

**CITY OF MADISON**  
**AGENDA AND NOTICE OF MEETING**  
Regular Meeting of the City Council – **5:00 P.M.**  
**Monday, January 08, 2018**  
Madison Municipal Building

- 1. CALL THE REGULAR MEETING TO ORDER**  
Mayor Thole will call the meeting to order.
- 2. APPROVE AGENDA**  
Approve the agenda as posted in accordance with the Open Meetings law, and herein place all agenda items on the table for discussion. A MOTION is in order. (Council)
- 3. APPROVE MINUTES** Page 1  
A copy of the minutes of the December 11, 2017 regular meeting are enclosed. A MOTION is in order. (Council)
- 4. ANNUAL MEETING** (clerk/council) Page 5
  - A. Resolution 18-01, titled, "Resolution Establishing Council Meetings Time, Date & Place".  
A MOTION is in order. (Council)
  - Page 6  
B. Resolution 18-02, titled, "Designation of Newspaper." A MOTION is in order. (Council)  
Page 7
  - C. Resolution 18-03, titled, "Designation of Depository." A MOTION is in order. (Council)  
Page 8
  - D. Resolution 18-04, titled, "Election of Acting Mayor." A MOTION is in order. (Council)  
Page 9
  - E. Resolution 18-05, titled, "Resolution Ratifying Council Boards & Commissions appointments." A MOTION is in order. (Council)  
Page 11
  - F. Resolution 18-06, titled, "Resolution Ratifying Committee Appointments". A MOTION is in order. (Council)  
Page 12
  - G. Resolution 18-07, titled, "Resolution Designating an Authorized Representative to the Western MN Municipal Power Agency. A MOTION is in order. (Council)  
Page 13
  - H. Resolution 18-08, titled, "Resolution Designating an Authorized Representative to the Missouri River Energy Services Agency". A MOTION is in order. (Council)
- 5. PUBLIC PETITIONS, REQUESTS, HEARINGS, AND COMMUNICATIONS** (public/mayor/council)  
Members of the audience wishing to address the Council with regard to an agenda item, presentation of a petition, utility customer hearing, or a general communication should be recognized at this time. A MOTION may be in order (Public/Council)
- 6. CONSENT AGENDA**
  - A. Sunshine Fund Memo - receive Page 14
  - B. LMCIT Property and Casualty Dividend Notice - receive Page 15

C.	MRES Notice of Meeting – December 2017 - receive	Page 21
D.	HRA Agenda and Minutes – December 2017- receive	Page 22
E.	Library Board Minutes – November 2017 – receive	Page 28
F.	MEDA Minutes – December 2017 - receive	Page 30
G.	Park Board Minutes – September 2017 - receive	Page 20
H.	WAPA Rate Notice – December 2017 – receive	Page 34
I.	Senator Dahms Newsletter – December 2017 – receive	Page 40
J.	Letter of Agreement for Live Well Services – approve	Page 41
K.	Council Revenue/Expenditure Report – December 2017 – receive	Page 45
L.	MEDA Loan Note Status – December 2017 – receive	Page 49
M.	Cash and Investment Balance – December 2017 – receive	Page 50

A MOTION may be in order to accept the reports and/or authorize the actions requested. (Council)

## 7. UNFINISHED AND NEW BUSINESS

		Handout
A.	City Council Checklist. A <u>DISCUSSION</u> and <u>MOTION</u> may be in order. (Manager, Council)	
		Page 51
B.	City Engineer Update and Invoice Approval. A <u>DISCUSSION</u> and <u>MOTION</u> may be in order. (Manager, Council)	
		Page 63
C.	Res 18-09 – Ambulance Department Officers – Scott Schake. A <u>DISCUSSION</u> and <u>MOTION</u> may be in order. (Manager, Council)	
		Page 66
D.	Res 18-10 – Assignment of 2018 Wages. A <u>DISCUSSION</u> and <u>MOTION</u> may be in order. (Manager, Council)	
		Page 68
E.	Res 18-11 – Market Adjustment for Electric Line Workers. A <u>DISCUSSION</u> and <u>MOTION</u> may be in order. (Manager, Council)	
		Page 70
F.	Res 18-12 – Closing Fund 408 – 2017 Seal Coat Project. A <u>DISCUSSION</u> and <u>MOTION</u> may be in order. (Manager, Council)	
		Page 71
G.	Approval of Cleaning Contract. A <u>DISCUSSION</u> and <u>MOTION</u> may be in order. (Manager, Council)	
		Page 83
H.	Proposal for Auditing Services. A <u>DISCUSSION</u> and <u>MOTION</u> may be in order. (Manager, Council)	
		Page 93
I.	Ordinance No. 381 – A Summary and Ordinance Establishing and Regulating Lodging Tax. A <u>DISCUSSION</u> and <u>MOTION</u> may be in order. (Manager, Council)	
		Page 97
J.	MH Historical Grant Agreement and Notice to Proceed Approval. A <u>DISCUSSION</u> and <u>MOTION</u> may be in order. (Manager, Council)	
K.	Other. A <u>DISCUSSION</u> and <u>MOTION</u> may be in order. (Manager, Council) A <u>DISCUSSION</u> and <u>MOTION</u> may be in order. (Manager, Council)	

**8. MANAGER REPORT (Manager)**

**9. MAYOR/COUNCIL REPORTS (Mayor/Council)**

- Airport Commission

Page 107

**10. AUDITING CLAIMS**

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A copy of the Schedule Payment Report of bills submitted December 11, 2017 through January 08, 2018 is attached for approval for Check No. 55754 through Check No. 55783  
A MOTION is in order.

**11. ADJOURNMENT**

**CITY OF MADISON  
OFFICIAL PROCEEDINGS**

**MINUTES OF THE MADISON CITY COUNCIL  
REGULAR MEETING  
DECEMBER 11, 2017**

Pursuant to due call and notice thereof, a regular meeting of the Madison City Council was called to order by Mayor Thole on Monday, December 11, 2017, at 5:05 p.m. in Council Chambers at City Hall. Councilmembers present were: Tim Volk, Mayor Greg Thole, Maynard Meyer, Paul Zahrbock, and Adam Conroy. Also present were: City Manager Val Halvorson, City Attorney Rick Stulz, and City Clerk Kathleen Weber.

**AGENDA**

Upon motion by Meyer, seconded by Zahrbock and carried, the Agenda was approved as amended. Additions to the agenda include city website proposal. All agenda items are hereby placed on the table for discussion.

**MINUTES**

Upon motion by Volk, seconded by Meyer and carried, minutes of the November 27, 2017, meeting were approved as presented.

**PUBLIC PETITIONS, REQUESTS, HEARINGS AND COMMUNICATIONS**

None.

**CONSENT AGENDA**

Upon motion by Zahrbock, seconded by Meyer and carried, the Consent Agenda was approved as presented.

**CITY COUNCIL CHECKLIST**

Council reviewed the City Council Checklist. City Manager Halvorson informed Council that the Lac qui Parle Players will discuss the possibility of applying for a SMAC Facilities and Equipment Grant at its meeting on December 14<sup>th</sup>. Mayor Thole will attend this meeting.

**CITY ENGINEER UPDATE**

**Storm Sewer Smoke Testing:** Upon motion by Volk, seconded by Conroy and carried, Council approved payment of \$7,600 to Bolton & Menk for engineering services connected to the storm sewer tv and smoke testing.

**2017 Sealcoat Project:** City Engineer Phil DeSchepper informed Council that he will have a final contractor pay application for the 2017 Sealcoat Project prior to year-end 2017. Council authorized payment of the final pay application upon receipt.

**Dave's Plumbing ponding problem:** Council was informed that Bolton & Menk has visited the site where Dave's Plumbing property gets flooded due to water runoff from the alley. The engineers have developed a preliminary plan that would include installation of a valley gutter on the west side that would convey water runoff to the street.

**PERMANENT TRANSFER/FUND CLOSING**

Upon motion by Conroy, seconded by Zahrbock and carried, Council approved revisions to dollar amounts presented in Resolutions 17-38 and 17-39. These resolutions provide for the closing of Fund



#402 Wastewater Treatment Plant Project Fund and permanent transfer of \$12,147.40 to the Sewer Fund; and the transfer of \$54,925.00 from the Reserve Fund to Fund #225 Sewer System Replacement Fund as required by MN Public Facilities Authority. A complete copy of the revised resolutions is contained in City Clerk's Book #8.

#### **WATER/SEWER EDU'S SCHEDULE 2018**

Upon motion by Zahrbock, seconded by Conroy and carried, **RESOLUTION 17-45** titled "Resolution Establishing Water & Sewer Equivalent Dwelling Unit Billing Schedule for 2018" was adopted. This resolution provides for the 2018 commercial billing schedule based on 2016 annual water and sewer consumption. A complete copy of Resolution 17-45 is contained in City Clerk's Book #8.

#### **FUND TRANSFERS**

Upon motion by Meyer, seconded by Zahrbock and carried, **RESOLUTION 17-46** titled "Fund Transfer Adjustment Effective December 11, 2017" was adopted. This resolution provides for budgeted transfers to the Reserve Fund for future capital purchases and projects, debt service obligations, and EDA contribution of Fairway View special assessments for physician recruitment. A complete copy of Resolution 17-46 is contained in City Clerk's Book #8.

#### **INDEPENDENT CONTRACTOR – DAN TUCKETT**

Upon motion by Zahrbock, seconded by Conroy and carried, Council approved execution of an agreement between the City of Madison and Dan Tuckett for the provision of folding/stuffing services for the City of Madison's utility billing at a cost of \$150 per month.

#### **INDEPENDENT CONTRACTOR – GEMINI KENNELS**

Upon motion by Zahrbock, seconded by Volk and carried, Council approved execution of an agreement between the City of Madison and Jen Wold dba Gemini Kennels for the provision of dog boarding services as needed in an exchange for a \$500 annual donation.

#### **CITY/CHAMBER WEBSITE**

Upon motion by Volk, seconded by Thole and carried, Council accepted a proposal received from Vivid Image from Hutchinson, Minnesota, in the amount of \$11,740 for creation of a custom website, testing and launch, project management, and training. It was noted that the new city website would incorporate the Madison Chamber and there would be cost share between the City and Chamber. City Manager Halvorson indicated that this expense would be split between the 2017 and 2018 budgets. Cheri Tuckett and Maynard Meyer will be trained in order to update content as needed.

#### **CITY MANAGER'S REPORT**

**Ice Skating Rink:** City Manager Halvorson informed Council that David Redepenning has decided to no longer manage the city ice skating rink. Redepenning managed the rink for many years and had done a great job. Brady Watson has been hired as skating rink manager

**City Hall Legacy Grant:** City Manager Halvorson informed Council that the City has been approved for a \$45,180 legacy grant from the MN Historical Society for development of plans and specifications for renovation of City Hall to include roof repair, window and door replacement, and tuck pointing.

**Cleaning Proposals:** Council was informed that one proposal had been received for cleaning of the Madison Public Library and no proposals for City Hall cleaning. Additional advertising will be done to secure additional proposals.

**City/Chamber Promotional Videos:** City Manager Halvorson noted that the promotional video screening event at the Grand Theatre was well attended and that there have been 33,000 views and 600 shares on the City's Facebook page. Mayor Thole agreed and has heard good compliments.

#### **MAYOR/COUNCIL REPORTS**

**J. F. Jacobson Park Lighting Project:** Councilmember Meyer thanked the City's public works department for their assistance with the J. F. Jacobson Park Christmas lighting project. He noted that the Chamber baking contest is Tuesday, December 12<sup>th</sup>. Council noted that the Lac qui Parle Players put on a good Christmas show that was well attended.

**Lou's Lodge:** Councilmember Meyer reported that the Madison Business Development Corporation plans to shut down the new part of the motel for the winter months after the 1<sup>st</sup> of the year.

**Block 48:** Council noted that no inquiries have been received regarding Block 48 which is available for purchase and development.

#### **TRUTH IN TAXATION & UTILITY RATE PUBLIC HEARINGS**

Mayor Thole opened the Truth in Taxation public hearing at 6:00 p.m. No one was present for the hearing. City Manager Val Halvorson highlighted for Council the most significant adjustments in the 2018 General Fund and Non-General Fund budgets.

Upon motion by Zahrbock, seconded by Meyer and carried, **RESOLUTION 17-41** titled "Resolution Establishing the General Fund 2018 Budget" was adopted. This resolution would provide for a General Fund Budget in the amount of \$1,691,276.10. A complete copy of Resolution 17-41 is contained in City Clerk's Book #8.

Upon motion by Conroy, seconded by Meyer and carried, **RESOLUTION 17-43** titled "Resolution Adopting Tax Levy 2017 Collectible 2018" was adopted. This resolution would provide for a total levy in the amount of \$535,551.00 to be divided as follows:

General Fund levy -	\$ 370,649.00
Economic Dev. levy -	\$ 8,500.00
2012 USDA Loan #2 & #3 -	\$ 97,020.00
2015A GO Refunding -	\$ 59,382.00

Council noted a decrease of \$39,389.00 from the proposed preliminary levy. Division of the levy into these four categories is a result of the Financial Management Plan prepared for the City of Madison by Ehlers & Associates. A complete copy of Resolution 17-43 is contained in City Clerk's Book #8.

Mayor Thole opened the utility rate public hearing at 6:10 p.m. No one was present for the hearing. City Manager Halvorson explained to Council that MN Rural Water Association assisted her with a utility rate study for water and sewer rates. She noted that the flat-rate monthly service charge is intended to cover debt service expense, while the user fees cover the operational expenses of that department.

Upon motion by Zahrbock, seconded by Volk and carried, **RESOLUTION 17-42** titled "Resolution Adopting the 2018 Budgets (Exclusive of the General Fund)" was adopted. A complete copy of Resolution 17-42 is contained in City Clerk's Book#8.

Upon motion by Zahrbock, seconded by Conroy and carried, **RESOLUTION 17-44** titled "Resolution Amending the Water and Sewer Rates" was adopted. This resolution would provide for a \$1.00 per month increase in the water service charge for residential, commercial, and city users; in addition to a

\$0.50 per month increase in the sewer service charge for residential, commercial, and city users and a \$0.04 per 100 gallon increase in sewer user fees. City Manager Halvorson noted that this is a manageable increase and she is just trying to “stay on top” of city needs to avoid a larger increase in the future. Councilmember Meyer and Mayor Thole commented that this has been the Council’s preference. A complete copy of Resolution 17-44 is contained in City Clerk’s Book #8.

Upon motion by Zahrbock, seconded by Meyer and carried, both public hearings were closed at 6:25 p.m.

**DISBURSEMENTS**

Upon motion by Volk, seconded by Zahrbock and carried, Council approved disbursements for bills submitted between November 28<sup>th</sup> and December 11<sup>th</sup>, 2017. These disbursements include United Prairie Check Nos. 55628-55738.

There being no further business, meeting adjourned at 6:35 p.m.

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Greg Thole – Mayor

**ATTEST:**

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Kathleen Weber – City Clerk

**CITY OF MADISON, MINNESOTA  
RESOLUTION 18-01**

STATE OF MINNESOTA)  
COUNTY OF LAC QUI PARLE)  
CITY OF MADISON)

**RESOLUTION ESTABLISHING COUNCIL MEETINGS**  
**TIME, DATE & PLACE**

**WHEREAS** the Madison City Council is interested in establishing its regular, special and emergency meeting(s) time, date and place for holding meetings during 2018.

**NOW THEREFORE BE IT RESOLVED** that the City Council of the City of Madison, Lac Qui Parle County, Minnesota, is interested in establishing its regular, special and emergency meeting(s) time, date and place for holding meetings during the year of 2018 at 5:00 p.m. on the second and fourth Mondays (regular) of each month with the location at the Madison Municipal Building.

**BE IT FURTHER RESOLVED** that the City Council of Madison, Lac Qui Parle County, Minnesota hereby authorizes the mayor, or any two council members to establish other meeting times, dates and place(s) when so required subject to the Minnesota Statute on “Open Meetings Law” 13D. et al. for special meetings.

Upon vote taken thereon, the following voted:

For:  
Against:  
Absent:

Whereupon said Resolution No. 18-01 was declared duly passed and adopted this 8<sup>th</sup> day of January, 2018.

\_\_\_\_\_  
Greg Thole  
Mayor

Attest: \_\_\_\_\_  
Kathleen Weber  
City Clerk

**CITY OF MADISON, MINNESOTA  
RESOLUTION 18-02**

STATE OF MINNESOTA)  
COUNTY OF LAC QUI PARLE)  
CITY OF MADISON)

**DESIGNATION OF NEWSPAPER**

**WHEREAS**, the Madison City Council is interested in determining the designation of the newspaper for the Year 2018; and

**WHEREAS**, the City Council is establishing “Designation of Newspaper” in compliance with the requirements of the Independent City Auditor and the Minnesota Office of the State Auditor and appropriate other statutes. Requirements in satisfaction for the designation of newspaper(s) on an annual basis.

**NOW THEREFORE BE IT RESOLVED** that the City Council of the City of Madison, Lac qui Parle County, Minnesota, is designating the following newspaper: 1) The Western Guard of Madison, Minnesota; and 2) Supplemental publications from time to time as required to reach the community of Madison, Minnesota.

**BE IT FURTHER RESOLVED** that the City Council of Madison, Lac qui Parle County, Minnesota hereby orders the City Clerk to use the designated newspaper.

Upon vote taken thereon, the following voted:

For:  
Against:  
Absent:

Whereupon said Resolution No. 18-02 was declared duly passed and adopted this 8<sup>th</sup> day of January, 2018.

\_\_\_\_\_  
Greg Thole  
Mayor

Attest: \_\_\_\_\_  
Kathleen Weber  
City Clerk

**CITY OF MADISON, MINNESOTA  
RESOLUTION 18-03**

STATE OF MINNESOTA)  
COUNTY OF LAC QUI PARLE)  
CITY OF MADISON)

**DESIGNATION OF DEPOSITORY**

**WHEREAS** the Madison City Council is interested in determining the designation of Depositories for the Year 2018; and

**WHEREAS** the City Council is establishing “Designation of Depository” in compliance with the requirements of the Independent City Auditor and the Minnesota Office of the State Auditor. Requirements in satisfaction for the designation of depositories on an annual basis.

**NOW THEREFORE BE IT RESOLVED** that the City Council of Madison, Lac Qui Parle County, Minnesota, is designating the following depositories: 1) KleinBank of Madison, Minnesota, and 2) United Prairie Bank of Madison, Minnesota.

**BE IT FURTHER RESOLVED** that the City Council of Madison, Lac Qui Parle County, Minnesota hereby orders that the City Treasurer utilize the designated depositories.

Upon vote taken thereon, the following voted:

For:  
Against:  
Absent:

Whereupon said Resolution No. 18-03 was declared duly passed and adopted this 8<sup>th</sup> day of January, 2018.

\_\_\_\_\_  
Greg Thole  
Mayor

Attest: \_\_\_\_\_  
Kathleen Weber  
City Clerk

**CITY OF MADISON, MINNESOTA  
RESOLUTION 18-04**

STATE OF MINNESOTA)  
COUNTY OF LAC QUI PARLE)  
CITY OF MADISON)

**ELECTION OF ACTING MAYOR**

**WHEREAS**, the Madison City Council is interested in determining the Acting Mayor for 2018.

**NOW THEREFORE BE IT RESOLVED** that the City Council of the City of Madison, Lac qui Parle County, Minnesota, held an election for the Office of Acting Mayor on January 8<sup>th</sup>, 2018 as required by the City Charter and Minnesota Statutes for Madison, Minnesota.

**BE IT FURTHER RESOLVED** that the City Council of Madison, Lac qui Parle County, Minnesota hereby elects \_\_\_\_\_ to serve as the Acting Mayor for the Year 2018.

Upon vote taken thereon, the following voted:

For:

Against:

Absent:

Whereupon said Resolution No. 18-04 was declared duly passed and adopted this 8<sup>th</sup> day of January, 2018.

\_\_\_\_\_  
Greg Thole  
Mayor

Attest: \_\_\_\_\_  
Kathleen Weber  
City Clerk

**CITY OF MADISON, MINNESOTA  
RESOLUTION 18-05**

STATE OF MINNESOTA)  
COUNTY OF LAC QUI PARLE)  
CITY OF MADISON)

**RESOLUTION RATIFYING COUNCIL BOARDS  
& COMMISSIONS APPOINTMENTS**

**WHEREAS**, the Madison City Council is interested in ratifying “Council Boards & Commissions Appointments” for the City in compliance with the requirements of the applicable Minnesota Statutes and City Charter.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MADISON, LAC QUI PARLE COUNTY, MINNESOTA** that the following appointments be hereby approved:

**RESOLUTION RATIFYING COMMITTEE APPOINTMENTS**

Cable TV Adv. Board	Maynard Meyer	(Council Rep)	(3-year term - December 2019)
	Gary Omland	(Citizen Rep)	(3-year term - December 2017)
	Tim Volk	(Council Rep)	(3-year term - December 2018)
Economic Dev. Auth.	Dave Amundson	(Citizen Rep)	(6-year term - December 2019)
	Greg Thole	(Council Rep)	(6-year term - December 2018)
	Dean Solem	(Citizen Rep)	(6-year term - December 2019)
	Greg Monson	(Citizen Rep)	(6-term term - December 2019)
	Maynard Meyer	(Council Rep)	(6-year term - December 2020)
	Jim Connor	(Citizen Rep)	(6-year term - December 2020)
	Scott Wanner	(Citizen Rep)	(6-year term - December 2021)
Housing & Red Auth.	Stan Olson	(Citizen Rep)	(5-year term - December 2021)
	Judi Nelson	(Citizen Rep)	(5-year term - December 2017)
	Open	(Citizen Rep)	(5-year term - December 2018)
	Carlyle Larsen	(Citizen Rep)	(5-year term - December 2019)
	Melissa Heinrich	(Citizen Rep)	(5-year term - December 2020)
Library Board:	Roy Tonn	(County Rep)	(3 year term - December 2019)
	Heather Muntean	(City Rep)	(3-year term - December 2020)
	Deb Koester	(City Rep)	(3-year term - December 2020)
	Sandy Buer	(City Rep)	(3-year term - December 2020)
	Robert Glomstad	(City Rep)	(3-year term - December 2018)
	John Maatz	(County/City)	(3-year term – December 2019)
Park Board	Bart Hill	(Citizen Rep)	(3-year term - December 2019)
	Adam Conroy	(Citizen Rep)	(3-year term - December 2019)
	Rebecca Trapp	(Citizen Rep)	(3-year term - December 2020)
	Julie Hill	(Citizen Rep)	(3-year term - December 2020)
	Tim Volk	(Council Rep)	(3-year term - December 2018)



Planning & Zoning	Maynard Meyer	(Council Rep)	(3-year term - December 2019)
	Graylen Carlson	(Citizen Rep)	(3-year term - December 2019)
	Julie Olson	(Citizen Rep)	(3-year term - December 2020)
	Gary Omland	(Citizen Rep)	(3-year term - December 2018)
	William Matthes	(Citizen Rep)	(3-year term - December 2018)
LQP Airport	Mike Dahle	(Citizen Rep)	(3-year term - December 2019)
	Adam Conroy	(Council Rep)	(3-year term - December 2020)
	Paul Zahrbock (Alt.)	(Council Rep)	(3-year term - December 2018)
Community Education	Val Halvorson	(Citizen Rep)	(3-year term - December 2019)
	Paul Zahrbock	(Council Rep)	(3-year term - December 2019)

Upon the vote taken thereon, the following voted:

For:

Against:

Whereupon said Resolution No. 18-01 was declared duly passed and adopted this 8<sup>th</sup> day of January, 2018.

