2. Plans, Specifications and Award of Contract. The County will prepare plans and specifications consistent with County and City design standards, State-Aid design standards and MnDOT standards and specifications. The parties' mutual concurrence with the plans and specifications is required prior to advertising for bids. Within 7 days of opening bids for the construction contract, the lead agency shall submit a copy of the low bid and an abstract of all bids together with the request for concurrence by the State in the award of the construction contract to the lowest responsible bidder. The lead agency may award the contract for construction to the lowest responsive and responsible bidder in accordance with state law. If a bid is not awarded, this Agreement shall terminate for the specific project that is not awarded, and all costs incurred as of the date of termination shall be apportioned in accordance with the terms of this Agreement. The construction contract shall be performed in accordance with approved plans, specifications and special provisions which are made a part hereof by reference with the same force and effect as though fully set forth herein.
3. Right of Way: The preliminary design of the Project will identify the existing right-of-way, as well as the permanent and temporary highway easements, drainage, and utility easements necessary for the improvements. The County will obtain permanent highway right-of-way for road and signal reconstruction, including easements for trails,

drainage, and utilities, in accordance with applicable state and federal laws and regulations. Upon project completion, any right-of-way required for municipal street improvements will be transferred to the city.

By this Agreement, the City will allow the County access and use of all adjacent city-controlled public easements, real property, and rights-of-way necessary for the construction of the Project for the duration of the construction period. Adjacent city-controlled public easements encompass but are not limited to, real property, sidewalk easements, landscape easements, and drainage and utility easements. The City easements will be shown within the construction limits specified in the Project plans. Upon completion of the Project, the County will, by this Agreement, cede use of City easements and the City will retain easement ownership. In addition to the temporary access, the City will provide the County with any necessary easements on City-owned property for the Project at no cost. Easements can include but are not limited to highway, trail, drainage, utility, and retaining wall easements. The easement must be necessary to complete the work directly applicable to the construction defined by this Project's purpose and need.

4. City Permits. Through this Agreement, the City will permit work to occur within the City's right-of-way as defined in the final plans and specifications for the Project. The County, or its contractors, must secure a city building permit for retaining walls with construction height equal to or greater than 48 inches (four feet), and any other City permits as required by City Code for work conducted outside the County's right-of-way. The City hereby agrees to waive the all permit fees for the permits obtained by the County.

All construction activities, including traffic control on City-owned streets, must comply with applicable state and city standards and specifications to fulfill the City's requirements. The City reserves the right to inspect construction materials and methods as necessary. The Parties agree that the County will be responsible for managing the right-of-way and for issuing permits that authorize any permittee to excavate, install, conduct maintenance, or place obstructions, including signs, within the County right-of-way or drainage and utility easements for the Project. The County

will consult City staff before permits are issued within public drainage and utility easements to ensure compliance with all relevant city ordinances. The City retains the authority to issue and manage other permits required under the building code or city zoning regulations.

5. Construction. Construction costs shall include all highway and roadway construction items, including removals; mobilization and traffic control, temporary widening or other measures if required as part of traffic control or project staging; mitigation as required by state and federal permits including accessibility requirements; replacement or restoration of fences, landscaping and driveways when affected by construction; replacement or adjustment of sanitary sewer, water and storm sewer systems, if required due to construction; wetland mitigation and banking; and all other construction aspects outlined in the plan except for elements as called out under this Agreement or County policies included in the current adopted Dakota County Transportation.
6. Construction Standards. All construction, including traffic control, shall be accomplished in accordance with applicable State Aid, County and City standards, specifications, and policies to the satisfaction of the County and City. The County and City reserves the right to inspect construction materials and methods as needed.
7. Cost Share. After application of all applicable cost sharing provisions of this Agreement and the Dakota County 2040 Transportation Plan (July 2021), Appendix A polices F.1 through F.19 (attachment A), the County will participate in the Project as defined below after deducting federal and state cost participation amounts.
 - F.15, Small Safety Projects: The County will participate 100 percent for costs associated with the pedestrian crossing improvements.

A Minnesota State Safe Routes to School (SRTS) grant was awarded to Dakota County in 2022. The low bid for construction was awarded at \$218,750.00. The executed SRTS grant agreement was \$198,565.80. Therefore, Dakota County will pay for 100 percent of the local share of the project after applied grant funds which is expected to be \$20,184.16. Notwithstanding anything to the contrary in this Agreement

or the County's Cost Share Policy referenced above, the County and City hereby agree that there shall be **no cost to the City for this Project except as provided in Sections 3 and 13 of this Agreement.**

8. Payment. The County shall administer the contract and act as the paying agent for all payments to the Contractor. Payments to the Contractor will be made as Project work progresses and when certified by the County Engineer. Upon presentation of an itemized claim by one agency to the other, the receiving agency shall reimburse the invoicing agency for its share of the costs incurred under this Agreement upon receipt or within a maximum of 35 days from the presentation of the claim. If any portion of an itemized claim is questioned by the receiving agency, the remainder of the claim shall be promptly paid, and accompanied by a written explanation of the amounts in question. Payment of any outstanding amount will be made following good faith negotiation and documentation of actual costs incurred in carrying out the work.
9. Change Orders and Supplemental Agreements. Any change orders or supplemental agreements that affect any of the Project's cost participation must be approved by the authorized representative of each party prior to execution of the change order or supplemental agreement (See Section 22 of this Agreement). Both Parties shall endeavor to provide timely approval of change orders and supplemental agreements so as not to delay construction operations.
10. Amendments. Any amendments to this Agreement will be effective only after approval by each governing body and execution of a written amendment document by duly authorized officials of each body.
11. Effective Dates for Design and Construction of Project. This Agreement will be effective upon execution by duly authorized officials of each governing body and shall continue in effect until all work to be carried out in accordance with this Agreement has been completed. Absent an amendment, however, in no event will this Agreement continue in effect after December 31st, 2026.
12. Final Acceptance. Final completion of the Project must be approved by both the County and the City.

13. Pavement Maintenance. Upon acceptance of the Project, the City shall be responsible for all pavement maintenance within City -owned right-of-way. The County shall be responsible for all pavement maintenance within County-owned right-of-way unless necessitated by a failure of a City utility system or installation of new City-owned facilities.
14. Pavement Marking and Traffic Signing Maintenance. Pavement markings will be installed as applicable for the operation of the highway and intersections along the Project area as outlined in the plans. The City shall be responsible for all pavement marking and sign maintenance within City right-of-way and the County shall be responsible for all pavement marking and sign maintenance within the County right-of-way unless necessitated by installation of new facilities.
15. Drainage Area and Stormwater or Drainage Facilities Maintenance. Upon final acceptance of the Project, maintenance of any storm sewer systems shall be provided in accordance with the current County and City Maintenance Agreement No. C0025413.
16. Sidewalks and Trails. Upon final acceptance of the Project, maintenance of sidewalks and trails shall be provided in accordance with the current adopted Dakota County Transportation Plan. The County and the City shall be responsible for the costs of trail resurfacing or reconstruction in accordance with County policies included in the County's current adopted Transportation Plan.
17. Rules and Regulations. The County and the City shall abide by Minnesota Department of Transportation standard specifications, rules, and contract administration procedures unless amended by the contract specifications.
18. Indemnification. The County agrees to defend, indemnify, and hold harmless the City against any and all claims, liability, loss, damage, or expense arising under the provisions of this Agreement and caused by or resulting from negligent acts or omissions of the County and/or those of County employees or agents. The City agrees to defend, indemnify, and hold harmless the County against any and all claims, liability, loss, damage, or expense arising under the provisions of this Agreement and caused

by or resulting from negligent acts or omissions of the City and/or those of City employees or agents. All Parties to this agreement recognize that liability for any claims arising under this agreement are subject to the provisions of the Minnesota Municipal Tort Claims Law; Minnesota Statutes, Chapter 466. In the event of any claims or actions filed against either party, nothing in this Agreement shall be construed to allow a claimant to obtain separate judgments or separate liability caps from the individual Parties. The County shall include the City as an additional insured party in the contract documents and on all insurance policies required from contractors performing work on the Project.

19. Employees of Parties. Any and all persons engaged in the work to be performed by the County shall not be considered employees of the City, for any purpose, including Worker's Compensation, and any and all claims that may or might arise out of said employment context on behalf of said employees while so engaged. Any and all claims made by any third party as a consequence of any act or omission on the part of the County's employees while so engaged on any of the work contemplated herein shall not be the obligation or responsibility of the City. Any and all persons engaged in the work to be performed by the City shall not be considered employees of the County for any purpose, including Worker's Compensation, and any and all claims that may or might arise out of said employment context on behalf of said employee while so engaged. Any and all claims made by any third party as a consequence of any act or omissions of the part of the City's employees while so engaged on any of the work contemplated herein shall not be the obligation or responsibility of the County.

20. Audits. Pursuant to Minnesota Statutes Sec 16 C. 05, Subd. 5, any books, records, documents, and accounting procedures and practices of the County and the City relevant to this Agreement are subject to examination by the County or the City and either the Legislative Auditor or the State Auditor as appropriate. The County and the City agree to maintain these records for a period of six years from the date of performance of all services covered under this Agreement.

21. Integration and Continuing Effect. The entire and integrated agreement of the Parties contained in this Agreement shall supersede all prior negotiations, representations or

agreements between the City and the County regarding the Project; whether written or oral. All agreements for future maintenance or cost responsibilities shall survive and continue in full force and effect in accordance with the Dakota County Transportation Plan after completion of the construction provided for in this Agreement.

22. Authorized Representatives. The authorized representatives for the purpose of the administration of this Agreement are:

Dakota County
Erin Laberee, Dakota County
Engineer (or successor)
14955 Galaxie Ave.
Apple Valley, MN 55124
Office: (952) 891-7100
Erin.Laberee@co.dakota.mn.us

City of Inver Grove Heights
Paul Merchlewicz
City Engineer (or successor)
8150 Barbara Avenue,
Inver Grove Heights, MN 55077
Office: (651)450-2572
pmerchlewicz@ighmn.gov

All notices or communications required or permitted by this Agreement shall be either hand delivered or mailed by certified mail, return receipt requested, to the above addresses. Either party may change its address by written notice to the other party. Mailed notice shall be deemed complete two business days after the date of mailing.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS THEREOF, the Parties have caused this Agreement to be executed by their duly authorized officials.

CITY OF INVER GROVE HEIGHTS

RECOMMENDED FOR APPROVAL:

Paul C. Muehle
City Engineer

By _____
Mayor

APPROVED AS TO FORM:

By [Signature]
City Attorney

(SEAL)

Date 6-3-2025

By _____
City Clerk

Date: _____

COUNTY OF DAKOTA

RECOMMENDED FOR APPROVAL:

County Engineer

By: _____
Physical Development Director

Date: _____

APPROVED AS TO FORM:

COUNTY BOARD RESOLUTION

Assistant County Attorney Date
KS- _____

No. _____ Date: _____

Attachment A
Dakota County 2040 Transportation Plan
Cost Share Policy

- **Development Driven Investments**
Encourage cities to pursue local and/or private investments in the transportation system to address transportation needs necessitated by development.
- **Trunk Highway Corridor and Interchange Projects**
Work with MnDOT and local partners to develop funding for priority trunk highway corridor and interchange projects on a case by case basis.
- **Shared Purchases**
Participate in shared purchase and use of equipment, services, and materials with other governmental agencies when practical.
- **State Funding**
Support increases in long term, sustainable state funding for highway and bridge purposes.
- **State/Federal Bridge Funding**
Pursue funding for replacement of bridges that are eligible for state and/or federal funding.
- **CSAH Revenue**
Pursue opportunities with County State Aid Highway needs and CSAH system changes to maximize funds made available to Dakota County.
- **Metropolitan County Highway Funding**
Support the current distribution to metropolitan counties for Motor Vehicle Lease Sales Tax and Flexible Highway Account revenues.

The following **policies** support the goal of directing limited resources to the highest priority needs of the transportation system. Revisions to previous Plan policies are identified in Appendix A, pages A-14 through A-31.

F.1 Cost Participation - Roadway

For cities with populations over 5,000, the county will participate in engineering and construction costs for county highway and associated improvements as defined in Table 4 after deducting federal and state cost participation amounts, for the following cost-shared items, individually or in combination, for projects included in the adopted County CIP:

1. Highway construction.
2. Mitigation required by local, state and federal permits, including accessibility requirements.
3. Eligible storm sewer and other drainage facilities based on contributing flows meeting State Aid sharing factors.
4. Replacement or restoration of fences, landscaping, and driveways when affected by construction.
5. Centerline drainage culverts.
6. Existing traffic signals as part of a roadway project.
7. Replace or adjust sanitary sewer, water, and storm sewer systems, if required due to county highway construction.
8. Replace or adjust privately owned public utilities when utilities exist within privately held easements.

9. Eligible water pollution control best management practice items based on the county's share of contributing flows and meeting National Pollution Discharge Elimination System (NPDES) standards such as outlet structures, sedimentation basins and ponds, and temporary erosion control. This includes recognition of the best management practices and systems necessary to meet all local, county, state or federal storm water treatment requirements.
10. Trail and sidewalks along county highways including pedestrian crossing improvements such as beacons, median refuges and bump outs, and overpasses or underpasses, including the Transportation share of greenway crossings, as deemed necessary by the county for safe accommodation of pedestrians and bicycles in the highway right-of-way.
11. Lighting of sidewalks and trails adjacent to county highways in marked school zones and pedestrian crossings in county highways right-of-way.
12. Transit infrastructure improvements on highways, including bus pullouts, bus shelter pads, and other pedestrian facilities determined necessary to support transit.

The county will be responsible for 100 percent of the costs of existing pavement retained and/or rehabilitated through mill and overlay, resurfacing, reclamation, or other methods, as part of the final project. Applicable cost share policies will be applied to all other new construction or reconstruction involving excavation, installation, and placement of other new or reconstructed infrastructure. All other maintenance responsibilities not stated within a policy are county responsibilities. This policy (F.1) also is applied to the county highway portion of trunk highway projects.

Investment Goal Activities by County/City Share

Dakota County Highway Cost Share Policy Overview

Please refer to individual policies for specific details.

Investment Goal	Activities	County Share	City Share	Comments	Cost Share Policy
Preservation	Paved Highway Surface Gravel Highway Surface Bridge Rehabilitation Traffic Safety and Operation Pedestrian and Bicycle Facilities Retaining Wall Rail Crossings	100%	0%		F.17 F.8
	Storm Sewer Maintenance	up to 80%		Up to 80% County for leads and up to 80% City for mainline	F.7
Management	Small Safety Projects	up to 100%			F.15
	Roundabouts	up to 85%	15%	+15% City share per City leg	F.13
	New Traffic Signals	55%	45%		F.4
Replacement and Modernization	Highway Replacement Bridge Replacement Gravel Road Paving Lane Reductions 2- to 3-Lane Modernization	85%	15%	Includes improvements such as turn lanes, medians, shoulders, trails, sidewalks and school zone and pedestrian crossing lighting. Does not include additional through lanes, small safety projects, traffic signals or interchanges.	F.1 F.2 F.3 F.19
	Signal Replacement and Modernization	up to 100%		Cost split per leg	F.4
Replacement and Modernization and Expansion	Aesthetics	up to 3%		Up to 3% of construction cost	F.2
Expansion	Principal Arterials - non-Freeway	85%	15%	Does not include small safety projects, traffic signals or interchanges	F.1 F.2
	10-ton Routes and 6-lane -1/2 mile spacing	75%	25%	Does not include small safety projects, roundabouts, traffic signals or interchanges	F.3 F.14
	All Other Expansion Projects	55%	45%		
	Interchanges	avg. legs		Average of legs	

Table 4.

NOTE: The county is responsible for operation, maintenance and power cost for enhanced or dynamic signing unless otherwise noted.

F.2 Cost Participation - Aesthetic

Participate in aesthetics up to three percent of the county share of highway construction costs (excluding right-of-way, bridges, ponds, and storm sewers) prior to application of federal, state, or jurisdictional transfer funds. The county share of aesthetic participation may not exceed the local cost share for aesthetics. Aesthetics may include landscaping, plantings, decorative pavements, surface treatments, or decorative fencing. The county will not participate in aesthetics on preservation or management projects.

Aesthetic elements are subject to clear zone and sight line requirements, may not hinder normal maintenance operations, or degrade safety or operation of the highway, including trail or sidewalk facilities. The county will not participate in additional right-of-way necessary for only aesthetic enhancements. The local agency is responsible for maintenance of all aesthetic elements. Failure to maintain aesthetic elements may result in the local agency no longer being eligible for aesthetic funding participation. The county reserves the right to remove non-maintained aesthetic elements and recover costs from the local agency.

F.3 Cost Participation - Right-of-Way

For cities with populations over 5,000, the county will participate in the cost of right-of-way for county highway and associated improvements as defined in Table 4 for existing highways where right-of-way is required for:

1. The construction of items described in F.1, (1-11), F.4 (Traffic Signals), and F.13 (Roundabouts) provided city land use decisions have supported right-of-way needs in the corridor.
2. The county's portion of storm sewer and other drainage facilities based on contributing flows meeting State Aid sharing factors.
3. The county portion of water pollution control best management practice items based on the county's share of the contributing flows and meeting NPDES standards. This includes recognition of the best management practices and systems necessary to meet all local, county, state or federal storm water treatment requirements.

F.4 Cost Participation – Traffic Signals

Traffic signals on county highways including construction costs for attached streetlights, interconnection, pre-emption, etc., will be eligible for the following county engineering and construction item participation after subtracting federal and/or state funds as follows:

1. New traffic signal installation, both independent installations or when included with a broader highway project, up to 55 percent county funds.
2. Existing traffic signal replacement or modernization including operational revisions for independent intersection projects such as flashing yellow arrows and pedestrian indications up to the percentage of intersection approach legs under county jurisdiction.
3. 100 percent of traffic signal removals and any directly associated intersection revision construction costs as independent or included in a broader highway project.
4. County standard for signal poles is galvanized. Initial painting and maintenance re-painting costs are aesthetic and is at city cost.

F.5 Cost Participation Involving Federal and State Funds

Subtract from the county eligible project costs, funds received from regional federal solicitation, Trunk Highway Fund, Trunk Highway Jurisdictional Transfer Fund, or federal or state grants, with the balance of remaining costs divided according to applicable county policies.

F.6 Cost Participation for Populations Less Than 5,000

Pay all costs for eligible construction and reconstruction for county highway improvements in cities with populations less than 5,000 and all townships.

F.7 Cost Participation for Storm Sewer System Maintenance

Share the cost of city maintenance of the following elements of county transportation facility storm water drainage systems:

1. Roadway catch basins and pipes connecting catch basins to mainline pipes are eligible for up to 80 percent county participation, or the county share of contributing flows, whichever is less.
2. Mainline pipes at a minimum of 20 percent or the county's share of contributing flows, whichever is greater.
3. Storm water treatment and mitigation facilities based on the county's share of contributing flows.

4. To be eligible for county participation, a system-wide maintenance agreement between the county and local agency will be required to identify system-wide storm water roles and cost responsibilities. These cost share agreements are for actual repair and replacement projects and not for routine maintenance activities such as cleaning.
5. To be eligible for county participation, storm sewer repair and maintenance projects must be included in the currently adopted CIP or be approved by the county prior to incurring costs.

F.8 Multi-Use Trails and Sidewalk Maintenance

Participate in pavement preservation, overlay, or reconstruction of trails and sidewalks along the county highway system up to 100 percent. The city is responsible for snow and ice removal. To be eligible for county participation in trails and sidewalks, a system-wide maintenance agreement between the county and local agency will be required to identify system-wide trail and sidewalk roles and cost responsibilities.

F.9 Transit Capital and Operating

Consider participation in transit capital and operating enhancements, or pilot projects, up to 50 percent after application of federal or state funds available for the project as determined by the county.

F.10 Tax Increment Financing (TIF) Costs

Subtract from the county eligible project costs, the costs of highway improvements or other highway costs (e.g. turn lanes, traffic controls, etc.), which are, in the determination of the county, the result of tax increment financing plan or an amendment to a TIF plan with the balance of costs divided according to policies. County Board resolution is required for any significant deviation from this policy.

F.11 Township Allotment Fund

As requested by the township and approved by the County Engineer, use the "township allotment" to fund:

1. 50 percent of township road or bridge construction projects.
2. Intersection lighting of county highways, including energy costs. (Energy costs will be submitted on an annual basis.)
3. Sign replacement funding.

F.12 Capital Improvement Program

Annually prepare and review the five-year Transportation, Transportation Sales and Use Tax and Regional Railroad Authority CIP's.

F.13 Cost Participation – Roundabouts

Participate up to 85 percent of the costs for eligible engineering and construction items, including streetlights and other features determined as necessary for operation, for roundabouts as described in Policy F.1. as follows:

- o County Intersections: 25 percent base level of participation plus 15 percent for each county approach leg of the intersection.
- o Trunk Highway Intersections: 85 percent for each county leg of the intersection after application of federal and/or state funds.

The county does not participate in strictly aesthetic elements for roundabout projects.

F.14 Cost Participation – Future County Road Segments

At county discretion, participate in the construction and engineering costs in accordance with F.1 for constructing local roadways that are identified as future county highway segments to county standards, over and above the costs that would have been incurred to construct the segment to city collector street standards.

F.15 Cost Participation – Small Safety Projects

The county may participate up to 100 percent of the engineering and construction costs of the following project types based on county review or prioritization to improve the safety of the transportation system, provided that they would not otherwise be included in a larger management, replacement and modernization or expansion project, or permit request:

1. Median closures or modifications;
2. Access closures or modifications;
3. Streetlights at intersections, marked pedestrian crossing locations and lighting along county highway trails within school zones with demonstrated safety benefit based on county evaluation – Participate up to 100 percent for power and maintenance costs;
4. Turn lanes or channelization at the intersection of two county highways;
5. Pedestrian crossing improvements including median refuges, bump outs, and pavement markings;
6. Guardrail Installation; and
7. ADA required safety improvements including curb ramps, sidewalk and bus shelter pads, and sidewalk connections within county highway right-of-way.

F.16 Cost Participation – Local Roadway System

The county may participate up to 85 percent, as defined on Table 4, of the costs for construction of local roadways necessary to directly mitigate physical, safety or operational deficiencies on the county highway system. Actual participation amount shall be based on the quantifiable benefit to the county highway system, as determined by the county based on engineering study. Local roadway construction costs that will be considered include:

1. Costs associated with relocation and construction of portions of the local roadway system to provide for its continuity and operation at a level that approximates its condition prior to construction of a county highway project.
2. Costs associated with improvements necessary to adequately accommodate county highway traffic detoured onto a local roadway during county highway construction.
3. Costs to improve local roadways to adequately accommodate traffic turning from the county highway onto a local roadway due to the addition of turn lanes on the county highway.
4. Costs directly associated with removal or consolidation of existing access to the county highway system.
5. Costs associated with construction of a local roadway that directly mitigates an existing county highway safety or operational issue or directly eliminates or significantly delays the need to expand the county highway system.

F.17 Traffic Signal and Street Lighting Power Costs and Maintenance Responsibilities

Participate in the maintenance and power costs for new and replacement traffic signals and standard streetlights as follows. Aesthetically enhanced and decorative streetlights are subject to Policy F.2.

- A. New and Replacement

- a. Installation (New and Replacement) Streetlights at intersections, marked pedestrian crossing locations and lighting along county highway trails within school zones with demonstrated safety benefit based on county evaluation – Participate up to 100 percent for power and maintenance costs.
- b. Street lighting at roundabouts – The county will be responsible for power costs and maintenance on county-county and state-county intersection roundabouts and the city will be responsible on city-county intersection roundabouts.
- c. Street lighting, maintenance and power costs for traffic signals – The county will participate in power costs for traffic signals including the streetlight up to the percentage of intersection approach legs under county jurisdiction. The streetlights must be energy saving and connected to the service cabinet. Street lighting is the luminaire, pole and all wiring located above the signal mast arm. The city is responsible for maintenance of streetlights and all costs for unmetered services. Painting maintenance of streetlights for signals is 100 percent city responsibility.

B. Existing

- a. Energy saving light retrofits - The county does not participate. Cities may elect to retrofit streetlights at their cost and by permit through the county.

F.18 County Advanced Funding for City Cost Participation

The county will consider advancing the local share of a project, consistent with adopted county cost participation policies, in the approved CIP's by agreement with the city involved when all the following criteria are met:

- 1. The county determines there is a need on the county transportation system that should be addressed sooner than city funding allows.
- 2. The county has the available funds to pay the city cost share at the time the cost will be incurred.
- 3. The city submits a request to the county explaining the reason(s) for the county to advance fund their share.
- 4. The plan for city repayment is defined in an agreement between the city and county.
- 5. County advance funding is limited to a maximum 3-year period.

F.19 Left Turn Lane/Access Permit Process

In cities over 5,000 in population, the county will participate up to 85 percent of one half (42.5 percent) of the engineering, right-of-way and construction costs for left turn lanes required by the county through the access permitting process on high speed, two-lane, undivided county highways to accommodate a new access across from an existing access that does not have an existing left turn or bypass lane. For locations in cities under 5,000 in population or townships, the county may participate up to 50 percent of the engineering, right-of-way and construction costs.

Goal 1 Summary

The emphasis of this Goal is for the county to develop the best transportation system to provide for safe movement of people and goods within financial constraints. The system vision has been developed in coordination with the state, adjacent counties, cities, townships, and other transportation partners



Request for Council Action

SUBJECT: **Resolutions Approving Joint Powers Agreement, Contract Award, and Budget for City Project No. 2023-15 - 80th Street Lane Reduction Improvement**

MEETING DATE: June 9, 2025

ITEM TYPE: Consent Agenda

CONTACT: Paul Merchlewicz, City Engineer, 651.450.2572

ACTION REQUESTED

The Council is asked to adopt the attached Resolutions, approving a Joint Powers Agreement, approving the contract award, and approving the budget for City Project No. 2023-15 – 80th Street Lane Reduction Improvement.

BACKGROUND

As part of the City's adopted Capital Improvement Program (CIP), the City has coordinated with Dakota County to identify and program project improvements on several County roads within the City of Inver Grove Heights. One such project is City Project No. 2023-15 - 80th Street Lane Reduction, which endeavors to reduce the roadway width and improve pedestrian and multi-modal transportation means along CSAH 28 (80th Street) between Babcock Trail and Bowman Ave. The planned work includes adding or improving pedestrian crossings at several intersections, replacing the aging signal system at 80th Street and Blaine Avenue, and re-striping the roadway to convert the current four-lane roadway section to a three-lane section with shoulder and turn lane improvements.

The City annually approves Dakota County's Transportation 5-year Capital Improvement Program (CIP), and aligns its own 5-year CIP to plan for cooperative projects. City Project No. 2023-15 has been in the City's CIP since the 2023-2027 CIP, which was approved on November 22, 2022 via Resolution 2022-264. The project has also been identified in several resolutions of support for the County CIP, the most recent one (Resolution 2023-275) approved on November 13, 2023. The project was originally planned to be constructed in 2024, but due to coordination needs with adjacent projects and procurement lead times for signal system components, bidding and construction was shifted to occur in 2025.

Dakota County is the lead agency for this project. A Joint Powers Agreement (JPA) is proposed in accordance with Minnesota State Statutes 162.17 and 471.59 to identify responsibilities between the participating agencies for completion of preliminary engineering, design engineering, construction, maintenance, and cost participation for the project. The County completed preliminary engineering and final design engineering of the project without a JPA in place with the City, although staff from the City's Engineering Division were involved in design and plan review, and the City Engineer approved the plans as is required by State Statute 162.02. The JPA has been drafted to cover all project components, including those that have already been completed, as well as forthcoming construction, post-project maintenance responsibilities, and cost responsibilities based on the final bid costs for the project work.

Bids were opened by Dakota County on April 15, 2025, with five bids received. Thomas & Sons Construction was the low bidder with a total bid of \$1,968,228.43. The names and bid amounts of all bidders can be found in the attached Resolution approving the award of the contract by Dakota County to Thomas & Sons Construction.

FISCAL IMPACT

This is a joint project with Dakota County. The costs shown below represent the City of Inver Grove Heights' costs for City Project No. 2023-15 - 80th Street Lane Reduction:

Improvement Type	CIP & Budget Estimate (Total Costs)	Low Bid (Contract Award) (IGH Share)	10% Construction Contingency	LEAF (Legal, Eng., Admin, & Finance)	Proposed Budget	Difference from CIP & Budget Estimate
Street	400,000	226,342	22,634	29,255	278,231	(121,768)
Total	\$400,000	\$226,342	\$22,634	\$29,255	\$278,231	(\$121,768)

Funding for City Project No. 2023-15 will be from the Pavement Management - Partnership Projects Fund (Fund 441), as detailed in the attached Resolution.

RECOMMENDATION

Staff recommends adoption of the attached Resolutions, approving a Joint Powers Agreement, approving the contract award, and approving the budget for City Project No. 2023-15 – 80th Street Lane Reduction improvement.

ATTACHMENTS

1. RESOLUTION - 2023-15 - Contract Award
2. RESOLUTION - 2023-15 - Budget Approval
3. RESOLUTION - 2023-15 - JPA
4. CP 28-76_JPA 4 to 3 Lane - #DCA22632 FINAL

**CITY OF INVER GROVE HEIGHTS
DAKOTA COUNTY, MINNESOTA**

RESOLUTION NO. _____

**RESOLUTION APPROVING AWARD VIA JOINT POWERS AGREEMENT OF A CONTRACT TO
THOMAS & SONS CONSTRUCTION FOR CITY PROJECT NO. 2023-15**

WHEREAS, Argenta Trail is a border road with the City of Eagan, and the City of Eagan is the lead agency for the reconstruction of Argenta Trail, as memorialized in a separate Joint Powers Agreement; and

WHEREAS, pursuant to an advertisement for bids for City Project No. 2023-15 – 80th Street Lane Reduction improvement, bids were received by Dakota County, opened on April 15, 2025, at 9:00 a.m., and tabulated according to law. The following bids were received complying with the advertisement:

Contractor	Base Bid
Thomas and Sons Construction	\$1,968,228.43
Park Construction Company	\$2,033,926.32
ICON, LLC	\$2,198,157.00
McNamara Contracting	\$2,340,391.00
Urban Companies	\$2,785,857.45

WHEREAS, Thomas and Sons Construction is the lowest responsible bidder for a total amount of \$1,968,228.43; and

WHEREAS, in accordance with the Joint Powers Agreement, the City of Inver Grove Heights must provide written approval for Dakota County to award a contract to Thomas and Sons Construction in the amount of \$1,968,228.43.

**NOW, THEREFORE BE IT RESOLVED BY THE INVER GROVE HEIGHTS CITY COUNCIL,
THAT:**

1. The City of Inver Grove Heights approves the recommendation of award of the construction contract to Thomas and Sons Construction by Dakota County for City Project No. 2023-15.
2. Project funding provided by the City of Inver Grove Heights for the City Project No. 2023-15 shall be in accordance with the approved budget resolution accompanying this item.

Approved by the City Council of the City Inver Grove Heights, Minnesota, on this 9th day of June 2025.

Mayor

ATTEST:

Rebecca Kiernan, City Clerk

**CITY OF INVER GROVE HEIGHTS
DAKOTA COUNTY, MINNESOTA**

RESOLUTION NO. _____

RESOLUTION APPROVING THE BUDGET FOR CITY PROJECT NO. 2023-15

WHEREAS, the City Council has considered City Project No. 2023-15 – 80th Street Lane Reduction improvement; and

WHEREAS, 80th Street is a Dakota County Road (CSAH 28), and Dakota County is the lead agency for the proposed improvement, as memorialized in a separate Joint Powers Agreement; and

WHEREAS, finding the project to be necessary and beneficial to the orderly and efficient construction and/or maintenance of City and County infrastructure, the City Council has ordered the project and approved bid award, with a contract to be awarded via separate action by the Dakota County for project construction.

NOW, THEREFORE, BE IT RESOLVED BY THE INVER GROVE HEIGHTS CITY COUNCIL, THAT:

1. The following budget is hereby adopted for City Project No. 2023-15:

PROJECT COSTS (Inver Grove Heights Share)	
Construction Bid	\$226,342.00
Construction Contingency (10%)	\$ 22,634.20
Legal, Engineering, Administrative, & Finance (LEAF) ⁽¹⁾	\$ 29,255.00
TOTAL	\$278,231.20

FUNDING SOURCES	
Pavement Management – Partnership Projects (Fund 441)	\$278,231.20
TOTAL	\$278,231.20

(1) Cost based on estimates provided in JPA with Dakota County, DCA22362, Attachment B, for all costs except construction costs.

2. The City Engineer is authorized to direct the use of contingency funds up to the approved amount for project work in the case of changes in site conditions, quantity adjustment, or unforeseen expenses necessary to complete the project as proposed.
3. The Project will be hosted through the Pavement Management – Partnership Fund (Fund 441), via a transfer of the above-noted amount from the Pavement Management – Local Streets Fund (Fund 440).

Approved by the City Council of the City of Inver Grove Heights, Minnesota, this 9th day of June 2025.

Brenda Dietrich, Mayor

ATTEST:

Rebecca Kiernan, City Clerk

**CITY OF INVER GROVE HEIGHTS
DAKOTA COUNTY, MINNESOTA**

RESOLUTION NO. _____

**RESOLUTION TO ENTER INTO A JOINT POWERS AGREEMENT WITH DAKOTA COUNTY FOR
PRELIMINARY ENGINEERING, DESIGN ENGINEERING, CONSTRUCTION, MAINTENANCE, AND
COST PARTICIPATION ON CSAH 28 (80TH STREET) LANE REDUCTION IMPROVEMENTS**

WHEREAS, the City of Inver Grove Heights ("City") and Dakota County ("County"), as represented in their respective Capital Improvements Plans, desire to complete construction of CSAH 28 (80th Street) from Babcock Trail to Bowman Avenue, to include lane reduction, signal system replacement, and other appurtenant improvements, City Project No. 2023-15 ("Project"); and

WHEREAS, the County, as the lead agency, has completed preliminary and final design engineering of the Project, and will lead the construction administration of the Project; and

WHEREAS, the cost share for the Project will be split between the City of Inver Grove Heights and Dakota County based on the prorated costs as identified in the as-bid statement of estimated quantities, and reflected in Attachment B of the JPA; and

WHEREAS, the City and County have drafted a Joint Powers Agreement (JPA) in accordance with Minnesota State Statutes 162.17 and 471.59 to authorize the improvements to the City's and County's infrastructure facilities, and to identify responsibilities between the two parties for the completion of construction and maintenance of the project improvements.

**NOW, THEREFORE, BE IT RESOLVED BY THE INVER GROVE HEIGHTS CITY COUNCIL,
THAT:**

1. The City of Inver Grove Heights enters into a Joint Powers Agreement (JPA) Dakota County that defines the sharing of costs and the responsibilities of the three entities for construction of City Project No. 2023-15.
2. The City Engineer, Mayor, City Attorney, and City Clerk are hereby authorized to carry out the agreement on the City's behalf.
3. The City's share of the total project costs, estimated at \$278,231, and itemized in Attachment B of the JPA, shall be funded in accordance with the approved budget resolution accompanying this item.

Approved by the City Council of the City of Inver Grove Heights, Minnesota, this 9th day of June 2025.

Brenda Dietrich, Mayor

ATTEST:

Rebecca Kiernan, City Clerk

JOINT POWERS AGREEMENT FOR
PRELIMINARY ENGINEERING, DESIGN ENGINEERING, CONSTRUCTION,
MAINTENANCE, AND COST PARTICIPATION

BETWEEN

THE COUNTY OF DAKOTA

AND

THE CITY OF INVER GROVE HEIGHTS

FOR

DAKOTA COUNTY PROJECT NO. 28-76

CITY PROJECT NO. 2023-15

SYNOPSIS: Dakota County and the City of Inver Grove Heights agree to preliminary engineering, design engineering, construction, ongoing maintenance, and cost share of the County State Aid Highway (CSAH) 28 (80th Street East) lane reduction, crossing improvements, signal revision and signal replacement project.

THIS JOINT POWERS AGREEMENT ("Agreement"), is made and entered into by and between the County of Dakota ("County"), a political subdivision of the State of Minnesota, and the City of Inver Grove Heights ("City"), a municipal corporation existing under the laws of the State of Minnesota, hereafter collectively referred to as "Parties", and individually as "Party", and witnesses the following:

WHEREAS, under Minnesota Statutes sections 162.17, subd. 1 and 471.59, subd. 1, two governmental units may enter into an agreement to cooperatively exercise any power common to the contracting Parties, and one of the participating governmental units may exercise one of its powers on behalf of the other governmental units; and

WHEREAS, to provide a safe and efficient transportation system, the County and the City are proceeding with County Project 28-66 and City Project 2023-15; and

WHEREAS, the purpose and need for the Project is to improve vehicle safety, improve multi-modal safety, replace aging infrastructure, and improve the multimodal crossing experience to community destinations; and

WHEREAS, County Project 28-76 will include a reduction of through lanes and pedestrian crossing improvements along CSAH 28 from Babcock Avenue to Bowman Avenue, replacement of the traffic signal at Blaine Avenue and CSAH 28, signal revisions at CSAH 28 and TH 52 interchange ramps, and pavement preservation on CSAH 28 from Babcock Avenue to Cahill Avenue (the "Project"); and

WHEREAS, to more efficiently deliver the Project, the County and the City mutually desire to partner with one another in exercising their joint powers to complete preliminary and final design, construction, administration, and maintenance of the Project, as well as to determine each Parties' respective share of Project costs; and

WHEREAS, the County and City have included the Project in their Capital Improvement Programs and will jointly participate in the costs of said preliminary engineering, final design

engineering, construction, and maintenance, per the Cost Sharing Policy within the Dakota County 2040 Transportation Plan (July 2021); and

NOW, THEREFORE, it is agreed the County and City will share Project responsibilities as detailed in this Agreement and jointly participate in Project costs in accordance with the County's adopted cost share policy as set forth herein. The above recitals are incorporated by reference and are made a part hereof as if fully set forth below.

1. Project Administration. The County shall be the lead agency for design, right-of-way acquisition, construction, construction administration, and maintenance of the Project. Subject to the requirements below, the County and the City shall each retain final decision-making authority within their respective jurisdictions.
2. Preliminary Engineering. "Preliminary Engineering" shall be defined as engineering work completed through preliminary layouts, which includes, but is not limited to:
 - a. Surveying and mapping.
 - b. Engineering studies and reports
 - c. Public involvement process
 - d. Environmental reports
 - e. Geotechnical information
 - f. Drainage designs
 - g. Traffic evaluation of various alternatives
 - h. Preliminary layouts (30% Plans)
3. Engineering. Engineering costs shall include the cost of preparing preliminary/final designs, plans, specifications and proposals, surveying, mapping, consultant engineering, right-of-way mapping, construction engineering, construction

management, construction inspection and all related materials testing, including the cost of County and City staff time.

4. Plans, Specifications and Award of Contract. The County will prepare plans and specifications consistent with County and City design standards, State-Aid design standards and MnDOT standards and specifications. The Parties' mutual concurrence with the plans and specifications is required prior to advertising for bids. Within 7 days of opening bids for the construction contract, the County as the lead agency shall submit a copy of the low bid and an abstract of all bids together with the request for written approval by the City for the County to award the contract to the lowest responsive and responsible bidder. Upon receipt of written approval from the City, the County as the lead agency may award the contract for construction to the lowest responsive and responsible bidder in accordance with state law. If the County awards the contract without written approval from the City, or if a bid is not awarded, this Agreement shall terminate, and only those costs incurred as of the date of termination shall be apportioned in accordance with the terms of this Agreement. Construction of the Project shall be performed in accordance with approved plans, specifications and special provisions which are made a part hereof by reference with the same force and effect as though fully set forth herein.
5. Street Lighting, Trail Lighting and Maintenance Costs. Upon completion of the Project, electrical power necessary for the operation of the streetlights and maintenance of the streetlights will be provided in accordance with County policies included in the current adopted 2040 Dakota County Transportation Plan Policy F.17 Street Lighting Maintenance (Attachment A). For this project the applicable section of F.17 can be found in paragraph A.a:

“Installation (New and Replacement) Streetlights at intersections, marked pedestrian crossing locations and lighting along county highway trails within school zones with demonstrated safety benefit based on county evaluation – Participate up to 100 percent for power and maintenance costs.”

6. Right of Way. The preliminary design of the Project will identify the existing right-of-way, as well as the permanent and temporary highway easements, drainage, and utility easements necessary for the improvements. The County will obtain permanent highway right-of-way for road and signal reconstruction, including easements for trails, drainage, and utilities, in accordance with applicable state and federal laws and regulations. Upon project completion, any right-of-way required for municipal street improvements will be transferred to the city.

By this Agreement, the City will allow the County access and use of all adjacent city-controlled public easements, real property, and rights-of-way necessary for the construction of the Project for the duration of the construction period. Adjacent city-controlled public easements encompass but are not limited to, real property, sidewalk easements, landscape easements, and drainage and utility easements. The City easements will be shown within the construction limits specified in the Project plans. Upon completion of the Project, the County will, by this Agreement, cede use of City easements and the City will retain easement ownership. In addition to the temporary access, the City will provide the County with any necessary easements on City-owned property for the Project at no cost. Easements can include but are not limited to highway, trail, drainage, utility, and retaining wall easements. The easement must be necessary to complete the work directly applicable to the construction defined by this Project's purpose and need.

7. City Permits. Through this Agreement, the City will permit work to occur within the City's right-of-way as defined in the final plans and specifications for the project. The County, or its contractors, must secure a city building permit for retaining walls with construction height equal to or greater than 48 inches (four feet), and any other City permits as required by City Code, and the City hereby agrees to waive the City's permit fees for the permits obtained by the County. All construction activities, including traffic control on City-owned streets, must comply with applicable state and city standards and specifications to fulfill the City's requirements. The City reserves the right to inspect construction materials and methods as necessary. The Parties agree that the County will be responsible for managing the right-of-way and for issuing permits that

authorize any permittee to excavate, install, conduct maintenance, or place obstructions, including signs, within the County right-of-way or drainage and utility easements for the Project. The County will consult City staff before permits are issued within public drainage and utility easements to ensure compliance with all relevant city ordinances. The City retains the authority to issue and manage other permits required under the building code or city zoning regulations.

8. Construction. Construction costs shall include all highway and roadway construction items, including removals; mobilization and traffic control, temporary widening or other measures if required as part of traffic control or project staging; mitigation as required by state and federal permits including accessibility requirements; replacement or restoration of fences, landscaping and driveways when affected by construction; replacement or adjustment of sanitary sewer, water and storm sewer systems, if required due to construction; wetland mitigation and banking; and all other construction aspects outlined in the Project plans except for elements as called out under this Agreement or County policies included in the current adopted Dakota County Transportation.
9. Construction Standards. All construction, including traffic control, shall be accomplished in accordance with applicable State Aid, County and City standards, specifications, and policies to the satisfaction of the County and City. The County and City reserves the right to inspect construction materials and methods as needed.
10. Cost Share. After application of all applicable cost sharing provisions of this Agreement and the Dakota County 2040 Transportation Plan cost policies F.1 through F.19 (Attachment A), the County will participate in the Project as shown in the Opinion of Cost Participation (Attachment B) and as defined below after deducting federal and state cost participation amounts.
 - F.1, Replacement and Modernization, Lane Reduction: The County will participate 85 percent and the City shall participate 15 percent for costs associated with the through lane reduction along CSAH 28 in the project area, including striping removal, striping, signing, etc.

- F.4, Replacement and Modernization, Signal Replacement and Modernization: The County will participate 50 percent and the City shall participate 50 percent for costs associated with the design and construction for replacement and modernization of signal infrastructure at the intersection of CSAH 28 and Blaine Avenue.
- F.15, Management, Small Safety Projects: The County will participate 100 percent for costs associated with the pedestrian crossing improvements including curb and gutter, removals, drainage modifications, and ADA ramps. This work includes the modifications to the MnDOT signals at the Trunk Highway 52 Ramps.

11. It is understood that the costs stated within Attachment B reflects an estimated amount based on bid data at the time of Agreement execution. Final costs will be based on actual costs at the conclusion of construction. Project Cost Updates. The lead agency must provide updated cost estimates showing the County and City shares of Project costs annually at the time of Capital Improvement Program development. Updated cost estimates will also be provided by the lead agency at the following times:

- prior to approval of the appraised values for any necessary right-of-way acquisitions;
- prior to advertising a construction contract;
- after bid opening (prior to contract award);
- during construction if total contract changes exceed \$25,000;
- once per year following the construction season until the Project is complete.

Project cost estimate updates include actual and estimated costs for Engineering Costs, right-of-way acquisition, utility relocation, construction, and administration.

The Parties acknowledge that Project cost estimates are subject to numerous variables causing the estimates to be subject to change and the updates are provided for informational purposes in good faith. Each agency is responsible for informing their respective council or board regarding Project costs estimates.

12. Payment. The County shall administer the contract and act as the paying agent for all payments to the Contractor. Payments to the Contractor will be made as Project work progresses and when certified by the County Engineer. Upon presentation of an itemized claim by one agency to the other, the receiving agency shall reimburse the invoicing agency for its share of the costs incurred under this Agreement upon receipt or within a maximum of 35 days from the presentation of the claim. If any portion of an itemized claim is questioned by the receiving agency, the remainder of the claim shall be promptly paid, and accompanied by a written explanation of the amounts in question. Payment of any outstanding amount will be made following good faith negotiation and documentation of actual costs incurred in carrying out the work.
13. Change Orders and Supplemental Agreements. Any change orders or supplemental agreements that affect any of the Parties cost share must be approved by the authorized representative of each Party prior to execution of the change order or supplemental agreement (see Section 26 of this Agreement). Both Parties shall endeavor to provide timely approval of change orders and supplemental agreements so as not to delay construction operations.
14. Amendments. Any amendments to this Agreement will be effective only after approval by each governing body and execution of a written amendment document by duly authorized officials of each body.
15. Effective Dates for Design and Construction of Project. This Agreement will be effective upon execution by duly authorized officials of each governing body and shall continue in effect until all work to be carried out in accordance with this Agreement has been completed. Absent an amendment, however, in no event will this Agreement continue in effect after December 31st, 2026.
16. Final Acceptance. Final completion of the Project must be approved by both the County and the City.
17. Pavement Maintenance. Upon acceptance of the Project, the City shall be responsible for all pavement maintenance within City -owned right-of-way. The County shall be responsible for all pavement maintenance within County-owned right-of-way unless

necessitated by a failure of a City utility system or installation of new City-owned facilities.

18. Pavement Marking and Traffic Signing Maintenance. Pavement markings will be installed as applicable for the operation of the highway and intersections along the Project area as outlined in the plans. The City shall be responsible for all pavement marking and sign maintenance within City right-of-way and the County shall be responsible for all pavement marking and sign maintenance within the County right-of-way unless necessitated by installation of new facilities.
19. Drainage Area and Stormwater or Drainage Facilities Maintenance. Upon final acceptance of the Project, maintenance of any storm sewer systems shall be provided in accordance with the current County and City Maintenance Agreement No. C0025413.
20. Sidewalks and Trails. Upon final acceptance of the Project, maintenance of sidewalks and trails shall be provided in accordance with the current adopted Dakota County Transportation Plan. The County and the City shall be responsible for the costs of trail resurfacing or reconstruction in accordance with County policies included in the County's current adopted Transportation Plan.
21. Rules and Regulations. The County and the City shall abide by Minnesota Department of Transportation standard specifications, rules, and contract administration procedures unless amended by the contract specifications.
22. Indemnification. The County agrees to defend, indemnify, and hold harmless the City against any and all claims, liability, loss, damage, or expense arising under the provisions of this Agreement and caused by or resulting from negligent acts or omissions of the County and/or those of County employees or agents. The City agrees to defend, indemnify, and hold harmless the County against any and all claims, liability, loss, damage, or expense arising under the provisions of this Agreement f caused by or resulting from negligent acts or omissions of the City and/or those of City employees or agents. All Parties to this agreement recognize that liability for any claims arising under this agreement are subject to the provisions of the Minnesota Municipal Tort

Claims Law; Minnesota Statutes, Chapter 466. In the event of any claims or actions filed against either Party, nothing in this Agreement shall be construed to allow a claimant to obtain separate judgments or separate liability caps from the individual Parties. The County shall include the City as an additional insured party in the contract documents and on all insurance policies required from contractors performing work on the Project.

23. Employees of Parties. Any and all persons engaged in the work to be performed by the County shall not be considered employees of the City, for any purpose, including Worker's Compensation, and any and all claims that may or might arise out of said employment context on behalf of said employees while so engaged. Any and all claims made by any third party as a consequence of any act or omission on the part of the County's employees while so engaged on any of the work contemplated herein shall not be the obligation or responsibility of the City. Any and all persons engaged in the work to be performed by the City shall not be considered employees of the County for any purpose, including Worker's Compensation, and any and all claims that may or might arise out of said employment context on behalf of said employee while so engaged. Any and all claims made by any third party as a consequence of any act or omissions of the part of the City's employees while so engaged on any of the work contemplated herein shall not be the obligation or responsibility of the County.

24. Audits. Pursuant to Minnesota Statutes Sec 16 C. 05, Subd. 5, any books, records, documents, and accounting procedures and practices of the County and the City relevant to this Agreement are subject to examination by the County or the City and either the Legislative Auditor or the State Auditor as appropriate. The County and the City agree to maintain these records for a period of six years from the date of performance of all services covered under this Agreement.

25. Integration and Continuing Effect. The entire and integrated agreement of the Parties contained in this Agreement shall supersede all prior negotiations, representations or agreements between the City and the County regarding the Project; whether written or oral. All agreements for future maintenance or cost responsibilities shall survive and continue in full force and effect in accordance with the Dakota County

Transportation Plan after completion of the construction provided for in this Agreement.

26. Authorized Representatives. The authorized representatives for the purpose of the administration of this Agreement are:

COUNTY OF DAKOTA
Erin Laberee, Dakota County
Engineer (or successor)
14955 Galaxie Ave.
Apple Valley, MN 55124
Office: (952) 891-7100
Erin.Laberee@co.dakota.mn.us

CITY OF INVER GROVE HEIGHTS
Paul Merchlewicz
City Engineer (or successor)
8150 Barbara Avenue,
Inver Grove Heights, MN 55077
Office: (651)450-2572
pmerchlewicz@ighmn.gov

All notices or communications required or permitted by this Agreement shall be either hand delivered or mailed by certified mail, return receipt requested, to the above addresses. Either Party may change its address by written notice to the other Party. Mailed notice shall be deemed complete two business days after the date of mailing.

IN WITNESS THEREOF, the Parties have caused this Agreement to be executed by their duly authorized officials.

CITY OF INVER GROVE HEIGHTS

RECOMMENDED FOR APPROVAL:

Paul C. Muehle
City Engineer

By _____
Mayor

APPROVED AS TO FORM:

By [Signature]
City Attorney

(SEAL)

Date 6-3-2025

By _____
City Clerk

Date: _____

COUNTY OF DAKOTA

RECOMMENDED FOR APPROVAL:

County Engineer

By: _____
Physical Development Director

Date: _____

APPROVED AS TO FORM:

/s/ Joseph Marek 05/30/2025

Assistant County Attorney Date
KS- 2025-00156

COUNTY BOARD RESOLUTION

No. 25-103 Date: February 18, 2025

Attachment A
Dakota County 2040 Transportation Plan
Cost Share Policy

- **Development Driven Investments**
Encourage cities to pursue local and/or private investments in the transportation system to address transportation needs necessitated by development.
- **Trunk Highway Corridor and Interchange Projects**
Work with MnDOT and local partners to develop funding for priority trunk highway corridor and interchange projects on a case by case basis.
- **Shared Purchases**
Participate in shared purchase and use of equipment, services, and materials with other governmental agencies when practical.
- **State Funding**
Support increases in long term, sustainable state funding for highway and bridge purposes.
- **State/Federal Bridge Funding**
Pursue funding for replacement of bridges that are eligible for state and/or federal funding.
- **CSAH Revenue**
Pursue opportunities with County State Aid Highway needs and CSAH system changes to maximize funds made available to Dakota County.
- **Metropolitan County Highway Funding**
Support the current distribution to metropolitan counties for Motor Vehicle Lease Sales Tax and Flexible Highway Account revenues.

The following **policies** support the goal of directing limited resources to the highest priority needs of the transportation system. Revisions to previous Plan policies are identified in Appendix A, pages A-14 through A-31.

F.1 Cost Participation - Roadway

For cities with populations over 5,000, the county will participate in engineering and construction costs for county highway and associated improvements as defined in Table 4 after deducting federal and state cost participation amounts, for the following cost-shared items, individually or in combination, for projects included in the adopted County CIP:

1. Highway construction.
2. Mitigation required by local, state and federal permits, including accessibility requirements.
3. Eligible storm sewer and other drainage facilities based on contributing flows meeting State Aid sharing factors.
4. Replacement or restoration of fences, landscaping, and driveways when affected by construction.
5. Centerline drainage culverts.
6. Existing traffic signals as part of a roadway project.
7. Replace or adjust sanitary sewer, water, and storm sewer systems, if required due to county highway construction.
8. Replace or adjust privately owned public utilities when utilities exist within privately held easements.

9. Eligible water pollution control best management practice items based on the county's share of contributing flows and meeting National Pollution Discharge Elimination System (NPDES) standards such as outlet structures, sedimentation basins and ponds, and temporary erosion control. This includes recognition of the best management practices and systems necessary to meet all local, county, state or federal storm water treatment requirements.
10. Trail and sidewalks along county highways including pedestrian crossing improvements such as beacons, median refuges and bump outs, and overpasses or underpasses, including the Transportation share of greenway crossings, as deemed necessary by the county for safe accommodation of pedestrians and bicycles in the highway right-of-way.
11. Lighting of sidewalks and trails adjacent to county highways in marked school zones and pedestrian crossings in county highways right-of-way.
12. Transit infrastructure improvements on highways, including bus pullouts, bus shelter pads, and other pedestrian facilities determined necessary to support transit.

The county will be responsible for 100 percent of the costs of existing pavement retained and/or rehabilitated through mill and overlay, resurfacing, reclamation, or other methods, as part of the final project. Applicable cost share policies will be applied to all other new construction or reconstruction involving excavation, installation, and placement of other new or reconstructed infrastructure. All other maintenance responsibilities not stated within a policy are county responsibilities. This policy (F.1) also is applied to the county highway portion of trunk highway projects.

Investment Goal Activities by County/City Share

Dakota County Highway Cost Share Policy Overview

Please refer to individual policies for specific details.

Investment Goal	Activities	County Share	City Share	Comments	Cost Share Policy
Preservation	Paved Highway Surface Gravel Highway Surface Bridge Rehabilitation Traffic Safety and Operation Pedestrian and Bicycle Facilities Retaining Wall Rail Crossings	100%	0%		F.17 F.8
	Storm Sewer Maintenance	up to 80%		Up to 80% County for leads and up to 80% City for mainline	F.7
Management	Small Safety Projects	up to 100%			F.15
	Roundabouts	up to 85%	15%	+15% City share per City leg	F.13
	New Traffic Signals	55%	45%		F.4
Replacement and Modernization	Highway Replacement Bridge Replacement Gravel Road Paving Lane Reductions 2- to 3-Lane Modernization	85%	15%	Includes improvements such as turn lanes, medians, shoulders, trails, sidewalks and school zone and pedestrian crossing lighting. Does not include additional through lanes, small safety projects, traffic signals or interchanges.	F.1 F.2 F.3 F.19
	Signal Replacement and Modernization	up to 100%		Cost split per leg	F.4
Replacement and Modernization and Expansion	Aesthetics	up to 3%		Up to 3% of construction cost	F.2
Expansion	Principal Arterials - non-Freeway	85%	15%	Does not include small safety projects, traffic signals or interchanges	F.1 F.2
	10-ton Routes and 6-lane -1/2 mile spacing	75%	25%	Does not include small safety projects, roundabouts, traffic signals or interchanges	F.3 F.14
	All Other Expansion Projects	55%	45%		
	Interchanges	avg. legs		Average of legs	

Table 4.

NOTE: The county is responsible for operation, maintenance and power cost for enhanced or dynamic signing unless otherwise noted.

F.2 Cost Participation - Aesthetic

Participate in aesthetics up to three percent of the county share of highway construction costs (excluding right-of-way, bridges, ponds, and storm sewers) prior to application of federal, state, or jurisdictional transfer funds. The county share of aesthetic participation may not exceed the local cost share for aesthetics. Aesthetics may include landscaping, plantings, decorative pavements, surface treatments, or decorative fencing. The county will not participate in aesthetics on preservation or management projects.

Aesthetic elements are subject to clear zone and sight line requirements, may not hinder normal maintenance operations, or degrade safety or operation of the highway, including trail or sidewalk facilities. The county will not participate in additional right-of-way necessary for only aesthetic enhancements. The local agency is responsible for maintenance of all aesthetic elements. Failure to maintain aesthetic elements may result in the local agency no longer being eligible for aesthetic funding participation. The county reserves the right to remove non-maintained aesthetic elements and recover costs from the local agency.

F.3 Cost Participation - Right-of-Way

For cities with populations over 5,000, the county will participate in the cost of right-of-way for county highway and associated improvements as defined in Table 4 for existing highways where right-of-way is required for:

1. The construction of items described in F.1, (1-11), F.4 (Traffic Signals), and F.13 (Roundabouts) provided city land use decisions have supported right-of-way needs in the corridor.
2. The county's portion of storm sewer and other drainage facilities based on contributing flows meeting State Aid sharing factors.
3. The county portion of water pollution control best management practice items based on the county's share of the contributing flows and meeting NPDES standards. This includes recognition of the best management practices and systems necessary to meet all local, county, state or federal storm water treatment requirements.

F.4 Cost Participation – Traffic Signals

Traffic signals on county highways including construction costs for attached streetlights, interconnection, pre-emption, etc., will be eligible for the following county engineering and construction item participation after subtracting federal and/or state funds as follows:

1. New traffic signal installation, both independent installations or when included with a broader highway project, up to 55 percent county funds.
2. Existing traffic signal replacement or modernization including operational revisions for independent intersection projects such as flashing yellow arrows and pedestrian indications up to the percentage of intersection approach legs under county jurisdiction.
3. 100 percent of traffic signal removals and any directly associated intersection revision construction costs as independent or included in a broader highway project.
4. County standard for signal poles is galvanized. Initial painting and maintenance re-painting costs are aesthetic and is at city cost.

F.5 Cost Participation Involving Federal and State Funds

Subtract from the county eligible project costs, funds received from regional federal solicitation, Trunk Highway Fund, Trunk Highway Jurisdictional Transfer Fund, or federal or state grants, with the balance of remaining costs divided according to applicable county policies.

F.6 Cost Participation for Populations Less Than 5,000

Pay all costs for eligible construction and reconstruction for county highway improvements in cities with populations less than 5,000 and all townships.

F.7 Cost Participation for Storm Sewer System Maintenance

Share the cost of city maintenance of the following elements of county transportation facility storm water drainage systems:

1. Roadway catch basins and pipes connecting catch basins to mainline pipes are eligible for up to 80 percent county participation, or the county share of contributing flows, whichever is less.
2. Mainline pipes at a minimum of 20 percent or the county's share of contributing flows, whichever is greater.
3. Storm water treatment and mitigation facilities based on the county's share of contributing flows.

4. To be eligible for county participation, a system-wide maintenance agreement between the county and local agency will be required to identify system-wide storm water roles and cost responsibilities. These cost share agreements are for actual repair and replacement projects and not for routine maintenance activities such as cleaning.
5. To be eligible for county participation, storm sewer repair and maintenance projects must be included in the currently adopted CIP or be approved by the county prior to incurring costs.

F.8 Multi-Use Trails and Sidewalk Maintenance

Participate in pavement preservation, overlay, or reconstruction of trails and sidewalks along the county highway system up to 100 percent. The city is responsible for snow and ice removal. To be eligible for county participation in trails and sidewalks, a system-wide maintenance agreement between the county and local agency will be required to identify system-wide trail and sidewalk roles and cost responsibilities.

F.9 Transit Capital and Operating

Consider participation in transit capital and operating enhancements, or pilot projects, up to 50 percent after application of federal or state funds available for the project as determined by the county.

F.10 Tax Increment Financing (TIF) Costs

Subtract from the county eligible project costs, the costs of highway improvements or other highway costs (e.g. turn lanes, traffic controls, etc.), which are, in the determination of the county, the result of tax increment financing plan or an amendment to a TIF plan with the balance of costs divided according to policies. County Board resolution is required for any significant deviation from this policy.

F.11 Township Allotment Fund

As requested by the township and approved by the County Engineer, use the "township allotment" to fund:

1. 50 percent of township road or bridge construction projects.
2. Intersection lighting of county highways, including energy costs. (Energy costs will be submitted on an annual basis.)
3. Sign replacement funding.

F.12 Capital Improvement Program

Annually prepare and review the five-year Transportation, Transportation Sales and Use Tax and Regional Railroad Authority CIP's.

F.13 Cost Participation – Roundabouts

Participate up to 85 percent of the costs for eligible engineering and construction items, including streetlights and other features determined as necessary for operation, for roundabouts as described in Policy F.1. as follows:

- o County Intersections: 25 percent base level of participation plus 15 percent for each county approach leg of the intersection.
- o Trunk Highway Intersections: 85 percent for each county leg of the intersection after application of federal and/or state funds.

The county does not participate in strictly aesthetic elements for roundabout projects.

F.14 Cost Participation – Future County Road Segments

At county discretion, participate in the construction and engineering costs in accordance with F.1 for constructing local roadways that are identified as future county highway segments to county standards, over and above the costs that would have been incurred to construct the segment to city collector street standards.

F.15 Cost Participation – Small Safety Projects

The county may participate up to 100 percent of the engineering and construction costs of the following project types based on county review or prioritization to improve the safety of the transportation system, provided that they would not otherwise be included in a larger management, replacement and modernization or expansion project, or permit request:

1. Median closures or modifications;
2. Access closures or modifications;
3. Streetlights at intersections, marked pedestrian crossing locations and lighting along county highway trails within school zones with demonstrated safety benefit based on county evaluation – Participate up to 100 percent for power and maintenance costs;
4. Turn lanes or channelization at the intersection of two county highways;
5. Pedestrian crossing improvements including median refuges, bump outs, and pavement markings;
6. Guardrail Installation; and
7. ADA required safety improvements including curb ramps, sidewalk and bus shelter pads, and sidewalk connections within county highway right-of-way.

F.16 Cost Participation – Local Roadway System

The county may participate up to 85 percent, as defined on Table 4, of the costs for construction of local roadways necessary to directly mitigate physical, safety or operational deficiencies on the county highway system. Actual participation amount shall be based on the quantifiable benefit to the county highway system, as determined by the county based on engineering study. Local roadway construction costs that will be considered include:

1. Costs associated with relocation and construction of portions of the local roadway system to provide for its continuity and operation at a level that approximates its condition prior to construction of a county highway project.
2. Costs associated with improvements necessary to adequately accommodate county highway traffic detoured onto a local roadway during county highway construction.
3. Costs to improve local roadways to adequately accommodate traffic turning from the county highway onto a local roadway due to the addition of turn lanes on the county highway.
4. Costs directly associated with removal or consolidation of existing access to the county highway system.
5. Costs associated with construction of a local roadway that directly mitigates an existing county highway safety or operational issue or directly eliminates or significantly delays the need to expand the county highway system.

F.17 Traffic Signal and Street Lighting Power Costs and Maintenance Responsibilities

Participate in the maintenance and power costs for new and replacement traffic signals and standard streetlights as follows. Aesthetically enhanced and decorative streetlights are subject to Policy F.2.

- A. New and Replacement

- a. Installation (New and Replacement) Streetlights at intersections, marked pedestrian crossing locations and lighting along county highway trails within school zones with demonstrated safety benefit based on county evaluation – Participate up to 100 percent for power and maintenance costs.
- b. Street lighting at roundabouts – The county will be responsible for power costs and maintenance on county-county and state-county intersection roundabouts and the city will be responsible on city-county intersection roundabouts.
- c. Street lighting, maintenance and power costs for traffic signals – The county will participate in power costs for traffic signals including the streetlight up to the percentage of intersection approach legs under county jurisdiction. The streetlights must be energy saving and connected to the service cabinet. Street lighting is the luminaire, pole and all wiring located above the signal mast arm. The city is responsible for maintenance of streetlights and all costs for unmetered services. Painting maintenance of streetlights for signals is 100 percent city responsibility.

B. Existing

- a. Energy saving light retrofits - The county does not participate. Cities may elect to retrofit streetlights at their cost and by permit through the county.

F.18 County Advanced Funding for City Cost Participation

The county will consider advancing the local share of a project, consistent with adopted county cost participation policies, in the approved CIP's by agreement with the city involved when all the following criteria are met:

- 1. The county determines there is a need on the county transportation system that should be addressed sooner than city funding allows.
- 2. The county has the available funds to pay the city cost share at the time the cost will be incurred.
- 3. The city submits a request to the county explaining the reason(s) for the county to advance fund their share.
- 4. The plan for city repayment is defined in an agreement between the city and county.
- 5. County advance funding is limited to a maximum 3-year period.

F.19 Left Turn Lane/Access Permit Process

In cities over 5,000 in population, the county will participate up to 85 percent of one half (42.5 percent) of the engineering, right-of-way and construction costs for left turn lanes required by the county through the access permitting process on high speed, two-lane, undivided county highways to accommodate a new access across from an existing access that does not have an existing left turn or bypass lane. For locations in cities under 5,000 in population or townships, the county may participate up to 50 percent of the engineering, right-of-way and construction costs.

Goal 1 Summary

The emphasis of this Goal is for the county to develop the best transportation system to provide for safe movement of people and goods within financial constraints. The system vision has been developed in coordination with the state, adjacent counties, cities, townships, and other transportation partners

Attachment B
Opinion of Cost

CP 28-76 Cost Split -90% County and 10% City Based on Bid Items 29-Apr-25 Executed Contract Amount Estimated Amount	
--	--

CP 28-76	Total (Estimated if not known)	Dakota County (90%)	City of Inver Grove Heights (10%)	Comments
Preliminary & Final Design (90/10)				
KLI Original Contract	\$ 239,823	\$ 215,840	\$ 23,982	
KLI Amendment 1	\$ 36,983	\$ 33,285	\$ 3,698	
Design Totals	\$ 276,806	\$ 249,125	\$ 27,681	
Construction (90/10)				
-100% Engineers Estimate	\$ 1,968,228	\$ 1,741,887	\$ 226,342	
-Mn/Dot Testing (0.8%)	\$ 15,746	\$ 14,171	\$ 1,575	
Construction Totals	\$ 1,983,974	\$ 1,756,058	\$ 227,916	
Dakota County Labor Costs (90/10)				
County Eng/Admin - DESIGN (15%)	\$ 41,521	\$ 37,369	\$ 4,152	
County Eng/Admin - CONST. (6%)	\$ 118,094	\$ 106,284	\$ 11,809	
DC Labor Totals	\$ 159,615	\$ 143,653	\$ 15,961	
City Labor Costs (85/15)				
City Eng/Admin - DESIGN (5%)	\$ 13,840	\$ 12,456	\$ 1,384	
City Eng/Admin - CONST. (1%)	\$ 19,840	\$ 17,856	\$ 1,984	
Inver Grove Heighhts Labor Totals	\$ 33,680	\$ 30,312	\$ 3,368	
COLUMN TOTALS	\$ 2,260,780	\$ 2,005,183	\$ 255,597	

Dakota County Total	\$ 2,005,183
City of Inver Grove Heights Total	\$ 255,597

PROJECT TOTALS	\$ 2,260,780
----------------	--------------

Request for Council Action

SUBJECT: **Resolution Awarding a Contract to SEH for Final Design and Bidding Services for City Projects Nos. 2026-0D through 2026-09L**

MEETING DATE: June 9, 2025

ITEM TYPE: Consent Agenda

CONTACT: David Ray, Assistant City Engineer, 651.450.2541

ACTION REQUESTED

The Council is asked to adopt the attached Resolution, awarding a contract to Short Elliot Hendrickson, Inc. (SEH) for final design and bidding services for City Projects:

- 2026-09D (52nd St Area),
- 2026-09E (Angus Ave Area),
- 2026-09F (Alta Ave Area),
- 2026-09G (Audrey Ave Area),
- 2026-09H (Upper 55th St and 57th St),
- 2026-09I (South Blackberry Trail Area),
- 2026-09J (North Blackberry Area),
- 2026-09K (85th St Area, College Trail Area, and Birch Blvd Area)
- 2026-09L (Alameda Area).

BACKGROUND

On August 12, 2024, the City Council authorized preparation of two feasibility reports and awarded contracts to Short Elliot Hendrickson, Inc. (SEH) (Resolution No. 2024-161) for the 2026 Pavement Management Initiative (PMI) North Feasibility (2026-09D through 2026-09J) and 2026 Pavement Management Initiative South Feasibility (2026-09K and 2026-09L).

On April 14, 2025, the Council scheduled a public improvement hearing for May 12, 2025, for the nine projects in the 2026 PMI (Resolution No. 2025-086). Subsequently, on May 12, 2025, the Council received the 2026 PMI North and South feasibility reports (Resolution No. 2025-108 and 2025-109), held the required public hearings, and ordered improvements for all nine projects (City Project Nos. 2026-09D through 2026-09L), including preparation of the associated plans and specifications (Resolutions Nos. 2025-110 through 2025-118).

Staff recommend continuing to work with SEH to complete the final design effort for these projects, given that they provided their expertise to the feasibility reports and are knowledgeable of the project parameters, geotechnical reports, and drainage reports. Maintaining continuity with design staff who are familiar with the project specifics and unique design challenges is important to creating effective plans and specifications. SEH will be able to provide the continuity needed to assist the City in

preparing contract documents and meeting necessary deadlines for advertisement, bidding, award and construction timelines.

FISCAL IMPACT

SEH has submitted a proposal for \$833,035 to assist the City with final design and bidding services. These efforts are funded on an interim basis through the Pavement Management - Local Project Fund (Fund 440). These costs will be reimbursed through several project funding sources, including the Pavement Management - Local Streets Fund (Fund 440), Special Assessments, Water Capital Fund (Fund 511), Sewer Capital Fund (Fund 521), Stormwater Capital Fund (Fund 531), and participation from the City of South St. Paul, as part of the overall legal, engineering, administration, and finance (LEAF) costs for the projects.

RECOMMENDATION

Staff recommends adoption of the attached Resolution, approving the contract with Short Elliot Hendrickson, Inc., for final design and bidding services for the 2026 Pavement Management projects.

ATTACHMENTS

1. Resolution - Awarding Contract to SEH for Final Design - 2026 PMI
2. 2026 PMI Design Support Contract

**CITY OF INVER GROVE HEIGHTS
DAKOTA COUNTY, MINNESOTA**

RESOLUTION NO. _____

RESOLUTION APPROVING CONSULTANT SERVICES CONTRACT WITH SHORT ELLIOT HENDRICKSON, INC. FOR FINAL DESIGN AND BIDDING SERVICES FOR CITY PROJECT NOS. 2026-09D THROUGH 2026-09L

WHEREAS, On August 12, 2024, the City Council authorized preparation of two feasibility reports and awarded contracts to Short Elliot Hendrickson, Inc. (SEH) (Resolution No. 2024-161) for the 2026 Pavement Management Initiative (PMI) North Feasibility (2026-09D through 2026-09J) and 2026 Pavement Management Initiative South Feasibility (2026-09K and 2026-09L); and

WHEREAS, On April 14, 2025, the Council scheduled a public improvement hearing for the nine projects in the 2026 PMI (Resolution No. 2025-086); and

WHEREAS, On May 12, 2025, the Council received the 2026 PMI North and South feasibility reports (Resolution No. 2025-108 and 2025-109) and ordered improvements for all nine projects (City Project Nos. 2026-09D through 2026-09L), including preparation of the associated plans and specifications (Resolutions Nos. 2025-110 through 2025-118); and

WHEREAS, City staff recommends SEH for the Project's engineering services due to their expertise, knowledge of the project's parameters, and their work on the feasibility reports, ensuring continuity, efficiency, and adherence to the design, bidding, and construction schedule; and

WHEREAS, the City has provided a scope of work and requested and received an engineering services proposal from SEH to provide a negotiated final cost and contract for final design and bidding services for the Project.

NOW THEREFORE, BE IT RESOLVED BY THE INVER GROVE HEIGHTS CITY COUNCIL THAT:

1. The proposal from Short Elliot Hendrickson, Inc. dated June 04, 2025, in the amount of \$833,035.00 is hereby accepted.
2. As part of the final design fee for the project, the Director of Public Works is authorized to direct the use of contingency funds up to \$42,000 for changes in scope that may occur through the final design efforts.
3. Interim funding for these services will be through the Pavement Management - Local Project Fund (Fund 440) and reimbursed through the Pavement Management - Local Streets Fund (Fund 440), Special Assessments, Water Capital Fund (Fund 511), Sewer Capital Fund (Fund 521), Stormwater Capital Fund (Fund 531), and participation from South St. Paul.
4. The Mayor and City Clerk are hereby authorized and directed to enter a Work Order Contract for the scope of work included by reference as part of the current Master Professional Services Agreement with Short Elliot Hendrickson, Inc.

Approved by the City Council of the City of Inver Grove Heights, Minnesota this 9th day of June, 2025.

Brenda Dietrich, Mayor

ATTEST:

Rebecca Kiernan, City Clerk

2026 Pavement Management Initiative Design and Support

Project Identification: This work involves providing design and bidding support services for five projects in the 2026 Pavement Management Initiative; 2026-09G (Audrey Ave Area), 2026-09H (Upper 55th St and 57th St), 2026-09I (South Blackberry Trail Area), 2026-09J (North Blackberry Area), and 2026-09K (85th St Area, College Trail Area, and Birch Blvd Area) and additional support services for the City's design efforts for 2026-09D (52nd St Area), 2026-09E (Angus Ave Area), 2026-09F (Alta Ave Area), and 2026-09L (Alameda Area).

This written authorization to proceed and work order contract (work order contract) is between the City of Inver Grove Heights (City) and **Short Elliott Hendrickson, Inc**, a Corporation, Address: **3535 Vadnais Center Dr, St Paul, MN 55110** ("Contractor"). This work order contract is issued under the authority of the City of Inver Grove Heights Master Professional Services Agreement between the City and Contractor ("Master Services Agreement") and is subject to all applicable provisions of the Master Services Agreement, which is incorporated herein by reference.

Recitals

1. The Contractor will furnish all products and perform all services defined in Article 2 of this Work Order Contract, Scope of Work and Deliverables, below.
2. The City needs a Contractor to provide professional services for design and bidding of projects 2026-09G, 2026-09I, and 2026-09K as part of the 2026 Pavement Management Initiative.
3. The City needs a Contractor to provide professional services for design and bidding of project 2026-09H and 2026-09J as part of the 2026 Pavement Management Initiative which will need to meet State Aid requirements and standards. Contractor will work with MnDOT State Aid for all necessary approvals and progression through the Delegated Contracting Process.
4. The City needs a Contractor to provide additional professional services to assist the City's design and bidding for project 2026-09D, 2026-09E, 2026-09F, and 2026-09L as part of the 2026 Pavement Management Initiative.

Work Order Contract

1. Term of Contract; Survival of Terms; Incorporation of Exhibits:

1.1. Effective Date:

This work order contract will be effective on the date that all required signatures are obtained by City. The Contractor must not begin work under this work order contract until ALL required signatures have been obtained and Contractor has been notified in writing to begin such work by City's Authorized Representative.

1.2. Expiration Date:

This work order contract will expire on **July 1, 2026**, or when all obligations have been satisfactorily fulfilled, whichever occurs first.

1.3. Exhibits:

Exhibits A through Exhibit B are attached and incorporated into this work order contract.

Exhibit A = Specifications, Duties, and Scope of Work

Exhibit B = Progress Report Form

2. Scope of Work and Deliverables:

- 2.1. The Contractor, who is not a city employee, will provide the following services under this work order contract: complete the tasks listed in **Exhibit A**. The Contractor's assumptions for the work required to deliver the identified scope are included as part of this Contract **Attachment 1**. The Contractor's assumptions or estimate of work will not supersede or take precedence over the requirements to deliver the specific scope items listed in this contract.
- 2.2. Deliverables are defined as the work product created or supplied by the Contractor pursuant to the terms of this work order contract.

3. Items Provided and/or Completed by the City:

- 3.1. After authorizing the Contractor to begin work, the City will furnish any data or material in its possession relating to the project that may be of use to the Contractor in performing the work.
- 3.2. All such data furnished to Contractor, will remain the property of the City and will be promptly returned upon the City's request or upon the expiration or termination of this work order contract.
- 3.3. The Contractor will analyze all such data furnished by the City. If Contractor finds any such data to be incorrect or incomplete, Contractor will bring the facts to the attention of City before proceeding with the part of the project affected. The City will investigate the matter, and if it finds that such data is incorrect or incomplete, it will promptly determine a method for furnishing corrected data. Delay in furnishing data will not be considered justification for an adjustment in compensation.

4. Consideration of Payment:

4.1. Consideration:

The City will pay for all services performed by Contractor under this contract as follows:

4.1.1. Compensation:

Contractor will be paid for hours worked during each invoice period on a Unit Rate basis not to exceed a maximum aggregate value greater than the Total Obligation shown in Section 4.1.5:

Labor Rate Costs*: **\$797,408**

Direct Expense Costs: **\$35,627**

* Labor Rate includes direct labor, overhead and profit

4.1.2. Overtime:

The City will not pay directly for any overtime worked by a Contractor or a subcontractor.

4.1.3. Direct Expense Costs:

Allowable direct expense costs include project specific costs and are items not otherwise included in overhead costs. Travel expenses and open house materials specific to this project are examples of Direct Expense Costs. Any Direct Expense Costs that are necessary for Contractor to reasonably conduct day to day work must be approved, in writing, by the City's Authorized Representative prior to expenditure (i.e., costs that would normally be considered overhead costs).

4.1.4. Travel Expenses:

The Contractor will be reimbursed for travel and subsistence expenses in the same manner and in no greater amount than provided in the current "IRS Publication 463, Travel, Gift, and Car Expenses".

4.1.5. Total Obligation:

The total obligation of City for all compensation and reimbursements to Contractor under this contract will not exceed **\$833,035**.

5. Terms of Payment:

- 5.1. The City will promptly pay all valid obligations under this work order contract as required.
- 5.2. The Contractor must submit invoices electronically for payment, monthly, using the cover letter format set forth in **Exhibit B**. Attach supporting hourly breakdown demonstrating work performed over the invoice period.
- 5.3. The Contractor must submit the signed invoice, the signed progress report and all required supporting documentation, for review and payment, to the City's Finance Department, at invoices@ighmn.gov. If the Contractor cannot support electronic submission of the invoice package, the Contractor must contact the City's Authorized Representative for possible alternatives.

6. Contractor's Project Manager:

6.1. Contractor's Project Manager for this work order contract will be:

Name/Title: Nina Bonanno, PE - Project Manager
Address: 10650 Red Circle Dr, Suite 500, Minnetonka, MN 55343
Telephone: 701-354-5621
E-Mail: nbonannno@sehinc.com

7. City’s Project Manager and Authorized Representative:

7.1. City’s Project Manager and Authorized Representative for this work order contract will be:

Authorized Representative		Project Manager	
Name/Title:	Paul Merchlewicz, P.E.	Name/Title:	David Ray, P.E.
Address:	8150 Barbara Ave Inver Grove Heights MN, 55077	Address:	8150 Barbara Ave Inver Grove Heights MN, 55077
Telephone:	651-450-2572	Telephone:	651-450-2541
E-Mail:	pmerchlewicz@ighmn.gov	E-Mail:	dray@ighmn.gov

City’s Authorized Representative, or his/her successor, will sign progress reports, review billing statements, and make recommendations to City’s Finance Department for certification of payment of each Invoice submitted by the Contractor.

8. Termination and Suspension

8.1. Termination by the City

The City or the City’s Administrator may terminate this contract at any time, with or without cause. Upon termination, the Contractor will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed.

8.2. Termination for Insufficient Funding

The City may immediately terminate this work order contract if it does not obtain funding from the City Council, or other funding source; or if funding cannot be continued at a level sufficient to allow for the payment of the services covered here. Termination must be by written notice to the Contractor. The City is not obligated to pay for any services that are provided after notice and effective date of termination. However, the Contractor will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed to the extent that funds are available. The City will not be assessed any penalty if the work order contract is terminated because of the decision of the City Council, or other funding source, not to appropriate funds. The City must provide the Contractor with notice of the lack of funding within a reasonable time of the City’s receiving that notice.

8.3. Suspension

The City may immediately suspend this work order contract in the event of a total or partial government shutdown due to failure to have an approved budget by the legal deadline. Work performed by the Contractor during a period of suspension will be deemed unauthorized and undertaken at risk of non-payment.

9. Plain Language; Accessibility Standards

9.1. Plain Language

Except for designs, plans, layouts, maps and similar documents, the Contractor must provide all deliverables in "Plain Language". Plain Language is a communication which an audience can understand the first time they read or hear it. To achieve that, the Contractor will take the following steps in the deliverables:

- Use language commonly understood by the public.
- Write in short and complete sentences.
- Present information in a format that is easy-to-find and easy-to-understand; and
- Clearly state directions and deadlines to the audience.

City Contract No.: 23-27_IGHMSA_E_WO_43

City Project: 2026 Pavement Management Initiative Design and Support

In witness whereof, Consultant and City and caused this Agreement to be executed on their behalf by the proper officers.

Date: _____, 20____

CITY OF INVER GROVE HEIGHTS

BY: _____

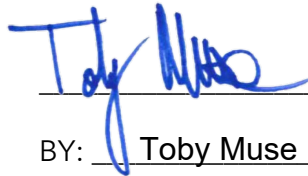
Brenda Dietrich, Mayor

ATTEST: _____

Rebecca Kiernan, City Clerk

Date: June 4, 2025

CONSULTANT



BY: Toby Muse

IT'S: Principal

Exhibit A: Scope of Work

1. Project Overview

1.1. General Statement of Scope of Work

- 1.1.1. The delivery of this contract includes providing final design, survey, and bidding support services for City Projects 2026-09G (Audrey Ave Area), 2026-09H (Upper 55th St and 57th St), 2026-09I (South Blackberry Trail Area), 2026-09J (North Blackberry Area), and 2026-09K (85th St Area, College Trail Area, and Birch Blvd Area). This project includes City funds and is required to comply with all City standards.
- 1.1.2. The delivery of this contract includes providing final design, survey, and bidding support services for City Projects 2026-09H (Upper 55th St and 57th St) and 2026-09J (North Blackberry Area). This project includes MnDOT State Aid funds which will need to meet State Aid requirements and standards.
- 1.1.3. The delivery of this contract also includes additional professional support services for the City's final design, survey, and bidding of City Projects 2026-09D (52nd St Area), 2026-09E (Angus Ave Area), 2026-09F (Alta Ave Area), and 2026-09L (Alameda Area) to include but not limited to topographical survey of areas not captured during the feasibility study.

1.2. Project Background

- 1.2.1. Project information for proposed improvements are included in the document "2026 PMI North" and "2026 PMI South" Feasibility Reports. The 2026 PMI North Feasibility Report includes information specific to project scope for City Projects 2026-09D, 2026-09E, 2026-09F, 2026-09G, 2026-09H, 2026-09I, and 2026-09J. The 2026 PMI South Feasibility Report includes information specific to project scope for City Projects 2026-09K, and 2026-09L.
- 1.2.2. For the purposes of this document, the "Project" includes 2026-09D, 2026-09E, 2026-09F, 2026-09G, 2026-09H, 2026-09I, 2026-09J, 2026-09K, and 2026-09L and all components as required whether separate or combined.

1.3. Project Deliverables

- 1.3.1. As part of the final project deliverables, the Contractor will provide electronic copies of all documents and source information produced during the preparation of the project.
- 1.3.2. The Contractor will:
 - a. Provide CAD base files used to develop project plans
 - b. Provide project plans in CAD format. The Contractor may bind all references to create a stand-alone plan sheet for each plan.
 - c. Provide any model information used for the design. Examples of model information may include hydraulic, traffic, or other.

1.4. Project Schedule

Items	Date Due
Expected Notice to Proceed.....	June 2025
Project Kick-Off Meeting	June 2025
60% Design Plans, Specifications, Estimates	September 2025
90% Design Plans, Specifications, Estimates	December 2025
Final Contract Documents	January 2026
Bidding Services.....	January - March 2026
<i>Not in this contract:</i>	
Construction	April - October 2026
Assessments	September - October 2026
Final Project	October 2026

2. Project Management

2.1. Project Coordination and Administration

- 2.1.1. Project management includes work necessary for communicating and completing the project tasks on time and within budget. The Contractor must not reassign the project manager or their primary duties without the written consent of the City’s project manager. The Contractor’s staff must have the training and expertise necessary for the work tasks to which they are assigned.
- 2.1.2. Meeting summaries must be submitted no later than **three** business days after each meeting. Final meeting summaries must be submitted no later than **one** business day after receiving comments on draft summaries.
- 2.1.3. The Contractor will:
 - a. Prepare invoices accompanied by:
 - i. Progress report form (**Exhibit B**).
 - ii. Supporting data for direct expenses.
 - iii. Manage, coordinate, direct, and monitor subcontractor services, including reviewing progress reports, deliverables, schedule, and invoices.
 - b. Update the City’s project manager on the status of the project schedule, budget, and general status/progress at the weekly progress meetings.
 - c. Store all deliverables in an organized electronic document management system and make deliverables available to the City’s project manager as needed whether the file is incomplete, in draft form, or the final deliverable.
 - d. Track issues and action items that develop during the project that either need resolution or implementation. The Contractor will review project issues and action items with the City’s project manager at the weekly progress meetings.

2.2. Project Meetings

- 2.2.1. Kickoff Meeting
 - a. The Contractor will schedule and facilitate a project kickoff meeting to confirm the basic project objectives, solidify a work plan, and obtain consensus on the project requirements. This meeting must occur no later than **five** business days after

notice to proceed. The meeting will be held via **Microsoft Teams** or at **Inver Grove Heights City Hall** and will include up to **two** Contractor staff.

2.2.2. Project Management Team (PMT) Meetings

- a. The Contractor will facilitate **bi-weekly** PMT meetings with the City's project manager and other personnel as identified by the City's project manager. The PMT meetings are intended to provide a management-level view of project development.
- b. Coordination for all projects may be combined into each weekly PMT meeting.
- c. The Contractor will:
 - i. Meet with the City's project manager bi-weekly to review progress of deliverables, issues, and team effectiveness.
 - ii. Solicit feedback from the City's project manager to assess whether all services meet the requirements of the project.
 - iii. Identify needs and issues and discuss steps.
- d. Progress meeting attendees may vary depending on issues that need discussion. The Contractor's project manager must attend these meetings.
- e. PMT meetings may be used to address City comments for each of the review submittals (60%, 90%, Bid Package) to discuss City comments and provide resolution before finalizing all deliverables necessary for bidding.

2.3. Stakeholder Involvement/Meetings

2.3.1. Stakeholder involvement and meetings include the work necessary to gather input on the proposed project improvements.

2.3.2. The Contractor will:

- a. Develop information that identifies critical project impacts.
- b. Provide support to City staff during public coordination efforts for 2026-09G (Audrey) and 2026-09I (South Blackberry). The contractor should assume **20** hours for this effort.
- c. Work to coordinate with project stakeholders which may include Metro Transit, South St. Paul, Dakota County, and MnDOT. Direct coordination is not expected but instead support for the City's project manager will be necessary.

2.4. Public Meetings

2.4.1. Public meetings are opportunities to share project related information to the public and for City Officials to discuss, ask questions, and make decisions surrounding the project.

2.4.2. The Contractor will:

- a. Attend one regular City Council meeting to provide City support for Council approval of the plans and project specifications and authorize advertisement of Bids.

3. Right of Way and Easement Acquisition

3.1. General

- 3.1.1. This task involves assisting the City in the determination and purchase of any rights-of-way and easements required to construct the Project.

3.2. Right of Way Acquisition

- 3.2.1. No relocation services are anticipated for this project.

- 3.2.2. The Contractor will:

- a. Identify affected properties and research titles for acquisition, provide parcel sketches showing impacts of construction.
- b. Perform title investigations to determine landowners of affected properties adjacent to trail corridor.
 - i. The title investigations will:
 - Show the fee owner of record and the record of ownership for the previous five years.
 - Show all encumbrances of record against the property such as mortgages, liens, judgments, and taxes.
 - Be signed by the licensed attorney or abstractor who prepared it.
- c. Provide appraisal services for any acquisition of land or property based on a certified estimate of market value or damage payable to the owner and other parties of valid interest in the subject property.
- d. Prepare offer letters based on appraisal. Work with City attorney and representatives from the County Attorney's Office to prepare offers based on the amount of certified valuation or minimum reasonable compensation.
- e. Meet with affected property owners and present purchase offers for parcels impacted by the project requiring partial or total takings as appropriate.
- f. Negotiate with property owner an approved settlement on behalf of the City.
- g. When offer is acceptable to owner the Contractor will:
 - i. Oversee the execution of the acquisition.
 - ii. Be responsible for securing documents incidental to acquisition, including quit claim deeds, mortgage releases, sign lease termination instruments, disclaimers of interest instruments, and tax and assessments information, statements and/or receipts.
 - iii. Inform the City of all foreseeable delays which are likely to be encountered in closing, recording and payment.
 - iv. Submit incidental Expense Claim Forms to the property owner or his/her agent at the time of purchase.
 - v. Sign affidavit stating no coercion was used in securing signatures.
 - vi. Prepare purchase report.

4. Traffic Signal Revisions

4.1. General

- 4.1.1. This task is for the determination of and coordination of signal system revisions necessary to complete the work on Upper 55th Street and Blaine Avenue.
- 4.1.2. Incorporation of design standards, details and plans is under Roadway Design Plans. This scope item is only for coordination, permitting, and identification of needs.

4.2. Stakeholder Coordination

- 4.2.1. Contractor will coordinate with State and County stakeholders to determine impacts to existing signal systems at Blaine Avenue and Upper 55th Street.
- 4.2.2. Contractor will work with stakeholders to understand allowable signal timing and staging efforts that may be incorporated during construction so that needs are met and traffic control is maintained.

5. Utility Coordination

5.1. General

- 5.1.1. This task is for utility coordination only and does not include subsurface utility engineering.
- 5.1.2. This scope of work references and follows the MnDOT Utility Accommodation and Coordination Manual and assumes the contractor understands these steps.
- 5.1.3. This work will happen and be coordinated with all other projects being delivered with the 2026 Pavement Management Initiative being designed and delivered by the City.

5.2. Standards and Guidance

- 5.2.1. Specific utility coordination activities must be handled in compliance with:
 - a. For the purpose of this Contract, "designate" refers to finding the presence and horizontal location of underground utilities using surface geophysical prospecting techniques (equivalent to quality level B)
 - b. For the purpose of this Contract, "locate" means to obtain the precise horizontal and vertical position of subsurface utilities by non-destructive excavating techniques (equivalent to quality level A).
 - c. Statute 216D requires utility locations according to CI/ASCE 38-02 Standard Guideline for the Collection and Designation of Existing Subsurface Utility Data.
 - d. Quality Level (QL) D accuracy will be required, except as surveyed for above-ground features.

5.3. Items Provided by the City

- 5.3.1. Any City provided data should be considered draft and in need of verification by the Contractor as part of this scope for the defined project study area.
 - a. Previous plan sets with utility information
 - b. Previous Gopher State One Call (GSOC) ticket responses
 - c. Available utility information
 - d. Survey information for above ground and overhead utility

- e. Topographic survey completed during the Feasibility for surface features within right-of-way, streets, sanitary, storm sewer and watermain.
- f. Televising information related to sanitary and storm sewer.

5.4. Conduct Utility Design Meeting

- 5.4.1. The purpose of this meeting is to review the project design with utility owners and discuss potential conflicts. Project plans that depict the resulting utility information will facilitate decision making at the meeting.
- 5.4.2. The Contractor will meet with the City, prior to the meeting with utility owners, to review the identified conflicts and propose potential design solutions.
- 5.4.3. The Contractor will:
 - a. Plan and conduct the Utility Design Meeting, which often takes place between the 60 percent and 75 percent plan completion.
 - b. Invite the City's PM, designers, and utility owners to this meeting.
 - c. Prepare a draft utility conflict resolution matrix in advance of the meeting based on utility owner input. The conflict matrix will be used to develop the draft utility tabulation sheet.
 - d. Facilitate the meeting such that solutions to utility conflicts are addressed to form an efficient design. Design modifications that minimize utility conflicts must be considered and documented.
- 5.4.4. The Contractor will create the roadway plan utility sheet for review with the City and utility owners. The utility plan sheet must consider excavation areas, and conflicts with proposed drainage, ditch grading. The tabulation sheet also must consider areas potentially affected by the project's traffic control and construction phases.
- 5.4.5. Deliverables:
 - a. Meeting agendas, materials, and summaries
 - b. Draft utility conflict resolution matrix
 - c. Draft roadway plan utility sheets

5.5. Obtain and Review Utility Relocation Plans, Schedules, Estimate and Permit Applications by Utility Company

- 5.5.1. The Contractor will:
 - a. Perform review of marked-up plans and information provided by the utility owners.
 - b. Identify potential utility conflicts
 - c. Request utility owners that need to relocate facilities to develop utility relocation plans. The utility owner submittals must include detailed plans, schedules, and estimates.
- 5.5.2. Deliverables:
 - a. Updated map of utility locations that includes the size, type, and ownership of facilities
 - b. Utility Relocation Plans received from utility owners

5.6. Prepare and send GSOC Utility Verifications Letters

- 5.6.1. The Contractor will perform the GSOC and send verification letters to utility owners. Utility verification information only letters must be sent to utility owners with facilities in the project limits that are not affected. Utility Verification Letters must be sent to affected utility owners.
- 5.6.2. Deliverables:
- a. GSOC ticket
 - b. Utility verification letters
 - c. Utility verification information only letters

5.7. Verification Letter Responses

- 5.7.1. The Contractor will perform review of utility plans, schedules, and permit submissions and update the conflict resolution matrix, relocation plans, and utility tabulation sheets accordingly. The revised utility conflict resolution matrix must be used to revise the utility tabulation sheets.
- 5.7.2. Deliverables:
- a. Revised utility relocation plans
 - b. Revised utility conflict resolution matrix
 - c. Revised utility tabulation sheets
 - d. Revised permit reviews

5.8. Prepare and Send Draft Utility Notice & Orders

- 5.8.1. City staff will prepare and send Utility Notice and Orders. The Contractor will provide supporting information to City for the writing of draft Notice and Orders, including:
- a. Utility relocation dates
 - b. Construction dates
 - c. Utility facility information
 - d. Utility owner information
- 5.8.2. Deliverables:
- a. Supporting information for the draft Notice and Orders

5.9. Utility Coordination Follow Up:

- 5.9.1. The Contractor will perform follow up communications and field reviews with utility owners, including:
- a. Develop a communication log to track communications
 - b. Produce the final conflict resolution matrix
- 5.9.2. Deliverables:
- a. Communication log
 - b. Final conflict resolution matrix

5.10. Utility Design Change Meeting

- 5.10.1. Sometimes changes are needed during the final design. The Contractor will plan and conduct one utility design change meeting. This meeting must communicate to the utility owners any major design changes to the project.
- 5.10.2. If design changes are minor, the Contractor may opt for coordinating utility design changes directly with each individual utility.
- 5.10.3. Deliverables:
 - a. Meeting invitations and meeting minutes
 - b. Summary of design changes

5.11. Reimbursement and Utility Agreements

- 5.11.1. If utility agreements are necessary, the City will write the utility agreements. The Contractor will provide supporting information for the revised utility agreements, including:
 - a. Utility relocations dates
 - b. Construction dates
 - c. Cost information
- 5.11.2. Deliverables:
 - a. Revised final utility relocation dates, construction dates and costs

5.12. Utility Information in Contract Documents

- 5.12.1. The Contractor will submit complete utility plans and specifications based on the proper and most up-to-date information from the final plans.
- 5.12.2. Deliverables:
 - a. Final utility plans and specifications

6. Wetland Delineation

6.1. Standards and Guidance

- 6.1.1. This scope includes the Level 1 and Level 2 wetland delineations for the project including preparation of a wetland delineation report and work necessary to obtain concurrence/approval for the wetland type and boundary delineation from the appropriate regulatory agencies.
- 6.1.2. For the purposes of this contract, the study area will be defined as everything within the existing right-of-way, proposed right-of-way, and easements within the project limits, unless otherwise noted. Level 1 wetland boundaries must be extended 25 feet beyond the study area to provide landscape context.
- 6.1.3. Level 1 (off-site) delineations may be completed outside of the growing season. Verification must occur during the growing season, unless approved by the City's project manager. Level 2 delineation and approvals must take place during the growing season (roughly April 15 to October 15) or as allowed by regulatory agencies.

- 6.1.4. No field flagging is required if Global Positioning System (GPS) survey includes wetland boundary points, transect sample points, and relevant reference points. Otherwise, pin flags must be placed and left in place for delineated boundaries on the roadway edges. No pin flags will be placed in the center median. Center median ditch wetlands must be delineated from aerial photos, and no sampling will take place in the median. If access is needed to delineate wetland basins (not ditch wetland) in the center median, it must be coordinated through the State.
- 6.1.5. Wetlands must be delineated using:
 - a. The determination methodology and procedures described by the U.S. Army Corps of Engineers (USACE) per authority given by Section 404 of the Clean Water Act and as required by the Minnesota Wetland Conservation Act (WCA)
 - b. Wetlands Delineation Manual (USACE 1987) and its regional supplements
 - c. State of Minnesota 2016 Wetland Plant List (USACE 2016)
 - d. Guidance for Submittal of Delineation Reports to the St. Paul District Army Corps of Engineers and Wetland Conservation Act Local Governmental Units in Minnesota, Version 2.0 (USACE and BWSR 2015) and Eggers and Reed Plant Communities
 - e. Minnesota Rules, chapter 8420
 - f. Minnesota Routine Assessment Method, or agreed upon method for wetland function evaluation, if needed

6.2. Items Provided by the City

- 6.2.1. The City will provide the following items:
 - a. Culvert location files (if any) and any existing managed stormwater features within the study area
 - b. Any prior Level 1 and Level 2 wetland delineations within the project study area

6.3. Perform Level 1 Field Prep (Wetlands)

- 6.3.1. The Contractor will conduct off-site wetland delineation to:
 - a. Identify all aquatic resources within the study area, including lakes, streams, ponds, ditches, and wetlands using resources such as National Wetlands Inventory (NWI) mapping, Minnesota Department of Natural Resources (DNR) Public Waters Inventory (PWI) mapping, DNR Minnesota Land Cover Classification System (MLCCS) mapping, county soil survey mapping, floodplain mapping, U.S. Geological Survey topographic mapping, current aerial photos, and historical aerial photos
 - b. Create appropriate existing condition exhibits for delineation report to illustrate these resources within the project area
- 6.3.2. Deliverables:
 - a. Level 1 aquatic resource exhibits for the wetland delineation report

6.4. Perform Level 1 Field Review (Wetlands)

Perform Level 1 Field Work. The Contractor will field verify Level 1 aquatic resource mapping with a field walk, during which vegetation and topography will be analyzed

to determine if estimated wetland boundary lines were drawn in the correct location and make changes as needed.

- 6.4.1. Perform Level 1 Post Field. The Contractor will update Level 1 mapping to reflect field observations. The final Level 1 wetland delineation must be reviewed by State wetland staff before the Level 2 delineation commences and/or before the early coordination meeting.

- 6.4.2. Deliverables:

- a. Field-verified Level 1 wetland delineation exhibits

6.5. Review Level 1 Delineation for Permanent Impacts (Wetlands)

- 6.5.1. The Contractor will identify all temporary and permanent aquatic resource impacts, including:

- a. In table format, data for each wetland, specifically the type, location, size, and potential impact amount (permanent/temporary and cut/fill)
 - b. Any exhibits that illustrate each impact area, type and locations, differentiating between permanent and temporary, and cut and fill
 - c. Labels on ditch bottom wetlands in the tables and exhibits (wetlands located in the bottoms of ditches that are under USACE jurisdiction without an Approved Jurisdictional Determination)

- 6.5.2. Deliverables:

- a. Level 1 aquatic resources impact exhibits and tables

6.6. Early Coordination Meeting with Regulators (Wetlands)

- 6.6.1. Meeting invitations must be sent to the City's project manager, Contractor's wetland delineator, Board of Soil and Water Resources (BWSR) Technical Evaluation Panel (TEP) representative, soil and water conservation district (SWCD) TEP representative, DNR TEP representative.

- 6.6.2. The Contractor will arrange, coordinate, and facilitate an early coordination/TEP meeting, including:

- a. Schedule meeting time and send invites
 - b. Prepare presentation to explain where all the aquatic resources are located on the project, detailed design description, and how impacts were minimized (using the USACE coordination meeting checklist)
 - c. Document any initial concerns considering the information presented and provide meeting summary
 - d. Determine with regulators if future TEP meetings are necessary

- 6.6.3. Deliverables:

- a. Meeting materials, agenda, and summary for an early coordination/TEP meeting

6.7. Perform Level 2 Field Work

- 6.7.1. The Contractor will:

- a. Complete Routine On-site Determination Method (RODM) for each wetland with the potential for permanent impacts

- b. Survey each delineation with a GPS to sub-meter accuracy during the growing season (generally April 15 to October 15)
- c. Prepare data sheets for all wetland and non-wetland areas evaluated

6.7.2. Deliverables:

- a. Level 2 wetland field delineation including data sheets
- b. Updated wetland boundary exhibits per GPS survey

6.8. Perform Level 2 Post Field (Wetlands)

6.8.1. The Contractor will describe the delineation findings based on the field data sheets and:

- a. Classify wetlands per RODM standards
- b. Perform function and values analysis, if deemed necessary by State staff
- c. Revise exhibits to show updated wetland boundaries

6.8.2. Deliverables:

- a. Wetland exhibits showing wetland boundaries and types

6.9. Write Report Documentation (Wetlands)

6.9.1. The Contractor will prepare a wetland delineation report documenting findings.

6.9.2. The report must be prepared in accordance with State guidelines and checklist and include a description of all wetlands and other aquatic resources on site. The delineated wetland boundaries and sample transects must be illustrated on an aerial photograph and included as an attachment with other GIS maps and wetland delineation data sheets.

6.9.3. The Contractor will arrange, coordinate, and facilitate a TEP meeting to obtain final approval of delineated wetland boundaries in coordination with OES and the district wetland coordinator, including:

- a. Sending invitations to the City's project manager, Contractor's wetland delineator, City's WCA LGU representative, BWSR TEP representative, SWCD TEP representative, DNR TEP representative.
- b. Documenting meeting conclusions

6.9.4. Deliverables:

- a. Draft Wetland Delineation Report and completed wetland delineation review checklist for Minnesota
- b. Meeting materials, agenda, and meeting summary for TEP wetland boundary review
- c. TEP approved wetland boundaries in ARC GIS shapefile format
- d. Final Wetland Delineation Report per TEP boundary and type approval

7. Roadway Design Plans

7.1. File Format

7.1.1. All plans must be in the City plan format and correct coordinates and will contain all necessary design information including Quantity, Signature Block, Abbreviations,

Symbols, Details (standard & special), Removals, and "For Information Only" Plan Sheet(s). All special needs must be incorporated into the design, as needed.

7.2. Standards and Guidance

- 7.2.1. The final plans must be prepared in accordance with current City standards or State Aid standards where applicable.
- 7.2.2. The plan set must comply with the form, sequence, and content of the City's and State's (where not superseded by City) current:
 - a. Project Item List (AASHTOWare) from the current MnDOT Standard Specifications for Construction (<http://transport.dot.state.mn.us/Reference/refItem.aspx>)
- 7.2.3. The proposed roadway and public utility improvement construction plans must be consistent with identified work, limits, features, and constraints identified in the project feasibility report(s).
- 7.2.4. Plan sheets may be combined with the prior consent of the City's project manager.

7.3. Prepare 60 Percent Plans

- 7.3.1. The Contractor will:
 - a. Prepare and submit the 60 percent design package, including sheets as noted in the City's 60 percent review checklist.
 - b. Prepare and submit a draft special provisions write-up for items not covered in the boilerplate. This includes:
 - i. Coordinate with the City to develop a list of, or draft of, special provisions that modify or supplement the Standard Specifications for Construction to communicate project specific needs during construction operations
 - ii. Replace, modify, or supplement existing sections in MnDOT Standard Specifications for Construction based on project need
 - iii. Provide a list to the City for incorporate of all requirements that are not included in Standard Specifications for Construction
 - iv. Discuss modifications needed with City prior to modifying Division 1 and/or Division 3 of the Standard Specifications for Construction with Special Provisions
 - c. Develop a project cost estimate incorporating all major contract items. Cost estimate will include a reasonable contingency allowance.
 - d. Identify preliminary contract time details to identify construction timeframes, citywide coordination, and timing. Contract time details will be used to identify needs for later stage special provision information.
- 7.3.2. Deliverables:
 - a. 60 percent design package
 - b. Draft special provisions write-up for time and traffic
 - c. Draft cost estimate including all major pay items at a minimum and expected contingencies
 - d. Preliminary contract time estimation

7.4. Conduct 60 Percent Plan Review

7.4.1. The Contractor will host a Bluebeam Studio session to distribute the plans to City staff for comment and provide the comments to the Contractor.

7.4.2. Deliverables:

- a. Summary of review comments and response documentation

7.5. Prepare 90 Percent Plans

7.5.1. The Contractor will prepare and deliver the 90 percent design package, which must incorporate comments from the 60 percent plans and include:

- a. Full construction plan set
- b. Final construction cost estimate
- c. Any Division S special provisions required solely for this project

7.5.2. Deliverables:

- a. 90 percent design package
- b. Full construction plan set of original, signed, reproducible plans
- c. Final construction cost estimate with the cost participation breakdown
- d. Specific Division S Special provisions to this project
- e. Final Contract Time determination and special provisions

7.6. City Review of 90 Percent Plans

7.6.1. The Contractor will host a Bluebeam Studio session to distribute the plans to City staff for comment and provide the comments to the Contractor.

7.6.2. Deliverables:

- a. Summary of review comments and responses
- b. Access to 90 percent plans with markups to indicate that all comments have been resolved

7.7. Prepare Final Bid Package

7.7.1. The Contractor will assist in the preparation of and delivery of the final bid package, which must incorporate the 90 percent comments and include:

- a. Full construction plan set with review comments addressed
- b. Final construction cost estimate
- c. Division S special provisions

7.7.2. Deliverables:

- a. Final construction cost estimate with the cost participation breakdown

7.8. Prepare Special Provisions

7.8.1. The Contractor will:

- a. Assist the City in compilation of a final special provisions document based on project need and City input from Draft Special Provision review and coordination. This will include all special provision divisions prepared as part of the project.

8. Traffic Analysis and Intersection Design

8.1. General

- 8.1.1. This work includes the study and analysis of traffic patterns and volumes at the intersection of Blaine Avenue and Upper 55th Street E. for traffic signal modifications. The final intersection design will be incorporated into the final project design.

8.2. Standards and Guidance

8.3. Existing Intersection and Streets Review

- 8.3.1. The Contractor will conduct existing intersection conditions review that includes the following information for all study intersections:
- a. Documentation of a field assessment including intersection geometry, utilities, operations, access, and other factors that may influence the design alternatives.
 - b. A large-scale map (1 inch = 500 feet) showing the intersection in relationship to nearby roadways, access points, or other significant land uses.
 - c. An existing aerial layout (1 inch = 50 feet) of the intersection identifying lane configuration, shoulders, medians, pedestrian and bicycle facilities, right-of-way limits, access driveways, buildings, drainage structures, posted speed limits, and current intersection traffic control.
 - d. A review of historical crash data and safety analysis.
 - e. AM and PM peak hour traffic operations analyses for existing conditions.
- 8.3.2. Deliverables:
- a. Field assessment documentation
 - b. Intersection exhibits
 - c. Crash analysis summary
 - d. Existing traffic operations summary

8.4. Alternatives Analysis

- 8.4.1. The Contractor will complete an analysis of intersection geometric improvements for up to two alternatives for the Audrey Avenue/46th Street intersection and analyze the alternatives for recommendation to and approval by the City.
- 8.4.2. The Contractor will:
- a. Conduct AM and PM peak hour intersection capacity analyses for all alternatives for the forecast year. Document key measures of effectiveness.
 - b. Analyze and document the pros and cons of the alternative in terms of pedestrian and bicyclist accommodations, safety, and accessibility.
- 8.4.3. Deliverables:
- a. Alternatives analysis summary
 - b. Summary of multi-modal pros and cons for each alternative

8.5. Concept Layouts and Cost Estimates

- 8.5.1. The Contractor will develop concept sketches to support the alternatives screening process for up to two alternatives at the study intersection. The concepts will attempt to minimize impacts to right-of-way, cost, and other factors.

8.5.2. The Contractor will:

- a. Create an in-place topography file based upon an aerial photo. Right-of-way limits will be estimated based upon City and County records. Review in-place topographic, right-of-way, and utility information to determine design constraints.
- b. Generate up to two conceptual layouts (1 inch = 50 feet) meeting City design standards based on recommendations from the alternatives analysis. Conceptual layouts will include preliminary line work (plan only), property impacts, access modifications, and traffic control. Note: due to the limited survey and topography information, the concept layouts will not be able to evaluate profile, drainage, utility, or construction limits.
- c. Prepare and submit a preliminary construction cost estimate for each concept layout. Each preliminary cost estimate will include costs for major construction items, project contingency representing expected but non-quantified costs, and risk assumptions. The preliminary cost estimate will be used as a tool to help determine a preferred project alternative.

8.5.3. Deliverables:

- a. Two conceptual layout(s) based on recommendations from the alternatives analysis at the study intersection(s)
- b. Concept construction cost estimates for concept layout(s) developed

9. Project Bidding

9.1. Bidding

- 9.1.1. The City uses electronic bidding (QuestCDN) for posting Project Manual and acceptance of required project documents and bids from potential construction contractors.
- 9.1.2. The Contractor will assist the City in setting up and posting all applicable project bidding information required by State statute.
- 9.1.3. The Contractor will help prepare and post all necessary public notices prior to, and during, the project advertisement.

9.2. Create Plan Addenda and Clarifications

- 9.2.1. The Contractor will help the City prepare addenda to construction plans as directed by the City based on questions during project bidding.
- 9.2.2. Question responses that do not require addenda or changes to project documents will be posted as project clarifications and distributed to all plan holders.
- 9.2.3. Deliverables:
 - a. Any updated items for the bidding design package as it relates to this project
 - b. Project clarifications as necessary as they relate to this project

9.3. Bid Opening

- 9.3.1. The Contractor will be available and present to open bids electronically. Bid opening will be at City Hall. City's Project Manager, or applicable delegate, must be present for the bid opening.

10. Design Survey

10.1. File Format

- 10.1.1. Deliverable format for survey data will be an ASCII file in State format using linework and comment coding for inclusion into AutoCAD files, using the current versions of AutoCAD.

10.2. Standards and Guidance

- 10.2.1. Survey work must meet best management practices (BMPs) for surveying.
- 10.2.2. All work shall be completed using the Dakota County Coordinate System North American Datum (NAD) 83, 1986 adjustment and North American Vertical Datum (NAVD) 88 vertical datum.

10.3. Items Provided by the City

- a. Known drainage infrastructure information within project area (note: drainage structure information may not be all inclusive).
- b. Horizontal and vertical datum requirements.
- c. Apparent high-water information or requirements when available.
- d. Existing topography shot during feasibility of surface features within right-of-way, including utilities.

10.4. Conduct Topography

10.4.1. The Contractor will:

- a. Contractor will review existing topographic survey information and identify additional survey necessary to complete the design.
- b. The Contractor will send out a mass mailing to notify landowners of survey intention.
- c. Prepare a topo survey work plan and schedule for all survey activities and will review work progress with the City at scheduled PMT meetings.
- d. Collect survey data necessary to complete design and provide information necessary for construction field work.

10.4.2. Deliverables:

- a. Topo survey work plan and project schedule
- b. ASCII file with all survey data, including header Information containing horizontal and vertical datum
- c. Field shots imported into a AutoCAD
- d. Survey report

10.4.3. For 2026-09D (52nd St Area), 2026-09E (Angus Ave Area), 2026-09F (Alta Ave Area), and 2026-09L (Alameda Area) projects there is additional survey needed beyond features surveyed in the feasibility stage:

- a. Survey from behind curb to right-of-way.
- b. Additional survey in the roadway at specified areas.

10.4.4. Provided by the City:

- a. The City will provide feasibility level electronic data used to develop the project documents including CAD files and any survey data that may have been collected. "Printed Plan" information will always govern over any electronic plan information provided.

