

NORTH ZUMBRO SANITARY DISTRICT
Joint Powers Executive Committee Regular Meeting
September 6, 2023
11:00 A.M.
Zumbrota City Council Chambers
Zumbrota, MN

I. CALL TO ORDER

II. ROLL CALL

TB___ EH___ MB___ BG___

JM___ TR___ SO___ MO___

BA___ CB___ RS___

III. ADOPT AGENDA _____

***CONSENT AGENDA _____**

ALL ITEMS LISTED WITH AN ASTERISK (*) ARE CONSIDERED ROUTINE OR NON-CONTROVERSIAL BY THE EXECUTIVE COMMITTEE AND WILL BE APPROVED BY ONE MOTION. THERE WILL BE NO SEPARATE DISCUSSION ON THESE ITEMS UNLESS A DIRECTOR OR ENGINEER SO REQUESTS, IN WHICH CASE THE ITEM WILL BE REMOVED FROM THE CONSENT AGENDA AND BE CONSIDERED IN ITS NORMAL SEQUENCE ON THE AGENDA.

***A) Executive Committee Minutes = 8/2/2023**

***B) Bills-Accounts Payable 8/2/2023-9/5/2023**

IV. PUBLIC COMMENTS

INDIVIDUALS MAY ADDRESS THE EXECUTIVE BOARD ABOUT ANY ITEM OF CONCERN. SPEAKERS MUST STATE THEIR NAME AND LIMIT THEIR REMARKS TO FIVE MINUTES. GENERALLY, THE EXECUTIVE BOARD WILL NOT TAKE OFFICIAL ACTION ON THESE ITEMS BUT MAY REFER THE MATTER TO STAFF FOR A

FUTURE REPORT OR DIRECT THAT THE MATTER BE
SCHEDULED FOR A FUTURE MEETING AGENDA.

V. OLD BUSINESS

- A) JPA Insurance Update**
- B) Facility Plans – Deadline March 2024**
- C) Technical Committee Composition**
 - a. Operators Meeting Summary**
- D) Land Acquisition**

VI. NEW BUSINESS

- A) Scope of Services**
 - a. Engineering Contract**
 - i. Insurance**
 - ii. Legal**
- B) Budget Discussion**
- C) MPFA Application and Grant Agreement**
 - a. Approve Resolution 23-01 Authorizing the NZSD to Submit Information to the MPFA and to Enter into a Grant Agreement with the MPFA**
- D) Preliminary Effluent Limits – City Review**

VII. ADJOURN

Time: _____ Motion: _____ Second: _____

NORTH ZUMBRO SANITARY DISTRICT
Joint Powers Executive Committee Regular Meeting
Wednesday, August 2, 2023 11:00 A.M.
Zumbrota City Council Chambers
Zumbrota, MN

CALL TO ORDER: Temporary Chair Brian Grudem.

PRESENT: Executive Committee Directors: Terri Anderson Buck - Goodhue, Elizabeth Howard – Pine Island, Michael Boulton - Wanamingo, & Brian Grudem - Zumbrota

Executive Committee Alternate Directors: Jason Mandelkow – Goodhue, Todd Roberts – Pine Island, Stuart Ohr – Wanamingo, and Michael Olson - Zumbrota

ABSENT: None

ALSO PRESENT: Others Present – Bill Angerman – WHKS, Glenn Gustafson – WHKS, Craig Britton – Widseth, and Reece Sudtelge - ISG

ADOPT AGENDA: Howard motioned to adopt the agenda, seconded by Boulton. Passed 4-0-0.

CONSENT AGENDA: N/A (Previous Meeting Minute, Accounts Payable)

PUBLIC COMMENTS: N/A

OLD BUSINESS: N/A

NEW BUSINESS:

- A) Joint Powers Agreement** – Grudem stated that the agreement was officially approved by all four City Councils. Grudem stated that the date on page 6 of the agreement will be July 26th to reflect the date to which the last City, Goodhue approved the agreement.
- 1) Appointment of Directors from each community: Goodhue – Terri Anderson Buck, Pine Island – Elizabeth Howard, Wanamingo - Michael Boulton, and Zumbrota - Brian Grudem
Appointment of Alternate Directors from each community: Goodhue – Jason Mandelkow, Pine Island – Todd Roberts, Wanamingo – Stuart Ohr, and Zumbrota – Mike Olson
 - 2) Election of Chair and Secretary/Treasurer: Boulton nominated Grudem. Howard stated that it may be better to not have the Chair from the same City as the lead engineer (Zumbrota/WHKS). Grudem withdrew name from consideration. Boulton nominated Howard as Chair. Boulton moved to close nominations and cast a unanimous ballot for Howard, seconded by Grudem. Passed 4-0-0. Howard took over as chair of the Joint Powers Meeting. Howard stated that the Secretary/Treasurer position could be split. The Secretary would take minutes of the meetings. The Treasurer would assist the fiscal host agent in obtaining copies of invoices and reports for the executive committee and work as a liaison with Minnesota Public Facilities Authority. Howard suggested adding a Vice Chair position. The Vice Chair would run the meetings in absence of the Chair. Howard said that the four Executive Committee Directors would then all have positions. Grudem moved to split the Secretary/Treasurer position into two separate positions for election, seconded by Howard. Passes 4-0-0. Grudem moved to nominate Michael Boulton as Secretary, seconded by Howard. Grudem moved to close nominations and cast a unanimous ballot for Boulton, seconded by Howard. Passed 4-0-0. Howard moved to create a Vice Chair and add to the

election process, seconded by Boulton. Passed 4-0-0. Boulton moved to nominate Grudem as Vice Chair, seconded by Howard. Boulton moved to close nominations and cast a unanimous ballot for Grudem, seconded by Buck. Passed 4-0-0. Boulton moved to nominate Buck as Treasurer, seconded by Grudem. Boulton moved to close nominations and cast a unanimous ballot for Buck. Passed 4-0-0.

- B) 2023 Appropriation Update** – Boulton stated that he had spoken with Anita Gallentine, Senior Loan Officer with Minnesota Public Facilities Authority (PFA). PFA will be administering the \$10 million State Appropriation to North Zumbro Sanitary Joint Powers. Gallentine had informed Boulton that PFA was working out the grant agreement and other documents that may or may not be applicable to the appropriation. Gallentine thought that decisions would be made in the coming week or two regarding the application process and other applicable documents. Grudem noted that he has sent out the Capital Grants manual that included general check list and guide for State Appropriations. Boulton stated that he shared the contact information of the Joint Powers Executive Committee Directors and City Consulting Engineers. Gallentine stated that all information for the appropriation will be sent to all those whose information was shared with PFA.
- C) 2024 MMB Application** – Angerman stated that he and Boulton had worked on the Minnesota Management and Budget (MMB) 2024 Capital Investment Application. Boulton and Grudem worked through the MMB portal to submit the information for the application by the June 16th deadline. Grudem stated that the four cities' resolutions of support for the 2024 capital request had been sent to Mariane Conboy, Minnesota Management and Budget Capital Budget Director. This information will be included with the application. Grudem stated that he had sent on a copy of the support resolution to Prairie Island Indian Community. Howard stated that she would reach out to Prairie Island Indian Community to make sure that they submit a support resolution in the near future. Boulton stated that there is an October 13th Deadline to submit accompanying information with the application. Boulton suggested that if additional documents from the Technical Committee or land purchase become available that the information be sent onto Marianne Conboy to be included with the application.
- D) 2024 Bonding Bill Update** – Angerman asked if legislative sponsors would be sought to draft a bill. Howard stated that the process for drafting new bills and accompanying sponsors would start at the end of December 2023 and then when the legislative session starts in January 2024. Angerman suggested that the Capital Investment Tour stop could be requested. Boulton stated that the lobbyist could assist with drafting a new bill and suggesting the best route to seek sponsors that will help pass the bill. Angerman stated that only Senator Jasinski had supported the bonding bill of the area legislators that represented the four communities. Boulton stated that the four City Councils should be consulted regarding hiring a lobbyist for the next session. Grudem volunteered to contact Tom Hanson of Winthrop & Weinstine to obtain a lobbyist quote. Boulton suggested that the quote be brought back to the City Councils for discussion. If the Councils are willing to hire lobbyist again, Boulton would put together resolutions for Councils to consider.
- E) August 2nd Legislative Appreciation Evening** – The event will be held at the covered bridge park shelter starting at 6:30PM. There will be hamburgers, hot dogs, chips, deserts, and a variety of beverages at the event. The Executive Committee Directors and City Consulting Engineers had paid for and put together the details of the event. Senators Drazkowski, Boldin, Nelson, and Jasinski along with Representatives Jacob, Altendorf, Daniels, Hicks, and Quam had all been invited to the event. Boulton had put together a sample quorum notice since the city councils of all four communities have been invited to attend. Prairie Island Indian Community members, City Staff members, and the City Consulting Engineers have also been invited. Grudem stated that there were thirty-six (36) confirmed attendees. Grudem suggested that someone provide a formal welcome. Angerman stated that the legislators may wish to say a few words and that someone should introduce each of them at the event. Grudem stated that he would make the brief welcome and introduce the legislators.

F) Recap of 6/29/2023 MPCA Meeting – The meeting included multiple departments within the MPCA. The main contact for effluent limits is Steve Weiss. The discharge preliminary effluent limits at the new facility will have to be calculated by the MPCA but may take six (6) months. Facilities plans are turned in once per year in March. This is a tight deadline to meet with the engineers working backward from one month ago. We may need to ask MPCA to be moved up the list for consideration of load limits. The river section of the North Zumbro is impaired for TSS (Total Suspended Solids). The MPCA stated they are not sure if limits will be based only on wastewater generated by Zumbrota and Wanamingo's discharge currently into the river. Pine Island and Goodhue's discharges are on different sections of the Zumbro and might not be calculated into the limits. The standard limit is 30 milligrams per liter.

- 1) Revised Schedule – Angerman stated that an original schedule was provided to the MPCA. The MPCA stated that the preliminary effluent limit review would take six (6) months to complete. Angerman stated that a revised schedule was put together to reflect the additional time. Angerman stated that the revised schedule would put the March Facilities Plan submittal deadline into jeopardy. Angerman stated that the environmental review could not take place until the land is identified and purchased. Angerman stated that there may be need to request MPCA to move the review up the list.
- 2) Four Facilities Plans – Angerman stated that the MPCA will more than likely require four facilities plans. Goodhue, Pine Island, and Wanamingo's facilities plans will include pumping and conveyance. Zumbrota's facilities plan will include the sewer treatment plant and detention facility. The four separate plans are to assist with Point Source Implementation Grants (PSIG). Angerman stated the PSIG funding is available to communities where there are new limits imposed to the waste water permits. There is a \$7 million/community cap. The financial planning had the district receiving \$21 million (3/4 of maximum).

G) Engineering Items

- 1) Discuss Draft Scope of Services – Angerman stated that the Draft Services Scope of Services had been sent to the Executive Committee Directors on July 25th by Glenn Gustafson of WHKS. Angerman stated that the scope of services document laid out what each of the engineering firms would be doing for work. Angerman said that the scope of services document would be the body of the Engineering contract once a final draft is completed. Angerman stated that WHKS would be entering into the engineering professional service agreement with the North Zumbro Sanitary Joint Powers. The Cities of Zumbrota and Wanamingo are familiar with WHKS template professional service agreements. Angerman will share the template with Buck and Howard to review. Angerman stated that the Executive Committee Directors should go over the Scope of Service and WHKS template professional services agreement.
- 2) Technical Committee Composition – Angerman asked which staff the Executive Committee Directors wished to see involved on the technical committee. Angerman stated that these members should plan on attending all of the meetings, pending emergency conflicts and vacations. Howard stated that all Cities waste water treatment staff should be invited to be a part of the committee. Angerman stated that he would set up regular monthly meetings with the same day of the month and start time. Howard stated that staff members have felt left out of the process, to date, and would be good to get them better involved. Boulton suggested that engineers reach out to waste water treatment staff for invites. Angerman stated that meeting minutes and notes would be taken at the Technical Committee meetings. Angerman stated that the meetings would be scheduled during the day so that City staff could attend during work hours as part of their regular schedules.
- 3) Critical Path Timing
 - a. Land Acquisition – Angerman envisioned that Grudem would lead the acquisition process with assistance from Angerman and Olson. Howard stated that she did not wish to be a member of the committee working to identify land. Grudem, Angerman, and Olson could then speak to owners. Angerman stated that non-disclosure agreements should be considered

as part of the initial conversations with landowners. Grudem stated that this was important so that information does not spread on where land is being identified. Boulton stated that appraisals of land in question are eligible costs for the \$10 million. Angerman stated that the engineers would conduct due diligence on any land with environmental reviews. Once committee work is completed the committee would bring back recommended land and proposed offer to Joint Powers Executive Committee for review and potential approval.

b. Facilities Plan – Deadline March 2024

c. Anti-Degradation Review – Angerman discussed the anti-degradation review and that this would be part of the final effluent limits from the MPCA. The anti-degradation review is important to determine the treatment technology that will be selected.

H) Budget – Angerman reminded the group that the MMB application showed a rough budget of \$1 million for land acquisition, \$8.5 million for engineering, and \$500,000 for other items such as legal, land appraisals, and potential admin reimbursement. Boulton stated that the PFA grant application will set the formal budget. Boulton stated that it was important to set the budget with the full \$10 million appropriate. Boulton stated that it will be important to spend as close to the \$10 million appropriation as possible. This will make the next capital investment request more legitimate if we don't leave funds on the table.

I) Fiscal Host Agent City - Boulton nominated the City of Pine Island, headed up by the Pine Island Finance Director, to be the Fiscal Host Agent City, seconded by Grudem. Howard stated that the Pine Island Finance Director was willing to handle the fiscal responsibilities. Boulton stated that the initial MN PFA \$10 million funds would be accessed by the Joint Powers board approving invoices. Boulton stated that the fiscal agent would send the invoice and request to MN PFA to be paid. Angerman stated that this process can take up to 60 days for payment. Passed 4-0-0.

J) Engineering Contract Review – Angerman asked if each of the directors had a chance to review the draft Scope of Services document. There was consensus that the directors needed time to review. Angerman stated that each of the City Consulting Engineers could speak with their City's director and go through the document in the coming weeks. Angerman stated that this agreement needed a few minor additions, but would service as Attachment A when cited in the WHKS template professional service Agreement. Angerman stated that WHKS would be lead engineer and that the agreement will be between the Joint Powers and WHKS. WHKS will then create agreements with other engineering firms including ISG and Widseth. Angerman stated that there will be additional engineering firms hired for smaller technical work such as geotechnical. Angerman stated that the engineering firms will bill hourly for the work through spring 2024. Howard stated that she wishes that there would have been time to put together a formal RFP for professional service agreement with engineering. Howard felt that hiring WHKS along with subcontracting to ISG and Widseth takes away authority from the Joint Powers and future Sanitary Sewer District. Howard stated that she is comfortable moving forward with hiring WHKS directly due to time sensitivity and direct knowledge that the three engineering firms have of the four communities. Grudem moved to authorize engineering work covered by the draft scope of services agreement to move forward with the understanding that the formal contract will be considered for approval in the next month, seconded by Buck. Passed 4-0-0.

a. Insurance – Angerman stated that once the engineering contract is approved, the engineering firm's insurance would cover their work. Boulton stated that each of the Cities should notify their insurance agents of the new Joint Powers Agreement so that the board actions could be covered under each of the Cities liability insurance.

b. Legal – Angerman stated that needed legal work will involve the completed Joint Powers Agreement, Professional Service Agreement/Contract with Engineers and land acquisition process. Boulton stated that Non-disclosure Agreements needed to be drafted before any work on land acquisition. Boulton stated that it made sense to go with Kennedy & Graven since they

drafted the JPA and represented three of the four communities in some form or another. Boulton moved to approve Kennedy & Graven, with Bob Vought as contact, for the official law firm of the North Zumbro Sanitary District Joint Powers, seconded by Buck. Passed 4-0-0.

REPORTS: N/A

SET NEXT MEETING DATE: Buck moved to approve 11:00AM on the 1st Wednesday of each month at Zumbrota City Hall as the regular meeting for the North Zumbro Sanitary District Joint Powers meeting, seconded by Grudem. The next meeting will be September 6th. Passed 4-0-0.

