



Meeting Location:  
Farmington City Hall, Council  
Chambers  
430 Third Street  
Farmington, MN 55024

## CITY COUNCIL REGULAR MEETING AGENDA

Monday, April 7, 2025  
7:00 PM

Page

1. CALL TO ORDER 7:00 P.M.

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

4. APPROVE AGENDA

5. ANNOUNCEMENTS / COMMENDATIONS

6. CITIZENS COMMENTS / RESPONSES TO COMMENTS

(This time is reserved for citizen comments regarding non-agenda items. No official action can be taken on these items. Speakers are limited to five minutes to address the city council during citizen comment time.)

7. CONSENT AGENDA

7.1. Application for Gambling Event Permit for Farmington Rotary Club  
September 9, 2025 4 - 10

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Rotary Club September 9, 2025 - Pdf](#)

7.2. Minutes of the March 17, 2025 Regular City Council Meeting 11 - 18

[Agenda Item: Minutes of the March 17, 2025 Regular City Council  
Meeting - Pdf](#)

7.3. Pilot Knob Liquor Store Lease Renewal 19 - 21

[Agenda Item: Pilot Knob Liquor Store Lease Renewal - Pdf](#)

7.4. Declaration and Conservation Easement - MNLCO Farmington, LLC 22 - 31

[Agenda Item: Declaration and Conservation Easement - MNLCO  
Farmington, LLC - Pdf](#)

7.5. Development Contract - Vermillion Commons 5th Addition 32 - 50

[Agenda Item: Development Contract - Vermillion Commons 5th Addition  
- Pdf](#)

7.6.	Resolution Granting a Time Extension for Recording of Final Plat - Farmington Technology Park <a href="#">Agenda Item: Adopt Resolution Granting a Time Extension for Recording of Final Plat - Farmington Technology Park - Community Development - Pdf</a>	51 - 53
7.7.	Agreement with BS&A Software for Financial Software and Services <a href="#">Agenda Item: Agreement with BS&amp;A Software for Financial Software and Services - Pdf</a>	54 - 71
7.8.	Final 2024 Interfund Transfers <a href="#">Agenda Item: Approve Final 2024 Interfund Transfers - Pdf</a>	72 - 74
7.9.	Payment of Claims <a href="#">Agenda Item: Payment of Claims - Pdf</a>  Payment of Claims	75 - 76
7.10.	Updated Capital Asset Policy <a href="#">Agenda Item: Updated Capital Asset Policy - Pdf</a>	77 - 92
7.11.	Health Insurance Broker Request for Proposal <a href="#">Agenda Item: Health Insurance Broker Request for Proposal - Pdf</a>	93 - 99
7.12.	Staff Approvals and Recommendations <a href="#">Agenda Item: Staff Approvals and Recommendations - Pdf</a>	100
7.13.	Agreements with AV for You for Outdoor Movie Services <a href="#">Agenda Item: Agreements with AV for You for Outdoor Movie Services - Pdf</a>	101 - 119
7.14.	Donation from Nancy and David Toensing to the Parks and Recreation Department <a href="#">Agenda Item: Donation from Nancy and David Toensing to the Parks and Recreation Department - Pdf</a>	120 - 121
7.15.	Professional Services Agreement with INSPEC for Roofing Consultation Services for Fire Station #1 Reroof Project <a href="#">Agenda Item: Professional Services Agreement with INSPEC for Roofing Consultation Services for Fire Station #1 Reroof Project - Pdf</a>	122 - 139
7.16.	Professional Services Agreement with Bolton & Menk, Inc. for Topographic Survey Services – Farmington Police Security Fence <a href="#">Agenda Item: Professional Services Agreement with Bolton &amp; Menk, Inc. for Topographic Survey Services – Farmington Police Security Fence - Pdf</a>	140 - 161
7.17.	Resolution Declaring Surplus Property-Police <a href="#">Agenda Item: Resolution Declaring Surplus Property-Police - Pdf</a>	162 - 163
7.18.	Professional Services Agreement with Short Elliott Hendrickson, Inc. for the CR 50 & Pilot Knob Road Traffic Signal Replacement Design Services <a href="#">Agenda Item: Professional Services Agreement with Short Elliott</a>	164 - 180

[Hendrickson, Inc. for the CR 50 & Pilot Knob Road Traffic Signal Replacement Design Se - Pdf](#)

- 7.19. Resolution Declaring Surplus Equipment-Public Works 181 - 182  
[Agenda Item: Resolution Declaring Surplus Equipment-Public Works - Pdf](#)

8. PUBLIC HEARINGS

- 8.1. Application for Beer & On-Sale Wine License from Grace Filled Table LLC dba Lighthouse Kitchen + Cafe 183 - 195

Conduct the public hearing and motion to approve the Beer & On-Sale Wine License for Grace Filled Table LLC dba Lighthouse Kitchen + Cafe, located at 953 8th Street, Farmington, MN.

[Agenda Item: Application for Beer & On-Sale Wine License from Grace Filled Table LLC dba Lighthouse Kitchen + Cafe - Pdf](#)

9. AWARD OF CONTRACT

10. PETITIONS, REQUESTS AND COMMUNICATIONS

11. UNFINISHED BUSINESS

12. NEW BUSINESS

13. CITY COUNCIL ROUNDTABLE

14. ADJOURN

## REGULAR COUNCIL AGENDA MEMO

**To:** Mayor, Councilmembers and City Administrator  
**From:** Shirley Buecksler, City Clerk  
**Department:** Administration  
**Subject:** Application for Gambling Event Permit for Farmington Rotary Club September 9, 2025  
**Meeting:** Regular Council - Apr 07 2025

### INTRODUCTION:

For Council approval is a Gambling Event Permit application from Farmington Rotary Club for a raffle on September 9, 2025.

### DISCUSSION:

The City has received an application from Farmington Rotary Club for approval of an application to conduct a raffle on September 9, 2025 at the Rambling River Center, 325 Oak Street, Farmington.

Per Minnesota Statute, City approval is required prior to the Applicant submitting their application to the Gambling Control Board. A background investigation is not required for a Gambling Event Permit.

Staff recommends approval of this application and adoption of Resolution 2025-022.

### ACTION REQUESTED:

Adopt Resolution 2025-022 Concurring with the Issuance of a Minnesota Lawful Gambling Permit for the Farmington Rotary Club to Conduct a Raffle at the Rambling River Center, 325 Oak Street, Farmington, September 9, 2025.

### ATTACHMENTS:

[Gambling Event Permit, Farmington Rotary Club 9.09.25](#)  
[2025-022 Gambling Event Permit, Farmington Rotary Club](#)



**Application for Gambling Event Permit**  
(Form GE2009)

**APPLICANT INFORMATION**

Applicant Name: Joy Kresin Omlid Title: President  
(First) (Middle) (Last)  
Applicant Address: 819 7th Street, Farmington MN 55024  
(Street) (City, State, ZIP)  
Applicant Home Phone: 952-221-6723 Date of Birth: \_\_\_\_\_

**BUSINESS INFORMATION**

Business Name/Organization: Farmington Rotary Club  
Address: PO Box 175, Farmington MN 55024  
(Street) (City, State, ZIP)  
Business Phone: 9522216723 FAX: \_\_\_\_\_ Email: jkresinomlid@finchanddaisy.com

**PROPOSED GAMBLING EVENT LOCATION INFORMATION**

Address: 325 Oak Street, Farmington MN 55024  
Telephone Number: 651-280-6800 FAX: \_\_\_\_\_  
Property Owner: City of Farmington  
Property Owner Address: 430 Third Street, Farmington MN 55024  
(Street) (City, State, ZIP)  
Property Owner Telephone Number: 651-280-6800

Description of gambling activities to be conducted on premises by organization; including days & hours:  
Raffle tickets to be sold May thru September 8; drawing to be held on September 9

\_\_\_\_\_  
\_\_\_\_\_

PROVIDE ALL RELEVANT INFORMATION SUPPORTING THE BASIS FOR EXCLUSION OR EXEMPTION FROM LICENSE REQUIREMENT UNDER ONE OF THE FOLLOWING APPLICABLE SECTIONS:

**Minnesota Statute § 349.166, subd. 1 (a):**

Name of fair or civic celebration: \_\_\_\_\_

Number of consecutive days of bingo operation: \_\_\_\_\_

Number of bingo occasions conducted by organization during the current calendar year: \_\_\_\_\_

**Minnesota Statute § 349.166, subd. 1 (b):**

Value of prizes for a single bingo game: \$ \_\_\_\_\_

Value of total prizes awarded at a single bingo occasion: \$ \_\_\_\_\_

Number of bingo occasions held by the organization or at the facility each week: \_\_\_\_\_

Participants allowed to play in a bingo game: \_\_\_\_\_

Name and address of manager appointed to supervise the bingo and registered with the Gambling Control Board: \_\_\_\_\_

**Minnesota Statute § 349.166, subd. 1 (c):**

Value of all raffle prizes awarded by the organization during calendar year: \$ 6,200

**Minnesota Statute § 349.166, subd. 2 (a):**

Number of lawful gambling events during the year: \_\_\_\_\_

Value of prizes for lawful gambling in a calendar year: \$ \_\_\_\_\_

Exemption identification number: \_\_\_\_\_

**I hereby certify that all statements made in this application are true and complete to the best of my knowledge. I understand that any misstatements or omissions of material facts may result in the disqualification or denial of the license. I authorize the City of Farmington to investigate the information and contact persons/organizations named on this application. The undersigned agrees that the gambling event will conform to all applicable state laws, Gambling Control Board regulations, and ordinances of the City of Farmington.**

Name of Applicant (please print) Joy Kresin Omlid

Signature Joy Kresin Omlid Date 2/28/25

**APPROVALS**

Department	Signature	Date	Comments
Police	_____	_____	_____
City Clerk	_____	_____	_____

**Applicant will need copy of permit and signed resolution to send to the State of Minnesota.**

## CITY OF FARMINGTON – DATA PRACTICES ACT NOTICE

Minnesota law requires that you be informed of your rights as they pertain to private information (“private data”) collected from you by the City of Farmington (“the City”). Private data is that information held by the City which is available to you, but not to the public.

You have the right to refuse to provide the information requested on this application form, however, without certain information, the City may be unable to approve the license applied for. If you feel that certain information requested is an unwarranted invasion of privacy, please contact the Human Resources Director.

The dissemination and the use of private data we collect is limited to that necessary for the administration and management of the City’s licensing program. Persons or agencies with whom this information may be shared include:

- City personnel, including law enforcement personnel, administering the license program;
- The Bureau of Criminal Apprehension;
- The City Attorney and support staff of the City Attorney’s office;
- Federal, state, local, and contracted private auditors;
- Federal and State agencies with oversight or responsibility related to the licensed business;
- Those individuals or agencies as to whom you give your express written permission for release of the information.

Unless otherwise authorized by state statute or federal law, other governmental agencies utilizing the reported private data must also treat the information as private.

You may wish to exercise your rights as contained in the Minnesota Government Data Practices Act. These rights include:

- The right to see and obtain copies of data maintained about you;
- The right to be told the contents and meaning of the data; and
- The right to contest the accuracy and completeness of the data.

To exercise these rights, contact the Farmington Human Resources Director at 430 Third Street, Farmington, MN 55024 (651) 280-6800. I have read and I understand the above information regarding my rights as a subject of government data.

Joy Kresin Omlid  
Applicant

3/18/25  
Date

MINNESOTA LAWFUL GAMBLING  
**LG220 Application for Exempt Permit**

An exempt permit may be issued to a nonprofit organization that:

- conducts lawful gambling on five or fewer days, and
- awards less than \$50,000 in prizes during a calendar year.

If total raffle prize value for the calendar year will be \$1,500 or less, contact the Licensing Specialist assigned to your county by calling 651-539-1900.

**Application Fee (non-refundable)**  
 Applications are processed in the order received. If the application is postmarked or received 30 days or more before the event, the application fee is **\$100**; otherwise the fee is **\$150**.  
 Due to the high volume of exempt applications, payment of additional fees prior to 30 days before your event will not expedite service, nor are telephone requests for expedited service accepted.

**ORGANIZATION INFORMATION**

Organization Name: Farmington Rotary Club Previous Gambling Permit Number: X- 3431-23-011

Minnesota Tax ID Number, if any: 1700646 Federal Employer ID Number (FEIN), if any: 36-4631800

Mailing Address: PO Box 175

City: Farmington State: MN Zip: 55024 County: Dakota

Name of Chief Executive Officer (CEO): Joy Kresin Omlid

CEO Daytime Phone: 9522216723 CEO Email: jkresinomlid@finchanddaisy.com  
 (permit will be emailed to this email address unless otherwise indicated below)

Email permit to (if other than the CEO): \_\_\_\_\_

**NONPROFIT STATUS**

Type of Nonprofit Organization (check one):

Fraternal       Religious       Veterans       Other Nonprofit Organization

**Attach a copy of one of the following showing proof of nonprofit status:**

(DO NOT attach a sales tax exempt status or federal employer ID number, as they are not proof of nonprofit status.)

**A current calendar year Certificate of Good Standing**  
 Don't have a copy? Obtain this certificate from:  
 MN Secretary of State, Business Services Division      Secretary of State website, phone numbers:  
 60 Empire Drive, Suite 100      [www.sos.state.mn.us](http://www.sos.state.mn.us)  
 St. Paul, MN 55103      651-296-2803, or toll free 1-877-551-6767

**IRS income tax exemption (501(c)) letter in your organization's name**  
 Don't have a copy? To obtain a copy of your federal income tax exempt letter, have an organization officer contact the IRS toll free at 1-877-829-5500.

**IRS - Affiliate of national, statewide, or international parent nonprofit organization (charter)**  
 If your organization falls under a parent organization, attach copies of both of the following:  
 1. IRS letter showing your parent organization is a nonprofit 501(c) organization with a group ruling; and  
 2. the charter or letter from your parent organization recognizing your organization as a subordinate.

**GAMBLING PREMISES INFORMATION**

Name of premises where the gambling event will be conducted (for raffles, list the site where the drawing will take place): Rambling River Center

Physical Address (do not use P.O. box): 325 Oak Street

Check one:  
 City: Farmington Zip: 55024 County: Dakota  
 Township: \_\_\_\_\_ Zip: \_\_\_\_\_ County: \_\_\_\_\_

Date(s) of activity (for raffles, indicate the date of the drawing): September 9th, 2025

Check each type of gambling activity that your organization will conduct:  
 Bingo       Paddlewheels       Pull-Tabs       Tipboards       Raffle

**Gambling equipment** for bingo paper, bingo boards, raffle boards, paddlewheels, pull-tabs, and tipboards must be obtained from a distributor licensed by the Minnesota Gambling Control Board. EXCEPTION: Bingo hard cards and bingo ball selection devices may be borrowed from another organization authorized to conduct bingo. To find a licensed distributor, go to [www.mn.gov/gcb](http://www.mn.gov/gcb) and click on **Distributors** under the **List of Licensees** tab, or call 651-539-1900.

# LG220 Application for Exempt Permit

## LOCAL UNIT OF GOVERNMENT ACKNOWLEDGMENT (required before submitting application to the Minnesota Gambling Control Board)

**CITY APPROVAL  
for a gambling premises  
located within city limits**

The application is acknowledged with no waiting period.

The application is acknowledged with a 30-day waiting period, and allows the Board to issue a permit after 30 days (60 days for a 1st class city).

The application is denied.

Print City Name: Farmington

Signature of City Personnel: \_\_\_\_\_

Title: \_\_\_\_\_ Date: \_\_\_\_\_

**The city or county must sign before  
submitting application to the  
Gambling Control Board.**

**COUNTY APPROVAL  
for a gambling premises  
located in a township**

The application is acknowledged with no waiting period.

The application is acknowledged with a 30-day waiting period, and allows the Board to issue a permit after 30 days.

The application is denied.

Print County Name: \_\_\_\_\_

Signature of County Personnel: \_\_\_\_\_

Title: \_\_\_\_\_ Date: \_\_\_\_\_

**TOWNSHIP (if required by the county)**  
On behalf of the township, I acknowledge that the organization is applying for exempted gambling activity within the township limits. (A township has no statutory authority to approve or deny an application, per Minn. Statutes, section 349.213.)

Print Township Name: \_\_\_\_\_

Signature of Township Officer: \_\_\_\_\_

Title: \_\_\_\_\_ Date: \_\_\_\_\_

### CHIEF EXECUTIVE OFFICER'S SIGNATURE (required)

The information provided in this application is complete and accurate to the best of my knowledge. I acknowledge that the financial report will be completed and returned to the Board within 30 days of the event date.

Chief Executive Officer's Signature: Joy Kresin Omlid Date: 2/27/2025  
(Signature must be CEO's signature; designee may not sign)

Print Name: Joy Kresin Omlid

### REQUIREMENTS

**Complete a separate application for:**

- all gambling conducted on two or more consecutive days; or
- all gambling conducted on one day.

Only one application is required if one or more raffle drawings are conducted on the same day.

**Financial report to be completed within 30 days after the gambling activity is done:**  
A financial report form will be mailed with your permit. Complete and return the financial report form to the Gambling Control Board.

Your organization must keep all exempt records and reports for 3-1/2 years (Minn. Statutes, section 349.166, subd. 2(f)).

### MAIL APPLICATION AND ATTACHMENTS

**Mail application with:**

\_\_\_\_\_ a copy of your proof of nonprofit status; and  
\_\_\_\_\_ application fee (non-refundable). If the application is postmarked or received 30 days or more before the event, the application fee is **\$100**; otherwise the fee is **\$150**. Make check payable to **State of Minnesota**.

**To:** Minnesota Gambling Control Board  
1711 West County Road B, Suite 300 South  
Roseville, MN 55113

**Questions?**  
Call the Licensing Section of the Gambling Control Board at 651-539-1900.

Data privacy notice: The information requested on this form (and any attachments) will be used by the Gambling Control Board (Board) to determine your organization's qualifications to be involved in lawful gambling activities in Minnesota. Your organization has the right to refuse to supply the information; however, if your organization refuses to supply this information, the Board may not be able to determine your organization's qualifications and, as a consequence, may refuse to issue a permit. If your organization supplies the information requested, the Board will be able to process the application. Your organization's name and address will be public information when received by the Board. All other information provided will be private data about your organization until the Board issues the permit. When the Board issues the permit, all information provided will become public. If the Board does not issue a permit, all information provided remains private, with the exception of your organization's name and address which will remain public. Private data about your organization are available to Board members, Board staff whose work requires access to the information; Minnesota's Department of Public Safety; Attorney General; Commissioners of Administration, Minnesota Management & Budget, and Revenue; Legislative Auditor, national and international gambling regulatory agencies; anyone pursuant to court order; other individuals and agencies specifically authorized by state or federal law to have access to the information; individuals and agencies for which law or legal order authorizes a new use or sharing of information after this notice was given; and anyone with your written consent.

This form will be made available in alternative format (i.e. large print, braille) upon request.

**CITY OF FARMINGTON  
DAKOTA COUNTY, MINNESOTA**

**RESOLUTION 2025-022**

**A RESOLUTION CONCURRING WITH THE ISSUANCE  
OF A MINNESOTA LAWFUL GAMBLING PERMIT  
FOR THE FARMINGTON ROTARY CLUB  
TO CONDUCT A RAFFLE  
AT THE RAMBLING RIVER CENTER, 325 OAK STREET, FARMINGTON,  
SEPTEMBER 9, 2025**

**WHEREAS**, the Farmington Rotary Club has made application for a Lawful Gambling Permit to the Gambling Control Board to conduct a raffle; and

**WHEREAS**, the raffle will be held at the Rambling River Center, located at 325 Oak Street, Farmington, Minnesota, on September 9, 2025; and

**WHEREAS**, the City of Farmington has no objections to said activity.

**NOW, THEREFORE, BE IT RESOLVED** that the Farmington Mayor and City Council hereby concur with the issuance of a Lawful Gambling Exempt by the Gambling Control Board to the Farmington Rotary Club to conduct a raffle at 325 Oak Street, Farmington, Minnesota, on September 9, 2025.

Adopted by the City Council of the City of Farmington, Minnesota, this 7<sup>th</sup> day of April 2025.

ATTEST:

\_\_\_\_\_  
Joshua Hoyt, Mayor

\_\_\_\_\_  
Shirley R Buecksler, City Clerk



 430 Third St., Farmington, MN 55024  
 651-280-6800  
 FarmingtonMN.gov

## REGULAR COUNCIL AGENDA MEMO

**To:** Mayor, Councilmembers and City Administrator  
**From:** Shirley Buecksler, City Clerk  
**Department:** Administration  
**Subject:** Minutes of the March 17, 2025 Regular City Council Meeting  
**Meeting:** Regular Council - Apr 07 2025

### INTRODUCTION:

For Council approval are the minutes of the March 17, 2025 Regular City Council Meeting.

### ACTION REQUESTED:

Approve the minutes of the March 17, 2025 Regular City Council Meeting.

### ATTACHMENTS:

[03.17.25 Council Minutes](#)

**City of Farmington  
Regular Council Meeting Minutes  
Monday, March 17, 2025**

The City Council met in regular session on Monday, March 17, 2025, at Farmington City Hall, 430 Third Street, Farmington, Minnesota.

**1. CALL TO ORDER**

Mayor Hoyt called the meeting to order at 7 pm.

**2. PLEDGE OF ALLEGIANCE**

Mayor Hoyt led everyone in the Pledge of Allegiance.

**3. ROLL CALL**

Members Present: Mayor Joshua Hoyt  
Councilmembers Holly Bernatz, Jake Cordes, Nick Lien,  
and Steve Wilson

Members Absent: None

Staff Present: Lynn Gorski, City Administrator  
David Chanski, HR Director/Assistant City Administrator  
Amy Schmidt, City Attorney  
Deanna Kuennen, Economic & Community Development  
Director  
Tony Wippler, Planning Manager  
Kim Sommerland, Finance Director  
Kellee Omlid, Parks & Recreation Director  
Jeremy Pire, Parks & Facilities Supervisor  
Missie Kohlbeck, Recreation Supervisor  
Emilee Shearer, Recreation Supervisor  
Gary Rutherford, Police Chief  
McKenna Rodine, Water Resources Specialist  
Shirley Buecksler, City Clerk

Also Present: Steve Troskey, Lennar – Land Entitlement Manager

**4. APPROVE AGENDA**

Administrator Gorski requested that a Public Works Building Lease Agreement with the City of Empire be added to the Consent Agenda as Item 7.15.

Motion was made by Councilmember Wilson and seconded by Councilmember Lien to approve the agenda with the addition of Item 7.15.

Motion carried: 5 ayes / 0 nays

## **5. ANNOUNCEMENTS / COMMENDATIONS**

### 5.1 Parks and Recreation Department's 2024 Annual Report

Director Omlid, Parks & Facilities Supervisor Pire, Recreation Supervisor Shearer, and Recreation Supervisor Kohlbeck presented the Parks and Recreation Department's 2024 annual report for Council.

### 5.2 Municipal Separate Storm Sewer System (MS4) Annual Review

Water Resources Specialist Rodine presented the MS4 annual review for Council.

## **6. CITIZENS COMMENTS / RESPONSES TO COMMENTS**

The following citizen(s) addressed the Council:

- Nancy Aarestad, 22165 Beaumont Ave, Castle Rock Township
- Citizen (did not provide name and address)
- Citizen (did not provide name and address)
- Jeff Schottler, 22420 Calico Ct, Farmington
- Mark Pearson, 2475 225<sup>th</sup> St W, Castle Rock Township
- Terrie Pearson, 2475 225<sup>th</sup> St W, Castle Rock Township

## **7. CONSENT AGENDA**

7.1 Minutes of the March 3, 2025 Joint City Council and Parks & Recreation Commission Work Session

7.2 Minutes of the March 3, 2025 Regular City Council Meeting

7.3 Temporary On-Sale Liquor License for Corinthian Lodge, April 26, 2025

7.4 Dakota County Community Development Agency – City of Farmington Local Affordable Housing Aid Agreement

7.5 2024 Investment Portfolio Overview

7.6 Payment of Claims

7.7 Apple Valley / Farmington / Rosemount Cable Commission PEG Payment Agreement

7.8 Staff Approvals and Recommendations, including the appointment of:

- Torri Wolf as Senior Administrative Support Technician within the Public Works Department

7.9 Joint Powers Agreement for the 4<sup>th</sup> and Willow TSS Reduction Project Between the Vermillion River Watershed Joint Powers Organization, the City of Farmington, and Dakota County

- 7.10 Plans and Specifications and Authorize the Advertisement for Bids for the 2025 Street Improvement Project
- 7.11 Professional Services Agreement with Alliant Engineering, Inc. for the Dushane Parkway / Spruce Street Intersection Construction Services
- 7.12 Professional Services Agreement with Emmons & Olivier Resources, Inc. for the Devonshire Pont Maintenance Feasibility Study
- 7.13 Professional Services Agreement with TKDA, Inc. for the Natural Resources Inventory Update
- 7.14 Receive Bids and Award a Contract for the Dushane Parkway / Spruce Street Improvements
- 7.15 Lease Agreement with City of Empire for Use of Public Works Building

Motion was made by Councilmember Wilson and seconded by Councilmember Bernatz to approve the Consent Agenda, as presented.

Motion carried: 5 ayes / 0 nays

## **8. PUBLIC HEARINGS**

## **9. AWARD OF CONTRACT**

## **10. PETITIONS, REQUESTS AND COMMUNICATIONS**

### 10.1 Vermillion Commons 5<sup>th</sup> Addition Final Plat

Planning Manager Wippler presented an application for final plat submitted by U.S. Home, LLC (Lennar) for Vermillion Commons 5<sup>th</sup> Addition. The 5<sup>th</sup> Addition is located to the southeast of the Vermillion Commons 4<sup>th</sup> Addition and is just to the west of the intersection of Denmark Avenue and 220<sup>th</sup> Street W. The final plat consists of 66 townhome lots on 7.25 acres.

Steve Troskey of Lennar was available for questions and invited everyone to tour the model single family home when it's finished.

Motion was made by Councilmember Cordes and seconded by Councilmember Bernatz to adopt Resolution 2025-021 Approving Final Plat for Vermillion Commons 5<sup>th</sup> Addition, contingent upon the following:

- 1) The satisfaction of all engineering comments related to the construction plans for grading utilities.
- 2) A Development Contract between the Developer and the City of Farmington shall be executed and security fees and costs shall be paid. Submission of all other documents required under the Development Contract shall be required.

Motion carried: 5 ayes / 0 nays

## **11. UNFINISHED BUSINESS**

### **12. NEW BUSINESS**

#### 12.1 Resolution Authorizing to Request Funding from the Environmental and Natural Resources Trust Fund

The Legislative-Citizen Commission on Minnesota Resources (LCCMR) announced funding opportunities for projects of all sizes that address several priorities including Education and Outdoor Recreation and that aim to protect, conserve, preserve, and enhance Minnesota's air, water, land, fish, wildlife, and other natural resources. Director Omlid stated that, during the Rambling River Park master planning process, public and stakeholder engagement showed a strong desire for trails and more facilities to support popular events. Trail improvements were ranked as the highest priority. In addition, responses included trail loops, better trail conditions, wayfinding, care for trails, landscaping, and seating adjacent to trails. Improved restrooms were ranked as the second highest priority and new restrooms were ranked as the fourth highest priority. Additional restrooms were identified as a specific need to support popular events at the park. One of the requirements for a proposal to be considered is the submission of an adopted resolution demonstrating the local government's authorization of submission of the proposal.

Motion was made by Councilmember Bernatz and seconded by Councilmember Wilson to adopt Resolution 2025-18 Authorizing Approval for the City of Farmington to Request Funding from the Environmental and Natural Resources Fund.

Motion carried: 5 ayes / 0 nays

### **13. CITY COUNCIL ROUNDTABLE**

City Attorney Schmidt:

The Office of Cannabis Management is currently accepting their business applications, but they haven't issued any licenses, yet, because the rule-making process is not complete. They expect to send a draft of the rules to the Office of Administrative Hearings in the coming weeks. If the timeline holds by the end of April, they could start issuing license and all the work that the City has done to get ready will have to move into position.

A fun fact for St. Patrick's Day: in 2022, 12.1% of Dakota County residents reporting their Irish ancestry. That is .1% more than Washington County. The U.S. average was 9.5%, so Dakota County is well represented on St. Patrick's Day.

Councilmember Lien:

At the last meeting, I gave an example of life lessons that I've learned and shouldn't repeat, so I'll give another example. If you notice that I have a giant bandage on my face and don't want to be a 40-year-old that a dermatologist wags his finger at, please wear sunscreen.

Councilmember Bernatz:

The Currents is out and, if you're like my family, you open this up and you start identifying all the things you want to do all summer long and jotting them down in your calendars. There is a lot going on in here. There are ways that you can support ways, that you can impact ways, and ways that you can have a little bit of fun in Farmington. When we talk about putting Farmington first, we don't mean just business, we also mean recreational. There is so much going on and so many opportunities to engage.

And since it's St. Patty's Day, Ireland is home to the oldest known bar in the world. [Sean's Bar](#) located in Athlone has been serving pints since 900 A.D. That's over 1,100 years of continuous operation. Archaeologists even found ancient coins and wattle and daub walls during renovations, confirming its history. The hope is that in 1,100 years from now, someone will be sitting here and saying something magnificent about a business that's in Farmington and how crazy it is that it's been in continuous operation for 1,100 years. Mayor – and it will likely be the Steakhouse.

Councilmember Cordes:

I want to congratulate a bunch of happy looking children and our own Kellee Omlid and Steve Wilson for their debut as cover models of the Farmington Currents.

I was ambitious this morning and wanted to say Happy St. Patrick's Day in Irish, but I realized that isn't going to happen, so in English, Happy St. Patrick's Day.

Councilmember Wilson:

I also want to comment about The Currents. I had my wife call me and say I didn't realize you had seven kids. And I really don't, we have three together, Josh, Ben, and Elizabeth. In all seriousness, the Police Department did a really good job of promoting this last year and it was pointed out that the weather wasn't as ideal. I don't remember a 10-mile bike ride, Kellee, I remember it ended up being about two blocks because it was raining. But what I would honestly encourage everybody that is watching (and we already know that the Arbitron rating for the Farmington Council meetings is really, really high) that when you get this, look through it, put an event or two that you want to partake in for yourself, with your family, with your kids,

or maybe with your parents at the senior center. There is just so many good things in here, and I also like the fact that Caryn did something really nice here, too, which she always does. She highlights our new employees, so we get to meet the new employees. This is a really good, packed edition of The Currents, so thank you to Caryn and everybody who helped put that together.

Director Chanski:

Tonight, you approved the appointment of Torri Wolf to the Senior Administrative Support Technician in the Public Works Department. While we are very excited to see Torri take on some new challenges in Public Works, it does open up a key vacancy at the front desk. That position really is truly a central service that is both physically located smack dab in the middle of the City Hall, as one of the first faces visitors to City Hall see. But also, operationally – as it supports Administration, Human Resources, Finance, Parks & Recreation, Liquor Operations, and serves as a back-up to Community and Economic Development. Kim, Kellee, and I did take some time to review the job description and ensure it still best serves the needs of the City, especially with Torri's new position in Public Works. This position should be posted tomorrow and, should all go well, we are excited to hopefully have a new team member join us mid- to late May.

Other than that, I continue my dive down the rabbit hole and, needless to say, there is no twiddling of the thumbs occurring in my office.

Director Kuennen:

At our EDA meeting today, we had the leadership from Dakota County Technical College (DCTC) and Inver Hills Community College (IHCC) come in and talk with the EDA about the partnership and collaboration that currently exists between the City and the colleges. But then we also had an opportunity to have a robust discussion about ways that we can enhance their offerings and the relationship that we have to continue to better the community. I'm really thankful for the participation that you all had with that conversation, and I'm also very excited to see where that partnership and collaboration can go. We will also be bringing in additional partners to the EDA meetings, just so we can continue to have these kinds of conversations. So, thank you for that.

Director Omlid:

With the delivering of the summer Currents as mentioned earlier, program registration is now up and going. As of this morning, we already had seven signed up for the Helmet Heroes Day. That is a free event but we do ask for registration just so we know how many and who's going to be there.

The Open Door Food Pantry pop-up is tomorrow from 3 – 4:30 pm at Faith United Methodist Church on 7<sup>th</sup> Street.

**14. ADJOURNMENT**

Motion was made by Councilmember Cordes and seconded by Councilmember Wilson to adjourn the meeting at 8:47 pm.

Motion carried: 5 ayes / 0 nays

Respectfully submitted,

Shirley R Buecksler  
City Clerk

## REGULAR COUNCIL AGENDA MEMO

**To:** Mayor, Councilmembers and City Administrator  
**From:** Lynn Gorski, City Administrator  
**Department:** Administration  
**Subject:** Pilot Knob Liquor Store Lease Renewal  
**Meeting:** Regular Council - Apr 07 2025

### INTRODUCTION:

The City of Farmington's lease amendment for the Pilot Knob Liquor Store space is set to expire on December 1, 2025. Jon Einess, the owner of the leased space, has offered a renewal amendment to the City, extending the lease from December 1, 2025 through December 1, 2030.

### DISCUSSION:

The Farmington Liquors Pilot Knob location has been in operation for over 20 years, experiencing significant growth throughout this time. Over the years, the store has undergone changes in square footage but, thanks to a strong and positive relationship with the landlord, the base rent has remained consistently low. Notably, during the global recession in 2011, the landlord reduced the rent to \$16 per square foot and has never raised it since. Even with the proposed annual increases in the lease amendment, the cost per square foot will remain well below the rent adjusted for CPI, which would be \$26.51 per square foot.

#### Base Rent

The Base Rent for the lease period from December 1, 2025 to December 1, 2030 is outlined as follows:

December 1, 2025 – December 1, 2026: \$7,137/month (\$18/sf/year)  
December 1, 2026 – December 1, 2027: \$7,335.25/month (\$18.50/sf/year)  
December 1, 2027 – December 1, 2028: \$7,533.50/month (\$19.00/sf/year)  
December 1, 2028 – December 1, 2029: \$7,731.75/month (\$19.50/sf/year)  
December 1, 2029 – December 1, 2030: \$7,930/month (\$20/sf/year)

The City of Farmington greatly values its longstanding relationship with Mr. Einess and looks forward to extending the lease, ensuring Farmington Liquors continues to serve the community at its Pilot Knob location.

### BUDGET IMPACT:

The increase will be included in the expenses within the liquor operations budget.

### ACTION REQUESTED:

Approve the renewal amendment for the Farmington Liquors Pilot Knob location from December 1, 2025 through December 1, 2030.

**ATTACHMENTS:**

[Amend. No. 6 to Shopping Center Lease Agreement 011625](#)

**AMENDMENT NUMBER SIX TO SHOPPING CENTER LEASE AGREEMENT**

THIS AMENDMENT NUMBER SIX TO SHOPPING CENTER LEASE AGREEMENT (“Amendment Six”) is made and entered into on April 15, 2025, by and between Schwiness, LLC (hereinafter referred to as “Landlord”) a Minnesota limited liability company, and the City of Farmington (“Tenant”). This Amendment amends the Shopping Center Lease Agreement between the parties as previously amended by Amendment Number One, Amendment Number Two, Amendment Number Three, Amendment Number Four and Amendment Number Five. Unless otherwise stated, all capitalized terms have the same meaning as in the Lease Agreement.

1. Extension of Lease Term. The Term of the Lease Agreement is extended until December 1, 2030.

2. Base Rent. The Base Rent during the period from December 1, 2025, until December 1, 2030, shall be as follows:

- December 1, 2025, until December 1, 2026: \$7,137/month (\$18/sf/year)
- December 1, 2026, until December 1, 2027: \$7,335.25/month (\$18.50/sf/year)
- December 1, 2027, until December 1, 2028: \$7,533.50/month (\$19.00/sf/year)
- December 1, 2028, until December 1, 2029: \$7,731.75/month (\$19.50/sf/year)
- December 1, 2029, until December 1, 2030: \$7,930/month (\$20/sf/year)

ACCEPTED AND AGREED TO:

City of Farmington

Schwiness LLC

By: \_\_\_\_\_  
Joshua Hoyt

By: \_\_\_\_\_  
Jon Einess

Title: Mayor \_\_\_\_\_

Title: Chief Manager



 430 Third St., Farmington, MN 55024  
 651-280-6800  
 FarmingtonMN.gov

## REGULAR COUNCIL AGENDA MEMO

**To:** Mayor, Councilmembers and City Administrator  
**From:** Tony Wippler, Planning Manager  
**Department:** Community Development  
**Subject:** Declaration and Conservation Easement - MNLCO Farmington, LLC  
**Meeting:** Regular Council - Apr 07 2025

### INTRODUCTION:

Attached for Council's consideration and acceptance is a Declaration and Conservation Easement that is being granted to the City by MNLCO Farmington, LLC.

### DISCUSSION:

The approved Farmington Technology Park final plat provides for the recording of a conservation easement through the southern portion of the ISD 192 property (formerly known as the Angus property) and the northeast corner of the Fountain Valley Golf Course property (please see attached plat showing the easement areas). The conservation easement is a permanent easement that covers the south branch of the Vermillion River, along with the associated 100-year floodplain within the School District property and wetland on the Fountain Valley Golf Course property.

The City Attorney has reviewed the attached easement document and finds it acceptable.

### ACTION REQUESTED:

Approve and accept the Declaration and Conservation Easement, as presented.

### ATTACHMENTS:

[Combined easement](#)

## DECLARATION AND CONSERVATION EASEMENT

**THIS INDENTURE**, is made \_\_\_\_\_, 2025, by MNLCO Farmington, LLC, a Delaware limited liability company ("Grantor"), for the benefit of the City of Farmington, a Minnesota municipal corporation ("Grantee"). Grantor and Grantee may collectively be referred to as the "Parties."

### WITNESSETH:

**WHEREAS**, Grantor is the owner of certain real property located in the City of Farmington, County of Dakota, State of Minnesota, legally described on the attached Exhibit A (the "Property"):

**NOW, THEREFORE**, in consideration of the Grantee's approval and in satisfaction of the condition imposed, Grantor hereby grants and conveys unto the Grantee an Easement over, under and across the Property. The terms of this Easement are as follows:

1. Permanent Easement – Grantor hereby grants to Grantee, its successors and assigns, a permanent, non-exclusive easement (the "**Permanent Easement**") over, under, upon and across that portion of the Property legally described on Exhibit B ("**Easement Tract**") for conservation purposes. The Permanent Easement shall permanently run with the title to the Easement Tract and shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, successors and assigns, including, but without limitation all subsequent owners of the Easement Tract and all persons claiming under them.
2. Use of Easement Tract - Except as permitted by this paragraph, no action of any kind may be undertaken to change or disturb the landscaping, open spaces, wetlands and vegetation existing as of the Effective Date on the Easement Tract. No structures may be built; no paving or mowing may be done; no non-native vegetation may be introduced; and no cutting, filling dumping, yard waste disposal, fertilizer application, or removal of wetland buffer strip monuments may occur within the Property. Grantor may clear any debris including dead vegetation from the Easement Tract, may remove invasive non-native vegetation from the Easement Tract, and may engage in other environmental management practices reasonably approved by Grantee. This paragraph does not prohibit the

maintenance or replacement of public utilities or stormwater facilities, that exist at the creation of this Declaration and Conservation Easement, or are required to comply with, or otherwise approved and permitted under, any subdivision approval, site plan approval or building permit obtained from the Grantee (i.e., the City of Farmington) or Dakota County.

3. Access - Grantee may enter upon the Easement Tract for the purposes of inspection and enforcement of this Easement and, if Grantee reasonably determines that the Easement Tract has been changed or disturbed in violation of paragraph 2 above, Grantee may take whatever actions are reasonably necessary to restore the Easement Tract to its undisturbed nature existing as of the date of this indenture. Grantor is not liable for the actions of Grantee or any third party, other than Grantor's employees, agents or contractors, which may violate the terms of this Easement.
4. Limitation of Easement - This Easement does not convey a right to the public use of any portion of the Property including, without limitation, the Easement Tract, nor does it convey any right of access, ingress, egress, use or possession in or to the Property or any portion thereof including, without limitation, the Easement Tract to the public or the Grantee, except that Grantee may access the Easement Tract as set forth in paragraph 3 above. Grantee is not entitled to share in any award or other compensation given in connection with a condemnation or negotiated acquisition of all or any part of the Property by any authority having the power of eminent domain. Grantee hereby waives any right it may have to such an award or compensation.
5. Warranty of Title - Grantor represents and warrants to Grantee that Grantor is the only owner of fee simple title to the Easement Tract and has the power and authority to enter into and perform its obligations under this Agreement including, without limitation, grant the Easement without any requirement to obtain any consent or approval from any third party, other than any required consents or approvals under Grantor's and/or its affiliates' organizational documents, all of which have been obtained as of the date hereof, if any and if required.. Grantor hereby indemnifies and holds harmless Grantee against and from any and all claims for actual loss, actual damage, or actual expenses, including reasonable attorneys' fees, but excluding special, consequential and punitive losses, damages and expenses, which may be incurred by Grantee caused by any breach of Grantor of the representations and warranties set forth in this paragraph.
6. Modification and Severability - The terms of this Agreement may be modified only by a written agreement executed by all parties to the Agreement. If any provision in this Agreement is invalid or unenforceable, such provision shall be deemed to be modified to be within the limits of enforceability or validity, if feasible; if, however, the offending provision cannot be so modified, it shall be stricken and all other provisions of this Agreement in all other respects shall remain valid and enforceable.
7. Governing Law – This Agreement shall be construed and governed by the laws of the State of Minnesota. Acceptance of this Easement by the Grantee and the recording of this document constitutes the Grantee's consent to be bound by its terms.

**[signature pages to follow]**





**EXHIBIT A**

**Legal Description of Property**

The Northeast Quarter of Section 5, Township 113 North, Range 19 West, EXCEPT Parcel 12 shown on Minnesota Department of Transportation Right of Way Plat Numbered 19-162, filed June 15, 2016, as Document No. 3132934, and by Trustee Deed dated August 19, 2016, filed October 4, 2016, as Document No. 3153717.