Exhibit B: Progress Report Form

For Invoice No.: _____

City Finance ID:

Contract Expiration Date: []

[]

Contractor Project No. XXXXXXXX

Notes	Description	Contract Value		Amount Billed to Date	Previous Amount Billed	Current Amount Due
		2026-09D	2026-09E			
	Design Survey	\$8,025	\$28,990			

		2026-09F	2026-09L			
	Design Survey	\$3,905	\$22,740			

		2026-09G	2026-09H			
	Project Management	\$14,435	\$14,225			
	Right-of-Way and Easement Acquisition	\$0	\$0			
	Traffic Signal Revisions	\$0	\$5,105			
	Utility Coordination	\$9,335	\$9,325			
	Wetland Delineations	\$2,495	\$2,495			
	Design Plans (Roads & Utilities)	\$75,010	\$160,515			
	Traffic Analysis & Intersection Design	\$0	\$17,860			
	Project Bidding	\$3,330	\$5,595			
	Design Survey	\$4,615	\$10,460			
	Subtotal	\$109,220	\$225,580			

City Contract No.: 23-27_IGHMSA_E_WO_43

City Project: 2026 Pavement Management Initiative Design and Support

Exhibit A: Specifications, Duties, and Scope of Work

		2026-09I	2026-09J			
	Project Management	\$14,435	\$9,840			
	Right-of-Way and Easement Acquisition	\$31,960	\$0			
	Traffic Signal Revisions	\$0	\$0			
	Utility Coordination	\$12,560	\$5,820			
	Wetland Delineations	\$2,495	\$2,495			
	Design Plans (Roads & Utilities)	\$126,990	\$30,760			
	Traffic Analysis & Intersection Design	\$0	\$0			
	Project Bidding	\$4,320	\$3,330			
	Design Survey	\$5,700	\$5,585			
	Subtotal	\$198,460	\$57,830			

		2026-09K				
	Project Management	\$10,110				
	Right-of-Way and Easement Acquisition	\$0				
	Traffic Signal Revisions	\$0				
	Utility Coordination	\$15,050				
	Wetland Delineations	\$2,495				
	Design Plans (Roads & Utilities)	\$123,510				
	Traffic Analysis & Intersection Design	\$0				
	Project Bidding	\$4,460				
	Design Survey	\$22,660				
	Subtotal	\$178,285				

Contractor's Project Manager

Date



Project: 2026 PMI Final Design
Client: City of Inver Grove Heights, MN

ATTACHMENT A

June 3, 2025

Prepared by: JCD
Reviewed By: NMB

Prepared Date: 6/2/2025
Reviewed Date: 6/2/2025

Billing Title		CSM/PM	PM/PE	DPM	PE	Grad Eng	Tech	PE	Scientist	Survey Crew Chief	Specialist	RLS	PE	Planner	Admin/Acct	Expenses	Total
TASK 0 - Project Management (totals to be split between tasks)																	
	Project Management																
	Contract Setup, Monthly Invoicing, Progress Reports	1	16	2											20		39
	Kick-off Meeting (in person)		4	2													6
	Bi-Weekly PMT (Teams)		56	28	4						4						92
	Plan Review Meetings (60%, 90%) (in person)		8	4													12
	Stakeholder Involvement/Meeting Support		20	10													30
	Public Meetings (1 City Council Meeting)		8	4													12
Deliverables:	Minutes and agendas, Monthly Progress Reports																
Assumptions:	14 PMT meetings will be held. Stakeholder meeting hours per scope, plus additional support hours																
	Subtotal Hours	1	112	50	4						4				20	N/A	191
TASK 1 - 2026-09D (52nd St Area)																	
1.1	Design Survey																
	Review existing topo and identify additional needs				2		4										6
	Notification mailing (SEH to produce and mail)		1											2			3
	Work plan and schedule		1							1		1					3
	Field collection		2							24							26
	Survey Report						8										8
Deliverables:	Supplemental topo survey data in AutoCAD format, Survey Report																
Assumptions:	Remaining topo from back of curb to right of way, plus areas specified in supplemental topo layout																
	Subtotal Hours		4		2		12			25		1		2		N/A	46
	Subtotal Fees		\$690.23		\$393.20		\$1,373.95			\$3,732.25		\$283.98		\$269.66			\$6,743.26
	Task 1 Hours Summary		4		2		12			25		1		2		N/A	46
	Task 1 Fee Summary		\$690.23		\$393.20		\$1,373.95			\$3,732.25		\$283.98		\$269.66		\$1,281.74	\$8,025.00
TASK 2 - 2026-09E (Angus Ave Area)																	
2.1	Design Survey																
	Review existing topo and identify additional needs				2		4										6
	Notification mailing (SEH to produce and mail)		1											2			3
	Work plan and schedule		1							1		1					3
	Field collection		2							20							22
	Survey Report						8										8
Deliverables:	Supplemental topo survey data in AutoCAD format, Survey Report																
Assumptions:	Remaining topo from back of curb to right of way, plus areas specified in supplemental topo layout																
	Subtotal Hours		4		2		12			21		1		2		N/A	42
	Subtotal Fees		\$690.23		\$393.20		\$1,373.95			\$3,135.09		\$283.98		\$269.66			\$6,146.10
2.2	Right-of-Way and Easement Acquisition (2 TE's)																
	Project Management		4														4
	Identify affected properties, research titles for acq, provide parcel sketches		4				4				4	8					20
	Perform title investigations										6						6
	Appraisal Services										10						10
	Offer letters										4						4
	Property owner meetings									8	8						16
	Settlement negotiation										4						4



Project: 2026 PMI Final Design
Client: City of Inver Grove Heights, MN

Prepared by: JCD
Reviewed By: NMB

Prepared Date: 6/2/2025
Reviewed Date: 6/2/2025

ATTACHMENT A

June 3, 2025

Billing Title		CSM/PM	PM/PE	DPM	PE	Grad Eng	Tech	PE	Scientist	Survey Crew Chief	Specialist	RLS	PE	Planner	Admin/Acct	Expenses	Total
	All acquisition documents to record and issue payment										24						24
	File completion/closeout										2						2
Deliverables:	Easement exhibits/parcel sketches, Purchase Report, Acquisition Documents, Offer Letters																
Assumptions:	City's attorney will prepare the conveyance documents																
	Subtotal Hours		8				4			8	62	8				N/A	90
	Subtotal Fees		\$1,380.45				\$457.98			\$1,194.32	\$9,041.13	\$2,271.81					\$14,345.69
	Task 2 Hours Summary		12		2		16			29	62	9		2		N/A	132
	Task 2 Fee Summary		\$2,070.68		\$393.20		\$1,831.93			\$4,329.41	\$9,041.13	\$2,555.79		\$269.66		\$8,498.21	\$28,990.00
TASK 3 - 2026-09F (Alta Ave Area)																	
3.1	Design Survey																
	Review existing topo and identify additional needs				2		4										6
	Notification mailing (SEH to produce and mail)		1											2			3
	Work plan and schedule		1							1		1					3
	Field collection									10							10
	Survey Report																
Deliverables:	Supplemental topo survey data in AutoCAD format, Survey Report																
Assumptions:	Remaining topo from back of curb to right of way, plus areas specified in supplemental topo layout																
	Subtotal Hours		2		2		4			11		1		2		N/A	22
	Subtotal Fees		\$345.11		\$393.20		\$457.98			\$1,642.19		\$283.98		\$269.66			\$3,392.12
	Task 3 Hours Summary		2		2		4			11		1		2		N/A	22
	Task 3 Fee Summary		\$345.11		\$393.20		\$457.98			\$1,642.19		\$283.98		\$269.66		\$512.88	\$3,905.00
TASK 4 - 2026-09L (Alameda Area)																	
4.1	Design Survey																
	Review existing topo and identify additional needs				2		4										6
	Notification mailing (SEH to produce and mail)		1											2			3
	Work plan and schedule		1							1		1					3
	Field collection		2							98							100
	Survey Report						8										8
Deliverables:	Supplemental topo survey data in AutoCAD format, Survey Report																
Assumptions:	Remaining topo from back of curb to right of way, plus areas specified in supplemental topo layout																
	Subtotal Hours		4		2		12			99		1		2		N/A	120
	Subtotal Fees		\$690.23		\$393.20		\$1,373.95			\$14,779.70		\$283.98		\$269.66			\$17,790.71
	Task 4 Hours Summary		4		2		12			99		1		2		N/A	120
	Task 4 Fee Summary		\$690.23		\$393.20		\$1,373.95			\$14,779.70		\$283.98		\$269.66		\$4,949.29	\$22,740.00
TASK 5 - 2026-09G (Audrey Ave Recon)																	
5.1	Project Management																
	Portion of PM (1/5 of Task 0)	0.2	22.4	10	0.8						0.8				4		38.2
	Additional public coordination (10 hours)		10	10													20
	Special Assessment Roll Updates (60%, 90%, 100%)			8													8
	Subtotal Hours	0.2	32.4	28	0.8						0.8				4	N/A	66.2
	Subtotal Fees	\$37.24	\$5,590.84	\$8,033.51	\$157.28						\$116.66				\$500.41		\$14,435.95



Project: 2026 PMI Final Design
Client: City of Inver Grove Heights, MN

Prepared by: JCD
Reviewed By: NMB

Prepared Date: 6/2/2025
Reviewed Date: 6/2/2025

ATTACHMENT A

June 3, 2025

	Billing Title	CSM/PM	PM/PE	DPM	PE	Grad Eng	Tech	PE	Scientist	Survey Crew Chief	Specialist	RLS	PE	Planner	Admin/Acct	Expenses	Total
5.2	Right-of-Way and Easement Acquisition																
	NA																
5.3	Traffic Signal Revisions																
	NA																
5.4	Utility Coordination																
	City data request and review		2				2										4
	GSOC data collection					2	2			8							12
	Prepare maps and conflict matrix					2	2										4
	Utility Design Meeting (at 60%), agenda and minutes		4			4	4										12
	Utility relocation plan review		2	1													3
	GSOC Utility Verification Letters		2	1													3
	Utility Notice and Orders Support		2	1													3
	Follow up and field reviews		4														4
	Design Change Meeting (at 90%)		4														4
	Utility Agreement Support		2	1													3
	Final utility plans and specifications		2	1		2	2										7
Deliverables:	Utility meeting agendas, materials, and minutes; Draft Utility Resolution Matrix; Draft Utility Plan Sheets																
Assumptions:	GSOC maps obtained during feasibility																
	Subtotal Hours		24	5		10	12			8						N/A	59
	Subtotal Fees		\$4,141.36	\$1,434.56		\$1,190.00	\$1,373.95			\$1,194.32							\$9,334.19
5.5	Wetland Delineations																
	Level 1 Field Prep (1/5 of total time)								0.2								0.2
	Level 1 Field Review (1/5 of total time)								1.6								1.6
	Review Level 1 Delineation for Permanent Impacts (1/5 of total time)								0.4								0.4
	Regulatory Meeting (1/5 of total time)								1								1
	Level 2 Field Work (1/5 of total time)								2								2
	Level 2 Post Field (1/5 of total time)								0.4								0.4
	Wetland Report (1/5 of total time)								8								8
Deliverables:	Draft and Final Wetland Delineation Report, Level 1 and 2 wetland delineation exhibits; meeting agendas, materials, and minutes																
	Subtotal Hours								13.6							N/A	13.6
	Subtotal Fees								\$2,494.89								\$2,494.89
5.6	Design Plans (Roads & Utilities)																
	60% Plans	8	8	4	100		40										160
	Draft Special Provisions		16	2											2		20
	Preliminary Cost Estimate		2		24		40										66
	Preliminary construction schedule estimation				8												8
	60% Bluebeam Review; response documentation		4		4		8										16
	90% Plans	8	8	4	40		24										84
	Special Provisions		8														8
	Final Cost Estimate		2		10		16										28
	Construction schedule estimation		2		2												4
	90% Bluebeam Review, response documentation		4		4		8										16
	Final (100%) Plans	4	4	2			8										18
	Final (100%) Specifications		4	2											2		8



Project: 2026 PMI Final Design
Client: City of Inver Grove Heights, MN

Prepared by: JCD
Reviewed By: NMB

Prepared Date: 6/2/2025
Reviewed Date: 6/2/2025

ATTACHMENT A

June 3, 2025

Billing Title		CSM/PM	PM/PE	DPM	PE	Grad Eng	Tech	PE	Scientist	Survey Crew Chief	Specialist	RLS	PE	Planner	Admin/Acct	Expenses	Total
	Engineer's estimate		2	2			8										12
Deliverables:	60%, 90% plans, specifications, and cost estimates; Final plans, specifications, and cost estimate; comments and response summary documentation																
Assumptions:	Additional open houses or property owner meetings will be held separately, plans will include traffic control sheets for recommended layouts - final layouts to be submitted by the Low Bidder and approved by the City																
	Subtotal Hours	20	64	16	192		152								4	N/A	448
	Subtotal Fees	\$3,724.12	\$11,043.64	\$4,590.58	\$37,747.51		\$17,403.34								\$500.41		\$75,009.59
5.7	Traffic Analysis & Intersection Design																
	NA																
5.8	Project Bidding																
	Quest CDN Support		1												1		2
	Ad For Bid		1														1
	Addenda and Clarifications		4		8										2		14
	Bid Opening (in Person)		2														2
	Subtotal Hours		8		8										3	N/A	19
	Subtotal Fees		\$1,380.45		\$1,572.81										\$375.31		\$3,328.58
5.9	Design Survey																
	Review existing topo and identify additional needs				2		4										6
	Notification mailing (SEH to produce and mail)		1											2			3
	Work plan and schedule		1							1							2
	Field collection		2							6		1					9
	Survey Report						8										8
Deliverables:	Supplemental topo survey data in AutoCAD format; Survey Report																
Assumptions:	Remaining topo from back of curb to right of way, plus areas specified in supplemental topo layout																
	Subtotal Hours		4		2		12			7		1		2		N/A	28
	Subtotal Fees		\$690.23		\$393.20		\$1,373.95			\$1,045.03		\$283.98		\$269.66			\$4,056.04
	Task 5 Hours Summary	20	132	49	203	10	176		14	15	1	1		2	11	N/A	634
	Task 5 Fee Summary	\$3,761.36	\$22,846.52	\$14,058.64	\$39,870.80	\$1,190.00	\$20,151.24		\$2,494.89	\$2,239.35	\$116.66	\$283.98		\$269.66	\$1,376.14	\$560.77	\$109,220.00
TASK 6 - 2026-09H (Upper 55th & 57th St)																	
6.1	Project Management																
	Portion of PM (1/5 of Task 0)	0.2	22.4	10	0.8						0.8				4		38.2
	State Aid Coordination		10	2													12
	South St. Paul Coordination		6	2													8
	Special Assessment Roll Updates (60%, 90%, 100%)			8													8
	Subtotal Hours	0.2	38.4	22	0.8						0.8				4	N/A	66.2
	Subtotal Fees	\$37.24	\$6,626.18	\$6,312.04	\$157.28						\$116.66				\$500.41		\$13,749.82
6.2	Right-of-Way and Easement Acquisition																
	NA																



Project: 2026 PMI Final Design
Client: City of Inver Grove Heights, MN

Prepared by: JCD
Reviewed By: NMB

Prepared Date: 6/2/2025
Reviewed Date: 6/2/2025

ATTACHMENT A

June 3, 2025

	Billing Title	CSM/PM	PM/PE	DPM	PE	Grad Eng	Tech	PE	Scientist	Survey Crew Chief	Specialist	RLS	PE	Planner	Admin/Acct	Expenses	Total
6.3	Traffic Signal Revisions (Upper 55th/Blaine Ave)																
	Determine signal revision needs/scope												4				4
	Coordinate with State and County stakeholders												8				8
	Understanding of allowable signal timing and staging efforts												6				6
	Subtotal Hours												18			N/A	18
	Subtotal Fees												\$5,105.84				\$5,105.84
6.4	Utility Coordination																
	City data request and review		2				2										4
	GSOC data collection					2	2			8							12
	Prepare maps and conflict matrix						4										4
	Utility Design Meeting (at 60%), agenda and minutes		4			4	4										12
	Utility relocation plan review		2	1													3
	GSOC Utility Verification Letters		2	1													3
	Utility Notice and Orders Support		2	1													3
	Follow up and field reviews		4														4
	Design Change Meeting (at 90%)		4														4
	Utility Agreement Support		2	1													3
	Final utility plans and specifications		2	1		2	2										7
Deliverables:	Utility meeting agendas, materials, and minutes; Draft Utility Resolution Matrix; Draft Utility Plan Sheets																
Assumptions:	GSOC maps obtained during feasibility																
	Subtotal Hours		24	5		8	14			8						N/A	59
	Subtotal Fees		\$4,141.36	\$1,434.56		\$952.00	\$1,602.94			\$1,194.32							\$9,325.18
6.5	Wetland Delineations																
	Level 1 Field Prep								0.2								0.2
	Level 1 Field Review								1.6								1.6
	Review Level 1 Delineation for Permanent Impacts								0.4								0.4
	Regulatory Meeting								1								1
	Level 2 Field Work								2								2
	Level 2 Post Field								0.4								0.4
	Wetland Report								8								8
Deliverables:	Draft and Final Wetland Delineation Report, Level 1 and 2 wetland delineation exhibits; meeting agendas, materials, and minutes																
	Subtotal Hours								14							N/A	14
	Subtotal Fees								\$2,494.89								\$2,494.89
6.6	Design Plans (Roads & Utilities)																
	60% Plans	8	10	8	80	140	140						30				416
	Draft Special Provisions		24	10											4		38
	Preliminary Cost Estimate		6		20	30	30										86
	Preliminary construction schedule estimation				4	8	8										20
	60% Bluebeam Review; response documentation		4		4	4	4										16
	90% Plans	8	10	8	40	80	80						16				242
	Special Provisions		12														12
	Final Cost Estimate		4		10	16	16										46
	Construction schedule estimatation		2			4	4										10
	90% Bluebeam Review, response documentation		6		8	10	10										34



Project: 2026 PMI Final Design
Client: City of Inver Grove Heights, MN

Prepared by: JCD
Reviewed By: NMB

Prepared Date: 6/2/2025
Reviewed Date: 6/2/2025

ATTACHMENT A

June 3, 2025

Billing Title		CSM/PM	PM/PE	DPM	PE	Grad Eng	Tech	PE	Scientist	Survey Crew Chief	Specialist	RLS	PE	Planner	Admin/Acct	Expenses	Total
	Final (100%) Plans	4	6	4	16	24	24						4				82
	Final (100%) Specifications		6	4									6		4		20
	Engineer's estimate		4	2	4	8	8						4				30
Deliverables:	60%, 90% plans, specifications, and cost estimates following State Aid requirements; Final plans, specifications, and cost estimate following State Aid Requirements; comments and response summary documentation, State Aid Submittal at 90%																
Assumptions:	Plans will include traffic control sheets for recommended layouts - final layouts to be submitted by the Low Bidder and approved by the City; time included for State Aid coordination and review																
	Subtotal Hours	20	94	36	186	324	324						60		8	N/A	1,052
	Subtotal Fees	\$3,724.12	\$16,220.34	\$10,328.80	\$36,567.90	\$38,556.00	\$37,096.60						\$17,019.48		\$1,000.83		\$160,514.05
6.7	Traffic Analysis & Intersection Design																
	Existing intersection and streets review (layout, crash and safety analysis, existing conditions operations analysis)							20									20
	Alternatives Analysis (multi-modal pros and cons)							40									40
	Concept layout (2 alternatives)				10	18		4									32
	Cost estimates (2 alternatives)				4	8		2									14
Deliverables:	Field assessment documentation, intersection exhibits, crash analysis summary, traffic count and analysis summary, alternatives analysis summary; two (2) conceptual layouts and two (2) cost estimates																
Assumptions:	Available existing crash and traffic count data to be provided by the City																
	Subtotal Hours				14	26		66								N/A	106
	Subtotal Fees				\$2,752.42	\$3,094.00		\$12,014.20									\$17,860.62
6.8	Project Bidding																
	Quest CDN Support		1												1		2
	Ad For Bid		1														1
	Addenda and Clarifications		8		16										2		26
	Bid Opening (in Person)		2														2
	Subtotal Hours		12		16										3	N/A	31
	Subtotal Fees		\$2,070.68		\$3,145.63										\$375.31		\$5,591.62
6.9	Design Survey																
	Review existing topo and identify additional needs				2		4										6
	Notification mailing (SEH to produce and mail)		1											2			3
	Work plan and schedule		1							1		1					3
	Field collection		2							38							40
	Survey Report						8										8
Deliverables:	Supplemental topo survey data in AutoCAD format, Survey Report																
Assumptions:	Remaining topo from back of curb to right of way, plus areas specified in supplemental topo layout																
	Subtotal Hours		4		2		12			39		1		2		N/A	60
	Subtotal Fees		\$690.23		\$393.20		\$1,373.95			\$5,822.31		\$283.98		\$269.66			\$8,833.32
	Task 6 Hours Summary	20	172	63	219	358	350	66	14	47	1	1	78	2	15	N/A	1,406
	Task 6 Fee Summary	\$3,761.36	\$29,748.79	\$18,075.40	\$43,016.43	\$42,602.00	\$40,073.49	\$12,014.20	\$2,494.89	\$7,016.63	\$116.66	\$283.98	\$22,125.32	\$269.66	\$1,876.56	\$2,104.66	\$225,580.00
TASK 7 - 2026-09I (South Blackberry Trail Area)																	
7.1	Project Management																



Project: 2026 PMI Final Design
Client: City of Inver Grove Heights, MN

Prepared by: JCD
Reviewed By: NMB

Prepared Date: 6/2/2025
Reviewed Date: 6/2/2025

ATTACHMENT A

June 3, 2025

Billing Title		CSM/PM	PM/PE	DPM	PE	Grad Eng	Tech	PE	Scientist	Survey Crew Chief	Specialist	RLS	PE	Planner	Admin/Acct	Expenses	Total
	Portion of PM (1/5 of Task 0)	0.2	22.4	10	0.8						0.8				4		38.2
	Additional public coordination (10 hours)		10	10													20
	Special Assessment Roll Updates (60%, 90%, 100%)			8													8
	Subtotal Hours	0.2	32.4	28	0.8						0.8				4	N/A	66.2
	Subtotal Fees	\$37.24	\$5,590.84	\$8,033.51	\$157.28						\$116.66				\$500.41		\$14,435.95
7.2	Right-of-Way and Easement Acquisition (3 TE's)																
	Project management		6														6
	Identify affected properties, research titles for acq, provide parcel sketches		6				6				6	12					30
	Perform title investigations										9						9
	Appraisal Services										15						15
	Offer letters										6						6
	Property owner meetings									8	12						20
	Settlement negotiation										6						6
	All acquisition documents to record and issue payment										36						36
	File completion/closeout										4						4
Deliverables:	Easement exhibits/parcel sketches, Purchase Report, Acquisition Documents, Offer Letters																
Assumptions:	City's attorney will prepare the conveyance documents																
	Subtotal Hours		12				6			8	94	12				N/A	132
	Subtotal Fees		\$2,070.68				\$686.97			\$1,194.32	\$13,707.52	\$3,407.71					\$21,067.21
7.3	Traffic Signal Revisions																
	NA																
7.4	Utility Coordination																
	City data request and review		2				2										4
	GSOC data collection					4	4			16							24
	Prepare maps and conflict matrix					4	4										8
	Utility Design Meeting (at 60%), agenda and minutes		4			6	6										16
	Utility relocation plan review		2	1													3
	GSOC Utility Verification Letters		2	1													3
	Utility Notice and Orders Support		2	1													3
	Follow up and field reviews		4														4
	Design Change Meeting (at 90%)		4														4
	Utility Agreement Support		2	1													3
	Final utility plans and specifications		4	2		2	2										10
Deliverables:	Utility meeting agendas, materials, and minutes; Draft Utility Resolution Matrix; Draft Utility Plan Sheets																
Assumptions:	GSOC maps obtained during feasibility																
	Subtotal Hours		26	6		16	18			16						N/A	82
	Subtotal Fees		\$4,486.48	\$1,721.47		\$1,904.00	\$2,060.92			\$2,388.64							\$12,561.50
7.5	Wetland Delineation																
	Level 1 Field Prep								0.2								0.2
	Level 1 Field Review								1.6								1.6
	Review Level 1 Delineation for Permanent Impacts								0.4								0.4
	Regulatory Meeting								1								1
	Level 2 Field Work								2								2



Project: 2026 PMI Final Design
Client: City of Inver Grove Heights, MN

Prepared by: JCD
Reviewed By: NMB

Prepared Date: 6/2/2025
Reviewed Date: 6/2/2025

ATTACHMENT A

June 3, 2025

Billing Title		CSM/PM	PM/PE	DPM	PE	Grad Eng	Tech	PE	Scientist	Survey Crew Chief	Specialist	RLS	PE	Planner	Admin/Acct	Expenses	Total
	Level 2 Post Field								0.4								0.4
	Wetland Report								8								8
Deliverables:	Draft and Final Wetland Delineation Report, Level 1 and 2 wetland delineation exhibits; meeting agendas, materials, and minutes																
	Subtotal Hours								13.6							N/A	13.6
	Subtotal Fees								\$2,494.89								\$2,494.89
7.6	Design Plans (Roads & Utilities)																
	60% Plans	8	12	10	160		80										270
	Draft Special Provisions		24	16											2		42
	Preliminary Cost Estimate		6		40		24										70
	Preliminary construction schedule estimation				10		8										18
	60% Bluebeam Review; response documentation		4		6		6										16
	90% Plans	8	10	8	80		40										146
	Special Provisions		12														12
	Final Cost Estimate		4		24		20										48
	Construction schedule estimation		2		4		4										10
	90% Bluebeam Review, response documentation		4		4		4										12
	Final (100%) Plans	4	6	4	16		16										46
	Final (100%) Specifications		6	4											2		12
	Engineer's estimate		2	2	12		10										26
Deliverables:	60%, 90% plans, specifications, and cost estimates; Final plans, specifications, and cost estimate; comments and response summary documentation																
Assumptions:	Additional open houses or property owner meetings will be held separately, plans will include traffic control sheets for recommended layouts - final layouts to be submitted by the Low Bidder and approved by the City																
	Subtotal Hours	20	92	44	356		212								4	N/A	728
	Subtotal Fees	\$3,724.12	\$15,875.23	\$12,624.09	\$69,990.17		\$24,273.08								\$500.41		\$126,987.10
7.7	Traffic Analysis & Intersection Design																
	NA																
7.8	Project Bidding																
	Quest CDN Support		1												1		2
	Ad For Bid		1														1
	Addenda and Clarifications		6		10										4		20
	Bid Opening (in Person)		2														2
	Subtotal Hours		10		10										5	N/A	25
	Subtotal Fees		\$1,725.57		\$1,966.02										\$625.52		\$4,317.10
7.9	Design Survey																
	Review existing topo and identify additional needs				2		4										6
	Notification mailing (SEH to produce and mail)		1											2			3
	Work plan and schedule		1							1		1					3
	Field collection		2							10							12
	Survey Report						8										8
Deliverables:	Supplemental topo survey data in AutoCAD format, Survey Report																



Project: 2026 PMI Final Design
Client: City of Inver Grove Heights, MN

Prepared by: JCD
Reviewed By: NMB

Prepared Date: 6/2/2025
Reviewed Date: 6/2/2025

ATTACHMENT A

June 3, 2025

Billing Title		CSM/PM	PM/PE	DPM	PE	Grad Eng	Tech	PE	Scientist	Survey Crew Chief	Specialist	RLS	PE	Planner	Admin/Acct	Expenses	Total
Assumptions:	Remaining topo from back of curb to right of way, plus areas specified in supplemental topo layout																
	Subtotal Hours		4		2		12			11		1		2		N/A	32
	Subtotal Fees		\$690.23		\$393.20		\$1,373.95			\$1,642.19		\$283.98		\$269.66			\$4,653.20
	Task 7 Hours Summary	20	176	78	369	16	248		14	35	95	13		2	13	N/A	1,079
	Task 7 Fee Summary	\$3,761.36	\$30,439.02	\$22,379.06	\$72,506.67	\$1,904.00	\$28,394.93		\$2,494.89	\$5,225.15	\$13,824.18	\$3,691.69		\$269.66	\$1,626.35	\$11,943.06	\$198,460.00
TASK 8 - 2026-09J (North Blackberry Area)																	
8.1	Project Management																
	Portion of PM (1/5 of Task 0)	0.2	22.4	10	0.8						0.8				4		38.2
	Special Assessment Roll Updates (60%, 90%, 100%)			8													8
	Subtotal Hours	0.2	22.4	18	0.8						0.8				4	N/A	46.2
	Subtotal Fees	\$37.24	\$3,865.27	\$5,164.40	\$157.28						\$116.66				\$500.41		\$9,841.27
8.2	Right-of-way & Easement Acquisition																
	NA																
8.3	Traffic Signal Revisions																
	NA																
8.4	Utility Coordination																
	City data request and review		1				2										3
	GSOC data collection						2			4							6
	Prepare maps and conflict matrix						2										2
	Utility Design Meeting (at 60%), agenda and minutes		2				4										6
	Utility relocation plan review		1	1													2
	GSOC Utility Verification Letters		2	1													3
	Utility Notice and Orders Support		2	1													3
	Follow up and field reviews		2														2
	Design Change Meeting (at 90%)		2														2
	Utility Agreement Support		1	1													2
	Final utility plans and specifications		1	1			2										4
Deliverables:	Utility meeting agendas, materials, and minutes; Draft Utility Resolution Matrix; Draft Utility Plan Sheets																
Assumptions:	GSOC maps obtained during feasibility																
	Subtotal Hours		14	5			12			4						N/A	35
	Subtotal Fees		\$2,415.80	\$1,434.56			\$1,373.95			\$597.16							\$5,821.46
8.5	Wetland Delineations																
	Level 1 Field Prep								0.2								0.2
	Level 1 Field Review								1.6								1.6
	Review Level 1 Delineation for Permanent Impacts								0.4								0.4
	Regulatory Meeting								1								1
	Level 2 Field Work								2								2
	Level 2 Post Field								0.4								0.4
	Wetland Report								8								8
Deliverables:	Draft and Final Wetland Delineation Report, Level 1 and 2 wetland delineation exhibits; meeting agendas, materials, and minutes																
	Subtotal Hours								13.6							N/A	13.6
	Subtotal Fees								\$2,494.89								\$2,494.89



Project: 2026 PMI Final Design
Client: City of Inver Grove Heights, MN

Prepared by: JCD
Reviewed By: NMB

Prepared Date: 6/2/2025
Reviewed Date: 6/2/2025

ATTACHMENT A

June 3, 2025

Billing Title		CSM/PM	PM/PE	DPM	PE	Grad Eng	Tech	PE	Scientist	Survey Crew Chief	Specialist	RLS	PE	Planner	Admin/Acct	Expenses	Total
8.6	Design Plans (Roads & Utilities)																
	60% Plans	4	2	2		30	20										58
	Draft Special Provisions		4	2											1		7
	Preliminary Cost Estimate		2			20	16										38
	Preliminary construction schedule estimation					4	4										8
	60% Bluebeam Review; response documentation		2			2	2										6
	90% Plans	4	2	2		20	16										44
	Special Provisions		2														2
	Final Cost Estimate		2			8	8										18
	Construction schedule estimation		2			2	2										6
	90% Bluebeam Review, response documentation		2			2	2										6
	Final (100%) Plans	2	2	2		8	8										22
	Final (100%) Specifications		2	2											1		5
	Engineer's estimate		2			4	4										10
Deliverables:	60%, 90% plans, specifications, and cost estimates; Final plans, specifications, and cost estimate; comments and response summary documentation																
Assumptions:	Plans will include traffic control sheets for recommended layouts - final layouts to be submitted by the Low Bidder and approved by the City																
	Subtotal Hours	10	26	10		100	82								2	N/A	230
	Subtotal Fees	\$1,862.06	\$4,486.48	\$2,869.11		\$11,900.00	\$9,388.65								\$250.21		\$30,756.50
8.7	Traffic Analysis & Intersection Design																
	NA																
8.8	Project Bidding																
	Quest CDN Support		1												1		2
	Ad For Bid		1														1
	Addenda and Clarifications		4		8										2		14
	Bid Opening (in Person)		2														2
	Subtotal Hours		8		8										3	N/A	19
	Subtotal Fees		\$1,380.45		\$1,572.81										\$375.31		\$3,328.58
8.9	Design Survey																
	Review existing topo and identify additional needs				2		4										6
	Notification mailing (SEH to produce and mail)		1											2			3
	Work plan and schedule		1							1		1					3
	Field collection		2							10							12
	Survey Report						8										8
Deliverables:	Supplemental topo survey data in AutoCAD format, Survey Report																
Assumptions:	Remaining topo from back of curb to right of way, plus areas specified in supplemental topo layout																
	Subtotal Hours		4		2		12			11		1		2		N/A	32
	Subtotal Fees		\$690.23		\$393.20		\$1,373.95			\$1,642.19		\$283.98		\$269.66			\$4,653.20
	Task 8 Hours Summary	10	74	33	11	100	106		14	15	1	1		2	9	N/A	376
	Task 8 Fee Summary	\$1,899.30	\$12,838.23	\$9,468.06	\$2,123.30	\$11,900.00	\$12,136.54		\$2,494.89	\$2,239.35	\$116.66	\$283.98		\$269.66	\$1,125.93	\$934.11	\$57,830.00



Project: 2026 PMI Final Design
Client: City of Inver Grove Heights, MN

Prepared by: JCD
Reviewed By: NMB

Prepared Date: 6/2/2025
Reviewed Date: 6/2/2025

ATTACHMENT A

June 3, 2025

Billing Title		CSM/PM	PM/PE	DPM	PE	Grad Eng	Tech	PE	Scientist	Survey Crew Chief	Specialist	RLS	PE	Planner	Admin/Acct	Expenses	Total
TASK 9 - 2026-09K (85th, College Trail, Birch Blvd Areas)																	
9.1	Project Management																
	Portion of PM (1/5 of Task 0)	0.2	22.4	10	0.8						0.8				4		38.2
	Special Assessment Roll Updates (60%, 90%, 100%)			8													8
	Subtotal Hours	0.2	22.4	18	0.8						0.8				4	N/A	46.2
	Subtotal Fees	\$37.24	\$3,865.27	\$5,164.40	\$157.28						\$116.66				\$500.41		\$9,841.27
9.2	Right-of-Way and Easement Acquisition																
	NA																
9.3	Traffic Signal Revisions																
	NA																
9.4	Utility Coordination																
	City data request and review		2				2										4
	GSOC data collection					6	6			12							24
	Prepare maps and conflict matrix					8	8										16
	Utility Design Meeting (at 60%), agenda and minutes		4			8	8										20
	Utility relocation plan review		2	1													3
	GSOC Utility Verification Letters		4	1													5
	Utility Notice and Orders Support		4	1													5
	Follow up and field reviews		6														6
	Design Change Meeting (at 90%)		4														4
	Utility Agreement Support		4	1													5
	Final utility plans and specifications		2	1		4	4										11
Deliverables:	Utility meeting agendas, materials, and minutes; Draft Utility Resolution Matrix; Draft Utility Plan Sheets																
Assumptions:	GSOC maps obtained during feasibility																
	Subtotal Hours		32	5		26	28			12						N/A	103
	Subtotal Fees		\$5,521.82	\$1,434.56		\$3,094.00	\$3,205.88			\$1,791.48							\$15,047.73
9.5	Wetland Delineations																
	Level 1 Field Prep								0.2								0.2
	Level 1 Field Review								1.6								1.6
	Review Level 1 Delineation for Permanent Impacts								0.4								0.4
	Regulatory Meeting								1								1
	Level 2 Field Work								2								2
	Level 2 Post Field								0.4								0.4
	Wetland Report								8								8
Deliverables:	Draft and Final Wetland Delineation Report, Level 1 and 2 wetland delineation exhibits; meeting agendas, materials, and minutes																
	Subtotal Hours								13.6							N/A	13.6
	Subtotal Fees								\$2,494.89								\$2,494.89
9.6	Design Plans (Roads & Utilities)																
	60% Plans	8	12	8		160	160										348
	Draft Special Provisions		20	8											4		32
	Preliminary Cost Estimate		8			60	60										128
	Preliminary construction schedule estimation					20	20										40



Project: 2026 PMI Final Design
Client: City of Inver Grove Heights, MN

Prepared by: JCD
Reviewed By: NMB

Prepared Date: 6/2/2025
Reviewed Date: 6/2/2025

ATTACHMENT A

June 3, 2025

Billing Title		CSM/PM	PM/PE	DPM	PE	Grad Eng	Tech	PE	Scientist	Survey Crew Chief	Specialist	RLS	PE	Planner	Admin/Acct	Expenses	Total
	60% Bluebeam Review; response documentation		6			12	12										30
	90% Plans	8	10	8		80	80										186
	Special Provisions		12														12
	Final Cost Estimate		6			12	12										30
	Construction schedule estimation		2			8	8										18
	90% Bluebeam Review, response documentation		4			4	4										12
	Final (100%) Plans	4	6	4		30	30										74
	Final (100%) Specifications		6	4											4		14
	Engineer's estimate		4	2		10	10										26
Deliverables:	60%, 90% plans, specifications, and cost estimates; Final plans, specifications, and cost estimate; comments and response summary documentation																
Assumptions:	Plans will include traffic control sheets for recommended layouts - final layouts to be submitted by the Low Bidder and approved by the City																
	Subtotal Hours	20	96	34		396	396								8	N/A	950
	Subtotal Fees	\$3,724.12	\$16,565.45	\$9,754.98		\$47,124.00	\$45,340.29								\$1,000.83		\$123,509.66
9.7	Traffic Analysis & Intersection Design																
	NA																
9.8	Project Bidding																
	Quest CDN Support		1												1		2
	Ad For Bid		1														1
	Addenda and Clarifications		6		12										2		20
	Bid Opening (in Person)		2														2
	Subtotal Hours		10		12										3	N/A	25
	Subtotal Fees		\$1,725.57		\$2,359.22										\$375.31		\$4,460.10
9.9	Design Survey																
	Review existing topo and identify additional needs				2		4										6
	Notification mailing (SEH to produce and mail)		1											2			3
	Work plan and schedule		1							1		1					3
	Field collection		2							100							102
	Survey Report						8										8
Deliverables:	Supplemental topo survey data in AutoCAD format, Survey Report																
Assumptions:	Remaining topo from back of curb to right of way, plus areas specified in supplemental topo layout																
	Subtotal Hours		4		2		12			101		1		2		N/A	122
	Subtotal Fees		\$690.23		\$393.20		\$1,373.95			\$15,078.28		\$283.98		\$269.66			\$18,089.29
	Task 9 Hours Summary	20	164	57	15	422	436		14	113	1	1		2	15	N/A	1,260
	Task 9 Fee Summary	\$3,761.36	\$28,368.34	\$16,353.93	\$2,909.70	\$50,218.00	\$49,920.12		\$2,494.89	\$16,869.76	\$116.66	\$283.98		\$269.66	\$1,876.56	\$4,842.06	\$178,285.00



Project: 2026 PMI Final Design
Client: City of Inver Grove Heights, MN

Prepared by: JCD
Reviewed By: NMB

Prepared Date: 6/2/2025
Reviewed Date: 6/2/2025

ATTACHMENT A

June 3, 2025

Billing Title	CSM/PM	PM/PE	DPM	PE	Grad Eng	Tech	PE	Scientist	Survey Crew Chief	Specialist	RLS	PE	Planner	Admin/Acct	Expenses	Total
TASK 1 - 2026-09D (52nd St Area)																
Task Hours Summary		4		2		12			25		1		2		N/A	46
Task Fee Summary		\$690.23		\$393.20		\$1,373.95			\$3,732.25		\$283.98		\$269.66		\$1,281.74	\$8,025.00
TASK 2 - 2026-09E (Angus Ave Area)																
Task Hours Summary		12		2		16			29	62	9		2		N/A	132
Task Fee Summary		\$2,070.68		\$393.20		\$1,831.93			\$4,329.41	\$9,041.13	\$2,555.79		\$269.66		\$8,498.21	\$28,990.00
TASK 3 - 2026-09F (Alta Ave Area)																
Task Hours Summary		2		2		4			11		1		2		N/A	22
Task Fee Summary		\$345.11		\$393.20		\$457.98			\$1,642.19		\$283.98		\$269.66		\$512.88	\$3,905.00
TASK 4 - 2026-09L (Alameda Area)																
Task Hours Summary		4		2		12			99		1		2		N/A	120
Task Fee Summary		\$690.23		\$393.20		\$1,373.95			\$14,779.70		\$283.98		\$269.66		\$4,949.29	\$22,740.00
TASK 5 - 2026-09G (Audrey Ave Recon)																
Task Hours Summary		20	132	49	203	10	176		14	15	1	1	2	11	N/A	634
Task Fee Summary		\$3,761.36	\$22,846.52	\$14,058.64	\$39,870.80	\$1,190.00	\$20,151.24		\$2,494.89	\$2,239.35	\$116.66	\$283.98	\$269.66	\$1,376.14	\$560.77	\$109,220.00
TASK 6 - 2026-09H (Upper 55th & 57th St)																
Task Hours Summary		20	172	63	219	358	350	66	14	47	1	1	78	2	15	N/A
Task Fee Summary		\$3,761.36	\$29,748.79	\$18,075.40	\$43,016.43	\$42,602.00	\$40,073.49	\$12,014.20	\$2,494.89	\$7,016.63	\$116.66	\$283.98	\$22,125.32	\$269.66	\$1,876.56	\$225,580.00
TASK 7 - 2026-09I (South Blackberry Trail Area)																
Task Hours Summary		20	176	78	369	16	248		14	35	95	13	2	13	N/A	1,079
Task Fee Summary		\$3,761.36	\$30,439.02	\$22,379.06	\$72,506.67	\$1,904.00	\$28,394.93		\$2,494.89	\$5,225.15	\$13,824.18	\$3,691.69	\$269.66	\$1,626.35	\$11,943.06	\$198,460.00
TASK 8 - 2026-09J (North Blackberry Area)																
Task Hours Summary		10	74	33	11	100	106		14	15	1	1	2	9	N/A	376
Task Fee Summary		\$1,899.30	\$12,838.23	\$9,468.06	\$2,123.30	\$11,900.00	\$12,136.54		\$2,494.89	\$2,239.35	\$116.66	\$283.98	\$269.66	\$1,125.93	\$934.11	\$57,830.00
TASK 9 - 2026-09K (85th, College Trail, Birch Blvd Areas)																
Task Hours Summary		20	164	57	15	422	436		14	113	1	1	2	15	N/A	1,260
Task Fee Summary		\$3,761.36	\$28,368.34	\$16,353.93	\$2,909.70	\$50,218.00	\$49,920.12		\$2,494.89	\$16,869.76	\$116.66	\$283.98	\$269.66	\$1,876.56	\$4,842.06	\$178,285.00
PROJECT SUMMARY																
Project Hours Summary		91	742	280	824	906	1,360	66	68	389	160	29	78	18	63	N/A
Project Fee Summary		\$16,944.72	\$128,037.15	\$80,335.09	\$161,999.72	\$107,814.00	\$155,714.12	\$12,014.20	\$12,474.44	\$58,073.78	\$23,331.94	\$8,235.31	\$22,125.32	\$2,426.90	\$7,881.53	\$35,626.78
																\$833,035.00



Request for Council Action

SUBJECT: **Resolution Approving Joint Powers Agreement for Final Design of City Project No. 2026-09H - Upper 55th & 57th Street**

MEETING DATE: June 9, 2025

ITEM TYPE: Consent Agenda

CONTACT: Paul Merchlewicz, City Engineer, 651.450.2572

ACTION REQUESTED

The Council is asked to adopt the attached Resolution, approving a Joint Powers Agreement (JPA) with the City of South St. Paul for the preparation of final design plans and specifications for City Project No. 2026-09H - Upper 55th (from Blaine Ave to Cahill Ave) & 57th Street.

BACKGROUND

Pavement Management Project No. 2026-09H includes work within the City of Inver Grove Heights and the City of South St. Paul. The City of IGH contracted with Short Elliot Hendrickson (SEH) to prepare a feasibility report for the portion of the Project within Inver Grove Heights. The Feasibility Study includes preliminary assessment rolls for Inver Grove Heights' portion and an estimate of cost for the South St Paul portion of the proposed project, consistent with Municipal State Aid rules and each City's design standards. Inver Grove Heights completed the required public hearing for projects in accordance with Minnesota Statute 429.031, and the improvements were ordered by the Inver Grove Heights City Council on May 12, 2025 (Resolution 2025-114).

Inver Grove Heights is hiring a consulting firm to prepare plans and specifications for City Project No. 2026-09H, that are consistent with the requirements of both cities' design standards and also Municipal State Aid design standards. As part of this Joint Powers Agreement (JPA), the plans and specifications will be approved by both the Inver Grove Heights and the South St. Paul City Councils prior to advertisement for bids. Additionally, the plans and specifications, and any addendums thereto, will be approved by the respective City Engineers of the City of Inver Grove Heights and City of South St. Paul.

FISCAL IMPACT

Costs associated with the construction, legal, engineering, administration, and finance for the Project will be split between Inver Grove Heights and South St. Paul, based on the prorated percentage of actual total bid costs within their respective cities relative to the overall total bid amount.

At the time of the execution of this JPA, the total costs for the project are estimated in the Feasibility Study at \$5,441,205, with Inver Grove Heights' responsibility being \$4,922,073 (90%) and South St. Paul's responsibility being \$519,132 (10%).

RECOMMENDATION

Staff recommend adoption of the attached Resolution, approving the Joint Powers Agreement (JPA) with City of South St. Paul for the preparation of final design plans and specifications for City Project No. 2026-09H - Upper 55th (From Blaine Ave to Cahill Ave) & 57th Street.

ATTACHMENTS

1. Resolution - JPA with SSP for Project 2026-09H
2. JPA_2026 PMI - IGH_SSP

**CITY OF INVER GROVE HEIGHTS
DAKOTA COUNTY, MINNESOTA**

RESOLUTION NO. _____

RESOLUTION TO ENTER INTO A JOINT POWERS AGREEMENT WITH THE CITY OF SOUTH ST. PAUL FOR THE PREPARATION OF THE FINAL DESIGN AND SPECIFICATIONS FOR CITY PROJECT NO. 2026-09H – UPPER 55TH (FROM BLAINE AVE TO CAHILL AVE) & 57TH ST

WHEREAS, the City of Inver Grove Heights and the City of South St. Paul desire to complete the final design and specifications for the rehabilitation of Upper 55th Street, from Blaine Avenue to Cahill Avenue, and 57th Street; and,

WHEREAS, the City of Inver Grove Heights completed a feasibility study and preliminary design in December, 2017, detailing estimated costs and project scope for the rehabilitation of Upper 55th Street and 57th Street in Inver Grove Heights and South St. Paul; and

WHEREAS, the Project includes full-depth reclamation of the asphalt pavement and underlying base material with spot curb and gutter replacements, storm sewer replacements, and spot sanitary sewer and watermain adjustments from Blaine Ave to Cahill Ave; full reconstruction of the 8' asphalt trail on the north side of Upper 55th St from Blaine Ave to Cahill Ave, including ADA improvements and pedestrian ramps; full reconstruction of the asphalt pavement and curb and gutter on 57th St from Cahill Ave to Carmen Ave; and,

WHEREAS, the City of Inver Grove Heights will lead the preparation of the final design and project specifications of the project, and the cost share for the work will be based on a prorated percentage of actual total bid costs within each respective City to the overall total bid amount; and,

WHEREAS, the City of Inver Grove Heights and the City of South St. Paul have drafted a Joint Powers Agreement identifying the cost and execution responsibilities of each agency with respect to the final design engineering and preparations of project specifications for construction of Upper 55th from Blaine Avenue to Cahill Avenue, and 57th Street, to be executed by the two parties.

NOW THEREFORE, BE IT RESOLVED BY THE INVER GROVE HEIGHTS CITY COUNCIL, THAT:

1. The Joint Powers Agreement with the City of South St. Paul for Final Design Engineering and the preparation of project specifications for City Project No. 2026-09H is hereby approved.
2. The Mayor and City Clerk are hereby authorized to carry out the agreement on the City's behalf.
3. Costs for the preparation of the final design engineering and project specifications will be prorated based on actual bid costs, currently estimated to be 90% for the City of Inver Grove Heights and 10% for the City of South St. Paul for the improvements at the values as identified in the Joint Powers Agreement.

Approved by the City Council of the City of Inver Grove Heights, Minnesota this 9th day of June 2025.

Brenda Dietrich, Mayor

ATTEST:

Rebecca Kiernan, City Clerk

**JOINT POWERS AGREEMENT BETWEEN THE CITY OF INVER GROVE
HEIGHTS AND THE CITY OF SOUTH ST. PAUL FOR FINAL DESIGN,
SPECIFICATION, AND BIDDING OF THE RECONSTRUCTION OF 57TH ST
IGH CITY PROJECT NO. 2026-09H
SSP CITY PROJECT NO. 2025-07**

THIS JOINT POWERS AGREEMENT ("Agreement") is entered into between the **CITY OF INVER GROVE HEIGHTS**, a Minnesota municipal corporation (hereinafter referred to as "Inver Grove Heights") and the **CITY OF SOUTH ST. PAUL**, a Minnesota municipal corporation (hereinafter referred to as "South St. Paul"), with the parties collectively hereinafter referred to as the "Cities".

WHEREAS, as part of the Inver Grove Heights 2026 Pavement Management Initiative, Upper 55th Street from Blaine Avenue to Cahill Avenue will undergo full depth reclamation, ADA upgrades, spot replacement of storm sewer structures, and spot replacement of sidewalk (Inver Grove Heights Project No. 2026-09H); and

WHEREAS, South St. Paul desires to fully reconstruct 57th Street due to the replacement of sanitary sewer and watermain between 7th Avenue South and 5th Avenue South in South St. Paul (South St. Paul Project No. 2025-07); and

WHEREAS, both Cities desire to combine both projects to take advantage of economies of scale for construction bidding and minimize repeated disturbances due to separate construction contracts; and

WHEREAS, the combination of Inver Grove Heights Project No. 2026-09H and South St. Paul Project No. 2025-07 will be combined and known collectively as the "Project" in this Agreement; and

WHEREAS, Minn. Stat. § 471.59 authorizes two or more governmental units to enter into agreements to jointly or cooperatively exercise any power common to the contracting parties or any similar power.

NOW, THEREFORE, in consideration of their mutual covenants, the parties agree as follows:

1. FEASIBILITY REPORTS. Inver Grove Heights has contracted with Short Elliot Hendrickson ("SEH") to prepare a feasibility report for the portion of the Project within Inver Grove Heights (the "Feasibility Study"). The Feasibility Study includes preliminary assessment rolls for Inver Grove Heights' portion of the Project and an estimate of cost of the South St Paul portion of the Project consistent with Municipal State Aid and each City's design standards. Inver Grove Heights completed the required public hearing for its portion of the Project in accordance with Minnesota Statute, Section 429.031, and the improvements were ordered by the Inver Grove Heights City Council on May 12, 2025.

2. PLANS AND SPECIFICATIONS. Inver Grove Heights will hire a consulting firm to prepare plans and specifications for the Project consistent with the requirements of the City's design standards and State Aid design standards. The plans and specifications must be approved by the Inver Grove Heights and South St. Paul City Councils prior to advertisement for bids. The plans and specifications, and any addendums thereto, must be approved by the respective City Engineer of the City of Inver Grove Heights and City of South St. Paul.

3. BIDDING. Inver Grove Heights will advertise for bids for the construction of the Project in accordance with applicable Minnesota Law and will provide South St. Paul with an analysis of the bids received. Inver Grove Heights must obtain South St. Paul's concurrent approval of a bid award to the lowest responsible bidder for the Project by resolution of the South St. Paul City Council.

4. CONTRACT AWARD. Inver Grove Heights will prepare contract documents and enter into a contract with the approved bidder by resolution of the Inver Grove Heights City Council.

5. COST ALLOCATION. Costs associated with the Feasibility Study prepared by SEH for Inver Grove Heights pursuant to this Agreement will be paid for by Inver Grove Heights. South St. Paul may use the information from the Feasibility Study or choose to produce their own feasibility report. Inver Grove Heights will not participate in any cost sharing associated with a feasibility report prepared by South St. Paul for the Project.

Costs associated with the legal, engineering, administration, and finance for the final design portion of the Project will be split between the Cities based on the prorated percentage of actual total bid costs within their respective Cities to the overall total bid amount.

At the time of the execution of this Agreement, the total construction, legal, engineering, administration, and finance costs for the Project are estimated in the Feasibility Study at \$5,441,205, with Inver Grove Heights' responsibility totaling \$4,922,073 (90% of the total Project costs) and South St. Paul's responsibility totaling \$519,132 (10% of the total Project costs).

6. OWNERSHIP. The Cities shall own the portion of the Project located within its corporate boundaries as depicted in Exhibit A, which is attached and incorporated into this Agreement.

7. PAYMENT. Inver Grove Heights will act as the paying agent for all payments to contractors and engineering design consultants for the Project. Payments will be made as the Project work progresses and when certified by the Inver Grove Heights City Engineer. Inver Grove Heights, in turn, will bill South St. Paul for applicable Project costs, per Section 5 above. South St. Paul shall reimburse Inver Grove Heights for its share of the costs incurred under this Agreement within thirty (30) days from the presentation of the claim. If any portion of an itemized claim is questioned by South St. Paul, the remainder of the claim shall be promptly paid, and accompanied by a written explanation of the amounts in question. Payment of any amounts in dispute will be made following good faith negotiation and documentation of the actual costs incurred in carrying out the work.

8. CHANGE ORDERS AND SUPPLEMENTAL AGREEMENTS. Any change orders or supplemental agreements that affect the Project cost payable by South St. Paul, and changes to the plans following Project Advertisement, must be approved in writing by South St. Paul prior to publication.

9. RULES AND REGULATIONS. Inver Grove Heights shall abide by the City of Inver Grove Heights' Standard General Conditions of the Construction Contract (and any supplementary conditions thereto), and by Minnesota Department of Transportation standard specifications (and any supplemental specification thereto, including governing specifications of the Project contract).

10. INDEMNIFICATION. Inver Grove Heights agrees to defend, indemnify, and hold harmless South St. Paul against any and all claims, liability, loss, damage, or expense arising under the

provisions of this Agreement and caused by or resulting from negligent acts or omissions of Inver Grove Heights and/or those of Inver Grove Heights employees or agents. South St. Paul agrees to defend, indemnify, and hold harmless Inver Grove Heights against any and all claims, liability, loss, damage, or expense arising under the provisions of this Agreement and caused by or resulting from negligent acts or omissions of South St. Paul and/or those of South St. Paul employees or agents. All parties to this agreement recognize that liability for any claims arising under this Agreement are subject to the provisions of the Minnesota Municipal Tort Claims Law; Minnesota Statutes, Chapter 466. In the event of any claims or actions filed against the Cities, nothing in this Agreement shall be construed to allow a claimant to obtain separate judgments or separate liability caps from the individual Cities. Inver Grove Heights shall include South St. Paul as an additional insured party in the contract documents (specifications) for the Project construction.

11. WAIVER. Any and all persons engaged in the work to be performed by Inver Grove Heights shall not be considered employees of South St. Paul for any purpose, including Worker's Compensation, and all claims that may or might arise out of said employment context on behalf of said employees while so engaged. Any and all claims made by any third party as a consequence of any act or omission on the part of said Inver Grove Heights employees while so engaged on any of the work contemplated herein shall not be the obligation or responsibility of South St. Paul. The opposite situation shall also apply: Inver Grove Heights shall not be responsible under the Worker's Compensation Act for any employees of South St. Paul.

12. AUDITS. Pursuant to Minnesota Statutes § 16C.05, Subd. 5, any books, records, documents, and accounting procedures and practices of South St. Paul and Inver Grove Heights relevant to the Agreement are subject to examination by South St. Paul, Inver Grove Heights, and either the Legislative Auditor or the State Auditor as appropriate. Inver Grove Heights and South St. Paul agree to maintain these records for a period of six (6) years from the date of performance of all services covered under this Agreement.

13. INTEGRATION. The entire and integrated agreement of the parties contained in this Agreement shall supersede all prior negotiations, representations, or agreements between Inver Grove Heights and South St. Paul regarding the Project whether written or oral.

14. TERMINATION. This Agreement shall continue until all warranty periods have expired for the work within the Project and all payments have been made under the terms of this Agreement. Either party may terminate this Agreement prior to award of the Contract for Project or upon written notice in the event of substantial failure by the other party to perform in accordance with the terms of this Agreement. The non-performing party shall have fifteen (15) calendar days from the date of the termination notice to cure or to submit a plan for cure that is acceptable to the other party.

15. NOTICES. Any notice required to be communicated under this Agreement shall be sent to the following addresses:

If to Inver Grove Heights: City of Inver Grove Heights
8150 Barbara Avenue
Inver Grove Heights, MN 55077
Attention: City Administrator

Or emailed: kwilson@ighmn.gov

If to South St. Paul:

City of South St. Paul
125 Third Avenue North
South St. Paul, MN 55075
Attention: City Administrator

Or emailed: rgarcia@southstpaul.org

16. IN WITNESS THEREOF, the parties have caused this agreement to be executed by their duly authorized officials.

CITY OF SOUTH ST. PAUL

CITY OF INVER GROVE HEIGHTS

BY: _____

BY: _____

Its Mayor

Its Mayor

AND _____

AND _____

Its City Clerk

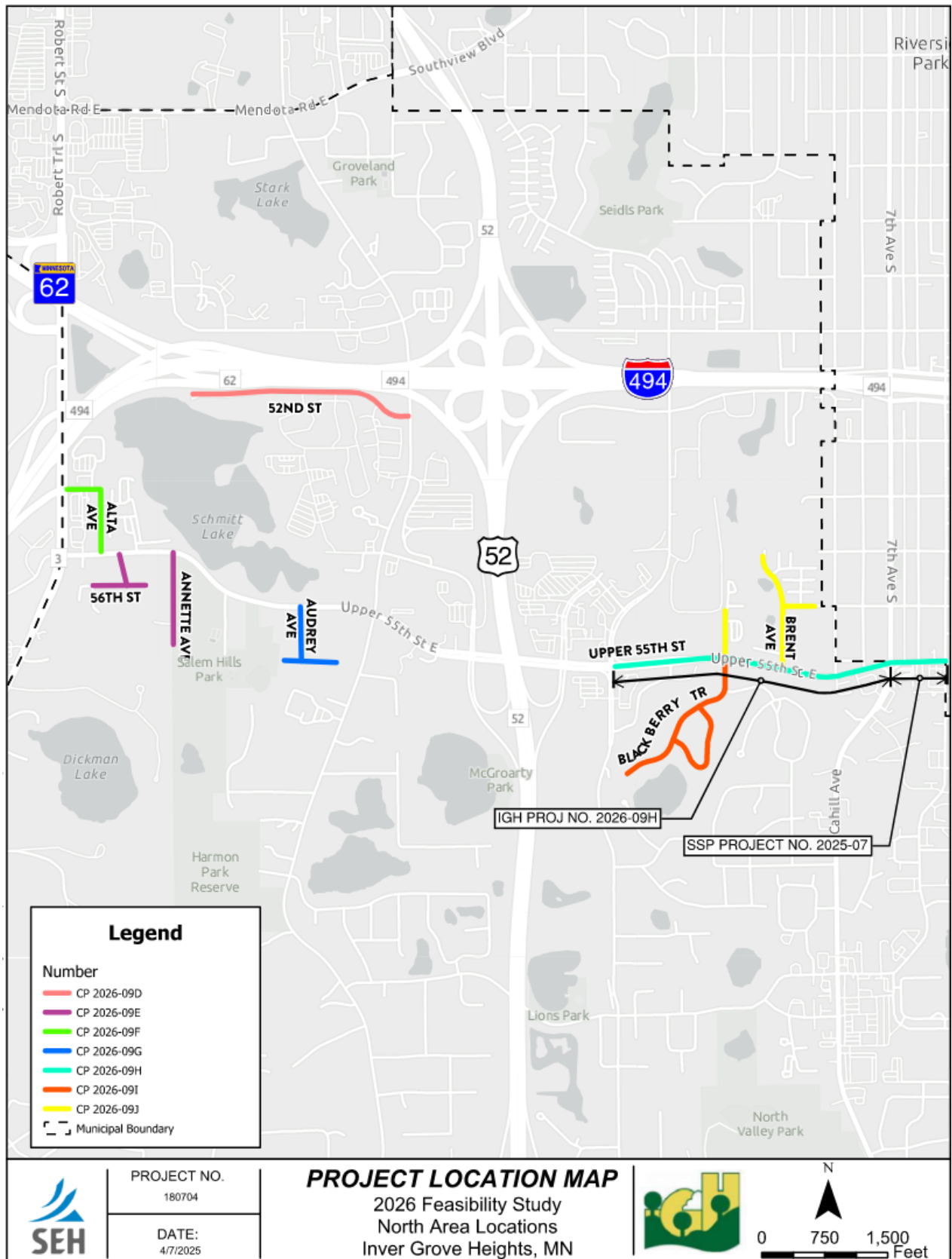
Its City Clerk

DATE: _____

DATE: _____

EXHIBIT A

Project Location





Request for Council Action

SUBJECT: **Resolution Approving Contracts with Wold Architects & Engineers for Architectural Services and Kraus-Anderson Construction Company for Construction Manager as Adviser Services for a New Central Maintenance Facility (City Project No. 2017-01).**

MEETING DATE: June 9, 2025

ITEM TYPE: Consent Agenda

CONTACT: Brian Connolly, Public Works Director, 651.450.2571

ACTION REQUESTED

The Council is asked to adopt the attached Resolution, authorizing execution of contracts with Wold Architects for architect services and Kraus-Anderson for construction management services for the new Central Maintenance Facility (City Project No. 2017-01).

BACKGROUND

On April 14, 2025, the City Council accepted the Central Maintenance Facility Space Needs Study and Facility Site Plan for City Project No. 2017-01, and authorized staff to negotiate final design architectural/engineering services with Wold Architects & Engineers, and final construction management and administrative services with Kraus-Anderson Construction Company, for the final design and construction management phases of the project (Resolution 2025-085). City staff solicited proposals and negotiated contracts for both the final design and construction management components of the project work as directed.

At this time, staff recommends the City enter into a contract with Wold Architects and Engineers for structural, mechanical, and electrical engineering services and related services for the Central Maintenance Facility. Staff recommends the City enter into a contract with Kraus-Anderson Construction Company for project-related construction management services, including reviewing phasing and constructability options for the new central maintenance facility, developing pricing options as the project advances toward construction, and other related construction management services for the Central Maintenance Facility. The two contracts have been developed to work in concert with each other, with each firm having defined roles and responsibilities through the design and construction of the proposed Central Maintenance Facility. The scope of work for each firm is detailed in the attached proposals. The City remains the contracting agent for design and construction management, and through this contracting process, will be the contracting authority for future work to be bid for construction of the proposed Central Maintenance Facility. These contracts are structured to allow the City the flexibility to adjust the project scope to add or remove services and adjust the design parameters throughout the final design process to fit the fiscal and operational needs of the City. The contracts follow the standard American Institute of Architects (AIA) contract format for architectural design and construction management services, and have been reviewed by the City Attorney.

Additionally, the Council is asked to approve and assign the Public Works Director as the owner's representative for the purposes of these contracts.

FISCAL IMPACT

The contract with Wold has a not-to-exceed value of \$2,860,000, which is approximately 6% of the total estimated construction cost for the proposed Central Maintenance Facility, and has been itemized in the attached proposal. The contract with Kraus-Anderson has a pre-construction phase not-to-exceed cost of \$40,000, with a contractual clause to amend the contract agreement at the completion of design and prior to commencement of construction, based on a set percentage of construction cost and hourly rates for labor and expenses during construction. It is anticipated the additional cost for construction management services may be approximately 6-8% of the final construction bid cost for the project work. The City is not committing itself to a specific construction-phase cost with this contract; it is only committing to amending the contract for construction management services if and when the City proceeds with construction of the proposed Central Maintenance Facility.

As of May 31, the City has a balance of \$3,073,063 in Fund 437 - PW Facility Remodel/Expansion. The total of the two contracts that the Council is being asked to authorize is \$2,900,000, which is within the available balance of Fund 437. As discussed during the City Council Work Session on May 6, City staff will be bringing forward an action at an upcoming City Council meeting to begin the public hearing process for bonding for the Central Maintenance Facility, which will cover the funding needs for construction as well as all legal, engineering, administrative, and financing (LEAF) costs for the proposed project.

RECOMMENDATION

Staff recommends that the Council adopt the attached Resolution:

1. Approving a contract with Wold Architects and Engineers for project-related architecture services;
2. Approving a contract with Kraus-Anderson Construction Company for construction management services; and
3. Authorizing Public Works Director Brian Connolly as the owner's representative for the purposes of both contracts.

ATTACHMENTS

1. Resolution Approving Contracts
2. Wold Design Proposal
3. Wold Design Services Contract
4. Kraus-Anderson Construction Management Svcs Proposal
5. Kraus-Anderson Construction Management Services Contract
6. Exhibit A to Kraus-Anderson Construction Management Services Contract

**CITY OF INVER GROVE HEIGHTS
DAKOTA COUNTY, MINNESOTA**

RESOLUTION NO. _____

**RESOLUTION APPROVING CONTRACTS WITH WOLD ARCHITECTS AND ENGINEERS
FOR ARCHITECTURAL SERVICES AND KRAUS-ANDERSON CONSTRUCTION COMPANY
FOR CONSTRUCTION MANAGER AS ADVISOR SERVICES RELATED TO THE
CONSTRUCTION OF THE CENTRAL MAINTENANCE FACILITY**

WHEREAS, on April 14, 2025, the City Council accepted the Central Maintenance Facility Space Needs Study and Facility Site Plan for City Project No. 2017-01, and authorized staff to negotiate final design architectural/engineering services with Wold Architects & Engineers, and final construction management and administrative services with Kraus-Anderson Construction Company, for the final design and construction management phases of the project (Resolution 2015-085); and

WHEREAS, following the direct solicitation of proposals and negotiations for both services, staff recommend that the City Council approve contracts with Wold Architects and Engineers and Kraus-Anderson Construction Company.

**NOW, THEREFORE, BE IT RESOLVED BY THE INVER GROVE HEIGHTS CITY COUNCIL,
THAT:**

1. The Council approves and authorizes the execution of the attached Contract between Owner and Architect with Wold Architects and Engineers.
2. The Council approves and authorizes the execution of the attached Contract for Construction Manager as Advisor with Kraus-Anderson Construction Company.
3. The Council appoints the Public Works Director to serve as the Owner's Representative for both contracts, and authorizes them to authorize extensions of time (time extensions) and to approve additional services and change orders under both contracts (contract sum adjustments) without further Council approval, provided additional services or change orders do not cumulatively exceed ten percent (10%) of the total contract costs for each executed contract.

Approved by the City Council of the City of Inver Grove Heights, Minnesota this 9th day of June 2025.

Brenda Dietrich, Mayor

ATTEST:

Rebecca Kiernan, City Clerk



CITY OF INVER GROVE HEIGHTS
NEW CENTRAL MAINTENANCE FACILITY
PROPOSAL & SCOPE OF WORK

WOLD ARCHITECTS & ENGINEERS

SCOPE OF WORK

Brian,

After many months of working together through our Predesign, it's exciting to know that those efforts can now lead to the next major steps. We appreciate this opportunity to present our proposal for full architectural and engineering design services. As part of this proposal you will find the following information pertaining to our services:

- Scope of Work Description
- Work Plan & Schedule
- Proposed Fee
- Our Approach

Additionally, we would refer you to the Appendix, which includes the relevant AIA-B132 contract resisted to our services. Thank you again for the collaboration efforts thus far, and we look forward to continuing that joint effort to develop the new Central Maintenance Facility Campus for The City of Inver Grove Heights.



SCOPE OF WORK

Wold Architects and Engineers shall provide architectural and engineering design for the new construction, renovation and deferred Maintenance scope listed in the program below. This proposal assumes that consultants are completing their work in Revit and will use A360.

The Schematic Design shall be based on the conceptual program and concept identified in the pre-design material.

Schematic Design through Construction Phase

Standard scope of Architect's Basic Services as described in the AIAB132 dated May 27, 2025. Basic services shall include architectural and engineering services. See specific Scope Responsibilities as listed below as a guide:

SCOPE OF WORK:

(Place "X" in appropriate column; Add descriptions where applicable)

	BASIC SERVICES COMPENSATION	ADDITIONAL SERVICES COMPENSATION	BY INVER GROVE HEIGHTS
PROGRAMMING	X, Completed as part of pre-design work		X, Completed as part of pre-design work (with Wold & Kraus-Anderson involvement)
MULTIPLE PRELIMINARY DESIGNS	Not in base services	X, Major re-design of the pre-design concept	
MEASURED DRAWINGS	X, Owner's existing drawings will be provided for input into Revit. If any existing AutoCAD or Revit bases exist, these will be provided to Wold to aid in the creation of the base model.		
EXISTING FACILITIES SURVEY	Existing conditions to be documented in Revit, based on existing conditions observed and existing building plans provided. Wold is not responsible for the accuracy of the interpretation of the observed conditions, which are used for the generation of existing building BIM model.		
SITE EVALUATION AND PLANNING	X, Completed as part of pre-design work (with Kraus-Anderson involvement)		X, Completed as part of pre-design work (with Wold & Kraus-Anderson involvement)

SCOPE OF WORK



BUILDING INFORMATION MODEL	X, Wold shall be responsible for the architectural base drawings/model created from the Owner's existing drawings and the on-site observations. The architectural base drawings/model shall be provided to consultants for their use in creating base drawings/models for their respective disciplines.		
PRE-DESIGN	X, Completed (with Kraus-Anderson involvement)		X, Completed (with Wold & Kraus-Anderson involvement)
DESIGN (SD - CD)	X, Wold to provide work created during each phase for inclusion in deliverables for each phase (i.e., SD/DD Booklet, Document sets for estimating and/or Owner review)		
BIDDING	X, (CM Driven) Wold to review and provide input on product substitutions and corrections/clarifications to Bidding Document for inclusion in addenda. (Under architect's scope and consultant's scope contracted under Wold) are to be provided under Wold addenda cover letter.		Advertise & local payer
CONSTRUCTION ADMINISTRATION	X		
SPECIFICATIONS	X, Architectural technical sections and consultant technical sections under Wold. Wold shall dictate consistent formatting for all project specifications of all project team (Front end Specifications by Kraus-Anderson)		(Front end Specifications by Kraus-Anderson)
STANDARD ESTIMATING	X, (also by Kraus-Anderson)		
VALUE ENGINEERING ANALYSIS	X, Wold shall participate in value engineering analysis/discussion when/if required (with Kraus-Anderson)		X
DETAILED COST ESTIMATING	Included in base services. To be compared with Kraus-Anderson's detailed estimates shall be made available to Wold at each phase of design.		
REDESIGN AFTER THE DD ESTIMATE FOR THE PURPOSE OF BID/ESTIMATE/ BUDGET CORRECTIONS	As stipulated in Master Agreement		
ON-SITE PROJECT REPRESENTATION	Refer to "Construction Administration" for site visits	X	X
LANDSCAPE ARCHITECTURE	X		
ARCHITECTURAL INTERIOR DESIGN	X, (Material & finish boards and/or review material for Owner review and sign for purposes of completing material/finish schedules)		

SCOPE OF WORK



RECORD DRAWINGS (CONFORMED, AS- DESIGN AD/OR AS- CONSTRUCTION)	n/a	X	n/a
POST-OCCUPANCY EVALUATION	n/a	X	n/a
FACILITY SUPPORT SERVICES	n/a	X	n/a
TENANT-RELATED SERVICES	n/a	X	n/a
COORDINATION OF OWNER'S CONSULTANTS	X, Collaboration with team members, including administering the coordination of structural, mechanical, electrical, and civil consultants.		X
TELECOMMUNICATIONS DATA DESIGN	X		X, Coordination with existing vendors
SECURITY EVALUATION & PLANNING	Not in base services	X	X
COMMISSIONING	Not in base services (can provide proposal)	X	X
EXTENSIVE ENVIRONMENTALLY RESPONSIBLE DESIGN	Not in base services	X	n/a
LEED	Not in base services	X	n/a
HISTORIC PRESERVATION	Not in base services	X	n/a
FFE	Not in base services (can provide proposal)	X	X
ARCHITECT AS INITIAL DECISION MAKER	X		
3D RENDERINGS	X, Wold shall produce 3D imagery in the normal course of the design process to facilitate Owner's review and approval of the design intent.	X, When 3D imagery is required for public presentation purposes beyond what is provided within the normal course of the design process.	
BID DOCUMENT COPYING & DISTRIBUTION	Not in base services	X	X, by Kraus- Anderson
REVIEW OF PAY APPLICATIONS	X (with Kraus-Anderson)		

SCOPE OF WORK



MECHANICAL ENGINEER	X		
ELECTRICAL ENGINEER	X		
STRUCTURAL ENGINEER	X		
CIVIL ENGINEER	X		
OTHER ITEMS:			
CONST. ADMIN SERVICES			
SITE VISITS	Weekly/Bi-Weekly/Monthly, to be coordinated with weekly/bi-weekly construction progress meetings.		
CONSTRUCTION PROGRESS MEETINGS	Attendance by Wold representation shall be at a minimum via tele-conference.		
SHOP DRAWING REVIEW	Up to two reviews of all systems specified by Wold and its consultants.		
RFI'S	RFI's that apply to the scope and consultant(s) scope contracted for. Expectation is that RFI's are answered within 48 business hours; if response will exceed this time period, Wold is expected to communicate when the response will be provided and coordinate with Kraus-Anderson as official RFI response is being developed, to keep progress on site moving forward.		
ASI'S, CHANGE PROPOSALS	Basic Services for those necessary for the intent of the design, added scope shall be additional services.		
REJECTION OF WORK	By Wold (with Kraus-Anderson). Wold shall make aware and advise Kraus-Anderson when potentially deficient work is observed.		
PUNCHLIST VISIT	Participation in a Punchlist Generation and Review included in basic services, administering punchlist by Kraus-Anderson.		
OTHER ITEMS:	When requested, Wold shall participate (with Kraus-Anderson) in 11-month warranty walk-through for each phase/project to identify outstanding punchlist/warranty items.		
OWNERSHIP/LICENSING OF INSTRUMENTS OF SERVICE	As stipulated in the Master Agreement.		
CODE/ZONING REVIEW APPLICATIONS & FEES	Wold shall prepare, submit, and coordinate the code submittals applicable to Wold's scope of work. (i.e., State of MN only Plan Review process, local plan review process, etc...) as part of basic service. Fees to be paid by Owner. As an option, fees can be paid by Wold and added as an increased reimbursable cost.		

ADDITIONAL OWNER RESPONSIBILITIES:

Provide necessary information in a timely manner, including, but not limited to:

- Site Control
- Project delivery determination
- Site Survey - any additional as necessary to complete the project
- Soil Engineering- any additional as necessary to complete the project
- Soil remediation if required
- Design feedback and direction
- Sign-off at each phase of work
- Study identifying hazardous materials; removal of hazardous materials
- And as described in the Agreement Between Owner and Architect

WORK PLAN/APPROACH

creatively leverage

By leveraging the completed work of our preliminary Programming and Concept planning process, the City gains the confidence that the best investment is being made. Wold will Creatively Leverage our expertise and understanding to continue to develop and implement facility solutions that fit into the City's goals.

communication

We have assembled a work plan that emphasizes communication and collaboration in the early stages of Schematic Design to allow our team to fully understand your goals and to demonstrate as many options for implementing these projects as we can dream up.

quality documentation

We will follow up that initial planning exercise with a construction documentation process forged by over 50 years of focusing on public sector architectural and engineering services. We know how to detail and specify materials so that they can be affordable, maintainable, long-lasting and aesthetically-pleasing. We review all of our projects with a thorough quality review to ensure that these standards are met before they are issued for public bidding. Additionally, we want to take full advantage of the involvement of Kraus-Anderson. As we do with any partner, we will include them in coordination meetings throughout the design process, and also go through a series of quality review checks so we fully leverage all the expertise available to the City.

leading the construction process

During construction, Wold Architects and Engineers has a strong presence in administering the construction contract to ensure that the quality of materials and construction that you expect is implemented. Our experience in working with Kraus-Anderson will provide for smooth communication and a trusted partnership throughout the early stages of the project and after final close-out. Pay applications and any Change Order requests are thoroughly reviewed by our team to ensure that you are paying only for fair value of the work being performed.

your ongoing ally

Finally, following the successful close-out of the project, we want you to know that Wold has a history of standing behind our projects forever. If you are ever questioning or unhappy regarding any of the construction that we designed and oversaw, we are more than happy to help solve any issues that pop-up – even beyond the warranty – to help you remain satisfied with the superior project experience that we offer.

COMPLETED!

PROJECT INITIATION

GATHERING OF DATA

AGREED UPON NEED

DEVELOPMENT OF
CONCEPTUAL OPTIONS

REFINEMENT OF EITHER
OPTIONS OR OBJECTIVES

CONSENSUS ON A SOLUTION

DESIGN REFINEMENT

DETAILED INPUT

DETAILED DESIGN

PRESENTATION OF FINAL
DETAILED DESIGN

BIDDING AND CONSTRUCTION
DOCUMENT DEVELOPMENT

CONSTANT COORDINATION

CLIENT COMMUNICATION

PRESENTATION OF FINAL
CONSTRUCTION DOCUMENTS

BIDDING DOCUMENT DELIVERY

ACTIVE SOLICITATION OF BIDDERS

CLARIFICATIONS

CONTRACT ADMINISTRATION

CONSTRUCTION QUALITY REVIEW

CONSTRUCTION COMPLETION

PROPOSED WORK PLAN

a. schematic design

1. refinement of either options or objectives

- a. Options are improved upon based upon feedback from the client
- b. Multiple options may move forward simultaneously or the best aspects of each may be combined into a single hybrid solution

2. consensus on a solution

- a. The agreed upon solution meets all of the Outcome Objectives
- b. The agreed upon solution meets the Project Budget

b. design development

1. design refinement

- a. All disciplines convert concepts into engineered solutions
- b. Solutions are coordinated for compatibility

2. detailed input

- a. Input on detailed designs is sought by all users and stakeholders to ensure compatibility with client standards and preferences as well as functional operations
- b. Confirmation of detailed input is sought through multiple rounds of meetings

3. detailed design

- a. All products, materials and colors are selected
- b. Drawings and critical details of construction are identified
- c. Kraus-Anderson has a “seat at the table” for coordination, construction advice, and quality review
- d. Engineering calculations are completed

4. presentation of final detailed design

- a. The Detailed Design meets all of the Outcome Objectives
- b. The Detailed Design meets the Project Budget by a professional cost estimate

c. construction documents

1. bidding and construction document development

- a. All designs are depicted completely in documents that form the basis for public bidding – which requires no ambiguity
- b. Specifications indicate what procedures the contractor must follow and what materials may be used on the project
- c. Drawings and details indicate where materials are to be used and how the materials are to be assembled in the construction

2. constant coordination

- a. As each discipline (Architectural, Structural, Civil, Mechanical, Electrical) develops their construction documents, interactions between disciplines is coordinated in real-time to ensure no gaps or conflicts during construction
- b. Kraus-Anderson continues their quality review process
- c. Final Quality Review occurs by Wold's Associate Team to ensure project completion

3. client communication

- a. Formal meetings are held biweekly to answer any minor questions that arise as well as keep the client informed of progress toward schedule milestones

4. presentation of final construction documents

- a. The Project as Drawn, Detailed and Specified meets all of the Outcome Objectives
- b. The Project as Drawn, Detailed and Specified meets the Project Budget as proven by a professional cost estimate

PROPOSED WORK PLAN

d. procurement

1. bidding document delivery

- a. A complete set of drawings and specifications are forwarded to Inver Grove Heights for City Attorney review and posting of Advertisement for Bid

2. active solicitation of bidders

- a. In close coordination with Kraus-Anderson, we believe that getting as many contractors interested in the project as possible results in the most competition on bid day and best value for our clients

3. clarifications

- a. Walkthroughs are facilitated with potential contractors to allow them to see the conditions shown in drawings
- b. Contractor questions and product substitutions frequently require issuance of Addenda to clarify intent and allowable materials

e. construction administration

1. contract administration

- a. Along with Kraus-Anderson, contract agreement between the City and awarded contractors is established for all parties to sign
- b. We work with Kraus-Anderson to manage the contractors to submit all insurance and documents required by the contract documents and schedule a pre-construction meeting

2. construction quality review

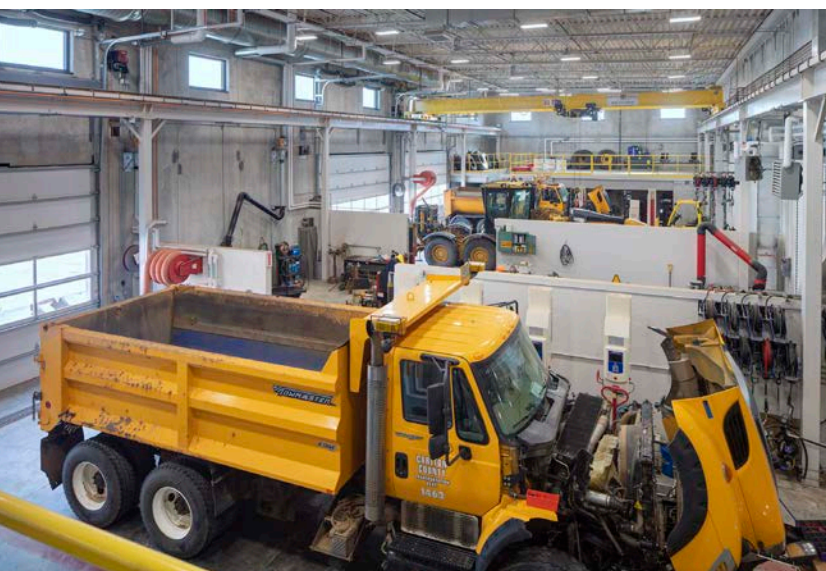
- a. All products proposed to be used by contractor on the project are reviewed by Wold and Kraus-Anderson prior to them being ordered to confirm their compliance with requirements of the contract
- b. Installation of construction materials is observed regularly on-site to ensure compliance with specifications and details of construction requirement of the contract
- c. Pre-installation conferences are required before all critical systems are installed
- d. Construction Progress Meetings are attended to ensure that construction milestones and Critical Paths are adhered to by the contractors
- e. Applications for Payment by the Contractors are first reviewed by Kraus-Anderson then certified to ensure that the City is only making payments for work completed or material stored on site
- f. A Punch List is defined of all remaining incomplete or unsatisfactory work remaining once the project is substantially complete to allow it to be used for its intended use

3. construction completion

- a. Resolution of all Punch List items is achieved through continuing Construction Progress Meetings and retention of complete payment
- b. We initiate close-out of the contract for construction by prompting the contractor to submit all required paperwork and forms
- c. Once all work is totally complete, final payment to the contractor is certified
- d. Eleven (11) months following substantial completion, we will observe the completed construction to ensure that any material or installation that is failing within the one year warranty is identified and corrected.

THE DESIGN PROCESS

ACHIEVES THE BEST OPERATIONAL SOLUTION



To achieve your goals, the following are processes which will center on our philosophy of focusing on your mission:

a participatory planning & staff engagement process

- Wold listens carefully
- All interests have input and all options are explored
- Achieve ownership of the outcome
- The outcome is an effective facility that is highly functional and aesthetically pleasing

program development

- Begin with a firm confirmation of your previous efforts
- Listen and work with you to establish project goals, objectives, and guiding principles
- Explore options and develop solutions
- The outcome is a solution that meets the established criteria and budget

a design process

- Designing for the City of Inver Grove Heights' vision
- Designing for a high performance workplace utilizing sustainable approaches and operational efficiencies
- Designing the optimal solution for all of public works and for future flexibility

a sustainable design process

- In-house engineering expertise to lead you through systems life cycle discussions
- Discussions regarding all of the metrics and outcomes to tailor a strategy to your needs

a cost management process

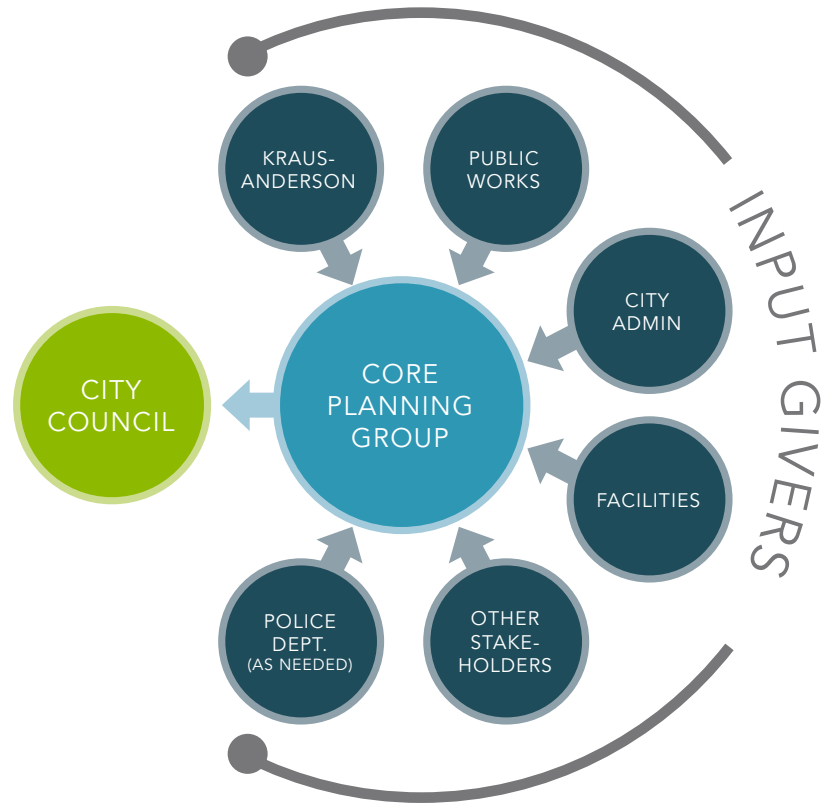
- Helps manage total project cost
- Starts with our previous budgeting efforts and confirms building construction cost and all related costs for site and building fit-out
- Proactive approach to cost management during all phases of design

PARTICIPATORY DESIGN PROCESS

ESTABLISH A CORE PLANNING GROUP

The Wold team believes that successful facilities are those that include a great deal of participation that engages building users, staff, and the community. Wold has developed a “Participatory Planning Process” to make this planning and programming effort come to life.

Facility planning is an interactive process. Each participant’s specific needs and objectives must be understood and every attempt must be made to meet those needs and objectives. Wold specializes in facilitating this ongoing site-based team process. We understand how to bring groups together and gain consensus.



core planning group

The Core Planning Group consists of key decision makers who would work to evaluate design options using criteria established by the group, prior to recommendation to the City for approval. Among the issues that the Core Planning Group will decide when presented recommendations by the Wold team:

- Project objectives
- Needs list
- Functional options

guidelines for a successful participatory planning process

- Core Planning Group requests information from input givers; input givers’ role is for input, not consensus decision
- The more efficient the Core Planning Group, the faster the project can develop
- We understand the importance of giving your departmental staff a voice in solutions while still maintaining the overall objectives and budget of the project.

our unified planning & design approach ensures input from all stakeholders

We meet with your stakeholders, on their schedules, to determine needs and desires for each individual space being planned, from room organization and orientation, down to the smallest details, like storage types, electrical outlet placement and door hardware. This input is clearly documented and distributed to all participants, then directly transmitted to the Core Planning Group’s review.

We will continue to ask questions to understand the functional and operational relationships of all of the City’s departments. Working with the Core Planning Group, we will use this information to find the optimum organization of departments in your facility.

SCHEDULE

although the inspiration may come quickly, the proof takes time

Through our experience in the public sector, we have developed a firm understanding of the sequencing of the investigation and the required time for building occupant input and ownership, and believe that successful schedule planning and management is achieved only through whole-hearted partnering of the entire project team. Below is a work plan which identifies the critical path needed to achieve the targeted deadline. We are excited to continue to hear and refine designs to meet the City of Inver Grove Heights' exact needs. Moreover, should the City desire an alternative pace for the schedule our firm can easily shift and align with your needs.

	2025							2026						
	J	J	A	S	O	N	D	J	F	M	A	M	J	J
schematic design (may 25 - aug 25)														
Project Start-up Meeting • Agree upon project scope, budget, & schedule	★ 6/9/25													
SD 0% Core Planning Group Kick-off Charrette • Re-establish Guiding Principles and Project Objectives • Brainstorm with all users how the building could be better from all perspectives	● 6/13/25													
User Group Meetings with Public Works Administration, Streets Maintenance, Fleet Maintenance, Utility Maintenance, Parks Maintenance, and Natural Resources • Additional listening sessions to firmly understand operations, adjacencies and separations of all proposed building functions and facilities • Critical review of space needs for all occupants and equipment	● 6/20/25													
SD 20% Core Planning Group Meeting #2 • Review Site Forces Diagram • Review Adjacency Diagrams • Additional tours as needed of similar facilities	● 6/23/25													
Meeting with Inver Grove Heights Planning, Zoning, and Building • Confirm requirements and planning approval process.	● 7/7/25													
SD 40% Core Planning Group Meeting #3 • Refine Schematic Building and Site Concept into a 'Bubble Diagram' • Building Stacking and site layout resolved • Building systems choices are made	● 7/14/25													
SD 60% Core Planning Group Meeting #4 • Site diagram shows all required elements to scale • Building diagram 'bubbles' become walls and doors • Track costs with budget	● 7/21/25													
User Group Meetings with Public Works Administration, Streets Maintenance, Fleet Maintenance, Utility Maintenance, Parks Maintenance, and Natural Resources • Confirm layouts within departments meet objectives	● 7/28/25													
SD 80% Core Planning Group Meeting #5 • Consensus on building diagram • Plans are developed to show wall thicknesses, windows and doors • Building system one line diagrams are complete • Phasing cast implications discussion	● 8/4/25													
Wold holds an internal Design Review	● 8/11/25													
SD 100% Core Planning Group Meeting #6 • Wold submits Schematic Design Report to Core Group • Schematic Design Report comments by Inver Grove Heights returned • Color coded plans (by department) are complete • Initial Code plan is complete • Systems narrative is complete • Review with Subcommittee as needed	● 8/18/25													
SD Presentation	● 8/25/25													
City Council - SD Approval	● 8/26/25													

SCHEDULE

	2025							2026						27
	J	J	A	S	O	N	D	J	F	M	A	M	J	
design development (sep 25 - nov 25)														
<i>DD 20% First Round of Detailed User Group Focus Meetings</i>														
- Meet with representatives of every division - Review requirements for equipment, amenities, furnishings within plan - Areas are enlarged on 11x17 in 'suites' - Finish locations are confirmed														
<i>Wold begins internal, biweekly formal coordination meetings</i>														
<i>DD 40% Core Planning Group Meeting #7</i>														
- Review input from User Groups - Validate that requests meet the objectives of the facility - Review material concepts for interior and exterior														
<i>Site Plan Review Application is submitted.</i>														
Civil and Landscape drawings are 80% complete.														
<i>DD 60% Second Round of User Group Focus Meetings</i>														
Confirm information from Round 1 and ask additional questions when needed														
<i>Wold holds an internal Design Review</i>														
<i>DD 80% Core Planning Group Meeting #8</i>														
- Final material concepts presented with location plans - Outline specification completed														
<i>Planning Commission Approval</i>														
Wold submits Design Development Report to Inver Grove Heights														
<i>DD 100% Core Planning Group #9</i>														
Wold receives comments back from Inver Grove Heights														
<i>City Council - DD Approval (With Optional Presentation to Subcommittee)</i>														
construction documents (dec 25 - feb 26)														
<i>CD 20% Weekly In-House Coordination Meetings</i>														
<i>CD 40% Weekly Coordination Meetings Continue</i>														
<i>CD 60% Furniture Design Meetings Begin</i>														
<i>CD 80% Code Review Meeting with Inver Grove Heights</i>														
<i>CD 95% Review M&E System Details with Inver Grove Heights</i>														
<i>CD 100%</i>														
Complete Drawings and Specifications are submitted to Inver Grove Heights for posting														
bidding (mar 26)														
<i>Inver Grove Heights with Kraus-Anderson advertises for bid</i>														
<i>Addendum #1 issued</i>														
<i>Addendum #2 issued</i>														
<i>Bid Opening</i>														
<i>Call for Special Meeting as needed - Approval of Contracts</i>														
construction administration (apr 26 - sept 27)														
<i>Pre-Construction Project Management Meeting</i>														
<i>Weekly Construction Progress Meetings</i>														
<i>Establish Regular Council and Task Force Check-Ins on Budget and Progress</i>														
<i>Substantial Completion</i>														
<i>Occupancy and Ribbon Cutting!</i>														

PROPOSED FEE

Wold believes in always finding ways to improve our collaborative working relationships with our clients. We believe we have built a strong reputation of service and responsiveness with our shared experiences together. As a professional service provider we also believe in no surprises. In proposing fees, we attempt to determine the challenge ahead and present a fair fixed fee that we believe will provide the required service. We typically propose a fixed fee at the onset of any design project and our fixed fee includes any consultants, as well as cost estimating.

For this project, we propose our fee would be 6% of the agreed upon budgeted cost of construction for the proposed work. **In addition, we want to respect the previous efforts on the pre-design services. Based on the City's investment, we propose a credit of \$80,000.** Also, while the existing building is considered a renovation project, we are proposing to apply only a 6% fee to the portion of work as well, based on the minimal amount of renovations when compared to the overall scope of work.

Based upon the preferred option B, and Kraus-Anderson's estimates, we would project the mid-point of construction to be in 2027 with an estimated cost of construction of \$47,038,000 (adjusting for approximately 2 years of inflation, and including 1/2 of the construction contingency). Showing the back-up math from KA's detailed estimate as follows:

$$\begin{aligned}
 &\$44,536,013 \text{ (Construction Cost Subtotal)} - \$1,046,453 \text{ (1/2 contingency)} \\
 &= \$43,489,560 \text{ (2025 Construction Cost Basis)} \\
 &+ 4\% \text{ Inflation for 2 years} \\
 &= \$47,038,000 \text{ (Construction Cost Fee Basis)}
 \end{aligned}$$

The potential build-out for Police Training is not included in this estimate, nor is any design work beyond initial planning diagrams to confirm the space needs requested.

This construction amount is used as the basis of our fee calculations. We respectfully request that if the project scope changes or construction budget increases at the conclusion of Schematic Design that our final fixed fee be adjusted using the same calculation and % numbers.

Initial Fixed Fee Calculation for the contracted fee:

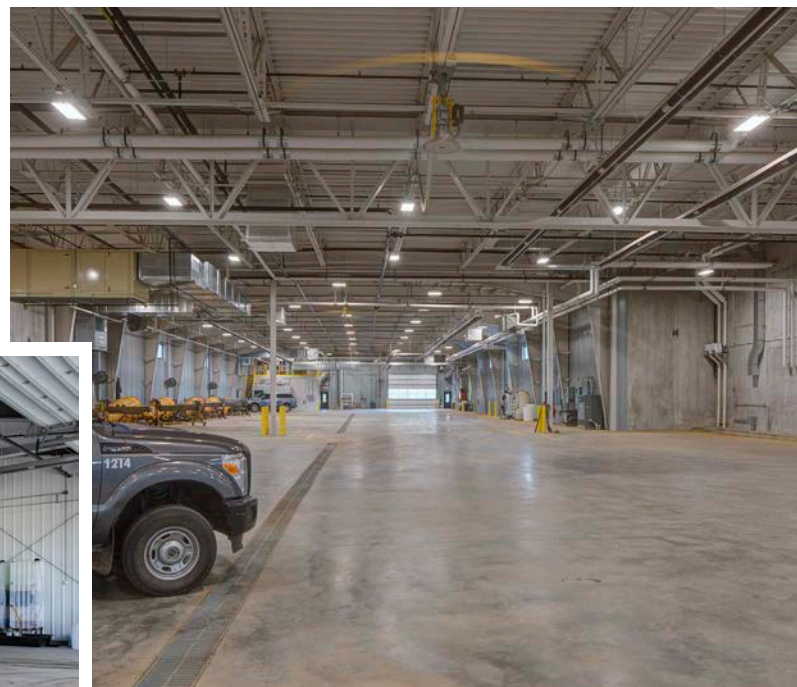
$$\begin{aligned}
 &(\text{Estimated Construction Cost}) \times 6\% = \text{Total Fixed Fee} \\
 &(\$47,038,000) \times 0.06 = \mathbf{\$2,822,000 = \text{Initial Fixed Fee}}
 \end{aligned}$$

Reimbursable expenses for minor out-of-pocket expenses such as document printing, mileage, etc. are proposed to be actual costs as submitted (typically at \$2,500 per million dollars in construction), for a maximum amount of \$118,000.

break down of our contracted fee per phase

Schematic Design (15%), Less 80,000	\$343,300
Design Development (20%)	\$564,400
Construction Documents (40%)	\$1,128,800
Bidding (5%)	\$141,100
Construction Administration, & Closeout (20%)	\$564,400
Total Design Fee	\$2,742,000
Maximum Reimbursable Expenses	\$118,000
Maximum Total Contract	\$2,860,000

Our proposal includes all services requested. As always, we will not be happy until you are happy. We don't limit the number of meetings in our fixed fee, and we commit to complete the effort—whatever it takes—within our proposed fee.



PARTICIPATORY DESIGN PROCESS

ENSURING COLLABORATION & STAFF ENGAGEMENT

When we begin any project, we always start with one simple question: What are your goals for your project? The answers to this simple question become the foundation for everything we do in our study, and guide our entire process.

Our approach to collaboration—what we call our Participatory Planning Process—brings multiple stakeholders together to represent the views and beliefs of your entire community. We facilitate discussions to define criteria specific and relative to your goals for the project and build our approach upon these criteria. This group typically contains representatives of each department and government leadership. We team with your leadership and established committees, meeting with you regularly (on your schedule), listening to your needs, and designing solutions for the unique needs of your facility. From meeting to meeting, the planning group will be able to see evidence of how their input is directly impacting and modifying the plan to best meet your needs.

At the end of each phase, our solution is formally presented to the City Council for review and approval to ensure that the direction is meeting the established goals. As each phase develops we continue to meet with your staff to get down into the detail so the plan not only has their ownership, but also reflects consensus on priorities when difficult decisions need to be made. This is another critical step in making sure the facility solution meets *your* goals and needs, not ours.

Our process is unique and seeks first to understand you. The plans and solutions we have developed for other clients will not be replicated for your project, since your needs and challenges are unique and deserve a fresh, unique approach. Your goals, expectations, and values will be reflected in the final reports and final solutions. We listen to what you say, and the outcomes will be rewarding and successful because of this benefit we bring to our clients.



OUR TEAM WILL PROVIDE YOU
WITH THE NEEDED EXPERTISE,
GUIDANCE, AND FACT-BASED
INFORMATION TO HELP YOU
THROUGH YOUR PROJECT!

PARTICIPATORY DESIGN PROCESS

ENSURING COLLABORATION & STAFF ENGAGEMENT



listening / ownership process

Successful facility design extracts as much user-based input as possible, while at the same time stays within the client's philosophy and guidelines. Successful building design is a delicate balance between end-user "wants" and administration and director's expectations. Issues of equity, durability, quality and maintainability must be safe-guarded at all times, yet the end-users expect a high level of functionality, flexibility, and individuality. The key is to develop ownership of decisions for all levels of the organization. Through Wold's guidance, the end-users understand clearly what to expect on move-in day.

successful planning results in user pride and ownership

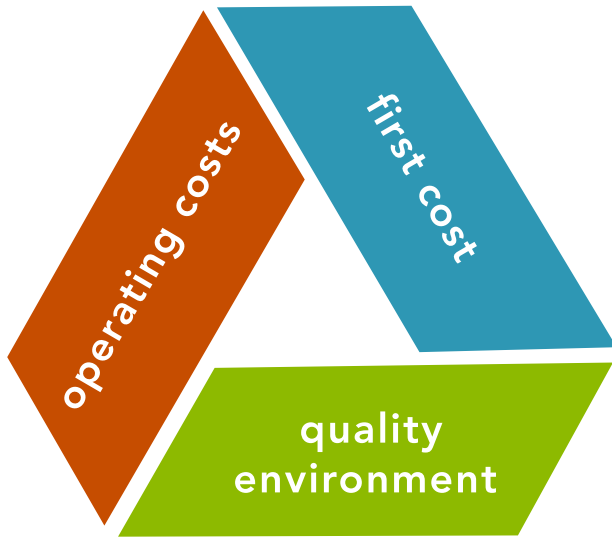
Creating ownership can only be successful if the participants believe their issues are being heard and acted upon. Wold knows how to lead a group to consensus through careful listening, asking the right questions, and maintaining focus.

Our client service approach to design begins and ends with you and the City Council. An early workshop with all participants provides the guiding principles and input format for project success. A Core Planning Group, with decision-making abilities, becomes the backbone of the process. Option generation and recommendations are made to the Core Planning Group and the commissioners.

Since 1968, we have worked almost exclusively with public sector clients. We understand that public sector facilities have many stakeholders involved and we reach out to all of them when leading a design challenge, because each group introduces a different set of project expectations.

Wold's planning process saves costly changes during construction. Our unified design approach with input from all stakeholders ensures a design that is embraced throughout the organization and throughout the community.

A SUSTAINABLE DESIGN PROCESS



We encourage dialogue with our clients to elevate their understanding as it relates to their facility issues, and to understand their level of interest in applying various strategies. We know that the key principals of sustainable design can, and should to some degree, apply to all projects which we undertake. Wold believes that a solid design strategy automatically incorporates elements of sustainability, but we also believe that our clients' expectations are the primary goal on any of our projects.

As architects practicing in a changing world and as our public clients support sustainability issues in their communities, Wold has developed an understanding and approach towards sustainable design. All facilities built need to reflect the best practices in sustainable design. As building technologies continue to advance we strive to research applicable resources that may be integrated into our designs.

life cycle costs

We quantify the cost of options over their useful life. The life cycle costs are useful to capture not only the first costs to construct and the energy costs to operate, but also to account for variations in periodic and regular maintenance, and finally replacement costs at the end of a systems useful life.

cost estimates

Useful Life Cycle data starts with accurate project cost estimates. All our work is in the public sector work. We understand that successful projects are within budget. Our three prong approach in monitoring construction trends, relying on industry experts and drawing on staff experience ensures accurate project budgeting.

finding a balance

In understanding sustainable goals it is important to understand that each choice you make as a client is based on a balance of three basic and often competing criteria: First Cost, Quality Environment, and Operating Costs. Emphasizing one of these criteria has an inverse effect upon each of the others. For example, minimizing first costs may lead to compromises that impact the quality of the environment in interior spaces, or even lead to higher operation costs than what would have been realized with additional first cost investments. Our approach will walk you through a number of different areas of focus to determine those goals and develop solutions for those specific choices.



A COST MANAGEMENT PROCESS

COST CONTROL METHODS



trends | We maintain a file of regional building projects that gets updated quarterly. We have the ability to average gross costs for each specification and relate that cost to a particular building type in the public sector market.

staff | Our staff will complete detailed material take-offs and cost estimates at intermittent phases. These estimates are checked against the regional trends.

experts | In addition to the work done with our estimator, during the later stages of design development and contract documentation, we call on contractors and regional partners to check our numbers and verify costs. This final check assures us that the project is designed to meet the current market and adhere to budgets. We always strive to improve and learn from our bidding experiences. Factors include the often volatile nature of purchasing materials; for example, when the price of copper goes up, so does electrical wiring and plumbing piping; as steel prices increase, structural steel, sprinkler and heating pipe, and sheet metal ductwork are all affected. Fluctuations in crude oil prices change pricing for construction heating, bituminous, and roofing. As a result of these moving parts, we are continually reviewing these trends, talking with contractors, and adjusting our numbers based on our most recently bid projects.

The Wold team approaches budget management as an ongoing task, from the start of planning and programming through the completion of the construction. The public sector clients whom we serve require this level of attention. We know that the planning for public facilities sets the framework for future costs. Eighty percent of the cost for a project is determined by the first 20% of the decisions. Therefore, we take the initial planning very seriously, because it is the key to future financial factors.

Wold creates construction cost estimates to cross-reference with local construction partners. Within our fixed fee, we include the services of an independent cost estimating consultant, Rockwise Strategies, to perform cost evaluations at design development and construction document phases.

Integration of all aspects of a project including building systems and building elements are considered. Focus is placed upon the coordination and evaluation of functional and aesthetic needs within the assigned budget. Products including both materials and furnishings are evaluated using all information available.

Specific cost and budget analyses ensure adherence to original budgets for the project. Construction and installation documents and management provides the direction for seamless process management moving toward occupancy.

KEEPING IN CLOSE CONTACT WITH THE CONSTRUCTION COMMUNITY HELPS US RESPOND TO ADJUST PROJECT ESTIMATES. IT IS OUR GOAL TO DESIGN PROJECTS TO MATCH THE BUDGET, GETTING THE CITY THE LARGEST WORK SCOPE THE BUDGET ALLOWS.

A QUALITY MANAGEMENT PROCESS

Wold prepares every day for the quality of future projects. We do this by assigning each of Wold's associates to a specific, technical discipline whose issues they monitor. They draw information from their experience and from the master spec sections that they regularly update, and the most current information is then communicated to our project managers and staff via in-house training programs. All documentation for these disciplines is available to staff from our in-house resource center.

During the review process at the end of each phase, every associate reviews the project from the standpoint of their technical expertise and signs off prior to issuing documents. This process further benefits our clients because of our in-house mechanical and electrical engineering staff, who are able to review and respond to the project's needs in a prompt manner. By drawing on the expertise of each member of the Wold team, your project's quality is assured by their careful and expert review.



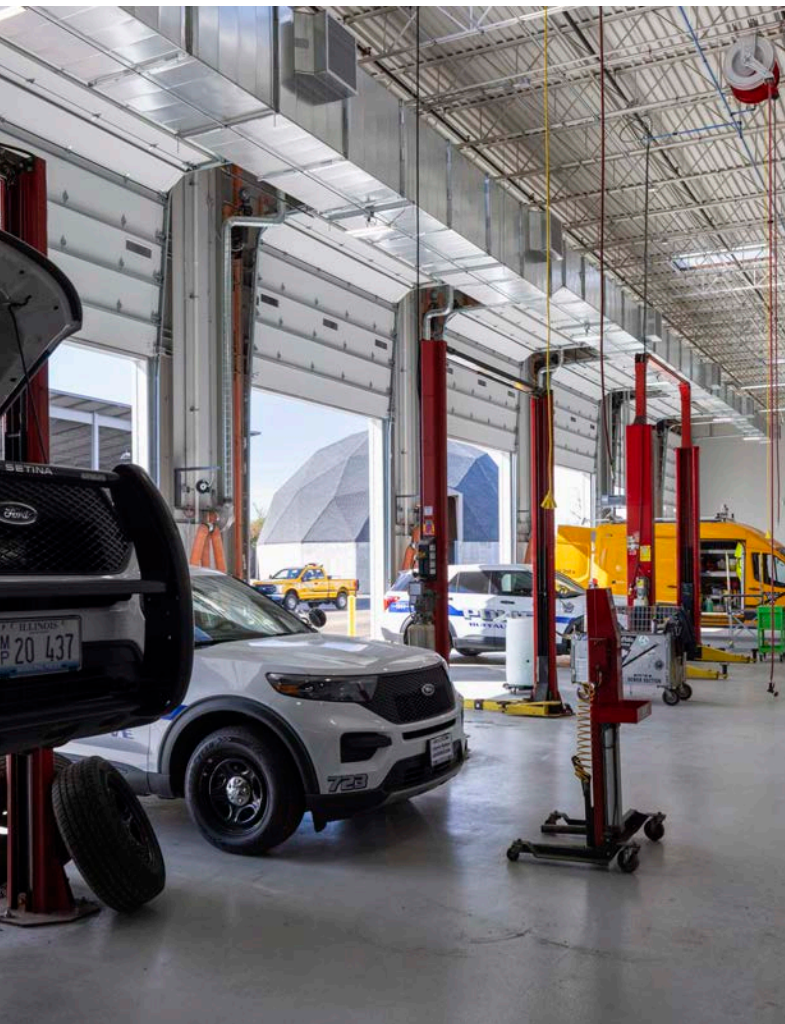
construction disruption avoidance

We understand that maintaining a working facility during construction will be important for this project. It is Wold's intention to minimize interruptions to the day-to-day operations of the facility for both staff and the public while construction is taking place. Furthermore, in the event of an emergency, this plan will serve as a vehicle in which critical decision can be made and information will be distributed. The plan will be developed by the Wold team with information provided by the City of Inver Grove Heights' staff.

The Wold team will partner with the awarded contractor(s) to deliver a safe environment for the visitors, staff and construction personnel that are present at your facility and site every day. It is around this core principal that we shape our construction process when working with you and your team.

The success of a any disruption avoidance plan hinges on the education of individuals responsible for program performance. A "mini" education seminar will be presented to construction personnel. This seminar would also include your procedures for utility shutdowns, work permits lock out/tag out, after hours work, and life safety controls interruption.

Our work plan will encompass all facets of interim life safety and logical measures required for a hazard-free environment. All planning will be monitored and discussed at weekly coordination and progress meetings, ensuring all staff are informed of current and upcoming construction activities taking place in and around the building. As a matter of course, stand-alone planning meetings are held with key project team personnel to strategize approach and implementation of interim life safety and logistical measures.



CONSTRUCTION ADMINISTRATION

A CONSISTENT TEAM FROM BEGINNING TO END



Our efforts during construction never begin with a hand-off to a construction observation person. The entire Wold team who was involved with the project's development remain on-duty when construction begins. This approach brings consistency and accountability when interpreting the design intent during implementation.

construction coordination & administration

- It is integral to the success of the project that the Owner and design team maintain a collaborative relationship during construction. Some of our involvement to resolve construction claims include:
- Evaluating all claims to ensure the City receives fair value
- Rejecting claims that are not supported by the construction documents
- Modifying claim amounts to match fair value
- Provide written responses on claims supporting the City's position
- Adding deadlines on claim responses to force resolutions in a timely manner
- Include language in the contract documents that lets the City determine the course for dispute resolution
- Support the City with documentation to present in arbitration
- Make recommendations on the strength of the City's position to determine which dispute resolution track should be taken

change order philosophy

A thorough understanding of the existing building conditions and a quality set of construction documents are the best defense against change orders. We are relentless when investigating the given conditions of your facilities to minimize the surprises. Once on site, a team-oriented approach with the construction trades creates an environment for developing no-cost solutions to unforeseen conditions.

If legitimate revisions are required, we focus on ensuring that our client receives the added value at a fair price. We first review the submitted costs and then recommend acceptance, modification, or rejection depending on the validity of the costs before recommending a change order. Wold does not charge our clients to resolve their unexpected surprises as a benefit of our fixed fee approach.

AIA® Document B132™ – 2019

Standard Form of Agreement Between Owner and Architect, Construction Manager as Adviser Edition

AGREEMENT made as of the Ninth day of June in the year Two Thousand Twenty-Five
(In words, indicate day, month, and year.)

BETWEEN the Architect's client identified as the Owner:
(Name, legal status, address, and other information)

City of Inver Grove Heights
8150 Barbara Avenue
Inver Grove Heights, Minnesota 55077

and the Architect:
(Name, legal status, address, and other information)

Wold Architects and Engineers
332 Minnesota Street, Suite W2000
Saint Paul, Minnesota 55101
Telephone Number: 651-227-7773
Fax Number: 651-223-5646

for the following Project:
(Name, location, and detailed description)

New Central Maintenance Facility

The Construction Manager:
(Name, legal status, address, and other information)

Kraus-Anderson
501 South Eighth Street
Minneapolis, Minnesota 55404
Telephone Number: 612-332-7281

The Owner and Architect agree as follows.

ADDITIONS AND DELETIONS:

The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

This document is intended to be used in conjunction with AIA Documents A132™–2019, Standard Form of Agreement Between Owner and Contractor, Construction Manager as Adviser Edition; A232™–2019, General Conditions of the Contract for Construction, Construction Manager as Adviser Edition; and C132™–2019, Standard Form of Agreement Between Owner and Construction Manager as Adviser. AIA Document A232™–2019 is adopted in this document by reference. Do not use with other general conditions unless this document is modified.

Init.

AIA Document B132 – 2019. Copyright © 1992, 2009, and 2019. All rights reserved. "The American Institute of Architects," "American Institute of Architects," "AIA," the AIA Logo, and "AIA Contract Documents" are trademarks of The American Institute of Architects. This document was produced at 17:32:45 ET on 05/30/2025 under Order No.2114500194 which expires on 06/30/2025, is not for resale, is licensed for one-time use only, and may only be used in accordance with the AIA Contract Documents® Terms of Service. To report copyright violations, e-mail docinfo@aiacontracts.com.
User Notes:

(1951290477)

1

TABLE OF ARTICLES

1	INITIAL INFORMATION
2	ARCHITECT'S RESPONSIBILITIES
3	SCOPE OF ARCHITECT'S BASIC SERVICES
4	SUPPLEMENTAL AND ADDITIONAL SERVICES
5	OWNER'S RESPONSIBILITIES
6	COST OF THE WORK
7	COPYRIGHTS AND LICENSES
8	CLAIMS AND DISPUTES
9	TERMINATION OR SUSPENSION
10	MISCELLANEOUS PROVISIONS
11	COMPENSATION
12	SPECIAL TERMS AND CONDITIONS
13	SCOPE OF THE AGREEMENT

ARTICLE 1 INITIAL INFORMATION

§ 1.1 This Agreement is based on the Initial Information set forth in this Section 1.1.

(For each item in this section, insert the information or a statement such as "not applicable," or "unknown at time of execution".)

§ 1.1.1 The Owner's program for the Project:

(Insert the Owner's program, identify documentation that establishes the Owner's program, or state the manner in which the program will be developed.)

Refer to Exhibit A: Proposal.

§ 1.1.2 The Project's physical characteristics:

(Identify or describe pertinent information about the Project's physical characteristics, such as size; location; dimensions; geotechnical reports; site boundaries; topographic surveys; traffic and utility studies; availability of public and private utilities and services; legal description of the site; etc.)

Refer to Exhibit A: Proposal.

§ 1.1.3 The Owner's budget for the Cost of the Work, as defined in Section 6.1:

(Provide total and, if known, a line item breakdown.)

Refer to Exhibit A: Proposal.

§ 1.1.4 The Owner's anticipated design and construction milestone dates:

.1 Design phase milestone dates, if any:

Refer to Exhibit A: Proposal.

.2 Construction commencement date:

APPENDIX

Refer to Exhibit A: Proposal.

.3 Substantial Completion date or dates:

Refer to Exhibit A: Proposal.

.4 Other milestone dates:

Refer to Exhibit A: Proposal.

§ 1.1.5 The Owner intends the following procurement method for the Project:
(Identify method such as competitive bid or negotiated contract.)

To be determined.

§ 1.1.6 The Owner's requirements for accelerated or fast-track design and construction, multiple bid packages, or phased construction are set forth below:
(Identify any requirements for fast-track scheduling or phased construction and, if applicable, list number and type of bid/procurement packages.)

To be determined, if any.

§ 1.1.7 The Owner's anticipated Sustainable Objective for the Project:
(Identify and describe the Owner's Sustainable Objective for the Project, if any.)

To be determined, if any.

§ 1.1.7.1 If the Owner identifies a Sustainable Objective, the Owner and Architect shall define the terms, conditions and services related to the Owner's Sustainable Objective.

§ 1.1.8 The Owner identifies the following representative in accordance with Section 5.4:
(List name, address, and other contact information.)

Brian Connolly, Public Works Director
City of Inver Grove Heights
8150 Barbara Avenue
Inver Grove Heights, Minnesota 55077

§ 1.1.9 The persons or entities, in addition to the Owner's representative, who are required to review the Architect's submittals to the Owner are as follows:
(List name, address, and other contact information.)

§ 1.1.10 The Owner shall retain the following consultants and Contractors:
(List name, legal status, address, and other contact information.)

- .1 Construction Manager:**
(The Construction Manager is identified on the cover page. If a Construction Manager has not been retained as of the date of this Agreement, state the anticipated date of retention. If the Architect is to assist the Owner in selecting the Construction Manager, complete Section 4.1.1.1.)

Kraus-Anderson

- .2 Land Surveyor:**

Init.

AIA Document B132 – 2019. Copyright © 1992, 2009, and 2019. All rights reserved. "The American Institute of Architects," "American Institute of Architects," "AIA," the AIA Logo, and "AIA Contract Documents" are trademarks of The American Institute of Architects. This document was produced at 17:32:45 ET on 05/30/2025 under Order No.2114500194 which expires on 06/30/2025, is not for resale, is licensed for one-time use only, and may only be used in accordance with the AIA Contract Documents® Terms of Service. To report copyright violations, e-mail docinfo@aiacontracts.com.
User Notes:

(1951290477)

3

To be determined.

.3 Geotechnical Engineer:

To be determined.

.4

(Paragraphs deleted)

Other consultants and Contractors:

(List any other consultants and Contractors retained by the Owner.)

§ 1.1.11 The Architect identifies the following representative in accordance with Section 2.4:
(List name, address, and other contact information.)

Jonathan Loose, Partner
Wold Architects and Engineers
332 Minnesota Street, Suite W2000
Saint Paul, Minnesota 55101

§ 1.1.12 The Architect shall retain the consultants identified in Sections 1.1.12.1 and 1.1.12.2:
(List name, legal status, address, and other contact information.)

§ 1.1.12.1 Consultants retained under Basic Services:

.1 Structural Engineer:

To be determined.

.2 Mechanical Engineer:

Wold Architects and Engineers
332 Minnesota Street, Suite W2000
Saint Paul, Minnesota 55101

.3 Electrical Engineer:

Wold Architects and Engineers
332 Minnesota Street, Suite W2000
Saint Paul, Minnesota 55101

Init.

AIA Document B132 – 2019. Copyright © 1992, 2009, and 2019. All rights reserved. "The American Institute of Architects," "American Institute of Architects," "AIA," the AIA Logo, and "AIA Contract Documents" are trademarks of The American Institute of Architects. This document was produced at 17:32:45 ET on 05/30/2025 under Order No.2114500194 which expires on 06/30/2025, is not for resale, is licensed for one-time use only, and may only be used in accordance with the AIA Contract Documents® Terms of Service. To report copyright violations, e-mail docinfo@aiacontracts.com.
User Notes:

(1951290477)

APPENDIX

4 Civil Engineer:

To be determined.

§ 1.1.12.2 Consultants retained under Supplemental Services:

§ 1.1.13 Other Initial Information on which the Agreement is based:

§ 1.2 The Owner and Architect may rely on the Initial Information. Both parties, however, recognize that the Initial Information may materially change and, in that event, the Owner and the Architect shall appropriately adjust the Architect's services, schedule for the Architect's services, and the Architect's compensation. The Owner shall adjust the Owner's budget for the Cost of the Work and the Owner's anticipated design and construction milestones, as necessary, to accommodate material changes in the Initial Information.

§ 1.3 The parties shall agree upon protocols governing the transmission and use of Instruments of Service or any other information or documentation in digital form.

§ 1.3.1 Any use of, or reliance on, all or a portion of a building information model without agreement to protocols governing the use of, and reliance on, the information contained in the model shall be at the using or relying party's sole risk and without liability to the other party and its contractors or consultants, the authors of, or contributors to, the building information model, and each of their agents and employees.

§ 1.4 The term "Contractors" refers to persons or entities who perform Work under contracts with the Owner that are administered by the Architect and Construction Manager. The term "Contractors" is used to refer to such persons or entities, whether singular or plural. The term does not include the Owner's own forces, or Separate Contractors, which are persons or entities who perform construction under separate contracts with the Owner not administered by the Architect and Construction Manager.

ARTICLE 2 ARCHITECT'S RESPONSIBILITIES

§ 2.1 The Architect shall provide professional services as set forth in this Agreement. The Architect represents that it is properly licensed in the jurisdiction where the Project is located to provide the services required by this Agreement, or shall cause such services to be performed by appropriately licensed design professionals.

§ 2.2 The Architect shall perform its services consistent with the professional skill and care ordinarily provided by architects practicing in the same or similar locality under the same or similar circumstances. The Architect shall perform its services as expeditiously as is consistent with such professional skill and care and the orderly progress of the Project. The Architect shall be liable to the fullest extent permitted under applicable law, without limitation, for any injuries, loss, or damages proximately caused by the Architect's breach of this standard of care. The Architect shall put forth reasonable efforts to complete its duties in a timely manner. The Architect shall not be responsible for delays caused by factors beyond its control or that could not be reasonably foreseen at the time of execution of this Contract.

§ 2.3 The Architect shall provide its services in conjunction with the services of a Construction Manager as described in AIA Document C132™-2019, Standard Form of Agreement Between Owner and Construction Manager as Adviser, as modified. The Architect shall not be responsible for actions taken by the Construction Manager.

Init.

AIA Document B132 – 2019. Copyright © 1992, 2009, and 2019. All rights reserved. "The American Institute of Architects," "American Institute of Architects," "AIA," the AIA Logo, and "AIA Contract Documents" are trademarks of The American Institute of Architects. This document was produced at 17:32:45 ET on 05/30/2025 under Order No. 2114500194 which expires on 06/30/2025, is not for resale, is licensed for one-time use only, and may only be used in accordance with the AIA Contract Documents® Terms of Service. To report copyright violations, e-mail docinfo@aiacontracts.com.
User Notes: (1951290477)

5

§ 2.4 The Architect shall identify a representative authorized to act on behalf of the Architect with respect to the Project.

§ 2.5 Except with the Owner's knowledge and consent, the Architect shall not engage in any activity, or accept any employment, interest or contribution that would reasonably appear to compromise the Architect's professional judgment with respect to this Project.

§ 2.6 The Architect shall maintain the following insurance until termination of this Agreement. If any of the requirements set forth below are in addition to the types and limits the Architect normally maintains, the Owner shall pay the Architect as set forth in Section 11.9.

§ 2.6.1 Commercial General Liability with policy limits of not less than Two Million (\$ 2,000,000) for each occurrence and Four Million (\$ 4,000,000) in the aggregate for bodily injury and property damage.

§ 2.6.2 Automobile Liability covering vehicles owned, and non-owned vehicles used, by the Architect with policy limits of not less than One Million (\$ 1,000,000) per accident for bodily injury, death of any person, and property damage arising out of the ownership, maintenance and use of those motor vehicles, along with any other statutorily required automobile coverage.

§ 2.6.3 The Architect may achieve the required limits and coverage for Commercial General Liability and Automobile Liability through a combination of primary and excess or umbrella liability insurance, provided such primary and excess or umbrella liability insurance policies result in the same or greater coverage as the coverages required under Sections 2.6.1 and 2.6.2, and in no event shall any excess or umbrella liability insurance provide narrower coverage than the primary policy. The excess policy shall not require the exhaustion of the underlying limits only through the actual payment by the underlying insurers.

§ 2.6.4 Workers' Compensation at statutory limits.

§ 2.6.5 Employers' Liability with policy limits not less than One Million (\$ 1,000,000) each accident, One Million (\$ 1,000,000) each employee, and One Million (\$ 1,000,000) policy limit.

§ 2.6.6 Professional Liability covering negligent acts, errors and omissions in the performance of professional services with policy limits of not less than Two Million (\$ 2,000,000) per claim and Four Million (\$ 4,000,000) in the aggregate.

§ 2.6.7 **Additional Insured Obligations.** To the fullest extent permitted by law, the Architect shall cause the primary and excess or umbrella policies for Commercial General Liability and Automobile Liability to include the Owner as an additional insured for claims caused in whole or in part by the Architect's negligent acts or omissions. The additional insured coverage shall be primary and non-contributory to any of the Owner's insurance policies and shall apply to both ongoing and completed operations.

§ 2.6.8 The Architect shall provide certificates of insurance to the Owner that evidence compliance with the requirements in this Section 2.6. Such proof of insurance shall confirm that the insurer has agreed that it will not cancel the insurance without giving the Owner thirty (30) days advance written notice of its intent to cancel. The Architect shall likewise demand from its consultants proof of insurance of types and limits commensurate to their scope of work on the Project and no less than the types and limits required by law as a condition precedent to their engagement to perform services on the Project. The Architect shall not commence work under this Contract until the Architect has obtained all insurance required herein and such insurance has been approved by the Owner, nor shall the Architect allow any subcontractor to commence work on a subcontract until such subcontractor has obtained insurance. All this insurance coverage shall be maintained throughout the life of this Contract.

§ 2.6.9 The Architect's policies shall be primary insurance to any other valid and collectible insurance available to the Owner with respect to any claim arising out of The Architect's performance under this Contract. The Architect is responsible for payment of Contract related insurance premiums and deductibles. The Architect's policies shall include legal defense fees in addition to its liability policy limits, with the exception of the professional liability insurance. All policies listed above, except professional liability, shall be written on an "occurrence" form ("claims made" and "modified occurrence" forms are not acceptable) and shall apply on a "per project" basis. The Architect

Init.

AIA Document B132 – 2019. Copyright © 1992, 2009, and 2019. All rights reserved. "The American Institute of Architects," "American Institute of Architects," "AIA," the AIA Logo, and "AIA Contract Documents" are trademarks of The American Institute of Architects. This document was produced at 17:32:45 ET on 05/30/2025 under Order No.2114500194 which expires on 06/30/2025, is not for resale, is licensed for one-time use only, and may only be used in accordance with the AIA Contract Documents® Terms of Service. To report copyright violations, e-mail docinfo@aiacontracts.com.
User Notes: (1951290477)

6

APPENDIX

shall obtain insurance policies from insurance companies having an "AM BEST" rating of A- (minus); Financial Size Category (FSC) VII or better, and authorized to do business in the State of Minnesota.

§ 2.6.10 If the Architect fails to provide the specified insurance, then the Architect will defend, indemnify and hold harmless the Owner and the Owner's officials, agents and employees from any loss, claim, liability and expense (including reasonable attorney's fees and expenses of litigation) to the extent necessary to afford the same protection as would have been provided by the specified insurance. Except to the extent prohibited by law, this indemnity applies regardless of any strict liability or negligence attributable to the Owner (including sole negligence) and regardless of the extent to which the underlying occurrence (i.e., the event giving rise to a claim which would have been covered by the specified insurance) is attributable to the negligent or otherwise wrongful act or omission (including breach of contract) of the Architect, its subcontractors, agents, employees or delegates. The Architect agrees that this indemnity shall be construed and applied in favor of indemnification. The Architect also agrees that if applicable law limits or precludes any aspect of this indemnity, then the indemnity will be considered limited only to the extent necessary to comply with that applicable law. The stated indemnity continues until all applicable statutes of limitation have run. If a claim arises within the scope of the stated indemnity, the Owner may require the Architect to: (a) Furnish and pay for a surety bond, satisfactory to the Owner, guaranteeing performance of the indemnity obligation; or (b) Furnish a written acceptance of tender of defense and indemnity from the Architect's insurance company. The Architect will take the action required by the Owner within fifteen (15) days of receiving notice from the Owner.

§ 2.6.11 Notwithstanding the foregoing, the Owner reserves the right to immediately terminate this Contract if the Architect is not in compliance with the insurance requirements contained herein and retains all rights to pursue any legal remedies against the Architect.

ARTICLE 3 SCOPE OF ARCHITECT'S BASIC SERVICES

§ 3.1 The Architect's Basic Services consist of those described in this Article 3 and include usual and customary structural, mechanical, and electrical engineering services; civil engineering, cost estimating, , acoustical, and landscaping consultants will be hired by Architect as services are required as part of Basic Services. Services not set forth in this Article 3 are Supplemental or Additional Services.

§ 3.1.1 The Architect shall manage the Architect's services, research applicable design criteria, attend Project meetings, communicate with members of the Project team, and report progress to the Owner.

§ 3.1.2 The Architect shall coordinate its services with those services provided by the Owner, the Construction Manager, and the Owner's other consultants. The Architect shall be entitled to rely on, and shall not be responsible for, the accuracy, completeness, and timeliness of, services and information furnished by the Owner, the Construction Manager, and the Owner's other consultants except with respect to information obtained regarding public and private utility facility locations. Owner makes no warranty as to their accuracy. The Architect shall provide prompt written notice to the Owner if the Architect becomes aware of any error, omission or inconsistency, in such services or information.

§ 3.1.3 As soon as practicable after the date of this Agreement, the Architect shall submit, for the Construction Manager's review and the Owner's approval, a schedule for the performance of the Architect's services. The schedule shall include design phase milestone dates, as well as the anticipated dates for the commencement of construction and for Substantial Completion of the Work as set forth in the Initial Information. This schedule shall include allowances for periods of time required for the Owner's review, for the Construction Manager's review, for the performance of the Owner's consultants, and for approval of submissions by authorities having jurisdiction over the Project. Once approved by the Owner, time limits established by the schedule shall not, except for reasonable cause, be exceeded by the Architect or Owner. With the Owner's approval, the Architect shall adjust the schedule, if necessary, as the Project proceeds until the commencement of construction.

§ 3.1.4 The Architect shall submit information to the Construction Manager and participate in developing and revising the Project schedule as it relates to the Architect's services. The Architect shall review and approve, or take other appropriate action upon, the portion of the Project schedule relating to the performance of the Architect's services.

§ 3.1.5 The Architect shall not be responsible for an Owner's or Construction Manager's directive or substitution, or for the Owner's acceptance of non-conforming Work, made or given without the Architect's written approval.

Init.

AIA Document B132 – 2019. Copyright © 1992, 2009, and 2019. All rights reserved. "The American Institute of Architects," "American Institute of Architects," "AIA," the AIA Logo, and "AIA Contract Documents" are trademarks of The American Institute of Architects. This document was produced at 17:32:45 ET on 05/30/2025 under Order No.2114500194 which expires on 06/30/2025, is not for resale, is licensed for one-time use only, and may only be used in accordance with the AIA Contract Documents® Terms of Service. To report copyright violations, e-mail docinfo@aiacontracts.com.
User Notes:

(1951290477)

7

§ 3.1.6 The Architect shall, in coordination with the Construction Manager, contact governmental authorities required to approve the Construction Documents and entities providing utility services to the Project. The Architect shall respond to applicable design requirements imposed by those authorities and entities.

§ 3.1.7 The Architect shall assist the Owner and Construction Manager in connection with the Owner's responsibility for filing documents required for the approval of governmental authorities having jurisdiction over the Project.

§ 3.1.8 The Architect shall provide site evaluation, planning, conformed construction documents, as-designed record drawings and post-occupancy evaluation.

§ 3.2 Schematic Design Phase Services

§ 3.2.1 The Architect shall review the program and other information furnished by the Owner and Construction Manager, and shall review and follow laws, codes, and regulations applicable to the Architect's services.

§ 3.2.2 The Architect shall prepare a preliminary evaluation of the Owner's program, schedule, budget for the Cost of the Work, Project site, and the proposed procurement and delivery method, and other Initial Information, each in terms of the other, to ascertain the requirements of the Project. The Architect shall notify the Owner in writing of (1) any inconsistencies discovered in the information, and (2) other information or consulting services that may be reasonably needed for the Project.

§ 3.2.3 The Architect shall present its preliminary evaluation to the Owner and Construction Manager and shall discuss with the Owner and Construction Manager alternative approaches to design and construction of the Project, if requested by Owner. The Architect shall reach an understanding with the Owner and Construction Manager regarding the requirements of the Project.

§ 3.2.4 Based on the Project requirements agreed upon with the Owner, the Architect shall prepare and present, to the Owner and Construction Manager, for the Owner's approval, a preliminary design illustrating the scale and relationship of the Project components.

§ 3.2.5 Based on the Owner's approval of the preliminary design, the Architect shall prepare Schematic Design Documents for the Construction Manager's review and Owner's approval. The Schematic Design Documents shall consist of drawings and other documents including a site plan, if appropriate, and preliminary building plans, sections and elevations; and may include some combination of study models, perspective sketches, or digital representations. Preliminary selections of major building systems and construction materials shall be noted on the drawings or described in writing.

§ 3.2.5.1 The Architect shall consider, if requested by Owner, sustainable design alternatives, such as material choices and building orientation, together with other considerations based on program and aesthetics, in developing a design that is consistent with the Owner's program, schedule and budget for the Cost of the Work. The Owner may obtain more advanced sustainable design services as a Supplemental Service under Section 4.1.1.

§ 3.2.5.2 The Architect shall consider with the Owner and the Construction Manager the value of alternative materials, building systems and equipment, together with other considerations based on program and aesthetics, in developing a design for the Project that is consistent with the Owner's program, schedule, and budget for the Cost of the Work.

§ 3.2.6 The Architect shall submit the Schematic Design Documents to the Owner and the Construction Manager. The Architect shall meet with the Construction Manager to review the Schematic Design Documents.

§ 3.2.7 Upon receipt of the Construction Manager's review comments and cost estimate at the conclusion of the Schematic Design Phase, the Architect shall take action as required under Section 6.4, and request the Owner's approval of the Schematic Design Documents. If revisions to the Schematic Design Documents are required to comply with the Owner's budget for the Cost of the Work at the conclusion of the Schematic Design Phase, the Architect shall incorporate such revisions in the Design Development Phase.

§ 3.2.8 In the further development of the Drawings and Specifications during this and subsequent phases of design, the Architect shall be entitled to rely on the accuracy of the estimates of the Cost of the Work, which are to be provided by the Construction Manager under the Construction Manager's agreement with the Owner.

Init.

AIA Document B132 – 2019. Copyright © 1992, 2009, and 2019. All rights reserved. "The American Institute of Architects," "American Institute of Architects," "AIA," the AIA Logo, and "AIA Contract Documents" are trademarks of The American Institute of Architects. This document was produced at 17:32:45 ET on 05/30/2025 under Order No.2114500194 which expires on 06/30/2025, is not for resale, is licensed for one-time use only, and may only be used in accordance with the AIA Contract Documents® Terms of Service. To report copyright violations, e-mail docinfo@aiacontracts.com.
User Notes: (1951290477)

8

APPENDIX

§ 3.3 Design Development Phase Services

§ 3.3.1 Based on the Owner's approval of the Schematic Design Documents, and on the Owner's authorization of any adjustments in the Project requirements and the budget for the Cost of the Work, the Architect shall prepare Design Development Documents for the Construction Manager's review and the Owner's approval. The Design Development Documents shall be based upon information provided, and estimates prepared in collaboration with the Construction Manager and shall illustrate and describe the development of the approved Schematic Design Documents and shall consist of drawings and other documents including plans, sections, elevations, typical construction details, and diagrammatic layouts of building systems to fix and describe the size and character of the Project as to architectural, structural, mechanical and electrical systems, and other appropriate elements. The Design Development Documents shall also include outline specifications that identify major materials and systems and establish in general their quality levels.

§ 3.3.2 Prior to the conclusion of the Design Development Phase, the Architect shall submit the Design Development Documents to the Owner and the Construction Manager. The Architect shall meet with the Construction Manager to review the Design Development Documents.

§ 3.3.3 Upon receipt of the Construction Manager's information and estimate at the conclusion of the Design Development Phase, the Architect shall take action as required under Sections 6.5 and 6.6 and request the Owner's approval of the Design Development Documents.

§ 3.4 Construction Documents Phase Services

§ 3.4.1 Based on the Owner's approval of the Design Development Documents, and on the Owner's authorization of any adjustments in the Project requirements and the budget for the Cost of the Work, the Architect shall prepare Construction Documents for the Construction Manager's review and the Owner's approval. The Construction Documents shall illustrate and describe the further development of the approved Design Development Documents and shall consist of Drawings and Specifications setting forth in detail the quality levels and performance criteria of materials and systems and other requirements for the construction of the Work. The Owner and Architect acknowledge that, in order to perform the Work, the Contractor will provide additional information, including Shop Drawings, Product Data, Samples and other similar submittals, which the Architect shall review in accordance with Section 3.6.4.

§ 3.4.2 The Architect shall incorporate the design requirements of governmental authorities having jurisdiction over the Project into the Construction Documents.

§ 3.4.3 During the development of the Construction Documents, if requested by the Owner, the Architect shall assist the Owner and the Construction Manager in the development and preparation of (1) procurement information that describes the time, place, and conditions of bidding, including bidding or proposal forms; (2) the form of agreements between the Owner and Contractors; and (3) the Conditions of the Contracts for Construction (General, Supplementary and other Conditions); (4) a project manual that includes the Conditions of the Contracts for Construction and Specifications, and may include bidding requirements and sample forms; and (5) the scopes of Work for each bid package to ensure completeness of Work and avoiding of overlap.

§ 3.4.4 Prior to the conclusion of the Construction Documents Phase, the Architect shall submit the Construction Documents to the Owner and the Construction Manager. The Architect shall meet with the Construction Manager to review the Construction Documents.

§ 3.4.5 Upon receipt of the Construction Manager's information and an estimate at the conclusion of the Construction Documents Phase, the Architect shall take action as required under Section 6.7, and request the Owner's approval of the Construction Documents.

§ 3.4.6 The Architect shall work with the Owner in connection with the Owner's responsibility for filing documents required for the approval of governmental authorities having jurisdiction over the Project. The Architect shall have the primary responsibility to complete the required documents and ensure that they are properly filed on behalf of the Owner. The Architect shall observe those applicable laws, statutes, ordinances, codes, rules and regulations in force and publicly announced as of the date of this agreement or as of the date of subsequent compensation amendments whichever is the latter.

Init.

AIA Document B132 – 2019. Copyright © 1992, 2009, and 2019. All rights reserved. "The American Institute of Architects," "American Institute of Architects," "AIA," the AIA Logo, and "AIA Contract Documents" are trademarks of The American Institute of Architects. This document was produced at 17:32:45 ET on 05/30/2025 under Order No.2114500194 which expires on 06/30/2025, is not for resale, is licensed for one-time use only, and may only be used in accordance with the AIA Contract Documents® Terms of Service. To report copyright violations, e-mail docinfo@aiacontracts.com.
User Notes: (1951290477)

9

§ 3.4.7 Owner understands that relatively few guidelines are available with respect to compliance with Americans with Disabilities Act (ADA). Architect is aware of developments in this field, including ADA guidelines that are incorporated in the building code, and legal decisions, but cannot guarantee or warrant that Architect's opinion of appropriate compliance measures will be found valid.

§ 3.5 Procurement Phase Services

§ 3.5.1 General

The Architect shall assist the Owner and Construction Manager in establishing a list of prospective contractors. Following the Owner's approval of the Construction Documents, the Architect shall assist the Owner and Construction Manager in (1) obtaining competitive bids or proposals; (2) confirming responsiveness of bids or proposals; (3) determining the successful bid or proposal, if any; and (4) awarding and preparing Contracts for Construction.

§ 3.5.2 Competitive Bidding

§ 3.5.2.1 Bidding Documents shall consist of bidding requirements and proposed Contract Documents.

§ 3.5.2.2 The Architect shall assist the Owner and Construction Manager in bidding the Project by

- 1 preparing and facilitating the distribution of Bidding Documents to prospective bidders;
- 2 organizing and conducting a pre-bid conference for prospective bidders, if requested by Owner;
- 3 preparing responses to questions from prospective bidders and providing clarifications and interpretations of the Bidding Documents to the prospective bidders in the form of addenda; and
- 4 organizing and conducting the opening of bids, and subsequently documenting and distributing the bidding results, as directed by the Owner.

§ 3.5.2.3 If the Bidding Documents permit substitutions, upon the Owner's written authorization, the Architect shall, as an Additional Service, consider requests for substitutions, and prepare and distribute addenda identifying approved substitutions to all prospective bidders.

§ 3.5.3 Negotiated Proposals

§ 3.5.3.1 In the event the lowest bid (or bids) exceeds the budget for the Project, the Architect, in consultation with and at the direction of the Owner, shall provide such modifications in the Contract Documents as necessary to bring the cost of the Project within the budget, unless Owner directs the Architect to bid a project estimated over budget.

(Paragraphs deleted)

§ 3.6 Construction Phase Services

§ 3.6.1 General

§ 3.6.1.1 The Architect shall provide administration of the Contract between the Owner and the Contractor as set forth below and in AIA Document A232™–2019, General Conditions of the Contract for Construction, Construction Manager as Adviser Edition, as modified. If the Owner and Contractor modify AIA Document A232–2019, those modifications shall not affect the Architect's services under this Agreement unless the Owner and the Architect amend this Agreement.

§ 3.6.1.2 The Architect shall advise and consult with the Owner and Construction Manager during the Construction Phase Services. The Architect shall have authority to act on behalf of the Owner only to the extent provided in this Agreement. The Architect shall not have control over, charge of, or responsibility for the construction means, methods, techniques, sequences or procedures, or for safety precautions and programs in connection with the Work, nor shall the Architect be responsible for the Contractors' failure to perform the Work in accordance with the requirements of the Contract Documents. The Architect shall be responsible for the Architect's negligent acts or omissions, but shall not have control over or charge of, and shall not be responsible for acts or omissions of the Construction Manager, or acts or omissions of the Contractors or of any other persons or entities performing portions of the Work. Nothing in this section is intended, or shall be construed, to negate the Architect's duties to the Owner under Sections 2.2 or 3.6.2.1.

§ 3.6.1.3 Subject to Section 4.2, and except as provided in Section 3.6.6.5, the Architect's responsibility to provide Construction Phase Services commences with the award of the initial Contract for Construction and terminates at the end of the Contractor's construction warranty period.

Init.

AIA Document B132 – 2019. Copyright © 1992, 2009, and 2019. All rights reserved. "The American Institute of Architects," "American Institute of Architects," "AIA," the AIA Logo, and "AIA Contract Documents" are trademarks of The American Institute of Architects. This document was produced at 17:32:45 ET on 05/30/2025 under Order No.2114500194 which expires on 06/30/2025, is not for resale, is licensed for one-time use only, and may only be used in accordance with the AIA Contract Documents® Terms of Service. To report copyright violations, e-mail docinfo@aiacontracts.com.
User Notes: (1951290477)

10

APPENDIX

§ 3.6.2 Evaluations of the Work

§ 3.6.2.1 The Architect shall visit the site at intervals appropriate to the stage of construction, or as otherwise required in Section 4.2.3, to become generally familiar with the progress and quality of the portion of the Work completed, and to determine, in general, if the Work observed is being performed in a manner indicating that the Work, when fully completed, will be in accordance with the Contract Documents. However, the Architect shall not be required to make exhaustive or continuous on-site inspections to check the quality or quantity of the Work. On the basis of the site visits, the Architect shall keep the Owner and Construction Manager reasonably informed about the progress and quality of the portion of the Work completed, and promptly report to the Owner and the Construction Manager (1) known deviations from the Contract Documents, (2) known deviations from the most recent construction schedule submitted by the Construction Manager, and (3) defects and deficiencies observed in the Work.