Adjourn: At 12:28 PM a motion to adjourn was made by Grudem and seconded by Buck. Passed 4-0-0.

Signed:

Attest:

Elizabeth Howard, Chair

Michael Boulton, Secretary

TECHNICAL MTG.
City Hall Pine Island
8/29/23 10:00 am

Cities attending: Zumbrota, Goodhue, Wanamingo and Pine Island.

Present: Brad Kennedy, Rick Turi, Jamie Hitchcock, Casey Sather, Todd Robertson, Doug Olm, Mike Olson, Paul Zielsdorf, Jeff Meyers, Jason Mandelkow.

The topics that were discussed were the different plant designs that are available to look at, although a design is somewhat in place by the Engineers. Grit removal was also brought up, Rick said the regional plant that he takes care of only has grit removal at the plant stating that the 5 miles of force main has had no real problems but needs to be flushed on an early basis. The SCADA system will be a big part of the design agreed by everyone in the group. Great discussion on Bio solids with capacity being the most concerning factor for the group, Being that Red wing also brings some Bio solids to the Zumbrota plant, talked about some cost sharing by Red wing for extra capacity for the Bio solids. A question was asked about the number of personnel that would be needed to run the regional facility, between Doug and Rick they thought 5-6 people. The group discussed Lift stations stating that generators are a must and having each lift station tied into the SCADA system. There was some small talk about pump brands but didn't go too far, a later discussion down the road. Easements and Industrial permitting were a good topic discussed, The question asked was who will be working on this? All the engineering firms will most likely be working on this together was the answer given. Overall, it was a great meeting with a lot of experience in the room 4 operators with 40 + years of experience.

Thanks to all the operators that attended.

Will keep you posted when the next meeting will take place.



PROFESSIONAL SERVICES AGREEMENT

THIS AGREEMENT, by and between **North Zumbro Sanitary Sewer District** hereinafter referred to as the "Client" and WHKS & Co., hereinafter referred to as "WHKS", is made as follows:

WHEREAS, the Client has a need for certain professional services relating to the project described as **North Zumbro Sanitary Sewer District Preliminary Design**.

WHEREAS, WHKS proposes to furnish the professional services required by the Client for said project,

NOW THEREFORE, the Client hereby agrees to retain and compensate WHKS to perform the professional services in accordance with the terms and conditions of this Agreement and the attached Standard Terms and Conditions.

Scope of Services

WHKS shall perform the following described services for the Client:

Preliminary Design engineering services as described on the attached Scope of Services included in Exhibit A.

Basis of Compensation

For the services described above, the Client shall remunerate WHKS as follows:

Preliminary Design

- Billed Hourly with a Not-to-Exceed Fee of \$8,500,000 including Expenses. Expenses billed at actual cost and mileage at the current published IRS rate per mile External expenses include an administrative charge of 2 percent.

Final Design and Construction Services

- Future Services Not Included in This Contract

Permit fees to be paid by the client.

CONSULTANT RESPONSIBILITIES:

- Maintain professional liability insurance (\$2,000,000 each claim and \$4,000,000 aggregate) throughout the duration of the project and for a period of three (3) years after completion of the project.
- Send Client a copy of the professional liability insurance certificate (on the renewal date) throughout the duration of the project as well as three (3) years after completion of the project.
- Additional Insurance:
 - During the term of this Agreement, WHKS agrees to maintain with a company or companies lawfully authorized to do business in the jurisdiction in which the project is located, the type of insurance and policy limits as set forth below (USD):

- Workers' Compensation and Employers' Liability
 1. Coverage A: Per State Statute
 2. Coverage B: \$500,000 Each Accident
\$500,000 Disease – Policy Limit
\$500,000 Disease – Each Employee

- Commercial General Liability
 1. \$2,000,000 General Aggregate
 2. \$2,000,000 Products – Completed Operations Aggregate
 3. \$1,000,000 Each Occurrence
 4. \$1,000,000 Personal Injury

- Commercial Automobile Liability
 1. \$1,000,000 Combined Single Limit Bodily Injury and Property Damage

The Commercial Automobile Liability shall provide coverage for the following automobiles:

 1. All Owned Automobiles
 2. All Non-Owned Automobiles
 3. All Hired Automobiles

- Umbrella Liability
 1. \$5,000,000 Each Claim
\$5,000,000 Annual Aggregate
 2. The Umbrella Liability shall provide excess limits over and above the Commercial General Liability, Employers' Liability and Commercial Automobile Liability limits as stated in this article.

- Certificates of Insurance

Certificates of Insurance must be provided to the Client representative identified in this contract before Consultant performs any Services. Except for professional liability, all policies are to name the Client as additional insureds for claims arising out of the services provided by Consultant. No policy is to be materially changed or cancelled without giving the Client 30 days prior notice.

Executed this 6th day of September, 2023

North Zumbro Sanitary Sewer District

WHKS & CO.

By: _____

By: _____

Printed Name: _____

Printed Name: William Angerman, P.E.

Title: _____

Title: Exec. Vice President, COO

Attachment A - Scope of Services

North Zumbro Sanitary Sewer District

North Zumbro Sanitary Sewer District Preliminary Design

The scope and budget estimates included in this agreement were developed based on information analyzed during the Preliminary Study Phase, knowledge and experience with medium- and large-scale wastewater treatment and collection systems, and feedback from agency advisors and the Advisory Committee received during the preliminary study meetings.

Several key design components have not yet been determined; for example, the location of the wastewater treatment facility site. There is considerable uncertainty relating to the scope of work that will be defined upon completion of the detailed design phase.

The estimated fees represent the anticipated effort to complete the described scope of work based on the information currently available at this time. The Executive Committee, comprised of the members of the Joint Powers Agreement (Cities of Goodhue, Pine Island, Wanamingo, and Zumbrota), will be notified of changes that may affect the project as defined herein and relevant implications to project cost.

The project team will consist of WHKS & Co as the Prime Consultant and Widseth, ISG, and a geotechnical engineering firm as subconsultants. Additional subconsultants will be added to the team if required.

Phase 1 - Project Management and General Meetings

1.1 Project Management and Administration

Perform general project administrative duties including supervision and coordination of the project team including structural, architectural, electrical, mechanical, plumbing, surveying, and geotechnical services. This includes review of project costs and billings, preparing invoices using Consultant's standard forms, preparing status reports, and general administrative activities.

1.2 Project Kickoff Meeting

Members of the Technical Committee will review the project scope and revisit the findings of the Preliminary Study Phase and the changes that have occurred since that time. Identification of the current project objectives will be used to guide the data collection, design, and permitting phases.

In addition, the following items will be discussed and used to guide the subsequent project phases:

- Anticipated permits and environmental review required for the project
- Project schedule

1.3 Executive Committee Meetings

The Executive Committee will be made up of the City Administrators or other assigned Directors from the Cities of Zumbrota, Pine Island, Goodhue, and Wanamingo as outlined in the Joint Powers Agreement. The Executive Committee shall be responsible for all financial and operational aspects of the Sanitary District.

The Design Team will meet with the Executive Committee on a monthly basis for the duration of the project to provide updates on schedule, budget, and on the overall project progress.

1.4 Technical Committee Meetings

As previously noted, it is anticipated that a Technical Committee will be created to help guide the Design Team on items such as lift station, forcemain, and WWTF design. The Technical Committee will also provide guidance on the funding and permitting processes. For budgeting purposes, monthly meetings with the technical committee are planned with representatives from WHKS, Widseth, and ISG attending in person or via conference call. The Design Team will prepare and distribute minutes for these meetings.

1.5 City Council Meetings

The Design Team will regularly communicate with each City Council and provide written updates on funding, schedule and budget progress throughout the duration of the project.

The Design Team will meet in person with each City Council every 6 months to provide an update.

1.6 Agency Stakeholder Meetings

Agency stakeholder meetings will be required during the design and permitting processes. The primary regulatory agency for this project will be the Minnesota Pollution Control Agency (MPCA) and the primary funding agency will be the Public Facilities Authority (PFA). Other discussions will be held as necessary with other agencies such as Minnesota Department of Natural Resources, Army Corps of Engineers, and Minnesota Department of Transportation.

1.7 Public Outreach

Establish an outreach program to keep the public informed of the status of the project, District meeting dates, and project schedule. Prepare a communications plan that could include project updates on a project website, videos, flyers and posters, press releases, articles supplied to local publications, and social media outlets. The Design Team will also assist with the production of public involvement and engagement materials.

1.8 Sanitary District Formation

Assist in preparing the petition for the creation of the Sanitary Sewer District following Minnesota Statute 442A.04. The Design Team will assist in compiling the information as outlined in the Statute such as legal description of the territory, property owners and addresses, and required statements, and will prepare the public hearing notice.

Phase 2 - MPCA Coordination

2.1 Prepare Anti-Degradation Report

Prepare an Anti-Degradation Analysis Report to address the requirements of Minnesota Rules parts 7050.0250 to 7050.0335. This will cover the three requirements for an ambient water quality analysis, an alternatives analysis, and an economic analysis.

2.2 Prepare Facilities Plan

Prepare a Facilities Plan to address the requirements of Minnesota Rules 7077.0272. The Facilities Plan will expand upon the findings in the Preliminary Study Phase and any new data collected. Submit the Facilities Plan to the MPCA in conjunction with a request for the project to be included on the State Revolving Fund's Project Priority List (PPL).

The assumption is that four Facilities Plans will be prepared for all aspects of the project including but not limited to lift stations, forcemains, and treatment facility.

The Facilities Plan will lay out changes due to capacity, aging infrastructure, industrial contributions, and regulatory changes. The Plan will also lay out different alternatives for conveyance and treatment and will rank according to a life cycle cost analysis. The most economical alternative will be selected.

2.3 Prepare Environmental Assessment Worksheet

An Environmental Assessment Worksheet (EAW) will be prepared following the rules set forth by the Environmental Quality Board (EQB). The Team will gather the necessary information on the project, prepare a draft EAW for comment, and address public and agency comments that are received. The final EAW will be submitted to the EQB and MPCA to determine if an Environmental Impact Statement is needed for the project.

2.4 Establish Effluent Limits

The Design Team will work with the MPCA to establish final effluent limits for the treatment facility based on several factors, including the current facility limits, growth factors for each community, and regulatory changes. This will include review of the preliminary effluent limits supplied by the MPCA and the Anti-Degradation analysis to determine realistic final effluent limits.

Each community has submitted a Preliminary Effluent Limits request to the MPCA for planning purposes and the Design Team previously coordinated with MPCA Staff to determine the anticipated effluent limits for the combined facility. These anticipated limits were discussed in the Preliminary Study with the recommendation that the new facility be sited adjacent to the North Fork Zumbro River for the most advantageous effluent limits.

2.5 NPDES Permit

Prepare and submit the request for the final NPDES permit. This includes review of the draft NPDES permit for consistency with the final effluent limits as described above.

The combined facility will require a new National Pollutant Discharge Elimination System (NPDES) in order to be formally recognized by the State of Minnesota for wastewater treatment. The NPDES permit includes information on the outfall location of the facility's effluent discharge, description of the treatment processes utilized, summary of effluent limits required to be met by the facility, summary of monitoring and sampling procedures to be followed, and procedures to be followed in the event of an upset or bypass within the treatment processes.

In addition to the development of a new NPDES permit for the combined facility, the Design Team will provide technical assistance to each community for the proper termination of the existing NPDES permit(s) after decommissioning is completed.

Phase 3 - Funding Assistance

3.1 Bonding Bill Assistance

Assist in preparing a state bonding bill request to fund the North Zumbro Sanitary Sewer District project. Assistance includes developing project needs and corresponding legislative language in accordance with the Minnesota Capital Grants Manual and with the Office of Management and Budget. It also includes preparing a legislative narrative and presentation materials for senate and house committee hearings and meetings. Once the initial bill is prepared, we will assist the authoring legislators offices to submit the desired language for the final bill.

3.2 PPL, IUP, and PSIG Application

Provide technical assistance to apply for funding sources through the Public Facilities Authority (PFA), including the State Revolving Fund (SRF) loan program, and/or the Point Source Implementation Grant program (PSIG).

Each community previously coordinated with MPCA staff and submitted a request to be listed on the PFA's Project Priority List (PPL) for wastewater project funding. All four communities are currently listed on the PPL for regionalization and connection to a proposed centralized treatment facility. Priority points have been established by the MPCA for each community's ranking on the PPL (Pine Island – 59 points, Goodhue – 51 points, Zumbrota – 49 points, Wanamingo – 39 points).

To receive funding through the SRF program, the proposed project(s) will need to be listed on the SRF's Intended Use Plan (IUP). Projects listed on the PPL are eligible to apply for the IUP on an annual basis (the deadline is typically early June of each year). It is anticipated that each community will submit an IUP application by June 2025.

In addition to SRF funding, each community is likely to be eligible for grant funding through the PSIG program. Eligibility is based on the need for nutrient removal, specifically phosphorus, at each existing facility. This eligibility will be confirmed during the process of establishing effluent limits as detailed in Section 2.4 above. It is anticipated that each community will submit a PSIG application for grant funding by July 2025.

Phase 4 – Topographical Survey

4.1 Main Facility

The Design Team will perform site topographical surveys to support new facilities, exclusive of boundary surveys for land and easement acquisition. This will include developing project control and base maps for the project. The Design Team will identify the existing underground utilities as located by the Gopher State One Call locate system.

4.2 Lift Stations and Forcemains

Once the anticipated alignments for each City's forcemain is determined, a letter will be prepared for review and execution by each City and mailed to the affected property owners. The Design Team will then perform a linear topographic survey along each anticipated forcemain route. Project control and base maps will be developed for the entire project. The surveys will include collecting elevations, locating all existing above ground utilities, locating the existing underground utilities as located by the Gopher State One Call locate system, and all roads and any structures that may be within a 50 foot wide corridor either side of the anticipated forcemain routes.

Phase 5 - Land Acquisition Assistance

5.1 Main Facility

Assist the Client to select a site for the new treatment facility. Review deeds and certificate of surveys. Perform boundary surveys that may be required to determine the property corners and location of property lines. Prepare permanent and temporary easement descriptions and exhibits required for the project and provide documents to the Client. Meetings will be scheduled with each landowner who is considered for Facility siting. The Design Team will assist, but not lead this effort, and the selection of final treatment plant site and negotiating the fee will be responsibility of the Executive Committee.

Once an area has been selected, the Design Team will perform a survey of the site, develop a conceptual site plan, and complete preliminary design. The site will require evaluation of wetlands, vegetation, and other environmental factors as part of the EAW/permitting process. It is assumed the final property will be identified and secured by January 2024. Upon securing final site location, a geotechnical investigation will be completed to collect data in support of the detailed design.

5.2 Lift Stations and Forcemains

Research right-of-way plats, landowner deeds, and existing surveys to verify right-of-way and property boundaries to determine areas for required easements. The Design Team will conduct meetings with public agencies and individual landowners and conduct public informational meetings. The Design Team will prepare required easement documents and permit applications for the proposed utility extensions.

Phase 6 - Demolition and Abandon Existing Sites

Assist the Cities with planning of demolition and/or abandonment of their existing WWTP facility once the connection to the North Zumbro Sanitary Sewer District's new facility is completed and operational. Discuss potential options of land use of the existing site and the requirements needed for site remediation with the Cities. Prepare alternatives and discuss with each City. Once the future land use is determined, the Design Team will perform a topographic survey of the existing sites, develop a conceptual demolition plan, and meet with each City. After the concept is approved, preliminary plans and specifications will be prepared and submitted through the necessary regulatory agencies for approval. Termination of existing NPDES permits for each will be completed after new system is operational.

Phase 7 - Preliminary Plant Process Design

7.1 Process Design

As a part of the Preliminary Study phase, it was determined that an activated sludge treatment process would best fit the effluent limit requirements for this project. This would include biological treatment for phosphorus and nitrogen. The assumed activated sludge process was developed using oxidation ditches. There are two main streams to the Facility which include the liquid stream and solids stream and are described below.