\_\_\_\_\_  
Greg Thole  
Mayor

Attest: \_\_\_\_\_  
Kathleen Weber  
City Clerk

**CITY OF MADISON MINNESOTA  
RESOLUTION 18-06**

STATE OF MINNESOTA)  
COUNTY OF LAC QUI PARLE)  
CITY OF MADISON)

**RESOLUTION RATIFYING COUNCIL COMMITTEE APPOINTMENTS**

**WHEREAS**, the Madison City Council is interested in ratifying “Council Committee Appointments” for the City in compliance with the applicable Minnesota Statutes and City Charter.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MADISON, LAC QUI PARLE COUNTY, MINNESOTA** that the following appointments be hereby approved for the 2017 Calendar Year (all are one year appointments):

Public Works/Utilities Committee (Streets/Parks/Culture/Recreation/Water/Sewer/Sanitation/Storm Drain)

Tim Volk, Chair (Council Member)

Adam Conroy (Council Member)

Val Halvorson (City Manager) (Staff)

Don Fernholz (recommended) [Exofficio – nonvoting]

Public Safety (Police/Fire/Ambulance/EMS/Bioterrorism)

Paul Zahrbock, Chair (Council Member)

Maynard Meyer (Council Member)

Val Halvorson (Staff)

Lou Sager (recommended) [Exofficio – nonvoting]

General Government (Personnel/Finance/Budget/Liquor)

Greg Thole, Chair (Mayor)

Paul Zahrbock (Council Member)

Val Halvorson (Staff)

Kathy Weber (recommended) [Exofficio – nonvoting]

Physician/Medical Recruitment (EDA)

Dave Amundson, Chair (EDA Member)

Maynard Meyer (Council Member)

Val Halvorson (Staff)

Upon the vote taken thereon, the following voted:

For:

Against:

Absent:

Whereupon said Resolution No. 18-06 was declared duly passed and adopted this 8<sup>h</sup> day of January, 2018.

\_\_\_\_\_  
Maynard Meyer  
Acting Mayor

Attest: \_\_\_\_\_  
Kathleen Weber  
City Clerk

**CITY OF MADISON MINNESOTA  
RESOLUTION NO. 18-07**

STATE OF MINNESOTA)  
COUNTY OF LAC QUI PARLE)  
CITY OF MADISON)

**RESOLUTION DESIGNATING AN AUTHORIZED REPRESENTATIVE  
TO THE WESTERN MN MUNICIPAL POWER AGENCY**

**WHEREAS**, the City Council of the City of Madison, Minnesota, has entered into an agreement to establish the Western Minnesota Municipal Power Agency (WMMPA), and as a member thereof is entitled to a representative who shall represent Madison Municipal Utilities in the business of WMMPA.

**THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MADISON, LAC QUI PARLE COUNTY, MINNESOTA** that Val Halvorson, City Manager, be and is hereby authorized and appointed as the representative of the City of Madison, Minnesota, to represent the Municipal Utility in the business of WMMPA, with the powers, duties and responsibilities as provided in said agreement. The alternate representative, Don Fernholz, Line Supervisor, is hereby authorized and appointed with equal powers.

Upon the vote taken thereon, the following voted:

For:

Against:

Absent:

Whereupon said Resolution No. 18-07, was declared duly passed and adopted this 8<sup>th</sup> day of January, 2018.

\_\_\_\_\_  
Greg Thole  
Mayor

Attest: \_\_\_\_\_  
Kathleen Weber  
City Clerk

**CITY OF MADISON MINNESOTA  
RESOLUTION NO. 18-08**

STATE OF MINNESOTA)  
COUNTY OF LAC QUI PARLE)  
CITY OF MADISON)

**RESOLUTION DESIGNATING AN AUTHORIZED REPRESENTATIVE  
TO THE MISSOURI RIVER ENERGY SERVICES**

**WHEREAS**, the City Council of the City of Madison, Minnesota, has entered into an agreement to establish the Missouri Basin Municipal Power Agency d.b.a. Missouri River Energy Services (MRES), and as a member thereof is entitled to a representative who shall represent Madison Municipal Utilities in the business of MRES.

**THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MADISON, LAC QUI PARLE COUNTY, MINNESOTA** that Val Halvorson, City Manager, be and is hereby authorized and appointed as the representative of the City of Madison, Minnesota, to represent the Municipal Utility in the business of MRES, with the powers, duties and responsibilities as provided in said agreement. The alternate representative, Don Fernholz, Line Supervisor, is hereby authorized and appointed with equal powers.

Upon the vote taken thereon, the following voted:

For:

Against:

Absent:

Whereupon said Resolution No. 18-08 was declared duly passed and adopted this 8<sup>th</sup> day of January, 2018.

\_\_\_\_\_  
Greg Thole  
Mayor

Attest: \_\_\_\_\_  
Kathleen Weber  
City Clerk

# Memo

**To:** Mayor Thole, City Council, and City Employees  
**From:** City Clerk's Office  
**Date:** December 28, 2017  
**Re:** "Sunshine" Fund

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Due to restrictions on the use of public funds for the purchase of flowers or memorials for such things as hospital stays, funerals, and other significant life events; we have established a "Sunshine Fund" by personal donations from employees and City Council.

At this time, the fund needs to be replenished. The suggested contribution is \$20 and we will try to replenish on a regular basis like January of each year!

We do not track individual donations but will try to send out a reminder in January if you wish to participate!

Thank you.

December 14, 2017

**KleinInsurance**

AUTO HOME BUSINESS FARM CROP BONDS LIFE HEALTH

City of Madison  
Attn: Val Halvorson  
222 Sixth Avenue  
Madison, Minnesota 56256

***RE: LMCIT Property and Casualty Dividend Announcement***

Dear Val and Council,

***Good News!*** Once again the League of Minnesota Cities Insurance Trust will be sharing a property/casualty dividend with its members.

The first step is for the LMCIT Board to determine how many surplus funds are available and not needed for losses, expenses, or reserves.

The next step is to allocate the dividend among the members insured. The surplus that LMCIT has at any one time is the cumulative result of all the members' premiums and losses since LMCIT began.

The dividend formula is designed to return a proportionally greater share of the total dividend to those insured's that have been members the longest, that have contributed the most in premiums, and have had fewer losses.

***KleinInsurance is proud to be the servicing agent for the League of Minnesota Cities and to be able to be part of this dividend program.***

Thank you for your insurance business and as always, if there is anything we can do to help, please let us know.

Cordially,



Ryan Young, Agent

**Ryan Young**  
Agency Manager

**Gary H. Omland, CIC**  
Agent

**David R. Berg**  
Agent

**Sara Splonskowski**  
Agent

**Kayla Conroy**  
Customer Service Representative



CONNECTING & INNOVATING  
SINCE 1913

December 12, 2017

To: LMCIT Agents

From: LMCIT Board of Trustees

Jake Benson, Councilmember, Proctor  
Clint Gridley, Administrator, Woodbury  
Rhonda Pownell, Mayor, Northfield  
Dave Unmacht, Executive Director, LMC

Dave Callister, Manager, Plymouth  
D. Love, Councilmember, Centerville  
Todd Prafke, Administrator, St. Peter

Re: **2017 LMCIT Property/Casualty Dividend**

We are pleased to announce that this year the League of Minnesota Cities Insurance Trust (LMCIT) will return a \$6 million dividend to members of the property/casualty program. Enclosed for your records are the following items:

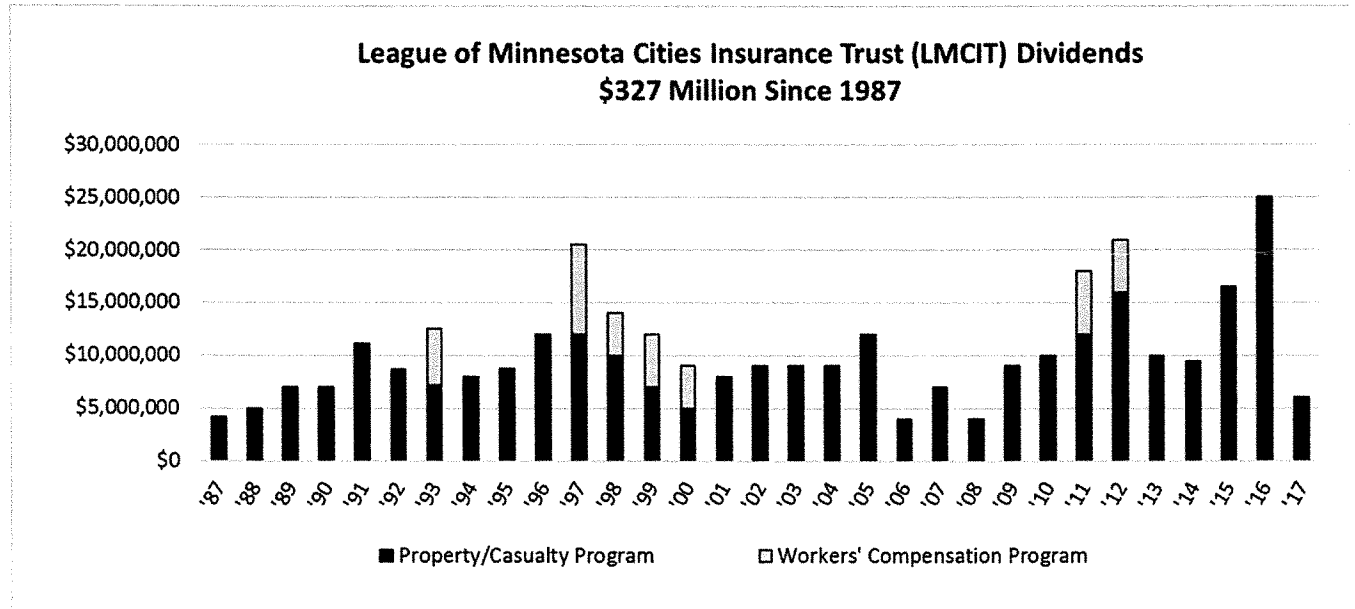
- A memo providing background on the dividend, including a detailed explanation for how the dividend is calculated.
- A data sheet showing the earned premium and loss data used to calculate your client's dividend, as well as graphs showing your client's written premium and dividend history.

The dividend checks will be sent directly to your client's administrator, manager, or clerk, along with a copy of the memo and data sheets mentioned above. **We'll be mailing the checks and accompanying materials to members on December 13.**

We want to thank you for your continued work on behalf of Minnesota cities. Please feel free to contact Laura Honeck, LMCIT Operations Manager, at [lhoneck@lmc.org](mailto:lhoneck@lmc.org) or 651-281-1280 if you have any questions or need additional information.

## League of Minnesota Cities Insurance Trust (LMCIT) 2017 Property/Casualty Dividend

Members of the LMCIT property/casualty program will share in a \$6 million dividend this year, bringing the sum of dividends returned to members since 1987 to \$327 million.



### Factors Driving the 2017 Dividend

Every year the LMCIT Board determines whether a dividend can be returned, and if so, how much. Several considerations are weighed, with the ultimate decision involving a comparison of the LMCIT year-end fund balance (also known as member equity or surplus) to a targeted amount of fund balance.

Typically, the major driver behind whether a dividend can be returned is how rates in recent years compare to LMCIT's loss experience. Premium rates are designed to pay for projected losses, expenses, and a safety margin in case losses turn out to be greater than expected. If losses turn out to be at or below LMCIT's projections, the safety margin isn't needed and can either be returned to members as a dividend or used to strengthen LMCIT's fund balance.

As the graph shows, LMCIT returned particularly high dividends in 2015 and 2016. In 2015, estimates of LMCIT's outstanding liability for claims incurred before May 31, 2014 decreased about \$8 million because of favorable claim development. In 2016, favorable loss development continued and, in addition, several favorable court decisions allowed LMCIT to release a significant portion of funds it had reserved for claims related to the Drivers' Privacy Protection Act (DPPA).



**LEAGUE OF MINNESOTA CITIES INSURANCE TRUST  
PROPERTY/CASUALTY  
2017 DIVIDEND CALCULATION  
AT MAY 31, 2017**

**Klein Insurance**

222 6th Ave

Madison MN 56256-1309

**Madison**

404 Sixth Avenue

Madison, MN 56256-1237

**GROSS EARNED PREMIUM**

**\$1,360,889**

**ADJUSTED LOSSES**

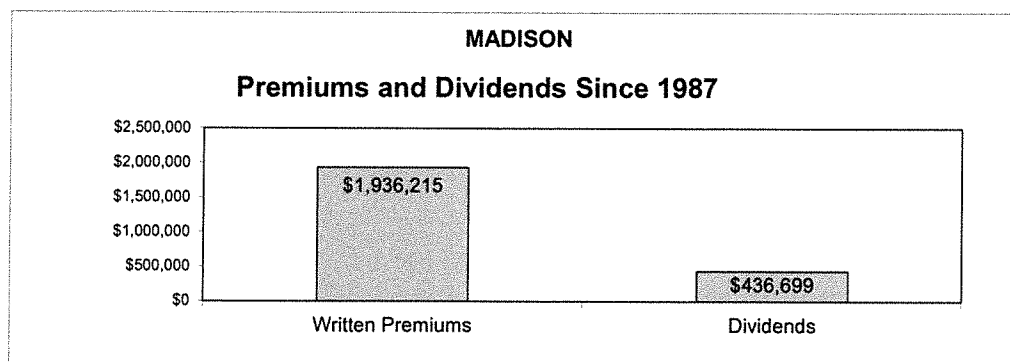
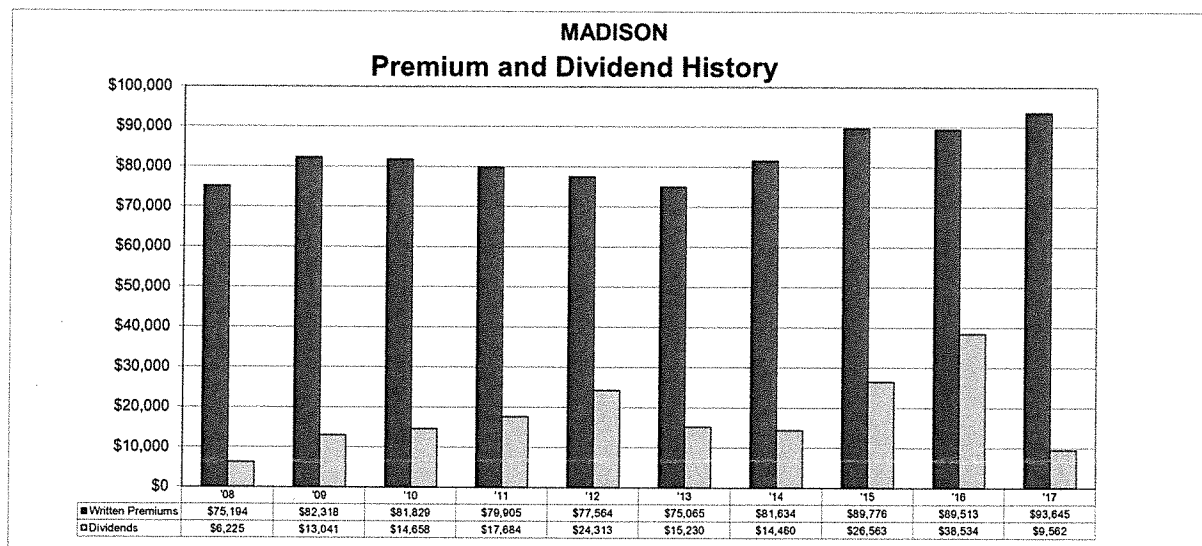
**\$328,302**

**MEMBERS DIVIDEND PERCENTAGE**

**0.00159361404**

**DIVIDEND AMOUNT**

**\$9,562**



The "gross earned premium" figure is the member's total earned premiums as of May 31, 2017 for the past 20 years. This is the premium figure that's used in the dividend calculation. The "2017 written premium" figure is the member's total premium for the member's most recent renewal prior to May 31, 2017 (for most members, only a portion of that 2017 written premium would be earned as of May 31, 2017).

In November 2016, rates were set for the coming year to produce a safety margin of \$7 million, which included interest on investments. When the LMCIT Board conducted its annual financial review of the property/casualty program for 2017, actuarial estimates, interest earning, and members' losses (claims related to property, police liability, employment liability and auto physical damage were less favorable) were evaluated, and it was determined that a \$6 million dividend could be returned to members while maintaining appropriate rate stability going forward.

Of course, LMCIT's hope is that loss development for prior years is better than expected as time goes on, just as it hopes losses for the coming year are better than expected, both of which would potentially allow LMCIT to return larger dividends to members in future years.

### **Dividend Calculation**

The first step the LMCIT Board takes in determining the dividend amount is to look at LMCIT's actual fund balance compared to the fund balance targets the Board has established. This year the Trustees determined that \$6 million could be returned to members.

The next step is to calculate the dividend. The formula for calculating the dividend is designed to return proportionally greater amounts to members that have been with LMCIT for a longer period and that have been most successful in avoiding and controlling losses. Here are the steps to determine the dividend for each individual member:

- Step 1: Each member's adjusted losses are subtracted from its gross earned premiums.
- Step 2: After calculating Step 1, the remaining dollar amount for each member is added together. This is the total that is used to calculate each individual dividend amount.
- Step 3: The amount for each member calculated in Step 1 is then divided by the sum of all members calculated in Step 2. This results in each member's percentage, or share, of the \$6 million total that's available as a dividend this year.

The enclosed data sheet shows the exact figures, including your client's percentage of the dividend share, that were used to calculate your client's dividend. A few definitions may help as you look at this information:

- *Gross Earned Premium:* This figure is your client's total of all earned premiums through May 31 for the past 20 years.
- *Adjusted Loss:* This figure is your client's losses for the past 20 years, minus applicable deductibles, and after capping each individual large loss. Each individual loss is capped at the lesser of \$200,000 or 200 percent of the member's annual premium for the year of the loss. Without this cap, a small or mid-sized entity that experiences a catastrophic loss might not receive any dividend for many years.

### **Future Dividends**

The goal of LMCIT is to manage *risk* – in other words, uncertainty. There's no guarantee a dividend will always be returned to members because it is impossible to know precisely what losses will occur or cost. Dividend amounts will vary from year to year just as they have in the past.

With that said, LMCIT will do its best to estimate and project what loss costs will be, and will continue to return to members any funds that aren't needed for losses, expenses, or reserves. While it can't guarantee future dividends, members should be proud of their success accomplished in controlling losses during 2017.

December 28, 2017

## NOTICE OF MEETING

### Missouri River Energy Services Board of Directors

You are hereby notified that the regular meeting of the Missouri River Energy Services (MRES) Board of Directors will be held at 7:30 a.m., Thursday, January 11, 2018. The meeting will be held at the Hilton Garden Inn (downtown), 201 E 8<sup>th</sup> Street, Sioux Falls, South Dakota.

The meeting is being held in a physically accessible place. If you have special needs, please contact Missouri River Energy Services at 605-338-4042 or [mailman@mrenergy.com](mailto:mailman@mrenergy.com) at least 48 hours prior to the start of the meeting, and necessary accommodations will be made.

The matters proposed to be discussed at the meeting are identified in the draft Agenda, which follow this Notice. All items on the draft Agenda are subject to change.



---

Brad Roos  
Secretary/Treasurer

**PLEASE OBSERVE PROPER POSTING PROCEDURES  
FOR NOTICE AND DRAFT AGENDA**

**Draft Agenda**  
**Missouri River Energy Services (MRES)**  
**Board of Directors Meeting**  
**Hilton Garden Inn**  
**201 E 8<sup>th</sup> Street**  
**Sioux Falls**  
**7 a.m. Breakfast**  
**7:30 a.m. Meeting**  
**Thursday, January 11, 2018**

Call to Order

1. **Consideration of the Agenda**..... \*\*
2. **Consent Agenda**..... \*\*
  - ⇒ a. **Consideration of the December 14, 2017, Board Minutes**
  - ⇒ b. **Acceptance of the November 2017 Financial Statements**
  - ⇒ c. **Approval ROC Minutes**
  - ⇒ d. **Approval of 01-18 Warrants and Requisitions**
  - ⇒ e. **Holiday Gifts**
3. **Unfinished Business**  
None
4. **New Business**
  - a. **Approve April 5, 2018, Board Meeting Date** ..... \*\*
  - b. **Approve Board Committee Appointments** ..... \*\*
  - c. **Approve RRHP Change Order #9** ..... \*\*
  - d. **Federal Legislative Issues**
  - e. **Employee Development Report**
5. **Reports**
  - a. **Board**
  - b. **Chief Executive Officer**
  - c. **Legislative & Governmental Relations**
  - d. **Federal Legislative (Kanner)**
  - e. **Legal**
  - f. **General Counsel (Woods Fuller)**
  - g. **Special Counsel (Van Ness Feldman)**
  - h. **Administration & Finance**
  - i. **Federal & Distributed Power Programs**
  - j. **Member Services & Communications**
  - k. **Power Supply & Operations**
6. **Other Business**  
None
7. **Future Meetings**  
Feb. 8 ..... 7:00 a.m. .... MRES Personnel Committee Mtg. .... MRES Office, Sioux Falls, SD  
Feb. 8 ..... 7:30 a.m. .... MRES Board Mtg. .... MRES Office, Sioux Falls, SD
8. **Adjourn** ..... \*\*

\*\*Action Anticipated

**MEETING AGENDA HRA of Madison**

310 Park Avenue  
Madison, MN 56256

**Meeting Description** Regular Meeting

**Results Desired**

**Date:** December, 2017\_ **Time** 11:30a.m.

**Location** Authority Office

Start	Stop	Total Hours	Start	Stop	Total Hours

Call to Order:

Action on Minutes:

Financial Report:

Project Performance Reports: Oct. '17 - ()

Correspondence: None

Maintenance:

Occupancy Status: Patty Thompson moved into #240.

James Buchmann moved into #101

Gage Morris moved into #123 ???

Nicole Bradley's mother possible moving into #236 in January '18

Ralph Milbrandt moving into #115 - December 14, 2017

Old Business:

New Business: Write off remaining \$19 of L. Burczek's rent?

Dave Jacobsen has rescinded his resignation regarding the Maintenance Person/Custodian position as of 11/15/2017.

No interest shown in the snow removal job. Snow Removal...does the board want the snow removal contractor to use their own equipment or Park Avenue's?

Other Business: Dorothy Wright resigned her position on the kitchen staff. Joan Fernholz has been hired in her place.

Adjournment:



MINUTES  
REGULAR MEETING  
THURSDAY, NOVEMBER 9, 2017

The Board of Commissioners of the HRA of Madison, MN met on Thursday, November 9, 2017 at the office of the authority. Commissioners present were: Karie Sorknes, Judi Nelson, Carlyle Larson and Stan Olson. Also present was Executive Director Kathy Bungarden and Dave Jacobsen from Maintenance. Assistant City Attorney Becky Trapp. Absent was board member Missy Heinrich.

Chairperson Karie Sorknes called the meeting to order at 12:02p.m.

