

City of Ada
Meeting of the City Council
Tuesday, October 3rd, 2023 6:00 P.M. – Council Chambers

Agenda

- I. Call to Order**
- II. Pledge of Allegiance**
- III. Roll Call**
- IV. Citizen Forum** – *Individuals may address the council about any item of concern. A maximum of 15 minutes is allotted for the forum. If the full 15 minutes are not needed for the forum, the City Council will continue with the agenda. The City Council will take no official action on items discussed at the forum, with the exception of referral to staff or commission for future report.*

- V. Consent Agenda** – *These items are considered to be routine and will be enacted by one motion. There will be no separate discussion of these items unless a Council Member or citizen so requests, in which event the item will be removed from the Consent Agenda and placed elsewhere on the agenda.*
 - A.** September 2023 Council Meeting minutes
 - B.** September 2023 Special Session Meeting minutes
 - C.** City Pre-paid checks in the amount of \$296,792.62
 - D.** City Accounts payables in the amount of \$19,206.95

- VI. Approve Agenda** – *No item of business shall be considered unless it appears on the agenda for the meeting. Council Members may add items to the agenda by a majority vote of the council.*

- VII. Presentations with possible discussion and decision.**
 - A.** Trap Team Donation Request for Fundraiser
 - B.** Billy Roesch – Eagle Scout Project
 - C.** Moore Engineering Update

- VIII. Reports of Department Heads and Committees**
 - A.** Mayors Report

 - B.** Administrator / Clerk / Treasurer Report.
 - 1) Department Updates

- IX. Old Business**

- XII. New Business**

- A. Kaleidoscope Guests, September – Casey/Scott N.
- B. Resolution 2023-10-01 RESOLUTION CONSENTING TO AN AMENDMENT TO A LEASEHOLD MORTGAGE
- C. Department Updates
 - A. Public Works
 - 1) Transformer Bids
 - B. Public Safety
 - C. EDA
 - D. Beautification

XIII. Adjournment

City of Ada
Meeting of the City Council
Tuesday, September 12, 2023 6:00 P.M. – Council Chambers

Minutes

- I. Call to Order**
- II. Pledge of Allegiance**
- III. Roll Call** Members Nordquist, Krieger, Lewis and Ness present. Member Roux was available through cell phone. Members absent – Member Nelson and Erickson. Others present – Mayor Hintz, Administrator Larson and members of the media.
- IV. Citizen Forum** – *Individuals may address the council about any item of concern. A maximum of 15 minutes is allotted for the forum. If the full 15 minutes are not needed for the forum, the City Council will continue with the agenda. The City Council will take no official action on items discussed at the forum, with the exception of referral to staff or commission for future report.*

- V. Consent Agenda** – *These items are considered to be routine and will be enacted by one motion. There will be no separate discussion of these items unless a Council Member or citizen so requests, in which event the item will be removed from the Consent Agenda and placed elsewhere on the agenda.*
 - A.** August 2023 Council Meeting minutes
 - B.** August 2023 Budget Meeting minutes
 - C.** City Pre-paid checks in the amount of \$470,273.63
 - D.** City Accounts payables in the amount of \$62,859.77

Member Krieger motioned and Member Lewis seconded to approve the Consent Agenda as amended. All in favor: Lewis, Krieger, Nordquist and Roux. Against: NONE Motion passed

- VI. Approve Agenda** – *No item of business shall be considered unless it appears on the agenda for the meeting. Council Members may add items to the agenda by a majority vote of the council.*

Member Roux motioned and Member Lewis seconded to approve the agenda as amended. All in favor: Lewis, Krieger, Nordquist and Roux. Against: NONE Motion passed

- VII. Presentations with possible discussion and decision.**

- A.** Dolly Parton Imagination Library Donation Request.

Wendy Bennefeld, organizer for the library, presented to the council what the library is about and what books are presented to children that sign up for books. The grant they received was a five-year grant and the funds have diminished and are looking for

donations to keep the library active. Member Roux made a motion to donate \$1,000/year for five years to the library, pending its ongoing relationship with the foundation.

Member Roux motioned and Member Krieger seconded to approve a \$1,000.00 a year donation from the gambling funds to the Gary Cares\Dolly Parton Imagination Library project and for the next four years at \$1,000.00 a year. All in favor: Lewis, Krieger, Nordquist and Roux. Against: NONE Motion passed

B. Matt Wagner – THC Legislation and Planning

Norman County Chief Deputy Matt Wagner presented to council an update on what new laws the State of Minnesota passed regarding legalizing drugs. Deputy Wagner was asked to assist the City of Ada in establishing ordinances within the City to control where certain drugs can and can't be used. Zoning rules can help law enforcement arrest individuals violating such ordinances. Areas in the city would include schools, parks and public places. Administrator Larson will continue looking into what is best for the city to handle THC laws and address the new drug laws passed by the State of MN.

C. Moore Engineering Update

Brandon Reber of Moore Engineering was present to update the council on the sewer project completion and other smaller items that are happening within the city. Mr. Reber then asked for a payment to the contractor for the sewer project. The amount of the request was \$82,258.18. Most of the amount is retainage that was held back at the beginning of the contract. In addition to that invoice, Mr. Reber requested payment to Moore Engineering for services to date of \$6,000.00. Mr. Reber then continued with the LRIP funding with the state of Minnesota. This program is for main city roads within the City of Ada. A north section of West Main Street has been a project presented to the state in the past, with an estimated cost of over \$1,200,000.00. This raised concern from the mayor and council. Mr. Reber will come back to council with proposals.

Member Krieger motioned and Member Roux seconded to approve the pay request to Sellin Brothers for the sewer project in the amount of \$82,258.18. All in favor: Lewis, Krieger, Nordquist and Roux. Against: NONE Motion passed

Member Krieger motioned and Member Roux seconded to approve the invoice payment request to Moore Engineering in the amount of \$6,000.00 for services to date. All in favor: Lewis, Krieger, Nordquist and Roux. Against: NONE Motion passed

VIII. Reports of Department Heads and Committees

A. Mayors Report

1) Recognition of Josh Mathsen and Crystal Stene.

Mayor Hintz wanted to recognize two councilpersons who have served the city of Ada. Member Josh Mathsen and Member Crystal Stene received plaques for their years of service to the city. Thank you for your years of service!

2) Appointment of open council position.

Member Mathsen's resignation, due to moving from the city proper, opened a seat on council. Member Nordquist put in an endorsement for Eric Ness to fill the position. Jim Austinson was also present and wished to have his name considered. Each candidate expressed their reasons to be on council. A motion was made by Member Roux and a second from Member Nordquist to nominate Eric Ness. Mr. Ness was selected and was then sworn into his position.

Member Roux motioned and Member Nordquist seconded to approve the nomination of Eric Ness to fill the vacant seat left by Member Josh Mathsen. All in favor: Lewis, Krieger, Nordquist and Roux. Against: NONE Motion passed

B. Administrator / Clerk / Treasurer Report.

1) Department Updates

- a. Public Works Employee
- b. Dekko Center Hot Tub
- c. Fire Department SCBA's

Administrator Larson updated the council on several items. The liquor store had a good month in August. The Dekko Center had to do some serious repairs to the pool and in the process after backwashing multiple times, the heater went bad. It is a 21-year-old heater, and it was speculated that the element and other parts rusted out. A new heater is estimated at anywhere between \$8,000 and \$12,000. Director Eggen will be getting quotes. The Dekko Center will have to close the pool for now. Once the amount is determined a special council meeting will be held to approve the heater. The hot tub at the Dekko Center was also discussed and bids were being looked at to replace the hot tub.

Fire Chief Steve Petry was present and discussed the success of the grant awarded to the City of Ada Fire Department, the grant was to outfit new turnout gear for the department at a value of \$161,400.00, to which the City of Ada is to provide \$7,685.72 from Long Term Capital, as part of the grant. When the grant was written, these were the amounts of the bids. Since the grant was written, the actual prices have gone up. An additional

approximate \$22,000.00 is needed to complete the order for turn out gear, masks, tanks, compressor and fill tanks. The \$22,000.00 will likely be taken from the COVID funds provided to the city in 2021.

Member Krieger motioned and Member Nordquist seconded to approve the use of Long-Term Capital funds and COVID funds to cover the city's portion of the fire department grant project for turn out gear and other safety equipment. All in favor: Lewis, Krieger, Nordquist and Roux. Against: NONE Motion passed

- 2) Budget Planning
 - a. Approve Preliminary Budget

Administrator Larson brought to council proposals for the 2024 city budget. The council asked for a 3% - 5% - 7% plan. After discussion, it was decided to set the preliminary budget levy at 5%. This percentage can't go up but can be reduced.

Member Krieger motioned and Member Nordquist seconded to approve the preliminary general levy at 5%. All in favor: Lewis, Krieger, Nordquist and Roux. Against: NONE Motion passed

IX. Old Business

XII. New Business

- A. Kaleidoscope Guests, September – Casey/Scott N.
- B. Truth and Taxation Meeting Set for December 5th, 2023

Member Lewis motioned and Member Krieger seconded to approve setting the Truth and Taxation meeting for December 5, 2023, at 6:15pm. All in favor: Lewis, Krieger, Nordquist and Roux. Against: NONE Motion passed

- C. Kelly Thronson Memorial Donation Request \$500.