The proposed liquid treatment process would include the design of the following unit processes, equipment, and structures:

- Pretreatment Building with mechanical screen, auxiliary manual screen, and grit removal equipment
- Influent flow measurement and sampling
- Oxidation ditch concrete tankage and associated equipment – aerators and mixers
- Oxidation ditch controls and instrumentation
- Oxidation ditch electrical / controls building
- Final clarifier concrete tankage and equipment
- Return Activated Sludge (RAS) and Waste Activated Sludge (WAS) pumps
- Scum pumps
- Chemical feed system(s) for back up phosphorus removal and carbon source addition
- Process building for pumping systems and chemical feed systems
- Ultraviolet (UV) disinfection concrete tankage and equipment
- UV equipment storage / controls building
- Equalization/Retention Basin

The proposed solids handling process design would include the following unit processes, equipment, and structures:

- Aerobic digester concrete tankage, aeration equipment and cover(s)
- Aeration blowers for aerobic digestion

- Blower equipment / controls building
- Biosolids storage tank and associated mixing / loadout equipment
- Biosolids transfer / loadout building
- Biosolids loadout station

The following additional items would be included in the project:

- Administration Building / Office
- Electrical service and distribution equipment
- Standby emergency generator and automatic transfer switch
- Garage / Maintenance / Storage Buildings
- Access drive / sidewalks / landscaping
- Perimeter fencing and signage

The Design Team will prepare preliminary plans and specifications as outlined by the selected alternative from the Facilities Plan to show the character and scope of work to be performed by Contractors on the Project.

7.2 Geotechnical

After the new Wastewater Treatment Facility site and forcemain routes have been identified and reviewed with the appropriate agencies, a subconsultant will be selected to perform a geotechnical evaluation. This evaluation will consist of performing soil borings and preparing an associated report with recommendations of soil bearing capacities for new buildings and structures, appropriate pavement sections, determining existing water tables, soil types, and other considerations required for the design process.

Approximate needs for soil borings are:

- Forcemain: 1 boring every ¼ mile and at any stream crossing
- Lift Stations: 1-2 borings at each location
- Wastewater Treatment Facility: 1-6 borings per building or structure based on sizes, weights and improvement type. Additional site borings will also be required based on site layout and suitability for stormwater management practices.

7.3 Process Electrical and Control Instrumentation

Wastewater Treatment Facility – Overall main power distribution. Coordination with local electric utility.

Wastewater Treatment Facility – Liquid Treatment Process, Solids Handling Process and associated buildings and structures.

- Power distribution, electrical service, backup power source via engine generator, automatic transfer switch, building lighting, receptacles, HVAC equipment, process equipment, and motor control centers
- Classification plan
- Gas monitoring and alarm systems where required within Classified spaces

- Monitoring and alarm of ventilation systems, where required due to space de-classification
- Fire alarm systems, where required
- All control and instrumentation circuits
- Control systems design for operation of process equipment. Monitoring and interface with process control packages provided by process equipment manufacturers.
- Control networking between control systems
- Central Alarm monitoring system
- Human to Machine Interface (HMI) computer system and software for operating, monitoring, reporting, datalogging, trending, and alarming of process

7.4 Process Structural Engineering

Structural design will include review of geotechnical information, selection of appropriate foundation systems, design and detailing of reinforced concrete tankage, and miscellaneous structural design for items such as support slabs, pipe supports, handrail and stair anchorages etc. Environmental structures will be designed to meet the requirements of the current ACI-350 "Code Requirements for Environmental Engineering Concrete Structures". Other structural elements will be designed to meet the current MN building code requirements.

The following plant components are anticipated to have structural engineering required.

- Pretreatment Building, including hydraulic channels.
- Oxidation ditch concrete tankage
- Final clarifier concrete tankage
- Process building for pumping systems and chemical feed systems
- Ultraviolet (UV) disinfection concrete tankage and bulb handling cranes.
- Aerobic digester concrete tankage.
- Aeration blowers for aerobic digestion
- Blower equipment control building
- Biosolids transfer / loadout building
- Biosolids loadout station foundation.

7.5 Site Piping and Grading Plan - Main Facility

The Design Team will prepare preliminary site, utility, and grading plans to support the process design of the new Main Facility. Preliminary grading plans will include preliminary storm water conveyance and management options for the site. It is anticipated that a storm water treatment system will be required for the project. It is also anticipated that the project will disturb more than one acre of land and a Storm Water Pollution Prevention Plan (SWPPP) will be prepared with a hydrology report as part of preliminary design. Preliminary design efforts will be coordinated among all disciplines.

The preliminary construction documents for the Main Facility will include the following: Existing Conditions/Removals Plan, Site Plan, Process Piping and Utility Plan, Grading Plan, Stormwater Erosion Control Plan, Storm Water Management Plan, and Hydrology Report for all proposed site improvements.

7.6 Site Landscaping Plan – Main Facility

The new Main Facility's site plan will require a landscape and restoration plan meeting the requirements of the City. This will include preparation of seeding and planting plans and schedules, maintenance plans, and coordination with an irrigation contractor, as necessary. Hardscaping plans for pedestrian walkways and plans and specifications for screening and perimeter plantings will be provided as applicable.

Phase 8 - WWTF Building Architectural, MEP, Structural Design

8.1 Building Architectural

Provide architectural design services through the Schematic Design, Design Development, and Construction Document phases of the project. The design documents will include floor plans, building elevations, building sections, building code analysis, construction drawings, details, and project specifications.

Schematic Design will include gathering input from the District stakeholders, conducting user group meetings, review of the overall wastewater treatment plant program, review of applicable codes, initial site evaluation, preparing a preliminary concept design of the facility, preparing schematic design documents, and assistance in the preparation of preliminary construction costs.

Once the District provides input and approves the Schematic Design documents, the project will advance to the Design Development phase. The Design Development phase will include providing additional details for the facilities, determining structural system needs, providing environmentally-responsive strategies, selection of materials and systems, further applicable code review, and assistance with estimated construction costs.

Following the review of the design development set with the District, the Construction Document phase will commence and project drawings, details and specifications will be prepared, the selection of materials and systems will be made, and the construction documents will be submitted to the District and regulatory agencies for review and approval.

8.2 Mechanical, Electrical, Plumbing

Provide mechanical, electrical and plumbing design for the wastewater treatment plant facilities. Schematic Design will include identifying the Client's needs and requirements for the facility and buildings, calculating estimated capacities and standards for systems such as HVAC and fire protection systems, assisting in determining utility requirements, reviewing overall space requirements for MEP systems in the facilities and preparing schematic design drawings.

The Design Development phase will involve identifying codes and standards for each of the MEP systems, advancing the design, preparing design development plans, and developing outline specifications.

Following review with the stakeholders, construction documents and specifications will be compiled for review by permitting agencies.

8.3 Building Structural Design

Structural design services for the buildings within the wastewater treatment facility will include analyzing building system types, reviewing options with the stakeholders, determining the building types based on stakeholder requirements, and preparing construction plans, details and specifications for the facilities. The structural engineers will review the structure sizes and loading requirements for necessary equipment and will ensure clearance requirements are being met.

Phase 9 - Lift Station Design

After locations are determined for the lift stations for the Cities of Goodhue, Pine Island, Wanamingo and Zumbrota, the Design Team will provide the following services for each site:

- Preliminary Design
 - Review and confirm sewer watershed.
 - Prepare design flow conditions
 - Develop preliminary sizing
 - Develop conceptual alternatives and site plans
 - Prepare preliminary process and instrumentation diagram (P&ID)
 - Review sampling and monitoring requirements for each site and prepare preliminary plan
 - Review preliminary design items listed above with each City
 - Confirm design criteria
 - Incorporate feedback and comments into design criteria
 - Finalize preliminary site plan
 - Prepare draft preliminary plans and specifications
 - Prepare draft sampling and monitoring plan
 - Prepare draft preliminary design report
 - Prepare pertinent draft construction permit applications for necessary regulatory agencies.
 - Review drafts of above outlined documents with each City.
- Electrical
 - Complete preliminary design for all electrical and power distribution; electrical service, backup power source via engine generator, automatic transfer switch, site lighting, receptacles, and process equipment
 - Design standardized pump controls and instrumentation
 - Design all control and instrumentation circuits

- Design wireless control communications from each lift station to wastewater treatment facility to remotely monitor lift station process equipment operation, flow rate, flow totals, and alarms

Phase 10 - Forcemain and Local Collection System Design

The Design Team will determine the location of the proposed lift station in each community and develop a plan to connect the existing collection system to the proposed lift station. A forcemain route will be established from the proposed lift station to the Sewer District treatment facility.

Preliminary plans and specifications will be developed to show the character and scope of work to be performed by contractors on the Project.

Total Project Fees Based on Scope by Phase		TOTAL
Phase 1	Project Management and General Meetings	\$998,000
Phase 2	MPCA Coordination/Permitting	\$748,000
Phase 3	Funding Assistance	\$291,000
Phase 4	Topographical Survey	\$291,000
Phase 5	Land Acquisition Assistance	\$208,000
Phase 6	Demolition and Abandon Existing Sites	\$208,000
Phase 7	Preliminary Plant Design	\$2,787,000
Phase 8	WWTF Building Architectural, MEP, Structural	\$1,115,000
Phase 9	Lift Station Design	\$557,000
Phase 10	Forcemain and Local Collection System Design	\$1,115,000
	Total Engineering Fees	\$8,318,000.00
	Expenses	\$182,000.00
	TOTAL PROJECT COST	\$8,500,000.00

STANDARD TERMS AND CONDITIONS FOR PUBLIC SECTOR PROJECTS

1. Scope of Services

Client and WHKS have agreed to a list of services WHKS will provide to Client as listed on the Professional Services Agreement Form.

2. Governing Law

The laws of the State of Minnesota will govern this Agreement, its interpretation and performance. Any litigation arising in any way from this Agreement shall be brought in the courts of that State.

3. Standard of Care

Services provided by WHKS under this Agreement will be performed in a manner consistent with that degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances and locality.

4. Integration

This Agreement comprises the final and complete agreement between Client and WHKS. It supersedes all prior communications, representations, or agreements, whether oral or written, relating to the subject matter of this Agreement. Execution of this Agreement signifies that each party has read the document thoroughly. Amendments to this Agreement shall not be binding unless made in writing and signed by both Client and WHKS.

5. Guarantees and Warranties

WHKS shall not be required to sign any documents, no matter by whom requested, that would result in WHKS having to guarantee or warrant the existence of conditions whose existence WHKS cannot ascertain. Client also agrees not to make resolution of any dispute with WHKS

or payment of any amount due to WHKS in any way contingent upon WHKS signing any such guarantee or warranty.

6. Indemnification

WHKS agrees, to the extent permitted by law, to indemnify and hold Client harmless from any damage, liability or cost (including reasonable attorney's fees and costs of defense) to the extent caused by WHKS' negligent acts, errors or omissions in the performance of professional services under this Agreement and those of its subconsultants or anyone for whom WHKS is legally liable.

Client agrees, to the extent permitted by law, to indemnify and hold WHKS harmless from any damage, liability or cost (including reasonable attorneys' fees and costs of defense) to the extent caused by Client's negligent acts, errors or omissions and those of Client's contractors, subcontractors or consultants or anyone for whom Client is legally liable.

Neither WHKS nor Client shall be obligated to indemnify the other party in any manner whatsoever for the other party's own negligence.

7. Billing and Payment Provisions

Invoices shall be submitted by WHKS monthly and are due upon presentation and shall be considered PAST DUE if not paid within thirty (30) calendar days of the invoice date.

If payment is not received by WHKS within thirty (30) calendar days of the invoice date, Client shall pay as interest an additional charge of one and one-quarter percent (1.25%) of the PAST DUE amount per month. Payment thereafter shall first be

applied to accrued interest and then to the unpaid principal.

If Client fails to make payments within sixty (60) days from the date of an invoice or otherwise is in breach of this Agreement, WHKS may, at its option, suspend performance of services upon five (5) calendar days' notice to Client. WHKS shall have no liability whatsoever to Client for any costs or damages as a result of such suspension caused by any breach of this Agreement by Client. If Client fails to make payment to WHKS in accordance with the payment terms herein, this shall constitute a material breach of this Agreement and shall be cause for termination by WHKS.

In the event legal action is necessary to enforce the payment provisions of this Agreement, WHKS shall be entitled to collect from Client any judgment or settlement sums due, reasonable attorneys' fees, court costs and expenses incurred by WHKS in connection therewith and, in addition, the reasonable value of WHKS personnel time and expenses spent in connection with such collection action, computed at WHKS current fee schedule and expense policies.

Payment of invoices is in no case subject to unilateral discounting or set-offs by Client, and payment is due regardless of suspension or termination of this Agreement by either party.

8. Ownership of Records

All reports, plans, specifications, field data and notes and other

documents, including all documents on electronic media, prepared by WHKS as instruments of service shall remain the property of WHKS.

Client shall be permitted to retain copies, including reproducible copies, of the plans and specifications for information and reference in connection with Client's use of the completed project. The plans and specifications shall not be used by Client or by others on other similar projects except by agreement in writing by WHKS.

9. Delivery of Electronic Files

In accepting and utilizing any drawings, reports and data on any form of electronic media generated and provided by WHKS, Client covenants and agrees that all such electronic files are instruments of service of WHKS, who shall be deemed the author, and who shall retain all rights under common and statutory laws, and other rights, including copyrights. Client is aware that differences may exist between the electronic files delivered and the respective construction documents due to addenda, change orders or other revisions. In the event of a conflict between the signed construction documents prepared by WHKS and electronic files, the signed construction documents shall govern.

Client and WHKS agree that the electronic files prepared by WHKS shall conform to the current CADD software in use by WHKS or to other mutually agreeable CADD specifications defined in the Agreement. Any changes to the CADD specifications by either Client or WHKS are subject to review and acceptance by the other party. Additional efforts by WHKS made necessary by a change to the CADD specifications or other software shall be compensated for as Additional Services.

The electronic files provided by WHKS to Client are submitted for an acceptance period of 60 days. Any defects Client discovers during this period will be reported to WHKS and will be corrected as part of the Scope of Services. Correction of defects

detected and reported after the acceptance period will be compensated for as Additional Services.

Client agrees not to reuse the electronic files, in whole or in part, for any purpose or project other than the project that is the subject of this Agreement. Client agrees not to transfer the electronic files to others without the prior written consent of WHKS, except as required by law. In addition, Client agrees, to the extent permitted by law, to indemnify and hold WHKS harmless from any damage, liability or cost, including reasonable attorney's fees and costs of defense, arising from any changes made by anyone other than WHKS or from any reuse of the electronic files without the prior written consent of WHKS.

Under no circumstance shall delivery of the electronic files for use by Client be deemed a sale by WHKS and WHKS makes no warranties, either express or implied, of merchantability and fitness for any particular purpose. In no event shall WHKS be liable for any loss of profit or any consequential damages.

10. Changed Conditions

Client shall rely on the judgment of WHKS as to the continued adequacy of this agreement in light of occurrences or discoveries that were not originally contemplated by or known to WHKS. Should WHKS call for contract renegotiation, WHKS shall identify the changed conditions necessitating renegotiation and WHKS and Client shall promptly and in good faith enter into renegotiation of this Agreement. If terms cannot be agreed to, the parties agree that either party has the absolute right to terminate this Agreement.

11. Permits and Approvals

WHKS shall assist Client in applying for those permits and approvals typically required by law for projects similar to the one for which WHKS services are being engaged. This assistance consists of completing and submitting forms as to the results of

certain work included in the Scope of Services.

12. Suspension of Services

If the project is suspended for more than thirty (30) calendar days in the aggregate, WHKS shall be compensated for services performed and charges incurred prior to receipt of notice to suspend and, upon resumption, an equitable adjustment in fees to accommodate the resulting demobilization and remobilization costs. In addition, there shall be an equitable adjustment in the project schedule based on the delay caused by the suspension. If the project is suspended for more than ninety (90) calendar days in the aggregate, WHKS may, at its option, terminate this Agreement upon giving notice in writing to Client.