AND

That part of the Southeast Quarter and that part of the East Half of the East Half of the Southwest Quarter, all in Section 5, Township 113 North, Range 19 West, Dakota County, Minnesota, described as follows:

Commencing at the northeast corner of the Southeast Quarter of said Section 5; thence North 89 degrees 44 minutes 58 seconds West, assumed bearing, along the north line thereof, 123.00 feet for the point of beginning; thence South 00 degrees 15 minutes 34 seconds East, parallel with the east line of said Southeast Quarter, 412.00 feet; thence South 89 degrees 44 minutes 58 seconds East, 123.00 feet to the east line of said Southeast Quarter; thence South 00 degrees 15 minutes 34 seconds East, along said east line, 1706.57 feet to the northeast corner of the south 528.00 feet of the east 299.00 feet of said Southeast Quarter; thence North 89 degrees 50 minutes 06 seconds West, 299.01 feet to the northwest corner of said south 528.00 feet of the east 299.00 feet; thence South 00 degrees 15 minutes 34 seconds East, 528.01 feet to the southwest corner of said south 528.00 feet of the east 299.00 feet; thence North 89 degrees 50 minutes 06 seconds West, along the south line of said Section 5, a distance of 3016.53 feet to the southwest corner of the East Half of the East Half of the Southwest Quarter of said Section 5; thence North 00 degrees 14

minutes 38 seconds West, along the west line of said East Half of the East Half of the Southwest Quarter, 2123.51 feet to the southwest corner of the north 528.00 feet of the west 412.50 feet of said East Half of the East Half of the Southwest Quarter; thence South 89 degrees 44 minutes 58 seconds East, along the south line of said north 528.00 feet of the west 412.50 feet, a distance of 412.52 feet to the Southeast corner thereof; thence North 00 degrees 14 minutes 38 seconds West, along the east line thereof, 231.01 feet to the south line of the north 297.00 feet of the South Half of said Section 5; thence South 89 degrees 44 minutes 58 seconds East, along said south line, 474.73 feet to the southeast corner of the north 297.00 feet of the east 97.84 feet of the west 221.83 feet of the Southeast Quarter of said Section 5 (said point also being on the west line of the east 1089.00 feet of the west 1310.83 feet of the Southeast Quarter of said Section 5); thence South 00 degrees 11 minutes 16 seconds East, along said west line, 103.00 feet to the Southwest corner of the north 400.00 feet of the east 1089.00 feet of the west 1310.83 feet of the Southeast Quarter of said Section 5; thence South 89 degrees 44 minutes 58 seconds East, along the south line of said north 400.00 feet of the east 1089.00 feet of the west 1310.83 feet, a distance of 1089.03 feet to the Southeast corner thereof; thence North 00 degrees 11 minutes 16 seconds West, along the east line thereof, 400.01 feet to the northeast corner thereof; thence South 89 degrees 44 minutes 58 seconds East, along the north line of the Southeast Quarter of said Section 5, a distance of 1215.29 feet to the point of beginning.

AND

The north 400.00 feet of the east 1089.00 feet of the west 1310.83 feet of the Southeast Quarter of Section 5, Township 113 North, Range 19 West, Dakota County, Minnesota.

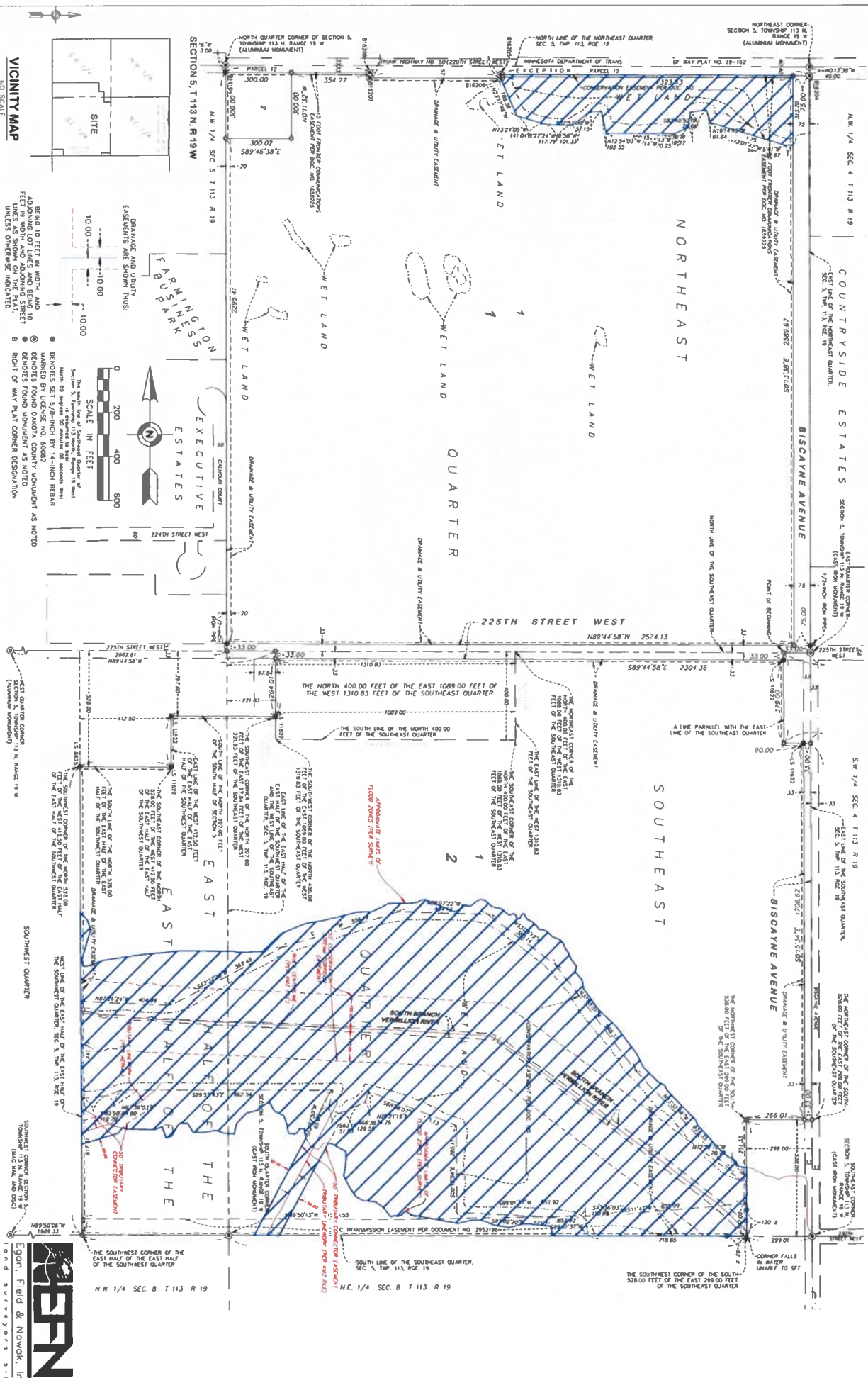
**EXHIBIT B**

**Description of Easement**

**[INSERT DESCRIPTION PRIOR TO RECORDING]**

4906-5414-5073, v. 1

# FARMINGTON TECHNOLOGY PARK



## REGULAR COUNCIL AGENDA MEMO

**To:** Mayor, Councilmembers and City Administrator  
**From:** Tony Wippler, Planning Manager  
**Department:** Community Development  
**Subject:** Development Contract - Vermillion Commons 5th Addition  
**Meeting:** Regular Council - Apr 07 2025

### INTRODUCTION:

The City Council approved the final plat for Vermillion Commons 5th Addition on March 17, 2025. A condition of approval was that a Development Contract between the Developer and City of Farmington must be executed, and security fees and costs must be paid.

### DISCUSSION:

Attached for Council's consideration and approval is the Development Contract for Vermillion Commons 5th Addition. The attached contract is a standard Development Contract that spells out the requirements for development of the land, including timelines to complete platting process, defining development charges and fees, addressing construction of the public infrastructure required to serve the development together with the associated sureties.

The Developer has reviewed the attached contract and finds it acceptable.

### BUDGET IMPACT:

Below are the fees that will be collected as part of the Development Contract:

- Surface Water Quality Management Fee: \$870
- Surface Water Management Fee: \$153,475
- Watermain Trunk Area Charge: \$36,178
- Sanitary Sewer Trunk Area Charge: \$19,394
- Park Dedication (cash in lieu): \$8,484
- Sealcoating: \$8,533

### ACTION REQUESTED:

Adopt the attached Development Contract and authorize its execution.

### ATTACHMENTS:

[VC 5th DC signed](#)

## DEVELOPMENT CONTRACT

**AGREEMENT** dated this 7th of April 2025 by, between, and among the **CITY OF FARMINGTON**, a Minnesota municipal corporation (CITY) and **US HOMES, LLC**, a Delaware Limited Liability Company (DEVELOPER).

1. **Request for Plat Approval.** The Developer has asked the City to approve a plat for **VERMILLION COMMONS 5<sup>TH</sup> ADDITION** (also referred to in this Development Contract as the PLAT). The land is situated in the City of Farmington, County of Dakota, State of Minnesota, and is legally described on the attached Exhibit A (the "Development Property").
2. **Conditions of Approval.** The City hereby approves the Plat on the conditions that:
  - a) The Developer enter into this Agreement; and
  - b) The Developer provide the necessary security in accordance with the terms of this Agreement; and
  - c) The Developer satisfy the Cash Requirements in accordance with the terms of this Agreement; and
  - d) All engineering issues must be addressed and engineering department approval of the construction plans; and
  - e) A temporary roadway, drainage and utility easement must be provided for the portions of Outlots G&F to cover the temporary emergency access and surface drainage; and
  - f) The Developer records the Plat with the County Recorder or Registrar of Titles within six months of all signatories' signatures on the final plat, as required by Minnesota law.
3. **Right to Proceed.** Within the Plat or land to be platted, the Developer may not grade or otherwise disturb the earth or remove trees, unless a grading has been authorized in writing by the City Engineer following approval of a preliminary plat by the City Council, construct sewer lines, water lines, streets, utilities public or private improvements or any building until all of the following conditions have been satisfied:
  - a) This Agreement has been fully executed by both parties and submitted for recording with the Dakota County Recorder's Office; and
  - b) The necessary security has been received by the City; and
  - c) The necessary insurance for the Developer and its construction contractors has been received by the City; and
  - d) The Plat has been submitted for recording with the Dakota County Recorder's Office; and
  - e) A temporary roadway, drainage and utility easement must be provided for the portions of Outlots G&F to cover the temporary emergency access and surface drainage; and
  - f) A copy of permits required for construction have been provided; and
  - g) The City Clerk or Engineer has issued a Notice to Proceed stating that all conditions have been satisfied and that the Developer may proceed, which shall be promptly delivered to the Developer upon satisfaction of the conditions.
4. **Phased Development.** The Plat will be developed in multiple phases and will be developed in accordance with Plans A – C. Subject to the terms of this Agreement, this Development Contract constitutes approval to develop the Plat.
5. **Changes in Official Controls.** For four (4) years from the date of this Agreement, no amendments to the City's Comprehensive Plan, except amendment placing this plat in the current urban service area, or removing any part thereof which has not been final platted, or official controls, shall apply to or affect the use, development density, lot size, lot

layout or dedications or platting required or permitted by the approved preliminary plat unless required by State or Federal law or agreed to in writing by the City and Developer. Thereafter, notwithstanding anything in this Agreement to the contrary, to the full extent permitted by State law, the City may require compliance with any amendments to the City's Comprehensive Plan (including removing unplatted property from urban service area), official controls, platting or dedication requirements enacted after the date of this Agreement and may require submission of a new plat.

6. **Sales Office Requirements.** At any location within the plat where lots and/or homes are sold which are part of this subdivision, the Developer agrees to install a sales board on which a copy of the approved plat, final utility plan and a zoning map or planned unit development plan are displayed, showing the relationship between this subdivision and the adjoining neighborhood. The zoning and land use classification of all land and network of major streets within 350 feet of the plat shall be included.
7. **Zoning/Development Map.** The Developer shall provide an 8 1/2" x 14" scaled map of the plat and land within 350' of the Plat containing the following information:
  - a) platted property;
  - b) existing and future roads;
  - c) existing and proposed land uses; and
  - d) any ponds.
8. **Development Plans.** The Developer shall develop the Plat in accordance with the following plans (the "Plans"). The Plans shall not be attached to this Agreement. The Plans may be prepared by the Developer, subject to City approval, after entering into this Agreement but before commencement of any work in the Plat. If the Plans vary from the written terms of this Contract the Plans shall control. The required Plans are:

Plan A – Final Plat (Approved March 17, 2025)

Plan B – Final Construction Plans and Specifications (Including Soil Erosion and Sediment Control, Grading Plans and Landscape Plans)

Plan C – Zoning/Development Map

The Developer shall use its best efforts to assure timely application to the utility companies for the following utilities: underground natural gas, electrical, cable television, and telephone. The installation of these utilities shall be constructed within public rights-of-way or public drainage and utility easements consistent with the City's engineering guidelines and standard detail plates.

9. **Easements.** The Developer shall furnish the City at the time of execution of this Agreement with the easements designated on the Plat. A long-term maintenance agreement will be required for all structural stormwater practices that are not owned or operated by the city but that are directly connected to the city's municipal separate storm sewer system (MS4) and within the city's jurisdiction.
10. **Required Public Improvements.** The Developer shall install and pay for the following:
  - a) Sanitary Sewer System (trunk and lateral)
  - b) Water System (trunk and lateral)
  - c) Storm Sewer System
  - d) Streets
  - e) Concrete Curb and Gutter
  - f) Street Lights
  - g) Erosion and Sediment Control, Site Grading and Stormwater Treatment
  - h) Underground Utilities
  - i) Setting Iron Monuments
  - j) Surveying and Staking
  - k) Sidewalks and Trails
  - l) Landscaping and Screening

collectively the "Improvements".

The Improvements shall be installed in accordance with the Plans, and in accordance with all applicable laws, City Standards, Engineering Guidelines, Ordinances and Plans (and specifications) which have been prepared by a competent registered professional engineer furnished to the City and reviewed by the City Engineer. Work done not in accordance with the final Plans (and specifications), without prior authorization of the City Engineer, shall be considered a violation of this Agreement and a Default of the Contract. The Developer shall obtain all necessary permits from the Metropolitan Council and other agencies before proceeding with construction. The Developer shall instruct its engineer to provide adequate field inspection personnel to assure an acceptable level of quality control to the extent that the Developer's engineer will be able to certify that the construction work is consistent with the approved Plans and meets the approved City standards as a condition of City acceptance. In addition, the City may, at the City's discretion and at the Developer's expense, have one or more City inspector(s) and a soil engineer inspect the Work on an as-needed basis. The Developer, its contractors and subcontractors, shall follow all instructions received from the City's inspectors. The Developer's engineer shall provide for on-site project management. The Developer's engineer is responsible for design changes and contract administration between the Developer and the Developer's contractor. The Developer or its engineer shall schedule a pre-construction meeting at a mutually agreeable time at City Hall with all parties concerned, including the City staff, to review the program for the Improvements. Within sixty (60) days after the completion of the Improvements and before the security is released, the Developer shall supply the City with a complete set of "As Built" plans in an AutoCAD .DWG file or a .DXF file, all prepared in accordance to the City's Engineering Guidelines. If the Developer does not provide such information, the City will produce the as-built drawings and all costs associated with producing the as-built drawings will be the responsibility of the Developer.

Before the security for the completion of the utilities is released, iron monuments must be installed in accordance with M.S. §505.021. The Developer's surveyor shall submit a written notice to the City certifying that the monuments have been installed.

11. **Permits.** The Developer shall obtain or require its contractors and subcontractors to obtain all necessary permits, which may include but are not limited to:
  - A. Dakota County for County Road Access and Work in County Rights-of-Way
  - B. MnDOT for State Highway Access and Work in State Rights-of-Way
  - C. Minnesota Department of Health for Watermains
  - D. MPCA NPDES Permit for Construction Activity
  - E. MPCA for Sanitary Sewer and Hazardous Material Removal and Disposal
  - F. MnDNR for Dewatering
  - G. City of Farmington for Building Permits
  - H. MCES for Sanitary Sewer Connections
  - I. City of Farmington for Retaining Walls
  
12. **Dewatering.** Due to the variable nature of groundwater levels and stormwater flows, it will be the Developer's and the Developer's contractors' and subcontractors' responsibility to satisfy themselves with regard to the elevation of groundwater in the area and the level of effort needed to perform dewatering and storm flow routing operations. All dewatering shall be in accordance with all applicable county, state and federal rules and regulations. DNR regulations regarding appropriations permits shall also be strictly followed.
  
13. **Grading Plan.** The Plat shall be graded and drainage provided by the Developer in accordance with the approved Erosion and Sediment Control Plan and Grading Plan, included in Plan B. The plan shall conform to the City of Farmington Engineering Guidelines. Within thirty (30) days after completion of the grading and before the City approves individual building permits. The Developer shall provide the City with an "as-built" grading plan certified by a registered land surveyor or engineer that all stormwater treatment/infiltration basins, and swales, have been constructed on public easements or land owned by the City. The "as-built" plan shall include field verified elevations of the following: A) cross sections of stormwater treatment/infiltration basins; b) location and elevations along all swales, wetlands, wetland mitigation areas if any, locations and dimensions of borrow areas/stockpiles, and installed "conservation area": posts; and c) lot corner elevations and house pads, and all other items listed in City Code. The City will withhold issuance of building permits until the approved certified grading plan is on file with the City and all erosion control measures are in place as determined by the City Engineer.

Notwithstanding any other provisions of this Agreement, the Developer may start rough grading the property subject to the Plat within the stockpile and easement areas in conformance with Plan B before the Plat is filed if all fees have been paid, a MPCA Construction Storm Water Permit has been issued, and the City has been furnished the required security. Additional rough grading may be allowed upon obtaining written authorization from the City Engineer.

If the Developer needs to change grading affecting drainage the changes cannot take place until the City Engineer has approved the proposed grading changes. A MPCA Construction Storm Water Permit must be obtained before any grading can commence on the site.

14. **Erosion and Sediment Control.** Prior to initiating site grading, the erosion and sediment control plan, included in Plan B, shall be implemented by the Developer and inspected and approved by the City. The City may impose additional erosion and sediment control requirements if it is determined that the methods implemented are insufficient to properly control erosion and sedimentation. All areas disturbed by the grading operations shall be stabilized per the MPCA Stormwater Permit for Construction Activity. Seed shall be in accordance with the City's current seeding specification which may include temporary seed to provide ground cover as rapidly as possible. All seeded areas shall be fertilized, mulched and disc anchored as necessary for seed retention. The parties recognize that time is of the essence in controlling erosion and sedimentation. If the Developer does not comply with the MPCA Stormwater Permit for Construction Activity or with the erosion and sediment control plan and schedule, or supplementary instructions received from the City, or in an emergency determined at the sole discretion of the City, the City may take such action as it deems appropriate to control erosion and sedimentation immediately, without notice to the Developer. Charges for corrective actions taken by the City or their contractor, will be charged to the SWPPP compliance escrow; the developer is responsible for maintaining a balance of \$25,000 in this escrow. This applies to all properties within the development, whether owned by the developer or a builder. The City will endeavor to notify the Developer in advance of any proposed action, but failure of the City to do so will not affect the Developer's and the City's rights or obligations hereunder. If the Developer does not reimburse the City for any costs the City incurred for such work within thirty (30) days, the City may draw down the security to pay such costs. No development, utility or street construction will be allowed and no building permits will be issued unless the Plat is in full compliance with the erosion and sediment control requirements.
15. **Wetland Natural Area Signs.** The Developer is responsible for installing City Natural Areas signs around all wetland and ponding areas, in accordance with the City's Engineering Guidelines and City detail plates. Wetland Buffer line limits and Natural Area sign locations must be indicated on individual lot surveys prior to the issuance of a building permit for that lot.
16. **Park Dedication and Trails.** Between the Vermillion Commons 4<sup>th</sup> and 5<sup>th</sup> Additions, the Developer is required to dedicate a total of 1.61 acres of land for park purposes. The Developer dedicated 1.5 acres of land for park purposes with the Vermillion Commons 4<sup>th</sup> Addition final plat (Outlot A Vermillion Commons 4<sup>th</sup> Addition). The Developer is required to pay cash-in-lieu of land for the remaining 0.11 acres required to meet the City's park dedication requirement with the Vermillion Commons 5<sup>th</sup> Addition final plat and as shown in Exhibit B.
17. **Streets.** The developer will be responsible for the installation of all streets within the plat and as shown on the construction plans. In the event that the connection to 218<sup>th</sup> Street W is not made to the east of the plat, a temporary emergency access shall be provided that would extend from the terminus of Rose Drive south to 220<sup>th</sup> Street W. This emergency access would have to be removed upon the connection to 218<sup>th</sup> Street to the east of the plat with a permanent roadway. This temporary emergency access must be paved with bituminous and be of a suitable width acceptable to the City. Signage and barricades must be provided at both ends of the temporary emergency access to control unauthorized access. The connection of the temporary emergency access to 220<sup>th</sup> Street W will have to be approved by Dakota County.
18. **Landscaping.** The Developer shall landscape the Plat in accordance with Plan B. The landscaping shall be accomplished in accordance with a time schedule approved by the City.
  - A. The Developer shall be solely responsible for the installation of all project landscaping.
  - B. All graded areas, including finish grade on lots, will require a minimum of 6" of black dirt/topsoil.
19. **Clean Up.** The Developer shall, within twenty-four (24) hours, clear from the public streets any soil, earth or debris resulting from construction work by the Developer or its agents or assigns. Any soil, earth or debris resulting from construction work by the Developer or its agents or assigns on other property shall be removed weekly or more often if

required by the City Engineer. All debris, including brush, vegetation, trees and demolition materials, shall be disposed of off site. Burning of trees and structures shall be prohibited, except for fire training only. The City will have the right to clean the streets as outlined in current City policy. The Developer shall promptly reimburse the City for street cleaning costs.

20. **License.** The Developer hereby grants the City, its agents, employees, officers and contractors, a license to enter the Plat to perform all necessary work and/or inspections deemed appropriate by the City during the installation of public improvements by the City. The license shall expire after the public improvements installed pursuant to the Development Contract have been installed and accepted by the City.
21. **Time of Performance.** The Developer shall install all required public utilities by October 31, 2025. The final wear course on streets shall be installed the first summer after the base layer of asphalt has been in place one freeze thaw cycle. The Developer may, however, request an extension of time from the City, which the City will not unreasonably withhold. If an extension is granted, it shall be conditioned upon updating the security posted by the Developer to reflect cost increases. An extension of the security shall be considered an extension of this Contract and the extension of the Contract will coincide with the date of the extension of the security.
22. **Ownership of Improvements.** Upon the completion of the Improvements and written acceptance by the City Engineer, the Improvements lying within public easements shall become City property, except for cable TV, electrical, gas, and telephone, without further notice or action.
23. **Building Permits.** Building permits shall not be issued prior to completion of site grading, submittal of as-built grading plan, public and private utility installation, curb and gutter, sidewalk, trails, installation of erosion control devices, installation of permanent street signs and natural area signs, paving with a bituminous surface, retaining walls if any, site seeding, mulching, disk anchoring and submittal of a surveyor's certificate denoting all appropriate monuments have been installed.
  - A. Before a building permit is issued, a cash escrow of \$3,000.00 per building shall be furnished to the City to guarantee compliance with the erosion control, grading, and landscaping requirements and the submittal of an as-built certificate of survey. Prior to the release of the required individual lot grading and erosion control security that is submitted with the building permit, an as-built certificate of survey for single family lots must be submitted to verify that the final as-built grades and elevations of the specific lot and all building setbacks are consistent with the approved grading plan for the development, and amendments thereto as approved by the City Engineer, the site has been stabilized including meeting the sod requirements of City Code section 10-6-27(11) and that all required landscaping and property monuments are in place. If the final grading, erosion control and as-built survey is not timely completed, the City may enter the lot, perform the work, and apply the cash escrow toward the cost. Upon satisfactory completion of the grading, erosion control and as-built survey, the escrow funds, without interest, less any draw made by the City, shall be returned to the person who deposited the funds with the City.
  - B. The Developer certifies to the City that all lots with house footings placed on fill have been monitored and constructed to meet or exceed FHA/HUD 79G specifications. The soils observation and testing report, including referenced development phases and lot descriptions, shall be submitted to the Building Official for review prior to the issuance of building permits.
  - C. Normal procedure requires that streets needed for access to approved uses shall be paved with a bituminous surface before building permits may be issued. However, the City Engineer is authorized to waive this requirement when weather related circumstances prevent completion of street projects before the end of the construction season. The Developer is responsible for maintaining said streets in a condition that will assure the access of emergency vehicles at all times when such a waiver is granted.
  - D. If permits are issued prior to the completion and acceptance of public improvements, the Developer assumes all liability and costs resulting in delays in completion of public improvements and damage to public improvements caused by the City, Developer, its contractors, subcontractors, materialmen, employees, agents or third parties.
  - E. Retaining walls that require a building permit shall be constructed in accordance with plans and specifications prepared by a structural or geotechnical engineer licensed in the State of Minnesota. Following construction, a

certification signed by the design engineer shall be filed with the building official evidencing that the retaining wall was constructed in accordance with the approved plans and specifications. All retaining walls identified on the development plans and by special conditions referred to in this contract shall be constructed before any other building permit is issued for a lot on which a retaining wall is required to be built.

- 24. Insurance.** Prior to execution of the final plat, Developer and its general contractor shall furnish to the City a certificate of insurance showing proof of the required insurance required under this paragraph. Developer and its general contractor shall take out and maintain or cause to be taken out and maintained until six (6) months after the City has accepted the public improvements, such insurance as shall protect Developer and its general contractor and the City for work covered by the Contract including workers' compensation claims and property damage, bodily and personal injury which may arise from operations under this Contract, whether such operations are by Developer and its general contractor or anyone directly or indirectly employed by either of them. The minimum amounts of insurance shall be as follows:

**Commercial General Liability (or in combination with an umbrella policy)**

\$2,000,000 Each Occurrence

\$2,000,000 Products/Completed Operations Aggregate

\$2,000,000 Annual Aggregate

The following coverages shall be included:

Premises and Operations Bodily Injury and Property Damage

Personal and Advertising Injury

Blanket Contractual Liability

Products and Completed Operations Liability

**Automobile Liability**

\$2,000,000 Combined Single Limit – Bodily Injury & Property Damage

Including Owned, Hired & Non-Owned Automobiles

**Workers Compensation**

Workers Compensation insurance in accordance with the statutory requirements of the State of Minnesota, including Employer's Liability with minimum limits are as follows:

\$500,000 – Bodily Injury by Disease per employee

\$500,000 – Bodily Injury by Disease aggregate

\$500,000 – Bodily Injury by Accident

The Developer's and general contractor's insurance must be "Primary and Non-Contributory."

All insurance policies (or riders) required by this Contract shall be (i) taken out by and maintained with responsible insurance companies organized under the laws of one of the states of the United States and qualified to do business in the State of Minnesota, (ii) shall name the City, its employees and agents as additional insureds (CGL and umbrella only) by endorsement which shall be filed with the City. A copy of the endorsement must be submitted with the certificate of insurance.

Developer's and general contractor's policies and Certificate of Insurance shall contain a provision that coverage afforded under the policies shall not be cancelled without at least thirty (30) days' advanced written notice to the City, or ten (10) days' notice for non-payment of premium.

An Umbrella or Excess Liability insurance policy may be used to supplement Developer's or general contractor's policy limits on a follow-form basis to satisfy the full policy limits required by this Contract.

- 25. Responsibility for Costs.** The Developer shall pay all costs incurred by it or the City in conjunction with the development of the Plat, including but not limited to, Soil and Water Conservation District charges, legal, planning, administrative, construction costs, engineering, easements, inspection and utility testing expenses incurred in connection with approval,

acceptance and development of the Plat, the preparation of this Agreement, and all reasonable costs and expenses incurred by the City in monitoring and inspecting the construction for the development of the Plat.

The Developer shall pay in full all bills submitted to it by the City within thirty (30) days after receipt. If the bills are not paid on time, the City may halt all plat development work until the bills are paid in full. Bills not paid within thirty (30) days shall accrue interest at the rate of five percent (5%) per annum. If the bills are not paid within sixty (60) days, the City has the right to draw from the Developer's Security to pay the bills.

- 26. Development Contract Administration.** The Developer shall pay a fee for in-house administration of the development contract including monitoring of construction observation, consultation with the Developer and its engineer on the status of or problems regarding the project, coordination for final inspection and acceptance, project monitoring during the warranty period, and processing of requests for reduction in security. The fee for this service shall be three percent (3%) of construction costs and paid at the time of the execution of this agreement.
- 27. Construction Observation.** The Developer shall instruct its engineer to provide adequate field inspection personnel to assure an acceptable level of quality control to the extent that the Developer's engineer will be able to certify that all improvements are consistent with the approved Plans and meets the approved City standards as a condition of City acceptance. The Developer shall pay for construction observation performed by the City's in-house staff or consultant. As needed, construction observation shall include part or full time inspection of the Improvements, including erosion and sediment control inspections and will be billed on hourly rates. The Developer shall provide a cash escrow for these services estimated to be five percent (5%) of the estimated construction cost. The developer shall also provide a \$25,000 escrow for SWPPP Compliance.
- 28. Development Fees.** The Developer shall pay area charges as defined on the City's most current fee schedule that include:
- a) Surface Water Quality Management Fee
  - b) Surface Water Management Fee
  - c) Watermain Trunk Area Charge
  - d) Sanitary Sewer Trunk Area Charge
  - e) Park Dedication
  - f) Sealcoating

A summary of the cash requirements under this contract which must be furnished to the City prior to the City Council signing the final plat is shown on Exhibit B. Area charges for subsequent phases shall be calculated and paid based upon requirements in effect at the time the Development Contracts for those phases are entered into. Park Dedication requirements are calculated at the time of the preliminary plat for the overall development and collected with the Development Contract.

- 29. Security.** To guarantee compliance with the terms of this Agreement, payment of real estate taxes including interest and penalties, payment of special assessments, payment of the costs of all public improvements in the Plat and construction of all public improvements in the Plat, the Developer shall furnish the City with a cash escrow, irrevocable letter of credit, or alternative security acceptable to the City Administrator, from a bank (the "Security") for **\$1,401,005**. The amount of the security is based on 125% of the estimated construction costs as shown in Exhibit B. This breakdown is for historical reference; it is not a restriction on the use of the Security.

The bank and form of the security shall be subject to the approval of the City Administrator. Letters of Credit shall be in the format and wording exactly as shown on the attached Letter of Credit form (Exhibit C). The Security shall be automatically renewing. The term of the Security may be extended from time to time if the extension is furnished to the City Administrator at least forty-five (45) days prior to the stated expiration date of the Security. If the required public improvements are not completed, or terms of the Agreement are not satisfied, at least thirty (30) days prior to the expiration of a letter of credit, the City may draw down the letter of credit. The City may draw down the Security, without prior notice, for any violation of this Agreement or Default of the Contract following applicable cure periods.

Upon receipt of proof satisfactory by the Developer's Engineer, an Engineer licensed in Minnesota, to the City Engineer that work has been completed in accordance with the Plans (and specifications), and terms of this Agreement, and that all

financial obligations to the City, subcontractors, or other persons have been satisfied, the City Engineer may approve reductions in the Security provided by the Developer under this paragraph from time to time by ninety percent (90%) of the financial obligations that have been satisfied. Ten percent (10%) of the amounts certified by the Developer's engineer shall be retained as Security until all Improvements have been completed, the required "as built" plans have been received by the City, a warranty security is provided, and the public improvements are accepted by the City Council.

- 30. Warranty.** The Developer and the Developers Engineer represent and warrant to the City that the design for the project meets all laws, City Standards, Engineering Guidelines and Ordinances. The Developer warrants all improvements required to be constructed by it pursuant to this Contract against poor material and faulty workmanship.

The warranty period for streets is one year. The warranty period for the streets shall commence after the final wear course has been completed. It is the responsibility of the Developer to complete all street improvements. Failure of the Developer to complete all street improvements in a timely manner shall not in any way constitute cause for the warranty period to be modified from the stipulations set forth above.

The warranty period for underground utilities is two years. The warranty period on underground utilities shall commence following its completion and acceptance by the City Engineer in writing. It is the responsibility of the Developer to complete the required testing of the underground utilities and request, in writing, City acceptance of the utilities. Failure of the Developer to complete the required testing or request acceptance of the utilities in a timely manner shall not in any way constitute cause for the warranty period to be modified from the stipulations set forth above.

All trees shall be warranted to be alive, of good quality, and disease free for 12 months after the security for the trees is released. Any replacements shall be warranted for 12 months from the time of planting.

The Developer shall post maintenance bonds in the amount of twenty five percent (25%) of the final certified construction cost or other surety acceptable to the City to secure the warranties. The City shall retain ten percent (10%) of the security posted by the Developer until the bonds or other acceptable surety are furnished to the City or until the warranty period has been completed, whichever first occurs. The retainage may be used to pay for warranty work. The City's Engineering Guidelines identify the procedures for final acceptance of streets and utilities.

- 31. Developer's Default.** In the event of default by the Developer as to any of the Improvements to be performed by it hereunder, the City may, at its option, perform the work and the Developer shall promptly reimburse the City for any expense incurred by the City, provided the Developer, except in an emergency as determined by the City or as otherwise provided for in this Agreement, is first given written notice of the work in default, not less than seventy-two (72) hours in advance. This Agreement is a license for the City to act, and it shall not be necessary for the City to seek a Court order for permission to enter the land. When the City does any such work, the City may, in addition to its other remedies, assess the cost in whole or in part.

**32. Miscellaneous.**

- A. This Agreement shall be binding upon the parties, their heirs, successors or assigns, as the case may be. The Developer may not assign this Agreement without the written permission of the City Council. The Developer's obligation hereunder shall continue in full force and effect even if the Developer sells one or more lots, the entire Plat, or any part of it.
- B. Third parties shall have no recourse against the City under this Agreement.
- C. Breach of the terms of this Agreement by the Developer shall be grounds for denial of building permits, including lots sold to third parties.
- D. If any portion, section, subsection, sentence, clause, paragraph or phrase of this Agreement is for any reason held invalid, such decision shall not affect the validity of the remaining portion of this Agreement.
- E. Each right, power or remedy herein conferred upon the City is cumulative and in addition to every other right, power or remedy, express or implied, now or hereafter arising, available to City at law or in equity, or under any other

agreement, and each and every right, power and remedy herein set forth or otherwise so existing may be exercised from time to time as often and in such order as may be deemed expedient by the City and shall not be a waiver of the right to exercise at any time thereafter any other right, power or remedy.

- F. The action or inaction of the City shall not constitute a waiver or amendment to the provisions of this Agreement. To be binding, amendments or waivers shall be in writing, signed by the parties and approved by written resolution of the City Council. The City's failure to promptly take legal action to enforce this Agreement shall not be a waiver or release.
- G. Compliance with Laws and Regulations. The Developer represents to the City that the Plat complies with all City, County, Metropolitan, State and Federal laws and regulations, including but not limited to: subdivision ordinances, zoning ordinances and environmental regulations. If the City determines that the Plat does not comply, the City may, at its option, refuse to allow any construction or development work in the Plat until the Developer does comply. Upon the City's demand, the Developer shall cease work until there is compliance.
- H. This Agreement shall run with the land and shall be recorded against the title to the property before any building permits are issued. The Developer covenants with the City, its successors and assigns, that the Developer is well seized in fee title of the property being final platted and/or has obtained Consents to this Agreement, in the form attached hereto, from all parties who have an interest in the property; that there are no unrecorded interests in the property being final platted; and that the Developer will indemnify and hold the City harmless for any breach of the of the foregoing covenants. After the Developer has completed the Improvements required of it under this Agreement, at the Developer's request the City will execute and deliver a termination of this Agreement (in recordable form) and a release of the Developer.
- I. Upon breach of the terms of this Agreement, the City may, following the passing of all applicable notice and cure periods, draw down the Developer's Security as provided in Paragraph 30 (Security) of this Agreement. The City may draw down this Security in the amount of \$500.00 per day that the Developer is in violation (following the passing of all applicable notice and cure periods). The City, in its sole discretion, shall determine whether the Developer is in violation of the Agreement. Subject to the provisions of Paragraph 32 (Developer's Default) hereof, this determination may be made without notice to the Developer. It is stipulated that the violation of any term will result in damages to the City in an amount, which will be impractical and extremely difficult to ascertain. It is agreed that the per day sum stipulated is a reasonable amount to compensate the City for its damages.
- J. The Developer will be required to conduct all major activities to construct the Improvements during the following hours of operation:

Monday - Friday	7:00 A.M. until 7:00 P.M.
Saturday	8:00 A.M. until 5:00 P.M.
Sunday and Holidays	Not Allowed

This does not apply to activities that are required on a 24-hour basis such as dewatering, etc. Any deviations from the above hours are subject to approval of the City Engineer. Violations of the working hours will result in a \$500 fine per occurrence in accordance with Paragraph I of this section.

- K. The Developer shall be responsible for the control of weeds in excess of twelve inches (12") on vacant lots or boulevards within their development as per City Code 6-7-1. Failure to control weeds will be considered a Developer's Default as outlined in Paragraph 32 (Developer's Default) of this Agreement and the Developer will reimburse the City as defined in said Paragraph 25 (Responsibility for Costs).
- L. The City agrees at any time, and from time to time, within ten (10) days after receipt of written request by the Developer, a lender or a party purchasing the property, to execute, acknowledge and deliver a certification in writing and in such form as will enable it to be recorded in the proper office for the recordation of deeds and other instruments certifying: (a) that this Agreement is unmodified and in full force and effect, or if there have been modifications, the identify of such modifications and that the same are in full force and effect as modified; (b) that no party is in default under any provisions of this Agreement or, if there has been a default, the nature of such default; (c) that all

Improvements to be performed under this Agreement have been performed, specifying the Improvements to be performed; and (d) as to any other matter that the requesting party shall reasonably request. It is intended that any such statement may be relied upon by any person, prospective mortgagee of, or assignee of any mortgage, upon such interest. Any such statement on behalf of the City may be executed by the City Administrator without City Council approval.

M. Indemnification. To the fullest extent permitted by law, Developer agrees to defend, indemnify and hold harmless the City, and its employees, officials, and agents from and against all claims, actions, damages, losses and expenses, including reasonable attorney fees, arising out of Developer's negligence or its performance or failure to perform its obligations under this Contract. Developer's indemnification obligation shall apply to developer's general contractor, subcontractor(s), or anyone directly or indirectly employed or hired by Developer, or anyone for whose acts Developer may be liable. Developer agrees this indemnity obligation shall survive the completion or termination of this Contract.

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33. **Notices.** Required notices to the Developer shall be in writing, and shall be either hand delivered to the Developer, its employees or agents, or mailed to the Developer by certified or registered mail at the following addresses:

**US Homes, LLC (dba Lennar)  
Attn: Joe Jablonski  
16355 36<sup>th</sup> Avenue N #100  
Plymouth, MN 55446**

Notices to the City shall be in writing and shall be either hand delivered to the City Administrator, or mailed to the City by certified mail or registered mail in care of the City Administrator at the following address:

**Lynn Gorski, City Administrator  
City of Farmington  
430 Third Street  
Farmington, MN 5502**

**SIGNATURE PAGE  
FOR THE CITY**

**CITY:  
CITY OF FARMINGTON**

By: \_\_\_\_\_  
Joshua Hoyt, Mayor

By: \_\_\_\_\_  
Shirley R Buecksler, City Clerk

STATE OF MINNESOTA    )  
                                  )ss.  
COUNTY OF DAKOTA    )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 20\_\_ by Joshua Hoyt, Mayor of the City of Farmington, a Minnesota municipal corporation, on behalf of the corporation and pursuant to the authority granted by the City Council.

\_\_\_\_\_  
Notary Public

STATE OF MINNESOTA    )  
                                  )ss.  
COUNTY OF DAKOTA    )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 20\_\_ by Shirley R Buecksler, City Clerk of the City of Farmington, a Minnesota municipal corporation, on behalf of the corporation and pursuant to the authority granted by the City Council.

\_\_\_\_\_  
Notary Public



**LEGAL DESCRIPTION**

Outlot C, VERMILLION COMMONS 4<sup>TH</sup> ADDITION, according to the plat thereof, Dakota County, Minnesota

**Development Contract Calculations  
VERMILLION COMMONS 5th ADDITION**

**Exhibit B  
Development Contract**

**Acreages for Platting Calculations**

<b>Total Platted Area:</b>	<b>7.25 AC</b>	<b>Land Use Type</b>
Wetland / Floodplain:	0.00 AC	WETLAND
County/Collector ROW:	0.00 AC	ROW
Multi Family Area:	7.25 AC	R-LD
Outlot A:	0.00 AC	PARK
Outlot B:	0.00	POND
Outlot C:	0.00 AC	FUTURE
<b>Total Development Fee Acreage*:</b>	<b>7.25 AC</b>	
<b>Total by Land Use Type</b>		
R-LD	0.00 AC	
R-HD	7.25 AC	
Comm/I/I	0.00 AC	
ROW	0.00 AC	
Pond	0.00 AC	
Wetland	0.00 AC	
Park	0.00 AC	
Future	0.00 AC	
<b>Current Phase Development Fee Acreage:</b>	<b>7.25 AC</b>	<----- Used for all Development Fee Calcs
<b>Number of Units (Preliminary Plat)</b>	<b>134</b>	
<b>Number of Units (Final Plat)</b>	<b>66</b>	
<b>Area of new bituminous</b>	<b>5,235 Sq.Yds.</b>	All Public Streets

**Development Contract Calculations  
VERMILLION COMMONS 5th ADDITION**

**Exhibit B  
Development Contract**

**Platting Fee Calculations**

Based on 2025 Fee Schedule

**Surface Water Quality Management Fee**

Residential, single/multi	\$	120	per acre	\$870
Comm./Industrial/Institutional	\$	246	per acre	\$0
				<b>\$870</b>

**Surface Water Management Fee**

Residential, low density	\$	12,744	per acre	\$0
Residential, high density	\$	21,169	per acre	\$153,475
Comm./Industrial/Institutional	\$	25,484	per acre	\$0
				<b>\$153,475</b>

**Watermain Trunk Area Charge**

All Land Use Types		\$4,990	per acre	<b>\$36,178</b>
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**Sanitary Sewer Trunk Area Charge**

All Land Use Types	\$	2,675	per acre	<b>\$19,394</b>
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**Park Dedication**

Dwelling units/acre (Preliminary Plat)	5.17	Total of 1.61 acres of land required for dedication.		
Percentage of land to be dedicated as Park	13%	1.5 acres dedicated with 4th Addition.		
Required Park Land w/ Final Plat	0.11	AC		
Dedicated Park Land	0.00	AC		
Balance paid as Cash in Lieu	0.11	AC		
Appraisal Value/Acre	\$77,131	per acre		<b>\$8,484</b>

**Park Development Fee**

Park Development Fee per acre of required parkland	\$	25,686	per acre	
Total Park Development Fee	\$	-		<b>\$0</b>

**Sealcoating**

Bituminous Seal Coating	\$	1.63	per square yard	<b>\$8,533</b>
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**Development Contract Escrow**

Construction Cost	\$1,127,604			
Contract Administration Fee	3%	of Construction Cost		\$33,828
Construction Observation Escrow	5%	of Construction Cost		\$56,380
SWPP Compliance Escrow	\$25,000			\$25,000
				<b>\$115,208</b>

<b>Total of Fees Due upon Platting</b>				<b>\$342,142</b>
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**Oversizing Reimbursements / Construction Escrow Reimbursements**

Sanitary Sewer Trunk Oversizing	N/A
Watermain Trunk Oversizing	N/A

<b>Total Reimbursements Paid upon Proof of Plat Recording</b>	<b>\$0</b>
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**Development Contract Calculations  
VERMILLION COMMONS 5th ADDITION**

**Exhibit B  
Development Contract**

**Construction Security Calculations**

		<b>Construction Cost</b>	<b>Security Amount</b>
Grading (fill) /Erosion Control		\$0.00	\$0
Sanitary Sewer		\$387,482	\$484,353
Water Main		\$321,686	\$402,108
Storm Sewer		\$68,529	\$85,661
Street Construction		\$349,907	\$437,384
Monuments	\$200 per lot	\$13,200	\$16,500
Street Lights & Signage (included in Street Con)		\$0	\$0
Wetland Mitigation		N/A	N/A
<b>Total Construction Cost</b>		<b>\$1,140,804.00</b>	
		<b>Total Security Amount</b>	<b>\$1,426,005</b>
		<b>SWPPP Compliance Escrow</b>	<b>(\$25,000)</b>
			<b>\$1,401,005</b>

**IRREVOCABLE LETTER OF CREDIT**

No. \_\_\_\_\_

Date: \_\_\_\_\_

TO: City of Farmington  
430 Third Street  
Farmington, MN 55024

Dear Sir or Madam:

We hereby issue, for the account of \_\_\_\_\_ (Name of Developer) and in your favor, our Irrevocable Letter of Credit in the amount of \$ \_\_\_\_\_, available to you by your draft drawn on sight on the undersigned bank.

