AGENDA

Mankato City Council
Regular Meeting
August 26, 2024 - 6 p.m.
IGC - Mankato Room

1. **Call Meeting to Order**

   Roll Call

   Pledge of Allegiance

2. **Approval of Agenda**

3. **Approval of Minutes**

   Regular Meeting of August 12, 2024

4. **Appearances, Recognition, and Proclamations**

   Minnesota Parks and Recreation Association Award for Thomas Park

5. **Public Open Forum (15 Minutes)**

   Citizens may address the Council on matters not on the agenda, and are encouraged to register with the City Clerk prior to the start of the meeting. Those wishing to speak are limited to three minutes and must state their name and address for the record.

6. **Consent Calendar**

   NOTE: All items listed under the Consent Calendar will be enacted by one motion. There will be no separate discussion of these items. If a Council Member wishes to discuss any of these items, they may ask that the item be removed from the Consent Calendar. Removed item(s) will be discussed and acted upon by separate motion.

   A. Motion approving Proclamation designating September 2024, as Celebrate Recovery Month in the City of Mankato.

B. Resolution approving application to conduct Off-Site Gambling on October 3, 2024, for Mankato Area Youth Baseball Association (MAYBA) at Loose Moose Saloon & Conference Center, 119 South Front Street, Mankato.

C. Resolution approving application for Loyola Booster Club to conduct Lawful Gambling at Buffalo Wild Wings, 301 St. Andrews Drive, Mankato.

D. Resolution determining adequacy of petition for Capital Improvement Project 11128, Shiloh Court Ravine Improvements.

E. Resolution authorizing the City Manager to enter into a modified Low-and-Moderate Income Community Solar Program Subscription Agreement with Cooperative Energy Futures Community Solar, LLC.

F. Resolution authorizing the City Manager to enter into grant agreements with the FAA and MnDOT for Capital Improvement Project 11118; 2024 Airside Improvements at the Mankato Regional Airport (MKT).

G. Set September 9, 2024, as the date of public hearing for the Consolidated Annual Performance Evaluation Report (CAPER) for the Community Development Block Grant (CDBG) Program.

H. Set October 15, 2024, as the date of public hearing for establishment of Development District No. 50 and Tax Increment District No. 50-1 (101 East Main Street, 121 East Main Street and 118 South 2nd Street).

7. **Public Hearings**

A. Ordinance establishing a Housing Trust Fund and Resolution creating the Housing Trust Fund Advisory Committee.

8. **City Manager's Report**

A. Resolution considering bids on Capital Improvement Project 11088; Viking Ravine Lift Station.

9. **Reports of City Council Members**

10. **Miscellaneous Business**

View all city committee meetings by clicking on our City Calendar

Regular Council Meeting, September 9, 2024, 6 p.m., Mankato Room (with EDA to follow if needed)

Council Community Investment Plan Bus Tour, September 12, 2024, 5 p.m., departs from Intergovernmental Center

Community Investment Plan Open House, September 21, 2024, 6 p.m. - 8 p.m., Mankato Room

Regular Council Meeting, September 23, 2024, 6 p.m., Mankato Room (with Work Session to follow)

11. **Adjournment**

MEMORANDUM

Date: August 22, 2024
To: Honorable Mayor and City Council Members
From: Susan Arntz, City Manager
RE: MRPA Award of Excellence: Thomas Park

The City of Mankato has been selected as a recipient of the MRPA Award of Excellence in the category of Parks and Facilities for the Thomas Park project. Staff nominated this project for consideration upon its completion in the fall of 2023. This award is presented by the Minnesota Recreation & Parks Association.

Thomas Park, located at 100 Thomas Park Ct, Mankato, MN, was a five-field facility for many years and originally built as a baseball facility. When a new six-field youth baseball facility was built across town, a need for more softball fields with increased amenities became apparent. For a decade, families and softball enthusiasts were vocal about their desire to see a new softball facility built to provide increased gender equity and more modern amenities. This became the guiding vision of the 2023 Thomas Park Improvements.

Today the space includes:

- Artificial turf field with lights, concrete masonry dugouts, scoreboard, and bleachers. The field is designed to NCAA standards with an outfield fence at 220 feet. This field is referred to as the Championship Field. Nearby there is a concessions and restroom building with additional space for storage and two team rooms.
- Four-field pinwheel shaped fields for youth tournaments. These fields have natural turf with 200-foot fences. In the middle of the pinwheel there is bleacher seating and a restroom building.
- Other site improvements, including trails for site circulation and connection to the neighborhood, batting cages, new vehicle drop-off, improved site drainage for the entire park area, and storm water management.

During this project, staff worked diligently to consider community engagement and gender equity in athletic spaces. The City collaborated with over a dozen different organizations that would be impacted by this renovation, including Mankato Area Public Schools, Mankato Community Education, Mankato Area Girls Fastpitch Association (MAGFA) and Bethany Lutheran College. The local neighborhood was also given multiple opportunities to voice their opinion and provide feedback.

This project took four years to complete, beginning when the City Council approved a budget allocation for initial feasibility reports. During those four years, the project persevered through a great deal of adversity, including pandemic delays, cost increases, multiple rounds of project bidding and difficult weather conditions. Success for this project has included the numerous games, practices and tournaments that have already taken place at this park. Ultimately, the project was successful, and it is an honor to accept this MRPA Award of Excellence.

MINUTES

Mankato City Council
Regular Meeting
August 12, 2024 - 6 p.m.
IGC - Mankato Room

1. **Call Meeting to Order**

Roll Call

Members Present: Jenn Melby-Kelley, Jessica Hatanpa, Kevin Mettler, Mike Laven, Dennis Dieken, Michael McLaughlin, and Mayor Najwa Massad.

Staff Present: City Manager Susan Arntz, Administrative Services Director Parker Skophammer, Public Safety Director Amy Vokal, Community Development Director Mark Konz, Public Works Director Jeff Johnson, City Attorney Pam Whitmore, and City Clerk Renae Kopischke.

Pledge of Allegiance to our Flag

2. **Approval of Agenda**

Mr. Laven moved and Mr. Mettler seconded a motion to approve the agenda as written. The motion carried unanimously.

3. **Approval of Minutes**

Ms. Hatanpa moved and Mr. Dieken seconded a motion to approve the minutes of the Regular Meeting of July 22, 2024 as written. The motion carried unanimously.

4. **Appearances, Recognition, and Proclamations**

Presentation of Citizen Appreciation Award to Kile Hesse.

Recognition of employees who have reached a milestone of 20 or more years of service with the City of Mankato during the 1st half of 2024.

Recognition of Public Safety Director Amy Vokal for her years of service and retirement.

5. **Public Open Forum (15 Minutes)**

David Schmidt, 318 North Broad Street, asked that the city plant trees native to Minnesota and the ecosystem. He commented on the advantages and noted that there are several being planted that are not native and why it matters. He mentioned that he found 53 species that could be planted in Minnesota.

6. **Consent Calendar**

NOTE: All items listed under the Consent Calendar will be enacted by one motion. There will be no separate discussion of these items. If a Council Member wishes to discuss any of these items, they may ask that the item be removed from the Consent Calendar. Removed item(s) will be discussed and acted upon by separate motion.

Mr. Dieken pulled item 6.J. Mr. Dieken moved and Ms. Hatanpa seconded a motion to approve the Consent Calendar as amended. With all members voting in favor, the motion carried.

A. Motion approving Proclamation designating August 21, 2024, as Fentanyl Poisioning Awareness and Prevention Day in the City of Mankato.

B. Motion approving Proclamation designating August 31, 2024, as International Overdose Awareness Day in the City of Mankato.

C. Resolution approving application for Mankato Eagles Aerie #269 to Conduct Lawful Gambling at Boulder Taphouse, 291 St. Andrews Drive, Mankato.

D. Resolution approving Buscher Park amenities and corresponding funding.

E. Resolution accepting the Minnesota Department of Employment and Economic Development (DEED) Cleanup Grant and authorizing the City Manager to execute a Cleanup Grant Agreement and Subrecipient Agreement for Silos (118 East Plum Street).

F. Resolution approving a Conditional Use Permit to allow for a restaurant in the CBD-F, Central Business District-Fringe. The subject property is described as Lot 5, Lewis and Meaghers Subdivision (609 South Front Street, Blue Earth County PID R010918152003); by request of David Hruska.

G. Resolution approving an amendment to the current Planned Unit Development to decrease the parking plan from the previously provided 87 stalls to 82 stalls at Lewis Lofts. The subject property is described as Lots 1A, 1B, and 1C of The Neighborhood subdivision (Blue Earth County PID R010813256009, R010813256010, R010813256008 - 209 Dewey Lane); by request of Cohen Esrey Development Group.

H. Resolution approving a Conditional Use Permit to allow wetland sequencing and replacement of 7.10 acres of wetland impacts. The subject property is described as part of the West 30 acres of the SW ¼, Section 15-108-26, except the South 330 feet of the West 330 feet thereof, AND The SE ¼ of the NW ¼ of the SE ¼; The S ½ of the NE ¼ of the SE ¼; The SE ¼ of the SE ¼; The SW ¼ of the SE ¼, except the West 30 acres thereof; all in Section 15, Township 108, Range 26, with some exceptions (Blue Earth County PID R430915400003 & R430915400009); by request of Thomas Ponce, on behalf of the property owner, Mesenbrink Construction.