13. Termination

Either Client or WHKS may terminate this Agreement at any time with or without cause upon giving the other party seven (7) calendar days prior written notice. Client shall within thirty (30) calendar days of termination pay WHKS for all services rendered and all costs incurred up to the date of termination, in accordance with the compensation provisions of the Agreement.

14. Unauthorized Changes

In the event Client, Client's contractors or subcontractors or anyone for whom Client is legally liable makes or permits to be made any changes to any reports, plans, specifications or other contract documents prepared by WHKS without obtaining WHKS' prior written consent, Client shall assume full responsibility for the results of such changes. Therefore, Client agrees to waive any claim against WHKS and to release WHKS from any liability arising directly or indirectly from such changes.

Client also agrees, to the extent permitted by laws, to indemnify and hold WHKS harmless from any

damage, liability or cost, including reasonable attorneys' fees and costs of defense, arising from such changes.

15. Jobsite Safety

Neither the professional activities of WHKS nor the presence of WHKS or its employees and subconsultants at a construction site, shall relieve the General Contractor and any other entity of their obligations, duties and responsibilities including, but not limited to, construction means, methods, sequence, techniques or procedures necessary for performing, superintending or coordinating all portions of the construction work in accordance with the contract documents and any health or safety precautions required by any regulatory agencies. WHKS and its personnel have no authority to exercise any control over any construction contractor or other entity or their employees in connection with their work or any health or safety precautions.

16. Additional Services

Services which are requested by Client or are required as part of the Project, but are not included in the Scope of Services, are considered Additional Services.

WHKS will notify Client in writing when Additional Services will be needed. WHKS and Client will agree on the extent of the Additional Service(s) required and will agree on the method and amount of the compensation for performance of said agreed upon Additional Services.

WHKS will not perform Additional Services which will result in additional cost to Client without documented verbal or written authority of Client.

In the event WHKS is requested or required to participate in any dispute resolution procedure which involves any aspect of the Project, Client agrees to compensate WHKS for the reasonable value of WHKS' personnel time and expenses spent in connection with such procedures

computed at WHKS' then current fee schedule and expense policies.

17. Dispute Resolution

In an effort to resolve any conflicts that arise, Client and WHKS agree that all disputes between them arising out of or relating to this Agreement shall be submitted to nonbinding mediation unless the parties mutually agree otherwise.

18. Third Party Beneficiaries

Nothing contained in this Agreement shall create a contractual relationship with or a cause of action in favor of a third party against either Client or WHKS. WHKS' services under this Agreement are being performed solely for Client's benefit, and no other entity shall have any claim against WHKS because of this Agreement or the performance or nonperformance of services hereunder.

19. Extension of Protection

Client agrees to extend any and all liability limitations and indemnifications provided by Client to WHKS to those individuals and entities WHKS retains for performance of the services under this Agreement, including but not limited to WHKS officers and employees and their heirs and assigns, as well as WHKS subconsultants and their officers, employees, heirs and assigns.

20. Timeliness of Performance

WHKS will perform the services described in the Scope of Services with due and reasonable diligence consistent with sound professional practices.

21. Delays

WHKS is not responsible for delays caused by factors beyond WHKS' reasonable control, including but not limited to delays because of strikes, lockouts, work slowdowns or stoppages, accidents, pandemics, epidemics, supply chain disruptions, acts of God, failure of any

governmental or other regulatory authority to act in a timely manner, failure of Client to furnish timely information or approve or disapprove of WHKS' services or work product promptly, or delays caused by faulty performance by Client or by contractors of any level. When such delays beyond WHKS' reasonable control occur, Client agrees WHKS is not responsible for damages, nor shall WHKS be deemed to be in default of this Agreement.

22. Right to Retain Subconsultants

WHKS may use the services of subconsultants when, in the sole opinion of WHKS, it is appropriate and customary to do so. Such persons and entities include, but are not limited to, aerial mapping specialists, geotechnical consultants and testing laboratories. WHKS' use of other consultants for additional services shall not be unreasonably restricted by Client provided WHKS notifies Client in advance.

23. Assignment

Neither party to this Agreement shall transfer, sublet or assign any rights under or interest in this Agreement (including but not limited to monies that are due or monies that may be due) without the prior written consent of the other party.

24. Severability and Survival

Any provision of this Agreement later held to be unenforceable for any reason shall be deemed void, and all remaining provisions shall continue in full force and effect.

25. Hazardous Materials

It is acknowledged by both parties that WHKS' Scope of Services does not include any services related to asbestos or hazardous or toxic materials. In the event WHKS or any other party encounters asbestos or hazardous or toxic materials at the jobsite, or should it become known in any way that such materials may be present at the jobsite or any adjacent areas that may affect the performance of WHKS services,

WHKS may, at its option and without liability for consequential or any other damages, suspend performance of services on the project until Client retains appropriate specialist consultant(s) or contractor(s) to identify, abate and/or remove the asbestos or hazardous or toxic materials, and warrant that the jobsite is in full compliance with applicable laws and regulations.

26. Joint Participation

The parties have participated jointly in the negotiation and preparation of all agreements between the parties. Each party has had an opportunity to obtain the advice of legal counsel and to review and comment upon this instrument. Accordingly, no rule of construction shall apply against any party or in favor of any party. This instrument shall be construed as if the parties jointly prepared it and any uncertainty or ambiguity shall not be interpreted against one party and in favor of another.

27. Record Documents

If required in the Professional Services Agreement, WHKS shall, upon completion of the Work, compile for and deliver to the Client a reproducible set of Record Documents that are based upon the marked-up record drawings, addenda, change orders and other data furnished by the Contractor or other third parties. These Record Documents may show certain significant changes from the original design made during construction. Because these Record Documents are based on unverified information provided by other parties, which the Consultant is entitled to assume as reliable, the Consultant does not warrant their accuracy.

Revised 02/23/07

Revised: 04/29/09

Revised: 08/31/23

STANDARD AGREEMENT FOR SUBCONSULTANT SERVICES TO WHKS & CO.

WHKS PROJECT NUMBER: **09870.00**

PROJECT NAME: **North Zumbro Sanitary Sewer District Preliminary Design**

SUBCONSULTANT: **Widseth Smith Nolting and Associates, Inc.
3777 40th Ave NW, Suite 200
Rochester, MN 55901**

WHKS & Co. (WHKS) has entered into a written PROFESSIONAL SERVICES AGREEMENT (PRIME AGREEMENT) with **North Zumbro Sanitary Sewer District** (CLIENT) providing consultant services for **wastewater conveyance and treatment**. The PRIME AGREEMENT is dated **September 6, 2023**, and is incorporated into this AGREEMENT, in its entirety. SUBCONSULTANT acknowledges receipt of copy of PRIME AGREEMENT. **Widseth Smith Nolting and Associates, Inc.** was given notice to proceed on **August 2, 2023**.

WHKS and SUBCONSULTANT have agreed that SUBCONSULTANT will perform the following services, which are part of the PRIME AGREEMENT identified above. The services covered by this AGREEMENT will be performed in accordance with the provisions stated in this form, the PRIME AGREEMENT and any attachments or schedules. If the PRIME AGREEMENT (and its attachments) imposes higher standards or greater duties than required under this AGREEMENT (and its attachments), then SUBCONSULTANT will comply with the higher standards and greater duties. However, the SUBCONSULTANT'S Scope of Services shall be as stated in Attachment A, the Standard of Care shall be as stated in paragraph 3 of the Agreement for Subconsultant Services Standard Terms and Conditions attached as Attachment C, and the other provisions of Attachment C shall apply as modified in this Agreement. Otherwise, WHKS's rights and obligations under the PRIME AGREEMENT shall apply equally to SUBCONSULTANT in this Agreement even though not fully set forth in Attachment C.

The following attachments are hereby made a part of this AGREEMENT: Attachment A, Scope of Services; Attachment B, PRIME AGREEMENT and Standard Terms and Conditions.

SCOPE OF SERVICES: SUBCONSULTANT will perform services as outlined in Attachment A.

SCOPE OF SERVICES: SUBCONSULTANT will provide various preliminary engineering services as outlined in the PRIME AGREEMENT.

COMPENSATION: **Billed Hourly with a Not-to-Exceed of \$2,772,000,000, including expenses. Expenses billed at actual cost and mileage at the current published IRS rate per mile. External expenses include an administrative charge of 2 percent.** SUBCONSULTANT'S cost shall not exceed contracted amount without written approval of WHKS and concurrence by CLIENT.

OTHER TERMS:

PROJECT SCHEDULE: As described in the PRIME AGREEMENT and may be modified only with written approval and concurrence by CLIENT and WHKS.

WHKS RESPONSIBILITIES:

- Perform as Liaison to CLIENT.

- Provide professional, technical and administrative services described in PRIME AGREEMENT.

SUBCONSULTANT RESPONSIBILITIES:

- Maintain professional liability insurance (\$2,000,000 each claim and \$4,000,000 aggregate) throughout the duration of the project and for a period of three (3) years after completion of the project.
- Send WHKS a copy of the professional liability insurance certificate (on the renewal date) throughout the duration of the project as well as three (3) years after completion of the project.
- Additional Insurance:
 - During the term of this Agreement, you agree to maintain with a company or companies lawfully authorized to do business in the jurisdiction in which the project is located, the type of insurance and policy limits as set forth below (USD):
 - Workers' Compensation and Employers' Liability
 1. Coverage A: Per State Statute
 2. Coverage B: \$500,000 Each Accident
\$500,000 Disease – Policy Limit
\$500,000 Disease – Each Employee
 - Commercial General Liability
 1. \$2,000,000 General Aggregate
 2. \$2,000,000 Products – Completed Operations Aggregate
 3. \$1,000,000 Each Occurrence
 4. \$1,000,000 Personal Injury
 - Commercial Automobile Liability
 1. \$1,000,000 Combined Single Limit Bodily Injury and Property Damage

The Commercial Automobile Liability shall provide coverage for the following automobiles:

 1. All Owned Automobiles
 2. All Non-Owned Automobiles
 3. All Hired Automobiles
 - Umbrella Liability
 1. \$5,000,000 Each Claim
\$5,000,000 Annual Aggregate
 2. The Umbrella Liability shall provide excess limits over and above the Commercial General Liability, Employers' Liability and Commercial Automobile Liability limits as stated in this article.
- Certificates of Insurance

Certificates of Insurance must be provided to the WHKS representative identified in this contract before Subconsultant performs any Services. Except for professional liability, all policies are to name WHKS and its client as additional insureds for claims arising out of the services provided

by Subconsultant. No policy is to be materially changed or cancelled without giving WHKS 30 days prior notice.

**Widseth Smith Nolting and
Associates, Inc.**

WHKS & CO.

By: _____
Printed Name: _____
Title: _____
Date: _____

By: _____
Printed Name: William Angerman, P.E.
Title: COO
Date: _____

Attachment A - Scope of Services (Widseth)

North Zumbro Sanitary Sewer District

North Zumbro Sanitary Sewer District Preliminary Design

The scope and budget estimates included in this agreement were developed based on information analyzed during the Preliminary Study Phase, knowledge and experience with medium- and large-scale wastewater treatment and collection systems, and feedback from agency advisors and the Advisory Committee received during the preliminary study meetings.

Several key design components have not yet been determined; for example, the location of the wastewater treatment facility site. There is considerable uncertainty relating to the scope of work that will be defined upon completion of the detailed design phase.

The estimated fees represent the anticipated effort to complete the described scope of work based on the information currently available at this time. The Executive Committee, comprised of the members of the Joint Powers Agreement (Cities of Goodhue, Pine Island, Wanamingo, and Zumbrota), will be notified of changes that may affect the project as defined herein and relevant implications to project cost.

The project team will consist of WHKS & Co as the Prime Consultant and Widseth, ISG, and a geotechnical engineering firm as subconsultants. Additional subconsultants will be added to the team if required.

Phase 1 - Project Management and General Meetings

1.1 Project Management and Administration

Perform general project administrative duties including supervision and coordination of the project team including structural, architectural, electrical, mechanical, plumbing, surveying, and geotechnical services. This includes review of project costs and billings, preparing invoices using Consultant's standard forms, preparing status reports, and general administrative activities.

1.2 Project Kickoff Meeting

Members of the Technical Committee will review the project scope and revisit the findings of the Preliminary Study Phase and the changes that have occurred since that time. Identification of the current project objectives will be used to guide the data collection, design, and permitting phases.

In addition, the following items will be discussed and used to guide the subsequent project phases:

- Anticipated permits and environmental review required for the project
- Project schedule

1.3 Executive Committee Meetings

The Executive Committee will be made up of the City Administrators or other assigned Directors from the Cities of Zumbrota, Pine Island, Goodhue, and Wanamingo as outlined in the Joint Powers Agreement. The Executive Committee shall be responsible for all financial and operational aspects of the Sanitary District.

The Design Team will meet with the Executive Committee on a monthly basis for the duration of the project to provide updates on schedule, budget, and on the overall project progress.

1.4 Technical Committee Meetings

As previously noted, it is anticipated that a Technical Committee will be created to help guide the Design Team on items such as lift station, forcemain, and WWTF design. The Technical Committee will also provide guidance on the funding and permitting processes. For budgeting purposes, monthly meetings with the technical committee are planned with representatives from WHKS, Widseth, and ISG attending in person or via conference call. The Design Team will prepare and distribute minutes for these meetings.

1.5 City Council Meetings

The Design Team will regularly communicate with each City Council and provide written updates on funding, schedule and budget progress throughout the duration of the project.

The Design Team will meet in person with each City Council every 6 months to provide an update.

1.6 Agency Stakeholder Meetings

Agency stakeholder meetings will be required during the design and permitting processes. The primary regulatory agency for this project will be the Minnesota Pollution Control Agency (MPCA) and the primary funding agency will be the Public Facilities Authority (PFA). Other discussions will be held as necessary with other agencies such as Minnesota Department of Natural Resources, Army Corps of Engineers, and Minnesota Department of Transportation.

1.7 Public Outreach

Establish an outreach program to keep the public informed of the status of the project, District meeting dates, and project schedule. Prepare a communications plan that could include project updates on a project website, videos, flyers and posters, press releases, articles supplied to local publications, and social media outlets. The Design Team will also assist with the production of public involvement and engagement materials.

1.8 Sanitary District Formation

Assist in preparing the petition for the creation of the Sanitary Sewer District following Minnesota Statute 442A.04. The Design Team will assist in compiling the information as outlined in the Statute such as legal description of the territory, property owners and addresses, and required statements, and will prepare the public hearing notice.

Phase 2 - MPCA Coordination

2.1 Prepare Anti-Degradation Report

Widseth will provide quality assurance throughout the preparation of the Anti-Degradation Analysis Report to address the requirements of Minnesota Rules parts 7050.0250 to 7050.0335. This will cover the three requirements for an ambient water quality analysis, an alternatives analysis, and an economic analysis.

2.2 Prepare Facilities Plan

Widseth will prepare a Facilities Plan for the City of Pine Island and provide quality assurance for the development of the overall Sanitary District's Facilities Plan to address the requirements of Minnesota Rules 7077.0272. The Facilities Plan will expand upon the findings in the Preliminary Study Phase and any new data collected. Submit the Facilities Plan to the MPCA in conjunction with a request for the project to be included on the State Revolving Fund's Project Priority List (PPL).

The assumption is that four Facilities Plans will be prepared for all aspects of the project including but not limited to lift stations, forcemains, and treatment facility.

The Facilities Plan will lay out changes due to capacity, aging infrastructure, industrial contributions, and regulatory changes. The Plan will also lay out different alternatives for conveyance and treatment and will rank according to a life cycle cost analysis. The most economical alternative will be selected.

2.3 Prepare Environmental Assessment Worksheet

An Environmental Assessment Worksheet (EAW) will be prepared by Widseth following the rules set forth by the Environmental Quality Board (EQB). Widseth will gather the necessary information on the project, prepare a draft EAW for comment, and address public and agency comments that are received. The final EAW will be submitted to the EQB and MPCA to determine if an Environmental Impact Statement is needed for the project.