§ 3.6.2.2 The Architect has the authority to reject Work that does not conform to the Contract Documents and shall notify the Construction Manager about the rejection. Whenever the Architect considers it necessary or advisable, the Architect, upon written authorization from the Owner and notification to the Construction Manager, shall have the authority to require inspection or testing of the Work in accordance with the provisions of the Contract Documents, whether or not the Work is fabricated, installed or completed. However, neither this authority of the Architect nor a decision made in good faith either to exercise or not to exercise such authority shall give rise to a duty or responsibility of the Architect to the Contractors, Subcontractors, suppliers, their agents or employees, or other persons or entities performing portions of the Work.

§ 3.6.2.3 The Architect shall interpret and decide matters concerning performance under, and requirements of, the Contract Documents on written request of the Construction Manager, Owner, or Contractors through the Construction Manager. The Architect's response to such requests shall be made in writing within any time limits agreed upon or otherwise with reasonable promptness.

§ 3.6.2.4 Interpretations and decisions of the Architect shall be consistent with the intent of, and reasonably inferable from, the Contract Documents and shall be in writing or in the form of drawings. When making such interpretations and decisions, the Architect shall endeavor to secure faithful performance by the Owner and Contractors, shall not show partiality to either, and shall not be liable for results of interpretations or decisions rendered in good faith. The Architect's decisions on matters relating to aesthetic effect shall be final if consistent with the intent expressed in the Contract Documents.

§ 3.6.2.5 Unless the Owner and Contractors designate another person to serve as an Initial Decision Maker, as that term is defined in AIA Document A232-2019, the Architect, with the assistance of the Construction Manager, shall render initial decisions on Claims by the Contractors as provided in the Contract Documents.

§ 3.6.3 Certificates for Payment to Contractor

§ 3.6.3.1 Not more frequently than monthly, the Architect shall review and certify an application for payment. Within seven days after the Architect receives an application for payment forwarded from the Construction Manager, the Architect shall review and certify the application as follows:

1. Where there is only one Contractor responsible for performing the Work, the Architect shall review the Contractor's Application and Certificate for Payment that the Construction Manager has previously reviewed and certified. The Architect shall certify the amount due the Contractor and shall issue a Certificate for Payment in such amount.
2. Where there is more than one Contractor responsible for performing different portions of the Project, the Architect shall review the Project Application and Project Certificate for Payment, with the Summary of Contractors' Applications for Payment, that the Construction Manager has previously prepared, reviewed, and certified. The Architect shall certify the total amount due all Contractors collectively and shall issue a Project Certificate for Payment in the total of such amounts.

§ 3.6.3.2 The Architect's certification for payment shall constitute a representation to the Owner, based on (1) the Architect's evaluation of the Work as provided in Section 3.6.2, (2) the data comprising the Contractor's Application for Payment or the data comprising the Project Application for Payment, and (3) the recommendation of the Construction Manager, that, to the best of the Architect's knowledge, information and belief, the Work has progressed to the point indicated, the quality of the Work is in accordance with the Contract Documents, and that the Contractors are entitled to payment in the amount certified. The foregoing representations are subject to (1) an evaluation of the

Init.

AIA Document B132 – 2019. Copyright © 1992, 2009, and 2019. All rights reserved. "The American Institute of Architects," "American Institute of Architects," "AIA," the AIA Logo, and "AIA Contract Documents" are trademarks of The American Institute of Architects. This document was produced at 17:32:45 ET on 05/30/2025 under Order No.2114500194 which expires on 06/30/2025, is not for resale, is licensed for one-time use only, and may only be used in accordance with the AIA Contract Documents® Terms of Service. To report copyright violations, e-mail docinfo@aiacontracts.com.
User Notes: (1951290477)

11

Work for conformance with the Contract Documents upon Substantial Completion, (2) results of subsequent tests and inspections, (3) correction of minor deviations from the Contract Documents prior to completion, and (4) specific qualifications expressed by the Architect.

§ 3.6.3.3 The issuance of a Certificate for Payment or a Project Certificate for Payment shall not be a representation that the Architect has (1) made exhaustive or continuous on-site inspections to check the quality or quantity of the Work, (2) reviewed construction means, methods, techniques, sequences or procedures, (3) reviewed copies of requisitions received from Subcontractors and suppliers and other data requested by the Owner to substantiate each Contractor's right to payment, or (4) ascertained how or for what purpose that Contractor has used money previously paid on account of the Contract Sum.

§ 3.6.3.4 The Architect shall maintain a record of the Applications and Certificates for Payment.

§ 3.6.4 Submittals

§ 3.6.4.1 The Architect shall review the Construction Manager's Project submittal schedule and shall not unreasonably delay or withhold approval of the schedule. The Architect's action in reviewing submittals transmitted by the Construction Manager shall be taken in accordance with the approved submittal schedule or, in the absence of an approved submittal schedule, with reasonable promptness while allowing sufficient time, in the Architect's professional judgment, to permit adequate review.

§ 3.6.4.2 The Architect shall review, or take other appropriate action upon, the Contractors' submittals such as Shop Drawings, Product Data and Samples, that the Construction Manager has reviewed, recommended for approval, and transmitted to the Architect. The Architect's review of the submittals shall only be for the limited purpose of checking for conformance with information given and the design concept expressed in the Contract Documents. Review of such submittals is not for the purpose of determining the accuracy and completeness of other information such as dimensions, quantities, and installation or performance of equipment or systems, which are the Contractors' responsibilities. The Architect's review shall not constitute approval of safety precautions or construction means, methods, techniques, sequences or procedures. The Architect's approval of a specific item shall not indicate approval of an assembly of which the item is a component.

§ 3.6.4.3 If the Contract Documents specifically require the Contractors to provide professional design services or certifications by a design professional related to systems, materials or equipment, the Architect shall specify the appropriate performance and design criteria that such services must satisfy. The Architect shall review and take appropriate action on Shop Drawings and other submittals related to the Work designed or certified by the Contractors' design professionals, provided the submittals bear such professionals' seal and signature when submitted to the Architect. The Architect's review shall be for the limited purpose of checking for conformance with information given and the design concept expressed in the Contract Documents. The Architect shall be entitled to rely upon, and shall not be responsible for, the adequacy and accuracy of the services, certifications, and approvals performed or provided by such design professionals.

§ 3.6.4.4 After receipt of the Construction Manager's recommendations, and subject to the provisions of Section 4.2, the Architect shall review and respond to requests for information about the Contract Documents. The Architect, in consultation with the Construction Manager, shall set forth in the Contract Documents the requirements for requests for information. Requests for information shall include, at a minimum, a detailed written statement that indicates the specific Drawings or Specifications in need of clarification and the nature of the clarification requested. The Architect's response to such requests shall be made in writing within any time limits agreed upon, or otherwise with reasonable promptness. If appropriate, the Architect shall prepare and issue supplemental Drawings and Specifications in response to the requests for information.

§ 3.6.4.5 The Architect shall maintain a record of submittals and copies of submittals transmitted by the Construction Manager in accordance with the requirements of the Contract Documents.

§ 3.6.5 Changes in the Work

§ 3.6.5.1 The Architect shall review and sign, or take other appropriate action, on Change Orders and Construction Change Directives prepared by the Construction Manager for the Owner's approval and execution in accordance with the Contract Documents.

Init.

AIA Document B132 – 2019. Copyright © 1992, 2009, and 2019. All rights reserved. "The American Institute of Architects," "American Institute of Architects," "AIA," the AIA Logo, and "AIA Contract Documents" are trademarks of The American Institute of Architects. This document was produced at 17:32:45 ET on 05/30/2025 under Order No.2114500194 which expires on 06/30/2025, is not for resale, is licensed for one-time use only, and may only be used in accordance with the AIA Contract Documents® Terms of Service. To report copyright violations, e-mail docinfo@aiacontracts.com.
User Notes: (1951290477)

12

APPENDIX

§ 3.6.5.2 The Architect may order minor changes in the Work that are consistent with the intent of the Contract Documents and do not involve an adjustment in the Contract Sum or an extension of the Contract Time. Such changes shall be effected by written order issued by the Architect through the Construction Manager.

§ 3.6.5.3 The Architect shall maintain records relative to changes in the Work.

§ 3.6.6 Project Completion

§ 3.6.6.1 The Architect, assisted by the Construction Manager, shall:

- .1 conduct inspections to determine the date of Substantial Completion and the date of final completion;
- .2 issue a Certificate of Substantial Completion prepared by the Construction Manager;
- .3 review written warranties and related documents required by the Contract Documents and received from the Contractors, through the Construction Manager; and
- .4 after receipt of a final Contractor's Application and Certificate for Payment or a final Project Application and Project Certificate for Payment from the Construction Manager, issue a final Certificate for Payment based upon a final inspection indicating that, to the best of the Architect's knowledge, information, and belief, the Work complies with the requirements of the Contract Documents.

§ 3.6.6.2 The Architect's inspections shall be conducted with the Owner and Construction Manager to (1) check conformance of the Work with the requirements of the Contract Documents and (2) verify the accuracy and completeness of the lists submitted by the Construction Manager and Contractors of Work to be completed or corrected.

§ 3.6.6.3 When Substantial Completion has been achieved, the Architect shall inform the Owner about the balance of the Contract Sum remaining to be paid each of the Contractors, including the amount to be retained from the Contract Sum, if any, for final completion or correction of the Work.

§ 3.6.6.4 The Architect shall forward to the Owner the following information received from the Contractors, through the Construction Manager: (1) consent of surety or sureties, if any, to reduction in or partial release of retainage or the making of final payment; (2) affidavits, receipts, releases and waivers of liens, or bonds indemnifying the Owner against liens; and (3) any other documentation required of the Contractors under the Contract Documents.

§ 3.6.6.5 Prior to the expiration of one year from the date of Substantial Completion, the Architect shall, without additional compensation, conduct a meeting with the Owner and Construction Manager to review the facility operations and performance.

§ 3.6.6.6 To the extent not addressed in the foregoing, the following shall be included as Basic Services by the Architect. To the extent these address the same item described in the foregoing provisions, the duties will be read in combination. If they cannot be read consistently, the more specific provision will prevail. If an ambiguity or inconsistency remains, the following provisions shall prevail.

- .1 Develop and finalize design of the concept depicted in the referenced studies and prepare construction drawings and specifications.
- .2 Sub-contract with and coordinate other applicable professional services providers to provide comprehensive design and construction documents for all necessary disciplines.
- .3 Interact with Owner, Owner's representatives and Construction Manager during the course of the design process and obtain feedback on design from same.
- .4 Interact with Construction Manager for constructability input and value engineering advice.
- .5 Prepare and periodically update a milestone schedule for the design and construction document work – for all disciplines.
- .6 Assist Construction Manager with assembly of bid packages.

Init.

AIA Document B132 – 2019. Copyright © 1992, 2009, and 2019. All rights reserved. "The American Institute of Architects," "American Institute of Architects," "AIA," the AIA Logo, and "AIA Contract Documents" are trademarks of The American Institute of Architects. This document was produced at 17:32:45 ET on 05/30/2025 under Order No.2114500194 which expires on 06/30/2025, is not for resale, is licensed for one-time use only, and may only be used in accordance with the AIA Contract Documents® Terms of Service. To report copyright violations, e-mail docinfo@aiacontracts.com.
User Notes: (1951290477)

13

- .7 Provide necessary documents to Owner for public meetings to illustrate the building site plans and other aspects of the Project.
- .8 Provide necessary documents in the quantities required (both electronic and paper format) for design reviews, Construction Manager reviews, bid packages, permitting, construction, and final record set.
- .9 Review applicable shop drawings and submittals during the construction phase.
- .10 Upon request of the Owner or Construction Manager, visit job site during construction phase for inspections.
- .11 Provide written status reports to Owner's Representative.

ARTICLE 4 SUPPLEMENTAL AND ADDITIONAL SERVICES

§ 4.1 Supplemental Services

§ 4.1.1 The services listed below are not included in Basic Services but may be required for the Project. The Architect shall provide the listed Supplemental Services only if specifically designated in the table below as the Architect's responsibility, and the Owner shall compensate the Architect as provided in Section 11.2. Unless otherwise specifically addressed in this Agreement, if neither the Owner nor the Architect is designated, the parties agree that the listed Supplemental Service is not being provided for the Project.

(Designate the Architect's Supplemental Services and the Owner's Supplemental Services required for the Project by indicating whether the Architect or Owner shall be responsible for providing the identified Supplemental Service. Insert a description of the Supplemental Services in Section 4.1.2 below or attach the description of services as an exhibit to this Agreement.)

Supplemental Services	Responsibility (Architect, Owner or Not Provided)
§ 4.1.1.1 Assistance with selection of Construction Manager	N/P
§ 4.1.1.2 Programming	N/P
§ 4.1.1.3 Multiple preliminary designs	N/P
§ 4.1.1.4 Measured drawings	Owner
§ 4.1.1.5 Existing facilities surveys	Owner
§ 4.1.1.6 Site evaluation and planning	Basic Services
§ 4.1.1.7 Building Information Model management responsibilities	N/P
§ 4.1.1.8 Development of Building Information Models for post construction use	N/P
§ 4.1.1.9 Civil engineering	Basic Services
§ 4.1.1.10 Landscape design	Basic Services
§ 4.1.1.11 Architectural interior design	Basic Services
§ 4.1.1.12 Value analysis	N/P
§ 4.1.1.13 Cost estimating	Basic Services
§ 4.1.1.14 On-site project representation	N/P
§ 4.1.1.15 Conformed documents for construction	Basic Services
§ 4.1.1.16 As-designed record drawings	Basic Services
§ 4.1.1.17 As-constructed record drawings	N/P
§ 4.1.1.18 Post-occupancy evaluation	N/P
§ 4.1.1.19 Facility support services	N/P
§ 4.1.1.20 Tenant-related services	N/P
§ 4.1.1.21 Architect's coordination of the Owner's consultants	N/P
§ 4.1.1.22 Telecommunications/data design	Basic Services – Refer to § 4.1.2.1

Init.

AIA Document B132 – 2019. Copyright © 1992, 2009, and 2019. All rights reserved. "The American Institute of Architects," "American Institute of Architects," "AIA," the AIA Logo, and "AIA Contract Documents" are trademarks of The American Institute of Architects. This document was produced at 17:32:45 ET on 05/30/2025 under Order No.2114500194 which expires on 06/30/2025, is not for resale, is licensed for one-time use only, and may only be used in accordance with the AIA Contract Documents® Terms of Service. To report copyright violations, e-mail docinfo@aiacontracts.com.
User Notes: (1951290477)

14

APPENDIX

§ 4.1.1.23	Security evaluation and planning	N/P
§ 4.1.1.24	Commissioning	N/P
§ 4.1.1.25	Sustainable Project Services pursuant to Section 4.1.3	N/P
§ 4.1.1.26	Historic preservation	N/P
§ 4.1.1.27	Furniture, furnishings, and equipment design	Can be provided for additional fee.
§ 4.1.1.28	Other services provided by specialty Consultants	N/P
§ 4.1.1.29	Other Supplemental Services	N/P

§ 4.1.2 Description of Supplemental Services

§ 4.1.2.1 A description of each Supplemental Service identified in Section 4.1.1 as the Architect's responsibility is provided below.

(Describe in detail the Architect's Supplemental Services identified in Section 4.1.1 or, if set forth in an exhibit, identify the exhibit. The AIA publishes a number of Standard Form of Architect's Services documents that can be included as an exhibit to describe the Architect's Supplemental Services.)

Section 4.1.1.22 – Basic low voltage engineering services are provided as part of the Architect's Basic Services. These services are limited to electrical services only for the following and include, but are not limited to, fire alarm systems, telecommunication room fittings, backbone cabling, horizontal cabling, paging systems, synchronized clock systems, local sound systems (e.g. cafeterias, gymnasiums other than performance gyms, etc.), coordination of Owner or Owner's consultants low voltage within the project, access control, and minor expansion and clean-up of existing systems. Advanced low voltage engineering and technology services can be provided as a Supplemental Service, if requested. These services include, but are not limited to, the extension of outside fiber to the building, audio visual systems (e.g. instructional technology, board rooms, theaters, etc.), digital signage, specialty audio systems (e.g. instructional technology, board rooms, theaters, performance gyms, etc.), and surveillance systems.

§ 4.1.2.2 A description of each Supplemental Service identified in Section 4.1.1 as the Owner's responsibility is provided below.

(Describe in detail the Owner's Supplemental Services identified in Section 4.1.1 or, if set forth in an exhibit, identify the exhibit.)

§ 4.1.3 If the Owner identified a Sustainable Objective in Article 1, the Architect shall provide, as a Supplemental Service, the Sustainability Services agreed upon in writing between the Owner and the Architect. The Owner shall compensate the Architect as provided in Section 11.2.

§ 4.2 Architect's Additional Services

The Architect may provide Additional Services after execution of this Agreement, without invalidating the Agreement. Except for services required due to the fault of the Architect, any Additional Services provided in accordance with this Section 4.2 shall entitle the Architect to compensation pursuant to Section 11.3 and an appropriate adjustment in the Architect's schedule.

§ 4.2.1 Upon recognizing the need to perform the following Additional Services, the Architect shall notify the Owner with reasonable promptness and explain the facts and circumstances giving rise to the need. The Architect shall not proceed to provide the following Additional Services until the Architect receives the Owner's written authorization:

1. Services necessitated by a change in the Initial Information, previous instructions or recommendations given by the Construction Manager or the Owner, approvals given by the Owner, or a material change in the Project including size, quality, complexity, building systems, the Owner's schedule or budget for Cost of the Work, constructability considerations, procurement or delivery method, or bid packages in addition to those listed in Section 1.1.6;
2. Making revisions in Drawings, Specifications, or other documents (as required pursuant to Section 6.7), when such revisions are required because the Construction Manager's estimate of the Cost of the Work exceeds the Owner's budget, except where such excess is due to changes initiated by the

Init.

AIA Document B132 – 2019. Copyright © 1992, 2009, and 2019. All rights reserved. "The American Institute of Architects," "American Institute of Architects," "AIA," the AIA Logo, and "AIA Contract Documents" are trademarks of The American Institute of Architects. This document was produced at 17:32:45 ET on 05/30/2025 under Order No.2114500194 which expires on 06/30/2025, is not for resale, is licensed for one-time use only, and may only be used in accordance with the AIA Contract Documents® Terms of Service. To report copyright violations, e-mail docinfo@aiacontracts.com.
User Notes: (1951290477)

15

- Architect in scope, capacities of basic systems, or the kinds and quality of materials, finishes or equipment;
- .3 Services necessitated by enactment or revision of codes, laws, or regulations, including changing or editing previously prepared Instruments of Service;
 - .4 Changing or editing previously prepared Instruments of Service necessitated by official interpretations of applicable codes, laws or regulations that are either (a) contrary to specific interpretations by the applicable authorities having jurisdiction made prior to the issuance of the building permit, or (b) contrary to requirements of the Instruments of Service when those Instruments of Service were prepared in accordance with the applicable standard of care;
 - .5 Services necessitated by decisions of the Owner or Construction Manager not rendered in a timely manner or any other failure of performance on the part of the Owner, Construction Manager or the Owner's other consultants or contractors;
 - .6 Preparing digital models or other design documentation for transmission to the Owner's consultants and contractors, or to other Owner-authorized recipients;
 - .7 Preparation of design and documentation for alternate bid or proposal requests proposed by the Owner or Construction Manager;
 - .8 Preparation for, and attendance at, more than four (4) public presentations, meetings or hearings (Architect's attendance at four (4) public presentations, meetings, or hearings shall be included in Architect's Basic Services);
 - .9 Preparation for, and attendance at, a dispute resolution proceeding or legal proceeding, except where the Architect is party thereto;
 - .10 Consultation concerning replacement of Work resulting from fire or other cause during construction;
 - .11 Assistance to the Initial Decision Maker, if other than the Architect;
or
 - .13 Additional Services shall specifically include Services and Reimbursable regarding Architect responses or actions related to requests under the Minnesota Government Data Practices Act ("MGDPA"), to the extent reimbursed by the requestor in the ordinary course of an MGDPA request, which shall be coordinated with the Owner. Owner's obligation to pay Architect for Additional Services regarding the MGDPA shall survive the termination or completion of Services under this Agreement.

§ 4.2.2 To avoid delay in the Construction Phase, the Architect shall provide the following Additional Services, notify the Owner in writing with reasonable promptness, and explain the facts and circumstances giving rise to the need. If, upon receipt of the Architect's notice, the Owner determines that all or parts of the services are not required, the Owner shall give prompt written notice to the Architect of the Owner's determination. The Owner shall compensate the Architect for the services provided prior to the Architect's receipt of the Owner's notice:

- .1 Reviewing a Contractor's submittal out of sequence from the Project submittal schedule approved by the Architect;
- .2 Responding to the Contractors' requests for information that are not prepared in accordance with the Contract Documents or where such information is available to the Contractors from a careful study and comparison of the Contract Documents, field conditions, other Owner-provided information, Contractor-prepared coordination drawings, or prior Project correspondence or documentation;
- .3 Preparing Change Orders, and Construction Change Directives that require evaluation of Contractors' proposals and supporting data, or the preparation or revision of Instruments of Service, except that the Architect's Basic Services shall include preparing Change Orders or Constructive Change Directives when the need therefore arises from the Architect's error or omission;;
- .4 Evaluating more than five (5) Claims as the Initial Decision Maker; or
- .5 Evaluating substitutions proposed by the Owner, Construction Manager or Contractors and making subsequent revisions to Instruments of Service resulting therefrom.

(Paragraphs deleted)

§ 4.2.4 Except for services required under Section 3.6.6.5, Construction Phase Services provided more than 60 days after (1) the date of Substantial Completion of the Work, whichever is earlier, shall be compensated as Additional Services to the extent the Architect incurs additional cost in providing those Construction Phase Services.

Init.

AIA Document B132 – 2019. Copyright © 1992, 2009, and 2019. All rights reserved. "The American Institute of Architects," "American Institute of Architects," "AIA," the AIA Logo, and "AIA Contract Documents" are trademarks of The American Institute of Architects. This document was produced at 17:32:45 ET on 05/30/2025 under Order No.2114500194 which expires on 06/30/2025, is not for resale, is licensed for one-time use only, and may only be used in accordance with the AIA Contract Documents® Terms of Service. To report copyright violations, e-mail docinfo@aiacontracts.com.
User Notes: (1951290477)

16

APPENDIX

§ 4.2.5 If the services covered by this Agreement have not been completed within () months of the date of this Agreement, through no fault of the Architect, extension of the Architect's services beyond that time shall be compensated as Additional Services.

ARTICLE 5 OWNER'S RESPONSIBILITIES

§ 5.1 Unless otherwise provided for under this Agreement, the Owner shall provide information in a timely manner regarding requirements for and limitations on the Project, including a written program which shall set forth the Owner's objectives, schedule, constraints and criteria, including space requirements and relationships, flexibility, expandability, special equipment, systems and site requirements.

§ 5.2 The Owner shall retain a Construction Manager to provide services, duties and responsibilities as described in AIA Document C132-2019, Standard Form of Agreement Between Owner and Construction Manager as Adviser. The Owner shall provide the Architect with a copy of the scope of services in the agreement executed between the Owner and the Construction Manager, and any subsequent modifications to the Construction Manager's scope of services in the agreement.

§ 5.3 The Owner shall establish the Owner's budget for the Project, including (1) the budget for the Cost of the Work as defined in Section 6.1; (2) the Owner's other costs; and (3) reasonable contingencies related to all of these costs. The Owner shall update the Owner's budget for the Project as necessary throughout the duration of the Project until final completion. If the Owner significantly increases or decreases the Owner's budget for the Cost of the Work, the Owner shall notify the Architect and the Construction Manager. The Owner and the Architect, in consultation with the Construction Manager, shall thereafter agree to a corresponding change in the Project's scope and quality.

§ 5.3.1 The Owner acknowledges that accelerated, phased or fast-track scheduling provides a benefit, but also carries with it associated risks. Such risks include the Owner incurring costs for the Architect to coordinate and redesign portions of the Project affected by procuring or installing elements of the Project prior to the completion of all relevant Construction Documents, and costs for the Contractors to remove and replace previously installed Work. If the Owner selects accelerated, phased or fast-track scheduling, the Owner agrees to include in the budget for the Project sufficient contingencies to cover such costs.

§ 5.4 The Owner shall identify a representative authorized to act on the Owner's behalf with respect to the specific matters delegated to the representative in writing by the Owner's Council. In no event shall the Owner's representative have authority to agree to any adjustments in the Contract Sum or Contract Time. All adjustments to the Contract Sum or Contract Time require approval by the Owner's Council unless the Council expressly delegates in writing to the representative, defined authority to approve specified sums or times. The Owner shall render decisions and approve the Architect's submittals in a timely manner in order to avoid unreasonable delay in the orderly and sequential progress of the Architect's services.

§ 5.5 The Owner shall furnish surveys to describe physical characteristics, legal limitations and utility locations for the site of the Project, and a written legal description of the site. The surveys and legal information shall include, as applicable, grades and lines of streets, alleys, pavements and adjoining property and structures; designated wetlands; adjacent drainage; rights-of-way, restrictions, easements, encroachments, zoning, deed restrictions, boundaries and contours of the site; locations, dimensions, and other necessary data with respect to existing buildings, other improvements and trees; and information concerning available utility services and lines, both public and private, above and below grade, including inverts and depths. All the information on the survey shall be referenced to a Project benchmark. Owner shall provide utility location information in its possession but makes no representation as to the accuracy of utility location information for privately owned utilities.

§ 5.6 The Owner shall furnish services of geotechnical engineers, which may include test borings, test pits, determinations of soil bearing values, percolation tests, evaluations of hazardous materials, seismic evaluation, ground corrosion tests and resistivity tests, including necessary operations for anticipating subsol conditions, with written reports and appropriate recommendations.

§ 5.7 The Owner shall provide the Supplemental Services designated as the Owner's responsibility in Section 4.1.1.

§ 5.8 If the Owner identified a Sustainable Objective in Article 1, the Owner shall fulfill its responsibilities as agreed upon in writing between the Owner and the Architect.

§ 5.9 The Owner shall coordinate the services of its own consultants with those services provided by the Architect. Upon the Architect's request, the Owner shall furnish copies of the scope of services in the contracts between the Owner and the Owner's consultants. The Owner shall furnish the services of consultants other than those designated as the responsibility of the Architect in this Agreement, or authorize the Architect to furnish them as an Additional Service, when the Architect requests such services and demonstrates that they are reasonably required by the scope of the Project. The Owner shall require that its consultants and contractors maintain insurance, including professional liability insurance, as appropriate to the services or work provided.

§ 5.10 The Owner shall furnish tests, inspections and reports required by law or the Contract Documents, such as structural, mechanical, and chemical tests, tests for air and water pollution, and tests for hazardous materials.

§ 5.11 The Owner shall furnish all legal, insurance and accounting services, including auditing services, that may be reasonably necessary at any time for the Project to meet the Owner's needs and interests.

§ 5.12 The Owner shall provide prompt written notice to the Architect and Construction Manager if the Owner becomes aware of any fault or defect in the Project, including errors, omissions or inconsistencies in the Architect's Instruments of Service.

§ 5.13 The Owner shall communicate with the Contractors and the Construction Manager's consultants through the Construction Manager about matters arising out of or relating to the Contract Documents. The Owner and Construction Manager shall include the Architect in all communications that relate to or affect the Architect's services or professional responsibilities. The Owner shall promptly notify the Architect of the substance of any direct communications between the Owner and the Construction Manager otherwise relating to the Project. Communications by and with the Architect's consultants shall be through the Architect.

§ 5.14 The Owner shall provide the Architect a copy of the executed agreements between the Owner and Contractors, including the General Conditions of the Contracts for Construction.

§ 5.15 The Owner shall provide the Architect access to the Project site prior to commencement of the Work and shall obligate the Construction Manager and Contractors to provide the Architect access to the Work wherever it is in preparation or progress.

§ 5.16 Within 15 days after receipt of a written request from the Architect, the Owner shall furnish the requested information as necessary and relevant for the Architect to evaluate, give notice of, or enforce lien rights.

ARTICLE 6 COST OF THE WORK

§ 6.1 For purposes of this Agreement, the Cost of the Work shall be the total cost to the Owner to construct all elements of the Project designed or specified by the Architect and shall include the Contractors' general conditions costs, overhead and profit. The Cost of the Work also includes the reasonable value of labor, materials, and equipment, donated to, or otherwise furnished by, the Owner. The Cost of the Work does not include the compensation of the Architect; the costs of the land, rights-of-way, financing, or contingencies for changes in the Work; or other costs that are the responsibility of the Owner.

§ 6.2 The Owner's budget for the Cost of the Work is provided in Initial Information, and shall be adjusted throughout the Project as required under Sections 5.3 and 6.4. Evaluations of the Owner's budget for the Cost of the Work represent the Architect's judgment as a design professional.

§ 6.3 The Owner shall require the Construction Manager to include appropriate contingencies for design, bidding or negotiating, price escalation, and market conditions in estimates of the Cost of the Work. The Architect shall be entitled to rely on the accuracy and completeness of estimates of the Cost of the Work the Construction Manager prepares as the Architect progresses with its Basic Services. The Architect shall prepare, as an Additional Service, revisions to the Drawings, Specifications or other documents required due to the Construction Manager's inaccuracies or incompleteness in preparing cost estimates, or due to market conditions the Architect could not reasonably anticipate. The Architect may review the Construction Manager's estimates solely for the Architect's guidance in completion of its services, however, the Architect shall report to the Owner any material inaccuracies and inconsistencies noted during any such review.

Init.

AIA Document B132 – 2019. Copyright © 1992, 2009, and 2019. All rights reserved. "The American Institute of Architects," "American Institute of Architects," "AIA," the AIA Logo, and "AIA Contract Documents" are trademarks of The American Institute of Architects. This document was produced at 17:32:45 ET on 05/30/2025 under Order No. 2114500194 which expires on 06/30/2025, is not for resale, is licensed for one-time use only, and may only be used in accordance with the AIA Contract Documents® Terms of Service. To report copyright violations, e-mail docinfo@aiacontracts.com.
User Notes: (1951290477)

18

§ 6.3.1 If the Architect is providing cost estimating services as a Supplemental Service, and a discrepancy exists between the Construction Manager's cost estimates and the Architect's cost estimates, the Architect and the Construction Manager shall work together to reconcile the cost estimates.

§ 6.4 If, prior to the conclusion of the Design Development Phase, the Construction Manager's estimate of the Cost of the Work exceeds the Owner's budget for the Cost of the Work, the Architect, in consultation with the Construction Manager, shall make appropriate recommendations to the Owner to adjust the Project's size, quality or budget for the Cost of the Work, and the Owner shall cooperate with the Architect in making such adjustments.

§ 6.5 If the Construction Manager's estimate of the Cost of the Work at the conclusion of the Design Development Phase exceeds the Owner's budget for the Cost of the Work, the Owner shall

- .1 give written approval of an increase in the budget for the Cost of the Work;
- .2 terminate in accordance with Section 9.5;
- .3 in consultation with the Architect and Construction Manager, revise the Project program, scope, or quality as required to reduce the Cost of the Work; or
- .4 implement any other mutually acceptable alternative.

§ 6.6 If the Owner chooses to proceed under Section 6.5.3, the Architect, without additional compensation, shall incorporate the revisions in the Construction Documents Phase as necessary to comply with the Owner's budget for the Cost of the Work at the conclusion of the Design Development Phase Services, or the budget as adjusted under Section 6.5.1. The Architect's revisions in the Construction Documents Phase shall be the limit of the Architect's responsibility under this Article 6.

§ 6.7 After incorporation of modifications under Section 6.6, the Architect shall, as an Additional Service, make any required revisions to the Drawings, Specifications or other documents necessitated by subsequent cost estimates that exceed the Owner's budget for the Cost of the Work, except when the excess is due to changes initiated by the Architect in scope, basic systems, or the kinds and quality of materials, finishes or equipment.

ARTICLE 7 COPYRIGHTS AND LICENSES

§ 7.1 The Architect and the Owner warrant that in transmitting Instruments of Service, or any other information, the transmitting party is the copyright owner of such information or has permission from the copyright owner to transmit such information for its use on the Project.

§ 7.2 The Architect and the Architect's consultants shall be deemed the authors and owners of their respective Instruments of Service, including the Drawings and Specifications, and shall retain all common law, statutory and other reserved rights, including copyrights. Submission or distribution of Instruments of Service to meet official regulatory requirements or for similar purposes in connection with the Project is not to be construed as publication in derogation of the reserved rights of the Architect and the Architect's consultants.

§ 7.3 The Architect grants to the Owner a nonexclusive license to use the Architect's Instruments of Service solely and exclusively for purposes of constructing, using, maintaining, altering and adding to the Project, provided that the Owner substantially performs its obligations under this Agreement, including prompt payment of all sums due pursuant to Article 9 and Article 11. The Architect shall obtain similar nonexclusive licenses from the Architect's consultants consistent with this Agreement. The license granted under this section permits the Owner to authorize the Contractors, Construction Manager, Subcontractors, Sub-subcontractors, and suppliers, as well as the Owner's consultants and Separate Contractors, to reproduce applicable portions of the Instruments of Service, subject to any protocols established pursuant to Section 1.3, solely and exclusively for use in performing services or construction for the Project. The Owner's non-exclusive license to use the Instruments of Service shall be governed by Section 9.8.

§ 7.3.1 In the event the Owner uses the Instruments of Service without retaining the authors of the Instruments of Service, the Owner releases the Architect and Architect's consultant(s) from all claims and causes of action arising from such uses. The Owner, to the extent permitted by law, further agrees to indemnify and hold harmless the Architect and its consultants from all costs and expenses, including the cost of defense, related to claims and causes of action asserted by any third person or entity to the extent such costs and expenses arise from the Owner's use of the Instruments of Service under this Section 7.3.1. The terms of this Section 7.3.1 shall not apply if the Owner rightfully terminates this Agreement for cause under Section 9.4.

Init.

AIA Document B132 – 2019. Copyright © 1992, 2009, and 2019. All rights reserved. "The American Institute of Architects," "American Institute of Architects," "AIA," the AIA Logo, and "AIA Contract Documents" are trademarks of The American Institute of Architects. This document was produced at 17:32:45 ET on 05/30/2025 under Order No.2114500194 which expires on 06/30/2025, is not for resale, is licensed for one-time use only, and may only be used in accordance with the AIA Contract Documents® Terms of Service. To report copyright violations, e-mail docinfo@aiacontracts.com.
User Notes: (1951290477)

19

§ 7.4 Except for the licenses granted in this Article 7, no other license or right shall be deemed granted or implied under this Agreement. The Owner shall not assign, delegate, sublicense, pledge or otherwise transfer any license granted herein to another party without the prior written agreement of the Architect. Any unauthorized use of the Instruments of Service shall be at the Owner's sole risk and without liability to the Architect and the Architect's consultants.

§ 7.5 Except as otherwise stated in Section 7.3, the provisions of this Article 7 shall survive the termination of this Agreement.

§ 7.6 If the Architect's design, device, material or process is covered by letters, patent or copyright, trademark or trade name, the Architect shall provide proof to Owner that such use is authorized by suitable legal agreement with the patent or trademark holder or owner. If no such agreement is made, the Architect shall indemnify and hold harmless the Owner from any and all claims for infringement by reason of the use of any such patented designed, device, material or process, or any trademark or trade name or copyright in connection with the services agreed to be performed under the Contract, and shall indemnify and defend the Owner for any costs, liability, expenses and attorney's fees that result from any such infringement.

ARTICLE 8 CLAIMS AND DISPUTES

§ 8.1 General

§ 8.1.1 The Owner and Architect shall commence all claims and causes of action against the other and arising out of or related to this Agreement, whether in contract, tort, or otherwise, in accordance with the requirements of the binding dispute resolution method selected in this Agreement and within the period specified by applicable law. The Owner and Architect waive all claims and causes of action not commenced in accordance with this Section 8.1.1.

§ 8.1.2 To the extent damages are covered by property insurance, the Owner and Architect waive all rights against each other and against the contractors, consultants, agents and employees of the other for damages, except such rights as they may have to the proceeds of such insurance as set forth in AIA Document A232-2019, General Conditions of the Contract for Construction. The Owner or the Architect, as appropriate, shall require of the Construction Manager, contractors, consultants, agents and employees of any of them, similar waivers in favor of the other parties enumerated herein.

§ 8.1.3 The Architect shall indemnify and hold the Owner and the Owner's officers and employees harmless from and against damages, losses and judgments arising from claims by third parties, including reasonable attorneys' fees and expenses recoverable under applicable law, but only to the extent they are caused by the negligent acts or omissions of the Architect, its employees and its consultants in the performance of professional services under this Agreement. The Architect's obligation to indemnify and hold the Owner and the Owner's officers and employees harmless does not include a duty to defend. All indemnification obligations shall survive termination, expiration or cancellation of this Contract. The Architect agrees, that in order to protect itself and the Owner under the indemnity provisions set forth above, it will at all times during the term of this contract keep in force policies of insurances required in the Paragraph entitled, "Insurance." Nothing in this Contract shall be construed to waive any immunities or limitations to which Owner is entitled under Minnesota Statutes, Chapter 466 or otherwise.

(Paragraph deleted)

§ 8.1.4 The Architect and Owner shall not waive consequential damages for claims, disputes, or other matters in question arising out of or relating to this Agreement. However, in no event shall either the Owner or Architect be responsible for consequential damages that do not result from their negligent or wrongful conduct.

§ 8.2 Mediation

§ 8.2.1 Any claim, dispute, or other matter in question arising out of or related to this Agreement shall be resolved through litigation in the state or federal courts located in Dakota County, Minnesota. Any claim, dispute or other matter in question arising out of or related to this Agreement shall be subject to mediation. Mediation is not a condition precedent to commencing litigation, but if litigation is commenced, the parties agree to mediate before any dispositive motions or trial.

Init.

AIA Document B132 – 2019. Copyright © 1992, 2009, and 2019. All rights reserved. "The American Institute of Architects," "American Institute of Architects," "AIA," the AIA Logo, and "AIA Contract Documents" are trademarks of The American Institute of Architects. This document was produced at 17:32:45 ET on 05/30/2025 under Order No.2114500194 which expires on 06/30/2025, is not for resale, is licensed for one-time use only, and may only be used in accordance with the AIA Contract Documents® Terms of Service. To report copyright violations, e-mail docinfo@aiacontracts.com.
User Notes: (1951290477)

20

APPENDIX

§ 8.2.2 The parties shall share the mediator's fee equally. The mediation shall be held in the place where the Project is located, unless another location is mutually agreed upon. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof.

§ 8.2.3 If the parties do not resolve a dispute through mediation pursuant to this Section 8.2, the method of binding dispute resolution shall be the following:
(Check the appropriate box.)

- ☒ [X] Litigation in a court of competent jurisdiction in Dakota County, Minnesota
- ☐ [] Other: (Specify)

If the Owner and Architect do not select a method of binding dispute resolution, or do not subsequently agree in writing to a binding dispute resolution method other than litigation, the dispute will be resolved in a court of competent jurisdiction.

(Paragraphs deleted)

§ 8.3.4 Consolidation or Joinder

§ 8.3.4.1 No mediation or legal action arising out of or relating to this Agreement shall include, by consolidation or joinder or in any other manner, an additional person or entity not a party to this Agreement, except by written consent containing a specific reference to this Agreement and signed by the Owner, Architect, and any other person or entity sought to be joined. Consent to mediation or legal action involving an additional person or entity shall not constitute consent to mediation or legal action of any claim, dispute or other matter in question not described in the written consent or with a person or entity not named or described therein. The foregoing agreement to mediate and other agreements to mediate with an additional person or entity duly consented to by parties to this Agreement shall be specifically enforceable in accordance with applicable law in any court having jurisdiction thereof. **§ 8.4** The provisions of this Article 8 shall survive the termination of this Agreement.

ARTICLE 9 TERMINATION OR SUSPENSION

§ 9.1 Except for amounts that are the subject of a good faith dispute under the Prompt Payment of Local Government Bills, Minnesota Statutes, Section 471.425 ("Prompt Payment Act"), if the Owner fails to make payments to the Architect in accordance with this Agreement, such failure shall be considered substantial nonperformance and cause for termination after seven (7) days written notice by Architect or, at the Architect's option, cause for suspension of performance of services under this Agreement. If the Architect elects to suspend services, the Architect shall give seven days' written notice to the Owner before suspending services. In the event of a suspension of services, the Architect shall have no liability to the Owner for delay or damage caused the Owner because of such suspension of services. Before resuming services, the Owner shall pay the Architect all sums due which are not the subject of a good faith dispute under the Prompt Payment Act prior to suspension and any expenses incurred in the interruption and resumption of the Architect's services. The Architect's fees for the remaining services and the time schedules shall be equitably adjusted.

§ 9.2 If the Owner suspends the Project, the Architect shall be compensated for services performed prior to notice of such suspension. When the Project is resumed, the Architect shall be compensated for expenses incurred in the interruption and resumption of the Architect's services. The Architect's fees for the remaining services and the time schedules shall be equitably adjusted.

§ 9.3 If the Owner suspends the Project for more than 90 cumulative days for reasons other than the fault of the Architect, the Architect may terminate this Agreement by giving not less than seven days' written notice.

§ 9.4 This Agreement may be terminated by the Owner upon seven (7) days written notice to Architect in its sole discretion. The Architect may terminate this Agreement only in the event of substantial non-performance by the Owner. In the event the Architect proposes to terminate this Agreement, the Architect shall notify the Owner in

Init.

AIA Document B132 – 2019. Copyright © 1992, 2009, and 2019. All rights reserved. "The American Institute of Architects," "American Institute of Architects," "AIA," the AIA Logo, and "AIA Contract Documents" are trademarks of The American Institute of Architects. This document was produced at 17:32:45 ET on 05/30/2025 under Order No.2114500194 which expires on 06/30/2025, is not for resale, is licensed for one-time use only, and may only be used in accordance with the AIA Contract Documents® Terms of Service. To report copyright violations, e-mail docinfo@aiacontracts.com.
User Notes: (1951290477)

21

writing stating with specificity the alleged non-performance and further stating that the proposed termination shall be effective if the non-performance remains uncorrected for a period not less than fifteen (15) days following said notice.

§ 9.5 The Owner may terminate this Agreement upon not less than seven days' written notice to the Architect for the Owner's convenience and without cause.

§ 9.6 If the Owner terminates this Agreement for its convenience pursuant to Section 9.5, or if the Architect terminates this Agreement pursuant to Section 9.3, the Owner shall compensate the Architect for services performed prior to termination, Reimbursable Expenses incurred, and reasonable and substantiated costs attributable to termination.

§ 9.7

(Paragraphs deleted)

Except as otherwise expressly provided herein, this Agreement shall terminate one year from the date of Substantial Completion.

§ 9.8 In the event of Termination, and upon payment to the Architect of all sums that are not the subject of a good faith dispute, the Owner and its designated agents and consultants, shall have a non-exclusive license to use the Architect's, and its consultant's, Instruments of Service, documents, data, and records relating to the Project, in the condition they were in on the date of Termination, for the limited purpose of completing, maintaining, and operating the Project. The Architect's contracts with its consultants shall incorporate provisions whereby its consultants agree to be bound by the terms of this section. Upon request, the Architect and its consultants shall promptly furnish the Owner with legible copies of their Instruments of Service, documents, data, and records relating to the Project, and the Owner shall reimburse the Architect and its consultants for their reasonable copying and clerical expenses therefor. 7.

(Paragraph deleted)

ARTICLE 10 MISCELLANEOUS PROVISIONS

§ 10.1 This Agreement shall be governed by the law of the place where the Project is located.

§ 10.2 Terms in this Agreement shall have the same meaning as those in AIA Document A232-2019, General Conditions of the Contract for Construction, Construction Manager as Adviser Edition, as modified, except for purposes of this Agreement, the term "Work" shall include the work of all Contractors under the administration of the Architect and Construction Manager.

§ 10.3 The Owner and Architect, respectively, bind themselves, their agents, successors, assigns, and legal representatives to this Agreement. Neither the Owner nor the Architect shall assign this Agreement without the written consent of the other, except that the Owner may assign this Agreement to a lender providing financing for the Project if the lender agrees to assume the Owner's rights and obligations under this Agreement, and including any payments due to the Architect by the Owner prior to the assignment.

§ 10.4 If the Owner requests the Architect to execute certificates, the proposed language of such certificates shall be submitted to the Architect for review at least 14 days prior to the requested dates of execution. If the Owner requests the Architect to execute consents reasonably required to facilitate assignment to a lender, the Architect shall execute all such consents that are consistent with this Agreement, provided the proposed consent is submitted to the Architect for review at least 14 days prior to execution. The Architect shall not be required to execute certificates or consents that would require knowledge, services, or responsibilities beyond the scope of this Agreement.

§ 10.5 Nothing contained in this Agreement shall create a contractual relationship with, or a cause of action in favor of, a third party against either the Owner or Architect.

§ 10.6 Unless otherwise required in this Agreement, the Architect shall have no responsibility for the discovery, presence, handling, removal or disposal of, or exposure of persons to, hazardous materials or toxic substances in any form at the Project site.

§ 10.7 The Architect shall have the right to include photographic or artistic representations of the design of the Project among the Architect's promotional and professional materials. The Architect shall be given reasonable access to the completed Project to make such representations. However, the Architect's materials shall not include the Owner's

Init.

AIA Document B132 – 2019. Copyright © 1992, 2009, and 2019. All rights reserved. "The American Institute of Architects," "American Institute of Architects," "AIA," the AIA Logo, and "AIA Contract Documents" are trademarks of The American Institute of Architects. This document was produced at 17:32:45 ET on 05/30/2025 under Order No.2114500194 which expires on 06/30/2025, is not for resale, is licensed for one-time use only, and may only be used in accordance with the AIA Contract Documents® Terms of Service. To report copyright violations, e-mail docinfo@aiacontracts.com.
User Notes: (1951290477)

22

APPENDIX

confidential or proprietary information if the Owner has previously advised the Architect in writing of the specific information considered by the Owner to be confidential or proprietary. The Owner shall provide professional credit for the Architect in the Owner's promotional materials for the Project. This Section 10.7 shall survive the termination of this Agreement unless the Owner terminates this Agreement for cause pursuant to Section 9.4.

§ 10.8 All data applicable to this Agreement, including data regarded as trade secret by Architect, shall be governed by the Minnesota Government Data Practices Act ("MGDPA"), Minnesota Statutes, Chapter 13.

§ 10.8.1 The receiving party may disclose "confidential" or "business proprietary" information after 7 days' notice to the other party, when required by law, including but not limited to the MGDPA, or when required by an arbitrator's order, or court order, including a subpoena or other form of compulsory legal process issued by a court or governmental entity, or to the extent such information is reasonably necessary for the receiving party to defend itself in any dispute. The receiving party may also disclose such information to its employees, consultants, or contractors in order to perform services or work solely and exclusively for the Project, provided those employees, consultants and contractors are subject to the restrictions on the disclosure and use of such information as set forth in this Section 10.8.

§ 10.9 The invalidity of any provision of the Agreement shall not invalidate the Agreement or its remaining provisions. If it is determined that any provision of the Agreement violates any law, or is otherwise invalid or unenforceable, then that provision shall be revised to the extent necessary to make that provision legal and enforceable. In such case the Agreement shall be construed, to the fullest extent permitted by law, to give effect to the parties' intentions and purposes in executing the Agreement.

§ 10.10 Owner irrevocably assigns to Architects all rights to claim Section 179D federal tax credits under Energy Policy Act of 2005 as amplified and clarified in IRS Notice 2008-40. Owner shall cooperate with Architect to establish Architect's eligibility for these federal tax credits. Architect shall be responsible for the costs of the independent third party energy study and certification.

ARTICLE 11 COMPENSATION

§ 11.1 For the Architect's Basic Services described under Article 3, the Owner shall compensate the Architect as follows:

Total Design Fee = \$2,742,000
Maximum Reimbursable Expenses = \$118,000

Total Fixed Fee = \$2,860,000

(Paragraphs deleted)

Refer to Exhibit A: Proposal for additional information.

§ 11.2 For the Architect's Supplemental Services designated in Section 4.1.1 and for any Sustainability Services required pursuant to Section 4.1.3, the Owner shall compensate the Architect as follows:

(Insert amount of, or basis for, compensation. If necessary, list specific services to which particular methods of compensation apply.)

Hourly Rate or Fixed Fee as agreed upon in writing.

§ 11.3 For Additional Services that may arise during the course of the Project, including those under Section 4.2, the Owner shall compensate the Architect as follows:

(Insert amount of, or basis for, compensation.)

Hourly Rate or Fixed Fee as agreed upon in writing.

§ 11.4 Compensation for Supplemental and Additional Services of the Architect's consultants when not included in Sections 11.2 or 11.3, shall be as follows:

(Insert amount of, or basis for computing, Architect's consultants' compensation for Supplemental or Additional Services.)

Init.

AIA Document B132 – 2019. Copyright © 1992, 2009, and 2019. All rights reserved. "The American Institute of Architects," "American Institute of Architects," "AIA," the AIA Logo, and "AIA Contract Documents" are trademarks of The American Institute of Architects. This document was produced at 17:32:45 ET on 05/30/2025 under Order No.2114500194 which expires on 06/30/2025, is not for resale, is licensed for one-time use only, and may only be used in accordance with the AIA Contract Documents® Terms of Service. To report copyright violations, e-mail docinfo@aiacontracts.com.
User Notes:

(1951290477)

23

Hourly Rate or Fixed Fee as agreed upon in writing.

§ 11.5 When compensation for Basic Services is based on a stipulated sum or a percentage basis, the proportion of compensation for each phase of services shall be as follows:

Schematic Design Phase	fifteen	percent (	15	%)
Design Development Phase	twenty	percent (	20	%)
Construction Documents Phase	forty	percent (	40	%)
Procurement Phase	five	percent (	5	%)
Construction Phase	twenty	percent (	20	%)
Total Basic Compensation	one hundred	percent (	100	%)

The Owner acknowledges that with an accelerated Project delivery or multiple bid package process, the Architect may be providing its services in multiple Phases simultaneously. Therefore, the Architect shall be permitted to invoice monthly in proportion to services performed in each Phase of Services, as appropriate.

§ 11.6 When compensation identified in Section 11.1 is on a percentage basis, progress payments for each phase of Basic Services shall be calculated by multiplying the percentages identified in this Article by the Owner's most recent budget for the Cost of the Work. Compensation paid in previous progress payments shall not be adjusted based on subsequent updates to the Owner's budget for the Cost of the Work.

§ 11.6.1 When compensation is on a percentage basis and any portions of the Project are deleted or otherwise not constructed, compensation for those portions of the Project shall be payable to the extent services are performed on those portions. The Architect shall be entitled to compensation in accordance with this Agreement for all services performed whether or not the Construction Phase is commenced.

§ 11.7 The hourly billing rates for services of the Architect and the Architect's consultants are set forth below. The rates shall be adjusted in accordance with the Architect's and Architect's consultants' normal review practices. *(If applicable, attach an exhibit of hourly billing rates or insert them below.)*

Employee or Category

Rate (\$0.00)

§ 11.8 Compensation for Reimbursable Expenses

§ 11.8.1 Reimbursable Expenses are in addition to compensation for Basic, Supplemental, and Additional Services and include expenses incurred by the Architect and the Architect's consultants directly related to the Project, as follows:

- .1 mileage based on Federal rates in connection with the project and Owner requested out-of-state travel;
- .2 Long distance services, dedicated data and communication services, teleconferences, Project web sites, and extranets;
- .3 Permitting and other fees required by authorities having jurisdiction over the Project, including government agency review and permit fees;
- .4 Printing, reproductions, plots, and standard form documents;
- .5 Postage, handling, and delivery;
- .6

(Paragraphs deleted)

- If required by the Owner, and with the Owner's prior written approval, the Architect's consultants' expenses of professional liability insurance dedicated exclusively to this Project, or the expense of additional insurance coverage or limits in excess of that normally maintained by the Architect's consultants;
- .7 All taxes levied on professional services and on reimbursable expenses;
 - .8 Site office expenses;

Init.

AIA Document B132 – 2019. Copyright © 1992, 2009, and 2019. All rights reserved. "The American Institute of Architects," "American Institute of Architects," "AIA," the AIA Logo, and "AIA Contract Documents" are trademarks of The American Institute of Architects. This document was produced at 17:32:45 ET on 05/30/2025 under Order No.2114500194 which expires on 06/30/2025, is not for resale, is licensed for one-time use only, and may only be used in accordance with the AIA Contract Documents® Terms of Service. To report copyright violations, e-mail docinfo@aiacontracts.com.
User Notes: (1951290477)

24

APPENDIX

- .9 Registration fees and any other fees charged by the Certifying Authority or by other entities as necessary to achieve the Sustainable Objective; and
- .10 Other similar Project-related expenditures.
- .11 Expense of computer aided design and drafting equipment time when used in connection with the Project.

§ 11.8.2 For Reimbursable Expenses the Architect shall be reimbursed for actual expenses incurred without any mark-up..

§ 11.9 Architect's Insurance

If the types and limits of coverage required in Section 2.6 are in addition to the types and limits the Architect normally maintains, the Owner shall pay the Architect for the additional costs incurred by the Architect for the additional coverages as set forth below:

(Insert the additional coverages the Architect is required to obtain in order to satisfy the requirements set forth in Section 2.6, and for which the Owner shall reimburse the Architect.)

§ 11.10 Payments to the Architect

§ 11.10.1 Initial Payments

§ 11.10.1.1 An initial payment of zero (\$ 0.00) shall be made upon execution of this Agreement and is the minimum payment under this Agreement. It shall be credited to the Owner's account in the final invoice.

§ 11.10.1.2 If a Sustainability Certification is part of the Sustainable Objective, an initial payment to the Architect of (\$) shall be made upon execution of this Agreement for registration fees and other fees payable to the Certifying Authority and necessary to achieve the Sustainability Certification. The Architect's payments to the Certifying Authority shall be credited to the Owner's account at the time the expense is incurred.

§ 11.10.2 Progress Payments

§ 11.10.2.1 Unless otherwise agreed, payments for services shall be made monthly in proportion to services performed. Payments are due and payable upon presentation of the Architect's invoice. Amounts unpaid sixty (60) days after the invoice date shall bear interest at the rate entered below, or in the absence thereof at the legal rate prevailing from time to time at the principal place of business of the Architect.

(Insert rate of monthly or annual interest agreed upon.)

(Paragraph deleted)

4per annum

§ 11.10.2.2 The Owner shall not withhold amounts from the Architect's compensation to impose a penalty or liquidated damages on the Architect, or to offset sums requested by or paid to contractors for the cost of changes in the Work, unless the Architect agrees or has been found liable for the amounts in a binding dispute resolution proceeding. Subject to the foregoing, the Owner's right, if any, to offset sums due the Architect in the event of a good faith dispute with Architect over Architect's services to Owner shall be governed by applicable law, including, but not limited to the Prompt Payment Act..

§ 11.10.2.3 Records of Reimbursable Expenses, expenses pertaining to Supplemental and Additional Services, and services performed on the basis of hourly rates shall be available to the Owner at mutually convenient times. The Architect shall keep and maintain accurate documentation of all claimed reimbursable expenses in such a form that they may be independently audited.

ARTICLE 12 SPECIAL TERMS AND CONDITIONS

Special terms and conditions that modify this Agreement are as follows:

(Include other terms and conditions applicable to this Agreement.)

§ 12.1 Record Keeping—Availability and Retention

Init.

AIA Document B132 – 2019. Copyright © 1992, 2009, and 2019. All rights reserved. "The American Institute of Architects," "American Institute of Architects," "AIA," the AIA Logo, and "AIA Contract Documents" are trademarks of The American Institute of Architects. This document was produced at 17:32:45 ET on 05/30/2025 under Order No.2114500194 which expires on 06/30/2025, is not for resale, is licensed for one-time use only, and may only be used in accordance with the AIA Contract Documents® Terms of Service. To report copyright violations, e-mail docinfo@aiacontracts.com.

User Notes:

(1951290477)

25

Pursuant to Minnesota Statutes, Section 16C.05, subd. 5, Architect agrees that the books, records, documents and accounting procedures and practices of Architect, that are relevant to the Contract or transaction, are subject to examination by the Owner and the state auditor for a minimum of six (6) years. Architect shall maintain such records for a minimum of six (6) years after final payment.

§ 12.2 Data Practices

Pursuant to Minnesota Statutes, Section 13.05, subd. 11, all of the data created, collected, received, stored, used, maintained, or disseminated by Architect in performing this contract is subject to the requirements of the Minnesota Government Data Practices Act ("MGDPA"), Minnesota Statutes, Chapter 13, and Architect must comply with those requirements as if it were a government entity. The remedies in Minnesota Statutes, Section 13.08 apply to Architect. Architect does not have a duty to provide access to public data to the public if the public data are available from the Owner, except as required by the terms of this contract.

§ 12.3 Non-Discrimination

Pursuant to Minnesota Statutes, Section 181.59, the Architect will take affirmative action to ensure that applicants are selected, and that employees are treated during employment, without regard to their race, color, creed, religion, national origin, sex, sexual orientation, marital status, status with regard to public assistance, membership or activity in a local civil rights commission, disability or age. The Architect agrees to be bound by the provisions of Minnesota Statutes, Section 181.59, that prohibits certain discriminatory practices and the terms of said section are incorporated into this contract.

ARTICLE 13 SCOPE OF THE AGREEMENT

§ 13.1 This Agreement represents the entire and integrated agreement between the Owner and the Architect and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both the Owner and Architect.

§ 13.2 This Agreement is comprised of the following documents identified below:

- .1 AIA Document B132™-2019, Standard Form Agreement Between Owner and Architect, Construction Manager as Adviser Edition, as modified

.2

(Paragraphs deleted)

Exhibits:

(Check the appropriate box for any exhibits incorporated into this Agreement.)

[X]

Other Exhibits incorporated into this Agreement:
(Clearly identify any other exhibits incorporated into this Agreement, including any exhibits and scopes of services identified as exhibits in Section 4.1.2.)

Exhibit A: Proposal

- .3 Other documents:

(List other documents, if any, forming part of the Agreement.)

This Agreement is entered into as of the day and year first written above.

OWNER *(Signature)*

(Printed name and title)

ARCHITECT *(Signature)*

(Printed name, title, and license number, if applicable)

OWNER *(Signature)*

(Printed name and title)

Init.

AIA Document B132 – 2019. Copyright © 1992, 2009, and 2019. All rights reserved. "The American Institute of Architects," "American Institute of Architects," "AIA," the AIA Logo, and "AIA Contract Documents" are trademarks of The American Institute of Architects. This document was produced at 17:32:45 ET on 05/30/2025 under Order No.2114500194 which expires on 06/30/2025, is not for resale, is licensed for one-time use only, and may only be used in accordance with the AIA Contract Documents® Terms of Service. To report copyright violations, e-mail docinfo@aiacontracts.com.

User Notes:

(1951290477)

26



minnesota | illinois | colorado | tennessee

 AIA[®] Document B132[™] – 2019**Standard Form of Agreement Between Owner and Architect, Construction Manager as Adviser Edition**

AGREEMENT made as of the Ninth day of June in the year Two Thousand Twenty-Five
(In words, indicate day, month, and year.)

BETWEEN the Architect's client identified as the Owner:
(Name, legal status, address, and other information)

City of Inver Grove Heights
8150 Barbara Avenue
Inver Grove Heights, Minnesota 55077

and the Architect:
(Name, legal status, address, and other information)

Wold Architects and Engineers
332 Minnesota Street, Suite W2000
Saint Paul, Minnesota 55101
Telephone Number: 651-227-7773
Fax Number: 651-223-5646

for the following Project:
(Name, location, and detailed description)

New Central Maintenance Facility

The Construction Manager:
(Name, legal status, address, and other information)

Kraus-Anderson
501 South Eighth Street
Minneapolis, Minnesota 55404
Telephone Number: 612-332-7281

The Owner and Architect agree as follows.

ADDITIONS AND DELETIONS:

The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

This document is intended to be used in conjunction with AIA Documents A132[™]–2019, Standard Form of Agreement Between Owner and Contractor, Construction Manager as Adviser Edition; A232[™]–2019, General Conditions of the Contract for Construction, Construction Manager as Adviser Edition; and C132[™]–2019, Standard Form of Agreement Between Owner and Construction Manager as Adviser. AIA Document A232[™]–2019 is adopted in this document by reference. Do not use with other general conditions unless this document is modified.

TABLE OF ARTICLES

1	INITIAL INFORMATION
2	ARCHITECT'S RESPONSIBILITIES
3	SCOPE OF ARCHITECT'S BASIC SERVICES
4	SUPPLEMENTAL AND ADDITIONAL SERVICES
5	OWNER'S RESPONSIBILITIES
6	COST OF THE WORK
7	COPYRIGHTS AND LICENSES
8	CLAIMS AND DISPUTES
9	TERMINATION OR SUSPENSION
10	MISCELLANEOUS PROVISIONS
11	COMPENSATION
12	SPECIAL TERMS AND CONDITIONS
13	SCOPE OF THE AGREEMENT

ARTICLE 1 INITIAL INFORMATION

§ 1.1 This Agreement is based on the Initial Information set forth in this Section 1.1.

(For each item in this section, insert the information or a statement such as "not applicable," or "unknown at time of execution".)

§ 1.1.1 The Owner's program for the Project:

(Insert the Owner's program, identify documentation that establishes the Owner's program, or state the manner in which the program will be developed.)

Refer to Exhibit A: Proposal.

§ 1.1.2 The Project's physical characteristics:

(Identify or describe pertinent information about the Project's physical characteristics, such as size; location; dimensions; geotechnical reports; site boundaries; topographic surveys; traffic and utility studies; availability of public and private utilities and services; legal description of the site; etc.)

Refer to Exhibit A: Proposal.

§ 1.1.3 The Owner's budget for the Cost of the Work, as defined in Section 6.1:

(Provide total and, if known, a line item breakdown.)

Refer to Exhibit A: Proposal.

§ 1.1.4 The Owner's anticipated design and construction milestone dates:

.1 Design phase milestone dates, if any:

Refer to Exhibit A: Proposal.

.2 Construction commencement date:

Init.

AIA Document B132 – 2019. Copyright © 1992, 2009, and 2019. All rights reserved. "The American Institute of Architects," "American Institute of Architects," "AIA," the AIA Logo, and "AIA Contract Documents" are trademarks of The American Institute of Architects. This document was produced at 17:32:45 ET on 05/30/2025 under Order No.2114500194 which expires on 06/30/2025, is not for resale, is licensed for one-time use only, and may only be used in accordance with the AIA Contract Documents® Terms of Service. To report copyright violations, e-mail docinfo@aiacontracts.com.

User Notes:

(1951290477)

Refer to Exhibit A: Proposal.

.3 Substantial Completion date or dates:

Refer to Exhibit A: Proposal.

.4 Other milestone dates:

Refer to Exhibit A: Proposal.

§ 1.1.5 The Owner intends the following procurement method for the Project:
(Identify method such as competitive bid or negotiated contract.)

To be determined.

§ 1.1.6 The Owner's requirements for accelerated or fast-track design and construction, multiple bid packages, or phased construction are set forth below:
(Identify any requirements for fast-track scheduling or phased construction and, if applicable, list number and type of bid/procurement packages.)

To be determined, if any.

§ 1.1.7 The Owner's anticipated Sustainable Objective for the Project:
(Identify and describe the Owner's Sustainable Objective for the Project, if any.)

To be determined, if any.

§ 1.1.7.1 If the Owner identifies a Sustainable Objective, the Owner and Architect shall define the terms, conditions and services related to the Owner's Sustainable Objective.

§ 1.1.8 The Owner identifies the following representative in accordance with Section 5.4:
(List name, address, and other contact information.)

Brian Connolly, Public Works Director
City of Inver Grove Heights
8150 Barbara Avenue
Inver Grove Heights, Minnesota 55077

§ 1.1.9 The persons or entities, in addition to the Owner's representative, who are required to review the Architect's submittals to the Owner are as follows:
(List name, address, and other contact information.)

§ 1.1.10 The Owner shall retain the following consultants and Contractors:
(List name, legal status, address, and other contact information.)

.1 Construction Manager:

(The Construction Manager is identified on the cover page. If a Construction Manager has not been retained as of the date of this Agreement, state the anticipated date of retention. If the Architect is to assist the Owner in selecting the Construction Manager, complete Section 4.1.1.1.)

Kraus-Anderson

.2 Land Surveyor:

Init.

To be determined.

.3 Geotechnical Engineer:

To be determined.

.4

(Paragraphs deleted)

Other consultants and Contractors:

(List any other consultants and Contractors retained by the Owner.)

§ 1.1.11 The Architect identifies the following representative in accordance with Section 2.4:
(List name, address, and other contact information.)

Jonathan Loose, Partner
Wold Architects and Engineers
332 Minnesota Street, Suite W2000
Saint Paul, Minnesota 55101

§ 1.1.12 The Architect shall retain the consultants identified in Sections 1.1.12.1 and 1.1.12.2:
(List name, legal status, address, and other contact information.)

§ 1.1.12.1 Consultants retained under Basic Services:

.1 Structural Engineer:

To be determined.

.2 Mechanical Engineer:

Wold Architects and Engineers
332 Minnesota Street, Suite W2000
Saint Paul, Minnesota 55101

.3 Electrical Engineer:

Wold Architects and Engineers
332 Minnesota Street, Suite W2000
Saint Paul, Minnesota 55101

.4 Civil Engineer:

To be determined.

§ 1.1.12.2 Consultants retained under Supplemental Services:

§ 1.1.13 Other Initial Information on which the Agreement is based:

§ 1.2 The Owner and Architect may rely on the Initial Information. Both parties, however, recognize that the Initial Information may materially change and, in that event, the Owner and the Architect shall appropriately adjust the Architect's services, schedule for the Architect's services, and the Architect's compensation. The Owner shall adjust the Owner's budget for the Cost of the Work and the Owner's anticipated design and construction milestones, as necessary, to accommodate material changes in the Initial Information.

§ 1.3 The parties shall agree upon protocols governing the transmission and use of Instruments of Service or any other information or documentation in digital form.

§ 1.3.1 Any use of, or reliance on, all or a portion of a building information model without agreement to protocols governing the use of, and reliance on, the information contained in the model shall be at the using or relying party's sole risk and without liability to the other party and its contractors or consultants, the authors of, or contributors to, the building information model, and each of their agents and employees.

§ 1.4 The term "Contractors" refers to persons or entities who perform Work under contracts with the Owner that are administered by the Architect and Construction Manager. The term "Contractors" is used to refer to such persons or entities, whether singular or plural. The term does not include the Owner's own forces, or Separate Contractors, which are persons or entities who perform construction under separate contracts with the Owner not administered by the Architect and Construction Manager.

ARTICLE 2 ARCHITECT'S RESPONSIBILITIES

§ 2.1 The Architect shall provide professional services as set forth in this Agreement. The Architect represents that it is properly licensed in the jurisdiction where the Project is located to provide the services required by this Agreement, or shall cause such services to be performed by appropriately licensed design professionals.

§ 2.2 The Architect shall perform its services consistent with the professional skill and care ordinarily provided by architects practicing in the same or similar locality under the same or similar circumstances. The Architect shall perform its services as expeditiously as is consistent with such professional skill and care and the orderly progress of the Project. The Architect shall be liable to the fullest extent permitted under applicable law, without limitation, for any injuries, loss, or damages proximately caused by the Architect's breach of this standard of care. The Architect shall put forth reasonable efforts to complete its duties in a timely manner. The Architect shall not be responsible for delays caused by factors beyond its control or that could not be reasonably foreseen at the time of execution of this Contract.

§ 2.3 The Architect shall provide its services in conjunction with the services of a Construction Manager as described in AIA Document C132™-2019, Standard Form of Agreement Between Owner and Construction Manager as Adviser, as modified. The Architect shall not be responsible for actions taken by the Construction Manager.

§ 2.4 The Architect shall identify a representative authorized to act on behalf of the Architect with respect to the Project.

§ 2.5 Except with the Owner's knowledge and consent, the Architect shall not engage in any activity, or accept any employment, interest or contribution that would reasonably appear to compromise the Architect's professional judgment with respect to this Project.

§ 2.6 The Architect shall maintain the following insurance until termination of this Agreement. If any of the requirements set forth below are in addition to the types and limits the Architect normally maintains, the Owner shall pay the Architect as set forth in Section 11.9.

§ 2.6.1 Commercial General Liability with policy limits of not less than Two Million (\$ 2,000,000) for each occurrence and Four Million (\$ 4,000,000) in the aggregate for bodily injury and property damage.

§ 2.6.2 Automobile Liability covering vehicles owned, and non-owned vehicles used, by the Architect with policy limits of not less than One Million (\$ 1,000,000) per accident for bodily injury, death of any person, and property damage arising out of the ownership, maintenance and use of those motor vehicles, along with any other statutorily required automobile coverage.

§ 2.6.3 The Architect may achieve the required limits and coverage for Commercial General Liability and Automobile Liability through a combination of primary and excess or umbrella liability insurance, provided such primary and excess or umbrella liability insurance policies result in the same or greater coverage as the coverages required under Sections 2.6.1 and 2.6.2, and in no event shall any excess or umbrella liability insurance provide narrower coverage than the primary policy. The excess policy shall not require the exhaustion of the underlying limits only through the actual payment by the underlying insurers.

§ 2.6.4 Workers' Compensation at statutory limits.

§ 2.6.5 Employers' Liability with policy limits not less than One Million (\$ 1,000,000) each accident, One Million (\$ 1,000,000) each employee, and One Million (\$ 1,000,000) policy limit.

§ 2.6.6 Professional Liability covering negligent acts, errors and omissions in the performance of professional services with policy limits of not less than Two Million (\$ 2,000,000) per claim and Four Million (\$ 4,000,000) in the aggregate.

§ 2.6.7 **Additional Insured Obligations.** To the fullest extent permitted by law, the Architect shall cause the primary and excess or umbrella policies for Commercial General Liability and Automobile Liability to include the Owner as an additional insured for claims caused in whole or in part by the Architect's negligent acts or omissions. The additional insured coverage shall be primary and non-contributory to any of the Owner's insurance policies and shall apply to both ongoing and completed operations.

§ 2.6.8 The Architect shall provide certificates of insurance to the Owner that evidence compliance with the requirements in this Section 2.6. Such proof of insurance shall confirm that the insurer has agreed that it will not cancel the insurance without giving the Owner thirty (30) days advance written notice of its intent to cancel. The Architect shall likewise demand from its consultants proof of insurance of types and limits commensurate to their scope of work on the Project and no less than the types and limits required by law as a condition precedent to their engagement to perform services on the Project. The Architect shall not commence work under this Contract until the Architect has obtained all insurance required herein and such insurance has been approved by the Owner, nor shall the Architect allow any subcontractor to commence work on a subcontract until such subcontractor has obtained insurance. All this insurance coverage shall be maintained throughout the life of this Contract.

§ 2.6.9 The Architect's policies shall be primary insurance to any other valid and collectible insurance available to the Owner with respect to any claim arising out of The Architect's performance under this Contract. The Architect is responsible for payment of Contract related insurance premiums and deductibles. The Architect's policies shall include legal defense fees in addition to its liability policy limits, with the exception of the professional liability insurance. All policies listed above, except professional liability, shall be written on an "occurrence" form ("claims made" and "modified occurrence" forms are not acceptable) and shall apply on a "per project" basis. The Architect

shall obtain insurance policies from insurance companies having an "AM BEST" rating of A- (minus); Financial Size Category (FSC) VII or better, and authorized to do business in the State of Minnesota.

§ 2.6.10 If the Architect fails to provide the specified insurance, then the Architect will defend, indemnify and hold harmless the Owner and the Owner's officials, agents and employees from any loss, claim, liability and expense (including reasonable attorney's fees and expenses of litigation) to the extent necessary to afford the same protection as would have been provided by the specified insurance. Except to the extent prohibited by law, this indemnity applies regardless of any strict liability or negligence attributable to the Owner (including sole negligence) and regardless of the extent to which the underlying occurrence (i.e., the event giving rise to a claim which would have been covered by the specified insurance) is attributable to the negligent or otherwise wrongful act or omission (including breach of contract) of the Architect, its subcontractors, agents, employees or delegates. The Architect agrees that this indemnity shall be construed and applied in favor of indemnification. The Architect also agrees that if applicable law limits or precludes any aspect of this indemnity, then the indemnity will be considered limited only to the extent necessary to comply with that applicable law. The stated indemnity continues until all applicable statutes of limitation have run. If a claim arises within the scope of the stated indemnity, the Owner may require the Architect to: (a) Furnish and pay for a surety bond, satisfactory to the Owner, guaranteeing performance of the indemnity obligation; or (b) Furnish a written acceptance of tender of defense and indemnity from the Architect's insurance company. The Architect will take the action required by the Owner within fifteen (15) days of receiving notice from the Owner.

§ 2.6.11 Notwithstanding the foregoing, the Owner reserves the right to immediately terminate this Contract if the Architect is not in compliance with the insurance requirements contained herein and retains all rights to pursue any legal remedies against the Architect.

ARTICLE 3 SCOPE OF ARCHITECT'S BASIC SERVICES

§ 3.1 The Architect's Basic Services consist of those described in this Article 3 and include usual and customary structural, mechanical, and electrical engineering services; civil engineering, cost estimating, , acoustical, and landscaping consultants will be hired by Architect as services are required as part of Basic Services. Services not set forth in this Article 3 are Supplemental or Additional Services.

§ 3.1.1 The Architect shall manage the Architect's services, research applicable design criteria, attend Project meetings, communicate with members of the Project team, and report progress to the Owner.

§ 3.1.2 The Architect shall coordinate its services with those services provided by the Owner, the Construction Manager, and the Owner's other consultants. The Architect shall be entitled to rely on, and shall not be responsible for, the accuracy, completeness, and timeliness of, services and information furnished by the Owner, the Construction Manager, and the Owner's other consultants except with respect to information obtained regarding public and private utility facility locations. Owner makes no warranty as to their accuracy. The Architect shall provide prompt written notice to the Owner if the Architect becomes aware of any error, omission or inconsistency, in such services or information.

§ 3.1.3 As soon as practicable after the date of this Agreement, the Architect shall submit, for the Construction Manager's review and the Owner's approval, a schedule for the performance of the Architect's services. The schedule shall include design phase milestone dates, as well as the anticipated dates for the commencement of construction and for Substantial Completion of the Work as set forth in the Initial Information. This schedule shall include allowances for periods of time required for the Owner's review, for the Construction Manager's review, for the performance of the Owner's consultants, and for approval of submissions by authorities having jurisdiction over the Project. Once approved by the Owner, time limits established by the schedule shall not, except for reasonable cause, be exceeded by the Architect or Owner. With the Owner's approval, the Architect shall adjust the schedule, if necessary, as the Project proceeds until the commencement of construction.

§ 3.1.4 The Architect shall submit information to the Construction Manager and participate in developing and revising the Project schedule as it relates to the Architect's services. The Architect shall review and approve, or take other appropriate action upon, the portion of the Project schedule relating to the performance of the Architect's services.

§ 3.1.5 The Architect shall not be responsible for an Owner's or Construction Manager's directive or substitution, or for the Owner's acceptance of non-conforming Work, made or given without the Architect's written approval.

§ 3.1.6 The Architect shall, in coordination with the Construction Manager, contact governmental authorities required to approve the Construction Documents and entities providing utility services to the Project. The Architect shall respond to applicable design requirements imposed by those authorities and entities.

§ 3.1.7 The Architect shall assist the Owner and Construction Manager in connection with the Owner's responsibility for filing documents required for the approval of governmental authorities having jurisdiction over the Project.

§ 3.1.8 The Architect shall provide site evaluation, planning, conformed construction documents, as-designed record drawings and post-occupancy evaluation.

§ 3.2 Schematic Design Phase Services

§ 3.2.1 The Architect shall review the program and other information furnished by the Owner and Construction Manager, and shall review and follow laws, codes, and regulations applicable to the Architect's services.

§ 3.2.2 The Architect shall prepare a preliminary evaluation of the Owner's program, schedule, budget for the Cost of the Work, Project site, and the proposed procurement and delivery method, and other Initial Information, each in terms of the other, to ascertain the requirements of the Project. The Architect shall notify the Owner in writing of (1) any inconsistencies discovered in the information, and (2) other information or consulting services that may be reasonably needed for the Project.

§ 3.2.3 The Architect shall present its preliminary evaluation to the Owner and Construction Manager and shall discuss with the Owner and Construction Manager alternative approaches to design and construction of the Project, if requested by Owner. The Architect shall reach an understanding with the Owner and Construction Manager regarding the requirements of the Project.

§ 3.2.4 Based on the Project requirements agreed upon with the Owner, the Architect shall prepare and present, to the Owner and Construction Manager, for the Owner's approval, a preliminary design illustrating the scale and relationship of the Project components.

§ 3.2.5 Based on the Owner's approval of the preliminary design, the Architect shall prepare Schematic Design Documents for the Construction Manager's review and Owner's approval. The Schematic Design Documents shall consist of drawings and other documents including a site plan, if appropriate, and preliminary building plans, sections and elevations; and may include some combination of study models, perspective sketches, or digital representations. Preliminary selections of major building systems and construction materials shall be noted on the drawings or described in writing.

§ 3.2.5.1 The Architect shall consider, if requested by Owner, sustainable design alternatives, such as material choices and building orientation, together with other considerations based on program and aesthetics, in developing a design that is consistent with the Owner's program, schedule and budget for the Cost of the Work. The Owner may obtain more advanced sustainable design services as a Supplemental Service under Section 4.1.1.

§ 3.2.5.2 The Architect shall consider with the Owner and the Construction Manager the value of alternative materials, building systems and equipment, together with other considerations based on program and aesthetics, in developing a design for the Project that is consistent with the Owner's program, schedule, and budget for the Cost of the Work.

§ 3.2.6 The Architect shall submit the Schematic Design Documents to the Owner and the Construction Manager. The Architect shall meet with the Construction Manager to review the Schematic Design Documents.

§ 3.2.7 Upon receipt of the Construction Manager's review comments and cost estimate at the conclusion of the Schematic Design Phase, the Architect shall take action as required under Section 6.4, and request the Owner's approval of the Schematic Design Documents. If revisions to the Schematic Design Documents are required to comply with the Owner's budget for the Cost of the Work at the conclusion of the Schematic Design Phase, the Architect shall incorporate such revisions in the Design Development Phase.

§ 3.2.8 In the further development of the Drawings and Specifications during this and subsequent phases of design, the Architect shall be entitled to rely on the accuracy of the estimates of the Cost of the Work, which are to be provided by the Construction Manager under the Construction Manager's agreement with the Owner.

§ 3.3 Design Development Phase Services

§ 3.3.1 Based on the Owner's approval of the Schematic Design Documents, and on the Owner's authorization of any adjustments in the Project requirements and the budget for the Cost of the Work, the Architect shall prepare Design Development Documents for the Construction Manager's review and the Owner's approval. The Design Development Documents shall be based upon information provided, and estimates prepared in collaboration with the Construction Manager and shall illustrate and describe the development of the approved Schematic Design Documents and shall consist of drawings and other documents including plans, sections, elevations, typical construction details, and diagrammatic layouts of building systems to fix and describe the size and character of the Project as to architectural, structural, mechanical and electrical systems, and other appropriate elements. The Design Development Documents shall also include outline specifications that identify major materials and systems and establish in general their quality levels.

§ 3.3.2 Prior to the conclusion of the Design Development Phase, the Architect shall submit the Design Development Documents to the Owner and the Construction Manager. The Architect shall meet with the Construction Manager to review the Design Development Documents.

§ 3.3.3 Upon receipt of the Construction Manager's information and estimate at the conclusion of the Design Development Phase, the Architect shall take action as required under Sections 6.5 and 6.6 and request the Owner's approval of the Design Development Documents.

§ 3.4 Construction Documents Phase Services

§ 3.4.1 Based on the Owner's approval of the Design Development Documents, and on the Owner's authorization of any adjustments in the Project requirements and the budget for the Cost of the Work, the Architect shall prepare Construction Documents for the Construction Manager's review and the Owner's approval. The Construction Documents shall illustrate and describe the further development of the approved Design Development Documents and shall consist of Drawings and Specifications setting forth in detail the quality levels and performance criteria of materials and systems and other requirements for the construction of the Work. The Owner and Architect acknowledge that, in order to perform the Work, the Contractor will provide additional information, including Shop Drawings, Product Data, Samples and other similar submittals, which the Architect shall review in accordance with Section 3.6.4.

§ 3.4.2 The Architect shall incorporate the design requirements of governmental authorities having jurisdiction over the Project into the Construction Documents.

§ 3.4.3 During the development of the Construction Documents, if requested by the Owner, the Architect shall assist the Owner and the Construction Manager in the development and preparation of (1) procurement information that describes the time, place, and conditions of bidding, including bidding or proposal forms; (2) the form of agreements between the Owner and Contractors; and (3) the Conditions of the Contracts for Construction (General, Supplementary and other Conditions); (4) a project manual that includes the Conditions of the Contracts for Construction and Specifications, and may include bidding requirements and sample forms; and (5) the scopes of Work for each bid package to ensure completeness of Work and avoiding of overlap.

§ 3.4.4 Prior to the conclusion of the Construction Documents Phase, the Architect shall submit the Construction Documents to the Owner and the Construction Manager. The Architect shall meet with the Construction Manager to review the Construction Documents.

§ 3.4.5 Upon receipt of the Construction Manager's information and an estimate at the conclusion of the Construction Documents Phase, the Architect shall take action as required under Section 6.7, and request the Owner's approval of the Construction Documents.

§ 3.4.6 The Architect shall work with the Owner in connection with the Owner's responsibility for filing documents required for the approval of governmental authorities having jurisdiction over the Project. The Architect shall have the primary responsibility to complete the required documents and ensure that they are properly filed on behalf of the Owner. The Architect shall observe those applicable laws, statutes, ordinances, codes, rules and regulations in force and publicly announced as of the date of this agreement or as of the date of subsequent compensation amendments whichever is the latter.

§ 3.4.7 Owner understands that relatively few guidelines are available with respect to compliance with Americans with Disabilities Act (ADA). Architect is aware of developments in this field, including ADA guidelines that are incorporated in the building code, and legal decisions, but cannot guarantee or warrant that Architect's opinion of appropriate compliance measures will be found valid.

§ 3.5 Procurement Phase Services

§ 3.5.1 General

The Architect shall assist the Owner and Construction Manager in establishing a list of prospective contractors. Following the Owner's approval of the Construction Documents, the Architect shall assist the Owner and Construction Manager in (1) obtaining competitive bids or proposals; (2) confirming responsiveness of bids or proposals; (3) determining the successful bid or proposal, if any; and (4) awarding and preparing Contracts for Construction.

§ 3.5.2 Competitive Bidding

§ 3.5.2.1 Bidding Documents shall consist of bidding requirements and proposed Contract Documents.

§ 3.5.2.2 The Architect shall assist the Owner and Construction Manager in bidding the Project by

- .1 preparing and facilitating the distribution of Bidding Documents to prospective bidders;
- .2 organizing and conducting a pre-bid conference for prospective bidders, if requested by Owner;
- .3 preparing responses to questions from prospective bidders and providing clarifications and interpretations of the Bidding Documents to the prospective bidders in the form of addenda; and
- .4 organizing and conducting the opening of bids, and subsequently documenting and distributing the bidding results, as directed by the Owner.

§ 3.5.2.3 If the Bidding Documents permit substitutions, upon the Owner's written authorization, the Architect shall, as an Additional Service, consider requests for substitutions, and prepare and distribute addenda identifying approved substitutions to all prospective bidders.

§ 3.5.3 Negotiated Proposals

§ 3.5.3.1 In the event the lowest bid (or bids) exceeds the budget for the Project, the Architect, in consultation with and at the direction of the Owner, shall provide such modifications in the Contract Documents as necessary to bring the cost of the Project within the budget, unless Owner directs the Architect to bid a project estimated over budget.

(Paragraphs deleted)

§ 3.6 Construction Phase Services

§ 3.6.1 General

§ 3.6.1.1 The Architect shall provide administration of the Contract between the Owner and the Contractor as set forth below and in AIA Document A232™–2019, General Conditions of the Contract for Construction, Construction Manager as Adviser Edition, as modified. If the Owner and Contractor modify AIA Document A232–2019, those modifications shall not affect the Architect's services under this Agreement unless the Owner and the Architect amend this Agreement.

§ 3.6.1.2 The Architect shall advise and consult with the Owner and Construction Manager during the Construction Phase Services. The Architect shall have authority to act on behalf of the Owner only to the extent provided in this Agreement. The Architect shall not have control over, charge of, or responsibility for the construction means, methods, techniques, sequences or procedures, or for safety precautions and programs in connection with the Work, nor shall the Architect be responsible for the Contractors' failure to perform the Work in accordance with the requirements of the Contract Documents. The Architect shall be responsible for the Architect's negligent acts or omissions, but shall not have control over or charge of, and shall not be responsible for acts or omissions of the Construction Manager, or acts or omissions of the Contractors or of any other persons or entities performing portions of the Work. Nothing in this section is intended, or shall be construed, to negate the Architect's duties to the Owner under Sections 2.2 or 3.6.2.1.

§ 3.6.1.3 Subject to Section 4.2, and except as provided in Section 3.6.6.5, the Architect's responsibility to provide Construction Phase Services commences with the award of the initial Contract for Construction and terminates at the end of the Contractor's construction warranty period.

§ 3.6.2 Evaluations of the Work

§ 3.6.2.1 The Architect shall visit the site at intervals appropriate to the stage of construction, or as otherwise required in Section 4.2.3, to become generally familiar with the progress and quality of the portion of the Work completed, and to determine, in general, if the Work observed is being performed in a manner indicating that the Work, when fully completed, will be in accordance with the Contract Documents. However, the Architect shall not be required to make exhaustive or continuous on-site inspections to check the quality or quantity of the Work. On the basis of the site visits, the Architect shall keep the Owner and Construction Manager reasonably informed about the progress and quality of the portion of the Work completed, and promptly report to the Owner and the Construction Manager (1) known deviations from the Contract Documents, (2) known deviations from the most recent construction schedule submitted by the Construction Manager, and (3) defects and deficiencies observed in the Work.

§ 3.6.2.2 The Architect has the authority to reject Work that does not conform to the Contract Documents and shall notify the Construction Manager about the rejection. Whenever the Architect considers it necessary or advisable, the Architect, upon written authorization from the Owner and notification to the Construction Manager, shall have the authority to require inspection or testing of the Work in accordance with the provisions of the Contract Documents, whether or not the Work is fabricated, installed or completed. However, neither this authority of the Architect nor a decision made in good faith either to exercise or not to exercise such authority shall give rise to a duty or responsibility of the Architect to the Contractors, Subcontractors, suppliers, their agents or employees, or other persons or entities performing portions of the Work.

§ 3.6.2.3 The Architect shall interpret and decide matters concerning performance under, and requirements of, the Contract Documents on written request of the Construction Manager, Owner, or Contractors through the Construction Manager. The Architect's response to such requests shall be made in writing within any time limits agreed upon or otherwise with reasonable promptness.

§ 3.6.2.4 Interpretations and decisions of the Architect shall be consistent with the intent of, and reasonably inferable from, the Contract Documents and shall be in writing or in the form of drawings. When making such interpretations and decisions, the Architect shall endeavor to secure faithful performance by the Owner and Contractors, shall not show partiality to either, and shall not be liable for results of interpretations or decisions rendered in good faith. The Architect's decisions on matters relating to aesthetic effect shall be final if consistent with the intent expressed in the Contract Documents.

§ 3.6.2.5 Unless the Owner and Contractors designate another person to serve as an Initial Decision Maker, as that term is defined in AIA Document A232–2019, the Architect, with the assistance of the Construction Manager, shall render initial decisions on Claims by the Contractors as provided in the Contract Documents.

§ 3.6.3 Certificates for Payment to Contractor

§ 3.6.3.1 Not more frequently than monthly, the Architect shall review and certify an application for payment. Within seven days after the Architect receives an application for payment forwarded from the Construction Manager, the Architect shall review and certify the application as follows:

- .1 Where there is only one Contractor responsible for performing the Work, the Architect shall review the Contractor's Application and Certificate for Payment that the Construction Manager has previously reviewed and certified. The Architect shall certify the amount due the Contractor and shall issue a Certificate for Payment in such amount.
- .2 Where there is more than one Contractor responsible for performing different portions of the Project, the Architect shall review the Project Application and Project Certificate for Payment, with the Summary of Contractors' Applications for Payment, that the Construction Manager has previously prepared, reviewed, and certified. The Architect shall certify the total amount due all Contractors collectively and shall issue a Project Certificate for Payment in the total of such amounts.

§ 3.6.3.2 The Architect's certification for payment shall constitute a representation to the Owner, based on (1) the Architect's evaluation of the Work as provided in Section 3.6.2, (2) the data comprising the Contractor's Application for Payment or the data comprising the Project Application for Payment, and (3) the recommendation of the Construction Manager, that, to the best of the Architect's knowledge, information and belief, the Work has progressed to the point indicated, the quality of the Work is in accordance with the Contract Documents, and that the Contractors are entitled to payment in the amount certified. The foregoing representations are subject to (1) an evaluation of the

Work for conformance with the Contract Documents upon Substantial Completion, (2) results of subsequent tests and inspections, (3) correction of minor deviations from the Contract Documents prior to completion, and (4) specific qualifications expressed by the Architect.

§ 3.6.3.3 The issuance of a Certificate for Payment or a Project Certificate for Payment shall not be a representation that the Architect has (1) made exhaustive or continuous on-site inspections to check the quality or quantity of the Work, (2) reviewed construction means, methods, techniques, sequences or procedures, (3) reviewed copies of requisitions received from Subcontractors and suppliers and other data requested by the Owner to substantiate each Contractor's right to payment, or (4) ascertained how or for what purpose that Contractor has used money previously paid on account of the Contract Sum.

§ 3.6.3.4 The Architect shall maintain a record of the Applications and Certificates for Payment.

§ 3.6.4 Submittals

§ 3.6.4.1 The Architect shall review the Construction Manager's Project submittal schedule and shall not unreasonably delay or withhold approval of the schedule. The Architect's action in reviewing submittals transmitted by the Construction Manager shall be taken in accordance with the approved submittal schedule or, in the absence of an approved submittal schedule, with reasonable promptness while allowing sufficient time, in the Architect's professional judgment, to permit adequate review.

§ 3.6.4.2 The Architect shall review, or take other appropriate action upon, the Contractors' submittals such as Shop Drawings, Product Data and Samples, that the Construction Manager has reviewed, recommended for approval, and transmitted to the Architect. The Architect's review of the submittals shall only be for the limited purpose of checking for conformance with information given and the design concept expressed in the Contract Documents. Review of such submittals is not for the purpose of determining the accuracy and completeness of other information such as dimensions, quantities, and installation or performance of equipment or systems, which are the Contractors' responsibilities. The Architect's review shall not constitute approval of safety precautions or construction means, methods, techniques, sequences or procedures. The Architect's approval of a specific item shall not indicate approval of an assembly of which the item is a component.

§ 3.6.4.3 If the Contract Documents specifically require the Contractors to provide professional design services or certifications by a design professional related to systems, materials or equipment, the Architect shall specify the appropriate performance and design criteria that such services must satisfy. The Architect shall review and take appropriate action on Shop Drawings and other submittals related to the Work designed or certified by the Contractors' design professionals, provided the submittals bear such professionals' seal and signature when submitted to the Architect. The Architect's review shall be for the limited purpose of checking for conformance with information given and the design concept expressed in the Contract Documents. The Architect shall be entitled to rely upon, and shall not be responsible for, the adequacy and accuracy of the services, certifications, and approvals performed or provided by such design professionals.

§ 3.6.4.4 After receipt of the Construction Manager's recommendations, and subject to the provisions of Section 4.2, the Architect shall review and respond to requests for information about the Contract Documents. The Architect, in consultation with the Construction Manager, shall set forth in the Contract Documents the requirements for requests for information. Requests for information shall include, at a minimum, a detailed written statement that indicates the specific Drawings or Specifications in need of clarification and the nature of the clarification requested. The Architect's response to such requests shall be made in writing within any time limits agreed upon, or otherwise with reasonable promptness. If appropriate, the Architect shall prepare and issue supplemental Drawings and Specifications in response to the requests for information.

§ 3.6.4.5 The Architect shall maintain a record of submittals and copies of submittals transmitted by the Construction Manager in accordance with the requirements of the Contract Documents.

§ 3.6.5 Changes in the Work

§ 3.6.5.1 The Architect shall review and sign, or take other appropriate action, on Change Orders and Construction Change Directives prepared by the Construction Manager for the Owner's approval and execution in accordance with the Contract Documents.

§ 3.6.5.2 The Architect may order minor changes in the Work that are consistent with the intent of the Contract Documents and do not involve an adjustment in the Contract Sum or an extension of the Contract Time. Such changes shall be effected by written order issued by the Architect through the Construction Manager.

§ 3.6.5.3 The Architect shall maintain records relative to changes in the Work.

§ 3.6.6 Project Completion

§ 3.6.6.1 The Architect, assisted by the Construction Manager, shall:

- .1 conduct inspections to determine the date of Substantial Completion and the date of final completion;
- .2 issue a Certificate of Substantial Completion prepared by the Construction Manager;
- .3 review written warranties and related documents required by the Contract Documents and received from the Contractors, through the Construction Manager; and
- .4 after receipt of a final Contractor's Application and Certificate for Payment or a final Project Application and Project Certificate for Payment from the Construction Manager, issue a final Certificate for Payment based upon a final inspection indicating that, to the best of the Architect's knowledge, information, and belief, the Work complies with the requirements of the Contract Documents.

§ 3.6.6.2 The Architect's inspections shall be conducted with the Owner and Construction Manager to (1) check conformance of the Work with the requirements of the Contract Documents and (2) verify the accuracy and completeness of the lists submitted by the Construction Manager and Contractors of Work to be completed or corrected.

§ 3.6.6.3 When Substantial Completion has been achieved, the Architect shall inform the Owner about the balance of the Contract Sum remaining to be paid each of the Contractors, including the amount to be retained from the Contract Sum, if any, for final completion or correction of the Work.

§ 3.6.6.4 The Architect shall forward to the Owner the following information received from the Contractors, through the Construction Manager: (1) consent of surety or sureties, if any, to reduction in or partial release of retainage or the making of final payment; (2) affidavits, receipts, releases and waivers of liens, or bonds indemnifying the Owner against liens; and (3) any other documentation required of the Contractors under the Contract Documents.

§ 3.6.6.5 Prior to the expiration of one year from the date of Substantial Completion, the Architect shall, without additional compensation, conduct a meeting with the Owner and Construction Manager to review the facility operations and performance.

§ 3.6.6.6 To the extent not addressed in the foregoing, the following shall be included as Basic Services by the Architect. To the extent these address the same item described in the foregoing provisions, the duties will be read in combination. If they cannot be read consistently, the more specific provision will prevail. If an ambiguity or inconsistency remains, the following provisions shall prevail.

- .1 Develop and finalize design of the concept depicted in the referenced studies and prepare construction drawings and specifications.
- .2 Sub-contract with and coordinate other applicable professional services providers to provide comprehensive design and construction documents for all necessary disciplines.
- .3 Interact with Owner, Owner's representatives and Construction Manager during the course of the design process and obtain feedback on design from same.
- .4 Interact with Construction Manager for constructability input and value engineering advice.
- .5 Prepare and periodically update a milestone schedule for the design and construction document work – for all disciplines.
- .6 Assist Construction Manager with assembly of bid packages.

- .7 Provide necessary documents to Owner for public meetings to illustrate the building site plans and other aspects of the Project.
- .8 Provide necessary documents in the quantities required (both electronic and paper format) for design reviews, Construction Manager reviews, bid packages, permitting, construction, and final record set.
- .9 Review applicable shop drawings and submittals during the construction phase.
- .10 Upon request of the Owner or Construction Manager, visit job site during construction phase for inspections.
- .11 Provide written status reports to Owner's Representative.

ARTICLE 4 SUPPLEMENTAL AND ADDITIONAL SERVICES

§ 4.1 Supplemental Services

§ 4.1.1 The services listed below are not included in Basic Services but may be required for the Project. The Architect shall provide the listed Supplemental Services only if specifically designated in the table below as the Architect's responsibility, and the Owner shall compensate the Architect as provided in Section 11.2. Unless otherwise specifically addressed in this Agreement, if neither the Owner nor the Architect is designated, the parties agree that the listed Supplemental Service is not being provided for the Project.

(Designate the Architect's Supplemental Services and the Owner's Supplemental Services required for the Project by indicating whether the Architect or Owner shall be responsible for providing the identified Supplemental Service. Insert a description of the Supplemental Services in Section 4.1.2 below or attach the description of services as an exhibit to this Agreement.)

Supplemental Services	Responsibility (Architect, Owner or Not Provided)
§ 4.1.1.1 Assistance with selection of Construction Manager	N/P
§ 4.1.1.2 Programming	N/P
§ 4.1.1.3 Multiple preliminary designs	N/P
§ 4.1.1.4 Measured drawings	Owner
§ 4.1.1.5 Existing facilities surveys	Owner
§ 4.1.1.6 Site evaluation and planning	Basic Services
§ 4.1.1.7 Building Information Model management responsibilities	N/P
§ 4.1.1.8 Development of Building Information Models for post construction use	N/P
§ 4.1.1.9 Civil engineering	Basic Services
§ 4.1.1.10 Landscape design	Basic Services
§ 4.1.1.11 Architectural interior design	Basic Services
§ 4.1.1.12 Value analysis	N/P
§ 4.1.1.13 Cost estimating	Basic Services
§ 4.1.1.14 On-site project representation	N/P
§ 4.1.1.15 Conformed documents for construction	Basic Services
§ 4.1.1.16 As-designed record drawings	Basic Services
§ 4.1.1.17 As-constructed record drawings	N/P
§ 4.1.1.18 Post-occupancy evaluation	N/P
§ 4.1.1.19 Facility support services	N/P
§ 4.1.1.20 Tenant-related services	N/P
§ 4.1.1.21 Architect's coordination of the Owner's consultants	N/P
§ 4.1.1.22 Telecommunications/data design	Basic Services – Refer to § 4.1.2.1

§ 4.1.1.23	Security evaluation and planning	N/P
§ 4.1.1.24	Commissioning	N/P
§ 4.1.1.25	Sustainable Project Services pursuant to Section 4.1.3	N/P
§ 4.1.1.26	Historic preservation	N/P
§ 4.1.1.27	Furniture, furnishings, and equipment design	Can be provided for additional fee.
§ 4.1.1.28	Other services provided by specialty Consultants	N/P
§ 4.1.1.29	Other Supplemental Services	N/P

§ 4.1.2 Description of Supplemental Services

§ 4.1.2.1 A description of each Supplemental Service identified in Section 4.1.1 as the Architect's responsibility is provided below.

(Describe in detail the Architect's Supplemental Services identified in Section 4.1.1 or, if set forth in an exhibit, identify the exhibit. The AIA publishes a number of Standard Form of Architect's Services documents that can be included as an exhibit to describe the Architect's Supplemental Services.)

Section 4.1.1.22 – Basic low voltage engineering services are provided as part of the Architect's Basic Services. These services are limited to electrical services only for the following and include, but are not limited to, fire alarm systems, telecommunication room fittings, backbone cabling, horizontal cabling, paging systems, synchronized clock systems, local sound systems (e.g. cafeterias, gymnasiums other than performance gyms, etc.), coordination of Owner or Owner's consultants low voltage within the project, access control, and minor expansion and clean-up of existing systems. Advanced low voltage engineering and technology services can be provided as a Supplemental Service, if requested. These services include, but are not limited to, the extension of outside fiber to the building, audio visual systems (e.g. instructional technology, board rooms, theaters, etc.), digital signage, specialty audio systems (e.g. instructional technology, board rooms, theaters, performance gyms, etc.), and surveillance systems.

§ 4.1.2.2 A description of each Supplemental Service identified in Section 4.1.1 as the Owner's responsibility is provided below.

(Describe in detail the Owner's Supplemental Services identified in Section 4.1.1 or, if set forth in an exhibit, identify the exhibit.)

§ 4.1.3 If the Owner identified a Sustainable Objective in Article 1, the Architect shall provide, as a Supplemental Service, the Sustainability Services agreed upon in writing between the Owner and the Architect. The Owner shall compensate the Architect as provided in Section 11.2.

§ 4.2 Architect's Additional Services

The Architect may provide Additional Services after execution of this Agreement, without invalidating the Agreement. Except for services required due to the fault of the Architect, any Additional Services provided in accordance with this Section 4.2 shall entitle the Architect to compensation pursuant to Section 11.3 and an appropriate adjustment in the Architect's schedule.

§ 4.2.1 Upon recognizing the need to perform the following Additional Services, the Architect shall notify the Owner with reasonable promptness and explain the facts and circumstances giving rise to the need. The Architect shall not proceed to provide the following Additional Services until the Architect receives the Owner's written authorization:

- .1 Services necessitated by a change in the Initial Information, previous instructions or recommendations given by the Construction Manager or the Owner, approvals given by the Owner, or a material change in the Project including size, quality, complexity, building systems, the Owner's schedule or budget for Cost of the Work, constructability considerations, procurement or delivery method, or bid packages in addition to those listed in Section 1.1.6;
- .2 Making revisions in Drawings, Specifications, or other documents (as required pursuant to Section 6.7), when such revisions are required because the Construction Manager's estimate of the Cost of the Work exceeds the Owner's budget, except where such excess is due to changes initiated by the

- Architect in scope, capacities of basic systems, or the kinds and quality of materials, finishes or equipment;
- .3 Services necessitated by enactment or revision of codes, laws, or regulations, including changing or editing previously prepared Instruments of Service;
 - .4 Changing or editing previously prepared Instruments of Service necessitated by official interpretations of applicable codes, laws or regulations that are either (a) contrary to specific interpretations by the applicable authorities having jurisdiction made prior to the issuance of the building permit, or (b) contrary to requirements of the Instruments of Service when those Instruments of Service were prepared in accordance with the applicable standard of care;
 - .5 Services necessitated by decisions of the Owner or Construction Manager not rendered in a timely manner or any other failure of performance on the part of the Owner, Construction Manager or the Owner's other consultants or contractors;
 - .6 Preparing digital models or other design documentation for transmission to the Owner's consultants and contractors, or to other Owner-authorized recipients;
 - .7 Preparation of design and documentation for alternate bid or proposal requests proposed by the Owner or Construction Manager;
 - .8 Preparation for, and attendance at, more than four (4) public presentations, meetings or hearings (Architect's attendance at four (4) public presentations, meetings, or hearings shall be included in Architect's Basic Services);
 - .9 Preparation for, and attendance at, a dispute resolution proceeding or legal proceeding, except where the Architect is party thereto;
 - .10 Consultation concerning replacement of Work resulting from fire or other cause during construction;
 - .11 Assistance to the Initial Decision Maker, if other than the Architect;
 - or
 - .13 Additional Services shall specifically include Services and Reimbursable regarding Architect responses or actions related to requests under the Minnesota Government Data Practices Act ("MGDPA"), to the extent reimbursed by the requestor in the ordinary course of an MGDPA request, which shall be coordinated with the Owner. Owner's obligation to pay Architect for Additional Services regarding the MGDPA shall survive the termination or completion of Services under this Agreement.

§ 4.2.2 To avoid delay in the Construction Phase, the Architect shall provide the following Additional Services, notify the Owner in writing with reasonable promptness, and explain the facts and circumstances giving rise to the need. If, upon receipt of the Architect's notice, the Owner determines that all or parts of the services are not required, the Owner shall give prompt written notice to the Architect of the Owner's determination. The Owner shall compensate the Architect for the services provided prior to the Architect's receipt of the Owner's notice:

- .1 Reviewing a Contractor's submittal out of sequence from the Project submittal schedule approved by the Architect;
- .2 Responding to the Contractors' requests for information that are not prepared in accordance with the Contract Documents or where such information is available to the Contractors from a careful study and comparison of the Contract Documents, field conditions, other Owner-provided information, Contractor-prepared coordination drawings, or prior Project correspondence or documentation;
- .3 Preparing Change Orders, and Construction Change Directives that require evaluation of Contractors' proposals and supporting data, or the preparation or revision of Instruments of Service, except that the Architect's Basic Services shall include preparing Change Orders or Constructive Change Directives when the need therefore arises from the Architect's error or omission;;
- .4 Evaluating more than five (5) Claims as the Initial Decision Maker; or
- .5 Evaluating substitutions proposed by the Owner, Construction Manager or Contractors and making subsequent revisions to Instruments of Service resulting therefrom.

(Paragraphs deleted)

§ 4.2.4 Except for services required under Section 3.6.6.5, Construction Phase Services provided more than 60 days after (1) the date of Substantial Completion of the Work, whichever is earlier, shall be compensated as Additional Services to the extent the Architect incurs additional cost in providing those Construction Phase Services.

§ 4.2.5 If the services covered by this Agreement have not been completed within () months of the date of this Agreement, through no fault of the Architect, extension of the Architect's services beyond that time shall be compensated as Additional Services.

ARTICLE 5 OWNER'S RESPONSIBILITIES

§ 5.1 Unless otherwise provided for under this Agreement, the Owner shall provide information in a timely manner regarding requirements for and limitations on the Project, including a written program which shall set forth the Owner's objectives, schedule, constraints and criteria, including space requirements and relationships, flexibility, expandability, special equipment, systems and site requirements.

§ 5.2 The Owner shall retain a Construction Manager to provide services, duties and responsibilities as described in AIA Document C132-2019, Standard Form of Agreement Between Owner and Construction Manager as Adviser. The Owner shall provide the Architect with a copy of the scope of services in the agreement executed between the Owner and the Construction Manager, and any subsequent modifications to the Construction Manager's scope of services in the agreement.

§ 5.3 The Owner shall establish the Owner's budget for the Project, including (1) the budget for the Cost of the Work as defined in Section 6.1; (2) the Owner's other costs; and (3) reasonable contingencies related to all of these costs. The Owner shall update the Owner's budget for the Project as necessary throughout the duration of the Project until final completion. If the Owner significantly increases or decreases the Owner's budget for the Cost of the Work, the Owner shall notify the Architect and the Construction Manager. The Owner and the Architect, in consultation with the Construction Manager, shall thereafter agree to a corresponding change in the Project's scope and quality.

§ 5.3.1 The Owner acknowledges that accelerated, phased or fast-track scheduling provides a benefit, but also carries with it associated risks. Such risks include the Owner incurring costs for the Architect to coordinate and redesign portions of the Project affected by procuring or installing elements of the Project prior to the completion of all relevant Construction Documents, and costs for the Contractors to remove and replace previously installed Work. If the Owner selects accelerated, phased or fast-track scheduling, the Owner agrees to include in the budget for the Project sufficient contingencies to cover such costs.

§ 5.4 The Owner shall identify a representative authorized to act on the Owner's behalf with respect to the specific matters delegated to the representative in writing by the Owner's Council. In no event shall the Owner's representative have authority to agree to any adjustments in the Contract Sum or Contract Time. All adjustments to the Contract Sum or Contract Time require approval by the Owner's Council unless the Council expressly delegates in writing to the representative, defined authority to approve specified sums or times. The Owner shall render decisions and approve the Architect's submittals in a timely manner in order to avoid unreasonable delay in the orderly and sequential progress of the Architect's services.

§ 5.5 The Owner shall furnish surveys to describe physical characteristics, legal limitations and utility locations for the site of the Project, and a written legal description of the site. The surveys and legal information shall include, as applicable, grades and lines of streets, alleys, pavements and adjoining property and structures; designated wetlands; adjacent drainage; rights-of-way, restrictions, easements, encroachments, zoning, deed restrictions, boundaries and contours of the site; locations, dimensions, and other necessary data with respect to existing buildings, other improvements and trees; and information concerning available utility services and lines, both public and private, above and below grade, including inverts and depths. All the information on the survey shall be referenced to a Project benchmark. Owner shall provide utility location information in its possession but makes no representation as to the accuracy of utility location information for privately owned utilities.

§ 5.6 The Owner shall furnish services of geotechnical engineers, which may include test borings, test pits, determinations of soil bearing values, percolation tests, evaluations of hazardous materials, seismic evaluation, ground corrosion tests and resistivity tests, including necessary operations for anticipating subsoil conditions, with written reports and appropriate recommendations.

§ 5.7 The Owner shall provide the Supplemental Services designated as the Owner's responsibility in Section 4.1.1.

§ 5.8 If the Owner identified a Sustainable Objective in Article 1, the Owner shall fulfill its responsibilities as agreed upon in writing between the Owner and the Architect.

§ 5.9 The Owner shall coordinate the services of its own consultants with those services provided by the Architect. Upon the Architect's request, the Owner shall furnish copies of the scope of services in the contracts between the Owner and the Owner's consultants. The Owner shall furnish the services of consultants other than those designated as the responsibility of the Architect in this Agreement, or authorize the Architect to furnish them as an Additional Service, when the Architect requests such services and demonstrates that they are reasonably required by the scope of the Project. The Owner shall require that its consultants and contractors maintain insurance, including professional liability insurance, as appropriate to the services or work provided.

§ 5.10 The Owner shall furnish tests, inspections and reports required by law or the Contract Documents, such as structural, mechanical, and chemical tests, tests for air and water pollution, and tests for hazardous materials.

§ 5.11 The Owner shall furnish all legal, insurance and accounting services, including auditing services, that may be reasonably necessary at any time for the Project to meet the Owner's needs and interests.

§ 5.12 The Owner shall provide prompt written notice to the Architect and Construction Manager if the Owner becomes aware of any fault or defect in the Project, including errors, omissions or inconsistencies in the Architect's Instruments of Service.

§ 5.13 The Owner shall communicate with the Contractors and the Construction Manager's consultants through the Construction Manager about matters arising out of or relating to the Contract Documents. The Owner and Construction Manager shall include the Architect in all communications that relate to or affect the Architect's services or professional responsibilities. The Owner shall promptly notify the Architect of the substance of any direct communications between the Owner and the Construction Manager otherwise relating to the Project. Communications by and with the Architect's consultants shall be through the Architect.

§ 5.14 The Owner shall provide the Architect a copy of the executed agreements between the Owner and Contractors, including the General Conditions of the Contracts for Construction.

§ 5.15 The Owner shall provide the Architect access to the Project site prior to commencement of the Work and shall obligate the Construction Manager and Contractors to provide the Architect access to the Work wherever it is in preparation or progress.

§ 5.16 Within 15 days after receipt of a written request from the Architect, the Owner shall furnish the requested information as necessary and relevant for the Architect to evaluate, give notice of, or enforce lien rights.

ARTICLE 6 COST OF THE WORK

§ 6.1 For purposes of this Agreement, the Cost of the Work shall be the total cost to the Owner to construct all elements of the Project designed or specified by the Architect and shall include the Contractors' general conditions costs, overhead and profit. The Cost of the Work also includes the reasonable value of labor, materials, and equipment, donated to, or otherwise furnished by, the Owner. The Cost of the Work does not include the compensation of the Architect; the costs of the land, rights-of-way, financing, or contingencies for changes in the Work; or other costs that are the responsibility of the Owner.

§ 6.2 The Owner's budget for the Cost of the Work is provided in Initial Information, and shall be adjusted throughout the Project as required under Sections 5.3 and 6.4. Evaluations of the Owner's budget for the Cost of the Work represent the Architect's judgment as a design professional.

§ 6.3 The Owner shall require the Construction Manager to include appropriate contingencies for design, bidding or negotiating, price escalation, and market conditions in estimates of the Cost of the Work. The Architect shall be entitled to rely on the accuracy and completeness of estimates of the Cost of the Work the Construction Manager prepares as the Architect progresses with its Basic Services. The Architect shall prepare, as an Additional Service, revisions to the Drawings, Specifications or other documents required due to the Construction Manager's inaccuracies or incompleteness in preparing cost estimates, or due to market conditions the Architect could not reasonably anticipate. The Architect may review the Construction Manager's estimates solely for the Architect's guidance in completion of its services, however, the Architect shall report to the Owner any material inaccuracies and inconsistencies noted during any such review.

§ 6.3.1 If the Architect is providing cost estimating services as a Supplemental Service, and a discrepancy exists between the Construction Manager's cost estimates and the Architect's cost estimates, the Architect and the Construction Manager shall work together to reconcile the cost estimates.

§ 6.4 If, prior to the conclusion of the Design Development Phase, the Construction Manager's estimate of the Cost of the Work exceeds the Owner's budget for the Cost of the Work, the Architect, in consultation with the Construction Manager, shall make appropriate recommendations to the Owner to adjust the Project's size, quality or budget for the Cost of the Work, and the Owner shall cooperate with the Architect in making such adjustments.

§ 6.5 If the Construction Manager's estimate of the Cost of the Work at the conclusion of the Design Development Phase exceeds the Owner's budget for the Cost of the Work, the Owner shall

- .1 give written approval of an increase in the budget for the Cost of the Work;
- .2 terminate in accordance with Section 9.5;
- .3 in consultation with the Architect and Construction Manager, revise the Project program, scope, or quality as required to reduce the Cost of the Work; or
- .4 implement any other mutually acceptable alternative.

§ 6.6 If the Owner chooses to proceed under Section 6.5.3, the Architect, without additional compensation, shall incorporate the revisions in the Construction Documents Phase as necessary to comply with the Owner's budget for the Cost of the Work at the conclusion of the Design Development Phase Services, or the budget as adjusted under Section 6.5.1. The Architect's revisions in the Construction Documents Phase shall be the limit of the Architect's responsibility under this Article 6.

§ 6.7 After incorporation of modifications under Section 6.6, the Architect shall, as an Additional Service, make any required revisions to the Drawings, Specifications or other documents necessitated by subsequent cost estimates that exceed the Owner's budget for the Cost of the Work, except when the excess is due to changes initiated by the Architect in scope, basic systems, or the kinds and quality of materials, finishes or equipment.

ARTICLE 7 COPYRIGHTS AND LICENSES

§ 7.1 The Architect and the Owner warrant that in transmitting Instruments of Service, or any other information, the transmitting party is the copyright owner of such information or has permission from the copyright owner to transmit such information for its use on the Project.

§ 7.2 The Architect and the Architect's consultants shall be deemed the authors and owners of their respective Instruments of Service, including the Drawings and Specifications, and shall retain all common law, statutory and other reserved rights, including copyrights. Submission or distribution of Instruments of Service to meet official regulatory requirements or for similar purposes in connection with the Project is not to be construed as publication in derogation of the reserved rights of the Architect and the Architect's consultants.

§ 7.3 The Architect grants to the Owner a nonexclusive license to use the Architect's Instruments of Service solely and exclusively for purposes of constructing, using, maintaining, altering and adding to the Project, provided that the Owner substantially performs its obligations under this Agreement, including prompt payment of all sums due pursuant to Article 9 and Article 11. The Architect shall obtain similar nonexclusive licenses from the Architect's consultants consistent with this Agreement. The license granted under this section permits the Owner to authorize the Contractors, Construction Manager, Subcontractors, Sub-subcontractors, and suppliers, as well as the Owner's consultants and Separate Contractors, to reproduce applicable portions of the Instruments of Service, subject to any protocols established pursuant to Section 1.3, solely and exclusively for use in performing services or construction for the Project. The Owner's non-exclusive license to use the Instruments of Service shall be governed by Section 9.8.

§ 7.3.1 In the event the Owner uses the Instruments of Service without retaining the authors of the Instruments of Service, the Owner releases the Architect and Architect's consultant(s) from all claims and causes of action arising from such uses. The Owner, to the extent permitted by law, further agrees to indemnify and hold harmless the Architect and its consultants from all costs and expenses, including the cost of defense, related to claims and causes of action asserted by any third person or entity to the extent such costs and expenses arise from the Owner's use of the Instruments of Service under this Section 7.3.1. The terms of this Section 7.3.1 shall not apply if the Owner rightfully terminates this Agreement for cause under Section 9.4.

§ 7.4 Except for the licenses granted in this Article 7, no other license or right shall be deemed granted or implied under this Agreement. The Owner shall not assign, delegate, sublicense, pledge or otherwise transfer any license granted herein to another party without the prior written agreement of the Architect. Any unauthorized use of the Instruments of Service shall be at the Owner's sole risk and without liability to the Architect and the Architect's consultants.

§ 7.5 Except as otherwise stated in Section 7.3, the provisions of this Article 7 shall survive the termination of this Agreement.

§ 7.6 If the Architect's design, device, material or process is covered by letters, patent or copyright, trademark or trade name, the Architect shall provide proof to Owner that such use is authorized by suitable legal agreement with the patent or trademark holder or owner. If no such agreement is made, the Architect shall indemnify and hold harmless the Owner from any and all claims for infringement by reason of the use of any such patented designed, device, material or process, or any trademark or trade name or copyright in connection with the services agreed to be performed under the Contract, and shall indemnify and defend the Owner for any costs, liability, expenses and attorney's fees that result from any such infringement.

ARTICLE 8 CLAIMS AND DISPUTES

§ 8.1 General

§ 8.1.1 The Owner and Architect shall commence all claims and causes of action against the other and arising out of or related to this Agreement, whether in contract, tort, or otherwise, in accordance with the requirements of the binding dispute resolution method selected in this Agreement and within the period specified by applicable law. The Owner and Architect waive all claims and causes of action not commenced in accordance with this Section 8.1.1.

§ 8.1.2 To the extent damages are covered by property insurance, the Owner and Architect waive all rights against each other and against the contractors, consultants, agents and employees of the other for damages, except such rights as they may have to the proceeds of such insurance as set forth in AIA Document A232-2019, General Conditions of the Contract for Construction. The Owner or the Architect, as appropriate, shall require of the Construction Manager, contractors, consultants, agents and employees of any of them, similar waivers in favor of the other parties enumerated herein.

§ 8.1.3 The Architect shall indemnify and hold the Owner and the Owner's officers and employees harmless from and against damages, losses and judgments arising from claims by third parties, including reasonable attorneys' fees and expenses recoverable under applicable law, but only to the extent they are caused by the negligent acts or omissions of the Architect, its employees and its consultants in the performance of professional services under this Agreement. The Architect's obligation to indemnify and hold the Owner and the Owner's officers and employees harmless does not include a duty to defend. All indemnification obligations shall survive termination, expiration or cancellation of this Contract. The Architect agrees, that in order to protect itself and the Owner under the indemnity provisions set forth above, it will at all times during the term of this contract keep in force policies of insurances required in the Paragraph entitled, "Insurance." Nothing in this Contract shall be construed to waive any immunities or limitations to which Owner is entitled under Minnesota Statutes, Chapter 466 or otherwise.

(Paragraph deleted)

§ 8.1.4 The Architect and Owner shall not waive consequential damages for claims, disputes, or other matters in question arising out of or relating to this Agreement. However, in no event shall either the Owner or Architect be responsible for consequential damages that do not result from their negligent or wrongful conduct.

§ 8.2 Mediation

§ 8.2.1 Any claim, dispute, or other matter in question arising out of or related to this Agreement shall be resolved through litigation in the state or federal courts located in Dakota County, Minnesota. Any claim, dispute or other matter in question arising out of or related to this Agreement shall be subject to mediation. Mediation is not a condition precedent to commencing litigation, but if litigation is commenced, the parties agree to mediate before any dispositive motions or trial.

§ 8.2.2 The parties shall share the mediator's fee equally. The mediation shall be held in the place where the Project is located, unless another location is mutually agreed upon. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof.

§ 8.2.3 If the parties do not resolve a dispute through mediation pursuant to this Section 8.2, the method of binding dispute resolution shall be the following:
(Check the appropriate box.)

☒ [X] Litigation in a court of competent jurisdiction in Dakota County, Minnesota

☐ [] Other: (Specify)

If the Owner and Architect do not select a method of binding dispute resolution, or do not subsequently agree in writing to a binding dispute resolution method other than litigation, the dispute will be resolved in a court of competent jurisdiction.

(Paragraphs deleted)

§ 8.3.4 Consolidation or Joinder

§ 8.3.4.1 No mediation or legal action arising out of or relating to this Agreement shall include, by consolidation or joinder or in any other manner, an additional person or entity not a party to this Agreement, except by written consent containing a specific reference to this Agreement and signed by the Owner, Architect, and any other person or entity sought to be joined. Consent to mediation or legal action involving an additional person or entity shall not constitute consent to mediation or legal action of any claim, dispute or other matter in question not described in the written consent or with a person or entity not named or described therein. The foregoing agreement to mediate and other agreements to mediate with an additional person or entity duly consented to by parties to this Agreement shall be specifically enforceable in accordance with applicable law in any court having jurisdiction thereof. § 8.4 The provisions of this Article 8 shall survive the termination of this Agreement.

ARTICLE 9 TERMINATION OR SUSPENSION

§ 9.1 Except for amounts that are the subject of a good faith dispute under the Prompt Payment of Local Government Bills, Minnesota Statutes, Section 471.425 ("Prompt Payment Act"), if the Owner fails to make payments to the Architect in accordance with this Agreement, such failure shall be considered substantial nonperformance and cause for termination after seven (7) days written notice by Architect or, at the Architect's option, cause for suspension of performance of services under this Agreement. If the Architect elects to suspend services, the Architect shall give seven days' written notice to the Owner before suspending services. In the event of a suspension of services, the Architect shall have no liability to the Owner for delay or damage caused the Owner because of such suspension of services. Before resuming services, the Owner shall pay the Architect all sums due which are not the subject of a good faith dispute under the Prompt Payment Act prior to suspension and any expenses incurred in the interruption and resumption of the Architect's services. The Architect's fees for the remaining services and the time schedules shall be equitably adjusted.

§ 9.2 If the Owner suspends the Project, the Architect shall be compensated for services performed prior to notice of such suspension. When the Project is resumed, the Architect shall be compensated for expenses incurred in the interruption and resumption of the Architect's services. The Architect's fees for the remaining services and the time schedules shall be equitably adjusted.

§ 9.3 If the Owner suspends the Project for more than 90 cumulative days for reasons other than the fault of the Architect, the Architect may terminate this Agreement by giving not less than seven days' written notice.

§ 9.4 This Agreement may be terminated by the Owner upon seven (7) days written notice to Architect in its sole discretion. The Architect may terminate this Agreement only in the event of substantial non-performance by the Owner. In the event the Architect proposes to terminate this Agreement, the Architect shall notify the Owner in

writing stating with specificity the alleged non-performance and further stating that the proposed termination shall be effective if the non-performance remains uncorrected for a period not less than fifteen (15) days following said notice.

§ 9.5 The Owner may terminate this Agreement upon not less than seven days' written notice to the Architect for the Owner's convenience and without cause.

§ 9.6 If the Owner terminates this Agreement for its convenience pursuant to Section 9.5, or if the Architect terminates this Agreement pursuant to Section 9.3, the Owner shall compensate the Architect for services performed prior to termination, Reimbursable Expenses incurred, and reasonable and substantiated costs attributable to termination.

§ 9.7

(Paragraphs deleted)

Except as otherwise expressly provided herein, this Agreement shall terminate one year from the date of Substantial Completion.

§ 9.8 In the event of Termination, and upon payment to the Architect of all sums that are not the subject of a good faith dispute, the Owner and its designated agents and consultants, shall have a non-exclusive license to use the Architect's, and its consultant's, Instruments of Service, documents, data, and records relating to the Project, in the condition they were in on the date of Termination, for the limited purpose of completing, maintaining, and operating the Project. The Architect's contracts with its consultants shall incorporate provisions whereby its consultants agree to be bound by the terms of this section. Upon request, the Architect and its consultants shall promptly furnish the Owner with legible copies of their Instruments of Service, documents, data, and records relating to the Project, and the Owner shall reimburse the Architect and its consultants for their reasonable copying and clerical expenses therefor.

(Paragraph deleted)

ARTICLE 10 MISCELLANEOUS PROVISIONS

§ 10.1 This Agreement shall be governed by the law of the place where the Project is located.

§ 10.2 Terms in this Agreement shall have the same meaning as those in AIA Document A232-2019, General Conditions of the Contract for Construction, Construction Manager as Adviser Edition, as modified, except for purposes of this Agreement, the term "Work" shall include the work of all Contractors under the administration of the Architect and Construction Manager.

§ 10.3 The Owner and Architect, respectively, bind themselves, their agents, successors, assigns, and legal representatives to this Agreement. Neither the Owner nor the Architect shall assign this Agreement without the written consent of the other, except that the Owner may assign this Agreement to a lender providing financing for the Project if the lender agrees to assume the Owner's rights and obligations under this Agreement, and including any payments due to the Architect by the Owner prior to the assignment.

§ 10.4 If the Owner requests the Architect to execute certificates, the proposed language of such certificates shall be submitted to the Architect for review at least 14 days prior to the requested dates of execution. If the Owner requests the Architect to execute consents reasonably required to facilitate assignment to a lender, the Architect shall execute all such consents that are consistent with this Agreement, provided the proposed consent is submitted to the Architect for review at least 14 days prior to execution. The Architect shall not be required to execute certificates or consents that would require knowledge, services, or responsibilities beyond the scope of this Agreement.

§ 10.5 Nothing contained in this Agreement shall create a contractual relationship with, or a cause of action in favor of, a third party against either the Owner or Architect.

§ 10.6 Unless otherwise required in this Agreement, the Architect shall have no responsibility for the discovery, presence, handling, removal or disposal of, or exposure of persons to, hazardous materials or toxic substances in any form at the Project site.

§ 10.7 The Architect shall have the right to include photographic or artistic representations of the design of the Project among the Architect's promotional and professional materials. The Architect shall be given reasonable access to the completed Project to make such representations. However, the Architect's materials shall not include the Owner's

confidential or proprietary information if the Owner has previously advised the Architect in writing of the specific information considered by the Owner to be confidential or proprietary. The Owner shall provide professional credit for the Architect in the Owner's promotional materials for the Project. This Section 10.7 shall survive the termination of this Agreement unless the Owner terminates this Agreement for cause pursuant to Section 9.4.

§ 10.8 All data applicable to this Agreement, including data regarded as trade secret by Architect, shall be governed by the Minnesota Government Data Practices Act ("MGDPA"), Minnesota Statutes, Chapter 13.

§ 10.8.1 The receiving party may disclose "confidential" or "business proprietary" information after 7 days' notice to the other party, when required by law, including but not limited to the MGDPA, or when required by an arbitrator's order, or court order, including a subpoena or other form of compulsory legal process issued by a court or governmental entity, or to the extent such information is reasonably necessary for the receiving party to defend itself in any dispute. The receiving party may also disclose such information to its employees, consultants, or contractors in order to perform services or work solely and exclusively for the Project, provided those employees, consultants and contractors are subject to the restrictions on the disclosure and use of such information as set forth in this Section 10.8.

§ 10.9 The invalidity of any provision of the Agreement shall not invalidate the Agreement or its remaining provisions. If it is determined that any provision of the Agreement violates any law, or is otherwise invalid or unenforceable, then that provision shall be revised to the extent necessary to make that provision legal and enforceable. In such case the Agreement shall be construed, to the fullest extent permitted by law, to give effect to the parties' intentions and purposes in executing the Agreement.

§ 10.10 Owner irrevocably assigns to Architects all rights to claim Section 179D federal tax credits under Energy Policy Act of 2005 as amplified and clarified in IRS Notice 2008-40. Owner shall cooperate with Architect to establish Architect's eligibility for these federal tax credits. Architect shall be responsible for the costs of the independent third party energy study and certification.

ARTICLE 11 COMPENSATION

§ 11.1 For the Architect's Basic Services described under Article 3, the Owner shall compensate the Architect as follows:

Total Design Fee = \$2,742,000
Maximum Reimbursable Expenses = \$118,000

Total Fixed Fee = \$2,860,000

(Paragraphs deleted)

Refer to Exhibit A: Proposal for additional information.

§ 11.2 For the Architect's Supplemental Services designated in Section 4.1.1 and for any Sustainability Services required pursuant to Section 4.1.3, the Owner shall compensate the Architect as follows:

(Insert amount of, or basis for, compensation. If necessary, list specific services to which particular methods of compensation apply.)