The draft must:

- a) Bear the clause, "Drawn under Letter of Credit No. \_\_\_\_\_, dated \_\_\_\_\_, 20\_\_\_\_, of \_\_\_\_\_ (Name of Bank)";
- b) Be signed by the City Administrator or Finance Director of the City of Farmington.
- c) Be presented for payment at \_\_\_\_\_ (Address of Bank) on or before 4:00 p.m. on November 30, 2\_\_\_\_.

This Letter of Credit shall automatically renew for successive one-year terms unless, at least forty-five (45) days prior to the next annual renewal date (which shall be November 30 of each year), the Bank delivers written notice to the Farmington City Administrator that it intends to modify the terms of, or cancel, this Letter of Credit. Written notice is effective if sent by certified mail, postage prepaid, and deposited in the U.S. Mail, at least forty-five (45) days prior to the next annual renewal date addressed as follows: Farmington City Administrator, 430 Third Street, Farmington, MN 55024, and is actually received by the City Administrator at least thirty (30) days prior to the renewal date.

This Letter of Credit sets forth in full our understanding which shall not in any way be modified, amended, amplified, or limited by reference to any document, instrument, or agreement, whether or not referred to herein.

This Letter of Credit is not assignable. This is not a Notation Letter of Credit. More than one draw may be made under this Letter of Credit.

This Letter of Credit shall be governed by the most recent revision of the Uniform Customs and Practice for Documentary Credits, International Chamber of Commerce Publication No. 600.

We hereby agree that a draft drawn under and in compliance with this Letter of Credit shall be duly honored upon presentation.

**[NAME OF BANK]**

By: \_\_\_\_\_ [name]  
Its: \_\_\_\_\_ [identify official]



## REGULAR COUNCIL AGENDA MEMO

**To:** Mayor, Councilmembers and City Administrator  
**From:** Tony Wippler, Planning Manager  
**Department:** Community Development  
**Subject:** Resolution Granting a Time Extension for Recording of Final Plat - Farmington Technology Park  
**Meeting:** Regular Council - Apr 07 2025

### INTRODUCTION:

Jacob Steen, of the law firm Larkin Hoffman, has submitted a request on behalf of MNLCO Farmington, LLC and MNLCO Farmington Two, LLC for an extension to the timeframe for recording the Farmington Technology Park final plat with Dakota County.

### DISCUSSION:

The Farmington Technology Park final plat was approved by the City Council on November 18, 2024. Section 11-2-3(E) of the City Code requires that, upon approval of the final plat by the City Council, said final plat shall be recorded with the Dakota County Recorder within 6 months of the approval or the approval is considered void, unless a time extension is requested and submitted in writing and approved by the City Council. Therefore, the Farmington Technology Park final plat needs to be recorded by May 18, 2025 to meet this requirement.

The submitted request dated March 28, 2025 (see attached letter) is for the City Council to grant an extension for the recording of the final plat to **May 18, 2026**. As stated in the attached letter, the extension request is due to the fact that the City approvals for the rezoning and PUD are subject to approval of a Comprehensive Plan Amendment by the Metropolitan Council, which the Metropolitan Council's review has resulted in delays to the project timeline. Additionally, there are anticipated delays in closing on the properties due to ongoing litigation.

### ACTION REQUESTED:

Adopt Resolution 2025-023 Allowing an Extension for the Recording of the Final Plat Farmington Technology Park (**May 18, 2026**).

### ATTACHMENTS:

[Tract Capital Management LP - LT to T. Wippler Planning Manager Farmington re Tract 2025-023 Final Plat Recording Extension Farmington Tech Park](#)

March 28, 2025

City of Farmington  
Attn: Tony Wippler  
Planning Manager  
430 Third Street  
Farmington, MN 55024

**Via Email**  
**TWippler@FarmingtonMN.gov**

Re: MNLCO Farmington, LLC and MNLCO Farmington Two, LLC – Final Plat Extension

Dear Mr. Wippler:

I represent MNLCO Farmington, LLC and MNLCO Farmington Two, LLC (“Tract”) regarding the Final Plat of Farmington Technology Park (“Plat”) approved by the City of Farmington (“City”) on November 18, 2024. Please accept this letter as formal request for an extension of the Plat recording deadline.

The Plat is one of multiple land use approvals for the Tract project (“Project”), including a Comprehensive Plan amendment, rezoning, and planned unit development (PUD). The rezoning, and PUD are subject to the approval of the Comprehensive Plan amendment by the Metropolitan Council. The Metropolitan Council’s review has resulted in delays to the Project timeline. Tract also anticipates delays in closing due to certain lawsuits related to the City approval of the Project. In order to accommodate these delays and in accordance with the Farmington Code of Ordinances, section 11-2-3(E), Tract is requesting an additional one (1) year extension of the current plat recording deadline from May 18, 2025 to May 18, 2026.

Please contact me with any questions about this request.

Sincerely,



Jacob W. Steen, for  
Larkin Hoffman

Direct Dial: 952-896-3239

Direct Fax: 952-842-1738

Email: [jsteen@larkinhoffman.com](mailto:jsteen@larkinhoffman.com)

cc: Client

**CITY OF FARMINGTON  
DAKOTA COUNTY, MINNESOTA**

**RESOLUTION 2025-023**

**ALLOWING AN EXTENSION FOR  
THE RECORDING OF THE FINAL PLAT  
FARMINGTON TECHNOLOGY PARK**

**WHEREAS**, pursuant to Resolution No. 2024-109, the City Council approved the Final Plat of Farmington Technology Park subject to the following condition:

1. A Development Contract between the Developer and City of Farmington shall be executed and security and fees paid. Submission of all other documents required under the Development Contract shall be required.

; and

**WHEREAS**, the Developer of Farmington Technology Park has requested the City Council approve an extension for filing a final plat at Dakota County.

**NOW, THEREFORE, BE IT RESOLVED**, that after due consideration, the requested extension for filing of the final plat for the aforementioned subdivision to **May 18, 2026** is hereby approved.

Adopted by the City Council of the City of Farmington, Minnesota, this 7<sup>th</sup> day of April 2025.

ATTEST:

\_\_\_\_\_  
Joshua Hoyt, Mayor

\_\_\_\_\_  
Shirley R Buecksler, City Clerk

## REGULAR COUNCIL AGENDA MEMO

**To:** Mayor, Councilmembers and City Administrator  
**From:** Kim Sommerland, Finance Director  
**Department:** Finance  
**Subject:** Agreement with BS&A Software for Financial Software and Services  
**Meeting:** Regular Council - Apr 07 2025

### INTRODUCTION:

This memo seeks approval from the City Council to discontinue LOGIS's services related to financial management, payroll, and utility billing software and support, and to independently select a new software system that better aligns with the City's needs. The existing system, shared with the LOGIS consortium, is outdated, inefficient, and poorly integrated, creating significant operational challenges. Transitioning to an independent Enterprise Resource Planning (ERP) system will provide substantial improvements in functionality, user experience, and cost savings.

### DISCUSSION:

Currently, the City uses ERP software systems managed by the LOGIS consortium for financial management, payroll, utility billing, and several other applications. The financial management, payroll, and utility billing applications are 20+ years old and in need of a major version update. In 2021, LOGIS and its members issued a Request for Proposals (RFP) and, in 2022, selected Oracle Fusion (for financial management and payroll) and SpryPoint (for utility billing) as replacements for the outdated software. However, during the Oracle implementation phase with two pilot organizations, it became evident that the Oracle-assigned implementation team was unprepared and unable to meet agreed-upon timelines, leading to the project being terminated in September 2024. While the conversion to SpryPoint continues for the rest of the consortium, the City has not yet begun this transition.

The City's current ERP system, part of the shared consortium platform, presents several significant drawbacks:

- **Outdated Technology:** The system is built on legacy software that is no longer effective or compatible with modern needs and tools.
- **Lack of Intuition:** The system is difficult for Staff to navigate, requiring extensive training and causing delays in day-to-day operations.
- **Poor Integration:** The ERP does not integrate well with other systems, resulting in manual data entry, higher error rates, and inefficiencies.

Given these challenges and the potential for annual cost savings, Staff believes that transitioning to an independent ERP system is in the best interest of the City.

Staff surveyed other Minnesota Cities the same size of Farmington up to populations of 50,000 to identify the financial software systems commonly used. The systems most reported were BS&A Software, Civic Systems, Springbrook, and Tyler Technologies. After inviting three vendors for software demonstrations, two provided quotes. While the other quote was lower than BS&A Software's, Staff concluded that BS&A Software offers superior long-term value.

BS&A Software has successfully converted former LOGIS members, which ensures familiarity with the needs of Cities transitioning from the consortium's system. Additionally, the City has current Staff who have used BS&A Software systems in previous roles and have recommended it based on their positive experiences. This prior knowledge will be an asset in the transition and implementation process. Despite not being the lowest bidder, after considering these factors and conducting reference checks, Staff is recommending BS&A Software as the best choice for the City's new ERP system.

BS&A Software is based in Bath, Michigan, and exclusively serves the public sector with all 2,000+ customers in either local, county or other government entities, with a growing number of customers from Minnesota. Many former LOGIS members are now BS&A Software customers.

The new system will:

- **Enhance User Experience:** The new ERP will be intuitive, improving productivity and reducing training time.
- **Improve Integration:** The selected system will integrate more effectively with other software we use, automating processes and improving data accuracy.
- **Generate Cost Savings:** A modern ERP will reduce long-term maintenance costs, increase operational efficiency, and provide better analytics for decision-making.

The decision to transition away from LOGIS for financial management, payroll, and utility billing software and services is based on the realization that the shared system no longer meets our needs. While it may have served the City well in the past, it now restricts our potential for growth and operational efficiency.

The new ERP system will reduce manual processes, eliminate inefficiencies, and enhance data management. Although the initial investment is considerable, the long-term financial and operational benefits will justify the cost. Within three years, this transition should lead to net savings and more effective use of taxpayer funds, ultimately resulting in annual savings of more than \$100,000.

The terms of the agreement have been reviewed and approved by the City's attorney.

#### **BUDGET IMPACT:**

The estimated cost to convert to BS&A Software's solution for the Financial Management, Personnel Management, and Utility Billing modules, including implementation and training, is \$190,780. (While the quote includes pricing for the Community Development module, those costs are not included in this estimate as the Community Development Department is planning to pursue a different software solution. Additionally, the City is not committed to paying for any modules that we do not implement.) The annual software license cost for the selected modules will be \$62,685. For comparison, the City paid nearly \$169,000 to LOGIS in 2024 for comparable annual software services.

The cost of converting financial systems was not included in the 2025 budget. However, in 2024, \$263,120 was transferred from the Closed Bonds Fund to the IT Fund in preparation for the LOGIS transition to Oracle. This amount is sufficient to cover the conversion costs to BS&A Software.

**ACTION REQUESTED:**

The City Council is requested to approve the agreement with BS&A Software and to approve an amendment to the 2025 budget using reserves from the IT Fund to cover the identified expenses.

**ATTACHMENTS:**

[BS&A Agreement 4.1.25](#)

**BS&A  
CUSTOMER ORDER FORM**

This Customer Order Form (this “**Order**”) is entered into as of the “**Effective Date**” identified below between BS&A Software, LLC, a Delaware limited liability company with offices located at 14965 Abbey Lane, Bath, MI 48808 (“**BS&A**”) and the “**Customer**” identified below. Capitalized terms used but not defined in this Order have the meanings given them elsewhere in the Agreement (as defined below). BS&A and Customer may be referred to herein collectively as the “**Parties**” or individually as a “**Party**”. The Parties hereby agree as follows:

<b>Customer Name:</b> City of Farmington, Dakota County MN	<b>Sponsor Contact:</b>
<b>Billing Address:</b>	<b>Sponsor Phone:</b>
<b>Accounts Payable Email:</b>	<b>Sponsor Email:</b>

**Platform and Fee Information**

<b>Effective Date:</b>	
<b>Platform Description:</b> Those modules and feature packs of BS&A’s proprietary hosted enterprise resource planning service for managing local government functions that are identified in the Pricing Sheet.	
<b>“Usage Limitations”:</b>	
<input type="checkbox"/> <i>Number of Authorized Users:</i> [INSERT # OF SEATS]	
<input type="checkbox"/> <i>Other:</i> [INSERT OTHER USAGE LIMITATIONS, IF ANY]	
<b>“Initial Subscription Period”:</b> [One (1) year]	<b>Subscription Fees:</b> \$79,710, payable [annually].
<b>Professional Services (if any):</b> \$225,110	<b>Service Fees (if any):</b>
<b>Other Customer Terms:</b>	

The Customer Agreement (the “**Agreement**”), made and entered into as of the Effective Date between BS&A and Customer, includes and incorporates: (i) the above Order; (ii) any Orders previously or subsequently entered into by the Parties; and (iii) the Customer Terms and Conditions, which are attached to this Order as Exhibit A (the “**Terms and Conditions**”); and (iv) the Pricing Sheet attached to this Order as Exhibit B (the “**Pricing Sheet**”).

BS&A acknowledges and agrees that Customer, in its sole discretion, may choose not to purchase certain Cloud Module(s) and associated services as listed in the Pricing Sheet. If Customer chooses not to purchase all Cloud Modules and associated services, the Subscription Fees and the Professional Services amounts listed above shall be reduced in the amounts listed for such Subscription Fees and the Professional Services on the Pricing Sheet. Professional Services shall only be reduced to the extent such services have not already been performed by BS&A. In the event such Cloud Module(s) and associated services are still provided by BS&A, Module(s) and associated services may be added by Customer at any time during any Renewal Subscription Period, as defined herein. If Customer chooses to add Cloud Module(s) and associated services, the cost for the added Module(s) and associated services shall be the amount listed in the Pricing Sheet plus any increase in Fees as set forth in Section 7 of the Terms and Conditions.

*[The rest of this page is left blank intentionally; signature page follows]*

**BS&A SOFTWARE, LLC**

**CITY OF FARMINGTON, DAKOTA COUNTY MN**

\_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

\_\_\_\_\_  
Name: Joshua Hoyt  
Title: Mayor

\_\_\_\_\_  
Name: Shirley R Buecksler  
Title: City Clerk

**EXHIBIT A**  
**CUSTOMER TERMS AND CONDITIONS**

The Parties agree as follows:

1. Definitions.

1.1 **“Authorized User”** means Customer’s employees, consultants, contractors, and agents: (i) who are authorized by Customer to access and use the Platform under this Agreement; and (ii) for whom access to the Platform has been purchased hereunder.

1.2 **“BS&A IP”** means the Platform and any and all intellectual property provided to Customer or any Authorized User in connection with the foregoing. For the avoidance of doubt, BS&A IP includes Usage Data and any information, data, or other content derived from BS&A’s provision of the Platform but does not include Customer Data.

1.3 **“Business Contact Data”** means Personal Information that relates to BS&A’s relationship with Customer, including, by way of example and without limitation, the names and contact information of Authorized Users and any other data BS&A collects for the purpose of managing its relationship with Customer, identity verification, or as otherwise required by applicable laws, rules, or regulations.

1.4 **“Customer Data”** means information, data, and other content, in any form or medium, that is submitted, posted, or otherwise transmitted by or on behalf of Customer or an Authorized User through the Platform, including Business Contact Data; provided that, for purposes of clarity, Customer Data as defined herein does not include Business Contact Data or Usage Data.

1.5 **“Documentation”** means Company’s end user documentation relating to the Platform, including any user guides.

1.6 **“Harmful Code”** means any software, hardware, or other technology, device, or means, including any virus, worm, malware, or other malicious computer code, the purpose or effect of which is to permit unauthorized access to, or to destroy, disrupt, disable, distort, or otherwise harm or impede in any manner any (i) computer, software, firmware, hardware, system, or network; or (ii) any application or function of any of the foregoing or the security, integrity, confidentiality, or use of any data processed thereby.

1.7 **“Order”** means: (i) a purchase order, order form, or other ordering document entered into by the Parties that incorporates this Agreement by reference; or (ii) if Customer registered for the Platform through BS&A’s online ordering process, the results of such online ordering process.

1.8 **“Personal Information”** means any information that, individually or in combination, does or can identify a specific individual or by or from which a specific individual may be identified, contacted, or located, including without limitation all data considered “personal data”, “personally identifiable information”, or something similar under applicable laws, rules, or regulations relating to data privacy.

1.9 **“Platform”** has the meaning set forth on the Order.

1.10 **“Professional Services”** means training, migration, implementation, integration, or other professional services that are included in Exhibit B and provided to Customer in connection with its use of the Platform hereunder.

1.11 **“Subscription Period”** means the time period identified on the Order during which Customer’s Authorized Users may access and use the Platform.

1.12 **“Third-Party Products”** means any third-party products provided with, integrated with, or incorporated into the Platform.

1.13 **“Usage Data”** means usage data collected and processed by BS&A in connection with Customer’s use of the Platform, including without limitation test configuration metadata, activity logs, and data used to optimize and maintain performance of the Platform, and to investigate and prevent system abuse. For purposes of clarity, Customer Data is not Usage Data and Usage Data does not contain Personal Information or any other Customer Data.

1.14 **“Usage Limitations”** means the usage limitations set forth in this Agreement and the Order, including without limitation any limitations on the number of Authorized Users (if any), and the applicable product, pricing, and support tiers agreed-upon by the Parties.

## 2. Access and Use.

2.1 Provision of Access. Subject to and conditioned on Customer's compliance with the terms and conditions of this Agreement, including without limitation the Usage Limitations, Customer may, solely through its Authorized Users, access and use the Platform during the Subscription Period on a non-exclusive, non-transferable (except in compliance with Section 15.9), and non-sublicensable basis. Such use is limited to Customer's internal business purposes and the features and functionalities specified in the Order. Each Authorized User must have its own unique account on the Platform and Authorized Users may not share their account credentials with one another or any third party. Customer will be responsible for all of the acts and omissions of its Authorized Users in connection with this Agreement and for all use of Authorized Users' accounts.

2.2 Documentation License. Subject to and conditioned on Customer's compliance with the terms and conditions of this Agreement, Company hereby grants to Customer a non-exclusive, non-transferable (except in compliance with Section 15.9), and non-sublicensable license to use the Documentation during the Subscription Period solely for Customer's internal business purposes in connection with its use of the Platform.

2.3 Use Restrictions. Customer shall not use the Platform for any purposes beyond the scope of the access granted in this Agreement. Customer shall not at any time, directly or indirectly, and shall not permit any Authorized Users to: (i) copy, modify, or create derivative works of any BS&A IP, whether in whole or in part; (ii) rent, lease, lend, sell, license, sublicense, assign, distribute, publish, transfer, or otherwise make available the Platform or Documentation to any third party; (iii) reverse engineer, disassemble, decompile, decode, adapt, or otherwise attempt to derive or gain access to any software component of the Platform, in whole or in part; (iv) remove any proprietary notices from any BS&A IP; (v) use any BS&A IP in any manner or for any purpose that infringes, misappropriates, or otherwise violates any intellectual property right or other right of any person, or that violates any applicable law; (vi) access or use any BS&A IP for purposes of competitive analysis of BS&A or the Platform, the development, provision, or use of a competing software service or product, or any other purpose that is to BS&A's detriment or commercial disadvantage; (vii) bypass or breach any security device or protection used by the Platform or access or use the Platform other than by an Authorized User through the use of valid access credentials; (viii) input, upload, transmit, or otherwise provide to or through the Platform any information or materials, including Customer Data, that are unlawful or injurious or that infringe or otherwise violate any third party's intellectual property or other rights, or that contain, transmit, or activate any Harmful Code; or (ix) use any BS&A IP for any activity where use or failure of the BS&A IP could lead to death, personal injury, or environmental damage, including life support systems, emergency services, nuclear facilities, autonomous vehicles, or air traffic control.

2.4 Reservation of Rights. BS&A reserves all rights not expressly granted to Customer in this Agreement. Except for the limited rights and licenses expressly granted under this Agreement, nothing in this Agreement grants, by implication, waiver, estoppel, or otherwise, to Customer or any third party any intellectual property rights or other right, title, or interest in or to the BS&A IP.

2.5 Suspension. Notwithstanding anything to the contrary in this Agreement, BS&A may temporarily suspend Customer's and any Authorized User's access to any portion or all of the Platform if: (i) BS&A reasonably determines that (a) there is a threat or attack on any of the BS&A IP; (b) Customer's or any Authorized User's use of the BS&A IP disrupts or poses a security risk to the BS&A IP or to any other customer or vendor of BS&A; (c) Customer, or any Authorized User, is using the BS&A IP for fraudulent or illegal activities; (d) subject to applicable law, Customer has ceased to continue its business in the ordinary course, made an assignment for the benefit of creditors or similar disposition of its assets, or become the subject of any bankruptcy, reorganization, liquidation, dissolution, or similar proceeding; (e) BS&A's provision of the Platform to Customer or any Authorized User is prohibited by applicable law; or (f) any Customer Data submitted, posted, or otherwise transmitted by or on behalf of Customer or an Authorized User through the Platform may infringe or otherwise violate any third party's intellectual property or other rights; (ii) any vendor of BS&A has suspended or terminated BS&A's access to or use of any Third-Party Products required to enable Customer to access the Platform; or (iii) in accordance with Section 7.1 (any such suspension described in subclauses (i), (ii), or (iii), a "**Service Suspension**"). BS&A shall use commercially reasonable efforts to provide written notice of any Service Suspension to Customer and to provide updates regarding resumption of access to the Platform following any Service Suspension. BS&A shall use commercially reasonable efforts to resume providing access to the Platform as soon as reasonably possible after the event giving rise to the Service Suspension is cured. BS&A will have no liability for any damage, liabilities, losses (including any loss of data or profits), or any other consequences that Customer or any Authorized User may incur as a result of a Service Suspension.

2.6 Business Contact Data and Usage Data. Notwithstanding anything to the contrary in this Agreement,

BS&A may process Business Contact Data: (i) to manage BS&A's relationship with Customer; (ii) to carry out BS&A's core business operations, such as, by way of example and without limitation, accounting, audits, tax preparation and for filing and compliance purposes; (iii) to monitor, investigate, prevent and detect fraud, security incidents and other misuse of the Platform, and to prevent harm to BS&A, Customer, and BS&A's other customers; (iv) for identity verification purposes; and (v) to comply with applicable laws, rules, and regulations relating to the processing and retention of Personal Information to which BS&A may be subject. BS&A may process Usage Data for any lawful purpose, including to monitor, maintain, and optimize the Platform. '

### 3. Customer Responsibilities.

3.1 General. Customer is responsible and liable for all uses of the Platform and Documentation resulting from access provided by Customer, directly or indirectly, whether such access or use is permitted by or in violation of this Agreement. Without limiting the generality of the foregoing, Customer is responsible for all acts and omissions of Authorized Users, and any act or omission by an Authorized User that would constitute a breach of this Agreement if taken by Customer will be deemed a breach of this Agreement by Customer. Customer shall use reasonable efforts to make all Authorized Users aware of this Agreement's provisions as applicable to such Authorized User's use of the Platform and shall cause Authorized Users to comply with such provisions.

3.2 Third-Party Products. BS&A may from time to time make Third-Party Products available to Customer or BS&A may allow for certain Third-Party Products to be integrated with the Platform to allow for the transmission of Customer Data from such Third-Party Products into the Platform. For purposes of this Agreement, such Third-Party Products are subject to their own terms and conditions. BS&A is not responsible for the operation of any Third-Party Products and makes no representations or warranties of any kind with respect to Third-Party Products or their respective providers. If Customer does not agree to abide by the applicable terms for any such Third-Party Products, then Customer should not install or use such Third-Party Products. By authorizing BS&A to transmit Customer Data from Third-Party Products into the Platform, Customer represents and warrants to BS&A that it has all right, power, and authority to provide such authorization.

3.3 Customer Control and Responsibility. Customer has and will retain sole responsibility for: (i) all Customer Data, including its content and use; (ii) all information, instructions, and materials provided by or on behalf of Customer or any Authorized User in connection with the Platform; (iii) Customer's information technology infrastructure, including computers, software, databases, electronic systems (including database management systems), and networks, whether operated directly by Customer or through the use of third-party platforms or service providers ("**Customer Systems**"); (iv) the security and use of Customer's and its Authorized Users' access credentials; and (v) all access to and use of the Platform directly or indirectly by or through the Customer Systems or its or its Authorized Users' access credentials, with or without Customer's knowledge or consent, including all results obtained from, and all conclusions, decisions, and actions based on, such access or use. For purposes of clarity, Customer Systems do not include BS&A's information technology infrastructure, including computers, software, databases, electronic systems (including database management systems), and networks operated directly by BS&A and its third-party service providers.

4. Support. Subject to and conditioned on Customer's compliance with the terms and conditions of this Agreement, including payment of applicable Fees, BS&A will use commercially reasonable efforts to provide Customer with basic customer support via BS&A's standard support channels during BS&A's normal business hours.

5. Professional Services. BS&A will perform Professional Services as described in an Order. Customer will provide BS&A all reasonable cooperation required for BS&A to perform the Professional Services, including without limitation timely access to any reasonably required Customer materials, information, or personnel. Subject to any limitations identified in an Order, Customer will reimburse BS&A's reasonable travel and lodging expenses incurred in providing Professional Services. To the extent the Professional Services result in any work product of any kind or character ("**Work Product**"), all such Work Product will remain owned solely and exclusively by BS&A and, to the extent any such Work Product consists of enhancements, improvements, or other modifications to the Platform, such Work Product may be used by Customer solely in connection with Customer's authorized use of the Platform under this Agreement.

6. Insurance. During the Subscription Period, BS&A shall procure and maintain appropriate insurance policies with coverage limits that are commensurate with industry standards and sufficient to protect against potential risks associated with this Agreement. Such insurance policies and coverage shall include but not limited to cyber liability insurance with minimum limits of \$2,000,000 per occurrence and \$2,000,000 annual aggregate, with Customer named as an additional insured, with the following endorsement: "The City of Farmington, its employees and agents are included as an Additional Insured under the policy on a Primary/Non-Contributory basis when required by written contract. 30 days' notice (other

than non-payment of premium) applies to the Certificate Holder.” The insurance policies shall be obtained from reputable and financially sound insurance providers, and BS&A shall provide proof of such insurance upon execution of this Agreement.

## 7. Fees and Taxes.

7.1 Fees. The Platform may be provided for a fee or other charge. Customer shall pay BS&A the fees (“**Fees**”) identified in the Order without offset or deduction at the cadence identified in the Order (e.g., monthly or annually). BS&A may increase the Fees annually, provided that BS&A will provide Customer at least thirty (30) days’ notice of such increase prior to the end of the then-current Term. The amount of the Fee increase will be no more than four percent (4%) as compared to the Fees applicable during then-current Term. Fees paid by Customer are non-refundable. Customer shall make all payments hereunder in US dollars by ACH or via another reasonable method chosen by BS&A, to such account as BS&A may specify in writing from time to time, or by another mutually agreed-upon payment method. If Customer pays via invoice, Customer will pay the invoiced amount within thirty (30) calendar days of the invoice date. If Customer fails to make any payment when due, and Customer has not notified BS&A in writing within ten (10) days of the payment becoming due and payable that the payment is subject to a good faith dispute, without limiting BS&A’s other rights and remedies, and to the fullest extent permissible under applicable law: (i) BS&A may charge interest on the undisputed past due amount at the rate of 1.5% per month, calculated daily and compounded monthly or, if lower, the highest rate permitted under applicable law; (ii) Customer shall reimburse BS&A for all reasonable costs incurred by BS&A in collecting any late payments or interest, including attorneys’ fees, court costs, and collection agency fees; and (iii) if such failure continues for ten (10) days or more, BS&A may suspend Customer’s and its Authorized Users’ access to all or any part of the Platform until such amounts are paid in full.

7.2 Taxes. All Fees and other amounts payable by Customer under this Agreement are exclusive of taxes and similar assessments. Customer is responsible for all sales, use, and excise taxes, and any other similar taxes, duties, and charges of any kind imposed by any federal, state, or local governmental or regulatory authority on any amounts payable by Customer hereunder, other than any taxes imposed on BS&A’s income.

## 8. Confidential Information.

8.1 Definition. From time to time during the Subscription Period, either Party may disclose or make available to the other Party information about its business affairs, products, confidential intellectual property, trade secrets, third-party confidential information, and other sensitive or proprietary information, whether orally or in written, electronic, or other form or media that: (i) is marked, designated or otherwise identified as “confidential” or something similar at the time of disclosure or within a reasonable period of time thereafter; or (ii) would be considered confidential by a reasonable person given the nature of the information or the circumstances of its disclosure (collectively, “**Confidential Information**”). Except for Personal Information, Confidential Information does not include information that, at the time of disclosure is: (a) in the public domain; (b) known to the receiving Party at the time of disclosure; (c) rightfully obtained by the receiving Party on a non-confidential basis from a third party; or (d) independently developed by the receiving Party without use of, reference to, or reliance upon the disclosing Party’s Confidential Information. BS&A acknowledges that Customer is required to comply with the Minnesota Government Data Practices Act, Minnesota Statutes, Chapter 13; its associated Rules; and other state and federal laws and rules applicable to government data (collectively, the “**Act**”). BS&A agrees that Customer’s obligations under the Act and its classifications of government data shall supersede the provisions of this Section 8 if a circumstance where Customer must reply to a request for government data submitted pursuant to the Act.

8.2 Duty. The receiving Party shall not disclose the disclosing Party’s Confidential Information to any person or entity, except to the receiving Party’s employees, contractors, and agents who have a need to know the Confidential Information for the receiving Party to exercise its rights or perform its obligations hereunder (“**Representatives**”). The receiving Party will be responsible for all the acts and omissions of its Representatives as they relate to Confidential Information hereunder. Notwithstanding the foregoing, each Party may disclose Confidential Information to the limited extent required (i) in order to comply with the order of a court or other governmental body, or as otherwise necessary to comply with applicable law, including the Act as set forth in Section 8.1, provided that the Party making the disclosure pursuant to the order shall first have given written notice to the other Party and allow the other party the opportunity to obtain a protective order prior to disclosure ; or (ii) to establish a Party’s rights under this Agreement, including to make required court filings. Further, notwithstanding the foregoing, each Party may disclose the terms and existence of this Agreement to its actual or potential investors, debtholders, acquirers, or merger partners under customary confidentiality terms.

8.3 Return of Materials; Effects of Termination/Expiration. On the expiration or termination of the

Agreement, the receiving Party shall promptly return to the disclosing Party all copies, whether in written, electronic, or other form or media, of the disclosing Party's Confidential Information, or destroy all such copies and certify in writing to the disclosing Party that such Confidential Information has been destroyed. Each Party's obligations of non-use and non-disclosure with regard to Confidential Information are effective as of the Effective Date and will expire three (3) years from the date of termination or expiration of this Agreement; provided, however, with respect to any Confidential Information that constitutes a trade secret (as determined under applicable law), such obligations of non-disclosure will survive the termination or expiration of this Agreement for as long as such Confidential Information remains subject to trade secret protection under applicable law. Notwithstanding the foregoing, if any of the Confidential Information in the control of Customer constitutes an official record of the City of Farmington, such official records shall be retained by Customer as required by Minnesota Statutes § 15.17 and the Records Retention Schedule of the City of Farmington.

9. Data Security and Processing of Personal Information.

9.1 Customer Data. Customer hereby grants to BS&A a non-exclusive, royalty-free, worldwide license to reproduce, distribute, and otherwise use and display the Customer Data and perform all acts with respect to the Customer Data as may be necessary for BS&A to provide the Platform and otherwise perform its obligations hereunder. Customer may export the Customer Data at any time through the features and functionalities made available via the Platform. For the avoidance of doubt, aggregated, de-identified, and anonymized portions, sets, or other combinations of Customer Data that do not contain personally identifying elements of Customer's identity or of any Authorized Users are Usage Data and not Customer Data.

9.2 Security Measures. BS&A will implement and maintain commercially reasonable administrative, physical, and technical safeguards designed to protect Customer Data (including Personal Information provided as part of Business Contact Data) from unauthorized access, use, alteration, or disclosure.

9.3 Processing of Personal Information. BS&A's rights and obligations with respect to Personal Information that it collects directly from individuals (if any) are set forth in BS&A's Privacy Policy (as amended from time to time in accordance with its terms). Personal Information processed by BS&A on behalf of Customer is considered Customer Data and is governed by the terms of this Agreement.

10. Intellectual Property Ownership; Feedback.

10.1 BS&A IP. Customer acknowledges that, as between Customer and BS&A, BS&A owns all right, title, and interest, including all intellectual property rights, in and to the BS&A IP and, with respect to Third-Party Products, the applicable third-party providers own all right, title, and interest, including all intellectual property rights, in and to the Third-Party Products.

10.2 Usage Data. Customer acknowledges that, as between BS&A and Customer, BS&A owns all right, title, and interest, including all intellectual property rights, in and to the Usage Data.

10.3 Customer Data. BS&A acknowledges that, as between BS&A and Customer, Customer owns all right, title, and interest, including all intellectual property rights, in and to the Customer Data, including all Business Contact Data.

10.4 Feedback. If Customer or any of its employees or contractors sends or transmits any communications or materials to BS&A by mail, email, telephone, or otherwise, suggesting or recommending changes to the BS&A IP, including without limitation, new features or functionality relating thereto, or any comments, questions, suggestions, or the like ("**Feedback**"), BS&A is free to use such Feedback irrespective of any other obligation or limitation between the Parties governing such Feedback.

11. Mutual Warranties; Disclaimer of Other Warranties.

11.1 Mutual Warranties. Each party hereby represents and warrants to the other that: (i) it has the full right, power, and authority to enter into, execute, and perform its obligations under this Agreement without any conflict with or violation of any other obligations to which it may be subject; and (ii) this Agreement is binding on such party in accordance with its terms.

11.2 Disclaimer of Other Warranties. THE BS&A IP IS PROVIDED "AS IS" AND BS&A HEREBY DISCLAIMS ALL WARRANTIES, WHETHER EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE. BS&A SPECIFICALLY DISCLAIMS ALL IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, AND NON-INFRINGEMENT, AND ALL WARRANTIES ARISING FROM COURSE OF DEALING, USAGE, OR TRADE PRACTICE. BS&A MAKES NO WARRANTY OF ANY

KIND THAT THE BS&A IP, OR ANY PRODUCTS OR RESULTS OF THE USE THEREOF, WILL MEET CUSTOMER'S OR ANY OTHER PERSON'S REQUIREMENTS, OPERATE WITHOUT INTERRUPTION, ACHIEVE ANY INTENDED RESULT, BE COMPATIBLE OR WORK WITH ANY SOFTWARE, SYSTEM OR OTHER PLATFORM, OR BE SECURE, ACCURATE, COMPLETE, FREE OF HARMFUL CODE, OR ERROR FREE.

12. Indemnification.

12.1 BS&A Indemnification.

(a) BS&A shall indemnify, defend, and hold harmless Customer from and against any and all losses, damages, liabilities, costs (including reasonable attorneys' fees) ("**Losses**") incurred by Customer resulting from any third-party claim, suit, action, or proceeding ("**Third-Party Claim**") brought against Customer alleging that the Platform, or any use of the Platform in accordance with this Agreement, infringes or misappropriates such third party's US intellectual property rights; provided that Customer promptly notifies BS&A in writing of the claim, cooperates with BS&A, and allows BS&A sole authority to control the defense and settlement of such claim.

(b) If such a claim is made or appears possible, Customer agrees to permit BS&A, at BS&A's sole discretion: to (i) modify or replace the Platform, or component or part thereof, to make it non-infringing; or (ii) obtain the right for Customer to continue use. If BS&A determines that neither alternative is reasonably commercially available, BS&A may terminate this Agreement, in its entirety or with respect to the affected component or part, effective immediately on written notice to Customer, and as Customer's sole and exclusive remedy therefor, BS&A will provide to Customer a prorated refund of prepaid, unused Fees attributable to the Platform (and not including any one-time Fees for Professional Services).

(c) This Section 12.1 will not apply to the extent that the alleged infringement arises from: (i) use of the Platform in combination with data, software, hardware, equipment, or technology not provided by BS&A or authorized by BS&A in writing; (ii) modifications to the Platform not made by BS&A; (iii) Customer Data; or (iv) Third-Party Products.

12.2 Customer Data Security. Notwithstanding any other provision in this Agreement, any of the following, if committed by a Customer or any Authorized User shall be a breach of this Agreement: (i) negligence or willful misconduct; (ii) use of the Platform in a manner not authorized by this Agreement; or (iii) use of the Platform in combination with data, software, hardware, equipment or technology not provided by BS&A or Authorized by BS&A in writing. Any such breach shall result in termination of this Agreement pursuant to Section 14.2 herein.

12.3 Sole Remedy. THIS SECTION 12 SETS FORTH CUSTOMER'S SOLE REMEDIES AND BS&A'S SOLE LIABILITY AND OBLIGATION FOR ANY ACTUAL, THREATENED, OR ALLEGED CLAIMS THAT THE PLATFORM INFRINGE, MISAPPROPRIATE, OR OTHERWISE VIOLATE ANY INTELLECTUAL PROPERTY RIGHTS OF ANY THIRD PARTY.

13. Limitations of Liability. IN NO EVENT WILL EITHER PARTY BE LIABLE UNDER OR IN CONNECTION WITH THIS AGREEMENT UNDER ANY LEGAL OR EQUITABLE THEORY, INCLUDING BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, AND OTHERWISE, FOR ANY: (i) CONSEQUENTIAL, INCIDENTAL, INDIRECT, EXEMPLARY, SPECIAL, ENHANCED, OR PUNITIVE DAMAGES; (ii) INCREASED COSTS, DIMINUTION IN VALUE OR LOST BUSINESS, PRODUCTION, REVENUES, OR PROFITS; (iii) LOSS OF GOODWILL OR REPUTATION; (iv) USE, INABILITY TO USE, LOSS, INTERRUPTION, DELAY OR RECOVERY OF ANY DATA, OR BREACH OF DATA OR SYSTEM SECURITY; OR (v) COST OF REPLACEMENT GOODS OR SERVICES, IN EACH CASE REGARDLESS OF WHETHER BS&A WAS ADVISED OF THE POSSIBILITY OF SUCH LOSSES OR DAMAGES OR SUCH LOSSES OR DAMAGES WERE OTHERWISE FORESEEABLE. IN NO EVENT WILL EITHER PARTY'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT UNDER ANY LEGAL OR EQUITABLE THEORY, INCLUDING BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, AND OTHERWISE EXCEED THE TOTAL AMOUNTS PAID AND/OR PAYABLE TO BS&A UNDER THIS AGREEMENT IN THE TWELVE (12) MONTHS IMMEDIATELY PRECEDING THE CLAIM. THE FOREGOING LIMITATIONS OF LIABILITY WILL NOT APPLY WITH RESPECT TO LIABILITIES ARISING FROM: (A) A PARTY'S BREACH OF ITS CONFIDENTIALITY OBLIGATIONS UNDER SECTION 8; (B) A PARTY'S GROSS NEGLIGENCE, FRAUD, OR WILLFUL MISCONDUCT; OR (C) A PARTY'S INDEMNIFICATION OBLIGATIONS UNDER SECTION 12 (PROVIDED THAT BS&A'S TOTAL AGGREGATE LIABILITY IN CONNECTION WITH SUCH INDEMNIFICATION OBLIGATIONS WILL NOT EXCEED THREE TIMES (3X) THE TOTAL AMOUNTS PAID AND/OR PAYABLE TO BS&A UNDER THIS AGREEMENT IN THE TWELVE (12) MONTHS IMMEDIATELY PRECEDING THE CLAIM).

14. Subscription Period and Termination.

14.1 Subscription Period. The initial term of this Agreement begins on the Effective Date and, unless

terminated earlier pursuant to this Agreement's express provisions, will continue in effect for the period identified in the Order (the "**Initial Subscription Period**"). This Agreement will automatically renew for additional successive terms equal to the length of the Initial Subscription Period unless earlier terminated pursuant to this Agreement's express provisions or either Party gives the other Party written notice of non-renewal at least thirty (30) days prior to the expiration of the then-current term (each a "**Renewal Subscription Period**" and together with the Initial Subscription Period, the "**Subscription Period**").

14.2 Termination. In addition to any other express termination right set forth in this Agreement:

(a) BS&A may terminate this Agreement, effective on written notice to Customer, if Customer: (i) fails to pay any amount when due hereunder, and such failure continues more than ten (10) calendar days after BS&A's delivery of written notice thereof; or (ii) breaches any of its obligations under Section 2.3 or Section 8;

(b) either Party may terminate this Agreement, effective on written notice to the other Party, if the other Party materially breaches this Agreement, and such breach: (i) is incapable of cure; or (ii) being capable of cure, remains uncured thirty (30) calendar days after the non-breaching Party provides the breaching Party with written notice of such breach; or

(c) either Party may terminate this Agreement, effective immediately upon written notice to the other Party, if the other Party: (i) becomes insolvent or is generally unable to pay, or fails to pay, its debts as they become due; (ii) files or has filed against it, a petition for voluntary or involuntary bankruptcy or otherwise becomes subject, voluntarily or involuntarily, to any proceeding under any domestic or foreign bankruptcy or insolvency law; (iii) makes or seeks to make a general assignment for the benefit of its creditors; or (iv) applies for or has appointed a receiver, trustee, custodian, or similar agent appointed by order of any court of competent jurisdiction to take charge of or sell any material portion of its property or business.

14.3 Effect of Expiration or Termination. Upon expiration or earlier termination of this Agreement, Customer shall immediately discontinue use of the BS&A IP and, subject to the provisions and limitations set forth in Section 8, Customer shall delete, destroy, or return all copies of the BS&A IP and certify in writing to the BS&A that the BS&A IP has been deleted or destroyed. No expiration or termination will affect Customer's obligation to pay all Fees that may have become due before such expiration or termination or entitle Customer to any refund.

14.4 Survival. This Section 14.4 and Sections 1, 5, 8, 10, 11, 12, 13, 14.3, and 15 survive any termination or expiration of this Agreement. No other provisions of this Agreement survive the expiration or earlier termination of this Agreement.

15. Miscellaneous.

15.1 Relationship of the Parties. BS&A performs its obligations hereunder as an independent contractor and not a partner, joint venture, or agent of Customer and shall not bind nor attempt to bind Customer to any contract without Customer's prior written approval on a case-by-case basis. BS&A is responsible for hiring, firing, and supervising its personnel is solely responsible hereunder for its personnel, including without limitation for: (a) payment of compensation to such personnel; (b) withholding (if applicable), paying, and reporting, for all personnel assigned to perform services (including Professional Services) in connection with this Agreement, applicable tax withholding, social security taxes, employment head taxes, unemployment insurance, and other taxes or charges applicable to such personnel; and (c) health or disability benefits, retirement benefits, or welfare, pension, or other benefits (if any) to which such personnel may be entitled. For purposes of clarity, BS&A's personnel will not be eligible to participate in any of Customer's employee benefit plans, fringe benefit programs, group insurance arrangements, or similar programs.