Maintenance: Dave Jacobsen informed the board that he had resigned his position as Maintenance Person/Custodian at Park Avenue Apartments. He stated he felt more time was needed to get his job done therefore he was feeling a lot of stress. After Dave left the meeting the board discussed what could possibly be done to solve this problem. It was decided that perhaps some of the work should be contracted out. Kathy Bungarden will put an ad on KLQP radio station and on the Madison Rummage Sight asking for proposals regarding the snow removal at Park Avenue Apartments for the winter of 2017/2018. Carlyle Larsen will be informing Dave Jacobsen that the snow removal will no longer be a part of the Maintenance Person/Custodian job responsibilities.

The minutes of the regular meeting on Thursday, October 12, 2017, special meeting of Tuesday, October 17, 2017 and special meeting of Thursday, October 19, 2017 were discussed. Carlyle Larsen had an item he wanted Kathy to add to the minutes of the two special meetings. Minutes were then approved as written.

The financial report was reviewed. After a short discussion by the board regarding checks #6440 - #6464 for a total amount of \$14,084.15 a motion was made by Stan Olson and seconded by Karie Sorknes to pay the bills. Motion carried.

Kathy Bungarden had received a Performance Report for September, 2017 from Loucks & Schwartz. We are showing a good negative number (40.82) for the month.

Occupancy Status: #101 – Jim Buchman will be moving in sometime in December, 2017.  
#108 – Thelma Cain moved in 11/1/2017  
#105 – Phillip Karels moved out of #105; Doug Harberts moved in to #105  
#123 – Laura Burczek is still in the process of moving out. – owes \$469.00  
#240 – Jackie Lang moving out 11/30/2017  
#236 – Michele Walters is moving out 11/30/2017

**OLD BUSINESS:**

**NEW BUSINESS:**

**OTHER BUSINESS:** Karie Sorknes attended the meeting, making no promises of the longevity of her stay on the Board of Commissioners of Park Avenue Apartments.

No further business forthcoming.

The next regular meeting will be Thursday, December 14, 2017 at 11:30 a.m.

Meeting adjourned at 1:00 p.m.

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Chairperson – Karie Sorknes

---

Co-Chairperson – Stan Olson

Minutes prepared by KB on 11/9/2017.



FINANCIAL		STATEMENT	November, 2017	
Balance as of last statement			\$	4,029.23
		Income for November, 2017		
Rent	35	\$323.00 each apartment	\$	11,295.00
Cable	29		\$	870.00
AC	30		\$	150.00
Garage	10		\$	350.00
Fr.	5		\$	10.00
			\$	-
			\$	16,704.23
<u>Other Income</u>				
Maintenance - Rent, Cable, Freezer, A/C			\$	148.00
Laundry (One Machine Down 1/2 the month)			\$	300.00
Back Rent-L. Burczek #123			\$	215.00
Transer from Money Market account to Checking				
Interest on ch`			\$	0.10
			\$	663.10
			\$	663.10
			\$	17,367.33

4430	10/25/2017	6440	Mike's Floor Covering	\$	201.00
4190	11/7/2017	6441	Prairie Five Senior Dining	\$	122.00
2117	11/6/2017	Auto	S.S.-\$659.00;Medi-\$154.12;Fed.-\$450.00	\$	1,263.12
4110	11/15/2017	6442	Kathy Bungarden	\$	1,018.33
4110	11/30/2017	6443	Kathy Bungarden	\$	1,018.33
4170	11/9/2017	6444	Loucks & Schwartz	\$	135.00
4190	11/9/2017	6445	LQP Co. Sheriff(M. Cagley	\$	10.00
4190	11/9/2017	6446	KLQP FM	\$	30.35
4190	11/9/2017	6447	Midland Publishing	\$	173.88
4190	11/9/2017	6448	Montevideo Publishing	\$	407.20
4190	11/9/2017	6449	Frontier	\$	209.49
4190	11/9/2017	6450	Madison Postmaster	\$	39.20
4190	11/9/2017	6451	MN NAHRO	\$	180.00
4220	11/9/2017	6452	Dorothy Wright (23.5 hrs. @ \$9.00)	\$	206.17
4220	11/9/2017	6453	Judi Nelson(27.5 Hrs. @ \$9.00)	\$	241.26
4330	11/9/2017	Auto	Minnesota Energy	\$	387.93
	11/15/2017	Auto	City of Madison	\$	3,906.56
4410	11/15/2017	6454	Dave Jacobsen	\$	672.08
4410	11/30/2017	6455	Dave Jacobsen	\$	672.08
4420	11/9/2017	6456	LQP Co-op	\$	47.98
4420	11/9/2017	6457	Jubilee Foods(Softener Salt,Paper Towels)	\$	243.06
4420	11/9/2017	6458	Madison Hdwe. Hank	\$	112.25
4430	11/9/2017	6459	Carpets N More(#108 )	\$	615.00
4430	11/9/2017	6460	Alton Lindquist(3 Hrs. @ \$18.00)	\$	54.00
4430	11/9/2017	6461	Plunkett's	\$	80.00

4430	11/23/2017	Auto	Mediacom	\$	1,179.30	
4430	11/9/2017	6462	MN Elevator	\$	146.64	
4540	11/9/2017	6463	H.A.R.T.	\$	462.60	
4540	11/9/2017	6464	Kathy Bungarden H.C.	\$	249.34	
				\$	14,084.15	-14,084.15
				\$	3,283.18	

\*\*\*\*\*

Insured CD	\$25,028.85	Mat. Date 11/14/2018	Int. Rate 0.35%
#51000000499	1 year	Interest Yr. Ending 11/14/17	-\$87.30

Balance	Insured Money Market Savings	9/30/2017	\$115,323.20
	Subsidy	10/11/2017	\$3,206.00
	Transfer from Savings	10/31/2017	(\$5,000.00)
	Interest	10/31/2017	\$ 20.59
Balance		9/30/2017	\$113,549.79

\*\*\*\*\*

<u>YTD Int.</u>	<u>Sec. Dep. Klein Bank</u>	<u>Deposit</u>	<u>Payment</u>	<u>Balance</u>
\$1.03				

9/30/2017			\$7,332.59
10/5/2017	T. Henrich Sec. Dep. Refund	\$125.00	\$7,207.59
10/5/2017	C. Teichert Partial Sec. Dep. Refund	\$105.00	\$7,102.59
10/5/2017	Bal. of C. Teichert Sec. Dep.	\$50.00	\$7,052.59
10/12/2017	Gar. Sec. Dep.-J. Haug(\$30.00);Sec. Dep. #102(\$150.00)	\$180.00	\$7,232.59
10/31/2017	Interest	\$0.19	\$7,232.78

#118; 1 Cat - \$300 Deposit  
 #234; 1 Dog - \$300 Deposit  
 #239; 1 Cat - \$300 Deposit  
 #123; 1 Cat - \$300.00 Deposit  
 #125; 1 Dog - \$300.00 Deposit  
 #115; 1 Cat - No Pet Deposit

## Valerie Halvorson

---

**From:** cheimerl@mediacombb.net  
**Sent:** Tuesday, December 19, 2017 2:33 PM  
**To:** Sandy Buer; Deb Koester; Maatz, John; Deb Lanthier; Robert Glomstad; Roy Tonn; Val Halvorson  
**Subject:** November meeting minutes

Merry Christmas to all of you. It has been a pleasure and a learning experience for me. Enclosed are the November Board meeting minutes.

### Madison Library Board Meeting Minutes

**November 20, 2017**

The Madison Library Board met on Monday, November 20, 2017, in the City Library at 5:30 pm.  
Roll call: Present: Cheryl Heimerl, Roy Tonn, Deb Lanthier, Bob Glomstad, Sandi Buer, Val Halvorson and Deb Koester.  
Absent: John Maatz.

Koester called the meeting to order at 5:30 pm and a quorum was present. Agenda was approved as presented, Tonn moved to accept minutes as presented, second by Buer, motion passes.

Correspondence  
None

Financial Report  
\$35,664.71 in Friends account

Librarian's Report  
The Library received a \$150 memorial from the Betty Roth estate to be used to purchase large print books.  
108 people attended the presentation by Mary Krugerud of her book "Interrupted Lives", a study of tuberculosis facilities in Minnesota.  
There will be a "Polar Express" pajama party on December 9.  
Coding classes will be starting in December for all patrons, 2 - 90 years old, for individuals and classes. Go to [code.org](http://code.org) for more info.  
In discussion of the SWIF money market account, which stands at \$158,073.65, down from \$167,743.28, Lanthier presented her shopping list of wants and needs: Coding supplies, 5 more iPads, a home theater projector for movie times, a popcorn machine, new chairs, loveseat, and coffee table for the meeting room, round tables, a projection screen, and various organizing pieces with supplies. These items will be purchased from Amazon, Brodart, Cover One, Demco, and Embury for a cost of \$36,639.69, to be paid from the Friends account.

Koester made a motion that the Money Market account be removed from SWIF, and disbursed as follows: \$50,000 be deposited into our SWIF Endowment fund, and the remainder be deposited into the Friends account. Glomstad seconded; motion carries. Heimerl moved to approve all of Lanthier's shopping list, second by Buer; motion carried.

PLS Report  
None

Old Business  
None

New Business

Heimerl is retiring after serving 10+ years on the Library Board of Directors and the PLS Board of Directors. Heather Muntean has expressed interest in serving on the Board. Glomstad moved to ask Muntean, second by Buer; motion carried. In discussion of the replacement from the Board for PLS, the member must come from the Board members, as written in the By-Laws, and must be the same member for the whole year.

City Manager Val Halvorson was present, stating the a defibulator will be installed in the Library and the staff will be trained to use it.

There is a survey on Survey Monkey and Board members were ask to fill it out.

The Library has a new employee, Kate Muntean.

Motion to adjourn by Tonn, second by Buer. Motion carries. Adjourned at 6:26.

Next Board Meeting to be Tuesday, January 15, 2018 at 5:30 pm.

Submitted by Cheryl Heimerl

Retiring Board Secretary



**CITY OF MADISON  
MINUTES OF THE  
MADISON ECONOMIC DEVELOPMENT AUTHORITY  
SPECIAL MEETING  
DECEMBER 7, 2017 - 12:00 p.m.**

Pursuant to due call and notice thereof, a special meeting of the Madison EDA was called to order by President Dave Amundson on Thursday, December 7, 2017, at 12:00 noon at the Madison Municipal Building. Members present were: Dave Amundson, Dean Solem, Jim Connor, Maynard Meyer, and Greg Thole. Also present were: Madison Business Development Corporation members Rick Odden and Brian Clark, City Manager Val Halvorson and City Clerk Kathleen Weber.

**AGENDA**

Upon motion by Meyer, seconded by Solem and carried, the Agenda was approved as presented. All agenda items are hereby placed on the table for discussion.

**BUSINESS LOAN UPDATE**

Rick Odden presented those present with a report on operation of Lou's Lodge since its purchase by the Madison Business Development Corporation on October 7, 2017, and provided a summary of estimated income and expenses to date. He informed those present that there is approximately \$7,000 in credit card deposits that have yet to be made received due to the fact that Dennis Sorenson's name was still on the account. Dennis is being very cooperative in working with the Madison Business Development Corporation and the bank in getting this resolved with the credit card processing agency. He noted that the manager, Sarah Stewart, was initially paid \$200 per day, which has since been reduced to \$100 per day based on lower occupancy rates and fewer hours at this time. It was requested by President Dave Amundson that Sarah paint and "spruce up" the living quarters as time permits, and he noted that Branses Pest Control has been addressing the rodent issue. An problem in the laundry room was also discussed and should be addressed as well.

Discussion was had in regard to closing down the new part of Lou's Lodge over the winter months in order to reduce energy costs. A wall has been built in the basement to facilitate this and a heater will be utilized to keep water service from freezing for the old part. It was noted that the boiler system for the old part needs replacing at an estimated cost of \$5,000. Odden reported that, to date, none of the \$20,000 line of credit from the EDA has been used.

Rick Odden informed those present that there is possible interest in the purchase of Lou's Lodge, and he would like to have some negotiating leeway so that, if an offer is received, he does not need to schedule a meeting of the board each time. Once agreed upon terms are close to being reached, the offer would be presented to the board for final approval. Members provided Odden with a range for offers that they would consider.

There being no further business, meeting adjourned at 12:55 p.m.

\_\_\_\_\_  
Dave Amundson, President

**ATTEST:**

\_\_\_\_\_  
Kathleen Weber – City Clerk

**CITY OF MADISON  
MINUTES OF THE  
MADISON ECONOMIC DEVELOPMENT AUTHORITY  
SPECIAL MEETING  
THURSDAY, DECEMBER 21, 2017 – 12:00 NOON**

Pursuant to due call and notice thereof, a special meeting of the Madison Economic Development Authority was conducted at 12:00 p.m. on Thursday, December 21, 2017 at the Madison Municipal Building.

Members in attendance: Scott Wanner, Jim Connor, Greg Thole, and Greg Monson. Also in attendance were: City Attorney Rick Stulz, City Manager Val Halvorson, and City Clerk Kathleen Weber. Madison Business Development Member present was Rick Odden.

Vice President Scott Wanner called the meeting to order.

**APPROVAL OF AGENDA**

Upon motion by Monson, seconded by Connor and carried, the agenda was approved as presented. All agenda items are hereby placed on the table for discussion.

**SALE OF LOU'S LODGE**

Discussion was had in regard to the sale of Lou's Lodge by the Madison Business Development Corporation. An offer in the amount of \$130,000 has been received from a prospective buyer with anticipated closing date scheduled for December 28, 2017. Should the EDA find this offer favorable, a motion to approve the sale and release existing mortgages would be in order. It was noted that, from the purchase price, some outstanding bills and delinquent property taxes would need to be paid. The Madison Business Development Corporation would also need to be reimbursed their \$10,000 appropriation to the project. It is estimated that the City of Madison would net approximately \$110,000 to be applied to outstanding loans issued to Ron Sorenson and the Madison Business Development Corporation. There is still \$7,000 in credit card charges that will hopefully be released to the Madison Business Development Corporation once Dennis Sorenson and Karin Moen can get the account transferred. Upon motion by Connor, seconded by Monson and carried, EDA accepted the offer of \$130,000 for the purchase of Lou's Lodge from the Madison Business Development Corporation; and authorized Vice President Scott Wanner to sign documents related to outstanding mortgage release.

A brief discussion was had regarding a possible request for a loan from the EDA to make some repairs to Lou's Lodge by the new owner. Some members expressed their opinion that no additional loans should be made for this property, while others noted that transfer of the property in December compared to April is a huge benefit and that it would be a "good loan" if approved. EDA Member Greg Monson suggested the board wait for an application and make a decision, based on merits, at that time.

Greg Thole questioned whether the new owner would be able to apply for grant/loan dollars through the Small Cities Development Program for commercial rehabilitation. It was noted that Lou's Lodge is not in the project target area, but once projects in that area have been exhausted, it would be available to other projects if funds remain.

**ADJOURNMENT**

There being no further business, meeting adjourned at 12:20 p.m.

\_\_\_\_\_  
Scott Wanner, EDA Vice President

ATTEST:

\_\_\_\_\_  
Kathleen Weber, City Clerk

**UNAPPROVED**  
**MADISON PARK BOARD**  
**REGULAR MEETING**  
**September 20, 2017**

Pursuant to due call and notice thereof, a regular meeting of the Madison Park Board was called to order by Chairman Bart Hill on Wednesday, September 20, 2017, at 7:05 p.m. in City Hall Auditorium. Members present were: Bart Hill, Becky Trapp, Adam Conroy and Tim Volk. Absent: Julie Hill. Also present was: City Manager Val Halvorson, Parks Supervisor Allan Thompson.

**AGENDA**

Upon motion by Volk, seconded by Trapp and carried, the Agenda was approved as presented. There were no additions to the agenda. All agenda items are hereby placed on the table for discussion.

**MINUTES**

Upon motion by Trapp, seconded by Conroy and carried, minutes of the March 29, 2017 meeting were approved as presented.

**PUBLIC PETITIONS, REQUESTS, HEARINGS AND COMMUNICATIONS**

None.

**UNFINISHED AND NEW BUSINESS**

**2017 PARK UPDATES:**

City Manager updated the Board on park updates and use over the summer.

Madison Memorial Field: Picnic shelter was put up for \$11,240.86. Madison Mallards volunteers constructed an upper deck. Members offered congratulations to Bart on his induction into the hall of fame and thanked him for hours of labor at the ball diamond. It was noted by Conroy that teams comment on the quality of our field and enjoy playing here. Hill updated on the amateur tournament that played host to 800 players and fans.

Memorial Bench Program: Halvorson included a list of installed benches and noted we have had 2 communities contact us on how we manage it.

Sign at Jacobson Park: Has been installed and Kiwanis Kiddie Park will be next sign to be replaced – Maynard is working on the wording.

NHS/Boy Scouts: Halvorson contacted Mr. Lowry at LqP to offer suggests on projects, both NHS and Boy Scouts worked on painting a picnic shelter at Slen Park

Swimming Pool: Had a good season with a slight increase in numbers from 2016 summer. No major projects or repairs to report. We had Memorial swims sponsored by the families of Tim Hanson and Char Lund. Adam brought up adding the climbing wall and that the anchors may already be installed in the pool walls. The Chamber has funds for park projects.

Main Street Park/Art Council: Halvorson updated the board on the open properties that had been discussed on Main Street that would make a nice park. The land owner has communicated he is willing to sell for \$10,000. Four pots and four hanging baskets had been purchased for Main Street this spring, city staff watered and kept the plants looking good. The “flower committee” has plans to add 4 more hanging baskets in 2018.

Courts: Update on progress at basketball and tennis courts was provided. Funds will be taken from the reserves for the project of \$24,000.

Softball fields: Fields and concession were not utilized for league play this summer.

Trails: UMVRDC provided information to Halvorson that a Master Plan is required with most grant applications. This typically costs around \$25,000. LqP County is currently is applying to become a regional park to be eligible for DNR and legacy funds.

### **2018 PARK PROJECT LIST**

Pool: Request for Sound System that includes outdoor speakers at each corner, and new wrought iron tables to replace those that are broken.

Other: No other projects were discussed. It was noted by Volk to prepare for retirements of Street/Park staff.

### **OTHER**

Park Board set its next meeting for spring of 2018.

There being no further business, upon motion by Conroy, seconded by Volk and carried, meeting adjourned at 8:05 p.m.

---

Val Halvorson, City Manager/Ass't Sec'y





**Department of Energy**  
Western Area Power Administration  
Upper Great Plains Customer Service Region  
P.O. Box 35800  
Billings, MT 59107-5800

**DEC 08 2017**

Dear Firm Power Customer and Other Interested Parties:

This letter is to inform you that electric service rates will decrease beginning January 1, 2018. *The Federal Register* notice (FRN) published December 7, 2017 (Volume 82, FR No. 234, pages 57742-55750) gives notice that Western Area Power Administration's (WAPA) Rate Order No. WAPA-180 was confirmed and approved by the Deputy Secretary, United States Department of Energy on November 30, 2017. This FRN is available at WAPA's website located at <https://www.wapa.gov/regions/UGP/rates/Pages/2018-firm-rate-adjustment.aspx>. The Rate Order approves the provisional rates for Firm Power Service, Firm Peaking Power Service, and Sale of Surplus Product formula rates set forth in the Pick-Sloan Missouri Basin Program--Eastern Division Rate Schedules.

Enclosed are the new firm power rate schedules P-SED-F13 and P-SED-FP13. In addition to the rate decrease in these rate schedules, WAPA has removed the 5 percent voltage discount previously included in the firm power rate schedules. Please note, if your bill from WAPA had points of delivery receiving the voltage discount, these point of delivery will no longer receive the discount. This change along with the reduced firm and firm peaking rates will be reflected on your January 2018 power bill from WAPA.

This letter and the enclosures serve as WAPA's fall notification of the change to the Drought Adder component of the rate effective January 1, 2018, as required under the current annual review process. If you have any questions, please contact me by phone at (406) 255-2920.

Sincerely,

A handwritten signature in black ink, reading "Linda Cady-Hoffman", is positioned above the typed name.

Linda Cady-Hoffman  
Rates Manager for  
Upper Great Plains Region

Enclosures



**UNITED STATES DEPARTMENT OF ENERGY  
WESTERN AREA POWER ADMINISTRATION**

**UPPER GREAT PLAINS REGION  
Pick-Sloan Missouri Basin Program—Eastern Division**

**FIRM POWER SERVICE**  
**(Approved Under Rate Order No. WAPA-180)**

**Effective**

The first day of the first full billing period beginning on or after January 1, 2018, through December 31, 2022, or until superseded by another rate schedule, whichever occurs earlier.

**Available**

Within the marketing area served by the Eastern Division of the Pick-Sloan Missouri Basin Program; within Montana, North Dakota, South Dakota, Minnesota, Iowa, and Nebraska.

**Applicable**

To the power and energy delivered to customers as firm power service.

**Character**

Alternating current, 60 hertz, three phase, delivered and metered at the voltages and points established by contract.

**Formula Rate and Charge Components**

Rate = Base component + Drought Adder component

**Monthly Charge as of January 1, 2018, under the Rate:**

**CAPACITY CHARGE:** \$5.25 for each kilowatt per month (kWmo) of billing capacity.

**ENERGY CHARGE:** 13.27 mills for each kilowatt-hour (kWh) for all energy delivered as firm power service.

**BILLING CAPACITY:** The billing capacity will be as defined by the power sales contract.

**Charge Components:**

**Base Component:** A fixed revenue requirement that includes operation and maintenance expense, investments and replacements, interest on investments and replacements, normal timing purchase power (purchases due to operational constraints, not associated with drought), and transmission costs. Any proposed change to the Base component will require a public process.

$$\text{Base Capacity} = \frac{50\% \times \text{Base Revenue Requirement}}{\text{Firm Metered Billing Units}} = \$5.25/\text{kWmo}$$

$$\text{Base Energy} = \frac{50\% \times \text{Base Revenue Requirement}}{\text{Annual Energy}} = 13.27 \text{ mills/kWh}$$

**Drought Adder Component:** A formula-based revenue requirement that includes future purchase power expense above timing purchases, previous purchase power drought deficits, and interest on the purchase power drought deficits. The formulas, along with the charges under the formulas as of January 1, 2018, are:

$$\text{Drought Adder Capacity} = \frac{50\% \times \text{Drought Adder Revenue Requirement}}{\text{Firm Metered Billing Units}} = \$0.00/\text{kWmo}$$

$$\text{Drought Adder Energy} = \frac{50\% \times \text{Drought Adder Revenue Requirement}}{\text{Annual Energy}} = 0.00 \text{ mills/kWh}$$

**Annual Drought Adder Adjustment Process:**

The Drought Adder may be adjusted annually using the above formulas for any costs attributed to drought of less than or equal to the equivalent of 2 mills/kWh to the Power Repayment Study (PRS) composite rate. Any planned incremental upward adjustment to the Drought Adder greater than the equivalent of 2 mills/kWh to the PRS composite rate will require a public process.

The annual review process is initiated in early summer when WAPA reviews the Drought Adder component and provides notice of any estimated change to the Drought Adder component charge under the formula. In October, WAPA will make a final determination of any change to the Drought Adder component charge, either incremental or decremental. If a Drought Adder component change is required, a modified Drought Adder revenue requirement and the associated charges will become effective the following January 1 and will be identified in a Drought Adder modification update. WAPA will inform customers of updates by letter and post updates to WAPA's external website.