Hourly Rate or Fixed Fee as agreed upon in writing.

§ 11.3 For Additional Services that may arise during the course of the Project, including those under Section 4.2, the Owner shall compensate the Architect as follows:

(Insert amount of, or basis for, compensation.)

Hourly Rate or Fixed Fee as agreed upon in writing.

§ 11.4 Compensation for Supplemental and Additional Services of the Architect's consultants when not included in Sections 11.2 or 11.3, shall be as follows:

(Insert amount of, or basis for computing, Architect's consultants' compensation for Supplemental or Additional Services.)

Hourly Rate or Fixed Fee as agreed upon in writing.

§ 11.5 When compensation for Basic Services is based on a stipulated sum or a percentage basis, the proportion of compensation for each phase of services shall be as follows:

Schematic Design Phase	fifteen	percent (	15	%)
Design Development Phase	twenty	percent (	20	%)
Construction Documents Phase	forty	percent (	40	%)
Procurement Phase	five	percent (	5	%)
Construction Phase	twenty	percent (	20	%)
Total Basic Compensation	one hundred	percent (	100	%)

The Owner acknowledges that with an accelerated Project delivery or multiple bid package process, the Architect may be providing its services in multiple Phases simultaneously. Therefore, the Architect shall be permitted to invoice monthly in proportion to services performed in each Phase of Services, as appropriate.

§ 11.6 When compensation identified in Section 11.1 is on a percentage basis, progress payments for each phase of Basic Services shall be calculated by multiplying the percentages identified in this Article by the Owner's most recent budget for the Cost of the Work. Compensation paid in previous progress payments shall not be adjusted based on subsequent updates to the Owner's budget for the Cost of the Work.

§ 11.6.1 When compensation is on a percentage basis and any portions of the Project are deleted or otherwise not constructed, compensation for those portions of the Project shall be payable to the extent services are performed on those portions. The Architect shall be entitled to compensation in accordance with this Agreement for all services performed whether or not the Construction Phase is commenced.

§ 11.7 The hourly billing rates for services of the Architect and the Architect's consultants are set forth below. The rates shall be adjusted in accordance with the Architect's and Architect's consultants' normal review practices. *(If applicable, attach an exhibit of hourly billing rates or insert them below.)*

Employee or Category

Rate (\$0.00)

§ 11.8 Compensation for Reimbursable Expenses

§ 11.8.1 Reimbursable Expenses are in addition to compensation for Basic, Supplemental, and Additional Services and include expenses incurred by the Architect and the Architect's consultants directly related to the Project, as follows:

- .1 mileage based on Federal rates in connection with the project and Owner requested out-of-state travel;
- .2 Long distance services, dedicated data and communication services, teleconferences, Project web sites, and extranets;
- .3 Permitting and other fees required by authorities having jurisdiction over the Project, including government agency review and permit fees;
- .4 Printing, reproductions, plots, and standard form documents;
- .5 Postage, handling, and delivery;
- .6

(Paragraphs deleted)

- If required by the Owner, and with the Owner's prior written approval, the Architect's consultants' expenses of professional liability insurance dedicated exclusively to this Project, or the expense of additional insurance coverage or limits in excess of that normally maintained by the Architect's consultants;
- .7 All taxes levied on professional services and on reimbursable expenses;
 - .8 Site office expenses;

- .9 Registration fees and any other fees charged by the Certifying Authority or by other entities as necessary to achieve the Sustainable Objective; and
- .10 Other similar Project-related expenditures.
- .11 Expense of computer aided design and drafting equipment time when used in connection with the Project.

§ 11.8.2 For Reimbursable Expenses the Architect shall be reimbursed for actual expenses incurred without any mark-up..

§ 11.9 Architect's Insurance

If the types and limits of coverage required in Section 2.6 are in addition to the types and limits the Architect normally maintains, the Owner shall pay the Architect for the additional costs incurred by the Architect for the additional coverages as set forth below:

(Insert the additional coverages the Architect is required to obtain in order to satisfy the requirements set forth in Section 2.6, and for which the Owner shall reimburse the Architect.)

§ 11.10 Payments to the Architect

§ 11.10.1 Initial Payments

§ 11.10.1.1 An initial payment of zero (\$ 0.00) shall be made upon execution of this Agreement and is the minimum payment under this Agreement. It shall be credited to the Owner's account in the final invoice.

§ 11.10.1.2 If a Sustainability Certification is part of the Sustainable Objective, an initial payment to the Architect of (\$) shall be made upon execution of this Agreement for registration fees and other fees payable to the Certifying Authority and necessary to achieve the Sustainability Certification. The Architect's payments to the Certifying Authority shall be credited to the Owner's account at the time the expense is incurred.

§ 11.10.2 Progress Payments

§ 11.10.2.1 Unless otherwise agreed, payments for services shall be made monthly in proportion to services performed. Payments are due and payable upon presentation of the Architect's invoice. Amounts unpaid sixty (60) days after the invoice date shall bear interest at the rate entered below, or in the absence thereof at the legal rate prevailing from time to time at the principal place of business of the Architect.

(Insert rate of monthly or annual interest agreed upon.)

(Paragraph deleted)

4per annum

§ 11.10.2.2 The Owner shall not withhold amounts from the Architect's compensation to impose a penalty or liquidated damages on the Architect, or to offset sums requested by or paid to contractors for the cost of changes in the Work, unless the Architect agrees or has been found liable for the amounts in a binding dispute resolution proceeding. Subject to the foregoing, the Owner's right, if any, to offset sums due the Architect in the event of a good faith dispute with Architect over Architect's services to Owner shall be governed by applicable law, including, but not limited to the Prompt Payment Act..

§ 11.10.2.3 Records of Reimbursable Expenses, expenses pertaining to Supplemental and Additional Services, and services performed on the basis of hourly rates shall be available to the Owner at mutually convenient times. The Architect shall keep and maintain accurate documentation of all claimed reimbursable expenses in such a form that they may be independently audited.

ARTICLE 12 SPECIAL TERMS AND CONDITIONS

Special terms and conditions that modify this Agreement are as follows:

(Include other terms and conditions applicable to this Agreement.)

§ 12.1 Record Keeping—Availability and Retention

Pursuant to Minnesota Statutes, Section 16C.05, subd. 5, Architect agrees that the books, records, documents and accounting procedures and practices of Architect, that are relevant to the Contract or transaction, are subject to examination by the Owner and the state auditor for a minimum of six (6) years. Architect shall maintain such records for a minimum of six (6) years after final payment.

§ 12.2 Data Practices

Pursuant to Minnesota Statutes, Section 13.05, subd. 11, all of the data created, collected, received, stored, used, maintained, or disseminated by Architect in performing this contract is subject to the requirements of the Minnesota Government Data Practices Act ("MGDPA"), Minnesota Statutes, Chapter 13, and Architect must comply with those requirements as if it were a government entity. The remedies in Minnesota Statutes, Section 13.08 apply to Architect. Architect does not have a duty to provide access to public data to the public if the public data are available from the Owner, except as required by the terms of this contract.

§ 12.3 Non-Discrimination

Pursuant to Minnesota Statutes, Section 181.59, the Architect will take affirmative action to ensure that applicants are selected, and that employees are treated during employment, without regard to their race, color, creed, religion, national origin, sex, sexual orientation, marital status, status with regard to public assistance, membership or activity in a local civil rights commission, disability or age. The Architect agrees to be bound by the provisions of Minnesota Statutes, Section 181.59, that prohibits certain discriminatory practices and the terms of said section are incorporated into this contract.

ARTICLE 13 SCOPE OF THE AGREEMENT

§ 13.1 This Agreement represents the entire and integrated agreement between the Owner and the Architect and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both the Owner and Architect.

§ 13.2 This Agreement is comprised of the following documents identified below:

- .1 AIA Document B132™–2019, Standard Form Agreement Between Owner and Architect, Construction Manager as Adviser Edition, as modified

.2

(Paragraphs deleted)

Exhibits:

(Check the appropriate box for any exhibits incorporated into this Agreement.)

- [☒] Other Exhibits incorporated into this Agreement:
(Clearly identify any other exhibits incorporated into this Agreement, including any exhibits and scopes of services identified as exhibits in Section 4.1.2.)

Exhibit A: Proposal

- .3 Other documents:
(List other documents, if any, forming part of the Agreement.)

This Agreement is entered into as of the day and year first written above.

OWNER (Signature)

(Printed name and title)

OWNER (Signature)

(Printed name and title)

ARCHITECT (Signature)

(Printed name, title, and license number, if applicable)

A wide-angle photograph of a large, modern public works facility. The interior features a high ceiling with a complex network of steel trusses and blue-painted structural elements. Numerous fluorescent lights are mounted on the ceiling. In the foreground, there are several red toolboxes, a green utility vehicle, and a large black tire rack. In the background, a blue pickup truck is parked near a large open bay door. Two workers in safety vests are visible near the truck. The overall atmosphere is one of a well-maintained, functional industrial space.

Public Works Facility

City of Inver Grove Heights

April 22, 2025



KRAUS-ANDERSON®

Together, Strengthening the Communities we Serve

April 22, 2025

Kris Wilson, City Administrator
City of Inver Grove Heights
8150 Barbara Avenue
Inver Grove Heights, MN 55077

Dear Kris,

Developing a new public works facility presents a pivotal opportunity to enhance community infrastructure, providing efficient operations and future growth. We are passionate about what we do and cannot wait to show how our collaborative approach will help make this project successful. As your construction partner, KA brings the following:

Experienced, Solution-Oriented Team

Dustin and Ken are highly experienced in managing and executing public works projects, with a proven track record of delivering complex projects on time and within budget. They excel in navigating regulatory requirements, coordinating with government agencies, and ensuring all stakeholders are engaged. With a deep understanding of the challenges involved, they implement best practices in project management, safety, and sustainability and provide high-quality results that meet the needs of your community.

Knowledge of Public Works Projects

Our team has completed many recent public works facilities, including the City of Rosemount, City of Cottage Grove, St. Croix County, and Wright County. We also are actively constructing the City of Oakdale's public works facility. With each project, we have worked closely with local governments and communities to address their specific needs so that the results positively impact the public for years to come.

Proven Value Management Process

Our team employs an extensive value management process to optimize costs while maintaining quality and functionality. The team assesses every aspect of the construction process from the initial planning stages to project completion, identifying areas for potential efficiencies. They evaluate materials, construction methods, and design alternatives to discover the most cost-effective solutions that align with project goals. By engaging all stakeholders—clients, architects, engineers, and contractors—early in the process, Kraus-Anderson facilitates budget-friendly decisions without compromising performance or safety. This proactive approach consistently leads to significant savings and enhanced project outcomes.

We are excited to partner with the City of Inver Grove Heights and help you better serve your community through this new public works facility. Please contact me if you have any questions or need more information.

Sincerely,

KRAUS-ANDERSON® CONSTRUCTION COMPANY



Dustin R. Phillips, Construction Executive
C: 612-419-9563 | dustin.phillips@krausanderson.com



DUSTIN PHILLIPS

Project Director

ROLE

- » Responsible for delivering all preconstruction, construction, and post-construction services and ensuring that the City of Inver Grove Heights' experience is exceptional.
- » Responsible for monitoring and refining the long-range and short-term plans to provide project success and will provide project oversight and team support throughout the project.
- » Dustin's public safety experience will prove invaluable during preconstruction and construction.

RELEVANT PROJECTS

- » City of Rosemount Police and Public Works Facility
- » City of Oakdale Public Works
- » Blue Earth County Public Works Facility
- » Scott County Public Works Storage Facility
- » Hiawatha Maintenance Facility Expansion
- » St. Croix County Highway Department Campus
- » Washington County West Central Service Center
- » Washington County Public Works North Shop Exp
- » City of Oakdale Public Works

EDUCATION

B.S., Construction-Business Administration
Masters, Construction Management
University of Wisconsin-Stout, Menomonie, WI

INDUSTRY EXPERIENCE

19 years



KEN FRANCOIS, PE, LEED AP BD+C

Senior Project Manager

ROLE

- » Responsible for complete oversight and resource allocation of the preconstruction team dedicated to your project.
- » Utilize the full depth of KA's resources to deliver reliable cost estimates, conduct constructability reviews, and implement value management.

RELEVANT PROJECTS

- » City of Rosemount Police and Public Works Facility
- » Dunn County Community Services Building Renovation
- » Hiawatha Maintenance Facility Expansion
- » St. Croix County Highway Department Campus
- » Washington County West Central Service Center
- » Wright County Highway Department Building
- » City of Oakdale Public Works

EDUCATION

B.S., Civil Engineering, University of Wisconsin-
Platteville, Platteville, WI

INDUSTRY EXPERIENCE

22 years



WRIGHT COUNTY HIGHWAY DEPARTMENT FACILITY

Buffalo, MN

The Wright County Highway Department Facility project encompassed 105,000 SF of new buildings, associated site work, and parking.

» **37,703 SF Fleet Maintenance Shop**

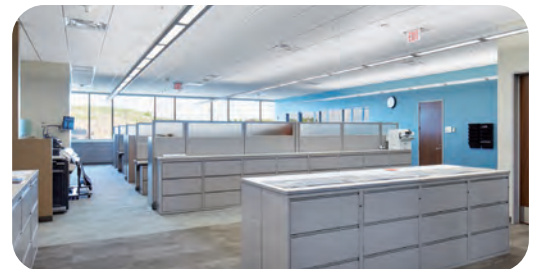
Ten maintenance bays, in-floor heating and energy recovery system, indoor car wash, lube/fluids system, 5-ton bridge crane, welding bay with a bridge crane, small engine room, small sign shop, and parts room.

» **54,620 SF Vehicle Storage**

49 parking stalls (17 large trucks, 16 snowplows, and 26 semi-trucks), a chemical storage room, an engineering and testing room for soil testing and analysis, and a tool storage area.

» **12,640 SF Office Area**

Ten permanent offices and ten flexible workspaces, two large conference rooms, a kitchenette, in-slab heating around the perimeter to free up wall space and make the workspaces more flexible, locker rooms, and showers.





ROSEMOUNT POLICE + PUBLIC WORKS

Rosemount, MN

Three new buildings on a 20-acre site that includes a 160,000 SF new police and public works facility, a 7,400 SF cold storage building, and a 4,800 SF salt storage building.

» **Police Facility**

48,000 SF and includes a squad garage for 35 vehicles, an office area that consists of a storm shelter, holding rooms, and a six-lane gun range.

» **Public Works Facility**

112,000 SF and includes a garage for 17 plow trucks and 57 vehicles, office, shops, maintenance area, and wash bay.





WASHINGTON COUNTY PUBLIC WORKS NORTH SHOP EXPANSION

Stillwater, MN

Expansion of the improved 50-year-old Public Works North Shop facility included:

- » **Fleet Services Building**

Additional 23,000 SF fleet services building housing all maintenance equipment, wash bay, and storage mezzanine area that services over 450 county units from snowplow trucks to patrol cars.

- » **Renovation of Existing Fleet Storage**

A 48,000 SF renovation that included bridge cranes, vehicle lifts, and lubrication systems.

- » **Administrative Space**

30,000 SF of administrative space that consists of an office, a kitchen, multiple meeting spaces, and a signs and signals shop that maintains and repairs over 10,000 traffic signs.

- » **Site Improvements**

New parking lots, well, main sanitary sewer, stormwater treatment ponds, and elimination of an on-site septic system.



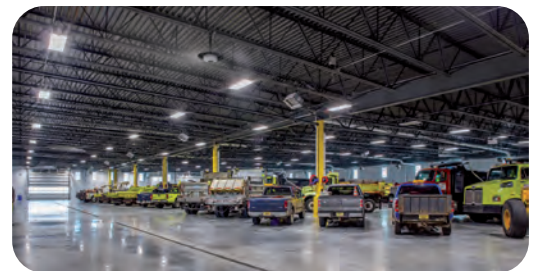


ST. CROIX COUNTY HIGHWAY DEPARTMENT CAMPUS

Baldwin, WI

KA completed the highway maintenance campus, which included three new buildings on a 52-acre site.

- » 135,700 SF main maintenance and office building.
 - 68,000 SF vehicle storage area includes 82 parking stalls for cars, trucks, plows, graders, and end loaders.
 - 46,000 SF, five maintenance bays, including parts rooms, two sign shop bays, tool rooms, a mechanic's office, two welding bays, and a 7,700 SF mezzanine storage area.
 - 14,000 SF administrative area.
- » 60,000 SF unheated storage building for highway equipment.
- » 24,000 SF salt shed, including a brine-blending system and storage tanks.
- » KA also completed a county-wide facilities assessment for the Highway Department.





Solution-driven, ***KA will join the project team as an engaged, transparent, and collaborative partner.*** Our experience and understanding of your project will support the framework for reliable information, streamlined workflow, communication across teams, an environment of trust, and an atmosphere of accountability. Our comprehensive, high-quality preconstruction and construction services will focus on achieving your goals and objectives for your new Public Works facility project.

Delivery Method Flexibility

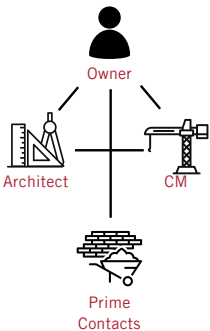
KA completes most of our construction projects as either CMA or CMAR and will guide you through the differences, helping you decide based on what is best for your schedule and budget. KA will advocate for you and adjust based on what the City deems best.

CMA VERSUS CMAR DELIVERY MODELS

Construction Management Advisor (CMA)

What does CMA Mean?

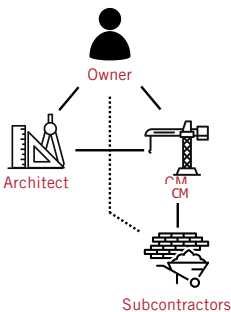
- » Separate contract for design and construction
- » Owner signs and holds prime contracts
- » CM acts as the owner’s advocate
- » CM manages prime contractors and construction
- » Allows for the early release of bid packages to accommodate long-lead times for critical items
- » KA will review each contract with the owner and help process the execution of contracts



Construction Management at Risk (CMAR)

What does CMAR Mean?

- » Separate contract for design and construction
- » CM acts as the owner’s advocate
- » CM manages and signs subcontracts with trade contractors
- » CM manages the subcontracts and construction

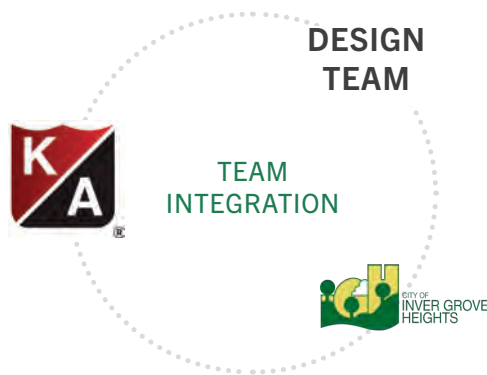


Project Delivery Plan

Our project delivery plan begins with understanding your scope and expectations and defining the parameters of your project options. As project planning evolves, KA will provide the team with detailed constructability reviews, forward-looking construction strategies, phasing, value management ideas, project scheduling, and precise cost management throughout the project's life cycle.

PRECONSTRUCTION PHASE SERVICES

Project success cannot happen without successful preconstruction activities. This team has the proven experience to successfully estimate and provide key information to keep the project on track. We start by creating an Overall Budget Summary that tracks both hard and soft costs, encompassing all aspects of the project. Done in partnership with the City and the design team, the document is then updated and referred to throughout the project for accountability of pricing efforts.

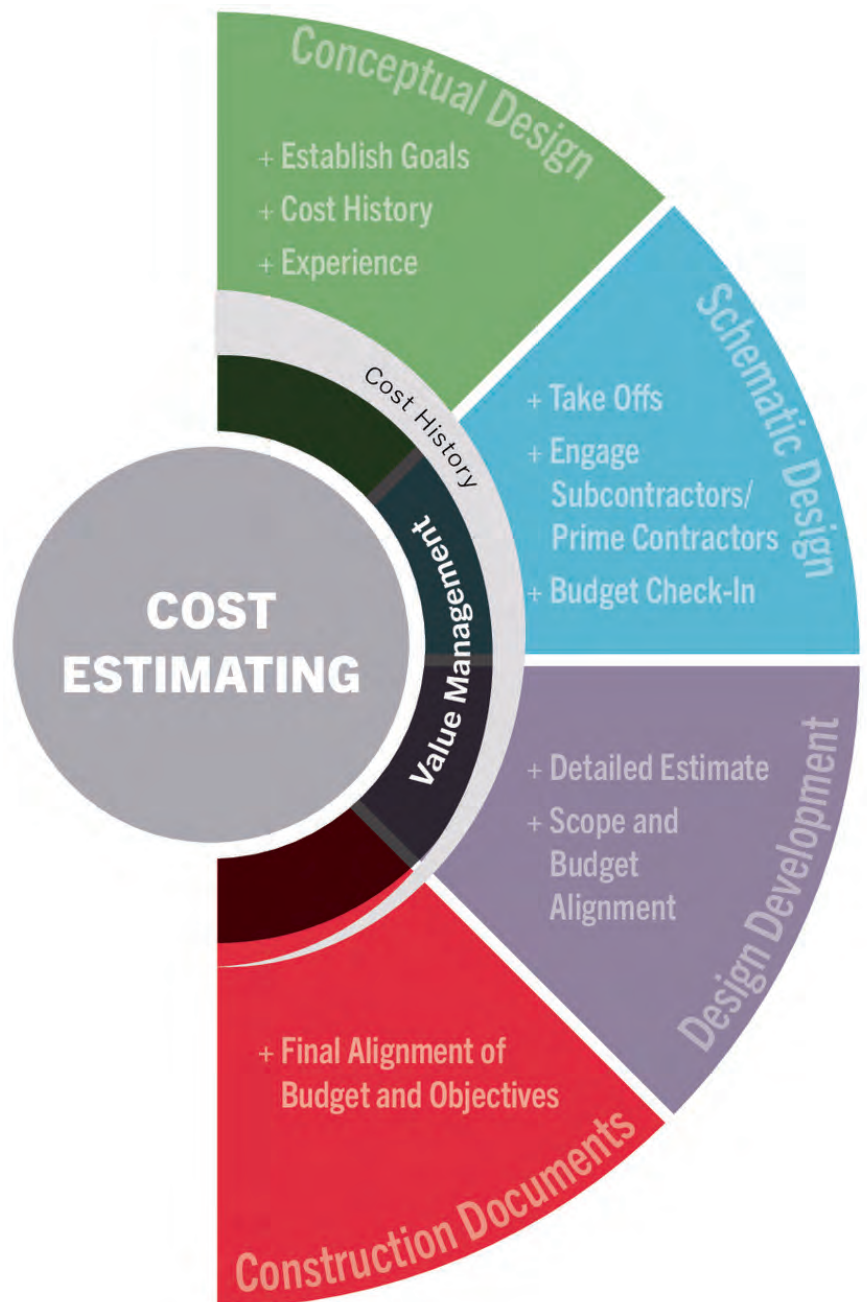


Estimating is a collaborative effort. We will meet with the design team routinely during these estimates to confirm assumptions and provide clarifications. At each estimate, KA will present the numbers to City staff in a transparent, open-book process.

Estimating and Budgeting

KA will use a total cost management process to support the City and design team in aligning project scope and design with the available budget. As a team, we apply a collaborative approach that prioritizes the functional, aesthetic, and operational goals set forth by the City, giving transparency and clarity around the project's component and system costs. This approach provides all stakeholders with the information needed to make sound decisions early enough in the project planning to maximize value and avoid costly rework late in design or during construction.

As the project moves into the Design Development phase, KA will provide critical input on the major building components and systems concerning availability, constructability, and cost. With many specialty systems planned for the project (i.e., MEP configurations, in-floor or mobile, structure types, lube systems, fuel systems, heating systems, wash bays, security and surveillance systems, etc.), we will pay close attention to safety, timelines for bidding, engineering, production, and delivery of said systems. This may require analysis of alternatives to meet the project goals, including performance, aesthetics, timing, and cost.



PROJECT APPROACH



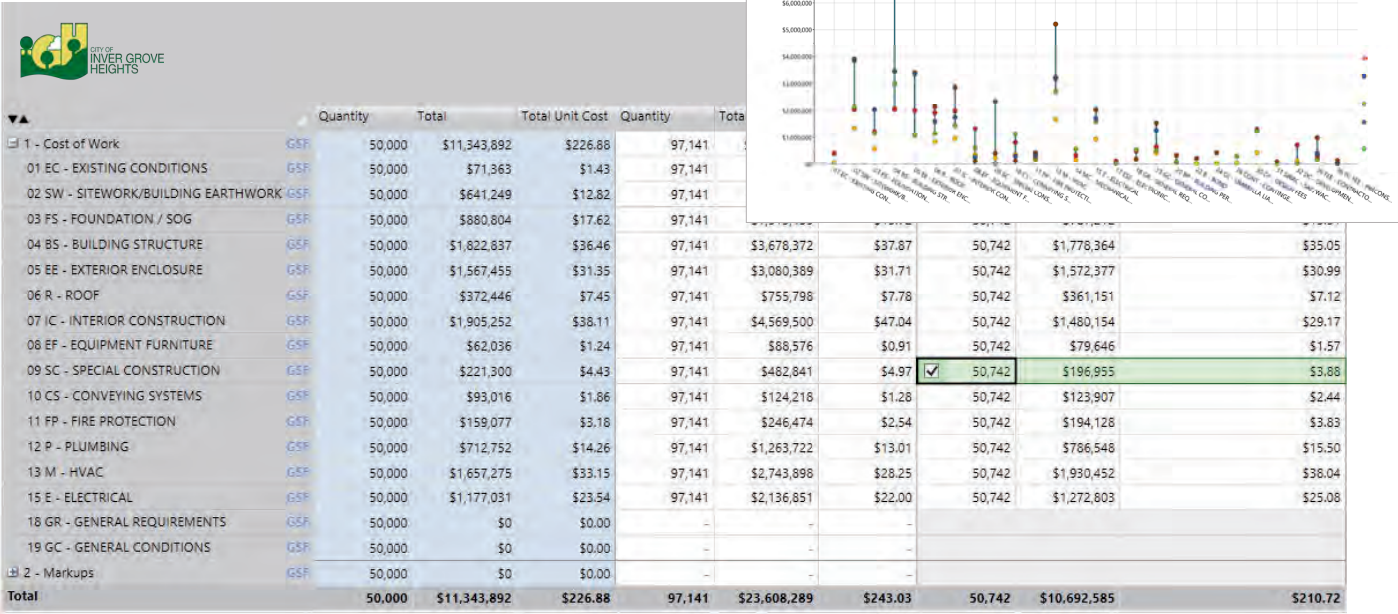
A closely collaborative approach to design and construction is critical to delivering successful projects such as this. KA has a proven track record of providing critical cost and constructability feedback to our clients and design partners and takes great pride in delivering that feedback at the right time to drive value. KA will provide the City and design team with reliable cost data based on real-time input from key trade partners and material vendors, as well as valuable insights on risk versus value for key project components and appropriate alternatives.

We will help you evaluate various facility options by providing comprehensive value management and cost estimating services tailored to your current site or a potential new location.

KA, in collaboration with the design team, will provide the City with comparable costs from other recent public works projects in the region to assist in making the most cost-efficient and effective decisions.

Below is an example of how we utilize comparable projects with the City's current design to see how costs are proving out for the City to determine how they desire to move forward.

MODELOGIX EXAMPLE



VALUE MANAGEMENT

Pivotal to controlling costs is maximizing the value of each component system in a building. Our team employs concurrent design, estimating, and document review processes. This allows the team to better understand the program and the designers' intent and offer solutions to align your program, budget requirements, and construction approach with actual costs in the marketplace. The team identifies critical areas that require further clarification and detail. We provide up-front recommendations regarding the phasing of the work, installation issues, long-term performance, and value management options.

Description	Qty	Unit	Unit Cost	Total	Remarks	Priority or Option
Interior Glass Walls to Dorma System	3,481	SF	\$200.00	\$696,200.00	SD was 350SF - DD is 3,500SF (Offices and Conference Rooms)	1
Reduce Wood Veneer Wall Paneling	2,000	SF	\$75.00	\$150,000.00	Common spaces (current SF is 5,378)	1
ACT in Offices (wood look ACT-3 to ACT-2)	2,229	SF	\$74.80	\$166,729.20	For open office ACT	4
Operable partition in Classroom A146/A148	1	LS	\$31,500.00	\$31,500.00	Gypsum Wall in place of operable partition	2
Clock Tower (Reduce to 1 Side)	1	LS	\$45,000.00	\$45,000.00	Will be removed.	1
Window treatment reduction (1200 additional Manual)	1,200	SF	\$15.00	\$18,000.00	3800SF of manual and 2400SF of motorized in DD	1
Lockers in Garage provided by County	18	EA	\$2,000.00	\$36,000.00		1
Mechanical Reductions	1	LS	\$25,000.00	\$25,000.00	Various reductions (VAV's)	1
Clock Tower Height Reduction (Reduce by 3')	1	LS	\$25,567.00	\$25,567.00	Reduce 3'	1
ACT in lieu of Aluminum Faced Mineral Wool in PG	17,981	SF	\$1.70	\$30,567.70	Code needs to be vetted by BKV	1
Coiling Doors from 2 to 1	1	LS	\$19,000.00	\$19,000.00		1
Brick in lieu of stone at exterior wall finish (incl. retaining wall)	12,070	SF	\$25.00	\$301,750.00	Includes entry retaining wall	3
Tile at wet walls only in restrooms, base remains	2,351	SF	\$14.60	\$34,324.60		1
Remove interior stone wall finish on west corridor 104	436	SF	\$70.00	\$30,520.00		1
Remove soffits in A146/A148 and include ACT-1 Cloud	1	LS	\$9,100.00	\$9,100.00		1
Remove soffits in A135 and include ACT-2 Cloud	1	LS	\$9,900.00	\$9,900.00		1
Session Conf. 2 remove soffits and include cloud	1	LS	\$2,200.00	\$2,200.00		1
Level 2 catwalk ceiling finishes to ACT 2	2,163	SF	\$4.80	\$10,382.40	ACT 4 is add of \$6,500	2
Kitchen 150 ceiling finish to ACT-1 in lieu of gypsum	1	LS	\$2,500.00	\$2,500.00		4
Revise roof terrace at NW side to ballasted roof	1	LS	\$32,000.00	\$32,000.00		1
Revise ceiling in corridor 200 north of conf 202 to ACT 2	2,112	SF	\$0.53	\$1,110.00	ACT 4 is add of \$2,700	2
Reduce Slat-1 ceiling finish in council chambers and lobby	1	LS	\$60,000.00	\$60,000.00	Reduced to \$60K with line item 97	2
Reduce storefront system at office area (Item 19)	224	SF	\$23.11	\$5,176.64		1
Remove wood wrap at steel beams	491	SF	\$75.00	\$36,825.00		3
Aluminum guard rails in lieu of glass at terrace's	133	LF	\$550.00	\$73,150.00	\$300LF Alw based on guard rails on grade	3
Aluminum guard rails in lieu of interior glass guard rails	221	LF	\$550.00	\$121,550.00	\$300LF Alw based on guard rails on grade	3
Remove canopy at north side of city hall	1	LS	\$27,000.00	\$27,000.00	ACM panel infill at building	1
Remove clerestory windows around community room	1	LS	\$23,290.00	\$23,290.00		1
Revise Slat-1 Finish to Rulan Encore product	1	LS	\$60,000.00	\$60,000.00		4
Remove Ceiling Insulation and ACT in Parking Garage	17,981	SF	\$11.00	\$197,791.00	At underside of precast	1
Remove 90LF of glazed interior railings	90	LF	\$722.22	\$65,000.00	Replaced with 3-5/8" drywall assembly and wood cap	1
Remove dry sprinkler from lower level	21,731	GSF	\$1.50	\$32,596.50		1
Remove heat trace on dom. water in garage	1	LS	\$2,000.00	\$2,000.00		1
Add four gas fired unit heaters in garage	1	LS	\$30,000.00	\$30,000.00		1
Remove (4) 6" roof drawings incl. pup and insulation	1	LS	\$34,000.00	\$34,000.00		1
Sub Total by Priority / Option						
Priority / Option 1				\$1,580,233.44	Priority 1 removals	1
Priority / Option 2				\$102,992.40	Priority 2 removals- potential alternates	2
Priority / Option 3				\$533,275.00	Not deired	3
Priority / Option 4				\$229,229.20	Remove and push to estimate	4

LAKE COUNTY HIGHWAY DEPARTMENT FACILITY

Two Harbors, MN

53,873 SF new highway department maintenance facility on a 20-acre site, including a 22,100 SF vehicle storage area, a 12,610 SF vehicle repair/storage/wash area with three maintenance/repair bays, a wash bay, and a welding bay, tool room, and parts room, 8,763 SF administrative area, 5,500 SF mezzanine, and 4,900 SF second-floor unfinished future office.



Value Management Solutions - providing savings to Lake County:

- » Owner provided parking lot bituminous paving: Saved \$298,000
- » Owner provided all granular fill and Class 5: Saved \$149,000
- » Eliminated on-site fencing and gates: Saved \$71,000

IN-HOUSE TECHNICAL RESOURCES

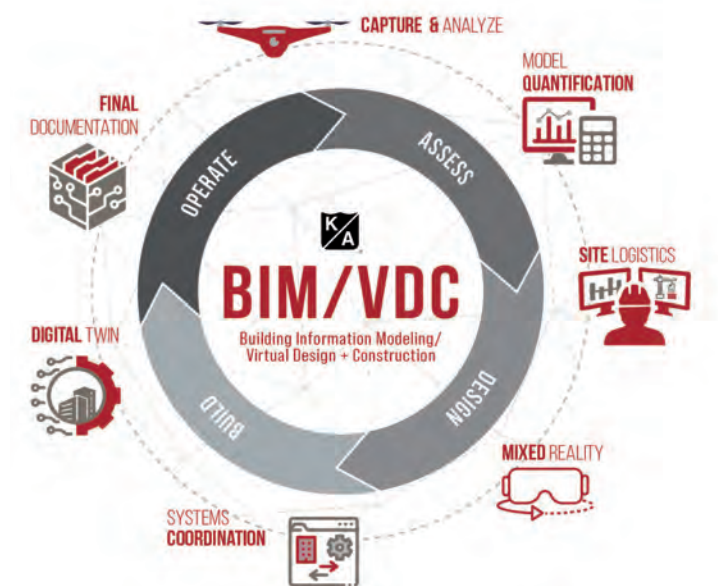
Our in-house technical team members bring expertise and tools to help us understand existing building conditions, tie-ins to new construction, and provide viable options and solutions.

Building Science: Jon Porter, Director of Building Science, will examine the project's means and methods, constructability, building materials technology, workflow and sequencing, proper installation techniques, and testing and acceptance protocols. Jon's expertise brings value, particularly in understanding and ensuring the integrity of the building's enclosure.

Mechanical and Electrical Systems Reviews: Mechanical and electrical systems will be a key project component for cost and value impact. Our M&E team will lead systems review and coordination for cost estimating, value management, constructability reviews, and phasing/sequencing.

BIM/VDC: Building Information Modeling (BIM) and Virtual Design and Construction (VDC) are tools and capabilities KA utilizes to improve the project delivery process for all project stakeholders. These tools will provide essential information and data for planning and managing project collaboration, help estimate costs, track progress, minimize waste, and optimize risk management.

- » Data Management
- » Model Quality Assurance/Quality Control
- » 4D (Schedule)/5D (Cost) Development
- » Model-Based Quantity Take-Offs
- » Clash Detection
- » Project Planning (Site Logistics/Phasing)
- » Reality Capture (Laser scanning/drones/360-degree photos)
- » Project Closeout



TECHNOLOGY TOOLS

- » **Modelogix/WinEst:** Along with our experienced team, these technologies are the backbone of our continuous estimating and proven project pricing to ensure accurate budgets from the start.
- » **Autodesk Build:** This is considered one of the best communication tools in the industry. It allows for real-time communication so that all trades and members of the project team are working off the same plans, housing all key, up-to-date project information, including plans, specifications, shop drawings, product information, Requests for Information (RFI), Potential Change Orders (PCO), Change Orders (CO), punch lists, observation reports, daily project logs, progress photos, and many other project-specific items.



PROJECT BUDGET

This team has the proven experience to keep your project on track. We start by establishing the Overall Project Budget that tracks both hard and soft costs, encompassing all aspects of the project. KA collaborates with the City and the design team to accomplish this. The document is then updated and referred to for accountability of pricing efforts throughout the project.

COST CONTROL

KA's construction administration is focused on open communication and transparency. KA employs financial and project management systems to provide critical information to the project team to evaluate project status and make well-informed decisions.

We will carefully manage the workflow and information through a direct and efficient interface with your staff and designers. We will prepare weekly progress meetings and detailed reports for the team on each subcontractor's work and overall financial management of their portion of the project. Billing, cash flow projections, and job cost reports are included in our monthly reporting, ensuring we are on top of your budget through every step of the project.

BIDDING

KA will prepare a procurement plan that identifies every trade item required to complete the project and the dates when procurement action must be initiated and completed. This procurement plan will consider long-lead items, schedule implications, budget information, and how the intended procurement is consistent with the project goals.

Additionally, bid packages will include project-specific construction requirements for logistics, scheduling, safety and coordination, inspections, shop drawings, and submittals.

Scopes and bid packages will be developed to provide the best opportunities for inclusion of local subcontractors.

Kraus-Anderson will organize pre-bid meetings to provide general project information and details for specific trade packages. We will conduct meetings as an important element of the procurement phase to familiarize potential vendors and subcontractors with the scope of work required. KA will manage the competitive bidding process.

DISRUPTION AVOIDANCE PLANNING

KA has worked on many projects with components similar to those of your new Public Works facility project. We will work with the City to develop construction logistics and phasing as needed to safely and efficiently interface with the community. For example, our team can work with the City to design detailed plans for construction phasing, noise mitigation, temporary shutdowns, and maintenance of HVAC/electrical/life safety systems during construction. An emergency management plan will be developed with the City for construction or operational emergencies. We will work with the City to create a communication plan that interfaces with all stakeholders and the public.





SITE CONTROL AND SAFETY

We will assign a full-time project superintendent to organize and supervise all construction activities. In collaboration with Senior Project Manager Ken Francois, they will coordinate the scheduling of the subcontractor's work to meet the overall schedule requirements and prevent any delay-related or other claims from being presented to the City due to ineffective management, scheduling, or planning.

They will be responsible for quality and safety program compliance with assistance from Jay Vander Leest, Director of Safety. They will monitor all deliveries of materials and subcontractor progress and measure physical completion of work, both in conjunction with each subcontractor's invoicing procedures and at greater frequencies when needed. They make sure that each subcontractor has the appropriate staffing to meet schedule requirements.

KA strives for zero injuries on every project through good management, utilization of resources, a proactive approach to safety, a solid supervisory presence, and hazard assessments. Our goal is to provide staff, visitors, KA employees, subcontractors, and vendors working on or visiting the project site with a safe experience that meets expectations and guidelines.

KA has a formal, written Safety and Health Program that addresses general safety and OSHA standards and guidelines. Our program will incorporate all applicable federal, state, and local regulations.

SITE LOGISTICS

- » **Good Neighbor**
Understand the constraints construction may place on neighboring communities.
- » **Construction Access**
Focus on controlling access points to the site to prevent disruption on surrounding roads.
- » **Construction Efficiency**
Try to keep staging and parking on site.



0.73

KA'S 2025 EMR

Experience Modification Rate (EMR)

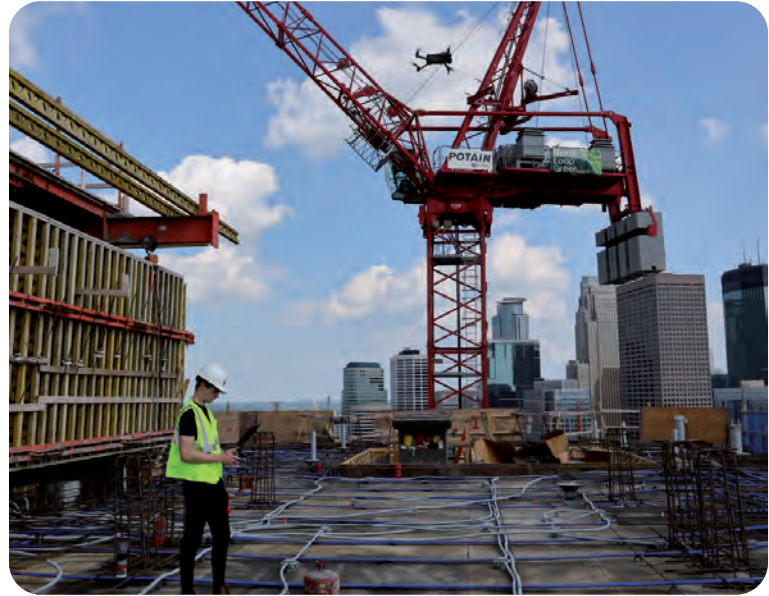
KA has been recognized annually since 1991 for our excellent safety record that consistently ranks within the top tier of construction firms nationally.

PROJECT APPROACH



MANAGING THE CONSTRUCTION PROCESS

Senior Project Manager Ken Francois will be the primary point of contact, offering the City a single, committed line of communication from preconstruction to operation. He will serve as a conduit between the City, the design team, and the project team and seek cost and schedule efficiencies. During preconstruction, he will provide budgeting, value management, constructability review, schedule development, logistics, and safety planning. During construction, Ken will manage the project's daily operations, including monitoring the schedule and budget. Specific tasks include daily supervision and overall coordination of the project; coordination of estimating, engineering, accounting, cost control, and construction functions; master progress schedule updates; leading team meetings; contract and subcontract documents; quality control objectives; direction of field and office staff; and project closeout.



PROJECT SUPERVISORY APPROACH

Kraus-Anderson will assign a full-time, on-site project superintendent to oversee the project and maintain safety, quality, and schedule. Along with Jay Vander Leest, KA's Safety Director, they will be responsible for quality and safety program compliance. They will also monitor all deliveries of materials and contractor progress and measure the physical completion of work in conjunction with the contractor's invoicing procedures. They will make sure that each contractor has the appropriate staffing to meet schedule requirements.

KA's experienced project teams work collaboratively to maximize safety and productivity throughout construction, including site logistics, communication management, and disruption avoidance. We are committed to creating value for all project stakeholders every step of the way.

During preconstruction, our project superintendent will provide valuable insight and knowledge for constructability review, schedule, quality, and safety planning. During construction, the project superintendent will be on-site full-time and responsible for the day-to-day supervision and management of all construction activities associated with the new Public Works Facility project and be the direct contact for the City and the community concerning logistics and construction activities.



SUBCONTRACTOR MANAGEMENT

Preconstruction Phase

To protect your best interests for this project, all trade work will be competitively bid and awarded to qualified subcontractors capable of meeting the schedule, safety, quality, and cost requirements.

We plan to competitively bid out 100% of the trade work for your project. If it appears that the project would benefit from having KA self-perform work, we will follow the same process as with any cost estimating, collecting 3-4 bids for the scope, including KA's cost, and providing cost comparison. If it is determined to be in the City's best interest and with your approval, we will proceed.

Local Participation

Working with local subcontractors not only benefits your community but can also lead to smoother project execution because of their knowledge of local and regional conditions and resources.

We will work diligently to engage and vet local subcontractors to obtain and incorporate their bids. Our bidding process is fair, transparent, and compliant with all relevant laws and regulations.



St. Anthony Public Works
St. Anthony, MN



Waconia Public Works
Waconia, MN

QUALITY ASSURANCE/QUALITY CONTROL

Working with the City and design team, KA will define the essential quality activities and resources for the unique construction of your project. We will ensure appropriate quality standards, design, and sustainability goals and incorporate a process to address them.

We achieve this by:

- » Reviewing and understanding the project requirements.
 - » Determining key stakeholders and decision-makers.
 - » Setting the project goals and aligning them with the expectations of the City and design team.
- » Utilizing KA's experienced in-house technical support professionals who specifically focus on and support the team with specialized needs.
 - » Reviewing the project documents and providing feedback to the design team. We will identify areas requiring clarification, highlight discrepancies, and provide timely recommendations regarding constructability, long-term building performance, and value management options.



COST REPORTING AND TRACKING

KA maintains an open-book accounting system and fiscal controls that accurately account for, manage, track, and report costs to support financial services like billing. Our sophisticated project management capabilities provide responsive, accurate financial data for review by the City, ensuring that the GMP is maintained through the duration of the project.

COST SAVINGS APPROACH

KA's philosophy is to return 100% of savings to our clients.

POST-OCCUPANCY APPROACH

We believe that transitioning responsibility and knowledge over time will better serve the City taking control of its new facility. Contractors will work to train staff on new systems, assist the City and staff through any troubleshooting, coordinate training of the facility and maintenance staff by technical professionals, collect and inventory additional materials, and be the primary resource for the City. It is our commitment to support the City, not only through project turnover but also through the one-year call-back period.



“KA’s team has stepped up to every challenge and provided a solution for us. This is a reflection on the experience, knowledge, and practical, critical thinking your staff brings to the table.”

- Don Theisen, Retired
Director of Public Works,
Washington County

PUNCH LIST, WARRANTY, AND CLOSEOUT

Punch List - KA starts working on the punch list long before completing a project. We regularly communicate with the contractors to confirm that their work meets the team’s expectations. As the substantial completion nears, KA will perform our pre-punch with the contractors to address any outstanding issues before substantial completion, as well as the City and design team’s punch list walk-throughs. KA will work with the team and contractors to confirm that all deficiencies are addressed promptly. KA utilizes Autodesk to facilitate all punch list activities and will provide the City and design team with the necessary devices to perform their punch list inspections.

Warranty - KA will assist with coordinating all warranty-related items through the one-year call-back period. If the need arises for warranty work, we will assist the City with involved material/equipment suppliers and trade contractors. KA standard practice is to perform an 11-month base-building/public space walk-through with City staff and the design team to confirm the building performs properly and close out the 1-year warranty. Should items arise, we will again coordinate all items through completion and provide a detailed checklist for the City's review and approval.

Closeout - During the preconstruction phase, we will prepare the necessary schedules to define the project closeout activities. This confirms that all appropriate parties are ready for final inspections and occupancy. Upon project completion, we will walk through your facility with your maintenance personnel to direct the check-out of utilities, systems, and equipment for readiness. We will also assist in the initial commissioning, start-up, and testing by the prime contractors. We will also secure and transmit the required guarantees, affidavits, releases, bonds, and waivers from the contractors, along with operating manuals, records, and as-built drawings in hard copy and electronic format to the City.



KA'S UNIQUE STRENGTHS

OPEN-BOOK TRANSPARENCY

Over 80% of our CM work is repeat- or referral-based, and we know it all starts with trust. Transparency is a cornerstone of trust, and our team delivers with integrity. The City of Inver Grove Heights will receive regular financial and schedule updates throughout the project and upon request at any time.

OWNER ADVOCATE

It is more than just construction. As your advocate, we are responsible for ensuring project success on all fronts. This is a team effort requiring informed decisions.

DELIVERY METHOD FLEXIBILITY

KA completes most of our construction projects as either CMA or CMAR and will guide you through the differences, helping you decide what is best for your schedule and budget. KA will advocate for you and adjust based on what the City deems best.

TEAM SYNERGY

This team embodies our core purpose of **together, strengthening the communities we serve** with **integrity, commitment, teamwork**, and **valuing people**.

COMPREHENSIVE TEAM COMMUNICATION

Kraus-Anderson prioritizes communication as a critical function in its role as a construction manager. KA will engage the City, the Public Works Department, all stakeholders, and the design team in an interactive, transparent, and collaborative design and preconstruction process. Our process begins with understanding your scope and expectations and defining the parameters of your project options. As project planning evolves, KA will provide the City and the design team with detailed constructability reviews, forward-looking construction strategies, phasing, value management ideas, project scheduling, and detailed cost estimating throughout the life cycle of your project.

Concise and clear communication is pivotal to a successful project. We employ a proactive, transparent, and collaborative format to establish open communication between the City and stakeholders, the design team, KA, the project team, and the community.

Communication Opportunities Council Meetings/

Workshops: KA will update the Council in person or virtually as needed. Updates typically consist of a high-level progress update and photos or videos of work completed to date.

- » **KA Client Portal:** a single, collaborative destination for our clients to conveniently access relevant client applications and securely store and exchange project information before, during, and long after project delivery.
- » **Construction Update Website:** At KA, we use a website page to provide an always-available update that stakeholders can access via link or QR code.



Scan or click the QR codes above to view the Construction Update Website page for each project.

**Exhibit 1 - CM Site Services & Fee
Kraus-Anderson Construction
City of Inver Grove Heights Public Works**

PRE-CONSTRUCTION				
		Start Date: May/June 2025		
		Finish Date: Aug-2026		
	14.0	61	303	2427
	Mo.	Wks	Days	Hours
Description	Quantity	Unit	Unit Cost	Total
Project Executive, Principal in Charge	0	HRS	\$206	\$ -
Senior Project Manager	120	HRS	\$177	\$ 21,261
Project Manager	60	HRS	\$157	\$ 9,429
Preconstruction Manager/Estimator	220	HRS	\$160	\$ 35,235
Quality Manager	24	HRS	\$154	\$ 3,737
MEP Coordinator	24	HRS	\$166	\$ 4,028
Project Coordinator	61	HRS	\$78	\$ 4,732
Subtotal PRECONSTRUCTION STAFF	510	HRS		\$ 78,423
Discounted PRECONSTRUCTION RATE				\$ 40,000
KA is providing a roughly \$38K discount for preconstruction services based on our involvement with the master planning efforts for this project. KA will provide all support necessary for concept evaluations, estimating, budgeting, scheduling, and bidding. Should the job stop at the end of preliminary design concept evaluations, KA will only ask for half of the amount listed above- \$38K.				

CONSTRUCTION				
		Start Date: Fall 2026		
		Finish Date: TBD		
	0.0	0	0	0
	Mo.	Wks	Days	Hours
Description	Quantity	Unit	Unit Cost	Total
Project Executive, Principal in Charge		HRS	\$212	
Senior Project Manager		HRS	\$182	
Project Manager		HRS	\$162	
Assistant Project Manager		HRS	\$131	
Project Superintendent		HRS	\$159	
General Superintendent		HRS	\$172	
Quality Manager		HRS	\$159	
MEP Specialist		HRS	\$171	
Safety Director		HRS	\$169	
Safety Manager		HRS	\$152	
VDC/BIM		HRS	\$144	
Project Coordinator		HRS	\$80	
Accounting		HRS	\$80	
Subtotal CONSTRUCTION STAFF		HRS		
Above is a standard rate sheet for 2026 staffing, assuming construction starts in 2026. These costs will be included in the budget for the City of Inver Grove Heights Public Works. We will develop these openly with the City once a schedule and scope are agreed upon.				

REIMBURSABLES				
Job Site Office Trailer	0.0	MOS		
Office Equipment & Supplies	0.0	MOS		
Travel and Expenses	0.0	MOS		
Pick-up Truck & Tools - Supt	0.0	MOS		
Subtotal CONSTRUCTION STAFF				
Reimbursable Expenses are estimated to be around \$7,000 to \$10,000/month.				

FEE				
Subtotal CONSTRUCTION MANAGEMENT FEE	TBD		1.80%	
Fee percentage will be applied to the cost of work as defined in the contract.				



Washington County Public Works
North Shop Expansion

MINNESOTA

Minneapolis

501 South Eighth Street
Minneapolis, MN 55404
612-332-7281

Bemidji

206 Beltrami Avenue
Bemidji, MN 56601
218-759-0596

Duluth

2000 West Superior Street
Suite 101
Duluth MN, 55806
218-722-3775

Rochester

502 2nd Avenue SW
Rochester, MN 55902
507-226-8690

IOWA

Des Moines

100 Court Avenue
Suite 204
Des Moines, IA 50309
515-802-2870

NORTH DAKOTA

Bismarck

1815 Schafer Street
Suite 200
Bismarck, ND 58501
701-989-7150

Fargo

1100 NP Avenue
Suite 201
Fargo, ND 58102
701-699-0699

WISCONSIN

Madison

151 East Wilson Street
Suite 100
Madison, WI 53703
608-838-5444

Milwaukee

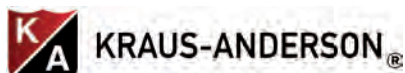
126 North Jefferson Street
Suite 402
Milwaukee, WI 53202
414-216-7249

ARIZONA

Phoenix

1401 North 24th Street
Phoenix, AZ 85008
480-899-3240

ROC 102058



www.krausanderson.com

Kraus-Anderson is an EEO/AA
Employer.



AIA® Document C132® – 2019

Standard Form of Agreement Between Owner and Construction Manager as Adviser

AGREEMENT made as of the 4th day of June in the year 2025
(In words, indicate day, month and year.)

BETWEEN the Owner:
(Name, legal status, address, and other information)

City of Inver Grove Heights
8150 Barbara Avenue
Inver Grove Heights, MN 55077

and the Construction Manager:
(Name, legal status, address, and other information)

Kraus-Anderson Construction Company
801 South 8th Street
Minneapolis, MN 55404

for the following Project:
(Name, location, and detailed description)

Public Works Facility
To Be Determined

The Architect:
(Name, legal status, address, and other information)

Wold Architects and Engineers
332 Minnesota Street, Suite W2000
St. Paul, MN 55101

The Owner and Construction Manager agree as follows.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

This document is intended to be used in conjunction with AIA Documents A132™–2019, Standard Form of Agreement Between Owner and Contractor, Construction Manager as Adviser Edition; A232™–2019, General Conditions of the Contract for Construction, Construction Manager as Adviser Edition; and B132™–2019, Standard Form of Agreement Between Owner and Architect, Construction Manager as Adviser Edition. AIA Document A232™–2019 is adopted in this document by reference. Do not use with other general conditions unless this document is modified.

TABLE OF ARTICLES

1	INITIAL INFORMATION
2	CONSTRUCTION MANAGER'S RESPONSIBILITIES
3	SCOPE OF CONSTRUCTION MANAGER'S BASIC SERVICES
4	SUPPLEMENTAL AND ADDITIONAL SERVICES
5	OWNER'S RESPONSIBILITIES
6	COST OF THE WORK
7	COPYRIGHTS AND LICENSES
8	CLAIMS AND DISPUTES
9	TERMINATION OR SUSPENSION
10	MISCELLANEOUS PROVISIONS
11	COMPENSATION
12	SPECIAL TERMS AND CONDITIONS
13	SCOPE OF THE AGREEMENT

ARTICLE 1 INITIAL INFORMATION

§ 1.1 This Agreement is based on the Initial Information set forth in this Section 1.1.

(For each item in this section, insert the information or a statement such as "not applicable" or "unknown at time of execution.")

§ 1.1.1 The Owner's program for the Project:

(Insert the Owner's program, identify documentation that establishes the Owner's program, or state the manner in which the program will be developed.)

Owner will review multiple options for a new public works facility per the recently completed master planning by Wold and Kraus-Anderson. KA will help develop pricing options as the project continues towards construction.

§ 1.1.2 The Project's physical characteristics:

(Identify or describe pertinent information about the Project's physical characteristics, such as size; location; dimensions; geotechnical reports; site boundaries; topographic surveys; traffic and utility studies; availability of public and private utilities and services; legal description of the site, etc.)

To Be Determined

§ 1.1.3 The Owner's budget for the Cost of the Work, as defined in Section 6.1:

(Provide total and, if known, a line item breakdown.)

\$40,000,000 to \$50,000,000

§ 1.1.4 The Owner's anticipated design and construction milestone dates:

.1 Design phase milestone dates, if any:

May/June of 2025 to August 2026 (14 Months). Will be re-evaluated at the time the architect is brought on board.

.2 Construction commencement date:

To Be Determined

.3 Substantial Completion date or dates:

To Be Determined

.4 Other milestone dates:

To Be Determined

§ 1.1.5 The Owner intends the following procurement method for the Project:
(Identify method such as competitive bid or negotiated contract.)

Multiple Prime Contracts procured by competitive public bidding pursuant to the Minnesota Uniform Municipal Contracting Act, Minnesota Statutes, Section 471.345 and 123B.52 ("Public Bidding").

§ 1.1.6 The Owner's requirements for accelerated or fast-track design and construction, multiple bid packages, or phased construction are set forth below:
(Identify any requirements for fast-track scheduling or phased construction and, if applicable, list number and type of bid/procurement packages.)

N/A

§ 1.1.7 The Owner's anticipated Sustainable Objective for the Project:
(Identify and describe the Owner's Sustainable Objective for the Project, if any.)

N/A

§ 1.1.7.1 If the Owner identifies a Sustainable Objective, the Owner and Construction Manager shall endeavor to define the terms, conditions and services related to the Owner's Sustainable Objective and may complete and incorporate AIA Document E235™-2019, Sustainable Projects Exhibit, Construction Manager as Adviser Edition, into this Agreement to define the terms, conditions and services related to the Owner's Sustainable Objective. ~~Agreement.~~ If E235-2019 is incorporated into this Agreement, the Owner and Construction Manager shall incorporate the completed E235-2019 into the agreements with the consultants and contractors performing services or Work in any way associated with the Sustainable Objective.

§ 1.1.8 Other Project information:
(Identify special characteristics or needs of the Project not provided elsewhere.)

N/A

§ 1.1.9 The Owner identifies the following representative in accordance with Section 5.5:
(List name, address, and other contact information.)

Brian Connolly
Public Works Director
City of Inver Grove Heights
8150 Barbara Avenue
Inver Grove Heights, MN 55077
Phone: 654.450.2571
Email: bconnolly@ighmn.gov

§ 1.1.10 The persons or entities, in addition to the Owner's representative, who are required to review the Construction Manager's submittals to the Owner are as follows:
(List name, address, and other contact information.)

N/A

§ 1.1.11 The Owner shall retain the following consultants and Contractors:
(List name, legal status, address, and other contact information.)

.1 Land Surveyor:

To Be Determined

.2 Geotechnical Engineer:

To Be Determined

.3 Civil Engineer:

To Be Determined

.4 Contractors, as defined in Section 1.4:

To Be Determined

.5 Separate Contractors, as defined in Section 1.4:

To Be Determined

.6 Other, if any:

(List any other consultants retained by the Owner.)

N/A

§ 1.1.12 The Construction Manager identifies the following representative in accordance with Section 2.5:
(List name, address, and other contact information.)

Ken Francois – Sr. Project Manager
Kraus-Anderson Construction Company
501 South 8th Street
Minneapolis, MN 55404
Phone: 612.859.1697
Email: ken.francois@krausanderson.com

§ 1.1.13 The Construction Manager's staffing plan as required under Section 3.3.3 shall include:
(List any specific requirements and personnel to be included in the staffing plan, if known.)

To Be Determined

§ 1.1.14 The Construction Manager's consultants retained under Basic Services, if any:
(List name, legal status, address, and other contact information of any consultants.)

N/A

§ 1.1.15 The Construction Manager's consultants retained under Supplemental Services:

N/A

§ 1.1.16 Other Initial Information on which this Agreement is based:

N/A

§ 1.2 The Owner and Construction Manager may rely on the Initial Information. Both parties, however, recognize that the Initial Information may materially change and, in that event, the Owner and the Construction Manager ~~shall~~ shall, by appropriate written agreement, appropriately adjust the Construction Manager's services, schedule for the Construction Manager's services, and the Construction Manager's compensation. The Owner shall adjust the Owner's budget for the Cost of the Work and the Owner's anticipated design and construction milestones, as necessary, to accommodate material changes in the Initial Information.

§ 1.3 ~~The parties shall agree upon written~~ Construction Manager shall assist the Owner and Architect in establishing protocols governing the transmission and use of, ~~and reliance on,~~ of Instruments of Service or any other information or documentation in digital form. The parties may use AIA Document E203™-2013, Building Information Modeling and Digital Data Exhibit, to establish the protocols for the development, use, transmission, and exchange of digital data.

§ 1.3.1 Any use of, or reliance on, all or a portion of a building information model without agreement to ~~written~~ protocols governing the use of, and reliance on, the information contained in the ~~model~~ model, shall be at the using or relying party's sole risk and without liability to the other party and its contractors or consultants, the authors of, or contributors to, the building information model, and each of their agents and employees.

§ 1.4 The term "Contractors" refers to persons or entities who perform Work under contracts with the Owner that are administered by the Construction Manager and Architect. The term "Contractors" is used to refer to such persons or entities, whether singular or plural. The term does not include the Owner's own forces, or Separate Contractors, which are persons or entities who perform construction under separate contracts with the Owner not administered by the Construction Manager and Architect.

ARTICLE 2 CONSTRUCTION MANAGER'S RESPONSIBILITIES

§ 2.1 The Construction Manager shall provide the services as set forth in this Agreement.

§ 2.2 The Construction Manager shall perform its services consistent with the skill and care ordinarily provided by experienced construction managers practicing in the same or similar locality under the same or similar circumstances. The Construction Manager shall perform its services as expeditiously as is consistent with such skill and care and the orderly progress of the Project.

§ 2.3 The Construction Manager shall provide its services in conjunction with the services of an Architect as described in AIA Document B132™-2019, Standard Form of Agreement Between Owner and Architect, Construction Manager

as Adviser ~~Edition~~. Edition, as modified. The Construction Manager shall not be responsible for actions taken by the Architect.

§ 2.4 The Construction Manager shall coordinate its services with those services provided by the Owner, the Architect, the Contractors, and the Owner's other consultants and Separate Contractors. The Construction Manager shall be entitled to rely on, and shall not be responsible for, the accuracy and completeness of services and information furnished by the Owner, the Architect, and the Owner's other consultants and Separate Contractors. The Construction Manager shall provide prompt written notice to the Owner if the Construction Manager becomes aware of any error, omission, or inconsistency in such services or information.

§ 2.5 The Construction Manager shall identify a representative authorized to act on behalf of the Construction Manager with respect to the Project.

§ 2.6 The Construction Manager, as soon as practicable after execution of the Agreement, shall notify the Owner in writing of the names and qualifications of its proposed key staff members. Within 14 days of receipt of the names and qualifications of the Construction Manager's proposed key staff members, the Owner may reply to the Construction Manager in writing, stating (1) whether the Owner has reasonable objection to a proposed key staff member or (2) that the Owner requires additional time to review. Failure of the Owner to reply within the 14-day period shall constitute notice of no reasonable objection. The Construction Manager shall not staff any employees on the Project to whom the Owner has made reasonable and timely objection. The Construction Manager shall not change its key staff members without the Owner's consent, which shall not be unreasonably withheld or delayed.

§ 2.7 Except with the Owner's knowledge and consent, the Construction Manager shall not engage in any activity, or accept any employment, interest or contribution that would reasonably appear to compromise the Construction Manager's judgment with respect to this Project.

§ 2.8 The Construction Manager shall maintain the following insurance until termination of this Agreement. If any of the requirements set forth below are in addition to the types and limits the Construction Manager normally maintains, the Owner shall pay the Construction Manager as set forth in section 11.7.

§ 2.8.1 Commercial General Liability with policy limits of not less than One Million and 00/100 Dollars (\$ 1,000,000.00) for each occurrence and Two Million and 00/100 Dollars (\$ 2,000,00.000) in the aggregate for bodily injury and property damage.

§ 2.8.2 Automobile Liability covering vehicles owned, and non-owned vehicles used, by the Construction Manager with policy limits of not less than One Million and 00/100 Dollars (\$ 1,000,000.00) per accident for bodily injury, death of any person, and property damage arising out of the ownership, maintenance and use of those motor vehicles, along with any other statutorily required automobile coverage.

§ 2.8.3 The Construction Manager may achieve the required limits and coverage for Commercial General Liability and Automobile Liability through a combination of primary and excess or umbrella liability insurance, provided such primary and excess or umbrella liability insurance policies result in the same or greater coverage as the coverages required under Sections 2.8.1 and 2.8.2, and in no event shall any excess or umbrella liability insurance provide narrower coverage than the primary policy. The excess policy shall not require the exhaustion of the underlying limits only through the actual payment by the underlying insurers.

§ 2.8.4 Workers' Compensation at statutory limits and Employers Liability with policy limits not less than Five Hundred Thousand and 00/100 Dollars (\$ 500,000.00) each accident, Five Hundred Thousand and 00/100 Dollars (\$ 500,000.00) each employee, and Five Hundred Thousand and 00/100 Dollars (\$ 500,000.00) policy limit.

§ 2.8.5 Professional Liability covering negligent acts, errors and omissions in the performance of professional services with policy limits of not less than Five Million and 00/100 Dollars (\$ 5,000,000.00) per claim and Five Million and 00/100 Dollars (\$ 5,000,000.00) in the aggregate.

§ 2.8.6 ~~Additional Insured Obligations.~~ To the fullest extent permitted by law, the Construction Manager shall cause the primary and excess or umbrella policies for Commercial General Liability and Automobile Liability to include the Owner as an additional insured for claims caused in whole or in part by the Construction Manager's negligent acts or

omissions. The additional insured coverage shall be primary and non-contributory to any of the Owner's insurance policies and shall apply to both ongoing and completed operations. **Reserved.**

§ 2.8.7 The Construction Manager shall provide certificates of insurance to the Owner that evidence compliance with the requirements in this Section 2.8. The Construction Manager shall likewise require from its consultants proof of insurance meeting the foregoing insurance coverage requirements as a condition precedent to their engagement to perform services on the Project. All policies listed above, except professional liability, shall be written on an "occurrence" form ("claims made" and "modified occurrence" forms are not acceptable). The Construction Manager shall obtain insurance policies from insurance companies authorized to do business in the State of Minnesota.

§ 2.9 The Construction Manager shall assist the Owner, Architect, and other Project participants in establishing written building information modeling and digital data protocols for the Project, which may be documented using AIA Document E203™-2013, Building Information Modeling and Digital Data Exhibit, to establish the protocols for the development, use, transmission, reliance, and exchange of digital data, including building information models for the Project and exchange of digital data.

§ 2.10 ~~A-If a centralized electronic document management system will be used on the Project, and the Construction Manager shall be responsible for managing and maintaining the centralized electronic document management system. The centralized electronic document management system shall include the following:
(List any items that are to be included in the centralized electronic management system.)~~

§ 2.11 The Construction Manager shall retain all Project related documents and information it receives, and the Owner and Architect shall have access to the documents and information. The Construction Manager shall transmit the documents and information to the Owner at final completion.

ARTICLE 3 SCOPE OF CONSTRUCTION MANAGER'S BASIC SERVICES

§ 3.1 Definition

The Construction Manager's Basic Services consist of those described in this Article 3, and include usual and customary Preconstruction and Construction Phase Services. Services not set forth in this Article 3 are Supplemental or Additional Services. The Owner, Construction Manager, and Contractors may agree, in consultation with the Architect, for the Construction Phase to commence prior to completion of the Preconstruction Phase, in which case, both phases will proceed concurrently.

§ 3.2 Preconstruction Phase

§ 3.2.1 The Construction Manager shall review the program furnished by the Owner and any evaluation of the Owner's program provided by the Architect, to ascertain the requirements of the Project and shall arrive at a mutual understanding of such requirements with the Owner and Architect.

§ 3.2.2 The Construction Manager shall provide a preliminary evaluation of the Owner's program, schedule and construction budget requirements, each in terms of the other.

§ 3.2.3 The Construction Manager shall prepare, and deliver to the Owner, for the Owner's approval, a written Construction Management Plan that includes, at a minimum, the following: (1) preliminary evaluations required in Section 3.2.2, (2) a Project schedule, (3) cost estimates, (4) recommendations for Project delivery method, and (5) Contractors' scopes of Work. The Construction Manager shall periodically update the Construction Management Plan, for the Owner's approval, over the course of the Project.

§ 3.2.4 The Construction Manager shall prepare and periodically update the Project schedule included in the Construction Management Plan for the Architect's review and the Owner's acceptance. The Construction Manager shall obtain the Architect's approval for the portion of the Project schedule relating to the performance of the Architect's services. The Project schedule shall coordinate and integrate the Construction Manager's services, the Architect's services, other Owner consultants' services, and the Owner's responsibilities and highlight items that affect the Project's timely completion.

§ 3.2.5 The Construction Manager shall update the Project schedule to include the components of the Work, including phasing of construction, times of commencement and completion required of each Contractor, ordering and delivery of products, including those that must be ordered in advance of construction, obtaining the required reviews and approvals of authorities having jurisdiction over the Project, and the occupancy requirements of the Owner.

§ 3.2.6 Based on the preliminary design and information prepared or provided by the Architect and other Owner consultants, the Construction Manager shall prepare, for the Architect's review and Owner's approval, preliminary estimates of the Cost of the Work or the cost of program requirements using area, volume or similar conceptual estimating techniques, including the establishment of sufficient contingency to reasonably anticipate the development of the Project's design documents.

§ 3.2.7 The Construction Manager shall review design documents during their development and advise the Owner and Architect on proposed site use and improvements, selection of materials, building systems, and equipment. The Construction Manager shall also provide recommendations to the Owner and Architect, consistent with the Project requirements, on constructability; availability of materials and labor; sequencing for phased construction; time requirements for procurement, installation and construction; and factors related to construction cost including, but not limited to, costs of alternative designs or materials, preliminary budgets, life-cycle data, and possible cost reductions.

§ 3.2.8 The Construction Manager shall review recommendations for systems, materials, or equipment for the impact upon cost, schedule, sequencing, constructability, and coordination among the Contractors. The Construction Manager shall discuss its findings with the Owner and the Architect, and ~~coordinate~~ assist the Owner and Architect with resolution, as necessary, of any such impacts.

§ 3.2.9 As the Architect progresses with the preparation of the Schematic Design, Design Development and Construction Documents, the Construction Manager shall prepare and update, at appropriate intervals agreed to by the Owner, Construction Manager and Architect, an estimate of the Cost of the Work with increasing detail and refinement. The Construction Manager shall include in the estimate those costs to allow for further development of the design, bidding or negotiating, price escalation, and market conditions. The estimate shall be provided for the Architect's review and the Owner's approval. The Construction Manager shall inform the Owner and Architect in the event that the estimate of Cost of the Work exceeds the latest approved Project budget, and make recommendations for corrective action.

§ 3.2.10 As the Architect progresses with the preparation of the Schematic Design, Design Development and Construction Documents, the Construction Manager shall consult with the Owner and Architect and make recommendations whenever the Construction Manager determines that the design, or details, adversely affect cost, scope, schedule, constructability, or quality of the Project.

§ 3.2.11 The Construction Manager shall provide recommendations and information to the Owner and Architect regarding the assignment of responsibilities for temporary Project facilities and equipment, materials and services for common use of the Contractors. The Construction Manager shall verify that such requirements and assignment of responsibilities are included in the proposed Contract Documents.

§ 3.2.12 The Construction Manager shall provide recommendations and information to the Owner regarding the allocation of responsibilities for safety programs among the Contractors.

§ 3.2.13 The Construction Manager shall provide recommendations to the Owner and coordinate with the Architect on the division of the Project into individual contracts for the construction of various categories of Work, including the method to be used for selecting Contractors and awarding Contracts for Construction. The Construction Manager shall review the Drawings and Specifications and make recommendations as required to provide that (1) the Work of the Contractors is coordinated, (2) all requirements for the Project are assigned to the appropriate Contract, (3) the likelihood of jurisdictional disputes is minimized, and (4) proper coordination is provided for phased construction.

§ 3.2.14 The Construction Manager shall make recommendations about, and coordinate the ordering and delivery of, materials in support of the schedule, including those that must be ordered in advance of construction.

§ 3.2.15 The Construction Manager shall assist the Owner in selecting, retaining, and coordinating the professional services of surveyors, geotechnical engineers, special consultants, and construction materials testing required for the Project.

§ 3.2.16 The Construction Manager shall provide an analysis of the types and quantities of labor required for the Project and review the availability of appropriate categories of labor required for critical phases. The Construction Manager shall make recommendations for actions designed to minimize adverse effects of labor shortages.

§ 3.2.17 The Construction Manager shall assist the Owner in obtaining information regarding applicable requirements for equal employment opportunity programs, and other programs as may be required by governmental and quasi-governmental authorities for inclusion in the Contract Documents.

§ 3.2.18 Following the Owner's approval of the Drawings and Specifications, the Construction Manager shall update and submit the latest estimate of the Cost of the Work and the Project schedule for the Architect's review and the Owner's approval.

§ 3.2.19 The Construction Manager, in consultation with the Owner, shall develop bidders' interest in the Project and establish bidding schedules. The Construction Manager shall assist the Owner and the Architect with the development and issuance of the Bidding Documents, which consist of bidding requirements and proposed Contract Documents. Documents, in accordance with Public Bidding. The Construction Manager, with the assistance of the Architect, shall issue Bidding Documents to bidders and conduct pre-bid conferences with prospective bidders. The Construction Manager shall issue the current Project schedule with each set of Bidding Documents. The Construction Manager shall assist the Architect with regard to questions from bidders and with the issuance of addenda.

§ 3.2.20 The Construction Manager shall submit a list of prospective bidders for the Architect's review and the Owner's approval. Reserved.

§ 3.2.21 The Construction Manager, with the assistance of the Architect, shall review bids, and prepare bid analyses, and make recommendations to the Owner for the Owner's award of Contracts for Construction or rejection of bids. bids in accordance with Public Bidding.

§ 3.2.22 The Construction Manager, with the assistance of the Architect, shall assist the Owner in preparing Contracts for Construction. The Construction Manager shall advise the Owner on the acceptability of Subcontractors and material suppliers proposed by Contractors. The Owner will review and approve contracts consistent with the Owner's approval process.

§ 3.2.23 The Construction Manager shall assist the Owner in obtaining building permits and special permits for permanent improvements, except for permits required to be obtained directly by the Contractors. The Construction Manager shall verify that the Owner has paid applicable fees and assessments. The Construction Manager shall assist the Owner and Architect in connection with the Owner's responsibility for filing documents required for the approvals of governmental authorities having jurisdiction over the Project.

§ 3.2.24 If the Owner identified a Sustainable Objective in Article 1, the Construction Manager shall fulfill its Preconstruction Phase responsibilities as required in AIA Document E235™-2019, Sustainable Projects Exhibit, Construction Manager as Adviser Edition, attached to this Agreement, per the agreed-upon terms, conditions and services related to the Owner's Sustainable Objective.

§ 3.3 Construction Phase

§ 3.3.1 The Construction Manager shall provide on-site administration of the Contracts for Construction in cooperation with the Architect as set forth below and in AIA Document A232™-2019, General Conditions of the Contract for Construction, Construction Manager as Adviser Edition, as modified. If the Owner and Contractor modify AIA Document A232-2019, those modifications shall not affect the Construction Manager's services under this Agreement unless the Owner and the Construction Manager amend this Agreement.

§ 3.3.2 Subject to Section 4.2 and except as provided in Section 3.3.30, the Construction Manager's responsibility to provide Construction Phase Services commences with the award of the initial Contract for Construction and terminates on the date the Architect issues the final Certificate for Payment.

§ 3.3.3 The Construction Manager shall provide a staffing plan to include one or more representatives who shall be in attendance at the Project site whenever the Work is being performed.

§ 3.3.4 The Construction Manager shall provide administrative, management and related services to coordinate scheduled activities and responsibilities of the Contractors with each other and with those of the Construction Manager, the Owner and the Architect. The Construction Manager shall coordinate the activities of the Contractors in accordance with the latest approved Project schedule and the Contract Documents.

§ 3.3.5 The Construction Manager shall review and analyze the construction schedules provided by the Contractors to update the Project schedule, incorporating the activities of the Owner, Architect, and Contractors on the Project, including activity sequences and durations, allocation of labor and materials, processing of Shop Drawings, Product Data and Samples, and delivery and procurement of products, including those that must be ordered in advance of construction. The Project schedule shall include the Owner's occupancy requirements showing portions of the Project having occupancy priority. The Construction Manager shall update and reissue the Project schedule as required to show current conditions. If an update indicates that the previously approved Project schedule may not be met, the Construction Manager shall recommend corrective action to the Owner and Architect.

§ 3.3.6 The Construction Manager shall schedule and conduct meetings to discuss matters such as procedures, progress, coordination, and scheduling of the Work, and to develop solutions to issues identified. The Construction Manager shall prepare and promptly distribute minutes to the Owner, Architect and Contractors.

§ 3.3.7 In accordance with the Contract Documents and the latest approved Project schedule, and utilizing information from the Contractors, the Construction Manager shall review, analyze, schedule and coordinate the overall sequence of construction and assignment of space in areas where the Contractors are performing Work.

§ 3.3.8 The Construction Manager shall coordinate all tests and inspections required by the Contract Documents or governmental authorities, observe the on-site testing and inspections, and arrange for the delivery of test and inspection reports to the Owner and Architect.

§ 3.3.9 The Construction Manager shall endeavor to obtain satisfactory performance from each of the Contractors. The Construction Manager shall recommend courses of action to the Owner when requirements of a Contract are not being fulfilled.

§ 3.3.10 The Construction Manager shall monitor and evaluate actual costs for activities in progress and estimates for uncompleted tasks and advise the Owner and Architect as to variances between actual costs and budgeted or estimated costs. If a Contractor is required to submit a Control Estimate, the Construction Manager shall meet with the Owner and Contractor to review the Control Estimate. The Construction Manager shall promptly notify the Contractor if there are any inconsistencies or inaccuracies in the information presented. The Construction Manager shall also report the Contractor's cost control information to the Owner.

§ 3.3.11 The Construction Manager shall develop cash flow reports and forecasts for the Project and include them in the Construction Manager's progress reports.

§ 3.3.12 The Construction Manager shall maintain accounting records on authorized Work performed under unit costs, additional Work performed on the basis of actual costs of labor and materials, and other Work requiring accounting records.

§ 3.3.12.1 The Construction Manager shall consult with the Owner and Architect to develop and implement procedures for the review and processing of Applications for Payment by Contractors for progress and final payments, consistent with the Prompt Payment of Local Government Bills, Minnesota Statutes, Section 471.425 ("Prompt Payment Act").

§ 3.3.12.2 Not more frequently than monthly, the Construction Manager shall review and certify the amounts due the respective Contractors as follows:

- .1 Where there is only one Contractor responsible for performing the Work, the Construction Manager shall, within seven days after the Construction Manager receives the Contractor's Application for

- Payment, review the Application, certify the amount the Construction Manager determines is due the Contractor, and forward the Contractor's Application and Certificate for Payment to the Architect.
- .2** Where there is more than one Contractor responsible for performing different portions of the Project, the Construction Manager shall, within seven days after the Construction Manager receives each Contractor's Application for Payment: (1) review the Applications and certify the amount the Construction Manager determines is due each Contractor; (2) prepare a Summary of Contractors' Applications for Payment by summarizing information from each Contractor's Application for Payment; (3) prepare a Project Application and Certificate for Payment; (4) certify the total amount the Construction Manager determines is due all Contractors collectively; and (5) forward the Summary of Contractors' Applications for Payment and Project Application and Certificate for Payment to the Architect.

§ 3.3.12.3 The Construction Manager's certification for payment shall constitute a representation to the Owner, based on the Construction Manager's evaluations of the Work and on the data comprising the Contractors' Applications for Payment, that, to the best of the Construction Manager's knowledge, information and belief, the Work has progressed to the point indicated, the quality of the Work is in accordance with the Contract Documents, and the Contractors are entitled to payment in the amount certified. The foregoing representations are subject to (1) an evaluation of the Work for conformance with the Contract Documents upon Substantial Completion; (2) results of subsequent tests and inspections; (3) correction of minor deviations from the Contract Documents prior to completion; and (4) specific qualifications expressed by the Construction Manager. The issuance of a Certificate for Payment shall further constitute a recommendation to the Architect and Owner that the Contractor be paid the amount certified.

§ 3.3.12.4 The certification of an Application for Payment or a Project Application for Payment by the Construction Manager shall not be a representation that the Construction Manager has (1) made exhaustive or continuous on-site inspections to check the quality or quantity of the Work; (2) reviewed construction means, methods, techniques, procedures, or sequences for a Contractor's own Work; (3) reviewed copies of requisitions received from Subcontractors and suppliers and other data requested by the Owner to substantiate each Contractor's right to payment; or (4) ascertained how or for what purpose that Contractor has used money previously paid on account of the Contract Sum.

§ 3.3.13 The Construction Manager shall obtain and review the safety programs developed by each Contractor solely and exclusively for purposes of coordinating the safety programs with those of the other Contractors and for making recommendations for any additional safety measures to be considered in the Work of the Contractors. The Construction Manager's responsibilities for coordination of safety programs shall not extend to direct control over or charge of the acts or omissions of the Contractors, Subcontractors, agents or employees of the Contractors or Subcontractors, or any other persons performing portions of the Work and not directly employed by the Construction Manager.

§ 3.3.14 The Construction Manager shall determine in general that the Work of each Contractor is being performed in accordance with the requirements of the Contract Documents and notify the Owner, Contractor and Architect of ~~defects and deficiencies in the Work; all defects and deficiencies in the Work that have been observed by or reported to the Construction Manager.~~ The Construction Manager shall have the authority to reject Work that does not conform to the Contract Documents and shall notify the Architect about the rejection. The failure of the Construction Manager to reject Work shall not constitute acceptance of the Work. The Construction Manager shall record any rejection of Work in its daily log and include information regarding the rejected Work in its progress reports to the Architect and Owner pursuant to Section 3.3.22.1. Upon written authorization from the Owner, the Construction Manager may require and make arrangements for additional inspection or testing of the Work in accordance with the provisions of the Contract Documents, whether or not the Work is fabricated, installed or completed, and the Construction Manager shall give timely notice to the Architect of when and where the tests and inspections are to be made so that the Architect may be present for such procedures.

§ 3.3.15 The Construction Manager shall advise and consult with the Owner and Architect during the performance of its Construction Phase Services. The Construction Manager shall have authority to act on behalf of the Owner only to the extent provided in this Agreement. The Construction Manager shall not have control over, charge of, or responsibility for the construction means, methods, techniques, sequences or procedures, or for safety precautions and programs in connection with the Work of each of the Contractors, since these are solely the Contractor's rights and responsibilities under the Contract Documents. The Construction Manager shall not be responsible for a Contractor's

failure to perform the Work in accordance with the requirements of the Contract Documents. The Construction Manager shall be responsible to the Owner for the Construction Manager's negligent acts or omissions, but shall not have control over or charge of, and shall not be responsible for, acts or omissions of the Contractors, Subcontractors, or their agents or employees, or any other persons or entities performing portions of the Work.

§ 3.3.16 The Construction Manager shall transmit to the Architect requests for interpretations, and requests for information of the meaning and intent of the Drawings and Specifications, ~~and provide its written recommendation.~~ Specifications. The Construction Manager shall assist in the resolution of questions that may arise.

§ 3.3.17 The Construction Manager shall review requests for changes, assist in negotiating Contractors' proposals, submit recommendations to the Architect and Owner, and, if the proposed changes are accepted or required by the Owner, prepare Change Orders or Construction Change Directives that incorporate the Architect's modifications to the Contract Documents.

§ 3.3.18 The Construction Manager shall assist the Initial Decision Maker in the review, evaluation and documentation of Claims, subject to Section 4.2.2.7.

§ 3.3.19 Utilizing the submittal schedules provided by each Contractor, the Construction Manager shall prepare, and revise as necessary, a Project submittal schedule incorporating information from the Owner, Owner's consultants, Owner's Separate Contractors and vendors, governmental agencies, and participants in the Project under the management of the Construction Manager. The Project submittal schedule and any revisions shall be submitted to the Architect for approval.

§ 3.3.20 The Construction Manager shall promptly review all Shop Drawings, Product Data, Samples, and other submittals from the Contractors for compliance with the submittal requirements of the Contract, coordinate submittals with information contained in related documents, and transmit to the Architect those that the Construction Manager recommends for approval. The Construction Manager's actions shall be taken in accordance with the Project submittal schedule approved by the Architect, or in the absence of an approved Project submittal schedule, with such reasonable promptness as to cause no delay in the Work or in the activities of the Contractors, the Owner, or the Architect.

§ 3.3.20.1 If professional design services or certifications by a design professional related to systems, materials, or equipment are specifically required of the Contractors by the Contract Documents, the Construction Manager shall review those submittals for sequencing, constructability, and coordination impacts on the other Contractors. The Construction Manager shall discuss its findings with the Owner and the Architect, and ~~coordinate~~ assist the Owner and the Architect with resolution, as necessary, of any such impacts.

§ 3.3.21 The Construction Manager shall keep a daily log containing a record of weather, each Contractor's Work on the site, number of workers, identification of equipment, Work accomplished, problems encountered, and other similar relevant data as the Owner may require.

§ 3.3.21.1 The Construction Manager shall collect, review for accuracy, and compile the Contractors' daily logs; and include them in the Construction Manager's reports prepared and submitted in accordance with section 3.3.21.2.

§ 3.3.21.2 The Construction Manager shall record the progress of the Project. On a monthly basis, or otherwise as agreed to by the Owner, the Construction Manager shall submit written progress reports to the Owner and Architect, showing percentages of completion and other information identified below:

- .1 Work completed for the period;
- .2 Project schedule status;
- .3 Submittal schedule and status report, including a summary of remaining and outstanding submittals;
- .4 Request for information, Change Order, and Construction Change Directive status reports;
- .5 Tests and inspection reports;
- .6 Status report of nonconforming and rejected Work;
- .7 Daily logs;
- .8 Summary of all Contractors' Applications for Payment;
- .9 Cumulative total of the Cost of the Work to date including the Construction Manager's compensation and reimbursable expenses at the job site, if any;
- .10 Cash-flow and forecast reports;

- .11 Photographs to document the progress of the Project;
- .12 Status reports on permits and approvals of authorities having jurisdiction; and
- .13 Any other items the Owner may require:

N/A

§ 3.3.21.3 In addition, for Projects constructed on the basis of the Cost of the Work, the Construction Manager shall include the following additional information in its progress reports:

- .1 Contractors' work force reports;
- .2 Equipment utilization report;
- .3 Cost summary, comparing actual costs to updated cost estimates; and
- .4 Any other items as the Owner may require:

N/A

§ 3.3.22 Utilizing the documents provided by the Contractors, the Construction Manager shall make available, at the Project site, the Contract Documents, including Change Orders, Construction Change Directives, and other Modifications, in good order and marked currently to indicate field changes and selections made during construction, and the approved Shop Drawings, Product Data, Samples, and similar required submittals. These shall be in electronic form or paper copy, available to the Owner, Architect, and Contractors. Upon completion of the Project, the Construction Manager shall deliver them to the Owner.

§ 3.3.23 The Construction Manager shall arrange for the delivery, storage, protection and security of Owner-purchased materials, systems and equipment that are a part of the Project until such items are incorporated into the Work.

§ 3.3.24 With the Owner's maintenance personnel, the Construction Manager shall observe the Contractors' final testing and start-up of utilities, operational systems and equipment and observe any commissioning as the Contract Documents may require.

§ 3.3.25 When the Construction Manager considers each Contractor's Work or a designated portion thereof substantially complete, the Construction Manager shall, jointly with that Contractor, prepare for the Architect a list of incomplete or unsatisfactory items and a schedule for their completion. The Construction Manager shall assist the Architect in conducting inspections to determine whether the Work or designated portion thereof is substantially complete.

§ 3.3.26 When the Work of all of the Contractors, or designated portion thereof, is substantially complete, the Construction Manager shall prepare, and the Construction Manager and Architect shall execute, a Certificate of Substantial Completion. The Construction Manager shall submit the executed Certificate to the Owner and Contractors. The Construction Manager shall coordinate the correction and completion of the Work. Following issuance of a Certificate of Substantial Completion of the Work or a designated portion thereof, the Construction Manager shall perform an inspection to confirm the completion of the Work of the Contractors and make recommendations to the Architect when the Work of all of the Contractors is ready for final inspection. The Construction Manager shall assist the Architect in conducting the final inspection.

§ 3.3.27 The Construction Manager shall forward to the Owner, with a copy to the Architect, the following information received from the Contractors: (1) certificates of insurance ; (2) consent of surety or sureties, if any, to reduction in or partial release of retainage or the making of final payment; (3) affidavits, receipts, releases and waivers of liens or bonds indemnifying the Owner against liens; and (4) any other documentation required of the Contractors under the Contract Documents, including warranties and similar submittals.

§ 3.3.28 The Construction Manager shall coordinate receipt, and delivery to the Owner, of other items provided by the Contractors, such as keys, manuals, and record drawings. The Construction Manager shall forward to the Architect a final Project Application for Payment and Project Certificate for Payment, or a final Application for Payment and final Certificate for Payment, upon the Contractors' compliance with the requirements of the Contract Documents.

§ 3.3.29 Duties, responsibilities and limitations of authority of the Construction Manager as set forth in the Contract Documents shall not be restricted, modified or extended without written consent of the ~~Owner, Construction Manager, Architect, and Contractors.~~ Owner and Construction Manager. Consent shall not be unreasonably withheld.

§ 3.3.30 Upon request of the Owner, and prior to the expiration of one year from the date of Substantial Completion, the Construction Manager shall, without additional compensation, conduct a meeting with the Owner and Architect to review the facility operations and performance.

ARTICLE 4 SUPPLEMENTAL AND ADDITIONAL SERVICES

§ 4.1 Supplemental Services

§ 4.1.1 The services listed below are not included in Basic Services but may be required for the Project. The Construction Manager shall provide the listed Supplemental Services only if specifically designated in the table below as the Construction Manager's responsibility, and the Owner shall compensate the Construction Manager as provided in Section 11.2. Unless otherwise specifically addressed in this Agreement, if neither the Owner nor the Construction Manager is designated, the parties agree that the listed Supplemental Service is not being provided for the Project. *(Designate the Construction Manager's Supplemental Services and the Owner's Supplemental Services required for the Project by indicating whether the Construction Manager or Owner shall be responsible for providing the identified Supplemental Service. Insert a description of the Supplemental Services in Section 4.1.2 below or attach the description of services as an exhibit to this Agreement.)*

Supplemental Services	Responsibility (Construction Manager, Owner or not provided)
§ 4.1.1.1 Measured drawings	<u>Owner</u>
§ 4.1.1.2 Tenant-related services	<u>Owner, if required</u>
§ 4.1.1.3 Commissioning	<u>Owner, if required</u>
§ 4.1.1.4 Development of a commissioning plan	<u>Owner, if required</u>
§ 4.1.1.5 Sustainable Project Services pursuant to Section 4.1.3	<u>N/A</u>
§ 4.1.1.6 Furniture, furnishings and equipment delivery, and installation coordination	<u>Construction Manager, if required</u>
§ 4.1.1.7 Furniture, furnishings and equipment procurement assistance	<u>N/A</u>
§ 4.1.1.8 Assistance with site selection	<u>N/A</u>
§ 4.1.1.9 Assistance with selection of the Architect	<u>Owner</u>
§ 4.1.1.10 Furnish land survey	<u>Owner, if required</u>
§ 4.1.1.11 Furnish geotechnical engineering services	<u>Owner</u>
§ 4.1.1.12 Provide insurance advice	<u>Owner, if required</u>
§ 4.1.1.13 Provide supplemental Project risk analysis and mitigation strategies	<u>Owner, if required</u>
§ 4.1.1.14 Stakeholder relationships management	<u>N/A</u>
§ 4.1.1.15 Owner moving coordination	<u>N/A</u>
§ 4.1.1.16 Coordination of Owner's Separate Contractors	<u>Construction Manager, if required</u>
§ 4.1.1.17 Other Supplemental Services	<u>N/A</u>

§ 4.1.2 Description of Supplemental Services

§ 4.1.2.1 A description of each Supplemental Service identified in Section 4.1.1 as the Construction Manager's responsibility is provided below.

(Describe in detail the Construction Manager's Supplemental Services identified in Section 4.1.1 or, if set forth in an exhibit, identify the exhibit.)

N/A

§ 4.1.2.2 A description of each Supplemental Service identified in Section 4.1.1 as the Owner's responsibility is provided below.

(Describe in detail the Owner's Supplemental Services identified in Section 4.1.1 or, if set forth in an exhibit, identify the exhibit.)

§ 4.1.3 If the Owner identified a Sustainable Objective in Article 1, the Construction Manager shall provide, as a Supplemental Service, the Sustainability Services ~~required in AIA Document E235™ 2019, Sustainable Projects Exhibit, Construction Manager as Adviser Edition, attached to this Agreement,~~ per the agreed-upon terms, conditions and services related to the Owner's Sustainable Objective. The Owner shall compensate the Construction Manager as provided in Section 11.2.

§ 4.2 Construction Manager's Additional Services

§ 4.2.1 The Construction Manager may provide Additional Services after execution of this Agreement, without invalidating this Agreement. ~~Except for services to the extent services are required due to the fault of the Construction Manager, any Additional Services provided in accordance with this Section 4.2 shall entitle the Construction Manager to compensation pursuant to Section 11.3. If Construction Manager believes that it may be required to perform any Additional Services, it shall first notify Owner in writing with a quoted price, and obtain advance written approval before performing the same. Failure to obtain advance written approval for any Additional Services shall convert all such work to Basic Services.~~

§ 4.2.2 Upon recognizing the need to perform the following Additional Services, the Construction Manager shall notify the Owner as required by Section 4.2.1 with reasonable promptness and explain the facts and circumstances giving rise to the need. The Construction Manager shall not proceed to provide the following Additional Services until the Construction Manager receives the Owner's written authorization:

- .1 Services necessitated by a change in the Initial Information, previous instructions or approvals given by the Owner, or a material change in the Project including size, quality, complexity, the Owner's schedule or budget for Cost of the Work, or procurement or delivery method, or bid packages in addition to those listed in Section 1.1.6. Services necessitated by sections 6.4 and 6.6 shall not be considered additional services;
- .2 Services necessitated by the enactment or revision of codes, laws, regulations or official interpretations after the date of this Agreement;
- .3 Services necessitated by decisions of the Owner not rendered in a timely manner or any other failure of performance on the part of the Owner or the Owner's other consultants or contractors;
- .4 Preparation of documentation for alternate bid or proposal requests proposed by the Owner;
- .5 Preparation for, and attendance at, ~~a public presentation, meeting or hearing;~~ more than six (6) public presentations, meetings or hearings (up to six (6) public presentations, meetings, or hearings shall be included in Basic Services);
- .6 Preparation for, and attendance at, a dispute resolution proceeding or legal proceeding, except where the Construction Manager is party thereto;
- .7 Consultation concerning replacement of Work resulting from fire or other cause during construction and furnishing services required in connection with the replacement of such Work; or
- .8 Assistance to the Initial Decision Maker.

§ 4.2.3 To avoid delay in the Construction Phase, the Construction Manager shall provide the following Additional Services, notify the Owner with reasonable promptness, and explain the facts and circumstances giving rise to the need. If, upon receipt of the Construction Manager's notice, the Owner determines that all or parts of the services are not required, the Owner shall give prompt written notice to the Construction Manager of the Owner's determination. The Owner shall compensate the Construction Manager for the services provided prior to the Construction Manager's receipt of the Owner's notice:

- .1 Providing assistance to the Initial Decision Maker in evaluating an extensive number of Claims submitted by a Contractor or others in connection with the Work.
- .2 Services required in an emergency to coordinate the activities of a Contractor or Contractors in the event of risk of personal injury or serious property damage, consistent with Section 3.3.15.

§ 4.2.4 Except for services required under Section 3.3.30, Construction Phase Services provided more than 60 days after (1) the date of Substantial Completion of the Work, or (2) the anticipated date of Substantial Completion identified in the Initial Information, whichever is earlier, shall be compensated as Additional Services to the extent the Construction Manager incurs additional cost in providing those Construction Phase Services.

§ 4.2.5 If the services covered by this Agreement have not been completed within fourteen (14) months of the date of this Agreement, through no fault of the Construction Manager, extension of the Construction Manager's services beyond that time shall be compensated as Additional Services.

ARTICLE 5 OWNER'S RESPONSIBILITIES

§ 5.1 Unless otherwise provided for under this Agreement, the Owner shall provide information in a timely manner regarding requirements for and limitations on the Project, including a written program, which shall set forth the Owner's objectives; schedule; constraints and criteria; special equipment; systems; and site requirements.

§ 5.2 The Owner shall establish the Owner's budget for the Project, including (1) the budget for the Cost of the Work as defined in Section 6.1; (2) the Owner's other costs; and (3) reasonable contingencies related to all of these costs. The Owner shall update the Owner's budget for the Project as necessary throughout the duration of the Project until final completion. If the Owner significantly increases or decreases the Owner's budget for the Cost of the Work, the Owner shall notify the Construction Manager and Architect. The Owner and the Architect, in consultation with the Construction Manager, shall thereafter agree to a corresponding change in the Project's scope and quality.

§ 5.3 The Owner acknowledges that accelerated, phased, or fast-track design and construction provides a benefit, but also carries with it the risk of additional costs. If the Owner selects accelerated, phased or fast-track scheduling, the Owner agrees to include in the budget for the Project sufficient contingencies to cover such costs.

§ 5.4 The Owner shall retain an Architect to provide services, duties and responsibilities as described in AIA Document B132–2019, Standard Form of Agreement Between Owner and Architect, Construction Manager as Adviser ~~Edition~~ Edition, as modified. The Owner shall provide the Construction Manager with a copy of the scope of services in the agreement executed between the Owner and Architect, and any further modifications to the Architect's scope of services in the agreement.

§ 5.5 The Owner shall identify a representative authorized to act on the Owner's behalf with respect to the Project. The Owner's representative shall have the authority to make decisions on behalf of the Owner, and, to the extent required, shall be responsible for timely obtaining any required approvals from the Owner's City Council, including any approvals to adjust the Contract Sum or Contract Time. The Owner shall render decisions pertaining to documents the Construction Manager submits in a timely manner in order to avoid unreasonable delay in the orderly and sequential progress of the Construction Manager's services.

§ 5.6 Unless otherwise required by this Agreement to be provided by the Construction Manager, the Owner shall furnish surveys to describe physical characteristics, legal limitations and utility locations for the site of the Project, and a written legal description of the site. The surveys and legal information shall include, as applicable, grades and lines of streets, alleys, pavements and adjoining property and structures; designated wetlands; adjacent drainage; rights-of-way, restrictions, easements, encroachments, zoning, deed restrictions, boundaries, and contours of the site; locations, dimensions, and other necessary data with respect to existing buildings, other improvements and trees; and information concerning available utility services and lines, both public and private, above and below grade, including inverts and depths. All the information on the survey shall be referenced to a Project benchmark.

§ 5.7 Unless otherwise required by this Agreement to be provided by the Construction Manager, the Owner shall furnish services of geotechnical engineers, which may include test borings, test pits, determinations of soil bearing values, percolation tests, evaluations of hazardous materials, seismic evaluation, ground corrosion tests and resistivity tests, including necessary operations for anticipating subsoil conditions, with written reports and appropriate recommendations.

§ 5.8 The Owner shall provide the Supplemental Services designated as the Owner's responsibility in Section 4.1.1.

§ 5.9 If the Owner identified a Sustainable Objective in Article 1, the Owner shall fulfill its responsibilities as required in AIA Document E235™–2019, Sustainable Projects Exhibit, Construction Manager as Adviser Edition, attached to this Agreement.

§ 5.10 The Owner shall coordinate the services of its own consultants with those services provided by the Construction Manager. Upon the Construction Manager's request, the Owner shall furnish copies of the scope of services in the contracts between the Owner and the Owner's consultants. The Owner shall furnish the services of consultants other

than those designated as the responsibility of the Construction Manager in this Agreement, or authorize the Construction Manager to furnish them as an Additional Service, when the Construction Manager requests such services and demonstrates that they are reasonably required by the scope of the Project. The Owner shall require that its consultants and contractors maintain insurance, including professional liability insurance, as appropriate to the services or work provided.

§ 5.11 The Owner shall furnish tests, inspections and reports required by law or the Contract Documents, such as structural, mechanical, and chemical tests, tests for air and water pollution, and tests for hazardous materials.

§ 5.12 The Owner shall furnish all legal, insurance and accounting services, including auditing services, that may be reasonably necessary at any time for the Project to meet the Owner's needs and interests.

§ 5.13 The Owner shall provide prompt written notice to the Construction Manager and Architect if the Owner becomes aware of any fault or defect in the Project, including errors, omissions or inconsistencies in the Architect's Instruments of Service or any fault or defect in the Construction Manager's services.

§ 5.14 The Owner reserves the right to perform construction and operations related to the Project with the Owner's own forces, and to award contracts in connection with the Project which are not part of the Construction Manager's responsibilities under this Agreement. The Construction Manager shall notify the Owner if any such independent action will interfere with the Construction Manager's ability to perform the Construction Manager's responsibilities under this Agreement. When performing construction or operations related to the Project, the Owner agrees to be subject to the same obligations and to have the same rights as the Contractors.

§ 5.15 The Owner shall communicate with the Contractors and the Construction Manager's consultants through the Construction Manager about matters arising out of or relating to the Contract Documents. The Owner and Construction Manager shall include the Architect in all communications that relate to or affect the Architect's services or professional responsibilities. The Owner shall promptly notify the Architect of the substance of any direct communications between the Owner and the Construction Manager otherwise relating to the Project. Communications by and with the Architect's consultants shall be through the Architect.

§ 5.16 Before executing the Contracts for Construction, the Owner shall coordinate the Construction Manager's duties and responsibilities set forth in the Contracts for Construction with the Construction Manager's services set forth in this Agreement. The Owner shall provide the Construction Manager a copy of the executed agreements between the Owner and Contractors, including the General Conditions of the Contracts for Construction.

§ 5.17 The Owner shall provide the Construction Manager access to the Project site prior to commencement of the Work and shall obligate the Contractors to provide the Construction Manager access to the Work wherever it is in preparation or progress.

§ 5.18 Within 15 days after receipt of a written request from the Construction Manager, the Owner shall furnish the requested information as necessary and relevant for the Construction Manager to evaluate, give notice of, or enforce lien rights.

§ 5.19 The services, information and reports provided by the Owner pursuant to this Article 5 shall be provided at the Owner's expense, and the Construction Manager shall be entitled to rely upon the accuracy and completeness thereof.

ARTICLE 6 COST OF THE WORK

§ 6.1 For purposes of this Agreement, the Cost of the Work shall be the total cost to the Owner to construct all elements of the Project designed or specified by the Architect and shall include the Contractors' general conditions costs, overhead and profit. The Cost of the Work also includes the reasonable value of labor, materials, and equipment, donated to, or otherwise furnished by, the Owner. The Cost of the Work includes the compensation of the Construction Manager and Construction Manager's Consultants during the Construction Phase only, including compensation for reimbursable expenses at the job site, if any. The Cost of the Work does not include the compensation of the Architect; the costs of the land, rights-of-way, financing, or contingencies for changes in the Work; or other costs that are the responsibility of the Owner.

§ 6.2 The Owner's budget for the Cost of the Work is provided in Initial Information, and shall be adjusted throughout the Project as required under Sections 5.2 and 6.4. Evaluations of the Owner's budget for the Cost of the Work, and the estimates of the Cost of the Work prepared by the Construction Manager, represent the Construction Manager's judgment as a person or entity familiar with the construction industry. It is recognized, however, that neither the Construction Manager nor the Owner has control over the cost of labor, materials; or equipment; the Contractors' methods of determining bid prices; or competitive bidding, market, or negotiating conditions. Accordingly, the Construction Manager cannot and does not warrant or represent that bids or negotiated prices will not vary from the Owner's budget for the Cost of the Work, or from any estimate of the Cost of the Work, or evaluation, prepared or agreed to by the Construction Manager.

§ 6.3 If the Architect is providing cost estimating services as a Supplemental Service, and a discrepancy exists between the Construction Manager's cost estimates and the Architect's cost estimates, the Construction Manager and the Architect shall work together to reconcile the cost estimates.

§ 6.4 If the Construction Manager's estimate of the Cost of the Work exceeds the Owner's budget for the Cost of the Work, the Construction Manager, in consultation with the Architect, shall make appropriate recommendations to the Owner to adjust the Project's size, quality, or budget for the Cost of the Work, and the Owner shall cooperate with the Construction Manager and Architect in making such adjustments.

§ 6.5 If the Construction Manager's estimate of the Cost of the Work exceeds the Owner's budget for the Cost of the Work, the Owner shall

- .1 give written approval of an increase in the budget for the Cost of the Work;
- .2 terminate in accordance with Section 9.5;
- .3 in consultation with the Construction Manager and Architect, revise the Project program, scope, or quality as required to reduce the Cost of the Work; or
- .4 implement any other mutually acceptable alternative.

§ 6.6 If the Owner chooses to revise the Project program, scope, or quality to reduce the Cost of the Work pursuant to Section 6.5.3, or if the bids or proposals received from the prospective Contractors, in the aggregate, exceed the Owner's budget for the Cost of the Work, and the Owner chooses to revise the Project program, scope, or quality to reduce the Cost of the Work, the Construction Manager shall cooperate with the Owner and Architect to develop the necessary revisions, update the cost estimate, and obtain additional bids. The Construction Manager will perform the services described in Sections 6.4 and 6.6 without additional compensation.

ARTICLE 7 COPYRIGHTS AND LICENSES

The Construction Manager and the Construction Manager's consultants, if any, shall not own or claim a copyright in the Instruments of Service. The Construction Manager, the Construction Manager's consultants, if any, and the Owner warrant that in transmitting Instruments of Service, or any other information, the transmitting party is the copyright owner of such information or has permission from the copyright owner to transmit such information for its use on the Project.

ARTICLE 8 CLAIMS AND DISPUTES

§ 8.1 General

§ 8.1.1 The Owner and Construction Manager shall commence all claims and causes of action against the other and arising out of or related to this Agreement, whether in contract, tort, or otherwise, in accordance with the requirements of the binding dispute resolution method selected in this Agreement and within the period specified by applicable law, but in any case not more than 10 years after the date of Substantial Completion of the Work-law. The Owner and Construction Manager waive all claims and causes of action not commenced in accordance with this Section 8.1.1.

§ 8.1.2 To the extent damages are covered by property insurance, the Owner and Construction Manager waive all rights against each other and against the contractors, consultants, agents, and employees of the other for damages, except such rights as they may have to the proceeds of such insurance as set forth in AIA Document A232-2019, General Conditions of the Contract for Construction. The Owner or the Construction Manager, as appropriate, shall require of the contractors, consultants, agents, and employees of any of them, similar waivers in favor of the other parties enumerated herein.

§ 8.1.3 The Construction Manager shall indemnify and hold the Owner and the Owner's officers and employees harmless from and against damages, losses and judgments arising from claims by third parties, including reasonable attorneys' fees and expenses recoverable under applicable law, but only to the extent they are caused by the negligent acts or omissions of the Construction Manager, its employees and its consultants in the performance of professional services under this Agreement. The Construction Manager's obligation to indemnify and hold the Owner and the Owner's officers and employees harmless does not include a duty to defend. ~~The Construction Manager's duty to indemnify the Owner under this Section 8.1.3 shall be limited to the available proceeds of the insurance coverage required by this Agreement.~~ All indemnification obligations under this Section shall survive termination, expiration or cancellation of this Agreement. Nothing in this Contract shall be construed to waive any immunities or limitations to which Owner is entitled under Minnesota Statute, Chapter 466 or otherwise.

§ 8.1.4 The Construction Manager and Owner waive consequential damages for claims, disputes, or other matters in question, arising out of or relating to this Agreement. This mutual waiver is applicable, without limitation, to all consequential damages due to either party's termination of this Agreement, except as specifically provided in Section 9.7.

§ 8.2 Mediation

§ 8.2.1 Any claim, dispute or other matter in question arising out of or related to this Agreement shall be subject to mediation as a condition precedent to binding dispute resolution. ~~If such matter relates to or is the subject of a lien arising out of the Construction Manager's services, the Construction Manager may proceed in accordance with applicable law to comply with the lien notice or filing deadlines prior to resolution of the matter by mediation or by binding dispute resolution.~~ Mediation is not a condition precedent to commencing litigation, but if litigation is commenced the parties agree to mediate before any dispositive motions or trial.

§ 8.2.2 The Owner and Construction Manager shall endeavor to resolve claims, disputes and other matters in question between them by mediation, which, unless the parties mutually agree otherwise, shall be administered by the American Arbitration Association in accordance with its Construction Industry Mediation Procedures in effect on the date of this Agreement. A request for mediation shall be made in writing, delivered to the other party to this Agreement, and filed with the person or entity administering the mediation. The request may be made concurrently with the filing of a complaint or other appropriate demand for binding dispute resolution but, in such event, mediation shall proceed in advance of binding dispute resolution proceedings, which shall be stayed pending mediation for a period of 60 days from the date of filing, unless stayed for a longer period by agreement of the parties or court order. If an arbitration proceeding is stayed pursuant to this section, the parties may nonetheless proceed to the selection of the arbitrator(s) and agree upon a schedule for later proceedings. Reserved.

§ 8.2.3 The parties shall share the mediator's fee and any filing fees equally. The mediation shall be held in the place where the Project is located, unless another location is mutually agreed upon. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof.

§ 8.2.4 If the parties do not resolve a dispute through mediation pursuant to this Section 8.2, the method of binding dispute resolution shall be the following:
(Check the appropriate box.)

- ☐ Arbitration pursuant to Section 8.3 of this Agreement
- ☒ Litigation in a court of competent jurisdiction in Dakota County, Minnesota
- ☐ Other: (Specify)

If the Owner and Construction Manager do not select a method of binding dispute resolution, or do not subsequently agree in writing to a binding dispute resolution method other than litigation, the dispute will be resolved in a court of competent jurisdiction.

§ 8.3 ~~Arbitration~~ The provisions of this Article 8 shall survive the termination of this Agreement.

§ 8.3.1 If the parties have selected arbitration as the method for binding dispute resolution in this Agreement, any claim, dispute or other matter in question arising out of or related to this Agreement subject to, but not resolved by, mediation shall be subject to arbitration, which, unless the parties mutually agree otherwise, shall be administered by the American Arbitration Association in accordance with its Construction Industry Arbitration Rules in effect on the date of this Agreement. A demand for arbitration shall be made in writing, delivered to the other party to this Agreement, and filed with the person or entity administering the arbitration.

§ 8.3.1.1 A demand for arbitration shall be made no earlier than concurrently with the filing of a request for mediation, but in no event shall it be made after the date when the institution of legal or equitable proceedings based on the claim, dispute or other matter in question would be barred by the applicable statute of limitations. For statute of limitations purposes, receipt of a written demand for arbitration by the person or entity administering the arbitration shall constitute the institution of legal or equitable proceedings based on the claim, dispute or other matter in question.

§ 8.3.2 The foregoing agreement to arbitrate, and other agreements to arbitrate with an additional person or entity duly consented to by parties to this Agreement, shall be specifically enforceable in accordance with applicable law in any court having jurisdiction thereof.

§ 8.3.3 The award rendered by the arbitrator(s) shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof.

§ 8.3.4 Consolidation or Joinder

§ 8.3.4.1 Either party, at its sole discretion, may consolidate an arbitration conducted under this Agreement with any other arbitration to which it is a party provided that (1) the arbitration agreement governing the other arbitration permits consolidation; (2) the arbitrations to be consolidated substantially involve common questions of law or fact; and (3) the arbitrations employ materially similar procedural rules and methods for selecting arbitrator(s).

§ 8.3.4.2 Either party, at its sole discretion, may include by joinder persons or entities substantially involved in a common question of law or fact whose presence is required if complete relief is to be accorded in arbitration, provided that the party sought to be joined consents in writing to such joinder. Consent to arbitration involving an additional person or entity shall not constitute consent to arbitration of any claim, dispute or other matter in question not described in the written consent.

§ 8.3.4.3 The Owner and Construction Manager grant to any person or entity made a party to an arbitration conducted under this Section 8.3, whether by joinder or consolidation, the same rights of joinder and consolidation as the Owner and Construction Manager under this Agreement.

§ 8.4 The provisions of this Article 8 shall survive the termination of this Agreement.

ARTICLE 9 TERMINATION OR SUSPENSION

§ 9.1 ~~If Except for amounts that are subject to a good faith dispute, if~~ the Owner fails to make payments to the Construction Manager in accordance with this Agreement, such failure shall be considered substantial nonperformance and cause for termination or, at the Construction Manager's option, cause for suspension of performance of services under this Agreement. If the Construction Manager elects to suspend services, the Construction Manager shall give seven days' written notice to the Owner before suspending services. In the event of a suspension of services, the Construction Manager shall have no liability to the Owner for delay or damage caused the Owner because of such suspension of services. Before resuming services, the Owner shall pay the Construction Manager all sums due prior to suspension and any expenses incurred in the interruption and resumption of the Construction Manager's services. The Construction Manager's fees for the remaining services and the time schedules shall be equitably adjusted.

§ 9.2 If the Owner suspends the Project, the Construction Manager shall be compensated for services performed prior to notice of such suspension. When the Project is resumed, the Construction Manager shall be compensated for expenses incurred in the interruption and resumption of the Construction Manager's services. The Construction Manager's fees for the remaining services and the time schedules shall be equitably adjusted.

§ 9.3 If the Owner suspends the Project for more than 90 cumulative days for reasons other than the fault of the Construction Manager, the Construction Manager may terminate this Agreement by giving not less than seven days' written notice.

§ 9.4 Either party may terminate this Agreement upon not less than seven days' written notice should the other party fail substantially to perform in accordance with the terms of this Agreement through no fault of the party initiating the termination.

§ 9.5 The Owner may terminate this Agreement upon not less than seven days' written notice to the Construction Manager for the Owner's convenience and without cause.

§ 9.6 If the Owner terminates this Agreement for its convenience pursuant to Section 9.5, or the Construction Manager terminates this Agreement pursuant to Section 9.3, the Owner shall compensate the Construction Manager for services performed prior to termination, Reimbursable Expenses incurred, and ~~costs attributable to termination, including the costs attributable to the Construction Manager's termination of consultant agreements reasonable and substantiated costs attributable to termination.~~

§ 9.7 In addition to any amounts paid under Section 9.6, if the Owner terminates this Agreement for its convenience pursuant to Section 9.5, or the Construction Manager terminates this Agreement pursuant to Section 9.3, the Owner shall pay to the Construction Manager the following termination fee:

(Set forth below the amount of any termination fee, or the method for determining any termination fee.)

Half of the remaining prorated portion of the Construction Manager's Fee set forth in Section 11.1.2 (i). § 9.8 Except as otherwise expressly provided herein, this Agreement shall terminate one year from the date of Substantial Completion.

~~§ 9.8 Except as otherwise expressly provided herein, this Agreement shall terminate one year from the date of Substantial Completion.~~

ARTICLE 10 MISCELLANEOUS PROVISIONS

§ 10.1 This Agreement shall be governed by the law of the place where the Project is located, excluding that jurisdiction's choice of law rules. ~~If the parties have selected arbitration as the method of binding dispute resolution, the Federal Arbitration Act shall govern Section 8.3.~~

§ 10.2 Terms in this Agreement shall have the same meaning as those in AIA Document A232-2019, General Conditions of the Contract for Construction, as modified, except for purposes of this Agreement, the term "Work" shall include the work of all Contractors under the administration of the Construction Manager and the Architect.

§ 10.3 The Owner and Construction Manager, respectively, bind themselves, their agents, successors, assigns, and legal representatives to this Agreement. Neither the Owner nor the Construction Manager shall assign this Agreement without the written consent of the other, except that the Owner may assign this Agreement to a lender providing financing for the Project if the lender agrees to assume the Owner's rights and obligations under this Agreement, including any payments due to the Construction Manager by the Owner prior to the assignment.

§ 10.4 If the Owner requests the Construction Manager to execute certificates, the proposed language of such certificates shall be submitted to the Construction Manager for review at least 14 days prior to the requested dates of execution. If the Owner requests the Construction Manager to execute consents reasonably required to facilitate assignment to a lender, the Construction Manager shall execute all such consents that are consistent with this Agreement, provided the proposed consent is submitted to the Construction Manager for review at least 14 days prior to execution. The Construction Manager shall not be required to execute certificates or consents that would require knowledge, services, or responsibilities beyond the scope of this Agreement.

§ 10.5 Nothing contained in this Agreement shall create a contractual relationship with, or a cause of action in favor of, a third party against either the Owner or Construction Manager.

§ 10.6 Unless otherwise required in this Agreement, the Construction Manager shall have no responsibility for the discovery, presence, handling, removal or disposal of, or exposure of persons to, hazardous materials or toxic substances in any form at the Project site.

§ 10.7 ~~The~~ With the Owner's written consent, the Construction Manager shall have the right to include photographic or artistic representations of the design of the Project among the Construction Manager's promotional and professional materials. The Construction Manager shall provide professional credit for the Architect and the Contractors in the Construction Manager's promotional materials for the Project. The Construction Manager shall be given reasonable access to the completed Project to make such representations. However, the Construction Manager's materials shall not include the Owner's confidential or proprietary information if the Owner has previously advised the Construction Manager in writing of the specific information considered by the Owner to be confidential or proprietary. The Owner shall provide professional credit for the Construction Manager in the Owner's promotional materials for the Project. This Section 10.7 shall survive the termination of this Agreement unless the Owner terminates this Agreement for cause pursuant to Section 9.4.

§ 10.8 ~~If the Construction Manager or Owner receives information specifically designated as "confidential" or "business proprietary," the receiving party shall keep such information strictly confidential and shall not disclose it to any other person except as set forth in Section 10.8.1. This Section 10.8 shall survive the termination of this Agreement.~~ Reserved.

§ 10.8.1 ~~The receiving party may disclose "confidential" or "business proprietary" information after 7 days' notice to the other party, when required by law, arbitrator's order, or court order, including a subpoena or other form of compulsory legal process issued by a court or governmental entity, or to the extent such information is reasonably necessary for the receiving party to defend itself in any dispute. The receiving party may also disclose such information to its employees, consultants, or contractors in order to perform services or work solely and exclusively for the Project, provided those employees, consultants and contractors are subject to the restrictions on the disclosure and use of such information as set forth in this Section 10.8.~~

§ 10.9 The invalidity of any provision of the Agreement shall not invalidate the Agreement or its remaining provisions. If it is determined that any provision of the Agreement violates any law, or is otherwise invalid or unenforceable, then that provision shall be revised to the extent necessary to make that provision legal and enforceable. In such case the Agreement shall be construed, to the fullest extent permitted by law, to give effect to the parties' intentions and purposes in executing the Agreement.

§ 10.10 **Record Keeping—Availability and Retention.** Pursuant to Minnesota Statutes, Section 16C.05, subd. 5, Construction Manager agrees that the books, records, documents and accounting procedures and practices of Construction Manager, that are relevant to the Agreement or transaction, are subject to examination by the Owner and the state auditor for a minimum of six (6) years. Construction Manager shall maintain such records for a minimum of six (6) years after final payment.

§ 10.11 **Data Practices.** The Parties acknowledge that this Agreement and Project is subject to the applicable requirements of Minnesota's Government Data Practices Act (Act), Minnesota Statutes, Section 13.01 et seq. The Construction Manager agrees to cooperate with the Owner with respect to the Owner's obligations to comply with the requirements of the Act.

§ 10.12 **Non-Discrimination.** The provisions of any law or ordinance relating to civil rights and discrimination applicable to the services for which the Construction Manager is responsible under this Agreement shall be considered part of this Agreement as if fully set forth herein.

ARTICLE 11 COMPENSATION

§ 11.1 For the Construction Manager's Basic Services described under Article 3, the Owner shall compensate the Construction Manager as follows:

§ 11.1.1 For Preconstruction Phase Services in Section 3.2:

(Insert amount of, or basis for, compensation, including stipulated sums, multiples or percentages.)

Lump Sum of \$40,000.00 for 14 months of Preconstruction Phase Services from the date of this Agreement. Should the Preconstruction Phase exceed the above period, the Construction Manager's time shall be billed at the Construction Manager's usual hourly rates or the hourly rates set forth in Section 11.5.

§ 11.1.2 For Construction Phase Services in Section 3.3:

(Insert amount of, or basis for, compensation, including stipulated sums, multiples or percentages.)

The Construction Manager shall be paid (i) a fee of 1.80 % of the Cost of the Work defined in Article 6, (ii) the Construction Manager's costs for administrating and managing the Project at the hourly rates set forth in Section 11.5.1, (iii) the costs of Construction Manager's field labor for general conditions work at the hourly rates set forth in section 11.5.2, and (iv) any Reimbursable Expenses. Once the project has been sufficiently defined after the Preconstruction Phase, the Owner and Construction Manager shall execute an Amendment setting forth the Construction Manager's compensation for the Construction Phase of the Project as described herein. Any Construction Phase services performed prior to execution of the Amendment shall be billed at the hourly rates set forth in Sections 11.5.1 and 11.5.2, plus Reimbursable Expenses.

§ 11.2 For the Construction Manager's Supplemental Services designated in Section 4.1.1, and for any Sustainability Services required pursuant to Section 4.1.3, the Owner shall compensate the Construction Manager as follows:

(Insert amount of, or basis for, compensation. If necessary, list specific services to which particular methods of compensation apply.)

At the hourly rates set forth in Sections 11.5.1 and 11.5.2, plus Reimbursable Expenses.

§ 11.3 For Additional Services that may arise during the course of the Project, including those under Section 4.2, the Owner shall compensate the Construction Manager as follows:

(Insert amount of, or basis for, compensation.)

At the hourly rates set forth in Sections 11.5.1 and 11.5.2, plus Reimbursable Expenses.

§ 11.4 Compensation for Supplemental and Additional Services of the Construction Manager's consultants when not included in Sections 11.2 or 11.3, shall be the amount invoiced to the Construction Manager plus percent (%), or as follows:

(Insert amount of, or basis for computing, Construction Manager's consultants' compensation for Supplemental or Additional Services.)

§ 11.5 The hourly billing rates for services of the Construction Manager and the Construction Manager's consultants are set forth below. The rates shall be adjusted in accordance with the Construction Manager's and Construction Manager's consultants' normal review practices.

(If applicable, attach an exhibit of hourly billing rates or insert them below.)

§ 11.5.1 Hourly Rates for administrative and management personnel:

Personnel Category	Rate Per Hour
Project Director/VP/DOO	\$212.00 / hour
Sr. Project Manager/Construction Exec./Project Exec.	\$182.00 / hour
Project Manager	\$162.00 / hour
Assistant Project Manager	\$131.00 / hour
Project Engineer/Field Engineer	\$118.00 / hour
Director of Preconstruction	\$171.00 / hour
Preconstruction Manager	\$164.00 / hour
Estimator	\$158.00 / hour
Project Intern	\$60.00 / hour
Safety Director	\$169.00 / hour
Safety Engineer/Safety Manager	\$152.00 / hour
Quality Manager	\$159.00 / hour

MEP Specialist	\$171.00 / hour
VDC/BIM	\$144.00 / hour
General Superintendent	\$172.00 / hour
Field Superintendent	\$159.00 / hour
Assistant Superintendent	\$139.00 / hour
Project Coordinator/Accountant/Marketing	\$80.00 / hour

The rates set forth above shall be in effect through December 31, 2026. Thereafter the rates shall be increased by three percent (3%) per year as of January 1 of each subsequent year.

Employee or Category

Rate (\$0.00)

§ 11.5.2 Regular Hourly Rates for field labor personnel for any miscellaneous general requirements or general conditions-type work:

Personnel Category	Rate Per Hour
Carpenter - Journeyman	\$114.10 / hour
Carpenter - Foreman	\$119.57 / hour
Carpenter – General Foreman	\$124.68 / hour
Laborer - Journeyman	\$104.39 / hour
Laborer – Foreman	\$104.76 / hour
Operator – G1	\$118.55 / hour
Operator – G2	\$117.95 / hour
Operator – G3	\$115.53 / hour
Operator – G4	\$114.97 / hour
Operator – G5	\$111.67 / hour
Operator – G6	\$109.10 / hour
Operator – G7	\$107.17 / hour
Operator – G8	\$103.72 / hour

The rates set forth above shall be increased in accordance with the terms of any applicable collective bargaining agreement.

The rates for any miscellaneous tool or equipment rentals shall be at the rates set forth in Exhibit A.

§ 11.6 Compensation for Reimbursable Expenses

§ 11.6.1 Reimbursable Expenses are in addition to compensation for Basic, Supplemental, and Additional Services and include expenses incurred by the Construction Manager and the Construction Manager's consultants directly related to the Project, as follows:

- .1 Transportation and authorized out-of-town travel and subsistence;
- .2 Long distance services, dedicated data and communication services, teleconferences, Project web sites, and extranets;
- .3 Permitting and other fees required by authorities having jurisdiction over the Project;
- .4 Printing, reproductions, plots, and standard form documents;
- .5 Postage, handling, and delivery;
- .6 Expense of overtime work requiring higher than regular rates, if authorized in advance by the Owner;
- .7 Professional photography, and presentation materials requested by the Owner;
- .8 If required by the Owner, and with the Owner's prior written approval, the Construction Manager's consultants' expenses of professional liability insurance dedicated exclusively to this Project, or the expense of additional insurance coverage or limits in excess of that normally maintained by the Construction Manager's consultants;
- .9 All taxes levied on professional services and on reimbursable expenses;
- .10 Site office expenses;

- .11 General conditions expenditures;
- .12 General liability, professional liability, and umbrella liability insurance at a rate of 1.05% of the cost of the Construction Manager's Preconstruction and Construction Phase services;
- .13 Coordination of warranty work required to be performed by the Contractors after substantial completion of the Project at a rate of 0.15% of the Cost of the Work defined in Article 6;
- .14 Collaboration technology; and
- .11—.15 Other similar Project-related expenditures.

§ 11.6.2 For Reimbursable Expenses the compensation shall be the expenses incurred by the Construction Manager and the Construction Manager's consultants plus one and eight tenths percent (1.80 %) of the expenses incurred.

§ 11.7 **Construction Manager's Insurance.** If the types and limits of coverage required in Section 2.8 are in addition to the types and limits the Construction Manager normally maintains, the Owner shall pay the Construction Manager for the additional costs incurred by the Construction Manager for the additional coverages as set forth below.

(Insert the additional coverages the Construction Manager is required to obtain in order to satisfy the requirements set forth in Section 2.8, and for which the Owner shall reimburse the Construction Manager.)

§ 11.8 Payments to the Construction Manager

§ 11.8.1 Initial Payment

§ 11.8.1.1 An initial payment of Zero (\$ 0) shall be made upon execution of this Agreement and is the minimum payment under this Agreement. It shall be credited to the Owner's account in the final invoice.

§ 11.8.2 Progress Payments

§ 11.8.2.1 Unless otherwise agreed, payments for services shall be made monthly in proportion to services performed. Payments are due and payable upon presentation of the Construction Manager's invoice. Amounts unpaid thirty-five (35) days after the invoice date shall bear interest at the rate entered below, or in the absence thereof at the legal rate prevailing from time to time at the principal place of business of the Construction Manager.

(Insert rate of monthly or annual interest agreed upon.)

4 % per annum

§ 11.8.2.2 The Owner shall not withhold amounts from the Construction Manager's compensation to impose a penalty or liquidated damages on the Construction Manager, or to offset sums requested by or paid to Contractors for the cost of changes in the Work, unless the Construction Manager agrees or has been found liable for the amounts in a binding dispute resolution proceeding.

§ 11.8.2.3 Records of Reimbursable Expenses, expenses pertaining to Supplemental and Additional Services, and services performed on the basis of hourly rates shall be available to the Owner at mutually convenient times.

ARTICLE 12 SPECIAL TERMS AND CONDITIONS

Special terms and conditions that modify this Agreement are as follows:

(Include other terms and conditions applicable to this Agreement.)