15.2 Entire Agreement. This Agreement, together with any other documents incorporated herein by reference, constitutes the sole and entire agreement of the Parties with respect to the subject matter of this Agreement and supersedes all prior and contemporaneous understandings, agreements, and representations and warranties, both written and oral, with respect to such subject matter. In the event of any inconsistency between the statements made in the body of this Agreement, the related Exhibits, and any other documents incorporated herein by reference, the following order of precedence governs: (i) first, this Agreement; and (ii) second, any other documents incorporated herein by reference.

15.3 Notices. All notices, requests, consents, claims, demands, waivers, and other communications hereunder (each, a "**Notice**") must be in writing and addressed to the Parties at the addresses set forth on the first page of this Agreement (or to such other address that may be designated by the Party giving Notice from time to time in

accordance with this Section). All Notices must be delivered by personal delivery, nationally recognized overnight courier (with all fees pre-paid), facsimile or email (with confirmation of transmission) or certified or registered mail (in each case, return receipt requested, postage pre-paid). Except as otherwise provided in this Agreement, a Notice is effective only: (i) upon receipt by the receiving Party; and (ii) if the Party giving the Notice has complied with the requirements of this Section.

15.4 Force Majeure. In no event shall either Party be liable to the other Party, or be deemed to have breached this Agreement, for any failure or delay in performing its obligations under this Agreement (except for any obligations to make payments), if and to the extent such failure or delay is caused by any circumstances beyond such Party's reasonable control, including but not limited to acts of God, flood, fire, earthquake, explosion, war, terrorism, invasion, riot or other civil unrest, strikes, labor stoppages or slowdowns or other industrial disturbances, or passage of law or any action taken by a governmental or public authority, including imposing an embargo.

15.5 Amendment and Modification. No amendment or modification to this Agreement is effective unless it is in writing and signed by an authorized representative of each Party.

15.6 Waiver. No failure or delay by either Party in exercising any right or remedy available to it in connection with this Agreement will constitute a waiver of such right or remedy. No waiver under this Agreement will be effective unless made in writing and signed by an authorized representative of the Party granting the waiver.

15.7 Severability. If any provision of this Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability will not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction. Upon such determination that any term or other provision is invalid, illegal, or unenforceable, the Parties shall negotiate in good faith to modify this Agreement so as to effect their original intent as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

15.8 Governing Law; Submission to Jurisdiction. To the extent permissible under applicable laws, this Agreement is governed by and construed in accordance with the internal laws of the State of Minnesota without giving effect to any choice or conflict of law provision or rule that would require or permit the application of the laws of any jurisdiction other than those of the State of Minnesota. To the extent permissible under applicable laws, any legal suit, action, or proceeding arising out of or related to this Agreement must be instituted in the federal courts of the United States or the courts of the State of Minnesota in each case located in Dakota County, Minnesota and each Party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action, or proceeding.

15.9 Assignment. Neither Party may assign any of its rights or delegate any of its obligations hereunder (except in the case of either Party utilizing authorized subcontractors and consultants), in each case whether voluntarily, involuntarily, by operation of law or otherwise, without the prior written consent of the other Party. Any purported assignment or delegation in violation of this Section will be null and void. No assignment or delegation will relieve the assigning or delegating Party of any of its obligations hereunder. This Agreement is binding upon and inures to the benefit of the Parties and their respective permitted successors and assigns. Notwithstanding the foregoing, either Party may freely assign this Agreement to an affiliate or successor in interest in the event of a merger, acquisition, sale of all or substantially all of its assets, corporate reorganization, or other change in control, without the prior consent of the other Party.

15.10 Export Regulation. The Platforms utilize software and technology that may be subject to US export control laws, including the US Export Administration Act and its associated regulations. Customer shall not, directly or indirectly, export, re-export, or release the Platform or the underlying software or technology to, or make the Platform or the underlying software or technology accessible from, any jurisdiction or country to which export, re-export, or release is prohibited by law, rule, or regulation. Customer shall comply with all applicable federal laws, regulations, and rules, and complete all required undertakings (including obtaining any necessary export license or other governmental approval), prior to exporting, re-exporting, releasing, or otherwise making the Platform or the underlying software or technology available outside the US.

15.11 US Government Rights. Each of the Documentation and software components that constitute the Platform is a "commercial item" as that term is defined at 48 C.F.R. § 2.101, consisting of "commercial computer software" and "commercial computer software documentation" as such terms are used in 48 C.F.R. § 12.212. Accordingly, if Customer is an agency of the US Government or any contractor therefor, Customer only receives those rights with respect to the Documentation and the Platform as are granted to all other end users, in accordance with (a) 48 C.F.R. § 227.7201

through 48 C.F.R. § 227.7204, with respect to the Department of Defense and their contractors, or (b) 48 C.F.R. § 12.212, with respect to all other US Government users and their contractors.

15.12 Equitable Relief. Each Party acknowledges and agrees that a breach or threatened breach by such Party of any of its obligations under Section 8 or, in the case of Customer, Section 2.3, would cause the other Party irreparable harm for which monetary damages would not be an adequate remedy and agrees that, in the event of such breach or threatened breach, the other Party will be entitled to equitable relief, including a restraining order, an injunction, specific performance and any other relief that may be available from any court, without any requirement to post a bond or other security, or to prove actual damages or that monetary damages are not an adequate remedy. Such remedies are not exclusive and are in addition to all other remedies that may be available at law, in equity or otherwise.

**EXHIBIT B**  
**PRICING SHEET**  
 (Based on proposal dated 12/9/2024)

**Cost Summary**

*Software is licensed for use only by municipality identified on the cover page. If used for additional entities or agencies, please contact BS&A for appropriate pricing. Prices subject to change if the actual count is significantly different than the estimated count. Module fees are charged annually and include unlimited support.*

**Cloud Modules - Annual Fee**

<b>Financial Management</b>		
GL-General Ledger		\$7,330.00
AP-Account Payable		\$6,020.00
CR-Cash Receipting		\$6,645.00
AR-Account Receivables		\$5,640.00
FA-Fixed Assets		\$5,515.00
	Total	\$31,150.00
<b>Personnel Management</b>		
PR-Payroll		\$9,955.00
HR-Human Resources		\$6,955.00
TS-Timesheets		\$4,500.00
	Total	\$21,410.00
<b>Community Development</b>		
BD-Building Department		\$11,920.00
	Total	\$11,920.00
<b>BS&amp;A Online</b>		
BSAO-Public Record Search		\$2,925.00
CD-Building		\$5,105.00
	Total	\$8,030.00

<b>Utility Billing</b>	
UB-Utility Billing	\$7,200.00
Total	\$7,200.00
<hr/>	
<b>Subtotal</b>	<b>\$79,710.00</b>

**Data Conversions/Database Setup**

CR-Manual-Database Setup Setup of Receipt Items/Tender Type	\$1,650.00
AR-Manual-Database Setup Setup of Billing Items, Penalties	\$1,650.00
FA-Manual-Database Setup Setup of Assets, Entry of Value, Accumulated Depreciation	\$6,010.00
HR-Manual-Database Setup Setup of Licenses, Certifications, Benefit Plans, Positions. Not assigned to Employees	\$3,300.00
GL-Conversion-LOGIS JD Edwards COA, Balances, Budget, Journal Transaction history for up to 5 years	\$7,035.00
AP-Conversion- LOGIS JD Edwards Vendors, Invoices and check history for up to 5 years	\$6,080.00
UB-Conversion-CIS Infinity Accounts, Services, Deposits, Rates, Meters; Billing & Payment History, Service for up to 5 years	\$10,200.00
PR-Conversion- LOGIS JD Edwards Database setup, employee detail, YTD Values, Check history for up to 5 years	\$15,030.00
BD-Conversion-LOGIS PIMS Setup of Permit and Enforcement Types, Fee Schedules, Permit and Enforcement History for up to 5 years	\$16,330.00
<b>Total</b>	<b>\$67,285.00</b>

**Data Conversions/Database Setup**

**No Conversion or Database Setup for:**  
TS-Timesheets

## Custom Import

Custom import from third-party software to populate Building Department database with parcels, properties, and current owners.

**\$1,500.00**

## Project Management and Implementation Planning

### Services include:

- Analyzing customer processes to ensure all critical components are addressed.
- Creating and managing the project schedule in accordance with the customer's existing processes and needs.
- Planning and scheduling training around any planned process changes included in the project plan.
- Modifying the project schedule as needed to accommodate any changes to the scope and requirements of the project that are discovered.
- Providing a central contact between the customer's project leaders, developers, trainers, IT staff, conversion staff, and other resources required throughout the transition period.
- Installing the software and providing IT consultation for network, server, and workstation configuration and requirements.
- Reviewing and addressing the specifications for needed customizations to meet customer needs (when applicable).

**Total**

**\$35,925.00**

## Implementation and Training

- \$1,100/day
- Days quoted are estimates; you are billed for actual days used
- Training days quoted/billed in full day increments only

### Services include:

- Setting up users and user security rights for each application
- Performing final process and procedure review
- Configuring custom settings in each application to fit the needs of the customer
- Setting up application integration and workflow methods
- Onsite verification of converted data for balancing and auditing purposes
- Training and Go-Live

### Setup Days

ITS Setup - FM, HRIS, UB	Setup Days: 5	\$5,500.00
ITS Setup - CD	Setup Days: 2	\$2,200.00
	Total Setup Days: 7	Subtotal: \$7,700.00

### Training Days

ITS Training - FM	Training Days: 10	\$11,000.00
ITS Training - HRIS	Training Days: 16	\$17,600.00
ITS Training - CD	Training Days: 13	\$14,300.00

ITS Training - BSAO	Training Days: 2	\$2,200.00
ITS Training - UB	Training Days: 15	\$16,500.00
	Total Training Days: 56	Subtotal: \$61,600.00
<b>Total Setup and Training Days: 63</b>		<b>Total: \$69,300.00</b>

### UB Contingency

Billing for electric usage can present unique challenges, as the methods to calculate and apply these charges to customers can vary greatly between different providers. It may be necessary for custom development work to be done, in order to accommodate the necessary calculations. In this situation, BS&A recommends a Contingency budget to allow for the possibility of these types of customizations, to allow them to be addressed, without the need for additional approval.

**Recommended Contingency** **\$4,000.00**

### Cost Totals

Cloud New Purchase – <i>Annual Fee</i>	Subtotal	\$79,710.00
Data Conversion/Database Setup	Subtotal	\$67,285.00
Custom Import	Subtotal	\$1,500.00
Project Management and Implementation Planning	Subtotal	\$35,925.00
Implementation and Training	Subtotal	\$69,300.00
Contingency	Subtotal	\$4,000.00
<b>Total Proposed</b>		<b>\$257,720.00</b>
Estimated Travel Expenses		\$47,100.00

**Estimated Travel Expenses are outlined in this proposal. The final invoice will reflect actual expenses following the completion of all training activities based on the Federal Guidelines described below.**

- \$160/\$185/\$225 per day hotel, varies by state
- \$90 per day car rental
- \$70 per day meals
- \$730 per trip airfare/related expenses
- \$0.70/mile round trip for drive distance

## REGULAR COUNCIL AGENDA MEMO

**To:** Mayor, Councilmembers and City Administrator  
**From:** Kim Sommerland, Finance Director  
**Department:** Finance  
**Subject:** Final 2024 Interfund Transfers  
**Meeting:** Regular Council - Apr 07 2025

### INTRODUCTION:

Transfers between funds serve various purposes, such as supporting long-term funding strategies, building fund balances for large purchases (e.g., fire trucks or equipment replacements), reimbursing administrative costs, or closing inactive funds. Following the end of the year, Staff provides the Council with a summary of the actual transfers made for review.

### DISCUSSION:

The attached spreadsheet outlines the 2024 interfund transfers totaling \$7,457,129 categorized by color:

- **Blue:** \$4,663,630 – Transfers included in the 2024 budget with no changes.
- **Purple:** \$761,796 – Budgeted transfers adjusted based on actual expenses.
- **Yellow:** \$96,000 – Listed as a transfer for budgeting but recorded as an interfund loan.
- **Green:** \$377,792 – Transfers not included in the 2024 budget, including:
  - \$215,000 from the Public Safety Aid Fund to Fire Capital to partially fund a new fire truck.
  - \$103,336 from Sewer, Storm Water, and Water Funds to cover residual costs related to Spruce Street Reconstruction project.
  - \$37,456 to the Employee Expense Fund to reimburse actual insurance premiums, eliminating an annual deficit.
  - \$22,000 to the Fleet Fund to reimburse for actual fleet expense eliminating an annual deficit.
- **Orange:** \$1,800 – A transfer for budgeting, recorded as an interfund loan, to be repaid in 2025 with TIF funds.
- **Gray:** \$1,556,111 – Transfers to close inactive funds:
  - \$43,940 from the 2019A GO Capital Improvement Bond Fund to the Closed Bond Fund.
  - \$1,512,171 from the Solid Waste Fund to the Emerald Ash Borer Mitigation Fund.

No further transfers are expected for 2024, though adjustments may occur as the audit is finalized.

### BUDGET IMPACT:

Any variances to the adopted budget have been addressed in the discussion above.

**ACTION REQUESTED:**

Approve the final list of 2024 interfund transfers.

**ATTACHMENTS:**

[2024 Fund Transfers Final](#)

**2024 OPERATING TRANSFERS**

FUND	TRANSFERS IN																				Total Transfers Out
	General Fund	Special Revenue Funds				Debt Svc	Capital Project Funds						Internal Service Funds								
	1000	2000	2055	2300	2500	3000	4300	4400	5600	5600.5	5701	5800	5803	5810	5811	5812	7000	7100	7200	7400	
General Fund	EDA	TIF 15 - Ebert	Park Imp	Ice Arena	Closed Bonds	Fire Capital	Storm Water Trunk	General Capital Equip (Vehicles)	General Capital Equip (Police Vehicles)	Maintenance	Spruce Street Reconst	2024 Street Imp	Trail Maintenance	Building Maintenance	Emerald Ash Borer Mitigation	Employee Expense	Property & Casualty Insurance	Fleet	IT Fund		
<b>General Fund</b>																					
1000 Tax Levy		50,000			20,000			450,000	100,000	684,000				170,000	75,000	300,000	37,456	20,000	22,000		1,928,456
<b>Special Revenue Funds</b>																					
2000 EDA			1,800																		1,800
2250 Public Safety Aid							215,000														215,000
<b>Debt Service Funds</b>																					
3000 Closed Bonds	200,000																			263,120	463,120
3130 2005C Bonds								96,000													96,000
3138 2019A GO Capital Imp Bond						43,940															43,940
<b>Capital Project Funds</b>																					
4050 Capital Project Reserve	100,000																				100,000
<b>Enterprise Funds</b>																					
6100 Municipal Liquor	97,890			125,000																1,000	223,890
6202 Sewer	536,390									40,000	14,183	44,812							1,000		636,385
6302 Solid Waste																1,512,171					1,512,171
6402 Storm Water	562,920									40,000	35,678	403,304									1,041,902
6502 Water	537,310									40,000	53,475	313,681									944,466
<b>Internal Service Funds</b>																					
7000 Employee Expense Fund	250,000																				250,000
<b>Total Transfers In</b>	2,284,510	50,000	1,800	125,000	20,000	43,940	215,000	96,000	450,000	100,000	804,000	103,336	761,796	170,000	75,000	1,812,171	37,456	22,000	22,000	263,120	7,457,129

TRANSFERS OUT

- 4,663,630 Transfers included in the adopted 2024 budget.
- 761,796 Transfers included in the adopted 2024 budget and amended based on actual project costs.
- 96,000 Amounts included in the adopted 2024 budget as transfers, though, for accounting purposes they are recorded as interfund loans.
- 377,792 Transfers that occurred during the year but were not included in the 2024 budget.
- 1,800 Amounts not included in the adopted 2024 budget as transfers, and for accounting purposes they are recorded as interfund loans.
- 1,556,111 Amounts transferred to close out funds.
- 7,457,129

## REGULAR COUNCIL AGENDA MEMO

**To:** Mayor, Councilmembers and City Administrator  
**From:** Kim Sommerland, Finance Director  
**Department:** Finance  
**Subject:** Payment of Claims  
**Meeting:** Regular Council - Apr 07 2025

### INTRODUCTION:

Minnesota Statutes require that all claims for payment be presented to the City Council for review and approval.

### DISCUSSION:

The City Council has established a process to review and approve claims for payment at each regular meeting. The list of claims for the period of 03/12/2025 to 04/01/2025 is being presented for consideration, ensuring compliance with State law and maintaining proper financial oversight.

### BUDGET IMPACT:

The claims paid will reduce the available budget for the accounts listed in the detailed report provided to the Council.

### ACTION REQUESTED:

Approve payment of claims.

### ATTACHMENTS:

[Council Summary Payment of Claims 04-07-2025](#)

**CITY OF FARMINGTON  
SUMMARY PAYMENT OF CLAIMS  
April 7, 2025**

CLAIMS FOR APPROVAL 03/12/2025-04/01/2025

CHECK PAYMENTS	\$ 762,226.98
ELECTRONIC PAYMENTS	<u>\$ 786,478.15</u>
TOTAL	<u><u>\$ 1,548,705.13</u></u>

**The City Council receives a detail list of claims paid that is available to  
the public upon request.**

## REGULAR COUNCIL AGENDA MEMO

**To:** Mayor, Councilmembers and City Administrator  
**From:** Kim Sommerland, Finance Director  
**Department:** Finance  
**Subject:** Updated Capital Asset Policy  
**Meeting:** Regular Council - Apr 07 2025

### INTRODUCTION:

City Council is asked to consider and approve an update to the Capital Asset Policy, last approved in March 2023. The main changes include an increase to the minimum capitalization threshold, adjustments to thresholds for different asset types, and changes to ensure alignment with new accounting standards.

### DISCUSSION:

The primary change to the Capital Asset Policy centers around adjustments to the capitalization thresholds. The minimum threshold for capitalizing assets will be raised from \$5,000 to \$10,000, in alignment with recent federal guidelines. Additionally, the policy introduces varying thresholds for different asset categories. This approach, which is not uncommon in municipalities, is recommended by the Government Finance Officers Association (GFOA) as a best practice.

According to the GFOA, capital asset management systems that attempt to track numerous smaller items can become costly and difficult to maintain. By implementing varying thresholds for different asset categories, municipalities can reduce complexity, improve the efficiency of asset management, and focus resources on tracking more significant assets. These adjustments will also help enhance financial reporting and ensure compliance with evolving accounting standards.

The updated policy also addresses the need to align with emerging accounting requirements, further ensuring that our practices meet new standards for financial reporting and asset management.

The draft policy has been reviewed by the City's auditor, and revisions have been made based on their comments.

### BUDGET IMPACT:

The policy change is not expected to have a direct budgetary impact. The revised thresholds will likely reduce the number of small-value assets tracked as capital, improving efficiency in asset management and financial reporting.

### ACTION REQUESTED:

Staff requests that City Council review and approve the updated Capital Asset Policy.

**ATTACHMENTS:**

[POLICY Capital Asset DRAFT 2025.04.07](#)

[POLICY Capital Asset approved 3-6-2023](#)

## CAPITAL ASSET POLICY

### Purpose

The purpose of this Capital Asset Policy is to provide clear guidelines for the identification, accounting, and reporting of capital assets owned by the City of Farmington. This policy is intended to ensure compliance with applicable accounting standards, promote consistent and accurate reporting, and provide a framework for safeguarding the assets.

### Overview

Capital assets are critical to the City's operations, providing long-term benefits to the community. These assets include both tangible and intangible items that are expected to be used in City operations for more than five years. Proper management of these assets is critical for maintaining transparency, ensuring financial accuracy, and complying with regulatory requirements. This policy covers the following key areas:

- Definition and categorization of capital assets
- Capitalization thresholds
- Asset valuation
- Depreciation method
- Reporting and accountability requirements

### Scope

This policy applies to all capital assets owned or controlled by the City of Farmington. The Finance Department is responsible for establishing and maintaining an asset accounting system, ensuring accurate financial reporting, and safeguarding these assets. Department Directors, Division Managers, and Supervisors are accountable for managing and protecting the capital assets under their control. All City employees are responsible for using City property solely for official City purposes and must exercise due diligence in safeguarding these assets to prevent loss, damage, or misuse.

## CAPITALIZATION OVERVIEW

Capitalization is the process of allocating the cost of an asset, tangible or intangible, over its estimated life. Tangible assets have physical substance and include items such as land and land improvements, buildings and building improvements, machinery and equipment, vehicles, and infrastructure. Intangible assets lack physical substance but provide long-term benefits to the City. Intangible assets include easements and purchased software. The Finance Department will capitalize assets that have an expected useful life of more than five years and a value above the established threshold for their specific asset category.

## CAPITAL ASSET CATEGORIES

### Land & Land Improvements

Land refers to real property, excluding structures and land improvements.



Land improvements are non-building assets that enhance the quality or facilitate the use of land and do not have an indefinite useful life. Examples of depreciable land improvements include fencing, outdoor lighting, playgrounds, and athletic fields.

Land improvements such as fill, grading, and excavation that provide permanent benefits and incur limited deterioration with use or the passage of time are to be classified with land as non-depreciable.

#### Building and Building Improvements

Buildings are structures that are physical property of a permanent nature that enclose people, equipment, services or functions. Buildings may include major high cost components such as boilers, elevators, HVAC systems and roofs. If practical, these components should be recorded separately in the capital asset system to simplify future replacement transactions and because their useful lives can differ from buildings.

Building Improvements are additions or improvements to buildings that increase the value or extend the useful life of a building. Examples include replacing major building components, structural additions to a building, major energy conservation projects, installation of upgraded plumbing or electrical systems, and major renovations of exterior structural deterioration.

#### Machinery, Equipment, and Vehicles

Machinery, equipment, and vehicles include physical, movable personal property used in the operations of the organization. These assets are typically not permanently affixed to buildings or land and are essential for day-to-day operations. They include a wide variety of items that support different functions within the organization, ranging from tools and machinery to motorized vehicles. Examples include machines, tools, furniture, computers, servers, lawn mowers, snowblowers, skid steers, street sweepers, cars, trucks, emergency vehicles (e.g., fire trucks, police vehicles), and specialized vehicles (e.g., plow trucks, construction vehicles).

#### Infrastructure

Infrastructure is categorized as assets that are long-lived, generally stationary in nature, and normally preserved for a significantly greater number of years than most capital assets. Examples are pavements, curbs, gutters, and sidewalks associated with roadways, bridges, sewer systems, water distribution systems, and water drainage systems.

#### Intangible Assets

Intangible assets are non-physical assets that have value due to their legal, economic, or intellectual property rights. Software and easements are typical examples. These assets are typically amortized over their useful lives, which can vary based on the asset type and contractual or legal terms.

#### Construction In Progress

Construction in Progress refers to costs incurred for assets that are in the process of being built or developed but are not yet ready for use or service. These assets are recorded in this category until the asset is substantially ready to be placed into service. Once substantially completed, the accumulated costs are transferred to the appropriate capital asset category (e.g., buildings, infrastructure, machinery) and at that time depreciation can begin.

## CAPITALIZATION THRESHOLDS

The following thresholds apply for the various asset categories:

Asset Category	Single Purchase
Land	All
Land Improvements	\$50,000
Building and Building Improvements	\$50,000
Machinery, Equipment, and Vehicles	\$25,000
Infrastructure	\$100,000
Intangible Assets*	\$10,000
Other Capital Assets	\$10,000

*\*Though leases under Governmental Accounting Standards Board (GASB) Statement No. 87 and software-based IT arrangements (SBITAs) under GASB Statement No. 96 may be considered intangible, their capitalization should follow the thresholds of the applicable category of their underlying asset as described later. Additionally, permanent easements are considered intangible assets but are not depreciated or amortized, regardless of their value.*

Assets below the thresholds stated may still be capitalized when there are secondary benefits or requirements for doing so (e.g. Federal grant thresholds below those shown).

### Exceptions to the Capitalization Threshold

#### **BULK/AGGREGATED ITEMS**

According to GASB, some assets individually may fall below the capitalization threshold but may be purchased in large quantities. In cases where tangible assets are acquired together as a part of routine replacement with an aggregate value of \$200,000 or more, the total cost of the group will be capitalized. The aggregated items may be maintained separately in the accounting system for easier identification during inventorying and disposal.

#### **GRANT-FUNDED EQUIPMENT**

Many grantor agencies permit the acquisition of non-expendable equipment with project funds. It is necessary to know who owns the equipment which is addressed in the sponsor’s guidelines and/or in the property clause of the agreement. It is the responsibility of the primary department receiving the grant to ascertain the specific requirements of the award prior to ordering equipment. Capitalization will follow the grantor's requirements if they are specified.

## ASSET VALUATION

### Historical Cost

Capital assets are recorded at their historical cost, which includes the acquisition price and any additional costs necessary to bring the asset into its intended location and condition for use. This may include installation, testing, and professional fees. Costs should only be capitalized if they meet the following two criteria:

1. The cost is directly identifiable with a specific asset.
2. The expenditure occurs after it becomes probable that the asset will be acquired. For example, while a feasibility study or site selection study is not capitalized, legal costs incurred to acquire property are capitalized.

### Subsequent Costs

Subsequent costs, such as improvements or additions, should be capitalized if they enhance the asset's functionality or extend its useful life. Routine repairs and maintenance, which restore the asset to its original condition, should be expensed when incurred. For example, resurfacing a road would be a repair and not capitalized, while reconstructing or adding a new lane would be capitalized as an addition.

For expenditures related to existing capital assets to be capitalized, they must meet at least one of the following criteria and exceed the defined thresholds:

1. Significantly extend the asset's useful life beyond its initial estimate.
2. Increase the service capacity of the asset.
3. Materially improves the asset's efficiency.

Expenditures that do not meet the above criteria but return the asset to its original condition (regardless of cost) should be classified as maintenance or repairs and expensed.

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*Generally speaking, an extended useful life usually involves a significant alteration or structural change. Also, if this does occur, be sure to dispose the old asset value being replaced from the asset listing. For example, if a road project is considered capital, the value of the existing road should be removed since you won't have two roads when the project is completed.*

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### Capitalizable Costs

Costs incurred after acquisition becomes probable are capitalized. Typical costs include, but are not limited to:

- **Purchase or Construction Cost:** Actual costs related to acquiring or constructing the asset (e.g., land, building, equipment, or infrastructure).
- **Materials and Supplies:** Items directly used in constructing, improving, or enhancing the asset that become a permanent part of the finished asset (e.g., concrete for a building, steel for a bridge).
- **Professional Fees:** Fees for services such as architects, engineers, legal, or other professional expertise required to acquire, design, or improve an asset.
- **Installation & Testing Costs:** Expenses for installing the asset and testing it to ensure readiness for its intended use.
- **Site Preparation Costs:** Costs related to preparing land or other assets for use (e.g., excavation, grading, demolition).
- **Permits, Licenses, and Taxes:** Expenses related to required permits or taxes directly associated with acquiring or constructing the asset.

### General Exclusions from Capitalization

The following costs do not meet the criteria for capitalization and should be expensed as incurred:

- **Routine Repairs & Maintenance:** Regular maintenance costs (e.g., plumbing repairs, repainting) that do not extend the asset's useful life or increase its value.
- **Decorative or Cosmetic Improvements:** Non-essential aesthetic upgrades (e.g., drapes, wallpaper).

- **Extended Warranties & Maintenance Agreements:** Separate costs for extended warranties or maintenance contracts unrelated to the asset’s acquisition.
- **Operational Costs Unrelated to Capitalization:** General administrative costs or operational expenses not directly related to the acquisition or development of the asset (e.g., unrelated employee wages).
- **Replacement with Like-Kind Parts:** Replacing parts with the same type that do not enhance the asset’s performance (e.g., replacing a boiler with one of the same type).

Donated Capital Assets

Assets acquired at a nominal amount or received as donations should be recorded at their estimated fair value at the time of acquisition, plus any associated charges. If fair value is not easily obtainable, the City should use the cost it would incur to acquire or contract for the asset.

**DEPRECIATION**

Depreciation is the process of allocating the cost of tangible property over a period of time rather than deducting the cost as an expense in the year of acquisition.

All non-current assets with limited useful lives, including intangibles, shall be depreciated. Accurate depreciation methods and estimated useful life is critical in correctly determining City financial performance. Estimated useful lives shall be as accurate as possible and take into account physical wear and tear, technical obsolescence and commercial obsolescence, and conform to any government regulations.

Depreciation Method

The City will utilize the straight-line method for depreciation. Equal periodic depreciation charges are therefore recognized over the life of the asset. The total amount depreciated will never exceed the asset’s historical cost.

To simplify the process of depreciating assets, the City will use a half-year convention. This means that any asset placed in service during a given year will be treated as if it were placed in service at the midpoint of the fiscal year, regardless of the actual purchase or service date. Since the City’s fiscal year aligns with the calendar year, will be considered in service starting July 1st.

**LEASES AND SBITAs**

For leases and Software-Based Information Technology Arrangements (SBITAs), the City will apply the straight-line method of amortization over the full term of the agreement based on the date placed into service.

Useful Life

The City’s capital assets will be depreciated based on the following schedule of estimated useful lives. If a more accurate estimated life is known, that estimate should be used instead of the life shown below for that asset.

Asset Category	Useful Life
Land	indefinite
Buildings	30-50 years
Improvements (Land & Building)	10-20 years
Machinery, Equipment, and Vehicles	5-20 years
Infrastructure	30-50 years

## LEASES

A lease is a contract granting the right to use another entity's non-financial asset (e.g., land, buildings, vehicles, equipment) for a set period in exchange for consideration. Any contract that meets this definition should be accounted for under the GASB 87 guideline, unless specifically excluded by GASB 87. Leases do not include contracts that transfer ownership at the end of the contract or short-term leases.

### Lessee Accounting

When the City obtains the right to use a non-financial asset from another party and that meets the following criteria shall be reported as a lease.

1. The lease term is more than one year.
2. The transaction is exchange-like (i.e., not a \$1 lease).
3. The present value of lease payments is material to the financial statements, based on the nature of the lease and the City's financial position.

Lessee accounting involves:

- **Record Asset and Liability:** The City, as the lessee, must recognize the lease asset and corresponding liability at the present value of future lease payments, which include fixed, variable, and reasonably certain payments.
- **Interest and Liability Reduction:** As lease payments are made, the principal portion reduces the liability, and the interest portion is expensed.
- **Discount Rate:** If the lease specifies an interest rate, that rate should be used to discount the future payments. If no interest rate is specified, the City should use the lessor's interest rate. If the lessor's rate is unavailable, the City may use either the City's incremental borrowing rate (IBR), which reflects the interest rate the City would pay if borrowing funds for a similar term and with similar security, or an adjusted risk-free rate, such as the US Treasury yield rate plus 1%.

### Lessor Accounting

When the City provides the right to use a non-financial asset to another party through a lease agreement, the City, as the lessor, must report the leased asset in its financial statements and recognize a lease receivable for the future payments expected from the lessee.

1. The lease term is more than one year.
2. The transaction is exchange-like (i.e., not a \$1 lease).
3. The amount of the lease payments is material to the financial statements, based on the nature of the lease and the City's financial position.

Lessor accounting involves:

- **Record Lease Receivable and Leased Asset:** The City must record the lease receivable (representing the future lease payments) and the leased asset on its books.
- **Deferring Upfront Payments:** Any upfront cash payments received must be deferred and recognized over the lease term.
- **Track Payments and Incentives:** The City must track and measure lease payments, including fixed and variable payments, residual value guarantees, and any incentives.

- **Discount Rate:** If the lease includes an interest rate, the City uses that rate to calculate the present value of future lease payments. If no interest rate is specified, the City may use either the City's incremental borrowing rate (IBR), which reflects the interest rate the City would pay if borrowing funds for a similar term and with similar security, or an adjusted risk-free rate, such as the US Treasury yield rate plus 1%.

#### Lease Administrative Procedures

Departments must coordinate with the Finance Department when adding new leases or making any significant changes to existing leases, such as contract modifications, payment adjustments, or other updates, to ensure accurate reporting and compliance.

For leases that involve multiple assets, each asset should be accounted for separately unless it is impractical to do so. In such cases, the lease can be consolidated based on professional judgment.

All lease-related records must be maintained for audit purposes.

## SOFTWARE-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

A Software-Based Information Technology Arrangement (SBITA) is a contract granting the right to use another party's IT software (often cloud-based or subscription software) and, in some cases, related tangible assets. It applies to software acquisitions and excludes contracts transferring ownership.

#### SBITA Term

The subscription term includes the non-cancellable period and any options to extend or terminate, based on reasonable certainty of their exercise. SBITAs with a term of 12 months or less cannot be capitalized and should be recorded as current expenditures. Periods with mutual termination options are considered cancelable and excluded from the term.

#### SBITA Accounting

SBITAs with expected total payments that are material to the City's financial position must be capitalized. This total includes all expected subscription payments, such as fixed, variable (based on index/rate), termination penalties, and incentives, and is not limited to the upfront cost. Payments based on performance or usage are expensed when incurred. Training costs are always expensed.

The intangible subscription asset is the sum of the subscription liability, upfront vendor payments, and capitalizable implementation costs, minus any vendor incentives.

Future subscription payments will be discounted using the vendor's interest rate. If the vendor's rate is not available, the City may use either the City's incremental borrowing rate (IBR), which reflects the interest rate the City would pay if borrowing funds for a similar term and with similar security, or an adjusted risk-free rate, such as the US Treasury yield rate plus 1%.

#### SBITA Administrative Procedures

Departments must work closely with the Finance Department when adding new SBITAs, as well as to track and report any significant changes such as termination penalties, variable payments, or contract modifications.

All records must be retained for audit purposes.

## ASSET MANAGEMENT

### Record of Inventory

The City's fixed asset system will serve as the inventory record for capital assets. Each asset in the fixed asset system will include a description, year of acquisition, cost, estimated useful life, current net book value and accumulated depreciation. The inventory record will also identify the department or division responsible for the asset.

The responsibility for the custody, use, control and care of City property rests with each department. Departments should track small and attractive assets that fall below the capitalization threshold but are at higher risk for theft or misuse, as well as those that require special attention to ensure public safety and mitigate potential liability (e.g., police weapons). Responsible departments should implement appropriate measures, such as asset tagging, where feasible, to control and track these sensitive non-capital assets.

Departments have the discretion to define what constitutes "small and attractive" assets. However, it is recommended that, at a minimum, all weapons, regardless of cost, and assets with a unit cost of \$1,000 or more be tracked. These assets include, but are not limited to:

- Communications equipment (audio and video)
- Optical devices (binoculars, infrared viewers, range finders)
- Cameras and photographic projection equipment
- Personal computers, laptops, notebooks, and cell phones
- Data processing equipment and components (scanners, data displays, etc.)
- Radios, televisions, and video/audio recorders
- Power tools

If resources allow, an inventory of tracked assets, particularly critical capital assets, should be completed annually. The Minnesota Office of the State Auditor recommends performing a full inventory at least once every five years. Any discrepancies identified during the inventory process must be reported to the Finance Director within 30 days.

**It is the responsibility of every City employee to use property only for City purposes and exercise reasonable care for its safekeeping.**

### Transfer or Disposal of Assets

The City will dispose of capital assets that are no longer needed, obsolete, or beyond repair. Departments should regularly review their inventory and dispose of equipment deemed unnecessary or obsolete within 12 months. This helps to minimize storage costs, avoid the accumulation of unnecessary assets, and maintain accurate financial records.

Before disposing of any capital assets, departments must first obtain approval from the City Council. After receiving Council approval, the department responsible for the asset must report the disposal to the Finance Department within 30 days to ensure proper documentation in the fixed asset system.

Surplus capital assets that are suitable for sale must be sold through a public auction or a sealed bid process. Assets not suitable for sale may be disposed of by following legal requirements for disposal. In all instances, the City shall comply with applicable Minnesota Statutes regarding the disposal and sale of capital assets.

The disposition of capital assets purchased with Federal grant funds must adhere to the specific guidelines of the grant, including the duration the asset must remain under the City's ownership and the disposal of any proceeds from the sale.

## **CAPITAL ASSET POLICY**

### **Financial Policy**

Subject: Capital Asset Policy

#### **Introduction**

The City maintains a large investment in its capital assets. It is the responsibility of the City to maintain, preserve and replace these assets when needed as they play an important role in providing basic services to our residents.

#### **I. SCOPE**

This fiscal policy provides the framework that will allow overall management of the City's capital assets.

The Finance Department is responsible for the establishment and maintenance of a fixed asset accounting system that allows for the proper presentation of fixed assets in the financial statements and the overall safeguarding of fixed assets.

All City employees are responsible for protecting City property entrusted to them and to help protect all City assets in general. Department Directors, Division Managers, and Supervisors are ultimately responsible for and held accountable for, assuming proprietary control of all equipment and other fixed assets in their custody or assigned to their department or division.

#### **II. PURPOSE**

The purpose of this policy is to set forth the guidelines for the physical and reporting control of the City's assets, including accountability over the assets.

#### **III. CAPITAL ASSETS DEFINITION**

Capital assets include land, land improvements, buildings, building improvements, construction in progress, machinery and equipment, vehicles, infrastructure, and intangible assets (software and easements) acquired by the City for use in providing services to its citizens. Capital assets are reported and depreciated in the applicable governmental or business-type activities columns in the governmental-wide financial statements.

Infrastructure assets are long-lived capital assets that normally can be preserved for a significantly greater number of years than most capital assets and are normally stationary in nature. Examples include roads, bridges, tunnels, drainage systems, and water and sewer systems.

Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of five years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects when constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant and equipment, and infrastructure assets are depreciated using the straight-line method. Capital assets are depreciated over the following estimated useful lives:

<u>Assets</u>		
Buildings and structures		20-50 years
Improvements other than buildings		20-50 years
Machinery and equipment		5-20 years
Infrastructure		30 years
Collection/Distribution systems		50 years

#### **IV. INVENTORY RECORD OF ASSETS**

The City's fixed asset system will serve as the inventory record for capital assets. Each asset in the fixed asset system will include: description, year of acquisition, cost or estimated cost, estimated useful life, current net book value and accumulated depreciation. The inventory record will also identify the division that uses the asset.

Land is capitalized (but not depreciated) and tracking is maintained by the City's fixed asset system.

#### **V. DEPRECIATION DEFINITION**

Depreciation is the process of allocating the cost of tangible property over a period of time rather than deducting the cost as an expense in the year of acquisition.

It is the City's policy to use the straight-line depreciation method. The basis of the asset is written off evenly over the useful life of the asset. The same amount of depreciation is taken each year. In general, the amount of annual depreciation is determined by dividing an asset's depreciable cost by its estimated life. The total amount depreciated can never exceed the asset's historic cost.

To avoid the complications of depreciating each asset from the specific date on which it is placed in service, the City will utilize a Half Year Convention. Under this convention,

property placed in service at any time during a given year is treated as if it had been placed in service on the first day of the 7<sup>th</sup> month. If the property is disposed of before the end of the estimated useful life, only 6 months depreciation is allowed for that final year.

To calculate depreciation on a capital asset, the following factors must be known:

- Date the asset was placed in service
- Cost or acquisition value
- Estimated useful life, and
- Depreciation method (straight-line)

## **VI. Determining Assets Cost**

Capital assets are recorded at historical cost and should include the cost of freight, site preparation, architect and engineering fees, etc. If something other than cash is used to pay for the asset, then fair-market value of the non-cash payment or consideration determines the asset's cost or acquisition value. When the value of consideration paid can't be determined, the asset's fair-market value determines its cost. With few exceptions, an asset's cost should also include necessary costs incurred to place the asset in service. These costs would include the invoice price plus incidental costs such as insurance during transit, freight, capitalized interest, duties, title search, registration fees, and installation costs. Exceptions to this rule include interest expenses associated with deferred payments and real estate taxes paid, in any, in the acquisition of property.

## **VII. CAPITAL ASSET CLASSES**

### **A. Recording of Land**

Land is to be capitalized but not depreciated. It is recorded at historical cost and remains at that cost until disposal. If there is a gain or loss on the sale of land, it is reported as a special item in the statement of activities.

### **B. Recording of Infrastructure**

These assets are long-lived, stationary in nature, and can be preserved for a significantly greater number of years than most capital assets. Examples include roads, bridges, tunnels, storm drainage systems, and water and sewer distribution and collection systems. Included in this classification is the lining of water, sewer, or storm drainage mains or pipes, that are at or near full depreciation, and the lining extends the useful life 30 to 50 years.

### **C. Recording Intangible Assets**

Intangible assets are to be capitalized and recorded based upon the historical cost. Easements will be capitalized and depreciated with the project to which the easement relates.

### **D. Recording Buildings**

Buildings should be recorded at either their acquisition cost or construction cost. The cost of new construction should be carefully evaluated because projects usually consist

of major components such as land, land improvements, building construction (including professional fees and permits), furniture, fixtures and equipment. In addition, buildings include components such as roof, air conditioner system, etc. that should be recorded separately when significant because these building components have different useful lives. The value of each component needs to be determined and placed within its own category.

E. Recording Building Improvements

Building improvements that extend the useful life should be capitalized. Examples of building improvements include re-roofing projects, and major structural building components. Items that are normal upkeep or replacements will be included in the operating budget. Examples of these items are window replacement, carpet replacement, and interior remodeling.

F. Recording Construction in Progress

Construction in progress should be capitalized and not depreciated. It should be reported with land and other non-depreciating assets at the government wide level. Unspent debt proceeds from capital assets related debt are reported in the net assets section of the statement of net assets as “restricted for capital projects”.

G. Recording Machinery and Equipment (Including Office Equipment)

Assets such as machinery and equipment (that meet threshold levels) should be capitalized and inventoried. Furniture that is purchased in conjunction with new construction or with a purchase of a new building will be added to the full value of the building at the completion of the project.

Assets such as a water meter system will be capitalized based on the total cost of the system and depreciated over ten (10) years.

H. Recording Vehicles

Vehicles should be identified, inventoried, and depreciated.

I. Recording Easements

An easement is an interest in land owned by another that entitles its holder to a specific limited use of the land. Therefore, easements are not required to be reported unless the City paid for the easement (See Intangible Assets above).

## **VIII. Establishing and Setting the Threshold Levels for Recording Capital Assets**

The following elements of useful life and asset costs are established for capitalization of assets:

- Estimated Useful Life.  
The first criterion is useful life. An asset must have an estimated useful life greater than five (5) years to be considered for capitalization and depreciation. Assets that are consumed, used-up, habitually lost or worn out in five years or less will not be capitalized.
- Asset Cost

The second criterion for determining depreciable capital assets is cost. The capitalization threshold is established at an individual cost of \$5,000 (amount not rounded).

#### **IX. Disposition/Sale of Capital Assets**

The City shall dispose of capital assets if the assets are determined to be no longer needed, obsolete, or in a condition beyond repair. When a capital asset is disposed of the Finance Department must be notified by the responsible department or division that had custody of the disposed asset.

Surplus capital assets in a condition for sale are to be sold either at a public auction or using a sealed bid process. All other assets not in a condition for sale may be disposed of by following are legal requirements for disposal. In all instances, the City shall abide by Minnesota Statutes in regards to disposal/sale of capital assets.

## REGULAR COUNCIL AGENDA MEMO

**To:** Mayor, Councilmembers and City Administrator  
**From:** David Chanski, Asst City Admin/HR Director  
**Department:** HR  
**Subject:** Health Insurance Broker Request for Proposal  
**Meeting:** Regular Council - Apr 07 2025

### INTRODUCTION:

Staff is seeking approval of the Request for Proposal (RFP) for Health Insurance Broker Services.