**Adjustments:**

**For Billing of Unauthorized Overruns:**

For each billing period in which there is a contract violation involving an unauthorized overrun of the contractual firm power and/or energy obligations, such overrun shall be billed at 10 times the formula rate.

**For Power Factor:**

None. Customers will be required to maintain a power factor at the point of delivery between 95-percent lagging and 95-percent leading.

**UNITED STATES DEPARTMENT OF ENERGY  
WESTERN AREA POWER ADMINISTRATION**

**UPPER GREAT PLAINS REGION  
Pick-Sloan Missouri Basin Program—Eastern Division**

**FIRM PEAKING POWER SERVICE**  
**(Approved Under Rate Order No. WAPA-180)**

**Effective:**

The first day of the first full billing period beginning on or after January 1, 2018, through December 31, 2022, or until superseded by another rate schedule, whichever occurs earlier.

**Available:**

Within the marketing area served by the Eastern Division of the Pick-Sloan Missouri Basin Program; within Montana, North Dakota, South Dakota, Minnesota, Iowa, and Nebraska.

**Applicable:**

To the power sold to customers as firm peaking power service.

**Character:**

Alternating current, 60 hertz, three phase, delivered and metered at the voltages and points established by contract.

**Formula Rate and Charge Components:**

Rate = Base component + Drought Adder component

**Monthly Charge as of January 1, 2018, under the Rate:**

**CAPACITY CHARGE:**

\$4.75 for each kilowatt per month (kWmo) of the effective contract rate of delivery for peaking power or the maximum amount scheduled, whichever is greater.

**ENERGY CHARGE:**

13.27 mills for each kilowatt-hour (kWh) for all energy scheduled for delivery without return.

**Charge Components:**

**Base Component:** A fixed revenue requirement that includes operation and maintenance expense, investments and replacements, interest on investments and replacements, normal timing purchase power (purchases due to operational constraints, not associated with drought), and transmission costs. Any proposed change to the Base component will require a public process.

$$\text{Base Capacity} = \frac{\text{Base Peaking Capacity Revenue Requirement}}{\text{Peaking CROD Billing Units}} = \$4.75/\text{kWmo}$$

**Drought Adder Component:** A formula-based revenue requirement that includes future purchase power above timing purchases, previous purchase power drought deficits, and interest on the purchase power drought deficits. The formulas, along with the charges under the formulas as of January 1, 2018, are:

$$\text{Drought Adder Capacity} = \frac{\text{Drought Adder Peaking Capacity Revenue Requirement}}{\text{Peaking CROD Billing Units}} = \$0.00/\text{kWmo}$$

**Annual Drought Adder Adjustment Process:**

The Drought Adder may be adjusted annually using the above formulas for any costs attributed to drought of less than or equal to the equivalent of 2 mills/kWh to the Power Repayment Study (PRS) composite rate. Any planned incremental upward adjustment to the Drought Adder greater than the equivalent of 2 mills/kWh to the PRS composite rate will require a public process.

The annual review process is initiated in early summer when WAPA reviews the Drought Adder component and provides notice of any estimated change to the Drought Adder component charge under the formula. In October, WAPA will make a final determination of any change to the Drought Adder component charge, either incremental or decremental. If a Drought Adder component change is required, a modified Drought Adder revenue requirement and the associated charges will become effective the following January 1 and will be identified in a Drought Adder modification update. WAPA will inform customers of updates by letter and post updates to WAPA's external website.

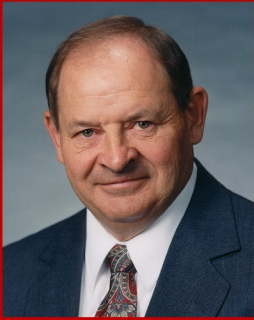
**BILLING CAPACITY:**

The billing capacity will be the greater of (1) the highest 30-minute integrated capacity measured during the month up to, but not in excess of, the delivery obligation under the power sales contract, or (2) the contract rate of delivery.

**Adjustments:**

**Billing for Unauthorized Overruns:**

For each billing period in which there is a contract violation involving an unauthorized overrun of the contractual obligation for peaking capacity and/or energy, such overrun shall be billed at 10 times the above rate.



# STATE SENATOR GARY DAHMS



Proudly Serving the Residents of District 16

E-Newsletter

December 2017

## PRELIMINARY ECONOMIC FORECAST RELEASED

Minnesota Management and Budget released the state's **November budget and economic forecast**, showing a projected \$188 million deficit for the 2018 – 2019 fiscal year and a \$586 million deficit for FY 2020 – 2021. The projected deficit is largely due to growth in projected spending and lower-than-expected revenues based on lower growth estimates at the federal level.

The forecast does not take into account the federal tax reform bill currently making its way through Congress which is expected to improve the state's fiscal outlook. In addition, the forecast also reflects \$178 million in spending on the federal Children's Health Insurance Program (CHIP) that will be reimbursed once CHIP is renewed by Congress. Assumptions about federal legislation and U.S. GDP and wage growth also contributed to lower-than-expected revenue findings. The forecast assumes no tax bill will be passed at the federal level and assumes 2.2% GDP growth in 2017 despite 3.1% growth in the second quarter and 3.3% growth in the third quarter.

However, there is no doubt that Minnesota's economy remains strong, and all signs in the forecast point to a healthy, robust, growing economy. Unemployment is at its lowest level in 17 years and wages are growing with state wage growth projected to increase in 2018. During the 2017 session, the legislature passed a \$650 million tax relief package that is expected to further boost the economy.

State officials will release an updated forecast in February. It is that forecast that will be used to guide the 2018 legislative session, and it is anticipated to include stronger revenue estimates.

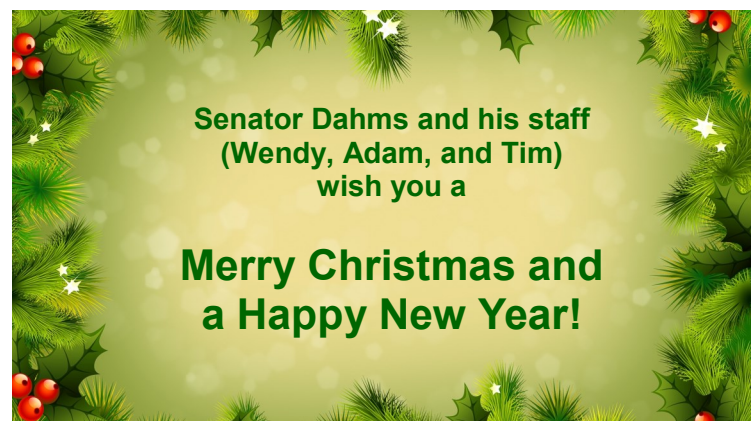


## PREP WORK BEGINS ON HIGHWAY 14/15 IN NEW ULM

By mid-December New Ulm residents and Highway 14/15 motorists will see construction workers getting ready for the construction of two bridges and a new interchange at the Highway 14/15/CR 21 (Y intersection). The preliminary winter work for the project includes clearing trees and brush and preparatory work for the bridge over the Minnesota River in New Ulm.

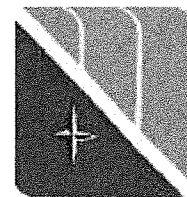
In the spring of 2018, Highway 14/15 from Broadway to Nicollet County Road 21 (including the bridge over Front Street) will be under construction. In 2019, MnDOT will replace the Minnesota River Bridge and build a new interchange at the intersection of Highway 14/15/CR21. Both 2018 and 2019 work will require a detour.

When the project is completed two deficient bridges will be replaced, intersection safety and driving pavements will be improved, and aesthetics installed to create a new Gateway into New Ulm. Project information and detour maps are available at [www.mndot.gov/newulm](http://www.mndot.gov/newulm).



## FOLLOW ME ONLINE





# Memo

**To:** Mayor and City Council

**From:** Kathy Weber, City Clerk

**Date:** December 21, 2017

**Subject:** Letter of Agreement for Live Well Services

At its meeting on October 23, 2017, the City Council approved participation in the “Live Well” Wellness Program offered by Southwest West Central Services Cooperative. The attached Letter of Agreement is also a required to participate in the incentive piece of the program whereby eligible employees who participate in biometric screening and at least two of our “Live Well” activities during 2018 will receive \$250 into their Health Savings Account. This is a pilot program and the incentive and administrative fee will be paid from pool asset dollars.

I have provided a copy of the signed Letter of Agreement for ratification by the Council.



## LETTER OF AGREEMENT FOR LIVE WELL SERVICES

December 13, 2017

SWWC Wellness Institute  
Southwest West Central Service Cooperative  
Cliff Carmody, Executive Director  
1420 East College Drive  
Marshall, MN 56258

Kathleen Weber, Wellness Coordinator  
City of Madison  
404 6<sup>th</sup> Ave  
Madison MN 56256

Dear Mr. Carmody,

This letter is to affirm our mutual understanding and agreement between Southwest West Central Service Cooperative ("SWWC") Wellness Institute (the "Wellness Institute") and the City of Madison ("Employer") with respect to the operation of the participation-based Wellness Program offered by the Wellness Institute in 2018.

### Background

Wellness programs offered by the Wellness Institute are part of the group health plans made available through SWWC. In order to participate in these programs, employers must enter into an agreement with the Wellness Institute regarding their obligations with respect to the Program.

The current program is designed to improve wellbeing and control health care costs by encouraging participation in activities and create an awareness of current wellbeing status. The Wellness Institute will provide a \$250 incentive for each employee who participates in an onsite biometric screening and participates in at least two participation-based activities offered by the employer. No individual is required to perform or complete an activity related to a health factor in order to obtain a reward.

### The Wellness Institute agrees as follows:

- Incentives relating to the 2018 plan year will be allocated to employees not later than December 31, 2018. To be eligible for the incentive, employees must complete certain activities no later than November 1, 2018.
- The SWWC Wellness Institute requires that employees verify participation in activities with their employer.
- The employer agrees to send a report including the participation information above to the SWWC Wellness Institute. The Wellness Institute will use this information to confirm eligibility, and send funds to the Employer for allocation to employees no later than

December 31, 2018 based on the total amount of incentives earned.

- The wellness program is a pilot program for the group health plan year beginning on January 1, 2018. The program automatically expires on December 31, 2018. The Wellness Institute may request survey information to determine its effectiveness, but neither the Wellness Institute nor the employer agrees to provide same program in 2019. Wellness programs may change from year to year, as determined by the Wellness Institute in its discretion.
- The wellness program is made available as part of the group health plan made available through Southwest West Central Service Cooperative Health Insurance Pool. Employees must be enrolled in employer-sponsored group health coverage made available through the Southwest West Central Service Cooperative in order to participate in or receive benefits associated with the wellness program. If an employee does not enroll in coverage made available through the Southwest West Central Service Cooperative, the employee is not eligible to earn an incentive even if the employee has participated in wellness activities.

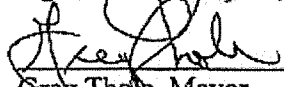
**The Employer agrees as follows:**

- Employer will communicate the wellness program to employees.
- Employer will sponsor this program for its employees pursuant to either a personnel policy or memorandum of understanding substantially in the form attached hereto. If an employer already has a memorandum of understanding in place from 2017, the employer will provide its unions with a memorandum substantially in the form attached hereto, but entitled, "Renewal of wellness pilot program."
- To maximize tax efficiencies, we recommend that employers apply wellness program incentives through premium reduction or contributions to the VEBA, HSAs or HRAs. But employers may also distribute incentives as taxable cash compensation, subject to applicable withholding and employment taxes. Employers are responsible for W-2 and related reporting with regard to incentives. Incentives that are not allocated for any reason shall be retained by or returned to the Wellness Institute.
- Employer will permit occasional, limited audits of their wellness program pursuant to agreed-upon-procedures. The purpose of the audits will be to ensure that the incentives due to employees are properly applied.
- Employees must verify participation with their employer no later than November 1, 2018.
- The Employer will work with SWWC Wellness Institute to offer onsite biometric screenings and to design and offer onsite participation-based activities for employees to participate in.
- The Employer will provide the SWWC Wellness Institute with a report indicating the employees eligible for the incentive no later than November 15, 2018.


**Both the Employer and the Wellness Institute agree as follows:**

- SWWC does not access, or use, any individual health assessment results or other health information from the wellness program to determine any individual's or employer's group's rates.
- SWWC does not receive nor does it share any individual health assessment results or other health information from the wellness program with employers; an individual's name, address and program selection, if applicable, may be shared with an employer for purposes of incentive determinations only.
- Incentives and/or other costs associated with the program, will be paid from the SWWC Service Cooperative Health Insurance Pool assets. SWWC authorizes payments because incentive-based wellness programs are designed to reduce health care costs for the pool, which benefits all members. SWWC cannot use pool assets to pay for incentives or provide other benefits to former pool members or their employees. Accordingly, incentives and/or other costs are only available to employees who are enrolled in group health plans made available through the SWWC Health Insurance Pool at the time that incentives and/or other costs are paid. If a group or class of employees moves to other coverage, no incentives and/or other costs will be paid from SWWC.
- The Wellness Institute may charge an administrative fee in the amount of \$5.00 per employee per month (PEPM) who is enrolled in the Employer's group health plan. The administrative fee shall be paid during the Pilot Program from pool assets rather than assessed directly to participating employers or added to equivalent premium rates.
- Nothing herein shall contravene the Joint Power Agreement for Group Employee Benefits and other Financial and Risk Management Services.
- Wellness activities do not have to include employer-provided financial incentives or prizes; if they do, however, the Employer will not condition the receipt of an incentive or prize on satisfaction of an activity-based standard unless it provides a reasonable alternative standard to employees who may not be able to achieve the standard due to a medical condition.

Agreed and Accepted,

  
\_\_\_\_\_  
Greg Thoma, Mayor  
City of Madison, MN

Dated: December 13, 2017

  
\_\_\_\_\_  
SWWC Service Cooperative Wellness Institute

Dated: 12/14/17

# REVENUE REPORT

## CALENDAR 12/2017, FISCAL 12/2017

PCT OF FISCAL YTD 100.0%

ACCOUNT NUMBER	ACCOUNT TITLE	FISCAL ESTIMATE	PTD BALANCE	YTD BALANCE	PERCENT RECVD	UNCOLLECTED
	GENERAL TOTAL	1,649,821.91	702,554.75	1,780,464.65	107.92	130,642.74-
	AMBULANCE TOTAL	109,500.00	17,647.12	134,123.18	122.49	24,623.18-
	SCDP GRANT REVOLVING LOAN TOTA	.00	615.62	14,663.70	.00	14,663.70-
	EDA TOTAL	33,279.94	203.89	33,587.79	100.93	307.85-
	EDA REVOLVING LOAN FUND TOTAL	5,100.00	159.67	1,220.50	23.93	3,879.50
	SEWR SYSTEM REPLACEMENT TOTAL	.00	88,327.00	88,327.00	.00	88,327.00-
	'98 STORM SEWER DEBT SERV TOTA	850.00	.00	99,941.25	1,757.79	99,091.25-
	2009 GO TEMP IMPROVE DEBT TOTA	11,082.50	5,229.60	38,866.21	350.70	27,783.71-
	INFRA. REPLACE. DEBT SERV TOTA	508,445.55	102,962.26	539,887.96	106.18	31,442.41-
	2015 GO REFUNDING DS TOTAL	345,699.53	.00	345,739.35	100.01	39.82-
	2016 GO REF/WT REV DS TOTAL	145,658.75	.00	51,924.75	35.65	93,734.00
	WWTP PROJECT FUND TOTAL	.00	.00	36,864.03	.00	36,864.03-
	2017 SEALCOAT PROJ FUND TOTAL	.00	370,232.65	370,232.65	.00	370,232.65-
	WATER TOTAL	517,700.00	39,869.45	557,476.68	107.68	39,776.68-
	SEWER TOTAL	430,850.00	46,431.06	448,921.43	104.19	18,071.43-
	SANITATION TOTAL	216,742.78	17,877.15	218,819.94	100.96	2,077.16-
	ELECTRIC UTILITY TOTAL	1,458,900.00	128,631.37	1,436,479.55	98.46	22,420.45

**REVENUE REPORT**  
**CALENDAR 12/2017, FISCAL 12/2017****PCT OF FISCAL YTD 100.0%**

ACCOUNT NUMBER	ACCOUNT TITLE	FISCAL ESTIMATE	PTD BALANCE	YTD BALANCE	PERCENT RECVD	UNCOLLECTED
	STORM SEWER TOTAL	143,600.00	12,099.80	142,482.13	99.22	1,117.87
	LIQUOR TOTAL	418,500.00	39,851.36	413,363.76	98.77	5,136.24
	EASTVIEW APARTMENTS TOTAL	156,000.00	16,077.32	162,260.65	104.01	6,260.65-
	RESERVE TOTAL	178,402.04	113,316.80	141,359.33	79.24	37,042.71
	REVENUE BY FUND SUMMARY	=====	=====	=====	=====	=====
		6,330,133.00	1,702,086.87	7,057,006.49	111.48	726,873.49-
		=====	=====	=====	=====	=====

**BUDGET REPORT**  
**CALENDAR 12/2017, FISCAL 12/2017**

PCT OF FISCAL YTD 100.0%

ACCOUNT NUMBER	ACCOUNT TITLE	TOTAL BUDGET	PTD BALANCE	YTD BALANCE	PERCENT EXPENDED	UNEXPENDED
	GENERAL TOTAL	1,649,821.93	594,563.65	2,035,945.29	123.40	386,123.36-
	AMBULANCE TOTAL	107,823.00	12,421.28	289,368.63	268.37	181,545.63-
	SCDP GRANT REVOLVING LOAN TOTA	.00	.00	62,929.31	.00	62,929.31-
	EDA TOTAL	33,180.00	417.48	59,173.83	178.34	25,993.83-
	EDA REVOLVING LOAN FUND TOTAL	200.00	.00	200.00	100.00	.00
	'98 STORM SEWER DEBT SERV TOTA	1,055,850.00	.00	1,174,865.01	111.27	119,015.01-
	2009 GO TEMP IMPROVE DEBT TOTA	11,082.50	26,650.00	39,167.15	353.41	28,084.65-
	INFRA. REPLACE. DEBT SERV TOTA	476,042.11	.00	475,941.36	99.98	100.75
	2015 GO REFUNDING DS TOTAL	339,820.00	229,405.00	339,605.00	99.94	215.00
	2016 GO REF/WT REV DS TOTAL	146,483.50	.00	25,479.16	17.39	121,004.34
	WWTP PROJECT FUND TOTAL	.00	12,147.40	73,728.32	.00	73,728.32-
	WATER TOWER REHAB PROJECT TOTA	.00	.00	11,805.99	.00	11,805.99-
	2017 SEALCOAT PROJ FUND TOTAL	.00	66,398.40	370,232.65	.00	370,232.65-
	WATER TOTAL	703,144.19	44,430.61	750,831.44	106.78	47,687.25-
	SEWER TOTAL	579,618.37	82,595.74	700,809.39	120.91	121,191.02-
	SANITATION TOTAL	216,688.95	32,024.45	216,152.24	99.75	536.71
	ELECTRIC UTILITY TOTAL	1,315,293.24	189,526.28	1,284,587.61	97.67	30,705.63

**BUDGET REPORT**  
**CALENDAR 12/2017, FISCAL 12/2017**

**PCT OF FISCAL YTD 100.0%**

ACCOUNT NUMBER	ACCOUNT TITLE	TOTAL BUDGET	PTD BALANCE	YTD BALANCE	PERCENT EXPENDED	UNEXPENDED
	STORM SEWER TOTAL	232,679.95	8,692.99	230,036.86	98.86	2,643.09
	LIQUOR TOTAL	422,511.82	39,325.42	411,242.51	97.33	11,269.31
	EASTVIEW APARTMENTS TOTAL	192,648.49	8,526.96	194,259.09	100.84	1,610.60-
	RESERVE TOTAL	11,700.00	54,925.00	216,485.87	1,850.31	204,785.87-
	EXPENSES BY FUND SUMMARY	=====	=====	=====	=====	=====
		7,494,588.05	1,402,050.66	8,962,846.71	119.59	1,468,258.66-
		=====	=====	=====	=====	=====

**CITY OF MADISON  
MADISON ECONOMIC DEVELOPMENT AUTHORITY LOAN FUND  
NOTE STATUS REPORT**

December 31, 2017

**MEDA LOANS (REVOLVING LOAN FUND)**

LOAN NAME	NOTE #	FINAL MATURITY	ORIG LOAN Amount	MONTHLY PAYMENT	DAY DELINQ	AMOUNT DELINQ	BALANCE
Natalie Collom	MGD#1009	12/01/21	\$10,000.00	\$142.08	395	\$1,845.09	\$10,000.00
Mtech Service & Repair L	MGD#1008		\$29,400.00	\$283.07			\$17,797.31
Ronold Sorenson	MGD#1007		\$25,000.00	\$371.00	1429	\$17,429.88	\$25,000.00
Ron & JoAnn Sorenson	MGD#69	06/01/13	\$70,000.00	\$371.00	563	\$6,867.06	\$36,316.54
Mark Siegert	Dev Agreemnt	10/01/17	\$3,686.00	1st Stage 2 yrs 2nd Stage 5 yrs tax assessmer	10/1/2014 10/1/2017		
Susana C. Wittnebel	MGD#1010	10/15/23	\$2,500.00				\$2,224.66
Pantry Café	MGD#1011	12/01/19	\$3,703.59	\$110.75			\$2,524.65
Madison Business Dev C	MGD#1012		\$125,000.00		90		\$125,000.00
<b>TOTAL MEDA LOANS (REVOLVING LOAN FUND)</b>						<b>\$26,142.04</b>	<b>\$218,863.16</b>

**MEDA DWM PAY LOANS (CITY)**

<b>TOTAL MEDA DWN PAY LOANS (CITY)</b>	<b>\$0.00</b>	<b>\$0.00</b>
--	---------------	---------------

**MEDA DWM PAY LOANS (STATE)**

	<b>\$0.00</b>	<b>\$0.00</b>
<b>TOTAL MEDA DWN PAY LOANS (STATE)</b>	<b>\$0.00</b>	<b>\$0.00</b>

**TOTAL DELINQUENCIES    \$26,142.04**

**FUND BALANCE AVAILABILITY**

		DWN PAY LOANS (CITY)	DWM PAY LOANS (STATE)	TOTALS
<b>Fund Balance</b>	\$247,521.64	\$0.00	\$0.00	\$247,521.64
<b>Less Loans Outstanding</b>	\$218,863.16	\$0.00	\$0.00	\$218,863.16
<b>Less Other Assets</b>		\$0.00	\$0.00	\$0.00
<b>Funds Available</b>	<b>\$28,658.48</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$28,658.48</b>
<b>TOTAL CHECKING &amp; INVESTMENTS OR FUNDS AVAILABLE FOR LENDING</b>				<b>\$28,658.48</b>