Member Krieger motioned and Member Nordquist seconded to approve the donation request from the Ada Future Leaders for \$500.00 for the Annual Kelly Thronson Memorial Project All in favor: Lewis, Krieger, Nordquist and Roux. Against: NONE Motion passed

D. Liability Coverage Waiver Form

Administrator Larson included in the council packet a waiver form from the League of MN Cities, an annual waiver form to decline or not decline tort liability coverage. The city is electing not to decline tort liability coverage.

Member Krieger motioned and Member Nordquist seconded to approve not to decline tort liability coverage through the League of MN Cities. All in favor: Lewis, Krieger, Nordquist and Roux. Against: NONE Motion passed

E. Department Updates

- A. Public Works**
- B. Public Safety**
- C. EDA**
- D. Beautification**

Most department items were discussed during the meeting, it was decided to pass on these updates.

XIII. Adjournment

Member Lewis motioned and Member Krieger seconded to approve adjourning the meeting at 7:04pm. All in favor: Lewis, Krieger, Nordquist and Roux. Against: NONE Motion passed

City of Ada
City Council Special Session
September 19, 2023 at 6:00 p.m.
City Hall

- I. Call to Order
- II. Pledge of Allegiance
- III. Roll Call - **Members present: Mike Nelson Eric Ness, Scott Nordquist, Shawn Roux, Casey Krieger**
- IV. Pool Heater Bids
Administrator Larson presented to bid for the pool heater. Member Nelson made a motion and Member Roux seconded to approve a bid from Associated Pools in the amount of \$7275. All in favor: Nelson, Ness, Nordquist, Roux, and Krieger. Opposed: None. Motion passed.
- V. Adjourn
Member Krieger made a motion and Member Roux seconded to adjourn the meeting at 6:03pm. All in Favor: Nelson, Nordquist, Ness, Roux, Krieger, and Lewis. Opposed: None. Motion passed.

Aug-23 Interim Combined Statement of Cash and Investments

| Fund | Cash Balance 7/31/2023 | Investment Balance 7/31/2023 | August Cash Debits | August Cash Credits | August Invest Debits | August Invest Credits | Balance 8/31/2023 |
|---|---------------------------|---------------------------------|-----------------------|------------------------|-------------------------|--------------------------|----------------------|
| General Fund | (398,991.23) | 393,923.54 | 377,573.11 | 168,612.02 | | | 203,893.40 |
| Special Revenue Funds: | 0.00 | | | | | | 0.00 |
| TIF District 2-1 Redevelopment | 0.00 | | | | | | 0.00 |
| TIF District 2-2 Housing | (2,163.51) | | | | | | (2,163.51) |
| TIF District 2-3 Housing | 302,265.71 | | | 2,276.31 | | | 299,989.40 |
| Demolition\Blight Fund | 61,260.44 | | | | | | 61,260.44 |
| (207) 2015 Revolving Loan Account | 7,844.56 | 12,145.45 | | | | | 19,990.11 |
| (208) Ada Economic Development Revolving Loan | (21,567.58) | | | | | | (30,008.05) |
| Library | (25,571.00) | 3,832.97 | 6,559.63 | 15,000.00 | | | (23,238.03) |
| Community Center Maintenance Fund | (30,602.24) | 40,566.63 | 300.88 | 760.11 | | | 9,505.16 |
| Recreation Development Fund | (646,656.72) | 722,532.13 | | | | | 75,875.41 |
| Long Term Designated Capital | 42,315.76 | 40,000.00 | | | | | 82,315.76 |
| Public Works | (235,261.27) | 501,218.71 | 1,219.82 | | | | 267,177.26 |
| Capital Project - Emergency Services Building | (56,063.44) | 4,690.92 | 168.14 | | | | (51,204.38) |
| Capital Project - Lift Station / Force Main Project | 3,321.04 | | | | | | 3,321.04 |
| Capital Project - New Well | (165,489.92) | | | | | | (165,489.92) |
| Ada Event Center | 0.00 | | 1,560.00 | 1,151.19 | | | 0.00 |
| Community Development Fund | (210,436.65) | | | | | | (210,027.84) |
| Downtown Development District | 120,627.03 | | | | | | 120,627.03 |
| Debt Service Funds: | 30,372.43 | | | | | | 30,372.43 |
| 0.00 | | | | | | | 0.00 |
| 2008 Lease Purchase Fire Hall | 103,196.40 | | | | | | 103,196.40 |
| 2003 G. O. Improvement Bonds (Street Project) | 12,903.52 | 3,539.73 | | | | | 16,443.25 |
| 1999 G. O. Water / Sewer Rev Bonds | (35,509.00) | | | | | | (35,509.00) |
| 2000 G. O. Improvement Bonds | 0.00 | | | | | | 0.00 |
| 2020 G. O. Water Tower Improvement | 57,130.64 | | | | | | 57,130.64 |
| 2020 G. O. Lift Station Improvements | 40,443.91 | | | | | | 40,443.91 |
| (513) 2023 Sewer Project | 0.00 | | | | | | (6,000.00) |
| Enterprise Funds: | 0.00 | | | | | | 0.00 |
| Water and Sewer Fund | (441,998.83) | 82,914.83 | 293,821.45 | 299,821.45 | | | 0.00 |
| Electric Utility | 2,633,172.02 | 10,179.15 | 76,156.40 | 32,845.15 | | | (315,772.75) |
| Long Term Designated Capital II | 194,691.66 | 635,737.31 | 203,406.51 | 131,016.67 | | | 2,715,741.01 |
| Liquor | 158,530.97 | 1,237.75 | 65,871.24 | 65,046.48 | | | 830,428.97 |
| Total - All Funds | 1,497,764.70 | 2,452,519.12 | 1,026,637.18 | 718,029.38 | 0.00 | 0.00 | 4,258,891.62 |

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|--|------------|--|--|--|--|--|--------------|
| Frandsen-General Checking\Invest | | | | | | | 865,493.76 |
| Frandsen Bank - Incidental | | | | | | | 2,546.49 |
| Frandsen Bank - (CS account | | | | | | | 1,404,851.37 |
| Frandsen Bank - Money Market - LT Desig | | | | | | | - |
| Frandsen Bank - Fire Insurance Proceeds | | | | | | | - |
| Frandsen Bank - CD's | | | | | | | - |
| Bank of the West-BMO-CD | | | | | | | 1,736,000.00 |
| American Federal Bank CD (LT Desig Cap II) | | | | | | | 250,000.00 |
| BancWest Investment Services (LT Desig Cap II) | G607-10400 | | | | | | - |
| BancWest Investment Services (Maintenance Funds) | G225-10400 | | | | | | - |
| BancWest Investment Services (General) | G101-10400 | | | | | | - |
| BancWest Investment Services (LT Des Cap) | G400-10400 | | | | | | - |

Total Balances 8-31-2023 **4,258,891.62**

ACCOUNT PAYABLE - SEPTEMBER 2023
REGULAR COUNCIL MEETING
Tuesday, October 3, 2023

*Added or Revised Amounts

| | | |
|------------------------------|---|-------------|
| ADA BUILDING CENTER | DKEKO ADHESIVE | \$ 29.99 |
| ADA ELECTRIC | POLICE LIGHTING | \$ 132.52 |
| ADA-FELTON COUNTRY STORE | PW FUEL | \$ 297.20 |
| ARAMARK | PW MATS, MOPS | \$ 240.88 |
| ARAMARK | POLICE MATS | \$ 65.86 |
| ARAMARK | LIQUOR MATS,MOPS | \$ 113.71 |
| AUTO VALUE | PW-T-5 A-FRAME,WIRE,COUPLER,M16/M17 OIL, BATTERY | \$ 339.51 |
| BORDER STATES | METERS, PARTS | \$ 344.00 |
| CINTAS | EC MATS, MOPS | \$ 98.82 |
| COCA-COLA BOTTLING | LQR POP | \$ 48.00 |
| DACOTAH PAPER | LQR- FLOOR CLEANER SUPLS | \$ 57.85 |
| DACOTAH PAPER | EC FLOOR CLEANER SUPLS | \$ 57.84 |
| FP MAILING SOLUTIONS | POSTAGE METER LEASE | \$ 105.00 |
| HAWKINS | PW CHEMICALS | \$ 3,965.63 |
| INDEPTH INSPECTION | SEPTEMBER BLDING PERMIT SERVICES | \$ 888.89 |
| KELLY'S CHRYSLER CENTER | POLICE- CHARGER OIL CHANGE | \$ 36.15 |
| KRJB RADIO | CLERK- ANNUAL, | |
| KRJB RADIO | DEKKO- ANNUAL CONTRACT, | |
| KRJB RADIO | LIQUOR- ANNUAL CONTRACT, | |
| LEE BROS SALES | POLICE- TAHOE OIL CHANGE | \$ 94.56 |
| MCCOLLUM HARDWARE, INC | | |
| MCCOLLUM HARDWARE, INC | | |
| MCCOLLUM HARDWARE, INC | PW-GROUNDING CONNECTORS, PLUG PVC | \$ 14.48 |
| MCCOLLUM HARDWARE, INC | | |
| MN MUNICIPAL UTILITIES ASSOC | PW- 2023 DRUG & ALCOHOL TESTING | \$ 175.00 |
| NORMAN COUNTY ATTORNEY | SEPTEMBER LEGAL FEES | |
| OFFICE SUPPLIES | CH- BOXES,PHONE HEADSET,SPEAKERS,FILE FOLDERS | \$ 380.61 |
| OFFICE SUPPLIES | LIQUOR-PAFER,INK,MIDGEES | \$ 44.00 |
| OFFICE SUPPLIES | DEKKO-LABEL TAPE, PLANNER,BINDERS,PAPER,HOLE PUNCH, | \$ 171.01 |
| OFFICE SUPPLIES | POLICE-FOLDERS | \$ 42.80 |
| OFFICE SUPPLIES | PW- SHIPPING TESTS,PW- COMPOST CAMERA MEMORY CARD | \$ 10.81 |
| PETRO SERVE | POLICE FUEL | \$ 514.15 |
| PETRO SERVE | PW FUEL | \$ 316.73 |