### DISCUSSION:

Gallagher has been the City's health insurance broker for many years. While Staff is not dissatisfied with the services Gallagher has provided, Staff is unsure of the last time the City reviewed insurance broker services, and it is generally a good practice to review professional services every few years. Additionally, new contracts will be negotiated with all four of the City's union groups this year, which makes now the ideal time to conduct a full review of insurance benefits. The process begins with reviewing insurance brokers services.

### BUDGET IMPACT:

This request has no budgetary impact.

### ACTION REQUESTED:

Approval of the Request for Proposal (RFP) for Health Insurance Broker Services.

### ATTACHMENTS:

[Health Insurance Broker Request for Proposal](#)



*Request for Proposal (RFP)*  
**Health Insurance Broker**

Proposals are due:

April 25, 2025

4:00 p.m.

## **A. Purpose of Request**

The City of Farmington has issued this Request for Proposal (hereinafter, "RFP") with the sole purpose and intent of obtaining proposals from interested and qualified Firms offering to provide broker services to solicit, review, and present health insurance benefit plan options, assist with contract implementation services, and act as the City's representative to selected insurance companies.

## **B. Background**

### **a. The Organization**

- i. The City of Farmington is a full-service community located within west central Dakota County with an estimated population of 23,895.
- ii. The City has 92 benefit eligible employees.
- iii. Health Insurance benefits are currently provided by BlueCross BlueShield through the Better Health Collective administered by Sourcewell.
- iv. The City offers the following ancillary benefits administered by Integrity:
  1. Life Insurance
  2. Dental Insurance
  3. Vision Insurance
  4. Short Term Disability
  5. Long Term Disability
  6. Group Accident
  7. Group Critical Illness
- v. Employees have the option of selecting either an HSA or HRA as part of their health insurance plan to which the City provides a monthly contribution.

## **C. Scope of Service, Major Roles, and Responsibilities**

### **a. Firm**

- i. Develop, review, analyze, and present requests for proposals. Provide side-by-side report for City review. Prepare and/or review and advise on contract proposals based on the City's needs. Seek alternative coverage options as needed.
- ii. Advise and assist the City in evaluating and selecting coverage among available alternatives. Examples include plan coverages, deductibles, co-payments, out-of-pocket payments, etc.
- iii. Advise the City on potential gaps or overlaps in coverages.
- iv. Advise the City on long-term strategies for premium stability.
- v. Analyze value-added services available to the City.
- vi. Analyze and report utilization trends and costs. Provide education on how to best utilize and limit premium increases.

vii. Review coverage documents and invoices to assure coverage has been correctly issued and billed.

b. City of Farmington

- i. Provide a staff project manager and additional city staff time and knowledge;
- ii. Provide information regarding current practices, processes, and policies;
- iii. Generate and provide the Firm with a list of topics and items that should be considered and reviewed for the Project;
- iv. Providing all paper copies of agendas and materials for meetings and handling content, mailings, and distributions for public hearings;
- v. Review the Firm's work products for the purpose of providing comments and suggestions for improvements and/or changes; and
- vi. Providing legal review of the Project if necessary.

**D. Schedule and Timeline**

The following schedule and timeline is anticipated:

- April 25: RFP responses due
- May 5 – 14: Proposals reviewed and selected firms interviewed
- May 19: Recommended firm presented to the City Council for approval
- Week of June 30: Insurance plan options presented to the City
- July 21: Recommended insurance plan presented to the City Council for approval
- Month of October: Open Enrollment

**E. Written Proposal Submission**

All questions regarding this RFP shall be directed to Assistant City Administrator/HR Director David Chanski at [dchanski@farmingtonmn.gov](mailto:dchanski@farmingtonmn.gov) or 651-280-6804. Proposals should be submitted no later than 4:00 p.m. on April 25, 2025. Electronic submission of proposals is required.

Electronic Submission:

Subject Line: RFP Submittal – Health Insurance Broker Services

[dchanski@farmingtonmn.gov](mailto:dchanski@farmingtonmn.gov)

**Proposals shall include at least the following information:**

Firm History and Experience

- a. History of firm including size and any specialty areas.
- b. Background firm data, including financial references.
- c. Expertise or involvement in the insurance/employee benefits industry.
- d. Municipality experience.
- e. List of providers the firm is associated with.
- f. Identification of the offering firm(s), including name, address, and telephone number of the offering firm(s);
  - a. If a portion of the RFP cannot be met by the applicant's Firm, please list the outside Firm(s) which will be used by the applicant.
- b. Name, title, telephone number, and email address of the contact person during the RFP proposal evaluation; and
- c. Conflict of Interest Statement – The Firm must identify any potential conflict of interest it may have providing the services outlined in the RPF.

Qualifications/Cost

- a. Description of service philosophy.
- b. Introduction of the account team, by name with specific roles, qualifications and experience, and distribution of responsibilities including support capabilities.
- c. Current use of technology, especially capability for computerized legal benefit design research and for sharing and editing documents electronically.
- d. Detail of services that will be provided to the City.
- e. Indicate current responsibilities of person designated to serve as lead contact for the City.
- f. Action-plan and timetable for assuming responsibilities and design/cost containment plans.
- g. Conceptual program structure and pricing including a not-to-exceed amount. Please clarify how the cost will be paid.

References

- a. List of cities you currently represent and for what type of service. Provide contact names and information.

The City of Farmington reserves the right to expand the period for submittal of proposals or release modifications to the RFP in the form of a written addendum. After the deadline for submission, submitted proposals will be opened and reviewed for consideration.

Firms who choose to submit a proposal are doing so at their own risk and expense. The City of Farmington will not reimburse any expense incurred by the Firm(s) submitting

proposals, including, but not limited to, expenses associated with preparation and submission of the response, submission of additional information requested by the City, or attendance at interviews or consultation meetings.

Nothing in the proposal shall be deemed to commit the City of Farmington to select the proposer. The City of Farmington reserves the right to reject any and all proposals, in whole or in part, to waive any and all informalities, to disregard all non-conforming, non-responsive or conditional proposals, or to request additional information from a proposer.

## **F. Selection Process & Evaluation**

The City of Farmington will evaluate proposals and may conduct interviews of Firms who submit completed proposals and display adequate qualifications. The City of Farmington has the right to reject any or all Project proposals without explanation.

Proposals will be evaluated on the following factors:

- a. Experience of Firm(s)
  - i. The quality, comprehensiveness, and appropriateness of the experience of the Firm and its personnel;
  - ii. List of past similar communities served and products provided. References may or may not be contacted; and
- b. Experience of Personnel
  - i. Experience and qualifications of key personnel;
  - ii. Access and availability of the project manager and key personnel;
- c. Work Plan for Scope of Services
  - i. Completeness and clarity proposal;
  - ii. Scope of service approach, timing, and deliverables;
  - iii. Understanding the objectives and work tasks;
  - iv. Proposed level of detail, documentation, and back-up material;
  - v. Ability to complete the proposal within the proposed timeline; and
  - vi. Ability to work as a team with other city consultants, city staff, and City Council.
- d. Cost Allocation
  - i. Cost relative to proposed level of effort and products;
  - ii. Allocation of resources and amount of work tasks; and
  - iii. Reasonability of costs.
- e. Other Factors
  - i. Other factors deemed relevant by the City of Farmington.

**G. Other Information**

The proposer shall understand and acknowledge that a submitted proposal is subject to the Minnesota Governmental Data Practices Act. Proposals are private or nonpublic until they are opened by the City. Once the proposals are opened, the name of the proposer becomes public. All other data in the proposal is private or nonpublic data until the completion of the evaluation process. After the City has completed the evaluation process, all remaining data submitted by all proposers is public with the exception of trade secret data as defined and classified in Minnesota Statutes Section 13.37. Data will at all times be governed by the Minnesota Governmental Data Practices Act, Minnesota Statutes Chapter 13. The proposer agrees to maintain all data obtained from the City consistent with the requirements of the Data Practices Act. The proposer agrees to defend or indemnify the City from any claim, liability, damage, or loss asserted against the City as a result of the proposer's failure to comply with the requirements of the Data Practices Act.

**Submittals shall be submitted by 4 p.m. on April 25, 2025**



 430 Third St., Farmington, MN 55024  
 651-280-6800  
 FarmingtonMN.gov

## REGULAR COUNCIL AGENDA MEMO

**To:** Mayor, Councilmembers and City Administrator  
**From:** David Chanski, Asst City Admin/HR Director  
**Department:** HR  
**Subject:** Staff Approvals and Recommendations  
**Meeting:** Regular Council - Apr 07 2025

### INTRODUCTION:

Staff recommends the rehire of Mason Conrad as a Seasonal Park Maintenance Worker and the transfer of Maya Tracey from Seasonal Warming House Attendant to Seasonal Recreation Program Supervisor.

### DISCUSSION:

Staff is in the process of filling numerous seasonal positions within the Parks and Recreation Department and the Public Works Department.

### BUDGET IMPACT:

These positions were included in the 2025 Budget

### ACTION REQUESTED:

Approve the rehire of Mason Conrad as a Seasonal Park Maintenance Worker and the transfer of Maya Tracey from Seasonal Warming House Attendant to Seasonal Recreation Program Supervisor.

## REGULAR COUNCIL AGENDA MEMO

**To:** Mayor, Councilmembers and City Administrator  
**From:** Kellee Omlid, Parks & Recreation Director  
**Department:** Parks & Recreation  
**Subject:** Agreements with AV for You for Outdoor Movie Services  
**Meeting:** Regular Council - Apr 07 2025

### INTRODUCTION:

The Parks and Recreation Department hosts two movies in the park.

### DISCUSSION:

Movies in the park for 2025 include:

- IF (Invisible Friends) on Friday, July 18, at dusk at Lake Julia Park; and
- Pirates of the Caribbean: The Curse of the Black Pearl on Saturday, September 6, at dusk at Distad Park and Greenway.

AV for You will be providing equipment and technicians for both movies. This includes projection, audio, power, safety, and back-up equipment. The agreements are attached. AV for You has successfully provided outdoor movie services for Parks and Recreation in the past and are great to work with.

The City Attorney reviewed the attached agreements and found them to be acceptable.

### BUDGET IMPACT:

The cost for the services provided by AV for You is \$1,874 for the movie at Lake Julia Park and \$1,874 for the movie at Distad Park and Greenway. The cost for the outdoor movie services will be funded through generous donations from sponsors and the Parks and Recreation Department approved operational budget for contractual services monies in the Recreation Program Services budget.

### ACTION REQUESTED:

Approve the attached agreements with AV for You to provide equipment and technicians to show outdoor movies on July 18, 2025 at Lake Julia Park and September 6, 2025 at Distad Park and Greenway.

### ATTACHMENTS:

[2025 Agreement with AV for You Lake Julia Park](#)  
[2025 Agreement with AV for You Distad Park](#)

## INDEPENDENT CONTRACTOR AGREEMENT

**AGREEMENT** made this \_\_\_\_\_ day of \_\_\_\_\_, 2025, by and between the **CITY OF FARMINGTON**, a Minnesota municipal corporation ("City") and **AV FOR YOU**, a Minnesota Company ("Contractor"). The City and the Contractor are referred to herein individually as a "Party" and collectively as the "Parties."

1. **PURPOSE.** The purpose of this agreement is to set forth the terms and conditions under which the Contractor will provide certain services to the City.
2. **SERVICES TO BE PERFORMED.** The Contractor shall perform the work (the "Services") as described in Exhibit A to this Agreement which is incorporated herein by reference.
  - a. The Contractor shall not enter into any subcontracts for Services provided under this Agreement without the express written consent of the City.
  - b. This Agreement shall not preclude the City from engaging any other person or entity to perform the Services, nor shall this Agreement preclude Contractor from providing similar or related services for any other entity.
  - c. The Contractor agrees to comply with all federal, state, and local laws and ordinances applicable to the Services to be performed under this Agreement, including all safety standards. The Contractor shall be solely and completely responsible for conditions of the job site, including the safety of all persons and property during the performance of the Services. The Contractor represents and warrants that it has the requisite training, skills, and experience necessary to provide the Services and is appropriately licensed by all applicable agencies and governmental entities and will perform the Services with reasonable care and skill.
  - d. The Contractor shall exercise the same degree of care, skill, and diligence in the performance of the Services as is ordinarily possessed and exercised by a contractor under similar circumstances.
  - e. The Contractor shall retain control over its employees, agents, servants, and subcontractors, as well as control over its invitees, and its activities on and about the subject premises and the manner in which such activities shall be undertaken and to that end, the Contractor shall not be deemed to be an agent of the City.
  - f. The Contractor shall not perform any additional Services without the express written permission of the City. The City will not pay additional compensation for Services that do not have prior written authorization.
  - g. Claims for services furnished by the Contractor not specifically provided for herein shall not be honored by the City.
3. **TERM.** This Agreement shall be effective on the date hereof and shall continue, unless terminated sooner in accordance with the terms of this Agreement, until the Completion Date.

- a. **Start date:** The Contractor shall commence the provision of Services on: Friday, July 18, 2025 at 6 p.m.
  - b. **Completion Date:** The Contractor shall complete the Services by Friday, July 18, 2025 at 10:30 p.m.
  - c. The City may terminate this Agreement for convenience at any time. Termination shall be effective upon ten (10) days' written notice to the Contractor.
4. **COMPENSATION.** As consideration for the provision of the Services, the City agrees to pay the Contractor as follows: a flat fee of \$1,874.00. The City will pay a \$937.00 deposit to reserve the date of July 18, 2025. The deposit will be applied to the flat fee of \$1,874.00
  - a. The Contractor shall submit a detailed written invoice to the City upon completion of the Services.
  - b. Each invoice shall include in detail the hours worked and a description of the Services performed.
  - c. The City shall pay the invoice within 35 days of receipt.
  - d. If the City objects to all or any portion of any invoice, the City shall notify the Contractor of the dispute with ten (10) days from the date of receipt and shall pay that portion of the invoice not in dispute.
5. **INDEPENDENT CONTRACTOR RELATIONSHIP.** It is expressly understood that the Contractor is an "independent contractor" and not an employee of the City. The Contractor shall have control over the manner in which the Services are performed under this Agreement. The Contractor shall supply, at its own expense, all materials, supplies, equipment and tools required to accomplish the Services contemplated by this Agreement. The Contractor shall not be entitled to any benefits from the City, including, without limitation, insurance benefits, sick and vacation leave, workers' compensation benefits, unemployment compensation, disability, severance pay, or retirement benefits. Nothing in this Agreement shall be deemed to constitute a partnership, joint venture or agency relationship between the Parties.
6. **INSURANCE REQUIREMENTS.** The Contractor, at its expense, shall procure and maintain in force for the duration of this Agreement the following minimum insurance coverages:
  - a. **General Liability.** The Contractor shall maintain Commercial General Liability Insurance in a minimum amount of \$1,000,000 per occurrence; \$2,000,000 annual aggregate. The policy shall cover liability arising from premises, operations, products-completed operations, personal injury, advertising injury, and contractually assumed liability. The City, including its elected and appointed officials, employees, and agents, shall be endorsed as additional insured.
  - b. **Automobile Liability.** If the Contractor operates a motor vehicle in performing the Services under this Agreement, the Contractor shall maintain Business Automobile Liability Insurance, including owned, hired, and non-owned automobiles, with a minimum combined single liability limit of \$1,000,000 per occurrence.

c. **Workers' Compensation.** The Contractor shall maintain Workers' Compensation insurance for all its employees in accordance with the statutory requirements of the State of Minnesota. The Contractor shall also carry Employers' Liability Coverage with minimum limits as follows:

- \$500,000 – Bodily Injury by Disease per employee
- \$500,000 – Bodily Injury by Disease aggregate
- \$500,000 – Bodily Injury by Accident

d. **Additional Insurance Conditions.**

- i. The Contractor shall, prior to commencing the Services, deliver to the City a Certificate of Insurance as evidence that the above coverages are in full force and effect.
- ii. The insurance requirements may be met through any combination of primary and umbrella/excess insurance. The City must be named as an additional insured on any umbrella/excess policy.
- iii. The Contractor's policies shall be primary insurance and non-contributory to any other valid and collectible insurance available to the City with respect to any claim arising out of the Contractor's performance under this Agreement.
- iv. The Contractor's policies and Certificate of Insurance shall contain a provision that coverage afforded under the policies shall not be cancelled without at least thirty (30) days' advanced written notice to the City, or ten (10) days' written notice for non-payment of premium.
- v. Contractor agrees to maintain all coverage required herein throughout the term of the Agreement and for a minimum of two (2) years following.

7. **INDEMNIFICATION.** To the fullest extent permitted by law, the Contractor agrees to defend, indemnify and hold harmless the City, and its employees, officials, and agents from and against all claims, actions, damages, losses and expenses, including reasonable attorney fees, arising out of the Contractor's negligence or the Contractor's performance or failure to perform its obligations under this Agreement. The Contractor's indemnification obligation shall apply to the Contractor's subcontractor(s), or anyone directly or indirectly employed or hired by the Contractor, or anyone for whose acts the Contractor may be liable. The Contractor agrees this indemnity obligation shall survive the completion or termination of this Agreement.

8. **DOCUMENTS.** All reports, plans, models, software, diagrams, analyses, and information generated in connection with performance of this Agreement shall be the property of the City. The City may use the information for its purposes. The City shall be the copyright owner. The vesting of the City's ownership of the copyright in materials created by the Contractor shall be contingent upon the City's fulfillment of its payment obligations hereunder. The Contractor shall be allowed to use a description of the services provided hereunder, including the name of the City, and photographs or renderings of any projects which develop from the planning or other services provided by the Contractor, in the normal course of its marketing activities.

## **9. GENERAL PROVISIONS.**

- a. Entire Agreement.** This Agreement supersedes any prior or contemporaneous representations or agreements, whether written or oral, between the Parties and contains the entire agreement.
- b. Assignment.** The Contractor may not assign this Agreement to any other person unless written consent is obtained from the City.
- c. Amendments.** Any modification or amendment to this Agreement shall require a written agreement signed by both Parties.
- d. Prompt Payment of Subcontractors.** Pursuant to Minn. Stat. § 471.425, subd. 4a, the Contractor must pay any subcontractor within ten (10) days of the Contractor's receipt of payment from the City for undisputed services provided by the subcontractor. The Contractor must pay interest of one and one-half percent (1½ %) per month or any part of a month to subcontractor on any undisputed amount not paid on time to the subcontractor. The minimum monthly interest penalty payment for an unpaid balance of \$100.00 or more is \$10.00. For an unpaid balance of less than \$100.00, Contractor shall pay the actual penalty due to the subcontractor. A subcontractor who prevails in a civil action to collect interest penalties from Contractor shall be awarded its costs and disbursements, including attorney's fees, incurred in bringing the action.
- e. Nondiscrimination.** In the hiring of employees to perform work under this Agreement, the Contractor shall not discriminate against any person by reason of any characteristic or classification protected by state or federal law.
- f. Governing Law.** This Agreement shall be governed by and interpreted in accordance with the laws of the State of Minnesota. All proceedings related to this Agreement shall be venued in Dakota County, Minnesota.
- g. Ownership of Documents.** All reports, plans, specifications, data, maps, and other documents produced by the Contractor in the performance of Services under this Agreement shall be the property of the City. The City may use such information for its purposes. The City shall be the copyright owner.
- h. Government Data/Privacy.** The Contractor agrees to abide by the applicable provisions of the Minnesota Government Data Practices Act, Minnesota Statutes, Chapter 13, and all other applicable state or federal rules, regulations or orders pertaining to privacy or confidentiality. The Contractor understands that all of the data created, collected, received, stored, used, maintained or disseminated by the Contractor in performing those functions that the City would perform is subject to the requirements of Chapter 13, and the Contractor must comply with those requirements as if it were a government entity. This does not create a duty on the part of the Contractor to provide the public with access to public data if the public data is available from the City, except as required by the terms of this Agreement.
- i. Records.** Contractor shall maintain complete and accurate records of time and expense involved in the performance of services.

- j. Audits.** Pursuant to Minn. Stat. Section 16C.05, subd. 5, the Contractor’s books, records, documents, and accounting procedures and practices that are relevant to this Agreement, are subject to examination by the City and either the Legislative Auditor or the State Auditor for a minimum of six years from the end of this Agreement.
- k. Waiver.** The waiver by either party of any breach or failure to comply with any provision of this Agreement by the other Party shall not be construed as, or constitute a continuing waiver of such provision or a waiver of any other breach of or failure to comply with any other provision of this Agreement.
- l. Third Party Reliance.** This Agreement is intended for the mutual benefit of Parties hereto and no third-party rights are intended or implied.
- m. Notices.** All notices and other communications pursuant to this Agreement must be delivered via email or delivered by registered or certified mail, postage prepaid, or delivered by hand at the addresses set forth below:

Notice to City: Kellee Omlid, Parks and Recreation Director  
[komlid@farmingtonmn.gov](mailto:komlid@farmingtonmn.gov)  
 430 Third Street, Farmington, MN 55024

Notice to Contractor: Tristan Waters  
[tristan@avforyou.com](mailto:tristan@avforyou.com)  
3324 Winpark Dr. Crystal, MN 55427

- n. Force Majeure.** Except for payment of sums due, neither Party shall be liable to the other or deemed in default under this Agreement, if and to the extent that Party’s performance is prevented by reason of force majeure. “Force majeure” includes war, an act of terrorism, a pandemic or epidemic, fire, earthquake, flood and other circumstances which are beyond the control and without the fault or negligence of the Party affected and which by the exercise of reasonable diligence the Party affected was unable to prevent.
- o. Savings Clause.** If any court finds any portion of this Agreement to be contrary to law, invalid, or unenforceable, the remainder of the Agreement will remain in full force and effect.
- p. Counterparts.** This Agreement may be signed in counterparts, each of which shall be deemed an original, and which taken together shall be deemed to be one and the same document.

IN WITNESS WHEREOF, the Parties, have caused this Agreement to be approved on the date above.

Dated: \_\_\_\_\_, 2025.

**CITY OF FARMINGTON**

BY: \_\_\_\_\_  
Joshua Hoyt, Mayor

AND \_\_\_\_\_  
Shirley R Buecksler, City Clerk

Dated: 3/18, 2025.

**CONTRACTOR: AV FOR YOU**

BY: \_\_\_\_\_  
Tristan Waters, Its Senior Project Coordinator



AV For You  
 3324 Winpark Drive  
 Crystal MN 55427  
 Rentals@avforyou.com  
 952-500-8839  
 www.AVforYou.com

Farmington Parks and Recreation  
 MN

## Quotation: 7/18/25 Outdoor Movie at Lake Julia Park

<b>Order Date</b>	01-29-2025	<b>Quote Valid Until</b>	05-26-2025 3:40 PM	<b>Delivery Address</b>	Lake Julia Park 5108 187th St. W, Farmington MN 55024
<b>Our Reference</b>	24624			<b>Collection Address</b>	Lake Julia Park 5108 187th St. W, Farmington MN 55024
<b>Your Reference</b>					
<b>Rental Period</b>	07-18-2025 6:00 PM to 07-18-2025 10:30 PM				
<b>Setup</b>	07-18-2025 6:00 PM to 07-18-2025 6:00 PM				
<b>Use</b>	07-18-2025 7:30 PM to 07-18-2025 10:30 PM				
<b>Takedown</b>	07-18-2025 10:30 PM to 07-18-2025 10:30 PM				

Item	Type	Quantity	Days	Price	Discount	Total
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### Projection - Dusk Approx. 8:54pm

8.3' x 10.5' Outdoor Inflatable Screen (16:9 Format)	Rental	1	1.0	150.00		150.00
50 lb. Sandbag ( <i>accessory</i> )	Rental	8	1.0	5.00		40.00
Sony VPL-PHZ50.B WUXGA Laser LCD Projector (Device)	Rental	1	1.0	250.00		250.00
Projector Stand (Da-Lite Deluxe "Project-O-Stand")	Rental	1	1.0	10.00		10.00
Projector Stand Skirting	Rental	1	1.0	10.00		10.00
Panasonic DMP-BD871 Blu-Ray DVD Player	Rental	1	1.0	20.00		20.00

**Total for Projection - Dusk Approx. 8:54pm: \$480.00**



AV For You  
 3324 Winpark Drive  
 Crystal MN 55427  
 Rentals@avforyou.com  
 952-500-8839  
 www.AVforYou.com

Farmington Parks and Recreation  
 MN

## Quotation: 7/18/25 Outdoor Movie at Lake Julia Park

Item	Type	Quantity	Days	Price	Discount	Total
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### Audio

Mackie SRM550 1600W 12" Powered Speaker	Rental	4	1.0	60.00		240.00
Speaker Stand ( <i>accessory</i> )	Rental	4	1.0	0.00		0.00
IEC Power Cord ( <i>accessory</i> )	Rental	4	1.0	0.00		0.00
Mackie DFX6 Stereo 4 Channel Mixer	Rental	1	1.0	20.00		20.00
A/V Interface Direct Box	Rental	1	1.0	5.00		5.00

**Total for Audio: \$265.00**

### Power

Honda EU7000iS 7000 Watt Portable Inverter Generator	Rental	1	1.0	300.00		300.00
L-14-30 30 Amp 3 Prong Twist Lock Plug to Edison Breakout Cable ( <i>accessory</i> )	Rental	1	1.0	0.00		0.00

**Total for Power: \$300.00**

### Safety

Zoro Single Track Cable Ramp	Rental	6	1.0	5.00		30.00
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**Total for Safety: \$30.00**

### BACKUP

Panasonic DMP-BD871 Blu-Ray DVD Player	Rental	1	1.0	20.00	100%	0.00
Sony VPL-PHZ50.B WUXGA Laser LCD Projector (Device)	Rental	1	1.0	250.00	100%	0.00



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 MN

## Quotation: 7/18/25 Outdoor Movie at Lake Julia Park

Item	Type	Quantity	Days	Price	Discount	Total
Carve 1x2 HDMI Splitter	Rental	1	1.0	5.00	100%	0.00
Avedio HDMI 1x2 DA	Rental	1	1.0	5.00	100%	0.00
<b>Total for BACKUP:</b>						<b>\$0.00</b>

### Crew

Technician	Service	2 x 5 Hours		75.00		750.00
Setup 6pm, Onsite 7:30pm-10:30pm, Strike 10:30pm						
Mileage	Service	1 x 70 miles		0.70		49.00
70 Miles Roundtrip						
<b>Total for Crew:</b>						<b>\$799.00</b>

<b>Rental charges</b>	<b>\$1,075.00</b>	<b>Discount total</b>	<b>\$280.00</b>
<b>Sale charges</b>	<b>\$0.00</b>	<b>Charge total</b>	<b>\$1,874.00</b>
<b>Service charges</b>	<b>\$799.00</b>	<b>Tax total</b>	<b>\$0.00</b>
		<b>Charge and tax total</b>	<b>\$1,874.00</b>

## INDEPENDENT CONTRACTOR AGREEMENT

**AGREEMENT** made this \_\_\_\_\_ day of \_\_\_\_\_, 2025, by and between the **CITY OF FARMINGTON**, a Minnesota municipal corporation ("City") and **AV FOR YOU**, a Minnesota Company ("Contractor"). The City and the Contractor are referred to herein individually as a "Party" and collectively as the "Parties."

1. **PURPOSE.** The purpose of this agreement is to set forth the terms and conditions under which the Contractor will provide certain services to the City.
2. **SERVICES TO BE PERFORMED.** The Contractor shall perform the work (the "Services") as described in Exhibit A to this Agreement which is incorporated herein by reference.
  - a. The Contractor shall not enter into any subcontracts for Services provided under this Agreement without the express written consent of the City.
  - b. This Agreement shall not preclude the City from engaging any other person or entity to perform the Services, nor shall this Agreement preclude Contractor from providing similar or related services for any other entity.
  - c. The Contractor agrees to comply with all federal, state, and local laws and ordinances applicable to the Services to be performed under this Agreement, including all safety standards. The Contractor shall be solely and completely responsible for conditions of the job site, including the safety of all persons and property during the performance of the Services. The Contractor represents and warrants that it has the requisite training, skills, and experience necessary to provide the Services and is appropriately licensed by all applicable agencies and governmental entities and will perform the Services with reasonable care and skill.
  - d. The Contractor shall exercise the same degree of care, skill, and diligence in the performance of the Services as is ordinarily possessed and exercised by a contractor under similar circumstances.
  - e. The Contractor shall retain control over its employees, agents, servants, and subcontractors, as well as control over its invitees, and its activities on and about the subject premises and the manner in which such activities shall be undertaken and to that end, the Contractor shall not be deemed to be an agent of the City.
  - f. The Contractor shall not perform any additional Services without the express written permission of the City. The City will not pay additional compensation for Services that do not have prior written authorization.
  - g. Claims for services furnished by the Contractor not specifically provided for herein shall not be honored by the City.
3. **TERM.** This Agreement shall be effective on the date hereof and shall continue, unless terminated sooner in accordance with the terms of this Agreement, until the Completion Date.

- a. Start date: The Contractor shall commence the provision of Services on: Saturday, September 6, 2025 at 6 p.m.
  - b. Completion Date: The Contractor shall complete the Services by Saturday, September 6, 2025 at 10:30 p.m.
  - c. The City may terminate this Agreement for convenience at any time. Termination shall be effective upon ten (10) days' written notice to the Contractor.
4. **COMPENSATION.** As consideration for the provision of the Services, the City agrees to pay the Contractor as follows: a flat fee of \$1,874.00. The City will pay a \$937 deposit to reserve the date of September 6, 2025. The deposit will be applied to the flat fee of \$1,874.00
  - a. The Contractor shall submit a detailed written invoice to the City upon completion of the Services.
  - b. Each invoice shall include in detail the hours worked and a description of the Services performed.
  - c. The City shall pay the invoice within 35 days of receipt.
  - d. If the City objects to all or any portion of any invoice, the City shall notify the Contractor of the dispute with ten (10) days from the date of receipt and shall pay that portion of the invoice not in dispute.
5. **INDEPENDENT CONTRACTOR RELATIONSHIP.** It is expressly understood that the Contractor is an "independent contractor" and not an employee of the City. The Contractor shall have control over the manner in which the Services are performed under this Agreement. The Contractor shall supply, at its own expense, all materials, supplies, equipment and tools required to accomplish the Services contemplated by this Agreement. The Contractor shall not be entitled to any benefits from the City, including, without limitation, insurance benefits, sick and vacation leave, workers' compensation benefits, unemployment compensation, disability, severance pay, or retirement benefits. Nothing in this Agreement shall be deemed to constitute a partnership, joint venture or agency relationship between the Parties.
6. **INSURANCE REQUIREMENTS.** The Contractor, at its expense, shall procure and maintain in force for the duration of this Agreement the following minimum insurance coverages:
  - a. General Liability. The Contractor shall maintain Commercial General Liability Insurance in a minimum amount of \$1,000,000 per occurrence; \$2,000,000 annual aggregate. The policy shall cover liability arising from premises, operations, products-completed operations, personal injury, advertising injury, and contractually assumed liability. The City, including its elected and appointed officials, employees, and agents, shall be endorsed as additional insured.
  - b. Automobile Liability. If the Contractor operates a motor vehicle in performing the Services under this Agreement, the Contractor shall maintain Business Automobile Liability Insurance, including owned, hired, and non-owned automobiles, with a minimum combined single liability limit of \$1,000,000 per occurrence.

c. **Workers' Compensation.** The Contractor shall maintain Workers' Compensation insurance for all its employees in accordance with the statutory requirements of the State of Minnesota. The Contractor shall also carry Employers' Liability Coverage with minimum limits as follows:

- \$500,000 – Bodily Injury by Disease per employee
- \$500,000 – Bodily Injury by Disease aggregate
- \$500,000 – Bodily Injury by Accident

d. **Additional Insurance Conditions.**

- i. The Contractor shall, prior to commencing the Services, deliver to the City a Certificate of Insurance as evidence that the above coverages are in full force and effect.
- ii. The insurance requirements may be met through any combination of primary and umbrella/excess insurance. The City must be named as an additional insured on any umbrella/excess policy.
- iii. The Contractor's policies shall be primary insurance and non-contributory to any other valid and collectible insurance available to the City with respect to any claim arising out of the Contractor's performance under this Agreement.
- iv. The Contractor's policies and Certificate of Insurance shall contain a provision that coverage afforded under the policies shall not be cancelled without at least thirty (30) days' advanced written notice to the City, or ten (10) days' written notice for non-payment of premium.
- v. Contractor agrees to maintain all coverage required herein throughout the term of the Agreement and for a minimum of two (2) years following.

7. **INDEMNIFICATION.** To the fullest extent permitted by law, the Contractor agrees to defend, indemnify and hold harmless the City, and its employees, officials, and agents from and against all claims, actions, damages, losses and expenses, including reasonable attorney fees, arising out of the Contractor's negligence or the Contractor's performance or failure to perform its obligations under this Agreement. The Contractor's indemnification obligation shall apply to the Contractor's subcontractor(s), or anyone directly or indirectly employed or hired by the Contractor, or anyone for whose acts the Contractor may be liable. The Contractor agrees this indemnity obligation shall survive the completion or termination of this Agreement.

8. **DOCUMENTS.** All reports, plans, models, software, diagrams, analyses, and information generated in connection with performance of this Agreement shall be the property of the City. The City may use the information for its purposes. The City shall be the copyright owner. The vesting of the City's ownership of the copyright in materials created by the Contractor shall be contingent upon the City's fulfillment of its payment obligations hereunder. The Contractor shall be allowed to use a description of the services provided hereunder, including the name of the City, and photographs or renderings of any projects which develop from the planning or other services provided by the Contractor, in the normal course of its marketing activities.

## 9. GENERAL PROVISIONS.

- a. Entire Agreement. This Agreement supersedes any prior or contemporaneous representations or agreements, whether written or oral, between the Parties and contains the entire agreement.
- b. Assignment. The Contractor may not assign this Agreement to any other person unless written consent is obtained from the City.
- c. Amendments. Any modification or amendment to this Agreement shall require a written agreement signed by both Parties.
- d. Prompt Payment of Subcontractors. Pursuant to Minn. Stat. § 471.425, subd. 4a, the Contractor must pay any subcontractor within ten (10) days of the Contractor's receipt of payment from the City for undisputed services provided by the subcontractor. The Contractor must pay interest of one and one-half percent (1½ %) per month or any part of a month to subcontractor on any undisputed amount not paid on time to the subcontractor. The minimum monthly interest penalty payment for an unpaid balance of \$100.00 or more is \$10.00. For an unpaid balance of less than \$100.00, Contractor shall pay the actual penalty due to the subcontractor. A subcontractor who prevails in a civil action to collect interest penalties from Contractor shall be awarded its costs and disbursements, including attorney's fees, incurred in bringing the action.
- e. Nondiscrimination. In the hiring of employees to perform work under this Agreement, the Contractor shall not discriminate against any person by reason of any characteristic or classification protected by state or federal law.
- f. Governing Law. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Minnesota. All proceedings related to this Agreement shall be venued in Dakota County, Minnesota.
- g. Ownership of Documents. All reports, plans, specifications, data, maps, and other documents produced by the Contractor in the performance of Services under this Agreement shall be the property of the City. The City may use such information for its purposes. The City shall be the copyright owner.
- h. Government Data/Privacy. The Contractor agrees to abide by the applicable provisions of the Minnesota Government Data Practices Act, Minnesota Statutes, Chapter 13, and all other applicable state or federal rules, regulations or orders pertaining to privacy or confidentiality. The Contractor understands that all of the data created, collected, received, stored, used, maintained or disseminated by the Contractor in performing those functions that the City would perform is subject to the requirements of Chapter 13, and the Contractor must comply with those requirements as if it were a government entity. This does not create a duty on the part of the Contractor to provide the public with access to public data if the public data is available from the City, except as required by the terms of this Agreement.
- i. Records. Contractor shall maintain complete and accurate records of time and expense involved in the performance of services.

- j.** Audits. Pursuant to Minn. Stat. Section 16C.05, subd. 5, the Contractor’s books, records, documents, and accounting procedures and practices that are relevant to this Agreement, are subject to examination by the City and either the Legislative Auditor or the State Auditor for a minimum of six years from the end of this Agreement.
- k.** Waiver. The waiver by either party of any breach or failure to comply with any provision of this Agreement by the other Party shall not be construed as, or constitute a continuing waiver of such provision or a waiver of any other breach of or failure to comply with any other provision of this Agreement.
- l.** Third Party Reliance. This Agreement is intended for the mutual benefit of Parties hereto and no third-party rights are intended or implied.
- m.** Notices. All notices and other communications pursuant to this Agreement must be delivered via email or delivered by registered or certified mail, postage prepaid, or delivered by hand at the addresses set forth below:

Notice to City: Kellee Omlid, Parks and Recreation Director  
[komlid@farmingtonmn.gov](mailto:komlid@farmingtonmn.gov)  
 430 Third Street, Farmington, MN 55024

Notice to Contractor: Tristan Waters  
[tristan@avforyou.com](mailto:tristan@avforyou.com)  
3324 Winpark Dr. Crystal, MN 55427

- n.** Force Majeure. Except for payment of sums due, neither Party shall be liable to the other or deemed in default under this Agreement, if and to the extent that Party’s performance is prevented by reason of force majeure. “Force majeure” includes war, an act of terrorism, a pandemic or epidemic, fire, earthquake, flood and other circumstances which are beyond the control and without the fault or negligence of the Party affected and which by the exercise of reasonable diligence the Party affected was unable to prevent.
- o.** Savings Clause. If any court finds any portion of this Agreement to be contrary to law, invalid, or unenforceable, the remainder of the Agreement will remain in full force and effect.
- p.** Counterparts. This Agreement may be signed in counterparts, each of which shall be deemed an original, and which taken together shall be deemed to be one and the same document.

IN WITNESS WHEREOF, the Parties, have caused this Agreement to be approved on the date above.

Dated: \_\_\_\_\_, 2025.

**CITY OF FARMINGTON**

BY: \_\_\_\_\_  
Joshua Hoyt, Mayor

AND \_\_\_\_\_  
Shirley R Buecksler, City Clerk

Dated: 3/18, 2025.

**CONTRACTOR: AV FOR YOU**

BY: \_\_\_\_\_  
Tristan Waters, Its Senior Project Coordinator



Farmington Parks and Recreation  
MN

AV For You  
3324 Winpark Drive  
Crystal MN 55427  
Rentals@avforyou.com  
952-500-8839  
www.AVforYou.com

### Quotation: 9/6/25 Outdoor Movie at Distad Park

<b>Order Date</b>	01-29-2025	<b>Quote Valid Until</b>	07-04-2025 3:45 PM	<b>Delivery Address</b>	Distad Park 18200 Dunbury Ave Farmington MN 55024
<b>Our Reference</b>	24625			<b>Collection Address</b>	Distad Park 18200 Dunbury Ave Farmington MN 55024
<b>Your Reference</b>					
<b>Rental Period</b>	09-06-2025 6:00 PM to 09-06-2025 10:30 PM				
<b>Setup</b>	09-06-2025 6:00 PM to 09-06-2025 6:00 PM				
<b>Use</b>	09-06-2025 7:00 PM to 09-06-2025 10:30 PM				
<b>Takedown</b>	09-06-2025 10:30 PM to 09-06-2025 10:30 PM				

Item	Type	Quantity	Days	Price	Discount	Total
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#### Projection - Dusk Approx. 7:30pm

8.3' x 10.5' Outdoor Inflatable Screen (16:9 Format)	Rental	1	1.0	150.00		150.00
50 lb. Sandbag (accessory)	Rental	8	1.0	5.00		40.00
Sony VPL-PHZ50.B WUXGA Laser LCD Projector (Device)	Rental	1	1.0	250.00		250.00
Projector Stand (Da-Lite Deluxe "Project-O-Stand")	Rental	1	1.0	10.00		10.00
Projector Stand Skirting	Rental	1	1.0	10.00		10.00
Panasonic DMP-BD75 Blu-Ray DVD Player	Rental	1	1.0	20.00		20.00

**Total for Projection - Dusk Approx. 7:30pm: \$480.00**



AV For You  
 3324 Winpark Drive  
 Crystal MN 55427  
 Rentals@avforyou.com  
 952-500-8839  
 www.AVforYou.com

Farmington Parks and Recreation  
 MN

## Quotation: 9/6/25 Outdoor Movie at Distad Park

Item	Type	Quantity	Days	Price	Discount	Total
<b>Audio</b>						
JBL VRX932 Line Array Speaker	Rental	4	1.0	60.00		240.00
Speaker Stand ( <i>accessory</i> )	Rental	4	1.0	0.00		0.00
Mackie DFX6 Stereo 4 Channel Mixer	Rental	1	1.0	20.00		20.00
A/V Interface Direct Box	Rental	1	1.0	5.00		5.00
<b>Total for Audio:</b>						<b>\$265.00</b>
<b>Power</b>						
Honda EU7000iS 7000 Watt Portable Inverter Generator	Rental	1	1.0	300.00		300.00
L-14-30 30 Amp 3 Prong Twist Lock Plug to Edison Breakout Cable ( <i>accessory</i> )	Rental	1	1.0	0.00		0.00
<b>Total for Power:</b>						<b>\$300.00</b>
<b>Safety</b>						
Zoro Single Track Cable Ramp	Rental	6	1.0	5.00		30.00
<b>Total for Safety:</b>						<b>\$30.00</b>
<b>BACKUP</b>						
Panasonic DMP-BD871 Blu-Ray DVD Player	Rental	1	1.0	20.00	100%	0.00
Sony VPL-PHZ50.B WUXGA Laser LCD Projector (Device)	Rental	1	1.0	250.00	100%	0.00
Avedio HDMI 1x2 DA	Rental	1	1.0	5.00	100%	0.00
<b>Total for BACKUP:</b>						<b>\$0.00</b>



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Farmington Parks and Recreation  
 MN

## Quotation: 9/6/25 Outdoor Movie at Distad Park

Item	Type	Quantity	Days	Price	Discount	Total
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### Crew

Technician	Service	2 x 5 Hours		75.00		750.00
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Setup 6pm, Onsite 7pm-10:30pm, Strike 10:30pm

Mileage	Service	1 x 70 miles		0.70		49.00
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70 Miles Roundtrip

**Total for Crew: \$799.00**

<b>Rental charges</b>	<b>\$1,075.00</b>	<b>Discount total</b>	<b>\$275.00</b>
<b>Sale charges</b>	<b>\$0.00</b>	<b>Charge total</b>	<b>\$1,874.00</b>
<b>Service charges</b>	<b>\$799.00</b>	<b>Tax total</b>	<b>\$0.00</b>
		<b>Charge and tax total</b>	<b>\$1,874.00</b>

## REGULAR COUNCIL AGENDA MEMO

**To:** Mayor, Councilmembers and City Administrator  
**From:** Kellee Omlid, Parks & Recreation Director  
**Department:** Parks & Recreation  
**Subject:** Donation from Nancy and David Toensing to the Parks and Recreation Department  
**Meeting:** Regular Council - Apr 07 2025

### INTRODUCTION:

Nancy and David Toensing recently gave a donation to the Parks and Recreation Department.

### DISCUSSION:

Nancy and David Toensing made a generous donation of \$100 to the Parks and Recreation Department for future wood duck house maintenance. Their son, Quinn Toensing, recently completed an Eagle Scout project with his Boy Scout Troop 119 to build 18 wood duck houses. Quinn and Boy Scout Troop 119 also installed 10 of the 18 wood duck houses in parks and natural areas. The remaining eight (8) will be installed by City Staff to replace other wood duck houses in disrepair. The donated money will be placed in the Park Improvement Fund.