I. Resolution authorizing Joint Powers Agreement with Minnesota State University, Mankato for 2024/2025 Transit Services.

J. Resolution directing parking control, establishing no parking along Premier Drive between Augusta Drive and 227th Street.

Mr. Dieken requested that the item be discussed at a later date after completion of the construction as he believed that several of the vehicles parking along the roadway were from the construction crews.

Ms. Hatanpa noted the problems with the traffic and the congestion on the street, especially with the intersection of Hwy 22 and Augusta Drive being closed.

Ms. Arntz noted that the Council could recommend signage be placed two weeks following substantial completion of the project as an option.

Mr. Laven wondered why there was a request and if there was more information. Mr. Johnson replied that the roadway should have initially been signed with no parking.

Mr. Dieken moved and Mr. Mettler seconded a motion approving the Resolution directing parking control, establishing no parking along Premier Drive between Augusta Drive and 227th Street, two weeks following substantial completion of the construction in the area. The motion carried unanimously.

K. Resolution authorizing the City Manager to enter into a Severance and Surrender Agreement on behalf of the City of Mankato with KMKT, LLC, North Star Aviation, North Star Companies, and Frandsen Bank.

L. Resolution authorizing the City Manager to enter into a Master Partnership Agreement for professional aviation architectural/engineering design and construction services for an Air Traffic Control Tower at the Mankato Regional Airport with EXP.

M. Set August 26, 2024, as date of Public Hearing on an Ordinance establishing a Housing Trust Fund.

N. Set September 9, 2024, as the date of public hearing for an ordinance rezoning property to OR, Office Residential; for amendments to the Institutional Overlay District and the approved campus plan. The property is located at 1025 Marsh Street, 125 Oaklawn, 1108-1128 East Main Street, 1238-1248 East Main Street, 106-118 Garden Boulevard, 1109 East Mulberry Street, 1115 East Mulberry Street and 1125 East Mulberry Street; by request by HDR, on behalf of the property owner, Mayo Clinic Health System.

7. **Public Hearings**

A. Mr. Konz reported that Hotel Mankato, LLC is requesting a preliminary plat review of Hotel Mankato Redevelopment plat; the vacation of an alley; a conditional use permit to allow two hotels in the CBD-C, Central Business District Core; and a certificate of design compliance for the construction of a new, approximately 250,000 square foot development including a 169-stall underground parking garage in the Downtown Gateway Overlay District and the Downtown Design District. He noted that the proposed redevelopment is bordered by South 2nd Street, East Main Street and South Riverfront Drive, with the current addresses being 101 East Main Street, 121 and 123 East Main Street, and 118 South 2nd Street.

Mr. Konz stated that the redevelopment involves the demolition of the City Center hotel structure and the Landmark building with a proposed four-story extended stay Element by Westin, located at the intersection of North Riverfront Drive and Main Street, and a 10-story AC by Marriott, located at the intersection of Second and Main Streets. He indicated that the two hotels would be adjoined by a common lobby with a direct connection to the existing City skywalk. He mentioned that the narrative outlines that the hotels will share common guest amenities, including a pool, fitness center, guest laundry, lounge spaces, business pods, and a small conference room along with shared back of house spaces. He added that space is also provided for a future coffee shop on the main level and a third-party restaurant with rooftop patio on the 10th story overlooking the

Minnesota River Valley, and a courtyard area located between the Element and common lobby will offer a combination of possibilities for guest grilling stations, firepit(s), and an outdoor social lounge area.

Mr. Konz commented on the vacation of a portion of the existing through alley that runs from East Walnut Street to East Main Street as the redevelopment of the property requires it be vacated to make the best use of the site. He noted that all affected property owners adjacent to the alley have signed the required City Petition form and agreed to the vacation. The proposed vacation would result in a private alley with a proposed entry and exit from Walnut Street.

Mr. Konz indicated that the proposed preliminary plat combines the underlying nine parcels into one new subdivision. He reviewed the preliminary plat and the traffic impact statement as well as the requirements for the conditional use permit and the certificate of design compliance.

Mr. Konz noted that the site plans do not represent the current bus stop on Main Street, and during the Site Plan and Traffic Advisory Committee review, the applicant was made aware that the subject bus stop would be required to be replaced; thus, they will be providing a new, city-approved bench for the bus stop and other required ADA enhancements.

Mr. Konz reported that the total parking required for the development is 367 parking stalls. He commented that the on-site parking as proposed is 169 stalls in the underground parking garage and nine surface lot parking stalls for a total of 178. He explained the parking requirements based on the proposal and added that the applicant is proposing to petition the Downtown Parking District to provide the remaining required 189 parking stalls. He noted that a condition is included that limits seating in the accessory restaurant and lounge spaces to the parking available and the parking provided for through the petition to the Downtown Parking District. He mentioned that the applicant has indicated that there will be no event space within the development, which has the potential to create additional parking demand. He pointed out that a condition is included that future review and approval, by way of a conditional use permit amendment, will be required if events are desired in the future.

Brief discussion on the required parking stalls and availability.

Mayor Massad opened the public hearing. There being no one wishing to speak, Mayor Massad closed the public hearing.

<u>Mr. Laven moved and Ms. Hatanpa seconded a motion to approve the Resolution vacating an alley described as part of the alley dedicated in Block 14, Map of Mankato; and for preliminary plat review of Hotel Mankato Redevelopment plat</u>. The motion carried unanimously.

Ms. Hatanpa moved and Mr. Mettler seconded a motion approving a Conditional Use Permit to allow two hotels in the CBD-C, Central Business District Core; and for a Certificate of Design Compliance for the construction of a new, approximately 250,00 square foot development including a 168-stall underground parking garage in the Downtown Gateway Overlay District and the Downtown Design District (101 East Main, 121 and 123 East Main, and 118 South 2nd Street). The motion carried unanimously.

8. **City Manager's Report**

A. Mr. Johnson stated that on August 29, staff became aware that a slope failure in the Viking Ravine damaged the sanitary sewer main serving many homes in Viking Terrace, Viking Court, Kietzer, Kensington, Southbrook, Southview, Paddington, Stony Creek, Ironwood, and Ironwood Oaks additions, resulting in sanitary sewer being directly discharged into the environment. He indicated that staff notified the state duty officer and executed a $29,500.00 contract with WW Blacktopping to complete a temporary repair, which was subsequently completed on August 3.

Mr. Johnson stated that in 2014 a lining of the sanitary sewer main was planned for in the 2016 Capital Improvement Plan along with repairs to the airport lift station and manhole rehabilitation; however, the project was delayed due to higher than anticipated costs of the airport lift station and manhole rehabilitation project. He commented that in 2018, staff reviewed the previous plan for a more permanent solution to the continual possibility of erosion damaging the sewer main. He mentioned that the project was subsequently bid, and the bids were rejected in August 2018 due to only receiving one bid and the project was reprogrammed. He noted that the project was rebid again in 2022 along with the Pauley Way lift station as a bid alternate, but there were not enough funds available to complete the project.

Mr. Johnson explained that the project was reprogrammed with funds allocated in the 2024 Wastewater Collections Capital Improvement Fund and was originally scheduled to be bid on in the fourth quarter of 2024 with construction to begin in the spring of 2025, but with the recent failure and temporary repairs, staff is prepared to bid the project now to move the timeline of long-lead time parts necessary for construct the lift station to the left by purchasing the components to construct the lift station. He noted that staff has contacted vendors and anticipates critical equipment being delivered 16–20 weeks after a contract is awarded and installation to be completed within 2–4 weeks of delivery. He provided an overview of the resultant costs and funding sources.

Mr. Johnson recommended that the Council adopt a resolution to approve a contract in a declared special emergency, which authorizes the Council to let a contract without notice or competitive bidding in accordance with Minnesota State Statute 365.67 in situations requiring immediate action essential to the health, safety, or welfare of the city.

Ms. Hatanpa moved and Mr. Laven seconded a motion to approve the Resolution approving a contract in a special emergency, and the Resolution receiving report, ordering preparation of plans and ordering advertisement for bid on Capital Improvement Project 11088; Viking Ravine Sewer Lift Station. The motion carried unanimously.

B. Ms. Whitmore provided an update on City of Mankato, et al. vs. Shawn C. Clow et al.

9. **Reports of City Council Members**

None.

10. **Miscellaneous Business**

View all city committee meetings by clicking on our City Calendar

Regular Council Meeting, August 26, 2024, 6 p.m., Mankato Room (with Work Session to follow)

Regular Council Meeting, September 9, 2024, 6 p.m., Mankato Room (with EDA to follow if needed)

11. **Adjournment**

There being no further business before the Council, Mr. Laven moved and Ms. Melby-Kelley seconded a motion to adjourn. With all members voting in favor, the meeting adjourned at 7:06 p.m.

Minutes Approved.

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Mayor Massad

ATTEST:

____
Renae Kopischke
City Clerk

AGENDA RECOMMENDATION

City Council Regular Meeting **6. A.**

Meeting Date: 08/26/2024

Agenda Item:

Motion approving Proclamation designating September 2024, as Celebrate Recovery Month in the City of Mankato.

Recommendation/Action(s):

Motion approving proclamation.

Summary:

See attached. Proclamation is effective upon approval of the City Council and signature of the Mayor.