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|--------------------|----------------------|---------------------|
| RMB ENV LAB | WATER/SEWER TESTS | \$ 256.61 |
| SUPERMARKET | LIQUOR- ICE, POP,ECT | \$ 72.09 |
| TRANE US | POOL MNT | \$ 1,871.75 |
| WATER & LIGHT FUND | SEPTEMBER UTILITIES | \$ 8,420.50 |
| WEX BANK | POLICE FUEL | |
| TOTALS | | <u>\$ 19,206.95</u> |

PRE-PAID CHECKS - SEPTEMBER 2023

| | | | | |
|-------|--------------------------------|---------|-------------|---------------------------------|
| 87076 | AASLAND, GERRIE JO | 9/6/23 | \$50.00 | SEPT CELL PHONE |
| 87077 | AL'S DISPOSAL, INC. | 9/6/23 | \$1,767.87 | PW- APRIL DUMPSTER RENTAL |
| 87078 | ARAMARK | 9/6/23 | \$300.01 | PW,POLICE,LQR - MATS,MOPS |
| 87079 | CITY OF ADA GENERAL FUND | 9/6/23 | \$263.73 | APPLY DEPOSIT- CORY KELLER |
| 87080 | EGGEN, BRIANNA | 9/6/23 | \$50.00 | SEPT CELL PHONE |
| 87081 | HAGER, STEVE | 9/6/23 | \$50.00 | SEPT CELL PHONE |
| 87082 | LARSON, ASHLEY | 9/6/23 | \$50.00 | SEPT CELL PHONE |
| 87083 | HILARY MYERS | 9/6/23 | \$150.00 | JULY EC CLEANING |
| 87084 | RASMUSSEN, BRIAN | 9/6/23 | \$50.00 | SEPT CELL PHONE |
| 87085 | READITECH SOLUTIONS | 9/6/23 | \$152.05 | IT, ANTIVIRUS |
| 87086 | LORNA ROCKSTAD | 9/6/23 | \$73.75 | DEPOSIT BALANCE |
| 87087 | U. S. POSTMASTER | 9/6/23 | \$310.00 | ANNUAL PERMIT 2 |
| 87088 | VERIZON WIRELESS | 9/5/23 | \$174.25 | POLICE CELL PHONE |
| 87089 | WESTCOTT, LORI | 9/3/23 | \$5,808.50 | AUGUST MOWING |
| 87090 | LEE BROS SALES, INC. | 9/3/23 | \$147.69 | PW- |
| 87091 | MN DEPT OF COMMERCE | 9/3/23 | \$356.85 | CIP ENERGY |
| 87092 | PRESTEGORD, KAREN | 9/3/23 | \$26.47 | NNO SUPLS |
| 87093 | RED RIVER VALLEY CO-OP POWER | 9/3/23 | \$8,000.00 | 9-23 MNT |
| 87094 | TINJUM, DAWN | 9/3/23 | \$50.00 | REED'S RETIREMENT CAKE |
| 87098 | ARAMARK | 9/11/23 | \$89.45 | FAIR BRD PAYMENT CREDITED ON PW |
| 87099 | ARTISAN BEER COMPANY | 9/11/23 | \$73.80 | BEER |
| 87100 | BRADY, MARTZ, & ASSOCIATES P.C | 9/11/23 | \$19,250.00 | 2022 AUDIT |
| 87101 | BREAKTHRU BEVERAGE | 9/11/23 | \$527.30 | LIQUOR |
| 87102 | DOXO, INC. | 9/11/23 | \$395.50 | AUGUST-ONLINE BILL PAY |
| 87103 | GARDEN VALLEY TECHNOLOGIES | 9/11/23 | \$33.99 | IT |
| 87104 | JOHNSON BROS WHLSE LIQUOR CO | 9/11/23 | \$4,926.46 | LIQUOR |
| 87105 | MCKINNON CO., INC. | 9/11/23 | \$533.65 | LIQUOR |
| 87106 | PHILLIPS WINE & SPIRITS CO. | 9/11/23 | \$2,294.62 | LIQUOR |
| 87107 | RED RIVER VALLEY CO-OP POWER | 9/11/23 | \$205.73 | UTILITIES |
| 87108 | RICHARDS OIL/PROPANE | 9/11/23 | \$624.62 | PW FUEL |
| 87109 | SOUTHERN GLAZERS OF MN | 9/11/23 | \$348.14 | LIQUOR |
| 87110 | WINE MERCHANTS | 9/11/23 | \$409.16 | WINE |
| 87156 | ADA BODY SHOP & GLASS | 9/13/23 | \$250.00 | POLICE- CHARGER REPAIR |
| 87157 | BEVERAGE WHOLESALERS, INC | 9/13/23 | \$648.85 | BEER |

| | | | | | |
|-------|--------------------------------|--|---------|-------------|---|
| 87158 | CINTAS | | 9/ 3/23 | \$98.82 | EC- MATS |
| 87159 | DEPT. OF ENERGY W A P A | | 9/13/23 | \$32,622.38 | AUGUST ENERGY |
| 87160 | D-S BEVERAGES | | 9/13/23 | \$6,098.15 | BEER |
| 87161 | GARY CARES | | 9/13/23 | \$1,000.00 | 5 YEAR CONTRIBUTION |
| 87162 | KELLY THRONSON BBQ | | 9/13/23 | \$500.00 | CONTRIBUTION |
| 87163 | BRUCE NELSON | | 9/13/23 | \$29.98 | SAFETY TSHIRT |
| 87164 | NORTHERN STATES POWER CO. | | 9/13/23 | \$769.00 | AUGUST DISTRIBUTION FACILITIES CHRG |
| 87165 | STEVE PETRY | | 9/13/23 | \$922.37 | FIRE- MILEAGE TO MTGS |
| 87166 | SELLIN BROTHERS, INC. | | 9/13/23 | \$82,258.18 | SEWER PROJECT 21721 |
| 87167 | VISSER TRENCHING, INC. | | 9/13/23 | \$2,674.00 | PW PEA ROCK |
| 87168 | XCEL/NORTHERN STATES POWER | | 9/13/23 | \$43,040.76 | AUGUST ENERGY |
| 87170 | ADA AREA PROMOTIONS COMM. INC. | | 9/18/23 | \$5,000.00 | 2023 ADV & PROMO FUNDS |
| 87171 | ADA LIONS CLUB | | 9/18/23 | \$20.00 | LION'S CALENDARS |
| 87172 | ARVIG | | 9/18/23 | \$1,732.70 | AUGUST PHONE/INTERNET |
| 87173 | CARDMEMBER SERVICES | | 9/19/23 | \$2,550.52 | PARK BENCHES |
| 87174 | GARDEN VALLEY TECHNOLOGIES | | 9/13/23 | \$140.00 | DEKKO DATA TRANSFER |
| 87175 | HAVERKAMP UTILITY SERVICES | | 9/13/23 | \$7,787.40 | BURIED NEW SERVICE & REPLACED & POWERLINE |
| 87176 | LEAGUE OF MN CITIES INS. TRUST | | 9/13/23 | \$35,621.00 | 1ST QTR 23-24 LIABILITY INS |
| 87177 | MN ENERGY RESOURCES CORP. | | 9/13/23 | \$1,038.18 | AUGUST UTILITIES |
| 87178 | VERIZON WIRELESS | | 9/18/23 | \$94.20 | PW SEPT CELL PHONE |
| 87180 | ASSOCIATED POOL BUILDERS,INC. | | 9/19/23 | \$6,346.50 | DEKKO-LATERAL KITPADDOCK FILTER |
| 87181 | CARDMEMBER SERVICES | | 9/19/23 | \$783.83 | DEKKO DISINFECTANT |
| 87182 | LARSON, ASHLEY | | 9/21/23 | \$100.00 | Replace 85363 Cell Phone |
| 87184 | AASLAND, GERRIE JO | | 9/21/23 | \$379.93 | LQR-CARRYOUT BAGS,CASE OF LABELS |
| 87185 | BREAKTHRU BEVERAGE | | 9/21/23 | \$646.64 | LIQUOR |
| 87186 | D-S BEVERAGES | | 9/21/23 | \$1,242.16 | LQR- SETUP |
| 87187 | JOHNSON BROS WHLSE LIQUOR CO | | 9/21/23 | \$571.14 | LIQUOR |
| 87188 | MCKINNON CO., INC. | | 9/2 /23 | \$4,977.65 | LIQUOR |
| 87189 | MYERS LAWNSCAPES | | 9/2 /23 | \$1,468.00 | AUGUST MOWING- BOSWORTH PARK |
| 87190 | NATIONAL IND HEALTH CLUB ASSOC | | 9/2 /23 | \$25.00 | DEKKO TRAINING |
| 87191 | PHILLIPS WINE & SPIRITS CO. | | 9/2 /23 | \$3,146.59 | LIQUOR |
| 87192 | WINE MERCHANTS | | 9/21/23 | \$206.87 | WINE |
| 87197 | ARVIG ENTERPRISES | | 9/27/23 | \$760.07 | SEPT RENT |
| 87198 | BEVERAGE WHOLESALERS, INC | | 9/27/23 | \$2,226.85 | BEER |
| 87199 | CITY OF ADA GENERAL FUND | | 9/27/23 | \$202.22 | APPLY DEPOSIT-MELISHA BRISCO |
| 87200 | DEVOS, NEAL | | 9/27/23 | \$47.23 | CHAIN SAW CHAINS |