Staff will express the City's appreciation on behalf of the City Council to Nancy and David Toensing for this generous donation.

### ACTION REQUESTED:

Adopt Resolution 2025-026 Accepting a Donation of \$100 from Nancy and David Toensing - to the Parks and Recreation Department.

### ATTACHMENTS:

[2025-026 Accepting \\$100 from Nancy and David Toensing](#)

**CITY OF FARMINGTON  
DAKOTA COUNTY, MINNESOTA**

**RESOLUTION 2025-026**

**A RESOLUTION ACCEPTING  
A DONATION OF \$100 FROM NANCY AND DAVID TOENSING**

**WHEREAS**, the City of Farmington is generally authorized to accept donations of real and personal property pursuant to Minnesota Statutes Section 465.03 for the benefit of its citizens and is specifically authorized to accept gifts, as allowed by law; and

**WHEREAS**, the following persons and entities have offered to contribute to the City:

**Nancy and David Toensing** have donated \$100 to the Parks and Recreation Department; and

**WHEREAS**, it is in the best interest of the City to accept this donation.

**NOW, THEREFORE, BE IT RESOLVED** that Mayor Hoyt and the Farmington City Council hereby accept with gratitude the generous donation of \$100 from Nancy and David Toensing to the Parks and Recreation Department.

Adopted by the City Council of the City of Farmington, Minnesota, this 7<sup>th</sup> day of April 2025.

ATTEST:

\_\_\_\_\_  
Joshua Hoyt, Mayor

\_\_\_\_\_  
Shirley R Buecksler, City Clerk

## REGULAR COUNCIL AGENDA MEMO

**To:** Mayor, Councilmembers and City Administrator  
**From:** Kellee Omlid, Parks & Recreation Director  
**Department:** Parks & Recreation  
**Subject:** Professional Services Agreement with INSPEC for Roofing Consultation Services for Fire Station #1 Reroof Project  
**Meeting:** Regular Council - Apr 07 2025

### INTRODUCTION:

Fire Station #1 has three roof levels and a Kalwall skylight (Kalwall). The roofs and Kalwall are 20+ years old and have active leakage consistent with the age and system type. Thus, Fire Station #1 needs a roof and skylight replacement. Staff is proposing to hire INSPEC to provide roofing consultation services for the reroof project.

### DISCUSSION:

During the Facility Condition Assessments, Kraus-Anderson identified a necessary roof replacement at Fire Station #1 to include a full roof and Kalwell replacement. This project was included in the approved Capital Improvement Plan (CIP) to be completed in 2025.

Parks and Recreation Staff reached out to Kraus-Anderson for a recommendation for an engineering firm to assist the City with design services including construction documents, bidding administration, and construction administration. INSPEC was the recommendation; City Staff met with INSPEC at Fire Station #1 and had a follow-up virtual meeting to review the project scope and their proposal to complete the roof replacement. INSPEC has worked with the Farmington School District for decades on their facility roofing projects and they have been pleased with their work and responsiveness.

Attached is the Professional Services Agreement with INSPEC which includes the proposal to complete the roofing consultation services. The proposal includes design services, construction documents, bid process, and construction administration. Design services include verifying existing roof system conditions using exploratory test openings using INSPEC staff and a roofing contractor.

The City Attorney reviewed the attached Professional Services Agreement and INSPEC's terms in their proposal and found them to be acceptable.

### BUDGET IMPACT:

The cost for INSPEC roofing consultation services is \$59,700 which includes design services, construction documents, bid process, and construction administration. In addition, there will be reimbursable expenses for Hazardous Materials (asbestos) for \$2,500, Minnesota Department of Labor and Industry fees for \$2,300, and Roofing Contractor Assistance for \$5,500. Thus, a lump

sum fee not to exceed \$70,000 inclusive of reimbursable expenses will be paid to INSPEC. The cost of these professional services INSPEC will be providing to the City will be funded through the Building Maintenance Fund.

**ACTION REQUESTED:**

Approve the attached Professional Services Agreement with INSPEC for roofing consultation services for the Fire Station #1 reroof project.

**ATTACHMENTS:**

[Professional Services Agreement - INSPEC](#)

## PROFESSIONAL SERVICES AGREEMENT

This **Professional Services Agreement** (“Agreement”) is made this \_\_\_\_ day of April, 2025, by and between the **CITY OF FARMINGTON**, a Minnesota municipal corporation, whose business address is 430 3rd St, Farmington, MN 55024 (hereinafter "City") and **INSPEC, INC.**, a Minnesota corporation, whose business address is 5801 Duluth Street, Minneapolis, MN 55422 (hereinafter "Engineer").

### IN CONSIDERATION OF THEIR MUTUAL COVENANTS, THE PARTIES AGREE AS FOLLOWS:

**1. SCOPE OF SERVICES.** The City retains Engineer to furnish the services set forth on the attached Exhibit “A”. The Engineer agrees to perform the services. Engineer shall provide all personnel, supervision, services, materials, tools, equipment and supplies and do all things necessary and ancillary thereto specified on Exhibit “A”. The Work to be performed under this Agreement shall be done under the review of a professional engineer and architect licensed in the State of Minnesota. The architect shall attest that the Work will be performed in compliance with all applicable codes and engineering standards. The Work shall be performed in accordance with the Contract Documents, which includes this Agreement and the attached Exhibits: Exhibit “A” – Scope of Services, Exhibit “B” – Schedule of Payment and Fee Schedule. In the event any ambiguity or conflict between the Contract Documents listed above, the order of precedence shall be the following order: (i) this Agreement; (ii) Exhibit “A”, (iii) Exhibit “B”.

**2. REPRESENTATIVES.** City has designated Kellee Omlid, Parks and Recreation Director, (the “City Representative”), and the Engineer has designated Bruce Hellier, Senior Consultant, (the “Engineer Representative”). The City Representative and the Engineer Representative shall be available as often as is reasonably necessary for reviewing the Services and Work to be performed.

**3. COMPENSATION FOR SERVICES.** Engineer shall be paid by the City for the services described in Exhibit “A” in accordance with the attached fee schedule, Exhibit “B”, a lump sum fee not to exceed \$70,000 inclusive of taxes and reimbursable costs.

A. Any changes in the scope of the Work which may result in an increase to the compensation due the Engineer shall require prior written approval by the authorized representative of the City or by the City Council. The City will not pay additional compensation for services that do not have prior written authorization.

B. Special Consultants may be utilized by the Engineer when required by the complex or specialized nature of the Project and when authorized in writing by the City.

**4. COMPLETION DATE/TERM.** The Engineer must complete the Services by October 15, 2025. This Agreement may be extended upon the written mutual consent of the parties for such additional period as they deem appropriate, and upon the terms and conditions as herein stated.

**5. OWNERSHIP OF DOCUMENTS.** All plans, diagrams, analyses, reports and information generated in connection with the performance of the Agreement (“Information”) shall become the property of the City, but Engineer may retain copies of such documents as records of the services provided. The City may use the Information for its purposes and the Engineer also may use the Information for its purposes. Use of the Information for the purposes of the project contemplated by this Agreement does not relieve any liability on the part of the Engineer, but any use of the Information by the City or the Engineer beyond the scope of the Project is without liability to the other, and the party using the Information agrees to defend and indemnify the other from any claims or liability resulting therefrom.

**6. COMPLIANCE WITH LAWS AND REGULATIONS.** In providing services hereunder, Engineer shall abide by all statutes, ordinances, rules, and regulations pertaining to the provisions of services to be provided. Any violation of statutes, ordinances, rules, and regulations pertaining to the Services to be provided shall constitute a material breach of this Agreement and entitle the City to immediately terminate this Agreement. Engineer’s books, records, documents, and accounting procedures and practices related to services provided to the City are subject to examination by the legislative auditor or the state auditor, as appropriate, for a minimum of six years.

**7. STANDARD OF CARE.** Engineer shall exercise the same degrees of care, skill, and diligence in the performance of the Services as is ordinarily possessed and exercised by a professional engineer under similar circumstances. Engineer shall be liable to the fullest extent permitted under applicable law, without limitation, for any injuries, loss, or damages proximately caused by Engineer’s breach of this standard of care. Engineer shall put forth reasonable efforts to complete its duties in a timely manner. Engineer 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 Agreement. Engineer shall be responsible for costs, delays, or damages arising from unreasonable delays in the performance of its duties. No other warranty, expressed or implied, is included in this Agreement. City shall not be responsible for discovering deficiencies in the accuracy of Engineer’s services.

**8. INDEMNIFICATION.** The Engineer shall defend, indemnify and hold harmless the City, its officers, agents, and employees, of and from any and all judgments, claims, damages, demands, actions, causes of action, including costs and attorney's fees paid or incurred resulting from any breach of this Agreement by Engineer, its agents, contractors and employees, or any negligent or intentional act or omission performed, taken or not performed or taken by Engineer, its agents, contractors and employees, relative to this Agreement. City will indemnify and hold Engineer harmless from and against any loss for injuries or damages arising out of the negligent acts of the City, its officers, agents, or employees.

**9. INSURANCE.**

- a. **General Liability.** Prior to starting the Work, Engineer shall procure, maintain, and pay for such insurance as will protect against claims or loss which may arise out of operations by Engineer or by any subcontractor or by anyone employed by any of them or by anyone for whose acts any of them may be liable. Such insurance shall include, but not be limited to,

minimum coverages and limits of liability specified in this Paragraph, or required by law.

- b. Engineer shall procure and maintain the following minimum insurance coverages and limits of liability for the Work:

Worker's Compensation	Statutory Limits
Employer's Liability	\$500,000 each accident \$500,000 disease policy limit \$500,000 disease each employee
Commercial General Liability	\$2,000,000 property damage and bodily injury per occurrence \$2,000,000 general aggregate
Comprehensive Automobile Liability	\$1,000,000 combined single limit each accident (shall include coverage for all owned, hired and non-owned vehicles.)

Commercial General Liability requirements may be met through a combination of umbrella or excess liability insurance.

The City shall be named as an additional insured on the general liability and umbrella policies.

- c. Professional Liability Insurance. In addition to the coverages listed above, Engineer shall maintain a professional liability insurance policy in the amount of \$2,000,000. Said policy need not name the City as an additional insured.
- d. Engineer shall maintain "stop gap" coverage if Engineer obtains Workers' Compensation coverage from any state fund if Employer's liability coverage is not available.
- e. All policies, except the Worker's Compensation Policy, Automobile Policy, and Professional Liability Policy, shall name the "City of Farmington" as an additional insured.
- f. All policies, except the Professional Liability Policy, shall apply on a "per project" basis.
- g. All polices shall contain a waiver of subrogation in favor of the City.

- h. All policies, except for the Worker's Compensation Policy and the Professional Liability Policy, shall be primary and non-contributory.
- i. All policies, except the Worker's Compensation Policy, shall insure the defense and indemnity obligations assumed by Engineer under this Agreement.
- j. Engineer agrees to maintain all coverage required herein throughout the term of the Agreement and for a minimum of two (2) years following City's written acceptance of the Work.
- k. It shall be Engineer's responsibility to pay any retention or deductible for the coverages required herein.
- l. The Engineer's policies and Certificate of Insurance shall contain a provision that coverage afforded under the policies shall not be cancelled without at least thirty (30) days advanced written notice to the City.
- m. Engineer shall maintain in effect all insurance coverages required under this Paragraph at Engineer's sole expense and with insurance companies licensed to do business in the state in Minnesota and having a current A.M. Best rating of no less than A-, unless specifically accepted by City in writing and all insurance policies shall be on ISO forms acceptable to the City.
- n. **A copy of the Engineer's Certificate of Insurance which evidences the compliance with this Paragraph, must be filed with City prior to the start of Engineer's Work.** Upon request a copy of the Engineer's insurance declaration page, rider and/or endorsement, as applicable shall be provided. Such documents evidencing insurance shall be in a form acceptable to City and shall provide satisfactory evidence that Engineer has complied with all insurance requirements. Renewal certificates shall be provided to City prior to the expiration date of any of the required policies. City will not be obligated, however, to review such Certificate of Insurance, declaration page, rider, endorsement, certificates, or other evidence of insurance, or to advise Engineer of any deficiencies in such documents and receipt thereof shall not relieve Engineer from, nor be deemed a waiver of, City's right to enforce the terms of Engineer's obligations hereunder. City reserves the right to examine any policy provided for under this Agreement.
- o. **Effect of Engineer's Failure to Provide Insurance.** If Engineer fails to provide the specified insurance, then Engineer will defend, indemnify, and hold harmless the City, the City'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 City (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 Engineer, its subcontractors, agents, employees or delegates. Engineer agrees that this indemnity shall be construed and applied in favor of indemnification. Engineer 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 in section p, the City may require Engineer to:

- i. Furnish and pay for a surety bond, satisfactory to the City, guaranteeing performance of the indemnity obligation; or
- ii. Furnish a written acceptance of tender of defense and indemnity from Engineer's insurance company.

Engineer will take the action required by the City within fifteen (15) days of receiving notice from the City.

**10. INDEPENDENT CONTRACTOR.** The City hereby retains the Engineer as an independent contractor upon the terms and conditions set forth in this Agreement. The Engineer is not an employee of the City and is free to contract with other entities as provided herein. Engineer shall be responsible for selecting the means and methods of performing the work. Engineer shall furnish any and all supplies, equipment, and incidentals necessary for Engineer's performance under this Agreement. City and Engineer agree that Engineer shall not at any time or in any manner represent that Engineer or any of Engineer's agents or employees are in any manner agents or employees of the City. Engineer shall be exclusively responsible under this Agreement for Engineer's own FICA payments, workers compensation payments, unemployment compensation payments, withholding amounts, and/or self-employment taxes if any such payments, amounts, or taxes are required to be paid by law or regulation.

**11. SUBCONTRACTORS.** Engineer shall not enter into subcontracts for services provided under this Agreement without the express written consent of the City. Engineer shall comply with Minnesota Statute § 471.425. Engineer must pay subcontractor for all undisputed services provided by subcontractor within ten (10) days of Engineer's receipt of payment from City. Engineer must pay interest of 1.5 percent per month or any part of a month to subcontractor on any undisputed amount not paid on time to subcontractor. The minimum monthly interest penalty payment for an unpaid balance of \$100 or more is \$10.

**12. ASSIGNMENT AND THIRD PARTIES.** Neither party shall assign this Agreement, nor any interest arising herein, without the written consent of the other party. Nothing under this Agreement shall be construed to give any rights or benefits in this Agreement to anyone other than the City and Engineer, and all duties and responsibilities undertaken pursuant to this Agreement will be for the sole and exclusive benefit of the City and Engineer and not for the benefit of any other party.

**13. WAIVER.** Any waiver by either party of a breach of any provisions of this Agreement shall not affect, in any respect, the validity of the remainder of this Agreement.

**14. ENTIRE AGREEMENT.** The entire agreement of the parties is contained herein. This Agreement supersedes all oral agreements and negotiations between the parties relating to the subject matter hereof as well as any previous agreements presently in effect between the parties relating to the subject matter hereof. Any alterations, amendments, deletions, or waivers of the provisions of this Agreement shall be valid only when expressed in writing and duly signed by the parties, unless otherwise provided herein.

**15. CONTROLLING LAW AND VENUE.** This Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota. All proceedings related to this contract shall be venued in the Dakota County District Court.

**16. COPYRIGHT.** Engineer shall defend actions or claims charging infringement of any copyright or patent by reason of the use or adoption of any designs, drawings, or specifications supplied by it, and it shall hold harmless the City from loss or damage resulting therefrom.

**17. RECORDS.** The Engineer shall maintain complete and accurate records of time and expense involved in the performance of services.

**18. MINNESOTA GOVERNMENT DATA PRACTICES ACT.** Engineer must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to (1) all data provided by the City pursuant to this Agreement, and (2) all data, created, collected, received, stored, used, maintained, or disseminated by the Engineer pursuant to this Agreement. Engineer is subject to all the provisions of the Minnesota Government Data Practices Act, including but not limited to the civil remedies of Minnesota Statutes Section 13.08, as if it were a government entity. In the event Engineer receives a request to release data, Engineer must immediately notify City. City will give Engineer instructions concerning the release of the data to the requesting party before the data is released. Engineer agrees to defend, indemnify, and hold City, its officials, officers, agents, employees, and volunteers harmless from any claims resulting from Engineer's officers', agents', partners', employees', volunteers', assignees', or subcontractors' unlawful disclosure and/or use of protected data. The terms of this paragraph shall survive the cancellation or termination of this Agreement.

**19. TERMINATION.** This Agreement may be terminated by City on thirty (30) days' written notice delivered to Engineer at the address on file with the City. Upon termination under this provision if there is no fault of the Engineer, the Engineer shall be paid for services rendered and reimbursable expenses until the effective date of termination. If the City terminates the Agreement because the Engineer has failed to perform in accordance with this Agreement, no further payment shall be made to the Engineer, and the City may retain another engineer to undertake or complete the work identified in Paragraph 1.

**20. NON-DISCRIMINATION.** During the performance of this Agreement, the Engineer shall not discriminate against any employee or applicants for employment because of race, color, creed, religion, national origin, sex, marital status, status with regard to public

assistance, disability, sexual orientation or age. The Engineer shall post in places available to employees and applicants for employment, notices setting forth the provision of this non-discrimination clause and stating that all qualified applicants will receive consideration for employment. The Engineer shall incorporate the foregoing requirements of this paragraph in all of its subcontracts for program work, and will require all of its subcontractors for such work to incorporate such requirements in all subcontracts for program work. The Engineer further agrees to comply with all aspects of the Minnesota Human Rights Act, Minnesota Statutes 363.01, et. seq., Title VI of the Civil Rights Act of 1964, and the Americans with Disabilities Act of 1990.

**21. SURVIVAL.** All express representations, waivers, indemnifications, and limitations of liability included in this Agreement will survive its completion or termination for any reason.

**22. SERVICES NOT PROVIDED FOR.** Claims for services furnished by the Engineer not specifically provided for herein shall not be honored by the City.

**23. SEVERABILITY.** The provisions of this Agreement are severable. If any portion hereof is, for any reason, held by a court of competent jurisdiction to be contrary to law, such decision shall not affect the remaining provisions of this Agreement.

**24. CONFLICTS.** No officer or salaried employee of the City and no member of the Council of the City shall have a financial interest, direct or indirect, in this Agreement. The violation of this provision renders the Agreement void.

**25. NOTICES.** Any notice required under this Agreement will be in writing, addressed to the appropriate party at its address on the signature page and given personally, by facsimile, by registered or certified mail postage prepaid, or by a commercial courier service. All notices shall be effective upon the date of receipt.

**26. WAIVER.** A party's non-enforcement of any provision shall not constitute a waiver of that provision, nor shall it affect the enforceability of that provision or of the remainder of this Agreement.

**27. COUNTERPARTS.** This Agreement may be executed in multiple counterparts, each of which shall be considered an original.

Dated: \_\_\_\_\_, 2025

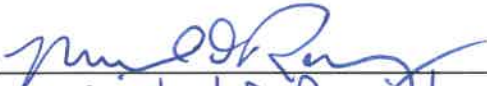
**CITY: CITY OF FARMINGTON**

By: \_\_\_\_\_  
Joshua Hoyt  
Mayor

By: \_\_\_\_\_  
Shirley R Buecksler  
City Clerk

Dated: \_\_\_\_\_, 2025

**INSPEC, INC.:**

By:  \_\_\_\_\_  
Michael D. Remington [print name]  
Its President [title]

**EXHIBIT "A"**

**SCOPE OF SERVICES**



Smart engineering of  
roofs, walls, windows,  
pavements  
and waterproofing

March 17, 2025

Kellee Omlid  
Parks and Recreation Director  
City of Farmington  
430 Third Street  
Farmington, MN 55024

RE: Revised proposal for Roofing Consultation Services for Fire Station #1 2025 Reroof  
21625 Denmark Avenue  
Farmington, Minnesota 55024

Dear Kellee,

We are grateful for the opportunity to submit this revised proposal for Roofing Consultation Services for Fire Station #1. We have based this proposal on email communications of March 14, 2025 and information gathered at our meetings on December 3, 2024, and January 30, 2025.

**A. DEFINITIONS**

- 1. Owner: City of Farmington
- 2. Inspec: INSPEC, INC. Engineers/Architects

**B. PROJECT INFORMATION**

1. Context

Fire Station #1 has multiple roof levels and a sloped Kalwall skylight from the low-level to mid-level roofs. The existing roofing consists of a white single-ply membrane which totals approximately 10,000 square feet. The roofs are drained via roof drains and scuppers. This project involves reroofing and Kalwall skylight replacement for Fire Station #1.

2. Owner’s Known Problems or Needs

The three roof areas and skylight of Fire Station #1 are exhibiting deterioration and leakage consistent with the age and system type and will require replacement due to the current conditions.

3. Construction Scope

Inspec’s services shall be based on the following preliminary construction scope for Fire Station #1:

- a. Remove existing roof membrane and insulation.
- b. Provide new insulation and a new built-up or single-ply roof membrane.
- c. Reuse existing roof drains and scupper locations.
- d. Replace the existing Kalwall skylight system with a new Kalwall system.
- e. Raise existing mechanical curbs as necessary to obtain appropriate base flashing heights.

5801 Duluth Street  
Minneapolis, MN 55422  
Ph. 763-546-3434  
Fax: 763-546-8669

Chicago

Milwaukee

Minneapolis

[www.inspec.com](http://www.inspec.com)

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## C. BASIC SERVICES

The following Basic Services pertain only to the Construction Scope described earlier.

### 1. Design Services

- a. Review existing drawings provided.
- b. Verify existing roof system conditions using exploratory test openings using Inspec staff and a roofing contractor. Contractor assistance fees will be treated as a reimbursable expense (see E. Reimbursables).
- c. Observe and evaluate the following to provide a basis for the development of reroofing design:
  - Feasibility of salvaging insulation.
  - Ponding layouts.
  - Interior verification of decking.
  - Reusing existing wood blocking.
  - Discuss roof history and past performance with building personnel.
  - Code considerations updated.
- d. Design tapered insulation layout to improve drainage, if necessary/feasible.
- e. Improve overflow drainage via overflow scuppers, if necessary/feasible.
- f. Evaluate mechanical curb height to determine if they must be raised.
- g. Structural: Fees for the structural engineer are included in our fees for Basic Services and are included in D. Compensation – Basic Services.
  - Structural Evaluation: To meet the current Minnesota Code and the Minnesota State Plan Review Office requirements, the structural engineer will provide an assessment and/or analysis of the new roofing system and new skylight system as it relates to the existing roof structure. Utilizing available original documents, the structural engineer will provide the following services:
    - Respond to structural-related plan review comments from the jurisdiction having authority.
    - Review available original construction documents.
    - Determine in-place roofing system weights and roof load requirements for the proposed roofing system.
    - Compare weights of the existing and proposed roof systems as described above.
    - Assess the areas analyzed for ponding stability as appropriate.
    - Develop roof drainage recommendations based on load capacities shown on drawings or on estimated capacities based on code requirements in effect at the time of construction.
    - Perform an analysis of elements judged to represent typical framing conditions and capacities to determine if the design capacity of the existing structure is adequate to support the proposed roofing system, if required.
    - Provide a letter report outlining their findings.
    - Update the report as appropriate.
- h. Design roof system with an average R-value of 30 wherever possible.
- i. Briefly review up to three potential roof systems and warranty options with the Owner.
- j. Design one new roof system with either single-ply or built-up membrane.
- k. Design the Kalwall replacement including roof tie-in details.
- l. Provide one Schematic Design and one Construction Document review meeting.
- m. Provide as-built documents.

## 2. Construction Documents

- a. Drawings and a project manual will be prepared for this project including information concerning insurance, performance bonds, construction schedule, submittals, and other project-related documents.
- b. There is the potential for asbestos containing roofing materials to exist on this project. If suspect materials are encountered, samples will be collected during site verification work and tested accordingly.
  - A hazmat consultant is required to properly address this concern. If necessary, we will coordinate with one and work together to integrate technical specification section(s) into ours. These fees are not included in our proposal and can be treated as a reimbursable expense or be paid directly by the city (see item E. Reimbursables).
- c. We will work with you to develop an ad for bids, including dates, times, and places for you to advertise the project in your local paper, and/or websites based on the city and/or State's advertising requirements.
  - Fees for local papers and websites vary and can be treated as a reimbursable expense or be paid directly by the city (see item E. Reimbursables).
- d. We will work with you to address the Minnesota Department of Labor and Industry document review. We will coordinate the appropriate response to the jurisdiction having authority.
  - The fees to the State plan review are not included in our proposal and will be treated as a reimbursable expense, if required (see item E. Reimbursables).
- e. We will provide two printed sets of documents to the Owner for their records and/or use.

## 3. Bid Process

- a. We will assist in issuing the project for bid. We will consult with you concerning the more qualified contractors to notify regarding the availability of this project to bid and will then contact those contractors.
- b. Construction documents will be made available to local plan rooms and to prospective bidders.
- c. A pre-bid conference will be held two weeks prior to the bid opening to discuss the scope of work with the contractors at the project site.
- d. Once bids are received, we will assist you in the evaluation of the bids and provide a letter of recommendation, if requested.
- e. Once the project has been awarded, we will generate AIA contracts for you to implement with the contractor.

## 4. Construction Administration

This service would include the following:

- a. Review of contractor submittals.
- b. Pre-construction conference with all parties.
- c. Provide two construction observation visits per week during roofing, and skylight replacement.
- d. Construction duration to be approximately six weeks.
- e. A final walkover with punchlist of the project site and closeout.
- f. Provide warranty information with the project manual.

Our on-site observer not only would act as your representative regarding the technical aspects of the project but would also act as a liaison between you and the contractor regarding the coordination issues that affect the building Owner such as access and staging areas, shutting down air intakes, and resolving other unforeseen problems that may develop.

**5. Testing Methods Available**

Testing of the roof materials and the completed roof system are recommended. The types of services could include the following:

- a. Type 3 asphalt analysis – ASTM D312
- b. 4x36 built-up roofing analysis – Jennings Method
- c. Moisture tests of wood blocking
- d. Moisture tests insulation and felts
- e. Material verification
- f. Aggregate sieve analysis – ASTM D1863

**D. COMPENSATION – BASIC SERVICES**

Inspection will provide Basic Services for the fees stipulated below:

Design Services, Construction Documents, and Bidding Process.....	\$41,000
Construction Administration .....	<u>\$18,700</u>
Total.....	\$59,700

**E. REIMBURSABLES**

- 1. Reimbursable expenses will be charged in addition to the compensation for Basic Services. The extent of these expenses is not known at this time but will be necessary to perform the Basic Services indicated.
- 2. Reimbursable expenses may include, but not be limited to, the following items:
  - a. Hazardous Materials (see C.2.b) .....Suggest budgeting \$2,500
  - b. MN Dept. of Labor and Industry Fees (see C.2.d)..... Suggest Budgeting \$2,530
  - c. Roofing Contractor Assistance (see C.1.b) .....Suggest budgeting \$5,500

**F. COMPENSATION – REIMBURSABLES**

All reimbursables will be charged at actual cost times 1.1. Some of these expenses can go directly to the city, in which case no markup will occur.

**G. ADDITIONAL SERVICES**

- 1. Based on our current knowledge of the existing conditions, we have, to the best of our ability, matched our Basic Services to the needs of your project. However, should the need arise for us to expand our services in response to conditions or events outside our control, we would, under your direction, submit a separate proposal covering such Additional Services. Additional Services are not included under Basic Services nor are they covered by the compensation thereof:
- 2. Additional Services may include, but are not necessarily limited to, the following:

- a. Design and observation services related to the following:
  - Building additions/remodels/restorations.
  - Roof hatches, ships ladders, and stair access to roof areas.
  - Roof system other than described in Construction Scope.
  - Removal of obsolete mechanical curbs and/or roof deck infill.
  - Replacement/relocation of the mechanical units.
  - Modifying or adding roof drains.
  - Deck condition evaluation/repairs.
  - New openings/curbs beyond what is described in Construction Scope.
  - Modifying/strengthening/adding structural members.
  - Modifying or adding ladder/stairs/steps beyond what is described in Construction Scope.
  - Modifying or adding fall protection beyond what is described in Construction Scope.
  - Modifying or adding lightning protection.
  - Interior finishes.
- b. Site verification of existing structure.
- c. Engineering services for structural supplementation.
- d. Engineering services for evaluating the capacity of roof drains or storm sewers.
- e. After-hour meetings or board meetings.
- f. Progress meetings that do not occur during site visits.
- g. Special testing such as infrared scans and water tests.
- h. Change orders.
- i. Conformed set of documents.
- j. As-built/record documents.
- k. Construction observation beyond those items identified in Basic Services.
- l. Use of Owner or contractor software programs during design and construction.

#### **H. COMPENSATION – ADDITIONAL SERVICES**

1. Compensation for Additional Services shall be established by separate Additional Services proposal(s).
2. Compensation for Additional Services that are provided by others but retained by Inspec shall be based on the amount billed to Inspec times a factor of 1.1.

#### **I. OWNER'S RESPONSIBILITIES**

1. The Owner shall return a signed proposal to Inspec prior to the commencement of services.
2. The Owner shall provide Inspec with existing documents available.
3. The Owner shall allow Inspec and its consultants to access the roof areas and interior spaces necessary to provide design services.
4. The Owner shall hire directly services for testing and inspection agency and special inspectors if required.

#### **J. PAYMENT PROVISIONS**

Progress payment invoices for Inspec services shall generally be submitted monthly and are payable upon receipt. Invoices shall be considered past due if not paid within thirty (30) days of the invoice date.

**K. SUSPENSION OR TERMINATION OF SERVICES**

This Agreement may be terminated by either party in the event of substantial failure to perform in accordance with the terms of this Agreement through no fault of the terminating party, but only after written notice of the specific nature of the failure to perform has been submitted and after seven days opportunity to cure such failure. If this Agreement is terminated, Inspec shall be paid for services performed to the termination notice date including reimbursable expenses due.

**L. RISK ALLOCATION/DISPUTE RESOLUTION**

1. All claims, disputes, and controversies arising out of or in relation to the performance, interpretation, application, or enforcement of this Agreement, including, but not limited to, breach thereof, shall be referred for mediation under the then current Construction Industry Mediation Rules of the American Arbitration Association prior to any recourse to arbitration or litigation.

**M. REMARKS**

This proposal is valid for thirty (30) business days, after which time Inspec reserves the right to modify and resubmit.

This Agreement entered into as of the day and year first above written.

**For Owner**

\_\_\_\_\_  
*Signature*

\_\_\_\_\_  
*Printed Name*


\_\_\_\_\_  
*Printed Title*

City of Farmington

BH/bap

cc: Chuck Schuh, Inspec

**For Inspec**

  
\_\_\_\_\_  
*Signature*

Bruce Hellier, Assoc. AIA  
\_\_\_\_\_  
*Printed Name*

Senior Consultant  
\_\_\_\_\_  
*Printed Title*

INSPEC, INC.

## **EXHIBIT "B"**

### **SCHEDULE OF PAYMENT AND FEE SCHEDULE**

Consultant shall be paid by the City for the services described in Exhibit "A" a lump sum fee not to exceed \$70,000 inclusive of taxes and reimbursable costs. Payments are due to Consultant within thirty (30) days after City's receipt of Consultant's monthly invoice for Services performed.

## REGULAR COUNCIL AGENDA MEMO

**To:** Mayor, Councilmembers and City Administrator  
**From:** Gary Rutherford, Police Chief  
**Department:** Police  
**Subject:** Professional Services Agreement with Bolton & Menk, Inc. for Topographic Survey Services – Farmington Police Security Fence  
**Meeting:** Regular Council - Apr 07 2025

### INTRODUCTION:

The City is planning security enhancements at the Farmington Police Department, which includes the installation of a security fence. In preparation for this project, the City requires topographic and boundary survey services, as well as wetland delineation to ensure compliance with regulatory requirements. The City received bids from 3 companies for these services. Based on these bid proposals, we have engaged Bolton & Menk with a Professional Services Agreement. The scope includes survey work in compliance with detailed specifications and mapping requirements, as well as a Level 2 Wetland Delineation Report or a No Wetland Memo, depending on site findings.

### DISCUSSION:

Bolton & Menk's scope of services includes:

- Completion of a topographic and boundary survey per attached specifications.
- Wetland review and delineation (if applicable), including report preparation.
- Preparation of digital and hardcopy deliverables, including AutoCAD files and survey maps.
- Coordination of utility locates via Gopher One Call and a private utility locator.
- Project deliverables within approximately 20 business days of authorization to proceed.

### BUDGET IMPACT:

Bolton & Menk has proposed a **lump sum fee** for survey and wetland services:

- **Topographic and Boundary Survey:** \$8,400.00
- **Wetland Services:**
  - If wetlands are present: \$2,800.00
  - If no wetlands are present: \$2,000.00

Funding for these services will be allocated from FY 2024 Community Project Funding Grant, approved by the City Council on December 2, 2024.

### ACTION REQUESTED:

Approve the Professional Services Agreement with Bolton & Menk for the completion of surveying services for the Police Department security fence project.

**ATTACHMENTS:**

[BMI Survey Proposal](#)

[BMI Professional Services Agreement](#)



Real People. Real Solutions.

12224 Nicollet Avenue  
Burnsville, MN 55337-1649

Ph: (952) 890-0509  
Fax: (952) 890-8065  
Bolton-Menk.com

March 17, 2025

Nate Siem  
Deputy Chief of Police  
Farmington Police Department

RE: Farmington Police Department Security Fence

Dear Mr. Siem:

Bolton & Menk, Inc. is pleased to present a proposal to complete a topographic survey in support of the proposed Farmington Police Security Fence project.

Bolton & Menk puts a high priority on ensuring that our company's efforts are consistent with our clients' needs. Please review the attached documents and contact me if this proposal does not meet your expectations.

If you have any questions or comments, please contact me at 952-890-0509 Ext. 2509 or email at [Eric.Wilfahrt@bolton-menk.com](mailto:Eric.Wilfahrt@bolton-menk.com).

Sincerely,  
**BOLTON & MENK, INC.**

**Eric Wilfahrt, L.S.**  
Principal Survey Manager

Attachments: Scope of Services Budget (2 pages)  
Terms and Proposal (2 pages)  
Exhibit A - Survey Limits (1 page)  
Exhibit B – Topographic Survey Specifications (3 pages)  
Exhibit C - Wetland Scope of Services (1 page)

Cc: Jacob Wollensack ([jwollensack@woldae.com](mailto:jwollensack@woldae.com)), Damian Erickson ([damian.erickson@bolton-menk.com](mailto:damian.erickson@bolton-menk.com)), Krista Monkeliem ([krista.monkeliem@bolton-menk.com](mailto:krista.monkeliem@bolton-menk.com))

## SCOPE OF WORK

### Task 1 – Topographic Survey

Bolton and Menk, Inc. will complete the scope of work in compliance with the items identified on the attached Exhibit B (Topographic Survey Specifications). The proposed survey limits are identified on the attached Exhibit A (Survey Limits).

### Task 2 – Wetland Services

Bolton and Menk, Inc. will complete the necessary wetland services outlined in the attached Wetland Scope of Services.

## DELIVERABLES

Deliverables will include all items outlined under Section “VI. Deliverables” in the attached Exhibit B (Topographic Survey Specifications).

## ASSUMPTIONS

This proposal is based upon the following assumptions:

- Bolton & Menk, Inc. maintains professional services and Errors and Omissions insurance. A certificate of insurance can be provided upon request.
- We will not provide information regarding depth of underground utility lines (except storm and sanitary lines), pressure of water or gas lines, buried tanks, or septic fields on the properties unless that information is provided by the client. We do not have the knowledge or expertise to derive that information reliably. Bolton & Menk, Inc. will work with the client to hire sub consultants to acquire this information if necessary.

- Bolton & Menk staff will only acquire invert elevations that can be measured without entering confined space (manholes, underground tanks, etc.) structures.
- We will only delineate all individual trees by its general type (deciduous or coniferous) but will not provide English or botanical names for each tree. Wooded areas will be outlined.
- Engineering and surveying services not specifically identified herein are not part of this proposal.
- Any additional studies, tasks, or coordination (e.g., wetland delineation, environmental or archaeological studies, permit applications, meetings representing the client, etc.) not explicit in the proposed Scope of Work will be performed by others or as additional services.
- The scope of services provided above is inclusive of all tasks offered under this contract and fee. Parties agree that additional understandings that conflict with this document (including oral agreements) must be negotiated in writing.
- Bolton & Menk, Inc. will place a Minnesota Gopher One Call request for field markings and maps and subcontract with a private utility locator prior to field work beginning; utilities shown will be based on visual observation, utility company markings, private locator markings, or plans made available to Bolton & Menk will be graphically shown on the survey map. Those utilities not visible or marked as a result of the Gopher One Call request or private utility locate request will not be shown.

## FEES

Bolton & Menk, Inc’s lump sum fee for the above-described Scope of Work is as follows:

Scope of Services	
Topographic & Boundary Survey	8,400
Wetland (No Wetland Determination Letter)	\$2,000
Wetland (Wetlands Present & Delineation)	\$2,800

## SCHEDULE

Bolton & Menk, Inc. has the staff to meet any reasonable time frame. We expect the preliminary survey will be delivered within approximately 10 business days and the final complete survey will be delivered within approximately 20 business days, after authorization to proceed.

*(Note: Gopher State One Call provides 4 business days for utility companies to mark their utilities in the field along with 15 business days for utility companies to send us their utility maps. The request for maps will be submitted after the field marking request clears.)*

## APPROVALS AND SIGNATURES


Farmington Police Department (Client) acknowledges that it is legally authorized representative of the property owner with sufficient interest and authority to enter into this agreement for the purposes of making improvements to and upon the property.

Bolton & Menk, Inc. and Client agree to the Terms and Conditions as stated above and on the reverse side of this Agreement. The undersigned represents that it is the Client or has been authorized to accept this Agreement on behalf of the Client. Unless also executed by a person(s) or firm guaranteeing payment, the undersigned accepts financial responsibility for all services and costs of collection incurred by Bolton & Menk, Inc., including reasonable attorney's fees, in the event of default by the Client.

Accepted by:

GARY RUTHERFORD - POLICE CHIEF

Print Name/Title

 4/2/2025

Signature and Date

**Terms of Proposal  
Bolton & Menk, Inc.**

The accompanying Proposal (hereinafter referred to as "Proposal") is subject to the following terms and conditions. These Terms of Proposal (hereinafter referred to as "Terms") are an integral part of the accompanying Proposal as if stated directly therein. No change or deviation from these Terms will be binding without the written approval of Bolton & Menk, Inc. (BMI). Such changes may require an adjustment in the proposed fee, schedule, or scope of Proposal.

**A. Services:** BMI proposes to perform the services outlined in the Proposal for the stated fee arrangement. Changes required by the Client or other controlling entities (regulatory agencies, contractors, courts, etc.) from the scope or schedule of services described in the Proposal are "Additional Services" and will be invoiced on an hourly basis in addition to the stated fee arrangement.

**B. Information from Client:** Unless otherwise stated, Client agrees to provide BMI with all site information necessary to complete the proposed services. This information should include current site property descriptions (from abstract, title opinion or title commitment); other legal documents affecting the site; copies of previous surveys, maps, utility locates, engineering studies and plans; existing or required soils and geotechnical reports; governmental, regulatory and utility reviews and determinations; and all other pertinent information. BMI may rely on accuracy of Client provided information. Client shall promptly inform BMI of any alleged defects in the services.

**C. Access to Site:** Unless otherwise stated, Client agrees to provide BMI with access to the site, including adjoining properties, for activities necessary for the performance of services. It is understood that in the normal course of work, unavoidable property damage may occur due to excavations, tree and brush trimming, marking lines, etc. BMI will take reasonable precautions to minimize damage due to its activities. The cost to correct resulting damage has not been included in the fee and the Client agrees to reimburse BMI for any costs associated with required restoration work.

**D. Standard of Care:** Professional services provided under this Agreement will be conducted in a manner consistent with that level of care and skill ordinarily exercised by members of BMI's profession currently practicing under similar conditions. **BMI makes no warranties, expressed or implied, or otherwise with respect to any services performed or furnished.**

**E. Certifications:** Any certification provided by BMI is a professional opinion based upon knowledge, information, and beliefs available to BMI at the time of certification. Such certifications are not intended as and shall not be construed as a guarantee or warranty. BMI shall not be required to certify the existence of conditions whose existence BMI cannot reasonably ascertain.

**F. Utilities:** Unless otherwise explicitly stated in the proposal, if utility surveys are included in scope of services, utilities will be located from available utility records, utility company locates and surface evidence of underground improvements. Some subsurface improvements may not be disclosed by such methods and Client assumes responsibility for exploratory excavations

and other work to assure utility locations. BMI assumes no liability for matters arising from subsurface utilities that vary from locations depicted on previous plans or locates provided by Client or utility companies.

**G. Project Approval:** Due to site limitations, code interpretation, regulatory reviews, political considerations, and Client directed design and improvements; BMI makes no representations as to acceptability or approvability of the project, or, zoning requests, permit applications, site and development plans, plats and similar documents. Client's obligation for payment of fees owed BMI is not contingent upon project approval.

**H. Opinions or Estimates of Project Costs:** Where included as part of project scope or otherwise, opinions or estimates of project cost will generally be based upon public construction cost information. Since BMI has no control over the cost of labor, materials, competitive bidding process, weather conditions and other factors affecting the cost of construction, all cost estimates are opinions for general information of the Client and BMI does not warrant or guarantee the accuracy of construction cost opinions or estimates. Project financing should be based upon actual, contracted construction costs with appropriate contingencies.

**I. Construction Phase Services:** Client is notified that BMI shall not be responsible for means, methods, techniques, sequences, or procedures of construction selected by any contractor employed on the project nor for the safety precautions or programs incident to the work of any contractor.

**J. Ownership and Alteration of Documents:** All documents, including reports, drawings, field data, notes, plans, specifications and documents or electronic media prepared or furnished by BMI under this agreement remain the property of BMI. Upon payment of all amounts owed, the Client is granted a limited license to BMI's submittals for Client's reasonable use and to make and retain copies for such use. However, BMI's submittals are not intended for reuse by the Client or third parties on other projects or alteration by others without the written consent of BMI. Electronic media may be furnished for convenience of Client; however, only signed and certified paper copies of submittals may be relied upon as documentation of professional services provided.

**K. Billings and Payments:** Invoices for BMI's services shall be submitted, at BMI's option, either upon completion of such services or on a monthly basis. Unless credit to Client is approved, payment is due upon receipt of services and deliverables. If, at sole discretion of BMI, credit is advanced to Client, invoices shall be due and payable within 30 days after the invoice date. If the invoice is not paid within 30 days, BMI may,

without waiving any claim or right against the Client, and without liability whatsoever to the Client, terminate the performance of its services. BMI reserves the right to withhold any deliverables until all unpaid fees are paid in full. Amount of retainer (if applicable) will be applied to amount owed on final invoice.

**L. Late Payments:** Accounts unpaid 30 days after the invoice date will be subject to a monthly service charge of 1.5% on the unpaid balance. If any portion or all of an account remains unpaid 60 days after billing, the Client shall pay all costs of collection, including reasonable attorney fees.