Phase 3 - Funding Assistance

3.1 Bonding Bill Assistance

Widseth will assist the district in preparing a state bonding bill request to fund the North Zumbro Sanitary Sewer District project. Assistance includes developing project needs and corresponding legislative language in accordance with the Minnesota Capital Grants Manual and with the Office of Management and Budget. It also includes preparing a legislative narrative and presentation materials for senate and house committee hearings and meetings. Once the initial bill is prepared, we will assist the authoring legislators offices to submit the desired language for the final bill.

3.2 PPL, IUP, and PSIG Application

Widseth will provide technical assistance to apply for funding sources through the Public Facilities Authority (PFA), including the State Revolving Fund (SRF) loan program, and/or the Point Source Implementation Grant program (PSIG) on behalf of the City of Pine Island. In addition, Widseth will provide quality assurance for the preparation of the applications for the communities within the district.

Each community previously coordinated with MPCA staff and submitted a request to be listed on the PFA's Project Priority List (PPL) for wastewater project funding. All four communities are currently listed on the PPL for regionalization and connection to a proposed centralized treatment facility. Priority points have been established by the MPCA for each community's ranking on the PPL (Pine Island – 59 points, Goodhue – 51 points, Zumbrota – 49 points, Wanamingo – 39 points).

To receive funding through the SRF program, the proposed project(s) will need to be listed on the SRF's Intended Use Plan (IUP). Projects listed on the PPL are eligible to apply for the IUP on an annual basis (the deadline is typically early June of each year). It is anticipated that each community will submit an IUP application by June 2025.

In addition to SRF funding, each community is likely to be eligible for grant funding through the PSIG program. Eligibility is based on the need for nutrient removal, specifically phosphorus, at each existing facility. This eligibility will be confirmed during the process of establishing effluent limits as detailed in Section 2.4 above. It is anticipated that each community will submit a PSIG application for grant funding by July 2025.

Phase 4 – Topographical Survey

4.2 Lift Stations and Forcemains

Once the anticipated alignments for each City's forcemain is determined, Widseth will prepare a letter for review and execution by each City that will be mailed to the affected property owners. Widseth will then perform a linear topographic survey along each anticipated forcemain route. Project control and base maps will be developed for the entire project. The surveys will include collecting elevations, locating known, existing above ground utilities, locating the existing underground utilities as located by the Gopher State One Call locate system, and roads and structures that may be within a 50 foot wide corridor either side of the anticipated forcemain routes. In addition, Widseth will perform a topographic survey of the area of the future lift station at the end of the City's collection system in the communities of Pine Island, Goodhue and Wanamingo.

Phase 5 - Land Acquisition Assistance

5.2 Lift Stations and Forcemains

Widseth will research right-of-way plats, landowner deeds, and existing surveys to verify right-of-way and property boundaries to determine areas for required easements. Widseth, with the assistance of WHKS and ISG, will conduct meetings with public

agencies and individual landowners and conduct public informational meetings. Widseth will prepare required easement documents and permit applications for the proposed utility extensions.

Phase 6 - Demolition and Abandon Existing Sites

Assist the City of Pine Island with planning of demolition and/or abandonment of their existing WWTP facility once the connection to the North Zumbro Sanitary Sewer District's new facility is completed and operational. Discuss potential options of land use of the existing site and the requirements needed for site remediation with the City of Pine Island. Prepare alternatives and discuss with the City of Pine Island. Once the future land use is determined, Widseth will perform a topographic survey of the existing site, develop a conceptual demolition plan, and meet with City of Pine Island staff. After the concept is approved, preliminary plans and specifications will be prepared and submitted through the necessary regulatory agencies for approval. Widseth will provide quality assurance for the demolition and abandonment of the existing treatment facilities in the Cities of Zumbrota and Wanamingo.

Phase 7 - Preliminary Plant Process Design

7.1 Process Design

As a part of the Preliminary Study phase, it was determined that an activated sludge treatment process would best fit the effluent limit requirements for this project. This would include biological treatment for phosphorus and nitrogen. The assumed activated sludge process was developed using oxidation ditches.

Widseth will provide a Quality Assurance review for the proposed treatment system along with input to confirm the flow needs for the City of Pine Island.

7.2 Geotechnical

After the new Wastewater Treatment Facility site and forcemain routes have been identified and reviewed with the appropriate agencies, a subconsultant will be selected to perform a geotechnical evaluation. This evaluation will consist of performing soil borings and preparing an associated report with recommendations of soil bearing capacities for new buildings and structures, appropriate pavement sections, determining existing water tables, soil types, and other considerations required for the design process.

Widseth will coordinate the selection of and, with the assistance of WHKS and ISG, provide information necessary for the geotechnical subconsultant to perform the borings and prepare the geotechnical report.

Approximate needs for soil borings are:

- Forcemain: 1 boring every ¼ mile and at any stream crossing

- Lift Stations: 1-2 borings at each location
- Wastewater Treatment Facility: 1-6 borings per building or structure based on sizes, weights and improvement type. Additional site borings will also be required based on site layout and suitability for stormwater management practices.

Phase 8 - WWTF Building Architectural, MEP, Structural Design

8.1 Building Architectural

Widseth will provide architectural design services through the Schematic Design, Design Development, and Construction Document phases of the project. The design documents will include floor plans, building elevations, building sections, building code analysis, construction drawings, details, and project specifications.

Schematic Design will include gathering input from the District stakeholders, conducting user group meetings, review of the overall wastewater treatment plant program, review of applicable codes, initial site evaluation, preparing a preliminary concept design of the facility, preparing schematic design documents, and assistance in the preparation of preliminary construction costs.

Once the District provides input and approves the Schematic Design documents, the project will advance to the Design Development phase. The Design Development phase will include providing additional details for the facilities, determining structural system needs, providing environmentally-responsive strategies, selection of materials and systems, further applicable code review, and assistance with estimated construction costs.

Following the review of the design development set with the District, the Construction Document phase will commence and project drawings, details and specifications will be prepared, the selection of materials and systems will be made, and the construction documents will be submitted to the District and regulatory agencies for review and approval.

8.2 Mechanical, Electrical, Plumbing

Widseth will provide mechanical, electrical and plumbing design for the wastewater treatment plant facilities. Schematic Design will include identifying the Client's needs and requirements for the facility and buildings, calculating estimated capacities and standards for systems such as HVAC and fire protection systems, assisting in determining utility requirements, reviewing overall space requirements for MEP systems in the facilities and preparing schematic design drawings.

The Design Development phase will involve identifying codes and standards for each of the MEP systems, advancing the design, preparing design development plans, and developing outline specifications.

Following review with the stakeholders, construction documents and specifications will be compiled for review by permitting agencies.

8.3 Building Structural Design

Widseth will provide structural design services for the buildings within the wastewater treatment facility. Services shall include analyzing building system types, reviewing options with the stakeholders, determining the building types based on stakeholder requirements, and preparing construction plans, details and specifications for the facilities. The structural engineers will review the structure sizes and loading requirements for necessary equipment and will ensure clearance requirements are being met. Process related items within the facility shall be designed by WHKS.

Phase 9 - Lift Station Design

After locations are determined for the lift stations for the Cities of Goodhue, Pine Island, Wanamingo and Zumbrota, Widseth will provide the following services for the Pine Island site:

- Preliminary Design
 - Review and confirm sewer watershed.
 - Prepare design flow conditions
 - Develop preliminary sizing
 - Develop conceptual alternatives and site plans
 - Prepare preliminary process and instrumentation diagram (P&ID)
 - Review sampling and monitoring requirements for each site and prepare preliminary plan
 - Review preliminary design items listed above with each City
 - Confirm design criteria
 - Incorporate feedback and comments into design criteria
 - Finalize preliminary site plan
 - Prepare draft preliminary plans and specifications
 - Prepare draft sampling and monitoring plan
 - Prepare draft preliminary design report
 - Prepare pertinent draft construction permit applications for necessary regulatory agencies.
 - Review drafts of above outlined documents with each City.

Widseth will provide a Quality Assurance review for the proposed lift station or siphon in the City of Zumbrota and for the proposed lift station in the City of Wanamingo.

Phase 10 - Forcemain and Local Collection System Design

Widseth will determine the location of the proposed lift station within the City of Pine Island and will develop a plan to connect the existing collection system to the proposed lift station. Widseth will determine a forcemain route from the proposed lift station in Pine Island to the Sewer District treatment facility and will assist in establishing a preliminary alignment of the forcemain route in the Cities of Zumbrota, Goodhue and Wanamingo.

Preliminary plans and specifications will be developed to show the character and scope of work to be performed by contractors on the Project.

AGREEMENT FOR SUBCONSULTANT SERVICES

STANDARD TERMS AND CONDITIONS

1. Scope of Services

Subconsultant and WHKS have agreed to the services listed on the Standard Agreement and Attachments.

2. Governing Law

The laws of the State of Minnesota will govern this Agreement. Any litigation arising in any way from this Agreement shall be brought in the courts of that State.

3. Standard of Care

Services provided by Subconsultant under this Agreement will be performed in a manner consistent with that degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances and locality.

4. Integration

This Agreement comprises the final and complete agreement between Subconsultant and WHKS. It supersedes all prior communications, representations, or agreements, whether oral or written, relating to the subject matter of this Agreement. Execution of this Agreement signifies that each party has read the document thoroughly. Amendments to this Agreement shall not be binding unless made in writing.

5. Indemnification

WHKS agrees, to the extent permitted by law, to indemnify and hold Subconsultant harmless from any damage, liability or cost (including reasonable attorney's fees and costs of defense) directly caused by WHKS' negligent acts, errors or omissions in the performance of professional services under this Agreement and those of other subconsultants or anyone for whom WHKS is legally liable.

Subconsultant agrees, to the extent permitted by law, to indemnify and hold WHKS harmless from any damage, liability or cost (including reasonable attorneys' fees and costs of defense) directly caused by Subconsultant's negligent acts, errors or omissions in the performance of professional services under this Agreement and those of other subconsultants or anyone for whom Subconsultant is legally liable.

Neither WHKS nor Subconsultant shall be obligated to indemnify the other party in any manner whatsoever for the other party's own negligence.

6. Billing and Payment Provisions

a. Timing. Subconsultant may bill WHKS monthly for services completed at the time of billing. Such bills shall be prepared in a form and supported by documentation as WHKS may reasonably require, and as may be required by Client. WHKS shall pay Subconsultant within 10 days of payment to WHKS by Client, which payment shall be a condition precedent for payment under this Agreement, less any retainage by Client or otherwise specified in this Agreement.

b. Billing Records. Subconsultant shall maintain accounting records of its costs in accordance with generally accepted accounting practices and, to the extent required by the Prime Agreement, in compliance with Federal Acquisition Regulations. Access to such records will be provided during normal business hours with reasonable notice during the terms of this Agreement and for 3 years after State audit of project costs (for Federally funded projects only). All invoices shall indicate the WHKS project number and the WHKS project representative.

c. As applicable for Department of Transportation funded projects, if final audited overhead rates are less than the overhead rates that were utilized for invoicing, the Department of Transportation will require repayment of the difference from WHKS. Subconsultant will reimburse WHKS within thirty (30) days notice for any Subconsultant overhead adjustment amount due.

7. Ownership of Records

All reports, plans, specifications, and other documents, including all documents on electronic media, prepared by Subconsultant as instruments of service shall be owned by Subconsultant. Subconsultant grants WHKS and its Client a license to utilize the Instruments of Service free of additional charge and on a non-exclusive, worldwide, non-transferable, non-sublicensable, royalty-free and perpetual basis to the extent necessary to enable Client to make reasonable use of the deliverables and Services solely and exclusively for the Project.

8. Insurance Coverage

Subconsultant shall procure and maintain appropriate insurance coverages, including professional liability, general liability, worker's compensation, and automobile liability.

Subconsultant shall furnish to WHKS certificates of insurance documenting insurance coverages. The certificates shall be on file in WHKS offices prior to receiving any payment for services rendered.

9. Change of Scope

The Scope of Services set forth in this Agreement is based on facts known at the time of execution of this Agreement, including, if applicable, information supplied by WHKS. For some projects involving conceptual or process development services, scope may not be fully definable during initial phases. As the project progresses, facts discovered, including discovery of unanticipated hazardous materials, may indicate that scope should be re-evaluated. Subconsultant will promptly inform WHKS in writing of such situations, and if the facts discovered constitute a material change in Project assumptions, the parties shall renegotiate this Agreement as necessary. No payment for services beyond those described in the original scope will be authorized without a written amendment to this Agreement.

10. Termination/Suspension

Either party may terminate this Agreement upon 7 days written notice to the other party. WHKS shall pay Subconsultant for all services rendered prior to termination, including profit relating thereto, and reasonable termination expenses.

Upon termination, Subconsultant shall submit to WHKS all research and work-in-process materials developed under this Agreement. There shall be no restriction or limitation on the use of these materials by WHKS, except any use on extensions of the project or on any other project without written verification or adaptation by Subconsultant for the specific purpose intended will be the sole risk of WHKS and without liability or legal exposure to Subconsultant.

In the event either party defaults in its obligations under this Agreement (including WHKS' obligation to make the payments required hereunder), the non-defaulting party may, after 7 days written notice stating its intention to suspend performance under the Agreement if cure of such default is not commenced, and failure of the defaulting party to commence cure within such time limit, suspend performance under this Agreement.

Subconsultant will, upon written notice from WHKS, immediately suspend performance under this Agreement. In such event, Subconsultant will resume performance upon written notice from WHKS and an appropriate extension of time will be mutually agreed upon and added to Subconsultant's time of performance.

11. Jobsite Safety

Subconsultant shall be responsible for its activity and that of its employees on the jobsite. Neither the professional activities nor the presence of Subconsultant shall be understood to control the operations of others, nor shall it be construed to be an acceptance of the responsibility for jobsite safety. Neither the professional activities of WHKS nor the presence of WHKS or its employees at a project site, shall relieve Subconsultant and any other entity of their respective obligations, duties and responsibilities including, but not limited to, means, methods, sequence, techniques or procedures necessary for performing, superintending or coordinating all portions of the Work in accordance with the contract documents and any health or safety precautions required by any regulatory agencies. WHKS has no authority to exercise any control over any Subconsultant or

other entity or their employees in connection with their work or any health or safety precautions.

12. Dispute Resolution

In an effort to resolve any conflicts, Subconsultant and WHKS agree that all disputes between them arising out of or relating to this Agreement shall be submitted to nonbinding mediation unless the parties mutually agree otherwise.

Notwithstanding the foregoing, the parties shall follow the dispute resolution provisions of the PRIME AGREEMENT.

13. Authorization to Proceed/Timeliness of Performance

Subconsultant will perform the services described in the Scope of Services with due and reasonable diligence consistent with sound professional practices.

14. Delays

If events beyond the control of Subconsultant, including but not limited to, fires, floods, riots, strikes, unavailability of labor or materials, process shutdowns, pandemics, epidemics, supply chain disruptions, acts of God or the public enemy, or acts or regulations of any governmental agency, result in delays to the schedule established in this Agreement; such schedule shall be amended to the extent necessary to compensate for such delay, provided such amendment is permitted under the Prime Agreement.

15. Assignment

Neither party to this Agreement shall transfer, sublet or assign any rights under or interest in this Agreement (including but not limited to moneys that are due or moneys that may be due) without the prior written consent of the other party.

16. Severability and Survival

Any provision of this Agreement later held to be unenforceable for any reasons shall be deemed void, and all remaining provisions shall continue in full force and effect.

17. Joint Participation

The parties have participated jointly in the negotiation and preparation of this instrument. Each party has had an opportunity to obtain the advice of legal counsel and to review and comment upon this instrument. Accordingly, no rule of construction shall apply against any party or in favor of any party. This instrument shall be construed as if the parties jointly prepared it and any uncertainty or ambiguity shall not be interpreted against one party and in favor of another.

STANDARD AGREEMENT FOR SUBCONSULTANT SERVICES TO WHKS & CO.