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|-------|--------------------------------|---------|----------|------------------------------|
| 87201 | LEAGUE OF MINNESOTA CITIES | 9/27/23 | \$100.00 | POLICE TRAINING |
| 87202 | JENNINGS LEE | 9/27/23 | \$150.06 | DEPOSIT REFUND-LEE BROS LLC |
| 87203 | MN MUNICIPAL BEVERAGE ASSOCCN | 9/27/23 | \$40.00 | MMBA REG MTG- GERRIE, ASHLEY |
| 87204 | PEMBERTON,SORLIE,RUFER,KERSHNE | 9/27/23 | \$30.00 | JULY LEGAL FEES |
| 87205 | SOUTHERN GLAZERS OF MN | 9/27/23 | \$479.93 | LIQUOR |
| 87206 | ALYSON YOUNG | 9/27/23 | \$100.09 | REFUND DEPOSIT |
| 87222 | U. S. POSTMASTER | 9/29/23 | \$321.78 | SEPT-UTILITY BILL POSTAGE |

\$296,792.62

RESOLUTION NO. 2023-10-01

CITY OF ADA, MINNESOTA

RESOLUTION CONSENTING TO AN AMENDMENT TO A LEASEHOLD MORTGAGE

BE IT RESOLVED by the City Council of the City of Ada, Minnesota, as follows:

Section 1. Definitions. The capitalized terms used in this resolution have the meanings assigned below:

2021 Mortgage: the Leasehold Mortgage, Security Agreement and Assignment of Leases and Rents dated as of July 1, 2021, between Bridges Care Center and U.S. Bank Trust Company, National Association, as master trustee under the Master Indenture, a Master Mortgage.

2023 Bond: means DEDA's revenue bonds, proposed to be issued in one or more series in an aggregate maximum principal amount of not to exceed \$16,000,000.

2023 Master Note: the promissory note issued by the Obligated Group under the Master Indenture in a principal amount equal to the final principal amount of the 2023 Bond.

Amendment: the First Amendment to Leasehold Mortgage, Security Agreement and Assignment of Leases and Rents between BCC and U.S. Bank Trust Company, National Association, as master trustee under the Master Indenture

Authorized Officers: means the Mayor and Administrator of the City.

Bond Counsel: means Fryberger, Buchanan, Smith & Frederick, P.A.

BCC: means Bridges Care Center.

Benedictine: means Benedictine Health System d/b/a Benedictine, the sole member of the BCC.

City: means the City of Ada, Minnesota.

City Council: means the governing body of the City.

DEDA: means the Duluth Economic Development Authority, St. Louis County, Minnesota.

Land: land owned by the City on which BCC operates the Project.

Lease: the Lease and Development Agreement, which is evidenced by a Memorandum of Lease and Development Agreement, both dated August 17, 2012, between the City and BCC and recorded in the office of the Norman County Recorder on August 17, 2012, as Document No. 224621, pursuant to which BCC leases the Land.

Master Indenture: the Master Trust Indenture dated as of July 1, 2021 between Benedictine as obligated group agent, the members of the Obligated Group and U.S. Bank

National Association as the master trustee, as amended and supplemented and to be amended and supplemented.

Master Mortgages: the mortgages given by each Member of the Obligated Group to secure Master Notes.

Master Notes: promissory notes issued by the Obligated Group under the Master Indenture to secure its obligations and indebtedness.

Obligated Group: a group of 17 affiliates of Benedictine (each, a "Member") created under the Master Indenture and comprised of Benedictine Care Centers, Benedictine Health Center, Benedictine Living Communities, Inc., Benedictine Living Community Owatonna, Benedictine Living Community of Wahpeton, Benedictine Living Community of Wahpeton, LLC, Bridges Care Center, City of Lakes Care Center, Ellendale Evergreen Place, Inc., Madonna Meadows of Rochester, Madonna Summit of Byron, LLC, Madonna Towers of Rochester, Inc., Regina Senior Living, Saint Anne of Winona, St. Gertrude's Health Center, Steeple Pointe Senior Living Community, and Villa St. Vincent and their successors and assigns.

Prior Bonds: means the following, all dated July 15, 2021:

- (a) DEDA's \$73,405,000 Revenue Bonds (Benedictine Health System) Series 2021A;
- (b) DEDA's \$19,300,000 Revenue Bonds (Benedictine Health System) Series 2021B;
- (c) DEDA's \$19,000,000 Revenue Bonds (Benedictine Health System) Series 2021C; and
- (d) \$20,700,000 Benedictine Health System Revenue Bonds Series 2021D.

Project: means the assisted living facilities located at 201 Ninth Street West, Ada, Minnesota, by BCC.

Section 2. General Recitals.

- A. The City and BCC previously entered into the Lease, which remains in effect.
- B. The Prior Bonds were issued to finance and refinance facilities of the Obligated Group, a member of which is BCC.
- C. Payment of the Prior Bonds is secured by Master Notes in the total stated principal amount of the Prior Bonds. The Master Notes are secured by Master Mortgages, including the 2021 Mortgage.
- D. Each Master Mortgage, including the 2021 Mortgage, secures the entire amount of Master Notes outstanding.

E. Benedictine has requested that DEDA issue the 2023 Bond to finance facilities of Members of the Obligated Group located in Hastings, New Brighton, and Winona. The 2023 Bond will be secured by the 2023 Master Note.

F. In conjunction with the issuance of the 2023 Master Note it is required, under the Master Indenture, to amend each Master Mortgage to increase the amount secured by each such Master Mortgage by the final principal amount of the 2023 Bond.

G. Section 15 of the Lease provides that neither the City nor BCC "shall mortgage their respective interests in the Land without the consent of the other, such consent not to be unreasonably withheld."

H. Representatives of Bridges Care Center have requested that, in order to comply with the requirements of the Lease the City consent to the Amendment, which will increase the amount secured by the 2021 Mortgage in an amount not exceeding \$16,000,000. The form of Amendment to be made by BCC is attached hereto as Exhibit A.

I. To the actual knowledge of the City, no default or event of default exists under the Lease which has not been cured.

Section 3. Consent and Approval. The City consents to the Amendment which increases the amount secured by the 2021 Mortgage. The form of Amendment attached as Exhibit A is approved with such changes as may be approved by the Authorized Officers.

Section 4. Authorization to Staff. The Authorized Officers and other officers of the City (individually or with one or more other officers of the City or their designees) are authorized and directed to (a) provide a certified copy of this resolution to BCC or its representatives, along with all proceedings and records of the City relating to the subject matter of this resolution, and any other affidavits and certificates required by Bond Counsel to DEDA to show the facts relating to the City respecting the subject matter of this resolution, and (b) take any other action, including approvals, consents and certificates, required or deemed appropriate on the request of Bond Counsel to DEDA or its agents for performance of the City in connection with the subject matter of this resolution.

Adopted _____, 2023.

Mayor

ATTEST:

Administrator

EXHIBIT A

Mortgage Registry Tax Due: \$0

**AMENDMENT TO LEASEHOLD MORTGAGE, SECURITY AGREEMENT AND
ASSIGNMENT LEASES AND RENTS**

between

BRIDGES CARE CENTER

and

**U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION f/k/a
U.S. BANK NATIONAL ASSOCIATION**

Dated October ____, 2023

This Amendment (the "Amendment") to Leasehold Mortgage, Security Agreement and Assignment of Leases and Rents amends that Leasehold Mortgage, Security Agreement and Assignment of Leases and Rents dated July 1, 2021, and recorded on July 19, 2021 in the office of the Norman County Recorder as Document No: 239467 (the "Original Mortgage" and as amended by this Amendment, the "Mortgage"), which together secure the original principal amount of \$_____, which constitutes the "initial amount of debt" within the meaning of Minnesota Statutes, Section 287.03.

THIS MORTGAGE ENCUMBERS REAL PROPERTY DESCRIBED ON EXHIBIT A ATTACHED HERETO.

The indebtedness secured by this Mortgage is also secured by those mortgages as amended by amendments to mortgages dated the date hereof (the "Other Mortgages") and recorded in [omit applicable county] Goodhue, Dakota, Hennepin, ~~Norman~~, Olmsted, Polk, Ramsey, Scott, St. Louis, Steele and Winona Counties (the "Other Counties" and together with Norman County, the "Counties"). The Mortgages secure prior indebtedness in the amount of \$135,405,000 on which mortgage registry tax was paid at the time of incurrence. \$_____of the indebtedness secured by this Mortgage is subject to mortgage registry tax [\$135,405,000 less principal paid down], paid to Hennepin County in the amount of \$_____, which will be allocated among and paid to the Counties.