**M. Waiver:** To the fullest extent permitted by law, Client and BMI waive against each other, and the other's employees, partners, officers, agents, insurers, and subcontractors, claims for or entitlement to special, incidental, indirect, or consequential damages arising out of, resulting from, or any way related to this Agreement, from any cause or causes. Client waives claims against BMI individual employees and agrees any claim, demand or suit shall be asserted only against the BMI corporate entity.

**N. LIMITATION OF LIABILITY:** In recognition of the relative risks, rewards, and benefits of the project to both the Client and BMI, the risks have been allocated such that the Client agrees that BMI's total liability to the Client for any and all injuries, claims, losses, expenses, damages or claimed expenses arising out of the performance of this agreement from any cause or causes, shall not exceed total compensation paid to BMI. Such claims include, but are not limited to, BMI's negligence, errors, omissions, strict liability, breach of contract, or breach of warranty.

**O. Certificates of Insurance:** BMI will maintain, at its expense, statutory worker's compensation insurance coverage, automobile liability insurance, commercial general liability insurance and professional liability coverage for claims arising from bodily injury, death or property damage which may arise from the negligent performance by BMI or its employees. BMI will, upon request, furnish Certificates of Insurance documenting terms of coverages. BMI will not be required to extend coverages beyond those which are usual and customary for similar firms practicing similar surveying and engineering services unless BMI is reimbursed for additional premium expenses.

**P. Dispute Resolution:** Any claims or disputes made during or after the performance of services between BMI and the Client, with the exception of claims by BMI for non-payment of services rendered, shall first be submitted to mediation for resolution prior to initiating any other legal proceedings.

**Q. Agreement:** If the Proposal is accepted, the Client and BMI will enter into an Agreement incorporating the accompanying Proposal, these Terms and such additional terms and conditions as may be mutually acceptable to BMI and Client. In the absence of a separate, executed written agreement, the accompanying Proposal and these Terms of Proposal shall constitute the whole and complete agreement between BMI and the Client.

**R. Termination of Services:** The Agreement created under Paragraph Q may be terminated by the Client or BMI should the other fail to perform its obligations hereunder; or, by BMI if the presence of an unknown or undisclosed federally, state or locally regulated hazardous material is encountered. In the event of termination, the Client shall pay BMI for all services rendered to the date of termination, all reimbursable expenses, and reimbursable termination expenses.

**S. Withdrawal of Proposal:** This Proposal constitutes a non-binding offer to perform services and BMI reserves the right to withdraw or modify this proposal, without liability to the Client, at any time prior to receipt of written acceptance from the Client and execution of a signed agreement in accordance with Paragraph Q.

**T. LIEN RIGHTS:** Pursuant to the representations by the CLIENT in this Agreement and improvements to be made to the project property, BMI reserves the right to file a lien against the project property in the event of delinquent or non-payment of monies owed to BMI by the CLIENT. In accordance with Minnesota law, the CLIENT and PROJECT PROPERTY OWNER are hereby advised:

“(a) Any person or company supplying labor or materials for this improvement to your property may file a lien against your property if that person or company is not paid for the contributions.

(b) Under Minnesota law, you have the right to pay persons who supplied labor or materials for this improvement directly and deduct this amount from our contract price, or withhold the amounts due them from us until 120 days after completion of the improvement unless we give you a lien waiver signed by persons who supplied any labor or material for the improvement and who gave you timely notice.”

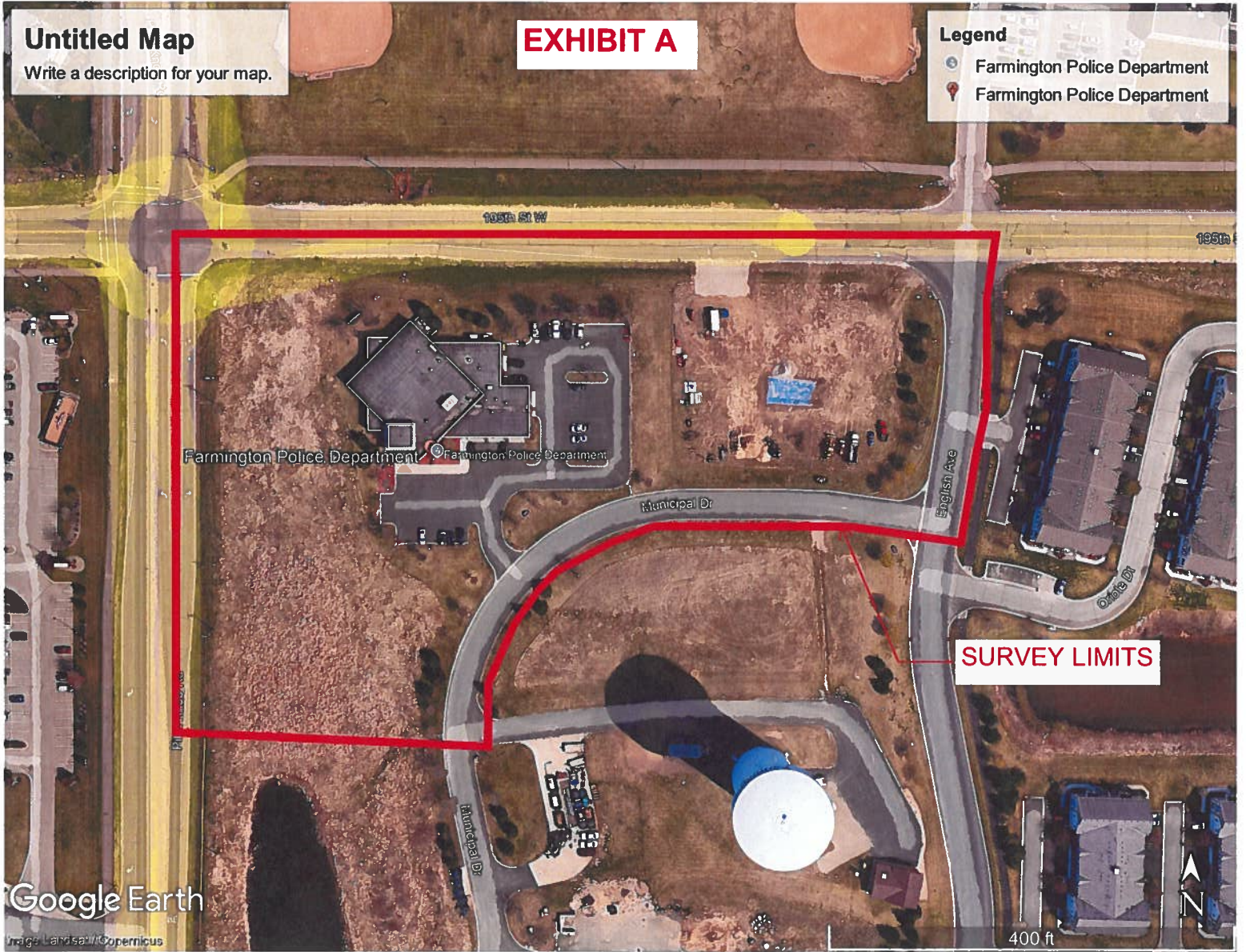
# Untitled Map

Write a description for your map.

# EXHIBIT A

## Legend

-  Farmington Police Department
-  Farmington Police Department



# EXHIBIT B

## TOPOGRAPHIC SURVEY SPECIFICATIONS

The Topographic Survey shall include the following information:

### I. Survey Limits

- A. As shown on the attached sketch.

### II. Topographic Survey Requirements

- A. Show property lines and easements that are within the survey limits. Provide any and all research necessary to accurately show and describe easements and other encumbrances on the property that are within the survey limits.
- B. Monuments placed (or a reference monument or witness to the corner) at all major corners of the boundary of the property, unless already marked or referenced by existing monuments or witnesses.
- C. Vertical relief at one foot contour interval with the source of information, datum, and originating benchmark identified. (Please note that this survey is required to be made on the ground. The use of GIS/LiDAR information will not be allowed as part of this survey).
- D. Buildings
  - 1. Exterior dimensions of all buildings at ground level.
  - 2. Square footage of exterior footprint of all buildings at ground level.
  - 3. Measured height of all buildings above grade. The point of measurement shall be identified.
  - 4. Finish floor elevation of each exterior building door.
- E. Substantial features observed in the process of conducting the survey (in addition to the improvements and features required above) such as parking lots, billboards, signs, landscaped areas, centerline of streets, top of curbs, top of catch basins and manholes, sidewalks, edge of paving, etc. Identify and label on survey, all visible site features and limits of each (e.g. asphalt pavement, concrete walk, concrete slab, concrete curb and gutter, bituminous curb, turf, wood chip planting bed, etc.)
- F. Striping, number and type (e.g. accessible) of parking spaces in parking areas, lots and structures.
- G. Location of utilities existing on or serving the surveyed property as determined by:
  - 1. Observed evidence together with evidence from plans obtained from utility companies, as-built plans, or previous plans researched by the surveyor, and markings by utility companies and other appropriate sources (with reference as to the source of information). **Private utility locates will be required.**
    - a) Gas mains
    - b) Wells
    - c) Watermain, hydrants and valves
      - (1) Where watermain cannot be visually located but is shown on plans or drawings researched by the Surveyor, show these watermains and features on the survey and indicate "per plan" on the survey.

- d) Storm and sanitary sewer manholes, catch basins, valve vaults, and other surface indications of subterranean utilities
  - e) Wires and cables (including their function, if readily identifiable) crossing the surveyed property, and all poles on or within ten feet of the surveyed property. Without expressing a legal opinion as to the ownership or nature of the potential encroachment, the dimensions of all encroaching utility pole crossmembers or overhangs
  - f) Utility company installations on the surveyed property.
  - g) **Include the cost of hiring a private utility locator with this survey proposal.**
- H. Location of wetland areas as delineated by appropriate authorities.
- 1. **A letter affirming wetlands are not present on the site, shall be obtained for the site.** Wetland services shall be subcontracted; therefore, all costs shall be included in the lump sum proposal.
- I. Locate improvements within any offsite easements or servitudes benefitting the surveyed property that are disclosed in the Record Documents or previous plans researched by the surveyor and that are observed in the process of conducting the survey (surveyor shall obtain necessary permissions).
- J. This survey is being prepared for engineering and design purposes, therefore, in addition to the aforementioned items, we are requesting the following:
- 1. Provide a minimum of three (3) permanent benchmarks within the mapping limits with detailed descriptions and elevations to nearest 0.01'. The vertical datum used shall correspond to sea level datum. Provide a tabularized list of benchmarks on the survey.
  - 2. As a minimum requirement, for the purpose of establishing contour lines at a one foot intervals, determine and show legibly on the survey spot elevations on a 50 foot (max) grid. In addition to this requirement, locate (horizontally and vertically) all significant breaks in grade.
  - 3. Provide the location, size and direction of flow of all sewers and culverts within 100' of the mapping limits. Also, provide the location of catch basins, manholes, underground tanks, etc. and inverts of pipe at each pipe. Place utility labels on survey adjacent to relevant structure(s).
  - 4. Trees: Provide location and diameter (at 3' above the ground) of all individual trees except in thickly wooded areas.
    - a) In thickly wooded areas, provide an outline of the wooded area(s).
    - b) For individual trees, provide species and ground elevation to nearest 0.1' at the upper slope side.
  - 5. Record and perpetuate field control used to conduct this survey, such that supplemental work and/or verification of survey, may be accomplished by others.
- K. **The use of rectified orthophotography, photogrammetric mapping, airborne/mobile laser scanning or other similar products, shall not be used as a basis for showing the location of the surveyed features for this survey or for determining topography and elevations on site.**

**III. Surveying Standards and Standards of Care**

- A. The maximum allowable Relative Positional Precision for this survey shall be 2 cm (0.07 feet) plus 50 parts per million (based on the direct distance between the two corners being tested). It is recognized that in certain circumstances, the size or configuration of the surveyed property, or the relief, vegetation or improvements on the surveyed property will result in survey measurements for which the maximum allowable Relative Positional Precision may be exceeded. If the maximum allowable Relative Positional Precision is exceeded, the surveyor shall note the reasoning.

**IV. Research**

- A. The Surveyor shall be responsible for obtaining the appropriate data to complete this survey. This shall include but not be limited to the following: plats, maps, record maps, utility maps, utility locations, record documents, record legal descriptions, and record easements. This information shall be obtained from the appropriate authority such as utility operators and government agencies.

**V. Expenses**

- A. Provide a lump sum fee for this survey. All expenses to complete this survey shall be included in said fee. This shall include but not be limited to the following:
1. Title Work
  2. Tree identification
  3. Mileage
  4. Prints
  5. Private locates

**VI. Deliverables**

- A. The surveyor shall furnish copies of the plat or map. Digital copies of the plat or map shall be provided in addition to hard copies. The deliverables for this survey will include the following:
1. Final drawings of the complete topographic survey shall be prepared at a scale not to exceed 1" = 50', which best fits standard 30" x 42" sheet.
  2. Provide one signed .pdf document of the final survey. Also, provide electronically to our office, an AutoCAD® file (Civil 3D Version 2018 or later .dwg file) for preliminary and final surveys. Each sheet shall bear the certification of the licensed professional responsible for the work.
  3. Provide an electronic surface model for the site topography, either in a LandXML file format, or surface information embedded in the AutoCAD .dwg file.

# EXHIBIT C

## Farmington Police Department Wetland Services – 3/14/2025

Bolton & Menk, Inc. has been asked to prepare a scope of work for wetland services for the Police Security Fence project on behalf of the Farmington Police Department. We propose to thoroughly investigate the available background information needed prior to visiting the site. This includes compiling information as follows:

1. Available Aerial Photographs.
2. Dakota County LiDAR Maps.
3. National Wetlands Inventory Maps.
4. Dakota County Soil Survey Maps.
5. MNDNR Public Waters Maps.

As such, we will complete the following tasks:

**Task 1 – Level 2 Wetland Delineation & Report:** We will visit the site to delineate all aquatic resource boundaries within the designated study area. The delineation will include performing transects and sampling in the vicinity of those wetlands, placing 3-foot pin flags at the limits of any wetlands found. Our delineator will use a sub-meter GPS unit to accurately locate and map each point and prepare a written report of our findings. An incidental wetland review will be conducted and submitted alongside the Wetland Report if incidental wetlands are believed to be present on-site.

**Task 2 – No Wetland Memo:** If no aquatic resources are believed to be present within the project area, a No Wetland Memo will be completed and submitted to the LGU in lieu of a delineation report.

**Task 3 – Meetings and Additional Requests:** In some cases, the reviewing agencies request additional information and/or an on-site meeting during the review process. If our attendance is requested at a meeting to discuss the acceptance of the delineated boundaries or the agencies request additional information, this service will be provided on an hourly basis at our Wetland Specialist rate. *Please note that if these tasks are not requested, the client will not be billed.*

As such, our proposal for aquatic resource delineation services are as follows:

Task 1 – Level 2 Wetland Delineation & Report.....	<u>\$2,800.00 Lump Sum</u>
<b>Base Delineation Fee .....</b>	<b>\$2,800.00 Lump Sum</b>
Task 2 – No Wetland Memo .....	<u>\$2,000.00 Lump Sum</u>
<b>Base Delineation Fee .....</b>	<b>\$2,000.00 Lump Sum</b>
Task 3 - Additional Requests & Meetings .....	<u>\$500.00 Estimated Hourly</u>
<b>Total Wetland Services – If Aquatic Resources are Present .....</b>	<b>..\$2,800.00</b>
<b>Total Wetland Services – If No Aquatic Resources are Present.....</b>	<b>\$2,000.00</b>

## PROFESSIONAL SERVICES AGREEMENT

This **Professional Services Agreement** (“Agreement”) is made this 7th day of April, 2025, by and between the **CITY OF FARMINGTON**, a Minnesota municipal corporation, whose business address is 430 3rd St, Farmington, MN 55024 (hereinafter “City”) and Bolton & Menk, a Land Surveying Company, whose business address is 12224 Nicollet Ave, Burnsville, MN 55337 (hereinafter “Engineer”).

### PRELIMINARY STATEMENT

The City has adopted a policy regarding the selection and hiring of consultants to provide a variety of professional services for City projects. That policy requires that persons, firms or corporations providing such services enter into written agreements with the City. The purpose of this Agreement is to set forth the terms and conditions for the provision of professional services by Engineer for engineering services, hereinafter referred to as the "Work", and as outlined on Exhibit “A” attached hereto.

### IN CONSIDERATION OF THEIR MUTUAL COVENANTS, THE PARTIES AGREE AS FOLLOWS:

**1. SCOPE OF SERVICES.** The City retains Engineer to furnish the services set forth on the attached Exhibit “A”. The Engineer agrees to perform the services. Engineer shall provide all personnel, supervision, services, materials, tools, equipment and supplies and do all things necessary and ancillary thereto specified on Exhibit “A”. The Work to be performed under this Agreement shall be done under the review of a professional engineer licensed in the State of Minnesota, who shall attest that the Work will be performed in compliance with all applicable codes and engineering standards. The Work shall be performed in accordance with the Contract Documents, which includes this Agreement and the attached Exhibits: Exhibit “A” – Scope of Services, Exhibit “B” – Schedule of Payment and Fee Schedule. In the event any ambiguity or conflict between the Contract Documents listed above, the order of precedence shall be the following order: (i) this Agreement; (ii) Exhibit “A”, (iii) Exhibit “B”.

**2. REPRESENTATIVES.** City has designated Nate Siem (the “City Representative”), and the Engineer has designated ~~Damian Erickson~~ Eric Wilfahrt (the “Engineer Representative”). The City Representative and the Engineer Representative shall be available as often as is reasonably necessary for reviewing the Services and Work to be performed.

**3. COMPENSATION FOR SERVICES.** Engineer shall be paid by the City for the services described in Exhibit “A” on an hourly basis in accordance with the attached fee schedule, Exhibit “B”, but not to exceed \$ 11,200.00 inclusive of taxes and reimbursable costs.

A. Any changes in the scope of the Work which may result in an increase to the compensation due the Engineer shall require prior written approval by the authorized representative of the City or by the City Council. The City will not pay additional compensation for services that do not have prior written authorization.

B. Special Consultants may be utilized by the Engineer when required by the complex or specialized nature of the Project and when authorized in writing by the City.

4. **COMPLETION DATE/TERM.** The Engineer must complete the Services by \_\_\_\_\_, 20\_\_\_\_. This Agreement may be extended upon the written mutual consent of the parties for such additional period as they deem appropriate, and upon the terms and conditions as herein stated.

5. **OWNERSHIP OF DOCUMENTS.** All plans, diagrams, analyses, reports and information generated in connection with the performance of the Agreement (“Information”) shall become the property of the City, but Engineer may retain copies of such documents as records of the services provided. The City may use the Information for its purposes and the Engineer also may use the Information for its purposes. Use of the Information for the purposes of the project contemplated by this Agreement does not relieve any liability on the part of the Engineer, but any use of the Information by the City or the Engineer beyond the scope of the Project is without liability to the other, and the party using the Information agrees to defend and indemnify the other from any claims or liability resulting therefrom.

6. **COMPLIANCE WITH LAWS AND REGULATIONS.** In providing services hereunder, Engineer shall abide by all statutes, ordinances, rules, and regulations pertaining to the provisions of services to be provided. Any violation of statutes, ordinances, rules, and regulations pertaining to the Services to be provided shall constitute a material breach of this Agreement and entitle the City to immediately terminate this Agreement. Engineer’s books, records, documents, and accounting procedures and practices related to services provided to the City are subject to examination by the legislative auditor or the state auditor, as appropriate, for a minimum of six years.

7. **STANDARD OF CARE.** Engineer shall exercise the same degrees of care, skill, and diligence in the performance of the Services as is ordinarily possessed and exercised by a professional engineer under similar circumstances. Engineer shall be liable to the fullest extent permitted under applicable law, without limitation, for any injuries, loss, or damages proximately caused by Engineer’s breach of this standard of care. Engineer shall put forth reasonable efforts to complete its duties in a timely manner. Engineer 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 Agreement. Engineer shall be responsible for costs, delays, or damages arising from unreasonable delays in the performance of its duties. No other warranty, expressed or implied, is included in this Agreement. City shall not be responsible for discovering deficiencies in the accuracy of Engineer’s services.

8. **INDEMNIFICATION.** The Engineer shall defend, indemnify and hold harmless the City, its officers, agents, and employees, of and from any and all judgments, claims, damages, demands, actions, causes of action, including costs and attorney's fees paid or incurred resulting from any breach of this Agreement by Engineer, its agents, contractors and employees, or any negligent or intentional act or omission performed, taken or not performed or taken by Engineer, its agents, contractors and employees, relative to this Agreement. City will indemnify and hold

Engineer harmless from and against any loss for injuries or damages arising out of the negligent acts of the City, its officers, agents, or employees.

**9. INSURANCE.**

- a. General Liability. Prior to starting the Work, Engineer shall procure, maintain, and pay for such insurance as will protect against claims or loss which may arise out of operations by Engineer or by any subcontractor or by anyone employed by any of them or by anyone for whose acts any of them may be liable. Such insurance shall include, but not be limited to, minimum coverages and limits of liability specified in this Paragraph, or required by law.
- b. Engineer shall procure and maintain the following minimum insurance coverages and limits of liability for the Work:

Worker's Compensation	Statutory Limits
Employer's Liability	\$500,000 each accident \$500,000 disease policy limit \$500,000 disease each employee
Commercial General Liability	\$2,000,000 property damage and bodily injury per occurrence \$2,000,000 general aggregate
Comprehensive Automobile Liability	\$1,000,000 combined single limit each accident (shall include coverage for all owned, hired and non-owned vehicles.)

Commercial General Liability requirements may be met through a combination of umbrella or excess liability insurance.

The City shall be named as an additional insured on the general liability and umbrella policies.

- c. Professional Liability Insurance. In addition to the coverages listed above, Engineer shall maintain a professional liability insurance policy in the amount of \$2,000,000. Said policy need not name the City as an additional insured.
- d. Engineer shall maintain "stop gap" coverage if Engineer obtains Workers' Compensation coverage from any state fund if Employer's liability coverage is not available.

- e. All policies, except the Worker's Compensation Policy, Automobile Policy, and Professional Liability Policy, shall name the "City of Farmington" as an additional insured.
- f. All policies, except the Professional Liability Policy, shall apply on a "per project" basis.
- g. All policies shall contain a waiver of subrogation in favor of the City.
- h. All policies, except for the Worker's Compensation Policy and the Professional Liability Policy, shall be primary and non-contributory.
- i. All policies, except the Worker's Compensation Policy, shall insure the defense and indemnity obligations assumed by Engineer under this Agreement.
- j. Engineer agrees to maintain all coverage required herein throughout the term of the Agreement and for a minimum of two (2) years following City's written acceptance of the Work.
- k. It shall be Engineer's responsibility to pay any retention or deductible for the coverages required herein.
- l. The Engineer's policies and Certificate of Insurance shall contain a provision that coverage afforded under the policies shall not be cancelled without at least thirty (30) days advanced written notice to the City.
- m. Engineer shall maintain in effect all insurance coverages required under this Paragraph at Engineer's sole expense and with insurance companies licensed to do business in the state in Minnesota and having a current A.M. Best rating of no less than A-, unless specifically accepted by City in writing and all insurance policies shall be on ISO forms acceptable to the City.
- n. **A copy of the Engineer's Certificate of Insurance which evidences the compliance with this Paragraph, must be filed with City prior to the start of Engineer's Work.** Upon request a copy of the Engineer's insurance declaration page, rider and/or endorsement, as applicable shall be provided. Such documents evidencing insurance shall be in a form acceptable to City and shall provide satisfactory evidence that Engineer has complied with all insurance requirements. Renewal certificates shall be provided to City prior to the expiration date of any of the required policies. City will not be obligated, however, to review such Certificate of Insurance, declaration page, rider, endorsement, certificates, or other evidence of insurance, or to advise Engineer of any deficiencies in such documents and receipt thereof shall not relieve Engineer from, nor be deemed a waiver of, City's right to enforce the terms of Engineer's obligations hereunder. City reserves the right to examine any policy provided for under this Agreement.

- o. Effect of Engineer's Failure to Provide Insurance. If Engineer fails to provide the specified insurance, then Engineer will defend, indemnify, and hold harmless the City, the City'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 City (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 Engineer, its subcontractors, agents, employees or delegates. Engineer agrees that this indemnity shall be construed and applied in favor of indemnification. Engineer 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 in section p, the City may require Engineer to:

- i. Furnish and pay for a surety bond, satisfactory to the City, guaranteeing performance of the indemnity obligation; or
- ii. Furnish a written acceptance of tender of defense and indemnity from Engineer's insurance company.

Engineer will take the action required by the City within fifteen (15) days of receiving notice from the City.

**10. INDEPENDENT CONTRACTOR.** The City hereby retains the Engineer as an independent contractor upon the terms and conditions set forth in this Agreement. The Engineer is not an employee of the City and is free to contract with other entities as provided herein. Engineer shall be responsible for selecting the means and methods of performing the work. Engineer shall furnish any and all supplies, equipment, and incidentals necessary for Engineer's performance under this Agreement. City and Engineer agree that Engineer shall not at any time or in any manner represent that Engineer or any of Engineer's agents or employees are in any manner agents or employees of the City. Engineer shall be exclusively responsible under this Agreement for Engineer's own FICA payments, workers compensation payments, unemployment compensation payments, withholding amounts, and/or self-employment taxes if any such payments, amounts, or taxes are required to be paid by law or regulation.

**11. SUBCONTRACTORS.** Engineer shall not enter into subcontracts for services provided under this Agreement without the express written consent of the City. Engineer shall comply with Minnesota Statute § 471.425. Engineer must pay subcontractor for all undisputed services provided by subcontractor within ten (10) days of Engineer's receipt of payment from City. Engineer must pay interest of 1.5 percent per month or any part of a month to subcontractor on any undisputed amount not paid on time to subcontractor. The minimum monthly interest penalty payment for an unpaid balance of \$100 or more is \$10.

**12. ASSIGNMENT AND THIRD PARTIES.** Neither party shall assign this Agreement, nor any interest arising herein, without the written consent of the other party. Nothing under this Agreement shall be construed to give any rights or benefits in this Agreement to anyone other than the City and Engineer, and all duties and responsibilities undertaken pursuant to this Agreement will be for the sole and exclusive benefit of the City and Engineer and not for the benefit of any other party.

**13. WAIVER.** Any waiver by either party of a breach of any provisions of this Agreement shall not affect, in any respect, the validity of the remainder of this Agreement.

**14. ENTIRE AGREEMENT.** The entire agreement of the parties is contained herein. This Agreement supersedes all oral agreements and negotiations between the parties relating to the subject matter hereof as well as any previous agreements presently in effect between the parties relating to the subject matter hereof. Any alterations, amendments, deletions, or waivers of the provisions of this Agreement shall be valid only when expressed in writing and duly signed by the parties, unless otherwise provided herein.

**15. CONTROLLING LAW AND VENUE.** This Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota. All proceedings related to this contract shall be venued in the Dakota County District Court.

**16. COPYRIGHT.** Engineer shall defend actions or claims charging infringement of any copyright or patent by reason of the use or adoption of any designs, drawings, or specifications supplied by it, and it shall hold harmless the City from loss or damage resulting therefrom.

**17. RECORDS.** The Engineer shall maintain complete and accurate records of time and expense involved in the performance of services.

**18. MINNESOTA GOVERNMENT DATA PRACTICES ACT.** Engineer must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to (1) all data provided by the City pursuant to this Agreement, and (2) all data, created, collected, received, stored, used, maintained, or disseminated by the Engineer pursuant to this Agreement. Engineer is subject to all the provisions of the Minnesota Government Data Practices Act, including but not limited to the civil remedies of Minnesota Statutes Section 13.08, as if it were a government entity. In the event Engineer receives a request to release data, Engineer must immediately notify City. City will give Engineer instructions concerning the release of the data to the requesting party before the data is released. Engineer agrees to defend, indemnify, and hold City, its officials, officers, agents, employees, and volunteers harmless from any claims resulting from Engineer's officers', agents', partners', employees', volunteers', assignees', or subcontractors' unlawful disclosure and/or use of protected data. The terms of this paragraph shall survive the cancellation or termination of this Agreement.

**19. TERMINATION.** This Agreement may be terminated by City on thirty (30) days' written notice delivered to Engineer at the address on file with the City. Upon termination under this provision if there is no fault of the Engineer, the Engineer shall be paid for services rendered

and reimbursable expenses until the effective date of termination. If the City terminates the Agreement because the Engineer has failed to perform in accordance with this Agreement, no further payment shall be made to the Engineer, and the City may retain another engineer to undertake or complete the work identified in Paragraph 1.

**20. NON-DISCRIMINATION.** During the performance of this Agreement, the Engineer shall not discriminate against any employee or applicants for employment because of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, disability, sexual orientation or age. The Engineer shall post in places available to employees and applicants for employment, notices setting forth the provision of this non-discrimination clause and stating that all qualified applicants will receive consideration for employment. The Engineer shall incorporate the foregoing requirements of this paragraph in all of its subcontracts for program work, and will require all of its subcontractors for such work to incorporate such requirements in all subcontracts for program work. The Engineer further agrees to comply with all aspects of the Minnesota Human Rights Act, Minnesota Statutes 363.01, et. seq., Title VI of the Civil Rights Act of 1964, and the Americans with Disabilities Act of 1990.

**21. SURVIVAL.** All express representations, waivers, indemnifications, and limitations of liability included in this Agreement will survive its completion or termination for any reason.

**22. SERVICES NOT PROVIDED FOR.** Claims for services furnished by the Engineer not specifically provided for herein shall not be honored by the City.

**23. SEVERABILITY.** The provisions of this Agreement are severable. If any portion hereof is, for any reason, held by a court of competent jurisdiction to be contrary to law, such decision shall not affect the remaining provisions of this Agreement.

**24. CONFLICTS.** No officer or salaried employee of the City and no member of the Council of the City shall have a financial interest, direct or indirect, in this Agreement. The violation of this provision renders the Agreement void.

**25. NOTICES.** Any notice required under this Agreement will be in writing, addressed to the appropriate party at its address on the signature page and given personally, by facsimile, by registered or certified mail postage prepaid, or by a commercial courier service. All notices shall be effective upon the date of receipt.

**26. WAIVER.** A party's non-enforcement of any provision shall not constitute a waiver of that provision, nor shall it affect the enforceability of that provision or of the remainder of this Agreement.

**27. COUNTERPARTS.** This Agreement may be executed in multiple counterparts, each of which shall be considered an original.

Dated: \_\_\_\_\_, 20\_\_

**CITY: CITY OF FARMINGTON**

By: \_\_\_\_\_

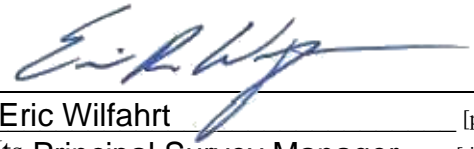
Joshua Hoyt  
Mayor

By: \_\_\_\_\_

Shirley R Buecksler  
City Clerk

Dated: April 1, 2025

**ENGINEER:**  
**BOLTON & MENK, INC.**

By:  \_\_\_\_\_

Eric Wilfahrt [print name]  
Its Principal Survey Manager [title]

**EXHIBIT "A"**  
**SCOPE OF SERVICES**

**EXHIBIT "B"**

**SCHEDULE OF PAYMENT AND FEE SCHEDULE**

## REGULAR COUNCIL AGENDA MEMO

**To:** Mayor, Councilmembers and City Administrator  
**From:** Gary Rutherford, Police Chief  
**Department:** Police  
**Subject:** Resolution Declaring Surplus Property-Police  
**Meeting:** Regular Council - Apr 07 2025

### INTRODUCTION:

The Police Department recommends declaring it's 2006 Chevy Impala as surplus equipment.

### DISCUSSION:

Vehicle 0557, a 2006 Chevrolet Impala, was originally purchased by the Police Department for use by Investigators. After being rotated out of regular investigative service, it has been used for surveillance and training purposes.

In recent years, the vehicle has experienced increasing maintenance costs and decreased utilization. Due to these factors, we are requesting that Vehicle 0557 be declared surplus.

### BUDGET IMPACT:

Our intention is to request fleet management to list the vehicle and sell it on GovDeals, with any sale price returning to the Vehicle Equipment Fund.

### ACTION REQUESTED:

Staff recommends adopting Resolution 2025-024 Declaring Items as Surplus and Authorizing Disposal of Vehicle 0557, 2006 Chevy Impala.

### ATTACHMENTS:

[2025-024 Declaring Property Surplus - '06 Impala](#)

**CITY OF FARMINGTON  
DAKOTA COUNTY, MINNESOTA**

**RESOLUTION 2025-024**

**A RESOLUTION DECLARING ITEMS AS SURPLUS  
AND AUTHORIZING DISPOSAL**

**WHEREAS**, the Police Department is requesting authorization to dispose of the following vehicle that is no longer in use and is requesting to dispose of the vehicles by sale at auction with funds being deposited into the Vehicle Equipment Fund:

2006 Chevrolet Impala  
VIN: 2G1WS581269360182

**WHEREAS**, Vehicle 0557 was originally purchased by the Police Department for use by investigators and has since been used for surveillance and training purposes; and

**WHEREAS**, in recent years, the vehicle has experienced increasing maintenance costs and decreased utilization; and

**WHEREAS**, the Police Department recommends that Vehicle 0557 be listed for sale on GovDeals, with any sale proceeds returning to the Vehicle Equipment Fund.

**NOW, THEREFORE, BE IT RESOLVED** by the Farmington City Council that the above listed items are declared surplus and authorize their disposal with any proceeds to be placed into the Vehicle Equipment Fund.

Adopted by the City Council of the City of Farmington, Minnesota, this 7<sup>th</sup> day of April 2025.

ATTEST:

\_\_\_\_\_  
Joshua Hoyt, Mayor

\_\_\_\_\_  
Shirley R Buecksler, City Clerk

## REGULAR COUNCIL AGENDA MEMO

**To:** Mayor, Councilmembers and City Administrator  
**From:** John Powell, Public Works Director  
**Department:** Engineering  
**Subject:** Professional Services Agreement with Short Elliott Hendrickson, Inc. for the CR 50 & Pilot Knob Road Traffic Signal Replacement Design Services  
**Meeting:** Regular Council - Apr 07 2025

### INTRODUCTION:

The developer has submitted Preliminary and Final Plat applications for Vita Attiva at South Creek Fourth Addition, and Vita Attiva at South Creek Fifth Addition. These are the final phases of this development. The Development Contract for the first phase of the project required the Developer to construct Pilot Knob Road from CR 50 to Spruce Street as part of the final phase. This included upgrading the traffic signal at CR 50 and Pilot Knob Road. Dakota County required that the City manage the design of the traffic signal replacement. The Developer has provided a cash escrow to the City in the amount of \$45,000 to pay professional costs associated with the design.

### DISCUSSION:

On February 21, 2023, the City Council approved the Consultant Pool for 2023-2027. Short Elliott Hendrickson is one of the firms in the Consultant Pool and has prepared the attached scope and budget based on meetings and discussions with City Staff regarding this project. The scope includes these major tasks:

Task 1	Project Management and Meetings
Task 2	Field Review of Intersection and Topographic Survey
Task 3	Prepare 30% Plans and Estimate
Task 4	Prepare 60% Plans, Technical Specifications, and Estimate
Task 5	Prepare 90-100% Plans, Specifications, and Estimate

As stated in the PSA, the anticipated construction scope includes the following:

- Upgrading pedestrian curb ramps to be Americans with Disabilities Act (ADA) and Public Right-of-Way Accessibility Guidelines (PROWAG) compliant.
- Adjusting median noses on the east and west legs of CSAH 50 to accommodate pedestrian crossings of both legs of CSAH 50.
- Curb ramps designed to accommodate proper drainage on each quadrant (no existing catch basins are likely to be impacted by the project work).
- Accessible Pedestrian Signals (APS) pedestrian push button upgrades (in conjunction with pedestrian curb ramp improvements at the intersection).
- Flashing yellow arrow upgrades for all intersection approaches.

- Non-intrusive vehicular detection for each intersection approach.
- Emergency Vehicle Preemption (EVP) capabilities.
- Interconnection to adjacent signal systems (if facilities already exist along CSAH 50).
- Battery back-up service cabinet capabilities.
- Signing and pavement marking modifications to accommodate construction at the intersection

Dakota County Staff has also reviewed and approves of the proposed work scope.

**BUDGET IMPACT:**

Work under this contract will be billed hourly for a cost not to exceed \$46,000. While the escrow deposit is only \$45,000, the Developer remains responsible for all professional costs associated with the design.

**ACTION REQUESTED:**

Approve a Professional Services Agreement with Short Elliott Hendrickson, Inc. for the CR 50 & Pilot Knob Road Traffic Signal Replacement Design Services.

**ATTACHMENTS:**

[040725 PSA SEH CR 50 & Pilot Knob Road design](#)

## PROFESSIONAL SERVICES AGREEMENT

This **Professional Services Agreement** (“Agreement”) is made this 7th day of April, 2025, by and between the **CITY OF FARMINGTON**, a Minnesota municipal corporation, whose business address is 430 3rd St, Farmington, MN 55024 (hereinafter "City") and Short Elliott Hendrickson, Inc., a Minnesota Corporation, whose business address is 3535 Vadnais Center Drive, St. Paul, MN 55110 (hereinafter "Engineer").

### PRELIMINARY STATEMENT

The City has adopted a policy regarding the selection and hiring of consultants to provide a variety of professional services for City projects. That policy requires that persons, firms or corporations providing such services enter into written agreements with the City. The purpose of this Agreement is to set forth the terms and conditions for the provision of professional services by Engineer for engineering services, hereinafter referred to as the "Work", and as outlined on Exhibit “A” attached hereto.

### IN CONSIDERATION OF THEIR MUTUAL COVENANTS, THE PARTIES AGREE AS FOLLOWS:

**1. SCOPE OF SERVICES.** The City retains Engineer to furnish the services set forth on the attached Exhibit “A”. The Engineer agrees to perform the services. Engineer shall provide all personnel, supervision, services, materials, tools, equipment and supplies and do all things necessary and ancillary thereto specified on Exhibit “A”. The Work to be performed under this Agreement shall be done under the review of a professional engineer licensed in the State of Minnesota, who shall attest that the Work will be performed in compliance with all applicable codes and engineering standards. The Work shall be performed in accordance with the Contract Documents, which includes this Agreement and the attached Exhibits: Exhibit “A” – Scope of Services, Exhibit “B” – Schedule of Payment and Fee Schedule. In the event any ambiguity or conflict between the Contract Documents listed above, the order of precedence shall be the following order: (i) this Agreement; (ii) Exhibit “A”, (iii) Exhibit “B”.

**2. REPRESENTATIVES.** City has designated John Powell, Public Works Director/City Engineer (the “City Representative”), and the Engineer has designated Jen Desrude, Client Service Manager (the “Engineer Representative”). The City Representative and the Engineer Representative shall be available as often as is reasonably necessary for reviewing the Services and Work to be performed.

**3. COMPENSATION FOR SERVICES.** Engineer shall be paid by the City for the services described in Exhibit “A” on an hourly basis in accordance with the attached fee schedule, Exhibit “B”, but not to exceed \$46,000 inclusive of taxes and reimbursable costs.

A. Any changes in the scope of the Work which may result in an increase to the compensation due the Engineer shall require prior written approval by the

authorized representative of the City or by the City Council. The City will not pay additional compensation for services that do not have prior written authorization.

- B. Special Consultants may be utilized by the Engineer when required by the complex or specialized nature of the Project and when authorized in writing by the City.

**4. COMPLETION DATE/TERM.** The Engineer must complete the Services by August 31, 2025. This Agreement may be extended upon the written mutual consent of the parties for such additional period as they deem appropriate, and upon the terms and conditions as herein stated.

**5. OWNERSHIP OF DOCUMENTS.** All plans, diagrams, analyses, reports and information generated in connection with the performance of the Agreement (“Information”) shall become the property of the City, but Engineer may retain copies of such documents as records of the services provided. The City may use the Information for its purposes and the Engineer also may use the Information for its purposes. Use of the Information for the purposes of the project contemplated by this Agreement does not relieve any liability on the part of the Engineer, but any use of the Information by the City or the Engineer beyond the scope of the Project is without liability to the other, and the party using the Information agrees to defend and indemnify the other from any claims or liability resulting therefrom.

**6. COMPLIANCE WITH LAWS AND REGULATIONS.** In providing services hereunder, Engineer shall abide by all statutes, ordinances, rules, and regulations pertaining to the provisions of services to be provided. Any violation of statutes, ordinances, rules, and regulations pertaining to the Services to be provided shall constitute a material breach of this Agreement and entitle the City to immediately terminate this Agreement. Engineer’s books, records, documents, and accounting procedures and practices related to services provided to the City are subject to examination by the legislative auditor or the state auditor, as appropriate, for a minimum of six years.

**7. STANDARD OF CARE.** Engineer shall exercise the same degrees of care, skill, and diligence in the performance of the Services as is ordinarily possessed and exercised by a professional engineer under similar circumstances. Engineer shall be liable to the fullest extent permitted under applicable law, without limitation, for any injuries, loss, or damages proximately caused by Engineer’s breach of this standard of care. Engineer shall put forth reasonable efforts to complete its duties in a timely manner. Engineer 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 Agreement. Engineer shall be responsible for costs, delays, or damages arising from unreasonable delays in the performance of its duties. No other warranty, expressed or implied, is included in this Agreement. City shall not be responsible for discovering deficiencies in the accuracy of Engineer’s services.

**8. INDEMNIFICATION.** The Engineer shall defend, indemnify and hold harmless the City, its officers, agents, and employees, of and from any and all judgments, claims, damages, demands, actions, causes of action, including costs and attorney's fees paid or incurred resulting from any breach of this Agreement by Engineer, its agents, contractors and employees, or any

negligent or intentional act or omission performed, taken or not performed or taken by Engineer, its agents, contractors and employees, relative to this Agreement. City will indemnify and hold Engineer harmless from and against any loss for injuries or damages arising out of the negligent acts of the City, its officers, agents, or employees.

**9. INSURANCE.**

a. General Liability. Prior to starting the Work, Engineer shall procure, maintain, and pay for such insurance as will protect against claims or loss which may arise out of operations by Engineer or by any subcontractor or by anyone employed by any of them or by anyone for whose acts any of them may be liable. Such insurance shall include, but not be limited to, minimum coverages and limits of liability specified in this Paragraph, or required by law.

b. Engineer shall procure and maintain the following minimum insurance coverages and limits of liability for the Work:

Worker’s Compensation	Statutory Limits
Employer’s Liability	\$500,000 each accident \$500,000 disease policy limit \$500,000 disease each employee
Commercial General Liability	\$2,000,000 property damage and bodily injury per occurrence \$2,000,000 general aggregate
Comprehensive Automobile Liability	\$1,000,000 combined single limit each accident (shall include coverage for all owned, hired and non-owned vehicles.)

Commercial General Liability requirements may be met through a combination of umbrella or excess liability insurance.

The City shall be named as an additional insured on the general liability and umbrella policies.

c. Professional Liability Insurance. In addition to the coverages listed above, Engineer shall maintain a professional liability insurance policy in the amount of \$2,000,000. Said policy need not name the City as an additional insured.