WHKS PROJECT NUMBER: **09870.00**

PROJECT NAME: **North Zumbro Sanitary Sewer District Preliminary Design**

SUBCONSULTANT: I & S Group, Inc. (ISG) 6465 Wayzata Blvd., Suite 970, St. Louis
Park, MN 55426

WHKS & Co. (WHKS) has entered into a written PROFESSIONAL SERVICES AGREEMENT (PRIME AGREEMENT) with **North Zumbro Sanitary Sewer District** (CLIENT) providing consultant services for **wastewater conveyance and treatment**. The PRIME AGREEMENT is dated **September 6, 2023**, and is incorporated into this AGREEMENT, in its entirety. SUBCONSULTANT acknowledges receipt of copy of PRIME AGREEMENT. I & S Group, Inc. (ISG) ("SUBCONSULTANT") was given notice to proceed on **August 2, 2023**.

WHKS and SUBCONSULTANT have agreed that SUBCONSULTANT will perform the following services, which are part of the PRIME AGREEMENT identified above. The services covered by this AGREEMENT will be performed in accordance with the provisions stated in this form, the PRIME AGREEMENT and any attachments or schedules. If the PRIME AGREEMENT (and its attachments) imposes higher standards or greater duties than required under this AGREEMENT (and its attachments), then SUBCONSULTANT will comply with the higher standards and greater duties. However, the SUBCONSULTANT'S Scope of Services shall be as stated in Attachment A, the Standard of Care shall be as stated in paragraph 3 of the Agreement for Subconsultant Services Standard Terms and Conditions attached as Attachment C, and the other provisions of Attachment C shall apply as modified in this Agreement. Otherwise, WHKS's rights and obligations under the PRIME AGREEMENT shall apply equally to SUBCONSULTANT in this Agreement even though not fully set forth in Attachment C.

If there is any conflict between the description of services in this AGREEMENT and the PRIME AGREEMENT, then the PRIME AGREEMENT shall prevail. This AGREEMENT supersedes all prior agreements and understandings and may only be changed by written amendment executed by both parties.

The following attachments are hereby made a part of this AGREEMENT: Attachment A, Scope of Services; Attachment B, PRIME AGREEMENT and Standard Terms and Conditions dated September 6, 2023.

SCOPE OF SERVICES: SUBCONSULTANT will perform services as outlined in Attachment A.

SCOPE OF SERVICES: SUBCONSULTANT will provide various preliminary engineering services as outlined in the PRIME AGREEMENT.

COMPENSATION: **Billed Hourly with a Not-to-Exceed fee of \$1,224,000, including expenses. Expenses billed at actual cost and mileage at the current published IRS rate per mile. External expenses include an administrative charge of 2 percent.** SUBCONSULTANT'S cost shall not exceed contracted amount without written approval of WHKS and concurrence by CLIENT.

OTHER TERMS:

PROJECT SCHEDULE: As described in the PRIME AGREEMENT and may be modified only with written approval and concurrence by CLIENT and WHKS.

WHKS RESPONSIBILITIES:

- Perform as Liaison to CLIENT.
- Provide professional, technical and administrative services described in PRIME AGREEMENT.

SUBCONSULTANT RESPONSIBILITIES:

- Maintain professional liability insurance (\$2,000,000 each claim and \$4,000,000 aggregate) throughout the duration of the project and for a period of three (3) years after completion of the project.
- Send WHKS a copy of the professional liability insurance certificate (on the renewal date) throughout the duration of the project as well as three (3) years after completion of the project.
- Additional Insurance:
 - During the term of this Agreement, you agree to maintain with a company or companies lawfully authorized to do business in the jurisdiction in which the project is located, the type of insurance and policy limits as set forth below (USD):
 - Workers' Compensation and Employers' Liability
 - 1. Coverage A: Per State Statute
 - 2. Coverage B: \$500,000 Each Accident
\$500,000 Disease – Policy Limit
\$500,000 Disease – Each Employee
 - Commercial General Liability
 - 1. \$2,000,000 General Aggregate
 - 2. \$2,000,000 Products – Completed Operations Aggregate
 - 3. \$1,000,000 Each Occurrence
 - 4. \$1,000,000 Personal Injury
 - Commercial Automobile Liability
 - 1. \$1,000,000 Combined Single Limit Bodily Injury and Property Damage

The Commercial Automobile Liability shall provide coverage for the following automobiles:

 - 1. All Owned Automobiles
 - 2. All Non-Owned Automobiles
 - 3. All Hired Automobiles
 - Umbrella Liability
 - 1. \$5,000,000 Each Claim
\$5,000,000 Annual Aggregate
 - 2. The Umbrella Liability shall provide excess limits over and above the Commercial General Liability, Employers' Liability and Commercial Automobile Liability limits as stated in this article.

- Certificates of Insurance

Certificates of Insurance must be provided to the WHKS representative identified in this contract before SUBCONSULTANT performs any Services. Except for professional liability , all policies are to name WHKS and its client as additional insureds for claims arising out of the services provided by SUBCONSULTANT. No policy is to be materially changed or cancelled without giving WHKS 30 days prior notice.

I & S Group, Inc. (ISG)

***WHKS* & CO.**

By: _____

Printed Name: _____

Title: _____

Date: _____

By: _____

Printed Name: William Angerman, P.E.

Title: COO

Date: _____

Attachment A - Scope of Services (ISG)

North Zumbro Sanitary Sewer District

North Zumbro Sanitary Sewer District Preliminary Design

The scope and budget estimates included in this agreement were developed based on information analyzed during the Preliminary Study Phase, knowledge and experience with medium- and large-scale wastewater treatment and collection systems, and feedback from agency advisors and the Advisory Committee received during the preliminary study meetings.

Several key design components have not yet been determined; for example, the location of the wastewater treatment facility site. There is considerable uncertainty relating to the scope of work that will be defined upon completion of the detailed design phase.

The estimated fees represent the anticipated effort to complete the described scope of work based on the information currently available at this time. The Executive Committee, comprised of the members of the Joint Powers Agreement (Cities of Goodhue, Pine Island, Wanamingo, and Zumbrota), will be notified of changes that may affect the project as defined herein and relevant implications to project cost.

The project team will consist of WHKS & Co as the Prime Consultant and Widseth, ISG, and a geotechnical engineering firm as subconsultants. Additional subconsultants will be added to the team if required.

Phase 1 - Project Management and General Meetings

1.1 Project Management and Administration

Perform general project administrative duties including supervision and coordination of the project team including structural, architectural, electrical, mechanical, plumbing, surveying, and geotechnical services. This includes review of project costs and billings, preparing invoices using Consultant's standard forms, preparing status reports, and general administrative activities.

1.2 Project Kickoff Meeting

Members of the Technical Committee will review the project scope and revisit the findings of the Preliminary Study Phase and the changes that have occurred since that time. Identification of the current project objectives will be used to guide the data collection, design, and permitting phases.

In addition, the following items will be discussed and used to guide the subsequent project phases:

- Anticipated permits and environmental review required for the project
- Project schedule

1.3 Executive Committee Meetings

The Executive Committee will be made up of the City Administrators or other assigned Directors from the Cities of Zumbrota, Pine Island, Goodhue, and Wanamingo as outlined in the Joint Powers Agreement. The Executive Committee shall be responsible for all financial and operational aspects of the Sanitary District.

The Design Team will meet with the Executive Committee on a monthly basis for the duration of the project to provide updates on schedule, budget, and on the overall project progress.

1.4 Technical Committee Meetings

As previously noted, it is anticipated that a Technical Committee will be created to help guide the Design Team on items such as lift station, forcemain, and WWTF design. The Technical Committee will also provide guidance on the funding and permitting processes. For budgeting purposes, monthly meetings with the technical committee are planned with representatives from WHKS, Widseth, and ISG attending in person or via conference call. The Design Team will prepare and distribute minutes for these meetings.

1.5 City Council Meetings

The Design Team will regularly communicate with each City Council and provide written updates on funding, schedule and budget progress throughout the duration of the project.

The Design Team will meet in person with each City Council every 6 months to provide an update.

1.6 Agency Stakeholder Meetings

Agency stakeholder meetings will be required during the design and permitting processes. The primary regulatory agency for this project will be the Minnesota Pollution Control Agency (MPCA) and the primary funding agency will be the Public Facilities Authority (PFA). Other discussions will be held as necessary with other agencies such as Minnesota Department of Natural Resources, Army Corps of Engineers, and Minnesota Department of Transportation.

1.7 Public Outreach

ISG will support the public outreach program by coordinating City of Goodhue during the public involvement period. It is understood that Widseth will lead this effort in establishing an outreach program to keep the public informed of the status of the project, District meeting dates, and project schedule. Prepare a communications plan that could include project updates on a project website, videos, flyers and posters, press releases, articles supplied to local publications, and social media outlets. The Design Team will also assist with the production of public involvement and engagement materials.

1.8 Sanitary District Formation

ISG will assist in defining the area which the City of Goodhue would like to incorporate into the sanitary district. It is assumed that legal descriptions will be prepared by others.

Phase 2 - MPCA Coordination

2.2 Prepare Facilities Plan

ISG will prepare a Facilities Plan for the City of Goodhue and provide support for the development of the overall Sanitary District's Facilities Plan to address the requirements of Minnesota Rules 7077.0272. The Facilities Plan will expand upon the findings in the Preliminary Study Phase and any new data collected. Submit the Facilities Plan to the MPCA in conjunction with a request for the project to be included on the State Revolving Fund's Project Priority List (PPL).

The assumption is that four Facilities Plans will be prepared for all aspects of the project including but not limited to lift stations, forcemains, and treatment facility.

The Facilities Plan will lay out changes due to capacity, aging infrastructure, industrial contributions, and regulatory changes. The Plan will also lay out different alternatives for conveyance and treatment and will rank according to a life cycle cost analysis. The most economical alternative will be selected.

Phase 3 - Funding Assistance

3.2 PPL, IUP, and PSIG Application

ISG will provide technical assistance to apply for funding sources through the Public Facilities Authority (PFA), including the State Revolving Fund (SRF) loan program, and/or the Point Source Implementation Grant program (PSIG) on behalf of the City of Goodhue.

Each community previously coordinated with MPCA staff and submitted a request to be listed on the PFA's Project Priority List (PPL) for wastewater project funding. All four communities are currently listed on the PPL for regionalization and connection to a proposed centralized treatment facility. Priority points have been established by the MPCA for each community's ranking on the PPL (Pine Island – 59 points, Goodhue – 51 points, Zumbrota – 49 points, Wanamingo – 39 points).

To receive funding through the SRF program, the proposed project(s) will need to be listed on the SRF's Intended Use Plan (IUP). Projects listed on the PPL are eligible to apply for the IUP on an annual basis (the deadline is typically early June of each year). It is anticipated that each community will submit an IUP application by June 2025.

In addition to SRF funding, each community is likely to be eligible for grant funding through the PSIG program. Eligibility is based on the need for nutrient removal, specifically phosphorus, at each existing facility. This eligibility will be confirmed during the process of establishing effluent limits as detailed in Section 2.4 above. It is anticipated that each community will submit a PSIG application for grant funding by July 2025.

5.2 Goodhue Lift Station and Forcemain

ISG will assist in conducting stakeholder meetings and obtaining easements needed for the proposed lift station and forcemain route from the City of Goodhue. It is assumed that

the research right-of-way plats, landowner deeds, and existing surveys to verify right-of-way and property boundaries to determine areas for required easements will be provided to ISG. ISG will assist the task lead to conduct meetings with public agencies and individual landowners and conduct public informational meetings. It is assumed the task lead will prepare required easement documents and permit applications for the proposed utility extensions.

Phase 6 - Demolition and Abandonment of Existing Goodhue WWTP Site

Assist the City of Goodhue with planning of demolition and/or abandonment of their existing WWTP facility once the connection to the North Zumbro Sanitary Sewer District's new facility is completed and operational. Discuss potential options of land use of the existing site and the requirements needed for site remediation with the Cities. Prepare alternatives and discuss with each City. Once the future land use is determined, ISG will the Design Team will perform a topographic survey of the existing sites, develop a conceptual demolition plan, and meet with each City. After the concept is approved, preliminary plans and specifications will be prepared and submitted through the necessary regulatory agencies for approval.

Phase 7 - Preliminary Plant Process Design

7.1 Process Design

As a part of the Preliminary Study phase, it was determined that an activated sludge treatment process would best fit the effluent limit requirements for this project. This would include biological treatment for phosphorus and nitrogen. The assumed activated sludge process was developed using oxidation ditches.

ISG will provide a Quality Assurance review related to the electrical process and controls for the proposed treatment system along with input to confirm the flow needs for the City of Goodhue.

7.3 Process Electrical and Control Instrumentation

ISG will develop electrical and control instrumentation designs based on , Process Equipment Specifications, and associated Sequence of Operation provided by WHKS. Wastewater Treatment Facility – Overall main power distribution. Coordination with local electric utility. Any structural design of concrete pads to support free standing electrical equipment is by others.

Electrical and lighting design for all non-process associated buildings or structures by others.

Wastewater Treatment Facility – Liquid Treatment Process, Solids Handling Process and associated buildings and structures.

- Plans and specifications for main power distribution gear, electrical service, backup power source via engine generator, automatic transfer switch, ,, and motor control centers.
- Power circuits to process equipment.

- Grounding plan.
- All building interior/exterior lighting and site lighting design by others.
- All building receptacles and HVAC system power by others.
- Distribution transformers and panelboard specifications and schedules by others
- Classification plan
- Gas monitoring and alarm systems where required within Classified spaces
- Monitoring and alarm of ventilation systems, where required due to space de-classification
- All control and instrumentation circuits
- Instrumentation specification, Control system design and specifications for process equipment not supplied with manufacturer control system.
- Monitoring and interface with process control packages provided by process equipment manufacturers.
- Control networking between control systems
- Central Alarm monitoring system
- Human to Machine Interface (HMI) computer system and software for operating, monitoring, reporting, datalogging, trending, and alarming of process
- Instrumentation needs, operating ranges, and instrument locations to be determined by WHKS.
- WHKS to provide all process equipment and shall provide information and coordination with ISG on any process equipment intended to be provided with control packages from the manufacturer.

7.6 Site Landscaping Plan – Main Facility

The new Main Facility's site plan will require a landscape and restoration plan meeting the requirements of the City. This will include preparation of seeding and planting plans and schedules, maintenance plans, and coordination with an irrigation contractor, as necessary. Hardscaping plans for pedestrian walkways and plans and specifications for screening and perimeter plantings will be provided as applicable.

Phase 8 - WWTF Building Architectural, MEP, Structural Design

ISG has no services under this phase

Phase 9 - Lift Station Design

After locations are determined for the lift stations for the Cities of Goodhue, Pine Island, Wanamingo and Zumbrota, ISG will provide the following services for the Goodhue site:

- Preliminary Design
 - Review and confirm sewer watershed.
 - Prepare design flow conditions
 - Develop preliminary sizing
 - Develop conceptual alternatives and site plans
 - Prepare preliminary process and instrumentation diagram (P&ID)

- Review sampling and monitoring requirements for each site and prepare preliminary plan
- Review preliminary design items listed above with each City
- Confirm design criteria
- Incorporate feedback and comments into design criteria
- Finalize preliminary site plan
- Prepare draft preliminary plans and specifications
- Prepare draft sampling and monitoring plan
- Prepare draft preliminary design report
- Prepare pertinent draft construction permit applications for necessary regulatory agencies.
- Review drafts of above outlined documents with each City.

ISG will also provide the following electrical services for the lift station sites in Zumbrota, Pine Island and Wanamingo:

- Electrical
 - Complete preliminary design for all electrical and power distribution; electrical service, backup power source via engine generator, automatic transfer switch, receptacles, and process equipment
 - Design standardized pump controls and instrumentation
 - Design all control and instrumentation circuits
 - Design wireless control communications from each lift station to wastewater treatment facility to remotely monitor lift station process equipment operation, flow rate, flow totals, and alarms.
 - Design lift station site lighting.

Phase 10 - Forcemain and Local Collection System Design

ISG will determine the location of the proposed lift station within the City of Goodhue and develop a plan to connect the existing collection system to the proposed lift station. A forcemain route will be established from the proposed lift station to the Sewer District treatment facility.

Preliminary plans and specifications will be developed to show the character and scope of work to be performed by contractors on the Project.

AGREEMENT FOR SUBCONSULTANT SERVICES

STANDARD TERMS AND CONDITIONS

1. Scope of Services

Subconsultant and WHKS have agreed to the services listed on the Standard Agreement and Attachments.