This AMENDMENT TO LEASEHOLD MORTGAGE, SECURITY AGREEMENT AND ASSIGNMENT OF LEASES AND RENTS (this "Amendment") is made on October ____, 2023, by and between BRIDGES CARE CENTER, a Minnesota nonprofit corporation ("Mortgagor") and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, a national banking association ("Mortgagee").

RECITALS

A. Capitalized terms used herein but not defined have the meanings assigned in the Mortgage (defined below) or in the Master Indenture (as defined in the Mortgage).

B. The Master Trustee is the holder of a Leasehold Mortgage, Security Agreement and Assignment of Leases and Rents, dated July 1, 2021, executed by the Mortgagor in favor of the Mortgagee, and filed for record in the office of the Norman County Recorder on July 19, 2021, as Document No. 239467 (the "Mortgage").

C. The Mortgage and the other Mortgages (as defined in the Master Indenture) secure payment of all Master Notes under the Master Indenture, including additional Master Notes issued from time in accordance with the Master Indenture.

D. The Obligated Group has determined it is necessary and advisable to issue an additional Master Note dated the date hereof in the stated principal amount of \$_____.

E. This Amendment is necessary solely to amend the original principal balance secured by the Mortgage and the other Mortgages.

NOW, THEREFORE, the Mortgagor and Mortgagee agree that the Mortgage is amended as follows:

1. Amendment. The original principal amount secured by the Mortgage is amended to be \$_____. Any reference in the Mortgage to "original principal amount" or "maximum principal amount of indebtedness" shall be to the amount listed in this paragraph 1.

2. No Other Amendments or Changes. Other than as set forth herein, all terms and conditions of the Mortgage remain and continue in full force and effect.

3. Legal and Binding Obligations. The parties acknowledge that this Amendment and the Mortgage are the legal and binding obligations of the persons or entities who signed them, subject to such amendments as stated herein. The parties further acknowledge that the Mortgagee is not, by acceptance of this Amendment, waiving any rights under the Master Indenture.

4. Mortgagor's Representations and Covenants. Mortgagor's governing body has approved the matters set forth in this Amendment.

BENEDICTINE HEALTH SYSTEM, as
Obligated Group Agent on behalf of the
Members of the Obligated Group

By _____
Its Chief Financial Officer/Treasurer

State of Minnesota, County of _____

This instrument was acknowledged before me on October _____, 2023, by Kevin J. Rymanowski, the Chief Financial Officer/Treasurer of Benedictine Health System and authorized signer for Bridges Care Center, a Minnesota nonprofit corporation.

Notary Public

U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION

By _____
Its Vice President

State of Minnesota, County of Ramsey

This instrument was acknowledged before me on October _____, 2023, by
Christine Robinette, the Vice President of U.S. Bank Trust Company, National Association,
a national banking association.

Notary Public

THIS INSTRUMENT WAS DRAFTED BY:
Fryberger, Buchanan, Smith & Frederick, P.A.
302 West Superior Street, Suite 700
Duluth, MN 55802-1863
M:\DOCS\13967\000042\MOR\1CB3825.DOCX

EXHIBIT A
LEGAL DESCRIPTION OF THE LAND

Real property in the City of Ada, County of Norman, State of Minnesota, described as follows:

That part of the SE $\frac{1}{4}$ in Section 8, Township 144 North, Range 46 West of the Fifth Principal Meridian in Norman County, Minnesota described as follows:

Commencing at a found iron monument which designates the southwest corner of said SE $\frac{1}{4}$; thence North 00 degrees 17 minutes 29 seconds East on an assumed bearing along the west line of said SE $\frac{1}{4}$ for a distance of 60.00 feet to a found iron monument; thence continuing North 00 degrees 17 minutes 29 seconds East along the west line of said SE $\frac{1}{4}$ for a distance of 660.00 feet to an iron monument, said point is the point of beginning; thence South 89 degrees 42 minutes 31 seconds East for a distance of 102.82 feet to an iron monument; thence South 44 degrees 40 minutes 56 seconds East for a distance of 25.15 feet; thence North 45 degrees 19 minutes 04 seconds East for a distance of 150.30 feet; thence South 49 degrees 30 minutes 41 seconds East for a distance 33.95 feet; thence South 44 degrees 28 minutes 47 seconds East for a distance of 18.37 feet; thence North 45 degrees 30 minutes 31 seconds East for a distance of 6.00 feet; thence South 44 degrees 52 minutes 59 seconds East for a distance 11.99 feet; thence North 45 degrees 40 minutes 29 seconds East for a distance of 24.00 feet; thence North 26 degrees 48 minute 18 seconds East for a distance of 147.47 feet to an iron monument; thence South 89 degrees 43 minutes 03 seconds East for a distance of 137.50 feet to an iron monument on a line which is 100.00 feet westerly of, as measured at a right angle to and parallel with the northerly extension of the westerly line of that certain tract of land described in Document Number 145665 on file and of record in the office of the Recorder in said County; thence North 00 degrees 16 minutes 57 seconds East along said parallel line for a distance of 320.00 feet to an iron monument; thence North 89 degrees 43 minutes 03 seconds West for a distance of 68.00 feet to an iron monument; thence North 00 degrees 16 minutes 57 seconds East for a distance of 138.14 feet; thence North 89 degrees 36 minutes 06 seconds West parallel with the south line of said Section 8 for a distance of 430.90 feet to an iron monument on the west line of said SE $\frac{1}{4}$; thence South 00 degrees 17 minutes 29 seconds West along the west line of said SE $\frac{1}{4}$ for a distance of 657.03 feet to the point of beginning.

ABSTRACT.

**EXTRACT OF MINUTES OF A REGULAR MEETING OF THE
CITY OF ADA, MINNESOTA**

Pursuant to due call and notice thereof, a regular meeting of the City Council of the City of Ada, Minnesota, was held at the Council Chambers, City Hall, 15 Fourth Avenue East located in Ada, Minnesota, on _____, 2023, at 6:00 p.m.

The following members were present:

and the following members were absent:

MOTION: Member _____ moved to adopt Resolution No. _____, entitled "Resolution Consenting to an Amendment to a Leasehold Mortgage," the reading of which was dispensed with by unanimous consent.

SECOND: Member _____

RESULT: On a roll call vote the motion was carried.

Ayes:

Nays:

Not Voting:

Absent:



"The Transformer People"

When Every Minute Counts

Call Toll Free 800-843-7994
 (Outside U.S.) 605-534-3555
 FAX 605-534-3861
 Website <http://t-r.com>

Quote Rev. 112951-1

Contact: Brian Rasmusson

Phone: 218-784-5537

Date: 09/26/2023

Company: Ada Municipal Electric

Fax: 218-784-4536

Email: brasmusson@adamn.gov

Quote Summary

| # | Item | Type | Qty | Category | Ph | KVA | Primary | Secondary | Price | Total |
|---|------|------|-----|-----------|----|-----|-----------------------------|-----------|--------------------|----------------------------|
| 1 | 0 | RC | 1 | PAD MOUNT | 3 | 225 | 4160Y/2400 X 12470Y/7200 | 208Y/120 | \$13,459.00 USD | \$13,459.00 USD |
| | | | | | | | | | Grand Total | \$13,459.00 USD |

Additional Notes

1. All quotes are subject to the "Standard Terms and Conditions of Sale".
2. This quote is valid for 15 days.
3. Estimated manufacturing lead-time is a best estimate at time of quotation and may vary.
4. Upon completion of order, immediate shipment is available plus freight on a common carrier. Unless otherwise specified, freight on quotes is prepaid and allowed in the contiguous US on our next available truck going to your area.
5. Electrical Test reports available upon request.
6. Prices subject to change. Due to the current volatility of the transformer components market (including copper), prices are subject to change in the event a rapid or extreme fluctuation in price occurs between the time of order placement and sourcing of materials. A rapid or extreme fluctuation occurs when a component part increases by more than 5% from the time the order is placed, and the time materials are ordered. T&R Electric agrees to use its best efforts to obtain advantageous pricing from materials suppliers. In the event there is a price increase through no fault of T&R Electric, we will notify the customer as soon as practicable.
7. Note: In order for a Purchase Order to be entered into the work queue and receive a designated time slot for production, these conditions must be accepted, and a note of acknowledgement must be present on said purchase order.

If you have any questions or need any additional information please call me at 800-843-7994. You may also email me at kylie.westover@trelectric.com.