Attachments

Proclamation

PROCLAMATION

WHEREAS, Beyond Brink is a local recovery community organization; and

WHEREAS, on September 14, 2024, Beyond Brink will hold their 6th Annual Walk for Recovery; and

WHEREAS, this community event is to celebrate the success of those living in recovery, to bring awareness and advocacy to the community; thus, beginning to build unity, offer support and hope, reduce stigma and to demonstrate living proof that recovery is real, and it works.

NOW, THEREFORE, I, Najwa Massad, Mayor of Mankato, do hereby proclaim September 2024, as

CELEBRATE RECOVERY MONTH IN MANKATO

IN WITNESS WHEREOF, I have hereunto signed my name and caused the seal of the City of Mankato to be affixed this 26th day of August 2024.

Najwa Massad

Najwa Massad, Mayor

AGENDA RECOMMENDATION

Consent Calendar **6. B.**

City Council Regular Meeting

Meeting Date: 08/26/2024

Agenda Item:

Resolution approving application to conduct Off-Site Gambling on October 3, 2024, for Mankato Area Youth Baseball Association (MAYBA) at Loose Moose Saloon & Conference Center, 119 South Front Street, Mankato.

Recommendation/Action(s):

Adoption of the attached resolution.

Summary:

Licensed organizations may conduct lawful gambling on premises other than the organization's permitted premises for 12 events per calendar year, not to exceed three (3) days per event.

Mankato Area Youth Baseball Association (MAYBA) paid gambling tax in the amount of $44,619 in 2023. MAYBA's expenditures were $185,610; of those funds, 92.16% were spent in the local trade area in 2023.

A background investigation of all persons and premises described in the application reveals nothing to preclude issuance of the license.

Attachments

Resolution

MAYBA Cover Letter

RESOLUTION APPROVING APPLICATION TO CONDUCT OFF-SITE GAMBLING ON OCTOBER 3, 2024, FOR MANKATO AREA YOUTH BASEBALL ASSOCIATION (MAYBA) AT LOOSE MOOSE SALOON & CONFERENCE CENTER, 119 S. FRONT ST., MANKATO

WHEREAS, Mankato City Code Sections 5.43 -5.45, as well as Minnesota Statute 349, outline the regulations regarding lawful gambling activities, and

WHEREAS, a licensed organization may apply to conduct lawful gambling on premises other than the organization's permitted premises for 12 events per calendar year, not to exceed three (3) days per event; and

WHEREAS, Mankato Area Youth Baseball Association (MAYBA) has submitted the required application & has complied with all the requirements of Mankato City Code; and

WHEREAS, not more than 90 days have passed since the application submission date.

NOW THEREFORE BE IT RESOLVED by the City Council for the City of Mankato that the application from MAYBA to conduct off-site gambling on October 3, 2024, at Loose Moose Saloon and Conference Center, 119 South Front Street, Mankato is hereby approved.

Adopted this 26th day of August 2024.

____
Najwa Massad
Mayor

ATTEST:

____
Renae Kopischke
City Clerk

MAYBA
Mankato Area Youth Baseball Association
1925 Haughton Ave
North Mankato, MN 56003
507-995-6910
www.mayba.com **general_manager@mayba.com**

Greater Mankato Area United Way

July 21, 2024

To: City of Mankato

Re: Resolution for off-site gambling

Dear City of Mankato,

Mankato Area Youth Baseball Association (MAYBA), and its charitable gambling (License #31040) is requesting resolution to conduct off-site gambling at the Loose Moose Saloon and Conference Center.

In 2024 our youth baseball programs will host over 1,100 youth from in and around the Mankato Communities. Our baseball programs are year-round! We feel baseball creates more than just an on-field experience for youth and families. Our off-site raffle is one of them where baseball enthusiasts get together, socialize, have a meal, and an opportunity to win $2,500 (Grand Prize for the raffle). We also hold a silent auction during the raffle and invite local businesses to make donations of prizes. Our raffle is a great event.

The money raised is used for many reasons: 1. Improvements to Community Athletic Fields (by Rosa Parks), 2. Safety equipment necessary for our programs, 3. and player and coaches training!

We appreciate the partnership MAYBA/Royals has had with the City of Mankato, ISD 77, City of North Mankato, and all of its Sponsors and in-kind donors. MAYBA is a great family tradition that continues to be one of the most exciting family opportunities in Mankato!

Thanks for your consideration to give resolution so we can have our MAYBA/Royals Raffle.

Sincerely, R. Maes Jr.

Rene' Maes Jr.
MAYBA Gambling Manager
License # 31040
rmaesjr@gmail.com

AGENDA RECOMMENDATION

Consent Calendar **6. C.**

City Council Regular Meeting
Meeting Date: 08/26/2024

Agenda Item:
Resolution approving application for Loyola Booster Club to conduct Lawful Gambling at Buffalo Wild Wings, 301 St. Andrews Drive, Mankato.

Recommendation/Action(s):
Adoption of the attached resolution.

Summary:
Loyola Booster Club has made an application to conduct lawful gambling at Buffalo Wild Wings, 301 St. Andrews Drive, Mankato. The Loyola Booster Club currently does not have any gambling sites in the city of Mankato; therefore, they have not paid any gambling taxes.

A background investigation of all persons and premises described in the application reveals nothing to preclude issuance of the license.

Attachments

Resolution

RESOLUTION APPROVING APPLICATION FOR LOYOLA BOOSTER CLUB TO CONDUCT LAWFUL GAMBLING AT BUFFALO WILD WINGS, 301 ST. ANDREWS DRIVE, MANKATO, MN

WHEREAS, Mankato City Code Sections 5.43 -5.45, as well as Minnesota Statute 349, outline the regulations regarding lawful gambling activities, and

WHEREAS, Loyola Booster Club has submitted the required applications, and

WHEREAS, not more than 90 days have passed since the application submission date, and

WHEREAS, Loyola Booster Club has complied with all the requirements of Mankato City Code.

NOW THEREFORE BE IT RESOLVED by the City Council for the City of Mankato that the application submitted by Loyola Booster Club to conduct lawful gambling at Buffalo Wild Wings, 301 St. Andrews Drive, Mankato is hereby approved.

Adopted this 26th day of August 2024.

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Najwa Massad
Mayor

ATTEST:

____
Renae Kopischke
City Clerk

AGENDA RECOMMENDATION

Consent Calendar 6. D.

City Council Regular Meeting

Meeting Date: 08/26/2024

Agenda Item:

Resolution determining adequacy of petition for Capital Improvement Project 11128, Shiloh Court Ravine Improvements.

Recommendation/Action(s):

Adoption of the attached resolution.

Summary:

Due to the extreme amount of precipitation that was received during the spring of 2024, several slope sections along Shiloh Court suffered failure. These failures were along the ravine on the north side of Shiloh Court. Staff met with residents in the area to review the slope failures and determine potential improvements to prevent future slope failures and damage to homes. It was determined that some improvements that are needed would be on private property and would need to be funded privately. There are also improvements that need to be made to public property that would be complementary to the private improvements. These improvements would be in accordance with the Surface Water Management Policy. The neighborhood provided a petition for public improvements with 100% of the property owners signing the petition.

With the adoption of this resolution, staff will begin the process of coordinating the design of both the private and public improvements. It is anticipated that preliminary design work will take place in 2025, with budget estimates developed for inclusion in the 2026 Stormwater Capital Improvement Program.

Attachments

Resolution

Petition

RESOLUTION DECLARING ADEQUACY OF PETITION AND ORDERING PREPARATION OF REPORT ON IMPROVEMENT NUMBER 11128

BE IT RESOLVED BY THE CITY COUNCIL OF MANKATO, MINNESOTA:

1. A certain petition requesting the improvement Shiloh Court Ravine by Slop stabilization and erosion control filed with the council on the 26th day of August, 2024, is hereby declared to be signed by the required percentage of owners of property affected thereby. This declaration is made in conformity to Minnesota State Statute § 429.035.

2. The petition for proposed Improvement Number 11128 is hereby referred to the City Engineer and that person is instructed to report to the council with all convenient speed advising the council in a preliminary way as to whether the proposed improvement is necessary, cost-effective, and feasible; whether it should best be made as proposed or in connection with some other improvement; the estimated cost of the improvement as recommended; and a description of the methodology used to calculate individual assessments for affected parcels.

This resolution shall become effective upon its adoption.

Passed this 26th day of August, 2024

____
Najwa Massad
Mayor

ATTEST:___________________________________
Renae Kopischke
City Clerk

PETITION FOR LOCAL IMPROVEMENT
Drainage & Surface Water Improvements

TO THE CITY COUNCIL OF MANKATO, MINNESOTA:

We, the undersigned owners of not less than 35% of the real property abutting Shiloh Court, between the centerline of Cree Court and end hereby petition that necessary drainage and surface water improvements be made to publicly owned land adjacent to the petitioned properties in accordance with the City of Mankato Surface Water Management Policy and coordinated such improvements with private erosion control and slope stability improvements per City Ordinance 96-0624-11 pursuant to Minnesota Statutes, Chapter 429.