2. Governing Law

The laws of the State of Minnesota will govern this Agreement. Any litigation arising in any way from this Agreement shall be brought in the courts of that State.

3. Standard of Care

Services provided by Subconsultant under this Agreement will be performed in a manner consistent with that degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances and locality.

4. Integration

This Agreement comprises the final and complete agreement between Subconsultant and WHKS. It supersedes all prior communications, representations, or agreements, whether oral or written, relating to the subject matter of this Agreement. Execution of this Agreement signifies that each party has read the document thoroughly. Amendments to this Agreement shall not be binding unless made in writing.

5. Indemnification

WHKS agrees, to the extent permitted by law, to indemnify and hold Subconsultant harmless from any damage, liability or cost (including reasonable attorney's fees and costs of defense) directly caused by WHKS' negligent acts, errors or omissions in the performance of professional services under this Agreement and those of other Subconsultants or anyone for whom WHKS is legally liable.

Subconsultant agrees, to the extent permitted by law, to indemnify and hold WHKS harmless from any damage, liability or cost (including reasonable attorneys' fees and costs of defense) directly caused by Subconsultant's negligent acts, errors or omissions in the performance of professional services under this Agreement and those of other Subconsultants or anyone for whom Subconsultant is legally liable.

Neither WHKS nor Subconsultant shall be obligated to indemnify the other party in any manner whatsoever for the other party's own negligence.

6. Billing and Payment Provisions

a. Timing. Subconsultant may bill WHKS monthly for services completed at the time of billing. Such bills shall be prepared in a form and supported by documentation as WHKS may reasonably require, and as may be required by Client. WHKS shall pay Subconsultant within 10 days of payment to WHKS by Client, which payment shall be a condition precedent for payment under this Agreement, less any retainage by Client or otherwise specified in this Agreement.

b. Billing Records. Subconsultant shall maintain accounting records of its costs in accordance with generally accepted accounting practices and, to the extent required by the Prime Agreement, in compliance with Federal Acquisition Regulations. Access to such records will be provided during normal business hours with reasonable notice during the terms of this Agreement and for 3 years after State audit of project costs (for Federally funded projects only). All invoices shall indicate the WHKS project number and the WHKS project representative.

c. As applicable for Department of Transportation funded projects, if final audited overhead rates are less than the overhead rates that were utilized for invoicing, the Department of Transportation will require repayment of the difference from WHKS. Subconsultant will reimburse WHKS within thirty (30) days notice for any Subconsultant overhead adjustment amount due.

7. Ownership of Records

All reports, plans, specifications, and other documents, including all documents on electronic media, prepared by Subconsultant as instruments of service shall be owned by Subconsultant. Subconsultant grants WHKS and its Client a license to utilize the Instruments of Service free of additional charge and on a non-exclusive, worldwide, non-transferable, non-sublicensable, royalty-free and perpetual basis to the extent necessary to enable Client to make reasonable use of the deliverables and Services solely and exclusively for the Project.

8. Insurance Coverage

Subconsultant shall procure and maintain appropriate insurance coverages, including professional liability, general liability, worker's compensation, and automobile liability.

Subconsultant shall furnish to WHKS certificates of insurance documenting insurance coverages. The certificates shall be on file in WHKS offices prior to receiving any payment for services rendered.

9. Change of Scope

The Scope of Services set forth in this Agreement is based on facts known at the time of execution of this Agreement, including, if applicable, information supplied by WHKS. For some projects involving conceptual or process development services, scope may not be fully definable during initial phases. As the project progresses, facts discovered, including discovery of unanticipated hazardous materials, may indicate that scope should be re-evaluated. Subconsultant will promptly inform WHKS in writing of such situations, and if the facts discovered constitute a material change in Project assumptions, the parties shall renegotiate this Agreement as necessary. No payment for services beyond those described in the original scope will be authorized without a written amendment to this Agreement.

10. Termination/Suspension

Either party may terminate this Agreement upon 7 days written notice to the other party. WHKS shall pay Subconsultant for all services rendered prior to termination, including profit relating thereto, and reasonable termination expenses.

Upon termination, Subconsultant shall submit to WHKS all research and work-in-process materials developed under this Agreement. There shall be no restriction or limitation on the use of these materials by WHKS, except any use on extensions of the project or on any other project without written verification or adaptation by Subconsultant for the specific purpose intended will be the sole risk of WHKS and without liability or legal exposure to Subconsultant.

In the event either party defaults in its obligations under this Agreement (including WHKS' obligation to make the payments required hereunder), the non-defaulting party may, after 7 days written notice stating its intention to suspend performance under the Agreement if cure of such default is not commenced, and failure of the defaulting party to commence cure within such time limit, suspend performance under this Agreement.

Subconsultant will, upon written notice from WHKS, immediately suspend performance under this Agreement. In such event, Subconsultant will resume performance upon written notice from WHKS and an appropriate extension of time will be mutually agreed upon and added to Subconsultant's time of performance.

11. Jobsite Safety

Subconsultant shall be responsible for its activity and that of its employees on the jobsite. Neither the professional activities nor the presence of Subconsultant shall be understood to control the operations of others, nor shall it be construed to be an acceptance of the responsibility for jobsite safety. Neither the professional activities of WHKS nor the presence of WHKS or its employees at a project site, shall relieve Subconsultant and any other entity of their respective obligations, duties and responsibilities including, but not limited to, means, methods, sequence, techniques or procedures necessary for performing, superintending or coordinating all portions of the Work in accordance with the contract documents and any health or safety precautions required by any regulatory agencies. WHKS has no authority to exercise any control over any Subconsultant or

other entity or their employees in connection with their work or any health or safety precautions.

12. Dispute Resolution

In an effort to resolve any conflicts, Subconsultant and WHKS agree that all disputes between them arising out of or relating to this Agreement shall be submitted to nonbinding mediation unless the parties mutually agree otherwise.

Notwithstanding the foregoing, the parties shall follow the dispute resolution provisions of the PRIME AGREEMENT.

13. Authorization to Proceed/Timeliness of Performance

Subconsultant will perform the services described in the Scope of Services with due and reasonable diligence consistent with sound professional practices.

14. Delays

If events beyond the control of Subconsultant, including but not limited to, fires, floods, riots, strikes, pandemics, epidemics, supply chain disruptions, unavailability of labor or materials, process shutdowns, acts of God or the public enemy, or acts or regulations of any governmental agency, result in delays to the schedule established in this Agreement; such schedule shall be amended to the extent necessary to compensate for such delay, provided such amendment is permitted under the Prime Agreement.

15. Assignment

Neither party to this Agreement shall transfer, sublet or assign any rights under or interest in this Agreement (including but not limited to moneys that are due or moneys that may be due) without the prior written consent of the other party.

16. Severability and Survival

Any provision of this Agreement later held to be unenforceable for any reasons shall be deemed void, and all remaining provisions shall continue in full force and effect.

17. Joint Participation

The parties have participated jointly in the negotiation and preparation of this instrument. Each party has had an opportunity to obtain the advice of legal counsel and to review and comment upon this instrument. Accordingly, no rule of construction shall apply against any party or in favor of any party. This instrument shall be construed as if the parties jointly prepared it and any uncertainty or ambiguity shall not be interpreted against one party and in favor of another.

RESOLUTION NO. 23-01

RESOLUTION AUTHORIZING SUBMISSION OF INFORMATION TO THE MINNESOTA PUBLIC FACILITIES AUTHORITY (MPFA) AND EXECUTION OF A GRANT AGREEMENT WITH THE MPFA.

WHEREAS, the cities of Goodhue, Pine Island, Wanamingo and Zumbrota entered into a joint powers agreement under Minnesota Statutes, Section 471.59 to facilitate the formation of the North Zumbro Sanitary Sewer District (together, the joint powers and to-be formed District are the “North Zumbro Sanitary District”), and to receive and expend funds as described below, and;

WHEREAS, under the provisions contained in Laws of Minnesota 2023 chapter 72, article 2, section 10, subd. 10, \$10,000,000 was appropriated to the MPFA:

For a grant to the joint powers sanitary district created pursuant to Minnesota Statutes, section 471.59, comprising the cities of Zumbrota, Goodhue, Pine Island, and Wanamingo, to acquire property for and to predesign a new state-of-the-art regional wastewater treatment facility to be located in Goodhue County and to serve as a regional wastewater facility prototype. This facility shall provide wastewater treatment service for the Elk Run settlement lands of the Prairie Island Indian Community, which shall connect to existing wastewater infrastructure in the city of Pine Island. This appropriation includes money for improvements and betterments of a capital nature, including the construction of infrastructure necessary to connect the new facility to the communities in the sanitary district and for the facility to serve its intended purpose.

WHEREAS, to receive this money, the North Zumbro Sanitary District must submit required information and enter into a Grant Agreement with the MPFA, and;

WHEREAS, the North Zumbro Sanitary District has the legal authority to apply for the grant, and the financial, technical, and managerial capacity to ensure proper construction, operation and maintenance of the project for its design life.

NOW THEREFORE, BE IT RESOLVED that the Grant Agreement shall be executed on behalf of the North Zumbro Sanitary District by the signature of its Chair and its Treasurer. In the event of disability or resignation or other absence of either such officer, the Grant Agreement may be signed by the manual signature of that officer who may act on behalf of such absent or disabled officer. In case either such officer whose signature shall appear on the Grant Agreement shall cease to be such officer before delivery of the Grant Agreement, such signature shall nevertheless be valid and sufficient for all purposes, the same as if he or she had remained in office until delivery.

I CERTIFY THAT the above resolution was adopted by the North Zumbro Sanitary District on September 6th, 2023.

SIGNED:	
Signature:	
Name:	Elizabeth R. Howard
Title:	Chair

WITNESSED:	
Signature:	
Name:	Mayor Ellen Anderson Buck
Title:	Treasurer

SEAL



2023 Special Appropriation Funds
(General Fund)
August 2023

Minnesota Public Facilities Authority
1st National Bank Building, Suite W820 • 332 Minnesota Street
Saint Paul, MN 55101-1378
651-259-7469 • 800-657-3858 TOLL FREE • MN Relay 711 • TTY/TDD: 651-296-3900
651-296-8833 Fax

www.mn.gov/pfa

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GENERAL INFORMATION

Recipients of a special appropriation grant from the 2023 Minnesota Legislature are required to enter into a grant agreement with the Minnesota Public Facilities Authority (PFA) for the project funding. PFA needs information and documentation about the project before a grant agreement can be prepared. This packet provides information on the process and the project requirements for State general fund projects. It also includes forms and a checklist to help you prepare and submit the information. This packet includes:

- Special appropriation forms (fillable PDF)
- Sources/Uses form (excel)
- Checklist of documents to submit
- Example application resolution
- State prevailing wage contract language
- Example declaration form and waiver request

Return completed forms, supporting documents and resolution to your loan officer via email. Contact information is identified in the transmittal letter.

Minnesota Management and Budget (MMB) Resources

Minnesota Management and Budget's website includes documents and information on the requirements for capital funded projects.

After the Bonding Bill (MMB memo): **NOTE:** this information is not yet available. Please check MMB's website for updates [Capital Projects / Minnesota Management and Budget \(MMB\) \(mn.gov\)](https://mn.gov/mmb/debt-management/capital-projects/capital-grants-manual/) for important information about project requirements.

Capital Grants Manual: <https://mn.gov/mmb/debt-management/capital-projects/capital-grants-manual/>

PFA uses Minnesota Management and Budget's (MMB) standard grant agreement templates for the grant agreements.

Grant Agreement Templates and Checklists: <https://mn.gov/mmb/debt-management/capital-projects/grant-agreements/>

State General Fund Appropriation

Projects financed with general fund monies are subject to requirements of state statutes, appropriation bill language and state accounting policies. All projects must have a public purpose. Unless otherwise specified in the appropriation language, all projects must be publicly owned. The

recipient must demonstrate its ability to fully fund the project and, once constructed, be able to operate and maintain the facility.

General fund grants can only be used for items specified in the appropriation bill language and must be for eligible capital expenditures, unless otherwise specified by the appropriation language.

For example, if the appropriation language states: *“For a Grant to the City of Frostbite Falls to construct improvements to the water treatment plant.”* The grant funds can only be used to construct improvements to the water treatment plant (no engineering or other costs allowed). If the appropriation language states: *“For a grant to the City of Frostbite Falls to engineer, acquire land for and construct improvements to the water treatment plant”*, then engineering, acquisition and construction costs are an eligible use of the special appropriation grant for the water treatment plant.

Effective Date

Costs incurred before the effective date of the bill, June 2, 2023, are not eligible for reimbursement under the grant agreement unless specifically identified in the appropriation language.

Full Project Funding

Grant Recipients must document full project funding is in place before PFA can issue a grant agreement. If project costs are more than the funds appropriated, or if the appropriation language requires a non-state match or contribution, the recipient must provide documentation that needed cash, financing, other grants, etc., are in place. Documentation may vary depending upon the source of funds. Please discuss with your loan officer.

Reimbursement/Disbursement Requests

SPAP funds are disbursed on a reimbursement basis for eligible incurred costs that are supported by invoices and incurred after the effective date of the appropriation (June 2, 2023). PFA disburses monthly. A completed disbursement request form and accompanying invoices submitted (after grant agreement is executed) by the 15th of the month to PFA will be paid out at the end of that same month to the recipient.

On-going Requirements

Some requirements stay with the project after the funds are disbursed and the project is completed. A declaration that identifies the real property as “Restricted Property” must be filed with the County Recorder’s office. For projects located within roads, highways or utility or transit corridors, easements, or rights of way, where recordings would be problematic, a waiver to the declaration recording requirement may be requested from the Commissioner of Management and Budget (MMB). Example declaration and waiver requests are provided.

Annual Audits/Financial Statements

Recipients are required to submit their annual audited financial statements or Office of the State Auditor report during the disbursement phase of the grant. PFA will send out annual compliance reminders to the recipient.

SharePoint Site

PFA will establish a SharePoint site for the grant recipient. Recipients can view summary financial information on the SharePoint site.

Summary of Construction Requirements

- Grant recipients must follow the state Uniform Municipal Contracting Law [Sec. 471.345 MN Statutes](#) and other applicable requirements (bidding, special requirements for out-of-state contractors, workers compensation, responsible contractor, etc.) in the construction of the project.
- Minnesota state prevailing wage rates and contract conditions (starting at [Sec. 177.41 MN Statutes](#)) apply to the project (available from the Minnesota Department of Labor and Industry (DOLI), Labor Standards Division 651/284-5091 (www.DOLI.state.mn.us). The DOLI contract conditions included in **Appendix A** of this Application along with the actual MN prevailing wages must be included in all bidding documents and construction contracts for projects that receive PSIG funding.
- SPAP projects with contracts in excess of \$100,000 are subject to [Sec. 16C.16 MN Statutes](#) subdivision 13 (State Funded Contracts) which promotes the use of targeted businesses and removing barriers. Use of the Department of Administration's targeted business directory ([TG/ED/VO List \(Directory\) \(state.mn.us\)](#)) to notify prospective contractors is a way to promote the use of targeted businesses and notify them of procurement and contracting opportunities.
- SPAP recipients must comply with [Minnesota Statutes 16C.285, subd 3 \(6\)](#), responsible contractor requirement defined and verify that contractors are not currently suspended by the federal government or the state of Minnesota or any of its departments, commissions, agencies, or political subdivisions that have authority to debar a contractor. [Suspended/Debarred Vendors / Minnesota Office of State Procurement \(mn.gov\)](#) also see [SAM.gov | Home](#).
- SPAP recipients must comply with Minnesota Statutes section 363A.44 that will apply the equal pay certificate requirement to all political subdivisions for capital projects. These equal pay certificate requirements will now apply to all contracts entered into by political subdivisions for contracts exceeding \$1,000,000 and by all other designated entities for contracts exceeding \$500,000.
- SPAP recipients must comply with [Sec. 363A.36 MN Statutes](#), Minnesota Department of Human Rights' affirmative action plan requirements for contracts exceeding \$250,000. An affirmative action plan and workforce certificate for affected contractors is required prior to bidding.