Sincerely,
 Kylie Westover
 Sales Representative



"The Transformer People"

When Every Minute Counts

Call Toll Free 800-843-7994
(Outside U.S.) 605-534-3555
FAX 605-534-3861
Website <http://t-r.com>

Quote Rev. 112951-1

Contact: Brian Rasmusson

Phone: 218-784-5537

Date: 09/26/2023

Company: Ada Municipal Electric

Fax: 218-784-4536

Email: brasmusson@adamn.gov

Item #1 - Three Phase 225 KVA Pad Mount

Product Type: Reconditioned

Transformer Type: Pad Mount

Specifications:

| | | | |
|---------------|--------------------------|--------------|----------|
| KVA: | 225 | Phase: | 3 |
| High Voltage: | 4160Y/2400 X 12470Y/7200 | Low Voltage: | 208Y/120 |
| Taps: | W/O TAPS | | |

Accessories:

- Primary Bushings, Dead Front, Loop Feed
- 8.3/14.4 KV Wells with Inserts
- Bayonet Fusing
- Secondary Bushings, Standard Stud Connectors
- Pressure Relief Device
- Pentahead Entry Assembly
- Mineral Oil (standard)
- Non-PCB Label
- Drain Valve with Sampler
- Bell Green Paint
- Undercoating

Notes:

1" stud connectors

Freight allowed in the U.S. with standard delivery
(*fuel surcharge will be applied*)
Additional charge for expedited shipping

Quantity:

1

Price:

\$13,459.00 USD Each

Warranty:

36 Month Guarantee

Manufacturing

28 - 30 weeks (ARO)

Time:

Delivery:

Fob: Destination

After Release to Production

Electrical Tests:

1. Transformer Turns Ratio Test
2. Polarity and Phase Relation Test
3. DC HYPOT TEST
Performed at Two Times Rated Line Voltage Plus 1000 Volts
 - a. HV to LV
 - b. HV to Ground
 - c. LV to Ground
4. Core Loss and Excitation Test
5. Load and No Load Testing
6. Induced Potential Test at 400 Hertz for 7200 Cycles



**36 MONTHS
100%
Guarantee**

GUARANTEE

ALL T&R TRANSFORMERS ARE GUARANTEED TO BE FREE FROM DEFECTS IN WORKMANSHIP AND MATERIALS FOR 36 MONTHS UNDER NORMAL USE OR SERVICE ; THAT NORMAL USE OR SERVICE DOES NOT INCLUDE ABNORMAL STRESSES OR STRESS FROM SUCH CAUSES AS INCORRECT PRIMARY VOLTAGE, FREQUENCY OR IMPROPER LOAD.

We are not responsible for consequential losses or damages outside of this equipment nor for any repairs or replacements made by others without our written authorization. Should any unit fail within 36 months, we will either repair or replace the transformer or refund your money at our option.

Excluded under this guarantee are all newly-manufactured transformers and all transformers rebuilt by other rebuilders, in which case their guarantee will prevail.

This guarantee is expressly in lieu of other guarantees.

(605) 534-3555
(800) 843-7994
FAX: (605) 534-3861
E-MAIL: t-r@t-r.com

T&R Electric Supply Co., Inc.
STANDARD TERMS AND CONDITIONS OF SALE
Effective Date: January 23, 2020

1. Applicable Terms. These Terms and Conditions of Sale (the "Terms") apply to and govern the sale of all material, equipment, components, products, goods and/or documents (the "Products") sold by T&R Electric Supply Co., Inc. ("T&R") to Customer, unless otherwise expressly agreed in a written agreement signed by T&R. T&R offers to sell the Products solely pursuant to these Terms, and any acceptance is expressly limited to these Terms. Any terms proposed by Customer in any offer, acceptance, confirmation or other document are rejected by T&R and do not bind the parties. If Customer objects to any provisions of these Terms, such objection must be in writing and received by T&R prior to commencement of performance by T&R. If Customer fails to timely provide a written objection, Customer will be deemed to have conclusively accepted these Terms. All dollar amounts referenced herein, or payments owed under the terms hereof, refer to and shall be paid in US dollars.

2. Quotations. Each quotation is valid for 30 days from its issue date unless otherwise stated in the quotation or unless revoked by T&R prior to the issuance of Customer's purchase order.

3. Prices. Prices are subject to change by T&R without notice. Unless otherwise specified, prices will be the prices in effect at the time of written order acknowledgment by T&R, subject to any mutually agreed upon escalation formula and/or adjustment for any subsequent change to the Product requested by Customer and agreed to by T&R. Except as otherwise provided in Section 6 (Delivery/Shipment) or as otherwise agreed in writing by T&R, prices will include freight Prepaid and Allowed to the accessible common carrier point nearest the first destination designated by Customer in the 48 contiguous United States on the next available T&R truck delivering to Customer's area, unless immediate shipping is required by Customer, in which case such charges are not included in the original quote and shall be additionally paid by Customer. In the event of a price change, the effective date of the change will be the date shown on the revised quotation. Where a price change is made by letter, fax or email, the effective date may be given as part of the letter, fax or email. Pallets are not included in the price of quote and must be requested separately by Customer. Pallets and export packaging provided by T&R will not be fumigated and any special requests shall be made in advance, and may not be available through T&R. Customer shall give at least two weeks' notice to T&R in the event witness tests are required by Customer, and charges for such tests will be set by T&R but will be no less than \$1,000 per day.

4. Taxes. The price quoted by T&R for the Products does not include any federal, state or local property, license, privilege, sales, use, excise, gross receipts or other like taxes which may now or hereafter apply. Customer shall be solely responsible for paying all such applicable taxes. Payment by T&R of any such taxes will be for the account of Customer, and shall be immediately reimbursed by Customer to T&R. Where Customer's or the end-user's destination is located outside of the United States, Customer shall pay all customs, duties and local customs broker fees and costs (U.S. and/or non-U.S.), as well as all other non-U.S. taxes of any type.

5. Payment. Payment terms are 30 calendar days from the date of invoice, unless otherwise agreed in writing by T&R. If the financial condition of Customer at any time prior to shipment is reasonably questioned by T&R, T&R may require payment in advance by Customer or cancel any outstanding order, without any liability or obligation to Customer and whereupon, in the event of cancellation, T&R will be entitled to receive reasonable cancellation charges. If any payment is not made when due, Customer shall pay a late charge equal to the greater of 1½% per month cumulative or the highest applicable rate allowed by law on all principal outstanding and prior assessed late charges. In addition, Buyer shall pay T&R all costs and expenses incurred by T&R in enforcing these Terms, including reasonable attorneys' fees.

6. Delivery/Shipment. Unless otherwise agreed in writing by T&R, all orders of Products with net invoice values of \$1,000 or more are shipped F.O.B. Colman, South Dakota Prepaid and Allowed, and all orders with net invoice values of less than \$1,000 are shipped F.O.B Colman, South Dakota Prepaid and Added. All shipments are F.O.B. accessible common carrier point nearest first destination designated by Customer in the 48 contiguous United States on the next available contracted carrier truck delivering to Customer's area, unless immediate shipping is required by Customer (which charges are not included in the original quote, freight prepaid, and shall be paid by Customer).

Cartage (Store Door Delivery): Transportation charges incurred from the nearest accessible common carrier point to final destination or to shipside (in case of shipment to U.S. possessions) are the responsibility of Customer unless the common carrier furnishes store delivery at no extra charge.

Method of Shipment: T&R will determine the point of origin of shipment, the method of transportation, and the routing of shipment. Customers requiring shipment by a method or routing other than that of T&R's selection will be billed any excess or premium in transportation charges. Any charges for special services, including special train, lighterage, coordinated arrival times of multiple trucks or other modes of conveyance shall be paid or reimbursed by Customer.

Shipping Dates: Shipping dates contained in quotations are approximate and are based on receipt of complete information with the order. If drawing approval by Customer is required, drawings must be returned to T&R by Customer and released to production within 14 days, in writing, by email, facsimile or first class mail. Upon release to production, a shipment date will be determined by work load level at the time of release and may not be the same as initially quoted. An acknowledgement shipment date will be provided upon Customer request.

Customer Pick-Up: No allowance will be made in lieu of transportation if Customer accepts shipment at the factory or warehouse or freight station.

Will Call Orders: Customer expressly consents that will-call orders (e.g. orders for which Customer elects to arrange for transportation) will be invoiced on the later of the contractually acknowledged shipment date or the date of Product completion. T&R will not be responsible in any way for Customer's inability to secure timely transportation or any other delay by Customer or its service providers whatsoever. Any applicable storage charges of completed Products will be in accordance with Section 17 (Delayed Shipment).

Shipment Damage: Except in the event of F.O.B. Destination shipment, T&R will not participate in any settlement of claims for concealed or other shipment damage. When shipment has been made on an F.O.B. Destination basis, Customer shall unpack immediately and, if damage is discovered, shall: (i) not move the Product from the point of examination; (ii) retain shipping container and packing material (if applicable); (iii) notify the carrier of any apparent damage in writing on carrier's delivery receipt and request carrier to make an inspection; (iv) notify T&R within 72 hours of delivery; and (v) send T&R a copy of the carrier's inspection report.

Inspection and Acceptance: Products will be deemed accepted by Customer upon receipt. Should a Product not comply with required technical specifications, Customer shall notify T&R in writing of any alleged noncompliance within two calendar days of receipt and off-loading. Any notification of alleged noncompliance must cite each specification criteria that is alleged to be non-compliant, with evidence of the deviation. Correction of any confirmed noncompliance will be in accordance with T&R's obligations under Section 8 (Warranty).

7. Force Majeure. T&R shall not be liable for failure to perform or for delay in performance due to any cause beyond its reasonable control, including but not limited to: acts of God; acts or omissions which are substantially attributable to Customer or Customer's service providers; fire; floods, hurricanes, tornadoes or other unusually severe or harsh weather conditions; strikes or other labor difficulties; any act or failure to act or delay in acting on the part of any governmental authority or entity; changes in law; epidemics; quarantine restrictions; war; insurrection or riot; acts of a civil or military authority; title or environmental issues; embargoes; fuel or energy shortage; blockage; transportation delays or accidents; inability to obtain necessary labor, material or manufacturing facilities from usual sources; or delays of subcontractors. In the event of delay in performance due to any such cause, the date of shipment or time for completing will be extended by a period of time equal to the greater of (i) the time reasonably necessary to overcome the effect of such delay, or (ii) the time equal to the period of the delay.