Parcel Number / Owner / Address	Property Description	Signature
R01.09.09.327.022 Kathleen Longenecker Revocable Living Trst 101 Shiloh Court Mankato, MN 56001	Malachi Estates Lot 1, Block 1 & Equal Interest in Common Elements	living with daughter
R01.09.09.327.021 Michael & Donna Tatge 103 Shiloh Court Mankato, MN 56001	Malachi Estates Lot 2, Block 1 & Equal Interest in Common Elements	[signature] Donna Tatge
R01.09.09.327.020 Richard E Menden Trust 105 Shiloh Court Mankato, MN 56001	Malachi Estates Lot 3, Block 1 & Equal Interest in Common Elements	[signature]
R01.09.09.327.019 Logan C Hager 107 Shiloh Court Mankato, MN 56001	Malachi Estates Lot 4, Block 1 & Equal Interest in Common Elements	Logan Hager
R01.09.09.327.018 ~~Floyd & Delpha Skelly~~ Joe & Judy Lueck 109 Shiloh Court Mankato, MN 56001	Malachi Estates Lot 5, Block 1 & Equal Interest in Common Elements	Judy Lueck for [signature]
R01.09.09.327.017 ~~David & Nita Johnson~~ Bob + Karen Meyer 111 Shiloh Court Mankato, MN 56001	Malachi Estates Lot 6, Block 1 & Equal Interest in Common Elements	Robert W. Meyer Karen K Meyer
R01.09.09.327.016 Patricia Anderson 113 Shiloh Court Mankato, MN 56001	Malachi Estates Lot 7, Block 1 & Equal Interest in Common Elements	Patricia Anderson
R01.09.09.327.015 Tommie & Judy Crooker 115 Shiloh Court Mankato, MN 56001	Malachi Estates Lot 8, Block 1 & Equal Interest in Common Elements	Judy Crooker T B Crooker
R01.09.09.327.014 Barbara & Kurt Woodruff 117 Shiloh Court Mankato, MN 56001	Malachi Estates Lot 9, Block 1 & Equal Interest in Common Elements	Kurt Woodruff Barbara Woodruff

Parcel Number / Owner / Address	Property Description	Signature
R01.09.09.327.013 Laurie & Alan Rossow 119 Shiloh Court Mankato, MN 56001	Malachi Estates Lot 10, Block 1 & Equal Interest in Common Elements	Laurie Rossow Alan Rossow
R01.09.09.327.012 Donald & Joanne Kvasnicka 121 Shiloh Court Mankato, MN 56001	Malachi Estates Lot 11, Block 1 & Equal Interest in Common Elements	Don Kvasnicka Joanne Kvasnicka
R01.09.09.327.011 Roberta Molitor Rev Trust 123 Shiloh Court Mankato, MN 56001	Malachi Estates Lot 12, Block 1 & Equal Interest in Common Elements	Roberta Molitor
R01.09.09.327.010 Philip & Nancy Looft 125 Shiloh Court Mankato, MN 56001	Malachi Estates Lot 13, Block 1 & Equal Interest in Common Elements	Nancy Looft Philip J Looft
R01.09.09.327.009 John & Mavis Sabin 127 Shiloh Court Mankato, MN 56001	Malachi Estates Lot 14, Block 1 & Equal Interest in Common Elements	[illegible] Mavis Sabin
R01.09.09.327.008 Scott & Sue ~~Francis & Shirley Landsteiner Rev Trusts~~ 129 Shiloh Court Dodge Mankato, MN 56001	Malachi Estates Lot 15, Block 1 & Equal Interest in Common Elements	Susan Dodge Scott Dodge
R01.09.09.327.003 Karen & Robert Schull 131 Shiloh Court Mankato, MN 56001	Malachi Estates Lot 16, Block 1 & Equal Interest in Common Elements	Robert A Schull Karen M. Schull
R01.09.09.327.004 Mark Harmon 118 Shiloh Court Mankato, MN 56001	Malachi Estates Lot 17, Block 1 & Equal Interest in Common Elements	Armin Schull Jeanette Schull
R01.09.09.327.005 Armin & Jeanette Schull 116 Shiloh Court Mankato, MN 56001	Malachi Estates Lot 18, Block 1 & Equal interest in Common Elements	at summer home
R01.09.09.327.006 Judith Masberg 114 Shiloh Court Mankato, MN 56001	Malachi Estates Lot 19, Block 1 & Equal Interest in Common Elements	Judith Masberg
R01.09.09.327.007 Robert & Donna Fosburgh Joint Rev Trust 112 Shiloh Court Mankato, MN 56001	Malachi Estates Lot 20, Block 1 & Equal Interest in Common Elements	Robert Fosburgh Donna Fosburgh
R01.09.09.327.023 Joel & Barbara Zimmerman 110 Shiloh Court Mankato, MN 56001	Malachi Estates Lot 21, Block 1 & Equal Interest in Common Elements	Joel A. Zimmerman Barb Zimmerman

Parcel Number / Owner / Address	Property Description	Signature
R01.09.09.327.024 Marlin & Phyllis Spangrud 108 Shiloh Court Mankato, MN 56001	Malachi Estates Lot 22, Block 1 & Equal Interest in Common Elements	Phyllis Spangrud Marlin Spangrud

<u>This space for city use</u>

Instructions: This petition must be signed by owners of not less than 35 percent of the real property benefiting by this improvement. The Improvement may be reduced but not increased by the City Council.

Received by: Kari Lozinski on 7-18-24 Project No. _______

AGENDA RECOMMENDATION

Consent Calendar **6. E.**

City Council Regular Meeting

Meeting Date: 08/26/2024

Agenda Item:

Resolution authorizing the City Manager to enter into a modified Low-and-Moderate Income Community Solar Program Subscription Agreement with Cooperative Energy Futures Community Solar, LLC.

Recommendation/Action(s):

Adoption of the attached resolution.

Summary:

In January 2023, the City of Mankato entered into a subscription agreement with Cooperative Energy Futures for the City of Mankato to be a back-up scriber for low and moderate income households and renters. The project is planned to allow low-income households and renters to subscribe to the community solar project. To allow for the expanded eligibility for subscribers, the City entered into an agreement to provide “back up” demand to ensure that all the solar power is allocated.

Legislation adopted by the State of Minnesota in 2023 modified the Low-and-Moderate Income Community Solar program from being administered by Xcel Energy to the Minnesota Department of Commerce. This legislation went into effect in February 2024. The new legislation allows the project to provide deeper financial savings both to the City of Mankato and to local residents compared to the original agreement.

The project is now under construction and expected to begin operating later this year. As Cooperative Energy Futures (CEF) moves through the construction process, the existing subscribers, including the City’s back-up subscription, need to be updated to match the requirements of Minnesota's new Low-and-Moderate Income community solar program.

In addition to the improved rates, this also means that the Subscription Agreement was revised to meet the process as approved by the Department of Commerce.

Summary of changes from the previous agreement are:

1. The new agreement is in the required Low-and-Moderate Income format from MN Department of Commerce.
2. Completion of the MN Department of Commerce subscriber information disclosure form.
3. The estimated production, subscription payment rate, and subscription benefits have been updated. See Exhibit A of the attached subscription agreement.

Staff recommends entering into the modified agreement to continue to provide opportunities for Low-and-Moderate Income subscribers to participate in community solar gardens.

Attachments

Resolution

Agreement

Disclosures

RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO A MODIFIED LOW-AND-MODERATE INCOME COMMUNITY SOLAR PROGRAM SUBSCRIPTION AGREEMENT WITH COOPERATIVE ENERGY FUTURES COMMUNITY SOLAR, LLC

WHEREAS, the Mankato City Council continues to explore possibilities of supporting renewable energy sources without the investment of capital or financial risk to the City; and

WHEREAS, Cooperative Energy Future (CEF) is committed to working with underserved and low-income communities (as well as the general public), to create community wealth though flexible solar subscriptions available in part due to the City of Mankato's backup subscription; and,

WHEREAS, The City of Mankato, CEF and The MN Department of Commerce have drafted the terms and conditions of the Solar Subscriptions and are using contracts,

NOW THEREFORE BE IT RESOLVED by the Council for the City of Mankato, Minnesota:

1. That the City Manager be and is hereby authorized and directed to enter into a Subscription Agreement with CEF for the purpose of supporting renewable energy through providing backup subscriptions for eligible participants.

This Resolution shall become effective immediately and without publication.

Adopted this day 26th of August, 2024.

____
Najwa Massad
Mayor

ATTEST:

____
Renae Kopischke, MMC
City Clerk

CEF MANKATO COMMUNITY SOLAR
COMMUNITY SOLAR GARDEN
SUBSCRIPTION AGREEMENT

This COMMUNITY SOLAR GARDEN SUBSCRIPTION AGREEMENT ("Subscription Agreement") is dated [MONTH, DAY, YEAR] ("Effective Date") and is between CEF Mankato Community Solar, LLC, a Minnesota limited liability company ("CEF") and City of Mankato, a subscriber to the community solar garden (the "Subscriber").

Cooperative Energy Futures is a Minnesota cooperative association that develops, constructs and operates solar electric generation projects structured as community solar gardens, including the community solar garden CEF Mankato Community Solar LLC, located at 55026 Gadwall Rd., Mankato, MN 56001 and operated by Cooperative Energy Futures.

This community solar garden (referred to as the "Garden" or the "CSG") has a nameplate capacity of 1,238 kilowatts ("kW"), measured in direct current ("DC"), and is projected to produce 2,003,425 kilowatt-hours in its first full year of operations. The estimated date of date the Garden begins operation is December 2024.

Subscriber is a retail electric customer of Xcel Energy and wishes to acquire bill credits associated with the electricity produced by the Garden.

Together, CEF and Subscriber, wish to enter into this Subscription Agreement to confirm Subscriber's participation in the Garden as the sole Backup Subscriber and the terms and conditions for that participation.