§ 12.1 DOCUSIGN ELECTRONIC SIGNING SYSTEM. The Construction Manager has an agreement with DocuSign, Inc. ("DocuSign") with respect to the DocuSign electronic signing system (the "DocuSign System"). The DocuSign System may be used to facilitate the administration and execution of the Owner's Construction Contracts with the Multiple Prime Contractors, as well as various other Contract Documents requiring signatures. Should the Owner elect to have the Construction Manager use the DocuSign System with respect to any portion of the Project, the Owner acknowledges and agrees that (i) the Owner conducted its own independent investigation and evaluation as to all legal and other considerations related to its decision to use the DocuSign System on the Project, (ii) the Owner did not rely on any advice, recommendations or representations of the Construction Manager in making the Owner's independent determination to use the DocuSign System on the Project, (iii) the Construction Manager and DocuSign are not affiliated with each other and the Construction Manager does not warrant or guarantee any portion of the DocuSign

System, (iv) the Construction Manager does not warrant or guarantee that the DocuSign system complies with or satisfies any legal requirements applicable to its use on the Project, and (v) to the fullest extent permitted by law, the Owner waives all claims, causes of action, costs, expenses and damages (including reasonable attorney's fees) against Construction Manager arising out of or resulting from the use of the DocuSign System on the Project.

ARTICLE 13 SCOPE OF THE AGREEMENT

§ 13.1 This Agreement represents the entire and integrated agreement between the Owner and the Construction Manager and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both the Owner and Construction Manager.

§ 13.2 This Agreement is comprised of the following documents identified below:

- .1 AIA Document C132™–2019, Standard Form Agreement Between Owner and Construction Manager as Adviser
- .2 ~~Building Information Modeling Exhibit, if completed:~~ AIA Document E203™–2013, Building Information Modeling and Digital Data Exhibit, dated as indicated below:
(Insert the date of the E203-2013 incorporated into this Agreement.)

- .3 Exhibits:
(Check the appropriate box for any exhibits incorporated into this Agreement.)

[] AIA Document E235™–2019, Sustainable Projects Exhibit, Construction Manager as Adviser Edition, dated as indicated below:
(Insert the date of the E235-2019 incorporated into this agreement.)

[] Other Exhibits incorporated into this Agreement:
(Clearly identify any other exhibits incorporated into this Agreement, including any exhibits identified in Section 4.1.2.)

- .4 Other documents:
(List other documents, if any, forming part of the Agreement.)

Exhibit A – Tool and Equipment Rental Rates

This Agreement is entered into as of the day and year first written above. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original and all of which counterparts, taken together, shall constitute one and the same instrument. Delivery of an executed counterpart of a signature page of this document by facsimile, pdf or other generally accepted electronic means (e.g., DocuSign) shall be effective as delivery of a manually executed counterpart of this document.

City of Inver Grove Heights, MN

Kraus-Anderson® Construction Company

OWNER (Signature)

CONSTRUCTION MANAGER (Signature)

(Printed name and title)

(Printed name and title)

Certification of Document's Authenticity

AIA® Document D401™ – 2003

I, _____, hereby certify, to the best of my knowledge, information and belief, that I created the attached final document simultaneously with this certification at 10:23:57 ET on 06/02/2025 under Order No. 3104239500 from AIA Contract Documents software and that in preparing the attached final document I made no changes to the original text of AIA® Document C132™ – 2019, Standard Form of Agreement Between Owner and Construction Manager as Adviser, other than changes shown in the attached final document by underscoring added text and striking over deleted text.

(Signed)

(Title)

(Dated)

Tool Description	Weekly Rate
------------------	-------------

Air Compressor Twin Tank- Elec	\$131.32
UTV- Ranger 2- Passenger	\$295.00

Blanket- Insulated	\$9.55
Bobcat - Auger Head - Round/Hex Shaft	\$209.48
Bobcat Attachments- Forks	\$113.85
Bobcat Attachments- Grapppler Bucket	\$204.92
Bobcat Attachments- Hydro Hammer	\$463.99
Bobcat Attachments- Sweeper w/Attachments	\$236.09
Bobcat- Skid Steer Bobcat (track machine) S590	\$543.60
Bobcat- Skid Steer Bobcat (tire machine) T590	\$787.95

Carpet Tools- Carpet Puller	\$176.80
Cart-Trash Cart- 1 Yard	\$45.10
Compactor- Jumping Jack	\$216.75
Compactor- Plate Tamper	\$159.86
Containment Unit	\$568.50
Cut-Out Tool/Roto-Zip	\$22.10

Drill- SDS Roto Hammer Max	\$139.71
Drill- Hammer SDS Roto Hammer 3/8" Corded	\$55.72
Drill- Hammer SDS Roto Hammer 3/8" Cordless	\$61.04
Drill- 18 Volt	\$32.63
Drill- Right Angle 3/8"	\$22.10

Fan - 36" Barrel	\$41.56
Fan- Pedestal Fan	\$59.61
Forklift- Rough Terrain 5,000#-	\$809.44
Forklift- Pneumatic	\$524.87
Forklift- Rough Terrain 10,000#-	\$1,252.76
Gang Box- Chest Type	\$22.85

Generator 3800 Watts	\$168.30
Generator- Elec Generator 6500 watt	\$170.00
Glass Cup	\$16.08
Grinder- 7"	\$38.90
Grinder- Floor Ginder	\$170.00
Grinder- 4 1/2"	\$22.10
Ground Thaw- 6000 sf	\$2,233.33

Equipment Description	Weekly Rate
-----------------------	-------------

Jobsite Office Trailer- 8' x 36'	\$301.43
Jobsite Office Trailer- 10' x 40'	\$323.00
Jobsite Office Trailer- 12' x 60'	\$397.00
Ladder- Extension 24'	\$27.21
Ladder- Extension 32'	\$39.90
Ladder- Step, 6', Fiberglass	\$13.70
Laser- Laser Level- Rotating	\$55.72

Cement Mixer-5 cubic ft.-Wheel Barrow Type	\$48.44
Nailer- Air/Pneumatic- Framing	\$54.13
Nailer- Coil Roofing	\$56.59
Nailer- Powder Actuated	\$72.96
Panther- Floor Stripper Model 7700	\$2,031.10
Planer- Door	\$45.98
Pressure Washer - Gas	\$167.12
Pump Water- 2" Trash	\$101.80
Router	\$27.86

Sander - Belt, 3" x 21"	\$40.59
Saw- Circular 7-1/4"	\$27.86
Saw- Compound Miter Sliding 12"	\$79.59
Saw- Partner- Electric	\$114.76
Saw- Partner- Gas	\$114.76
Saw- Port-a-Band	\$69.86
Saw- Sawzall Cut Saw	\$38.90
Saw- Table- 10"	\$148.56
Saw- Walk Behind Concrete Saw	\$172.13
Survey- Eye Level	\$100.19
Sweeper- Walk Behind- Battery Powered	\$271.41
Wheelbarrow	\$15.48
Hammer- Jack Hammer- Electric 60#	\$72.51

HEPA price does not include filters	
HEPA-Air Scrubber-500CFM-Blue-16 x 16	\$147.24
HEPA Aire Scrubber- 2000CFM	\$150.32



Request for Council Action

SUBJECT: **Authorization to Enter into 2025-26 Labor Agreement with IUOE, Local No. 70**

MEETING DATE: June 9, 2025

ITEM TYPE: Consent Agenda

CONTACT: Kris Wilson, City Administrator, 651.450.2511
 Janet Shefchik, HR Manager, 651.450.2512

ACTION REQUESTED

The Council is asked to authorize the appropriate officials to enter into a 2025-26 labor agreement with IUOE, Local No. 70.

BACKGROUND

The International Union of Operating Engineers (IUOE), Local No. 70, represents a total of 24 employees who work in the Street and Fleet Divisions of the City's Public Works Department and the Parks and Facilities Divisions of the Parks & Recreation Department. The previous contract expired on December 31, 2024, triggering negotiations for a new contract.

The following summarizes the highlights of the agreement negotiated for 2025-26:

1. **Duration:** A two-year agreement running from January 1, 2025 through December 31, 2026.
2. **Wages:** Provides a 3% cost of living increase effective January 1, 2025 and a 3% cost of living increase effective January 1, 2026. Also provides a 3% market adjustment effective January 1, 2025 and a 3% market adjustment effective January 1, 2026, based on an analysis of wages paid for comparable positions by 14 other metro-area cities. This is identical to the wage agreement negotiated earlier this year with the City's other IUOE unit, which represents employees in the Utilities Division.
3. **Insurance Benefits.** The contract establishes the same City insurance benefits and contributions as all other full-time employees are receiving for calendar year 2025, and provides for a reopener for this article only for 2026.
4. **Holidays.** Combines the current half-day holiday for Christmas Eve and half-day holiday for Good Friday, into a single, full-day holiday for Christmas Eve. Provides for double-time pay on holidays when that work is not scheduled in advance (i.e. for unscheduled call-ins).
5. **Shift Differential.** Increases the shift differential pay from the current \$2.00 per hour to \$3.00 per hour for 2025 and \$4.00 per hour for 2026. The shift differential applies only to hours worked from midnight to 6:00 a.m. between November 1 and April 1, which generally corresponds to early morning call-ins for snow plowing.

6. **Paid Parental Leave.** Continues the existing paid parental leave benefit for calendar year 2025, after which point a statewide paid family and medical leave benefit is expected to take its place.

FISCAL IMPACT

The cost of living increase for 2025 was factored into the City's adopted 2025 budgets and the additional market adjustment for 2025 can be accommodated through careful budget management (a vacant position for the first few months of the year, lower than expected overtime costs due to modest snow during Jan, Feb. March, etc.) Funding for the 2026 wage adjustments will need to be included in the City's 2026 budget.

RECOMMENDATION

The City Administrator and HR Manager recommend approval of the negotiated agreement.

ATTACHMENTS

None



Request for Council Action

SUBJECT: **Resolution Amending Resolution No. 2024-88,
Approving Modified Utility Connection Fees for the
Yellow Tree Apartment Development**

MEETING DATE: June 9, 2025

ITEM TYPE: Consent Agenda

CONTACT: Jason Ziemer, Community Development Director, 651-450-2546

ACTION REQUESTED

The Council is asked to adopt the attached Resolution, approving an amendment to Resolution 2024-088, allowing a modification to the entities eligible for the fee reduction for the Yellow Tree apartment development.

BACKGROUND

In 2024, the City Council approved separate resolutions, modifying the utility connection fees for two developments: the Yellow Tree apartment development ("Yellow Tree") and the Stuart townhome development ("Stuart"). While both resolutions established the fee reduction was "nontransferable" to another entity, the resolution approving modified utility connection fees for Stuart specifically allowed the fee reduction to be extended to entities controlled by, controlling, or under common ownership with the originally named developer. At that time, Yellow Tree did not request that similar language to be included in the resolution approving the fee modification for their project. Thus, that resolution does not contain similar language regarding the extension of the fee modification to entities under common control with the originally-named developer (Yellow Tree Development). However, the Developer has now requested that the previously-approved resolution now be amended to allow the fee modification approved for the Yellow Tree to be extended to entities under common control with Yellow Tree, including Agate Trail Apartments LLC. Yellow Tree has provided an affidavit to the City confirming that Black Tree, LLC d/b/a Yellow Tree Development and Agate Trail Apartments LLC are under common control.

FISCAL IMPACT

N//a

RECOMMENDATION

Staff recommends adoption of the attached Resolution.

ATTACHMENTS

1. Resolution Amending Fee Modification Resolution

**CITY OF INVER GROVE HEIGHTS
DAKOTA COUNTY, MINNESOTA**

RESOLUTION NO. _____

**RESOLUTION AMENDING RESOLUTION NO. 2024-88 APPROVING MODIFIED UTILITY
CONNECTION FEES FOR THE RESIDENTIAL DEVELOPMENT ON LOT 1, BLOCK 13 IN
THE PLAT OF PELTIER RESERVE**

WHEREAS, on May 6, 2024, the City Council adopted Resolution No. 2024-88 (Resolution No. 2024-88), a Resolution Approving Modified Utility Connection Fees for the Residential Development on Lot 1, Block 13 in the Plat of Peltier Reserve; and

WHEREAS, Resolution No. 2024-88 provided that the fee reduction approved therein would apply only to development of Lot 1, Block 13 (Property), by Yellow Tree Development, and was nontransferable; and

WHEREAS, the owners of Black Tree, LLC d/b/a Yellow Tree Development, have requested that the City amend Resolution No. 2024-88 to allow the previously-approved fee reduction to be transferable to Agate Trail Apartments LLC, which is an entity under common control with Yellow Tree Development, as more fully detailed in the Affidavit of Common Control provided to the City.

NOW THEREFORE, BE IT RESOLVED by the Inver Grove Heights City Council as follows:

1. Resolution No. 2024-88 is hereby amended to allow the fee reduction approved per that resolution to be transferable to entities under common control with Yellow Tree Development, namely Agate Trail Apartments LLC, provided that any such entity enter into the required Development Contract/Improvement Agreement for the Property.
2. All other terms and conditions of Resolution No. 2024-88 shall remain the same.

Approved by the City Council of the City of Inver Grove Heights, Minnesota this 9th day of June, 2025.

Brenda Dietrich, Mayor

ATTEST:

Rebecca Kiernan, City Clerk



Request for Council Action

SUBJECT: **Resolution Approving Improvement Agreement and SWFMA for Yellow Tree Apartment Development**

MEETING DATE: June 9, 2025

ITEM TYPE: Consent Agenda

CONTACT: Jason Ziemer, Community Development Director, 651-450-2546

ACTION REQUESTED

The Council is asked to adopt the attached Resolution, approving a Stormwater Facilities Maintenance Agreement (SWFMA) and an Improvement Agreement for Lot 1, Block 13, Pelter Reserve (Yellow Tree Apartment Lot).

BACKGROUND

The City Council recently approved an amendment to the PUD Development Plans for Lot 1, Block 13, Pelter Reserve, the "Yellow Tree Apartment Lot". That approval required the Developer to enter into an Improvement Agreement and SWFMA with the City. The attached Resolution approves both documents, and is the final Council approval needed for the Yellow Tree Apartment Development to proceed.

FISCAL IMPACT

N/A

RECOMMENDATION

Staff recommends adoption of the Resolution.

ATTACHMENTS

1. Resolution Approving Improvement Agreement and SWFMA
2. Improvement Agreement
3. Storm Water Facilities Maintenance Agreement (SWFMA)

**CITY OF INVER GROVE HEIGHTS
DAKOTA COUNTY, MINNESOTA**

RESOLUTION NO. _____

**A RESOLUTION APPROVING AN IMPROVEMENT AGREEMENT AND STORM
WATER FACILITIES MAINTENANCE AGREEMENT FOR LOT 1, BLOCK 13,
PELTIER RESERVE**

WHEREAS, the City Council has previously approved amended PUD Development Plans for Lot 1, Block 13, Peltier Reserve (Yellow Tree Apartment Lot); and

WHEREAS, a condition of the amended PUD Development Plans is that the developer and owner of the Yellow Tree Apartment Lot enter into a Development Contract (Improvement Agreement) and SWFMA with the City for development of the Yellow Tree Apartment Lot.

**NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY
OF INVER GROVE HEIGHTS as follows:**

1. The Improvement Agreement and Stormwater Facilities Maintenance Agreement (SWFMA) are hereby approved, subject to any minor revisions approved by the City Attorney.
2. The Mayor and City Clerk are authorized to execute the Improvement Agreement and SWFMA.

Passed this 9th day of June, 2025.

ATTEST:

Brenda Dietrich, Mayor

Rebecca Kiernan, City Clerk

**DEVELOPMENT CONTRACT
(IMPROVEMENT AGREEMENT)
RELATING TO LOT 1, BLOCK 13,
PELTIER RESERVE,
DAKOTA COUNTY, MINNESOTA**

**CITY OF INVER GROVE HEIGHTS
DEVELOPMENT CONTRACT (IMPROVEMENT AGREEMENT) RELATING TO LOT
1, BLOCK 13, PELTIER RESERVE, GROVE HEIGHTS, DAKOTA COUNTY,
MINNESOTA**

THIS DEVELOPMENT CONTRACT RELATING TO PROPERTY AT 7761 AMANA TRAIL, INVER GROVE HEIGHTS, DAKOTA COUNTY, MINNESOTA (Agreement) is made and entered into on the ____ day of _____, 2025 by and between the City of Inver Grove Heights, a municipality of the State of Minnesota, (hereinafter called the City) and Agate Trail Apartments LLC, a Colorado limited liability company (hereinafter called “Developer” or “Owner”) identified herein.

RECITALS:

WHEREAS, Agate Trail Apartments LLC is in the process of purchase the Subject Property from Silver Tree LLC, and will be the Owner of the Subject Property at the time of execution and recording of this Agreement.

WHEREAS, Black Tree, LLC d/b/a Yellow Tree Development, along with Silver Tree LLC have applied to the City for approval of the Development Plans for the Subject Property, which will be developed by Agate Trail Apartments LLC.

WHEREAS, the City has adopted certain resolutions approving Final PUD Development Plans, including Resolution No. 2025-122, for the Subject Property, which approvals authorize the development of the Subject Property pursuant to the approved Final PUD Development Plans.

WHEREAS, the Subject Property is subject to the requirements of that Development Contract for Plat of Peltier Reserve, recorded as Document No. 3506029, as amended by Document Numbers 3506029, 3577130, 3584730, and 3668928 recorded with the Office of the Dakota County Recorder (together, these four documents constitute the “Peltier Reserve Development Contract”).

WHEREAS, the Subject Property is included within the definition of the “Phase 3 Lots” as that term is defined in the Peltier Reserve Development Contract.

WHEREAS, the Peltier Reserve Development Contract requires Builders Lot Group, LLC, to install certain Developer Improvements and Developer Public Improvements before building permits will be issued for any of the Phase 3 Lots, or before a certificate of occupancy will be issued for any of the Phase 3 Lots, including the Subject Property.

WHEREAS, in conjunction with the granting of the approvals for the Development Plans for the Subject Property, the City requires grading, drainage, erosion and sediment control, the installation of storm water improvements, vegetation establishment, and parking lot and driveway paving and the maintenance by Developer of the private stormwater facilities.

WHEREAS, under authority granted to it, including Minnesota Statutes Chapters 412, 429, and 462, the City Council of the City of Inver Grove Heights has agreed to approve the Development Plans on the following conditions:

1. That Developer enter into this Agreement, which contract defines the work which Developer undertakes to complete;
2. Developer shall provide a surety in a form and amount and with conditions satisfactory to the City, providing for the actual construction and installation of such improvements within the period specified by the City; and
3. Developer shall pay the required development-related fees for the Subject Property, including park dedication fees, plat connection fees, and building permit connection fees.

WHEREAS, Developer has filed one (1) complete set of the Development Plans with the City.

WHEREAS, the Development Plans have been prepared by a registered professional engineer and have been submitted to and approved by the Director of PWD.

NOW, THEREFORE, subject to the terms and conditions of this Agreement and in reliance upon the representations, warranties and covenants of the parties herein contained, the City and Developer agree as follows:

ARTICLE 1 **DEFINITIONS**

1.1 Terms. The following terms, unless elsewhere defined specifically in this Agreement, shall have the following meanings as set forth below.

1.2 City. "City" means the City of Inver Grove Heights, a Minnesota municipal corporation.

1.3 Developer. "Developer" means Agate Trail Apartments LLC, a Colorado limited liability company, and its successors and assigns.

1.4 Owner. "Owner" means Agate Trail Apartments LLC, a Colorado limited liability company, and its successors and assigns.

1.5 Subject Property. "Subject Property" means that certain real property located in the City of Inver Grove Heights, Dakota County, Minnesota and legally described on the attached **Exhibit A**.

1.6 Development Plans. "Development Plans" means all the plans, drawings, specifications and surveys identified on the attached **Exhibit B** and hereby incorporated by reference and made a part of this Agreement.

1.7 Development Contract, Agreement, or Improvement Agreement. “Development Contract,” “Agreement,” or “Improvement Agreement” shall have the same meaning, and shall mean this Agreement by and between the City and Owner and Developer.

1.8 Council. “Council” means the Council of the City of Inver Grove Heights.

1.9 PWD. “PWD” means the Public Works Department of the City of Inver Grove Heights.

1.10 Director of PWD. “Director of PWD” means the Director of the Public Works Department of the City of Inver Grove Heights and his delegates.

1.11 County. “County” means Dakota County, Minnesota.

1.12 Other Regulatory Agencies. “Other Regulatory Agencies” means and includes, individually and collectively, the following:

- a.) Minnesota Department of Transportation
- b.) Dakota County
- c.) Dakota County Highway Department
- d.) Watershed District
- e.) Water Management Organization
- f.) Metropolitan Council
- g.) any other regulatory or governmental agency or entity affected by, or having jurisdiction over the Developer Improvements.

1.13 Utility Companies. “Utility Companies” means and includes, jointly and severally, the following:

- a.) utility companies, including electric, gas and cable;
- b.) pipeline companies.

1.14 Prior Easement Holders. “Prior Easement Holders” means and includes, jointly and severally, all holders of any easements or other property interests in the Subject Property.

1.15 Developer Improvements. “Developer Improvements” means and includes, individually and collectively, all the improvements identified in Article 3 and on the attached Exhibit C.

1.16 Developer Public Improvements. "Developer Public Improvements" means and includes, individually and collectively, all the improvements identified and checked on the attached **Exhibit C** that are further labeled "public". Developer Public Improvements are improvements to be constructed by the Developer within public right-of-way or public easements and which are to be approved and later accepted by the City. Developer Public Improvements are part of Developer Improvements.

1.17 Developer Default. "Developer Default" means and includes, individually and collectively, any of the following or any combination thereof, subject to Force Majeure:

- a.) failure by Developer to timely pay the City any money required to be paid under this Agreement;
- b.) failure by Developer to timely construct the Developer Improvements according to the Development Plans and the City standards and specifications;
- c.) failure by Developer to observe or perform any covenant, condition, obligation or agreement on its part to be observed or performed under this Agreement;
- d.) breach of Developer Warranties.

1.18 Force Majeure. "Force Majeure" means (i) an earthquake, tornado, flood, or other weather conditions of unusual severity or duration or other similar natural catastrophe, (ii) a building moratorium or other governmental prohibition or restriction on construction that prohibits or restricts construction, (iii) a riot, insurrection, terrorist act, or war, (iv) circumstances adversely affecting the availability or delivery of materials or the performance of work including, without limitation, excessive rain or other weather events that may not constitute flood or catastrophic events yet, nevertheless, result in stoppages of work or delays in the performance of construction, (v) strikes, lockouts or other labor disputes, (vi) actions or inaction (when action is required) of governmental authorities, (vii) fires or other casualties, or (viii) other causes or occurrences which are outside the control of the party whose obligation is delayed and could not be avoided by the exercise of due care on the part of such party.

1.19 Developer Warranties. "Developer Warranties" means that Developer hereby warrants and represents the following:

- A. **Authority.** Developer is the fee owner of the Subject Property and has the right, power, legal capacity and authority to enter into and perform its obligations under this Agreement, and no approvals or consents of any persons are necessary in connection with the authority of Developer to enter into and perform its obligations under this Agreement.

- B. No Default.** Developer is not in default under any lease, contract or agreement to which it is a party or by which it is bound which would affect performance under this Agreement. Developer is not a party to or bound by any mortgage, lien, lease, agreement, instrument, order, judgment or decree which would prohibit the execution or performance of this Agreement by Developer or prohibit any of the transactions provided for in this Agreement.
- C. Present Compliance With Laws.** Developer has complied with and to the best of its knowledge is not in violation of applicable federal, state or local statutes, laws, and regulations including, without limitation, permits and licenses and any applicable zoning, environmental or other law, ordinance or regulation affecting the Subject Property and the Development Plans and Developer Improvements; and Developer is not aware of any pending or threatened claim of any such violation.
- D. Continuing Compliance With Laws.** Developer will comply with all applicable federal, state and local statutes, laws and regulations including, without limitation, permits and licenses and any applicable zoning, environmental or other law, ordinance or regulation affecting the Development Plans and Developer Improvements.
- E. No Litigation.** There is no suit, action, arbitration or legal, administrative or other proceeding or governmental investigation pending, or to the best knowledge of Developer threatened against or affecting Developer or the Subject Property or the Development Plans or Developer Improvements. Developer is not in default with respect to any order, writ, injunction or decree of any federal, state, local or foreign court, department, agency or instrumentality.
- F. Full Disclosure.** None of the representations and warranties made by Developer or made in any exhibit hereto or memorandum or writing furnished or to be furnished by Developer or on its behalf contains or will contain any untrue statement of material fact or omit any material fact the omission of which would be misleading.
- G. Warranty on Proper Work and Materials.** Developer warrants all work required to be performed by it under this Agreement against defective material and faulty workmanship for a period of two (2) years after its completion and acceptance by the City. With respect to matters covered by the warranty, Developer shall be solely responsible for all costs of performing repair work arising within said two (2) year period required by the City within thirty (30) days of notification. All trees, grass, and sod shall be warranted to be alive, of good quality, and disease free for one (1) year after planting. Any replacements shall be similarly warranted for one (1) year from the time of planting.

The warranty period for drainage and erosion control improvements made by Developer shall be for two (2) years after completion and acceptance by the City; the warranty for the drainage and erosion control improvements shall also include the

obligation of Developer to repair and correct any damage to or deficiency with respect to such improvements.

- H. Obtaining Permits.** Developer shall obtain in a timely manner and pay for all required permits, licenses and approvals, and shall meet, in a timely manner, all requirements of all applicable, local, state and federal laws and regulations which must be obtained or met before Developer Improvements may be lawfully constructed.

1.21 Formal Notice. Formal Notice means notices given by one party to the other if in writing and if and when delivered or tendered either in person or by depositing it in the United States mail in a sealed envelope, by certified mail, return receipt requested, with postage and postal charges prepaid, addressed as follows:

If to City: City of Inver Grove Heights
Attention: City Administrator
8150 Barbara Avenue
Inver Grove Heights, MN 55077

If to Developer or Owner: Agate Trail Apartments LLC
1834 E 38th Street
Minneapolis, MN 55407

or to such other address as the party addressed shall have previously designated by notice given in accordance with this Section. Notices shall be deemed to have been duly given on the date of service if served personally on the party to whom notice is to be given, or on the third day after mailing if mailed as provided above, provided, that a notice not given as above shall, if it is in writing, be deemed given if and when actually received by a party.

ARTICLE 2 **APPROVAL OF DEVELOPMENT PLANS**

2.1. Approval of Development Plans. The Development Plans identified on the attached **Exhibit B** are hereby approved by the City.

ARTICLE 3 **Developer IMPROVEMENTS**

3.1 Developer Improvements. Developer shall install, at its own cost, the Developer Improvements in accordance with the Development Plans. Developer Improvements shall be completed by the dates shown on **Exhibit C**, except as completion dates are extended by subsequent written action of the Director of PWD. Failure of the City to promptly take action to enforce this Agreement after expiration of time by which Developer Improvements are to be completed shall not waive or release any rights of the City; the City may take action at any time

thereafter, and the terms of this Agreement shall be deemed to be automatically extended until such time as Developer Improvements are completed to the City's reasonable satisfaction.

3.2 Ground Material. Developer shall insure that adequate and suitable ground material shall exist in the areas of public utility improvements to be made by Developer and shall guarantee the removal, replacement or repair of substandard or unstable material. The cost of said removal, replacement or repair is the responsibility of Developer.

3.3 Grading/Drainage Plan. Developer shall construct drainage facilities adequate to serve the Subject Property in accordance with the Development Plans. The grading and drainage plan shall include drainage swales to be sodded, storm sewer, catch basins, erosion control structures and ponding areas necessary to conform with the overall City storm sewer plan. The grading of the site shall be completed in conformance with the Development Plans. In the event that Developer fails to complete the grading of the site in conformance with the Development Plans by the stipulated date, the City may declare Developer in default pursuant to Article 11.

3.4 Area Restoration. Developer shall restore all areas disturbed by the development grading operation in accordance with the approved erosion control plan. Upon request of the PWD, Developer shall remove the silt fences after grading and construction have occurred.

3.5 Erosion Control. Developer shall provide and follow a plan for erosion control and underground stormwater collection in accord with the Best Management Practices (BMP) as delineated in the Minnesota Pollution Control Agency handbook titled Water Quality in Urban Areas. Such plan shall be detailed on the Development Plans and shall be subject to approval of the Director of PWD. Developer shall install and maintain such erosion control structures as appear necessary under the Development Plans or become necessary subsequent thereto. Developer shall be responsible for all damage caused as the result of grading and excavation within the Subject Property including, but not limited to, restoration of existing control structures and clean-up of public right-of-way, until all improvements are completed. As a portion of the erosion control plan, Developer shall re-seed or sod any disturbed areas in accordance with the Development Plans. The City reserves the right to perform any necessary erosion control or restoration as required, if these requirements are not complied with after Formal Notice by the City as stated in Article 11. Developer shall be financially responsible for payment for this extra work.

ARTICLE 4 **OTHER PERMITS**

4.1 Permits. Developer shall obtain all necessary approvals, permits and licenses from the City, the Other Regulatory Agencies, the Utility Companies, and the Prior Easement Holders. Major design requirements of any such entities shall be determined prior to completion and incorporated into the Development Plans. All costs incurred to obtain said approvals, permits and licenses, and also all fines or penalties levied by any agency due to the failure of Developer to obtain or comply with conditions of such approvals, permits and licenses, shall be paid by Developer. Developer shall defend and hold the City harmless from any action initiated by the Other Regulatory Agencies, the Utility Companies and the Prior Easement Holders resulting from such failures of Developer.

ARTICLE 5

OTHER DEVELOPMENT REQUIREMENTS

5.1 Miscellaneous Requirements. Any additional requirements for approval of the Development Plans as specified by the City Council are incorporated herein and shall apply to the Development and the construction of the Developer Improvements..

ARTICLE 6

DEVELOPER PUBLIC IMPROVEMENTS

6.1 Approval of Contractors and Engineer. Any contractor or engineer preparing plans and specifications selected by Developer to design, construct or install any Developer Public Improvements must be approved in writing by the Director of PWD.

6.2 Construction. The construction, installation, materials and equipment related to Developer Public Improvements shall be in accord with the Development Plans.

6.3 Inspection. PWD or its designated representative shall periodically inspect the work installed by Developer, its contractors, subcontractors or agents. Developer shall notify the PWD two (2) working days prior to the commencement of the laying of utility lines, subgrade preparation or any other improvement work which shall be subsequently buried or covered to allow the City an opportunity to inspect such improvement work. Upon receipt of said notice, the City shall have a reasonable time, not to be less than three (3) working days, to inspect the improvements. Failure to notify the City to allow it to inspect said work shall result in the City's right pursuant to Article 11 to withhold the release of any portion of the escrow amount resulting from work being performed without the opportunity for adequate City inspection.

6.4 Faithful Performance of Construction Contracts. Developer shall fully and faithfully comply with all terms of any and all contracts entered into by Developer for the installation and construction of all of the Developer Public Improvements; and Developer shall obtain lien waivers. Within thirty (30) days after Formal Notice, Developer agrees to repair or replace, as directed by the City and at Developer's sole cost and expense, any work or materials relating to Developer Public Improvements that within the warranty periods of Section 1.19(G) become defective or are not in compliance with the warranty provisions contained therein in the opinion of the City.

6.5 City Acceptance. Developer shall give Formal Notice to the City within thirty (30) days once Developer Public Improvements have been completed in accord with this Agreement and City ordinances, standards, and specifications. The City shall then inspect the Developer Public Improvements and notify Developer of any Developer Public Improvements that do not so conform. Upon compliance with the terms of this Agreement and City ordinances, standards and specifications, the City shall so notify Developer in writing and the Development Plans, Developer Public Improvements shall become the property of the City upon Formal Notice of acceptance by the City.

After acceptance, Developer Public Improvements become the property of the City, and Developer shall have no responsibility with respect to maintenance of Developer Public Improvements except as provided in Section 1.19(G) and except as provided in the Storm Water Facilities Maintenance Agreement between the City and Developer and Owner. If Developer Public Improvements do not conform, Formal Notice shall be given to Developer of the need for repair or replacement in reasonable detail or, in its discretion, the City may proceed under Article 11.

6.6 Engineering Submittals Required. The record plan "as-built" drawings of Developer Improvements shall be provided by Developer in accordance with City standards no later than 90 days after completion and acceptance of Developer Improvements by the City, unless otherwise approved in writing by the PWD. If the record plans are not provided to the City within the 90 days, the City may have this work done and Developer shall pay for it. The record plans shall contain all information required by the PWD and shall include survey Coordinates on all stormwater facilities and related appurtenances such as valves. Final as built information shall be submitted in an Esri compliant Geodatabase format compatible with the City's Geographic Information System (GIS). An Esri compliant Geodatabase template will be made available by the City which will specify all features and critical attributes required. All features submitted must adhere to as built survey requirements. All features and critical attributes must be complete and consistent with submitted as built plans. The as built submittal must follow the geodatabase template provided by the City for acceptance.

ARTICLE 7 **RESPONSIBILITY FOR COSTS**

7.1 Developer Improvement Costs. Developer shall pay for Developer Improvements; that is, all costs of persons doing work or furnishing skills, tools, machinery or materials, or insurance premiums or equipment or supplies and all just claims for the same; and the City shall be under no obligation to pay the contractor or any subcontractor any sum whatsoever on account thereof, whether or not the City shall have approved the contract or subcontract.

7.2 City Miscellaneous Expenses. Developer shall reimburse the City for all reasonable engineering, administrative, legal and other expenses incurred or to be incurred by the City in connection with this Agreement and Development Plan approval and acceptance and authorization of improvements.

7.3 Enforcement Costs. Developer shall pay the City for costs incurred in the enforcement of this Agreement, including engineering and reasonable attorneys' fees.

7.4 Time of Payment. Developer shall pay all bills from the City within thirty (30) days after billing. Bills not paid within thirty (30) days shall bear interest at the rate of 8% per year.

ARTICLE 8 **DEVELOPER WARRANTIES**

8.1 Statement of Developer Warranties. Developer hereby makes and states the Developer Warranties.

- a.) **Fee Title/Ownership Interest.** Developer is in the process of purchasing the Subject Property from Owner. Developer will own the Subject Property prior to execution of this Agreement or commencement of any work by Developer as required under this Agreement. Developer warrants that it is the fee title owner of the Subject Property at the time of execution of this Agreement.

ARTICLE 9

CITY WARRANTIES

9.1 Statement of City Warranties. The City hereby makes and states the City Warranties.

- a.) **Organization.** City is a municipal corporation duly incorporated and validly existing in good standing under the laws of the State of Minnesota.
- b.) **Authority.** City has the right, power, legal capacity and authority to enter into and perform its obligations under this Agreement.

ARTICLE 10

INDEMNIFICATION OF CITY

10.1 Indemnification of City. Developer shall indemnify, defend and hold the City, its Council, agents, employees, attorneys and representatives harmless against and in respect of any and all claims, demands, actions, suits, proceedings, losses, costs, expenses, obligations, liabilities, damages, recoveries, and deficiencies, including interest, penalties and attorneys' fees, that the City incurs or suffers, which arise out of, result from or relate to:

- a.) breach by Developer of Developer Warranties;
- b.) failure of Developer to timely construct Developer Improvements according to the Development Plans and the City ordinances, standards and specifications, subject to Force Majeure;
- c.) failure by Developer to observe or perform any covenant, condition, obligation or agreement on its part to be observed or performed under this Agreement, subject to Force Majeure;
- d.) failure by Developer to pay contractors, subcontractors, laborers, or materialmen;
- e.) failure by Developer to pay for materials;
- f.) approval by the City of the Development Plans;

- g.) failure to obtain the necessary permits and authorizations to construct Developer Improvements;
- h.) construction of Developer Improvements; and
- i.) delays in construction of Developer Improvements, subject to Force Majeure.

10.2 NOTICE. Within a reasonable period of time after the City's receipt of actual notice of any matter giving rise to a right of payment against the City pursuant to Section 10.1, the City shall give Formal Notice in reasonable detail to Developer. Developer shall not be obligated to make any payment to the City for any such claim until the passage of thirty (30) days from the date of its receipt of Formal Notice from the City, during which time Developer shall have the right to cure or remedy the event leading to such claim, or if not reasonably curable within thirty (30) days, such additional reasonable period of time to effect the cure.

10.3 DEFENSE OF CLAIM. With respect to claims or demands asserted against the City by a third party of the nature covered by Sections 10.1 and 10.2 above, provided that the City gives Formal Notice thereof, Developer will, at its sole expense, provide for the defense thereof with counsel of its own selection but approved by the City in its reasonable discretion; Developer will pay all costs and expenses including reasonable attorneys' fees incurred in so defending against such claims, provided that the City shall at all times also have the right to fully participate in the defense at the City's expense. If Developer fails to defend, the City shall have the right, but not the obligation, to undertake the defense of, and to compromise or settle the claim or other matter, for the account of and at the risk of Developer.

ARTICLE 11

CITY REMEDIES UPON DEVELOPER DEFAULT

11.1 City Remedies. If a Developer Default occurs, the City shall give Developer Formal Notice of the Developer Default and Developer shall have thirty (30) days to cure the Developer Default unless thirty (30) days is not practicable for Developer to cure the Developer Default, in which case Developer shall be given a reasonable time, as determined by the City, to cure the default provided Developer has commenced a suitable cure within the initial thirty (30) days. If Developer, after Formal Notice to it by the City, does not cure the Developer Default within the time provided, then the City may avail itself of any remedy afforded by law or in equity and any of the following remedies:

- a.) the City may specifically enforce this Agreement;
- b.) the City may suspend any work, improvement or obligation to be performed by the City until Developer Default is cured;
- c.) the City may collect on the escrow amount pursuant to Article 12 hereof to the extent necessary to cure Developer Default;

- d.) the City may suspend or deny building permits for buildings within the Subject Property until Developer Default is cured;
- e.) the City may, at its sole option, perform the work or improvements to be performed by Developer listed on **Exhibit C**, in which case Developer shall within thirty (30) days after written billing by the City reimburse the City for any costs and expenses incurred by the City. In the alternative, the City may in whole or in part, specially assess against the Subject Property, any of the costs and expenses incurred by the City; and Developer hereby waives any and all procedural and substantive objections to the installation and construction of the work and improvements and the special assessment resulting therefrom, including, but not limited to, notice and hearing requirement and any claim that the special assessments exceed benefit to the Subject Property. Developer hereby waives any appeal rights otherwise available pursuant to Minn. Stat. § 429.081.
- f.) City may draw on the sureties filed by the contractor.
- g.) The City may certify to the County the amount owed to be imposed upon the Subject Property and to be collected in a manner in the next calendar year under Minn. Stat. § 444, similar to certifications for unpaid utility bills.

11.2 No Additional Waiver Implied By One Waiver. In the event any agreement contained in this Agreement is breached by Developer and thereafter waived in writing by the City, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other concurrent, previous or subsequent breach hereunder. All waivers by the City must be in writing.

11.3 No Remedy Exclusive. No remedy herein conferred upon or reserved to the City shall be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under the Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the City to exercise any remedy reserved to it, it shall not be necessary to give notice, other than the Formal Notice.

11.4 Emergency. Notwithstanding the requirement contained in Section 11.1 hereof relating to Formal Notice to Developer in case of a Developer Default and notwithstanding the requirement contained in Section 11.1 hereof relating to giving Developer a thirty (30) day period to cure the Developer Default, in the event of an emergency as determined by the Director of PWD, resulting from the Developer Default, the City may perform the work or improvement to be performed by Developer without giving any notice or Formal Notice to Developer and without

giving Developer the thirty (30) day period to cure the Developer Default. In such case, Developer shall within thirty (30) days after written billing by the City reimburse the City for any and all costs incurred by the City. In the alternative, the City may, in whole or in part, specially assess the Subject Property for the costs and expenses incurred by the City; and Developer and Owner hereby waives any and all procedural and substantive objections to the installation and construction of the work and improvements and the special assessments resulting therefrom, including, but not limited to, notice and hearing requirements and any claim that the special assessments exceed benefit to the Subject Property. Developer and Owner hereby waives any appeal rights otherwise available pursuant to Minn. Stat. § 429.081.

ARTICLE 12

ENGINEERING ESCROW AND SURETY

12.1 Escrow Requirement. Prior to Developer beginning construction of Developer Improvements and prior to obtaining any permits for grading, Developer shall deposit with the City a surety in the form of cash or a letter of credit in the amount stated in **Exhibit E** as well as the required engineering escrow. Any letter of credit shall be in a form acceptable to the City and shall not expire before December 31, 2027.

ARTICLE 13

INTENTIONALLY LEFT BLANK

ARTICLE 14

MISCELLANEOUS

14.1 City's Duties. The terms of this Agreement shall not be considered an affirmative duty upon the City to complete any Developer Improvements.

14.2 No Third Party Recourse. Third parties shall have no recourse against the City under this Agreement.

14.3 Recording. The Agreement shall be recorded with the County Recorder and Developer and Owner shall provide and execute any and all documents necessary to implement the recording.

14.4 Binding Agreement. The parties mutually recognize and agree that all terms and conditions of this recordable Agreement shall run with the Subject Property, and shall be binding upon the successors and assigns of the Owner and Developer. This Agreement shall also run with and be binding upon any after acquired interest of the Owner or Developer in the Subject Property.

14.5 Contract Assignment. Neither Developer nor Owner may assign this Agreement without the written permission of the City Council, which approval will not be unreasonably withheld so long as no Developer Default then exists. Developer's and Owner's obligations hereunder shall continue in full force and effect, even if the Owner or Developer sells or otherwise conveys the Subject Property to any other person or entity.

14.6 Amendment and Waiver. The parties hereto may by mutual written agreement amend this Agreement in any respect. Any party hereto may extend the time for the performance of any of the obligations of another, waive any inaccuracies in representations by another contained in this Agreement or in any document delivered pursuant hereto which inaccuracies would otherwise constitute a breach of this Agreement, waive compliance by another with any of the covenants contained in this Agreement, waive performance of any obligations by the other or waive the fulfillment of any condition that is precedent to the performance by the party so waiving of any of its obligations under this Agreement. Any agreement on the part of any party for any such amendment, extension or waiver must be in writing. No waiver of any of the provisions of this Agreement shall be deemed, or shall constitute, a waiver of any other provisions, whether or not similar, nor shall any waiver constitute a continuing waiver.

14.7 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota.

14.8 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument.

14.9 Headings. The subject headings of the paragraphs and subparagraphs of this Agreement are included for purposes of convenience only, and shall not affect the construction of interpretation of any of its provisions.

14.10 Inconsistency. If the Development Plans are inconsistent with the words of this t Agreement or if the obligation imposed hereunder upon Developer are inconsistent, then that provision or term which imposes a greater and more demanding obligation on Developer shall prevail.

14.11 Access to City. The Owner and Developer hereby grant to the City, its agents, employees, officers, and contractors a license to enter the Subject Property to perform all work and inspections deemed appropriate by the City during the installation of the Developer Improvements.

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

IN WITNESS WHEREOF, the parties have executed this Agreement.

CITY OF INVER GROVE HEIGHTS

By: _____
Brenda Dietrich
Its: Mayor

ATTEST:

Rebecca Kiernan, City Clerk

(CITY SEAL)

STATE OF MINNESOTA)
) ss.
COUNTY OF DAKOTA)

On this _____ day of _____, 2025, before me a Notary Public within and for said County, personally appeared Brenda Dietrich and Rebecca Kiernan to me personally known, who being each by me duly sworn, each did say that they are respectively the Mayor and City Clerk of the City of Inver Grove Heights, the municipality named in the foregoing instrument, and that the seal affixed to said instrument was signed and sealed on behalf of said municipality by authority of its City Council and said City Clerk acknowledged said instrument to be the free act and deed of said municipality.

Notary Public

OWNER/DEVELOPER
AGATE TRAIL APARTMENTS LLC

AGATE TRAIL APARTMENTS LLC,
a Colorado limited liability company

By: Apartments Inver Grove Heights, LLC,
a Minnesota limited liability company
Its: Manager

By: _____
Name: Robb Lubenow
Its: President

STATE OF MINNESOTA)
)
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of June, 2025, by Robb Lubenow, as President of Apartments Inver Grove Heights, LLC, the Manager of Agate Trail Apartments LLC, a Colorado limited liability company, for and on behalf of the limited liability company.

Notary Public

This Instrument Was Drafted By
And After Recording Return To:

Bridget McCauley Nason, # 0347322
Kennedy & Graven, Chartered
150 South 5th Street, Suite 700
Minneapolis, MN 55402
(612) 337-9245

EXHIBIT A
LEGAL DESCRIPTION OF SUBJECT PROPERTY

Real Property located in the City of Inver Grove Heights, Dakota County, Minnesota, described as follows:

Lot 1, Block 13, PELTIER RESERVE

EXHIBIT B
LIST OF DEVELOPMENT PLANS

SHEET NUMBER	SHEET TITLE	SIGNED DATE	BY	APPROVAL DATE
C1.01	TITLE SHEET	4/18/2025	Joseph D. Bailey	6/02/2025
C2.01	EXISTING CONDITIONS	4/18/2025	Mark Salo	6/02/2025
C3.01	SITE PLAN	4/18/2025	Joseph D. Bailey	6/02/2025
C4.01	GRADING PLAN	4/18/2025	Joseph D. Bailey	6/02/2025
C5.01	PHASE ONE EROSION CONTROL PLAN	4/18/2025	Joseph D. Bailey	6/02/2025
C5.02	PHASE TWO EROSION CONTROL PLAN	4/18/2025	Joseph D. Bailey	6/02/2025
C5.03	EROSION CONTROL NOTES	4/18/2025	Joseph D. Bailey	6/02/2025
C5.04	EROSION CONTROL DETAILS	4/18/2025	Joseph D. Bailey	6/02/2025
C5.05	SWPPP	4/18/2025	Joseph D. Bailey	6/02/2025
C6.01	UTILITY PLAN	4/18/2025	Joseph D. Bailey	6/02/2025
C9.01	DETAILS	4/18/2025	Joseph D. Bailey	6/02/2025
C9.02	DETAILS	4/18/2025	Joseph D. Bailey	6/02/2025
L1.01	LANDSCAPE PLAN	4/18/2025	John R. Workman	6/02/2025
L1.02	SHRUB PLAN	4/18/2025	John R. Workman	6/02/2025
L1.03	LANDSCAPE NOTES & DETAILS	4/18/2025	John R. Workman	6/02/2025

The Development Plans also include modifications of the above referenced Development Plans as approved from time to time in writing by the City Engineer and/or Director of Public Works.

EXHIBIT C
DEVELOPER IMPROVEMENTS

The items checked with an "X" below are the Developer Improvements.

The items checked with "Public" below are those Developer Improvements that are Developer - Public Improvements.

CHECKED	COMPLETION DATE	IMPROVEMENT
X	Prior to obtaining a certificate of occupancy	completion of site grading, drainage, erosion control and sediment control
X	Prior to obtaining a certificate of occupancy	completion of private stormwater facilities (including dry basins, pipes, culverts, underground filtration storage system, and storm sewer)
X	Prior to obtaining a certificate of occupancy	parking lot paving and driveway paving
X	Prior to obtaining a certificate of occupancy	vegetation establishment and landscaping
X	Prior to release of surety and escrow amounts	certified as-builts
PUBLIC	Prior to obtaining a certificate of occupancy	completion of construction of public stormwater pond including final grading of pond

The City's Director of Public Works may extend the dates contained in this Exhibit C.

EXHIBIT D

MISCELLANEOUS REQUIREMENTS AND CONDITIONS IMPOSED BY THE CITY

1.) **CONDITIONS TO BE SATISFIED BEFORE DEVELOPER BEGINS CONSTRUCTION OF DEVELOPER IMPROVEMENTS ON THE SUBJECT PROPERTY OR A BUILDING PERMIT MAY BE ISSUED FOR THE SUBJECT PROPERTY.** Before Developer begins construction of Developer Improvements on the Subject Property or is issued a building permit for the Subject Property, all the following conditions must be satisfied:

- a.) Developer must be the fee owner of the Subject Property
- b.) Developer and Owner must execute this Agreement.
- c.) This Agreement must be recorded with the Dakota County Recorder's Office.
- d.) Developer must provide a surety and cash escrow in the amounts stated on **Exhibit E** of this Agreement.
- e.) Developer must fully pay the City of Inver Grove Heights for all planning, engineering review and legal fees that have been incurred up to the date of this Agreement; Developer must further escrow with the City an amount determined by the City for future planning and engineering review fees and for legal fees, as shown on **Exhibit E**.
- f.) Developer must pay the development-related fees for the Subject Property as shown on **Exhibit E**. If the fees identified as charged at the Non-NWA rate are not paid by May 1, 2026, then per the terms of Resolution No. 2024-088, as amended, those fees shall be charged at the then-current Northwest Area rates.
- g.) Developer must obtain approval from the City Engineer for the stormwater facilities on the Subject Property and must enter into a Storm Water Facilities Maintenance Agreement (SWFMA) for the private stormwater facilities located on the Subject Property. The Operations and Stormwater Management Plan for the private stormwater facilities shall be submitted to the City and approved by the City Engineer and the SWFMA shall be recorded with the Dakota County Recorder's Office.
- h.) All of the conditions precedent to issuance of a building permit for the Subject Property identified in the Peltier Reserve Development Contract must have been satisfied, including but not limited to those conditions listed in Exhibit C-4 and Exhibit E, Paragraph 8.
- i.) Developer must execute and record this Agreement and the Storm Water Facilities Maintenance Agreement for the Subject Property.

- j.) Developer shall provide written proof to the City that Builders Lot Group, LLC, and its agents and contractors have the right to enter onto the Subject Property in order to construct any required public improvements for which it is responsible to construct per the Development Contract for the Plat of Peltier Reserve.

2.) **CONDITIONS TO BE SATISFIED BEFORE ISSUANCE OF A CERTIFICATE OF OCCUPANCY.** Prior to the issuance of a certificate of occupancy for the apartment building to be constructed on the Subject Property, the following conditions must be completed for the Subject Property:

- a.) Landscaping must be completed for the Subject Property; provided, however, if the request for the certificate of occupancy is made in the months of October through May and if all other requirements for the certificate of occupancy, except landscaping, have been met, then the City shall issue a temporary certificate of occupancy and the Developer is then required to complete the landscaping no later than the following June 30th.
- b.) Final completion of the stormwater facilities on the Subject Property and those stormwater facilities located on Outlot K and Lots 1, 2, and 3, Block 12, PELTIER RESERVE are completed.
- c.) All of the other conditions precedent for issuance of a certificate of occupancy required by the Peltier Reserve Development Contract, including the requirements in Exhibit E, Paragraph 9 have been met.

3.) **CLEAN UP OF CONSTRUCTION DEBRIS ON STREETS AND ADJOINING PROPERTY.** During the construction within the Subject Property, Developer is responsible for removing any construction debris (including construction material and other waste products resulting from construction) that may be blown from the construction site into adjoining private properties or into city streets or that may fall from delivery trucks onto adjoining private properties or city streets. Further, during construction, the Developer must clear the city streets of any dirt or other earthen material that may fall onto the city streets from the delivery trucks that are being used in the excavation and grading of the site.

4.) **HOURS FOR CONSTRUCTION ACTIVITIES.** Unless otherwise authorized by the Director of Public Works, the following work and activities on the Subject Property shall only occur between the hours of 7:00 a.m. to 7:00 p.m. on Monday through Saturday:

- Construction of buildings, structures, streets, utilities, retaining walls
- Excavation and grading
- Noise that is audible outside the Subject Property boundaries from tools, machinery or equipment being used within the Subject Property boundaries

EXHIBIT E

REQUIRED FEES AND SURETY

YELLOW TREE						
DEVELOPMENT INFORMATION						
Property - Acres (Gross)				4.4	Property Gross Acreage.	
Property - Acres (Net)				4.4	Property Net Developable.	
Property - Square Feet				193,585.0	Property Gross SF.	
Units				217.0	Number of Residential Units.	
			WAC Units	217.0	TBD; WAC Units Based on SAC Units.	
			SAC Units	217.0	TBD; SAC Units Determination.	
Lots				1.0	Lots/Blocks + Outlots	
SECTION 1: PLAT CONNECTION FEES		COST	PER	FACTOR	DUE	NOTES
Water Plat Connection		1,895.00	Per Net Acre	3.5	29,183.00	Non-NWA Rate per Resolution 2024-088.
Water Trunk Line Area Benefit		5,975.00	Per Net Acre	-	26,290.00	Not Applicable.
Sanitary Sewer Plat Connection		1,895.00	Per Net Acre	3.5	29,183.00	Non-NWA Rate per Resolution 2024-088.
Sanitary Sewer Trunk Line Area Benefit		5,975.00	Per Net Acre	-	26,290.00	Not Applicable.
Stormwater Plat Connection		9,805.00	Per Net Acre	-	43,142.00	Non-NWA Rate.
NWA Stormwater Plat Connection (Base)		9,805.00	Base	1.0	-	NWA Stormwater Base Charge.
NWA Stormwater Plat Connection (Surcharge)		7,230.00	Per Net Acre	-	-	NWA Stormwater Surcharge Per Acre.
Park Dedication		4,900.00	Per Unit	-	1,063,300.00	Based on R-3C Zoning.
Subdivision GIS Data Entry Fee		-	Per Acre	-	-	
Lot Origination Fee		-	Per Lot	-	-	
Subtotal Plat Connection Fees					1,217,388.00	
[List Credits, if Applicable]					-	
Total Plat Connection Fees					1,217,388.00	
SECTION 2A: ADMINISTRATIVE & DEVELOPMENT-RELATED FEES				DUE	NOTES	
Administrative				-	3% of Public Improvements.	
Total Administrative Fees				-		
SECTION 2B: ADMINISTRATIVE & DEVELOPMENT-RELATED FEES				DUE	NOTES	
[List Development Agreement Specific Items, if Applicable]				-		
Subtotal Development-Related Fees				-		
[List Credits, if Applicable]				-		
Total Development-Related Fees				-		
SECTION 3: PROJECT ESCROWS				CASH	NOTES	
Development (Cash) Escrow - Planning						
Legal				5,000.00	City Attorney - Contract	
Planning				2,000.00	City Planning Staff	
Engineering				3,000.00	City Engineering Staff	
Consultant(s)				-	Wetland & Other Engineering - Contract	
Development (Cash) Escrow - Construction						
Engineering - On-Site Field Inspections				10,000.00	City Engineer - Contract	
Total Project Escrows				20,000.00		
SECTION 4: PROJECT IMPROVEMENTS			SURETY	SURETY	CASH	NOTES
Non-Public Improvements						
Landscaping & Irrigation			12,000.00		-	
Construction - Erosion Control			7,200.00		-	
Construction - Site Grading, Excavation & Earthwork			25,000.00		-	
Construction - Paving & Concrete			-		-	
Construction - Utilities			30,000.00		-	
Public Improvements Dedicated to the City						
Landscaping				-	-	Public Landscaping As May Be Required.
Construction - Streets				-	-	
Construction - Utility Improvements (Storm Sewer)				-	-	
Construction - Utility Improvements (Water Main)				-	-	
Construction - Utility Improvements (Sanitary Sewer)				-	-	
Total Project Improvement Costs			74,200.00	-	-	
SECTION 5: SUMMARY OF FEES, ESCROW & SURETY			SURETY	SURETY	CASH	NOTES
Cash & Escrow						
Section 1: Plat Connection Fees					1,217,388.00	Cash.
Section 2A: Administrative Fees					-	Cash.
Section 2B: Development-Related Fees					-	Cash.
Section 3: Project Escrow (Cash)					22,000.00	Cash; 110% of Cash Escrow Subtotal.
Subtotal Cash & Escrow					1,239,388.00	Total Cash Required.
Surety						
Section 4: Letter of Credit (Non-Public Improvements)			92,750.00			125% Non-Public Improvements.
Section 4: Letter of Credit (Public Improvements)				-		150% Improvements Dedicated to City.
Section 4: Cash Surety (Non-Public / Public Improvements)					-	125% Non-Public + 150% Public Improvements.
Subtotal Non-Public & Public Surety					92,750.00	Total Surety Required.
Total Cash + Surety Required					1,332,138.00	

The above-listed fees do not include the MCES SAC fees or any water, sewer, stormwater, or other fees payable at time of issuance of building permit. Said fees shall be calculated at time of building permit and must be paid prior to issuance of a building permit.

The Cash Escrow Amount shall be used to pay the City for engineering inspection, engineering consultant fees, attorney's expenses, staff review time, assurance for sediment/erosion control compliance, turf establishment, and maintenance requirements at the City's standard rates charged for such tasks. The City reserves the right to charge additional consultant fees as needed.

The City shall return to the Developer any remaining Cash Escrow Amount when all of the following have occurred:

- a.) All the Developer Public Improvements have been accepted by the City; and
- b.) A final Certificate of Occupancy has been issued for the Apartment Building
- c.) The Subject property meets the Lot Turf Establishment requirements; and
- d.) Vegetative cover has been completed to the reasonable satisfaction of the City with respect to the infiltration basins and storm water facilities located on the Subject Property
- e.) Native vegetation has been established to the reasonable satisfaction of the City; and
- f.) Certified As-Builts have been received by the City.

To the extent the engineering inspection charges, or the amount needed to correct the deficiencies and problems relating to grading, drainage, erosion control, vegetative cover, turf establishment or native vegetation establishment exceed the amount on deposit, the Developer is responsible for payment of such overages within thirty (30) days after billing by the City. The City is not required to pay any interest on the Cash Escrow Amount.

STORMWATER FACILITIES MAINTENANCE AGREEMENT
RELATING TO LOT 1, BLOCK 13, PELTIER RESERVE
DAKOTA COUNTY, MINNESOTA

THIS STORM WATER FACILITIES MAINTENANCE AGREEMENT (Agreement) is made, entered into and effective this ____ day of _____, 2025, by and between the City of Inver Grove Heights, a Minnesota municipal corporation (hereafter referred to as “City”) and Agate Trail Apartments LLC, a Colorado limited liability company (hereafter referred to as “Landowner” and “Responsible Owner”).

Subject to the terms and conditions hereafter stated and based on the representations, warranties, covenants, agreements and recitals of the parties herein contained, the parties do hereby agree as follows:

ARTICLE 1
DEFINITIONS

1.1 Terms. The following terms, unless elsewhere specifically defined herein, shall have the following meanings as set forth below.

1.2 City. “City” means the City of Inver Grove Heights, a Minnesota municipal corporation.

1.3 Landowner. “Landowner” means Agate Trail Apartments LLC a Minnesota limited liability company, and its successors and assigns.

1.4 Responsible Owner. “Responsible Owner” means the fee title owner of Lot 1, Block 13, Peltier Reserve, and the successors and assigns of such fee title owner.

1.5 Storm Water Facilities. “Storm Water Facilities” means each and all of the following, individually and collectively, located now or in the future on the Subject Property:

Any existing, proposed, or future ponds, pipes, storm sewer, catch basins, trench drains, associated vegetation, inlets, culverts, drain tile, swales, emergency overflows and berms, and all other related storm water appurtenances lying within the Subject Property, as shown on the Storm Water Facility Plan, except for the stormwater pond and related public stormwater facilities located on the north side of the Lot in the existing City drainage and utility easement.

1.6 Storm Water Facility Plan. “Storm Water Facility Plan” means sheets C5.04, C5.05, C6.01, C9.01, and C9.02 prepared by Sambatek, dated 4/18/2025 and signed by Joseph D. Bailey, which plans were approved by the City Engineer on June 2, 2025. The Storm Water Facility Plan is on file with the City.

1.7 Subject Property. “Subject Property” means that certain real property located in the City of Inver Grove Heights, Dakota County, Minnesota legally described on **Exhibit A**.

1.8 Stormwater Management Plan. Means the 4th Generation Stormwater Management Plan and current Inver Grove Heights City Code Title 9, Chapter 5 Storm Water Management design, water quality, rate control, and volume and control standards. The Low Impact Design (LID) standards for construction and maintenance Best Management Practices shall be in accordance with the current Dakota County LID standards and the Inver Grove Heights Northwest Area (NWA) Storm Water Manual prepared by Emmons & Olivier Resources dated July 2006, and as adopted by the City of Inver Grove Heights and codified in Section 10-13J-5 (H) of the Inver Grove Heights City Code, as amended from time to time by amendment of general applicability.

ARTICLE 2 **RECITALS**

Recital No. 1. Landowner owns the Subject Property and is currently the Responsible Owner.

Recital No. 2. Landowner has requested that the City approve the Storm Water Facility Plan in connection with the development of the Subject Property in conformity to plans approved by the City.

Recital No. 3. The Landowner will construct the Storm Water Facilities on the Subject Property.

Recital No. 4. The City is willing to approve the Storm Water Facility Plan if, among other things, Landowner executes this Storm Water Facilities Maintenance Agreement.

Recital No. 5. By this Agreement the parties seek to:

- a.) Impose upon the Responsible Owner the responsibility of maintaining the Storm Water Facilities, notwithstanding the fact that the Storm Water Facilities may exist within easements dedicated or granted to the City and the public; and

- b.) Provide a mechanism where the City may charge-back to the Responsible Owner any maintenance work that the City performs with respect to the Storm Water Facilities in the event the Responsible Owner fails to perform its obligations to maintain the Storm Water Facilities; and
- c.) Provide the City with right of access over the Subject Property to access the Stormwater Facilities, when needed.

ARTICLE 3

RESPONSIBILITY FOR MAINTENANCE

3.1 Construction of Storm Water Facilities. Prior to issuance of a certificate of occupancy for any structure on the Subject Property, Landowner shall construct and install the Storm Water Facilities on the Subject Property in accordance with the Storm Water Facility Plan at its sole expense at a location and in a configuration as shown in the Stormwater Facilities Plan.

3.2 Maintenance of Storm Water Facilities. The Responsible Owner is obligated at its expense to perpetually maintain the Storm Water Facilities in accordance with the Stormwater Facilities Plan and in accordance with the Standard of Maintenance set forth in Section 3.3 hereof. The Responsible Owner shall not modify, alter, remove, eliminate or obstruct the Storm Water Facilities for as long as the Storm Water Facilities exist. The Responsible Owner shall also ensure that the Storm Water Facilities always remain in compliance with the Storm Water Facility Plan. The responsibility of the Responsible Owner for maintaining the Storm Water Facilities on the Subject Property exists even though the event or omission which caused the need for maintenance of the Storm Water Facilities may arise on property outside of the Subject Property.

3.3 Standard of Maintenance. The Responsible Owner must meet the Standard of Maintenance set forth in this Section 3.3.

The Standard of Maintenance shall comply with all of the following:

- a. The Standard of Maintenance shall comply with the standards contained in Title 9, Chapter 5 of the Inver Grove Heights City Code (as amended from time to time, by amendment of general applicability); and
- b. The Standard of Maintenance shall comply with the stormwater maintenance standards and bio-retention standards and requirements as set forth in the Stormwater Management Plan; and
- c. The Standard of Maintenance shall comply with the Dakota County Soil and Water Conservation District Low Impact Standards, current version; and
- d. The Standard of Maintenance shall comply with the City approved Operations & Maintenance Plan, attached here to as **Exhibit C**; and

- e. The Standard of Maintenance shall comply with the 2023 Watershed Management Plan for the Lower Mississippi Watershed Management Organization (LMRWMO) dated February 2023; and
- f. The Standard of Maintenance shall include but not be limited to each of the following:
 - i.) The Responsible Owner shall monitor the Storm Water Facilities and shall as soon as possible correct any malfunction or deficiency in the operation of such structure so as to ensure that the structure operates in conformance with the design parameters.
 - ii.) The Responsible Owner must comply with the Stormwater Management Plan, which outlines the requirements for the operations and maintenance of Long-Term Best Management Practices (BMP's) for storm water facilities. The Landowner has prepared and City has approved an Operations & Maintenance Plans to show how the Responsible Owner shall operate and maintain Long-Term Best Management Practices for the Storm Water Facilities being constructed on the Subject Property. The Responsible Owner and the successors and assigns thereof shall be responsible for following the Operations & Maintenance Plan. The Operations & Maintenance Plan shall be on file with the City's Director of Public Works.
- g. Within thirty (30) days of completion of construction of the Storm Water Facilities, the Responsible Owner shall provide the City with the following:
 - i.) Contact information for the Responsible Owner;
 - ii.) As built plans of the Storm Water Facilities;
 - iii.) The requirement for an annual report to the City to demonstrate that post construction maintenance is being accomplished per the Operations & Maintenance Plan;
 - iv.) The GPS coordinates for the Storm Water Facilities shall be provided to the City after construction is completed. Storm Water Facilities smaller than 200 square feet can be located with one GPS coordinate. Storm Water Facilities larger than 200 square feet shall have outlet coordinates and the corners of the Storm Water Facilities located by GPS. The GPS readings shall be provided to the City before the Storm Water Facilities are covered.

If the Storm Water Facility Plan is inconsistent with the Standard of Maintenance or if components within the Standard of Maintenance are inconsistent with other components within the Standard of Maintenance, then that provision, term or component which imposes a greater and more demanding obligation shall prevail.

By December 31 of each year, the Responsible Owner shall submit to the City an annual report that identifies all of the tests, inspections, corrective measures and other activities conducted by the Responsible Owner for the preceding year under the Operations & Maintenance Plan. The annual report shall also identify any conditions of non-compliance with the Standard of Maintenance during the preceding year and the annual report shall address how the conditions of non-compliance were cured. The annual report shall also include the information shown on the form attached hereto as **Exhibit B**.

3.4 Notice of Non-Compliance with Section 3.2 and 3.3; Cure Period. If the City's Director of Public Works ("DPW") determines, at their reasonable discretion, that the Responsible Owner has not complied with the Standard of Maintenance, the DPW shall provide written notice to the Responsible Owner of such failure to comply with the Standard of Maintenance. This notice shall specify that the Responsible Owner will have thirty (30) days to comply with the Standard of Maintenance, unless thirty (30) days is not practicable for the Responsible Owner to cure the default, in which case the Responsible Owner shall be given a reasonable time, as reasonably determined by the DPW, to cure the default provided the Responsible Owner has commenced a suitable cure within the initial thirty (30) days. Notwithstanding the requirement contained in this Section relating to written notice and opportunity of the Responsible Owner to comply with the Standard of Maintenance, in the event of an emergency as reasonably determined by the DPW, the City may perform the work to be performed by the Responsible Owner without giving any notice to the Responsible Owner and without giving the Responsible Owner thirty (30) days to comply with the Standard of Maintenance. If the City performs emergency service work, the Responsible Owner shall be obligated to repay the City the costs incurred to perform the emergency service work, and the City shall follow those procedures set forth in Sections 3.5 and 3.6 with respect to the billing, collection and/or tax certification of such costs.

3.5 Payment of Costs Incurred by City. If the Responsible Owner fails to comply with the Standard of Maintenance within the cure period provided for in Section 3.4, or in the case of an emergency situation as reasonably determined by the DPW, the City may perform those tasks necessary for compliance and the City and its employees, agents, and contractors shall have the right of access to the areas where the Storm Water Facilities are located to perform such work. The City shall charge all costs incurred by the City or its contractors to perform the tasks necessary for compliance to the Responsible Owner.

The amount of costs charged by the City to the Responsible Owner shall be the usual and customary amounts charged by or to the City given the task, work, or improvement performed by the City or its contractors to ensure compliance with the Standard of Maintenance. The Responsible Owner shall make payment directly to the City within thirty (30) days after invoicing ("Due Date") by the City. Bills not paid by the Due Date shall incur the standard penalty and interest established by the City for utility billings within the City.

3.6 Certification of Costs Payable with Taxes; Special Assessments. If payment is not made under Section 3.5 by the Responsible Owner with respect to the Subject Property, the City may certify to Dakota County the amounts due as payable with the real estate taxes for the Subject Property in the next calendar year; such certifications may be made under Minnesota Statutes, Chapter 444 in a manner similar to certifications for unpaid utility bills. The Responsible

Owner waives any and all procedural and substantive objections to the imposition of such usual and customary charges on the Subject Property.

Further, as an alternate means of collection, if the written billing is not paid by the Responsible Owner, the City, without notice and without hearing, may specially assess the Subject Property for the costs and expenses incurred by the City. The Responsible Owner hereby waives any and all procedural and substantive objections to special assessments for the maintenance or repair costs including, but not limited to, notice and hearing requirements and any claims that the charges or special assessments exceed the benefit to the Subject Property. The Responsible Owner waives any appeal rights otherwise available pursuant to Minnesota Statute § 429.081. The Responsible Owner acknowledges that the benefit from the performance of maintenance or repair tasks by the City to ensure compliance with the Standard of Maintenance equals or exceeds the amount of the charges and assessments for the maintenance costs that are being imposed hereunder upon the Subject Property.

3.7 Obligation for Maintenance Notwithstanding Public Easement. The Responsible Owner agrees that its obligations relating to maintenance of the Storm Water Facilities exist notwithstanding the fact that the Storm Water Facilities may be located in whole or in part within public easements. The Landowner hereby grants to the City and its employees, agents, and contractors a right and license to access and enter the Landowner Property to the extent necessary for performing any inspection, repair or maintenance of the Storm Water Facilities to be performed by City for the duration of the performance of the inspection, repair, or maintenance.

3.8 Indemnification of City. Responsible Owner shall indemnify, defend and hold the City, its council, agents, employees, attorneys and representatives harmless against and in respect of any and all claims, demands, actions, suits, proceedings, losses, costs, expenses, obligations, liabilities, damages, recoveries, and deficiencies, including interest, penalties and attorneys' fees, that the City incurs or suffers, which arise out of, result from or relate to:

- a.) failure by the Responsible Owner to observe or perform any covenant, conditions, obligation or agreement on their part to be observed or performed under this Agreement;
- b.) failure by the Responsible Owner to pay contractors, subcontractors, laborers, or materialmen;
- c.) failure by the Responsible Owner to pay for any materials that may be used by the Responsible Owner to maintain the Storm Water Facilities; and
- d.) construction of the Storm Water Facilities.

3.9 No Remedy Exclusive. No remedy herein conferred upon or reserved to the City shall be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under the Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to

be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the City to exercise any remedy reserved to it, it shall not be necessary to give notice, other than the notice, if any, required by this Agreement.

ARTICLE 4 **RESERVED**

ARTICLE 5 **MISCELLANEOUS**

5.1 Binding Agreement. The parties mutually recognize and agree that all terms and conditions of this recordable Agreement shall run with the Subject Property and shall be binding upon the parties and the successors and assigns of the parties. This Agreement shall also be binding on and apply to any title, right and interest of the Landowner in the Subject Property acquired by Landowner after the execution date of this Agreement or after the recording date of this Agreement. Notwithstanding the foregoing, in the event of any transfer or transfers of Landowner's interest in the Subject Property, the transferor shall be automatically relieved of any and all obligations on the part of Landowner under this Agreement accruing from and after the date of such transfer, and the transferee shall be deemed to have assumed all of such obligations.

5.2 Amendment and Waiver. The parties hereto may by mutual written agreement amend this Agreement in any respect. Any party hereto may extend the time for the performance of any of the obligations of another, waive any inaccuracies in representations by another contained in this Agreement or in any document delivered pursuant hereto which inaccuracies would otherwise constitute a breach of this Agreement, waive compliance by another with any of the covenants contained in this Agreement, waive performance of any obligations by the other or waive the fulfillment of any condition that is precedent to the performance by the party so waiving of any of its obligations under this Agreement. Any agreement on the part of any party for any such amendment, extension or waiver must be in writing. No waiver of any of the provisions of this Agreement shall be deemed, or shall constitute, a waiver of any other provisions, whether or not similar, nor shall any waiver constitute a continuing waiver.

5.3 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota.

5.4 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument.

5.5 Consent. Landowner and Responsible Owner consents to the recording of this Agreement.

5.6 Notice. Notice shall mean notices given by one party to the other if in writing and if and when delivered or tendered either in person or by depositing it in the United States mail in a sealed envelope, by certified mail, return receipt requested, with postage and postal charges prepaid, addressed as follows:

IF TO CITY:

City of City of Inver Grove Heights
Attention: City Administrator
8150 Barbara Avenue
Inver Grove Heights, MN 55077

IF TO LANDOWNER OR
RESPONSIBLE OWNER:

Agate Trail Apartments LLC
1834 E 38th Street
Minneapolis, MN 55407

or to such other address as the party addressed shall have previously designated by notice given in accordance with this Section. Notices shall be deemed to have been duly given on the date of service if served personally on the party to whom notice is to be given, or on the third day after mailing if mailed as provided above, provided, that a notice not given as above shall, if it is in writing, be deemed given if and when actually received by a party.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF Landowner and the City have entered into this Agreement on the day and year first stated above.

CITY OF INVER GROVE HEIGHTS

By: _____
Brenda Dietrich
Its: Mayor

ATTEST:

Rebecca Kiernan, City Clerk

(CITY SEAL)

STATE OF MINNESOTA)
) ss.
COUNTY OF DAKOTA)

On this ____ day of _____, 2025, before me a Notary Public within and for said County, personally appeared Brenda Dietrich and Rebecca Kiernan to me personally known, who being each by me duly sworn, each did say that they are respectively the Mayor and City Clerk of the City of Inver Grove Heights, the municipality named in the foregoing instrument, and that the seal affixed to said instrument was signed and sealed on behalf of said municipality by authority of its City Council and said Mayor and City Clerk acknowledged said instrument to be the free act and deed of said municipality.

Notary Public

LANDOWNER AND RESPONSIBLE OWNER
AGATE TRAIL APARTMENTS LLC
a Colorado limited liability company

By: Apartments Inver Grove Heights, LLC,
a Minnesota limited liability company
Its: Manager

By: _____
Name: Robb Lubenow
Its: President

STATE OF MINNESOTA)
)
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of June, 2025, by Robb Lubenow, as President of Apartments Inver Grove Heights, LLC, the Manager of Agate Trail Apartments LLC, a Colorado limited liability company, for and on behalf of the limited liability company.

Notary Public

This instrument was drafted by and after
recording return to:

Bridget McCauley Nason, # 0347322
Kennedy & Graven, Chartered
150 South 5th Street, Suite 700
Minneapolis, MN 55402

(612) 337-9245

EXHIBIT A
LEGAL DESCRIPTION OF SUBJECT PROPERTY

Real Property located in the City of Inver Grove Heights, Dakota County, Minnesota, described as follows:

Lot 1, Block 13, PELTIER RESERVE, Dakota County, Minnesota.

EXHIBIT B

ANNUAL INSPECTION FORM

CITY OF INVER GROVE HEIGHTS NPDES INSPECTION PROGRAM					
INLET / OUTLET					
STRUCTURE ID		INSPECTION DATE		INSPECTOR(S)	
LOCATION					
EASEMENT					
ACCESSIBLE	Y	N			
STRUCTURES IN ESMT.	Y	N	DESCRIPTION		
TREES IN ESMT.	Y	N	LARGEST DIAMETER (INCHES)		
STRUCTURE	FES	PIPE	CB	OTHER	
ATTRIBUTES	TRASH GUARD	WEIR	SURGE BASIN	OTHER	NONE
CONDITION*	OK	MINOR MAINTENANCE	MAJOR MAINTENANCE	INACCESSIBLE	
END SECTION EROSION	Y	N			
FLOW CONDITION	FLOW PRESENT	NO FLOW	SUBMERGED		
COMMENTS					
VEGETATION/DEBRIS	WEEDS, ETC.	BRUSH, TREES, ETC.	GARBAGE/DEBRIS	NONE	
RESTRICTING FLOW	Y	N			
COMMENTS					
SEDIMENT					
CONDITION**	NONE	MINOR MAINTENANCE	MAJOR MAINTENANCE		
COMMENTS					
RIP RAP					
PRESENT	Y	N			
CONDITION***	OK	MINOR MAINTENANCE	MAJOR MAINTENANCE		
COMMENTS					
ILLCIT DISCHARGE	Y	N			
COMMENTS					
MAINTENANCE PERFORMED:					
SIGNED:			DATE:		

* Minor Maintenance: i.e. regROUT joint, repair trash guard; Major Maintenance: structure separating(ed) from pipe

** Minor Maintenance: repair can be done by City crews, Major Maintenance: heavy equip. is needed

*** Minor Maintenance: repair can be done by City crews, Major Maintenance: heavy equip. is needed

EXHIBIT C
OPERATIONS & MAINTENANCE PLAN

MAINTENANCE PLAN

Maintenance of the storm water facilities shall be performed as outlined in Table 1.1 below to ensure a healthy and functioning storm water facility conforming to the intend of the original design parameters. Maintenance shall be completed annually by September 10th. An annual inspection report shall be submitted to the City Engineering Division by December 31st of each year to demonstrate that post-construction maintenance is being accomplished per this Operations and Maintenance plan.

TABLE 1.1 — MAINTENANCE ACTIVITIES

Maintenance Activity	Frequency	Procedure	Maintenance Done By
1. Sediment, trash and debris removal from inlet, outlets, pipes, and structures.	Annually in spring and fall as needed.	Remove trash and/or debris. Pruning and weeding, mow filter strip	Property owner unless designated
2. Sediment, trash and debris removal from bio-filtration basin and swale	Annually in spring and fall as needed.	Remove sediment and restore bio-filtration basin and swale to capacity	Property owner unless designated
3. Erosion repair and vegetation replacement.	Annually in spring and fall as needed.	Repair eroded areas and re-seed, re-sod, re-plant and mulch as necessary and remove dry, dead or severely diseased vegetation	Property owner unless designated
4. Mulch replacement	Every 2 to 3 years or as needed to maintain 3" to 4" depth	If applicable, add shredded hardwood mulch	Property owner
5. Watering	As needed	Provide 1 inch of water when plants show signs of stress	Property owner
6. Vegetation replacement and weeding	Annually in spring and fall	Replace dead vegetation and remove evasive or unwanted plants	Property owner
7. Clean/fix structural components	As needed per inspection	Dependent on the type of damage; repair components per manufacturer's recommendations	Property owner unless designated

8. Replacement of the bio-retention device.	Bio-retention device failure.	The owner shall notify the City and make repairs within 60 days, unless otherwise approved by the City Engineer.	Property owner unless designated
---	-------------------------------	--	----------------------------------



Request for Council Action

SUBJECT: **Approval of Resolution Regarding Inver Wood Golf Course Addition Plat Fees**

MEETING DATE: June 9, 2025

ITEM TYPE: Consent Agenda

CONTACT: Jason Ziemer, Community Development Director, 651-450-2546

ACTION REQUESTED

The Council is asked to adopt the attached Resolution, waiving plat connection and building permit connection fees for Lot 1, Block 1 of the Inver Wood Golf Course Addition and deferring the calculation and collection of these fees for Outlot A, Inver Wood Golf Course Addition until the replat of Outlot A into a buildable lot.

BACKGROUND

On May 27, 2025, the City Council approved the replat of the Inver Wood Golf Course property, called "Inver Wood Golf Course Addition" ("Plat"). The approved Plat combined all of the previously existing and individual golf course parcels into one new lot totaling 243,885 acres, legally described as Lot 1, Block 1, and created one new lot, an outlot totaling 4.25 acres, legally described as Outlot A. The City will retain the golf course land and continue the operations as Inver Wood Golf Course. The Outlot is to be sold and conveyed to the Inver Grove Heights Economic Development Authority; it is anticipated the EDA will sell the outlot at some future date for development. At that time, the outlot will be required to be replated before any development can occur on the outlot.

City Code requires an applicant to pay applicable plat connection fees at the time of plat approval and corresponding building permit connection fees at the time of building permit. With the City retaining ownership of the golf course, and with the approved plat combining, not creating lots, and because the golf course area remains relatively unchanged in size, City staff are recommending the City Council waive those plating fees. As for the outlot, City Code Section 3-4-2-2, Para. F., allows for the deferral of the calculation and collection of fees owned to when the outlot is replatted into a buildable lot for development. Thus, City staff are also recommending the City Council defer the payment of the same plat and building permit collection fees for Outlot A until such times as it is related for development. The Council is asked to adopt the attached Resolution which provides that all plat connection and park dedication fees for the outlot will be calculated and paid at the time of future platting into a buildable lot, and further provides that plat connection and park dedication fees are not required for the retained golf course lot.

FISCAL IMPACT

N/A

RECOMMENDATION

City staff recommend adoption of the attached Resolution.

ATTACHMENTS

1. Resolution No__-Plat Connection Fees Golf Course Plat_06-09-2025

**CITY OF INVER GROVE HEIGHTS
DAKOTA COUNTY, MINNESOTA**

RESOLUTION NO. _____

RESOLUTION REGARDING INVER WOOD GOLF COURSE ADDITION PLAT FEES

WHEREAS, the City of Inver Grove Heights ("City") owns certain real property which is being replatted as Inver Wood Golf Course Addition ("Plat"); and,

WHEREAS, the Plat consists of one lot, not currently served by municipal water and sanitary sewer; and one outlot, currently served by municipal water but not by sanitary sewer; and,

WHEREAS, the City will continue to own the property platted as Lot 1, Block 1 of said Plat, and continue to operate the property in the same manner as it is currently operated, namely as a municipal golf course; and,

WHEREAS, Outlot A of said Plat will be sold to the City of Inver Grove Heights Economic Development Authority, and it is expected that Outlot A will eventually be sold to a third party that will be required to re-plat the property into a buildable lot, at which time plat connection fees shall be paid for the replatted Outlot A, as well as building permit connection fees.

NOW THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF INVER GROVE HEIGHTS, MINNESOTA, the plat connection fees and building permit connection fees for water, sanitary sewer and stormwater; park dedication fees; and other plat and subdivision fees related to Lot 1, Block 1, Inver Wood Golf Course Addition are hereby waived, and all of the same aforementioned fees for Outlot A, Inver Wood Golf Course Addition shall be calculated and paid at the time Outlot A is replatted into one or more buildable lots.

Approved by the City Council of the City of Inver Grove Heights, Minnesota this 9th day of June, 2025.

Brenda Dietrich, Mayor

ATTEST:

Rebecca Kiernan, City Clerk



Request for Council Action

SUBJECT: **Resolution Amending Purchase Agreement for Sale of Excess Golf Course Property to the EDA**

MEETING DATE: June 9, 2025

ITEM TYPE: Consent Agenda

CONTACT: Jason Ziemer, Community Development Director, 651-450-2546

ACTION REQUESTED

The Council is asked to adopt the attached Resolution, approving an amended and restated purchase agreement for the Inver Wood Golf Course Excess Property and authorizing the sale of excess real property to the Economic Development Authority.

BACKGROUND

In 2012, the City Council authorized the sale of two parcels identified as “excess golf course land” to the EDA for the purpose of development. One was a 4.93-acre parcel on the south side of 70th Street, west of the golf course’s clubhouse. The second was 4.25-acre parcel on the north side of 70th St., west of Babcock Trail. According to records at the time, the EDA was to acquire the land for \$1,352,000, utilizing some cash on hand and a \$1 million loan from the City’s Host Community Fund. While the sale was approved in 2012 and the money changes hands (allowing the City to pay off some debt on the golf course), the land transaction was never fully completed, resulting in the parcels remaining legally owned by the City.

On May 27, 2025, the City Council approved a preliminary and final plat for Inver Wood Golf Course, which platted the 4.93 acre parcel on the south side of 70th back into the golf course lot and created the 4.25-acre parcel on the north side of 70th as Outlot A, with the intention of proceeding with the sale of that portion of the deal originally envisioned back in 2012.

With the 4.93-acre parcel having been re-combined into golf course land, the Amended and Restated Purchase Agreement, as attached, only covers the 4.25-acre parcel. If approved, this transaction will formally sell the land and convey ownership of the 4.25-acre parcel from the City to the EDA. At this time, City staff are recommending no change to the financial side of the transaction. The EDA will continue to have an outstanding loan from the Host Community Fund in the amount of \$1 million, which can be paid off or adjusted when the EDA sells Outlot A.

FISCAL IMPACT

None. There is no change in the purchase price as initially established in 2012.

RECOMMENDATION

City staff recommend adoption of the attached Resolution, authorizing the sale of Outlot A to the Economic Development Authority.

ATTACHMENTS

1. Resolution No__-Sale of Excess Golf Course Property_06-09-2025
2. Amendment No. 1 to Golf Course Note_06-09-2025
3. Purchase_Agreement_Excess Golf Course Land_06-09-2025

**CITY OF INVER GROVE HEIGHTS
DAKOTA COUNTY, MINNESOTA
RESOLUTION NO. _____**

**A RESOLUTION AUTHORIZING THE SALE OF EXCESS GOLF COURSE
PROPERTY TO THE INVER GROVE HEIGHTS ECONOMIC DEVELOPMENT
AUTHORITY**

WHEREAS, the City of Inver Grove Height (“City”) owns vacant land in the City of Inver Grove Heights, which is in the process of being platted, and which is legally described in Exhibit A (“Real Property”); and,

WHEREAS, in 2012, the City approved the sale of the Real Property, along with additional property owned by the City, to the City of Inver Grove Heights Economic Development Authority (“EDA”), but that transaction was never completed and title to the Real Property was never conveyed to the EDA; and,

WHEREAS, the City desires to complete the sale of the Real Property to the EDA, pursuant to the terms and conditions of the Amended and Restated Purchase Agreement for Inver Wood Golf Course Excess Property; and,

WHEREAS, the City Council determines that the Real Property is no longer needed for public purpose; and,

WHEREAS, pursuant to Minnesota Statute § 462.356, Subd. 2, the City Council, by at least a two-thirds vote, determines and finds that the conveyance of the Real Property to the EDA has no relationship to or effect upon the City’s comprehensive municipal plan, and therefore the Council dispenses with the requirement that the sale be reviewed by the Inver Grove Heights Planning Commission for consistency with the comprehensive municipal plan.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF INVER GROVE HEIGHTS, MINNESOTA, the Amended and Restated Purchase Agreement for the Inver Wood Golf Course Excess Property between the City of Inver Grove Heights and City of Inver Grove Heights Economic Development Authority is hereby approved, and the Mayor and City Clerk are authorized to execute the same.

BE IT FURTHER RESOLVED, the City Council authorizes the following:

1. The conveyance of the Real Property from the City of Inver Grove Heights to the EDA pursuant to the terms of the Amended Purchase Agreement.
2. The Mayor and City Clerk to execute a deed conveying the Real Property to the EDA and all other documents necessary to convey the Real Property to the EDA, and the City Attorney and City staff are authorized to take such steps as may be necessary to effectuate this transaction.

3. The approval of Amendment Number 1 to the City of Inver Grove Heights Economic Development Authority Taxable Revenue Note (Golf Course Property), Series 2012 to reflect that the note has been issued pursuant to the Purchase Agreement, as amended.

Approved by the City Council of the City of Inver Grove Heights, Minnesota this 9th day of June, 2025.

Brenda Dietrich, Mayor

ATTEST:

Rebecca Kiernan, City Clerk

EXHIBIT A

LEGAL DESCRIPTION OF REAL PROPERTY

Outlot A of the Inverwood Golf Course Addition

**FIRST AMENDMENT TO
CITY OF INVER GROVE HEIGHTS ECONOMIC DEVELOPMENT AUTHORITY
TAXABLE REVENUE NOTE (GOLF COURSE PROPERTY), SERIES 2012**

WHEREAS, the City of Inver Grove Heights (“City”) and the City of Inver Grove Heights Economic Development Authority (“EDA”), hereafter referred to collectively as “Parties,” executed that City of Inver Grove Heights Economic Development Authority Taxable Revenue Note (“Golf Course Property”) Series 2012 (“Note”) on February 13, 2012, in connection with the Purchase Agreement between the Parties for the purchase of certain excess golf course property by the EDA; and,

WHEREAS, the Parties have approved an Amended and Restated Purchase Agreement for Inverwood Golf Course Excess Property, and wish to amend the Note to provide that the Note is issued pursuant to that Amended and Restated Purchase Agreement for Inver wood Golf Course Excess Property.

NOW THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. The Note is hereby amended to reflect that it is issued pursuant to that Amended and Restated Purchase Agreement for Inverwood Golf Course Excess Property approved by the parties on June 9, 2025.
2. All other terms and conditions of the Note shall remain the same.

IN WITNESS WHEREOF, the City of Inver Grove Heights and the City of Inver Grove Heights Economic Development Authority hereby approve this First Amendment to the City of Inver Grove Heights Economic Development Authority Taxable Revenue Note (Golf Course Property), Series 2012.

CITY OF INVER GROVE HEIGHTS

Brenda Dietrich, Mayor

Rebecca Kiernan, City Clerk

**CITY OF INVER GROVE HEIGHTS
ECONOMIC DEVELOPMENT
AUTHORITY**

Sue Gliva, President

Jason Ziemer, Executive Director

**AMENDED AND RESTATED PURCHASE AGREEMENT
FOR
INVER WOOD GOLF COURSE EXCESS PROPERTY**

SELLER:

City of Inver Grove Heights
8150 Barbara Avenue
Inver Grove Heights, MN 55077

BUYER:

City of Inver Grove Heights
Economic Development Authority
8150 Barbara Avenue
Inver Grove Heights, MN 55077

AMENDED AND RESTATED PURCHASE AGREEMENT

THIS AMENDED AND RESTATED PURCHASE AGREEMENT (“Agreement”) is made this 9th day of June, 2025 by and between Seller and Buyer as hereafter defined.

WHEREAS, Seller and Buyer entered into a Purchase Agreement dated February 13, 2012 (“2012 Agreement”), whereby Seller agreed to sell two parcels of real property to Buyer in exchange for \$1,352,000; and,

WHEREAS, at that time, Seller received \$352,000 in cash and an inter-fund transfer of \$1,000,000, which interfund loan was secured by a taxable revenue note in the amount of \$1,000,000 in favor of the City, but the real property was not transferred to Buyer; and,

WHEREAS, Seller wishes to convey one of the parcels of the real property to Buyer and retain the other parcel; and,

WHEREAS, Buyer is willing to agree to this conveyance, and Buyer and Seller agree that based on the value of the parcel to be conveyed, a purchase price of \$1,352,000 for the developable parcel to be conveyed to the EDA remains a fair price for the parcel; and,

WHEREAS, Seller and Buyer wish to amend the 2012 Agreement to reflect this new arrangement; and,

WHEREAS, subject to the performance by the Buyer of the provisions and conditions hereinafter set forth, Seller in consideration of the Purchase Price to be paid as hereinafter provided agrees to sell and convey to Buyer and Buyer agrees to purchase the Real Property. Subject to the covenants, warranties, representations and mutual consideration herein contained, the parties hereby agree as follows:

Section 1. DEFINITIONS.

1.1 TERMS. The following terms, unless elsewhere defined specifically in this Agreement, shall have the following meanings as set forth below.

1.2 BUYER. Buyer shall mean the City of Inver Grove Heights Economic Development Authority, an economic development authority established under Minnesota Statutes Sections 469.090 to 469.1081.

1.3 SELLER. Seller shall mean the City of Inver Grove Heights, a Minnesota municipal corporation.

1.4 CLOSING DATE. Closing Date shall mean a date on or before July 15, 2025.

1.5 CLOSING DOCUMENTS. Closing Documents shall mean and comprise the following to be provided by Seller:

- a.) A quit claim deed for the Real Property to be signed by Seller.
- b.) An affidavit by Seller of no judgments, no tax liens and no unrecorded interests, which shall include a statement that there has been no labor or materials furnished for which mechanic's liens can be filed.
- c.) Satisfaction of any liens and mortgages on the Real Property.
- d.) All other documents affecting title to and possession of the Real Property and necessary to transfer or assign the same to Buyer.

1.6 CLOSING LOCATION. Closing Location shall mean the offices of the City of Inver Grove Heights at 8150 Barbara Avenue, Inver Grove Heights, Minnesota 55077, or at such other location as the parties may agree in writing.

1.7 CONDITIONS PRECEDENT TO CLOSING BY SELLER. Conditions Precedent To Closing by Seller shall mean the following:

- a.) **ACCURACY OF REPRESENTATIONS.** The representations, warranties, covenants and agreements of Buyer contained in this Agreement or in any written statement, memorandum, or exhibit that shall be delivered pursuant to this Agreement shall be true in all respects at and as of the Closing Date as though such representations, warranties, covenants and agreements were made at and of the Closing Date.
- b.) **PERFORMANCE.** The Buyer shall have performed and complied with all agreements and conditions required by this Agreement to be performed or complied with by Buyer prior to or at the Closing Date.
- c.) **ABSENCE OF LITIGATION.** No action or proceeding by or before any court or other governmental body shall have been instituted or threatened pertaining to any transaction contemplated by this Agreement or its consummation or the transfer or sale of the Real Property.
- d.) **APPROVAL OF DOCUMENTS.** Other than documents the form of which are specified in exhibits hereto, the form and substance of all certificates, instruments, opinions and other documents delivered by one party to another under this Agreement shall be satisfactory in all reasonable respect to the party to receive the document and its counsel.
- e.) **LAND USE APPROVALS.** The Real Property is part of a larger parcel of land. Seller is platting the larger parcel along with a number of other parcels so that it may separate the Real Property from the larger parcel. Approval of the preliminary and final plat by the City Council for the parcels is required prior to Closing. In addition, the Real Property must be reguidd to MU, Mixed Use and Rezoned to

R-3C, multiple family. Approval of the rezoning by the City Council is also required prior to Closing.

1.8 CONDITIONS PRECEDENT TO CLOSING BY BUYER. Conditions Precedent To Closing by Buyer shall mean the following:

- a.) **ACCURACY OF REPRESENTATIONS.** The representations, warranties, covenants and agreements of Seller contained in this Agreement or in any written statement memorandum or exhibit that shall be delivered pursuant to this Agreement shall be true in all respects at and as of the Closing Date as though such representations, warranties, covenants and agreements were made at and of the Closing Date.
- b.) **PERFORMANCE.** Seller hereto shall have performed and complied with all agreements and conditions required by this Agreement to be performed or complied with by Seller prior to or at the Closing Date.
- c.) **ABSENCE OF LITIGATION.** No action or proceeding by or before any court or other governmental body shall have been instituted or threatened pertaining to any transaction contemplated by this Agreement or its consummation or the transfer or sale of the Real Property.
- d.) **APPROVAL DOCUMENTS.** Other than documents the form of which is specified in exhibits hereto, the form and substance of all certificates, instruments, opinions and other documents delivered by one party to another under this Agreement shall be satisfactory in all reasonable respect to the party to receive the document and its counsel.
- e.) **ACCEPTANCE BY BUYER.** An express condition precedent is that in Buyer's sole opinion and judgment, the following are found by Buyer to be satisfactory and acceptable to Buyer:
 - 1) the recorded easements to which the Real Property is subject.
 - 2) the status of the encumbrances and the marketability of title with respect to the Real Property.
 - 3) an ALTA boundary survey for the Real Property.
 - 4) the status of any boundary line issues and any encroachments on the Real Property.

1.9 PERMITTED ENCUMBRANCES. Permitted Encumbrances shall mean and comprise the following:

- a.) building and zoning laws, ordinances, state and federal regulations;

- b.) utility, road and drainage easements which do not interfere with improvements to the premises; all such easements must be confined by a specific legal description for a specific width of the easement and such easements must not be “blanket” easements that encumber more area than needed for the specific easement purpose;
- c.) easements, restrictions and reservations of record, if any, that are satisfactory and acceptable to Buyer, in Buyer’s sole judgment.

1.10 POSSESSION DATE. Possession Date shall mean Closing Date.

1.11 PURCHASE PRICE. Purchase Price shall mean the total sum of (\$1,352,000.00) payable as stated in Section 2.

1.12 REAL PROPERTY. Real Property shall mean that certain real property located in the City of Inver Grove Heights, Dakota County, State of Minnesota, legally described on the attached Exhibit A.

The Real Property shall also include all of the right, title and interest of the owner of the property in and to any easements, rights of way, privileges, appurtenances, and right to the same belonging to or inuring to the benefit of the Real Property.

1.13 SELLER’S WARRANTIES. Seller’s Warranties shall mean and comprise the following:

Seller represents and warrants to Buyer that:

- a.) **TITLE.** At Closing Date, Seller will have good and marketable title pursuant to the laws of the State of Minnesota to the Real Property to be conveyed hereunder. At Closing Date, the Real Property will not be subject to a contract or other agreement of sale and the Real Property will not be subject to security interests, judgments, pledges, mortgages, encumbrances, liens (including income, personal property and other tax liens) or off-sets, claims, reductions or charges of any kind or character.
- b.) **LITIGATION.** There is no suit, action, arbitration or legal, administrative or other proceeding or governmental investigation pending or, to the best knowledge of Seller, threatened, against or affecting Seller with respect to the Real Property.

Section 2. PURCHASE PRICE AND MANNER AND TIME OF PAYMENT.
Buyer, in consideration of the mutual promises and covenants herein contained, agrees to pay to the Seller for the Real Property the Purchase Price in the following manner and at the following times:

Buyer has already paid Seller \$1,352,000 for its purchase of the Real Property in the form of a \$352,000 cash payment and a \$1,000,000 transfer of funds from the City’s Host

Community Fund to the City's Golf Course Fund, repayment of which was secured by a duly executed Taxable Revenue Note in favor of the City. The EDA shall make payments on the Taxable Revenue Note as noted therein. No additional payments are required related to this transaction.

Section 3. OBLIGATION TO PROVIDE A QUIT CLAIM DEED. Subject to performance by the Buyer of the Agreement herein, the Seller agrees to execute and deliver a Quit Claim Deed to the Buyer agreeing conveying marketable title to the Real Property subject only to the Permitted Encumbrances. The Real Property shall be free of any lien, mortgage, charge or encumbrance or lease.

Section 4. REAL ESTATE TAXES. Seller shall pay all real estate taxes payable prior to the year of Closing, plus any penalty and interest. Seller does not make any representation concerning the amount of real estate taxes which will be assessed against the Real Property subsequent to the Closing Date.

With respect to real estate taxes payable in the year of Closing, the real estate taxes shall be pro-rated between Seller and Buyer with Seller's paying for the days before Closing and Buyer paying for the days after Closing. The Seller's share of taxes shall be an adjustment at Closing and credited to Buyer.

Section 5. SPECIAL ASSESSMENTS. Prior to or at closing, the Seller shall pay all special assessments against the Real Property, including those levied and pending as of the Closing Date and including the special assessment installment payable in the year of closing.

Section 6. PURCHASE OF PROPERTY "AS IS". It is agreed and understood that the Buyer will be inspecting the Real Property and that the Buyer will be purchasing the Real Property in its "AS IS" condition with no warranties or representations by the Seller as to the condition of the premises or any structures or improvements thereon, except as stated in the Seller's Warranties.

Section 7. CLOSING DATE AND POSSESSION DATE. Subject to performance by the Buyer of this Agreement, the closing shall occur on the Closing Date and the Seller agrees to deliver possession not later than the Possession Date provided that all conditions of this Agreement have been met. The delivery of all papers, monies and matters relating to the closing shall take place at the Closing Location.

Section 8. DOCUMENTS TO BE FURNISHED BY SELLER. By July 1, 2025, the Seller shall furnish to the Buyer at the Seller's expense the following:

- a.) A title insurance commitment covering the Real Property and appurtenant easements, if any, in either case to include property searches covering bankruptcies, state and federal judgments and tax liens, evidencing the Seller's title to the property.

- b.) Within 10 days following the Buyer's receipt of the documents referred to above, the Buyer shall give the Seller written notice of any objections to the title of the Real Property.
- c.) If any objections are so made, the Seller shall be allowed 30 days after receipt of such written objections to make such title marketable. The Seller further agrees to use all reasonable efforts and to expend such sums as may be reasonably necessary to make said title marketable in the event a defect is disclosed. Pending correction of title, the payments herein required shall be postponed but upon correction of title and within 10 days after written notice to the Buyer, the Buyer and the Seller shall perform this Agreement according to its terms.
- d.) If said title is not marketable and is not made so within 30 days from the date of delivery of the written objections thereto as above provided, then Buyer shall have the right (a) to terminate this Agreement upon notice given to Seller or (b) to waive such objections and proceed with such purchase. If title to said property is marketable or is made marketable within said time, and Buyer shall default in any of the agreements herein contained, then and in such case, the Seller may terminate this Agreement, time being of the essence hereof or Seller may specifically enforce this Agreement.
- e.) This provision shall not deprive either party of the right of enforcing the specific performance of this Agreement, provided this Agreement is not terminated and provided that action to enforce specific performance is commenced within six months after such right of action arises.

Section 9. WARRANTIES. Seller represents and warrants to Buyer all of the Seller's Warranties as defined in this Agreement. The Seller's Warranties shall survive the closing and shall not merge with the Closing Documents.

Section 10. CONDITIONS PRECEDENT. The obligations of Buyer to purchase the Real Property are subject to the satisfaction, at or before the Closing, of all the Conditions Precedent To Closing by Buyer. Buyer may waive any or all of the conditions which are included herein for its benefit in whole or in part without prior notice, provided, however, that no such waiver of a condition shall constitute a waiver by Buyer of any of its other rights or remedies, at law or in equity, if Seller shall be in default of any of its representations, covenants, indemnifications, warranties or agreements under this Agreement.

The obligations of Seller to sell the Real Property are subject to the satisfaction, at or before the closing, of all the Conditions Precedent To Closing By Seller. Seller may waive any or all of the conditions which are included herein for his benefit in whole or in part without prior notice, provided, however, that no such waiver of a condition shall constitute a waiver by Seller of any of his other rights or remedies, at law or in equity, if Buyer shall be in default of any of its representations, warranties or agreements under this Agreement.

Section 11. CLOSING DOCUMENTS. Subject to performance by the Buyer, the Seller agrees to execute as necessary and deliver at the Closing Date the Closing Documents to be provided by Seller. Subject to performance by the Seller, the Buyer agrees to deliver at the Closing Date the Purchase Price recited in Section 2.

Section 12. PLAT. Seller, at its own expense, will be obtaining a preliminary and final plat of the Real Property and surrounding parcels. Seller shall deliver said preliminary and final plats to Buyer for its review.

Section 13. ENVIRONMENTAL ASSESSMENT. Buyer, at its own expense, may obtain a Phase I environmental assessment of the Real Property. Seller agrees to cooperate in the preparation of the Phase I environmental assessment and to accurately respond to any questions and inquiries that are posed to Seller relating to preparation of Phase I environmental assessment. Seller agrees to make the Real Property available for on-site and field inspections.

Section 14. TITLE INSURANCE. Buyer intends to obtain a title insurance policy with respect to the Real Property. Buyer shall be obligated to pay for the title insurance policy up to a face value of the policy equal to the Purchase Price. Seller shall pay for the title insurance commitment.

Section 15. COSTS OF CLOSER. If at the Closing a closer is used by the title insurance company, then the costs for the closer shall be paid one-half by Buyer and one-half by Seller.

Section 16. STATE DEED TAX. At closing, Seller shall pay the state deed tax due on the Quit Claim Deed.

Section 17. MISCELLANEOUS.

- a.) The EDA hereby acknowledges that Dakota County will need to obtain right-of-way along Babcock Trail and 70th Street in order to facilitate the reconstruction of the intersection of Babcock Trail and 70th Street. The EDA agrees to convey the necessary right-of-way to Dakota County prior to conveyance of the Real Property to a third party; alternatively, the EDA agrees that any conveyance to a third party occurring before such right-of-way conveyance shall include as a term of that conveyance a requirement for the third-party to convey the required right-of-way to Dakota County for the Babcock Trail/70th Street intersection reconstruction.
- b.) The headings in this Agreement are for convenience only and are not part of this Agreement and do not in any way limit or amplify the terms and provisions hereof. It is understood and agreed that this Agreement has been made following negotiation by the parties and it is, therefore, not to be construed against any party because of draftsmanship.
- c.) All modifications to this Agreement must be in writing and signed by the parties hereto.

- d.) The parties hereto agree that all of their respective representations and warranties, wherever in this Agreement contained, shall survive the closing of this transaction and the delivery of consideration, and that all representations and warranties made herein and in any document delivered in connection herewith shall not merge with the warranty deed but shall survive said Closing Documents.
- e.) This Agreement constitutes the entire understanding between the parties hereto with respect to the subject matter of this Agreement and supersedes all prior arrangements and understandings between the parties hereto.
- f.) This Agreement may be executed simultaneously in any number of counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

Section 18. NOTICES. Any notices hereunder shall be deemed sufficiently given by one party to the other if in writing and if and when delivered or tendered either in person or by depositing it in the United States mail in a sealed envelope, by certified mail, return receipt requested, with postage and postal charges prepaid, addressed as follows:

If to Buyer:

City of Inver Grove Heights
Economic Development Authority
c/o Sue Gliva, President
8150 Barbara Avenue
Inver Grove Heights, Minnesota 55077

If to Seller:

City of Inver Grove Heights
c/o Kris Wilson, City Administrator
8150 Barbara Avenue
Inver Grove Heights, Minnesota 55077

or to such other address as the party addressed shall have previously designated by notice given in accordance with this Section. Notices shall be deemed to have been duly given on the date of service if served personally on the party to whom notice is to be given, or on the third day after mailing if mailed as provided above, provided, that a notice not given as above shall, if it is in writing, be deemed given if and when actually received by a party.

Section 19. AMENDMENT AND WAIVER. Both parties acknowledge and agree that the 2012 Purchase Agreement is of no further force and effect with respect to all or any part of the Real Property, or any of the additional property listed therein which is no longer going to be included in this transaction. The parties, by their signatures below, hereby release any and all rights or interests they may have pursuant to the 2012 Purchase Agreement with respect to the Real Property; notwithstanding the foregoing, nothing herein shall invalidate or otherwise change the terms of the existing Taxable Revenue Note, which shall remain in full force and effect. The parties hereto may by mutual written agreement amend this Agreement in any respect. Any party hereto may extend the time for the performance of any of the obligations of another, waive any

inaccuracies in representations by another contained in this Agreement or in any document delivered pursuant hereto which inaccuracies would otherwise constitute a breach of this Agreement, waive compliance by another with any of the covenants contained in this Agreement and performance of any obligations by the other or waive the fulfillment of any condition that is precedent to the performance by the party so waiving of any of its obligations under this Agreement. Any agreement on the part of any party for any such amendment, extension or waiver must be in writing. No waiver of any of the provisions of this Agreement shall be deemed, or shall constitute, a waiver of any other provisions, whether or not similar, nor shall any waiver constitute a continuing waiver.

IN WITNESS WHEREOF, the parties have hereto executed this Amended and Restated Purchase Agreement the day and year first above written.

BUYER:
CITY OF INVER GROVE HEIGHTS
ECONOMIC DEVELOPMENT AUTHORITY

By: _____
Sue Gliva
Its: President

By: _____
Jason Ziemer
Its: Executive Director

ATTEST:

Secretary

SELLER:
CITY OF INVER GROVE HEIGHTS

By: _____
Brenda Dietrich
Its: Mayor

ATTEST:

Rebecca Kiernan
Its: City Clerk

EXHIBIT A

LEGAL DESCRIPTION OF THE REAL PROPERTY

Outlot A of the Inver Wood Golf Course Addition



Request for Council Action

SUBJECT: **Temporary Expansion of Premise Authorization for Mississippi Pub**

MEETING DATE: June 9, 2025

ITEM TYPE: Public Hearing

CONTACT: Rebecca Kiernan, City Clerk, 651.450.2513

ACTION REQUESTED

The Council is asked to conduct a public hearing and then consider approval of a Temporary Expansion of Premise Authorization for Mississippi Pub for calendar year 2025.

BACKGROUND

On-sale liquor license holder Mississippi Pub, located at 4455 66th St. E, has applied for a Temporary Expansion of Premise Authorization for calendar year 2025. Under the recently revised City Code relative to this topic, if granted this authorization by the City Council, the license holder would be able to temporarily expand the boundaries of their licensed premises on up to ten calendar days in 2025, subject to the Police Chief's review and approval of the specific details for each of the ten expansions.

FISCAL IMPACT

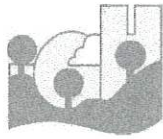
N/A

RECOMMENDATION

Following the public hearing, staff recommends approval of the Temporary Expansion of Premise Authorization for Mississippi Pub for calendar year 2025.

ATTACHMENTS

1. Mississippi Pub Temporary Expansion of Premise Authorization



City of Inver Grove Heights
8150 Barbara Avenue
Inver Grove Heights, MN 55077

EVENT AUTHORIZATION
FOR TEMPORARY EXPANSION OF PREMISE FOR ON-SALE LIQUOR LICENSE
(Requires Police Chief's Approval for a Specific Date or Dates)

Contact Person

Joe Harms

Phone

612-701-49223

Email

joe@riverheightsmarina.com

Business Name

Mississippi Pub

Business Address (No PO Boxes)

4455 66th St E

City

IGH

State

MN

Zip Code

55076

Type of License Holder

☐

Club

☒

On-Sale License Holder

Date(s) for Which Temporary Expansion of Premise is Proposed

(A single form may be used for contiguous dates which are using the same site and parking plans. Non-contiguous dates require a separate form.)

Date(s) of event(s)

6-11, 6-24, 7-8, 7-22, 8-5

Alternate Date 1

Alternate Date 2

Start Time: 4pm

End Time: 9pm

Anticipated Attendance: 300

Event Name or Brief Description

live on the lake 6-11, other dates grooves and foods

Description of mechanisms in place to ensure no minors are served

all attendees are carded and wristbanded to verify age



I certify that I own or otherwise have the legal right to use the proposed expansion area for this purpose.

(Continues on Backside / 2nd Page)

The following must be attached to this form in order for it to be considered complete:

1. A site plan, showing the licensed premises and the temporary expansion area, including temporary fencing or other demarcation of the limits of the expanded premises, as well as adequate emergency access to the temporary expansion area, including tents.
2. A parking plan that demonstrates proof of adequate parking for the licensed premises and expansion area, includes proof that the minimum parking requirements for the licensed business and expansion area are met on-site or are met via off-site or on-street in a manner that will not negatively impact neighboring businesses and residents. Include any special request for the bagging of no parking signs, if requested or required.
3. A sound control plan for insuring compliance with City noise ordinance 5-5-2 if using amplified sound.
4. A lighting plan for the temporary expansion area for any event to be held after dark.
5. A severe weather plan.
6. Proof of required liquor liability Insurance that includes the temporary expansion area as part of the licensed premise for insurance purposes (Certificate of Liquor Liability)

Signature of Applicant:



Signature

5-21-25

Date

FOR CITY USE ONLY

Date Council approved Temporary Expansion of Premise Permit: _____
Number of Expansion Days Already Utilized: _____

[illegible]

10 30' x 30' VEHICLE PARKING SPACES
10 SPACES REQUIRED
200 SPACES PROVIDED
10 TRANSIT BUS (10' x 20') SPACES
FOOT-CURB BAY, 10' x 20'
10 BUILDING SEATING CAPACITY
3 OUTSIDE PATIO SEATING CAPACITY
10 OUTSIDE DECK SEATING CAPACITY
SEATING CAPACITY
30 SPACES REQUIRED
2 WC SPACES PROVIDED
10 SPACES PROVIDED
PUBS/CLUBS & RECREATION
OFF GOLF LESSON 1 BAY (10' x 20')
5 SPACES REQUIRED
DECK & PATIO 10' x 20'
5 SPACES REQUIRED
1 WC SPACE PROVIDED
10 SPACES PROVIDED
10 30' x 30' TRUCK TRAILER SPACES PROVIDED
OVERLOOK AREA
5 PARKING SPACES
5 30' x 30' TRUCK TRAILER SPACES
5 30' x 30' TRUCK TRAILER SPACES

1. TOPOGRAPHIC AND PLANIMETRIC MAP FROM NOVEMBER 2
1957 AERIAL PHOTOGRAPHY BY HORIZONS, INC.

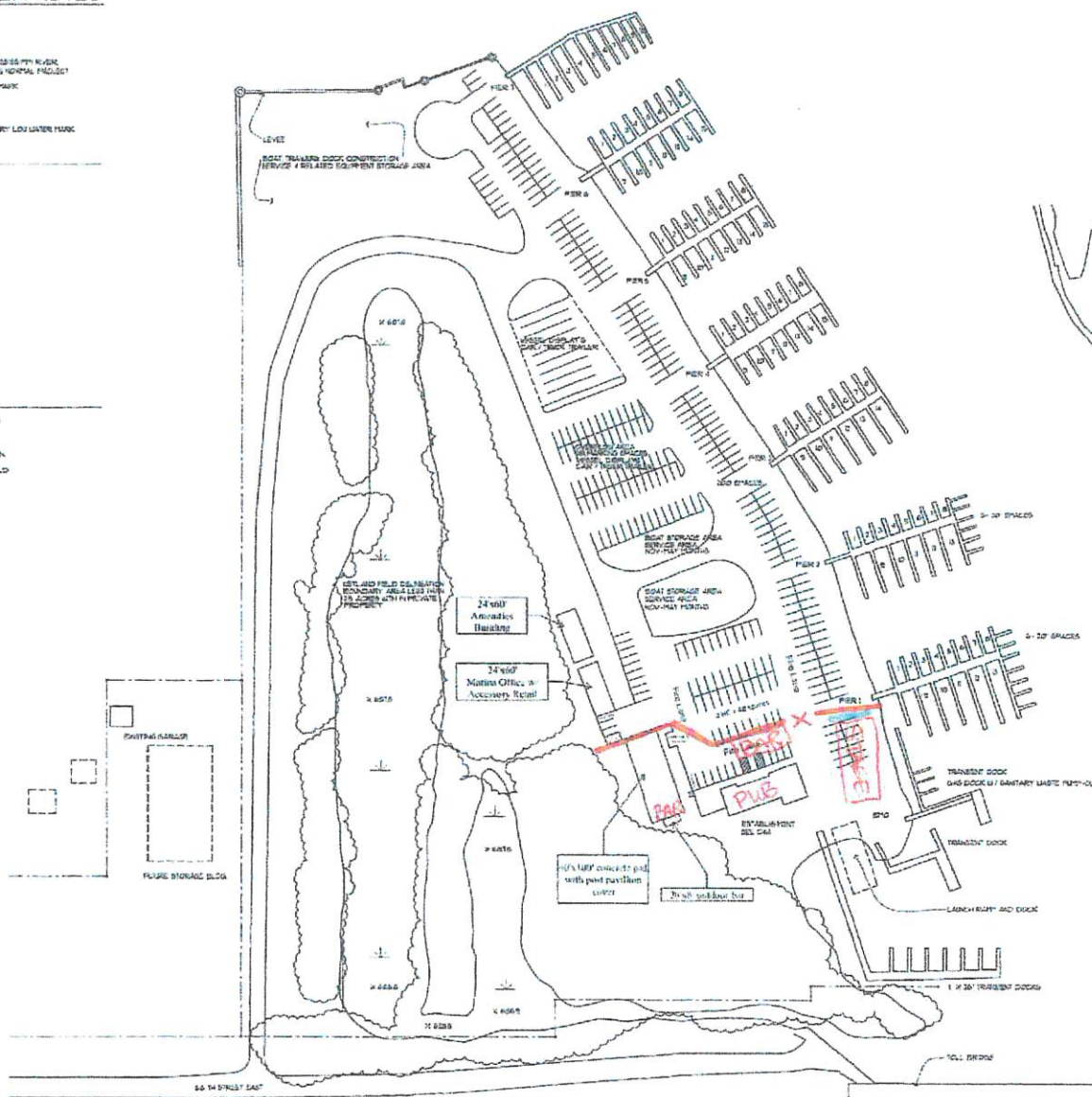
2. PROPERTY SURVEY AND EXISTING CENTERLINE
COORDINATES FROM SURVEY BY PAUL R. McLAGAN & SON.

3. EXISTING CONTOURS AND ELEVATIONS UPDATED WITH FIELD
SURVEY DATA FROM JULY 20 AND NOVEMBER 14, 1969

4. THIS IS AN UNENLARGED REPRODUCTION OF
AN EXISTING SURVEY.

Diagram illustrating a tree cover area, showing a cloud-like shape labeled "TREE COVER".

CEMETERY DOCUMENTS FILED CALLED 6/7/1942
 DEFECTS IN REED HIGHLIGHTED GRAVE ELEVATION
 DEFECTS FOR THE SITE SAFETY CONTROL
 ELEVATIONS FROM ASSESS TO "SEE" WASH. REED
 REED RIVER HIGHWAYS MARINE LBN. PROPERTY DEVELOPMENT
 FOR FLOOD PROTECTION OF RICH. LBN. S.
 COMPLIANCE AND PERTINENT WITH ALL FEDERAL, STATE,
 COUNTY AND LOCAL GOVERNMENT UNITS AND
 AGENCIES INCLUDING STATUTES, CODES, ACTS, ORDINANCES,
 RULES AND REGULATIONS, POLICE, SHERIFFS AND ANY OTHER
 PUBLISHED OR PENDING LEGISLATION, AND ALL
 EXISTING GRANTS AND SITE SAFETY CONTROL ELEVATIONS
 DO NOT DISAGREE IN OR VIOLATE ANY



= PORTABLE
TOILETS

SNOW FENCE PERIMETER

X = ENTRANCE & EXIT

WRISTBANDING OF 21 +

(ALL CUSTOMERS WILL BE ID'D UPON ENTRANCE)

PROJECT
118 SLIP MARINA
(46 MOORING SPACES)

TITLE
SITE PLAN

DRAIN BY:
11-15-92

5-04-05A

THE UNIVERSITY OF CHICAGO

Form 4-6810202011241

APPROVED
SUBJECT TO FINAL INSPECTION
AND CHARGES NOTED

☒ ON FILED
☐ IN LETTER DATED _____

**INVER GROVE HEIGHTS FIRE
DEPARTMENT**

John E. Blay

**MADE AVAILABLE
06/13/2007**

Form 4-6810202011241 is a copyrighted work of the Inver Grove Heights Fire Department. It is not to be reproduced or transmitted in any form or by any means, electronic, mechanical, photocopying, recording, or by any information storage and retrieval system, without the prior written permission of the Inver Grove Heights Fire Department. The copyright holder is the Inver Grove Heights Fire Department.

I hereby certify that the plan, specification or report was prepared by me or under my direct supervision and that I am a duly Licensed Professional Engineer under the laws of the State of Minnesota.

Name: Paul J. Hertz Lic. No. 27023
Date: 8-17-2016

C

PROJECT NO
GEOPROJ:GEI 7-18-2012



Request for Council Action

SUBJECT: **Approval of Massage Business and Therapist Licenses**

MEETING DATE: June 9, 2025

ITEM TYPE: Public Hearing

CONTACT: Katie Malott, Deputy City Clerk, 651.450.2470

ACTION REQUESTED

The Council is asked to approve a new massage business and massage therapist license for Golden Spa and a new massage therapist license for Lone Furreness.

BACKGROUND

Yanjie (Sunny) Feng has applied for a new massage therapist license and for a new massage business license for Golden Spa, 5836 Blaine Ave. The application was accompanied by the necessary license fee and liability insurance certificate. The background investigation was completed by the Police Department with no basis found for denial of the license.

Additionally, Lone Furreness has applied for a new massage therapist license, with the intention of working at OyeSpa LLC, 7741 Amana Trail. The application was accompanied by the necessary license fee and liability insurance certificate. The background investigation was completed by the Police Department with no basis found for denial of the license.

FISCAL IMPACT

N/A

RECOMMENDATION

Staff recommends approval of the massage business and therapist licenses listed above.

ATTACHMENTS

None



Request for Council Action

SUBJECT: Rental Housing Licenses**MEETING DATE:** June 9, 2025**ITEM TYPE:** Regular Business**CONTACT:** Mary Lein, Assistant to the Chief Building Official, 651-450-2552

ACTION REQUESTED

The Council is asked to consider approval of rental housing licenses.

BACKGROUND

The City Council adopted a rental licensing ordinance that requires all rental property owners to obtain a rental license every two years. The purpose of the ordinance is to assure proper maintenance of structures to preserve neighborhood stability, protect the quality of existing rental housing stock and maintain property values. The ordinance provides for basic safety and living standards for rentals.

The following rental license applications have been submitted:

RENTAL ADDRESS	PROPERTY OWNER	PROPERTY MANAGER	New/ Renew
3255 80th St E #102	Andrew Tuquilar Woodbury, MN	Andrew Tuquilar Woodbury, MN	New
7510 Concord Blvd	CF MH Skyline Fee LLC Farmington Hills, MI	Eric Lovre St. Paul, MN	Renew
7170 Archer Trl	Srinivasan & Indumathi Sureshkannan Inver Grove Heights, MN	Srinivasan & Indumathi Sureshkannan Inver Grove Heights, MN	New
7379 Degrio Way	Abdissa & Daratu Tuffa Lakeville, MN	Abdissa Tuffa Lakeville, MN	New
9689 Cedarwood Ct	American Land and Capital Lakeville, MN	Eric Ollestad Blaine, MN	New
3418 Cloman Way	Fox Run Homes LLC Hampton, MN	Pooch, Daniel Thomas Hampton, MN	New

The above applications have been found to be complete. The applications include the necessary fee

payments, and BCA background checks. The City of Inver Grove Heights Police Chief/Designee has also reviewed and approved the license applications.

FISCAL IMPACT

None

RECOMMENDATION

Community Development and Police Department staff recommend approval of the licenses listed above.

ATTACHMENTS

None



Request for Council Action

SUBJECT: **2024 Annual Audit & Financial Report**

MEETING DATE: June 9, 2025

ITEM TYPE: Regular Business

CONTACT: Amy Hove, Finance Director, 651.450.2521

ACTION REQUESTED

The Council is asked to receive a presentation from the City's auditors, Abdo, and then accept the Annual Comprehensive Financial Report, which includes the Management Letter and Other Required Reports, for the year ended December 31, 2024.

BACKGROUND

Each year the City contracts with an independent Certified Public Accounting (CPA) firm to audit the City's financial activities and prepare the City's Annual Comprehensive Financial Report (ACFR). Abdo performed the audit for the 2024 report and has issued an unmodified (clean) opinion on the City's financial statements. This is the highest form of assurance a CPA firm can issue.

At the Council meeting, representatives from Abdo will present a summary of their audit opinion as well as an overview of 2024 year-end fund and cash balances. A copy of their presentation and the 2024 Annual Comprehensive Financial Report is attached.

As accounting and auditing standards dictate the scope and form of these reports, there is no further Council action necessary other than to receive the reports. Following Council acceptance, the report will be submitted to the Government Finance Officers Association (GFOA) for consideration for their Certificate of Achievement for Excellence in Financial Reporting program. The City has participated in and received recognition from this program since 1986.

FISCAL IMPACT

None

RECOMMENDATION

Staff recommends Council accept the Annual Comprehensive Financial Report for the year ended December 31, 2024.