- d. Engineer shall maintain “stop gap” coverage if Engineer obtains Workers’ Compensation coverage from any state fund if Employer’s liability coverage is not available.
- e. All policies, except the Worker’s Compensation Policy, Automobile Policy, and Professional Liability Policy, shall name the “City of Farmington” as an additional insured.
- f. All policies, except the Professional Liability Policy, shall apply on a “per project” basis.
- g. All policies shall contain a waiver of subrogation in favor of the City.
- h. All policies, except for the Worker’s Compensation Policy and the Professional Liability Policy, shall be primary and non-contributory.
- i. All policies, except the Worker’s Compensation Policy, shall insure the defense and indemnity obligations assumed by Engineer under this Agreement.
- j. Engineer agrees to maintain all coverage required herein throughout the term of the Agreement and for a minimum of two (2) years following City’s written acceptance of the Work.
- k. It shall be Engineer’s responsibility to pay any retention or deductible for the coverages required herein.
- l. The Engineer’s policies and Certificate of Insurance shall contain a provision that coverage afforded under the policies shall not be cancelled without at least thirty (30) days advanced written notice to the City.
- m. Engineer shall maintain in effect all insurance coverages required under this Paragraph at Engineer’s sole expense and with insurance companies licensed to do business in the state in Minnesota and having a current A.M. Best rating of no less than A-, unless specifically accepted by City in writing and all insurance policies shall be on ISO forms acceptable to the City.
- n. **A copy of the Engineer’s Certificate of Insurance which evidences the compliance with this Paragraph, must be filed with City prior to the start of Engineer’s Work.** Upon request a copy of the Engineer’s insurance declaration page, rider and/or endorsement, as applicable shall be provided. Such documents evidencing insurance shall be in a form acceptable to City and shall provide satisfactory evidence that Engineer has complied with all insurance requirements. Renewal certificates shall be provided to City prior to the expiration date of any of the required policies. City will not be obligated, however, to review such Certificate of Insurance, declaration page, rider, endorsement, certificates, or other evidence of insurance, or to advise Engineer of any deficiencies in such documents and

receipt thereof shall not relieve Engineer from, nor be deemed a waiver of, City's right to enforce the terms of Engineer's obligations hereunder. City reserves the right to examine any policy provided for under this Agreement.

- o. **Effect of Engineer's Failure to Provide Insurance.** If Engineer fails to provide the specified insurance, then Engineer will defend, indemnify, and hold harmless the City, the City'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 City (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 Engineer, its subcontractors, agents, employees or delegates. Engineer agrees that this indemnity shall be construed and applied in favor of indemnification. Engineer 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 in section o, the City may require Engineer to:

- i. Furnish and pay for a surety bond, satisfactory to the City, guaranteeing performance of the indemnity obligation; or
- ii. Furnish a written acceptance of tender of defense and indemnity from Engineer's insurance company.

Engineer will take the action required by the City within fifteen (15) days of receiving notice from the City.

**10. INDEPENDENT CONTRACTOR.** The City hereby retains the Engineer as an independent contractor upon the terms and conditions set forth in this Agreement. The Engineer is not an employee of the City and is free to contract with other entities as provided herein. Engineer shall be responsible for selecting the means and methods of performing the work. Engineer shall furnish any and all supplies, equipment, and incidentals necessary for Engineer's performance under this Agreement. City and Engineer agree that Engineer shall not at any time or in any manner represent that Engineer or any of Engineer's agents or employees are in any manner agents or employees of the City. Engineer shall be exclusively responsible under this Agreement for Engineer's own FICA payments, workers compensation payments, unemployment compensation payments, withholding amounts, and/or self-employment taxes if any such payments, amounts, or taxes are required to be paid by law or regulation.

**11. SUBCONTRACTORS.** Engineer shall not enter into subcontracts for services provided under this Agreement without the express written consent of the City. Engineer shall comply with Minnesota Statute § 471.425. Engineer must pay subcontractor for all undisputed

services provided by subcontractor within ten (10) days of Engineer's receipt of payment from City. Engineer must pay interest of 1.5 percent per month or any part of a month to subcontractor on any undisputed amount not paid on time to subcontractor. The minimum monthly interest penalty payment for an unpaid balance of \$100 or more is \$10.

**12. ASSIGNMENT AND THIRD PARTIES.** Neither party shall assign this Agreement, nor any interest arising herein, without the written consent of the other party. Nothing under this Agreement shall be construed to give any rights or benefits in this Agreement to anyone other than the City and Engineer, and all duties and responsibilities undertaken pursuant to this Agreement will be for the sole and exclusive benefit of the City and Engineer and not for the benefit of any other party.

**13. WAIVER.** Any waiver by either party of a breach of any provisions of this Agreement shall not affect, in any respect, the validity of the remainder of this Agreement.

**14. ENTIRE AGREEMENT.** The entire agreement of the parties is contained herein. This Agreement supersedes all oral agreements and negotiations between the parties relating to the subject matter hereof as well as any previous agreements presently in effect between the parties relating to the subject matter hereof. Any alterations, amendments, deletions, or waivers of the provisions of this Agreement shall be valid only when expressed in writing and duly signed by the parties, unless otherwise provided herein.

**15. CONTROLLING LAW AND VENUE.** This Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota. All proceedings related to this contract shall be venued in the Dakota County District Court.

**16. COPYRIGHT.** Engineer shall defend actions or claims charging infringement of any copyright or patent by reason of the use or adoption of any designs, drawings, or specifications supplied by it, and it shall hold harmless the City from loss or damage resulting therefrom.

**17. RECORDS.** The Engineer shall maintain complete and accurate records of time and expense involved in the performance of services.

**18. MINNESOTA GOVERNMENT DATA PRACTICES ACT.** Engineer must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to (1) all data provided by the City pursuant to this Agreement, and (2) all data, created, collected, received, stored, used, maintained, or disseminated by the Engineer pursuant to this Agreement. Engineer is subject to all the provisions of the Minnesota Government Data Practices Act, including but not limited to the civil remedies of Minnesota Statutes Section 13.08, as if it were a government entity. In the event Engineer receives a request to release data, Engineer must immediately notify City. City will give Engineer instructions concerning the release of the data to the requesting party before the data is released. Engineer agrees to defend, indemnify, and hold City, its officials, officers, agents, employees, and volunteers harmless from any claims resulting from Engineer's officers', agents', partners', employees', volunteers', assignees', or subcontractors' unlawful disclosure and/or use of protected data. The terms of this paragraph shall survive the cancellation or termination of this Agreement.

**19. TERMINATION.** This Agreement may be terminated by City on thirty (30) days' written notice delivered to Engineer at the address on file with the City. Upon termination under this provision if there is no fault of the Engineer, the Engineer shall be paid for services rendered and reimbursable expenses until the effective date of termination. If the City terminates the Agreement because the Engineer has failed to perform in accordance with this Agreement, no further payment shall be made to the Engineer, and the City may retain another engineer to undertake or complete the work identified in Paragraph 1.

**20. NON-DISCRIMINATION.** During the performance of this Agreement, the Engineer shall not discriminate against any employee or applicants for employment because of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, disability, sexual orientation or age. The Engineer shall post in places available to employees and applicants for employment, notices setting forth the provision of this non-discrimination clause and stating that all qualified applicants will receive consideration for employment. The Engineer shall incorporate the foregoing requirements of this paragraph in all of its subcontracts for program work, and will require all of its subcontractors for such work to incorporate such requirements in all subcontracts for program work. The Engineer further agrees to comply with all aspects of the Minnesota Human Rights Act, Minnesota Statutes 363.01, et. seq., Title VI of the Civil Rights Act of 1964, and the Americans with Disabilities Act of 1990.

**21. SURVIVAL.** All express representations, waivers, indemnifications, and limitations of liability included in this Agreement will survive its completion or termination for any reason.

**22. SERVICES NOT PROVIDED FOR.** Claims for services furnished by the Engineer not specifically provided for herein shall not be honored by the City.

**23. SEVERABILITY.** The provisions of this Agreement are severable. If any portion hereof is, for any reason, held by a court of competent jurisdiction to be contrary to law, such decision shall not affect the remaining provisions of this Agreement.

**24. CONFLICTS.** No officer or salaried employee of the City and no member of the Council of the City shall have a financial interest, direct or indirect, in this Agreement. The violation of this provision renders the Agreement void.

**25. NOTICES.** Any notice required under this Agreement will be in writing, addressed to the appropriate party at its address on the signature page and given personally, by facsimile, by registered or certified mail postage prepaid, or by a commercial courier service. All notices shall be effective upon the date of receipt.

**26. WAIVER.** A party's non-enforcement of any provision shall not constitute a waiver of that provision, nor shall it affect the enforceability of that provision or of the remainder of this Agreement.

**27. COUNTERPARTS.** This Agreement may be executed in multiple counterparts, each of which shall be considered an original.

Dated: April 7, 2025


**CITY: CITY OF FARMINGTON**

By: \_\_\_\_\_  
Joshua Hoyt  
Mayor

By: \_\_\_\_\_  
Shirley Bueckler  
City Clerk

Dated: March 27, 20 25

**ENGINEER:**

\_\_\_\_\_  
  
By: \_\_\_\_\_  
Jim Hall [print name]  
Its  
Principal [title]

**EXHIBIT "A"**

**SCOPE OF SERVICES**

**AND**

**EXHIBIT "B"**

**SCHEDULE OF PAYMENT AND FEE SCHEDULE**



Building a Better World  
for All of Us®

January 21, 2025

RE: Farmington, Minnesota  
Signal and Curb Ramp Design Services  
CSAH 50 (212st Street) at  
CSAH 31 (Pilot Knob Road)  
Dakota County Project No. 31-113  
SEH No. FARMC P-178074

Mr. John Powell, PE  
Public Works Director / City Engineer  
City of Farmington  
430 Third Street  
Farmington, Minnesota 55024

Dear Mr. Powell:

Short Elliott Hendrickson Inc.® (SEH) appreciates the opportunity to submit this proposal to the City of Farmington for design services related to the full replacement of the existing traffic control signal system and also pedestrian curb ramp improvements at the intersection of CSAH 50 (212<sup>th</sup> Street West) and CSAH 31 (Pilot Knob Road). The scope of this project will be from initial design to agency approval (City, County, and State Aid) to allow for this project to proceed to advertising, letting and construction under a future City project scope.

This letter proposal can be the basis for an agreement for the work on this project and all subsequent services. As part of the project, we have put together the following work program for performing the services of this project. The work program is fairly well defined based on anticipated cooperative efforts between SEH, the City of Farmington, and Dakota County for traffic signal and ADA improvement work. The work program does, however, provide flexibility to make the most efficient use of SEH, City, and County staff.

### ***Background***

In 2021, the City was presented with a proposed new residential development plan (“*Vita Attiva at South Creek*” by Bloch Engineering) that would require construction of a new south leg of the CSAH 50-CSAH 31 intersection to access the new development site. As part of this site work, the developer would be responsible for the construction of the new south leg of Pilot Knob Road (future CSAH 31) along with the construction of a new eastbound right turn lane off of CSAH 50. Constructing a new south leg of the intersection would have significant impacts to the existing traffic signal system, and would also require that pedestrian provisions be constructed on the southeast and southwest quadrants of the intersection to connect to existing trails on the northeast and northwest quadrants.

During the 2022 CIP process, the City and the County engaged in discussions regarding potential improvements at this intersection including the full replacement of an aged traffic signal system that was originally designed to accommodate the current 3-legged intersection. Given the number of modifications to the signal system that would be required to accommodate the construction of a fourth leg of the intersection (as well as the age and condition of

Mr. John Powell, PE  
 January 21, 2025  
 Page 2

the existing signal system), the City and County agreed that full signal replacement was necessary with any potential development to the south.

Full signal replacement was programmed as County Project 31-113 in the County’s 2023 CIP, with the County providing 25% of the construction funds (via County State Aid funds). The City of Farmington proposes to have these modifications completed as part of a stand-alone project potentially during the 2025 construction season (or in 2026 depending on time line for the next phase of development).

Work anticipated to be included in the full replacement of this signal system will include but not be limited to:

- Upgrading pedestrian curb ramps to be ADA and PROWAG compliant,
- Adjusting median noses on the east and west legs of CSAH 50 to accommodate pedestrian crossings of both legs of CSAH 50,
- Curb ramps designed to accommodate proper drainage on each quadrant (note that no existing catch basins are likely to be impacted by the project work),
- APS pedestrian push button upgrades (in conjunction with pedestrian curb ramp improvements at the intersection),
- Flashing yellow arrow upgrades for all intersection approaches,
- Non-intrusive vehicular detection for each intersection approach,
- Emergency Vehicle Preemption (EVP) capabilities,
- Interconnection to adjacent signal systems (if facilities already exist along CSAH 50),
- Battery back-up service cabinet capabilities, and
- Signing and pavement marking modifications to accommodate construction at the intersection.

SEH will provide the City of Farmington with all plan and specification design services needed to deliver the proposed traffic signal project up through State Aid approval (and to bring the project up to advertising and letting of the construction work). Bidding and construction services would be covered under a separate project scope and are not included in this proposed work scope. All improvements will be completed to meet all local, County, and Municipal State Aid requirements for traffic signals, and all plans and specifications will be compiled in an approved format to meet these requirements to the City’s and County’s satisfaction.

***Scope of Work***

**Task 1 - Project Management and Meetings**

SEH will provide all required project management and coordination including setting up, attending, and documenting minutes for all required meetings, project invoicing on a monthly basis, and all other project management related tasks.

Meetings are anticipated to include a design kick-off meeting with City and County staff, regular design meetings at appropriate times (including after 30%, 60%, and 90% plan submittals) – up to 4 additional regular design meetings during project design – and bi-weekly calls with the City to discuss project issues and progress.

In addition, one utility coordination meeting will be scheduled between 30 and 60% designs so that all local utilities within the construction area are informed of the impending construction. Any impacts to their facilities can then be discussed early in the design process to allow for any potential utility relocations or adjustment of the signal and intersection designs to avoid conflicts with these facilities.

Mr. John Powell, PE  
January 21, 2025  
Page 3

## **Task 2 - Field Review of Intersection and Survey**

In order to prepare detailed plans for pedestrian curb ramp improvements and signal replacement, survey information will be required to be obtained for all four corners of the intersection.

SEH will perform a detailed survey of the intersection as part of our project scope. This work will entail an updated utility locate (through Gopher State One Call), on-site survey of all intersection topography (including marked utilities), curb and sidewalk elevations, horizontal control, and other miscellaneous work needed to obtain detailed site information for approximately 100 feet in each direction on each of the four corners of the intersection included in this work.

A field walk and review of the existing topography and pedestrian facilities will be completed by SEH's civil design engineer prior to starting any ADA curb ramp design to determine recommended ramp types and other ADA design considerations.

SEH will obtain the latest design information from the developer regarding the proposed south leg construction and the eastbound CSAH 50 right turn lane construction, so that this information can be included in our overall design files and accounted for with the overall ADA curb ramp design on all corners of the intersection.

From this information, a base layout in AutoCAD will be prepared for our use in preparing an updated detailed pedestrian curb ramp and sidewalk plan for construction to ADA/PROWAG requirements as well as for the detailed signal design layout.

At this time, it is not anticipated that additional right of way will be needed to construct this project, and thus no services related to any right of way designation or acquisition are included in our scope of services. The County will provide their available right of way map base files and final right of way mapping information for existing right of way areas, which will be utilized in the overall design to keep all intersection and signal components within this right of way.

Using existing signal plans to be obtained by SEH from the County, SEH will perform a brief site visit of this signal system to determine locations of existing signal components and requirements for signal construction work needed to upgrade this signal system within the confines of the intersection area.

## **Task 3 - Prepare 30% Plans and Estimate**

Using the survey information compiled by SEH as well as our detailed field review work, SEH will prepare a 20 scale base drawing of the intersection area for use in developing plan sheets. SEH will prepare a preliminary (30%) signal layout for City (and County) review. This layout will include proposed signal pole, push button, cabinet, source of power, handhole, and curb ramp locations along with proposed signal phasing information.

At the beginning of this task, SEH will contact the local power company to confirm the source of power location to be used for the replacement signal system.

Plans at this stage will also include ADA construction, in-place utilities, drainage considerations, ADA details, along with a preliminary plan title sheet. A 30% opinion of estimated construction costs will be prepared for agency review and comments. SEH will also conduct QA/QC of the plans to confirm that plans and designs between each design group are coordinated and consistent through the overall design.

It is not anticipated that geotechnical investigation services (soil borings) or permit application preparation will be required as part of this project and thus these items are not included as part of our project scope.

Mr. John Powell, PE  
January 21, 2025  
Page 4

#### **Task 4 – Prepare 60% Plans, Technical Specifications, and Estimate**

After receiving comments from the City and County, SEH will prepare a 60% design for the signal system and intersection. Plan sheets to be included at this design stage will include all sheets expected to be in the final plan set including but not limited to:

- Updated plan title sheet.
- Statement of Estimated Quantities.
- Construction notes and details.
- Standard Plates, Standard Plans, and other details as applicable (including standard ADA plans).
- In-place utility tabulation and plan as needed.
- Traffic control information and layout as needed.
- Intersection construction plans, including removals and proposed construction plan views.
- Drainage plans as needed.
- ADA pedestrian curb ramp and APS intersection details.
- Pavement marking and signing plans and details.
- Full traffic signal design including intersection layout, field wiring diagram, traffic signal details (including overhead signing details), interconnect layouts as needed, and “For Information Only” plan sheets of the existing signal system.

Note that no design services or plan preparation is included in this project scope as related to the design and construction of the south leg of Pilot Knob Road and the design and construction of the eastbound CSAH 50 right turn lane onto Pilot Knob Road. These services are being provided by others, and SEH will coordinate getting updated information on these designs from the developer and including applicable information in the overall signal and curb ramp plan set.

SEH will utilize sample County specifications and signal plans/details in the compilation of the full 60% plan set (to be provided by the County early in the project).

ADA calculations and plans will be updated based on City and County comments received at 30% design. Any coordination needed with the MnDOT ADA office will also be completed at this stage as required.

An updated opinion of estimated construction costs will be prepared using the proposed Statement of Estimated Quantities bid items. In addition, technical specifications (including the Division S and SS sections) will be prepared at this stage for initial City and County review.

Using the latest available traffic count information to be provided to SEH by the County (no traffic counts will be taken by SEH as part of the project scope), along with intersection crash data to be obtained by SEH from the City and the State, SEH will compile these traffic counts and compare them against Minnesota Manual on Uniform Traffic Control Devices (MnMUTCD) traffic signal warrants for compliance and justification of the signal system. SEH will then prepare a draft Signal Justification Report (in a typical County approved format) for City and County review and comments. Upon receipt of all comments, SEH will finalize the SJR, provide an electronic copy of the SJR to the City for signatures, and assist the City in submittal of the SJR to the County and to MnDOT State Aid. Any comments on the SJR received from the above mentioned agencies will be addressed by SEH as needed, and a revised electronic copy of the SJR will be submitted to each agency for final approval and signatures.

SEH will conduct a second QA/QC session of the plans and any other related project documents with each design group and document this process through Bluebeam.

Mr. John Powell, PE  
 January 21, 2025  
 Page 5

**Task 5 – Prepare 90-100% Plans, Specifications, and Estimate**

All items submitted to the City and County for review at 60% will be revised based on comments received from each agency. This includes any plan, technical specification, estimate, and SJR comments received. A final QA/QC session will be completed by SEH staff leading up to the 90% submittal of the project documents.

After the 90% internal QA/QC process has been completed, SEH will submit updated plans, technical specifications, estimate, and SJR to the City, County, and MnDOT Metro State Aid for review and comments. Cost estimate information will be provided to each agency in both Excel and PDF formats.

Comments received from each agency on the 90% submittal will be addressed, and final documents will be submitted to the City, County, and State Aid for approval and signatures.

Specific items that should be included in the project design will be discussed with the City and County as needed. The plan sheets will be signed by a licensed civil engineer. The plans and specifications will meet all applicable requirements of the Minnesota Manual on Uniform Traffic Control Devices, the MnDOT State-Aid Standards, and all applicable state and local electrical codes.

SEH will prepare formal bid documents using all applicable City, County, and State Aid sections (for advertising the project either online and/or in local publications). These will be provided with all approved plans and technical specifications to the City, so that the City can advertise and bid the project.

As mentioned above, bidding and construction services are not included in this project scope, but can be provided by SEH at a fee to be negotiated between the City and SEH (should the City desire to have SEH provide these services).

**Schedule**

SEH proposes to begin work upon notice-to-proceed, and will provide a more detailed schedule upon authorization to proceed on this project. However, we will work to have all design components of the project completed to allow for this project to be bid in 2025 and constructed either in the fall of 2025 or in 2026.

All of the staff assigned to the project has time available to adequately meet project needs.

**Compensation**

The proposed work program includes project management and coordination, survey, plan-technical specification-estimate-SJR preparation, and assistance with all project submittals and approvals. We propose to be paid for the work we do on an hourly basis based on direct labor costs, plus the actual cost of reimbursable expenses.

All work, as defined above, will be done on an hourly basis (plus reimbursable expenses) for an overall cost-not-to-exceed of **\$46,000**. This cost will not be exceeded except as otherwise approved by the City.

**Estimated Work Hours and Costs**

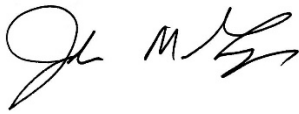
Task	Project Manager	Civil Engineer	Survey/ Admin. Asst.	Technician	Labor/ Task	Expenses	Cost/ Task
Task 1 - Project Mgmt	20	3	3	8	\$7,510	\$90	\$7,600
Task 2 – Survey, Field	8	2	27	6	\$6,940	\$560	\$7,500
Task 3 – 30% Submittal	25	4		28	\$11,565	\$35	\$11,600
Task 4 – 60% Submittal	34	4		18	\$12,500	\$100	\$12,600

Mr. John Powell, PE  
January 21, 2025  
Page 6

Task 5 – Final Submittals	18	2		10	\$6,660	\$40	\$6,700
Total Project Hours	105	15	30	70			
<b>Cost</b>	<b>\$27,825</b>	<b>\$3,300</b>	<b>\$3,900</b>	<b>\$10,150</b>	<b>\$45,175</b>	<b>\$825</b>	<b>\$46,000</b>
Average Hourly Rates	\$265	\$220	\$130	\$145			

We appreciate the opportunity to submit this letter proposal to the City of Farmington, and look forward to being able to work with you and the City on this project. Feel free to contact John Gray at 651.403.4383 or at [jgray@sehinc.com](mailto:jgray@sehinc.com) if you have any questions or comments regarding any of the above mentioned information.

Sincerely,  
SHORT ELLIOTT HENDRICKSON INC.



John M. Gray, PE  
Project Manager



Jen Desrude, PE  
Client Service Manager

## REGULAR COUNCIL AGENDA MEMO

**To:** Mayor, Councilmembers and City Administrator  
**From:** John Powell, Public Works Director  
**Department:** Engineering  
**Subject:** Resolution Declaring Surplus Equipment-Public Works  
**Meeting:** Regular Council - Apr 07 2025

### INTRODUCTION:

Public Works is requesting authorization to dispose of equipment that has exceeded its useful life and which has been replaced.

### DISCUSSION:

A complete listing of the item(s) proposed to be declared surplus, and the reason why, is provided below:

- 2001 Sterling Dump Truck (0706); truck has been replaced
- Eight police squad light bars; equipment has been replaced
- Six police squad push bumpers; equipment has been replaced

Staff proposes to put the truck and equipment up for auction or dispose of it via direct sale.

### BUDGET IMPACT:

None; any proceeds received will be forwarded to the Finance Department.

### ACTION REQUESTED:

Adopt Resolution 2025-025 Declaring Items as Surplus and Authorizing Disposal.

### ATTACHMENTS:

[Resolution 2025-025 Declaring Property Surplus - Public Works - Copy](#)

**CITY OF FARMINGTON  
DAKOTA COUNTY, MINNESOTA**

**RESOLUTION NO. 2025-025**

**A RESOLUTION DECLARING ITEM AS SURPLUS  
AND AUTHORIZING DISPOSAL**

**WHEREAS**, the Public Works Department is requesting authorization to dispose of the following equipment that is no longer in use due to the condition and usefulness of the equipment and is requesting to dispose of the equipment via auction or sale:

2001 Sterling Dump Truck (0706)  
Eight police squad light bars  
Six police squad push bumpers

**NOW, THEREFORE, BE IT RESOLVED** by the Farmington City Council that the above listed item is declared surplus and authorize its disposal.

Adopted by the City Council of the City of Farmington, Minnesota, this 7<sup>th</sup> day of April 2025.

ATTEST:

\_\_\_\_\_  
Joshua Hoyt, Mayor

\_\_\_\_\_  
Shirley R Buecksler, City Clerk

## AGENDA MEMO

**To:** Mayor, Councilmembers and City Administrator  
**From:** Shirley Buecksler, City Clerk  
**Department:** Administration  
**Subject:** Application for Beer & On-Sale Wine License from Grace Filled Table LLC dba Lighthouse Kitchen + Cafe  
**Meeting:** Regular Council - Apr 07 2025

### INTRODUCTION:

For Council approval is an application from Grace Filled Table LLC dba Lighthouse Kitchen + Cafe for a Beer & On-Sale Wine License at 953 8th Street, Farmington.

### DISCUSSION:

The City received an application from Katherine Thovson for a Beer & On-Sale Wine License for Grace Filled Table LLC dba Lighthouse Kitchen + Cafe, located at 953 8th Street in Farmington. All required applications, fees, and insurance have been received and approved by the Police Chief.

Per City Code, a public hearing must be held. Notice of public hearing was published in the Dakota County Tribune's March 28, 2025 edition.

Staff recommends approval of the Beer & On-Sale Wine License for Grace Filled Table LLC dba Lighthouse Kitchen + Cafe. Upon City Council approval, Staff will forward the applicable license materials to the Minnesota Department of Public Safety, Alcohol & Gambling Enforcement Division. This license will be effective as of the date of State approval through December 31, 2025.

The Applicant, Katherine Thovson, is planning to attend the public hearing to answer any questions Council may have.

### BUDGET IMPACT:

The Applicant has paid the license fee in full for 2025:

On-Sale Beer: \$250

On-Sale Wine: \$300

Investigation Fee: \$100

Total paid: \$650

### ACTION REQUESTED:

Conduct the public hearing and motion to approve the Beer & On-Sale Wine License for Grace Filled Table LLC dba Lighthouse Kitchen + Cafe, located at 953 8th Street, Farmington, MN.

**ATTACHMENTS:**

[Liquor License App, Lighthouse Kitchen and Cafe, redacted](#)  
[2025 AGE Wine License, Lighthouse Kitchen + Cafe](#)



**Application for City 3.2 On-Sale Beer and Wine License**  
(Form LLIC2009)

**EVERY QUESTION MUST BE ANSWERED UNLESS OTHERWISE NOTED**

If a corporation, an officer must execute this application; if a partnership, LLC, a partner must execute this application.

**APPLICANT INFORMATION**

Type of License Requested \_\_\_\_\_ 3.2.On-Sale Beer  \_\_\_\_\_ Wine \_\_\_\_\_  Strong Beer

Applicant's Full Name: Katherine Rebecca Thovson Date of Birth     /    /      
(First) (Full Middle Name) (Last)

Are you a U.S. citizen?  Yes \_\_\_\_\_ No \_\_\_\_\_ Naturalized?  Yes  No  
 If yes, date/place \_\_\_\_\_

Type of Business  Restaurant \_\_\_\_\_ Hotel \_\_\_\_\_ Bowling Alley \_\_\_\_\_ Billiard Parlor  
Lighthouse Kitchen + Cafe

Trade Name or DBA: \_\_\_\_\_  
Grace Filled Table, LLC

Business Name: \_\_\_\_\_  
(Business, partnership, LLC, corporation)  
mailing :: PO Box 73, Farmington MN 55024 (Dakota County) physical :: 953 8th Street, Farmington MN 55024

Business Address: \_\_\_\_\_  
(Street) (City, State, ZIP) (County)  
651-285-7712

Business Phone: \_\_\_\_\_ Applicant's Home Phone: \_\_\_\_\_

Workers Compensation Insurance Company Name: State Farm Policy # 93-GU-U350-0  
9127733 92-3729175

Licensee's MN Sales & Use Tax ID # \_\_\_\_\_ Federal Tax ID # \_\_\_\_\_

**CORPORATIONS**

**If a corporation, give name (first, middle & last), title, address and date of birth for each officer. If a partnership, LLC, give name, address and date of birth of each partner:**

Partner/Officer Full Name & Title	Address	DOB
Katherine Thovson, Owner/CEO	2079 240th Street W, CRT, MN 55024	
_____	_____	_____
_____	_____	_____
_____	_____	_____

Date of Incorporation 04 26 2023 State MN Certificate Number 1388728200027

Is corporation authorized to do business in Minnesota?  Yes  No

If a subsidiary of another corporation, give name and address of parent corporation: \_\_\_\_\_

### OTHER INFORMATION

Names (first, middle & last), and addresses of all persons who will own or be actively or inactively involved in the management of the establishment where the license will be used.

**NOTE: The location manager must be listed.**

Full Name & Title	Address	DOB
Neal Meier	2079 240th Street W, CRT, MN 55024	

**Please answer all of the following:**

Yes  No Has the applicant, partners, officers or employees ever has any Liquor Law violations in Minnesota or elsewhere, including State Liquor Control Penalties? If yes, please attach explanation with date, charges and final outcome.

Yes  No During the past license year, has a summons been issued under the Liquor Civil Liability Law (Dram Shop) M.S. 340A.802. If yes, please attach a copy of the summons.

Yes  No Has the applicant, partners, officers or employees had an intoxicating liquor license within five years of this application?

Yes  No Do the applicant have any interest, directly or indirectly, in any other liquor establishments in Minnesota? If yes, please give the name and address of the establishment(s).

Yes  No Does any person other than the applicants listed here, have any right, title or interest in the furniture, fixtures or equipment in the licensed premises? If yes, attach the names and details.

Yes  No Will you serve liquor on Sunday?

Yes  No Do you acknowledge review of the Farmington City Code Chapter 3 regarding alcoholic beverages? (Can be viewed on the City's website, or paper copies are available upon request.)

**LOCATION / RESTAURANT INFORMATION**

Legacy Farmington Mall, LLC (Ben Kall)

4123 26th Street NW, Rochester MN 55901

Name of building owner: \_\_\_\_\_ Owner's address: \_\_\_\_\_

Does the building owner have any connection, direct or indirect, with the applicant? \_\_\_ Yes X No

Are property taxes current? X Yes \_\_\_ No Posted occupant load of establishment: 75

Are there any plans currently pending or anticipated for the sale or transfer of the business or premises for which the license is applied? \_\_\_ Yes X No

7a - 2p :: Tuesday, Thursday, Saturday // private dining evenings + weekends

Days/hours food will be available: \_\_\_\_\_

Number of people restaurant employs: 6 Will food service be the principal business? \_\_\_ Yes X No

I certify that I have read this entire application and that the responses given are true and correct to the best of my knowledge. I am aware that any misrepresentation in such responses may result in rejection of this application. I authorize the City of Farmington to investigate the information and contact persons/organizations named on this application.

Katherine Thovson

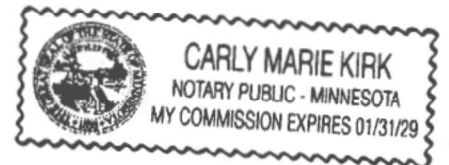
Name of Applicant (please print) \_\_\_\_\_  
Owner + CEO

Title \_\_\_\_\_

Signature [Handwritten Signature] Date 02/25/2025

Subscribed and sworn to before me this 25 day of February, 2025.

Signature of Notary Public [Handwritten Signature]



**APPROVALS**

Department	Signature	Date	Comments
Police	<u>[Handwritten Signature]</u>	<u>3/18/2025</u>	_____
City Clerk/Deputy Clerk	_____	_____	_____

Please return completed application to: **City of Farmington  
Attn: Liquor Licensing  
430 Third Street  
Farmington, MN 55024**

## CITY OF FARMINGTON – DATA PRACTICES ACT NOTICE

Minnesota law requires that you be informed of your rights as they pertain to private information (“private data”) collected from you by the City of Farmington (“the City”). Private data is that information held by the City which is available to you, but not to the public.

You have the right to refuse to provide the information requested on this application form, however, without certain information, the City may be unable to approve the license applied for. If you feel that certain information requested is an unwarranted invasion of privacy, please contact the Human Resources Director.

The dissemination and the use of private data we collect is limited to that necessary for the administration and management of the City’s licensing program. Persons or agencies with whom this information may be shared include:

- City personnel, including law enforcement personnel, administering the license program;
- The Bureau of Criminal Apprehension;
- The City Attorney and support staff of the City Attorney’s office;
- Federal, state, local, and contracted private auditors;
- Federal and State agencies with oversight or responsibility related to the licensed business;
- Those individuals or agencies as to whom you give your express written permission for release of the information.

Unless otherwise authorized by state statute or federal law, other governmental agencies utilizing the reported private data must also treat the information as private.

You may wish to exercise your rights as contained in the Minnesota Government Data Practices Act. These rights include:

- The right to see and obtain copies of data maintained about you;
- The right to be told the contents and meaning of the data; and
- The right to contest the accuracy and completeness of the data.

To exercise these rights, contact the Farmington Human Resources Director at 430 Third Street, Farmington, MN 55024 (651) 280-6800. I have read and I understand the above information regarding my rights as a subject of government data.

Katherine Thovson  
Applicant

02/25/2025  
Date







Minnesota Department of Public Safety  
**Alcohol and Gambling Enforcement Division (AGED)**  
 445 Minnesota Street, Suite 1600 St. Paul, MN 55101  
 Telephone 651-201-7507 Fax 651-297-5259 TTY 651-282-6555

**Certification of an On Sale Liquor License, 3.2% Liquor License, or Sunday Liquor License**

Cities and Counties: You are required by law to complete and sign this form to certify the issuance of the following liquor license types:  
 1) City issued on sale intoxicating and Sunday liquor licenses  
 2) City and County issued 3.2% on and off sale malt liquor licenses

Name of City or County Issuing Liquor License City of Farmington License Period From: 03/15/2025 To: 12/31/2025

Circle One:  New License  License Transfer  Suspension  Revocation  Cancel

License type: (check all that apply)  On Sale Intoxicating (former licensee name)  Sunday Liquor  3.2% On Sale  3.2% Off Sale (Give dates)

Fee: On Sale License fee: \$ 550 Sunday License fee: \$ \_\_\_\_\_ 3.2% On Sale fee: \$ \_\_\_\_\_ 3.2% Off Sale fee: \$ \_\_\_\_\_

Licensee Name: Grace Filled Table, LLC (corporation, partnership, LLC, or individual) DOB \_\_\_\_\_ Social Security # \_\_\_\_\_

Business Trade Name Lighthouse Kitchen + Cafe Business Address 953 8th Street City Farmington

Zip Code 55024 County Dakota Business Phone 651-333-9100 Home Phone \_\_\_\_\_

Home Address 2079 240th Street City Farmington Licensee's MN Tax ID# 9127733

Licensee's Federal Tax ID# 92-3729175  
 (To apply call IRS 800-829-4933)

If above named licensee is a corporation, partnership, or LLC, complete the following for each partner/officer:  
**Katherine Rebecca Thovson** 2079 240th Street, Farmington MN

Partner/Officer Name (First Middle Last)	DOB	Social Security #	Home Address

Intoxicating liquor licensees must attach a certificate of Liquor Liability Insurance to this form. The insurance certificate must contain all of the following:

- 1) Show the exact licensee name (corporation, partnership, LLC, etc) and business address as shown on the license.
- 2) Cover completely the license period set by the local city or county licensing authority as shown on the license.

Yes  No During the past year has a summons been issued to the licensee under the Civil Liquor Liability Law?

Workers Compensation Insurance is also required by all licensees: Please complete the following: 93-GU-U350-0  
 Workers Compensation Insurance Company Name: State Farm Policy # \_\_\_\_\_

I certify that this license has been approved in an official meeting by the governing body of the city or county.  
 City Clerk or County Auditor Signature \_\_\_\_\_ Date \_\_\_\_\_  
 (title)

**ON SALE INTOXICATING LIQUOR LICENSEES ONLY**, must also purchase a \$20 Retailer Buyers Card. To obtain the application for the Buyers Card, please call 651-201-7507, or visit our website at <https://dps.mn.gov/divisions/aged/Pages/default.aspx>.



Minnesota Department of Public Safety  
 Alcohol and Gambling Enforcement Division  
 445 Minnesota Street, Suite 1600, St. Paul, MN 55101  
 651-201-7510 Fax 651-297-5259 TTY 651-282-6555  
**APPLICATION FOR COUNTY/CITY ON-SALE WINE LICENSE**  
 (Not to exceed 24% of alcohol by volume)

**EVERY QUESTION MUST BE ANSWERED.** If a corporation, an officer shall execute this application. If a partnership, LLC, a partner shall execute this application. To apply for MN sales Tax # call 651-296-6181

Workers compensation insurance company name State Farm Policy Number 93-GU-U350-0

Licensee's MN sales and Use Tax ID # 9127733 Licensee's Federal Tax ID # 92-3729175

Business Name (Business, Partnerships, Corporation) <b>Grace Filled Table, LLC</b>		Trade Name or DBA <b>Lighthouse Kitchen + Cafe</b>	
Business Address <b>953 8th Street</b>		Business Phone <b>651-333-9100</b>	Applicant's Home Phone
City <b>Farmington</b>		County <b>Dakota</b>	State <b>MN</b> Zip Code <b>55024</b>
Is this application <input checked="" type="checkbox"/> New		License Period From <b>03/15/2025</b> To <b>12/31/2025</b>	

If a corporation, give name, title, address and date of birth of each officer. If a partnership, LLC, give name, address and date of birth of each partner.

Partner/Officer Name and title	Home Address	DOB	SSN
<i>Katherine Thovson, owner/ceo</i>	2079 240th Street, Castle Rock Township, MN 55024		

**CORPORATIONS**

Date of incorporation <b>04/26/2023</b>	State of incorporation <b>MN</b>	Certificate Number <b>1388728200027</b>	Is corporation authorized to do business in Minnesota? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
--	-------------------------------------	--	--

If a subsidiary of another corporation, give name and address of parent corporation

**BUILDING AND RESTAURANT**

Name of building owner <b>Legacy Farmington Mall, LLC (Ben Kall)</b>	Owner's address <b>4123 26th Street NW, Rochester MN 55901</b>
--	--

Are property taxes delinquent? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Has the building owner any connection, direct or indirect with the applicant? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Restaurant seating capacity <b>75</b>	Hours food will be available <b>7a - 2p</b>
--	---	--	--

Number of restaurant employees <b>10</b>	Number of months per year restaurant is open <b>12</b>	Will food service be the principal business? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
---	---	--

Describe the premises to be licensed **full-service restaurant, dining room/bar to seat up to 75 individuals**

If the restaurant is in conjunction with another business (resort etc.), describe business

**NO LICENSE WILL BE APPROVED OR RELEASED UNTIL THE \$20 RETAILER ID CARD FEE IS RECEIVED BY AGED**

- Yes  No Has the applicant or associates been granted an on-sale malt liquor (3.2) and/or a "set-up" license in conjunction with this wine license?
- Yes  No Is the applicant or any of the associates in this application a member of the county board or the city council, which will issue this license? If yes, in what capacity?  
(If the applicant is the spouse of a member of the governing body or another family relationship exists the member shall not vote on this application.)
- Yes  No During the past license year, has a summons been issued under the liquor civil liability (Dram Shop)(M.S. 340A.802). If Yes, attach copy of the summons.
- Yes  No Has applicant, partners, officers or employees ever had any liquor law violations in Minnesota or elsewhere. If so, give names, dates, violations and final outcome details.

- Yes  No Does any person other than the applicants, have any right, title or interest in the furniture, fixtures or equipment in the licensed premises? If yes, give names and details  
Neal Meier (Executive Chef), guarantor on our lease agreement + equipment
- Yes  No Have the applicants any interests, directly or indirectly, in any other liquor establishments in Minnesota? If yes, give name and address of establishment.

I CERTIFY THAT I HAVE READ THE ABOVE QUESTIONS AND THAT THE ANSWERS ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

[Signature]  
Signature of Applicant

03/10/2025  
Date

The licensee must have one of the following:

Liquor liability insurance (Dram Shop) \$50,000 per person; \$100,000 more than one person; \$10,000 property destruction; \$50,000 and \$100,000 for loss of means of support. Attach "CERTIFICATE OF INSURANCE" to this form.

A surety bond from a surety company with minimum coverage as specified above in.

A certificate from the state treasurer that the licensee has deposited with the state, trust funds having a market value of \$100,000 or \$100,000 in cash or securities.

IF LICENSE IS ISSUED BY THE COUNTY BOARD, REPORT OF COUNTY ATTORNEY

Yes  No I certify that to the best of my knowledge the applicants named above are eligible to be licensed. If no, state reason.

\_\_\_\_\_  
Signature County Attorney

\_\_\_\_\_  
County

\_\_\_\_\_  
Date

REPORT BY POLICE OR SHERIFF'S DEPARTMENT

This is to certify that the applicant and the associates, named herein have not been convicted within the past five years for any violation of laws of the State of Minnesota, Municipal or County ordinances relating to intoxicating liquor, except as follows:

[Signature] - CHIEF  
Signature

FARMINGTON POLICE  
Department and Title

03/18/2025  
Date

IMPORTANT NOTICE

ALL RETAIL LIQUOR LICENSEES MUST REGISTER WITH THE ALCOHOL, TOBACCO TAX AND TRADE BUREAU.  
FOR INFORMATION CALL 513-684-2979 OR 1-800-937-8864

A \$30.00 service charge will be added to all dishonored checks. You may also be subjected to a civil penalty of \$100.00 or 100% of the value of the check, whichever is greater, plus interest and attorney fees.

CITY OF FARMINGTON  
Cash Receipt

Receipt Date 3/12/2025  
Receipt Number 135888

LIGHTHOUSE KITCHEN & CAFE  
LIQUOR LICENSE

1001.4205	250.00
3.2 ON SALE BEER	
1001.4205	300.00
ON SALE WINE	
1001.4205	100.00
INVESTIGATION FEE	
Total Receipt Amount	650.00

120189 11:29:15

No. 2025-17LL

Fee \$550.00



City Farmington

County Dakota

### Wine License — “On Sale”

THIS CERTIFIES THAT:

LICENSEE Grace Filled Table LLC

TRADE NAME Lighthouse Kitchen + Cafe

STREET ADDRESS OR LOT AND BLOCK NO 953 8th Street, Farmington, Minnesota 55024

Is authorized for the period beginning April 7, 2025 to December 31, 2025 to sell  
WINE NOT EXCEEDING 24% ALCOHOL BY VOLUME AT RETAIL ONLY FOR CONSUMPTION ON THE PREMISES SUBJECT TO  
THE LAWS AND REGULATIONS OF THE STATE OF MINNESOTA AND THE ORDINANCES OF THE MUNICIPALITY OR COUNTY.

\*\*STRONG BEER AUTHORIZATION\*\* YES  NO

CLERK/AUDITOR SIGNATURE \_\_\_\_\_

THIS LICENSE IS APPROVED

\_\_\_\_\_  
Mayor or President

Given under my hand and the Municipal Corporate Seal

City of Farmington Date April 7, 2025

\_\_\_\_\_  
Alcohol & Gambling Enforcement Director Date

\_\_\_\_\_  
CLERK or Recorder PS9115-03 (3/16)