Therefore, CEF and Subscriber therefore agree as follows:

1. **Definitions.** When the following key terms are used in this Subscription Agreement, the terms mean the following:

"Applicable Laws"	Any law, statute, rule, regulation, ordinance, order, including orders issued by the PUC, Program requirements, tariff, judgment, or other legally binding restriction or ruling issued by a governmental authority which is applicable to the Garden, CEF, or Subscriber.
"Backup Subscriber"	The Backup Subscriber is an individual or entity that temporarily assumes a portion of the Garden in the event a subscriber exits the Garden or the subscriber is delinquent in paying their utility bill.
"Bill Credit"	The community solar garden credit provided by Xcel Energy on Subscriber's bill at the then-current CSG Rate, multiplied by the Subscription Allocation, which is the Subscriber's share of the garden's total production.

"Commencement Date"	The first day of the first month immediately following the date the Garden begins operation by generating electricity and delivering that electricity to Xcel Energy's grid. For example, if the Garden begins operation on April 15, the Commencement Date would be May 1.
"CSG" also referred to as a "Garden"	The community solar garden CEF Mankato Community Solar LLC, located at 55026 Gadwall Rd., Mankato, MN 56001 and operated by Cooperative Energy Futures, with a nameplate capacity of 1,238 kilowatts ("kW"), measured in direct current ("DC"), and is projected to produce 2,003,425 kilowatt-hours in its first full year of operations.
"CSG Law"	Minnesota Statutes section 216B.1641, titled "Community Solar Garden," as amended from time to time by the Minnesota Legislature.
"CSG Rate"	The per kilowatt-hour rate, measured in cents, used to determine the value of the Subscriber's Bill Credits on the Subscriber's Xcel Energy electric bill in accordance with the CSG law. As the sole designated Backup Subscriber in the Garden, the CSG Rate is ninety percent (90%) of the average retail rate for the commercial subscriber's customer class plus additional compensation for demand charges based on fifty percent (50%) of the comparable photovoltaic ("PV") demand credit rider in Xcel's tariffs. Under the CSG Law, the Backup Subscriber is entitled to this CSG Rate for subscription allocations up to 15% of the Garden's nameplate capacity and allocation additions that may increase the subscription allocation to more than 15% but less than 40% of the Garden's capacity for up to twelve consecutive months.
"Department of Commerce"	Minnesota Department of Commerce Division of Energy Resources.
"Effective Date"	The date of this agreement, stated in the first paragraph.
"Eligible Address"	The Subscriber's address, as listed on its Xcel Energy electric utility bill.

"Force Majeure"	An event of fire, earthquake, flood, tornado, storm, lightning, windstorm, unusually inclement weather or other natural catastrophe; acts of God and natural disasters; strikes or labor disputes; inability to procure labor, materials, or reasonable substitutes; war, civil strife, enemy or hostile government action, sabotage, vandalism or other violence; any law, order, proclamation, regulation, ordinance, action, demand or requirement of any government agency; epidemic, pandemic, disease outbreak, or public health crisis; or any other act or condition beyond the reasonable control of a party.
"Interconnection Agreement"	An agreement with Xcel Energy that allows the Garden to interconnect with Xcel Energy.
"kWh"	A kilowatt-hour, which is the unit the industry uses to measure power generation and power consumption.
"Program"	The Low and Moderate-Income Accessible Community Solar Garden Program administered by the Department of Commerce.
"PUC"	Minnesota Public Utilities Commission.
"Subscriber"	The Xcel Energy customer described in the first paragraph of this Subscription Agreement.
"Subscribed Energy"	Electricity generated by the community solar garden that is attributable to the Subscriber's Subscription Allocation.
"Subscription"	The right to receive bill credits against the Subscriber's monthly retail electrical bill from Xcel Energy ("Bill Credits") associated with the net energy generated from Subscriber's Subscription Allocation and delivered to Xcel Energy's electricity grid.
"Subscription Allocation"	The Subscriber's portion of the nameplate capacity of the Garden, which is 14.66% of the Garden or 181,500 watts (measured in direct current). As the sole designated Backup Subscriber, the Subscription Allocation may be modified as described in Section 2.6.
"Subscription Payment Rate"	The Subscriber's monthly payment rate for its Subscribed Energy, which is the applicable $/kWh rate defined in Article 2.7. The Subscriber's Subscription Payment Rate is multiplied by its Subscribed Energy for the month to calculate the amount owed.
"Subscriber Type"	This agreement applies to the Backup Subscriber as described in the CSG Law and Section 2.3.
"Subscription Year"	Each twelve (12) month period beginning with the Commencement Date, and each 12-month period thereafter.

"Term"	Twenty-five (25) years from the Effective Date of this Subscription Agreement, unless terminated earlier as provided in this agreement.
"Unsubscribed Energy"	The electricity generated by the Garden that is not attributable to a current Subscriber's subscription.
"Xcel"	Northern States Power Company, doing business as Xcel Energy.

2. Subscription.

2.1. Participation. CEF agrees to sell and Subscriber agrees to purchase the right to receive bill credits against its monthly retail electrical bill from Xcel ("Bill Credits") associated with the net energy produced from of a portion of the Garden and delivered to Xcel (the "Subscription").

2.2. Subscription Size. The Subscription size is a percentage of the total nameplate of the Garden expressed in watts or kilowatts (DC) (the "Subscription Allocation"). Subscriber's Subscription Allocation is 181,500 watts DC, or 14.66 % of the Garden's nameplate capacity.

2.3. Subscriber Type. The Subscriber is a Backup Subscriber who, in accordance with the CSG Law, is an individual or entity that temporarily assumes all or a portion of the Garden in the event a subscriber exits the Garden or the subscriber is delinquent in paying their utility bill. As the sole designated Backup Subscriber to the Garden, Subscriber is entitled to receive bill credits for up to fifteen percent (15%) of the Garden's total nameplate capacity at the CSG Rate described in Section 2.7. In the event a subscriber exits the Garden or is delinquent in paying their utility bill, the Backup Subscriber may be automatically subscribed to up to forty percent (40%) of the Garden's nameplate capacity for up to twelve consecutive months. The Subscriber's eligibility as a Backup Subscriber is described on Exhibit B.

2.4. Subscriber Credit Data. Subject to the confidentiality and privacy provisions of Section 9.1 and Applicable Laws, upon request by CEF, Subscriber agrees to provide Owner with information reasonably necessary to assess Subscriber's creditworthiness.

2.5. Allocation and Subscription. The Subscription entitles Subscriber to receive Bill Credits against its monthly retail electrical bill from Xcel equal to (1) Subscribed Energy for each production month during the Term, multiplied by (2) the then-current CSG Rate.

2.6. Allocation Additions. (a) Other subscribers in the Garden may, from time to time, have their subscription temporarily suspended, or become ineligible to continue participation and will be required to either transfer their allocation to an eligible transferee or CEF for transfer to a new subscriber. In the event that another CSG subscriber must transfer a portion or all of its allocation in the Garden, CEF shall use commercially reasonable efforts to locate one or more eligible replacement subscribers. If neither the subscriber nor CEF can locate another eligible transferee within sixty (60) days, or in the event another Garden subscriber has their subscription temporarily suspended, Subscriber agrees to acquire the applicable subscriber's available allocation in the Project ("Available Allocation") provided that the acquisition:

(1) will not, when combined with Subscriber's then current Subscription Allocation and related net energy produced from the Garden exceed forty percent (40%) of the Garden's total nameplate capacity;

(2) will not otherwise violate any subscriber eligibility in Section 3.

(b) When another subscriber's allocation becomes available for transfer to Subscriber, CEF shall determine whether transfer of the available allocation to Subscriber will cause any of the circumstances listed in Section 2.6(a)(1)-(2) to occur. If CEF determines that a transfer of the available allocation will not violate Subscriber's eligibility criteria, CEF shall transfer, or cause the transferring subscriber to transfer its allocation to Subscriber, and will submit any documents and information to Xcel and the Department of Commerce that may be necessary to modify Subscriber's Subscription Allocation in the Garden.

(c) Upon completion of transfer and establishment of a date for the effectiveness of the transfer ("Transfer Date"), the Subscription Allocation shall be modified to reflect the transfer of the available allocation from the other subscriber. Effective on the Transfer Date, Subscriber shall receive Bill Credits at the then-current CSG Rate described in Section 2.7 and pay CEF for the Subscribed Energy at the Subscription Payment Rate described Section 2.8 for the Subscribed Energy based on modified Subscription Allocation.

(d) After the Transfer Date, CEF may locate a replacement subscriber or subscribers for any or all of the Available Allocation who are eligible to become subscribers in the Garden and transfer all or a portion of the Available Allocation to the replacement subscriber or subscribers. The transfer of any or all of the Available Allocation shall at not result in a modified Subscription Allocation less than the original Subscription Allocation stated in Section 2.2.

(e) Subscriber's modified Subscription Allocation shall not exceed fifteen percent (15%) of the Garden's nameplate capacity for a period longer than twelve (12) consecutive months.