ATTACHMENTS

1. Auditor Presentation
2. 2024 DRAFT Annual Comprehensive Financial Report



Lighting the path forward

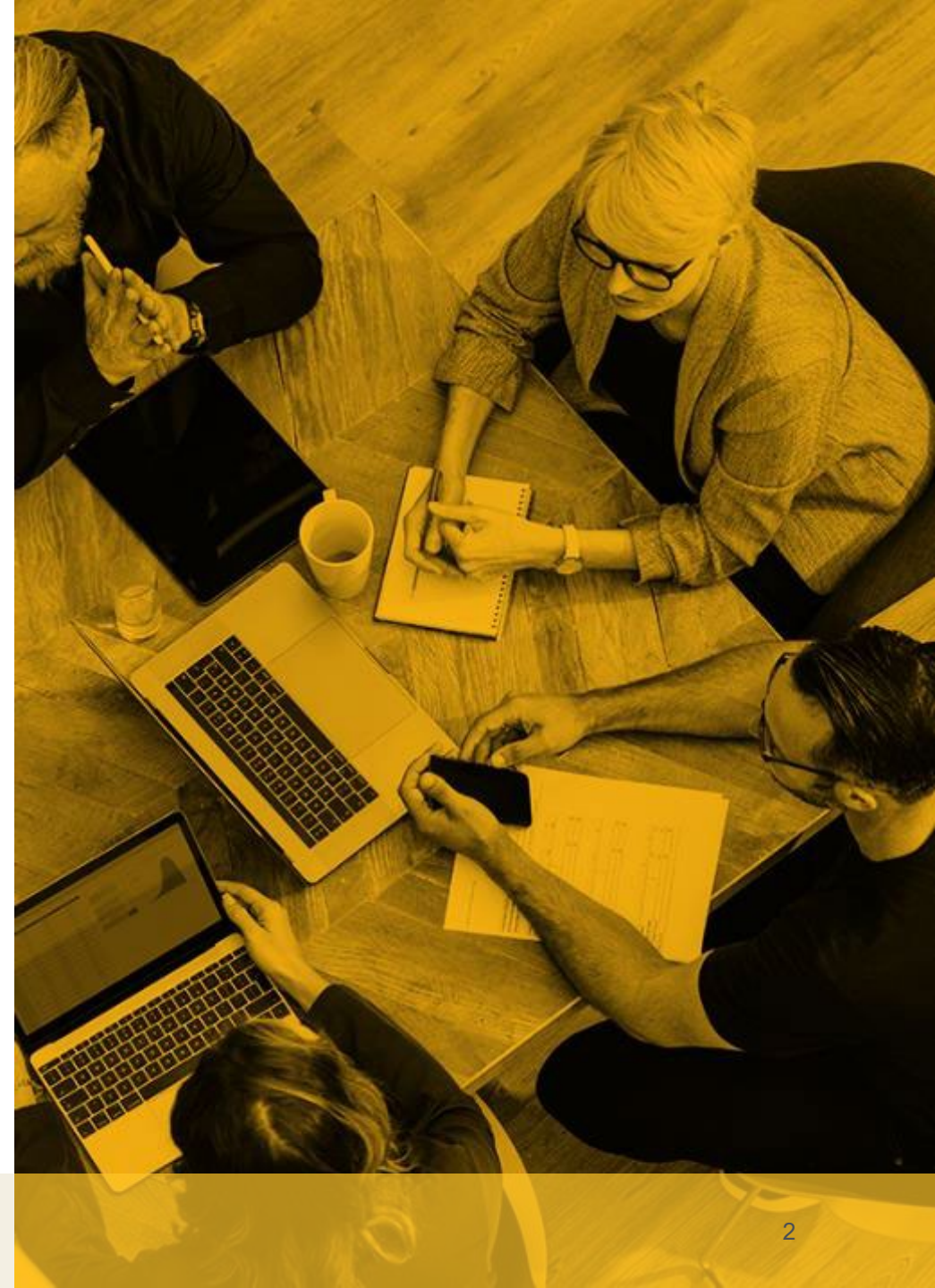
City of Inver Grove Heights

2024 Financial Statement Audit



Introduction

- Audit Opinion and Responsibility
- General Fund Results
- Other Governmental Funds
- Proprietary Funds



Audit Results

Auditor's Opinion



Unmodified opinion under GAAP

Minnesota Legal Compliance



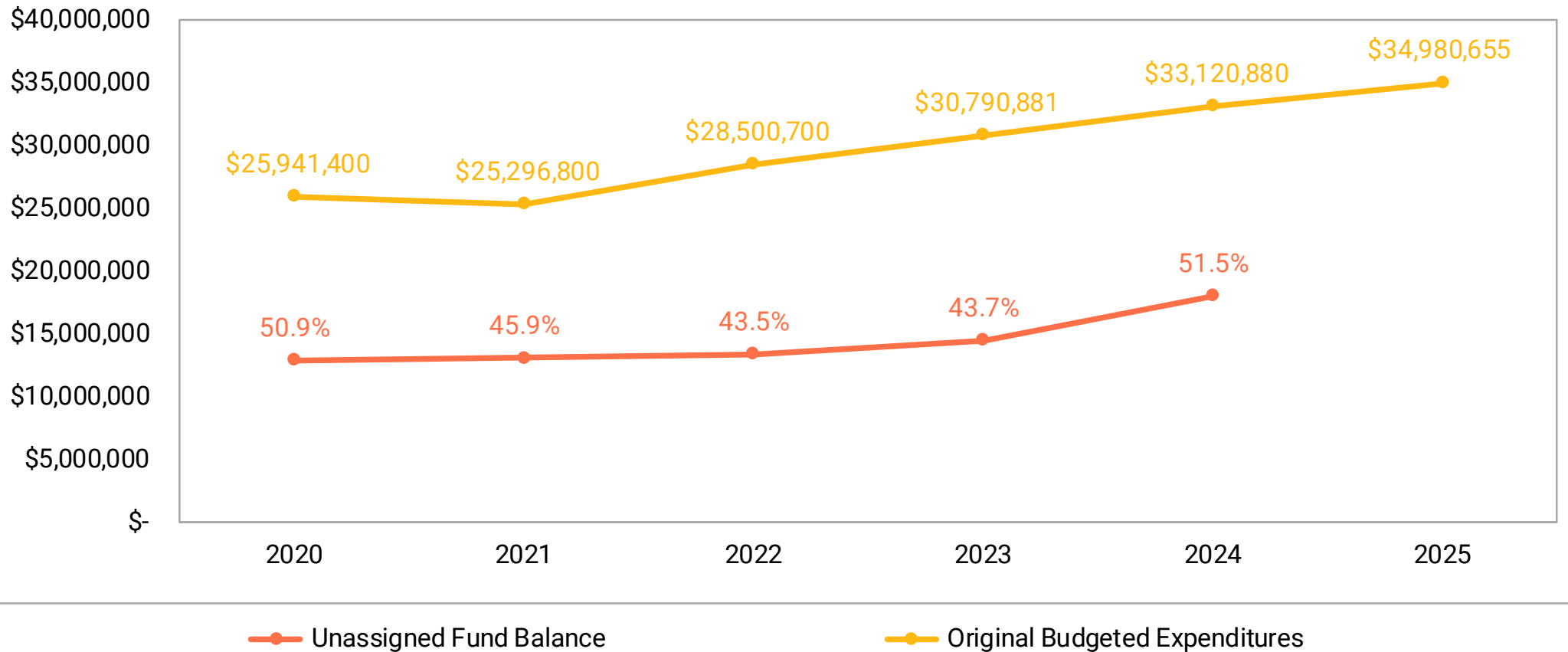
No instances of noncompliance

Single Audit Report



No instances of noncompliance with
OMB Compliance Supplement
Requirements

General Fund Fund Balances

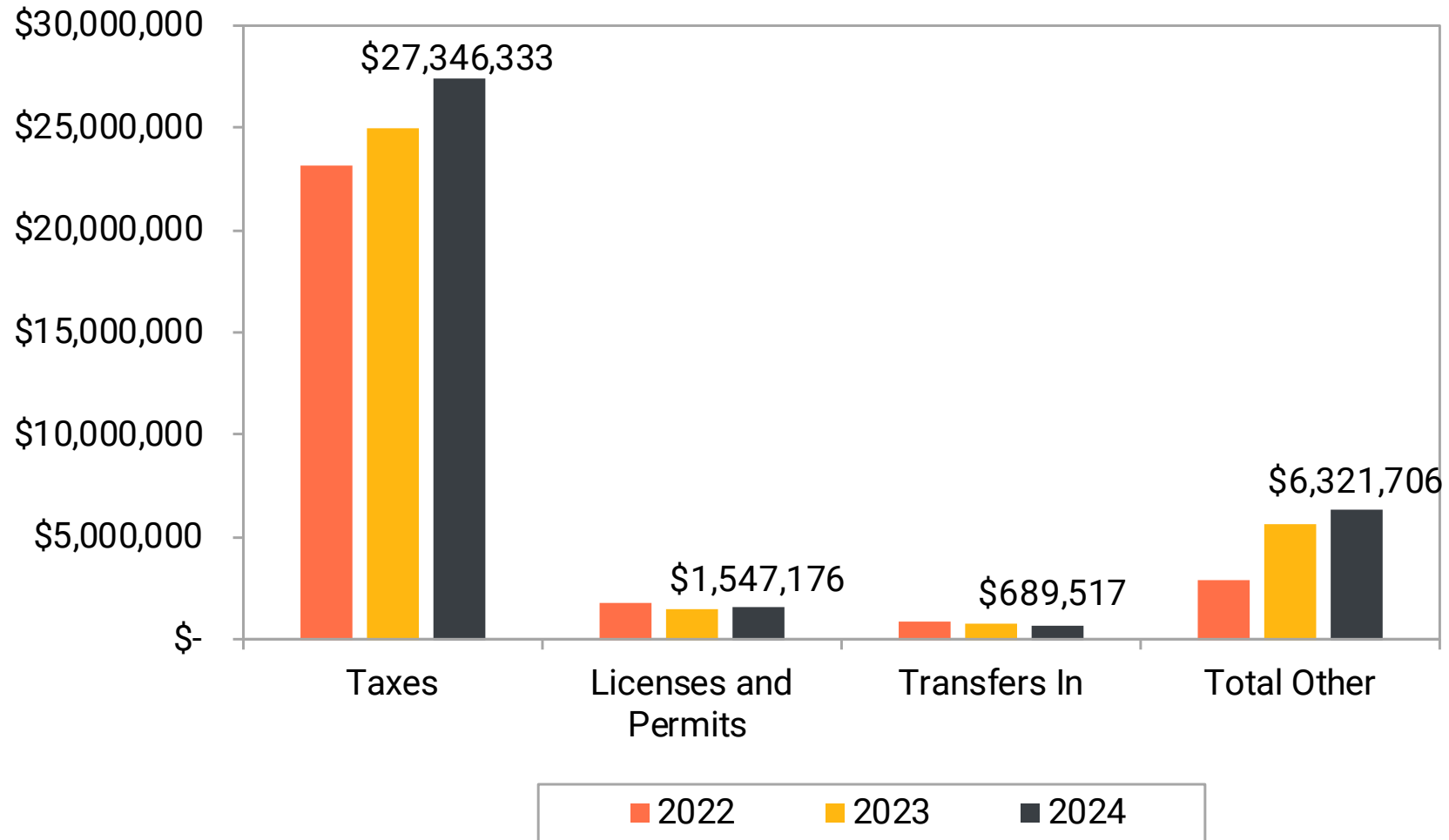


City's Fund Balance Policy – 40-45% of Next Year's Budget

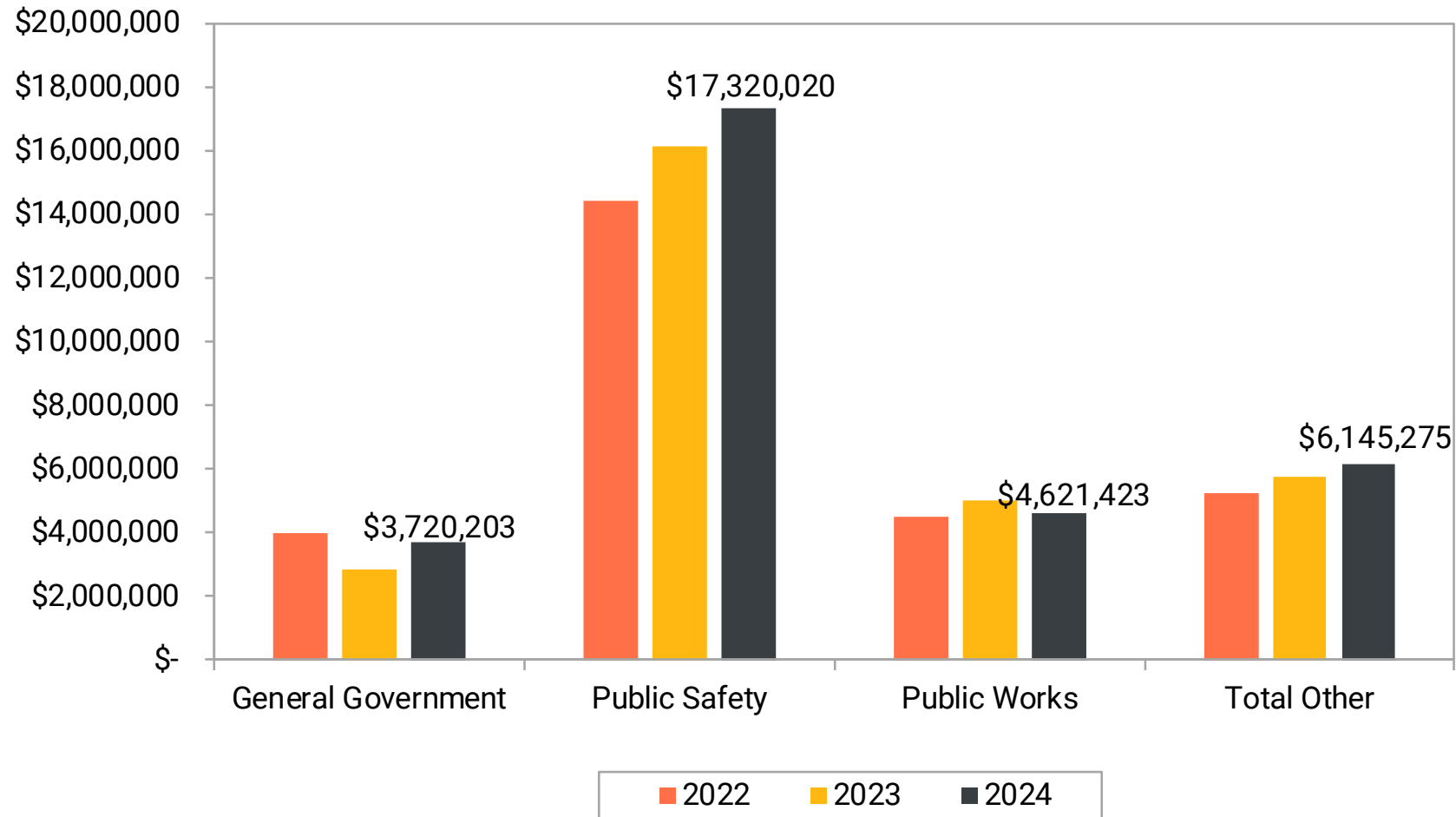
General Fund Budget to Actual

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues	\$32,475,380	\$35,215,215	\$ 2,739,835
Expenditures	33,207,574	31,258,681	1,948,893
Excess of Revenues Over Expenditures	(732,194)	3,956,534	4,688,728
Other Financing Sources (Uses)			
Transfers in	688,500	689,517	1,017
Transfers out	(490,765)	(548,240)	(57,475)
Total Other Financing Sources (Uses)	197,735	141,277	(56,458)
Net Change in Fund Balances	(534,459)	4,097,811	4,632,270
Fund Balances, January 1	16,815,542	16,815,542	-
Fund Balances, December 31	<u>\$16,281,083</u>	<u>\$20,913,353</u>	<u>\$ 4,632,270</u>

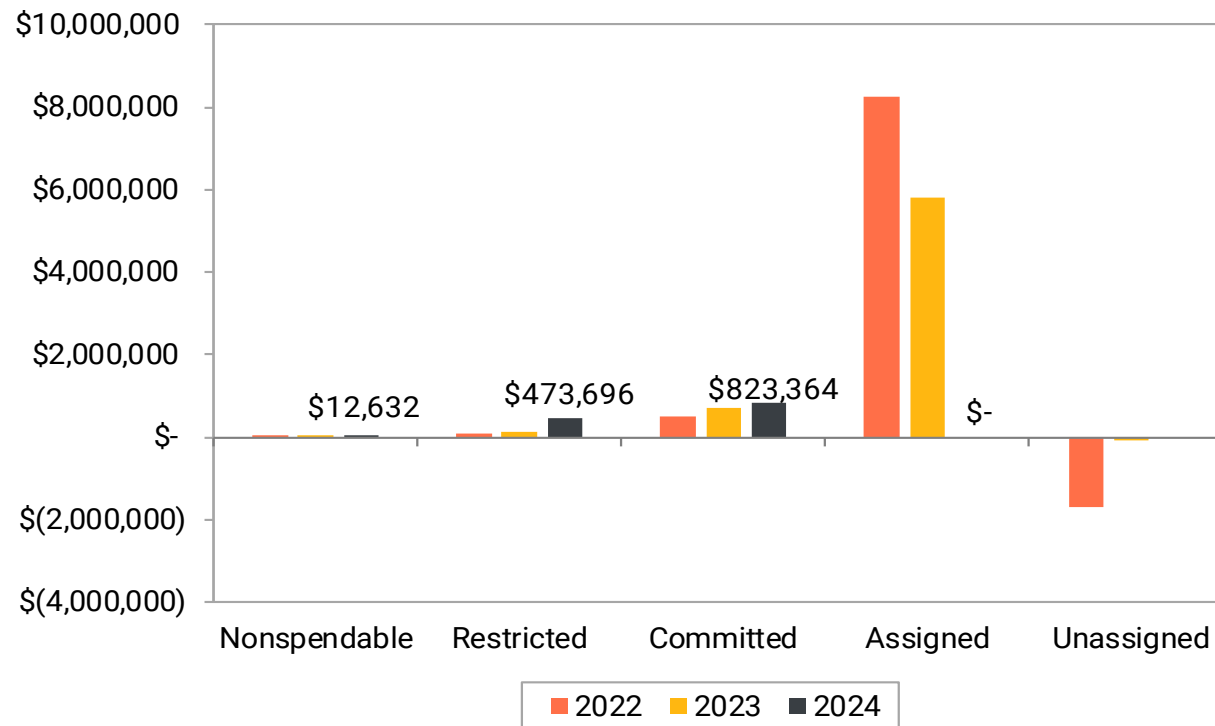
General Fund Revenues by Type



General Fund Expenditures by Type

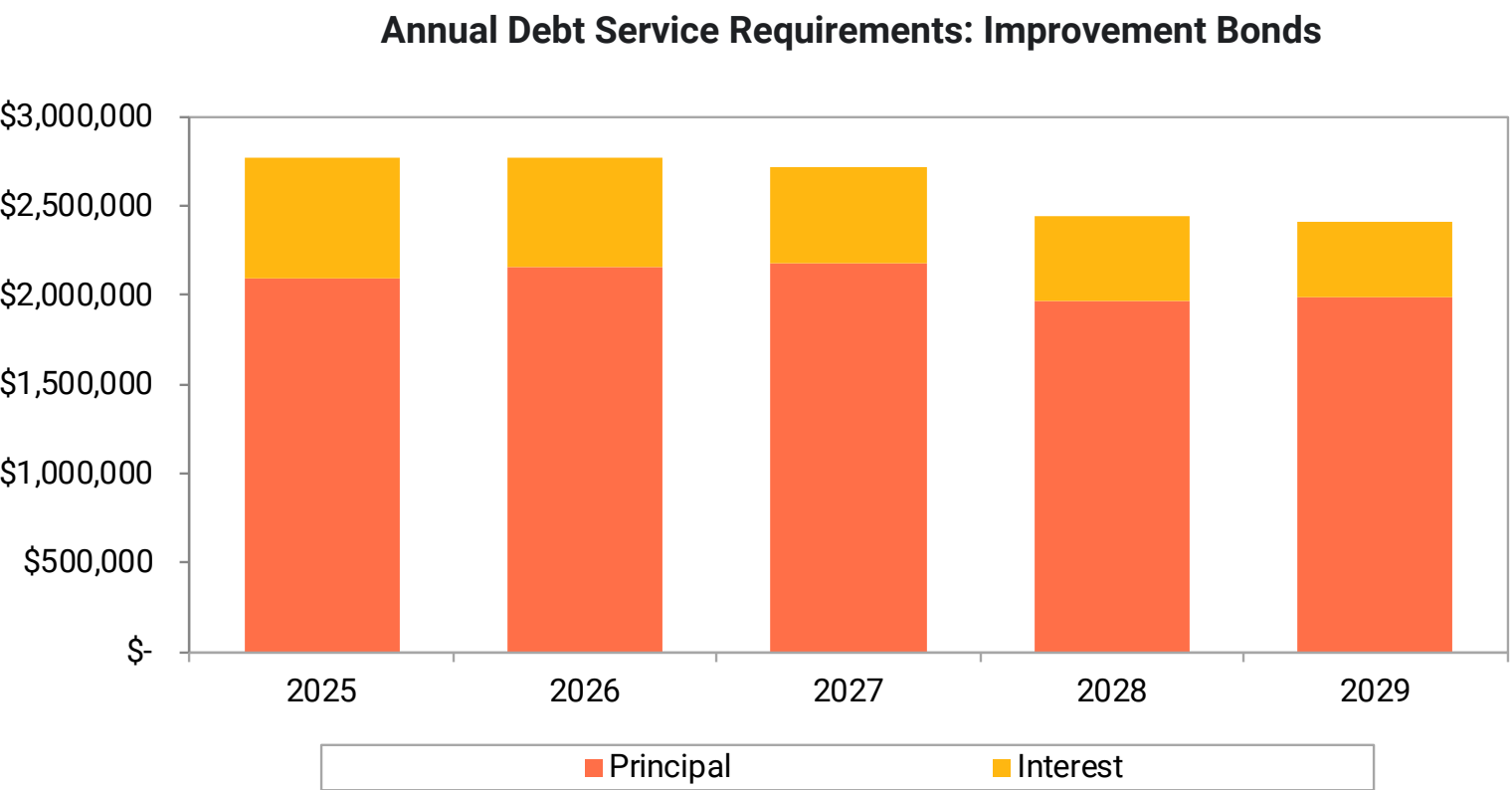


Fund	Fund Balances December 31,		Increase (Decrease)
	2024	2023	
Major			
Community Center	\$ 325,022	\$ (48,128)	\$ 373,150
Host Community	-	5,791,335	(5,791,335)
Nonmajor			
Convention and Visitors Bureau	287,272	239,663	47,609
Economic Development Authority (EDA)	536,092	465,446	70,646
Opioid Settlement	271,250	119,702	151,548
Affordable Housing	202,446	-	202,446
Total	<u>\$ 1,622,082</u>	<u>\$ 6,568,018</u>	<u>\$ (4,945,936)</u>



Special Revenue Fund Balances

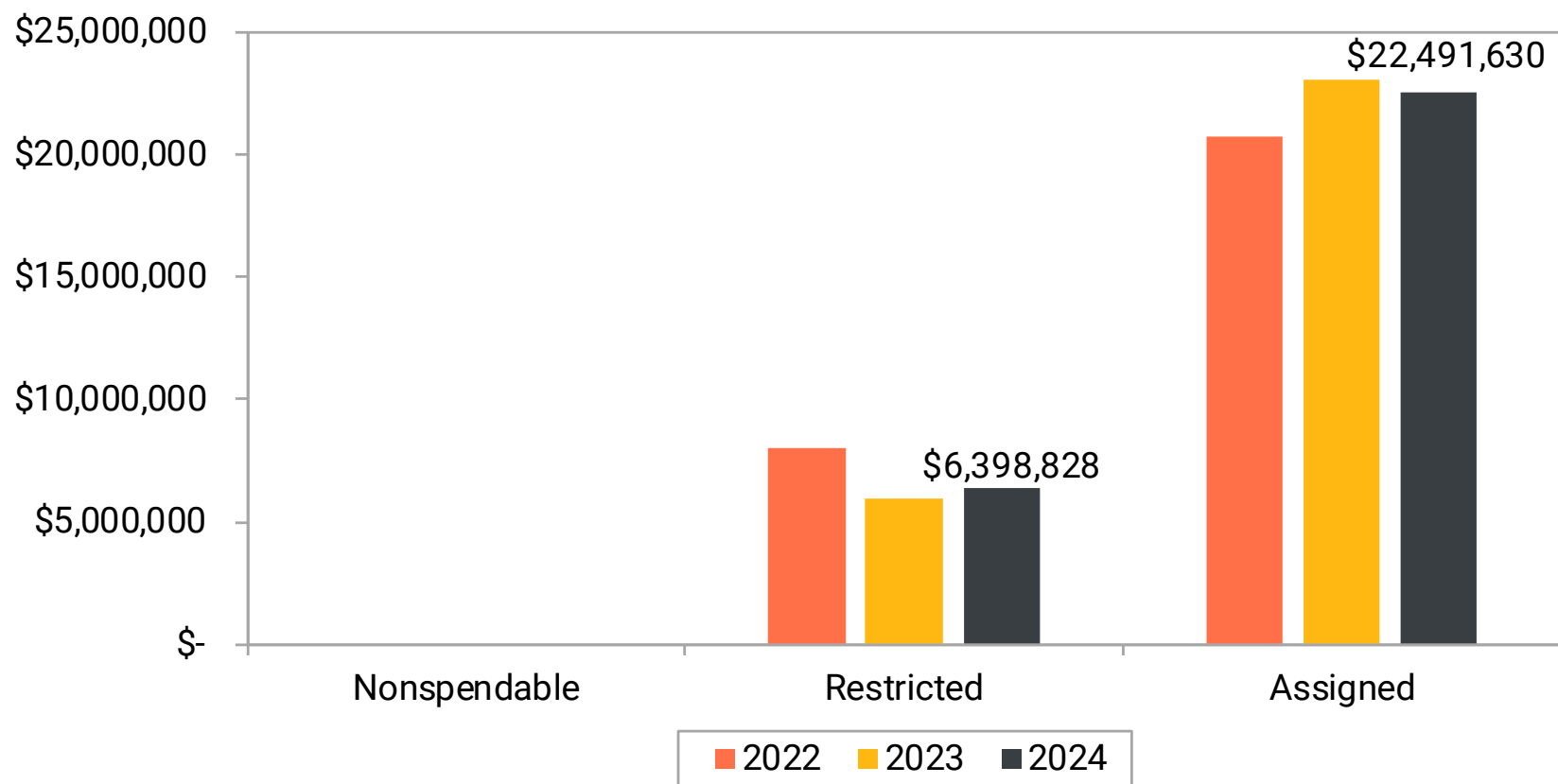
Debt Service Fund	Cash Balance	Total Assets	Bonds Outstanding
Major Improvement Bonds	<u>\$ 4,363,232</u>	<u>\$ 4,521,121</u>	<u>\$23,250,000</u>
Total Interest Payments			<u>\$ 4,386,941</u>



Debt Service Funds

Capital Projects Fund	Fund Balances December 31,		Increase (Decrease)
	2024	2023	
Major			
Pavement Management	\$14,457,780	\$13,552,310	\$ 905,470
Local Improvement Construction	3,196,272	3,922,345	(726,073)
Closed Bond	1,316,985	1,435,867	(118,882)
Nonmajor			
Parks Capital Replacement	829,658	1,067,841	(238,183)
Parks Acquisition and Development	3,712,597	3,221,626	490,971
State Aid Construction	-	476,721	(476,721)
City Properties	393,296	377,737	15,559
Tree Preservation	680,085	759,855	(79,770)
Tax Increment Financing	4,303,785	4,127,163	176,622
Total	<u>\$28,890,458</u>	<u>\$28,941,465</u>	<u>\$ (51,007)</u>

Capital Projects Fund Balances



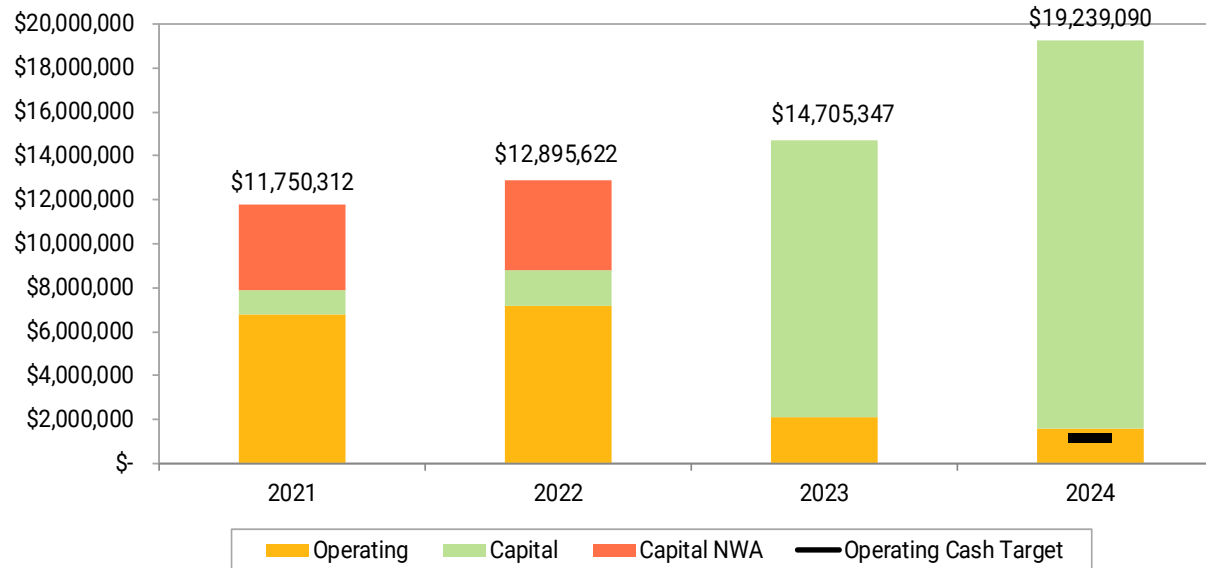
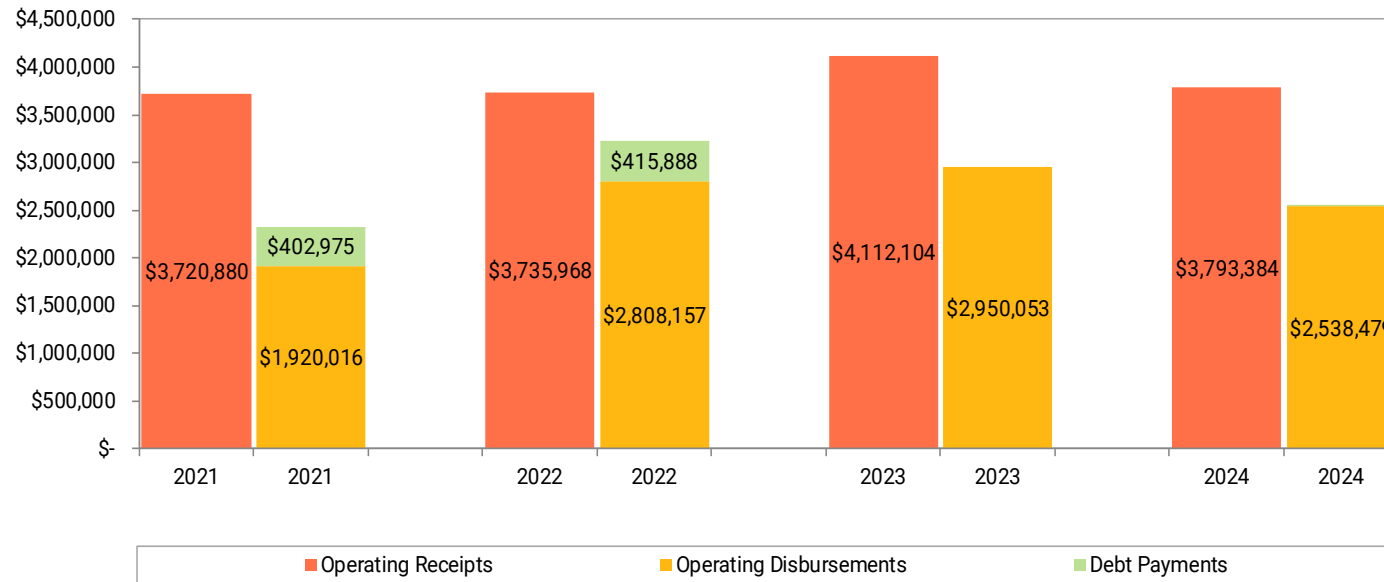
Capital Projects Fund Balances

(Continued)

Internal Service Funds

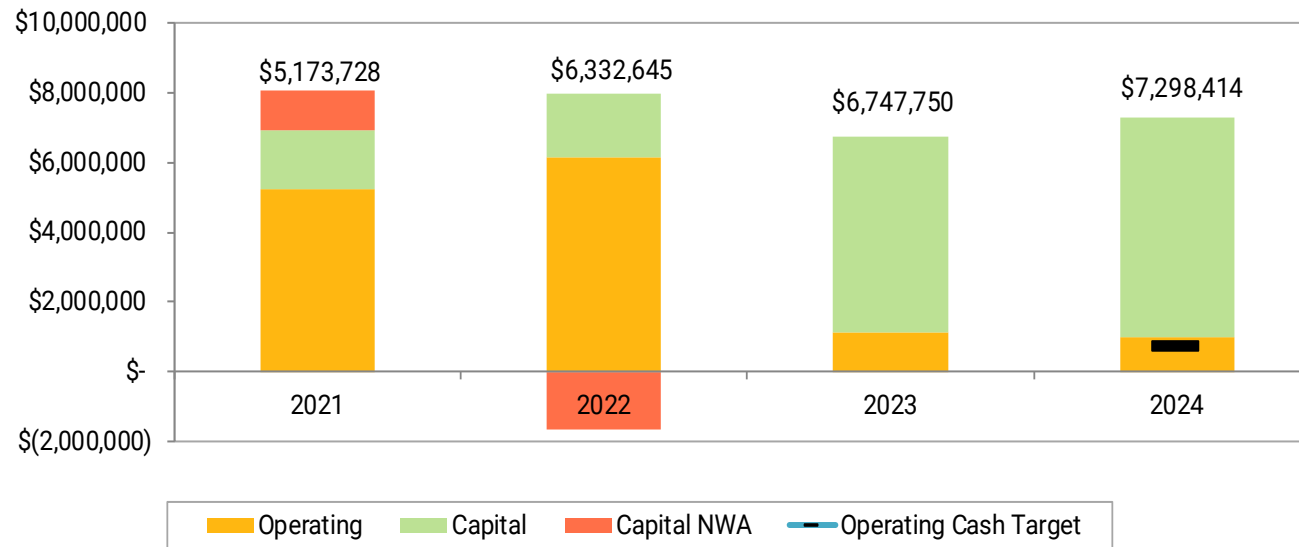
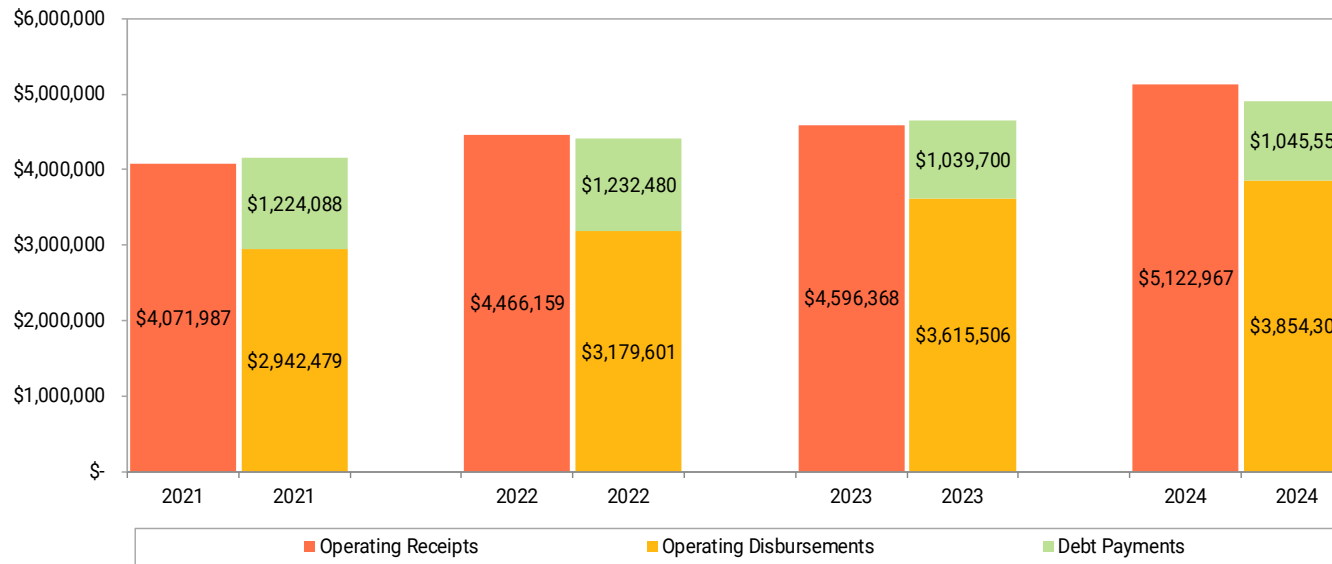
Cash Flows from Operations and Cash Balances





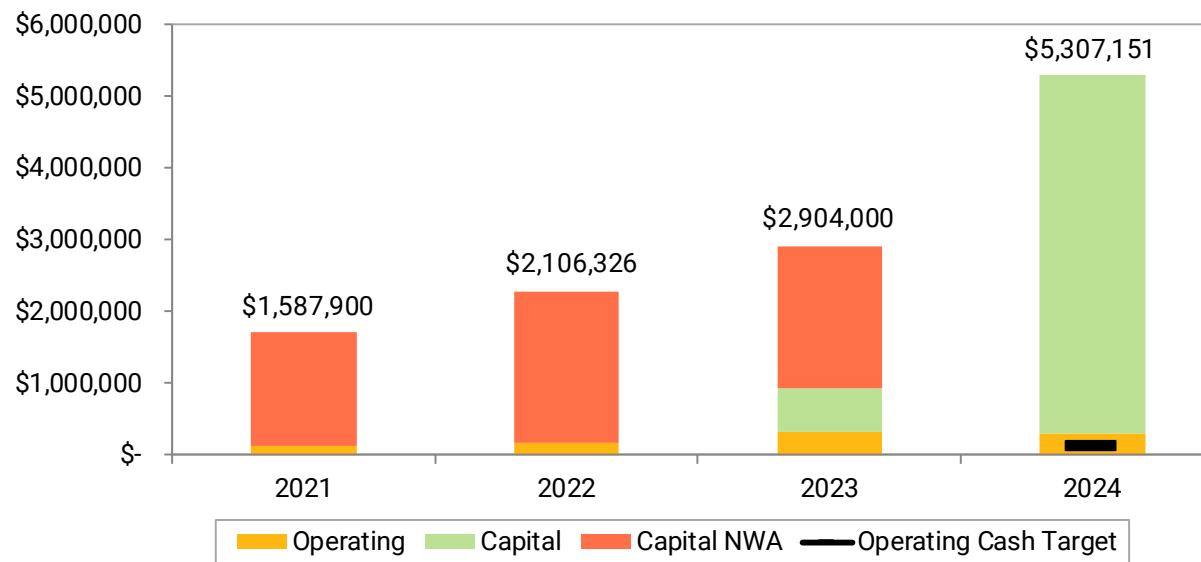
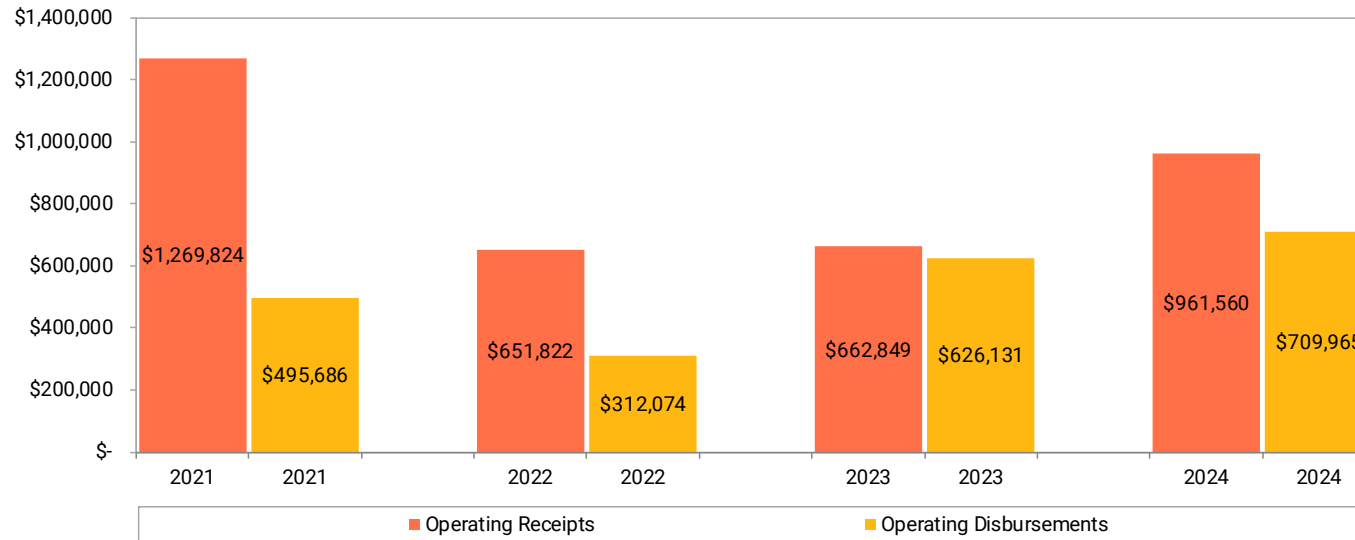
Water Fund – Operating, Capital, & NWA Capital Funds

Cash Flows from Operations and Cash Balances



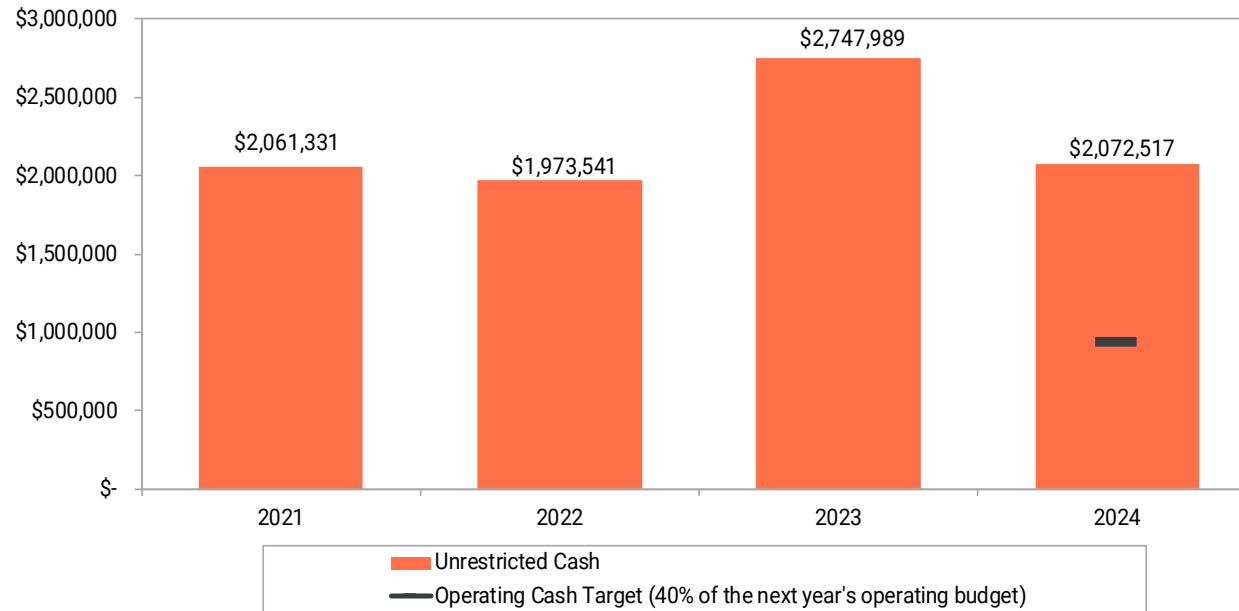
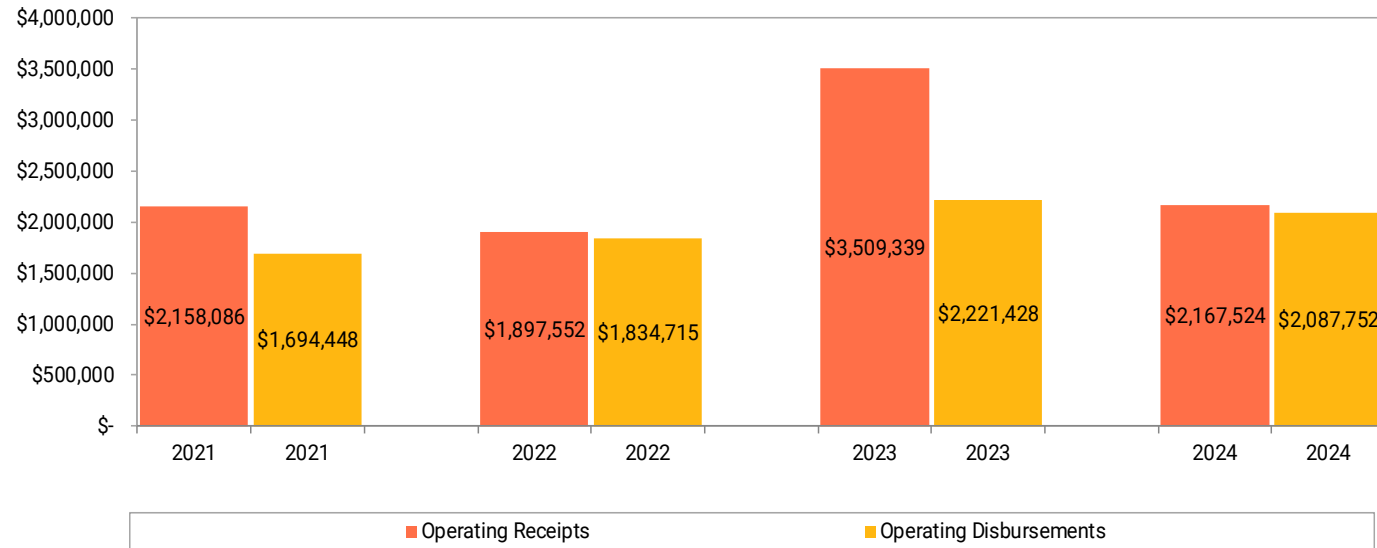
Sewer Fund – Operating, Capital, & NWA Capital Funds

Cash Flows from Operations and Cash Balances



Storm Water Fund– Operating, Capital, & NWA Capital Funds

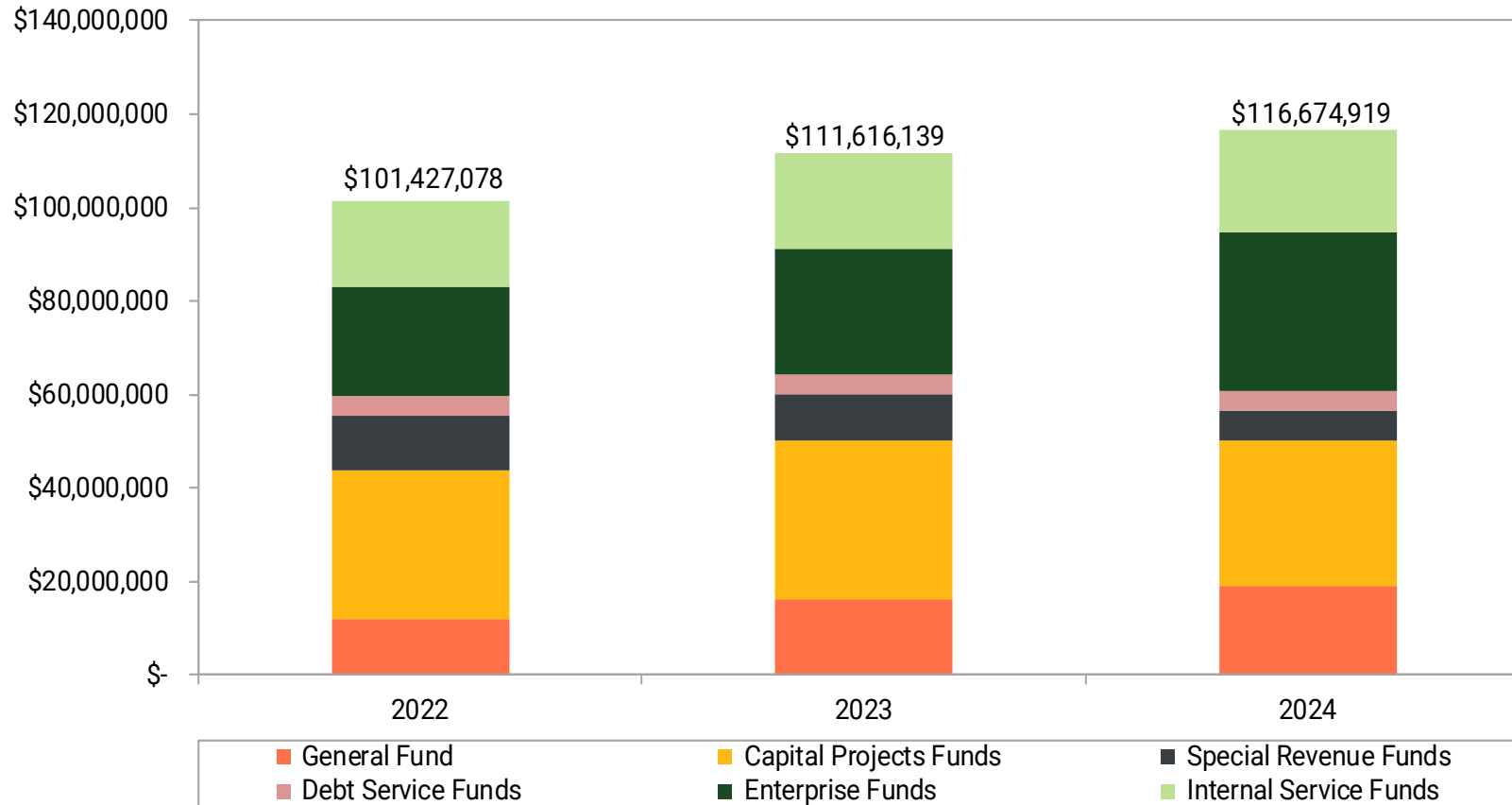
*Cash Flows from
Operations and
Cash Balances*



Golf Course Fund— Operating & Capital Funds

*Cash Flows from
Operations and
Cash Balances*

Cash and Investments Balances by Fund Type



Your Abdo Team



Brad Falteysek, CPA
Partner



Bonnie Schwieger, CPA
Partner



Luke Vogt
Supervisor



Adam Owens, CPA
Senior Associate



Delaney Rossow
Associate



Kayley Eigenberg
Intern



**ANNUAL COMPREHENSIVE
FINANCIAL REPORT
FOR THE YEAR ENDED
DECEMBER 31, 2024**

**CITY OF INVER GROVE HEIGHTS,
MINNESOTA**

THIS PAGE IS LEFT
BLANK INTENTIONALLY

DRAFT

CITY OF INVER GROVE HEIGHTS
INVER GROVE HEIGHTS, MINNESOTA

ANNUAL COMPREHENSIVE
FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2024

REPORT PREPARED BY:
FINANCE DEPARTMENT

DRAFT

THIS PAGE IS LEFT
BLANK INTENTIONALLY

DRAFT

City of Inver Grove Heights, Minnesota
Annual Comprehensive Financial Report
Table of Contents
For the Year Ended December 31, 2024

	<u>Page No.</u>
Introductory Section	
Letter of Transmittal	11
GFOA Certificate of Achievement for Excellence in Financial Reporting	19
Elected and Appointed Officials	20
Organization Chart	21
Financial Section	
Independent Auditor's Report	25
Management's Discussion and Analysis	29
Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Position	47
Statement of Activities	48
Fund Financial Statements	
Governmental Funds	
Balance Sheet	52
Reconciliation of the Balance Sheet to the Statement of Net Position	55
Statement of Revenues, Expenditures and Changes in Fund Balances	56
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities	58
General Fund	
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual	59
Community Center Special Revenue Fund	
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual	60
Host Community Special Revenue Fund	
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual	61
Proprietary Funds	
Statement of Net Position	62
Statement of Revenues, Expenses and Changes in Net Position	65
Statement of Cash Flows	66
Notes to the Financial Statements	71
Required Supplementary Information	
Schedule of Employer's Share of Public Employees Retirement Association Net Pension Liability - General Employees Retirement Fund	114
Schedule of Employer's Public Employees Retirement Association Contributions - General Employees Retirement Fund	114
Notes to the Required Supplementary Information - General Employee Retirement Fund	115
Schedule of Employer's Share of Public Employees Retirement Association Net Pension Liability - Public Employees Police and Fire Fund	117
Schedule of Employer's Public Employees Retirement Association Contributions - Public Employees Police and Fire Fund	117
Notes to the Required Supplementary Information - Public Employees Police and Fire Fund	118
Schedule of Changes in the Fire Relief Association's Net Pension Liability (Asset) and Related Ratios	120
Notes to the Required Supplementary Information - Fire Relief Association	120
Schedule of Employer's Fire Relief Association Contributions	121
Schedule of Changes in the City's Total OPEB Liability and Related Ratios	122

City of Inver Grove Heights, Minnesota
Annual Comprehensive Financial Report
Table of Contents (Continued)
For the Year Ended December 31, 2024

	<u>Page No.</u>
Combining and Individual Fund Financial Statements and Schedules	
Nonmajor Governmental Funds	
Combining Balance Sheet	126
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	127
Nonmajor Special Revenue Funds	
Subcombining Balance Sheet	130
Subcombining Statement of Revenues, Expenditures and Changes in Fund Balances	131
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual	
Convention and Visitors Bureau Special Revenue Fund	132
Economic Development Authority Special Revenue Fund	133
Nonmajor Capital Projects Funds	
Subcombining Balance Sheet	136
Subcombining Statement of Revenues, Expenditures and Changes in Fund Balances	138
General Fund	
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual	142
Internal Service Funds	
Combining Statement of Net Position	148
Combining Statement of Revenues, Expenses and Changes in Net Position	149
Combining Statement of Cash Flows	150
Proprietary Funds	
Water Fund	
Combining Schedule of Net Position	152
Combining Schedule of Revenues, Expenses and Changes in Net Position	153
Sewer Fund	
Combining Schedule of Net Position	154
Combining Schedule of Revenues, Expenses and Changes in Net Position	155
Stormwater Fund	
Combining Schedule of Net Position	156
Combining Schedule of Revenues, Expenses and Changes in Net Position	157
Golf Course Fund	
Combining Schedule of Net Position	158
Combining Schedule of Revenues, Expenses and Changes in Net Position	159
Statistical Section (Unaudited)	
Financial Trends	
Summary Financial Report - Revenues and Expenditures for General Operations - Governmental Funds	165
Net Position by Component	166
Changes in Net Position	168
Fund Balances of Governmental Funds	172
Changes in Fund Balances of Governmental Funds	174
Revenue Capacity	
General Governmental Tax Revenues by Source	177
Assessed Value and Estimated Actual Value of Taxable Property	178
Property Tax Rates - Direct and Overlapping Governments	180
Principal Property Taxpayers	182
Property Tax Levies and Collections	183
Debt Capacity	
Ratios of Outstanding Debt by Type	184
Ratios of General Bonded Debt Outstanding	186
Computation of Direct and Overlapping Governmental Activities Debt	187
Legal Debt Margin Information	188
Pledged Revenue Coverage	190

City of Inver Grove Heights, Minnesota
Annual Comprehensive Financial Report
Table of Contents (Continued)
For the Year Ended December 31, 2024

	<u>Page No.</u>
Statistical Section (Unaudited) (Continued)	
Demographic and Economic Information	
Demographic and Economic Statistics	191
Principal Employers	193
Operating Information	
Full-Time Equivalent Employees by Function	194
Operating Indicators by Function	196
Capital Asset Statistics by Function	198
Other Reports	
Independent Auditor's Report on Minnesota Legal Compliance	203
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	204
Federal Financial Award Programs	
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by <i>Uniform Guidance</i>	208
Schedule of Expenditures of Federal Awards	210
Notes to the Schedule of Expenditures of Federal Awards	211
Schedule of Findings and Questioned Costs	212
Schedule of Prior Year Audit Findings	213

THIS PAGE IS LEFT
BLANK INTENTIONALLY

DRAFT

INTRODUCTORY SECTION

CITY OF INVER GROVE HEIGHTS
INVER GROVE HEIGHTS, MINNESOTA

DRAFT

FOR THE YEAR ENDED
DECEMBER 31, 2024

THIS PAGE IS LEFT
BLANK INTENTIONALLY

DRAFT



NEED DATE

To the Mayor, City Council and Citizens of the City of Inver Grove Heights:

Minnesota statutes require every city to issue an annual report on its financial position and activity. These must be prepared in accordance with generally accepted accounting principles (GAAP) and audited in accordance with audit standards generally accepted in the United States of America by a firm of licensed certified public accountants or the Office of the State Auditor. Pursuant to that requirement, we hereby issue the annual comprehensive financial report of the City of Inver Grove Heights for the fiscal year ended December 31, 2024.

This report consists of management's representations concerning the finances of the City of Inver Grove Heights. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the costs of internal controls should not outweigh their benefits, the City of Inver Grove Heights' internal controls have been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of Inver Grove Heights' financial statements have been audited by Abdo, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City for the fiscal year ended December 31, 2024, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Inver Grove Heights' financial statements for the fiscal year ended December 31, 2024, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Inver Grove Heights' MD&A can be found immediately following the report of the independent auditors.



Profile of the Government

The City of Inver Grove Heights, incorporated in 1965, is a suburban community located about 12 miles south of St. Paul, Minnesota and part of the Twin Cities Metropolitan Area that includes Minneapolis, with a total population estimated to be 4 million. The city is in Dakota County, one of the fastest growing counties in the state in terms of population, housing, and business growth. The City of Inver Grove Heights currently occupies a land area of approximately 30 square miles and serves a population of approximately 36,000. The City is empowered to levy a property tax on both real and personal properties located within its boundaries. While it is empowered by state statute to extend its corporate limits by annexation, Inver Grove Heights is still developing within its corporate limits and is bordered on all sides by other incorporated communities.

The City of Inver Grove Heights became a statutory city in 1974. The City operates under a statutory form of government consisting of a four-member city council and the mayor who is a voting member. Council members serve four-year staggered terms, and the mayor also serves a four-year term. Among its primary duties, the City Council makes laws, sets policies, adopts budgets, and oversees a wide-ranging agenda for the community. The City Administrator is appointed by the City Council. The City Administrator heads the administrative branch of city government and directs all city operations, projects, and programs.

The City of Inver Grove Heights provides a full range of services, including police and fire protection, the construction and maintenance of streets, parks and other infrastructure, water and sewer services, community development support, and recreational activities and cultural events.

The annual budget serves as a foundation for the City of Inver Grove Heights' financial planning and control. All departments of the City submit requests for appropriation for the following year to the City Administrator, who uses this information to develop a proposed budget. This is presented to the City Council for their review. The City Council is required to adopt a proposed budget and tax levy by September 30. The Council is required to hold public hearings on the proposed budget and to adopt a final budget no later than December 30.

Factors Affecting Financial Condition

The information in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Inver Grove Heights operates.

Local Economy. The City of Inver Grove Heights continues to experience development and population growth. State Highway 52, which traverses north and south through the City, allows residents and businesses rapid and direct access directly north into downtown St. Paul and to Interstate Highway 94 which connects St. Paul with Minneapolis. This roadway has enhanced residents' access to the broader metropolitan area and increased opportunity for further industrial, commercial, and residential development.



Interstate Highway 494 traverses east and west through the City and connects with Interstate Highway 694 to form a freeway loop around the entire Twin Cities Metropolitan area. The highway system provides Inver Grove Heights ready access to the downtowns of Minneapolis and St. Paul as well as the international airport located 11 miles away.

Inver Grove Heights has several large industries which account for a significant portion of the City's commercial tax capacity. Some of the industries are highly automated and consequently are major taxpayers but not major employers.

Relevant Financial Policies.

In 2024, the City implemented GASB 101 for compensated absences as required by the Governmental Accounting Standards Board (GASB). The update provides a better definition as to what constitutes a compensated absence and when the related liability should be recognized – this should result in improved informational content for financial statement users.

The primary financial goal of the City's investment policy is to ensure the safety of principal invested by the City. Cash temporarily idle during the year is invested in instruments authorized under *Minnesota Statute No. 118A*. Instruments authorized include certificates of deposit, commercial paper, and obligations of U.S. Treasury and government agencies. To achieve diversification, the policy provides that, except for U.S. Treasury securities, no more than 50% of the City's total investment portfolio will be invested with a single institution or in a single security type. A report summarizing investment activity and demonstrating compliance with this policy is prepared on a monthly basis for City Council review. Cash balances from all City funds are pooled into an investment fund and investment income is distributed on a pro-rata basis at the end of each month.

Capital financing for major municipal improvements is provided through improvement bonds, general obligation bonds, tax increment bonds, or revenue bonds. Depending upon the project, special assessments may be levied upon properties to share in the cost of the improvement project. The special assessments are collected over a period of time and are used to help satisfy the improvement bond debt. Internal financing of improvement projects is usually minimal and only for short periods of time.

The City has adopted a comprehensive set of internal control procedures. The City's accounting system was developed and is continually evaluated to assure the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable but not absolute assurance in the areas of safeguarding assets against loss from unauthorized use or disposition, reliability of financial records, and convenience of access for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the evaluation of cost and benefits requires estimates and judgments by management, and the cost of a control should not exceed the benefits likely to be derived. All internal controls are evaluated against the above criteria. It is our belief that the City's internal accounting controls adequately safeguard the City's assets and provide reasonable assurance of properly recording financial transactions.



Major Initiatives.

Community Development

Inver Grove Heights remained a community of interest for developers looking to address market needs and gaps in housing locally and across the Twin Cities metropolitan area. The construction of new homes and housing units strengthened in 2024, with the construction of new single-family homes and attached townhome products, and a new 190-unit luxury apartment building, named Avalon. In total, permits were issued for 116 new single-family rental and owner-occupied housing units, compared to 93 issued the previous year.

Interest rates and changes to financial and lending standards for multi-family (apartment) developments forced several conceptual and approved projects to temporarily pause or shutter entirely. Still, that did not slow development planning efforts for 2025. Development plans were approved for a 159-unit rental townhome development adjacent to Argenta Trail and the City Council also approved a comprehensive plan amendment, paving the way for a 752-unit mixed residential development on 110 acres located on 70th Street and Robert Trail. That concept plan featured up to 500 market rate apartment units, 190 townhome units and 62 single-family homes.

On the commercial side, the final building in the Inver Point Business Park was completed and sold to Somic, a packaging machine manufacturer. A new 12,000-square-foot KinderCare Learning Center day care facility was approved in the Argenta Hills commercial district. One of the City's primary development focuses has been the expansion of dining options within the community and in 2024, the following new businesses were opened within Inver Grove Heights: YoYo Donuts, Pizza Pub, Chipotle Mexican Grill, Hangry Joe's Hot Chicken & Wings, and Tono's Pizzeria + Cheesesteaks.

Police Department

The Department had an authorized staff of 47 licensed peace officers in 2024 and stayed within one or two officers of a fully staffed department throughout the year. The Department applied for, and was awarded, a federal COPS grant to add 3 additional police officers in 2025. The department will work to hire and fill those additional positions in 2025 bringing the authorized staffing to 50 licensed peace officers.

Dakota County has continued to provide a full-time social worker to the Department who works with officers to follow up on calls for service that have a known or suspected mental health or substance abuse component. Internally, the Department continues to prioritize officer and staff mental health and wellness. As part of its wellness program, the Department added a therapy dog who contributes to the wellbeing of both officers and community members interacting with police.

Fire Department

For the first time in many years, calls were down slightly, from 3,060 in 2023 to 2,988 in 2024. Median response time was almost identical to the previous year at 5:37. The Fire Prevention Division completed 732 inspections and re-inspections, which included existing construction, new construction, and hood inspections in restaurants. These were in addition to 97 plan reviews and 12 formal fire investigations. An Assistant Chief of Operations was added to the staff.



The Department held its first ever Recruitment Informational Sessions with more than 40 attending. Two sessions resulted in 13 starting recruit fire training beginning in January 2025. Additionally, two new medical protocols were added in 2024 to enhance service to the public. After researching benefits and training firefighters, the medical director approved adding Intravenous (IV) and Intraosseous (IO) lines for drug administration. Having an IV or IO line in for the paramedics when they arrive can make a significant difference in the outcome for the patient.

Public Works

In 2024, the City awarded a contract and work began on rehabilitation of the City's Water Treatment Facility. The project is being performed in response to elevated radium levels detected in the City's drinking water in 2022. At a cost of \$4,793,000, the project is being funded through a combination of American Rescue Plan Act Funds (52%), a low-interest Drinking Water Revolving Fund loan from the State of Minnesota Public Facilities Authority (45%), and water capital funds (3%). Work on the Water Treatment Facility is expected to be substantially complete by year end 2025.

The City also continued efforts on the Pavement Management Initiative (PMI) in 2024, with the rehabilitation of 5.6 miles of roadways (reclamation and mill & overlay projects). An additional 5.9 miles of roadway received pavement maintenance activities (ultra-thin bonded wear course and broad area patching). Re-designation of existing roadway right-of-way and jurisdictional transfers of several roadways between MnDOT, Dakota County, and the City of Inver Grove Heights resulted in a re-balancing of total mileage within the City's road network, reducing the total mileage of city-owned roadways by one (1) mile in 2024. No new roadways or utility infrastructure (water, sanitary sewer, and storm sewer) was added to the City's system in 2024.

The City continued its partnership with Dakota County on several projects, including completing the final design of a major street reconstruction and modernization project on 117th Street between Rich Valley Boulevard and TH 52. The City also partnered with Dakota County and the City of Eagan on the final design for Argenta Trail between TH 149 and Opperman Drive. Both of these projects are anticipated to begin construction in 2025. A preliminary design study with Dakota County on 70th Street (CSAH 26) from TH 3 to Cahill Ave. started in 2024 and is anticipated to be completed in 2025.

Finally, the City initiated a facility needs and site plan study for an expanded and/or new Central Maintenance Facility, to serve the City's Utilities, Streets, Parks Maintenance, and Central Equipment (Fleet) Divisions. The City acquired property adjacent to the current Central Maintenance Facility in 2021 in anticipation of an expanded maintenance facility, and the purpose of this study is to develop a site plan and possible facility scope and financing options for implementing improvements in the coming years. The study is anticipated to be complete in the first quarter of 2025.

Parks & Recreation

In 2024, the City completed Phase 1 of the South Valley Park redevelopment, Phase 4 construction of Heritage Village Park (HVP), and the Seidls Lake Shoreline Restoration and Trail Extension project. The South Valley Park Phase 1 redevelopment included a new playground, an open-air picnic shelter with a heated kitchen, restrooms, a fire pit, a performance area, a large gathering plaza, and an expanded parking lot. Phase 4 construction at HVP introduced key infrastructure elements, including



the Roundhouse Shelter, bench coverings, restrooms, concrete pavement, and railroad walkways—essential for supporting existing improvements and preparing for future phases. The Seidls Lake Shoreline Restoration and Trail Extension Project was a joint project between the cities of South St. Paul and Inver Grove Heights. The project included reconstruction the existing trail at Seidls Lake, extending the trail through Inver Grove Heights, reconstructing failing retaining walls and fences, and restoring the shoreline of Seidls Lake.

The Veteran’s Memorial Community Center (VMCC) also had a very strong year in 2024, marked by increased revenues and record attendance. Membership and admission revenue topped \$1.55 million, which was \$365,000 over budget projections and \$209,000 over 2023 membership and admission revenue. The VMCC offered over 1,100 program opportunities, including fitness classes, aquatic programs, youth activities, and special events, which served more than 8,450 registered participants. Over 7,500 participants attended the various special events put on by the Department over the course of the year. Inver Wood Golf Course had another exceptional season in 2024, with over 80,000 rounds of golf played on its championship and executive courses. The driving range was also consistently at full capacity with over 18,000 visitors.

Administration & Finance

The City Clerk’s office administered three elections during calendar year 2024, including the Presidential Nominating Primary in March, State Primary Election in August, and State General Election in November. Voter turnout for the November General Election exceeded 83%, with a total of just under 21,000 ballots cast in an election that returned two incumbent City Councilmembers and the incumbent Mayor to office for an additional four-years. Just under half of those who cast a ballot voted absentee, early or by mail, while just over half voted in person on Election Day.

In 2024, the Finance Department implemented a new chart of account structure for the City’s accounting system which provides staff, policymakers, and the public with a more transparent way to report financial data. The City also adopted a minimum cash reserve policy for the stormwater operating fund and consolidated the two stormwater capital funds – after adopting similar policies for the Water and Sewer funds in 2023. The purpose of such policies is to ensure there are adequate resources available to meet the ongoing financial obligations of each fund, and to plan for future capital needs.

For the Future.

Inver Grove Heights sees continued growth and progress in 2025 and beyond, as it invests in increased long-range planning for the maintenance and preservation of existing City assets and expansion to serve new residents.

The City anticipates an increase in residential and commercial development activity in 2025, with multiple projects already in the pipeline. Similarly, significant Parks and Public Works projects started in 2024 are expected to come to fruition in 2025, as noted above.



In 2025, the Police Department will be expanding community engagement efforts with both youth and adults as well as working to develop a Community Chaplain Program. The Department will continue to monitor state laws related to the sale and use of marijuana and THC products and create compliance check processes to support the State and local businesses.

For 2025, the Fire Department will continue exploring the future of Fire Station #3 and whether it is best to remodel or rebuild on the existing site or build new at a different location. Staffing will continue to be a priority, with an emphasis on retaining paid-on-call firefighters and adding part-time and full-time firefighters, as needed, to fill existing gaps in our response model. Present policies and procedures will be reviewed in order to update and add what is needed to ensure consistency with present fire department operations, applicable laws and best practices.

In addition to continued implementation of the annual Pavement Management Initiative and completion of the rehabilitation project at the City's Water Treatment Plant, the Public Works Department is anticipating taking the next steps in a final design for a new and/or expanded Central Maintenance Facility (2025), the completion of a Stormwater Rate Study (2025) and potential implementation of a revised rate structure (2026), and to begin a planning effort to review and possibly start the implementation of Advanced Metering Infrastructure (AMI) into the City's water and sewer utility systems (2025-2027).

In 2025, the City will embark on several transformative projects that will further enhance and define the City's park system, particularly in the northeast region. Among these initiatives is the Phase 5 construction of Heritage Village Park, which will introduce the community's first fully inclusive playground and splash pad—providing accessible and engaging recreational opportunities for individuals of all abilities. Additionally, the installation of lighting on the Rock Island Swing Bridge will improve safety, extend usability into the evening hours, and enhance its presence as a landmark destination. These projects mark a significant investment in the City's parks and recreational infrastructure, ensuring long-term benefits for residents and visitors alike.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Inver Grove Heights for its annual comprehensive financial report for the fiscal year ended December 31, 2023. This Certificate recognizes the City for publishing an easily readable and efficiently organized financial report which satisfies both GAAP and applicable legal requirements. The City has consecutively received this award since 1986.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.



The preparation of this report would not have been possible without the dedicated services of the Finance Department staff. We would like to express our appreciation to all members of the Department who assisted and contributed to the preparation of this report. Credit must also be given to the Mayor and City Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Inver Grove Heights' finances.

Respectfully submitted,

Amy Hove
Amy Hove
Finance Director

Kristine Lyndon Wilson
Kristine Lyndon Wilson
City Administrator

DRAFT



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Inver Grove Heights
Minnesota**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2023

Christopher P. Morill

Executive Director/CEO

City of Inver Grove Heights, Minnesota
Elected and Appointed Officials
As of NEED DATE

ELECTED

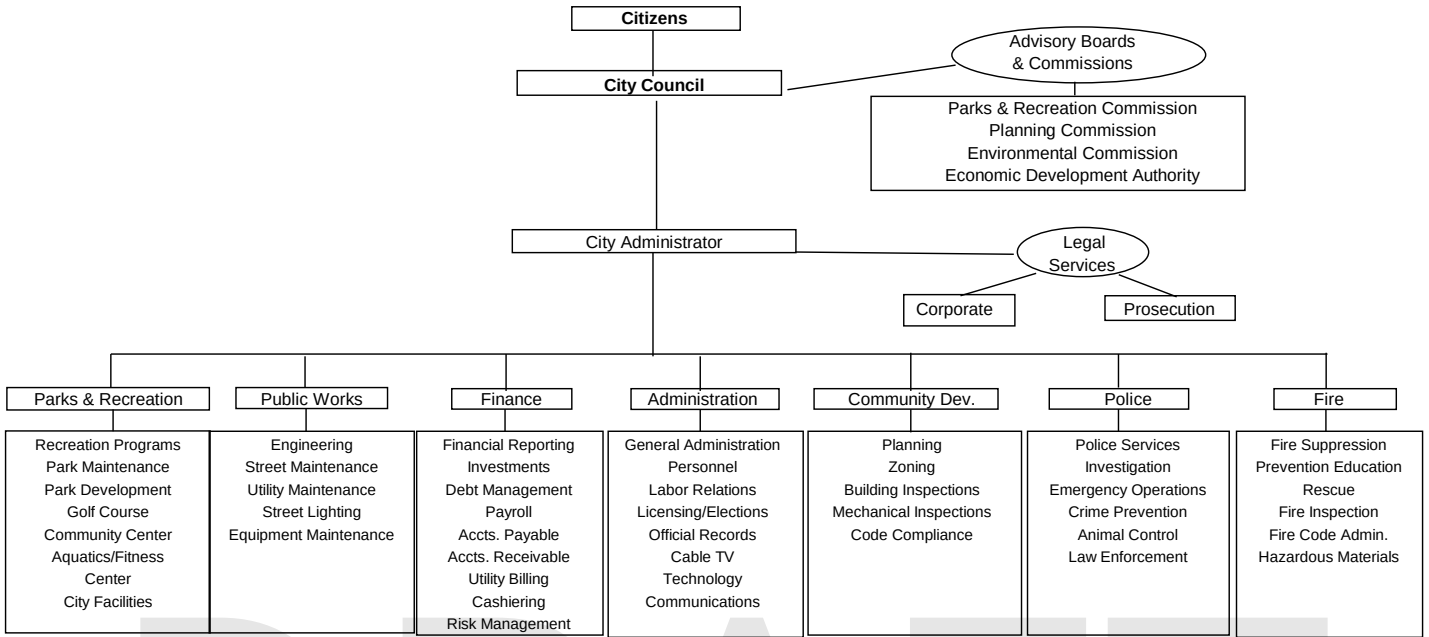
Name	Title	Term Expires
Brenda Dietrich	Mayor	12/31/28
Sue Gliva	Council Member	12/31/28
Tony Scales	Council Member	12/31/26
John Murphy	Council Member	12/31/28
Mary T'Kach	Council Member	12/31/26

APPOINTED

Name	Title
Kris Wilson	City Administrator
Amy Hove	Finance Director
Melissa Chiodo	Police Chief
Judy Thill	Fire Chief
Brian Connolly	Public Works Director
Jason Zeimer	Community Development Director
Adam Lares	Parks and Recreation Director

CITY OF INVER GROVE HEIGHTS, MINNESOTA

ORGANIZATION CHART



THIS PAGE IS LEFT
BLANK INTENTIONALLY

DRAFT

FINANCIAL SECTION

CITY OF INVER GROVE HEIGHTS
INVER GROVE HEIGHTS, MINNESOTA

DRAFT

FOR THE YEAR ENDED
DECEMBER 31, 2024

THIS PAGE IS LEFT
BLANK INTENTIONALLY

DRAFT

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
City of Inver Grove Heights, Minnesota

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Inver Grove Heights, Minnesota (the City), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City as of December 31, 2024, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General fund, the Community Center special revenue fund and the Host Community special revenue fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis starting on 29 and the Schedules of Employer's Share of the Net Pension Liability, the Schedules of Employer's Contributions, the related notes disclosures, Schedule of Changes in the Fire Relief Association's Net Pension Liability (Asset) and Related Ratios and the Schedule of Changes in the City's OPEB Liability and Related Ratios starting on page 114 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining and individual fund financial statements and schedules and schedule of expenditures of federal awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statement themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules and the schedule of expenditures of federal awards are fairly stated, in all material respects in relation to the basic financial statements as a whole.



Other Information

Management is responsible for the other information in the annual report. The other information comprises the introductory section and statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statement do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated NEED DATE, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Abdo
Minneapolis, Minnesota
NEED DATE

DRAFT



THIS PAGE IS LEFT
BLANK INTENTIONALLY

DRAFT

Management's Discussion and Analysis

As management of the City of Inver Grove Heights, Minnesota, (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2024. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 11 - 18 of this report.

Financial Highlights

- The assets and deferred outflows or resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year as shown in the summary of net position on the following pages. The unrestricted amount of net position may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased as shown in the summary of changes in net position table on the following pages. The increase this year was due to an increase in investment earnings and operating grants, and charges for services in the business-type activities continuing to outweigh expenses. Expenses also decreased compared to the prior year due to a decrease in the pension liability and related balances.
- For the current fiscal year, the City's governmental funds fund balances are shown in the Financial Analysis of the City's Funds section of the MD&A. The total fund balance increased in comparison with the prior year. This increase was mainly due to an increase in permit revenue, investment earnings, and recognition of federal funding to cover a portion of police payroll costs. The total of assigned and unassigned as shown in the governmental fund balance table is available for spending at the City's discretion.
- The City's total bonded debt decreased during the fiscal year. The decrease was a result of scheduled debt service payments as shown on the outstanding debt table.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplemental information in addition to the basic financial statements themselves.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of combining and individual fund financial statements and schedules that further explains and supports the information in the financial statements. In addition to these required elements, we have included a section with combining and individual fund financial statements and schedules that provide details about nonmajor governmental funds, which are added together and presented in single columns in the basic financial statements.

Government-wide Financial Statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the City's assets, deferred outflows, liabilities, and deferred inflows, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenue (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, public works, culture and recreation, community development, and interest on long-term debt. The business-type activities of the City include water, sewer, and storm water utilities and the golf course.

The government-wide financial statements start on page 47 of this report.

Fund Financial Statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds and internal service funds.

Governmental Funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact by the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains numerous individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General fund, Improvement Bonds, Community Center, Host Community, Closed Bond, Local Improvement Construction, Pavement Management and Developer Escrow funds, which are all considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements or schedules* elsewhere in this report.

The City adopts an annual appropriated budget for its General fund and Community Center special revenue fund. Budgetary comparison statements have been provided for these funds to demonstrate compliance with their budgets.

The basic governmental fund financial statements start on page 52 of this report.

Proprietary Funds. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for all the water, sewer, storm water and golf course funds, which are considered to be major funds of the City. Conversely, all internal service funds are combined into a single aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

The City maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water, sewer, storm water and golf operations. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for compensated absences, risk management, central equipment maintenance, city facilities and technology. Because these services predominantly benefit governmental rather than business-type activities, they have been included within governmental activities in the government-wide financial statements.

The basic proprietary fund financial statements start on page 62 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements start on page 71 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pensions and other postemployment benefits to its employees.

Required supplementary information can be found starting on page 114 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented following the required supplementary information.

Combining and individual fund financial statements and schedules start on page 126 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$297,324,367 at the close of the most recent fiscal year.

By far, the largest portion of the City's net position reflects its investment in capital assets (e.g., land, buildings, machinery and equipment) less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

City of Inver Grove Heights' Summary of Net Position

	Governmental Activities			Business-type Activities			Total		
	2024	2023	Increase (Decrease)	2024	2023	Increase (Decrease)	2024	2023	Increase (Decrease)
Assets									
Current and other assets	\$ 101,054,688	\$ 101,521,869	\$ (467,181)	\$ 36,259,311	\$ 28,903,151	\$ 7,356,160	\$ 137,313,999	\$ 130,425,020	\$ 6,888,979
Capital assets, net of depreciation	150,665,968	149,832,521	833,447	72,028,014	69,552,921	2,475,093	222,693,982	219,385,442	3,308,540
Total Assets	251,720,656	251,354,390	366,266	108,287,325	98,456,072	9,831,253	360,007,981	349,810,462	10,197,519
Deferred Outflows of Resources									
Deferred charge on refunding	-	-	-	78,307	97,485	(19,178)	78,307	97,485	(19,178)
Deferred other postemployment benefits resources	2,004,414	2,009,948	(5,534)	268,463	247,488	20,975	2,272,877	2,257,436	15,441
Deferred pension resources	12,948,967	16,899,761	(3,950,794)	155,139	313,965	(158,826)	13,104,106	17,213,726	(4,109,620)
Total Deferred Outflows of Resources	14,953,381	18,909,709	(3,956,328)	501,909	658,938	(157,029)	15,455,290	19,568,647	(4,113,357)
Liabilities									
Long-term liabilities outstanding	40,351,106	46,516,870	(6,165,764)	10,706,316	11,885,271	(1,178,955)	51,057,422	58,402,141	(7,344,719)
Other liabilities	4,521,807	12,885,184	(8,363,377)	4,778,263	3,499,791	1,278,472	9,300,070	16,384,975	(7,084,905)
Total Liabilities	44,872,913	59,402,054	(14,529,141)	15,484,579	15,385,062	99,517	60,357,492	74,787,116	(14,429,624)
Deferred Inflows of Resources									
Deferred pension resources	15,491,437	15,393,925	97,512	542,839	360,491	182,348	16,034,276	15,754,416	279,860
Deferred other postemployment benefits resources	416,791	491,942	(75,151)	55,824	60,573	(4,749)	472,615	552,515	(79,900)
Deferred lease resources	972,528	1,090,150	(117,622)	-	-	-	972,528	1,090,150	(117,622)
Total Deferred Inflows of Resources	16,880,756	16,976,017	(95,261)	598,663	421,064	177,599	17,479,419	17,397,081	82,338
Net Position									
Net investment in capital assets	126,758,171	123,768,963	2,989,208	62,263,501	58,449,172	3,814,329	189,021,672	182,218,135	6,803,537
Restricted	14,440,794	13,588,429	852,365	-	-	-	14,440,794	13,588,429	852,365
Unrestricted	63,721,403	56,528,636	7,192,767	30,442,491	24,859,712	5,582,779	94,163,894	81,372,229	12,791,665
Total Net Position	\$ 204,920,368	\$ 193,886,028	\$ 11,034,340	\$ 92,705,992	\$ 83,308,884	\$ 9,397,108	\$ 297,626,360	\$ 277,178,793	\$ 20,447,567
Net Position as a Percent of Total									
Net investment in capital assets	61.9 %	63.8 %		67.2 %	70.2 %				
Restricted	7.0	7.0		-	-				
Unrestricted	31.1	29.2		32.8	29.8				
	<u>100.0 %</u>	<u>100.0 %</u>		<u>100.0 %</u>	<u>100.0 %</u>				

An additional portion of the City's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* may be used to meet the City's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position, both for the City as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

Significant changes from the prior year are noted below:

City of Inver Grove Heights' Changes in Net Position

	Governmental Activities			Business-type Activities			Total		
	2024	2023	Increase (Decrease)	2024	2023	Increase (Decrease)	2024	2023	Increase (Decrease)
Revenues									
Program Revenues									
Charges for services	\$ 10,519,224	\$ 9,902,871	\$ 616,353	\$ 12,919,293	\$ 12,289,646	\$ 629,647	\$ 23,438,517	\$ 22,192,517	\$ 1,246,000
Operating grants and contributions	6,537,627	5,024,620	1,513,007	3,873	17,776	(13,903)	6,541,500	5,026,277	1,515,223
Capital grants and contributions	4,662,760	5,242,172	(579,412)	1,727,855	2,783,985	(1,056,130)	6,390,615	8,026,157	(1,635,542)
General Revenues									
Taxes									
Property taxes	32,941,019	30,355,206	2,585,813	-	-	-	32,941,019	30,355,206	2,585,813
Other taxes	1,424,758	1,462,995	(38,237)	-	-	-	1,424,758	1,462,995	(38,237)
Grants and contributions									
not restricted to									
specific programs	648,106	591,785	56,321	-	-	-	648,106	591,785	56,321
Unrestricted investment earnings	3,006,601	2,409,969	596,632	1,292,459	1,120,872	171,587	4,299,060	3,530,841	768,219
Gain on sale of capital assets	124,634	199,300	(74,666)	34,000	-	34,000	158,634	199,300	(40,666)
Total Revenues	59,864,729	55,188,918	4,675,811	15,977,480	16,212,279	(234,799)	75,842,209	71,385,078	4,457,131
Expenses									
General government	4,741,396	4,520,300	221,096	-	-	-	4,741,396	4,520,300	221,096
Public safety	18,303,826	19,639,754	(1,335,928)	-	-	-	18,303,826	19,639,754	(1,335,928)
Public works	9,963,161	8,705,146	1,258,015	-	-	-	9,963,161	8,705,146	1,258,015
Culture and recreation	8,288,378	9,179,046	(890,668)	-	-	-	8,288,378	9,179,046	(890,668)
Community development	2,374,010	2,395,156	(21,146)	-	-	-	2,374,010	2,395,156	(21,146)
Interest on long-term debt	712,039	743,678	(31,639)	-	-	-	712,039	743,678	(31,639)
Water	-	-	-	3,435,876	3,960,358	(524,482)	3,435,876	3,960,358	(524,482)
Sewer	-	-	-	4,260,764	5,036,434	(775,670)	4,260,764	5,036,434	(775,670)
Storm water management	-	-	-	792,817	1,002,073	(209,256)	792,817	1,002,073	(209,256)
Golf course	-	-	-	2,538,494	2,028,445	510,049	2,538,494	2,028,445	510,049
Total Expenses	44,382,810	45,183,080	(800,270)	11,027,951	12,027,310	(999,359)	55,410,761	57,210,390	(1,799,629)
Excess before transfers	15,481,919	10,005,838	5,476,081	4,949,529	4,184,969	764,560	20,431,448	14,174,688	6,256,760
Transfers - capital assets	(3,271,723)	-	(3,271,723)	3,271,723	-	3,271,723	-	-	-
Transfers - internal activities	(1,175,856)	1,645,277	(2,821,133)	1,175,856	(1,645,277)	2,821,133	-	-	-
Change in Net Position	11,034,340	11,651,115	(616,775)	9,397,108	2,539,692	6,857,416	20,431,448	14,174,688	6,256,760
Net Position, January 1	193,886,028	182,234,913	11,651,115	83,308,884	80,769,192	2,539,692	277,194,912	263,004,105	14,190,807
Net Position, December 31	\$ 204,920,368	\$ 193,886,028	\$ 11,034,340	\$ 92,705,992	\$ 83,308,884	\$ 9,397,108	\$ 297,626,360	\$ 277,178,793	\$ 20,447,567

Governmental Activities

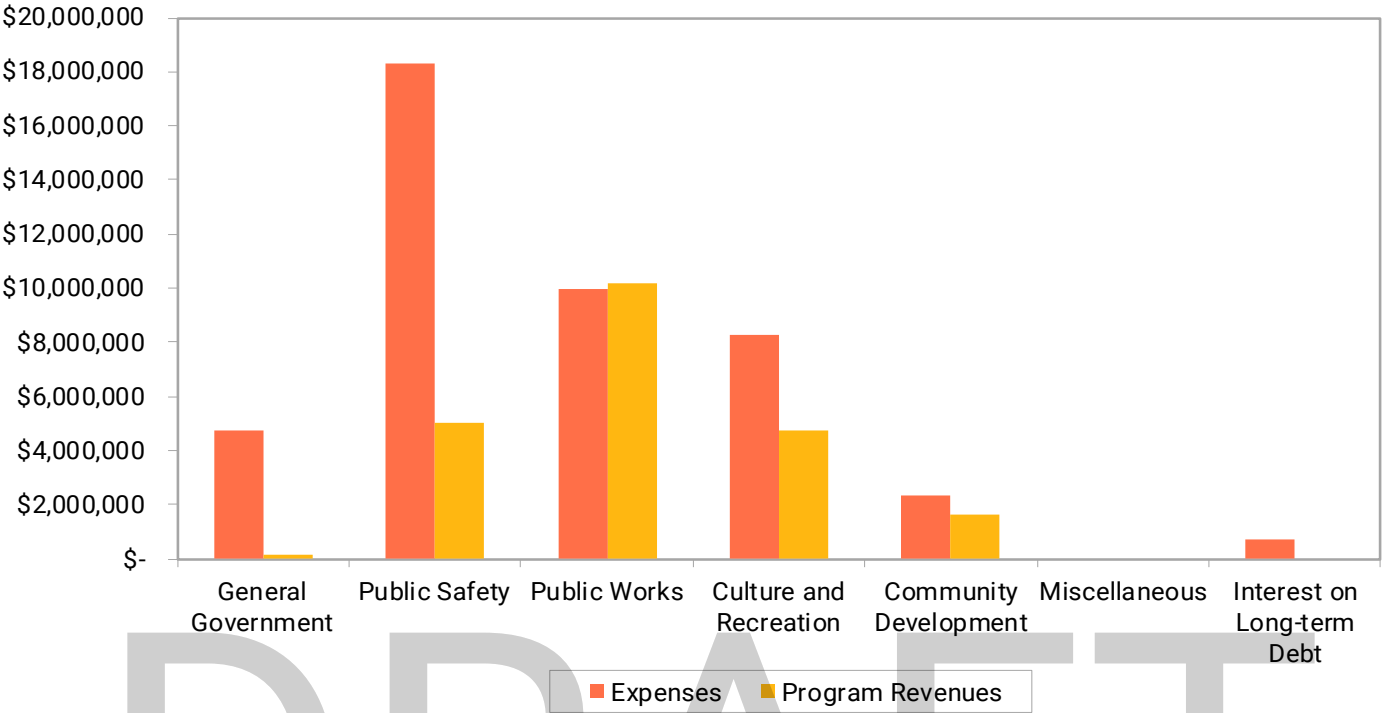
- The increase in operating grants and contributions from 2023 was due to the recognition of ARPA funds to pay for a portion of police wages and the receipt of local affordable housing aid, which will be used in future years.
- The decrease in capital grants and contributions from 2023 was primarily due to prior year drawdown of municipal state aid construction dollars towards intersection improvements at Trunk Highway 3 and 65th Street.
- The decrease in governmental activity expenses was largely due to the recognition of negative pension expense related to the decrease in the City's pension liability and related balances.

Business-type Activities

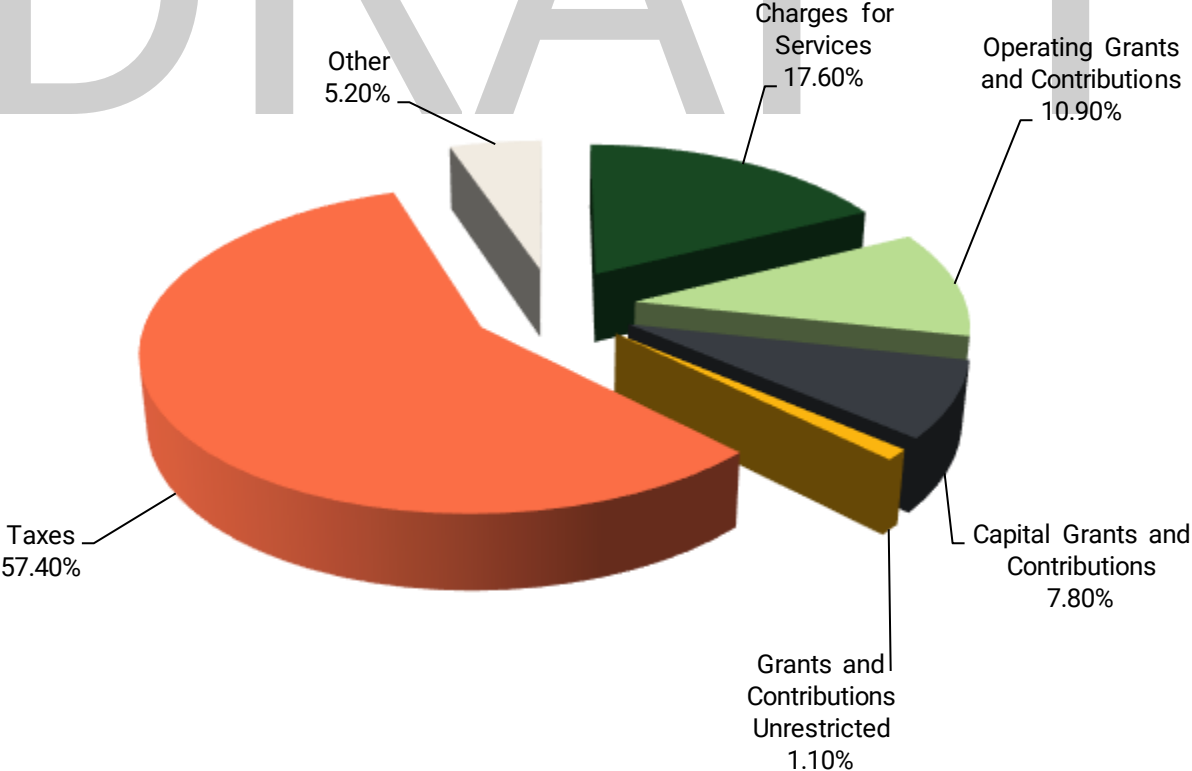
- The increase in charges for services from 2023 is largely due to the 2024 rate increases approved for water, sanitary sewer, and storm water services.
- The decrease in capital grants and contributions was due to larger 2023 development-related utility connection fees for water, sanitary sewer, and storm water.
- The decrease in business-type activity expenses was largely due to the recognition of negative pension expense related to the decrease in the City's pension liability and related balances.

Governmental Activities. Governmental activities increased the City’s net position, as described above. The following graph depicts various governmental activities and shows the revenues and expenses directly related to those activities.

Expenses and Program Revenues - Governmental Activities

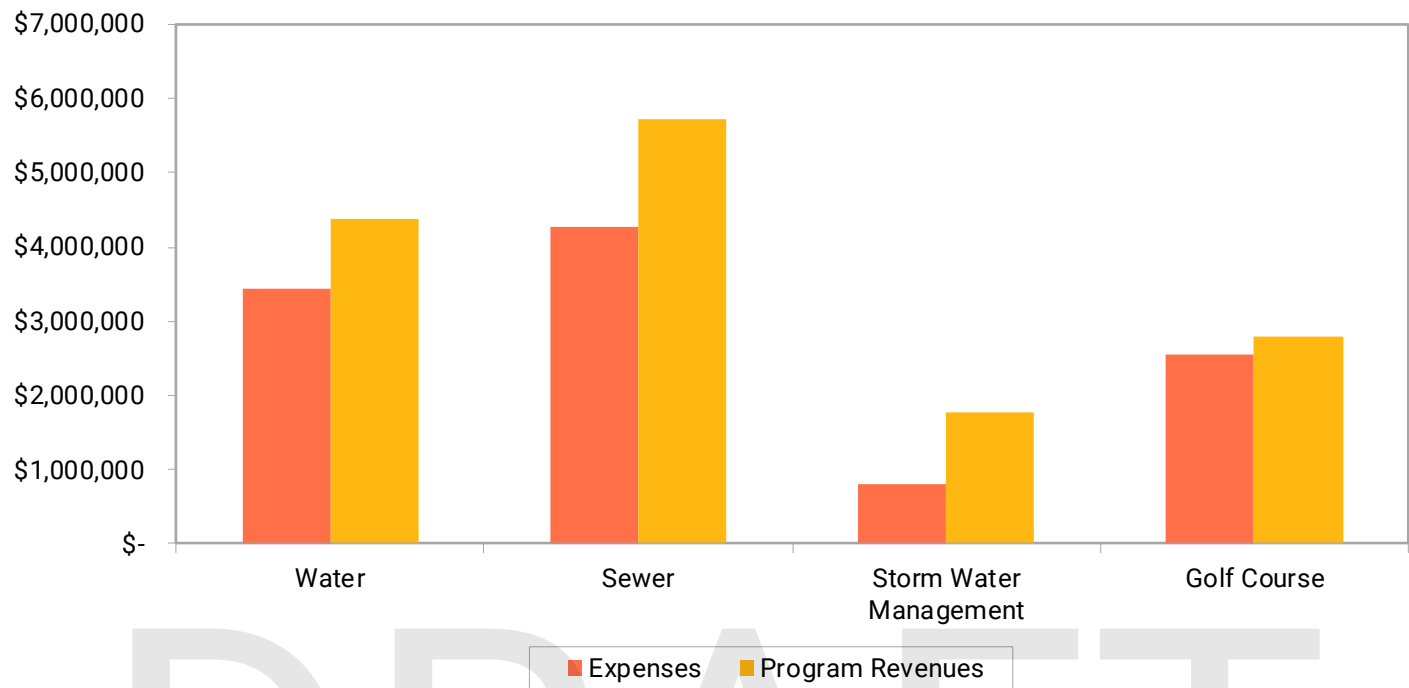


Revenues by Source - Governmental Activities

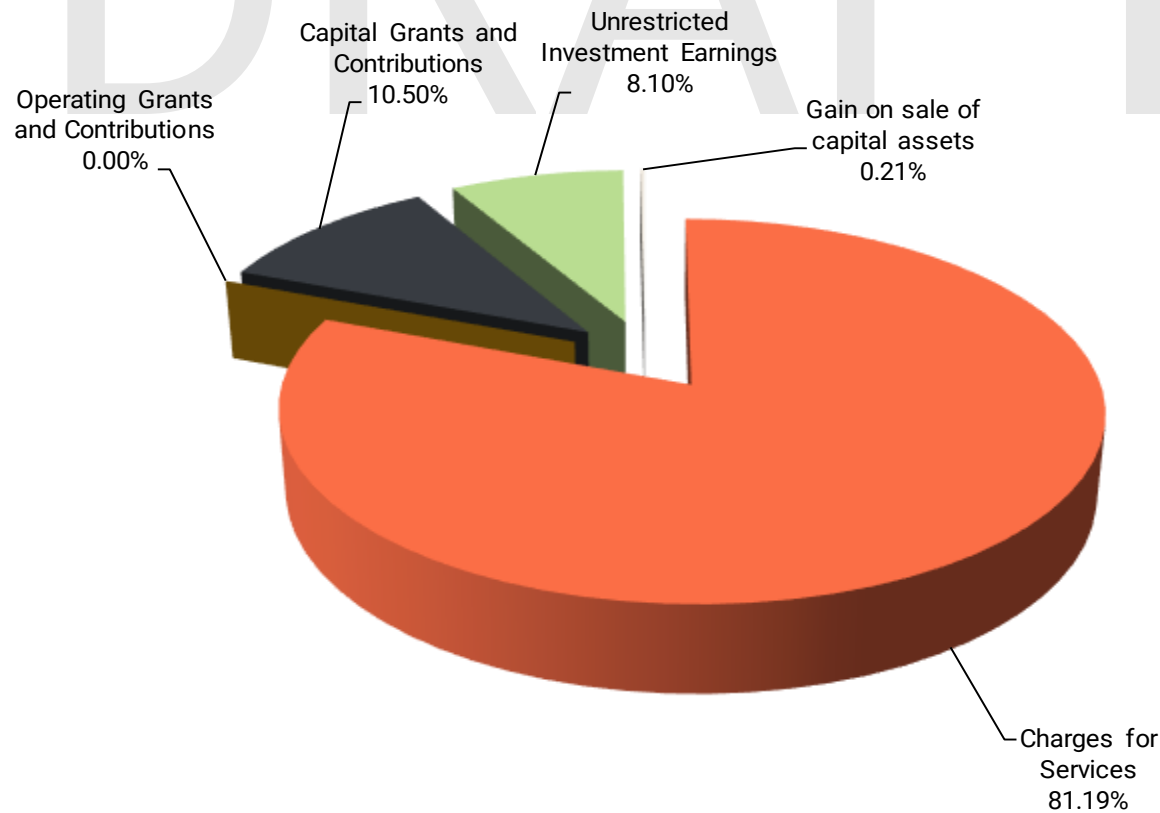


Business-type Activities. The business-type activities increased the City’s net position, as described above. Below are graphs showing the business-type activities revenue and expense comparisons.

Expenses and Program Revenues - Business-type Activities



Revenues by Source - Business-type Activities



Financial Analysis of the City's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows and balances of *spendable* resources. Such information is useful in assessing the City's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. The table below outlines the governmental fund balances for the year ending December 31, 2024.

	General Fund	Improvement Bonds	Community Center	Host Community	Closed Bond	Local Improvement Construction
Fund Balances						
Nonspendable	\$ 279,183	\$ -	\$ 12,632	\$ -	\$ -	\$ -
Restricted	1,475,312	4,380,647	-	-	-	-
Committed	1,154,309	-	-	-	-	-
Assigned	-	-	312,390	5,647,771	1,316,985	3,196,272
Unassigned	18,004,549	-	-	-	-	-
Total	<u>\$ 20,913,353</u>	<u>\$ 4,380,647</u>	<u>\$ 325,022</u>	<u>\$ 5,647,771</u>	<u>\$ 1,316,985</u>	<u>\$ 3,196,272</u>

	Pavement Management	Developer Escrows	Other Governmental Funds	Total	Prior Year Total	Increase/ (Decrease)
Fund Balances						
Nonspendable	\$ -	\$ -	\$ -	\$ 291,815	\$ 99,490	\$ 192,325
Restricted	-	-	6,872,524	12,728,483	11,908,892	819,591
Committed	-	-	823,364	1,977,673	1,354,225	623,448
Assigned	14,457,780	-	3,520,593	28,451,791	28,794,353	(342,562)
Unassigned	-	-	-	18,004,549	14,428,659	3,575,890
Total	<u>\$ 14,457,780</u>	<u>\$ -</u>	<u>\$ 11,216,481</u>	<u>\$ 61,454,311</u>	<u>\$ 56,585,619</u>	<u>\$ 4,868,692</u>

As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances shown above. Additional information on the City's fund balances can be found in Note 3 starting on page 81 of this report.

The *General fund* is the chief operating fund of the City. At the end of the current year, the fund balance of the General fund is shown in the table above. As a measure of the General fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. The total unassigned fund balance as a percent of total fund expenditures is shown in the chart below along with total fund balance as a percent of total expenditures.

	Current Year Ending Balance	Prior Year Ending Balance	Increase/ (Decrease)
General Fund Fund Balances			
Nonspendable	\$ 279,183	\$ 88,444	\$ 190,739
Restricted	1,475,312	1,590,149	(114,837)
Committed	1,154,309	649,116	505,193
Assigned	-	-	-
Unassigned	18,004,549	14,487,833	3,516,716
	<u>\$ 20,913,353</u>	<u>\$ 16,815,542</u>	<u>\$ 4,097,811</u>
General Fund expenditures	\$ 31,258,681	\$ 29,262,350	
Unassigned Fund Balance as a percent of expenditures for the year	57.6%	49.5%	
Total Fund Balance as a percent of expenditures for the year	66.9%	57.5%	

The fund balance of the City's General fund increased during the current fiscal year as shown in the table above. The large decrease in restricted fund balance is due to the City spending a portion of the one-time public safety aid received from the State of Minnesota. The large increase in committed fund balance is due to committing funds to offset future payroll costs, which are currently being funded with short-term grant revenue. The unassigned fund balance increased due to the recognition of ARPA funds to cover a portion of police payroll wages and higher than expected investment earnings and permit revenue.

Other major governmental fund analysis is shown below:

Major Fund	Fund Balances December 31,		Increase (Decrease)
	2024	2023	
Community Center	\$ 325,022	\$ (48,128)	\$ 373,150
The Community Center fund balance increased from the prior year due to transfers in from other funds. Transfers were utilized to fund operating costs and capital improvements.			
Host Community	\$ 5,647,771	\$ 5,791,335	\$ (143,564)
The Host Community fund balance decreased primarily due to transfers to other funds to fund capital projects and Community Center operations.			
Improvement Bonds	\$ 4,380,647	\$ 4,260,594	\$ 120,053
The Improvement Bonds fund is restricted for the payment of debt service. The change in fund balance is a result of the collection of taxes and assessments and repayment of annual bond payments.			
Closed Bond	\$ 1,316,985	\$ 1,435,867	\$ (118,882)
The Closed Bond fund fund balance is assigned for capital improvements. The decrease can be attributed to the use of reserves to pay for certain capital improvements.			
Local Improvement Construction	\$ 3,196,272	\$ 3,922,345	\$ (726,073)
The Local Improvement Construction fund was established to account for the governmental portion of improvement projects. The decrease is primarily related to transfers to other funds for the payment of project costs.			
Pavement Management	\$ 14,457,780	\$ 13,552,310	\$ 905,470
The Pavement Management fund was established to account for the governmental portion of capital projects. The ending fund balance is assigned for capital improvements. In 2024, this fund received multiple transfers from utility funds to cover current and future utility costs related to the City's pavement management efforts.			
Developer Escrow	\$ -	\$ -	\$ -
The Developer Escrow fund was established to account for the developer escrow receipts and related costs. Revenue is recognized in this fund as funds are used for building related costs.			

Proprietary Funds. The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Net position of the City's proprietary funds increased as follows:

	Ending Net Position 2024	Ending Net Position 2023	Increase/ (Decrease)
Water	\$ 46,595,310	\$ 43,571,414	\$ 3,023,896
The increase is primarily attributed to the excess of charges for services over related operating costs and the collection of connection fees			
Sewer	\$ 28,076,117	\$ 25,641,374	\$ 2,434,743
The increase is primarily attributed to the excess of charges for services over related operating costs and the collection of connection fees			
Stormwater	\$ 15,304,789	\$ 11,764,990	\$ 3,539,799
The increase is primarily attributed to the transfer in of funds from Host Community Fund for future capital projects.			
Golf Course	\$ 2,729,776	\$ 2,331,106	\$ 398,670
The increase is primarily attributed to the excess of charges for services over related operating costs.			

General Fund Budgetary Highlights

	Original Budgeted Amounts	Budget Amendments	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues	\$ 32,432,380	\$ 43,000	\$ 32,475,380	\$ 35,215,215	\$ 2,739,835
Expenditures	32,636,365	571,209	33,207,574	31,258,681	1,948,893
Excess (Deficiency) of Revenues Over (Under) Expenditures	(203,985)	(528,209)	(732,194)	3,956,534	4,688,728
Other Financing Sources (Uses)					
Transfers in	688,500	-	688,500	689,517	1,017
Transfers out	(484,515)	(6,250)	(490,765)	(548,240)	(57,475)
Total Other Financing Sources (Uses)	203,985	(6,250)	197,735	141,277	(56,458)
Net Change in Fund Balances	-	(534,459)	(534,459)	4,097,811	4,632,270
Fund Balances, January 1	16,815,542	-	16,815,542	16,815,542	-
Fund Balances, December 31	<u>\$ 16,815,542</u>	<u>\$ (534,459)</u>	<u>\$ 16,281,083</u>	<u>\$ 20,913,353</u>	<u>\$ 4,632,270</u>

The City's General fund budget was amended during the year as shown above. Budget amendments increased revenue for new grants and donations to be spent in 2024. Additional budget amendments reallocated personal services expenditures to different departments and increased costs for professional services.

Actual revenues were over the final budgeted amounts primarily due to the recognition of revenue for the American Rescue Plan Act dollars received in 2021 and 2022. Permit revenue and interest earnings also exceeded budget.

Actual expenditures were under the final budgeted amounts primarily due to the following:

- The City's intentional budgeting and saving of fund balance to help pay for the cost of the new firefighters hired in 2022 whose wages are currently covered by a federal Staffing for Adequate Fire and Emergency Response grant. In 2024, the amount budgeted and saved to fund balances under this plan was \$525,000.
- Police and Fire personnel services were under budget by \$136,495 and \$247,044, respectively. For police, this was due to full-time position vacancies, and for fire, a reduction in spending for paid on call firefighters
- The engineering department was under budget by \$242,629. The budget variance was largely due to less personnel service costs and professional services than expected.

Capital Asset and Debt Administration

Capital Assets. The City's investment in capital assets for its governmental and business-type activities as of December 31, 2024, is shown below in the capital asset table (net of accumulated depreciation). This investment in capital assets includes land (tangible and intangible), buildings, improvements, machinery and equipment, park facilities, roads and bridges, and other infrastructure.

Major capital asset events during the current fiscal year included the following:

- The City continued infrastructure projects including the reconstruction of 96th Street, Corcoran Path and Dawson Way Area Improvements, and the Southgrove Area Projects.
- The City purchased equipment in the amount of \$1,711,582 which included a new Bobcat Loader, Ford F550 with Crane Attachment, two Ferris Mowers, a Dump Truck, and Televising Equipment.
- The City has construction in progress at year-end for both governmental and business-type activities totaling \$27,387,817.
- The City has construction commitments relating to street, water, sanitary sewer, storm water, parks, and building improvements of \$6,141,985 at year-end.

City of Inver Grove Heights' Capital Assets (Net of Depreciation)

	Governmental Activities			Business-type Activities		
	2024	2023	Increase (Decrease)	2024	2023	Increase (Decrease)
Land	\$ 32,034,539	\$ 32,034,539	\$ -	\$ 4,389,159	\$ 4,389,159	\$ -
Construction in Progress	23,361,103	17,687,266	5,673,837	4,321,950	586,012	3,735,938
Infrastructure	66,406,726	69,757,127	(3,350,401)	-	-	-
Buildings and Systems	20,639,779	21,333,797	(694,018)	62,606,644	64,053,826	(1,447,182)
Improvements other than Buildings	2,377,753	3,058,666	(680,913)	251,429	268,655	(17,226)
Machinery and Equipment	5,806,934	5,862,564	(55,630)	458,832	255,269	203,563
Machinery and Equipment - Right to Use	39,134	98,562	(59,428)	-	-	-
Total	<u>\$ 150,665,968</u>	<u>\$ 149,832,521</u>	<u>\$ 833,447</u>	<u>\$ 72,028,014</u>	<u>\$ 69,552,921</u>	<u>\$ 2,475,093</u>

Additional information on the City's capital assets can be found in Note 3B starting on page 85 of this report.

Long-term Debt. At the end of the current fiscal year, the City had total bonded debt outstanding of \$32,160,000. All of the City's bonds are backed by the full faith and credit of the City.

State statutes limit the amount of G.O. debt a Minnesota city may issue to 3 percent of total estimated market value. The current debt limitation for the City is \$165,354,142. Only the \$20,260,000 in G.O. bonds is counted within the statutory limitation. The other debt of the City is either wholly or partially financed by revenues other than a general tax levy.

City of Inver Grove Heights' Outstanding Debt

Additional information on the City's long-term debt can be found in Note 3D starting on page 87 of this report.

	Governmental Activities			Business-type Activities		
	2024	2023	Increase (Decrease)	2024	2023	Increase (Decrease)
G.O. Bonds	\$ 20,260,000	\$ 21,785,000	\$ (1,525,000)	\$ -	\$ -	\$ -
G.O. Special Assessments Bonds	2,990,000	3,495,000	(505,000)	-	-	-
G.O. Revenue Bonds	-	-	-	8,910,000	9,690,000	(780,000)
Bond Premium	620,427	683,248	(62,821)	370,660	419,127	(48,467)
Lease Payable	37,370	100,310	(62,940)	-	-	-
Total	\$ 23,907,797	\$ 26,063,558	\$ (2,155,761)	\$ 9,280,660	\$ 10,109,127	\$ (828,467)

Economic Factors and Next Year's Budgets and Rates

- The City's net tax capacity increased by 2.9 percent for taxes payable 2025 which was less than the 6 percent growth experienced for taxes payable 2024. Tax capacity on Residential property increased 2.4 percent, Commercial property increased 5.5 percent, and Industrial property increased 9.7 percent. The City's levy increased \$1,473,363, or 4.5 percent for taxes payable 2025 which resulted in a tax rate increase of 1.2 percent.
- The 2025 budget reflects an increase in the City's investment towards personnel costs and infrastructure:
 - Other than covering a 3% general wage increase and 6.2% increased health insurance costs, the City added 6 new positions to the budget in 2025: two police officers, one police sergeant, and three additional full-time firefighters. Over the next four years, the City will utilize funds from a recently awarded COPS grant as well as some of its 2023 one-time public safety aid, to slowly transition the costs for the three new police department employees on to the levy.
 - 2025 is the first year for the City to start spending down previous year's savings under the SAFER Savings Plan (\$525,000 in 2025) to help mitigate the impact to the tax levy from the City's 2022 hiring of 9 new firefighters. Between 2025 and 2027, the City will spend the \$1 million in funds that were saved during fiscal years 2022, 2023, and 2024 to ensure the costs of those 9 new hires will be fully supported by the tax levy in 2028.
 - There was a procedural shift to Pavement Management funding related to Parks parking lots and trails – with that annual transfer now budgeted out of the General Fund instead of out of the Pavement Management Fund. After consideration of that procedural shift in dollars, the Pavement Management levy still increased by 5%, or \$139,000 to bring the total levy investment in the program to \$2,934,750.
 - The city increased the Fire Department's allocation to Central Equipment by \$540,500 to better save for future equipment replacements as fire trucks and apparatuses have outpaced current savings models.
- The City increased water rates by 10% in 2025. Although a sizable increase, it followed many years of smaller 2% rate increases that could not be maintained due to the need for future capital investment in the system. In 2025, the fixed rate for sanitary sewer was increased by 7 and the volumetric rate was increased by 6%. The City's sanitary sewer rates are largely driven by treatment costs (and subsequent fee increases to the City) approved by the Metropolitan Council Environmental Services (MCES) which were set at 4.05% for 2025. The water and sewer rate increases follow the proposed rate increases recommended from the City's 2022-2023 water and sewer rate study.
- In 2025, the City awarded a contract to Advanced Engineering and Environmental Services, LLC (AE2S) for a stormwater rate study. Stormwater is one area within the City that is most in need of funding as current resources are not sufficient to meet ongoing capital needs. To coincide with 2025 rate study efforts, staff will be engaging the public through a Citizen's Focus Group.

- At present, residents in the Northwest Area (NWA) pay higher stormwater rates than non-NWA residents. In an effort to bridge this gap, between 2022 and 2025 the City annually increased non-NWA rates by 25% but held NWA rate increases to only 5% annually during that same time period. The expectation is that these rates will be fully aligned by 2028.
- In 2024, the City obligated \$2.5 million from its American Rescue Plan Act (ARPA) dollars towards a \$4.8 million dollar Water Treatment Plant Rehabilitation Project. This project is expected to conclude in Fall of 2025. The City is financing the remaining portion of the project through a Drinking Water Revolving Loan (DWRL) from the Minnesota Public Facilities Authority (PFA). The loan is payable over 20 years at a low-interest rate of 2.155%.
- In 2024, the City allocated its remaining ARPA dollars (\$1,397,441) to full time police wages. This transfer resulted in approximately \$1.4 million in General Fund savings for the year (transfer plus interest accrued). After a year-end review of General Fund balances, it was the City Council's desire to use the savings generated by the 2024 transfer to provide residents with new and/or additional park amenities. And on April 14, 2025, the Council approved the transfer of \$1.4 million in excess General Fund balances to the Parks Acquisition & Development Fund for those future amenities – numerous options have been discussed but a specific project has not yet been identified.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be directed to the Finance Director, City of Inver Grove Heights, 8150 Barbara Avenue, Inver Grove Heights, MN 55077-3412.

DRAFT

THIS PAGE IS LEFT
BLANK INTENTIONALLY

DRAFT

BASIC FINANCIAL STATEMENTS

CITY OF INVER GROVE HEIGHTS
INVER GROVE HEIGHTS, MINNESOTA

DRAFT

FOR THE YEAR ENDED
DECEMBER 31, 2024

THIS PAGE IS LEFT
BLANK INTENTIONALLY

DRAFT

GOVERNMENT-WIDE FINANCIAL STATEMENTS

CITY OF INVER GROVE HEIGHTS
INVER GROVE HEIGHTS, MINNESOTA

DRAFT

FOR THE YEAR ENDED
DECEMBER 31, 2024

THIS PAGE IS LEFT
BLANK INTENTIONALLY

DRAFT

City of Inver Grove Heights, Minnesota
Statement of Net Position
December 31, 2024

	Governmental Activities	Business-type Activities	Total
Assets			
Cash and temporary investments	\$ 82,757,747	\$ 33,917,172	\$ 116,674,919
Receivables			
Accrued interest	434,782	196,508	631,290
Taxes	2,628,140	-	2,628,140
Accounts	267,104	1,905,851	2,172,955
Special assessments	6,470,766	575,310	7,046,076
Leases	981,428	-	981,428
Due from other governments	3,419,460	-	3,419,460
Internal balances	546,054	(546,054)	-
Inventories	61,128	-	61,128
Prepaid items	481,080	210,524	691,604
Land held for resale	1,138,500	-	1,138,500
Net pension asset	1,868,499	-	1,868,499
Capital assets			
Land and construction in progress	55,395,642	8,711,109	64,106,751
Depreciable assets (net of accumulated depreciation)	95,270,326	63,316,905	158,587,231
Total Assets	<u>251,720,656</u>	<u>108,287,325</u>	<u>360,007,981</u>
Deferred Outflows of Resources			
Deferred charge on refunding	-	78,307	78,307
Deferred other postemployment benefits resources	2,004,414	268,463	2,272,877
Deferred pension resources	12,948,967	155,139	13,104,106
Total Deferred Outflows of Resources	<u>14,953,381</u>	<u>501,909</u>	<u>15,455,290</u>
Liabilities			
Accounts and contracts payable	1,383,973	592,556	1,976,529
Escrows payable	2,117,219	-	2,117,219
Accrued salaries payable	443,520	49,929	493,449
Due to other governments	59,764	263,533	323,297
Accrued interest payable	296,662	103,948	400,610
Deposits payable	9,353	99,156	108,509
Unearned revenue	211,316	3,669,141	3,880,457
Long-term liabilities			
Due within one year			
Long-term liabilities	3,532,280	1,003,203	4,535,483
Due in more than one year			
Long-term liabilities	<u>36,818,826</u>	<u>9,703,113</u>	<u>46,521,939</u>
Total Liabilities	<u>44,872,913</u>	<u>15,484,579</u>	<u>60,357,492</u>
Deferred Inflows of Resources			
Deferred lease resources	972,528	-	972,528
Deferred pension resources	15,491,437	542,839	16,034,276
Deferred other postemployment benefit resources	416,791	55,824	472,615
Total Deferred Inflows of Resources	<u>16,880,756</u>	<u>598,663</u>	<u>17,479,419</u>
Net Position			
Net investment in capital assets	126,758,171	62,263,501	189,021,672
Restricted for			
Debt service	4,224,459	-	4,224,459
Community development	4,303,785	-	4,303,785
Culture and recreation improvements	2,095,043	-	2,095,043
Public health	271,250	-	271,250
Public safety	1,475,312	-	1,475,312
Affordable housing	202,446	-	202,446
Fire relief pension	1,868,499	-	1,868,499
Unrestricted	<u>63,721,403</u>	<u>30,442,491</u>	<u>94,163,894</u>
Total Net Position	<u>\$ 204,920,368</u>	<u>\$ 92,705,992</u>	<u>\$ 297,626,360</u>

The notes to the financial statements are an integral part of this statement.

City of Inver Grove Heights, Minnesota

Statement of Activities

For the Year Ended December 31, 2024

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
General government	\$ 4,741,396	\$ 138,918	\$ -	\$ 111
Public safety	18,303,826	525,304	4,478,048	-
Public works	9,963,161	4,083,059	1,434,620	4,660,569
Culture and recreation	8,288,378	4,376,984	365,360	2,080
Community development	2,374,010	1,394,959	259,599	-
Interest on long-term debt	712,039	-	-	-
Total Governmental Activities	44,382,810	10,519,224	6,537,627	4,662,760
Business-type Activities				
Water	3,435,876	3,886,195	3,873	485,104
Sewer	4,260,764	5,213,056	-	510,610
Stormwater	792,817	1,029,716	-	732,141
Golf course	2,538,494	2,790,326	-	-
Total Business-type Activities	11,027,951	12,919,293	3,873	1,727,855
Total	\$ 55,410,761	\$ 23,438,517	\$ 6,541,500	\$ 6,390,615

General Revenues

Taxes

Property taxes, levied for general purposes

Property taxes, levied for debt service

Lodging taxes

Franchise taxes

Grants and contributions not restricted to specific programs

Unrestricted investment earnings

Gain on sale of capital assets

Transfers - capital assets

Transfers - internal activities

Total General Revenues and Transfers

Change in Net Position

Net Position, January 1

Net Position, December 31

The notes to the financial statements are an integral part of this statement.

Net (Expenses) Revenues and
Changes in Net Position

Governmental Activities	Business-type Activities	Total
\$ (4,602,367)	\$ -	\$ (4,602,367)
(13,300,474)	-	(13,300,474)
215,087	-	215,087
(3,543,954)	-	(3,543,954)
(719,452)	-	(719,452)
(712,039)	-	(712,039)
(22,663,199)	-	(22,663,199)
-	939,296	939,296
-	1,462,902	1,462,902
-	969,040	969,040
-	251,832	251,832
-	3,623,070	3,623,070
(22,663,199)	3,623,070	(19,040,129)
30,398,608	-	30,398,608
2,542,411	-	2,542,411
203,013	-	203,013
1,221,745	-	1,221,745
648,106	-	648,106
3,006,601	1,292,459	4,299,060
124,634	34,000	158,634
(3,271,723)	3,271,723	-
(1,175,856)	1,175,856	-
33,697,539	5,774,038	39,471,577
11,034,340	9,397,108	20,431,448
193,886,028	83,308,884	277,194,912
<u>\$ 204,920,368</u>	<u>\$ 92,705,992</u>	<u>\$ 297,626,360</u>

The notes to the financial statements are an integral part of this statement.

THIS PAGE IS LEFT
BLANK INTENTIONALLY

DRAFT

FUND FINANCIAL STATEMENTS

CITY OF INVER GROVE HEIGHTS
INVER GROVE HEIGHTS, MINNESOTA

DRAFT

FOR THE YEAR ENDED
DECEMBER 31, 2024

City of Inver Grove Heights, Minnesota

Balance Sheet
Governmental Funds
December 31, 2024

		Debt Service	Special Revenue	
	General	Improvement Bonds	Community Center	Host Community
Assets				
Cash and temporary investments	\$ 19,090,469	\$ 4,363,232	\$ 610,804	\$ 4,598,190
Receivables				
Accrued interest	85,994	16,793	5,535	24,228
Taxes	1,970,943	622	-	-
Accounts	63,079	-	165,830	27,338
Special assessments	8,609	140,474	-	-
Leases	981,428	-	-	-
Due from other governments	317,741	-	245,033	-
Advances to other funds	-	-	-	1,000,000
Prepaid items	270,283	-	12,632	-
Land held for resale	-	-	-	-
Total Assets	\$ 22,788,546	\$ 4,521,121	\$ 1,039,834	\$ 5,649,756
Liabilities				
Accounts and contracts payable	\$ 129,700	\$ -	\$ 29,625	\$ 935
Escrows payable	-	-	-	-
Accrued salaries payable	328,859	-	74,928	-
Due to other governments	50,615	-	7,553	1,050
Advances from other funds	-	-	279,105	-
Deposits payable	-	-	9,353	-
Unearned revenue	112,983	-	98,333	-
Total Liabilities	622,157	-	498,897	1,985
Deferred Inflows of Resources				
Unavailable revenues - delinquent taxes	271,899	-	-	-
Unavailable revenues - special assessments	8,609	140,474	-	-
Unavailable revenues - intergovernmental	-	-	215,915	-
Deferred lease resources	972,528	-	-	-
Total Deferred Inflows of Resources	1,253,036	140,474	215,915	-
Fund Balances				
Nonspendable	279,183	-	12,632	-
Restricted	1,475,312	4,380,647	-	-
Committed	1,154,309	-	312,390	5,647,771
Assigned	-	-	-	-
Unassigned	18,004,549	-	-	-
Total Fund Balances	20,913,353	4,380,647	325,022	5,647,771
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 22,788,546	\$ 4,521,121	\$ 1,039,834	\$ 5,649,756

The notes to the financial statements are an integral part of this statement.

Capital Projects					
Closed Bond	Local Improvement Construction	Pavement Management	Developer Escrows	Other Governmental Funds	Total Governmental Funds
\$ 1,309,080	\$ 2,992,914	\$ 14,388,627	\$ 2,143,135	\$ 11,244,608	\$ 60,741,059
7,908	20,044	94,921	-	66,147	321,570
-	-	645,611	-	10,964	2,628,140
-	-	-	-	-	256,247
731,327	4,309	5,578,047	-	8,000	6,470,766
-	-	-	-	-	981,428
-	236,993	2,619,693	-	-	3,419,460
-	-	-	-	-	1,000,000
-	-	-	-	-	282,915
-	-	-	-	1,138,500	1,138,500
<u>\$ 2,048,315</u>	<u>\$ 3,254,260</u>	<u>\$ 23,326,899</u>	<u>\$ 2,143,135</u>	<u>\$ 12,468,219</u>	<u>\$ 77,240,085</u>
\$ -	\$ 53,679	\$ 671,291	\$ 25,916	\$ 243,259	\$ 1,154,405
-	-	-	2,117,219	-	2,117,219
-	-	-	-	479	404,266
-	-	88	-	-	59,306
-	-	-	-	1,000,000	1,279,105
-	-	-	-	-	9,353
-	-	-	-	-	211,316
-	53,679	671,379	2,143,135	1,243,738	5,234,970
-	-	-	-	-	271,899
731,330	4,309	5,578,047	-	8,000	6,470,769
-	-	2,619,693	-	-	2,835,608
-	-	-	-	-	972,528
731,330	4,309	8,197,740	-	8,000	10,550,804
-	-	-	-	-	291,815
-	-	-	-	6,872,524	12,728,483
-	-	-	-	823,364	7,937,834
1,316,985	3,196,272	14,457,780	-	3,520,593	22,491,630
-	-	-	-	-	18,004,549
1,316,985	3,196,272	14,457,780	-	11,216,481	61,454,311
<u>\$ 2,048,315</u>	<u>\$ 3,254,260</u>	<u>\$ 23,326,899</u>	<u>\$ 2,143,135</u>	<u>\$ 12,468,219</u>	<u>\$ 77,240,085</u>

The notes to the financial statements are an integral part of this statement.

THIS PAGE IS LEFT
BLANK INTENTIONALLY

DRAFT

City of Inver Grove Heights, Minnesota
Reconciliation of the Balance Sheet
to the Statement of Net Position
Governmental Funds
December 31, 2024

Amounts reported for the governmental activities in the statement of net position are different because

Total Fund Balances - Governmental Funds	\$ 61,454,311
Long-term assets from pensions reported in governmental activities are not financial resources and therefore are not reported as assets in the funds.	1,868,499
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.	
Cost of capital assets	219,717,268
Less: accumulated depreciation/amortization	(85,135,044)
Internal service funds are used by the City to charge the cost of compensated absences, liability, property, and workers compensation insurance, vehicles and equipment, centralized purchase of consumable office supplies, maintaining facilities, and maintenance of computer systems. These balances are reported with governmental activities on the statement of net position.	35,071,759
Noncurrent liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Noncurrent liabilities at year-end consist of	
Bonds payable	(23,250,000)
Plus premium on bonds issued	(620,427)
Lease payable	(37,370)
Other postemployment benefits payable	(2,610,107)
Net pension liability	(10,133,153)
Some receivables are not available soon enough to pay for the current period's expenditures, and therefore are unavailable in the funds.	
Delinquent taxes	271,899
Special assessments	6,470,769
Intergovernmental	2,835,608
Governmental funds do not report long-term amounts related to pensions and OPEB.	
Deferred outflows other postemployment benefit resources	2,004,414
Deferred inflows other postemployment benefit resources	(416,791)
Deferred outflows of pension resources	12,841,780
Deferred inflows of pension resources	(15,116,385)
Governmental funds do not report a liability for accrued interest until due and payable.	(296,662)
Total Net Position - Governmental Activities	<u>\$ 204,920,368</u>

The notes to the financial statements are an integral part of this statement.

City of Inver Grove Heights, Minnesota
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2024

		Debt Service	Special Revenue	
	General	Improvement Bonds	Community Center	Host Community
Revenues				
Taxes	\$ 27,346,333	\$ 2,542,411	\$ -	\$ -
Licenses and permits	1,547,176	-	-	-
Intergovernmental	3,858,459	-	-	-
Charges for services	1,405,633	-	3,428,067	2,469,064
Fines and forfeitures	186,711	-	-	-
Special assessments	5,911	113,589	-	-
Donations	-	-	-	-
Investment earnings	628,425	113,682	34,913	168,613
Miscellaneous	236,567	-	200,528	1,158
Total Revenues	<u>35,215,215</u>	<u>2,769,682</u>	<u>3,663,508</u>	<u>2,638,835</u>
Expenditures				
Current				
General government	3,720,203	-	-	-
Public safety	17,284,650	-	-	-
Public works	4,621,423	-	-	-
Culture and recreation	3,439,493	-	3,955,412	-
Community development	2,089,558	-	-	-
Capital outlay				
Public safety	35,370	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	383,061	9,051
Community development	-	-	-	158,451
Debt service				
Principal	62,940	2,030,000	-	-
Interest and other charges	5,044	796,879	-	-
Total Expenditures	<u>31,258,681</u>	<u>2,826,879</u>	<u>4,338,473</u>	<u>167,502</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>3,956,534</u>	<u>(57,197)</u>	<u>(674,965)</u>	<u>2,471,333</u>
Other Financing Sources (Uses)				
Transfers in	689,517	177,250	1,048,115	37,975
Transfers out	(548,240)	-	-	(2,652,872)
Total Other Financing Sources (Uses)	<u>141,277</u>	<u>177,250</u>	<u>1,048,115</u>	<u>(2,614,897)</u>
Net Change in Fund Balances	4,097,811	120,053	373,150	(143,564)
Fund Balances, January 1	<u>16,815,542</u>	<u>4,260,594</u>	<u>(48,128)</u>	<u>5,791,335</u>
Fund Balances, December 31	<u>\$ 20,913,353</u>	<u>\$ 4,380,647</u>	<u>\$ 325,022</u>	<u>\$ 5,647,771</u>

The notes to the financial statements are an integral part of this statement.

Capital Projects					
Closed Bond	Local Improvement Construction	Pavement Management	Developer Escrows	Other Governmental Funds	Total Governmental Funds
\$ -	\$ 79,394	\$ 4,161,698	\$ -	\$ 203,013	\$ 34,332,849
-	-	-	-	-	1,547,176
-	-	604,760	-	710,443	5,173,662
-	-	-	755,011	674,740	8,732,515
-	-	-	-	1,731	188,442
-	-	2,592,920	-	-	2,712,420
-	-	-	-	2,080	2,080
58,368	136,820	626,989	-	479,837	2,247,647
-	889,351	-	-	194,894	1,522,498
58,368	1,105,565	7,986,367	755,011	2,266,738	56,459,289
-	-	-	-	-	3,720,203
-	-	-	-	-	17,284,650
-	-	143,745	755,011	-	5,520,179
-	-	-	-	279,096	7,674,001
-	-	-	-	115,647	2,205,205
-	-	-	-	-	35,370
-	1,043,549	7,465,514	-	-	8,509,063
-	-	-	-	2,014,394	2,406,506
-	-	-	-	-	158,451
-	-	-	-	-	2,092,940
-	-	-	-	-	801,923
-	1,043,549	7,609,259	755,011	2,409,137	50,408,491
58,368	62,016	377,108	-	(142,399)	6,050,798
-	1,216,423	1,241,230	-	1,004,015	5,414,525
(177,250)	(2,004,512)	(712,868)	-	(500,889)	(6,596,631)
(177,250)	(788,089)	528,362	-	503,126	(1,182,106)
(118,882)	(726,073)	905,470	-	360,727	4,868,692
1,435,867	3,922,345	13,552,310	-	10,855,754	56,585,619
\$ 1,316,985	\$ 3,196,272	\$ 14,457,780	\$ -	\$ 11,216,481	\$ 61,454,311

The notes to the financial statements are an integral part of this statement.

City of Inver Grove Heights, Minnesota
Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances to the Statement of Activities
Governmental Funds
For the Year Ended December 31, 2024

Amounts reported for governmental activities in the statement of activities are different because

Total Net Change in Fund Balances - Governmental Funds	\$ 4,868,692
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense.	
Capital outlays and lease right to use outlay	9,333,862
Depreciation/Amortization expense	(4,705,105)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds.	
Capital assets transferred to enterprise funds	(3,271,723)
Governmental funds report a gain (loss) on sale of capital assets to the extent of cash exchanged, whereas the disposition of the assets book value is included in the total gain (loss) in the statement of activities.	
Loss on disposals	(57,489)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are amortized in the statement of activities.	
Principal repayments	2,092,940
Current year amortization of bond premium	62,821
Interest on long-term debt in the statement of activities differs from the amount reported in the governmental fund because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.	27,063
Internal service funds are used by the City to charge the cost of compensated absences, liability, property, and workers compensation insurance, vehicles and equipment, maintaining facilities, and maintenance of computer systems.	
These balances are reported with governmental activities in the statement of activities.	574,313
Certain revenues are recognized as soon as they are earned. Under the modified accrual basis of accounting, certain revenues cannot be recognized until they are available to liquidate liabilities of the current period.	
Special assessments	443,169
Property taxes	32,928
Intergovernmental	1,412,551
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	
Other postemployment benefits	(266,933)
Long-term pension activity is not reported in governmental funds.	
Pension expense	416,629
Pension revenue from State contributions	70,622
Change in Net Position - Governmental Activities	<u>\$ 11,034,340</u>

The notes to the financial statements are an integral part of this statement.