**FUND BALANCE INCOME**

December 2017 Interest	<b>\$159.67</b>
2017 YTD interest	<b>\$1,220.50</b>



**Cash and Investment Balances**  
**Date: December 31, 2017**

Fund	Acct No.	Cash Balance	Acct No.	KleinBank MM	Acct No.	First Empire	Acct Number	Cetera	
General Fund	101-10100	\$ 925,042.53	101-10107	\$ 28,756.14	101-10111	\$ 100,000.00	101-10112	\$ -	\$ 1,053,798.67
Ambulance Fund	201-10100	\$ (122,196.90)	201-10107	\$ -	201-10111	\$ -	201-10112	\$ 200,000.00	\$ 77,803.10
EDA Fund	211-10100	\$ 11,202.28	211-10107	\$ -	211-10111	\$ -	211-10112	\$ -	\$ 11,202.28
Sewer Sys replace	225-10100	\$ 88,327.00	305-10107	\$ -	305-10111	\$ -	305-10112	\$ -	\$ 88,327.00
1998 Storm Sewer	305-10100	\$ -	305-10107	\$ -	305-10111	\$ -	305-10112	\$ -	\$ -
2009 GO Temp. Imp.	308-10100	\$ 2,087.75	308-10107	\$ -	308-10111	\$ -	308-10112	\$ -	\$ 2,087.75
Inf. Replace. DS	350-10100	\$ 286,324.06	350-10107	\$ -	350-10111	\$ -	350-10112	\$ -	\$ 286,324.06
2015 GO Refunding	351-10100	\$ 24,355.33	351-10107	\$ -	351-10111	\$ -	351-10112	\$ -	\$ 24,355.33
2016 GO RefWt Rev	353-10100	\$ 27,604.99	353-10107	\$ -	353-10111	\$ -	353-10112	\$ -	\$ 27,604.99
WWTP Project	402-10100	\$ -	402-10107	\$ -	402-10111	\$ -	402-10112	\$ -	\$ -
Water Tower Proj	403-10100	\$ -	403-10107	\$ -	403-10111	\$ -	403-10112	\$ -	\$ -
2017 Sealcoat Proj	408-10100	\$ -	408-10107	\$ -	408-10111	\$ -	408-10112	\$ -	\$ -
Water Fund	601-10100	\$ 15,620.59	601-10107	\$ -	601-10111	\$ 99,000.00	601-10112	\$ -	\$ 114,620.59
Sewer Fund	602-10100	\$ (97,169.68)	602-10107	\$ -	602-10111	\$ 400,000.00	602-10112	\$ -	\$ 302,830.32
Sanitation Fund	603-10100	\$ 112,914.09	603-10107	\$ -	603-10111	\$ -	603-10112	\$ -	\$ 112,914.09
Electric Fund	604-10100	\$ 192,761.03	604-10107	\$ -	604-10111	\$ 1,800,000.00	604-10112	\$ -	\$ 1,992,761.03
Storm Sewer Fund	605-10100	\$ 93,878.01	605-10107	\$ -	605-10111	\$ -	605-10112	\$ -	\$ 93,878.01
Liquor Fund	609-10100	\$ 59,051.02	609-10107	\$ -	609-10111	\$ -	609-10112	\$ -	\$ 59,051.02
Eastview Fund	614-10100	\$ 67,272.66	614-10107	\$ -	614-10111	\$ 100,000.00	614-10112	\$ -	\$ 167,272.66
Reserve Fund	851-10100	\$ 305,329.15	851-10107	\$ -	851-10111	\$ -	851-10112	\$ 400,000.00	\$ 705,329.15
		\$ 1,992,403.91		\$ 28,756.14		\$ 2,499,000.00		\$ 600,000.00	\$ 5,120,160.05
SCDP Rev Loan	202-10103	\$ 13,863.30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,863.30
EDA Rev Loan Fund	212-10105	\$ 28,658.48	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 28,658.48
EDA Dwn Pay Fund	213-10105	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Select Account	850-10102	\$ 4,500.98	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	4500.98
Grand Total Cash and Investments		\$ 2,039,426.67							\$ 5,167,182.81



Real People. Real Solutions.

2040 Highway 12 East  
Willmar, MN 56201-5818

Ph: (320) 231-3956  
Fax: (320) 231-9710  
Bolton-Menk.com

January 2, 2018

Honorable Mayor Thole,  
Members of the City Council and City Manager, Val Halvorson  
City of Madison  
404 6<sup>th</sup> Avenue  
Madison, MN 56256

Re: 2017 Grant Writing  
Madison, Minnesota  
BMI Project No: W14.112959

Dear Mayor, Council and Manager:

Please find the enclosed invoice from Bolton & Menk, Inc. for engineering services for the above referenced project.

I recommend total payment be made in the amount of \$119.00. If you have questions regarding any of the above, please feel free to call me at 320-231-3956.

Sincerely,

Bolton & Menk, Inc.

**Phillip DeSchepper, P.E.**  
City Engineer

Enclosures



Real People. Real Solutions.

Please Remit To: Bolton & Menk, Inc.  
 1960 Premier Drive | Mankato, MN 56001-5900  
 507-625-4171 | 507-625-4177 (fax)  
 www.Bolton-Menk.com

To Ensure Proper Credit, Provide Invoice Numbers with Payment



\* 2 0 1 7 \*



\* 0 2 1 2 0 3 8 \*



\* W 1 4 . 1 1 2 9 5 9 \*

City of Madison  
 Val Halvorson, City Manager  
 City Hall  
 404 6th Avenue  
 Madison, MN 56256-1237

December 18, 2017

Project No: W14.112959

Invoice No: 0212038

**Madison/2017 Grant Writing****Professional Services**

	Hours	Amount	
Specialist	.50	59.50	
Project Design Engineer	.50	59.50	
Totals	1.00	119.00	
<b>Total Labor</b>			<b>119.00</b>
<b>Total this Invoice</b>			<b>\$119.00</b>

Notice: A finance charge of 1.5% per month (annual percentage of 18%) is charged on balances 30 days or over.



**BOLTON  
& MENK**

Real People. Real Solutions.

2040 Highway 12 East  
Willmar, MN 56201-5818

Ph: (320) 231-3956  
Fax: (320) 231-9710  
Bolton-Menk.com

December 21, 2017

Honorable Mayor Thole,  
Members of the City Council and City Manager, Val Halvorson  
City of Madison  
404 6th Avenue  
Madison, MN 56256

RE: 2017 & 2018 Sealcoat & Crack Sealing  
City of Madison, Minnesota  
Project No.: W14.113435

Dear Mayor, Council and Manager:

Enclosed please find three signed copies of Payment Estimate Final for the above referenced project. This estimate includes all work completed and is the final estimate. I recommend that the Pay Estimate be approved as shown. If you agree, please sign all copies and return one each with payment to the contractor and one each to me for our files.

Also enclosed are copies of the IC-134 forms and lien waivers for your records.

If you have any questions or would like to discuss the estimate, please call.

Sincerely,

**Bolton & Menk, Inc.**

**Phillip DeSchepper, P.E.**  
City Engineer

PAD/kg

**CONTRACTOR'S PAY REQUEST**

2017 & 2018 SEAL COAT & CRACK SEALING  
CITY OF MADISON, MINNESOTA  
BMI PROJECT NO. W14.113435

**DISTRIBUTION:**

CONTRACTOR (1)

OWNER (1)

ENGINEER (1)

BONDING CO. (1)

TOTAL AMOUNT BID PLUS APPROVED CHANGE ORDERS	\$365,918.50
TOTAL, COMPLETED WORK TO DATE	\$320,188.65
TOTAL, STORED MATERIALS TO DATE	\$0.00
DEDUCTION FOR STORED MATERIALS USED IN WORK COMPLETED	\$0.00
TOTAL, COMPLETED WORK & STORED MATERIALS	\$320,188.65
RETAINED PERCENTAGE ( 0% )	\$0.00
TOTAL AMOUNT OF OTHER PAYMENTS OR (DEDUCTIONS)	\$0.00
NET AMOUNT DUE TO CONTRACTOR TO DATE	\$320,188.65
TOTAL AMOUNT PAID ON PREVIOUS ESTIMATES	\$303,834.25
PAY CONTRACTOR AS ESTIMATE NO. <b>FINAL</b>	\$16,354.40

**Certificate for Final Payment**

I hereby certify that, to the best of my knowledge and belief, all items quantities and prices of work and material shown on this Estimate are correct and that all work has been performed in full accordance with the terms and conditions of the Contract for this project between the Owner and the undersigned Contractor, and as amended by any authorized changes, and that the foregoing is a true and correct statement of the amount for the Final Estimate, that the provisions of M. S. 290.92 have been complied with and that all claims against me by reason of the Contract have been paid or satisfactorily secured.

Contractor: Asphalt Surface Technologies Corporation  
a/k/a ASTECH Corp.  
PO Box 1025  
St. Cloud, MN 56302

By Mary L. Aschenbrenner Vice - Pres.  
Name Title  
Mary L. Aschenbrenner, Vice President

Date 12/20/17

Approved \_\_\_\_\_  
Contractor's Surety

**CHECKED AND APPROVED AS TO QUANTITIES AND AMOUNT:**

ENGINEER: BOLTON & MENK, INC., ENGINEERS, 2040 EAST HWY 12, WILLMAR, MN 56201

By Phillip LaSalle, CITY ENGINEER

Date 12/21/2017

**APPROVED FOR PAYMENT:**

OWNER:

By \_\_\_\_\_  
Name Title Date

And \_\_\_\_\_  
Name Title Date



**Partial Pay Estimate No.:****FINAL**

2017 &amp; 2018 SEAL COAT &amp; CRACK SEALING

CITY OF MADISON, MINNESOTA

BMI PROJECT NO. W14.113435

WORK COMPLETED THROUGH 11/14/2017

ITEM NO.	ITEM	UNIT PRICE	AS BID		PREVIOUS ESTIMATE		COMPLETED TO DATE	
			ESTIMATED QUANTITY	ESTIMATED AMOUNT	ESTIMATED QUANTITY	ESTIMATED AMOUNT	ESTIMATED QUANTITY	ESTIMATED AMOUNT
1	0 MOBILIZATION	\$35,000.00	1 LS	\$35,000.00	1.00 LS	\$35,000.00	1.00 LS	\$35,000.00
2	0 TRAFFIC CONTROL	\$10,000.00	1 LS	\$10,000.00	1.00 LS	\$10,000.00	1.00 LS	\$10,000.00
3	0 SEAL COAT AGGREGATE (FA-2, CLASS A)	\$17.00	3254 TON	\$55,318.00	2004.84 TON	\$34,082.28	2,026.20 TON	\$34,445.40
4	0 BITUMINOUS MATERIAL FOR SEAL COAT (CRS-2P)	\$1.50	91253 GAL	\$136,879.50	65847 GAL	\$98,770.50	65,847 GAL	\$98,770.50
5	0 ROUTE & SEAL	\$3.00	38532 LBS	\$115,596.00	39150 LBS	\$117,450.00	39,150 LBS	\$117,450.00
6	0 BITUMINOUS PATCH - STREET	\$75.00	56 SY	\$4,200.00	111.57 SY	\$8,367.75	111.57 SY	\$8,367.75
7	0 BITUMINOUS PATCH - OTHER	\$75.00	119 SY	\$8,925.00	215.4 SY	\$16,155.00	215.40 SY	\$16,155.00
TOTAL AMOUNT:				\$365,918.50		\$319,825.53		\$320,188.65

**CONSENT OF  
SURETY COMPANY  
TO FINAL PAYMENT**

*AIA DOCUMENT G707*

OWNER ☐  
ARCHITECT ☐  
CONTRACTOR ☐  
SURETY ☐  
OTHER ☐

PROJECT: 2017 & 2018 Seal Coat & Crack Sealing  
(name, address)

TO (Owner)

City of Madison  
404 6th Street  
Madison, MN 56256

ARCHITECT'S PROJECT NO:

CONTRACT FOR: Construction

CONTRACT DATE: June 5, 2017

CONTRACTOR:

Asphalt Surface Technologies Corporation a/k/a ASTECH Corp., PO Box 1025, St. Cloud, MN 56302

In accordance with the provisions of the Contract between the Owner and the Contractor as indicated above, the SURETY COMPANY, (here insert name and address of Surety Company)

Travelers Casualty and Surety Company of America, One Tower Square 2SHS, Hartford, CT 06183-6014

on bond of CONTRACTOR, (here insert name and address of Contractor)

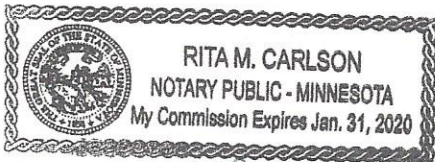
Asphalt Surface Technologies Corporation a/k/a ASTECH Corp., PO Box 1025, St. Cloud, MN 56302

hereby approves of the final payment to the Contractor, and agrees that final payment to the Contractor shall not relieve the Surety Company of any of its obligations to OWNERS, (here insert name and address of Owner)

City of Madison, 404 6th Street, Madison, MN 56256

as set forth in the said Surety Company's bond.

IN WITNESS WHEREOF,  
the Surety Company has hereunto set its hand this 8th day of Dec., 2017



Attest:  
(Seal):

*Rita M. Carlson*

Travelers Casualty and Surety Company of America  
Surety Company  
**KLEIN AGENCY, INC.**  
3570 No. Lexington Ave., Ste. 203  
St. Paul, MN 55126  
(651) 484-6461

*John C. Klein*  
Signature of Authorized Representative

Title John C. Klein, Attorney-in-Fact

NOTE: This form is to be used as a companion document to AIA DOCUMENT G706, CONTRACTOR'S AFFIDAVIT OF PAYMENT OF DEBTS AND CLAIMS, Current Edition

**TRAVELERS** **POWER OF ATTORNEY**

Farmington Casualty Company  
 Fidelity and Guaranty Insurance Company  
 Fidelity and Guaranty Insurance Underwriters, Inc.  
 St. Paul Fire and Marine Insurance Company  
 St. Paul Guardian Insurance Company

St. Paul Mercury Insurance Company  
 Travelers Casualty and Surety Company  
 Travelers Casualty and Surety Company of America  
 United States Fidelity and Guaranty Company

Attorney-In Fact No. 232112

Certificate No. 007213784

**KNOW ALL MEN BY THESE PRESENTS:** That Farmington Casualty Company, St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company are corporations duly organized under the laws of the State of Connecticut, that Fidelity and Guaranty Insurance Company is a corporation duly organized under the laws of the State of Iowa, and that Fidelity and Guaranty Insurance Underwriters, Inc., is a corporation duly organized under the laws of the State of Wisconsin (herein collectively called the "Companies"), and that the Companies do hereby make, constitute and appoint

John C. Klein, Stephen M. Klein, and Kristin M. Bakos

of the City of St. Paul, State of Minnesota, their true and lawful Attorney(s)-in-Fact, each in their separate capacity if more than one is named above, to sign, execute, seal and acknowledge any and all bonds, recognizances, conditional undertakings and other writings obligatory in the nature thereof on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

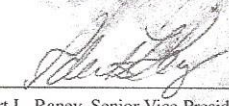
**IN WITNESS WHEREOF**, the Companies have caused this instrument to be signed and their corporate seals to be hereto affixed, this 2nd day of May, 2017.

Farmington Casualty Company  
 Fidelity and Guaranty Insurance Company  
 Fidelity and Guaranty Insurance Underwriters, Inc.  
 St. Paul Fire and Marine Insurance Company  
 St. Paul Guardian Insurance Company

St. Paul Mercury Insurance Company  
 Travelers Casualty and Surety Company  
 Travelers Casualty and Surety Company of America  
 United States Fidelity and Guaranty Company



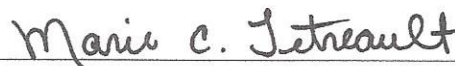
State of Connecticut  
 City of Hartford ss.

By:   
 Robert L. Raney, Senior Vice President

On this the 2nd day of May, 2017, before me personally appeared Robert L. Raney, who acknowledged himself to be the Senior Vice President of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company, and that he, as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

**In Witness Whereof**, I hereunto set my hand and official seal.  
 My Commission expires the 30th day of June, 2021.



  
 Marie C. Tetreault, Notary Public



This Power of Attorney is granted under and by the authority of the following resolutions adopted by the Boards of Directors of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company, which resolutions are now in full force and effect, reading as follows:

**RESOLVED**, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President, any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary may appoint Attorneys-in-Fact and Agents to act for and on behalf of the Company and may give such appointee such authority as his or her certificate of authority may prescribe to sign with the Company's name and seal with the Company's seal bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any of said officers or the Board of Directors at any time may remove any such appointee and revoke the power given him or her; and it is

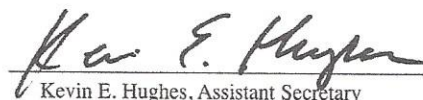
**FURTHER RESOLVED**, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President may delegate all or any part of the foregoing authority to one or more officers or employees of this Company, provided that each such delegation is in writing and a copy thereof is filed in the office of the Secretary; and it is

**FURTHER RESOLVED**, that any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when (a) signed by the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary and duly attested and sealed with the Company's seal by a Secretary or Assistant Secretary; or (b) duly executed (under seal, if required) by one or more Attorneys-in-Fact and Agents pursuant to the power prescribed in his or her certificate or their certificates of authority or by one or more Company officers pursuant to a written delegation of authority; and it is

**FURTHER RESOLVED**, that the signature of each of the following officers: President, any Executive Vice President, any Senior Vice President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any Power of Attorney or to any certificate relating thereto appointing Resident Vice Presidents, Resident Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such Power of Attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding on the Company in the future with respect to any bond or understanding to which it is attached.

I, Kevin E. Hughes, the undersigned, Assistant Secretary, of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company do hereby certify that the above and foregoing is a true and correct copy of the Power of Attorney executed by said Companies, which is in full force and effect and has not been revoked.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seals of said Companies this 8th day of December, 20 17.

  
Kevin E. Hughes, Assistant Secretary



To verify the authenticity of this Power of Attorney, call 1-800-421-3880 or contact us at [www.travelersbond.com](http://www.travelersbond.com). Please refer to the Attorney-In-Fact number, the above-named individuals and the details of the bond to which the power is attached.



## Contractor Affidavit Submitted

Thank you, your Contractor Affidavit has been approved.

### Confirmation Summary

Confirmation Number:	1-836-579-008
Submitted Date and Time:	20-Dec-2017 4:10:20 PM
Legal Name:	ASPHALT SURFACE TECHNOLOGY CORP
Federal Employer ID:	41-1581447
User Who Submitted:	AlisonM
Type of Request Submitted:	Contractor Affidavit

### Affidavit Summary

<b>Affidavit Number:</b>	<b>1546100736</b>
Minnesota ID:	3921215
Project Owner:	CITY OF MADISON
Project Number:	17-18 SEAL COAT & CRACK SEAL
Project Begin Date:	02-Aug-2017
Project End Date:	27-Sep-2017
Project Location:	MADISON MN
Project Amount:	\$319,825.53

### Subcontractor Summary

Name	ID	Affidavit Number
DUININCK INC	3586809	191995904

### Important Messages

A copy of this page must be provided to the contractor or government agency that hired you.

### Contact Us

If you need further assistance, contact our Withholding Tax Division at 651-282-9999, (toll-free) 800-657-3594, or (email) [withholding.tax@state.mn.us](mailto:withholding.tax@state.mn.us). Business hours are 8:00 a.m. - 4:30 p.m. Monday - Friday.

Please [print this page](#) for your records using the print or save functionality built into your browser.



## Contractor Affidavit Submitted

Thank you, your Contractor Affidavit has been approved.

### Confirmation Summary

Confirmation Number:	1-750-099-136
Submitted Date and Time:	20-Dec-2017 3:24:34 PM
Legal Name:	DUININCK INC
Federal Employer ID:	41-1552654
User Who Submitted:	philerff
Type of Request Submitted:	Contractor Affidavit

### Affidavit Summary

<b>Affidavit Number:</b>	<b>191995904</b>
Minnesota ID:	3586809
Project Owner:	CITY OF MADISON
Project Number:	MADISON MN
Project Begin Date:	01-Jun-2017
Project End Date:	30-Nov-2017
Project Location:	MADISON MN
Project Amount:	\$39,561.77
Subcontractors:	No Subcontractors

### Important Messages

A copy of this page must be provided to the contractor or government agency that hired you.

### Contact Us

If you need further assistance, contact our Withholding Tax Division at 651-282-9999, (toll-free) 800-657-3594, or (email) [withholding.tax@state.mn.us](mailto:withholding.tax@state.mn.us). Business hours are 8:00 a.m. - 4:30 p.m. Monday - Friday.

Please [print this page](#) for your records using the print or save functionality built into your browser.



# RECEIPT AND WAIVER OF MECHANIC'S LIEN RIGHTS

1. This is a **LEGAL INSTRUMENT** and must be executed accordingly by officers of corporations and by partners in co-partnerships.
2. It is important that **ALL** the blanks be completed and the **AMOUNT PAID BE SHOWN**.
3. A receipt similar to this or legal waiver of lien rights will be required for all plumbing, heating, plastering materials, etc.
4. **NO ERASURES OR ALTERATIONS MUST BE MADE.**

DATE: December 21, 2017

The undersigned hereby acknowledges receipt of the sum of \$ 320,188.65

## CHECK ONLY ONE

- 1) ☐ as partial payment for labor, skill, and material furnished or to be furnished
- 2) ☒ as payment for all labor, skill, and material furnished or to be furnished or to be furnished (except the sum of \$ 16,354.40 retainage or holdback)
- 3) ☐ as full and final payment for all labor, skill, and material furnished or to be furnished

to the following described real property: (legal description, street address, or project name)  
2017 & 2018 Sealcoat & Crack Sealing - City of Madison, MN

and for value received hereby waives all rights acquired by the undersigned to file or record mechanic's liens against said real property for labor, skill, or material furnished to said real property (only for the amount paid if Box 1 is checked, and except for retainage shown in Box 2 is checked). The undersigned affirms that all material furnished by the undersigned has been paid for, and all subcontractors employed by the undersigned have been paid in full, EXCEPT:

Asphalt Surface Technologies Corporation  
a/k/a ASTECH Corp.  
 (Company Name)

Mary L. Aschenbrenner  
 (Signature)

Mary L. Aschenbrenner, Vice-President  
 (Title)

P.O. Box 1025  
 (Address)

St. Cloud, MN 56302  
 (Address)

\_\_\_\_\_  
 (Address)

# RECEIPT AND WAIVER OF MECHANIC'S LIEN RIGHTS

1. This is a **LEGAL INSTRUMENT** and must be executed accordingly by officers of corporations and by partners in co-partnerships.
2. It is important that **ALL** the blanks be completed and the **AMOUNT PAID BE SHOWN**.
3. A receipt similar to this or legal waiver of lien rights will be required for all plumbing, heating, plastering materials, etc.
4. **NO ERASURES OR ALTERATIONS MUST BE MADE.**

DATE: December 21, 2017

The undersigned hereby acknowledges receipt of the sum of \$ 39,561.77

## CHECK ONLY ONE

- 1) ☐ as partial payment for labor, skill, and material furnished or to be furnished
- 2) ☐ as payment for all labor, skill, and material furnished or to be furnished or to be furnished (except the sum of \$ \_\_\_\_\_ retainage or holdback)
- 3) ☒ as full and final payment for all labor, skill, and material furnished or to be furnished

to the following described real property: (legal description, street address, or project name)

2017 & 2018 Sealcoat & Crack Sealing - City of Madison, MN

and for value received hereby waives all rights acquired by the undersigned to file or record mechanic's liens against said real property for labor, skill, or material furnished to said real property (only for the amount paid if Box 1 is checked, and except for retainage shown in Box 2 is checked). The undersigned affirms that all material furnished by the undersigned has been paid for, and all subcontractors employed by the undersigned have been paid in full, EXCEPT:

Duininck Incorporated

(Company Name)

[Signature]

(Signature)

Vice President

(Title)

PO Box 208

(Address)

Prinsburg MN 56281

(Address)

\_\_\_\_\_  
(Address)

**CITY OF MADISON, MINNESOTA  
RESOLUTION 18-09**

STATE OF MINNESOTA)  
COUNTY OF LAC QUI PARLE)  
CITY OF MADISON)

**APPOINTMENT OF AMBULANCE SERVICE OFFICERS FOR 2018**

**WHEREAS** the Madison City Council is interested in appointing the Ambulance Service Officers for the Year 2018 based on the Ambulance Service meeting held December 12, 2017; and

**NOW THEREFORE BE IT RESOLVED** that the City Council of Madison, Lac qui Parle County, Minnesota is appointing the following:

Ambulance Chief: Scott Schake  
Asst. Ambulance Chief: Marissa Nelson  
Maintenance Officer: Jeremy Osteraas  
Secretary/Treasurer: Maria Croatt  
Training Officer: Brittany Engesmoe

Upon vote taken thereon, the following voted:

For:  
Against:  
Absent:

Whereupon said Resolution No. 18-09 was declared duly passed and adopted this 8<sup>th</sup> day of January, 2018.