2.7. <u>CSG Rate</u>. In accordance with the CSG Law, as the designated Backup Subscriber, Subscriber shall receive ninety percent (90%) of the average retail rate for the commercial subscriber's customer class plus additional compensation for demand charges based on fifty percent (50%) of the comparable photovoltaic ("PV") demand credit rider as described in Xcel's rate tariffs. The current CSG Rate for this Subscription Agreement for the Backup Subscriber is as follows:

Backup Subscriber: General Service Demand Rate: $ 0.088038/ kWh

Backup Subscriber Adder: 25% of PV Demand Credit: $ 0.017782 / kWh

In accordance with the CSG Law, this rate is a percentage of the then-current average retail rate and PV Demand Credit adder as of April 1st, 2024 for the applicable Backup Subscriber rate. The average retail rate and PV Demand Credit are adjusted periodically by the PUC, which will result in a new CSG Rate.

2.8. Subscription Payment Rate. (a) The cost of the Subscription is based on the Subscription Allocation and the price per kilowatt-hour ("Subscription Payment Rate") for the Subscribed Energy.

(b) The Subscription Payment Rate for the first Subscription Year as applied to the designated Subscriber Type described on Exhibit B shall be:

Subscription Payment Rate: $ 0.095 / kWh, equal to 89.78% of the CSG Rate for the applicable Subscriber Type

(c) The Subscription Payment Rate shall increase at the rate of two percent (2%) per year for the first fifteen (15) years of the Term.

(d) Subscriber shall pay to CEF the Subscription Payment as described in Section 4 of this agreement.

(e) In no case shall Subscriber's cost of the Subscription exceed the Bill Credit provided by Xcel for the Subscribed Energy.

(f) No payment is due under this Subscription Agreement prior to the Commencement Date; however, Subscriber may choose to enter into a Membership Agreement Cooperative Energy Futures under which Subscriber is required to pay an initial one-time twenty-five dollar ($25.00) membership interest purchase price.

2.9. Subscription Benefit Estimate. Based on the then-current CSG Rate in Section 2.7, CEF's good faith estimate of Subscriber's first year benefit from this Subscription is as follows:

CSG Rate ($0.10582/kWh) x Subscription Allocation (293,717 kWh)
= $31,081.13

Subscription Payment Rate ($0.95/kWh) x Subscription Allocation (293,717 kWh)
= $27,903.11

Estimated Net Year One Benefit = $3,178.02

2.10. Term. (a) This agreement shall be effective upon the Effective Date and shall continue until the date that is twenty-five (25) years after the first day of the first month immediately following the date the CSG begins operations ("Commencement Date"). This agreement may not be extended beyond the Term.

(b) If the Commencement Date is more than thirty (30) days after the Effective Date, CEF shall provide Subscriber written notice of the Commencement Date within thirty (30) days of the Commencement Date.

2.11. Termination Prior to Commencement Date. Prior to the Commencement Date, CEF shall have the right to terminate this agreement, upon written notice to Subscriber, without further obligation to Subscriber, if (i) Subscriber is found to be ineligible to own the Subscription under the Program, the CSG Law, or any other Applicable Law; or (ii) the Garden is no longer viable due to permitting, construction, financing or other considerations, in CEF's discretion.

2.12. Subscriber's Right to Cancel. Subscriber has the right to terminate this agreement within three business days from the Effective Date without penalty or obligation to perform any provision of this agreement.

2.13. Subscription Limitation. This Subscription only entitles Subscriber with the opportunity to receive Bill Credits described in Section 2.1. Subscriber is not purchasing, and CEF is not selling or transferring to Subscriber:

(1) any ownership or lien in any solar modules or other tangible component of the Garden;

(2) any ownership or membership interests or rights in the Garden or any financial rights or distributions associated with such ownership, except as explicitly provided in a Membership Agreement executed between Cooperative Energy Futures and Subscriber;

(3) any right to any payment by Xcel to CEF with respect to Unsubscribed Energy;

(4) any rights in any other contract relating to the Garden or to which CEF may be a party;

(5) any right to manage, direct, control or operate the Garden or CEF except as provided in a Membership Agreement; or

(6) any environmental attributes including renewable energy credits.

3. **Subscription Eligibility**.

3.1. Eligibility Requirements. Subscriber's eligibility to receive, and continue to receive, the Bill Credits acquired by this agreement, is expressly conditioned upon Subscriber meeting the following criteria and any other eligibility criteria outlined in Applicable Laws ("Subscriber Eligibility Criteria") at all times during the Term:

(1) the address at which Subscriber is to receive the Bill Credits must receive residential retail electric service from Xcel (the "Eligible Address"); and

(2) Subscriber's Subscription Allocation can account for no more than forty percent (40%) of the nameplate capacity of the Garden.

(3) As the designated Backup Subscriber, the Subscription Allocation can account for no more than fifteen percent (15%) of the nameplate capacity of the Garden for any period longer than twelve (12) consecutive months.

3.2. Eligibility Data. CEF will assist Subscriber in evaluating its compliance with the Subscriber Eligibility Criteria, including Subscriber Type and corresponding CSG Rate. Subscriber acknowledges that the eligibility data contained in Exhibit B are accurate and that CEF may use the data as well as Subscriber's previous Xcel Energy electric utility bills at the Eligible Address to determine Subscriber's eligibility. Subscriber agrees to provide CEF and the Department of Commerce with any additional information requested by CEF or the Department of Commerce to determine, verify, or approve Subscriber's eligibility at any time during the Term. Subscriber understands that it must be honest and truthful with CEF and the Department of Commerce, and that by providing the information required under this section and the Program, Subscriber asserts that such information is complete, true, and accurate in all respects.

4. **Subscription Payments and Late Penalties.**

4.1. Subscription Payments. Beginning with the first Subscription Year (or on the Effective Date, if the Effective Date is later than the Commencement Date when the Garden begins delivering electricity to Xcel), Subscriber shall pay to CEF monthly payments equal to the Subscription Payment Rate multiplied by the Subscribed Energy for the month (the "Subscription Payment"). The Subscription Payment Rate for each Subscription Year is as described in Section 2.8, and further set forth in Exhibit A.

4.2. Invoices. CEF shall invoice Subscriber monthly for the Subscription Payment based on Subscribed Energy during the prior month, which shall occur within ten (10) days following the Bill Credit issued by Xcel. Each Subscription Payment will be due within fifteen (15) days of the date invoiced by CEF. If Subscriber is also a subscriber in other community solar gardens owned by Cooperative Energy Futures or its affiliates, Cooperative Energy Futures and its affiliates may create a combined monthly invoice reflecting the Subscriber Payments and related data for all such community solar gardens.

4.3. Electronic Funds Transfer. Unless Subscriber does not have an account or other suitable arrangement or Subscriber elects not to use electronic payment methods, Subscription Payments due to CEF shall be paid by ACH or other equivalent electronic funds transfer. Subject to applicable confidentiality and data security provisions with respect to Subscriber's account information and other private data, Subscriber agrees to execute any documents necessary to authorize CEF to withdraw Subscription Payments from Subscriber's designated account on a monthly basis no later than the Subscription Payment due date described in Section 4.2.

4.4. Late Payment Penalties. (a) If Subscriber fails to pay any amount due to CEF, in full, by the scheduled due date, Subscriber will be charged interest on the outstanding balance accruing at the rate of six percent (6%) per year from the due date until the balance is paid in full.

(b) Except to the extent Subscriber is disputing all or a portion of a Subscription Payment pursuant to Section 4.5, if Subscriber fails to make a Subscription Payment in full within the time required by Section 4.2, CEF shall have the right to temporarily remove Subscriber from the Program until (1) Subscriber cures its non-payment in full, including any accrued interest or (2) this agreement is terminated pursuant to Section 11.2. If Subscriber cures its non-payment in full prior to termination of this agreement by CEF, CEF will use reasonable efforts to restore Subscriber and its Allocation in the CSG system as soon as practicable. The temporary removal of Subscriber or its Allocation from the CSG system may cause Subscriber not to receive Bill Credits for some corresponding period of time, but CEF will not bill Subscriber for any Bill Credits which Subscriber does not receive. Temporary removal of Subscriber or its Allocation may result in a reduction of benefits under Section 7.2 and Exhibit A.

4.5. Disputed Payments. If Subscriber disputes any amount invoiced by CEF, Subscriber shall pay the undisputed amount of the invoice when due and notify CEF in writing of the nature of the dispute. The parties shall utilize the dispute resolution process of this agreement to resolve any dispute as quickly as practicable. If some or all of the amount in dispute is subsequently deemed to have been due to CEF, Subscriber shall pay the amount due, along with interest on the amount due at the rates forth in Section 4.4(a).

4.6. Billing Adjustments Following Xcel Billing Adjustments. If, for reasons other than negligence or other actions of CEF, Xcel determines that the Garden's total energy production is different than previously calculated and results in Xcel Energy reducing Subscriber's prior Bill Credit amount, CEF agrees to reimburse Subscriber for the amount of any Subscription Payment paid by Subscriber in proportion to the Bill Credit reduction action by Xcel Energy. If Xcel increases the amount of Bill Credits allocated to Subscriber as a result of such adjustment under this section, CEF will invoice to the Subscriber, and Subscriber agrees to pay to CEF, the additional applicable additional Subscription Payment for the adjusted period, according to the Subscription Payment Rates and the terms of conditions of this agreement.

5. CEF Obligations.

5.1. Application Process. CEF must apply to the Department of Commerce and the Garden must be approved by the Department of Commerce to participate in its Program. CEF agrees to comply with all Program requirements.

5.2. Design and Implementation. CEF agrees to develop, design, finance, and construct the Garden, including but not limited to site acquisition; entering into an agreement with Xcel Energy that allows the Garden to interconnect with Xcel ("Interconnection Agreement"); selection and procurement of Garden components; construction and installation; and final testing and commissioning.