City of Inver Grove Heights, Minnesota
Statement of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual
General Fund
For the Year Ended December 31, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Taxes	\$ 27,343,983	\$ 27,343,983	\$ 27,346,333	\$ 2,350
Licenses and permits	1,225,330	1,225,330	1,547,176	321,846
Intergovernmental	2,023,514	2,063,514	3,858,459	1,794,945
Charges for services	1,339,603	1,339,603	1,405,633	66,030
Fines and forfeitures	203,300	203,300	186,711	(16,589)
Special assessments	1,500	1,500	5,911	4,411
Investment earnings	150,000	150,000	628,425	478,425
Miscellaneous	145,150	148,150	236,567	88,417
Total Revenues	<u>32,432,380</u>	<u>32,475,380</u>	<u>35,215,215</u>	<u>2,739,835</u>
Expenditures				
Current				
General government	3,542,580	3,642,580	3,720,203	(77,623)
Public safety	18,266,120	18,494,619	17,284,650	1,209,969
Public works	4,956,955	5,050,855	4,621,423	429,432
Culture and recreation	3,566,235	3,638,296	3,439,493	198,803
Community development	2,259,475	2,265,224	2,089,558	175,666
Capital outlay				
Public safety	45,000	116,000	35,370	80,630
Debt service				
Principal	-	-	62,940	(62,940)
Interest and other charges	-	-	5,044	(5,044)
Total Expenditures	<u>32,636,365</u>	<u>33,207,574</u>	<u>31,258,681</u>	<u>1,948,893</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(203,985)</u>	<u>(732,194)</u>	<u>3,956,534</u>	<u>4,688,728</u>
Other Financing Sources (Uses)				
Transfers in	688,500	688,500	689,517	1,017
Transfers out	(484,515)	(490,765)	(548,240)	(57,475)
Total Financing Sources (Uses)	<u>203,985</u>	<u>197,735</u>	<u>141,277</u>	<u>(56,458)</u>
Net Change in Fund Balances	-	(534,459)	4,097,811	4,632,270
Fund Balances, January 1	<u>16,815,542</u>	<u>16,815,542</u>	<u>16,815,542</u>	<u>-</u>
Fund Balances, December 31	<u>\$ 16,815,542</u>	<u>\$ 16,281,083</u>	<u>\$ 20,913,353</u>	<u>\$ 4,632,270</u>

The notes to the financial statements are an integral part of this statement.

City of Inver Grove Heights, Minnesota
Statement of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual
Community Center Special Revenue Fund
For the Year Ended December 31, 2024

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Charges for services	\$ 2,772,115	\$ 2,772,115	\$ 3,428,067	\$ 655,952
Investment earnings	-	-	34,913	34,913
Miscellaneous	123,675	123,675	200,528	76,853
Total Revenues	<u>2,895,790</u>	<u>2,895,790</u>	<u>3,663,508</u>	<u>767,718</u>
Expenditures				
Current				
Culture and recreation	4,050,495	4,082,895	3,955,412	127,483
Capital outlay				
Culture and recreation	512,900	735,250	383,061	352,189
Total Expenditures	<u>4,563,395</u>	<u>4,818,145</u>	<u>4,338,473</u>	<u>479,672</u>
Excess (Deficiency) of Revenues Under Expenditures	(1,667,605)	(1,922,355)	(674,965)	1,247,390
Other Financing Sources				
Transfers in	<u>1,854,805</u>	<u>1,887,205</u>	<u>1,048,115</u>	<u>(839,090)</u>
Net Change in Fund Balances	187,200	(35,150)	373,150	408,300
Fund Balances, January 1	<u>(48,128)</u>	<u>(48,128)</u>	<u>(48,128)</u>	-
Fund Balances, December 31	<u>\$ 139,072</u>	<u>\$ (83,278)</u>	<u>\$ 325,022</u>	<u>\$ 408,300</u>

The notes to the financial statements are an integral part of this statement.

City of Inver Grove Heights, Minnesota
Statement of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual
Host Community Special Revenue Fund
For the Year Ended December 31, 2024

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Charges for services	\$ 2,376,950	\$ 2,376,950	\$ 2,469,064	\$ 92,114
Investment earnings	110,139	110,139	168,613	58,474
Miscellaneous	-	-	1,158	1,158
Total Revenues	<u>2,487,089</u>	<u>2,487,089</u>	<u>2,638,835</u>	<u>151,746</u>
Expenditures				
Capital outlay				
Culture and recreation	-	-	9,051	(9,051)
Community development	183,401	195,469	158,451	37,018
Total Expenditures	<u>183,401</u>	<u>195,469</u>	<u>167,502</u>	<u>27,967</u>
Excess (Deficiency) of Revenues Under Expenditures	<u>2,303,688</u>	<u>2,291,620</u>	<u>2,471,333</u>	<u>179,713</u>
Other Financing Sources (Uses)				
Transfers in	-	-	37,975	37,975
Transfers out	(3,459,805)	(3,492,205)	(2,652,872)	839,333
Total Financing Sources (Uses)	<u>(3,459,805)</u>	<u>(3,492,205)</u>	<u>(2,614,897)</u>	<u>877,308</u>
Net Change in Fund Balances	(1,156,117)	(1,200,585)	(143,564)	1,057,021
Fund Balances, January 1	<u>5,791,335</u>	<u>5,791,335</u>	<u>5,791,335</u>	-
Fund Balances, December 31	<u>\$ 4,635,218</u>	<u>\$ 4,590,750</u>	<u>\$ 5,647,771</u>	<u>\$ 1,057,021</u>

City of Inver Grove Heights, Minnesota
Statement of Net Position (Continued on the Following Page)
Proprietary Funds
December 31, 2024

	Business-type Activities - Enterprise Funds					Governmental Activities
	Water	Sewer	Stormwater	Golf Course	Total	Internal Service Funds
Assets						
Current Assets						
Cash and temporary investments	\$ 19,239,090	\$ 7,298,414	\$ 5,307,151	\$ 2,072,517	\$ 33,917,172	\$ 22,016,688
Receivables						
Accrued interest	108,386	41,698	29,867	16,557	196,508	113,212
Accounts	627,502	906,087	372,262	-	1,905,851	10,857
Special assessments	285,272	-	36,838	-	322,110	-
Due from other funds	-	-	-	-	-	639,088
Inventories	-	-	-	-	-	61,128
Prepaid items	2,119	202,841	-	5,564	210,524	198,165
Total Current Assets	20,262,369	8,449,040	5,746,118	2,094,638	36,552,165	23,039,138
Long-term Assets						
Advance to other funds	-	-	-	-	-	186,071
Special assessments	12,160	136,356	104,684	-	253,200	-
Capital assets						
Land	583,598	768,102	1,175,104	1,862,355	4,389,159	209,122
Construction in progress	1,788,144	1,119,856	1,413,950	-	4,321,950	-
Buildings and systems	52,810,815	45,636,531	24,199,657	971,217	123,618,220	17,470,280
Improvements other than buildings	98,108	39,924	-	4,501,427	4,639,459	240,717
Machinery and equipment	391,571	9,585	-	1,265,124	1,666,280	17,455,539
Total Capital Assets	55,672,236	47,573,998	26,788,711	8,600,123	138,635,068	35,378,658
Less accumulated depreciation	(25,739,693)	(17,676,616)	(17,192,325)	(5,998,420)	(66,607,054)	(19,291,914)
Net Capital Assets	29,932,543	29,897,382	9,596,386	2,601,703	72,028,014	16,083,744
Total Long-term Assets	29,944,703	30,033,738	9,701,070	2,601,703	72,281,214	16,269,815
Total Assets	50,207,072	38,482,778	15,447,188	4,696,341	108,833,379	39,308,953
Deferred Outflows of Resources						
Deferred charge on refunding	-	78,307	-	-	78,307	-
Deferred other postemployment benefits resources	91,518	43,724	22,896	110,325	268,463	-
Deferred pension resources	52,428	25,294	15,523	61,894	155,139	107,187
Total Deferred Outflows of Resources	143,946	147,325	38,419	172,219	501,909	107,187

The notes to the financial statements are an integral part of this statement.

City of Inver Grove Heights, Minnesota
Statement of Net Position (Continued)
Proprietary Funds
December 31, 2024

	Business-type Activities - Enterprise Funds					Governmental Activities
	Water	Sewer	Stormwater	Golf Course	Total	Internal Service Funds
Liabilities						
Current Liabilities						
Accounts and contracts payable	\$ 282,275	\$ 306,931	\$ 3,350	\$ -	\$ 592,556	\$ 229,568
Accrued salaries payable	18,772	8,818	5,904	16,435	49,929	39,254
Due to other governments	103,290	151,760	7,320	1,163	263,533	458
Accrued interest payable	-	103,948	-	-	103,948	-
Deposits payable	-	-	-	99,156	99,156	-
Unearned revenue	2,652,430	373,196	-	643,515	3,669,141	-
Compensated absences payable - current portion	56,455	26,955	1,105	49,485	134,000	1,301,914
Bonds payable - current portion	-	853,467	-	-	853,467	-
Other postemployment benefits payable - current portion	5,364	2,563	1,342	6,467	15,736	-
Total Current Liabilities	3,118,586	1,827,638	19,021	816,221	5,781,466	1,571,194
Long-term Liabilities						
Compensated absences payable	70,071	26,200	-	103,758	200,029	1,885,449
Advance from other funds	-	-	-	546,054	546,054	-
Bonds payable	-	8,427,193	-	-	8,427,193	-
Net pension liability	250,766	120,984	74,248	296,044	742,042	512,686
Other postemployment benefits payable	113,808	54,373	28,472	137,196	333,849	-
Total Long-term Liabilities	434,645	8,628,750	102,720	1,083,052	10,249,167	2,398,135
Total Liabilities	3,553,231	10,456,388	121,741	1,899,273	16,030,633	3,969,329
Deferred Inflows of Resources						
Deferred pension resources	183,447	88,506	54,316	216,570	542,839	375,052
Deferred other postemployment benefit resources	19,030	9,092	4,761	22,941	55,824	-
Total Deferred Inflows of Resources	202,477	97,598	59,077	239,511	598,663	375,052
Net Position						
Net investment in capital assets	29,674,669	20,390,743	9,596,386	2,601,703	62,263,501	16,083,744
Unrestricted	16,920,641	7,685,374	5,708,403	128,073	30,442,491	18,988,015
Total Net Position	\$ 46,595,310	\$ 28,076,117	\$ 15,304,789	\$ 2,729,776	\$ 92,705,992	\$ 35,071,759

The notes to the financial statements are an integral part of this statement.

THIS PAGE IS LEFT
BLANK INTENTIONALLY

DRAFT

City of Inver Grove Heights, Minnesota
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2024

	Business-type Activities - Enterprise Funds					Governmental Activities
	Water	Sewer	Stormwater	Golf Course	Total	Internal Service Funds
Operating Revenues						
Charges for services						
Water sales	\$ 3,759,335	\$ -	\$ -	\$ -	\$ 3,759,335	\$ -
Sewer charges	-	5,213,056	-	-	5,213,056	-
Storm Water charges	-	-	1,029,716	-	1,029,716	-
Late fees	88,225	-	-	-	88,225	-
Water meter sales	38,635	-	-	-	38,635	-
Green fees	-	-	-	872,610	872,610	-
Golf cart rentals	-	-	-	592,393	592,393	-
Practice center	-	-	-	279,786	279,786	-
Golf shop	-	-	-	96,885	96,885	-
Food and beverage	-	-	-	252,860	252,860	-
Other	-	-	-	695,792	695,792	6,611,940
Total Operating Revenues	<u>3,886,195</u>	<u>5,213,056</u>	<u>1,029,716</u>	<u>2,790,326</u>	<u>12,919,293</u>	<u>6,611,940</u>
Operating Expenses						
Personnel services	851,743	22,178	271,195	1,664,697	2,809,813	1,842,287
Other current expenses	1,556,885	3,144,215	270,697	757,831	5,729,628	3,679,481
Depreciation	1,019,248	869,027	250,925	115,966	2,255,166	1,887,589
Other	-	-	-	-	-	80,690
Total Operating Expenses	<u>3,427,876</u>	<u>4,035,420</u>	<u>792,817</u>	<u>2,538,494</u>	<u>10,794,607</u>	<u>7,490,047</u>
Operating Income (Loss)	<u>458,319</u>	<u>1,177,636</u>	<u>236,899</u>	<u>251,832</u>	<u>2,124,686</u>	<u>(878,107)</u>
Nonoperating Revenues (Expenses)						
Investment earnings	708,150	282,860	188,611	112,838	1,292,459	758,954
Miscellaneous revenues	3,873	-	-	-	3,873	562,582
Gain on sale of capital assets	-	-	-	34,000	34,000	124,634
Interest and amortization expense	(8,000)	(225,344)	-	-	(233,344)	-
Total Nonoperating Revenues (Expenses)	<u>704,023</u>	<u>57,516</u>	<u>188,611</u>	<u>146,838</u>	<u>1,096,988</u>	<u>1,446,170</u>
Income (Loss) Before Contributions and Transfers	<u>1,162,342</u>	<u>1,235,152</u>	<u>425,510</u>	<u>398,670</u>	<u>3,221,674</u>	<u>568,063</u>
Capital Contributions	1,745,903	1,335,230	1,918,445	-	4,999,578	-
Transfers In	864,846	844,095	1,610,248	-	3,319,189	6,250
Transfers Out	<u>(749,195)</u>	<u>(979,734)</u>	<u>(414,404)</u>	<u>-</u>	<u>(2,143,333)</u>	<u>-</u>
Change in Net Position	<u>3,023,896</u>	<u>2,434,743</u>	<u>3,539,799</u>	<u>398,670</u>	<u>9,397,108</u>	<u>574,313</u>
Net Position - January 1	<u>43,571,414</u>	<u>25,641,374</u>	<u>11,764,990</u>	<u>2,331,106</u>	<u>83,308,884</u>	<u>34,497,446</u>
Net Position, December 31	<u>\$ 46,595,310</u>	<u>\$ 28,076,117</u>	<u>\$ 15,304,789</u>	<u>\$ 2,729,776</u>	<u>\$ 92,705,992</u>	<u>\$ 35,071,759</u>

The notes to the financial statements are an integral part of this statement.

City of Inver Grove Heights, Minnesota
Statement of Cash Flows (Continued on the Following Page)
Proprietary Funds
For the Year Ended December 31, 2024

	Business-type Activities - Enterprise Funds					Governmental Activities
	Water	Sewer	Stormwater	Golf Course	Total	Internal Service Funds
Cash Flows from Operating Activities						
Receipts from customers and users	\$ 3,789,511	\$ 5,122,967	\$ 961,560	\$ 2,167,524	\$ 12,041,562	\$ 6,601,728
Other operating receipts	3,873	-	-	-	3,873	562,582
Payments to suppliers	(1,705,676)	(3,444,105)	(444,740)	(765,587)	(6,360,108)	(3,774,923)
Payments to employees	(832,803)	(410,199)	(265,225)	(1,322,165)	(2,830,392)	(1,751,400)
Net Cash Provided by Operating Activities	1,254,905	1,268,663	251,595	79,772	2,854,935	1,637,987
Cash Flows from Noncapital Financing Activities						
Payments on interfund balances	-	-	-	(546,053)	(546,053)	639,088
Transfers from other funds	864,846	844,095	1,610,248	-	3,319,189	6,250
Transfers to other funds	(749,195)	(979,734)	(414,404)	-	(2,143,333)	-
Net Cash Provided (Used) by Noncapital Financing Activities	115,651	(135,639)	1,195,844	(546,053)	629,803	645,338
Cash Flows from Capital and Related Financing Activities						
Connection fees received	421,378	511,649	783,156	-	1,716,183	-
Acquisition of capital assets	(416,341)	(321,526)	-	(352,711)	(1,090,578)	(1,421,490)
Proceeds from sale of capital assets	-	-	-	34,000	34,000	124,634
Intergovernmental	2,500,000	-	-	-	2,500,000	-
Interest paid on debt	(8,000)	(265,550)	-	-	(273,550)	-
Principal paid on bonds	-	(780,000)	-	-	(780,000)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	2,497,037	(855,427)	783,156	(318,711)	2,106,055	(1,296,856)
Cash Flows from Investing Activities						
Investment receipts	666,150	273,067	172,556	109,520	1,221,293	728,076
Net Increase (Decrease) in Cash and Cash Equivalents	4,533,743	550,664	2,403,151	(675,472)	6,812,086	1,714,545
Cash and Cash Equivalents, January 1	14,705,347	6,747,750	2,904,000	2,747,989	27,105,086	20,302,143
Cash and Cash Equivalents, December 31	\$ 19,239,090	\$ 7,298,414	\$ 5,307,151	\$ 2,072,517	\$ 33,917,172	\$ 22,016,688

The notes to the financial statements are an integral part of this statement.

City of Inver Grove Heights, Minnesota
Statement of Cash Flows (Continued)
Proprietary Funds
For the Year Ended December 31, 2024

	Business-type Activities - Enterprise Funds					Governmental Activities
	Water	Sewer	Stormwater	Golf Course	Total	Internal Service Funds
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities						
Operating income (loss)	\$ 458,319	\$ 1,177,636	\$ 236,899	\$ 251,832	\$ 2,124,686	\$ (878,107)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities						
Depreciation	1,019,248	869,027	250,925	115,966	2,255,166	1,887,589
Other income related to operations	3,873	-	-	-	3,873	562,582
(Increase) decrease in assets/deferred outflows of resources						
Accounts receivable	(96,684)	(89,057)	(68,156)	-	(253,897)	(10,212)
Inventories	-	-	-	-	-	46,792
Prepaid items	(2,119)	(202,841)	-	(1,821)	(206,781)	25,297
Deferred other postemployment benefits resources	(8,432)	3,541	1,308	(17,392)	(20,975)	-
Deferred pension resources	50,009	122,900	11,639	(25,722)	158,826	119,991
Increase (decrease) in liabilities/deferred inflows of resources						
Accounts and contracts payable	(18,590)	(3,553)	(45,411)	(4,921)	(72,475)	(87,289)
Accrued salaries payable	6,168	1,109	2,367	4,815	14,459	11,648
Due to other governments	(128,082)	(93,496)	(128,632)	(1,014)	(351,224)	448
Deposits payable	-	-	-	18,223	18,223	-
Unearned revenue	-	(1,032)	-	(641,025)	(642,057)	-
Compensated absences payable	16,610	2,370	(5,672)	7,277	20,585	188,171
Net pension liability	(135,131)	(437,288)	(28,074)	159,780	(440,713)	(343,131)
Other postemployment benefits payable	25,191	3,472	2,436	38,541	69,640	-
Deferred pension resources	65,830	(81,649)	23,129	175,038	182,348	114,208
Deferred other postemployment benefits resources	(1,305)	(2,476)	(1,163)	195	(4,749)	-
Net Cash Provided by Operating Activities	<u>\$ 1,254,905</u>	<u>\$ 1,268,663</u>	<u>\$ 251,595</u>	<u>\$ 79,772</u>	<u>\$ 2,854,935</u>	<u>\$ 1,637,987</u>
Schedule of Noncash Capital and Related Financing Activities						
Capital assets acquired on account	\$ 257,874	\$ 304,286	\$ -	\$ -	\$ 562,160	\$ -
Capital assets contributed from governmental activities	1,260,799	824,620	1,186,304	-	3,271,723	-
Amortization of bond premium	-	48,467	-	-	48,467	-
Amortization of deferred charges on refunding	-	19,177	-	-	19,177	-

The notes to the financial statements are an integral part of this statement.

THIS PAGE IS LEFT
BLANK INTENTIONALLY

DRAFT

NOTES TO THE FINANCIAL STATEMENTS

CITY OF INVER GROVE HEIGHTS
INVER GROVE HEIGHTS, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2024

DRAFT

THIS PAGE IS LEFT
BLANK INTENTIONALLY

DRAFT

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 1: Summary of Significant Accounting Policies

A. Reporting Entity

The City of Inver Grove Heights (the City) was incorporated in 1965 and operates under the State of Minnesota Statutory Plan A form of government. The governing body consists of a five-member City Council elected by voters of the City. The City Council exercises legislative authority and determines all matters of policy. The City Council appoints personnel responsible for the proper administration of all affairs relating to the City.

The City has considered all potential units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete. The City includes all funds, organizations, institutions, agencies, departments, and offices that are not legally separate from such. Component units are legally separate organizations for which the elected officials of the City are financially accountable and are included within the basic financial statements of the City because of their operational or financial relationships with the City. The Governmental Accounting Standards Board (GASB) has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body, and (1) the ability of the primary government to impose its will on that organization or (2) the potential for the organization to provide specific benefits to, or impose specific financial burdens on the primary government. Included in the City's reporting entity, based upon the application of these criteria, is the following blended component unit.

Blended Component Unit

The Inver Grove Heights Economic Development Authority (EDA) is a legal entity separate from the City. Although legally separate, the EDA is reported as if it were part of the primary government because the Board of Commissioners is made up of the Mayor and the four City Council members and the City has operational responsibility over the EDA. It is this criterion that results in the EDA being reported as a blended component unit and reported as a special revenue fund. Separate financial statements are not prepared for the EDA.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. Amounts reported as *program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual proprietary funds are reported as separate columns in the fund financial statements.

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 1: Summary of Significant Accounting Policies (Continued)

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, pensions, and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include property taxes, grants, entitlement and donations. On an accrual basis, revenue from property taxes is recognized in the year for which the tax is levied. Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Grants and entitlements received before eligibility requirements are met are also recorded as unearned revenue.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 1: Summary of Significant Accounting Policies (Continued)

The City reports the following major governmental funds:

The *General fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Improvement Bonds fund* is a debt service fund that accounts for resources accumulated and payments for principal and interest on long term general obligation debt.

The *Community Center fund* accounts for the activities at the Veterans Memorial and the Grove Community Center. Charges for services within the fund are committed to Community Center activity.

The *Host Community fund* accounts for the activities related to the economic development grant program.

The *Closed Bond fund* accounts for improvement revenues and expenditures from replacement funds set aside for capital improvements.

The *Local Improvement Construction fund* accounts for the activities related to the construction projects within the City.

The *Pavement Management fund* accounts for the activities related to the costs to improve and maintain roads within the City.

The *Developer Escrows fund* accounts for the activities related to the collection and use of developer and building related escrow accounts.

The City reports the following major proprietary funds:

The *Water fund*, *Sewer fund* and *Stormwater fund* account for activities related to the operation of a water distribution system, sanitary sewer collection system and stormwater system, respectively.

The *Golf Course fund* accounts for resources and payments related to the operation and maintenance of a municipal golf course.

Additionally, the City reports the following fund types:

Internal service funds account for compensated absences, risk management, central equipment, city facilities and technology services provided to other departments or agencies of the City. Internal service funds operate in a manner similar to proprietary funds; however, they provide services primarily to other departments within the City.

As a general rule the effect of interfund activity has been eliminated from government-wide financial statements. Exceptions to this general rule are payments in-lieu of taxes, payments where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the City's water and sewer function and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 1: Summary of Significant Accounting Policies (Continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position/Fund Balance

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary funds and of the City's internal service funds are charges to customers for sales and services. Operating expenses for proprietary funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments. The proprietary funds' portion in the government-wide cash and temporary investments pool is considered to be cash and cash equivalents for purposes of the Statement of Cash Flows.

Cash balances from all funds are pooled and invested, to the extent available, in certificates of deposit and other authorized investments. Earnings from such investments are allocated on the basis of applicable participation by each of the funds.

The City may also invest idle funds as authorized by Minnesota statutes, as follows:

1. Direct obligations or obligations guaranteed by the United States or its agencies.
2. Shares of investment companies registered under the Federal Investment Company Act of 1940 and received the highest credit rating, rated in one of the two highest rating categories by a statistical rating agency, and have a final maturity of thirteen months or less.
3. General obligations of a state or local government with taxing powers rated "A" or better; revenue obligations rated "AA" or better.
4. General obligations of the Minnesota Housing Finance Agency rated "A" or better.
5. Obligation of a school district with an original maturity not exceeding 13 months and (i) rated in the highest category by a national bond rating service or (ii) enrolled in the credit enhancement program pursuant to statute section 126C.55.
6. Bankers' acceptances of United States banks eligible for purchase by the Federal Reserve System.
7. Commercial paper issued by United States banks corporations or their Canadian subsidiaries, of highest quality category by at least two nationally recognized rating agencies, and maturing in 270 days or less.
8. Repurchase or reverse repurchase agreements and securities lending agreements with financial institutions qualified as a "depository" by the government entity, with banks that are members of the Federal Reserve System with capitalization exceeding \$10,000,000, a primary reporting dealer in U.S. government securities to the Federal Reserve Bank of New York, or certain Minnesota securities broker-dealers.
9. Guaranteed Investment Contracts (GIC's) issued or guaranteed by a United States commercial bank, a domestic branch of a foreign bank, a United States insurance company, or its Canadian subsidiary, whose similar debt obligations were rated in one of the top two rating categories by a nationally recognized rating agency.

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 1: Summary of Significant Accounting Policies (Continued)

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. See the investment note disclosure on page 78 for a detailed listing of the City's fair value measurements.

The City has the following recurring fair value measurements as of December 31, 2024:

- US treasury notes, municipal bonds and government agency securities of \$90,352,555 are valued using quoted market prices (Level 1 inputs)
- Negotiable Certificates of Deposits of \$14,161,554 are valued using a matrix pricing model (Level 2 inputs)

Property Taxes

Property taxes are submitted to the County Auditor by December 28 of each year, to be levied on January 1 on property values assessed as of the same date. The tax levy notice is mailed in March with the first half payment due on May 15 and the second half payment due on October 15.

Unpaid taxes at December 31 become liens on the respective property and are classified in the fund financial statements as delinquent taxes receivable.

Delinquent taxes receivable include the past six years' uncollected taxes. Delinquent taxes have been offset by a deferred inflow of resources for taxes not received within 60 days after year end in the governmental fund financial statements.

Restricted Assets

Restricted assets are cash and cash equivalents whose use is limited by legal requirements such as a bond indenture. Restricted assets are reported as restricted cash.

Accounts Receivable

Accounts receivable include amounts billed for services, such as water, sewer, stormwater and nuisance charges, provided before year end. Unbilled utility proprietary fund receivables are also included for services provided in 2024. The City annually certifies delinquent water, sewer, stormwater and nuisance accounts to the County for collection in the following year. Therefore, there has been no allowance for doubtful accounts established.

All trade (utility) and property tax receivables are shown at gross amount, since both taxes and trade (utility) receivables are assessable to the property taxes and are collectible upon the sale of the assessed property.

Due From Other Governments

The amounts due from other governments primarily include amounts for current taxes and project cost in which the City is receiving grants to support the projects.

Special Assessments

Special assessments represent the financing for public improvements paid for by benefiting property owners. These assessments are recorded as receivables upon certification to the County. Special assessments are recognized as revenue when they are received in cash or within 60 days after year end. All governmental special assessments receivable are offset by a deferred inflow of resources in the fund financial statements.

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 1: Summary of Significant Accounting Policies (Continued)

Lease Receivable

The City's lease receivable is measured at the present value of lease payments expected to be received during the lease term.

A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

Interfund Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Inventories and Prepaid Items

All inventories are valued at cost using the first in/first out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid items are reported using the consumption method and recorded as expenditures/expenses at the time of consumption.

Land Held for Resale

Land was acquired by the EDA for subsequent resale for redevelopment purposes. Land held for resale is an asset recorded at the lower of cost or realizable value in the fund that acquired it.

Capital Assets

A capital asset is defined as a financial resource that is tangible or intangible in nature, complete in and of itself, and is not a component of another. Capital assets, which include property, easements, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value on the date of acquisition. Infrastructure assets acquired prior to the fiscal year ended December 31, 1979 are not reported. Right to use assets are valued at the estimated present value of the related lease liabilities.

Intangible assets prior to 2010 were capitalized and bundled with the infrastructure/land purchases and have been determined to have an indefinite life and therefore have not been broken out from the assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the lives of assets are not capitalized.

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 1: Summary of Significant Accounting Policies (Continued)

Property, plant and equipment of the City is depreciated using the straight-line method over the following estimated useful lives:

Assets	Useful Life in Years
Buildings and Structures	20 to 50
Equipment and Machinery	3 to 20
Distribution and Collection Systems	50
Streets and Infrastructure	25

Deferred Outflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has three items which qualify for reporting in this category. Accordingly, the items, deferred pension resources and deferred other postemployment benefit resources, are reported only in the statement of net position. These items result from actuarial calculations and current year pension contributions and OPEB contributions made subsequent to the measurement dates. The third item, deferred charge on refunding results in the loss on a bond refunding recognized over shorter of the life of the refunded bond or the refunding bond.

Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation, sick leave and personal leave benefits. There is an estimated liability for unpaid accumulated sick and personal leave that will be taken as severance upon retirement. All vacation and estimated retirement severance are accrued when incurred in government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. The General fund is typically used to liquidate governmental compensated absences payable.

Other Postemployment Benefits

Under Minnesota statute 471.61, subdivision 2b, public employers must allow retirees and their dependents to continue coverage indefinitely in an employer-sponsored health care plan, under the following conditions: 1) Retirees must be receiving (or eligible to receive) an annuity from a Minnesota public pension plan, 2) Coverage must continue in a group plan until age 65, and retirees must pay no more than the group premium, and 3) Retirees are able to add dependent coverage during open enrollment period or qualifying life event prior to retirement. All premiums are funded on a pay-as-you-go basis. The liability was determined, in accordance with GASB Statement No. 75, at January 1, 2024. The General fund is typically used to liquidate governmental other postemployment benefits payable.

Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. The recognition of bond premiums and discounts are amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as an expense in the period incurred. In accordance with federal regulations, the City's general obligation tax exempt bonds follow the arbitrage requirements.

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 1: Summary of Significant Accounting Policies (Continued)

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Pensions

For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association (PERA) and additions to/deductions from PERA's fiduciary net position have been determined on the same basis as they are reported by PERA except that PERA's fiscal year end is June 30. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. The General fund is typically used to liquidate governmental pension liabilities.

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the defined benefit plan administered by Inver Grove Heights' Fire Relief Association and additions to and deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. Investments are reported at fair value.

The total pension expense for the General Employees Plan (GERP), Police and Fire Plan (PEFPF), Defined Contribution Plan (DCP) and Fire Relief Association is as follows:

	Public Employees Retirement Association of Minnesota (PERA)			Fire Relief Association	Total All Plans
	GERP	PEFPF	DCP		
City's Proportionate Share	\$ 78,012	\$ 1,529,551	\$ 410	\$ 181,972	\$ 1,789,945
Proportionate Share of State's Contribution	(2,251)	25,368	-	-	23,117
	<u>\$ 75,761</u>	<u>\$ 1,554,919</u>	<u>\$ 410</u>	<u>\$ 181,972</u>	<u>\$ 1,813,062</u>

Deferred Inflows of Resources

In addition to liabilities, the statement of net position and fund financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has three types of items, which arise only under a modified accrual basis of accounting that qualifies as needing to be reported in this category. Accordingly, one of the items, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from three sources: delinquent taxes, special assessments and intergovernmental. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Furthermore, the City has additional items which qualify for reporting in this category on the statement of net position. The items, deferred pension resources and deferred other postemployment benefit resources, are reported only in the statement of net position and results from actuarial calculations involving net differences between projected and actual earnings on plan investments and changes in proportions. The City also reports deferred lease resources both in the governmental fund financial statements and the statement of net position.

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 1: Summary of Significant Accounting Policies (Continued)

Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net position is displayed in three components:

- a. Net investment in capital assets - Consists of capital assets, net of accumulated depreciation reduced by any outstanding debt attributable to acquire capital assets.
- b. Restricted net position - Consists of net position balances restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, laws or regulations of other governments.
- c. Unrestricted net position - All other net position balances that do not meet the definition of "restricted" or "net investment in capital assets".

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

Fund Balance

In the fund financial statements, fund balance is divided into five classifications based primarily on the extent to which the City is bound to observe constraints imposed upon the use of resources reported in the governmental funds. These classifications are defined as follows:

Nonspendable - Amounts that cannot be spent because they are not in spendable form, such as prepaid items.

Restricted - Amounts related to externally imposed constraints established by creditors, grantors or contributors; or constraints imposed by state statutory provisions.

Committed - Amounts constrained for specific purposes that are internally imposed by formal action (resolution) of the City Council, which is the City's highest level of decision-making authority. Committed amounts cannot be used for any other purpose unless the City Council modifies or rescinds the commitment by resolution.

Assigned - These are amounts that are constrained by the City's intent to be used for specific purposes but are neither restricted nor committed. Pursuant to the Fund Balance Policy approved by City Council, the City Administrator has been delegated the authority to assign and remove assignments of fund balance amounts for specific purposes.

Unassigned - These are residual amounts in the General fund not reported in any other classification. The General fund is the only fund that can report a positive unassigned fund balance. Other funds would report a negative unassigned fund balance should the total of nonspendable, restricted and committed fund balances exceed the total net resources of that fund.

The City considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available. Additionally, the City would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

The City has formally adopted a fund balance policy for the General fund. The City will strive to maintain a minimum General fund unassigned fund balance of 40 to 45 percent of next year's budgeted expenditures.

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 2: Stewardship, Compliance and Accountability

A. Budgetary Information

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America (generally accepted accounting principles), as applied to governmental units by the Government Accounting Standards Board (GASB). An annual appropriated budget is adopted for the General fund as well as for the Convention and Visitors Bureau, Community Center, Host Community and Economic Development Authority special revenue funds.

Budgeted amounts are reported as originally adopted, as well as amended by the City Council. General fund budgeted revenues were amended to increase revenues by \$43,000. General fund budget amendments increased expenditures \$571,209. Individual amendments were not material in relation to the original appropriations which were adjusted. Budgeted expenditure appropriations lapse at year-end. Any unencumbered appropriations that need to be carried forward to the next year must be reappropriated by the City Council from the fund balance.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General fund. Encumbrances outstanding at year-end expire and outstanding purchase orders are cancelled and not reported in the financial statements. Therefore, there are no outstanding encumbrances at year end.

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The City Administrator submits to the City Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public meetings are conducted to obtain taxpayer comments.
3. The General fund budget is legally enacted through passage of a resolution on a departmental basis and can be expended by each department based upon detailed budget estimates for that department. The Convention and Visitors Bureau, Recreation, Community Center and Economic Development Authority special revenue fund budgets are legally enacted through passage of resolutions for each fund as a whole.
4. The City Administrator is authorized to transfer appropriations within a fund's budget. Additional fund appropriations and deletions are or may be authorized by the City Council.
5. Formal budgetary integration is employed as a management control device during the year for the General fund.
6. Legal debt obligation indentures determine the appropriation level and debt service tax levies for the Debt Service funds. Supplementary budgets are adopted for the Proprietary funds to determine and calculate user charges. These debt service and budget amounts represent general obligation bond indenture provisions and net income for operation and capital maintenance and are not reflected in the financial statements.
7. A capital improvement program is reviewed annually by the City Council for the Capital Project funds. However, appropriations for major projects are not adopted until the actual bid award of the improvement. The appropriations are not reflected in the financial statements.
8. Expenditures may not legally exceed budgeted appropriations at the total fund level. Monitoring of budgets is maintained at the expenditure category level (i.e., personnel services; other current; capital outlay) within each activity.
9. The City Council may authorize transfers of budgeted amounts between City funds.

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 3: Detailed Notes on All Funds

A. Deposits and Investments

Deposits

Custodial credit risk for deposits and investments is the risk that in the event of a bank failure, the City's deposits and investments may not be returned or the City will not be able to recover collateral securities in the possession of an outside party. In accordance with Minnesota statutes and as authorized by the City Council, the City maintains deposits at depository banks, all of which are members of the Federal Reserve System.

Minnesota statutes require that all City deposits be protected by insurance, surety bond or collateral. The fair value of collateral pledged must equal 110 percent of the deposits not covered by insurance or bonds, with the exception of irrevocable standby letters of credit issued by Federal Home Loan Banks as this type of collateral only requires collateral pledged equal to 100 percent of the deposits not covered by insurance or bonds.

Authorized collateral in lieu of a corporate surety bond includes:

- United States government Treasury bills, Treasury notes, Treasury bonds;
- Issues of United States government agencies and instrumentalities as quoted by a recognized industry quotation service available to the government entity;
- General obligation securities of any state or local government with taxing powers which is rated "A" or better by a national bond rating service, or revenue obligation securities of any state or local government with taxing powers which is rated "AA" or better by a national bond rating service;
- General obligation securities of a local government with taxing powers may be pledged as collateral against funds deposited by that same local government entity;
- Irrevocable standby letters of credit issued by Federal Home Loan Banks to a municipality accompanied by written evidence that the bank's public debt is rated "AA" or better by Moody's Investors Service, Inc., or Standard & Poor's Corporation; and
- Time deposits that are fully insured by any federal agency.

Minnesota statutes require that all collateral shall be placed in safekeeping in a restricted account at a Federal Reserve Bank, or in an account at a trust department of a commercial bank or other financial institution that is not owned or controlled by the financial institution furnishing the collateral. The selection should be approved by the government entity.

At December 31, 2024, the City's carrying amount of deposits, bank balance, FDIC coverage and pledged collateral are shown in the chart below.

Carrying Amount of Deposits	\$ 11,676,421
Bank Balance	\$12,219,794
Covered by FDIC	(500,000)
Collateralized with securities pledged in City's name and letters of credit	\$ 11,719,794

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 3: Detailed Notes on All Funds (Continued)

Investments

At December 31, 2024, the City's investment balances were as follows:

Types of Investments	Credit Quality/ Ratings (1)	Segmented Time Distribution (2)	Amount	Fair Value Measurement Using (3)		
				Level 1	Level 2	Level 3
Pooled Investments at Amortized Costs						
Broker Money Market Funds	N/A	less than 1 year	\$ 482,339			
Non-pooled Investments at Fair Value						
Negotiable Certificates of Deposits	N/A	less than 1 year	3,159,177	\$ -	\$ 3,159,177	\$ -
Negotiable Certificates of Deposits	N/A	1 to 5 years	10,502,244	-	10,502,244	-
Negotiable Certificates of Deposits	N/A	more than 5 years	500,133	-	500,133	-
Government Agency Securities	AAA	less than 1 year	6,909,430	6,909,430	-	-
Government Agency Securities	AA+	less than 1 year	998,650	998,650	-	-
Government Agency Securities	AAA	1 - 5 years	8,613,206	8,613,206	-	-
Government Agency Securities	AA	1 - 5 years	982,160	982,160	-	-
Government Agency Securities	AA+	1 - 5 years	13,058,333	13,058,333	-	-
Government Agency Securities	AAA	5 or more years	934,425	934,425	-	-
Municipal Bonds	AAA	less than 1 year	3,565,910	3,565,910	-	-
Municipal Bonds	AA	less than 1 year	2,664,042	2,664,042	-	-
Municipal Bonds	AA-	less than 1 year	968,820	968,820	-	-
Municipal Bonds	Aa1	less than 1 year	314,252	314,252	-	-
Municipal Bonds	A1	less than 1 year	717,658	717,658	-	-
Municipal Bonds	Aa2	less than 1 year	2,226,066	2,226,066	-	-
Municipal Bonds	Aa3	less than 1 year	845,906	845,906	-	-
Municipal Bonds	A3	less than 1 year	494,010	494,010	-	-
Municipal Bonds	AAA	1 - 5 years	7,300,939	7,300,939	-	-
Municipal Bonds	AA	1 - 5 years	6,986,757	6,986,757	-	-
Municipal Bonds	AA+	1 - 5 years	845,934	845,934	-	-
Municipal Bonds	A2	1 - 5 years	476,170	476,170	-	-
Municipal Bonds	AA-	1 - 5 years	1,194,221	1,194,221	-	-
Municipal Bonds	Aa1	1 - 5 years	1,010,858	1,010,858	-	-
Municipal Bonds	A1	1 - 5 years	966,181	966,181	-	-
Municipal Bonds	Aa2	1 - 5 years	6,030,732	6,030,732	-	-
Municipal Bonds	AA	5 or more years	362,429	362,429	-	-
Municipal Bonds	Aa3	5 or more years	82,856	82,856	-	-
Treasury Notes	AAA	less than 1 year	11,986,605	11,986,605	-	-
Treasury Notes	AAA	1 - 5 years	7,388,760	7,388,760	-	-
Treasury Notes	AA+	1 - 5 years	2,427,245	2,427,245	-	-
Total Investments			\$ 104,996,448	\$ 90,352,555	\$ 14,161,554	\$ -

(1) Ratings are provided by Standard & Poor's where applicable to indicate associated credit risk.

(2) Interest rate risk is disclosed using the segmented time distribution method

(3) See Note 1 for additional information on fair value measurements of investments.

N/A Indicates not applicable or available.

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 3: Detailed Notes on All Funds (Continued)

The investments of the City are subject to the following risks:

- *Interest Rate Risk* is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with the City's investment policy, the City will not directly invest more than five percent (5 percent) of the total portfolio in securities maturing more than five (5) years from the date of purchase, unless matched to a specific cash flow. The City was not exposed to interest rate risks due to the fact that their investments are not exposed to highly sensitive changes in interest rates.
- *Credit Risk*. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Ratings are provided by various credit rating agencies and where applicable, indicate associated credit risk. Minnesota statutes and the City's investment policy limit the City's investments to the list on page 70 of the notes to the financial statements. In accordance with its investment policy, the City will minimize credit risk by limiting investments to the safest types of securities, pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisers with which the City will do business, and diversifying the investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized.
- *Concentration of Credit Risk*. Concentration of credit risk is defined as positions of five percent (5 percent) or more in the securities of a single issuer. As of December 31, 2024, the following issuers exceeded 5 percent of the City's total investments: FFCB (8.57 percent), FHLB (14.34 percent), Treasury securities (20.77 percent). The City's investment policy does not allow for an investment in any issuer or security type (except U.S. Treasury Bonds) that is in excess of fifty percent (50 percent) of the City's total investments.
- *Custodial Credit Risk - Deposits*. In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. Minnesota statutes and the City's investment policy states that in order to provide a level of security for all funds, the collateralization level will be 110 percent of market value not covered by insurance. As of December 31, 2024, all of the City's bank balance was covered by federal depository insurance or by perfected collateral held by the City's agent in the City's name.
- *Custodial Credit Risk - Investments*. For an investment, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. As of December 31, 2024, all securities were held by the City or its agent in the City's name. The City does not have an investment policy for custodial credit risk.

The City's investments held by a broker-dealer were insured by SIPC or other supplemental insurance as of December 31, 2024. However, each investment brokerage firm may have a limit to their supplemental insurance coverage and because of the size of the City's portfolio in relation to the brokerage firm's excess SIPC coverage limits; the portion of the supplemental policy applicable to the City's portfolio is unknown. The City accepts the risk due to the controls in place at the broker-dealer.

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 3: Detailed Notes on All Funds (Continued)

A reconciliation of cash and temporary investments as shown on the statement of net position for the City follows:

Carrying Amount of Deposits	\$ 11,676,421
Investments	104,996,448
Petty Cash	<u>2,050</u>
Total	<u><u>\$ 116,674,919</u></u>
As Reported on the Financial Statements	
Statement of net position	
Cash and temporary investments	<u><u>\$ 116,674,919</u></u>

Lease Receivable

As of December 31, 2024, the City had the following lease receivables:

Description	Issue Date	Lease Maturity Date	Interest Rate	Current Year Inflow of Resources	Balance at Year End
Antenna Lease Agreements					
Northside water tower (AT&T)	1/1/2022	12/31/25	3.12 %	\$ 82,389	\$ 85,064
Northside water tower (Nextera)	1/1/2022	12/31/26	3.28	1,796	13,579
Northside water tower (T-Mobile)	1/1/2022	12/31/25	3.12	44,746	43,999
Pole at Carmen Ave (T-Mobile)	1/1/2022	12/31/24	3.79	30,961	706,113
5030 Babcock Trail (Verizon)	1/1/2022	12/31/28	3.16	32,856	<u>132,673</u>
Total					<u><u>\$ 981,428</u></u>

The City leases space at various City properties to communication companies for the operation and maintenance of communication antennas.

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 3: Detailed Notes on All Funds (Continued)

B. Capital Assets

Capital asset activity for the year ended December 31, 2024 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital Assets not Being Depreciated				
Land	\$ 32,034,539	\$ -	\$ -	\$ 32,034,539
Construction in progress	17,687,266	5,673,837		23,361,103
 Total Capital Assets not Being Depreciated	 49,721,805	 5,673,837	 -	 55,395,642
Capital Assets Being Depreciated/Amortized				
Infrastructure	121,454,847	-	-	121,454,847
Buildings and systems	48,607,146	284,780	-	48,891,926
Improvements other than buildings	9,873,789	115,337	-	9,989,126
Machinery and equipment	18,204,052	1,409,676	(626,609)	18,987,119
Machinery and equipment - Right to Use Assets	374,266	-	-	374,266
Total Capital Assets Being Depreciated/Amortized	198,514,100	1,809,793	(623,609)	199,697,284
Less Accumulated Depreciation for				
Infrastructure	(51,697,720)	(3,350,401)	-	(55,048,121)
Buildings and systems	(27,273,349)	(978,798)	-	(28,252,147)
Improvements other than buildings	(6,815,123)	(796,250)	-	(7,611,373)
Machinery and equipment	(12,341,488)	(1,407,817)	569,120	(13,180,185)
Machinery and equipment - Right to Use Assets	(275,704)	(59,428)	-	(335,132)
Total Accumulated Depreciation/Amortization	(98,403,384)	(6,592,694)	566,120	(104,426,958)
 Total Capital Assets Being Depreciated/Amortized, Net	 100,110,716	 (4,782,901)	 (57,489)	 95,270,326
 Governmental Activities Capital Assets, Net	 \$ 149,832,521	 \$ 890,936	 \$ (57,489)	 \$ 150,665,968

Depreciation expense was charged to functions of the governmental activities as follows:

Governmental Activities	
General Government	\$ 658,625
Public Safety	938,826
Public Works	4,086,278
Culture and Recreation	868,543
Community Development	40,422
 Total Depreciation Expense - Governmental Activities	 \$ 6,592,694

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 3: Detailed Notes on All Funds (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type Activities				
Capital Assets not Being Depreciated				
Land	\$ 4,389,159	\$ -	\$ -	\$ 4,389,159
Construction in progress	586,012	3,735,938	-	4,321,950
 Total Capital Assets not Being Depreciated	 4,975,171	 3,735,938	 -	 8,711,109
 Capital Assets Being Depreciated				
Buildings and systems	122,925,805	692,415	-	123,618,220
Improvements other than buildings	4,639,459	-	-	4,639,459
Machinery and equipment	1,472,341	301,906	(107,967)	1,666,280
 Total Capital Assets Being Depreciated	 129,037,605	 994,321	 (107,967)	 129,923,959
 Less Accumulated Depreciation for				
Buildings and systems	(58,871,979)	(2,139,597)	-	(61,011,576)
Improvements other than buildings	(4,370,804)	(17,226)	-	(4,388,030)
Machinery and equipment	(1,217,072)	(98,343)	107,967	(1,207,448)
 Total Accumulated Depreciation	 (64,459,855)	 (2,255,166)	 107,967	 (66,607,054)
 Total Capital Assets Being Depreciated, Net	 64,577,750	 (1,260,845)	 -	 63,316,905
 Business-type Activities Capital Assets, Net	 \$ 69,552,921	 \$ 2,475,093	 \$ -	 \$ 72,028,014

Depreciation expense was charged to programs of the business-type activities as follows:

Business-type Activities	
Water	\$ 1,019,248
Sewer	869,027
Stormwater	250,925
Golf Course	115,966
 Total Depreciation Expense - Business-type Activities	 <u>\$ 2,255,166</u>

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 3: Detailed Notes on All Funds (Continued)

C. Construction Commitments

The City has the following construction commitments at December 31, 2024:

Project	Spent to Date	Remaining Commitment
ADA Pedestrian Curb Ramps	\$ 327,396	\$ 16,370
South Valley Park	2,479,856	123,993
Heritage Village Park Phase IV	1,442,734	72,137
Seidl's Lake Trail Ext & Wetland Restoration	-	723,644
Water Treatment Plant Rehabilitation	255,500	3,784,595
Utility Rate Study	25,476	40,049
Monopole Feasibility Study	4,120	54,580
Rock Island Swing Bridge Lighting	-	488,005
Lighting Improvements at City Hall and Police Station	-	167,700
Dawn Way North and Neighborhood Street Improvements	4,195,985	141,602
Delano Way and Dempsey Way Area	706,808	91,754
Corcoran Path & Dawson Way Area	1,055,587	8,324
Southgrove Areas 7A & 7B	1,917,430	229,963
96th Street	1,118,031	175,044
Bixby Way	51,802	24,225
Total	<u>\$ 13,580,725</u>	<u>\$ 6,141,985</u>

D. Long-term Debt

General Obligation (G.O.) Bonds

The City issues G.O. and G.O. revenue bonds to provide funds for the acquisition and construction of major capital facilities and equipment. Debt service is covered by tax increments, special assessments, property tax levies and revenues. In addition, G.O. bonds have been issued to refund G.O., G.O. special assessment, and G.O. revenue bonds.

Description	Authorized and Issued	Interest Rate	Issue Date	Maturity Date	Balance at Year End
G.O. Bonds, Series 2015A	\$ 7,745,000	2.00 - 3.00 %	09/17/15	02/01/31	\$ 3,865,000
G.O. Refunding Capital Bonds, Series 2016A	8,515,000	2.75 - 3.00	12/29/16	02/01/34	6,095,000
G.O. Capital Improvement Plan Bonds, Series 2018A	9,785,000	3.35 - 5.00	12/27/18	02/01/39	8,205,000
G.O. Capital Improvement Plan Bonds, Series 2019A	2,500,000	3.50 - 4.00	01/03/19	02/01/27	<u>2,095,000</u>
Total G.O. Bonds					<u>\$ 20,260,000</u>

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 3: Detailed Notes on All Funds (Continued)

Annual debt service requirements to maturity for G.O. bonds are as follows:

Year Ending December 31,	Governmental Activities		
	Principal	Interest	Total
2025	\$ 1,575,000	\$ 620,548	\$ 2,195,548
2026	1,630,000	563,560	2,193,560
2027	1,645,000	505,760	2,150,760
2028	1,710,000	451,685	2,161,685
2029	1,765,000	401,016	2,166,016
2030 - 2034	7,915,000	1,249,497	9,164,497
2035 - 2039	4,020,000	346,469	4,366,469
Total	<u>\$ 20,260,000</u>	<u>\$ 4,138,535</u>	<u>\$ 24,398,535</u>

G.O. Improvement (Special Assessment) Bonds

The following bonds were issued to finance various improvements and will be repaid primarily from special assessments levied on the properties benefiting from the improvements. Some issues, however, are partially financed by ad valorem tax levies. All special assessment debt is backed by the full faith and credit of the City. Each year the combined assessment and tax levy equals 105 percent of the amount required for debt service. The excess of 5 percent is to cover any delinquencies in tax or assessment payments.

Description	Authorized and Issued	Interest Rate	Issue Date	Maturity Date	Balance at Year End
G.O. Improvement Bonds, Series 2017B	\$ 3,505,000	2.00 - 3.00 %	12/11/17	02/01/33	\$ 2,235,000
G.O. Improvement Bonds, Series 2020A	1,640,000	.05 - 1.00	12/15/20	02/01/27	755,000
Total G.O. Special Assessment Bonds					<u>\$ 2,990,000</u>

Annual debt service requirements to maturity for G.O. special assessment bonds are as follows:

Year Ending December 31,	Governmental Activities		
	Principal	Interest	Total
2025	\$ 515,000	\$ 57,893	\$ 572,893
2026	525,000	47,918	572,918
2027	530,000	38,278	568,278
2028	255,000	30,838	285,838
2029	220,000	25,813	245,813
2030 - 2033	945,000	47,666	992,666
Total	<u>\$ 2,990,000</u>	<u>\$ 248,406</u>	<u>\$ 3,238,406</u>

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 3: Detailed Notes on All Funds (Continued)

G.O. Revenue Bonds

The following bonds were issued to finance capital improvements in the proprietary funds. They will be repaid from future revenues pledged from the Sewer proprietary funds and are backed by the taxing power of the City. Annual revenues from charges for services, principal and interest payments, and percentage of revenue required to cover principal and interest payments are as follows:

					Sewer
Net Operating Revenues					\$ 5,213,056
Principal and Interest					1,045,550
Percentage of Revenues					20.06 %
Description	Authorized and Issued	Interest Rate	Issue Date	Maturity Date	Balance at Year End
G.O. Sewer Revenue Bonds, Series 2015B	\$ 4,185,000	3.00 - 4.00 %	09/17/15	02/01/31	\$ 2,270,000
G.O. Sewer Refunding Revenue Bonds, Series 2017A	5,685,000	1.50 - 3.00	01/12/17	02/01/36	4,290,000
G.O. Sewer Refunding Revenue Bonds, Series 2021A	2,740,000	2.00 - 3.00	12/30/21	02/01/34	2,350,000
Total G.O. Revenue Bonds					<u>\$ 8,910,000</u>

The annual debt service requirements to maturity for G.O. revenue bonds are as follows:

Year Ending December 31,	Business-type Activities		
	Principal	Interest	Total
2025	\$ 805,000	\$ 237,781	\$ 1,042,781
2026	825,000	212,606	1,037,606
2027	855,000	186,700	1,041,700
2028	880,000	161,488	1,041,488
2029	915,000	135,400	1,050,400
2030 - 2034	3,810,000	329,638	4,139,638
2035 - 2036	820,000	22,687	842,687
Total	<u>\$ 8,910,000</u>	<u>\$ 1,286,300</u>	<u>\$ 10,196,300</u>

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 3: Detailed Notes on All Funds (Continued)

Leases Payable

The following leases were issued to finance the use of various police department vehicles. Lease payments include a monthly management fee, ranging from \$57 to \$69 per month. The leases are nonrenewable. The value of the underlying equipment and machinery lease assets and related accumulated amortization as of December 31, 2024 was \$374,266 and \$335,132, respectively.

Description	Interest Rate	Issue Date	Lease Maturity Date	Payment Terms		Residual Value	Balance at Year End
Enterprise Fleet Management							
Police Vehicle	5.62 %	01/01/22	01/30/25	\$ 624	Monthly	\$ 6,581	\$ 823
Police Vehicle	5.62	01/01/22	01/30/25	624	Monthly	6,581	823
Police Vehicle	5.30	01/01/22	06/30/25	618	Monthly	6,579	3,547
Police Vehicle	4.17	01/01/22	01/31/26	552	Monthly	5,714	6,542
Police Vehicle	5.35	01/01/22	01/31/27	382	Monthly	3,964	7,911
Police Vehicle	5.55	01/01/22	02/28/27	839	Monthly	3,893	17,724
Total							\$ 37,370

The annual debt service requirements to maturity for the lease payables are as follows:

Year Ending December 31,	Governmental Activities		
	Principal	Interest	Total
2025	\$ 22,875	\$ 1,960	\$ 24,835
2026	13,429	785	14,214
2027	1,066	59	1,125
Total	<u>\$ 37,370</u>	<u>\$ 2,804</u>	<u>\$ 40,174</u>

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 3: Detailed Notes on All Funds (Continued)

Changes in Long-term Liabilities

Long-term liability activity for the year ended December 31, 2024 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Governmental Activities					
Bonds Payable					
G.O. bonds	\$ 21,785,000	\$ -	\$ (1,525,000)	\$ 20,260,000	\$ 1,575,000
G.O. special assessment bonds	3,495,000	-	(505,000)	2,990,000	515,000
Bond premium	683,248	-	(62,821)	620,427	-
Total Bonds Payable	25,963,248	-	(2,092,821)	23,870,427	2,090,000
Net Pension Liability	15,180,563	-	(4,534,724)	10,645,839	-
Other Postemployment Benefits Liability	2,273,557	336,550	-	2,610,107	117,491
Lease Payable	100,310	-	(62,940)	37,370	22,875
Compensated Absences Payable*	2,999,192	188,171	-	3,187,363	1,301,914
Governmental Activity Long-term Liabilities	<u>\$ 46,516,870</u>	<u>\$ 524,721</u>	<u>\$ (6,690,485)</u>	<u>\$ 40,351,106</u>	<u>\$ 3,532,280</u>
Business-type Activities					
Bonds Payable					
G.O. revenue bonds	\$ 9,690,000	\$ -	\$ (780,000)	\$ 8,910,000	\$ 805,000
Bond premium	419,127	-	(48,467)	370,660	48,467
Total Bonds Payable	10,109,127	-	(828,467)	9,280,660	853,467
Net Pension Liability	1,182,755	-	(440,713)	742,042	-
Other Postemployment Benefits Liability	279,945	69,640	-	349,585	15,736
Compensated Absences Payable*	313,444	20,585	-	334,029	134,000
Business-type Activity Long-term Liabilities	<u>\$ 11,885,271</u>	<u>\$ 90,225</u>	<u>\$ (1,269,180)</u>	<u>\$ 10,706,316</u>	<u>\$ 1,003,203</u>

*The City is presenting the change in compensated absences as a net increase.

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 3: Detailed Notes on All Funds (Continued)

E. Components of Fund Balance

Fund equity balances are classified below to reflect the limitations and restrictions of the respective funds.

	General	Improvement Bonds	Community Center	Host Community
Nonspendable				
Prepaid items	\$ 270,283	\$ -	\$ 12,632	\$ -
Leases	8,900	-	-	-
Total Nonspendable	<u>279,183</u>	<u>-</u>	<u>12,632</u>	<u>-</u>
Restricted for				
Debt service	-	4,380,647	-	-
Community development	-	-	-	-
Public safety	1,475,312	-	-	-
Public health	-	-	-	-
Tree preservation	-	-	-	-
Park improvements	-	-	-	-
Affordable housing	-	-	-	-
Total Restricted	<u>1,475,312</u>	<u>4,380,647</u>	<u>-</u>	<u>-</u>
Committed to				
Convention and Visitors Bureau	-	-	-	-
Economic development	-	-	-	-
Capital improvements	-	-	312,390	5,647,771
Public safety	1,154,309	-	-	-
Total Committed	<u>1,154,309</u>	<u>-</u>	<u>312,390</u>	<u>5,647,771</u>
Assigned to				
Debt service	-	-	-	-
Capital improvements	-	-	-	-
Total Assigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unassigned	<u>18,004,549</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 20,913,353</u>	<u>\$ 4,380,647</u>	<u>\$ 325,022</u>	<u>\$ 5,647,771</u>

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 3: Detailed Notes on All Funds (Continued)

	Closed Bond	Local Improvement Construction	Pavement Management	Other Governmental	Total
Nonspendable					
Prepaid items	\$ -	\$ -	\$ -	\$ -	\$ 282,915
Leases	-	-	-	-	8,900
Total Nonspendable	-	-	-	-	291,815
Restricted for					
Debt service	-	-	-	-	4,380,647
Community development	-	-	-	4,303,785	4,303,785
Public safety	-	-	-	-	1,475,312
Public health	-	-	-	271,250	271,250
Tree preservation	-	-	-	680,085	680,085
Park improvements	-	-	-	1,414,958	1,414,958
Affordable housing	-	-	-	202,446	202,446
Total Restricted	-	-	-	6,872,524	12,728,483
Committed to					
Convention and Visitors Bureau	-	-	-	287,272	287,272
Economic development	-	-	-	536,092	536,092
Capital improvements	-	-	-	-	5,960,161
Public safety	-	-	-	-	1,154,309
Total Committed	-	-	-	823,364	7,937,834
Assigned to					
Debt service	1,316,985	-	-	-	1,316,985
Capital improvements	-	3,196,272	14,457,780	3,520,593	21,174,645
Total Assigned	1,316,985	3,196,272	14,457,780	3,520,593	22,491,630
Unassigned	-	-	-	-	18,004,549
Total	\$ 1,316,985	\$ 3,196,272	\$ 14,457,780	\$ 11,216,481	\$ 61,454,311

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 3: Detailed Notes on All Funds (Continued)

F. Interfund Receivables, Payables and Transfers

The composition of interfund balances at December 31, 2024 is as follows:

Receivable Fund	Payable Fund	Purpose	Amount
Advance to/from other funds			
Internal Service	Golf Course	To loan funds for capital improvements	\$ 546,054
Internal Service	Community Center	To loan funds for capital improvements	279,105
Host Community	Nonmajor governmental	To loan funds for land purchase	1,000,000
Total			<u>\$ 1,825,159</u>

The Internal Service Central Equipment fund made advances to the Golf Course and Community Center funds which will be paid back in annual installments with final payment on the Golf Course's interfund loan in 2025. The Host Community fund made advances to the nonmajor governmental EDA fund, which will be paid back when the land for resale has sold.

The composition of interfund transfers for the year ended December 31, 2024 is as follows:

Fund	Transfer In					
	General	Community Center	Host Community	Improvement Bonds	Local Improvement Construction	Pavement Management
Transfer Out						
General	\$ -	\$ -	\$ 37,975	\$ -	\$ -	\$ -
Host Community	4,757	1,048,115	-	-	-	500,000
Closed Bond	-	-	-	177,250	-	-
Local Improvement Construction	-	-	-	-	-	-
Pavement Management	-	-	-	-	41,752	-
Nonmajor Governmental	10,151	-	-	-	463,612	27,126
Water	290,000	-	-	-	207,367	251,828
Sewer	290,000	-	-	-	503,692	186,042
Stormwater	94,609	-	-	-	-	276,234
Total	<u>\$ 689,517</u>	<u>\$ 1,048,115</u>	<u>\$ 37,975</u>	<u>\$ 177,250</u>	<u>\$ 1,216,423</u>	<u>\$ 1,241,230</u>

Fund	Transfer In					Total
	Nonmajor Governmental	Water	Sewer	Stormwater	Internal Service	
Transfer Out						
General	\$ 504,015	\$ -	\$ -	\$ -	\$ 6,250	\$ 548,240
Host Community	-	-	-	1,100,000	-	2,652,872
Closed Bond	-	-	-	-	-	177,250
Local Improvement Construction	-	829,483	739,173	435,856	-	2,004,512
Pavement Management	500,000	35,363	61,361	74,392	-	712,868
Nonmajor Governmental	-	-	-	-	-	500,889
Water	-	-	-	-	-	749,195
Sewer	-	-	-	-	-	979,734
Stormwater	-	-	43,561	-	-	414,404
Total	<u>\$ 1,004,015</u>	<u>\$ 864,846</u>	<u>\$ 844,095</u>	<u>\$ 1,610,248</u>	<u>\$ 6,250</u>	<u>\$ 8,739,964</u>

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 3: Detailed Notes on All Funds (Continued)

The City annually budgets transfers for specific purposes and includes transfers to cover funds annual operations, transfers for debt service payments, transfers made as part of capital improvement plans and other transfers made for various reasons. The City made the following one-time non-budgeted transfers for the year ended December 31, 2024:

- A transfer from the Host Community fund to the Community Center fund was made to cover an operating deficit and keep the fund in line with the five-year capital plan.
- Transfers from the State Aid Construction fund, Water funds and Sewer funds were made to the Pavement Management fund for each fund's share of project costs.
- Transfers from the Pavement Management fund, State Aid Construction fund, Water funds and Sewer funds were made to the Northwest Area Capital Projects fund to cover construction costs incurred in prior years.
- Transfers from the Pavement Management fund, Pavement Management-Partnerships fund, Northwest Area Capital Projects fund, and Water Operating fund were made to the Water Capital fund to cover construction costs already incurred.
- Transfers from the Pavement Management fund, Pavement Management-Partnerships fund, Northwest Area Capital Projects fund, and Sewer Operating fund were made to the Sewer Capital fund to cover construction costs already incurred.
- Transfers from the Host Community fund, Pavement Management-Partnerships fund, Stormwater Operating fund, and Stormwater Northwest Area Capital fund were made to the Stormwater Capital fund to cover construction costs for future projects.
- A transfer from the Northwest Area Capital Projects fund to the Stormwater Northwest Area Capital fund was made to allocate prior year revenues.

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 4: Defined Benefit Pension Plans - Statewide

A. Plan Description

The City participates in the following cost-sharing multiple-employer defined benefit pension plans administered by the Public Employees Retirement Association of Minnesota (PERA). These plan provisions are established and administered according to Minnesota Statutes chapters 353, 353D, 353E, 353G and 356. Minnesota Statutes chapter 356 defines each plan's financial reporting requirements. PERA's defined benefit pension plans are tax qualified plans under Section 401(a) of the Internal Revenue Code.

General Employees Retirement Plan (General Plan)

Membership in the General Plan includes employees of counties, cities, townships, schools in non-certified positions, and other governmental entities whose revenues are derived from taxation, fees, or assessments. Plan membership is required for any employee who is expected to earn more than \$425 in a month, unless the employee meets exclusion criteria.

Public Employees Police and Fire Plan (Police and Fire Plan)

Membership in the Police and Fire Plan includes full-time, licensed police officers and firefighters who meet the membership criteria defined in Minnesota Statutes section 353.64 and who are not earning service credit in any other PERA retirement plan or a local relief association for the same service. Employers can provide Police and Fire Plan coverage for part-time positions and certain other public safety positions by submitting a resolution adopted by the entity's governing body. The resolution must state that the position meets plan requirements.

B. Benefits Provided

PERA provides retirement, disability, and death benefits. Benefit provisions are established by state statute and can only be modified by the state Legislature. Vested, terminated employees who are entitled to benefits, but are not receiving them yet, are bound by the provisions in effect at the time they last terminated their public service. When a member is "vested," they have earned enough service credit to receive a lifetime monthly benefit after leaving public service and reaching an eligible retirement age. Members who retire at or over their Social Security full retirement age with at least one year of service qualify for a retirement benefit.

General Employee Plan Benefits

General Employees Plan requires three years of service to vest. Benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service. Two methods are used to compute benefits for General Plan members. Members hired prior to July 1, 1989, receive the higher of the Step or Level formulas. Only the Level formula is used for members hired after June 30, 1989. Under the Step formula, General Plan members receive 1.2 percent of the highest average salary for each of the first 10 years of service and 1.7 percent for each additional year. Under the Level formula, General Plan members receive 1.7 percent of highest average salary for all years of service. For members hired prior to July 1, 1989 a full retirement benefit is available when age plus years of service equal 90 and normal retirement age is 65. Members can receive a reduced requirement benefit as early as age 55 if they have three or more years of service. Early retirement benefits are reduced by .25 percent for each month under age 65. Members with 30 or more years of service can retire at any age with a reduction of 0.25 percent for each month the member is younger than age 62. The Level formula allows General Plan members to receive a full retirement benefit at age 65 if they were first hired before July 1, 1989 or at age 66 if they were hired on or after July 1, 1989. Early retirement begins at age 55 with an actuarial reduction applied to the benefit.

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 4: Defined Benefit Pension Plans - Statewide (Continued)

Benefit increases are provided to benefit recipients each January. The postretirement increase is equal to 50 percent of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1 percent and a maximum of 1.5 percent. The 2024 annual increase was 1.5 percent. Recipients that have been receiving the annuity or benefit for at least a full year as of the June 30 before the effective date of the increase will receive the full increase. Recipients receiving the annuity or benefit for at least one month but less than a full year as of the June 30 before the effective date of the increase will receive a prorated increase.

Police and Fire Plan Benefits

Benefits for Police and Fire Plan members hired before July 1, 2010, are vested after three years of service. Members hired on or after July 1, 2010, are 50 percent vested after five years of service and 100 percent vested after ten years. After five years, vesting increase by 10 percent each full year of service until members are 100 percent vested after ten years. Police and Fire Plan members receive 3 percent of highest average salary for all years of service. Police and Fire Plan members receive a full retirement benefit when they are age 55 and vested, or when their age plus their years of service equals 90 or greater if they were first hired before July 1, 1989. Early retirement starts at age 50, and early retirement benefits are reduced by 0.417 percent each month members are younger than age 55.

Benefit increases are provided to benefit recipients each January. The postretirement increase is fixed at 1 percent. Recipients that have been receiving the annuity or benefit for at least 36 months as of the June 30 before the effective date of the increase will receive the full increase. Recipients receiving the annuity or benefit for at least 25 months but less than 36 months as of the June 30 before the effective date of the increase will receive a reduced prorated increase.

C. Contributions

Minnesota Statutes chapters 353, 353E, 353G and 356 set the rates for employer and employee contributions. Contribution rates can only be modified by the state Legislature.

General Employees Fund Contributions

General Plan members were required to contribute 6.50 percent of their annual covered salary in fiscal year 2024 and the City was required to contribute 7.50 percent for Coordinated Plan members. The City's contributions to the General Employees Fund for the years ending December 31, 2024, 2023 and 2022, were \$804,791, \$761,083 and \$739,972, respectively. The City's contributions were equal to the required contributions for each year as set by state statute.

Police and Fire Fund Contributions

Police and Fire Plan members were required to contribute 11.80 percent of their annual covered salary in fiscal year 2024 and the City was required to contribute 17.70 percent for Police and Fire Plan members. The City's contributions to the Police and Fire Fund for the years ending December 31, 2024, 2023 and, 2022 were \$1,326,241, \$1,230,148 and \$1,086,038, respectively. The City's contributions were equal to the required contributions for each year as set by state statute.

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 4: Defined Benefit Pension Plans - Statewide (Continued)

D. Pension Costs

General Employees Fund Pension Costs

At December 31, 2024, the City reported a liability of \$4,534,847 for its proportionate share of the General Employees Fund's net pension liability. The City's net pension liability reflected a reduction due to the State of Minnesota's contribution of \$16 million. The State of Minnesota is considered a non-employer contributing entity and the state's contribution meets the definition of a special funding situation. The State of Minnesota's proportionate share of the net pension liability associated with the City totaled \$117,262.

City's Proportionate Share of the Net Pension Liability	\$ 4,534,847
State of Minnesota's Proportionate Share of the Net Pension Liability Associated with the City	<u>117,262</u>
Total	<u><u>\$ 4,652,109</u></u>

The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on the City's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2023 through June 30, 2024, relative to the total employer contributions received from all of PERA's participating employers. The City's proportionate share was 0.1227 percent at the end of the measurement period and 0.1313 percent for the beginning of the period.

For the year ended December 31, 2024, the City recognized pension expense of \$78,012 for its proportionate share of the General Employees Plan's pension expense. In addition, the City recognized an additional negative \$2,251 as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of \$16 million to the General Employees Fund.

During the plan year ended June 30, 2024, the State of Minnesota contributed \$170.1 million to the General Employees Fund. The State of Minnesota is not included as a non-employer contributing entity in the General Employees Plan pension allocation schedules for the \$170.1 million in direct state aid because this contribution was not considered to meet the definition of a special funding situation. The City recognized \$208,713 for the year ended December 31, 2024 as revenue and an offsetting reduction of net pension liability for its proportionate share of the State of Minnesota's on-behalf contributions to the General Employees Fund.

At December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	\$ 435,383	\$ -
Changes in Actuarial Assumptions	22,923	1,804,593
Net Difference Between Projected and Actual Investment Earnings	-	1,271,430
Changes in Proportion	85,140	241,423
Contributions Paid to PERA Subsequent to the Measurement Date	<u>404,653</u>	<u>-</u>
Total	<u><u>\$ 948,099</u></u>	<u><u>\$ 3,317,446</u></u>

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 4: Defined Benefit Pension Plans - Statewide (Continued)

The \$404,653 reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2025. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

2025	\$ (1,473,434)
2026	(386,905)
2027	(566,093)
2028	(347,568)

Police and Fire Fund Pension Costs

At December 31, 2024, the City reported a liability of \$6,853,034 for its proportionate share of the Police and Fire Fund's net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportionate share of the net pension liability was based on the City's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2023 through June 30, 2024, relative to the total employer contributions received from all of PERA's participating employers. The City's proportionate share was 0.5209 percent at the end of the measurement period and 0.5224 percent for the beginning of the period.

The State of Minnesota contributed \$37.4 million to the Police and Fire Fund in the plan fiscal year ended June 30, 2024. The contribution consisted of \$9 million in direct state aid that meets the definition of a special funding situation, additional one-time direct state aid contribution of \$19.4 million, and \$9 million in supplemental state aid that does not meet the definition of a special funding situation. Additionally, \$9 million supplemental state aid was paid on October 1, 2024. Thereafter, by October 1 of each year, the state will pay \$9 million to the Police and Fire Fund until full funding is reached or July 1, 2048, whichever is earlier. The \$9 million in supplemental state aid will continue until the fund is 90 percent funded, or until the State Patrol Plan (administered by the Minnesota State Retirement System) is 90 percent funded, whichever occurs later. The State of Minnesota's proportionate share of the net pension liability associated with the City totaled \$261,235.

City's Proportionate Share of the Net Pension Liability	\$ 6,853,034
State of Minnesota's Proportionate Share of the Net Pension Liability Associated with the City	<u>261,235</u>
Total	<u><u>\$ 7,114,269</u></u>

For the year ended December 31, 2024, the City recognized pension expense of \$1,529,551 for its proportionate share of the Police and Fire Plan's pension expense. In addition, the City recognized an additional \$25,368 as pension expense (grant revenue) for its proportionate share of the State of Minnesota's contribution of \$9 million to the Police and Fire Fund.

The State of Minnesota is not included as a non-employer contributing entity in the Police and Fire Pension Plan pension allocation schedules for the \$28.4 million in supplemental state aid because this contribution was not considered to meet the definition of a special funding situation. The City recognized \$46,881 for the year ended December 31, 2024 as revenue and an offsetting reduction of net pension liability for its proportionate share of the State of Minnesota's on-behalf contributions to the Police and Fire Fund.

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 4: Defined Benefit Pension Plans - Statewide (Continued)

At December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	\$ 2,551,264	\$ -
Changes in Actuarial Assumptions	6,288,094	10,116,151
Net Difference Between Projected and Actual Investment Earnings	-	2,276,319
Changes in Proportion	1,928,668	23,177
Contributions Paid to PERA Subsequent to the Measurement Date	675,420	-
	<u>\$ 11,443,446</u>	<u>\$ 12,415,647</u>
Total		

The \$675,420 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2025. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

2025	\$ 21,357
2026	1,591,434
2027	(745,027)
2028	(2,673,307)
2029	157,922

E. Long-term Expected Return on Investment

The State Board of Investment, which manages the investments of PERA, prepares an analysis of the reasonableness on a regular basis of the long-term expected rate of return using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce an expected long-term rate of return by weighting the expected future rates of return by the target asset allocation percentages. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Return on Investment
Domestic Equity	33.5 %	5.10 %
International Equity	16.5	5.30
Fixed Income	25.0	0.75
Private Markets	25.0	5.90
	<u>100.0 %</u>	
Total		

Note 4: Defined Benefit Pension Plans - Statewide (Continued)

F. Actuarial Assumptions

The total pension liability for each of the cost-sharing defined benefit plans was determined by an actuarial valuation as of June 30, 2024, using the entry age normal actuarial cost method. The long-term rate of return on pension plan investments used to determine the total liability is 7.0%. The 7.0% assumption is based on a review of inflation and investment return assumptions from a number of national investment consulting firms. The review provided a range of investment return rates considered reasonable by the actuary. An investment return of 7.0% is within that range.

Inflation is assumed to be 2.25% for the General Employees Plan and Police and Fire Plan.

Benefit increases after retirement are assumed to be 1.25% for the General Employees Plan and 1.0% for the Police and Fire Plan.

Salary growth assumptions in the General Employees Plan range in annual increments from 10.25% after one year of service to 3.0% after 27 years of service. In the Police and Fire Plan, salary growth assumptions range in annual increments from 11.75% after one year of service to 3.0% after 24 years of service.

Mortality rates for the General Employees Plan are based on the Pub-2010 General Employee Mortality Table. Mortality rates for the Police and Fire Plan are based on the Pub-2010 Public Safety Employee Mortality tables. The tables are adjusted slightly to fit PERA's experience.

Actuarial assumptions for the General Employees Plan are reviewed every four years. The General Employees Plan was last reviewed in 2022. The assumption changes were adopted by the board and became effective with the July 1, 2023 actuarial valuation. The Police and Fire Plan were reviewed in 2024. PERA anticipates the experience study will be approved by the Legislative Commission on Pensions and Retirement and become effective with the July 1, 2025 actuarial valuation.

The following changes in actuarial assumptions and plan provisions occurred in 2024:

General Employees Fund

Changes in Actuarial Assumptions

- Rates of merit and seniority were adjusted, resulting in slightly higher rates.
- Assumed rates of retirement were adjusted as follows: increase the rate of assumed unreduced retirements, slight adjustments to Rule of 90 retirement rates, and slight adjustments to early retirement rates for Tier 1 and Tier 2 members.
- Minor increase in assumed withdrawals for males and females.
- Lower rates of disability.
- Continued use of Pub-2010 general mortality table with slight rate adjustments as recommended in the most recent experience study.
- Minor changes to form of payment assumptions for male and female retirees.
- Minor changes to assumptions made with respect to missing participant data.

Changes in Plan Provisions

- The workers' compensation offset for disability benefits was eliminated. The actuarial equivalent factors updated to reflect the changes in assumptions.

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 4: Defined Benefit Pension Plans - Statewide (Continued)

Police and Fire Fund

Changes in Plan Provisions

- The State contribution of \$9 million per year will continue until the earlier of 1) both the Police and Fire Plan and the State Patrol Retirement Fund attain 90 percent funded status for three consecutive years (on an actuarial value of assets basis) or 2) July 1, 2048. The contribution was previously due to expire after attaining a 90 percent funded status for one year.
- The additional \$9 million contribution will continue until the Police and Fire Plan is fully funded for a minimum of three consecutive years on an actuarial value of assets basis, or July 1, 2048, whichever is earlier. This contribution was previously due to expire upon attainment of fully funded status on an actuarial value of assets basis for one year (or July 1, 2048 if earlier).

G. Discount Rate

The discount rate used to measure the total pension liability in 2024 was 7.0 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at rates set in Minnesota Statutes. Based on these assumptions, the fiduciary net position of the General Employees and Police and Fire Plans were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

H. Pension Liability Sensitivity

The following presents the City's proportionate share of the net pension liability for all plans it participates in, calculated using the discount rate disclosed in the preceding paragraph, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate one percentage point lower or one percentage point higher than the current discount rate:

	1 Percent Decrease (6.0%)	Current (7.0%)	1 Percent Increase (8.0%)
General Employees Fund	\$ 9,904,836	\$ 4,534,847	\$ 117,542
Police and Fire Fund	16,195,058	6,853,034	(818,723)

I. Pension Plan Fiduciary Net Position

Detailed information about each pension plan's fiduciary net position is available in a separately issued PERA financial report that includes financial statements and required supplementary information. That report may be obtained on the Internet at www.mnpera.org.

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 5: Public Employees Defined Contribution Plan (Defined Contribution Plan)

One council member is covered by the Defined Contribution Plan, a multiple-employer deferred compensation plan administered by PERA. The Defined Contribution Plan is a tax qualified plan under Section 401(a) of the Internal Revenue Code and all contributions by or on behalf of employees are tax deferred until time of withdrawal.

Plan benefits depend solely on amounts contributed to the plan plus investment earnings, less administrative expenses. *Minnesota Statutes*, Chapter 353D.03, specifies plan provisions, including the employee and employer contribution rates for those qualified personnel who elect to participate. An eligible elected official who decides to participate contributes five percent of salary which is matched by the elected official's employer. Employer contributions for volunteer personnel may be a unit value for each call or period of alert duty. Employees who are paid for their services may elect to make member contributions in an amount not to exceed the employer share. Employer and employee contributions are combined and used to purchase shares in one or more of the seven accounts of the Minnesota Supplemental Investment Fund. For administering the plan, PERA receives 2.0 percent of employer contributions and twenty-five hundredths of 1.0 percent (0.25 percent) of the assets in each member's account annually.

Total contributions made by the City during the fiscal year 2024 were:

Contribution Amount		Percentage of Covered Payroll		Required Rate
Employee	Employer	Employee	Employer	
\$ 410	\$ 410	5.00%	5.00%	5.00%

The City's contributions to the DCP for the years ended December 31, 2024, 2023 and 2022 were \$410, \$63 and \$570, respectively. The City's contributions were equal to the contractually required contributions for each year as set by Minnesota statute.

Note 6: Defined Benefit Pension Plans - Fire Relief Association

A. Plan Description

All members of the Inver Grove Heights Fire Department (the Department) are covered by a defined benefit plan administered by the Inver Grove Heights Firefighters Relief Association (the Association). As of December 31, 2024, the plan covered 35 active firefighters and 28 vested terminated fire fighters whose pension benefits are deferred. The plan is a single employer retirement plan and is established and administered in accordance with Minnesota statute, chapter 69.

The Association maintains a separate Special fund to accumulate assets to fund the retirement benefits earned by the Department's membership. Funding for the Association is derived from an insurance premium tax in accordance with the Volunteer Firefighter's Relief Association Financing Guidelines Act of 1971 (chapter 261 as amended by chapter 509 of Minnesota statutes 1980). Funds are also derived from investment income.

B. Benefits Provided

A firefighter who completes at least 20 years as an active member of the Department is entitled, after age 50, to a full-service pension upon retirement.

The bylaws of the Association also provide for an early vested service pension for a retiring member who has completed fewer than 20 years of service. The reduced pension, available to members with 10 years of service, shall be equal to 60 percent of the pension as prescribed by the bylaws. This percentage increases 4 percent per year so that at 20 years of service, the full amount prescribed is paid. Members who retire with less than 20 years of service and have reached the age of 50 years and have completed at least 10 years of active membership are entitled to a reduced service pension not to exceed the amount calculated by multiplying the member's service pension for the completed years of service times the applicable non-forfeitable percentage of pension.

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 6: Defined Benefit Pension Plans - Fire Relief Association (Continued)

C. Contributions

Minnesota statutes, chapters 424 and 424A authorize pension benefits for volunteer fire relief associations. The plan is funded by fire state aid, investment earnings and, if necessary, employer contributions as specified in Minnesota statutes and voluntary City contributions (if applicable). The State of Minnesota contributed \$307,340 in fire state aid to the plan on behalf of the Department for the year ended December 31, 2024, which was recorded as a revenue. There were no required employer contributions calculated based on statutory provisions. In 2023 and 2024, the City made no voluntary contributions.

D. Pension Costs

At December 31, 2024, the City reported a net pension liability (asset) of (\$1,868,499) for the Volunteer Firefighter Fund. The net pension asset was measured as of December 31, 2023. The total pension liability used to calculate the net pension asset in accordance with GASB 68 was determined by PERA applying an actuarial formula to specific census data certified by the Department. The following table presents the changes in net pension liability (asset) during the year:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a-b)
Beginning Balance January 1, 2023	\$ 3,796,410	\$ 5,555,145	\$ (1,758,735)
Changes for the Year			
Service cost	141,099	-	141,099
Interest on pension liability (asset)	198,194	-	198,194
Plan changes	381,375	-	381,375
Contributions (employer)	-	92,475	(92,475)
Nonemployer contributions	-	281,514	(281,514)
Projected Investment Return	-	296,909	(296,909)
(Gain)/loss	-	179,151	(179,151)
Benefit payments	(667,971)	(667,971)	-
Administrative expenses	-	(19,617)	19,617
Total Net Changes	52,697	162,461	(109,764)
Ending Balance December 31, 2023	<u>\$ 3,849,107</u>	<u>\$ 5,717,606</u>	<u>\$ (1,868,499)</u>

For the year ended December 31, 2024, the City recognized pension expense of \$181,972

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 6: Defined Benefit Pension Plans - Fire Relief Association (Continued)

At December 31, 2024, the City reported deferred outflows of resources and its contributions subsequent to the measurement date related to pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ -	\$ 286,079
Changes in Actuarial Assumptions	20,070	15,103
Net Difference Between Projected and Actual Earnings on Plan Investments	385,151	-
Contributions to Plan Subsequent to the Measurement Date	<u>307,340</u>	<u>-</u>
Total	<u>\$ 712,561</u>	<u>\$ 301,182</u>

Deferred outflows of resources totaling \$307,340 related to pensions resulting from the City's contributions to the plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2025. Other amounts reported as deferred outflows of resources related to the plan will be recognized in pension expense as follows:

2025	\$ (54,113)
2026	52,781
2027	141,198
2028	(35,827)

E. Actuarial Assumptions

The total pension asset at December 31, 2024 was determined using the entry age normal actuarial cost method and the following actuarial assumptions:

Retirement Eligibility at 100 Percent at Age 50	
Salary Increases	2.50% per year
Investment Rate of Return	5.50%
20-Year Municipal Bond Yield	N/A (no unfunded liabilities)

The discount rate remained at 5.50 percent in 2024.

The long-term expected rate of return on pension plan investments was based on the plan's target investment allocation along with long-term expectations by asset class. When there is sufficient historical evidence of market outperformance, historical average returns may be considered.

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 6: Defined Benefit Pension Plans - Fire Relief Association (Continued)

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Cash	16.00 %	2.00 %
Fixed Income	29.00	3.20
Equities	55.00	7.90
Total	100.00 %	

F. Discount Rate

The discount rate used to measure the total pension liability was 5.50 percent. Assets were projected using expected benefit payments and expected asset returns. Expected benefit payments by year were discounted using the expected asset return assumption for years in which the assets were sufficient to pay all benefit payments. Any remaining benefit payments after the trust fund is exhausted are discounted at the municipal bond rate. The equivalent single rate is the discount rate.

G. Pension Asset Sensitivity

The following presents the City's net pension asset for the plan, calculated using the discount rate disclosed in the preceding paragraph, as well as what the City's net pension asset would be if it were calculated using a discount rate 1 percent lower or 1 percent higher than the current discount rate:

	City Proportionate Share of NPA		
	1 Percent Decrease (4.50%)	Current (5.50%)	1 Percent Increase (6.50%)
Defined Benefit Plan	\$ (1,634,924)	\$ (1,868,499)	\$ (2,081,834)

H. Pension Plan Fiduciary Net Position

The Association issues a publicly available financial report. The report may be obtained by writing to the Inver Grove Heights Firefighters Relief Association, 8150 Barbara Ave, Inver Grove Heights, MN 55077.

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 7: Postemployment Benefits Other Than Pensions

A. Plan Description

The City provides a single-employer defined benefit health care plan to eligible retirees and their spouses. The plan offers medical coverage and is administered by HealthPartners, Inc. It is the City's policy for Council to periodically review its medical coverage, and to obtain requests for proposals in order to provide the most favorable benefits and premiums for City employees and retirees. The City does not issue a publicly available report. The plan is not considered a trust and contributions are not irrevocable.

At December 31, 2024, the following employees were covered by the benefit terms:

Inactive Plan Members or Beneficiaries Currently Receiving Benefit Payments	12
Active Plan Members	<u>173</u>
Total Plan Members	<u><u>185</u></u>

B. Funding Policy

Retirees receiving benefits contribute 100 percent of their premium costs. Retirees and their spouses contribute to the health care plan at the same rate as City employees. This results in the retirees receiving an implicit rate subsidy. Contribution requirements are established by the City, based on the contract terms with HealthPartners, Inc. The required contributions are based on projected pay-as-you-go financing requirements.

For the year ended December 31, 2024, the City's average contribution rate was 0.77 percent of covered-employee payroll. For the fiscal year 2024, the City contributed \$80,218 to the plan, while implicit contributions totaled \$45,293. The General fund is typically used to liquidate the governmental portion of the net OPEB obligation.

C. Actuarial Methods and Assumptions

The City's total OPEB liability of \$2,959,693 was measured as of January 1, 2024, and the OPEB liability was determined by an actuarial valuation as of January 1, 2024.

The total OPEB liability in the January 1, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Discount Rate	3.70%
20-Year Municipal Bond Yield	3.70%
Inflation Rate	2.50%
Salary Increases	3% - 11.75%
Medical Trend Rate	6.50% in 2024 grading to 5.00% over 6 years and then to 4.00% over the next 48 years

City of Inver Grove Heights, Minnesota

Notes to the Financial Statements

December 31, 2024

Note 7: Postemployment Benefits Other Than Pensions (Continued)

The discount rate used to measure the total OPEB liability was 4.00 percent. The mortality tables used the Pub-2010 Public Retirement Plans Headcount-Weighted Mortality Tables (General, Safety) with MP-2021 Generational Improvement Scale.

D. Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balances at December 31, 2023	\$ 2,553,502
Changes for the Year	
Service Costs	62,214
Interest Costs	102,633
Assumption Changes	151,623
Differences between expected and actual experience	190,514
Benefit Payment	(100,794)
Net Changes	<u>\$ 406,190</u>
Balances at December 31, 2024	<u>\$ 2,959,692</u>

Since the prior measurement date, the following assumptions changed:

- The health care trend rates were updated.
- The discount rate was changed from 4.00% to 3.70%

Since the prior measurement date, the following plan provisions changed:

- None

Since the prior measurement date, the following benefit terms changed:

- None

E. Sensitivity of the Net OPEB Liability

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a discount rate one percentage point lower or one percentage point higher than the current discount rate:

<u>1 Percent Decrease 2.7%</u>	<u>Discount Rate Current 3.7%</u>	<u>1 Percent Increase 4.7%</u>
\$ 3,280,432	\$ 2,959,693	\$ 2,679,624

City of Inver Grove Heights, Minnesota

Notes to the Financial Statements

December 31, 2024

Note 7: Postemployment Benefits Other Than Pensions (Continued)

The following presents the City's net OPEB liability, as well as what the City's net OPEB liability would be if it were calculated using a healthcare cost trend rate one percentage point lower or one percentage point higher than the current healthcare cost trend rate:

1 Percent Decrease 5.50 Decreasing to <u>4.00%</u>	Healthcare Cost Trend Rates 6.50 Decreasing to <u>5.00%</u>	1 Percent Increase 7.50 Decreasing to <u>6.00%</u>
\$ 2,667,343	\$ 2,959,693	\$ 3,295,721

F. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2024, the City Recognized OPEB expense of \$436,364. At December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Actuarial Assumptions	\$ 166,212	\$ 472,615
Net Difference Between Projected and Actual Investment Earnings	1,981,154	-
Contributions Paid to OPEB Subsequent to the Measurement Date	125,511	-
Total	<u>\$ 2,272,877</u>	<u>\$ 472,615</u>

Contributions paid to OPEB subsequent to the measurement date will be expensed in 2025. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in pension expense as follows:

2025	\$ 271,517
2026	271,517
2027	271,505
2028	265,895
2029	260,948
Thereafter	333,369

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 8: Other Information

A. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

Workers compensation coverage is provided through a pooled self-insurance program through the League of Minnesota Cities Insurance Trust (LMCIT). The City pays an annual premium to the LMCIT. The City is subject to supplemental assessments if deemed necessary by the LMCIT. The LMCIT reinsures through Workers Compensation Reinsurance Association (WCRA) as required by law. For workers compensation, the City is not subject to a deductible.

Property and casualty insurance is provided through a pooled self-insurance program through the LMCIT. The City pays an annual premium to the LMCIT. The City is subject to supplemental assessments if deemed necessary by the LMCIT. The LMCIT reinsures through commercial companies for claims in excess of various amounts. The City retains risk for the deductible portion of the insurance policies and for any exclusions from the insurance policies. These amounts are considered immaterial to the financial statements.

The City continues to carry commercial insurance for all other risks of loss, including disability and employee health insurance. There were no significant reductions in insurance from the previous year or settlements in excess of insurance coverage for any of the past three fiscal years.

The risk management activities of the City are accounted for by the Risk Management fund, an internal service fund, which charges its costs to user departments. The fund is designed to build up a reserve which will provide the City the opportunity to assume a greater share of its insurance risks and thereby reducing the cost to purchase insurance.

B. Contingencies

Tax Increment Financing Districts

The City's tax increment districts are subject to review by the State of Minnesota Office of the State Auditor (OSA). Any disallowed claims or misuse of tax increments could become a liability of the applicable fund. The City currently does not have any open tax increment districts.

C. Conduit Debt Obligations

From time to time, the City has issued industrial revenue bonds to provide financial assistance to private sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payment received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2024, there was one series of Housing Revenue Bonds outstanding as follows:

Series	Amount Issued	Balance Outstanding 12/31/24
2005 Senior Housing Revenue Refunding Bonds	\$ 32,290,000	\$ 16,835,000

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 9: Tax Abatement Agreement

The City has entered into a Tax Abatement Financing agreement which meets the criteria for disclosure under Governmental Accounting Standards Board Statement No. 77 Tax Abatement Disclosures. The City's authority to enter into this agreement comes from Minnesota Statute 469. The City entered into this agreement for the purpose of economic development.

Crossings at Inverwood Abatement was established in 2020. Crossings IGH, LLC constructed a 152-unit apartment building on 1462-80th Street. Due to the high cost of development fees, the LLC submitted a tax abatement application. On April 18, 2023, the LLC received a \$1,600,000 Tax Abatement Revenue Note.

Note 10: Subsequent Events

At the December 9, 2024 regular meeting, the council approved the prepayment of their 2020A GO Refunding Improvement Bonds. As of December 31, 2024, the balance on these bonds was \$755,000. This entire balance, including an interest payment of \$2,640, was paid on February 1, 2025.

At the August 12, 2024 regular meeting, the council approved the purchase of a \$2,165,171 General Obligation Water Revenue note to fund the Water Treatment Plant Rehabilitation project. The balance will be paid using future water revenues. The City expects to draw on the loan in 2025.

DRAFT

THIS PAGE IS LEFT
BLANK INTENTIONALLY

DRAFT

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF INVER GROVE HEIGHTS
INVER GROVE HEIGHTS, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2024

DRAFT

City of Inver Grove Heights, Minnesota
Required Supplementary Information
For the Year Ended December 31, 2024

Schedule of Employer's Share of PERA Net Pension Liability - General Employees Fund

Fiscal Year Ending	City's Proportion of the Net Pension Liability	City's Proportionate Share of the Net Pension Liability (a)	State's Proportionate Share of the Net Pension Liability Associated with the City (b)	Total (a+b)	City's Covered Payroll (c)	City's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll (a/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
6/30/2024	0.1227 %	\$ 4,534,847	\$ 117,262	\$ 4,652,109	\$ 10,379,233	43.7 %	86.7 %
6/30/2023	0.1313	7,342,149	202,518	7,544,667	10,441,715	70.3	83.1
6/30/2022	0.1270	10,058,442	295,057	10,353,499	9,136,682	110.1	76.7
6/30/2021	0.1212	5,175,783	158,056	5,333,839	8,719,450	59.4	87.0
6/30/2020	0.1206	7,230,521	222,930	7,453,451	8,595,785	84.1	79.0
6/30/2019	0.1139	6,297,276	195,825	6,493,101	8,063,116	78.1	80.2
6/30/2018	0.1121	6,218,848	204,030	6,422,878	7,509,053	82.8	79.5
6/30/2017	0.1086	6,932,952	87,187	7,020,139	6,960,481	99.6	75.9
6/30/2016	0.1064	8,639,152	112,841	8,751,993	6,603,007	130.8	68.9
6/30/2015	0.1083	5,612,668	-	5,612,668	6,258,792	89.7	78.2

Schedule of Employer's PERA Contributions - General Employees Fund

Year Ending	Statutorily Required Contribution (a)	Contributions in Relation to the Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	City's Covered Payroll (c)	Contributions as a Percentage of Covered Payroll (b/c)
12/31/2024	\$ 804,791	\$ 804,791	\$ -	\$ 10,730,550	7.50 %
12/31/2023	761,083	761,083	-	10,147,778	7.50
12/31/2022	739,972	739,972	-	9,866,294	7.50
12/31/2021	642,758	642,758	-	8,570,102	7.50
12/31/2020	680,633	680,633	-	9,075,102	7.50
12/31/2019	620,963	620,963	-	8,279,503	7.50
12/31/2018	593,314	593,314	-	7,910,851	7.50
12/31/2017	544,197	544,197	-	7,255,965	7.50
12/31/2016	499,836	499,836	-	6,664,480	7.50
12/31/2015	488,967	488,967	-	6,519,564	7.50

City of Inver Grove Heights, Minnesota
Required Supplementary Information (Continued)
For the Year Ended December 31, 2024

Notes to the Required Supplementary Information - General Employee Retirement Fund

Changes in Actuarial Assumptions

2024 - The following changes in assumptions are effective with the July 1, 2024 valuation, as recommended in the most recent experience study (dated June 29, 2023): Rates of merit and seniority were adjusted, resulting in slightly higher rates. Assumed rates of retirement were adjusted as follows: increase the rate of assumed unreduced retirements, slight adjustments to Rule of 90 retirement rates, and slight adjustments to early retirement rates for Tier 1 and Tier 2 members. Minor increase in assumed withdrawals for males and females. Lower rates of disability. Continued use of Pub-2010 general mortality table with slight rate adjustments as recommended in the most recent experience study. Minor changes to form of payment assumptions for male and female retirees. Minor changes to assumptions made with respect to missing participant data.

2023 - The investment return and single discount rates were changed from 6.5 percent to 7.0 percent.

2022 - The mortality improvement scale was changed from Scale MP-2020 to Scale MP-2021.

2021 - The investment return and single discount rates were changed from 7.50 percent to 6.50 percent, for financial reporting purposes. The mortality improvement scale was changed from Scale MP-2019 to Scale MP-2020.

2020 - The price inflation assumption was decreased from 2.50% to 2.25%. The payroll growth assumption was decreased from 3.25% to 3.00%. Assumed salary increase rates were changed as recommended in the June 30, 2019 experience study. The net effect is assumed rates that average 0.25% less than previous rates. Assumed rates of retirement were changed as recommended in the June 30, 2019 experience study. The changes result in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements. Assumed rates of termination were changed as recommended in the June 30, 2019 experience study. The new rates are based on service and are generally lower than the previous rates for years 2-5 and slightly higher thereafter. Assumed rates of disability were changed as recommended in the June 30, 2019 experience study. The change results in fewer predicted disability retirements for males and females. The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 General Mortality table, with adjustments. The base mortality table for disabled annuitants was changed from the RP-2014 disabled annuitant mortality table to the PUB-2010 General/Teacher disabled annuitant mortality table, with adjustments. The mortality improvement scale was changed from Scale MP-2018 to Scale MP-2019. The assumed spouse age difference was changed from two years older for females to one year older. The assumed number of married male new retirees electing the 100% Joint & Survivor option changed from 35% to 45%. The assumed number of married female new retirees electing the 100% Joint & Survivor option changed from 15% to 30%. The corresponding number of married new retirees electing the Life annuity option was adjusted accordingly.

2019 - The mortality projection scale was changed from MP-2017 to MP-2018.

2018 - The mortality projection scale was changed from MP-2015 to MP-2017. The assumed benefit increase was changed from 1.00 percent per year through 2044 and 2.50 percent per year thereafter to 1.25 percent per year.

2017 - The Combined Service Annuity (CSA) loads were changed from 0.8 percent for active members and 60 percent for vested and non-vested deferred members. The revised CSA loads are now 0.0 percent for active member liability, 15.0 percent for vested deferred member liability and 3.0 percent for non-vested deferred member liability. The assumed post-retirement benefit increase rate was changed from 1.0 percent per year for all years to 1.0 percent per year through 2044 and 2.5 percent per year thereafter.

2016 - The assumed post-retirement benefit increase rate was changed from 1.0 percent per year through 2035 and 2.5 percent per year thereafter to 1.0 percent per year for all future years. The assumed investment return was changed from 7.9 percent to 7.5 percent. The single discount rate was changed from 7.9 percent to 7.5 percent. Other assumptions were changed pursuant to the experience study dated June 30, 2015. The assumed future salary increases, payroll growth and inflation were decreased by 0.25 percent to 3.25 percent for payroll growth and 2.50 percent for inflation.

2015 - The assumed post-retirement benefit increase rate was changed from 1.0 percent per year through 2030 and 2.5 percent per year thereafter to 1.0 percent per year through 2035 and 2.5 percent per year thereafter.

City of Inver Grove Heights, Minnesota
Required Supplementary Information (Continued)
For the Year Ended December 31, 2024

Notes to the Required Supplementary Information - General Employee Retirement Fund (Continued)

Changes in Plan Provisions

2024 - The workers' compensation offset for disability benefits was eliminated. The actuarial equivalent factors updated to reflect the changes in assumptions.

2023 - An additional one-time direct state aid contribution of \$170.1 million will be contributed to the Plan on October 1, 2023. The vesting period of those hired after June 30, 2010, was changed from five years of allowable service to three years of allowable service. The benefit increase delay for early retirements on or after January 1, 2024 was eliminated. A one-time non-compounding benefit increase of 2.5 percent minus the actual 2024 adjustment will be payable in a lump sum for calendar year 2024 by March 31, 2024.

2022 - There were no changes in plan provisions since the previous valuation.

2021 - There were no changes in plan provisions since the previous valuation.

2020 - Augmentation for current privatized members was reduced to 2.0% for the period July 1, 2020 through December 31, 2023 and 0.0% after. Augmentation was eliminated for privatizations occurring after June 30, 2020.

2019 - The employer supplemental contribution was changed prospectively, decreasing from \$31.0 million to \$21.0 million per year. The state's special funding contribution was changed prospectively, requiring \$16.0 million due per year through 2031.

2018 - The augmentation adjustment in early retirement factors is eliminated over a five-year period starting July 1, 2019, resulting in actuarial equivalence after June 30, 2024. Interest credited on member contributions decreased from 4.0 percent to 3.0 percent, beginning July 1, 2018. Deferred augmentation was changed to 0.0 percent, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply. Contribution stabilizer provisions were repealed. Postretirement benefit increases were changed from 1.0 percent per year with a provision to increase to 2.5 percent upon attainment of 90.0 percent funding ratio to 50.0 percent of the Social Security Cost of Living Adjustment, not less than 1.0 percent and not more than 1.5 percent, beginning January 1, 2019. For retirements on or after January 1, 2024, the first benefit increase is delayed until the retiree reaches normal retirement age; does not apply to Rule of 90 retirees, disability benefit recipients, or survivors. Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

2017 - The State's contribution for the Minneapolis Employees Retirement Fund equals \$16,000,000 in 2017 and 2018, and \$6,000,000 thereafter. The Employer Supplemental Contribution for the Minneapolis Employees Retirement Fund changed from \$21,000,000 to \$31,000,000 in calendar years 2019 to 2031. The state's contribution changed from \$16,000,000 to \$6,000,000 in calendar years 2019 to 2031.

2016 - There were no changes in plan provisions since the previous valuation.

2015 - On January 1, 2015, the Minneapolis Employees Retirement Fund was merged into the General Employees Fund, which increased the total pension liability by \$1.1 billion and increased the fiduciary plan net position by \$892 million. Upon consolidation, state and employer contributions were revised.

City of Inver Grove Heights, Minnesota
Required Supplementary Information (Continued)
For the Year Ended December 31, 2024

Schedule of Employer's Share of PERA Net Pension Liability - Police and Fire Fund

Fiscal Year Ending	City's Proportion of the Net Pension Liability	City's Proportionate Share of the Net Pension Liability (a)	State's Proportionate Share of the Net Pension Liability Associated with the City (b)	Total (a+b)	City's Covered Payroll (c)	City's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll (a/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
6/30/2024	0.5209 %	\$ 6,853,034	\$ 261,235	\$ 7,114,269	\$ 7,213,138	95.0 %	87.0 %
6/30/2023	0.5224	9,021,169	363,417	9,384,586	6,860,306	131.5	86.5
6/30/2022	0.4418	19,225,391	839,871	20,065,262	5,181,948	371.0	70.5
6/30/2021	0.4195	3,238,095	145,556	3,383,651	4,957,609	65.3	93.7
6/30/2020	0.4222	5,565,048	131,119	5,696,167	4,762,639	116.8	87.2
6/30/2019	0.3806	4,051,871	-	4,051,871	4,012,373	101.0	89.3
6/30/2018	0.3461	3,689,070	-	3,689,070	3,647,742	101.1	88.8
6/30/2017	0.3420	4,617,407	-	4,617,407	3,506,580	131.7	85.4
6/30/2016	0.3320	13,323,738	-	13,323,738	3,586,860	371.5	63.9
6/30/2015	0.3310	3,760,965	-	3,760,965	3,083,703	122.0	86.6

Schedule of Employer's PERA Contributions - Police and Fire Fund

Year Ending	Statutorily Required Contribution (a)	Contributions in Relation to the Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	City's Covered Payroll (c)	Contributions as a Percentage of Covered Payroll (b/c)
12/31/2024	\$ 1,326,241	\$ 1,326,241	\$ -	\$ 7,492,887	17.70 %
12/31/2023	1,230,148	1,230,148	-	6,949,987	17.70
12/31/2022	1,086,038	1,086,038	-	6,135,807	17.70
12/31/2021	857,198	857,198	-	4,842,927	17.70
12/31/2020	892,474	892,474	-	5,042,229	17.70
12/31/2019	745,061	745,061	-	4,395,638	16.95
12/31/2018	618,063	618,063	-	3,815,205	16.20
12/31/2017	581,071	581,071	-	3,586,860	16.20
12/31/2016	540,976	540,976	-	3,339,357	16.20
12/31/2015	499,560	499,560	-	3,083,703	16.20

City of Inver Grove Heights, Minnesota
Required Supplementary Information (Continued)
For the Year Ended December 31, 2024

Notes to the Required Supplementary Information - Police and Fire Fund

Changes in Actuarial Assumptions

2024 - Changes in Plan Provisions The State contribution of \$9 million per year will continue until the earlier of 1) both the Police and Fire Plan and the State Patrol Retirement Fund attain 90 percent funded status for three consecutive years (on an actuarial value of assets basis) or 2) July 1, 2048. The contribution was previously due to expire after attaining a 90 percent funded status for one year. The additional \$9 million contribution will continue until the Police and Fire Plan is fully funded for a minimum of three consecutive years on an actuarial value of assets basis, or July 1, 2048, whichever is earlier. This contribution was previously due to expire upon attainment of fully funded status on an actuarial value of assets basis for one year (or July 1, 2048 if earlier).

2023 - The investment return assumption was changed from 6.5 percent to 7.0 percent. The single discount rate changed from 5.4 percent to 7.0 percent.

2022 - The mortality improvement scale was changed from Scale MP-2020 to Scale MP-2021. The single discount rate changed from 6.50 percent to 5.40 percent.

2021 - The investment return and single discount rates were changed from 7.5 percent to 6.5 percent, for financial reporting purposes. The inflation assumption was changed from 2.5 percent to 2.25 percent. The payroll growth assumption was changed from 3.25 percent to 3.0 percent. The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 Public Safety Mortality table. The mortality improvement scale was changed from MP-2019 to MN-2020. The base mortality table for disabled annuitants was changed from the RP-2014 healthy annuitant mortality table (with future mortality improvement according to Scale MP-2019) to the Pub-2010 Public Safety disabled annuitant mortality table (with future mortality improvement according to Scale MP-2020). Assumed rates of salary increase were modified as recommended in the July 14, 2020 experience study. The overall impact is a decrease in gross salary increase rates. Assumed rates of retirement were changed as recommended in the July 14, 2020 experience study. The changes result in slightly more unreduced retirements and fewer assumed early retirements. Assumed rates of withdrawal were changed from select and ultimate rates to service-based rates. The changes result in more assumed terminations. Assumed rates of disability were increased for ages 25-44 and decreased for ages over 49. Overall, proposed rates result in more projected disabilities. Assumed percent married for active female members was changed from 60.0 percent to 70.0 percent. Minor changes to form of payment assumptions were applied.

2020 - The mortality projection scale was changed from MP-2018 to MP-2019.

2019 - The mortality projection scale was changed from MP-2017 to MP-2018.

2018 - The mortality projection scale was changed from MP-2016 to MP-2017.

2017 - Assumed salary increases were changed as recommended in the June 30, 2016 experience study. The net effect is proposed rates that average 0.34 percent lower than the previous rates. Assumed rates of retirement were changed, resulting in fewer retirements. The Combined Service Annuity (CSA) load was 30 percent for vested and non-vested deferred members. The CSA has been changed to 33 percent for vested members and 2 percent for non-vested members. The base mortality table for healthy annuitants was changed from the RP-2000 fully generational table to the RP-2014 fully generational table (with a base year of 2006), with male rates adjusted by a factor of 0.96. The mortality improvement scale was changed from Scale AA to Scale MP-2016. The base mortality table for disabled annuitants was changed from the RP-2000 disabled mortality table to the mortality tables assumed for healthy retirees. Assumed termination rates were decreased to 3.0 percent for the first three years of service. Rates beyond the select period of three years were adjusted, resulting in more expected terminations overall. Assumed percentage of married female members was decreased from 65 percent to 60 percent. Assumed age difference was changed from separate assumptions for male members (wives assumed to be three years younger) and female members (husbands assumed to be four years older) to the assumption that males are two years older than females. The assumed percentage of female members electing joint and survivor annuities was increased. The assumed post-retirement benefit increase rate was changed from 1.0 percent for all years to 1.0 percent per year through 2064 and 2.5 percent thereafter. The single discount rate was changed from 5.6 percent to 7.5 percent.

2016 - The assumed post-retirement benefit increase rate was changed from 1.0 percent per year through 2037 and 2.5 percent per year thereafter to 1.0 percent per year for all future years. The assumed investment return was changed from 7.9 percent to 7.5 percent. The single discount rate was changed from 7.9 percent to 5.6 percent. The assumed future salary increases, payroll growth and inflation were decreased by 0.25 percent to 3.25 percent for payroll growth and 2.5 percent for inflation.

2015 - The assumed post-retirement benefit increase rate was changed from 1.0 percent per year through 2030 and 2.5 percent per year thereafter to 1.0 percent per year through 2037 and 2.5 percent per year thereafter.

City of Inver Grove Heights, Minnesota
Required Supplementary Information (Continued)
For the Year Ended December 31, 2024

Notes to the Required Supplementary Information - Police and Fire Fund (Continued)

Changes in Plan Provisions

2024 - The State contribution of \$9 million per year will continue until the earlier of 1) both the Police and Fire Plan and the State Patrol Retirement Fund attain 90 percent funded status for three consecutive years (on an actuarial value of assets basis) or 2) July 1, 2048. The contribution was previously due to expire after attaining a 90 percent funded status for one year.

The additional \$9.0 million contribution will continue until the Police and Fire Plan is fully funded for a minimum of three consecutive years on an actuarial value of assets basis, or July 1, 2048, whichever is earlier. This contribution was previously due to expire upon attainment of fully funded status on an actuarial value of assets basis for one year (or July 1, 2048 if earlier).

2023 - An additional one-time direct state aid contribution of \$19.4 million will be contributed to the Plan on October 1, 2023. The vesting requirement for new hires after June 30, 2014 was changed from a graded 20-year vesting schedule to a graded 10-year vesting schedule, with 50 percent vesting after five years increasing incrementally to 100 percent after 10 years. A one-time non-compounding benefit increase of 3.0 percent will be payable in a lump sum for calendar year 2024 by March 31, 2024. Psychological treatment is required effective July 1, 2023 prior to approval for a duty disability benefit for a psychological condition relating to the member's occupation. The total and permanent duty disability was increased, effective July 1, 2023.

2022 - There were no changes in plan provisions since the previous valuation.

2021 - There were no changes in plan provisions since the previous valuation.

2020 - There were no changes in plan provisions since the previous valuation.

2019 - There were no changes in plan provisions since the previous valuation.

2018 - As set by statute, the assumed post-retirement benefit increase was changed from 1.0 percent per year through 2064 and 2.5 percent per year, thereafter, to 1.0 percent for all years, with no trigger. An end date of July 1, 2048 was added to the existing \$9 million state contribution. New annual state aid will equal \$4.5 million in fiscal years 2019 and 2020, and \$9 million thereafter until the plan reaches 100 percent funding, or July 1, 2048, if earlier. Member contributions were changed from 10.8 percent to 11.3 percent of pay, effective January 1, 2019 and 11.8 percent of pay, effective January 1, 2020. Employer contributions were changed from 16.2 percent to 16.95 percent of pay, effective January 1, 2019 and 17.7 percent of pay, effective January 1, 2020. Interest credited on member contributions decreased from 4.0 percent to 3.0 percent, beginning July 1, 2018. Deferred augmentation was changed to 0.0 percent, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply. Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

2017- Assumed salary increases were changed as recommended in the June 30, 2016 experience study. The net effect is proposed rates that average 0.34 percent lower than the previous rates. Assumed rates of retirement were changed, resulting in fewer retirements. The combined service annuity (CSA) load was 30.0 percent for vested and non-vested, deferred members. The CSA has been changed to 33.0 percent for vested members and 2.0 percent for non-vested members. The base mortality table for healthy annuitants was changed from the RP-2000 fully generational table to the RP-2014 fully generational table (with a base year of 2006), with male rates adjusted by a factor of 0.96. The mortality improvement scale was changed from Scale AA to Scale MP-2016. The base mortality table for disabled annuitants was changed from the RP-2000 disabled mortality table to the mortality tables assumed for healthy retirees. Assumed termination rates were decreased to 3.0 percent for the first three years of service. Rates beyond the select period of three years were adjusted, resulting in more expected terminations overall. Assumed percentage of married female members was decreased from 65.0 percent to 60.0 percent. Assumed age difference was changed from separate assumptions for male members (wives assumed to be three years younger) and female members (husbands assumed to be four years older) to the assumption that males are two years older than females. The assumed percentage of female members electing joint and survivor annuities was increased. The assumed postretirement benefit increase rate was changed from 1.0 percent for all years to 1.0 percent per year through 2064 and 2.5 percent thereafter. The single discount rate was changed from 5.6 percent per annum to 7.5 percent per annum.

2016 - There were no changes in plan provisions since the previous valuation.

2015 - The post-retirement benefit increase to be paid after attainment of the 90 percent funding threshold was changed, from inflation up to 2.5 percent, to a fixed rate of 2.5 percent.

City of Inver Grove Heights, Minnesota
Required Supplementary Information (Continued)
For the Year Ended December 31, 2024

Schedule of Changes in the Fire Relief Association's Net Pension Liability (Asset) and Related Ratios

	2024 (Fire Relief Report Date 2023)	2023 (Fire Relief Report Date 2022)	2022 (Fire Relief Report Date 2021)	2021 (Fire Relief Report Date 2020)	2020 (Fire Relief Report Date 2019)	2019 (Fire Relief Report Date 2018)	2018 (Fire Relief Report Date 2017)	2017 (Fire Relief Report Date 2016)	2016 (Fire Relief Report Date 2015)	2015 (Fire Relief Report Date 2014)
Total Pension Liability										
Service cost	\$ 141,099	\$ 167,001	\$ 136,517	\$ 173,888	\$ 171,379	\$ 197,738	\$ 192,915	\$ 147,752	\$ 152,797	\$ 149,070
Interest on pension liability (asset)	198,194	181,834	165,036	194,716	205,260	232,865	224,791	173,689	151,603	149,666
Changes of assumptions	-	-	-	(75,515)	-	32,691	-	33,665	-	-
Plan changes	381,375	483,428	222,566	209,402	225,435	81,241	-	879,054	-	-
Loss	-	(163,657)	-	(393,205)	-	(290,848)	-	(105,129)	-	-
Benefit payments	(667,971)	(22,525)	(475,846)	(747,268)	(845,318)	(245,000)	(319,214)	-	(168,074)	(55,673)
Net Change in Total Pension Liability	52,697	646,081	48,273	(637,982)	(243,244)	8,687	98,492	1,129,031	136,326	243,063
Total Pension Liability - January 1	3,796,410	3,150,329	3,102,056	3,740,038	3,983,282	3,974,595	3,876,103	2,747,072	2,610,746	2,367,683
Total Pension Liability - December 31 (a)	\$ 3,849,107	\$ 3,796,410	\$ 3,150,329	\$ 3,102,056	\$ 3,740,038	\$ 3,983,282	\$ 3,974,595	\$ 3,876,103	\$ 2,747,072	\$ 2,610,746
Plan Fiduciary Net Position										
Employer contributions	\$ 92,475	\$ 89,975	\$ 87,475	\$ 85,075	\$ 82,775	\$ 80,475	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Nonemployer contributions	281,514	252,695	239,102	226,652	213,866	205,308	198,234	195,016	192,612	180,645
Projected investment return	296,909	337,066	303,616	300,347	281,966	330,578	286,264	271,808	277,385	221,943
Gain (loss)	179,151	(1,061,048)	237,525	65,735	554,080	(690,670)	520,427	122,761	(497,477)	-
Benefit payments	(667,971)	(22,525)	(475,846)	(747,268)	(845,318)	(245,000)	(319,214)	-	(168,074)	(55,673)
Administrative expenses	(19,617)	(18,833)	(17,967)	(10,525)	(8,950)	(8,008)	(8,822)	(7,600)	(7,700)	(6,752)
Net Change in Plan Fiduciary Net Position	162,461	(422,670)	373,905	(79,984)	278,419	(327,317)	701,889	606,985	(178,254)	365,163
Plan Fiduciary Net Position - January 1	5,555,145	5,977,815	5,603,910	5,683,894	5,405,475	5,732,792	5,030,903	4,423,918	4,602,172	4,237,009
Plan Fiduciary Net Position - December 31 (b)	\$ 5,717,606	\$ 5,555,145	\$ 5,977,815	\$ 5,603,910	\$ 5,683,894	\$ 5,405,475	\$ 5,732,792	\$ 5,030,903	\$ 4,423,918	\$ 4,602,172
Fire Relief's Net Pension Liability (Asset) - December 31 (a-b)	\$ (1,868,499)	\$ (1,758,735)	\$ (2,827,486)	\$ (2,501,854)	\$ (1,943,856)	\$ (1,422,193)	\$ (1,758,197)	\$ (1,154,800)	\$ (1,676,846)	\$ (1,991,426)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (B/A)	148.54%	146.33%	189.75%	180.65%	151.97%	135.70%	144.24%	129.79%	161.04%	176.28%
Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Fire Relief's Net Pension Liability (Asset) as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Notes to the Required Supplementary Information - Fire Relief Association

Changes in Actuarial Assumptions

2024 - There were no changes since the previous valuation.

2023 - There were no changes since the previous valuation.

2022 - The vesting schedule was changed to 7 year partial vesting and 15 year full vesting.

2021 - A termination scale was added to reflect members resigning prior to retirement age.

2020 - There were no changes since the previous valuation.

2019- There were no changes since the previous valuation.

2018 - The discount rate changed from 5.75% to 5.00%.

2017- There were no changes since the previous valuation.

2016 - The discount rate changed from 6.00% to 5.75%.

2015 - The benefit terms were modified to base public safety employee pensions on a final three-year average salary instead of a final five-year average salary.

City of Inver Grove Heights, Minnesota
Required Supplementary Information (Continued)
For the Year Ended December 31, 2024

Notes to the Required Supplementary Information - Fire Relief Association (Continued)

Changes in Plan Provisions

2024 - The Benefit Level changed from \$12,750 to \$15,000.

2023 - The Benefit Level changed from \$10,000 to \$12,750.

2022 - There were no changes since the previous valuation.

2021 - The benefit level changed from \$8,600 to \$10,000

2020 - There were no changes since the previous valuation.

2019 - A benefit level increase from \$8,100 to \$8,600 was reflected in the active liability

2018 - The benefit level changed from \$7,900 to \$8,100.

2017 - There were no changes since the previous valuation.

2016 - The benefit level changed from \$5,900 to \$7,900.

2015 - There were no changes since the previous valuation.

Schedule of Employer's Fire Relief Association Contributions

Year Ending	Actuarial Determined Contribution (a)	Actual Contributions Paid (b)	Contribution Deficiency (Excess) (a-b)
12/31/24	\$ 307,340	\$ 307,340	\$ -
12/31/23	277,514	277,514	-
12/31/22	251,695	251,695	-
12/31/21	235,102	235,102	-
12/31/20	222,652	222,652	-
12/31/19	209,866	209,866	-
12/31/18	203,308	283,783	(80,475)
12/31/17	195,234	220,234	(25,000)
12/31/16	195,016	220,016	(25,000)
12/31/15	190,612	215,612	(25,000)

City of Inver Grove Heights, Minnesota
Required Supplementary Information (Continued)
For the Year Ended December 31, 2024

Schedule of Changes in the City's OPEB Liability and Related Ratios

	2024	2023	2022	2021	2020	2019
Total OPEB Liability						
Service Costs	62,214	44,659	60,250	64,137	53,871	36,389
Interest Costs	102,633	16,518	16,502	22,584	26,207	22,943
Assumption Changes	151,623	(621,088)	4,578	39,540	23,458	(20,393)
Differences between expected and actual experience	190,514	2,375,661	24,350	-	39,601	-
Benefit Payment	(100,794)	(86,544)	(92,091)	(59,890)	(68,517)	(55,701)
Net Change in Total OPEB Liability	406,190	1,729,206	13,589	66,371	74,620	(16,762)
Total OPEB Liability - Beginning	2,553,502	824,296	810,707	744,336	669,716	686,478
Total OPEB Liability - Ending	<u>\$ 2,959,692</u>	<u>\$ 2,553,502</u>	<u>\$ 824,296</u>	<u>\$ 810,707</u>	<u>\$ 744,336</u>	<u>\$ 669,716</u>
Covered - Employee Payroll	\$ 16,209,752	\$ 15,147,127	\$ 14,804,333	\$ 13,228,917	\$ 12,812,510	\$ 10,686,455
City's total OPEB liability as a percentage of covered employee payroll	18.26 %	16.86 %	5.57 %	6.13 %	5.81 %	6.27 %

Changes in assumptions:

For the fiscal year ending December 31, 2024
The health care trend rates were updated.
The discount rate was changed from 4.00% to 3.70%

For the fiscal year ending December 31, 2023
The inflation rate was changed from 2.00% to 2.50%
The discount rate was changed from 2.00% to 4.00%

For the fiscal year ending December 31, 2022
The health care trend rates, mortality tables, salary increase rates, retirement rates, and withdrawal rates were updated
The inflation rate was changed from 2.50% to 2.00%

For the fiscal year ending December 31, 2021
The discount rate was changed from 2.90% to 2.00%

For the fiscal year ending December 31, 2020
The health care trend rates, mortality tables, and salary increase rates were updated.
The discount rate was changed from 3.80% to 2.90%

For the fiscal year ending December 31, 2019
The discount rate was changed from 3.30% to 3.80%

For the fiscal year ending December 31, 2018
The mortality tables were updated from the RP-2014 White Collar Mortality Tables with MP-2014 Generational Improvement Scale (Blue Collar Tables for Police and Fire Personnel) to the RP-2014 White Collar Mortality Tables (de-trended to 2006) and then projected beyond the valuation date using scale MP-2017 (Blue Collar Tables for Police and Fire Personnel).

The subsidized benefits for the officers injured in the line of duty are assumed to end after five years for the two individuals under age 40 as of the valuation date and at age 65 for the one individual over age 55 as of the valuation date.

The withdrawal and retirement tables for all employees were updated.

The discount rate was changed from 4.00% to 3.30%

Changes in Plan Provisions:

• None

Changes in benefits:

• None

Note: This schedule is intended to show a 10-year trend. Additional years will be reported as they become available
Note: No assets have been accumulated in a trust to pay related benefits for the OPEB plan.

COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES

CITY OF INVER GROVE HEIGHTS
INVER GROVE HEIGHTS, MINNESOTA

DRAFT

FOR THE YEAR ENDED
DECEMBER 31, 2024

THIS PAGE IS LEFT
BLANK INTENTIONALLY

DRAFT

NONMAJOR GOVERNMENTAL FUNDS

DRAFT

City of Inver Grove Heights, Minnesota
Nonmajor Governmental Funds
Combining Balance Sheet
December 31, 2024

	Special Revenue	Capital Projects	Total Nonmajor Governmental Funds
Assets			
Cash and temporary investments	\$ 1,157,407	\$ 10,087,201	\$ 11,244,608
Receivables			
Accrued interest	5,508	60,639	66,147
Taxes	10,964	-	10,964
Special assessments	-	8,000	8,000
Land held for resale	1,138,500	-	1,138,500
 Total Assets	 <u>\$ 2,312,379</u>	 <u>\$ 10,155,840</u>	 <u>\$ 12,468,219</u>
Liabilities			
Accounts and contracts payable	\$ 14,840	\$ 228,419	\$ 243,259
Accrued salaries payable	479	-	479
Advances from other funds	1,000,000	-	1,000,000
Total Liabilities	<u>1,015,319</u>	<u>228,419</u>	<u>1,243,738</u>
Deferred Inflows of Resources			
Unavailable revenues - special assessments	-	8,000	8,000
Fund Balances			
Restricted	473,696	6,398,828	6,872,524
Committed	823,364	-	823,364
Assigned	-	3,520,593	3,520,593
Total Fund Balances	<u>1,297,060</u>	<u>9,919,421</u>	<u>11,216,481</u>
 Total Liabilities, Deferred Inflows of Resources and Fund Balances	 <u>\$ 2,312,379</u>	 <u>\$ 10,155,840</u>	 <u>\$ 12,468,219</u>

City of Inver Grove Heights, Minnesota
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
For the Year Ended December 31, 2024

	Special Revenue	Capital Projects	Total Nonmajor Governmental Funds
Revenues			
Taxes	\$ 203,013	\$ -	\$ 203,013
Intergovernmental	210,443	500,000	710,443
Charges for services	-	674,740	674,740
Donations	-	2,080	2,080
Fines and forfeitures	1,731	-	1,731
Investment earnings	35,272	444,565	479,837
Miscellaneous	143,894	51,000	194,894
Total Revenues	<u>594,353</u>	<u>1,672,385</u>	<u>2,266,738</u>
Expenditures			
Current			
Culture and recreation	167,207	111,889	279,096
Community development	114,261	1,386	115,647
Capital outlay			
Culture and recreation	-	2,014,394	2,014,394
Total Expenditures	<u>281,468</u>	<u>2,127,669</u>	<u>2,409,137</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>312,885</u>	<u>(455,284)</u>	<u>(142,399)</u>
Other Financing Sources (Uses)			
Transfers in	169,515	834,500	1,004,015
Transfers out	(10,151)	(490,738)	(500,889)
Total Other Financing Sources (Uses)	<u>159,364</u>	<u>343,762</u>	<u>503,126</u>
Net Change in Fund Balances	472,249	(111,522)	360,727
Fund Balances, January 1	<u>824,811</u>	<u>10,030,943</u>	<u>10,855,754</u>
Fund Balances, December 31	<u>\$ 1,297,060</u>	<u>\$ 9,919,421</u>	<u>\$ 11,216,481</u>

THIS PAGE IS LEFT
BLANK INTENTIONALLY

DRAFT

NONMAJOR SPECIAL REVENUE FUNDS

Special Revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Convention and Visitors Bureau was created by a resolution of the City Council to account for the local lodging tax revenues collected per Ordinance No. 1015, which was adopted by the City Council on October 8, 2001, under the authority of Minnesota statutes, section 469.190.

Economic Development Authority accounts for the activities of the Economic Development Authority.

Opioid Settlement accounts for the opioid related settlement and uses of the funds as stipulated in the settlement agreement.

Affordable Housing accounts for the local affordable housing aid received and used for local housing needs.