8. Warranty. T&R warrants to Customer that, for the length of time stated in the quote given by T&R to Customer (or if no length of time is stated, for a period of one year from the date of invoice), the Products will be free from defects in material and workmanship under normal use, service and conditions. T&R shall have no liability for the failure of any Product to conform with this warranty if such failure is caused by abnormal stresses (such as stresses caused by incorrect primary voltage, frequency or improper overload), accident, misuse, neglect, alteration, improper installation or repair, inadequate maintenance, normal wear and tear, or use contrary to any product specifications or instructions of T&R. Customer may elect, at Customer's sole expense, to install, use and maintain a metering device that will record values for current (amps), voltage (V), frequency (Hz), loading of the transformer (kW), and such other information as may be required by T&R (collectively, the "Metered Information"). In the event of a defect or other failure of the Product, Customer is required to provide Metered Information regarding the Product to T&R, and such Metered Information will be used by T&R to determine whether the alleged defect or failure is covered by this warranty. If Customer elects not to install, use, and maintain a metering device, or otherwise fails to provide Metered Information to T&R, T&R shall analyze the Product and make the determination, in its sole discretion, whether the alleged defect or failure is covered by this warranty. In the event a Product fails to conform to this warranty during the warranty period, T&R, at its sole option, will repair the Product, replace the Product, or refund the purchase price of the Product to Customer. Excluded from this warranty are all newly manufactured transformers, regulators, switches and other equipment and all transformers, regulators, switches and other equipment rebuilt by other rebuilders, in which case such other manufacturers' or rebuilders' warranties will apply and be Customer's exclusive warranty to be enforced directly by Customer against such third party. TO THE MAXIMUM EXTENT PERMITTED BY LAW, THIS WARRANTY CONSTITUTES T&R'S SOLE LIABILITY, AND CUSTOMER'S SOLE REMEDY, FOR ANY BREACH OF WARRANTY OR OTHER NONCONFORMITY OF PRODUCTS. T&R MAKES NO OTHER WARRANTY, EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR NON-INFRINGEMENT, OR THAT MAY ARISE FROM COURSE OF DEALING, COURSE OF PERFORMANCE OR USAGE OF TRADE. T&R does not extend this warranty, and Customer may not transfer it, to any third party; in the event this warranty is deemed to extend to any third party, this warranty shall be subject to all conditions and limitations of these Terms.

9. Limitation of Liability. The total, aggregate, and cumulative liability of T&R, and its affiliates, parent, subsidiaries, shareholders, directors, officers, employees, agents, assigns and their respective predecessors and successors, to Customer or any third party, whether by indemnity, in contract, guaranty or tort (including negligence or strict liability), by statute or under any other legal theory, shall in no event exceed the amount paid by Customer for the Product giving rise to such liability. The existence of multiple claims with respect to the same Product will not enlarge this limit.

Under no circumstances will T&R be liable to Customer or any third party, whether by indemnity, in contract, guaranty or tort (including negligence or strict liability), by statute or under any other legal theory, for any punitive, special, incidental, indirect or consequential damages or losses of any nature, even if Customer advised T&R in advance of the possibility of such damages, including without limitation loss of profit, loss of production, loss of contract, loss of revenue, cost of replacement power or temporary equipment, claims of Customer's customers, cost of money, loss of investment or business opportunity, increased operating costs, financing costs or government fines, penalties or sums due.

No action, regardless of form, arising with respect to any Product may be brought by Customer more than one year after the event giving rise to the cause of action occurred. T&R shall be entitled to the payment of its attorneys' fees and costs in the event T&R is forced to defend a legal action by Customer on a claim precluded by this section. The remedies of Customer set forth in these Terms are exclusive and include anything done in connection with the Products, such as the performance or breach of these Terms or the manufacture, sale, repair, replacement, delivery, resale or use of the Products.

Customer acknowledges that T&R set its prices, and agreed to sell the Products to Customer, in reliance on the limitations of liability, disclaimer of warranties, and remedies set forth in these Terms,

and that such provisions form an essential basis of the bargain between the parties, without which T&R would not have agreed to sell the Products to Customer.

10. Delay Damages. In the event T&R fails to deliver a Product at the time required by an order, T&R's liability for such delay shall be limited by these Terms (including, but not limited to, Section 9 (Limitation of Liability)) and in no event shall exceed an amount equal to 5% of the purchase price of the Product at issue. Such compensation shall represent full and final satisfaction of T&R's liability for delay. Customer shall be entitled to the delay damages described in this section only if Customer substantiates through appropriate and reliable documents the damages it incurred due to the late performance of T&R. Customer shall be entitled to such damages only if T&R fails to meet the final shipment date of a Product; no delay damages shall apply with respect to any intermediate milestone or deliverable. Any amounts payable by T&R pursuant to this section shall be subject to the terms of Section 9 (Limitation of Liability), including the total, aggregate liability cap set forth therein. Customer shall use all reasonable efforts to mitigate the effect of any delay caused by T&R. In no event shall T&R be liable for delay damages where late shipment was caused by a force majeure event as defined in Section 7 (Force Majeure), a suspension of the work, a change order or modification to the Product requested by Customer, or any other act or omission of Customer or end-user which contributed to the delay at issue.

11. Intellectual Property. The sale by T&R of a Product does not convey or grant any license, express or implied, to Customer regarding any of T&R's intellectual property, including but not limited to any patents, copyrights, trademarks, trade secrets, designs, artwork or other proprietary rights, except Customer's non-exclusive right to use such intellectual property solely for the purpose of, and only to the extent necessary for, use of the Product in accordance with T&R's specifications or use documentation.

12. Transfer. In the event Customer sells, assigns or otherwise transfers a Product or any right or interest therein to a third party, such third party shall be bound by these Terms in the same manner as Customer. In the event such third party is for any reason determined to not be bound by these Terms, Customer shall indemnify, defend and hold harmless T&R from and against all liability of T&R to such transferee or any subsequent transferee in excess of what T&R's liability would have been if such transferee had been bound by these Terms in the same manner as Customer.

13. Title; Risk of Loss. Title to the Products will pass to Customer at the point of delivery to Customer. Risk of loss of the Products will pass to Customer upon the earlier of the invoicing date or the date of delivery to Customer. Until such time as Customer has paid T&R in full for a Product, Customer shall perform all acts necessary to protect the Product free of claims, demands, liens and encumbrances, to insure the Product for its full replacement value at Customer's expense, and, to the extent Customer owes T&R any amount under the purchase order, hold the proceeds of any insurance claim in respect of the Product in trust for T&R.

Without prejudice to any other remedy or right of T&R, if Customer fails to timely pay for a Product delivered to Customer, T&R may take possession of the Product and sell it. Customer irrevocably authorizes T&R or its agents to enter any premises owned, leased or otherwise occupied by Customer for the purpose of taking possession of the Product. If T&R takes possession of and sells a Product, Customer continues to be liable to T&R for an amount equal to the aggregate of the unpaid amounts and costs and expenses incurred by T&R in taking possession of, transporting, storing and selling the Product, less an amount equal to the proceeds of the sale.

14. Contract Variations. The following terms apply to purchase order variations.

Drawing Approval and Changes: If Customer approval of drawings is required, such review, comment or approval must be received by T&R no later than 14 calendar days after submittal of drawings by T&R to Customer. If Customer fails to meet this requirement, or if the Product has not otherwise been released to production within 30 calendar days of written order acknowledgement by T&R, the order shall be subject to adjustment of price and shipment terms. Where Customer's specifications are not sufficiently detailed, T&R reserves the right to design the Product in accordance with T&R's professional judgment and good commercial practices. If at any time Customer makes changes to a design as covered in Customer's specifications, the order shall be subject to adjustment of price and shipment terms to reasonably cover any additional costs and commitments caused by the change.

Hold: An order placed on hold by Customer for any reason, or by T&R while awaiting payment of overdue invoices, will be taken out of the production schedule. If/when the hold is removed, the order will be rescheduled from that subsequent release date at the then prevailing lead-time, and Customer shall be responsible for all additional costs and expenses associated therewith.

Change Order: A change order submitted by Customer for a previously acknowledged purchase order is subject to additional charges. Changes to purchase orders that have not been released for production are subject to price adjustments for changes to the Products and the costs of technical and administrative services, as well as applicable material and/or restocking costs. Changes made to purchase orders that have been released to production are subject to these same price adjustments, plus \$500 per change for production disruption and inefficiency costs. Lead-time extensions may result, depending on the nature of the changes.

Customer Supplied Material: In the event T&R agrees to install Customer-supplied material, the following additional terms shall apply:

(i) T&R will not be responsible for delays in shipment caused by delays in the receipt of Customer-supplied material. Such delays will be subject to possible price adjustments due to Customer-induced delays and disruptions.

(ii) Customer shall supply T&R all applicable technical data and drawings, in sufficient detail as determined by T&R, at time of order entry, so as to ensure the Product design can be made to accommodate form, fit, function and interface with Customer-supplied material.

(iii) Failure by Customer to supply the correct material per the detailed technical data supplied at the time of order may result in delays in shipment and price adjustments.

T&R will not be responsible for Customer-supplied material that is inferior, damaged or defective. In such an event, delays in shipment may result and shall be subject to price adjustments in favor of T&R.

Service Conditions: Liquid-filled transformer products supplied by T&R shall be suitable for operation within the "usual service conditions" as defined in IEEE Standard C57.12.00, Section 4.1. These usual service conditions include, without limitation, the following:

(i) The transformer is designed for step down duty.