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SPECIAL APPROPRIATION CHECKLIST

This checklist provides a general listing of items that may apply to a project. Contact your PFA loan officer if you have questions regarding the applicability of items to your project.

Items submitted to PFA with the application

Forms 1-3, as applicable

Resolution of applicant (example provided by PFA)

For Special Districts, a copy of the organizational documents or Inter-municipal or Joint Powers Agreement (enacted) if more than one municipality involved in project

Final Form 3 (Budget) based on as-bid costs.

Bid tabulation/engineer's recommendation of award.

Copy of the fixed price construction contract

Payment bond

Performance bond

Documentation of total project funding, including matching funds, if required

Copy of adopted water/wastewater/storm water ordinance and current fee schedule(s), as appropriate

Annual operating budget for the system(s).

If applicable, copy of draft or final agreement with service provider for operation and maintenance of system, with costs based on the tasks and responsibilities described in the operation and maintenance manual and management plan. All use contracts for GO Bond funded projects must be approved by MN Management and Budget. Additional information can be found in the Capital Grants Manual.

Approval letter for construction project plans and specifications from the Minnesota Pollution Control Agency or Minnesota Department of Health, as appropriate

Legal description of the project site(s)

Documentation of applicant's ownership of property

Documentation of recorded utility easements, where needed, including legal descriptions

Weighted average useful life calculation

Any other information requested by PFA to support the application

Items submitted to the PFA prior to disbursement of funds

A Disbursement Request Form with supporting documentation such as invoices for engineering and construction, etc.

Copy of the filed real property declaration and/or Minnesota Management and Budget approval of a waiver and recipient waiver certification.

FORM 1 – PROJECT CONTACTS

Applicant Information

Applicant Name _____ County _____

Contact Person _____ Telephone _____

Contact Person Title _____ E-mail _____

Address _____

Address _____

Applicant UEI No. _____

MN SWIFT Vendor ID Number (10 digit) _____

MN SWIFT Vendor Suffix Number (3 digit) _____

Applicant officials authorized to sign legal documents/grant agreement:

Authorized Signer #1 Name _____

#1 Title _____

#1 Email (unique to Name #1) _____

Authorized Signer #2 Name _____

#2 Title _____

#2 Email (unique to Name #2) _____

Consultants and Advisors

Consulting Engineer Name _____ Telephone _____

Engineering Firm _____ E-mail _____

Person responsible for Minnesota prevailing wage compliance monitoring:

Name _____ Telephone_____

Firm _____ E-mail _____

MPCA/MDH Engineer _____ Telephone_____

Will a Public Utilities Commission be responsible for operation & maintenance of the project?

No

Yes (provide information below)

PUC Contact Person _____ Telephone_____

PUC Title _____ E-mail _____

Address _____

FORM 2 – PROJECT INFORMATION

1. Provide a brief description of the project:

Describe the project service area and provide a map of the area:

2. Identify proposed sources of project financing (aside from the special appropriation)

Source	Amount Requested	Contact Person/Phone	Status

Additional information on other sources of project financing:

3. Identify estimated dates for:

Submittal of Plans and Specifications: _____

MN Pollution Control Agency (MPCA) or MN Department of Health (MDH) Approval: _____

Advertising for Bids: _____

Open bids: _____

Award bids: _____

Start Construction: _____

End Construction: _____

4. Specify the sources of revenue that will be used to pay the facility operation and maintenance costs

5. Provide details and a schedule for any action related to the applicant's use of other funds (issuing bonds, commit city cash, etc.) to demonstrate total project funding:

6. Identify whether the project site(s) are owned by the applicant, leased by the applicant, or other (specify):

FORM 3 – BUDGET (SOURCES AND USES) INSTRUCTIONS

Form 3 is a separate Excel spreadsheet with built-in formulas. Using the separate Excel version of this form, provide a draft Form 3 Budget prior to bidding, including estimated start and end dates.

After final project costs are determined, please submit a revised Form 3 Budget, with start and end dates.

List the activities that apply to your project, and were described in the legislation. Matching funds must be used for activities described in the legislation.

Minnesota Public Facilities Authority							
2023 Special Appropriation							
Form 3 - General Fund Project Budget (Sources and Uses)							
Applicant:				Project:			
				Sources of Funds ⁽¹⁾			
Uses of Funds ⁽²⁾	Start Date	End Date	Total Requested From Appropriation				Total Project Cost
1. Non-Construction Costs							
A.							-
B.							-
C.							-
D.							-
E.							-
Non-Construction Subtotal			\$ -	\$ -	\$ -	\$ -	\$ -
2. Construction Costs							
A.							-
B.							-
C.							-
D.							-
E.							-
F.							-
Construction Subtotal			\$ -	\$ -	\$ -	\$ -	\$ -
Project Total			\$ -	\$ -	\$ -	\$ -	\$ -
Notes:							
(1)	If a non-state contribution or match is required by the legislation, or if project costs are in excess of the appropriation, this must be shown on the budget and appropriate documentation submitted. Required matching funds must be used only on activities described in the legislation.						
(2)	Uses must be supported by professional services agreement (for engineering/design, etc.) and fixed price, as-bid construction contract.						

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FORM 4 SPECIAL APPROPRIATION RESOLUTION EXAMPLE

NOTE: PFA staff will provide the applicant with an application/agreement resolution that has been customized with the appropriate legislative citation, which needs to be completed and adopted by the applicant's governing body.

RESOLUTION NO. _____

RESOLUTION AUTHORIZING THE <RecipientName> TO SUBMIT INFORMATION TO THE MINNESOTA PUBLIC FACILITIES AUTHORITY (MPFA) AND TO ENTER INTO A GRANT AGREEMENT WITH THE MPFA FOR THE <ProjectTitle>.

WHEREAS, under the provisions contained in <ApprCitation>, <ApprAmount> was appropriated to the MPFA "*<ApprText>*".

WHEREAS, to receive this money, the <RecipientName> must submit required information and enter into a Grant Agreement with the MPFA; and

BE IT FURTHER RESOLVED that <RecipientName> has the legal authority to apply for the grant, and the financial, technical, and managerial capacity to ensure proper construction, operation and maintenance of the project for its design life.

BE IT FURTHER RESOLVED that the Grant Agreement shall be executed on behalf of <RecipientName> by the signature of its _____ (title of authorized signer #1) and its _____ (title of authorized signer #2). In the event of disability or resignation or other absence of either such officer, the Grant Agreement may be signed by the manual signature of that officer who may act on behalf of such absent or disabled officer. In case either such officer whose signature shall appear on the Grant Agreement shall cease to be such officer before delivery of the Grant Agreement, such signature shall nevertheless be valid and sufficient for all purposes, the same as if he or she had remained in office until delivery.

I CERTIFY THAT the above resolution was adopted by the <RecipientName> (Name of Governing Body) on _____ (month, day, year).

SIGNED:	
Signature:	
Name:	
Title:	

WITNESSED:	
Signature:	
Name:	
Title:	

SEAL

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APPENDIX A STATE PREVAILING WAGES AND REQUIRED CONSTRUCTION CONTRACT LANGUAGE

1. Insert the applicable Minnesota wage determination into all proposals and all contracts. Prevailing wages can be found here: [Prevailing-wage information | Minnesota Department of Labor and Industry \(mn.gov\)](#).
2. Include the language below in all construction contracts:

Pursuant to Minnesota Statutes 177.41 to 177.44 and corresponding Rules 5200.1000 to 5200.1120, this contract is subject to the prevailing wages as established by the Minnesota Department of Labor and Industry. Specifically, contractors and subcontractors must pay all laborers and mechanics the established prevailing wages for work performed under the contract. Failure to comply with the aforementioned may result in civil or criminal penalties.

Payrolls/Records

The contractor and subcontractor shall furnish to the OWNER copies of any or all payrolls not more than 14 days after the end of each pay period. The payrolls must contain all of the data required by Minnesota Statutes Section 177.30. Subcontractors must furnish payrolls to the contractor. The OWNER may examine all records relating to wages paid laborers or mechanics on work to which Minnesota Statutes Sections 177.41 to 177.44 apply.

Posting of Wage Rates/Required Posters

Each contractor and subcontractor performing work on a public project shall post on the project the applicable prevailing wage rates and hourly basic rates of pay for the county or area within which the project is being performed, including the effective date of any changes thereof, in at least one conspicuous place for the information of the employees working on the project. The information so posted shall include a breakdown of contributions for health and welfare benefits, vacation benefits, pension benefits, and any other economic benefits required to be paid.

For more information regarding prevailing wage and its application, contact:

Minnesota Department of Labor and Industry
Prevailing Wage Unit
443 Lafayette Road N.
St. Paul, MN 55155
Phone: (651) 284-5091

E-mail: dli.prevwage@state.mn.us

Web: [Prevailing-wage information | Minnesota Department of Labor and Industry \(mn.gov\)](#)

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APPENDIX B REAL PROPERTY DECLARATION AND WAIVER REQUIREMENTS

A recipient receiving an appropriation of state general fund grant is required to:

- Record a Real Property Declaration that identifies the properties on which the recipient uses PFA funds as “Restricted Property”
or
- Request a waiver from Minnesota Management and Budget (MMB) from the recording requirement, and sign a Waiver Certification
and/or
- Both record a Real Property Declaration **and** request a waiver/sign a Waiver Certification

Recipients must provide a copy of the recorded Declaration and/or signed Waiver Certification and/or a copy of the recorded Declaration to PFA and MMB prior to disbursement of grant funds.

Real Property Declaration - The recorded **Real Property Declaration** identifies the “Restricted Property” and subjects the funded project to the provisions and requirements of the grant agreement. Recipients should have an attorney draft the **Declaration** and confirm the accuracy of the recordable parcel(s).

Real Property Declaration Recording Waiver - the Commissioner of Minnesota Management and Budget (MMB) can waive the declaration recording requirement for projects or portions of projects located within roads, highways or utility or transit corridors, easements or rights or way where recording would be problematic. If your project, or a portion of it fits this description, the recipient should request a waiver from the recording requirement from MMB.

If MMB grants the waiver from the recording requirement, the recipient will need to sign a **Waiver Certification** for those parts of the project, in which the recipient acknowledges that those project areas are “Restricted Property” subject to the requirements of the Grant Agreement. A description (legal description not needed) and/or map of the project areas should be attached to the **Waiver Certification**.

Example Documents

The following documents are attached:

- **Example Real Property Declaration**
- **Information for Requesting a Waiver from Real Property Filing**
- **Example Letter to MMB Requesting Approval of a Waiver**

Minnesota Public Facilities Authority Example Real Property Declaration

FOR USE BY FILING OFFICER ONLY

REAL PROPERTY DECLARATION

The undersigned has the following interest in the real property legally described in Exhibit A attached hereto and all facilities situated thereon (the "Restricted Property"):

(Check the appropriate box.)

☐ a fee simple title,

☐ a lease, or

☐ an easement,

and as owner of such fee title, lease or easement, does hereby declare that such interest in the Restricted Property is subject to those provisions, requirements, restrictions, and encumbrances contained in the "General Fund Grant Agreement Construction Grant for the <Name of Project>, dated <Grant Agreement Date> between <Name of Grant Recipient> and the Minnesota Public Facilities Authority. The Restricted Property shall remain subject to such provisions, requirements, restrictions and encumbrances until it is released therefrom by a written release in recordable form signed by the Commissioner of <Agency>, and such written release is recorded in the real estate records relating to the Restricted Property.

(SIGNATURE BLOCK AND ACKNOWLEDGEMENT)

This Declaration was drafted by:

[insert name and address]

Exhibit A to Declaration
LEGAL DESCRIPTION OF RESTRICTED PROPERTY

Information for Requesting a Waiver from Real Property Filing

Per the Minnesota Management and Budget's (MMB) [Fourth Order Amending Order of Commissioner of Finance](#), waiver requests may be submitted to the real property declaration filing requirement for projects that "acquire or better real property within roads, highway or utility or transit corridors, easements or rights of way" where the recording of the "declaration otherwise required would be unduly onerous or impracticable". This waiver request applies to General Fund projects.

Provide the following information for MMB's evaluation:

1. A formal request to the Commissioner of MMB and justification by the City for waiver of Real Property Declaration requirement.
2. Identify the Special Appropriation project
3. A project description
4. A map reflecting actual location of property to be improved

Submit requests electronically to Roger Behrens Roger.Behrens@state.mn.us at MMB for review and response.

Send email waiver to:

Commissioner, Minnesota Management and Budget
c/o Mr. Roger Behrens via email Roger.Behrens@state.mn.us
400 Centennial Office Building
658 Cedar Street
Saint Paul, MN 55155

Please also copy your PFA loan officer on the waiver request email.

Important: If MMB approves the waiver request, approval will be granted conditionally until MMB's receipt of a signed certification. The executed waiver form and certification is to be provided to PFA prior to disbursement of grant funds.. Some projects may include components that will require both a real property declaration and a waiver request. Contact your PFA loan officer with any questions.

Example Letter to MMB Requesting Approval of a Waiver

(Put on City Letterhead)

_____, 20____

Commissioner of Minnesota Management and Budget
c/o Roger Behrens via email roger.behrens@state.mn.us
Minnesota Management and Budget
400 Centennial Office Building
658 Cedar Street
St. Paul, MN 55155

RE: Real Property Declaration Waiver Request - _____ Project
MPFA-SPAP-G-_____ [insert project number assigned by MPFA]
General Fund Capital Project

Dear Commissioner:

Through the Minnesota Public Facilities Authority ("PFA"), the City of _____ has been awarded a Special Appropriation from the 2023 Minnesota Legislature for a project within its jurisdiction. The project is described as follows:

[insert description]

The project is funded in whole or in part with State general fund monies, so the City must comply with the requirements applicable to Real Property Declarations set forth in the General Fund Construction Grant Agreement.

[use one of the following two paragraphs:]

[if the entire project is eligible for a waiver] This letter constitutes the City's written request for a waiver of the Declaration requirement because the entire project lies within roads, highways or utility or transit corridors, easements or rights of way, and the recording of the Declaration against such property would be unduly onerous or impracticable. I understand that the City will have to sign a Waiver Certification that the property improved by the funding described above is Restricted Property and cannot be sold, encumbered or otherwise disposed of without the approval of the Commissioner of MMB.

[if only a portion of the project is eligible for a waiver] This letter constitutes the City's written request for a waiver of the Declaration requirement for the portion of the project within roads, highways or utility or transit corridors, easements or rights of way, where the recording of the Declaration against such property would be unduly onerous or impracticable. I understand that the City will have to sign a Waiver Certification that the property subject to the waiver is Restricted Property and cannot be sold, encumbered or otherwise disposed of without the approval of the Commissioner of MMB. I also understand that the City will be required to record a real property Declaration for the remaining parcel(s) of land in the project that is/are not eligible for the waiver, stating that such parcel(s) is/are Restricted Property and cannot be sold, encumbered or otherwise disposed of without the approval of the Commissioner of MMB.

I am including for your review a map which shows the location of the project. If you need any additional information, please contact me at (____)_____.

Sincerely,

cc: _____, PFA *[insert name of PFA loan officer]*

**Minnesota Public Facilities Authority
2023 Special Appropriation
Form 3 - General Fund Project Budget (Sources and Uses)**

Applicant: _____

Project: _____

Date: _____

Sources of Funds ⁽¹⁾							
Uses of Funds ⁽²⁾	Start Date	End Date	Total Requested From Appropriation				Total Project Cost
1. Non-Construction Costs							
A.							-
B.							-
C.							-
D.							-
E.							-
Non-Construction Subtotal			\$ -	\$ -	\$ -	\$ -	\$ -
2. Construction Costs							
A.							-
B.							-
C.							-
D.							-
E.							-
F.							-
Construction Subtotal			\$ -	\$ -	\$ -	\$ -	\$ -
Project Total			\$ -	\$ -	\$ -	\$ -	\$ -

Notes:

- (1) If a non-state contribution or match is required by the legislation, or if project costs are in excess of the appropriation, this must be shown on the budget and appropriate documentation submitted. Required matching funds must be used only on activities described in the legislation.
- (2) Uses must be supported by professional services agreement (for engineering/design, etc.) and fixed price, as-bid construction contract.