\_\_\_\_\_  
Greg Thole  
Mayor

Attest: \_\_\_\_\_  
Kathleen Weber  
City Clerk

**MEMORANDUM**

Date: December 27, 2017

To: Val Halvorson  
City of Madison

From: Tony Spector, Executive Director



Re: Ambulance Licensure Renewal

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Enclosed please find your ambulance service license issued by the Minnesota Emergency Medical Services Regulatory Board. Please take a moment to review the document to ensure it is accurate and without error.

This license is effective starting on January 1, 2018, and it expires on December 31, 2019. This license must be displayed in a prominent location at the ambulance service base of operation. A copy may also be placed with the ambulance service licensure inspection documentation.

Thank you for the dedication to providing quality ambulance service to the citizens and visitors within the licensee's designated primary service area. If there are questions, or if further information is needed regarding ongoing licensure requirements, please do not hesitate to contact your EMSRB EMS Specialist, Ted Armon at (507) 600-0539 or [ted.armon@state.mn.us](mailto:ted.armon@state.mn.us). Likewise, feel free to contact me at (651) 201-2806.

cc: Scott Schake, Ambulance Director



**Minnesota Emergency Medical Services Regulatory Board**

**Emergency Medical Services**

**LICENSE**

*This certifies the service named below has been licensed by the State of Minnesota to provide services of the type specified within its designated primary service area.*

---

Name: **Madison Ambulance Service**

License Type: **Basic Life Support**

License Number: **0144**

City, State: **Madison, MN**

Owner: **CITY OF MADISON**

Variances: Premeasured Subcutaneous Epinephrine  
Beta Agonist by Nebulization  
Sublingual Nitroglycerin  
Premeasured Intramuscular or Subcutaneous Glucagon  
Beta Agonist by Metered Dose Inhaler



---

**Tony Spector**  
**Executive Director**

**Effective Date**  
January 1, 2018



**Expiration Date**  
December 31, 2019



**CITY OF MADISON MINNESOTA  
RESOLUTION NO. 18-10**

STATE OF MINNESOTA)  
COUNTY OF LAC QUI PARLE)  
CITY OF MADISON)

**RESOLUTION ESTABLISHING ASSIGNMENT OF WAGE  
INCREASE SCHEDULE 2018**

**WHEREAS**, the City Council is interested in establishing the assignment of wage increases in conformity to the requirements of pay equity for the City of Madison for the 2018 fiscal year and continuing thereafter until modified therein; and

**WHEREAS**, the City Council is determining that the establishment of wage increases shall be contained in this resolution effective with payment in the 2018 fiscal calendar year, with wage changes as described within and continuing thereafter until modified therein; and

**WHEREAS**, the City Council has determined the wage increase to be applied for the following employees based on satisfactory performance evaluations for the 2017 fiscal year;

Years of Service	Job Title	New Grade	2018 Actual with Step	2018 Merit Adjustm ent
24	Liquor Store Clerk	1	\$13.11	Step
4	Deputy Clerk	4	\$16.79	Step
28	Water & Wastewater Operator	7	\$21.28	Step
10	Heavy Equipment Operator Mechar	7	\$19.43	Step
1	Deputy City Clerk Treasurer	8	\$19.63	Step
44	Sr Water & Wastewater Operator	8	\$24.20	Step
25	Liquor Store Manager	9	\$25.05	1/2 Step
9	Journey Lineworker	11	\$28.38	Step
35	City Clerk	10	\$27.24	Step
11	Streets & Parks Supervisor	10	\$22.54	Step
23	Water & Wastewater Supervisor	10	\$25.08	Step
34	Line Supervisor - PW Coordinator	15	\$33.20	Step

**THEREFORE BE IT FURTHER RESOLVED** That the City Council of Madison, Lac qui Parle County, Minnesota does hereby authorize the adoption and implementation of the Assignment of Wage Increases as contained herein with approval date of January 8, 2018 with payment effective for 2018 fiscal year and continuing thereafter until modified therein.

Upon vote taken thereon, the following voted:

For:

Against:

Absent:

Whereupon said Resolution No. 18-xx was declared duly passed and adopted this 8<sup>th</sup> day of January, 2018.

\_\_\_\_\_  
Greg Thole, Mayor

Attest: \_\_\_\_\_  
Kathleen Weber, City Clerk

**CITY OF MADISON, MINNESOTA  
RESOLUTION 18-11**

STATE OF MINNESOTA)  
COUNTY OF LAC QUI PARLE)  
CITY OF MADISON)

**RESOLUTION MARKET ADJUSTMENT FOR ELECTRIC UTILITY LINE  
WORKERS WAGE**

**WHEREAS**, there is a high market demand for the Journey Line Worker and the demand for these workers causes the market to exceed what comparable city workers are paid; and

**WHEREAS**, the overall wages as denoted in the Classification and Compensation plan approved by the city council are not adjusted for this demand. These statistics are heavily influenced by cooperatives and private sector utilities.

**WHEREAS**, the below wage adjustments are recommended by the city manager and have been evaluated to ensure compliance with pay equity.

Years of Service	Job Title	New Grade	2018 Maximum	2018 Actual with Step	Market Adjustment	Market Adjustment	2018 Actual
9	Journey Lineworker	11	\$28.38	\$28.38	\$ 0.28	1%	\$28.66
34	Line Supervisor - PW Coordinator	15	\$33.20	\$33.20	\$ 1.00	3%	\$34.20

**NOW THEREFORE BE IT RESOLVED** that the City Council of Madison approves the adjusted wage rate increase as a percentage of the 2018 maximum; and said adjustments shall take effect with the January 17, 2018 pay date.

Upon vote taken thereon, the following voted:

For:  
Against:  
Absent:

Whereupon said Resolution No. 18-11 was declared duly passed and adopted this 8th day of January 2018.

\_\_\_\_\_  
Greg Thole

Attest: \_\_\_\_\_  
Kathleen Weber

Mayor

City Clerk

**CITY OF MADISON, MINNESOTA  
RESOLUTION 18-12**

STATE OF MINNESOTA)  
COUNTY OF LAC QUI PARLE)  
CITY OF MADISON)

**RESOLUTION FOR CLOSING FUND NO. 408 –  
2017 SEALCOAT PROJECT FUND  
EFFECTIVE DECEMBER 31, 2017**

**WHEREAS** the City of Madison has completed the 2017 Sealcoat Project and all project expenses have been paid; and

**WHEREAS** the 2017 Sealcoat Project was funded by a transfer from the City's General Fund (Fund #101); and

**WHEREAS** the City's General Fund (Fund #101) has received an internal, repayable loan from the Electric Fund (Fund #604) as approved by the City Council at its meeting on May 22, 2017.

**NOW THEREFORE BE IT RESOLVED** that the City Council of the City of Madison, Lac qui Parle County, Minnesota authorizes closing Fund No. 408 2017 Sealcoat Project Fund effective December 31, 2017.

Upon vote taken thereon, the following voted:

For:

Against:

Absent:

Whereupon said Resolution No. 18-12 was declared duly passed and adopted this 8th day of January, 2018.

\_\_\_\_\_  
Greg Thole  
Mayor

Attest: \_\_\_\_\_  
Kathleen Weber  
City Clerk

**BUILDING MAINTENANCE AGREEMENT**  
**BETWEEN THE CITY OF MADISON AND OLD ARMY SERVICES**  
**FOR THE TERM OF JANUARY 1, 2018 THROUGH DECEMBER 31, 2018**

THIS AGREEMENT, made and entered into this 8<sup>th</sup> day of January, 2018, by and between the City of Madison, a local governmental subdivision of the State of Minnesota, hereafter referred to as "the City"; and Lyndon Worden, an independent contractor, whose business address is 104 W10<sup>th</sup> St, Madison, MN; hereafter referred to as "the Contractor", for the period from January 1, 2018 to December 31, 2018.

WHEREAS, the City owns the buildings known as the Carnegie Library (Madison Public Library) located at 410 6th Avenue and has need to contract with an independent contractor for the purpose of providing inside and exterior maintenance and upkeep in said buildings, and to perform the duties set forth and described in EXHIBIT "A" attached hereto and made a part hereof; and

WHEREAS, the Contractor has the experience and capacity to perform the duties set forth and described in EXHIBIT "A" attached hereto.

**NOW, THEREFORE**, in consideration of the mutual covenants contained herein, **IT IS HEREBY AGREED** as follows:

**DESCRIPTION OF WORK**

Work to be performed by the Contractor includes the duties and services set forth in EXHIBIT "A" attached hereto and made a part hereof

**PERFORMANCE OF DUTIES**

Completed work must satisfy a "reasonable" person's standard with regard to cleanliness, absence of stains or streak marks, removal of dust and dirt, and replacement of furnishings in an orderly and preferred customer arrangement after cleaning. The City will provide feedback about contractor's performance from the City Manager on a periodic basis to ensure these standards are being met to the satisfaction of the City. It is understood by all parties that the Contractor's level of performance to the satisfaction of the City is a significant factor in subsequent renewal or termination of this contract. Extra duties beyond those described and outlined in Exhibit "A" that the City requests of the Contractor shall be compensated at the rate of \$20.00 per hour (duties not included in the Agreement subject to the Contractor's approval). The Contractor shall submit a monthly invoice stating the hours worked and duties performed and where.

**ASSIGNMENT OF DUTIES**

Rights to this contract cannot be assigned or duties delegated without the written consent of both parties. Any assignment without prior written authorization confirmed by the city council, renders this contract void and all rights hereunder will thereupon terminate.

### **ACCESS TO BUILDING**

To minimize the disruption to the City in performance of this contract, all work performed by the Contractor must be arranged before or after normal work hours as publicly posted at the Carnegie Library

### **PAYMENT**

The City will pay the Contractor for all work performed by the Contractor, the bid price of \$750.00 per month for twice weekly cleaning for the Carnegie Library Building as established in the exhibit incorporated herein by reference. Contractor shall submit an itemized billing to the City of all work performed for the previous month, and turn in such billing no later than the first working day following the month of service. With timely receipt of billing, the City will issue payment in accordance with the City's regular bill payment process (the city council regularly meets the second and fourth Mondays of each month).

### **EQUIPMENT AND SUPPLIES**

A) The City provides disposable items for the building including the following: rest room soap, paper towels, toilet paper, incandescent and florescent light bulbs. The City may provide equipment for cleaning or janitorial functions (joint cooperation required on this matter).

B) The Contractor will provide disposable items for the building including the floor cleaners, wax removers (if required), floor wax (if required), dusting spray, window spray, tile cleaners, disinfectant liquids, bowl cleaners, and cloths. The Contractor supplies their own vacuum (city may own vacuums for their own use), extractor, floor buffer, mops, ladders or step stools. Costs of such furnished items are to be included in the bid price accepted by the City.

C) The Contractor is prohibited from using city chairs, desks or other office furniture to stand on or for high reach needs.

D) The City will allow Contractor to store said equipment on the premises if needed in a location mutually agreeable to both parties (generally the custodial/storage room). Items stored must be secured and kept in a neat and orderly manner to the satisfaction of the City. All supplies stored on premises must be properly labeled and be contained so as not to release any toxic fumes.

### **SAFEGUARD OF CLIENT INFORMATION**

Contractor acknowledges that it may come into contact with confidential information while performing its duties hereunder. The use or disclosure, by any party, of information concerning customers or projects of the City in violation of any rule of confidentiality provided for in MS. Chapter 13, or for any purpose not directly connected with the City's or Contractor's responsibility with respect to this maintenance contract hereunder is prohibited.

### **SAFEGUARD OF CITY PROPERTY**

The Contractor shall ensure premises and City property are secure, and shall verify that all parties entering building after hours (during performance of maintenance duties) are employees of the Contractor. The Contractor may not allow person(s) on the premises who are not either employees of the City or employees of the Contractor at any time outside of regular business hours. The building must remain locked at all times during non-business hours except in the case of

scheduled events (city clerk's office is required to supply schedule of events). The consumption of alcoholic beverages while on City premises is strictly prohibited.

In performance of Contractor's duties, Contractor must use diligent care not to damage or cause to damage any office equipment, electrical connections, computers, individual items on shelves or desks, or other City furnishings. If damage does occur, it is the responsibility of the Contractor to notify the City Manager and/or Head Librarian the next working day of the incident.

### **RELATIONSHIP OF PARTIES**

The parties intend that an independent contractor-customer relationship be created by this contract. Contractor agrees to comply with all tax laws applicable to the operation of a business such as contractors, including, but not limited to, the reporting of all gross receipts therefrom as income from the operation of a business, the payment of all self-employment taxes, compliance with all employment tax requirements for withholding on any employees used by contractor, and compliance with state employment workers' compensation laws. Contractor acknowledges the payments by City to Contractor will be subject to information reporting requirements (and backup withholding requirements, if and as applicable) as the same are imposed by applicable law. Contractor acknowledges that Contractor will not be treated as an employee of City with respect to services under this Agreement, either for federal or state tax purposes, or for the purposes of any employee welfare or pension benefit plans that are or may come to be maintained by City, or for purposes of any other benefits or perquisites that City accords to any of its employees.

### **INDEMNITY AND INSURANCE**

A) *Indemnity*. The Contractor agrees that he will at all times indemnify and hold harmless the City from any and all liability, loss, damages, costs, or expenses which may be claimed against the City by reason of any injury caused to a person or any damage to the property of another person, caused by the Contractor or his/her assigns or employees in performing the services provided in this agreement.

B) *Insurance*. The Contractor agrees, in order to protect himself/herself and the City under the indemnity provision set forth above, to at all times during the term of this contract, have and keep in force a liability insurance policy in the amount of \$300,000 dollars for accidental injury, including death of any one person, and not less than \$1,000,000 dollars on account of one accident, and shall have property damage insurance in the amount of not less than \$300,000 dollars for any such accident arising from any one incident.

Prior to the commencement of services under this agreement, the Contractor shall obtain all of the insurance required herein, and such insurance must be approved by the City and its Attorney, and in addition, such insurance policy must name the City of Madison as an additional insured under said policy. All such insurance contracts shall be evidenced by insurance certificates filed with the City Clerk's Office. The certificates shall contain the provision that the insurance shall not be materially changed or canceled during the life of its agreement without thirty (30) days written notice being given to the City.



### CANCELLATION

This Agreement may be canceled by the City or by the Contractor with or without cause, to be effective upon not less than thirty (30) days' written notice served upon the City Manager through the City Clerk's Office (Business Office) and the Contractor's most current address on file, to the other party.

**IN WITNESS WHEREOF**, the parties have caused this contract to be duly executed intending to be bound thereby.

**CONTRACTOR**

Lyndon Word  
Contractor

**CITY OF MADISON**

\_\_\_\_\_  
Greg Thole, Mayor

Attest: \_\_\_\_\_  
Kathleen Weber, City Clerk

**City of Madison Public Library “Building Maintenance Agreement”  
Exhibit “A”**

<b>Area/Office</b>	<b>Function</b>	<b>Times/week</b>	<b>Times/year</b>
		<b>Library</b>	
Library	Clean & dust tables and chairs	2	
Library	Clean & dust window sills	2	
Library	Dust/sanitize public computer	2	
Library	Vacuum all carpet & stairwells	2	
Library	Empty wastebaskets	2	
Library	Dry mop floors	2	
Library	Wet mop floors	2	
Library	Clean glass	2	
Library	Clean water fountain	2	
Library	Clean toilets/urinals	2	
Library	Clean sinks & mirrors	2	
Library	Check towels & paper	2	
Library	Clean floor mats	2	
Library	Clean & dust elevator	2	
Library	Wax floors		2
Library	Wash windows-inside & out		2
Library	Replace furnace filters		12
Library	Miscellaneous	as needed	
Library	Replace light bulbs	as needed	
Library	Snow removal from exterior steps and entrances prior to business hours	as needed	



**BUILDING MAINTENANCE AGREEMENT**  
**BETWEEN THE CITY OF MADISON AND OLD ARMY SERVICES**  
**FOR THE TERM OF JANUARY 1, 2018 THROUGH DECEMBER 31, 2018**

THIS AGREEMENT, made and entered into this 8th day of January, 2018, by and between the City of Madison, a local governmental subdivision of the State of Minnesota, hereafter referred to as “the City”; and Lyndon Worden, an independent contractor, whose business address is 104 W 10<sup>th</sup> St, Madison, MN; hereafter referred to as “the Contractor”, for the period from January 1, 2018 to December 31, 2018.

WHEREAS, the City owns the buildings known as the Madison Municipal Building (City Hall) located at 404 6th Avenue and has need to contract with an independent contractor for the purpose of providing inside and exterior maintenance and upkeep in said buildings, and to perform the duties set forth and described in EXHIBIT “A” attached hereto and made a part hereof; and

WHEREAS, the Contractor has the experience and capacity to perform the duties set forth and described in EXHIBIT “A” attached hereto.

**NOW, THEREFORE**, in consideration of the mutual covenants contained herein, **IT IS HEREBY AGREED** as follows:

**DESCRIPTION OF WORK**

Work to be performed by the Contractor includes the duties and services set forth in EXHIBIT “A” attached hereto and made a part hereof

**PERFORMANCE OF DUTIES**

Completed work must satisfy a “reasonable” person’s standard with regard to cleanliness, absence of stains or streak marks, removal of dust and dirt, and replacement of furnishings in an orderly and preferred customer arrangement after cleaning. The City will provide feedback about contractor’s performance from the City Manager on a periodic basis to ensure these standards are being met to the satisfaction of the City. It is understood by all parties that the Contractor’s level of performance to the satisfaction of the City is a significant factor in subsequent renewal or termination of this contract. Extra duties beyond those described and outlined in Exhibit “A” that the City requests of the Contractor shall be compensated at the rate of \$20.00 per hour (duties not included in the Agreement subject to the Contractor’s approval). The Contractor shall submit a monthly invoice stating the hours worked and duties performed and where.

**ASSIGNMENT OF DUTIES**

Rights to this contract cannot be assigned or duties delegated without the written consent of both parties. Any assignment without prior written authorization confirmed by the city council, renders this contract void and all rights hereunder will thereupon terminate.

### **ACCESS TO BUILDING**

To minimize the disruption to the City in performance of this contract, it is preferred that work performed by the Contractor be arranged before or after normal work hours (Madison Municipal Building) generally are 8:00 a.m. to 4:30 p.m. Cleaning time may be arranged with the Prairie Five Dining Staff and the business office during business hours for specific areas of the building that are not being used.

### **PAYMENT**

The City will pay the Contractor for all work performed by the Contractor, the bid price of \$850.00 per month for the Madison Municipal Building with daily cleaning on a five day a week basis as established in the exhibits incorporated herein by reference. Contractor shall submit an itemized billing to the City of all work performed for the previous month, and turn in such billing no later than the first working day following the month of service. With timely receipt of billing, the City will issue payment in accordance with the City's regular bill payment process (the city council regularly meets the second and fourth Mondays of each month).

### **EQUIPMENT AND SUPPLIES**

A) The City provides disposable items for the building including the following: rest room soap, paper towels, toilet paper, incandescent and florescent light bulbs. The City may provide equipment for cleaning or janitorial functions (joint cooperation required on this matter).

B) The Contractor will provide disposable items for the building including the floor cleaners, wax removers (if required), floor wax (if required), dusting spray, window spray, tile cleaners, disinfectant liquids, bowl cleaners, and cloths. The Contractor supplies their own vacuum (city may own vacuums for their own use), extractor, floor buffer, mops, ladders or step stools. Costs of such furnished items are to be included in the bid price accepted by the City.

C) The Contractor is prohibited from using city chairs, desks or other office furniture to stand on or for high reach needs.

D) The City will allow Contractor to store said equipment on the premises if needed in a location mutually agreeable to both parties (generally the custodial/storage room). Items stored must be secured and kept in a neat and orderly manner to the satisfaction of the City. All supplies stored on premises must be properly labeled and be contained so as not to release any toxic fumes.

### **SAFEGUARD OF CLIENT INFORMATION**

Contractor acknowledges that it may come into contact with confidential information while performing its duties hereunder. The use or disclosure, by any party, of information concerning customers or projects of the City in violation of any rule of confidentiality provided for in MS. Chapter 13, or for any purpose not directly connected with the City's or Contractor's responsibility with respect to this maintenance contract hereunder is prohibited.

### **SAFEGUARD OF CITY PROPERTY**

The Contractor shall ensure premises and City property are secure, and shall verify that all parties entering building after hours (during performance of maintenance duties) are employees of the Contractor. The Contractor may not allow person(s) on the premises who are not either employees of the City or employees of the Contractor at any time outside of regular business hours. The building must remain locked at all times during non-business hours except in the case of

scheduled events (city clerk's office is required to supply schedule of events). The consumption of alcoholic beverages while on City premises is strictly prohibited.

In performance of Contractor's duties, Contractor must use diligent care not to damage or cause to damage any office equipment, electrical connections, computers, individual items on shelves or desks, or other City furnishings. If damage does occur, it is the responsibility of the Contractor to notify the City Manager and/or City Public Works Superintendent the next working day of the incident.

### **RELATIONSHIP OF PARTIES**

The parties intend that an independent contractor-customer relationship be created by this contract. Contractor agrees to comply with all tax laws applicable to the operation of a business such as contractors, including, but not limited to, the reporting of all gross receipts therefrom as income from the operation of a business, the payment of all self-employment taxes, compliance with all employment tax requirements for withholding on any employees used by contractor, and compliance with state employment workers' compensation laws. Contractor acknowledges the payments by City to Contractor will be subject to information reporting requirements (and backup withholding requirements, if and as applicable) as the same are imposed by applicable law. Contractor acknowledges that Contractor will not be treated as an employee of City with respect to services under this Agreement, either for federal or state tax purposes, or for the purposes of any employee welfare or pension benefit plans that are or may come to be maintained by City, or for purposes of any other benefits or perquisites that City accords to any of its employees.