DRAFT

City of Inver Grove Heights, Minnesota

Nonmajor Special Revenue Funds

Subcombining Balance Sheet

December 31, 2024

	Convention and Visitors Bureau	Economic Development Authority	Opioid Settlement	Affordable Housing	Total
Assets					
Cash and temporary investments	\$ 289,056	\$ 396,239	\$ 270,024	\$ 202,088	\$ 1,157,407
Receivables					
Accrued interest	1,609	2,315	1,226	358	5,508
Taxes	10,964	-	-	-	10,964
Land held for resale	-	1,138,500	-	-	1,138,500
Total Assets	\$ 301,629	\$ 1,537,054	\$ 271,250	\$ 202,446	\$ 2,312,379
Liabilities					
Accounts and contracts payable	\$ 14,357	\$ 483	\$ -	\$ -	\$ 14,840
Accrued salaries payable	-	479	-	-	479
Advances from other funds	-	1,000,000	-	-	1,000,000
Total Liabilities	14,357	1,000,962	-	-	1,015,319
Fund Balances					
Restricted	-	-	271,250	202,446	473,696
Committed	287,272	536,092	-	-	823,364
Total Fund Balances	287,272	536,092	271,250	202,446	1,297,060
Total Liabilities and Fund Balances	\$ 301,629	\$ 1,537,054	\$ 271,250	\$ 202,446	\$ 2,312,379

City of Inver Grove Heights, Minnesota
Nonmajor Special Revenue Funds
Subcombining Statement of Revenues, Expenditures
and Changes in Fund Balances
For the Year Ended December 31, 2024

	Convention and Visitors Bureau	Economic Development Authority	Opioid Settlement	Affordable Housing	Total
Revenues					
Taxes					
Lodging	\$ 203,013	\$ -	\$ -	\$ -	\$ 203,013
Intergovernmental	10,000	-	-	200,443	210,443
Charges for services	-	-	-	-	-
Rentals	-	-	-	-	-
Donations	-	-	-	-	-
Fines and forfeitures	1,731	-	-	-	1,731
Investment earnings	10,223	15,392	7,654	2,003	35,272
Miscellaneous	-	-	143,894	-	143,894
Total Revenues	<u>224,967</u>	<u>15,392</u>	<u>151,548</u>	<u>202,446</u>	<u>594,353</u>
Expenditures					
Current					
Culture and recreation	167,207	-	-	-	167,207
Community development	-	114,261	-	-	114,261
Total Expenditures	<u>167,207</u>	<u>114,261</u>	<u>-</u>	<u>-</u>	<u>281,468</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>57,760</u>	<u>(98,869)</u>	<u>151,548</u>	<u>202,446</u>	<u>312,885</u>
Other Financing Sources (Uses)					
Transfers in	-	169,515	-	-	169,515
Transfers out	(10,151)	-	-	-	(10,151)
Total Other Financing Sources (Uses)	<u>(10,151)</u>	<u>169,515</u>	<u>-</u>	<u>-</u>	<u>159,364</u>
Net Change in Fund Balances	47,609	70,646	151,548	202,446	472,249
Fund Balances, January 1	<u>239,663</u>	<u>465,446</u>	<u>119,702</u>	<u>-</u>	<u>824,811</u>
Fund Balances, December 31	<u>\$ 287,272</u>	<u>\$ 536,092</u>	<u>\$ 271,250</u>	<u>\$ 202,446</u>	<u>\$ 1,297,060</u>

City of Inver Grove Heights, Minnesota
Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual
Convention and Visitors Bureau Special Revenue Fund
For the Year Ended December 31, 2024

	<u>Budget Amounts</u> <u>Original and Final</u>	<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
Revenues			
Lodging taxes	\$ 202,500	\$ 203,013	\$ 513
Intergovernmental	10,000	10,000	-
Investment earnings	-	10,223	10,223
Fines and forfeitures	-	1,731	1,731
Total Revenues	<u>212,500</u>	<u>224,967</u>	<u>12,467</u>
Expenditures			
Current			
Culture and recreation	<u>202,375</u>	<u>167,207</u>	<u>35,168</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	10,125	57,760	47,635
Other Financing Uses			
Transfers out	<u>(10,125)</u>	<u>(10,151)</u>	<u>(26)</u>
Net Change in Fund Balances	-	47,609	47,609
Fund Balances, January 1	<u>239,663</u>	<u>239,663</u>	-
Fund Balances, December 31	<u>\$ 239,663</u>	<u>\$ 287,272</u>	<u>\$ 47,609</u>

City of Inver Grove Heights, Minnesota
Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual
Economic Development Authority Special Revenue Fund
For the Year Ended December 31, 2024

	<u>Budget Amounts</u> <u>Original and Final</u>	<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
Revenues			
Investment earnings	<u>\$ 3,000</u>	<u>\$ 15,392</u>	<u>\$ 12,392</u>
Expenditures			
Current			
Community development	<u> 213,515</u>	<u> 114,261</u>	<u> 99,254</u>
Deficiency of Revenues Under Expenditures	<u> (210,515)</u>	<u> (98,869)</u>	<u> 111,646</u>
Other Financing Sources			
Transfers in	<u> 169,515</u>	<u> 169,515</u>	<u> -</u>
Net Change in Fund Balances	<u> (41,000)</u>	<u> 70,646</u>	<u> 111,646</u>
Fund Balances, January 1	<u> 465,446</u>	<u> 465,446</u>	<u> -</u>
Fund Balances, December 31	<u><u> \$ 424,446</u></u>	<u><u> \$ 536,092</u></u>	<u><u> \$ 111,646</u></u>

THIS PAGE IS LEFT
BLANK INTENTIONALLY

DRAFT

NONMAJOR CAPITAL PROJECTS FUNDS

Capital Project funds account for financial resources to be used for acquisition or construction of major capital facilities (other than those financed by Proprietary funds).

Parks Capital Replacement accounts for financial resources assigned for maintenance and replacement of parks facilities.

Parks Acquisition and Development accounts for park dedication fees, related revenues and new park and/or trail improvements or amenities.

State Aid Construction accounts for the use of municipal state aid allotments to finance projects not assessed such as street lights, sidewalks, and streets.

City Properties accounts for financial resources assigned for future city property purchases and sales.

Tree Preservation accounts for financial resources assigned for tree preservation.

Tax Increment Financing accounts for the use of tax increment in the City's tax increment districts.

DRAFT

City of Inver Grove Heights, Minnesota
Nonmajor Capital Projects Funds
Subcombining Balance Sheet
December 31, 2024

	Parks Capital Replacement	Parks Acquisition and Development	State Aid Construction	City Properties
Assets				
Cash and temporary investments	\$ 947,734	\$ 3,787,783	\$ -	\$ 390,891
Receivables				
Accrued interest	6,520	20,782	-	2,405
Special assessments	-	-	-	8,000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 954,254</u>	<u>\$ 3,808,565</u>	<u>\$ -</u>	<u>\$ 401,296</u>
Liabilities				
Accounts and contracts payable	<u>\$ 124,596</u>	<u>\$ 95,968</u>	<u>\$ -</u>	<u>\$ -</u>
Deferred Inflows of Resources				
Unavailable revenues - special assessments	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,000</u>
Fund Balances				
Restricted	-	1,414,958	-	-
Assigned	829,658	2,297,639	-	393,296
Total Fund Balances	<u>829,658</u>	<u>3,712,597</u>	<u>-</u>	<u>393,296</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 954,254</u>	<u>\$ 3,808,565</u>	<u>\$ -</u>	<u>\$ 401,296</u>

<u>Tree Preservation</u>	<u>Tax Increment Financing</u>	<u>Total</u>
\$ 683,289	\$ 4,277,504	\$ 10,087,201
4,651	26,281	60,639
-	-	8,000
<u>\$ 687,940</u>	<u>\$ 4,303,785</u>	<u>\$ 10,155,840</u>
<u>\$ 7,855</u>	<u>\$ -</u>	<u>\$ 228,419</u>
<u>-</u>	<u>-</u>	<u>8,000</u>

680,085	4,303,785	6,398,828
-	-	3,520,593
<u>680,085</u>	<u>4,303,785</u>	<u>9,919,421</u>
<u>\$ 687,940</u>	<u>\$ 4,303,785</u>	<u>\$ 10,155,840</u>

City of Inver Grove Heights, Minnesota
Nonmajor Capital Projects Funds
Subcombining Statement of Revenues, Expenditures
and Changes in Fund Balances
For the Year Ended December 31, 2024

	Parks Capital Replacement	Parks Acquisition and Development	State Aid Construction	City Properties
Revenues				
Intergovernmental	\$ 250,000	\$ 250,000	\$ -	\$ -
Charges for services	-	674,740	-	-
Donations	-	2,080	-	-
Investment earnings	53,822	151,040	14,017	16,229
Miscellaneous	-	51,000	-	-
Total Revenues	<u>303,822</u>	<u>1,128,860</u>	<u>14,017</u>	<u>16,229</u>
Expenditures				
Current				
Culture and recreation	-	-	-	-
Community development	-	-	-	670
Capital outlay				
Culture and recreation	1,376,505	637,889	-	-
Total Expenditures	<u>1,376,505</u>	<u>637,889</u>	<u>-</u>	<u>670</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,072,683)</u>	<u>490,971</u>	<u>14,017</u>	<u>15,559</u>
Other Financing Sources (Uses)				
Transfers in	834,500	-	-	-
Transfers out	-	-	(490,738)	-
Total Other Financing Sources (Uses)	<u>834,500</u>	<u>-</u>	<u>(490,738)</u>	<u>-</u>
Net Change in Fund Balances	(238,183)	490,971	(476,721)	15,559
Fund Balances, January 1	<u>1,067,841</u>	<u>3,221,626</u>	<u>476,721</u>	<u>377,737</u>
Fund Balances, December 31	<u>\$ 829,658</u>	<u>\$ 3,712,597</u>	<u>\$ -</u>	<u>\$ 393,296</u>

<u>Tree Preservation</u>	<u>Tax Increment Financing</u>	<u>Total</u>
\$ -	\$ -	\$ 500,000
-	-	674,740
-	-	2,080
32,119	177,338	444,565
-	-	51,000
<u>32,119</u>	<u>177,338</u>	<u>1,672,385</u>

111,889	-	111,889
-	716	1,386

-	-	2,014,394
<u>111,889</u>	<u>716</u>	<u>2,127,669</u>

<u>(79,770)</u>	<u>176,622</u>	<u>(455,284)</u>
-----------------	----------------	------------------

-	-	834,500
-	-	(490,738)

<u>-</u>	<u>-</u>	<u>343,762</u>
----------	----------	----------------

(79,770)	176,622	(111,522)
----------	---------	-----------

<u>759,855</u>	<u>4,127,163</u>	<u>10,030,943</u>
----------------	------------------	-------------------

<u>\$ 680,085</u>	<u>\$ 4,303,785</u>	<u>\$ 9,919,421</u>
-------------------	---------------------	---------------------

THIS PAGE IS LEFT
BLANK INTENTIONALLY

DRAFT

**GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL**

DRAFT

City of Inver Grove Heights, Minnesota
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual (Continued on the Following Pages)
For the Year Ended December 31, 2024
(With Comparative Actual Amounts for the Year Ended December 31, 2023)

	2024				2023
	Budget Amounts		Actual Amounts	Variance with Final Budget	Actual Amounts
	Original	Final			
Revenues					
Taxes					
Property taxes	\$ 27,238,983	\$ 27,238,983	\$ 27,241,286	\$ 2,303	\$ 24,802,500
Cable franchise fees	105,000	105,000	105,047	47	106,925
Total taxes	27,343,983	27,343,983	27,346,333	2,350	24,909,425
Licenses and permits					
Business	148,980	148,980	215,960	66,980	178,530
Nonbusiness	1,076,350	1,076,350	1,331,216	254,866	1,005,504
Total licenses and permits	1,225,330	1,225,330	1,547,176	321,846	1,184,034
Intergovernmental					
Federal					
Other	1,220,000	1,220,000	2,830,991	1,610,991	1,284,760
State					
Property tax credits	-	-	3,409	3,409	2,978
Police and fire aid	787,514	787,514	929,086	141,572	2,368,545
Other	-	40,000	81,307	41,307	67,023
County	15,000	15,000	13,666	(1,334)	16,116
Local	1,000	1,000	-	(1,000)	1,000
Total intergovernmental	2,023,514	2,063,514	3,858,459	1,794,945	3,740,422
Charges for services					
General government	3,000	3,000	7,358	4,358	9,843
Public safety	164,743	164,743	182,255	17,512	167,996
Parks and Recreation	282,860	282,860	228,174	(54,686)	263,393
Public works	640,000	640,000	806,923	166,923	654,468
Rentals	229,000	229,000	157,578	(71,422)	188,000
Community development	20,000	20,000	23,345	3,345	18,964
Total charges for services	1,339,603	1,339,603	1,405,633	66,030	1,302,664
Fines and forfeitures	203,300	203,300	186,711	(16,589)	209,850
Special assessments	1,500	1,500	5,911	4,411	5,364
Investment earnings	150,000	150,000	628,425	478,425	458,409
Miscellaneous					
Donations	19,250	22,250	24,038	1,788	27,700
Other	125,900	125,900	212,529	86,629	192,395
Total miscellaneous	145,150	148,150	236,567	88,417	220,095
Total Revenues	32,432,380	32,475,380	35,215,215	2,739,835	32,030,263

City of Inver Grove Heights, Minnesota
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual (Continued)
For the Year Ended December 31, 2024
(With Comparative Actual Amounts for the Year Ended December 31, 2023)

	2024				2023
	Budget Amounts		Actual Amounts	Variance with Final Budget	Actual Amounts
	Original	Final			
Expenditures					
Current					
General government					
Mayor and city council					
Personnel services	\$ 47,600	\$ 47,600	\$ 48,090	\$ (490)	\$ 47,843
Supplies	750	750	5,441	(4,691)	451
Other services and charges	283,575	283,575	273,001	10,574	279,682
Total mayor and city council	331,925	331,925	326,532	5,393	327,976
City administration					
Personnel services	300,600	305,250	305,308	(58)	72,846
Supplies	500	500	102	398	178
Other services and charges	23,500	23,500	21,457	2,043	30,891
Total city administration	324,600	329,250	326,867	2,383	103,915
Human resources					
Personnel services	268,400	268,400	267,833	567	257,596
Supplies	15,500	15,500	11,867	3,633	11,640
Other services and charges	143,200	143,200	117,920	25,280	149,357
Total human resources	427,100	427,100	397,620	29,480	418,593
Clerk					
Personnel services	340,100	274,850	250,600	24,250	321,536
Supplies	750	750	968	(218)	630
Other services and charges	63,075	63,075	60,407	2,668	60,303
Total clerk	403,925	338,675	311,975	26,700	382,469
Communications					
Personnel services	265,000	265,000	234,453	30,547	225,711
Supplies	3,400	3,400	2,623	777	175
Other services and charges	129,962	129,962	133,347	(3,385)	106,825
Total communications	398,362	398,362	370,423	27,939	332,711
Elections					
Personnel services	166,000	166,000	151,327	14,673	24,511
Supplies	19,003	19,003	31,596	(12,593)	10,761
Other services and charges	4,700	49,700	40,679	9,021	21,608
Total elections	189,703	234,703	223,602	11,101	56,880
Finance					
Personnel services	1,015,300	1,075,900	1,020,241	55,659	813,179
Supplies	3,800	3,800	8,382	(4,582)	2,414
Other services and charges	264,985	319,985	248,412	71,573	250,416
Total finance	1,284,085	1,399,685	1,277,035	122,650	1,066,009
Undesignated					
Personnel services	-	-	376,850	(376,850)	182,090
Other services and charges	182,880	182,880	109,299	73,581	15,390
Total undesignated	182,880	182,880	486,149	(303,269)	197,480
Total general government	3,542,580	3,642,580	3,720,203	(77,623)	2,886,033

City of Inver Grove Heights, Minnesota
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual (Continued)
For the Year Ended December 31, 2024
(With Comparative Actual Amounts for the Year Ended December 31, 2023)

	2024			2023	
	Budget Amounts		Actual Amounts	Variance with Final Budget	Actual Amounts
	Original	Final			
Expenditures (Continued)					
Current (continued)					
Public safety					
Police					
Personnel services	\$ 8,600,370	\$ 8,600,370	\$ 8,463,875	\$ 136,495	\$ 7,838,929
Supplies	186,691	193,191	169,375	23,816	227,431
Other services and charges	3,014,695	3,014,695	2,856,172	158,523	2,684,461
Total police	11,801,756	11,808,256	11,489,422	318,834	10,750,821
Fire					
Personnel services	4,042,085	4,042,085	3,795,041	247,044	3,493,270
Supplies	202,460	383,001	295,602	87,399	252,068
Other services and charges	2,219,819	2,261,277	1,704,585	556,692	1,576,022
Total fire	6,464,364	6,686,363	5,795,228	891,135	5,321,360
Total public safety	18,266,120	18,494,619	17,284,650	1,209,969	16,072,181
Public works					
Streets and highways					
Personnel services	-	-	-	-	215,030
Supplies	-	-	-	-	130
Other services and charges	-	-	-	-	13,187
Total streets and highways	-	-	-	-	228,347
Engineering					
Personnel services	1,141,000	1,141,000	1,021,908	119,092	903,213
Supplies	11,550	11,550	5,044	6,506	5,951
Other services and charges	219,645	313,545	196,514	117,031	244,956
Total engineering	1,372,195	1,466,095	1,223,466	242,629	1,154,120
Street maintenance					
Personnel services	1,358,100	1,358,100	1,325,422	32,678	1,236,951
Supplies	428,900	428,900	328,167	100,733	465,610
Other services and charges	1,598,760	1,598,760	1,557,401	41,359	1,744,920
Total street maintenance	3,385,760	3,385,760	3,210,990	174,770	3,447,481
Street lighting					
Other services and charges	199,000	199,000	186,967	12,033	191,890
Total public works	4,956,955	5,050,855	4,621,423	429,432	5,021,838
Culture and recreation					
Parks					
Personnel services	1,507,500	1,516,500	1,506,447	10,053	1,288,057
Supplies	226,500	226,500	213,822	12,678	196,604
Other services and charges	1,057,300	1,120,361	1,009,316	111,045	916,224
Total Parks	2,791,300	2,863,361	2,729,585	133,776	2,400,885
Recreation					
Personnel services	500,500	500,500	488,014	12,486	388,729
Supplies	36,105	36,105	30,024	6,081	33,594
Other services and charges	238,330	238,330	191,870	46,460	175,366
Total Recreation	774,935	774,935	709,908	65,027	597,689
Total culture and recreation	3,566,235	3,638,296	3,439,493	198,803	2,998,574
Community development					
Community development					
Personnel services	455,700	455,700	364,117	91,583	375,033
Supplies	825	825	4,603	(3,778)	5,068
Other services and charges	50,250	50,250	93,251	(43,001)	81,168
Total community development	506,775	506,775	461,971	44,804	461,269

City of Inver Grove Heights, Minnesota
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual (Continued)
For the Year Ended December 31, 2024
(With Comparative Actual Amounts for the Year Ended December 31, 2023)

	2024		Actual Amounts	Variance with Final Budget	2023
	Budget Amounts				Actual
	Original	Final			Amounts
Expenditures (Continued)					
Current (continued)					
Community development (continued)					
Planning					
Personnel services	\$ 311,000	\$ 311,000	\$ 248,031	\$ 62,969	\$ 305,554
Supplies	500	500	269	231	310
Other services and charges	103,500	109,249	116,236	(6,987)	89,113
Total planning	415,000	420,749	364,536	56,213	394,977
Inspections					
Personnel services	1,089,500	1,089,500	1,027,805	61,695	1,004,152
Supplies	6,200	6,200	3,884	2,316	4,045
Other services and charges	242,000	242,000	231,362	10,638	232,015
Total inspections	1,337,700	1,337,700	1,263,051	74,649	1,240,212
Total community development	2,259,475	2,265,224	2,089,558	175,666	2,096,458
Total current	32,591,365	33,091,574	31,155,327	1,936,247	29,075,084
Debt service					
Principal	-	-	62,940	(62,940)	124,648
Interest and other	-	-	5,044	(5,044)	10,931
Total debt service	-	-	67,984	(67,984)	135,579
Capital outlay					
Public safety	45,000	116,000	35,370	80,630	50,914
Public works	-	-	-	-	773
Total capital outlay	45,000	116,000	35,370	80,630	51,687
Total Expenditures	32,636,365	33,207,574	31,258,681	1,948,893	29,262,350
Excess (Deficiency) of Revenues Over (Under) Expenditures	(203,985)	(732,194)	3,956,534	4,688,728	2,767,913
Other Financing Sources (Uses)					
Transfers in	688,500	688,500	689,517	1,017	814,690
Transfers out	(484,515)	(490,765)	(548,240)	(57,475)	(530,858)
Total Other Financing Sources (Uses)	203,985	197,735	141,277	(56,458)	283,832
Net Change in Fund Balances	-	(534,459)	4,097,811	4,632,270	3,051,745
Fund Balances, January 1	16,815,542	16,815,542	16,815,542	-	13,763,797
Fund Balances, December 31	\$ 16,815,542	\$ 16,281,083	\$ 20,913,353	\$ 4,632,270	\$ 16,815,542

THIS PAGE IS LEFT
BLANK INTENTIONALLY

DRAFT

INTERNAL SERVICE FUNDS

Internal Service funds are used to account for the financing of goods or services provided by one department to other departments of the City, on a cost reimbursement basis. Revenues are recognized in the accounting period in which they are earned and become objectively measurable; expenses are recognized in the period incurred, if objectively measurable.

Compensated Absences was established to account for payment of unused vacation, sick, personal leave, severance and also the allocation of such costs to respective departments.

Risk Management was established to account for all City insurance programs related to the ongoing operations with the exception of employee benefit coverage.

Central Equipment was established to account for the cost of operating a maintenance facility and providing vehicles and equipment used by City departments and funds. The exception is the Golf Course fund which maintains its own equipment and vehicles.

City Facilities was established to account for the cost of maintaining City Hall. User departments are charged a rental fee based upon square footage.

Technology was established to account for the maintenance of all computer systems of the City.

DRAFT

City of Inver Grove Heights, Minnesota
Internal Service Funds
Combining Statement of Net Position
December 31, 2024

	Compensated Absences	Risk Management	Central Equipment	City Facilities	Technology	Total
Assets						
Current Assets						
Cash and temporary investments	\$ 2,489,341	\$ 1,188,666	\$ 15,439,647	\$ 1,945,103	\$ 953,931	\$ 22,016,688
Receivables						
Accrued interest	-	7,207	88,746	11,145	6,114	113,212
Accounts	-	-	-	10,857	-	10,857
Due from other funds	-	-	639,088	-	-	639,088
Inventories	-	-	61,128	-	-	61,128
Prepaid items	-	190,292	-	740	7,133	198,165
Total Current Assets	2,489,341	1,386,165	16,228,609	1,967,845	967,178	23,039,138
Long-term Assets						
Advance to other funds	-	-	186,071	-	-	186,071
Capital assets						
Land	-	-	209,122	-	-	209,122
Buildings and systems	-	-	1,722,450	15,747,830	-	17,470,280
Improvements other than buildings	-	-	240,717	-	-	240,717
Machinery and equipment	-	-	16,105,613	138,333	1,211,593	17,455,539
Less accumulated depreciation	-	-	(12,533,150)	(5,727,610)	(1,031,154)	(19,291,914)
Total Capital Assets (Net of Accumulated Depreciation)	-	-	5,744,752	10,158,553	180,439	16,083,744
Total Long-term Assets	-	-	5,930,823	10,158,553	180,439	16,269,815
Total Assets	2,489,341	1,386,165	22,159,432	12,126,398	1,147,617	39,308,953
Deferred Outflows of Resources						
Deferred pension resources	-	1,947	37,039	17,216	50,985	107,187
Liabilities						
Current Liabilities						
Accounts and contracts payable	-	-	124,964	76,478	28,126	229,568
Accrued salaries payable	-	408	13,501	7,142	18,203	39,254
Due to other governments	-	-	458	-	-	458
Compensated absences payable - current	1,189,229	-	49,443	14,212	49,030	1,301,914
Total Current Liabilities	1,189,229	408	188,366	97,832	95,359	1,571,194
Long-term Liabilities						
Compensated absences payable	1,739,711	-	78,542	21,057	46,139	1,885,449
Net pension liability	-	9,313	177,161	82,347	243,865	512,686
Total Long-term Liabilities	1,739,711	9,313	255,703	103,404	290,004	2,398,135
Total Liabilities	2,928,940	9,721	444,069	201,236	385,363	3,969,329
Deferred Inflows of Resources						
Deferred pension resources	-	6,812	129,601	60,241	178,398	375,052
Net Position						
Investment in capital assets	-	-	5,744,752	10,158,553	180,439	16,083,744
Unrestricted	(439,599)	1,371,579	15,878,049	1,723,584	454,402	18,988,015
Total Net Position	\$ (439,599)	\$ 1,371,579	\$ 21,622,801	\$ 11,882,137	\$ 634,841	\$ 35,071,759

City of Inver Grove Heights, Minnesota
Internal Service Funds
Combining Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended December 31, 2024

	Compensated Absences	Risk Management	Central Equipment	City Facilities	Technology	Total
Operating Revenues						
Charges for services	\$ -	\$ 1,274,300	\$ 3,208,400	\$ 861,623	\$ 1,267,617	\$ 6,611,940
Operating Expenses						
Personnel services	245,890	29,019	561,351	258,834	747,193	1,842,287
Other current expenses	-	1,359,612	986,722	846,104	487,043	3,679,481
Depreciation and amortization	-	-	1,221,565	644,293	21,731	1,887,589
Other	-	-	-	-	80,690	80,690
Total Operating Expenses	245,890	1,388,631	2,769,638	1,749,231	1,336,657	7,490,047
Operating Income (Loss)	(245,890)	(114,331)	438,762	(887,608)	(69,040)	(878,107)
Nonoperating Revenues						
Investment earnings	-	49,808	592,663	75,166	41,317	758,954
Miscellaneous revenues	-	65,958	-	482,490	14,134	562,582
Gain on sale of capital assets	-	-	124,634	-	-	124,634
Total Nonoperating Revenues	-	115,766	717,297	557,656	55,451	1,446,170
Income (Loss) Before Transfers	(245,890)	1,435	1,156,059	(329,952)	(13,589)	568,063
Transfers In	-	-	-	-	6,250	6,250
Change in Net Position	(245,890)	1,435	1,156,059	(329,952)	(7,339)	574,313
Net Position, January 1	(193,709)	1,370,144	20,466,742	12,212,089	642,180	34,497,446
Net Position, December 31	<u>\$ (439,599)</u>	<u>\$ 1,371,579</u>	<u>\$ 21,622,801</u>	<u>\$ 11,882,137</u>	<u>\$ 634,841</u>	<u>\$ 35,071,759</u>

City of Inver Grove Heights, Minnesota
Internal Service Funds
Combining Statement of Cash Flows
For the Year Ended December 31, 2024

	Compensated Absences	Risk Management	Central Equipment	City Facilities	Technology	Total
Cash Flows from Operating Activities						
Receipts from customers and users	\$ -	\$ 1,274,377	\$ 3,208,400	\$ 851,334	\$ 1,267,617	\$ 6,601,728
Other operating receipts	-	65,958	-	482,490	14,134	562,582
Payments to suppliers	-	(1,335,644)	(1,011,479)	(815,958)	(611,842)	(3,774,923)
Payments to employees	(81,776)	(28,260)	(580,358)	(276,715)	(784,291)	(1,751,400)
Net Cash Provided (Used) by Operating Activities	(81,776)	(23,569)	1,616,563	241,151	(114,382)	1,637,987
Cash Flows from Noncapital Financing Activities						
Payments on interfund balances	-	-	639,088	-	-	639,088
Transfers from other funds	-	-	-	-	6,250	6,250
Net Cash Provided (Used) by Noncapital Financing Activities	-	-	639,088	-	6,250	645,338
Cash Flows from Capital and Related Financing Activities						
Acquisition of capital assets	-	-	(1,374,306)	(47,184)	-	(1,421,490)
Proceeds from sale of capital assets	-	-	124,634	-	-	124,634
Net Cash Provided (Used) by and Related Financing Activities	-	-	(1,249,672)	(47,184)	-	(1,296,856)
Cash Flows from Investing Activities						
Investment receipts	-	48,815	566,978	72,420	39,863	728,076
Net Increase (Decrease) in Cash and Cash Equivalents	(81,776)	25,246	1,572,957	266,387	(68,269)	1,714,545
Cash and Cash Equivalents, January 1	2,571,117	1,163,420	13,866,690	1,678,716	1,022,200	20,302,143
Cash and Cash Equivalents, December 31	\$ 2,489,341	\$ 1,188,666	\$ 15,439,647	\$ 1,945,103	\$ 953,931	\$ 22,016,688
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities						
Operating income (loss)	\$ (245,890)	\$ (114,331)	\$ 438,762	\$ (887,608)	\$ (69,040)	\$ (878,107)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities						
Depreciation	-	-	1,221,565	644,293	21,731	1,887,589
Other income related to operations	-	65,958	-	482,490	14,134	562,582
(Increase) decrease in assets/deferred outflows of resources						
Accounts receivable	-	77	-	(10,289)	-	(10,212)
Inventories	-	-	46,792	-	-	46,792
Prepaid items	-	24,405	44	(640)	1,488	25,297
Deferred pension resources	-	1,465	41,120	20,457	56,949	119,991
Increase (decrease) in liabilities/deferred inflows of resources						
Accounts and contracts payable	-	(437)	(72,051)	30,796	(45,597)	(87,289)
Accrued salaries payable	-	(62)	3,902	3,405	4,403	11,648
Due to other governments	-	-	458	(10)	-	448
Compensated absences payable	164,114	-	13,391	846	9,820	188,171
Net pension liability	-	(3,539)	(117,279)	(59,574)	(162,739)	(343,131)
Deferred pension resources	-	2,895	39,859	16,985	54,469	114,208
Net Cash Provided (Used) by Operating Activities	\$ (81,776)	\$ (23,569)	\$ 1,616,563	\$ 241,151	\$ (114,382)	\$ 1,637,987

PROPRIETARY FUNDS

The Water fund, Sewer fund, and Stormwater fund account for activities related to the operation of a water distribution system, sanitary sewer collection system and stormwater system, respectively, and rely to a significant extent on fees and charges for support.

Water consists of the Water Operating and the Water Capital funds.

Sewer consists of the Sewer Operating and Sewer Capital funds.

Stormwater consists of the Stormwater Operating, Stormwater Capital, and Stormwater Capital NWA funds.

Golf Course consists of the Golf Course operating and Golf Course Capital funds.

DRAFT

City of Inver Grove Heights, Minnesota
Proprietary Funds
Water Fund
Combining Schedule Net Position
December 31, 2024

	<u>510</u> Water Operating	<u>511</u> Water Capital	Total
Assets			
Current Assets			
Cash and temporary investments	\$ 1,616,722	\$ 17,622,368	\$ 19,239,090
Receivables			
Accrued interest	14,663	93,723	108,386
Accounts	627,502	-	627,502
Special assessments	285,272	-	285,272
Prepaid items	2,119	-	2,119
Total Current Assets	<u>2,546,278</u>	<u>17,716,091</u>	<u>20,262,369</u>
Long-term Assets			
Special assessments	-	12,160	12,160
Capital assets			
Land	-	583,598	583,598
Construction in progress	-	1,788,144	1,788,144
Buildings and systems	-	52,810,815	52,810,815
Improvements other than buildings	-	98,108	98,108
Machinery and equipment	-	391,571	391,571
Total Capital Assets	-	55,672,236	55,672,236
Less accumulated depreciation	-	(25,739,693)	(25,739,693)
Net Capital Assets	-	29,932,543	29,932,543
Total Long-term Assets	-	29,944,703	29,944,703
Total Assets	<u>2,546,278</u>	<u>47,660,794</u>	<u>50,207,072</u>
Deferred Outflows of Resources			
Deferred other postemployment benefits resources	91,518	-	91,518
Deferred pension resources	52,428	-	52,428
Total Deferred Outflows of Resources	<u>143,946</u>	<u>-</u>	<u>143,946</u>
Liabilities			
Current Liabilities			
Accounts and contracts payable	24,401	257,874	282,275
Accrued salaries payable	18,772	-	18,772
Due to other governments	103,250	40	103,290
Unearned revenue	-	2,652,430	2,652,430
Compensated absences payable - current portion	56,455	-	56,455
Other postemployment benefits payable - current portion	5,364	-	5,364
Total Current Liabilities	<u>208,242</u>	<u>2,910,344</u>	<u>3,118,586</u>
Long-term Liabilities			
Compensated absences payable	70,071	-	70,071
Net pension liability	250,766	-	250,766
Other postemployment benefits payable	113,808	-	113,808
Total Long-term Liabilities	<u>434,645</u>	<u>-</u>	<u>434,645</u>
Total Liabilities	<u>642,887</u>	<u>2,910,344</u>	<u>3,553,231</u>
Deferred Inflows of Resources			
Deferred pension resources	183,447	-	183,447
Deferred other postemployment benefit resources	19,030	-	19,030
Total Deferred Inflows of Resources	<u>202,477</u>	<u>-</u>	<u>202,477</u>
Net Position			
Investment in capital assets	-	29,674,669	29,674,669
Unrestricted	1,844,860	15,075,781	16,920,641
Total Net Position	<u>\$ 1,844,860</u>	<u>\$ 44,750,450</u>	<u>\$ 46,595,310</u>

City of Inver Grove Heights, Minnesota
Proprietary Funds
Water Fund
Combining Schedule of Revenues, Expenses and Changes in Net Position
For the Year Ended December 31, 2024

	<u>510</u>	<u>511</u>		
	Water Operating	Water Capital	Elimination	Total
Operating Revenues				
Charges for services				
Water sales	\$ 3,759,335	\$ -	\$ -	\$ 3,759,335
Late fees	88,225	-	-	88,225
Water meter sales	38,635	-	-	38,635
Total Operating Revenues	<u>3,886,195</u>	<u>-</u>	<u>-</u>	<u>3,886,195</u>
Operating Expenses				
Personnel services	851,743	-	-	851,743
Other current expenses	1,564,872	(7,987)	-	1,556,885
Depreciation	-	1,019,248	-	1,019,248
Total Operating Expenses	<u>2,416,615</u>	<u>1,011,261</u>	<u>-</u>	<u>3,427,876</u>
Operating Income (Loss)	<u>1,469,580</u>	<u>(1,011,261)</u>	<u>-</u>	<u>458,319</u>
Nonoperating Revenues (Expenses)				
Investment earnings	108,381	599,769	-	708,150
Miscellaneous revenues	3,873	-	-	3,873
Interest and amortization expense	-	(8,000)	-	(8,000)
Total Nonoperating Revenues (Expenses)	<u>112,254</u>	<u>591,769</u>	<u>-</u>	<u>704,023</u>
Income (Loss) Before Contributions and Transfers	1,581,834	(419,492)	-	1,162,342
Capital Contributions	47,849	1,698,054	-	1,745,903
Capital Contributions from Other Funds	244,252	-	-	244,252
Capital Contributions to Other Funds	-	(244,252)	-	(244,252)
Transfers In	19,949	2,491,323	(1,646,426)	864,846
Transfers Out	<u>(1,936,426)</u>	<u>(459,195)</u>	<u>1,646,426</u>	<u>(749,195)</u>
Change in Net Position	(42,542)	3,066,438	-	3,023,896
Net Position - January 1	<u>1,887,402</u>	<u>41,684,012</u>	<u>-</u>	<u>43,571,414</u>
Net Position, December 31	<u>\$ 1,844,860</u>	<u>\$ 44,750,450</u>	<u>\$ -</u>	<u>\$ 46,595,310</u>

City of Inver Grove Heights, Minnesota
Proprietary Funds
Sewer Fund
Combining Schedule Net Position
December 31, 2024

	520	521	
	Sewer Operating	Sewer Capital	Total
Assets			
Current Assets			
Cash and temporary investments	\$ 986,073	\$ 6,312,341	\$ 7,298,414
Receivables			
Accrued interest	10,557	31,141	41,698
Accounts	906,087	-	906,087
Prepaid items	202,841	-	202,841
Total Current Assets	2,105,558	6,343,482	8,449,040
Long-term Assets			
Special assessments	-	136,356	136,356
Capital assets			
Land	-	768,102	768,102
Construction in progress	-	1,119,856	1,119,856
Buildings and systems	-	45,636,531	45,636,531
Improvements other than buildings	-	39,924	39,924
Machinery and equipment	-	9,585	9,585
Total Capital Assets	-	47,573,998	47,573,998
Less accumulated depreciation	-	(17,676,616)	(17,676,616)
Net Capital Assets	-	29,897,382	29,897,382
Total Long-term Assets	-	30,033,738	30,033,738
Total Assets	2,105,558	36,377,220	38,482,778
Deferred Outflows of Resources			
Deferred charge on refunding	-	78,307	78,307
Deferred other postemployment benefits resources	43,724	-	43,724
Deferred pension resources	25,294	-	25,294
Total Deferred Outflows of Resources	69,018	78,307	147,325
Liabilities			
Current Liabilities			
Accounts and contracts payable	2,645	304,286	306,931
Accrued salaries payable	8,818	-	8,818
Due to other governments	79,695	72,065	151,760
Accrued interest payable	-	103,948	103,948
Unearned revenue	-	373,196	373,196
Compensated absences payable - current portion	26,955	-	26,955
Bonds payable - current portion	-	853,467	853,467
Other postemployment benefits payable - current portion	2,563	-	2,563
Total Current Liabilities	120,676	1,706,962	1,827,638
Long-term Liabilities			
Compensated absences payable	26,200	-	26,200
Bonds payable	-	8,427,193	8,427,193
Net pension liability	120,984	-	120,984
Other postemployment benefits payable	54,373	-	54,373
Total Long-term Liabilities	201,557	8,427,193	8,628,750
Total Liabilities	322,233	10,134,155	10,456,388
Deferred Inflows of Resources			
Deferred pension resources	88,506	-	88,506
Deferred other postemployment benefit resources	9,092	-	9,092
Total Deferred Inflows of Resources	97,598	-	97,598
Net Position			
Net investment in capital assets	-	20,390,743	20,390,743
Unrestricted	1,754,745	5,930,629	7,685,374
Total Net Position	\$ 1,754,745	\$ 26,321,372	\$ 28,076,117

City of Inver Grove Heights, Minnesota
Proprietary Funds
Sewer Fund
Combining Schedule of Revenues, Expenses and Changes in Net Position
For the Year Ended December 31, 2024

	<u>520</u>	<u>521</u>		
	Sewer Operating	Sewer Capital	Elimination	Total
Operating Revenues				
Charges for services				
Sewer charges	\$ 5,213,056	\$ -	\$ -	\$ 5,213,056
Operating Expenses				
Personnel services	22,178	-	-	22,178
Other current expenses	2,881,964	262,251	-	3,144,215
Depreciation	-	869,027	-	869,027
Total Operating Expenses	<u>2,904,142</u>	<u>1,131,278</u>	<u>-</u>	<u>4,035,420</u>
Operating Income (Loss)	<u>2,308,914</u>	<u>(1,131,278)</u>	<u>-</u>	<u>1,177,636</u>
Nonoperating Revenues (Expenses)				
Investment earnings	81,300	201,560	-	282,860
Miscellaneous revenues	-	-	-	-
Interest and amortization expense	<u>-</u>	<u>(225,344)</u>	<u>-</u>	<u>(225,344)</u>
Total Nonoperating Revenues (Expenses)	<u>81,300</u>	<u>(23,784)</u>	<u>-</u>	<u>57,516</u>
Income (Loss) Before Contributions and Transfers	2,390,214	(1,155,062)	-	1,235,152
Capital Contributions	-	1,335,230	-	1,335,230
Capital Contributions from Other Funds	184,452	-	-	184,452
Capital Contributions to Other Funds	-	(184,452)	-	(184,452)
Transfers In	50,350	2,391,729	(1,597,984)	844,095
Transfers Out	<u>(1,887,984)</u>	<u>(689,734)</u>	<u>1,597,984</u>	<u>(979,734)</u>
Change in Net Position	737,032	1,697,711	-	2,434,743
Net Position - January 1	<u>1,017,713</u>	<u>24,623,661</u>	<u>-</u>	<u>25,641,374</u>
Net Position, December 31	<u><u>\$ 1,754,745</u></u>	<u><u>\$ 26,321,372</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 28,076,117</u></u>

City of Inver Grove Heights, Minnesota

Proprietary Funds

Stormwater Fund

Combining Schedule Net Position

December 31, 2024

	530	531	533	
	Stormwater	Stormwater	Stormwater	Total
	Operating	Capital	Capital NWA	
Assets				
Current Assets				
Cash and temporary investments	\$ 297,265	\$ 5,009,886	\$ -	\$ 5,307,151
Receivables				
Accrued interest	3,984	25,883	-	29,867
Accounts	372,262	-	-	372,262
Special assessments	-	36,838	-	36,838
Total Current Assets	<u>673,511</u>	<u>5,072,607</u>	<u>-</u>	<u>5,746,118</u>
Long-term Assets				
Special assessments	-	104,684	-	104,684
Capital assets				
Land	-	1,175,104	-	1,175,104
Construction in progress	-	1,413,950	-	1,413,950
Buildings and systems	-	24,199,657	-	24,199,657
Total Capital Assets	-	26,788,711	-	26,788,711
Less accumulated depreciation	-	(17,192,325)	-	(17,192,325)
Net Capital Assets	-	9,596,386	-	9,596,386
Total Long-term Assets	-	9,701,070	-	9,701,070
Total Assets	<u>673,511</u>	<u>14,773,677</u>	<u>-</u>	<u>15,447,188</u>
Deferred Outflows of Resources				
Deferred other postemployment benefits resources	22,896	-	-	22,896
Deferred pension resources	15,523	-	-	15,523
Total Deferred Outflows of Resources	<u>38,419</u>	<u>-</u>	<u>-</u>	<u>38,419</u>
Liabilities				
Current Liabilities				
Accounts and contracts payable	3,350	-	-	3,350
Accrued salaries payable	5,904	-	-	5,904
Due to other governments	7,320	-	-	7,320
Compensated absences payable - current portion	1,105	-	-	1,105
Other postemployment benefits payable - current portion	1,342	-	-	1,342
Total Current Liabilities	<u>19,021</u>	<u>-</u>	<u>-</u>	<u>19,021</u>
Long-term Liabilities				
Net pension liability	74,248	-	-	74,248
Other postemployment benefits payable	28,472	-	-	28,472
Total Long-term Liabilities	<u>102,720</u>	<u>-</u>	<u>-</u>	<u>102,720</u>
Total Liabilities	<u>121,741</u>	<u>-</u>	<u>-</u>	<u>121,741</u>
Deferred Inflows of Resources				
Deferred pension resources	54,316	-	-	54,316
Deferred other postemployment benefit resources	4,761	-	-	4,761
Total Deferred Inflows of Resources	<u>59,077</u>	<u>-</u>	<u>-</u>	<u>59,077</u>
Net Position				
Investment in capital assets	-	9,596,386	-	9,596,386
Unrestricted	531,112	5,177,291	-	5,708,403
Total Net Position	<u>\$ 531,112</u>	<u>\$ 14,773,677</u>	<u>\$ -</u>	<u>\$ 15,304,789</u>

City of Inver Grove Heights, Minnesota
Proprietary Funds
Stormwater Fund
Combining Schedule of Revenues, Expenses and Changes in Net Position
For the Year Ended December 31, 2024

	530	531	533		
	<u>Stormwater Operating</u>	<u>Stormwater Capital</u>	<u>Stormwater Capital NWA</u>	<u>Elimination</u>	<u>Total</u>
Operating Revenues					
Charges for services					
Storm water charges	\$ 1,029,716	\$ -	\$ -	\$ -	\$ 1,029,716
Operating Expenses					
Personnel services	271,195	-	-	-	271,195
Other current expenses	249,290	19,667	1,740	-	270,697
Depreciation	-	250,925	-	-	250,925
Total Operating Expenses	<u>520,485</u>	<u>270,592</u>	<u>1,740</u>	<u>-</u>	<u>792,817</u>
Operating Income (Loss)	509,231	(270,592)	(1,740)	-	236,899
Nonoperating Revenues (Expenses)					
Investment earnings	24,588	88,600	75,423	-	188,611
Miscellaneous revenues	-	-	-	-	-
Total Nonoperating Revenues (Expenses)	<u>24,588</u>	<u>88,600</u>	<u>75,423</u>	<u>-</u>	<u>188,611</u>
Income (Loss) Before Contributions and Transfers	533,819	(181,992)	73,683	-	425,510
Capital Contributions	(227,646)	1,439,224	706,867	-	1,918,445
Capital Contributions from Other Funds	-	8,433,361	-	-	8,433,361
Capital Contributions to Other Funds	(8,433,361)	-	-	-	(8,433,361)
Transfers In	41,463	4,971,965	435,856	(3,839,036)	1,610,248
Transfers Out	<u>(601,249)</u>	<u>(317,830)</u>	<u>(3,334,361)</u>	<u>3,839,036</u>	<u>(414,404)</u>
Change in Net Position	(8,686,974)	14,344,728	(2,117,955)	-	3,539,799
Net Position - January 1	<u>9,218,086</u>	<u>428,949</u>	<u>2,117,955</u>	<u>-</u>	<u>11,764,990</u>
Net Position, December 31	<u>\$ 531,112</u>	<u>\$ 14,773,677</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,304,789</u>

City of Inver Grove Heights, Minnesota
Proprietary Funds
Golf Course Fund
Combining Schedule Net Position
December 31, 2024

	550	551	
	Golf Course Operating	Golf Course Capital	Total
Assets			
Current Assets			
Cash and temporary investments	\$ 905,584	\$ 1,166,933	\$ 2,072,517
Receivables			
Accrued interest	16,557	-	16,557
Prepaid items	5,564	-	5,564
Total Current Assets	<u>927,705</u>	<u>1,166,933</u>	<u>2,094,638</u>
Long-term Assets			
Capital assets			
Land	1,862,355	-	1,862,355
Buildings and systems	971,217	-	971,217
Improvements other than buildings	4,501,427	-	4,501,427
Machinery and equipment	1,265,124	-	1,265,124
Total Capital Assets	8,600,123	-	8,600,123
Less accumulated depreciation	<u>(5,998,420)</u>	<u>-</u>	<u>(5,998,420)</u>
Net Capital Assets	<u>2,601,703</u>	<u>-</u>	<u>2,601,703</u>
Total Assets	<u>3,529,408</u>	<u>1,166,933</u>	<u>4,696,341</u>
Deferred Outflows of Resources			
Deferred other postemployment benefits resources	110,325	-	110,325
Deferred pension resources	61,894	-	61,894
Total Deferred Outflows of Resources	<u>172,219</u>	<u>-</u>	<u>172,219</u>
Liabilities			
Current Liabilities			
Accrued salaries payable	16,435	-	16,435
Due to other governments	1,163	-	1,163
Deposits payable	99,156	-	99,156
Unearned revenue	643,515	-	643,515
Compensated absences payable - current portion	49,485	-	49,485
Other postemployment benefits payable - current portion	6,467	-	6,467
Total Current Liabilities	<u>816,221</u>	<u>-</u>	<u>816,221</u>
Long-term Liabilities			
Compensated absences payable	103,758	-	103,758
Advance from other funds	546,054	-	546,054
Net pension liability	296,044	-	296,044
Other postemployment benefits payable	137,196	-	137,196
Total Long-term Liabilities	<u>1,083,052</u>	<u>-</u>	<u>1,083,052</u>
Total Liabilities	<u>1,899,273</u>	<u>-</u>	<u>1,899,273</u>
Deferred Inflows of Resources			
Deferred pension resources	216,570	-	216,570
Deferred other postemployment benefit resources	22,941	-	22,941
Total Deferred Inflows of Resources	<u>239,511</u>	<u>-</u>	<u>239,511</u>
Net Position			
Net investment in capital assets	2,601,703	-	2,601,703
Unrestricted	<u>(1,038,860)</u>	<u>1,166,933</u>	<u>128,073</u>
Total Net Position	<u>\$ 1,562,843</u>	<u>\$ 1,166,933</u>	<u>\$ 2,729,776</u>

City of Inver Grove Heights, Minnesota
Proprietary Funds
Golf Course Fund
Combining Schedule of Revenues, Expenses and Changes in Net Position
For the Year Ended December 31, 2024

	<u>550</u>	<u>551</u>		
	Golf Course Operating	Golf Course Capital	Elimination	Total
Operating Revenues				
Charges for services				
Green fees	\$ 872,610	\$ -	\$ -	\$ 872,610
Golf cart rentals	592,393	-	-	592,393
Practice center	279,786	-	-	279,786
Golf shop	96,885	-	-	96,885
Food and beverage	252,860	-	-	252,860
Other	695,792	-	-	695,792
Total Operating Revenues	<u>2,790,326</u>	<u>-</u>	<u>-</u>	<u>2,790,326</u>
Operating Expenses				
Personnel services	1,664,697	-	-	1,664,697
Other current expenses	757,831	-	-	757,831
Depreciation	115,966	-	-	115,966
Total Operating Expenses	<u>2,538,494</u>	<u>-</u>	<u>-</u>	<u>2,538,494</u>
Operating Income (Loss)	<u>251,832</u>	<u>-</u>	<u>-</u>	<u>251,832</u>
Nonoperating Revenues (Expenses)				
Investment earnings	112,838	-	-	112,838
Gain on sale of capital assets	34,000	-	-	34,000
Total Nonoperating Revenues (Expenses)	<u>146,838</u>	<u>-</u>	<u>-</u>	<u>146,838</u>
Income (Loss) Before Contributions and Transfers	398,670	-	-	398,670
Transfers In	-	1,166,933	(1,166,933)	-
Transfers Out	<u>(1,166,933)</u>	<u>-</u>	<u>1,166,933</u>	<u>-</u>
Change in Net Position	(768,263)	1,166,933	-	398,670
Net Position - January 1	<u>2,331,106</u>	<u>-</u>	<u>-</u>	<u>2,331,106</u>
Net Position, December 31	<u>\$ 1,562,843</u>	<u>\$ 1,166,933</u>	<u>\$ -</u>	<u>\$ 2,729,776</u>

THIS PAGE IS LEFT
BLANK INTENTIONALLY

DRAFT

STATISTICAL SECTION (UNAUDITED)

CITY OF INVER GROVE HEIGHTS
INVER GROVE HEIGHTS, MINNESOTA

DRAFT

FOR THE YEAR ENDED
DECEMBER 31, 2024

THIS PAGE IS LEFT
BLANK INTENTIONALLY

DRAFT

STATISTICAL SECTION (UNAUDITED)

This part of the City's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Contents	<u>Pages</u>
Financial Trends	163 - 173
These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	
Revenue Capacity	175 - 181
These schedules contain information to help the reader assess the City's most significant local revenue source, property taxes.	
Debt Capacity	182 - 188
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
Demographic and Economic Information	189 - 191
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	
Operating Information	192 - 196
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from the annual financial reports for the relevant year.

THIS PAGE IS LEFT
BLANK INTENTIONALLY

DRAFT

City of Inver Grove Heights, Minnesota
Summary Financial Report
Governmental Funds
Revenues and Expenditures For General Operations
For the Years Ended December 31, 2024 and 2023

	Total		Percent Increase (Decrease)
	2024	2023	
Revenues			
Taxes	\$ 34,332,849	\$ 31,790,372	8.00 %
Licenses and permits	1,547,176	1,505,449	2.77
Intergovernmental	5,173,662	5,502,944	(5.98)
Charges for services	8,732,515	7,817,670	11.70
Fines and forfeits	188,442	197,013	(4.35)
Special assessments	2,712,420	2,300,173	17.92
Donations	2,080	-	N/A
Investment earnings	2,247,647	1,692,878	32.77
Miscellaneous	1,522,498	2,608,524	(41.63)
Total Revenues	\$ 56,459,289	\$ 53,415,023	5.70 %
Per Capita	\$ 1,559	\$ 1,494	4.31 %
Expenditures			
Current			
General government	\$ 3,720,203	\$ 2,870,643	29.59 %
Public safety	17,284,650	16,072,181	7.54
Public works	5,520,179	6,573,282	(16.02)
Culture and recreation	7,674,001	7,100,176	8.08
Community development	2,205,205	2,289,964	(3.70)
Capital outlay			
General government	-	71,544	(100.00)
Public safety	35,370	50,914	(30.53)
Public works	8,509,063	8,328,775	2.16
Culture and recreation	2,406,506	5,931,605	(59.43)
Community development	158,451	419	37,716.47
Debt service			
Principal	2,092,940	2,074,648	0.88
Interest and other charges	801,923	832,374	(3.66)
Total Expenditures	\$ 50,408,491	\$ 52,196,525	(3.43) %
Per Capita	\$ 1,392	\$ 1,460	(4.69) %
Total Long-term Indebtedness	\$ 23,907,797	\$ 26,063,558	(8.27) %
Per Capita	660	729	(9.48)
General Fund Balance - December 31	\$ 20,913,353	\$ 16,815,542	24.37 %
Per Capita	577	470	22.73

The purpose of this report is to provide a summary of financial information concerning the City of Inver Grove Heights to interested citizens. The complete financial statements may be examined at City Hall, 8150 Barbara Avenue, Inver Grove Heights, MN 55077-3412. Questions about this report should be directed to the Finance Department at (651) 450-2500.

City of Inver Grove Heights, Minnesota
Statistical Section (Unaudited)
Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)

Table 1

	Fiscal Year			
	2015	2016	2017	2018
Governmental Activities				
Net investment in capital assets	\$ 92,587,696	\$ 96,443,126	\$ 93,604,421	\$ 101,204,542
Restricted	7,697,092	8,666,803	10,112,971	9,651,283
Unrestricted	32,064,187	30,600,727	31,939,890	39,293,328
Total Governmental Activities Net Position	\$ 132,348,975	\$ 135,710,656	\$ 135,657,282	\$ 150,149,153
Business-type Activities				
Net investment in capital assets	\$ 40,500,700	\$ 48,192,046	\$ 49,136,855	\$ 51,148,138
Restricted	-	-	-	-
Unrestricted	18,559,610	13,397,258	10,707,274	9,464,848
Total Business-type Activities Net Position	\$ 59,060,310	\$ 61,589,304	\$ 59,844,129	\$ 60,612,986
Total Primary Government				
Net investment in capital assets	\$ 133,088,396	\$ 144,635,172	\$ 142,741,276	\$ 152,352,680
Restricted	7,697,092	8,666,803	10,112,971	9,651,283
Unrestricted	50,623,797	43,997,985	42,647,164	48,758,176
Total Primary Government Net Position	\$ 191,409,285	\$ 197,299,960	\$ 195,501,411	\$ 210,762,139

Note: The City implemented GASB Statement No. 75 in fiscal 2018. Years prior to 2018 have not been restated. In 2021, the activities of the Storm Water fund were transferred to a newly created enterprise fund. Years prior to 2021 have not been restated.

Table 1

Fiscal Year					
2019	2020	2021	2022	2023	2024
\$ 108,559,698	\$ 113,246,973	\$ 108,803,798	\$ 112,929,545	\$ 123,768,963	\$ 126,758,171
9,707,215	9,080,704	10,885,593	14,527,169	13,588,429	14,440,794
42,628,763	51,420,595	56,448,808	54,778,199	56,528,636	63,721,403
<u>\$ 160,895,676</u>	<u>\$ 173,748,272</u>	<u>\$ 176,138,199</u>	<u>\$ 182,234,913</u>	<u>\$ 193,886,028</u>	<u>\$ 204,920,368</u>
\$ 51,455,529	\$ 51,251,800	\$ 59,652,599	\$ 60,441,697	\$ 58,449,172	\$ 62,263,501
-	-	2,900,000	-	-	-
11,295,098	11,972,101	14,646,049	20,327,495	24,859,712	30,442,491
<u>\$ 62,750,627</u>	<u>\$ 63,223,901</u>	<u>\$ 77,198,648</u>	<u>\$ 80,769,192</u>	<u>\$ 83,308,884</u>	<u>\$ 92,705,992</u>
\$ 160,015,227	\$ 164,498,773	\$ 168,456,397	\$ 173,371,242	\$ 182,218,135	\$ 189,021,672
9,707,215	9,080,704	13,785,593	14,527,169	13,588,429	14,440,794
53,923,861	63,392,696	71,094,857	75,105,694	81,388,348	94,163,894
<u>\$ 223,646,303</u>	<u>\$ 236,972,173</u>	<u>\$ 253,336,847</u>	<u>\$ 263,004,105</u>	<u>\$ 277,194,912</u>	<u>\$ 297,626,360</u>

City of Inver Grove Heights, Minnesota
Statistical Section (Unaudited)
Changes in Net Position (Continued on the Following Pages)
Last Ten Fiscal Years
(Accrual Basis of Accounting)

Table 2

	Fiscal Year			
	2015	2016	2017	2018
Expenses				
Governmental activities				
General government	\$ 1,655,475	\$ 2,996,056	\$ 2,481,001	\$ 2,395,582
Public safety	8,109,514	10,727,458	12,087,235	10,236,391
Public works	6,816,075	8,887,750	7,690,391	7,056,944
Culture and recreation	6,576,337	6,768,580	7,919,434	7,139,360
Community development	1,792,921	1,599,270	2,540,933	2,124,968
Interest on long-term debt	771,350	926,142	1,007,774	1,091,471
Total Governmental Activities Expenses	<u>24,373,967</u>	<u>25,721,672</u>	<u>31,905,256</u>	<u>33,726,768</u>
Business-type activities				
Water	2,381,673	2,562,739	2,705,498	3,003,465
Sewer	3,628,484	3,571,160	4,265,285	4,123,098
Storm Water	-	-	-	-
Golf course	1,581,313	1,486,481	3,901,573	1,932,241
Total Business-type Activities Expenses	<u>7,682,551</u>	<u>7,591,470</u>	<u>7,620,380</u>	<u>10,872,356</u>
Total Primary Government Expenses	<u>\$ 32,056,518</u>	<u>\$ 33,313,142</u>	<u>\$ 39,525,636</u>	<u>\$ 44,599,124</u>
Program Revenues				
Governmental activities				
Charges for services				
General government	\$ 11,190	\$ 19,706	\$ 21,386	\$ 12,049
Public safety	629,828	628,342	689,060	635,233
Public works	3,552,354	3,346,781	3,038,693	3,469,315
Culture and recreation	3,184,781	3,570,598	2,922,124	3,210,032
Community development	702,948	1,019,012	1,202,410	1,401,683
Operating grants and contributions	1,012,882	986,082	1,219,181	2,567,895
Capital grants and contributions	3,860,088	5,079,885	2,125,371	7,803,984
Total Governmental Activities Program Revenues	<u>15,764,619</u>	<u>12,954,071</u>	<u>14,650,406</u>	<u>11,218,225</u>
Business-type activities				
Charges for services				
Water	2,899,782	2,878,095	3,051,811	3,132,068
Sewer	3,088,659	3,281,356	3,460,592	3,693,679
Stormwater	-	-	-	-
Golf course	1,634,226	1,306,162	1,467,194	1,879,599
Operating grants and contributions	12,587	12,345	8,283	10,087
Capital grants and contributions	1,463,961	2,175,951	1,392,096	1,717,863
Total Business-type Activities Program Revenues	<u>8,464,165</u>	<u>9,099,215</u>	<u>9,653,909</u>	<u>9,379,976</u>
Total Primary Government Program Revenues	<u>\$ 24,228,784</u>	<u>\$ 22,053,286</u>	<u>\$ 24,304,315</u>	<u>\$ 20,598,201</u>

Table 2

Fiscal Year					
2019	2020	2021	2022	2023	2024
\$ 3,017,849	\$ 2,969,823	\$ 4,209,265	\$ 4,992,374	\$ 4,520,300	\$ 4,741,396
11,486,291	12,994,292	12,388,559	16,083,846	19,639,754	18,303,826
8,989,180	8,983,184	7,307,967	8,911,207	8,705,146	9,963,161
7,497,438	6,135,155	6,803,476	7,612,774	9,179,046	8,288,378
2,322,377	3,693,217	2,119,884	2,062,697	2,395,156	2,374,010
1,452,062	1,003,536	861,888	798,645	743,678	712,039
30,044,716	34,765,197	35,779,207	33,691,039	45,183,080	44,382,810
2,779,567	2,887,882	3,021,693	3,859,391	3,960,358	3,435,876
3,959,592	4,148,917	3,944,724	4,400,611	5,036,434	4,260,764
-	-	743,576	686,977	1,002,073	792,817
1,796,957	2,127,755	1,966,693	2,159,004	2,028,445	2,538,494
9,058,804	8,536,116	9,164,554	9,676,686	12,027,310	11,027,951
\$ 39,103,520	\$ 43,301,313	\$ 44,943,761	\$ 43,367,725	\$ 57,210,390	\$ 55,410,761
\$ 49,005	\$ 83,437	\$ 18,375	\$ 22,797	\$ 138,772	\$ 138,918
769,972	605,334	671,520	719,421	576,222	525,304
3,971,781	5,152,781	5,053,204	4,022,301	3,141,396	4,083,059
3,314,495	1,861,459	4,468,966	3,371,762	4,709,886	4,376,984
1,754,000	1,142,921	1,877,571	1,698,414	1,336,595	1,394,959
3,254,500	5,486,950	2,153,837	4,062,148	5,024,620	6,537,627
4,182,202	4,864,126	2,679,057	3,104,575	5,242,172	4,662,760
19,100,191	17,295,955	19,197,008	16,922,530	20,169,663	21,719,611
3,031,231	3,212,973	3,706,014	3,606,552	4,087,810	3,886,195
3,753,168	3,847,337	4,094,880	4,220,841	4,632,630	5,213,056
-	-	1,109,046	677,140	864,551	1,029,716
1,755,886	2,145,792	2,419,528	2,394,251	2,704,655	2,790,326
6,667	5,223	10,232	25,808	17,776	3,873
2,106,572	1,365,247	3,957,841	4,516,877	2,783,985	1,727,855
10,433,296	10,653,524	10,576,572	15,297,541	15,091,407	14,651,021
\$ 29,533,487	\$ 27,949,479	\$ 29,773,580	\$ 32,220,071	\$ 35,261,070	\$ 36,370,632

City of Inver Grove Heights, Minnesota
Statistical Section (Unaudited)
Changes in Net Position (Continued)
Last Ten Fiscal Years
(Accrual Basis of Accounting)

Table 2

	Fiscal Year			
	2015	2016	2017	2018
Net Revenues (Expenses)				
Governmental activities	\$ (12,767,601)	\$ (17,254,850)	\$ (22,508,543)	\$ (10,944,525)
Business-type activities	1,507,745	2,033,529	(1,492,380)	1,374,492
Total Primary Government Net Revenues (Expenses)	<u>\$ (7,827,734)</u>	<u>\$ (11,259,856)</u>	<u>\$ (15,221,321)</u>	<u>\$ (24,000,923)</u>
General Revenues and Other Changes in Net Position				
Governmental activities				
Taxes				
Property taxes	\$ 16,657,367	\$ 18,068,901	\$ 19,395,888	\$ 21,043,742
Tax increments	2,020,664	1,959,743	1,578,646	1,655,941
Lodging taxes	106,361	128,367	133,979	133,872
Franchise taxes	98,221	103,406	107,441	1,135,415
Grants and contributions not restricted to specific programs	144,337	280,346	146,791	161,095
Unrestricted investment earnings (loss)	435,751	345,223	545,279	761,542
Gain on sale of capital assets	11,070	78,545	89,116	21,486
Transfers	841,284	(348,000)	458,029	939,547
Total Governmental Activities	<u>18,994,356</u>	<u>20,315,055</u>	<u>20,616,531</u>	<u>22,455,169</u>
Business-type activities				
Unrestricted investment earnings	232,427	147,465	205,234	354,181
Gain on sale of capital assets	-	-	-	-
Transfers	(841,284)	348,000	(458,029)	(939,547)
Total Business-type Activities	<u>(828,088)</u>	<u>(608,857)</u>	<u>495,465</u>	<u>(252,795)</u>
Total Primary Government	<u>\$ 18,166,268</u>	<u>\$ 19,706,198</u>	<u>\$ 21,111,996</u>	<u>\$ 22,202,374</u>
Change in Net Position				
Governmental activities	\$ 7,547,454	\$ 3,361,681	\$ (53,374)	\$ 14,908,115
Business-type activities	898,888	2,528,994	(1,745,175)	789,126
Total Primary Government	<u>\$ 10,338,534</u>	<u>\$ 8,446,342</u>	<u>\$ 5,890,675</u>	<u>\$ (1,798,549)</u>

Note 1: The City implemented GASB Statement No. 75 in fiscal 2018. Years prior to 2018 have not been restated.

Note 2: The City created a new Stormwater fund in 2021. As part of creating the fund, all balances of the Stormwater capital projects fund were transferred to this fund. Years prior to 2021 have not been restated.

Table 2

Fiscal Year					
2019	2020	2021	2022	2023	2024
\$ (17,469,242)	\$ (16,582,199)	\$ (16,768,509)	\$ (23,460,125)	\$ (25,029,536)	\$ (22,663,199)
2,117,408	1,412,018	5,620,855	4,335,486	3,064,097	3,623,070
<u>\$ (9,570,033)</u>	<u>\$ (15,351,834)</u>	<u>\$ (15,170,181)</u>	<u>\$ (11,147,654)</u>	<u>\$ (21,965,439)</u>	<u>\$ (19,040,129)</u>
\$ 23,348,621	\$ 24,825,120	\$ 26,282,771	\$ 28,220,220	\$ 30,355,206	\$ 32,941,019
1,738,995	-	-	2,567	-	-
133,808	77,357	120,618	128,548	248,216	203,013
1,171,449	1,177,600	1,183,827	1,206,886	1,214,779	1,221,745
75,893	112,520	322,839	621,200	591,785	648,106
1,592,145	1,807,149	(386,473)	(1,066,607)	2,409,969	3,006,601
-	10,860	109,509	245,535	199,300	124,634
321,140	1,424,189	(8,474,655)	198,490	1,645,277	(4,447,579)
<u>25,852,640</u>	<u>28,382,051</u>	<u>29,434,795</u>	<u>19,158,436</u>	<u>36,664,532</u>	<u>33,697,539</u>
341,373	485,445	(120,763)	(574,952)	1,120,872	1,292,459
-	-	-	8,500	-	34,000
(321,140)	(1,424,189)	8,474,655	(198,490)	(1,645,277)	4,447,579
<u>(585,366)</u>	<u>20,233</u>	<u>(938,744)</u>	<u>8,353,892</u>	<u>(524,405)</u>	<u>5,774,038</u>
<u>\$ 25,267,274</u>	<u>\$ 28,402,284</u>	<u>\$ 28,496,051</u>	<u>\$ 27,512,328</u>	<u>\$ 36,140,127</u>	<u>\$ 39,471,577</u>
\$ 10,912,809	\$ 12,852,596	\$ 2,389,927	\$ 6,096,714	\$ 11,651,115	\$ 11,034,340
2,137,641	473,274	13,974,747	3,570,544	2,539,692	9,397,108
<u>\$ 15,697,241</u>	<u>\$ 13,050,450</u>	<u>\$ 13,325,870</u>	<u>\$ 16,364,674</u>	<u>\$ 14,190,807</u>	<u>\$ 20,431,448</u>

City of Inver Grove Heights, Minnesota
Statistical Section (Unaudited)
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

Table 3

	Fiscal Year			
	2015	2016	2017	2018
General Fund				
Nonspendable	\$ 3,667	\$ 15,799	\$ 141,195	\$ 12,679
Restricted	-	-	-	-
Committed	-	-	-	-
Unassigned	9,922,952	9,600,129	10,038,550	10,520,461
Total General Fund	<u>\$ 9,926,619</u>	<u>\$ 9,615,928</u>	<u>\$ 10,179,745</u>	<u>\$ 10,533,140</u>
All Other Governmental Funds				
Nonspendable	\$ 7,203	\$ 2,887	\$ 17,761	\$ 105,287
Restricted	10,128,899	18,332,804	20,275,918	16,286,001
Committed	955,348	720,397	738,817	1,790,562
Assigned	14,066,297	13,408,861	17,069,166	22,069,612
Unassigned	(1,949,474)	(1,847,409)	(3,741,559)	(6,573,705)
Total All Other Governmental Funds	<u>\$ 23,208,273</u>	<u>\$ 30,617,540</u>	<u>\$ 34,360,103</u>	<u>\$ 33,677,757</u>

DRAFT

Table 3

Fiscal Year					
2019	2020	2021	2022	2023	2024
\$ 177,753	\$ 28,365	\$ 17,785	\$ 71,772	\$ 88,444	\$ 279,183
-	16,118	19,061	26,073	1,590,149	1,475,312
-	-	75,587	278,240	649,116	1,154,309
11,313,120	12,870,165	13,095,958	13,387,712	14,471,714	18,004,549
<u>\$ 11,490,873</u>	<u>\$ 12,914,648</u>	<u>\$ 13,208,391</u>	<u>\$ 13,763,797</u>	<u>\$ 16,799,423</u>	<u>\$ 20,913,353</u>
\$ 15,236	\$ 1,485	\$ 4,611	\$ 9,100	\$ 11,046	\$ 12,632
10,642,272	8,785,571	10,754,837	12,192,882	10,318,743	11,253,171
2,836,946	4,078,939	910,881	505,837	705,109	823,364
21,371,523	24,710,670	28,781,879	28,971,387	28,794,353	28,451,791
(4,101,728)	(1,749,993)	(1,736,987)	(1,683,478)	(59,174)	-
<u>\$ 30,764,249</u>	<u>\$ 35,826,672</u>	<u>\$ 38,715,221</u>	<u>\$ 39,995,728</u>	<u>\$ 39,770,077</u>	<u>\$ 40,540,958</u>

DRAFT

City of Inver Grove Heights, Minnesota
Statistical Section (Unaudited)
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

Table 4

	Fiscal Year			
	2015	2016	2017	2018
Revenues				
Taxes	\$ 18,951,875	\$ 20,287,670	\$ 21,228,180	\$ 24,029,756
Licenses and permits	844,006	1,133,121	1,355,686	1,515,601
Intergovernmental	1,111,405	2,686,298	1,828,149	8,443,585
Charges for services	6,857,352	7,073,953	6,044,318	6,635,041
Fines and forfeitures	120,029	119,855	173,365	185,181
Special assessments	1,759,195	1,536,041	1,649,876	1,235,379
Donations	-	-	-	88,317
Investment earnings (loss)	257,824	231,466	391,228	565,567
Miscellaneous	455,909	771,714	1,050,756	776,392
Total Revenues	30,357,595	33,840,118	33,721,558	43,474,819
Expenditures				
Current				
General government	1,667,440	1,868,611	1,870,026	2,147,041
Public safety	8,342,569	9,332,846	9,837,271	10,753,947
Public works	4,580,122	4,504,655	4,848,977	4,668,439
Culture and recreation	5,284,502	5,268,205	5,696,321	6,058,369
Community development	1,612,736	1,696,528	2,008,043	1,915,702
Capital outlay	4,939,260	8,747,031	6,000,301	18,103,407
Debt service				
Principal	3,688,280	2,851,870	2,575,000	11,015,000
Interest and other charges	675,558	787,537	882,784	1,134,477
Bond issuance costs	131,221	140,713	85,505	124,608
Total Expenditures	30,921,688	35,197,996	33,804,228	55,920,990
Excess (Deficiency) of Revenues Over (Under) Expenditures	(564,093)	(1,357,878)	(82,670)	(12,446,171)
Other Financing Sources (Uses)				
Transfers in	5,633,063	7,596,433	5,668,147	9,224,763
Transfers out	(4,762,561)	(7,928,133)	(4,960,644)	(7,300,022)
Bonds issued	7,745,000	-	3,505,000	9,785,000
Lease issued	-	-	-	-
Premium on bonds issued	188,546	273,154	128,904	407,479
Refunding bonds issued	-	8,515,000	-	-
Principal paid on refunded bonds	-	-	-	-
Sale of capital assets	-	-	47,643	-
Total Other Financing Sources (Uses)	8,804,048	8,456,454	4,389,050	12,117,220
Net Change in Fund Balances	\$ 8,239,955	\$ 7,098,576	\$ 4,306,380	\$ (328,951)
Debt Service as a Percentage of Noncapital Expenditures	16.36%	12.30%	10.98%	31.32%

Note: In 2018, current refunding bonds were issued to refund a significant portion of outstanding debt.

Table 4

Fiscal Year					
2019	2020	2021	2022	2023	2024
\$ 26,375,433	\$ 26,106,752	\$ 27,569,539	\$ 29,491,935	\$ 31,790,372	\$ 34,332,849
1,884,737	1,232,336	1,939,133	1,820,192	1,505,449	1,547,176
4,964,285	6,584,684	3,111,726	3,281,568	5,519,063	5,173,662
7,310,715	6,988,370	9,510,155	7,825,923	7,817,670	8,732,515
187,738	145,283	166,286	193,985	197,013	188,442
1,354,147	1,424,389	1,079,854	1,843,776	2,300,173	2,712,420
-	-	-	-	-	2,080
1,306,923	1,393,306	(298,830)	(747,272)	1,692,878	2,247,647
1,072,834	1,159,838	1,201,916	1,172,444	2,608,524	1,522,498
44,456,812	45,034,958	44,279,779	44,882,551	53,431,142	56,459,289
2,147,501	2,569,221	3,900,394	3,998,983	2,870,643	3,720,203
11,897,247	12,571,164	12,589,736	14,336,568	16,072,181	17,284,650
5,501,354	5,388,120	5,614,601	5,675,556	6,573,282	5,520,179
6,006,067	5,123,142	6,022,413	6,688,174	7,100,176	7,674,001
1,657,141	3,644,949	2,060,832	1,973,428	2,289,964	2,205,205
18,382,651	7,622,854	6,873,673	8,035,860	14,383,257	11,109,390
2,385,000	2,135,000	1,560,000	2,164,308	2,074,648	2,092,940
1,234,714	1,069,906	941,357	886,738	832,374	801,923
110,529	47,548	-	-	-	-
49,322,204	40,171,904	39,563,006	43,759,615	52,196,525	50,408,491
(4,865,392)	4,863,054	4,716,773	1,122,936	1,234,617	6,050,798
9,746,464	9,313,089	11,824,493	7,620,711	8,243,486	5,414,525
(9,225,805)	(7,709,382)	(13,448,974)	(6,966,052)	(6,652,009)	(6,596,631)
2,500,000	-	-	-	-	-
-	-	-	58,318	-	-
55,244	19,437	-	-	-	-
-	1,640,000	-	-	-	-
-	(1,640,000)	-	-	-	-
-	-	90,000	-	-	-
3,075,903	1,623,144	(1,534,481)	712,977	1,591,477	(1,182,106)
\$ (1,789,489)	\$ 6,486,198	\$ 3,182,292	\$ 1,835,913	\$ 2,826,094	\$ 4,868,692
10.86%	9.28%	7.58%	8.25%	7.33%	7.05%

THIS PAGE IS LEFT
BLANK INTENTIONALLY

DRAFT

City of Inver Grove Heights, Minnesota
Statistical Section (Unaudited)
General Governmental Tax Revenues by Source
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

Table 4.1

<u>Fiscal Year</u>	<u>Property Tax</u>	<u>Tax Increments</u>	<u>Lodging Tax</u>	<u>Franchise Tax</u>	<u>Total</u>
2015	\$ 16,726,629	\$ 2,020,664	\$ 106,361	\$ 98,221	\$ 18,951,875
2016	18,096,154	1,959,743	128,367	103,406	20,287,670
2017	19,408,114	1,578,646	133,979	107,441	21,228,180
2018	21,104,528	1,655,941	133,872	1,135,415 (1)	24,029,756
2019	23,331,181	1,738,995	133,808	1,171,449	26,375,433
2020	24,851,795	- (2)	77,357	1,177,600	26,106,752
2021	26,265,094	-	120,618	1,183,827	27,569,539
2022	28,153,934	2,567	128,548	1,206,886	29,491,935
2023	30,327,377	-	248,216	1,214,779	31,790,372
2024	32,908,091	-	203,013	1,221,745	34,332,849

(1) The City began the collection of gas and electric utility franchise fees in 2018.

(2) In 2020, the City transferred authority over their existing Tax Increment Financing Districts to another entity.

DRAFT

City of Inver Grove Heights, Minnesota
Statistical Section (Unaudited)
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Table 5

Fiscal Year Ended December 31, (1)	Tax Capacity				
	Real Property		Personal Property	Less Tax Exempt Real Property	Total Taxable Assessed Value
	Residential Property	Commercial Property			
2015	\$ 25,635,739	\$ 9,263,633	\$ 726,252	\$ 3,914,916	\$ 31,710,708
2016	27,361,534	9,779,662	753,881	4,071,056	33,824,021
2017	28,111,605	9,722,415	787,939	4,126,152	34,495,807
2018	31,103,141	9,930,791	823,979	4,623,984	37,233,927
2019	33,620,344	10,011,283	802,338	4,660,532	39,773,433
2020	35,972,794	10,284,333	818,480	4,796,534	42,279,073
2021	38,317,299	11,095,364	885,375	5,034,580	45,263,458
2022	40,830,541	11,380,555	521,898	5,378,618	47,354,376
2023	47,888,464	12,027,565	527,995	5,728,590	54,715,434
2024	49,995,088	13,514,618	563,467	5,747,296	58,325,877

Source: Dakota County Assessor.

(1) Represents the year the taxes are payable, not the year the taxes are levied.

Table 5

Total Direct Tax Rate	Estimated Actual Value	Assessed Value as a Percentage of Actual Value
48.131	\$ 3,005,516,326	1.19 %
49.266	3,198,957,044	1.18
51.644	3,270,107,980	1.18
51.112	3,560,206,357	1.18
53.537	3,805,930,599	1.17
51.037	4,049,704,082	1.16
50.590	4,314,509,327	1.17
51.925	4,548,648,085	1.16
48.814	5,234,903,001	1.15
50.132	5,511,804,726	1.16

DRAFT

City of Inver Grove Heights, Minnesota
Statistical Section (Unaudited)
Property Tax Rates - Direct and Overlapping Governments
Last Ten Fiscal Years

Table 6

Fiscal Year	City of Inver Grove Heights		
	Operating Millage	Debt Service Millage	Total Direct Rate
2015	43.984 %	4.147 %	48.131 %
2016	43.621	5.645	49.266
2017	45.717	5.927	51.644
2018	46.379	4.733	51.112
2019	47.674	5.863	53.537
2020	45.151	5.886	51.037
2021	45.038	5.552	50.590
2022	47.251	4.674	51.925
2023	44.718	4.096	48.814
2024	46.239	3.893	50.132

Source: Dakota County Treasurer - Auditor.

(1) Overlapping rates are those of local and county governments that apply to property owners within the City of Inver Grove Heights. Not all overlapping rates apply to all City of Inver Grove Heights property owners (i.e. the rates for School District #199 apply only to the proportion of the government's property owners whose property is located within the geographic boundaries of the school district.)

(2) Special districts include: Metropolitan Council, Mosquito Control, and Metropolitan Transit.

Table 6

Dakota County	Overlapping Rates (1)				Total Direct & Overlapping Rates
	School District No. 199	School District No. 196	School District No. 197	Special Districts (2)	
29.633 %	34.864 %	23.271 %	24.063 %	4.567 %	164.529 %
28.570	30.272	24.317	22.170	4.614	159.209
28.004	28.572	23.336	22.295	4.458	158.309
26.580	26.680	21.352	21.224	3.878	150.826
25.386	26.537	20.613	24.246	3.824	154.143
24.133	22.896	19.860	22.125	3.631	143.682
22.716	23.368	20.046	21.900	3.432	142.052
21.630	22.296	19.971	20.391	3.381	139.594
18.816	20.009	17.904	17.067	2.914	125.524
18.323	20.100	23.624	17.391	2.994	132.564

DRAFT

City of Inver Grove Heights, Minnesota
Statistical Section (Unaudited)
Principal Property Taxpayers
Current and Nine Years Ago

Table 7

Taxpayer	2024			2015		
	Net Tax Capacity	Rank	Percent of Total Net Tax Capacity	Net Tax Capacity	Rank	Percent of Total Net Tax Capacity
Xcel Energy (Northern States Power)	\$ 2,316,317	1	3.62 %	\$ 1,972,488	1	5.54 %
Flint Hills	1,040,333	2	1.62	491,464	2	1.38
Southview Gables / GSIC II Southview LLC	959,243	3	1.50			
Lake Cove Village Partnership	619,523	4	0.97	345,227	5	0.97
Salem Green Ltd. Partnership	598,242	5	0.93	269,833	7	0.76
PHM Inver Grove Inc	556,250	6	0.87	347,218	4	0.97
Chicago & NW Trans Co.	452,453	7	0.71			
Crossings IGH LLC	448,568	8	0.70	219,768	10	0.62
Pearlwood Estates LP	446,770	9	0.70	284,646	6	0.80
Farmers Union Central Exchange (Cenex)	431,564	10	0.67	248,314	8	0.70
ML Casa IV LP (I & G Southview LLC)				480,617	3	1.35
Vansouth Ltd. Partnership				284,646	6	0.80
Brentwood Hills Ltd. Partnership				238,367	9	0.67
Pearlwood Estates Ltd						
Total	<u>\$ 7,869,263</u>		<u>12.28 %</u>	<u>\$ 5,182,588</u>		<u>14.55 %</u>

Source: Dakota County Treasurer - Auditor.

DRAFT

City of Inver Grove Heights, Minnesota
Statistical Section (Unaudited)
Property Tax Levies and Collections
Last Ten Fiscal Years

Table 8

Fiscal Year	Total Tax Levy for Fiscal Year	Collection of Current Year's Levy	Percentage of Levy Collected	Collection of Prior Years' Levy	Total Collections	Percentage of Total Collections to Levy
2015	\$ 16,468,844	\$ 16,369,815	99.40	\$ 119,121	\$ 16,488,936	100.00 %
2016	18,022,195	17,928,458	99.48	121,505	18,049,963	100.00
2017	19,197,825	19,056,388	99.26	141,437	19,197,825	100.00
2018	21,041,791	20,921,998	99.43	138,037	21,060,035	100.00
2019	23,310,688	23,282,030	99.88	81,723	23,363,753	100.00
2020	24,810,277	24,673,232	99.45	120,512	24,793,744	99.93
2021	26,202,752	26,071,741	99.50	158,544	26,230,285	100.00
2022	28,064,780	27,912,552	99.46	126,474	28,039,026	99.91
2023	30,414,189	30,127,420	99.06	236,646	30,364,066	99.84
2024	32,820,788	29,558,524	90.06	-	29,558,524	90.06

Source: Dakota County Treasurer - Auditor.

DRAFT

City of Inver Grove Heights, Minnesota
Statistical Section (Unaudited)
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Table 9

Fiscal Year	Governmental Activities				Business-type Activities	
	General Obligation (G.O.) Bonds	G.O. Tax Increment Bonds	G.O. Special Assessments Bonds	Leases Payable	G.O. Revenue Bonds	Financed Purchases
2015	\$ 17,363,296	\$ 2,836,275	\$ 7,567,731	\$ -	\$ 20,408,629	\$ 29,120
2016	25,734,951	1,681,275	6,242,731	-	19,018,096	-
2017	25,073,158	1,131,275	8,452,731	-	23,197,427	-
2018	25,943,500	560,000	7,269,990	-	21,511,921	-
2019	27,673,288	-	6,190,866	-	14,786,830	-
2020	26,671,000	-	5,007,560	-	13,511,374	-
2021	25,303,163	-	4,750,727	148,377	15,172,519	-
2022	23,882,175	-	4,093,894	224,958	10,907,593	-
2023	22,381,187	-	3,582,061	100,310	10,109,127	-
2024	20,805,199	-	3,065,228	37,370	9,280,660	-

Details regarding the City's outstanding debt can be found in the notes to the financial statements.

See the Schedule of Demographic and Economic Statistics for personal income and population data.

DRAFT

Table 9

Total Primary Government		Percentage of Personal Income	Per Capita	
\$	48,205,051	3.94	\$	1,389
	52,677,053	4.27		1,502
	57,854,591	4.45		1,642
	55,285,411	3.88		1,563
	48,650,984	3.27		1,371
	45,189,934	2.15		1,281
	45,374,786	2.90		1,267
	39,108,620	2.27		1,094
	36,172,685	1.97		1,013
	33,188,457	1.75		916

DRAFT

City of Inver Grove Heights, Minnesota
Statistical Section (Unaudited)
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Table 10

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Less Amounts Restricted for Debt Service</u>	<u>Net Bonded Debt</u>	<u>Percentage of Estimated Market Value of Taxable Property (1)</u>	<u>Per Capita (2)</u>
2015	\$ 48,175,931	6,000,117	\$ 42,175,814	1.40 %	\$ 1,218
2016	52,677,053	5,119,578	47,557,475	1.49	1,350
2017	57,854,591	4,657,944	53,196,647	1.63	1,510
2018	55,285,411	5,129,747	50,155,664	1.41	1,418
2019	48,650,984	4,201,334	44,449,650	1.17	1,253
2020	45,189,934	4,304,080	40,885,854	1.01	1,158
2021	45,226,409	4,190,980	41,035,429	0.95	1,146
2022	38,883,662	4,074,672	34,808,990	0.77	974
2023	36,072,375	4,181,396	31,890,979	0.61	893
2024	33,151,087	4,224,459	28,926,628	0.52	799

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.

(2) Population data can be found in the Schedule of Demographic and Economic Statistics.

City of Inver Grove Heights, Minnesota
Statistical Section (Unaudited)
Computation of Direct and Overlapping Governmental Activities Debt
December 31, 2024

Table 11

Governmental Unit	Debt Outstanding (1)	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
<u>Debt Repaid with Property Taxes</u>			
School District # 199	\$ 38,125,000	94.5 %	\$ 36,044,786
School District # 196	372,305,000	5.5	20,340,139
School District # 197 (3)	142,185,000	0.6	881,689
Metropolitan Council (2)	<u>159,410,000</u>	1.0	<u>1,642,082</u>
 Total Overlapping Debt	 712,025,000		 58,908,696
 City of Inver Grove Heights Direct Debt	 <u>23,907,797</u>	 100.00	 <u>23,907,797</u>
 Total Direct and Overlapping Debt	 <u><u>\$ 735,932,797</u></u>		 <u><u>\$ 82,816,493</u></u>

Source: Dakota County Treasurer/Auditor, Official Statement obtained on EMMA and Municipal Advisor's records

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses to the City of Inver Grove Heights, Minnesota. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government.

(1) Amounts do not include non-general obligation debt, self-supporting general obligation revenue debt, short-term general obligation debt, or general obligation tax/aid anticipation certificates of indebtedness.

(2) Debt includes all outstanding general obligation debt supported by taxes of the Metropolitan Council. The Council also has general obligation sewer revenue, wastewater revenue, and radio revenue bonds and lease obligations outstanding all of which are supported entirely by revenues and have not been included in the Overlapping Debt.

(3) Based upon the long term facilities maintenance revenue formula and current statistics, the District anticipates a portion of this debt will be paid by the State of Minnesota.

City of Inver Grove Heights, Minnesota
Statistical Section (Unaudited)
Legal Debt Margin Information
Last Ten Fiscal Years

Table 12

	Fiscal Year			
	2015	2016	2017	2018
Debt Limit	\$ 90,165,490	\$ 95,968,711	\$ 98,103,239	\$ 106,806,191
Total Net Debt Applicable to Limit	<u>14,077,236</u>	<u>13,229,040</u>	<u>14,530,123</u>	<u>23,056,521</u>
Legal Debt Margin	<u>\$ 73,929,618</u>	<u>\$ 77,764,233</u>	<u>\$ 76,088,254</u>	<u>\$ 82,739,671</u>
Total Net Debt Applicable to the Limit as a Percent of Debt Limit	15.61%	13.78%	14.81%	21.59%

DRAFT

Table 12

Fiscal Year					
2019	2020	2021	2022	2023	2024
\$ 114,177,918	\$ 121,295,097	\$ 129,435,280	\$ 136,459,443	\$ 157,047,090	\$ 165,354,142
24,751,521	23,883,401	21,776,263	20,406,263	18,587,832	16,931,247
<u>\$ 83,573,116</u>	<u>\$ 83,749,670</u>	<u>\$ 89,426,397</u>	<u>\$ 97,411,696</u>	<u>\$ 107,659,017</u>	<u>\$ 148,422,895</u>
21.68%	19.69%	16.82%	14.95%	11.84%	10.24%

Legal Debt Margin Calculation for Fiscal Year 2024

Taxable Market Value	<u>\$ 5,511,804,726</u>
Debt Limit (3 Percent of Market Value)	<u>\$ 165,354,142</u>
Debt Applicable to Limit	
General obligation bonds	20,260,000
Less: amount available in debt service funds	<u>(3,328,753)</u>
Total Net Debt Applicable to Limit	<u>16,931,247</u>
Legal Debt Margin	<u>\$ 148,422,895</u>

City of Inver Grove Heights, Minnesota
Statistical Section (Unaudited)
Pledged Revenue Coverage
Last Ten Fiscal Years

Table 13

Water G.O. Revenue Bonds							
Fiscal Year	Water Charges and other	Less Operating Expense (1)	Net Available Revenue	Debt Service			Coverage
				Principal	Interest	Total	
2015	\$ 2,899,782	\$ 1,449,803	\$ 1,449,979	\$ 805,000	\$ 91,050	\$ 896,050	161.82 %
2016	2,878,095	1,572,283	1,305,812	825,000	74,039	899,039	145.25
2017	3,051,811	1,702,566	1,349,245	845,000	57,324	902,324	149.53
2018	3,132,068	2,005,111	1,126,957	850,000	40,426	890,426	126.56
2019	3,031,231	1,807,741	1,223,490	369,999	27,701	397,700	307.64
2020	3,212,973	1,894,709	1,318,264	379,999	20,676	400,675	329.01
2021	3,602,230	2,036,110	1,566,120	390,000	12,975	402,975	388.64
2022	3,606,552	2,859,679	746,873	409,088	6,800	415,888	179.59
2023	4,087,810	2,966,106	1,121,704	-	-	-	-
2024	3,886,195	2,408,628	1,477,567	-	8,000	8,000	-

Sewer G.O. Revenue Bonds							
Fiscal Year	Sewer Charges and other	Less Operating Expense (1)	Net Available Revenue	Debt Service			Coverage
				Principal	Interest	Total	
2015	\$ 3,088,659	\$ 2,653,539	\$ 435,120	\$ 475,000	\$ 301,760	\$ 776,760	56.02 %
2016	3,281,356	2,455,570	825,786	525,000	472,244	997,244	82.81
2017	3,460,592	2,938,354	522,238	715,000	559,112	1,274,112	40.99
2018	3,693,679	2,779,890	913,789	790,000	609,351	1,399,351	65.30
2019	3,738,809	2,893,402	845,407	815,001	493,866	1,308,867	64.59
2020	3,847,337	3,003,492	843,845	850,001	372,449	1,222,450	69.03
2021	3,929,095	2,755,555	1,173,540	880,000	344,088	1,224,088	95.87
2022	4,220,841	3,327,065	893,776	895,912	336,568	1,232,480	72.52
2023	4,632,630	4,002,071	630,559	750,000	289,700	1,039,700	60.65
2024	5,213,056	3,166,393	2,046,663	780,000	265,550	1,045,550	195.75

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) Excludes depreciation expense.

City of Inver Grove Heights, Minnesota
Statistical Section (Unaudited)
Demographic and Economic Statistics
Last Ten Fiscal Years

Table 14

<u>Fiscal Year</u>	<u>Population (2)</u>	<u>Personal Income</u>	<u>Per Capita Personal Income (1)</u>	<u>Unemployment Rate</u>
2015	34,627	\$ 1,219,285,924	\$ 35,212	3.5 %
2016	35,234	1,234,916,466	35,049	3.3
2017	35,236	1,300,419,816	36,906	3.3
2018	35,372	1,425,526,972	40,301	2.6
2019	35,481	1,488,569,874	41,954	3.0
2020	35,321	2,108,063,243	59,683	7.9
2021	35,801	1,564,897,511	43,711	3.4
2022	35,743	1,719,235,622	48,022	2.0
2023	35,701	1,832,116,175	51,175	2.6
2024	36,219	1,899,994,871	53,071	3.0

Data Sources

Metropolitan Council (www.metrocouncil.org)

Minnesota Dept of Employment and Economic Development (www.deed.state.mn.us)

U.S. Census Bureau (www.factfinder2.census.gov)

(1) Per Capita Personal Income is for the State of Minnesota, not solely the City of Inver Grove Heights and uses the latest published numbers.

(2) Population is from the latest published estimates provided by the metropolitan council

THIS PAGE IS LEFT
BLANK INTENTIONALLY

DRAFT

City of Inver Grove Heights, Minnesota
Statistical Section (Unaudited)
Principal Employers
Prior Year and Nine Years Ago

Table 15

	2024			2015		
	Employees	Rank	Percent of City Employment (1)	Employees	Rank	Percent of City Employment (1)
CHS Inc / Cenex	2,300	1	11.72 %	1,000	1	2.65 %
Evergreen Industries	1,201	2	6.12	450	5	1.19
Independent School District 199	625	3	3.18	570	2	1.51
Gertens	480	4	2.45	470	4	1.25
City of Inver Grove Heights	470	5	2.39	322	7	0.85
Travel Tags	350	6	1.78	350	6	0.93
Inver Hills Community College	281	7	1.43	484	3	1.28
Total Construction	250	8	1.27	250	8	0.66
Wal-Mart	210	9	1.07	230	9	0.61
Woodlyn Heights Senior Living	89	10	0.45			
Cub Foods				160	10	0.42
Total	<u>6,256</u>		<u>31.86 %</u>	<u>4,286</u>		<u>11.35 %</u>

Source: MN Department of Economic Employment and Development

(1) Represents total employment, not just within the City

City of Inver Grove Heights, Minnesota
Statistical Section (Unaudited)
Full-time Equivalent Employees by Function
Last Ten Fiscal Years

Table 16

Function	2015	2016	2017	2018
General Government	28	34	30	32
Public Safety				
Police				
Officers	35	36	39	39
Civilians	6	6	5	7
Fire				
Firefighters and officers	3	3	4	4
Civilians	2	2	1	1
Public Works				
Engineering	6	6	6	7
Maintenance	15	16	16	13
Culture and Recreation	25	24	28	27
Water and Sewer	7	9	8	9
	<u>127</u>	<u>136</u>	<u>137</u>	<u>139</u>
Total				

Source: City budgets and personnel records.

Table 16

2019	2020	2021	2022	2023	2024
38	39	43	42	41	38
40	41	45	46	46	46
5	6	5	6	6	7
7	7	7	16	17	18
1	1	1	1	1	1
8	8	8	7	8	8
12	12	13	13	13	15
30	32	33	35	39	32
10	11	10	10	10	9
151	157	165	176	181	174

DRAFT

City of Inver Grove Heights, Minnesota
Statistical Section (Unaudited)
Operating Indicators by Function
Last Ten Fiscal Years

Table 17

Function	2015	2016	2017	2018
Police				
Physical arrests ⁽¹⁾	418	377	520	542
Traffic violations	1,285	1,154	2,086	2,542
Fire				
Calls answered	1,193	1,324	1,602	1,577
Public Works				
Resurfacing (miles)	1.25	0.70	0.68	1.81
Culture and Recreation				
Athletic field permits issued ⁽³⁾	2,877	2,823	2,907	2,856
Community center admissions	227,791	225,696	227,323	228,911
Rink hours used	4,045	5,467	5,822	4,493
Rounds of golf purchased	52,997	42,913	44,067	59,738
Driving range buckets ⁽²⁾	19,901	10,647	13,457	13,921
Water				
New connections	37	427	78	198
Water main breaks	3	4	5	9
Average daily consumption (millions of gallons)	2.75	2.65	2.80	2.70

Sources: City department records.

(1) Only Felony arrests were tracked between 2015 and 2016

(2) Driving Range buckets can be purchased in 3 sizes ranging from 20 to 75 balls per bucket.

(3) In 2021, the City implemented new software. Athletic permits are now tracked by hours versus number of permits issued.

Table 17

2019	2020	2021	2022	2023	2024
544	686	719	600	624	691
1,909	1,622	1,827	1,585	1,468	1,093
1,816	2,217	2,787	3,014	3,058	2,988
0.40	2.20	2.93	8.08	6.4	11.16
2,842	2,660	5,101	7,123	7,057	5,846
219,918	85,669	119,176	163,615	165,499	233,979
5,449	3,230	5,300	5,079	5,563	5,688
57,644	71,288	82,439	72,683	70,841	80,737
14,281	18,282	20,958	19,954	18,973	19,758
72	45	81	222	101	117
1	2	2	7	4	4
2.68	2.96	3.14	2.99	2.97	2.81

City of Inver Grove Heights, Minnesota
Statistical Section (Unaudited)
Capital Asset Statistics by Function
Last Ten Fiscal Years

Table 18

Function	2015	2016	2017	2018
Public Safety				
Police				
Stations	1	1	1	1
Patrol units	21	21	20	19
Fire stations				
Stations	2	2	2	2
Fire trucks	10	10	11	11
Other vehicles	4	4	4	4
Public Works				
Highways and streets				
Streets (miles)	141	144	149	152
Street lights (1)	33	33	33	33
Traffic signals (2)	2	2	2	2
Culture and Recreation				
Parks acreage	844	844	844	911
Parks	28	28	28	28
Swimming pools	4	4	4	4
Ice rinks	10	10	10	10
Athletic fields	24	24	24	24
Tennis courts	11	11	11	11
Community centers	1	1	1	1
Golf courses	1	1	1	1
Utilities				
Water				
Miles of water main	156	161	158	152
Wells	7	7	7	7
Fire hydrants	1,711	1,647	1,673	1,762
Maximum daily capacity (millions of gallons)	13	13	13	13
Sewer				
Miles of sanitary sewer	132	129	129	130
Miles of storm sewers	102	102	104	101

Source: City department records.

(1) The majority of street lights in the City are owned by the utility companies.

(2) The majority of traffic lights in the City are owned by Dakota County and/or the State of Minnesota.

Table 18

2019	2020	2021	2022	2023	2024
1	1	1	1	1	1
20	23	26	29	29	29
3	3	3	3	3	3
11	11	11	11	11	11
4	6	5	5	7	7
141	141	144	144	146	146
48	48	30	30	26	26
2	2	2	2	12	12
916	1,054	1,062	1,062	1,062	1,064
28	29	30	30	30	32
4	4	4	4	4	4
10	11	11	12	12	12
24	26	26	26	26	17
14	12	12	12	12	19
1	1	1	1	1	1
1	1	1	1	1	1
154	161	166	169	169	169
7	7	7	7	7	7
1,802	1,831	1,923	1,948	1,955	2,001
13	13	13	13	13	13
131	131	135	134	134	134
108	111	113	115	114	114

THIS PAGE IS LEFT
BLANK INTENTIONALLY

DRAFT

OTHER REPORTS

CITY OF INVER GROVE HEIGHTS
INVER GROVE HEIGHTS, MINNESOTA

DRAFT

FOR THE YEAR ENDED
DECEMBER 31, 2024

THIS PAGE IS LEFT
BLANK INTENTIONALLY

DRAFT

INDEPENDENT AUDITOR'S REPORT ON MINNESOTA LEGAL COMPLIANCE

Honorable Mayor and City Council
City of Inver Grove Heights, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Inver Grove Heights, Minnesota (the City), as of and for the year ended December 31, 2024, and the related notes to the financial statements which collectively comprise the City's basic financial statements,, and have issued our report thereon dated NEED DATE.

In connection with our audit, nothing came to our attention that caused us to believe that the City failed to comply with the provisions of the contracting and bidding, deposits and investments, conflicts of interest, public indebtedness, claims and disbursements, miscellaneous provisions, and tax increment financing sections of the *Minnesota Legal Compliance Audit Guide for Cities*, promulgated by the State Auditor pursuant to Minn. Stat. § 6.65, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the City's noncompliance with the above referenced provisions, insofar as they relate to accounting matters.

This report is intended solely for the information and use of those charged with governance and management of the City and the State Auditor and is not intended to be, and should not be, used by anyone other than these specified parties.

Abdo
Minneapolis, Minnesota
NEED DATE

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Honorable Mayor and City Council
City of Inver Grove Heights, Minnesota

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Inver Grove Heights, Minnesota (the City), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated NEED DATE

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters which are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Abdo

Minneapolis, Minnesota

NEED DATE

DRAFT



THIS PAGE IS LEFT
BLANK INTENTIONALLY

DRAFT

FEDERAL FINANCIAL AWARD PROGRAMS

CITY OF INVER GROVE HEIGHTS
INVER GROVE HEIGHTS, MINNESOTA

DRAFT

FOR THE YEAR ENDED
DECEMBER 31, 2024

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Honorable Mayor and City Council
City of Inver Grove Heights, Minnesota

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Inver Grove Heights, Minnesota (the City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2024. The City's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings, Responses and Questioned Costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to City's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Abdo
Minneapolis, Minnesota
NEED DATE



City of Inver Grove Heights, Minnesota
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2024

Funding Source	Administering Department	Domestic Assistance Number	Program Name/Number	Federal Program Clusters	Federal Expenditures
U.S. Department of Justice	City of Burnsville	16.738	Edward Byrne Memorial Justice Assistance Grant (JAG) Program-Local Solicitation		\$ 21,862
U.S. Department of Transportation	City of South St. Paul	20.600 ⁽¹⁾	State and Community Highway Safety	5,293	
U.S. Department of Transportation	Minnesota Department of Revenue	20.600 ⁽¹⁾	State and Community Highway Safety	60,702	
U.S. Department of Transportation	City of West St. Paul	20.600 ⁽¹⁾	State and Community Highway Safety	433	
			State and Community Highway Safety	66,428	
U.S. Department of Transportation	City of South St. Paul	20.616 ⁽¹⁾	National Priority Safety Programs	330	
			Total Highway Safety Cluster		\$ 66,758
U.S. Department of Homeland Security	Dakota County	97.067	Homeland Security Grant Program		10,725
U.S. Department of Transportation	City of South St. Paul	20.608	Minimum Penalties for Repeat Offenders for Driving While Intoxicated		12,278
U.S. Department of Transportation	Minnesota Department of Revenue	20.608	Minimum Penalties for Repeat Offenders for Driving While Intoxicated		36,543
U.S. Department of Transportation	City of West St. Paul	20.608	Minimum Penalties for Repeat Offenders for Driving While Intoxicated		3,515
			Total Minimum Penalties for Repeat Offenders for Driving While Intoxicated		52,336
U.S. Department of Treasury	Minnesota Department of Revenue	21.027	Coronavirus State and Local Fiscal Recovery Funds (Covid-19)		1,397,441
U.S. Department of the Interior	Minnesota Department of Revenue	15.916	Outdoor Recreation Acquisition, Development and Planning		500,000
U.S. Department of Homeland Security	Direct	97.083	Staffing for Adequate Fire and Emergency Response		1,281,855
Total					<u>\$ 3,330,977</u>

(1) Denotes Highway Safety Cluster

City of Inver Grove Heights, Minnesota
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2023

Note 1: Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the City of Inver Grove Heights, Minnesota (the City) for the year ended December 31, 2024. The City's reporting entity is defined in Note 1A to the City's financial statements. The information in this schedule is presented in accordance with the requirement of the Uniform Guidance, Audits of States, Local Governments, and Non-Profit Organizations. All Federal awards received directly from Federal agencies as well as Federal awards passed through other government agencies are included on the schedule.

Note 2: Summary of Significant Accounting Policies for Expenditures

Expenditures reported on this schedule are reported on the modified accrual basis of accounting.

Note 3: Pass-through Entity Identifying Numbers

Pass-through entity identifying numbers, if any, are presented where available.

Note 4: Subrecipients

No federal expenditures presented in this schedule were provided to subrecipients.

Note 5: Indirect Cost Rate

During the year ended December 31, 2024, the City did not elect to use the 10% de minimis indirect cost rate.

City of Inver Grove Heights, Minnesota
Schedule of Findings, Responses and Questioned Costs
For the Year Ended December 31, 2024

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting	
Material weaknesses identified?	No
Significant deficiencies identified not considered to be material weaknesses?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs	
Material weaknesses identified?	None reported
Significant deficiencies identified not considered to be material weaknesses?	None reported
Type of auditor's report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2CFR section 200.516(a)	No

Identification of Major Programs/Projects

	<u>CFDA No.</u>
Coronavirus State and Local Fiscal Recovery Funds	21.027
Dollar threshold used to distinguish between Type A and Type B Programs	\$ 750,000
Auditee qualified as low-risk auditee?	No

Section II - Financial Statement Findings

None

Section III - Major Federal Award Findings and Questioned Costs

None

Section IV - Schedule of Prior Year Audit Findings

None

Other Issues

A Corrective Action Plan not is required because there are no findings required to be reported under the Federal Single Audit Act.

City of Inver Grove Heights, Minnesota
Schedule of Prior Year Audit Findings
For the Year Ended December 31, 2024

<u>Finding</u>	<u>Description</u>
2023-001	U.S. Department of Homeland Security Staffing for Adequate Fire and Emergency Response Reporting
<i>Criteria:</i>	The Staffing for Adequate Fire and Emergency Response grant requires grantees to submit several reports, including but not limited to semi-annual financial reports.
<i>Recommendation:</i>	We recommend City staff modify their existing procedures to ensure that reports are finalized and complete within the federal grants system.
<i>Current Year Status:</i>	The finding has been removed in the current year report. The reporting requirements were met.

DRAFT



Request for Council Action

SUBJECT: **Ordinance Amending City Code relating to Exterior Building Materials (Hoop Structures)**

MEETING DATE: June 9, 2025

ITEM TYPE: Regular Business

CONTACT: Kevin Shay, Planning Manager, 651.450.2569

ACTION REQUESTED

The Council is asked to consider adoption of the attached Ordinance, amending City Code to allow permanent hoop structures in the Industrial and Institutional zoning districts.

BACKGROUND

In August of 2024, the City Council considered a variance request that would have allowed an existing, non-compliant, hoop structure to remain on a property zoned I-1, Light Industrial. The Council voted to deny the requested variance, as recommended by the Planning Commission and City staff, as the structure did not conform to established material standards and there was a lack of practical difficulties to justify a variance. A second variance from setback standards was also denied. The applicant was given until June 2025 to bring the property into compliance.

After denying the variance requests, Council directed staff to further research whether it was practical or advisable for the City to consider allowing hoop structures under certain conditions or for certain uses and in certain zoning districts, notably industrial districts.

Current Code

Section 10-15-17 (Exterior Building Materials) of the current City Code prohibits hoop structures – whether temporary or permanent – except when they are located on lots greater than 2.5 acres and located in the A, E-1 or E-2 zoning districts. In these cases, they can be up to 500 square feet in size and must be set back 50 feet from all property lines.

The intent of establishing standards for exterior materials, notably in commercial and industrial districts, is to require buildings to be constructed with high-quality material for aesthetic and tax valuation purposes. As presented in August, current City Code for commercial industrial districts requires at least 50% of the exterior vertical surface to be consistent and have a combination of the following materials: brick, sculpture block, panels, wood siding, steel, aluminum, or vinyl lap siding or natural stone. This has the effect of prohibiting hoop structures (sometimes also referred to as "membrane structures").

In jurisdictions where hoop structures are allowed, State Building Code further establishes requirements for both temporary and permanent versions. Temporary hoop structures, defined as those up for 180 days or less, are not required to be structurally engineered, but a building permit is sometimes required depending on size and use. A permanent hoop structure is required to be structurally engineered and meet all related building code requirements

Proposed Code

City staff from Planning, Building Inspections, Code Enforcement and Fire met to discuss whether the allowable use of hoop structures might be expanded and under what conditions. It can be argued that there might be a time and a place for such structures for several types of businesses, as they serve as a cost-effective way to provide weather protection and security for certain materials.

No change is proposed to the current prohibition on hoop structures in R, residential zoning districts. The exception for them in the A, E-1 and E-2 districts has been amended to match the lot size restrictions for the zoning district.

In Commercial Districts, the City's Land Use Matrices currently allow Commercial Greenhouses as a Conditional Use in the A, Agriculture district and as a Permitted use in the B-3, General Business zoning districts. Outdoor Sales and Supply Areas are allowed as an Accessory Use with Garden Supply Stores in the B-3, General Business and B-4, Shopping Center zoning districts. It is assumed both of these uses commonly include hoop-type structures as primary and accessory buildings. It is not uncommon to see hoop structures with the seasonal, temporary greenhouses outside of larger retail stores. There are no amendments to the code related to this.

As for Industrial and Institutional Districts, the attached Ordinance would amend City Code to allow permanent, but not temporary, hoop structures, subject to certain conditions. The proposed language limits their use to the protection of certain materials, such as salt and sand, landscaping materials, mulch and special soils, etc. Permanent hoop structures would be required to obtain the necessary permits and provide engineered plans and information for review and approval by building inspections staff.

City Council discussed this topic at their March 3, 2025 work session and the proposed amendments to the code contained in the attached Ordinance are consistent with the direction provided at that work session.

Planning Commission

The Planning Commission held a public hearing to consider the proposed Ordinance at its June 3, 2025 meeting. There was one member of the public who spoke at the public hearing and expressed interest in the changes being made to the ordinance. The Planning Commission discussed the amendment and were supportive of the request. They voted 6-1 to recommend approval to the City Council with some minor changes that have been included in the Ordinance.

FISCAL IMPACT

N/A

RECOMMENDATION

The Planning Commission and City staff both recommend approval of the attached Ordinance.

ATTACHMENTS

1. Ordinance Hoop Structures

**CITY OF INVER GROVE HEIGHTS
DAKOTA COUNTY, MINNESOTA**

ORDINANCE NO. _____

**AN ORDINANCE AMENDING INVER GROVE HEIGHTS CITY CODE,
TITLE 10, CHAPTER 15, SECTION 17, EXTERIOR BUILDING MATERIALS**

THE CITY COUNCIL OF THE CITY OF INVER GROVE HEIGHTS ORDAINS AS FOLLOWS:

Section One. Amendment. Title 10, Chapter 15, Section 17, **EXTERIOR BUILDING MATERIALS**, of the Inver Grove Heights City Code is hereby amended as follows. The ~~struck out~~ text shows the deleted wording and the underlined text shows the language added to the code:

A. Commercial, Industrial And Institutional Buildings: All exterior vertical surfaces of any principal or accessory structure in a B, I or P zoning district shall have an equally attractive or the same fascia as the front. At least fifty percent (50%) of the exterior vertical surface shall consist of one or a combination of the following or similar materials: brick veneer; sculptured, textured or concrete block or panels; natural wood siding; steel, aluminum or vinyl lap siding; natural stone or glass. A maximum of one-third (1/3) of a building wall is permitted to have sheet or corrugated steel or aluminum finish.

1. Industrial and Institutional Buildings: The framing for hoop houses or other hoop designed apparatus shall be allowed only for storage of materials typically stored outdoors such as salt, sand, landscape materials, mulch, special soils and other similar materials as determined by the Zoning Administrator. The building shall be exempt from the exterior surface requirements and shall be constructed as a permanent structure.

B. Residential Principal Structures:

1. All exterior surfaces of a residential principal structure must be completed within one year of the issuance of a building permit. A six (6) month extension may be granted if a written request is submitted to the city planner ten (10) working days prior to the termination of the one year time limit.

2. Exterior walls of all principal structures in all residential zoning districts (R, A, and E districts) must be covered only with siding (e.g., wood, vinyl, aluminum or metal horizontal lap), stucco, brick, glass, composite plastic or other comparable material as approved by the city planner.

3. Cloth, fabric, canvas, plastic sheets, tarps, tarpaper, insulation, sheet metal and corrugated metal shall be prohibited as final covers for exterior walls and roofs for all principal structures in all residential zoning districts (R, A and E districts).

C. Residential Accessory Structures:

1. Completion Period: All exterior surfaces of a residential accessory structure must be completed within one year of beginning construction. A six (6) month extension may be granted if a written request is submitted to the city planner ten (10) working days prior to the termination of the one year time limit.

2. Allowed Materials: Exterior walls of all accessory structures in all residential zoning districts (R, A and E districts) must be covered only with siding (e.g., wood, vinyl, aluminum or metal horizontal lap), stucco, brick, glass, composite plastic or other comparable material as

approved by the city planner. Sheet metal, corrugated metal or shaped metal material may also be used to cover exterior walls of accessory structures provided:

a. The structure is less than one hundred twenty (120) square feet and is located in a residential zoning district (R, A and E districts).

b. In the A and E-1 zoning districts only, the exterior walls of the structures over one hundred twenty (120) square feet may be covered with sheet metal, corrugated metal or shaped metal provided the material has a thickness of at least 29-gauge, and comes with a manufacturer's warranty of at least twenty (20) years.

3. Prohibited Materials: Cloth, fabric, canvas, plastic sheets, tarps, tarpaper and insulation shall be prohibited as final covers for exterior walls and roofs for all accessory structures in all residential zoning districts (R, A and E districts). In all residential zoning districts (R, A and E districts), the placement or use of framing for hoop houses or other hoop designed apparatus, tent garages and other similar apparatus is prohibited, whether it is an accessory structure or an apparatus as described in subsection C5 of this section.

4. Apparatus: All limitations, restrictions, regulations, prohibitions and standards set forth in this subsection C relating to accessory structures shall also apply to the following:

Nonpermanent or movable apparatus or units, not permanently affixed to the ground, consisting of a frame that is to be used for or intended to be used for storage or other use. These include apparatus commonly known as hoop houses or other hoop designed apparatus, tent garages and other similar apparatus.

The framing for hoop houses or other hoop designed apparatus, tent garages and other similar apparatus is prohibited, whether it is an accessory structure or an apparatus as described in this subsection C5.

5. Exceptions: The following are excluded from the requirements of this subsection C:

a. Playground equipment.

b. Camping tents and special event tents which are in place for less than five (5) days.

c. Commercial greenhouses.

d. Accessory structures to principal agricultural uses (i.e., farms, ranches, stables, greenhouses, nurseries, and uses deemed similar by the city council) in the A and E-1 zoning districts.

e. Accessory structures used as carports and nonpermanent or movable apparatus or units used as carports.

f. Hoop houses and other hoop designed apparatus, whether as accessory structures and nonpermanent or movable apparatus may be placed and used and may be covered with plastic sheets if they meet the following:

(1) Located on lots ~~greater than or equal to 2.5 acres~~ meeting the minimum lot size in the A and E zoning districts;

(2) Maximum size of five hundred (500) square feet; and

(3) Minimum setback of fifty feet (50') from all property lines. (Ord. 1196, 10-12-2009; amd. Ord. 1387, 8-10-2020)

Section Two. Effective Date. This Ordinance shall be in full force and effect upon its passage and publication as provided by law.

Passed in regular session of the City Council on the ____day of _____, 2025.

CITY OF INVER GROVE HEIGHTS

By: _____
Brenda Dietrich, Mayor

ATTEST:

Rebecca Kiernan, City Clerk



Request for Council Action

SUBJECT: Ordinances Amending City Code Related to Above-Ground Fuel Storage Tanks

MEETING DATE: June 9, 2025
ITEM TYPE: Regular Business
CONTACT: Kevin Shay, Planning Manager, 651.450.2569

ACTION REQUESTED

The Council is asked to consider adoption of the attached Ordinances, amending the Zoning Code and Fire Prevention Code, related to standards for above-ground fuel storage tanks.

BACKGROUND

In July of 2024, the Council considered and approved a variance request related to above-ground storage tanks. At that time, the Council requested additional information in order to understand the current regulations and consider possible ordinance updates to the City Code sections related to above ground storage tanks.

Above-ground storage tanks are currently regulated through two sections of the City Code. The first is Section 9-2-4, limits for storage of hazardous materials. This is in the Fire Prevention section of City Code and limits above-ground storage tanks to the I-2 zoning district with no limitations and to the A, B, P and I-1 zoning districts as long as it is one tank not exceeding 500 gallons of capacity or two tanks not exceeding 1,000 gallons of aggregate capacity. Such tanks are also allowed in the Sand and Gravel Overlay District via a Conditional Use Permit (CUP) when associated with an asphalt plant when there is adequate water supply for fire protection.

The second section of City Code that regulates above-ground storage tanks is Section 10-6-2, which is part of the City's Zoning Code. This section provides a table with the permitted, conditional and accessory uses for all nonresidential zoning districts. The table has fuel storage and dispensing as permitted principal uses in the B-1, I-1 and I-2 districts. The tanks must be for exclusive use by the owner and no retail sales may occur except for propane. Fuel storage tanks for crude oil, gasoline, natural gas, propane and other fuels are allowed as a conditional use in the I-2 zoning district.

Both sections of code allow an above-ground storage tank as a principal use of a property. However, the two sections of the Code do not align in regard to the zoning districts the tanks are allowed in.

To remedy this conflict, the attached Ordinance removes the language from the fire prevention section and incorporates it into all allowed zoning districts into the zoning section of City Code. This would add A, B-2, B-3, P and the Sand & Gravel Overlay as districts where the use is allowed. A reference to the State Fire Code has been included to ensure compliance with the standards.

The attached Ordinances also change the above-ground storage tanks from a Permitted or Conditional Principal Use to a Permitted Accessory Use and requires a permit from the Fire Marshal

prior to commencing the use. Above-ground fuel storage tanks are typically associated with a principal use and are an accessory use to augment the principal operation on the property. The permit would allow staff to review the use for compliance through an administrative process.

The Council reviewed this topic at their March 3, 2025 work session and the proposed amendments to the code contained within the attached Ordinance are consistent with the direction provided at that work session.

These proposed amendments to City Code are broken into two separate ordinances as amendments to the Fire Prevention Code require three readings of the Ordinance, and the changes to the Zoning Code require only one reading. The Council has the option of waiving the three reading requirement for the amendments to the Fire Prevention Code, via unanimous vote, if it wishes to.

Planning Commission

The Planning Commission held a public hearing to consider the Ordinances at its June 3, 2025 meeting. No members of the public spoke at the public hearing. The Planning Commission discussed the amendment and were supportive. They voted 7-0 to recommend approval to the City Council.

FISCAL IMPACT

N/A

RECOMMENDATION

The Planning Commission and City staff both recommend adoption of the attached Ordinances.

ATTACHMENTS

1. Ordinance Above Ground Storage Tanks_Fire Prevention
2. Ordinance Above Ground Storage Tanks_Zoning

**CITY OF INVER GROVE HEIGHTS
DAKOTA COUNTY, MINNESOTA**

ORDINANCE NO. _____

**AN ORDINANCE AMENDING INVER GROVE HEIGHTS CITY CODE,
TITLE 9, CHAPTER 2, SECTION 4, LIMITS FOR STORAGE OF CERTAIN HAZARDOUS
MATERIALS**

THE CITY COUNCIL OF THE CITY OF INVER GROVE HEIGHTS ORDAINS AS FOLLOWS:

Section One. Amendment. Title 9, Chapter 2, Section 4, **LIMITS FOR STORAGE OF CERTAIN HAZARDOUS MATERIALS**, of the Inver Grove Heights City Code is hereby amended as follows. The ~~struck out~~ text shows the deleted wording and the underlined text shows the language added to the code:

A. Storage of flammable or combustible liquids in outside aboveground tanks shall apply for a fire permit prior to installation. ~~is prohibited in all zoning districts except that the storage of flammable or combustible liquids in aboveground storage tanks is permitted as follows:~~

~~—1. In the I-2 zoning districts;~~

~~—2. In the A, B, P and I-1 zoning districts, one approved tank not exceeding a five hundred (500) gallons' individual capacity or two (2) tanks in an approved dual tank system not exceeding one thousand (1,000) gallons' aggregate capacity; and~~

~~—3. In the Sand and Gravel Overlay zoning district pursuant to an approved conditional use permit for an asphalt plant when there is an adequate water supply for fire protection and tanks and loading racks are protected in an approve manner.~~

B. Bulk storage of liquefied petroleum gases and flammable cryogenic fluids is prohibited in all zoning districts except the I-2 Zoning District.

C. Storage of explosives and blasting agents is prohibited in all zoning districts.

Section Two. Effective Date. This Ordinance shall be in full force and effect upon its passage and publication as provided by law.

Passed in regular session of the City Council on the ____ day of _____, 2025.

CITY OF INVER GROVE HEIGHTS

By: _____
Brenda Dietrich, Mayor

ATTEST:

Rebecca Kiernan, City Clerk

**CITY OF INVER GROVE HEIGHTS
DAKOTA COUNTY, MINNESOTA**

ORDINANCE NO. _____

**AN ORDINANCE AMENDING INVER GROVE HEIGHTS CITY CODE,
TITLE 10, CHAPTER 6, SECTION 1, LAND USES IN ALL RESIDENTIAL DISTRICTS AND
TITLE 10, CHAPTER 6, SECTION 2, LAND USES IN ALL NONRESIDENTIAL DISTRICTS**

THE CITY COUNCIL OF THE CITY OF INVER GROVE HEIGHTS ORDAINS AS FOLLOWS:

Section One. Amendment. Title 10, Chapter 6, Section 1, **LAND USES IN ALL RESIDENTIAL DISTRICTS**, of the Inver Grove Heights City Code is hereby amended as follows. The ~~struck out~~ text shows the deleted wording and the underlined text shows the language added to the code:

Use	Zoning District												
	A	E-1	E-2	R-1A	R-1B	R-1C	R-2	R-3A	R-3B	R-3C	R-4	MF-PUD	MU-PUD
Accessory Uses													
Fuel storage and dispensing with conditions: A. Exclusive use by owner; B. With agriculture use only	<u>A</u>												

Section Two. Amendment. Title 10, Chapter 6, Section 2, **LAND USES IN ALL NONRESIDENTIAL DISTRICTS** of the Inver Grove Heights City Code is hereby amended as follows. The ~~struck out~~ text shows the deleted wording and the underlined text shows the language added to the code:

Use	Zoning District											
	B-1	B-2	B-3	B-4	OP	I-1	IOP	I-2	P	MU-PUD	COM M-PUD	OFFICE -PUD
Fuel storage and dispensing with conditions: A. Exclusive use by owner;	<u>PA</u>	<u>A</u>	<u>A</u>			<u>PA</u>		<u>PA</u>	<u>A</u>			

B. No retail sales except for propane												
Fuel storage tank such as crude oil, gasoline, natural gas, propane and other fuels								€				

Section Three. Effective Date. This Ordinance shall be in full force and effect upon its passage and publication as provided by law.

Passed in regular session of the City Council on the ____day of _____, 2025.

CITY OF INVER GROVE HEIGHTS

By: _____
Brenda Dietrich, Mayor

ATTEST:

Rebecca Kiernan, City Clerk



Request for Council Action

SUBJECT: **ADDED: Consideration of Resolution of Support for State Bonding Request**

MEETING DATE: June 9, 2025
ITEM TYPE: Regular Business
CONTACT: Kris Wilson, City Administrator, 651.450.2511

ACTION REQUESTED

The Council is asked to consider whether it wishes to direct staff to submit a 2026 capital budget (i.e. "bonding") request to the State of Minnesota prior to the June 13, 2025 deadline.

BACKGROUND

Every two-years, the State of Minnesota's Office of Management and Budget (OMB) establishes a process for local governments, and other entities, to submit capital budget requests to be considered for inclusion in the Governor's proposed Bonding Bill. Submissions for a potential 2026 bonding bill are due to the OMB by June 13, 2025.

Submitting to be part of the Governor's proposed Bonding Bill is not the only way to go about seeking state bond funding for capital projects, as many legislators directly introduce bills to fund projects not contained in the Governor's proposed bill. And the Governor's bill has traditionally included mostly state projects (state government buildings, state parks, state university projects, etc.) and few, if any, local projects. Additionally, the submission process requires an investment of staff time and a level of detail that is sometimes difficult to provide many months prior to the start of the legislative session. For these reasons, staff was not inclined to recommend that the City submit a project to OMB by the June 13 deadline.

However, the City's lobbyist recently noted that the House and Senate Capital Investment Committees often do tours of proposed projects during the summer and fall months, and the requests submitted to OMB in June are the projects with the best chance of getting a tour stop. This has caused staff to rethink the value of submitting to the OMB and seek clear direction from the Council on the subject, to ensure staff is carrying out the Council's wishes.

The projects that are submitted for possible state bond funding must be publicly owned in perpetuity and have a regional benefit or impact. This makes many capital projects the City undertakes ineligible for state bond funding. For example, the construction of a new public works building or the acquisition of park land to serve the northwest area of the city uniquely benefit residents of Inver Grove Heights, and therefore do not make good candidates for state bond funding.

The one project that the City has sufficiently developed enough to make application for at this time would be the sixth and final phase of Heritage Village Park, which includes construction of an amphitheater, picnic shelter(s), additional parking and other amenities. The City has previously been able to successfully argue that Heritage Village Park is a regional amenity, given its size, location and

focus on amenities accessible to individuals of all abilities.

The potential downside to submitting a capital budget request for Heritage Village Park Phase 6 is that it requires a commitment to provide a sizable local funding match. The OMB instructions indicate that projects will require a 50% local funding match (although this has not always been fully enforced once the process is in the Legislature's hands).

As was reviewed during the June 2 joint work session of the Parks & Recreation Advisory Commission and the City Council, the City does have money in its Park Acquisition and Development Fund, which is where money for a local match to state bond dollars would come from. However, the City has also established the acquisition and development of a larger park in the northwest area as a top priority, which would also need to be paid for out of the Park Acquisition and Development Fund. Committing to fund a local match for Heritage Village Park Phase 6 at this time would diminish the funds available for acquiring and developing this NWA park.

FISCAL IMPACT

At the Council meeting, staff will provide a brief overview of the estimated costs of Heritage Village Park Phase 6 and the resulting amount of local dollars that would be required if the project is successful in receiving state bonding funds, as well as the available funds within the City's Park Acquisition and Development Fund and the potential costs to acquire and develop a larger park in the NWA.

RECOMMENDATION

If the Council wishes to keep the acquisition and development of a larger park in the NWA as its top park priority, staff would recommend not pursuing state bond funds for Heritage Village Park Phase 6 in the 2026 bonding cycle. There will likely be an opportunity to pursue state bond funds for Heritage Village Park in future legislative sessions, and waiting at least a year should allow the City to address the acquisition of a NWA park and determine what financial resources remain available to match any state bond funding.

If the Council does want to proceed with submitting Phase 6 of Heritage Village Park to the OMB for possible inclusion in the Governor's 2026 bonding bill, then staff recommends adoption of the attached Resolution of Support, which is a required component of the submission process.

ATTACHMENTS

1. Resolution Supporting 2026 State Bonding Request (June 2025)

**CITY OF INVER GROVE HEIGHTS
DAKOTA COUNTY, MINNESOTA**

RESOLUTION NO. _____

**RESOLUTION OF SUPPORT FOR THE STATE OF MINNESOTA CAPITAL BUDGET REQUEST
FOR THE HERITAGE VILLAGE PARK PHASE 6 PROJECT**

WHEREAS, development of the 65-acre Heritage Village Park, which lies just west of the Mississippi River in the northeastern portion of the City of Inver Grove Heights, has been a multi-year, multi-jurisdiction effort to bring a significant recreational amenity to an area that was previously underutilized industrial property with notable soil contamination, and

WHEREAS, the final phase of the park's development, which consists of the construction of an amphitheater, picnic shelter(s), parking lot expansion, and other park amenities, will complete the public investment intended to attract corresponding private investment in an area of the community that has suffered from a lack of economic investment in recent decades; and

WHEREAS, given its size, location and amenities specifically designed to be accessible to people of all abilities, the park will serve as a regional benefit for residents of and visitors to the southern and eastern Twin Cities metropolitan area;

WHEREAS, completion of this final phase of Heritage Village Park is the City's sole capital budget request;

NOW THEREFORE, BE IT RESOLVED by the Inver Grove Heights City Council that the \$ _____ Capital Budget Request for design and construction of Phase 6 of Heritage Village Park is fully supported and approved by the City Council.

BE IT FURTHER RESOLVED that if awarded the requested funds from the State of Minnesota, the City of Inver Grove Heights is prepared to provide matching funds in the estimated amount of \$ _____, in order to complete the project.

Adopted by the City Council of the City of Inver Grove Heights, Minnesota this 9th day of June, 2025.

Brenda Dietrich, Mayor

ATTEST:

Rebecca Kiernan, City Clerk