5.3. Timeliness. CEF will use commercially reasonable efforts to complete construction and installation of the Garden within the time allowed by Applicable Laws.

5.4. Subscriber Information. CEF will submit to Xcel required Subscriber data to enroll the Subscriptions in Xcel's billing management system for proper application of the Bill Credits to Subscriber's retail Xcel account at the Eligible Address.

5.5. Insurance. CEF agrees to secure and maintain liability and other insurance necessary to protect CEF and the Garden against material risks which might adversely affect the operation of the Garden during the Term of this agreement.

5.6. Repair and Maintenance. CEF agrees to maintain, repair, and replace the Garden components in accordance with Applicable Laws and manufacturer and insurance requirements. All upgrades, maintenance, and repairs will be performed in accordance with industry standards.

5.7. Production Data. CEF agrees to provide Xcel with the Subscription Allocation and similar allocations for all Garden subscribers, and shall provide, or allow Xcel to directly procure from the Garden meter, production information for the Garden, in order that Xcel may calculate and apply Bill Credits to Subscriber's retail account with Xcel.

5.8. Compliance. CEF shall operate the Garden in compliance with the Program and all Applicable Laws.

5.9. Unscheduled Outage. After the Commencement Date, CEF agrees to provide notice to Subscriber of the occurrence of any unscheduled outage in excess of 100 kW at the Garden and lasting longer than one hundred eighty (180) days, with the notice to include any expected lost electricity generation. CEF does not need to provide such notice for scheduled maintenance outages or minor outages occurring in the ordinary course of operation.

6. **CEF Disclosures**.

6.1. Required Disclosures. In addition to the disclosures made in this Subscription Agreement, CEF has provided to the Subscriber, and Subscriber has confirmed receipt via Subscriber's dated signature, the Department of Commerce's Subscriber-Information Disclosure Form Cover Sheet as required by the Program.

7. Disclaimers.

7.1. Production. Subscriber will not be charged by CEF for any electricity not produced by the Garden. CEF makes no representation or warranty as to the likelihood that the Garden will generate any specific or minimum amount of electricity or sufficient electricity so as to create any specific or minimum amount of Bill Credits to Subscriber during any period of time or over the Term of this agreement as a whole. CEF has relied on industry best practices in establishing the good-faith energy production estimates in Exhibit A, including assumptions about expected solar resources at the Garden location, using industry-standard electric generation estimating software, Garden equipment projected performance provided by manufacturers and testing laboratories and other factors which are not within the control of CEF. The actual production of electricity by the Garden and delivery of electricity to Xcel is subject to lack of sunlight, other adverse weather, equipment failures, curtailments or outages and Force Majeure events. Any production estimates communicated by CEF to Subscriber of expected electricity generation at any time or over any period of time is purely an estimate based on the information available to CEF at the time and is not a guarantee that any such production will occur or that any minimum or particular amount of electricity will be generated at any time or over any period of time.

7.2. Subscription Value. Even with the good-faith estimates provided to Subscriber in Exhibit A, CEF makes no representation or warranty as to the likelihood that Subscriber's Subscription will create any specific or minimum amount of economic benefit to Subscriber over any period of time or over the Term of this agreement as a whole. The estimate of potential benefits contained in Exhibit A is based on a number of assumptions about continuation of Applicable Laws and a number of other factors beyond CEF's control. However, as described in Section 2.8(e), in no case shall Subscriber's cost of the Subscription exceed the Bill Credit provided by Xcel for the Subscribed Energy.

7.3. Tax Treatment of Subscription and Bill Credits. CEF and Subscriber recognize that Xcel makes no representations or warranties to Subscriber about the tax treatment of the Subscription or of the Bill Credits received by Subscriber from Xcel, or about any other tax issue or obligation of Subscriber related to the Subscription, Bill Credits, Subscriber's receipt of Bill Credits, or this agreement. CEF makes no representation or warranty as to whether Subscriber will incur federal, state, local, or other tax liabilities associated with its acquisition of the Subscription or receipt of Bill Credits from Xcel. Subscriber agrees that it will not rely on CEF for any such advice and that Subscriber will consult its own tax advisors for any such information if needed. Subscriber shall be responsible for payment of taxes, if any, assessed to Subscriber and related to Subscriber's receipt of Bill Credits.

7.4. Taxes Owed by Garden. CEF agrees that it is and will continue to be responsible for payment of all taxes assessed or imposed against the Garden, including any state solar production tax and with respect to amounts received by CEF from the sale of electricity to Xcel or from subscribers, including Subscriber.

7.5. Securities. CEF does not makes any representation or warranty concerning the implication of any federal or state securities laws with respect to this agreement or the Subscription. Neither this agreement nor the Subscription have been registered under the Securities Act of 1933, as amended, or any state securities laws. CEF does not believe this agreement or the Subscription constitutes a security governed by such laws. CEF's conclusion is based in part in reliance on the understanding that Subscriber is acquiring the Subscription for personal use only and not for the purpose of resale or distribution.

8. **Early Termination; Transferability and Loss of Eligibility**.

8.1. General. The validity of the Subscription is dependent upon, among other things, Subscriber's continuing compliance with the Subscriber Eligibility Criteria at the Eligible Address and payment of the Subscription Payments. The Subscription is not transferable to third parties, other physical addresses, or other Xcel accounts except as set forth below and under Applicable Laws and Program requirements and guidelines. The Subscription is not transferable by Subscriber at any time when Subscriber is in default under this agreement, including for failure to pay a Subscription Payment, unless the terms of the transfer provide for cure of the default, including payment of any overdue Subscription Payment and accrued interest, as approved by CEF at CEF's sole discretion.

8.2. Subscriber Relocation or Sale of Eligible Address. (a) If Subscriber moves and is no longer the Xcel account-holder at the Eligible Address during the Term, Subscriber may elect to transfer the Subscription to a new address upon ninety (90) days prior written notice to CEF of its intent to move and prompt notice of the new address after becoming aware of the new address if the following qualifications are met: (1) Subscriber assumes or establishes a new retail electric account with Xcel at the new address and (2) Subscriber continues to make Subscription Payments when due at the Eligible Address.

(b) If Subscriber plans to move and will no longer be the Xcel account-holder at the Eligible Address during the Term, and Subscriber will no longer be eligible to establish a new retail electric account with Xcel at its new address, Subscriber shall provide one hundred eighty (180) days prior written notice to CEF and continue to make Subscription Payments at the Eligible Address for the full 180 days. Subscriber may elect to transfer all or a portion of the Allocation and Subscription to one or more eligible transferees in accordance with Section 8.3, and Subscriber shall be permitted up to one hundred twenty (120) days from the date of its notice to complete transfer of the applicable portion of the Allocation and Subscription to one or more eligible transferees. If a transfer is not completed within the 120-day period, this agreement shall be terminated by the parties effective as of the date Subscriber is no longer the account holder at the Eligible Address, provided that CEF may continue to work with any potential transferee for a new subscription agreement. A transfer to a purchaser of the real property at the Eligible Address is permitted subject to Section 8.3.

8.3. Transfer to Other Eligible Customers. The Subscription or any portion thereof may be voluntarily transferred to any person or entity who, at the time of the transfer, meets the Subscriber Eligibility Criteria to serve as the designated Backup Subscriber, and whose participation as a subscriber in the Garden in the amount represented by the Allocation and Subscription to be transferred will not cause the Garden to no longer be eligible under the Program or otherwise not comply with Applicable Laws. In addition, the validity of any such transfer is expressly conditioned upon:

(1) One hundred eighty (180) days' prior written notice to CEF identifying the proposed transferee, providing the physical address at which they take electric service from Xcel, their Xcel account number and all other information needed to determine their eligibility to be a subscriber under Section 3;

(2) receipt by CEF and Xcel of authorizations from the proposed transferee needed to access their Xcel account data;

(3) determination by CEF that the proposed transferee is eligible to be a subscriber in the Garden and that their participation as a subscriber will not cause the Garden to fail to be eligible as a CSG or otherwise not comply with the Program and any Applicable Laws;

(4) the proposed transferee's express written assumption of this agreement or execution and delivery of a new subscription agreement with CEF as to the Subscription on terms acceptable to CEF, including the cure of any prior defaults of Subscriber existing under this agreement, and termination of this agreement; and

(5) Subscriber shall not charge any fee or make any profit on the transfer.

Once any proposed transfer meets these criteria, CEF shall arrange the delivery of data to the Department of Commerce and to Xcel as necessary to effectuate the transfer of the applicable Bill Credits and reflect the change in subscribers.

8.4. Involuntary Transfers. Upon learning of any potential or actual transfer of title or control of the Eligible Address or Subscription, or portion thereof, due to bankruptcy, foreclosure, divorce, death, or operation of law for other reasons, Subscriber or the transferee must notify CEF immediately. During any period of time in which a trustee, receiver, creditor, personal representative, or other transferee is in possession of the Eligible Address and assumes responsibility as the account-holder with Xcel at the Eligible Address, and pays the applicable Subscription Payments, such transferee shall be deemed to have succeeded to the rights of Subscriber under this agreement at the Eligible Address during the period of its possession. Upon the transfer of title to the property and Xcel account at the Eligible Address and the Subscription to a creditor or other third party by operation of law, the transferee shall notify CEF of the transfer. If the transferee meets all Subscriber Eligibility Criteria, the transfer shall be treated as a transfer of the Subscription to such transferee upon completion of the conditions set forth in Section 8.3 (1) through (5). If one or more transferees does not meet the conditions of Section 8.3, then CEF may terminate this agreement.