### **INDEMNITY AND INSURANCE**

A) *Indemnity.* The Contractor agrees that he will at all times indemnify and hold harmless the City from any and all liability, loss, damages, costs, or expenses which may be claimed against the City by reason of any injury caused to a person or any damage to the property of another person, caused by the Contractor or his/her assigns or employees in performing the services provided in this agreement.

B) *Insurance.* The Contractor agrees, in order to protect himself/herself and the City under the indemnity provision set forth above, to at all times during the term of this contract, have and keep in force a liability insurance policy in the amount of \$300,000 dollars for accidental injury, including death of any one person, and not less than \$1,000,000 dollars on account of one accident, and shall have property damage insurance in the amount of not less than \$300,000 dollars for any such accident arising from any one incident.

Prior to the commencement of services under this agreement, the Contractor shall obtain all of the insurance required herein, and such insurance must be approved by the City and its Attorney, and in addition, such insurance policy must name the City of Madison as an additional insured under said policy. All such insurance contracts shall be evidenced by insurance certificates filed with the City Clerk's Office. The certificates shall contain the provision that the insurance shall not be materially changed or canceled during the life of its agreement without thirty (30) days written notice being given to the City.

### CANCELLATION

This Agreement may be canceled by the City or by the Contractor with or without cause, to be effective upon not less than thirty (30) days' written notice served upon the City Manager through the City Clerk's Office (Business Office) and the Contractor's most current address on file, to the other party.

**IN WITNESS WHEREOF**, the parties have caused this contract to be duly executed intending to be bound thereby.

**CONTRACTOR**

*London Ward*  
Contractor

**CITY OF MADISON**

\_\_\_\_\_  
Greg Thole, Mayor

Attest: \_\_\_\_\_  
Kathleen Weber, City Clerk

**City of Madison “Building Maintenance Agreement”  
Exhibit “A”**

Updated November 16, 2017	<b>Work Schedule “Check List”</b>		
<b>Area/Office</b>	<b>Function</b>	<b>Times/week</b>	<b>Times/year</b>
Treasurer’s Office	Vacuum	2	
	Empty garbage	5	
	Empty shredder	as needed	
	Dust sills, TV cabinet, chairs	1	
	Wash table & Coffee area	2	
City Mgr. Office	Vacuum	2	
	Empty garbage	5	
Business Office	Vacuum	2	
	Empty garbage	5	
	Dust sills	1	
	Clean front counter & glass	2	
	Clean countertops	2	
	Clean toilet, sink, mirror	2	
	Scrub bathroom floor	2	
	Refill hand towels/toilet paper	as needed	
	Wash down bathroom walls		2
Copy Room	Vacuum	2	
	Empty garbage	5	
	Dust sills, cabinets, counters	1	
	Empty recycling box	as needed	
Entrances	Vacuum or sweep (dry mop)	5	
	Vacuum rugs	5	
	Scrub floor	1	
	Clean glass	3	
Hallways	Vacuum	3	
	Clean glass	3	
	Clean water fountain	3	
	Dust sills, tables	1	
Stairways	Vacuum	1	
Madison Room	Vacuum		6
	Dust sills		6
	Clean tables, chairs		6
	Empty garbage	as needed	



Area/Office	Function	Times/week	Times/year
Auditorium	Vacuum	1	
	Empty garbage	5	
	Dust sills, railings		12
	Vacuum council chairs		12
	Wash tables	1	
	Clean glass	3	
	Set up and take down for council mtg		24
Downstairs Restrooms	Clean toilets, urinals, sinks, mirrors	5	
	Vacuum or sweep floors (dry mop)	5	
	Scrub floors	2	
	Empty garbage	5	
	Refill hand towels, toilet paper	as needed	
Downstairs Hallways	Vacuum or sweep floor (dry mop)	2	
	Scrub floor	1	
Senior Center	Vacuum or sweep floor (dry mop)	5	
	Scrub floor	2	
	Empty garbage	5	
	Wash tables	2	
	Clean glass	3	
	Dust sills		12
City Hall Building	Wash all windows		2
	Replace light bulbs	as needed	
	Replace furnace filters	as needed	
	Snow removal from exterior steps and entrances – prior to 8:00 am M-F	as needed	
	Wash coffee servers	as needed	
	Sweep exterior steps and entrances	as needed	
	Clean elevator	1	
	Miscellaneous	as needed	

**MEULEBROECK, TAUBERT & CO., PLLP**  
**CERTIFIED PUBLIC ACCOUNTANTS**

PO Box 685  
109 S Freeman Avenue  
Luverne, Minnesota 56156  
507 283-4055 Fax 507 283-4076  
[contactl@mtcocpa.com](mailto:contactl@mtcocpa.com)

PO Box 707  
216 East Main  
Pipestone, Minnesota 56164  
507 825-4288 Fax 507 825-4280  
[contactp@mtcocpa.com](mailto:contactp@mtcocpa.com)

Tyler, Minnesota 56178  
507 247-3939  
Lake Wilson, Minnesota 56151  
507 879-3538  
Marshall, Minnesota 56258  
507 337-0501

*PARTNERS*

David L. Meulebroeck, CPA  
Matthew A. Taubert, CPA  
David W. Friedrichsen, CPA  
Daryl J. Kanthak, CPA

*WITH THE FIRM*

Amy L. Mollberg, CPA  
Blake R. Klinsing, CPA  
Bryce L. Schelhaas, CPA

December 15, 2017

Valerie Halvorson, City Manager  
City of Madison  
404 6<sup>th</sup> Avenue  
Madison, MN 56256

Dear Mayor and City Council,

Enclosed is our three year audit proposal to provide auditing services for the City of Madison. If the terms are agreeable, please sign and return in the enclosed envelope. A copy is provided for your records.

Please note that this proposal is for the audit and any additional services that may be requested by the City would be in addition to the amount of our agreement. If the City gets involved with a project that has federal revenue that requires a "Single Audit", normally greater than \$750,000 in federal revenue then a separate agreement would be necessary once the scope of the work is determined.

If you have any questions, please feel free to contact our office.

Sincerely,



Meulebroeck, Taubert & Co., PLLP  
Certified Public Accountants

Enclosures

**MEULEBROECK, TAUBERT & CO., PLLP**  
**CERTIFIED PUBLIC ACCOUNTANTS**

PO Box 685  
109 S Freeman Avenue  
Luverne, Minnesota 56156  
507 283-4055 Fax 507 283-4076  
[contactl@mtcocpa.com](mailto:contactl@mtcocpa.com)

PO Box 707  
216 East Main  
Pipestone, Minnesota 56164  
507 825-4288 Fax 507 825-4280  
[contactp@mtcocpa.com](mailto:contactp@mtcocpa.com)

Tyler, Minnesota 56178  
507 247-3939  
Lake Wilson, Minnesota 56151  
507 879-3538  
Marshall, Minnesota 56258  
507 337-0501

*PARTNERS*

David L. Meulebroeck, CPA  
Matthew A. Taubert, CPA  
David W. Friedrichsen, CPA  
Daryl J. Kanthak, CPA

*WITH THE FIRM*

Amy L. Mollberg, CPA  
Blake R. Klinsing, CPA  
Bryce L. Schelhaas, CPA

December 15, 2017

Mayor and Council Members  
City of Madison  
404 6<sup>th</sup> Avenue  
Madison, Minnesota 56256

Dear Mayor and Council Members:

We are pleased to confirm our understanding of the services we are to provide City of Madison, Madison, Minnesota for the years ended December 31, 2017, 2018 and 2019. We will audit the financial statements of the governmental activities, the business-type activities, each major fund and the remaining fund information including the related notes to the financial statements which collectively comprise the basic financial statements of City of Madison, Madison, Minnesota as of and for the years ended December 31, 2017, 2018 and 2019. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement City of Madison, Madison, Minnesota's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to City of Madison, Madison, Minnesota's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1. Management's Discussion and Analysis

We have also been engaged to report on supplementary information other than RSI that accompanies City of Madison, Madison, Minnesota's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and we will provide an opinion on it in relation to the financial statements as a whole.

## 1. Combining and Individual Fund Financial Statements

### **Audit Objectives**

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements taken as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and will include tests of the accounting records and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of City of Madison, Madison, Minnesota's financial statements. Our report will be addressed to the Mayor and City Council of City of Madison, Madison, Minnesota. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements are other than unmodified we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control over financial reporting and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control and compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering entity's internal control and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that City of Madison, Madison, Minnesota is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

### **Audit Procedures-General**

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity.

Because of inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and Government Auditing Standards. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors and any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. Our responsibility as auditor's is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will also require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

**Audit Procedures-Internal Controls**

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to Government Auditing Standards.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and Government Auditing Standards.

**Audit Procedures-Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of City of Madison, Madison, Minnesota's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to Government Auditing Standards.

**Other Services**

We will also assist in preparing the financial statements and related notes of City of Madison, Madison, Minnesota in conformity with U.S. generally accepted accounting principles based on information provided by you. These non-audit services do not constitute an audit under Government Auditing Standards and such services will not be conducted in accordance with Government Auditing Standards. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

**Management Responsibilities**

Management is responsible for designing, implementing, and maintaining effective internal controls, including monitoring ongoing activities; for the selection and application of accounting principles, and for the preparation and fair presentation of the financial statements and all accompanying information in conformity with U.S. generally accepted accounting principles, and for compliance with applicable laws and regulations and the provisions and contracts and grant agreements.

Management is responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws, regulations, contracts, agreements, and grants for taking timely and appropriate steps to remedy fraud, and noncompliance with provisions of laws, regulations, contracts or grant agreements, or abuse that we may report.

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon, or make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued

with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements and related notes and any other non-audit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the non-audit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

#### **Engagement Administration, Fees, and Other**

We will provide copies of our reports to the City; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Meulebroeck, Taubert & Co., PLLP and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the State Auditor's Office, State of Minnesota or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Meulebroeck, Taubert, & Co., PLLP personnel. Furthermore, upon request, we may provide copies of selected audit documentation



to the aforementioned parties. These parties may intend, or decide, to distribute copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the State Auditor's Office, State of Minnesota. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

You may request that we perform additional services not addressed in this engagement letter. If this occurs, we will communicate with you regarding the scope of additional services and the estimated fees. We also may issue a separate engagement letter covering the additional services. In absence of any other written communication from us such additional services, our services will continue to be governed by the terms of this engagement letter.

We expect to begin our audit on approximately May 15th and to issue our reports no later than July of the year following the year under audit. Daryl Kanthak is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed \$14,900, \$15,500 and \$16,100 for the years ending December 31, 2017, 2018 and 2019. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

*Government Auditing Standards* require that we provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. Our 2016 peer review report accompanies this letter.

City of Madison  
Page 8

We appreciate the opportunity to be of service to City of Madison, Madison, Minnesota and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Sincerely,

Meulebroeck, Taubert & Co., PLLP  
Certified Public Accountants

Response:

This letter correctly sets forth the understanding of the City of Madison, Madison, Minnesota.

By:\_\_\_\_\_

By:\_\_\_\_\_

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

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

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

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

## Report on the Firm's System of Quality Control

May 26, 2017

To the Partners of Meulebroeck, Taubert & Co., PLLP and the National Peer Review Committee.

We have reviewed the system of quality control for the accounting and auditing practice of Meulebroeck, Taubert & Co., PLLP (the firm) applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended June 30, 2016. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary). The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

### Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

### Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

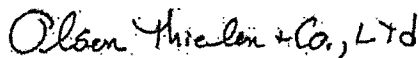
### Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, and a compliance audit under the Single Audit Act.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

### Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Meulebroeck, Taubert & Co., PLLP applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended June 30, 2016, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Meulebroeck, Taubert & Co., PLLP has received a peer review rating of *pass*.



Olsen Thielen & Co., Ltd.

**CITY OF MADISON, MN  
ORDINANCE NO. 381**

**AN ORDINANCE ESTABLISHING AND REGULATING LODGING TAX**

The city council of the City of Madison, Lac qui Parle County, Minnesota, ordains:

**Section 1: COLLECTIONS**

Every operator of a facility on which a lodging tax of three percent (3%) in accordance with Minn. Stat. 469.180 is due shall collect the tax at the time the consideration for such lodging is paid.

The tax collection shall be deemed to be held in trust by every such operator for the City. The amount of tax shall be separately stated from the consideration charged for the lodging and those persons paying the tax shall receive a receipt of payment from the operator.

**Section 2: PAYMENT**

Every person who collects a lodging tax shall pay the tax collected to the City monthly on or before the 20<sup>th</sup> day of the month following the month in which the tax is collected. At the time of payment, such person shall submit a return upon such forms and containing such information as the City Clerk may require. At a minimum, the return shall contain:

- (A) The total amount of consideration collected for lodging during the period covered by the return.
- (B) The amount of tax required to be collected and due for the period.
- (C) The signature of the person filing the return.
- (D) The period covered by the return.
- (E) The amount of uncollectible consideration charged subject to the lodging tax.

The operator may offset against the taxes payable with respect to any reporting period, the amount imposed by this section and previously paid, and which became uncollectible during such reporting period, but only in proportion to the portion of such consideration that became uncollectible.

**Section 3: PROCESSING RETURNS**

The City Clerk shall, after a return is filed, examine the same and make any investigation or examination of the records and accounts of the person making the return deemed necessary for determining its correctness. The tax computed on the basis of such examination shall be the tax due. If the tax due is found to be greater than paid, such excess shall be paid to the City within ten (10)

days after receipt of a notice thereof given either personally or sent by registered mail to the address shown on the return. If the tax paid is greater than the tax found to be due, the excess shall be given credit toward the next period return after determination of such refund.

#### **Section 4: FAILURE TO FILE A RETURN**

The City Clerk shall notify any operator of a facility subject to the provision of this section who fails to file a return or who files an incorrect, false or fraudulent return of such fact. Such operator shall file such return or corrected return within five (5) days of the receipt of such written notice and pay tax due thereon. If such persons shall fail to file such return or corrected return, the City Clerk shall make a return or corrected return for such person from such knowledge and information as the City Clerk can obtain, and assess a tax on the basis thereof, which tax shall be paid within five (5) days of the receipt of written notice and demand for such payment. Any such return or assessment made by the City Clerk shall be prima facie correct and valid, and such person shall have the burden of establishing its incorrectness or invalidity in any such action or proceeding in respect thereto.

#### **Section 5: PENALTIES**

The following penalties shall apply in the given situations:

- (A) Failure to file a return or pay a tax imposed by this section to the City within thirty (30) days of the due date: a penalty of ten percent (10%) of the unpaid tax.
- (B) Failure to file a return or pay a tax imposed by this section to the City by more than thirty (30) days but less than sixty (60) days of the due date: a penalty of fifteen percent (15%) of the unpaid tax.
- (C) Failure to file a return or pay a tax imposed by this section to the City by more than sixty (60) days but less than ninety (90) days of the due date: a penalty of twenty percent (20%) of the unpaid tax.
- (D) Failure to file a return or pay a tax imposed by this section to the City by more than ninety (90) days of the due date: a penalty of twenty-five percent (25%) of the unpaid tax.
- (E) Failure to file a return or pay a tax imposed by this section to the City wherein the City Clerk is required to make a return or corrected return for such a person: a penalty of Ten Dollars (\$10.00) for each unfilled return.
- (F) If the penalty as computed does not exceed Ten Dollars (\$10.00), a minimum penalty of Ten Dollars (\$10.00) shall be assessed. The penalty shall be collected in the same manner as the tax.

**Section 6: INTEREST**

The amount of tax not timely paid, together with any penalty, shall bear interest at the rate of eight percent (8%) per annum from the time such tax should have been paid until paid. Any interest and penalty shall be added to the tax and be collected as a part thereof.

**Section 7: APPLICATION OF PAYMENTS**

All payments shall be credited first to penalties, next to interest and then to the tax due.

**Section 8: ENFORCEMENT**

If any portion of the tax imposed by this section including penalties thereon, is not paid within thirty (30) after it is required to be paid, the City Attorney or City Clerk may institute such legal action as may be necessary to recover the amount due plus interest, penalties, the costs and disbursement of any action.

**Section 9: ADMINISTRATION OF TAX**

The City Clerk shall administer and enforce the assessment and collection of the taxes imposed by this section. The City Clerk shall prepare blank forms for the returns and other documents required by this section and shall make them available to members of the public.

**Section 10: EXAMINATION OF RECORDS**

The City Clerk may examine the books, papers and records of any operator of a facility subject to tax imposed by this section in order to verify the accuracy of any return made, or if no return was made, to ascertain the tax as provided in this section. Every such operator is directed and required to give the City Clerk the means, facilities and opportunity for such examinations and investigations as are hereby authorized.

**Section 11: USE OF PROCEEDS**

The proceeds obtained from the collection of taxes pursuant to this section shall be used in accordance with Minnesota Statutes §469.190, as the same may be amended from time to time to fund a local convention or tourism bureau for the purpose of marketing and promoting the City as a tourist or convention center. The City may enter into an agreement with the Chamber of Commerce or other organization for such purposes.

**Section 12: APPEALS**

Any operator aggrieved by any notice, order or determination made by the City Clerk under this section may file with the City Clerk a petition for review of such notice, order or determination by the City Council. The petitions shall contain the name of the petitioner, the petitioner's address,

the location of the lodging, the order, notice or determination subject to the review and the basis for the request for review. Upon receipt of the petition, the City Clerk will place the matter on the City Council agenda for a hearing as soon as practical. The City Clerk shall give the petitioner at least five (5) days prior written notice of the date, time and place of such hearing. At the hearing, the petitioner shall be given an opportunity to show cause as to why the notice, order or determination should be modified or withdrawn. The City Council shall make written findings of fact and conclusions based upon this section and the evidence presented. The City Council may modify, reverse or affirm the notice, order or determination that is subject to review. All requests for review must be made within one (1) year of the date of the notice, order or determination.

**Section 13: EFFECTIVE DATE**

This ordinance becomes effective January xx, 2018 and after its passage and publication.

Adopted by the City of Madison, Minnesota, January xx, 2018.

Attest:

By \_\_\_\_\_  
Mayor

\_\_\_\_\_  
City Clerk

Ayes:

Nays:

Date of Publication:

**OFFICIAL SUMMARY OF ORDINANCE NO. 381**

**AN ORDINANCE ESTABLISHING AND REGULATING A LODGING TAX**

The following is the official summary of Ordinance No. 381, which was passed by the city Council of Madison, Minnesota, on January 8, 2018:

An ordinance establishing and regulating a 3% lodging tax within the City in accordance with Minnesota Statute 469.190. The proceeds of which will be used for marketing and promoting tourism relative to the City of Madison.

A printed copy of this ordinance is available for inspection by any person at the office of the city clerk during normal business hours, and at the community library, or in any other public location which the council designates.

This summary was approved by the City Council of Madison, Minnesota, on January 8th, 2018.

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Mayor

ATTEST:

---

City Clerk



DECEMBER 22, 2017

Val Halvorson  
City of Madison  
404 Sixth Avenue  
Madison, Minnesota 56256

RE: Grant Agreement for MN Historical and Cultural Heritage Grant  
2018 Design Plans for Historic Madison City Hall and Opera House  
Grant #: 1706-21187

Dear Val Halvorson:

Congratulations on being awarded a Minnesota Historical and Cultural Heritage Grant through the Minnesota Historical Society. Your project has enduring value and is of interest to your community, elected leaders, and members of the media.

Enclosed is a set of three blue-bound *Minnesota Historical and Cultural Heritage Grant Agreements*. Please review the *Agreement*. If it is acceptable, please sign on each of the marked pages and return to the Grants Office. Once I receive the agreements back from you, they will be signed by the appropriate Minnesota Historical Society officials. A fully executed copy of the agreement will be returned to you when available.

Also enclosed is a notice of a conference call required for all projects. There are different call times and dates from which to choose. Please contact Julie Hillenbrand (651-259-3464 or [julie.hillenbrand@mnhs.org](mailto:julie.hillenbrand@mnhs.org)) directly to reserve your place on one of the calls.

Your first payment will be mailed to you under separate cover from the Society's Finance Department approximately 30 days after the agreements are fully executed.

Project expenditures funded by the grant may only be made during the grant period which appears on page one of the *Agreement*. In addition, only items set forth in the Approved Project Budget (Attachment B of the *Agreement*) may be charged against the grant project.

Please do not hesitate to contact me by phone at 651-259- 3467 or by e-mail at [john.fulton@mnhs.org](mailto:john.fulton@mnhs.org) should you have any questions.

Sincerely,



John Fulton  
Grants Office  
Minnesota Historical Society

enclosures

MINNESOTA HISTORICAL SOCIETY  
MINNESOTA HISTORICAL AND CULTURAL HERITAGE GRANT AGREEMENT

<u>Account No.</u>	<u>Fiscal Year</u>	<u>Object Code</u>	<u>MHS Grant No.</u>	<u>Amount</u>
02484	2018	5260	1706-21187	\$45,180 grant \$ 8,700 match

This agreement is made by and between the Minnesota Historical SOCIETY, 345 Kellogg Boulevard West, Saint Paul, Minnesota 55102, hereinafter called the SOCIETY, acting through its Director, and, City of Madison, 404 Sixth Avenue, Madison, Minnesota, 56256, herein called the GRANTEE.

WHEREAS, the Minnesota Legislature, under Minnesota Session Laws 2017, Chapter 91, Article 4, Section 2, Subdivision 4, approved funding to the SOCIETY for Statewide Historic and Cultural Grants for the purpose of supporting history programs and projects operated or conducted by or through local, county, regional, or other historical or cultural organizations; or for activities to preserve significant historic and cultural resources such as that which is contemplated by GRANTEE, and

WHEREAS, the GRANTEE and its project, *2018 Design Plans for Historic Madison City Hall and Opera House*, meets the eligibility criteria for funding under the grants program; and

WHEREAS, the SOCIETY'S Executive Council approved a grant recommended for funding by the Historical Resources Advisory Committee on December 4, 2017.

NOW THEREFORE, in consideration of the award of the grant, the GRANTEE agrees to administer said grant in accordance with the following policies and procedures:

I. PROJECT DESCRIPTION

- A. The project period for this activity is from December 1, 2017 to 12/1/2018.
- B. The project will be carried out in accordance with the provisions of the *Minnesota Historical and Cultural Heritage Grants Manual*. The project will also be carried out in accordance with the GRANTEE'S Minnesota Historical and Cultural Heritage Grants Program Grant Application. Page 1 of the application is included as Attachment A, and the entire application is hereby incorporated by reference.

In addition, the following conditions must be met:

- a. Grantee must submit architectural drawings for review and comment at 30% completion. Upload to Milestone/Condition 2 report in the SOCIETY'S grants portal (<https://mnhs.fluxx.io>.)
- b. Grantee must submit architectural drawings for review and comment at 60% completion. Upload to Milestone/Condition 3 report in the SOCIETY'S grants portal (<https://mnhs.fluxx.io>.)
- c. Grantee must submit architectural drawings at 90% completion, specifications, and draft grant program Scope of Work form for review, comment, and potential edits prior to finalization of the document. Upload to Milestone/Condition 4 report in the SOCIETY'S grants portal (<https://mnhs.fluxx.io>.)