(ii) The transformer is designed for operation at the rated kVA, at 3300 feet altitude, without exceeding temperature limits, provided the average temperature of the ambient air does not exceed the limits as listed below. The dielectric strength of the bushings and arrestors will be suitable to allow satisfactory operation at 3300 feet.

(iii) The temperature of the ambient air may not exceed 40 degrees C at any one time and the average temperature of the ambient air, for any 24 hour period, may not exceed 30 degrees C.

(iv) The input voltage when applied to any rated tap, at rated frequency, may not result in an output voltage greater than 110% at no load, and 105% at rated output load. The output load power factor must be 80% or better.

(v) When unusual or special service conditions occur or exist, such as damaging or explosive vapors, abnormal vibrations, shocks, transportation or storage conditions, poor wave form, unbalanced voltage, or planned regular short circuits, or service conditions other than those described in (i), (ii), (iii) or (iv) above, it is the responsibility of Customer to bring these conditions to the attention of T&R at the time a quotation is requested by Customer.

Failure by Customer to expressly provide advance notice to T&R of any unusual or special service conditions which do not meet the above shall render the Product warranty void.

15. Termination by Customer. An order or contract may be terminated by Customer only by written notice to T&R and upon payment to T&R of the termination charges described in this section, which must be paid with 30 days of the notice of termination.

Where the order is in process, but the Product is not released for manufacture, cancellation charges paid by Customer to T&R shall equal the cost of materials that are not useable on other orders, plus 20% of the price of the Product noted on the purchase order.

Where the order is in process and the Product is released for manufacture, the following charges shall be paid by Customer to T&R, based on stage of production:

If engineering is complete, 25% of the Product price

If purchasing is complete, 50% of the Product price

If materials have been received by T&R, 75% of the Product price

Within six weeks of acknowledged date of shipment, 100% of the Product price

16. Suspension by Customer. Any order held or delayed or rescheduled at the request of Customer shall be subject to the prices and conditions of sale in effect at the time of the release of the hold or reschedule. Any such order held or delayed beyond 30 calendar days will be treated as a Customer termination pursuant to Section 15 (Termination by Customer).

17. Delayed Shipment; Storage. When a Product is ready for shipment and shipment cannot be made because of reasons beyond T&R's control, T&R shall submit an invoice for the Product due and payable in accordance with the agreed payment terms, and T&R, upon written notice to Customer, shall store the Product, subject to the terms of this section.

Notwithstanding anything to the contrary herein, risk of loss of the Product shall pass to Customer upon moving the Product to storage. All expenses incurred by T&R in connection with the storage of the Product, including demurrage, cost of preparation for storage, storage charges, insurance and handling charges, shall be payable by Customer upon submission of invoices by T&R.

T&R, in its sole discretion, may agree to store completed Products for a maximum of two weeks at no additional charge on a space available basis, with the understanding and the hereby expressed consent of Customer that the date of invoice will be the date the Product was originally scheduled to ship and that payment terms will not be changed. After such two-week timeframe, a storage charge of \$250 per Product per week, or part thereof, will be assessed and billed monthly to Customer.

18. Termination by T&R. T&R shall have the right to terminate an order at any time in the event Customer breaches these Terms. T&R shall notify Customer of termination by written notice.

19. Returning of Product. No Product may be returned to T&R by Customer, except with the prior written agreement of T&R and subject to the terms specified therein by T&R.

20. Product Notices. Customer shall provide the end-user of a Product with all T&R-supplied Product and patent notices, warnings, instructions, recommendations and similar materials. Under no circumstances shall Customer or the end-user remove any such information which may be affixed to the Product or to the related materials shipped with the Product.

21. United States Export Controls. Customer acknowledges that the Products and all documentation and other technical information delivered pursuant to these Terms is subject to export controls under U.S. laws, including but not limited to the Export Administration Act and the regulations promulgated thereunder. Customer shall comply with all legal requirements established under these controls and cooperate fully with T&R in any official or unofficial audit or inspection that relates to these controls. Customer shall not export, re-export, divert or transfer, directly or indirectly, the Products or any documentation or other technical information delivered pursuant to these Terms to any country, or to the nationals of any country, which the U.S. government determines is a country to which such export, re-export, diversion, transfer or disclosure is restricted. Customer shall defend, indemnify and hold harmless T&R from and against any claims, liability and expenses arising from or related to any breach of this section by Customer. T&R's obligation to deliver the Products to Customer is conditioned upon Customer's attainment of all required licenses and permits.

22. Testing and Acceptance of Goods. Testing of the Products before shipment is done in accordance with T&R's standard factory test procedures. Upon Customer's request, T&R will provide test reports for the Products. In the event Customer requests testing other than T&R's standard factory tests and/or requests witness testing and/or inspections, Customer shall pay for all such additional testing, witness costs, and all associated charges.

23. Severability. If any provision of these Terms is found to be in violation of law or unenforceable, the remainder of these Terms shall remain in full force and effect.

24. No Assignment. Neither these Terms nor any rights, interest or benefits of Customer hereunder may be assigned by Customer to any other party, except upon the prior written consent of T&R.

25. Disputes; Choice of Law; Venue. If any dispute arises under these Terms between Customer and T&R, no action, suit, arbitration or other proceeding may be commenced before the parties have attempted to resolve the dispute pursuant to mediation, unless immediate injunctive relief is being sought. The validity, performance, construction, and effect of any purchase order which is subject to

these Terms shall be governed by the laws of the State of South Dakota, without regard to its choice of law rules or those of any other jurisdiction. The parties agree that the United Nations Convention on Contracts for the International Sale of Goods shall not apply to any Products sold by T&R to Customer or any agreement or dispute between the parties. The sole and exclusive jurisdiction and venue for any legal action arising from or related to a dispute between T&R and Customer with respect to the Products, a purchase order, these Terms or any related matter shall be in the federal or state courts located in the State of South Dakota, and the parties consent to such jurisdiction and venue.

JERRY'S ELECTRIC, INC.

September 26, 2023

ph: 218-784-8340

Ada Municipal Electric
15 4th Ave. E
Ada MN, 56510

Attn: Brian Rasmusson

Jerry's Electric is pleased to quote the following price to you for remanufactured three phase oil-filled pad mount transformer:

Primary voltage: 12470y/7200 X 4160y/2400
Taps: NO
Dead front (with wells & 15 kv 200 amp inserts)
Loop feed
Bayonet fusing
Secondary Voltage: 208/120
LV: 1" studs
Pressure Relief Valve
Drain w/sampler

1) 225 KVA @ \$ 13,995.00 Total: \$ 13,995.00

Ready to ship 56 to 60 weeks after receipt of purchase order (sooner if production allows)
Availability of copper may affect lead time and price
Freight Included to Ada MN
Outside shipping to be paid by end user
Prices are quoted for acceptance within 30 days.
Quotation is based on current inventory, subject to change without notice.

The transformer(s) will be filled with **New Transformer Oil**. The transformer(s) will carry our standard **Three Year Warranty** from the date of delivery.
We appreciate the opportunity to quote you on the above unit. Please do not hesitate to call with any questions or if we can be of further assistance.

Respectfully,

Chuck Leeds

Chuck Leeds, Sales Representative
Jerry's Electric, Inc.

P.O. Box 209 - Colman, SD - 57017-0209 - Ph. 800-843-9834 - Fax 605-534-3518
E-mail: cleeds@jerryselectric.com - Website: www.jerryselectric.com

MINUTES OF THE PUBLIC WORKS BOARD MEETING

September 25, 2023

Members present: Shawn Roux, Lowell Thompson, Bruce Visser, Pete Fetting

Also present: Brian Rasmusson

Members Absent: Bob Ramstad, Casey Krieger

Call meeting to order. 5:29 pm

Approve minutes: Motion: Thompson Second: Visser

Items added to agenda: None

Approve agenda: Motion: Visser, Second: Fetting. All in favor, motion passed

Old business:

Water: None

Sewer: None

Electric: None

Street: Gas Tank: We talked about getting a 1,000 gallon gas tank & pump to share with the Police Dept. to help save money on fuel. Shawn said that the School is saving .40 cents per gallon right now by having a gas tank at the School. The board wants Brian to get prices for purchase in 2024. This was the estimate in June of this year. 1000 gallon tank was \$6,442.89. The cost of a pump, hose & nozzle was estimated at \$1,259.60

Information only, No action Taken.

Other: None

New business:

Water: None

Sewer: None

Electric: Brian finally got quotes for a transformer for the new Highway Dept. building, I have been trying to get a quote for about 3 weeks. We need a bigger transformer for the new highway dept. building. The existing transformer is a 150 KVA transformer and the one we need is a 225 KVA transformer. We thought that we had the right one in stock but the voltage was wrong so now we need to order one. The quote from T&R Electric is the one we want to go with, it is the lowest price but it is also the transformer company that we use. The price is \$13,459.00; we have money in our electrical capital outlay budget. The lead time to get this is 28-30 weeks

so it will come out of next year's budget unless they get it done before the end of the year, we have around \$25,000.00 left in this year's budget we can use if we receive the transformer before the end of the year.

Council Action Item.

Street: None

Other: None

Next meeting: October 30, 2023

Adjourn meeting: Motion to adjourn by Fetting, Second by Thompson all in favor, meeting adjourned at 5:47 pm