- C. The official project budget as approved by the SOCIETY supersedes the GRANTEE'S grant application budget and is included as Attachment B and hereby incorporated by reference.
- D. Only the items set forth in the Approved Project Budget (Attachment B) may be charged against the grant project.
- E. Any project expense not specifically approved in the Approved Project Budget will not be allowed except upon prior written request by the GRANTEE and prior written approval by the SOCIETY.
- F. Changes in the Approved Project Budget may not exceed twenty (20) percent of any line item. Changes occurring after the project begins that exceed twenty (20) percent of any line item will not be allowed except upon prior written request by the GRANTEE and prior written approval by the SOCIETY.
- G. Changes in the Project Completion Date will not be allowed except upon prior written request by the GRANTEE and prior written approval by the SOCIETY.
- H. No grant funds may be used to pay indirect costs, commonly referred to as overhead.

## II. ASSURANCES

- A. The GRANTEE agrees that this project will be administered and conducted in accordance with Minn. Stat. 16B.98 for Grants Management.
- B. The GRANTEE shall hold the SOCIETY and the State of Minnesota harmless from any loss, damage, or expense including reasonable attorneys' fees and other costs of defense, arising as the result of any claim, action, complaint, proceeding, or litigation of any kind whatsoever, directly or indirectly brought about as a result of the funded project.
- C. The GRANTEE agrees that in hiring of common or skilled labor for the performance of any work on the grant project that no contractor, material supplier or vendor shall, by reason of race, creed, color, religion, national origin, sex, marital status, status with regard to public assistance, membership or activity in a local commission, disability, sexual orientation, or age, discriminate against any person or persons who are citizens of the United States, or resident aliens, who are qualified and available to perform the work to which the employment relates.
- D. The GRANTEE agrees no contractor, material supplier or vendor shall, in any manner, discriminate against, or intimidate, or prevent the employment of any person or persons identified in the preceding paragraph, or on being hired, prevent or conspire to prevent, the person or persons from the performance of work under any contract on account of race, creed, color, religion, national origin, sex, marital status, status with regard to public assistance, membership or activity in a local commission, disability, sexual orientation, or age.

- E. This Agreement may be canceled or terminated by the SOCIETY, and all money due, or to become due hereunder may be forfeited for a second or any subsequent violation of the terms of this section.
- F. The GRANTEE assures that no part of the project budget will be used directly or indirectly to pay for any personal service, advertisement, telegram, telephone, letter, printed or written matter, or other device intended or designed to influence in any manner a member of the Minnesota Legislature, to favor or oppose, by vote or otherwise, any legislation or appropriation by the Legislature, whether before or after the introduction of any bill or resolution proposing such legislation or appropriation. This shall not prevent communicating to members of the Minnesota Legislature on the request of any member or to the Legislature, through the proper official channels, requests for legislation or appropriations which they deem necessary for the efficient conduct of the public business.
- G. Both parties agree that if intellectual property is created in project, the parties will discuss the allocation of ownership and use rights.
- H. Copyright to copyrightable materials, including computer software, resulting from this project shall vest in the GRANTEE with a non-transferable royalty-free license to the SOCIETY for its non-commercial use. The GRANTEE shall grant the SOCIETY an option to license any such material(s) it wishes to develop for commercial purposes on terms and conditions, including a royalty, as the parties hereto agree in a subsequent writing.
- I. Except for (a) the above limitation, (b) the GRANTEE's right to control publication of its own research results, (c) patented and patent-pending property and (d) the GRANTEE's confidential information, the SOCIETY will have the free, irrevocable, non-exclusive unlimited right to use any research results collected in project by both the GRANTEE and the SOCIETY for any purpose worldwide.
- J. The GRANTEE agrees to post a sign in a prominent location while restoration/ preservation project work is in progress substantially incorporating the following acknowledgment:
 

*"This project has been financed in part with funds provided by the State of Minnesota from the Arts and Cultural Heritage Fund through the Minnesota Historical Society."*
- K. The GRANTEE agrees that any publicity releases, informational brochures, public reports, publications, and public information relating to approved projects must acknowledge funding assistance from the State of Minnesota from the Arts and Cultural Heritage Fund. Any written materials shall include the following:
 

*"This publication was made possible in part by the people of Minnesota through a grant funded by an appropriation to the Minnesota Historical Society from the Minnesota Arts and Cultural Heritage Fund. Any views, findings, opinions, conclusions or recommendations expressed in this publication are those of the authors and do not necessarily represent those of the State of Minnesota, the Minnesota Historical Society, or the Minnesota Historic Resources Advisory Committee."*

- L. All activities shall be done by, or under direct supervision of, historic preservation professionals who meet Secretary of the Interior's Professional Qualifications Standards (as published in the Federal Register of September 29, 1983).
- M. The GRANTEE agrees that this project will be conducted in accordance with the *Secretary of the Interior's Standards for Archaeology and Historic Preservation*.

### III. PROCEDURES FOR CONTRACTING SERVICES AND MATERIALS

- A. Any services and/or materials that are expected to cost \$20,000 or more must undergo a formal notice and bidding process. Evidence of the process along with copies of the bids received must be included in the GRANTEE's financial records for the project.
- B. Any services and/or materials that are expected to cost between \$10,000 and \$19,999 must be scoped out in writing and offered to a minimum of three (3) bidders. The GRANTEE must maintain financial records that verify the cost was competitively based on at least three written quotes submitted in response to written specifications.
- C. Any services and/or materials that are expected to cost between \$5,000 and \$9,999 must be competitively based on a minimum of three (3) verbal quotes. The GRANTEE must maintain financial records that verify the cost was competitively based on at least three verbal quotes.

### IV. PAYMENT SCHEDULE

- A. Once the Grant Agreement has been fully executed, the GRANTEE will receive a check from the SOCIETY for ninety percent (90%) of the grant award.
- B. Retainage. A total of ten percent (10%) of the grant funds will be released as the final payment after work is complete and fiscal documentation and the project completion report, have been reviewed and accepted by the SOCIETY.

### V. FINANCIAL DOCUMENTATION AND FINAL REPORTING

- A. The GRANTEE will submit a completed final report including documentation for project expenditures and project products on or before 1/1/2019. (Work on the project must be concluded by 12/1/2018)
- B. The final report must be completed electronically in the Minnesota Historical Society's Grants Portal (<https://mnhs.fluxx.io>).
  - a. The financial documentation for project costs to be uploaded with the final report shall include acceptable types of documentation such as: (1) copies of paid invoices/receipts, (2) copies of project personnel timesheets (if applicable), (3) copies of in-kind and/or donated services timesheets (if applicable), and (4) copies of donated materials forms.
  - b. The Final Products to be uploaded with the final report are: Digital PDF copy of the final drawings, specifications, and completed Grants Office Scope of Work Form.

## VI. AUDIT

- A. The GRANTEE must maintain records and accounts consistent with generally accepted accounting principles, and to provide for such fiscal control as is necessary to assure the proper disbursing of and accounting for grant funds. The GRANTEE must maintain records and accounts for this project on file for a minimum of six (6) years after approval of the Final Report.
- B. The GRANTEE agrees to maintain records to document any matching funds claimed as part of the project. The GRANTEE further agrees to secure reasonable written proof of the value of Staff or Volunteer Labor, and for Donated Materials contributed to the project.
- C. The GRANTEE agrees that accounts and supporting documents relating to project expenditures will be adequate to permit an accurate and expeditious audit. An audit may be made at any time by the SOCIETY, its designated representatives, or any applicable agency of the State of Minnesota.

## VII. AMENDMENTS AND CANCELLATION

### A. Amendments

Any significant variations from proposed work, costs, and/or time frames described in this agreement which are experienced or anticipated during the course of the project and any significant problems, delays, or adverse conditions which materially affect planned performance should be submitted in writing to Grants Office, Minnesota Historical Society, 345 Kellogg Boulevard West, Saint Paul, Minnesota 55102.

The SOCIETY will respond in writing, either approving or not approving the changes, and may amend the agreement if deemed necessary. Variations which are not known until the conclusion of the project may be submitted with the Financial Documentation; however, the GRANTEE understands that costs may be disallowed if changes are not approved. Any amendments to this agreement shall be in writing, and shall be executed by the same parties who executed the original agreement or their successors in office.

### B. Cancellation

The SOCIETY may withhold, cancel, or revoke in whole or in part the grant amount if it determines that the GRANTEE has materially breached any term or condition of this agreement. GRANTEES will be given a 30-day notice. In lieu of cancellation, GRANTEES may be given proposed remedies to ensure successful completion of the project.

In addition, both parties may mutually agree to cancel the agreement if they determine that the project will not produce beneficial results commensurate with further expenditure of funds or because of circumstances beyond the control of either party. In the event of cancellation, the SOCIETY may withhold proceeds of the Grant; demand that the GRANTEE

return any already disbursed proceeds to the Finance Commissioner; and seek any additional legal or equitable remedy(ies).

Finally, the GRANTEE hereby acknowledges that the proceeds of the Grant are being financed in part with funds provided by the State of Minnesota and administered through the SOCIETY, and that, per Minnesota Session Laws 2017, Chapter 91, Article 4, Section 2, Subdivision 4, the funding will be canceled to the extent a court determines that the appropriation, or portion thereof, unconstitutionally substitutes for a traditional source of funding.

I have read the above agreement and agree to abide by all of its provisions. Upon execution, this Agreement controls all activities during the project period.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed on the date(s) indicated below intending to be bound thereby.

Minnesota Historical Society  
345 Kellogg Boulevard West  
Saint Paul, Minnesota 55102

City of Madison  
404 Sixth Avenue  
Madison, Minnesota 56256

\_\_\_\_\_  
Carolyn Veese-Egbide (date)  
Grants Manager

\_\_\_\_\_  
signature (authorized official)

\_\_\_\_\_  
(print name) (date)

\_\_\_\_\_  
Mary Green-Toussaint (date)  
Contract Manager

\_\_\_\_\_  
(print title)



ATTACHMENT A

## MINNESOTA HISTORICAL AND CULTURAL HERITAGE PROGRAM

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City of Madison

R-MHCG-1706-21187 | \$45,180 | MN Historical and Cultural

2018 Design Plans for Historic Madison City Hall and Opera House

Internal Reviewers:

Barbara Howard

### ▼ Table Of Contents

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Status

Pending Final Review

## APPLICANT INFORMATION

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Program Organization: City of Madison

Project Director: Val Halvorson

Authorized Officer: Val Halvorson

Additional Project Staff: Kathy Weber

Applicant County: Lac qui Parle

Applicant Organization Type: Local/Regional Government

Governance/Board Members:

Greg Thole, Maynard Meyer, Tim Volk, Paul Zahrbock, Adam Conroy

Is this a cooperative project?

Select Yes or No.

No

▼ Click arrow to view previous grants awarded

PRIOR GRANTS TO THIS APPLICANT:



**ATTACHMENT B**  
**City of Madison**

**APPROVED LINE-ITEM BUDGET**

Budget Item	Amount Requested	Grant Amount	Match
1. Historic Preservation Architect Preparation of Plans and Specifications	\$45,180.00	\$45,180.00	
2. Engineering Review and Advising			\$4,000.00
3. Telephone Upgrades			\$4,700.00
4.			
5.			
6.			
7.			
8.			
9.			
10.			
11.			
12.			
	Total: \$45,180.00	Total: \$45,180.00	Total: \$8,700.00



*LAC QUI PARLE  
AIRPORT COMMISSION  
P.O. BOX 175  
MADISON, MN 56256*

**LAC QUI PARLE COUNTY AIRPORT COMMISSION  
NOTICE OF MEETING**

**Regular Meeting  
Wednesday, December 20, 2017- 8:30 a.m.  
@ the Airport**

**Please let me know if you cannot attend.**

**Sincerely,**

A handwritten signature in black ink, appearing to read 'Michael D. Dahle', written in a cursive style.

**Michael D. Dahle  
Vice-Chair**

## SCHEDULED CLAIMS LIST

UP CK# 56754-56783

INVOICE#	LINE	DUE DATE	INVOICE DATE	REFERENCE	PAYMENT AMOUNT	DIST GL ACCOUNT	CK SQ
				BANK 1 - KLEIN/UNITED PRAIRIE 100 A-OX WELDING SUPPLY COMPA			
122217	1	12/22/17	12/22/17	AMB-MEDICAL CYL	44.08	201 201-44100-217	1
				INVOICE TOTAL	44.08		
				VENDOR TOTAL	44.08		
				3426 ADVANTAGE BILLING CONCEPTS			
1016	1	12/22/17	12/22/17	AMB-BILLING SERVICE	464.00	201 201-44100-320	1
				INVOICE TOTAL	464.00		
				VENDOR TOTAL	464.00		
				110 ARCTIC GLACIER USA, INC			
122117	1	12/21/17	12/21/17	LIQ-ICE EXPENSE	65.32	609 609-49750-251	1
				INVOICE TOTAL	65.32		
				VENDOR TOTAL	65.32		
				140 TOM BACON			
122117	1	12/21/17	12/21/17	ELEC-SAFETY GLASSES	56.00	604 604-49570-193	1
				INVOICE TOTAL	56.00		
				VENDOR TOTAL	56.00		
				172 BELLBOY CORPORATION			
122117	1	12/21/17	12/21/17	LIQ-LIQUOR EXPENSE	1,909.25	609 609-49750-251	1
				INVOICE TOTAL	1,909.25		
				VENDOR TOTAL	1,909.25		
				2901 BENNETT OFFICE TECHNOLOGI			
122117	1	12/21/17	12/21/17	ADMIN-COPIER MAINT 11/17	233.27	101 101-41320-404	1
				INVOICE TOTAL	233.27		
				VENDOR TOTAL	233.27		
				190 BEVERAGE WHOLESALERS			
122117	1	12/21/17	12/21/17	LIQ-LIQUOR EXPENSE	2,250.70	609 609-49750-251	1
				INVOICE TOTAL	2,250.70		
				VENDOR TOTAL	2,250.70		
				293 BOUND TREE MEDICAL LLC			
82700736	1	12/22/17	12/22/17	LIB-AED	679.99	101 101-45500-210	1
				INVOICE TOTAL	679.99		
				VENDOR TOTAL	679.99		
				510 CITY OF MADISON			
122217	1	12/22/17	12/22/17	J WITTNEBEL DEMO ASBESTOS REMO	216.02	101 101-36232	1
				INVOICE TOTAL	216.02		
				VENDOR TOTAL	216.02		

## SCHEDULED CLAIMS LIST

INVOICE#	LINE	DUE DATE	INVOICE DATE	REFERENCE	PAYMENT AMOUNT	DIST GL ACCOUNT	CK SQ
122117	1	12/21/17	12/21/17	3381 COCA-COLA BOTTLING LIQ-POP EXPENSE	74.75 74.75	609 609-49750-251	1
				INVOICE TOTAL	74.75		
				VENDOR TOTAL	74.75		
46269	1	12/22/17	12/22/17	657 DATA TECHNOLOGIES, INC. ADMIN-TAX FORMS	428.25 428.25	101 101-41320-201	1
				INVOICE TOTAL	428.25		
				VENDOR TOTAL	428.25		
122217	1	12/22/17	12/22/17	810 G & K SERVICES STR-FLOOR MAT/SHOPTOWELS	105.00	101 101-43100-209	1
	2			TR/SEW-FLOOR MAT/SHOPTOWELS	10.49	602 602-49450-219	1
				INVOICE TOTAL	115.49		
				VENDOR TOTAL	115.49		
8245584	1	12/22/17	12/22/17	830 GCC READY MIX STR-AGGREGATE MATERIAL	525.33 525.33	101 101-43100-224	1
				INVOICE TOTAL	525.33		
8246050	1	12/22/17	12/22/17	WT-AGGREGATE	79.62	601 601-49430-407	1
				INVOICE TOTAL	79.62		
				VENDOR TOTAL	604.95		
122217	1	12/22/17	12/22/17	835 GEMINI ROTTWEILER & PITBULL GEN-2018 APPRO-GEMINI KENNELS	500.00 500.00	101 101-46600-479	1
				INVOICE TOTAL	500.00		
				VENDOR TOTAL	500.00		
122117	1	12/21/17	12/21/17	1160 JOHNSON BROS-ST.PAUL LIQ-LIQUOR EXPENSE	2,160.95 2,160.95	609 609-49750-251	1
				INVOICE TOTAL	2,160.95		
				VENDOR TOTAL	2,160.95		
6636	1	12/22/17	12/22/17	3298 KIRBY BUILT SALES PARKS-MEM BENCH-S LUDVIGSON	1,891.92 1,891.92	101 101-45200-441	1
				INVOICE TOTAL	1,891.92		
				VENDOR TOTAL	1,891.92		
4843	1	12/22/17	12/22/17	1370 LARRY'S REFRIG. & HEATING LIB-FURNACE REPAIRS	90.00 90.00	101 101-45500-401	1
				INVOICE TOTAL	90.00		
				VENDOR TOTAL	90.00		
122117	1	12/21/17	12/21/17	1560 MADISON BOTTLING CO. LIQ-BEER EXPENSE	4,380.80	609 609-49750-251	1

## SCHEDULED CLAIMS LIST

INVOICE#	LINE	DUE DATE	INVOICE DATE	REFERENCE	PAYMENT AMOUNT	DIST GL ACCOUNT	CK SQ
				INVOICE TOTAL	4,380.80		
				VENDOR TOTAL	4,380.80		
				1623 MADISON WELDING & REPAIR			
122217	1	12/22/17	12/22/17	FIRE-WELD STEEL SHEET	661.90	101 101-42200-219	1
				INVOICE TOTAL	661.90		
				VENDOR TOTAL	661.90		
				1865 MN ENERGY RESOURCES			
122117	1	12/21/17	12/21/17	PR ARTS-NAT GAS 11/17	488.12	101 101-45180-380	1
				INVOICE TOTAL	488.12		
122117B	1	12/21/17	12/21/17	CTY HALL-NAT GAS 11/17	654.23	101 101-41940-380	1
				INVOICE TOTAL	654.23		
122117C	1	12/21/17	12/21/17	FIRE-NAT GAS 11/17	188.92	101 101-42200-380	1
				INVOICE TOTAL	188.92		
122117D	1	12/21/17	12/21/17	LIB-NAT GAS 11/17	202.52	101 101-45500-380	1
				INVOICE TOTAL	202.52		
122117E	1	12/21/17	12/21/17	FIRE-NAT GAS 11/17	197.40	101 101-42200-380	1
				INVOICE TOTAL	197.40		
122117F	1	12/21/17	12/21/17	STR-NAT GAS 11/17	359.79	101 101-43100-380	1
	2			ELEC-NAT GAS 11/17	359.79	604 604-49570-380	1
				INVOICE TOTAL	719.58		
122117G	1	12/21/17	12/21/17	WT-NAT GAS 11/17	768.27	601 601-49400-380	1
				INVOICE TOTAL	768.27		
122117H	1	12/21/17	12/21/17	LIQ-NAT GAS 11/17	116.72	609 609-49750-380	1
				INVOICE TOTAL	116.72		
				VENDOR TOTAL	3,335.76		
				1920 MN VALLEY REC			
122217A	1	12/22/17	12/22/17	SEW-UTILITY EXPENSE	3,742.27	602 602-49450-380	1
				INVOICE TOTAL	3,742.27		
122217B	1	12/22/17	12/22/17	SEW-UTILITY EXPENSE	260.78	602 602-49450-380	1
				INVOICE TOTAL	260.78		
				VENDOR TOTAL	4,003.05		
				1973 RANDY MORTENSON			
272290	1	12/21/17	12/21/17	SEW-PUMPING COSTS	10,935.00	602 602-49450-409	1
				INVOICE TOTAL	10,935.00		
				VENDOR TOTAL	10,935.00		
				1541 MVTL LABORATORIES INC			

## SCHEDULED CLAIMS LIST

INVOICE#	LINE	DUE DATE	INVOICE DATE	REFERENCE	PAYMENT AMOUNT	DIST	GL	ACCOUNT	CK SQ
1541 MVTL LABORATORIES INC									
896312	1	12/21/17	12/21/17	SEW-REGULAR TESTING	111.20	602		602-49450-409	1
				INVOICE TOTAL	111.20				
896821 12/22/17 12/22/17 WT-REGULAR TESTING									
				INVOICE TOTAL	21.50	601		601-49400-409	1
897595 12/22/17 12/22/17 WT-REGULAR TESTING									
				INVOICE TOTAL	16.50	601		601-49400-409	1
897605 12/22/17 12/22/17 WT-REGULAR TESTING									
	2			SEW-REGULAR TESTING	293.60	602		602-49450-409	1
				INVOICE TOTAL	308.00				
				VENDOR TOTAL	457.20				
2416 RURAL SOLUTIONS INC									
8127	1	12/21/17	12/21/17	LIQ-FIX CAMERAS	262.50	609		609-49750-404	1
				INVOICE TOTAL	262.50				
				VENDOR TOTAL	262.50				
2455 SELECT ACCOUNT									
122117	1	12/21/17	12/21/17	ADMIN-12/17 PART FEE	5.71	101		101-41320-409	1
				INVOICE TOTAL	5.71				
				VENDOR TOTAL	5.71				
3048 SPEE-DEE DELIVERY SERVICE									
122117	1	12/21/17	12/21/17	WT-REGULAR SHIPPING	7.04	601		601-49400-409	1
	2			SEW-REGULAR SHIPPING	113.78	602		602-49450-409	1
				INVOICE TOTAL	120.82				
				VENDOR TOTAL	120.82				
2601 STEVE STREICH									
664295	1	12/21/17	12/21/17	FIRE-FACIAL COVER STORAGE BLDG	230.00	101		101-42200-401	1
				INVOICE TOTAL	230.00				
				VENDOR TOTAL	230.00				
2670 GREG THOLE ELECTRIC, INC									
3074	1	12/21/17	12/21/17	LIB-BUILDING CONTRACT	112.82	101		101-45500-401	1
				INVOICE TOTAL	112.82				
				VENDOR TOTAL	112.82				
2830 VERIZON WIRELESS									
122117	1	12/21/17	12/21/17	STR-CELL PHONE 11/17	62.78	101		101-43100-321	1
	2			WT-CELL PHONE 11/17	43.56	601		601-49400-321	1
	3			SEW-CELL PHONE 11/17	43.56	602		602-49450-321	1
	4			ELEC-CELL PHONE 11/17	70.11	604		604-49570-321	1
	5			AMB-CELL PHONE 11/17	22.99	201		201-44100-321	1
				INVOICE TOTAL	243.00				

## SCHEDULED CLAIMS LIST

INVOICE#	LINE	DUE DATE	INVOICE DATE	REFERENCE	PAYMENT AMOUNT	DIST GL ACCOUNT	CK SQ
VENDOR TOTAL					243.00		
1789	1	12/21/17	12/21/17	2944 ERIC ASFELD CTY HALL-AUDITORIUM FURNACE	140.00	101 101-41940-404	1
INVOICE TOTAL					140.00		
VENDOR TOTAL					140.00		
BANK 1 - KLEIN/UNITED PR TOTAL					36,673.50		
TOTAL MANUAL CHECKS					.00		
TOTAL E-PAYMENTS					.00		
TOTAL PURCH CARDS					.00		
TOTAL ACH PAYMENTS					.00		
TOTAL OPEN PAYMENTS					36,673.50		
GRAND TOTALS					36,673.50		