8.5. Transfer Timeline. CEF may immediately terminate this agreement if Subscriber fails to provide prompt notice of a proposed transfer and related information as required above in Sections 8.2 through 8.4 or to meet any other conditions to a transfer. Upon Subscriber and transferee notice and submission of all necessary information, CEF will use all commercially reasonable efforts to implement a proposed transfer within sixty (60) days.

8.6. Transfer Fee. For any transfer occurrence pursuant to Section 8.2(b), 8.3, or 8.4, Subscriber shall pay CEF an administrative fee of seventy-five dollars ($75) ("Transfer Fee), unless waived by CEF.

8.7. Subscriber's Right to Terminate. Subscriber has the right to terminate this agreement by providing CEF one hundred eighty (180) days advance written notice of any relocation or other change in its ability to meet Subscriber Eligibility Criteria as required in Section 3 or otherwise elects to terminate this agreement for any reason, and does not transfer, or cannot transfer, the Subscription to another eligible Xcel customer of the same Subscriber Type as Subscriber. Written notice must be provided to CEF in accordance with Section 13.1. If the Commencement Date occurred prior to the termination date, Subscriber shall continue to make Subscription Payments, as described in Section 4, for the Subscribed Energy generated during this 180-day period. The Subscription shall terminate one hundred eighty (180) days from the date CEF receives written notice.

8.8. Early Termination Fee. If Subscriber provides one hundred eighty days prior notice of any relocation or other change in its ability to meet the Subscriber Eligibility Criteria as required in Sections 8.2-8.4 and continues to make all Subscription Payments due prior to the transfer or termination of this agreement, then Subscriber shall not be obligated to pay the Early Termination Fee to CEF. In the event CEF terminates this agreement pursuant to Section 11.2 due to an uncured default by Subscriber, or the Subscriber or a transferee fails to give one hundred eighty (180) days prior notice of the occurrence of items (1), (2), or (3) below and pay all Subscription Payments due prior to transfer or termination of this agreement, Subscriber shall be obligated to pay CEF a fee ("Early Termination Fee") to offset its costs:

(1) Subscriber will no longer satisfy the Subscriber Eligibility Criteria, whether due to a move pursuant to Section 8.2(b) or otherwise, and does not transfer, or cannot transfer, the Subscription to another eligible Xcel customer;

(2) all or a portion of the Subscription or this agreement is transferred by operation of law as described in Section 8.4 to an ineligible person or entity; or

(3) Subscriber otherwise elects to end or terminate its Subscription.

The Early Termination Fee shall be due in addition to any unpaid Subscription Payments due from Subscriber for Subscribed Energy. The Early Termination Fee shall equal the product of (A) the then-applicable Subscription Payment Rate, (B) the affected Allocation, and (C) the estimated Net Energy Production of the CSG for (i) the one hundred eighty (180) days after termination of this agreement where termination is due to an uncured default by Subscriber or (ii) for the number of calendar days between transfer or termination of this agreement and the date that is one hundred eighty (180) days after Subscriber provided notice where Subscriber has provided shorter notice than the required 180-day period but meets its other obligations under this agreement prior to termination or transfer of the agreement. The Early Termination Fee shall be payable within ten (10) days after an invoice for the Early Termination Fee is received from CEF.

9. **Privacy; Data Sharing; Confidentiality**.

9.1. Subscriber Data. CEF will not disclose personal Subscriber data or information to any person except (i) Xcel and the Department of Commerce, to the extent required by Applicable Laws for the purpose of administration of the Subscription; (ii) attorneys, accountants, and agents of CEF to the extent necessary for them to render advice or perform professional services associated with the Garden or this agreement; and (iii) as otherwise required by Applicable Laws. Account data of Subscriber in the possession of CEF for purposes of Section 2.5 shall be kept strictly confidential and disclosed only to those employees or contractors of CEF who need to use it to effect such payments. Any third-party contractors will be subject to these requirements to keep the data confidential, and CEF shall be responsible for compliance by its third-party contractors.

9.2. Privacy. Subscriber data shared with Xcel will be subject to Xcel's data privacy policy, which Subscriber may request from Xcel or from the Department of Commerce.

9.3. Confidential Information of CEF. Certain information and data provided by CEF with respect to the Garden, the Subscription, or other aspects of CEF's business may be designated by CEF as confidential and proprietary information ("CEF Data"). Subscriber agrees not to share any CEF Data with any other person, including any other developer of community solar garden projects, except for Subscriber's accountants, attorneys, or other advisers for purposes of assessing whether to enter into this agreement and for tax filings and similar purposes. **CEF designates this agreement and all of its terms, conditions, pricing and other information as "CEF Data" which Subscriber must treat as confidential information.**

9.4. Use of Summary Data. Subscriber agrees that CEF may compile and make public certain summary data about the Garden which does not disclose or allow any person to determine information or data about Subscriber. Summary data which may be disclosed includes:

(1) aggregate electricity generation by the Garden, either in real-time or over any period of time;

(2) total number of Garden subscribers and average size of Garden subscriber allocations at any time;

(3) aggregate bill credits received by Garden subscribers; and

(4) average or aggregate financial benefits or the amount or value of Bill Credits for subscribers in the Garden alone or together with other community solar gardens managed by Cooperative Energy Futures and its affiliates.

10. **Dispute Resolution and Complaints**.

10.1. Privacy. Subscriber data shared with Xcel will be subject to Xcel's data privacy policy, which Subscriber may request from Xcel or from the Department of Commerce.

10.2. Xcel Disputes. Subscriber agrees to direct to Xcel for resolution when Subscriber disputes or questions Xcel's application of the Bill Credits associated with its Subscription on Subscriber's retail electric bill, including the applicable CSG Rate. Subscriber may request that CEF assist Subscriber in this respect. If the dispute or question is not resolved to the Subscriber's satisfaction, Subscriber has the right to complain directly to the PUC at the following address:

Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, MN 55101
Tel: (651) 296-7124
Toll free: (800) 657-3782
Fax: (651) 297-7073
consumer.puc@state.mn.us

10.3. Complaints. (a) Complaints or inquiries about this agreement shall be directed to CEF at the address and phone number listed above. Notice shall be deemed delivered upon receipt or refusal, if personally delivered, upon the date of actual delivery or refusal shown on the courier's delivery receipt if sent by overnight courier, and on the fourth business day after deposit in the U.S. mail if sent by certified mail. Any party may change the address for notice by notice to the other party. Notice by electronic mail shall be made to an address provided by Subscriber and CEF shall be entitled to conclusively presume that the address provided by Subscriber is, and remains, accurate, until notified otherwise by Subscriber. Notice by electronic mail to the address provided by Subscriber shall be considered received upon the day of transmission, if sent before or during normal business hours, or the next day if sent after normal business hours, unless a message stating that the email was undeliverable at the address is received by CEF.

(b) If the complaint cannot be resolved, the Subscriber has the right to contact the Minnesota Department of Commerce Division of Energy Resources at 651-539-1886 and via email to CommunitySolar@state.mn.us.

10.4. Disputes Among Parties. Any dispute or issue arising from or related to this agreement, the Subscription, or the Garden, including, but not limited to, the determination of Subscribed Energy, which are not resolved by communications between Subscriber and CEF representatives informally shall be submitted to the other Party in writing at the address below. CEF shall assign an officer or senior management to address or negotiate a resolution with Subscriber. If a resolution is not reached within ten (10) days or such longer period as the parties may agree, either Party shall be entitled to pursue any other remedies it may have available by law.

11. **Events of Default.**

11.1. Events of Default. Each of the following events shall be an Event of Default under this agreement:

(1) A representation or warranty by a party in this agreement, or any eligibility information provided by Subscriber, is or becomes materially untrue, and the applicable Party fails to make the representation or warranty true within ten (10) days of notice from the non-defaulting Party.

(2) With respect to Subscriber, Subscriber fails to make any Subscription Payment when due, and fails to cure the default within ten (10) days after written notice of default from CEF or fails to make two consecutive Subscription Payments when due. For purposes of this provision, lack of funds in an account from which funds were to be withdrawn pursuant to Section 4.5 shall be deemed non-payment by Subscriber.

(3) With respect to Subscriber, Subscriber (or an involuntary transferee pursuant to Section 8.4) fails to meet the Subscriber Eligibility Requirements at any time during the Term and fails to cure the deficiency immediately after notice from CEF or Xcel, and Subscriber fails to provide notice or information required under Section 8.3, or does not or cannot transfer its Subscription to an eligible transferee within the period allowed by this agreement;

(4) With respect to CEF, the Garden becomes ineligible as a CSG during the Term, or Interconnection Agreement is terminated, and CEF does not provide substitute capacity from another CSG to replace Subscriber's Allocation within thirty (30) days; or

(5) A party breaches any other material obligation, term, or provision of this agreement and fails to cure the breach within thirty (30) days of written notice of the breach from the non-defaulting party.

11.2. Termination. In the event a defaulting party fails to cure an Event of Default within the applicable cure period, the non-defaulting party may terminate this agreement by notifying the defaulting Party in writing. Upon termination of this agreement by the non-defaulting Party for an uncured Event of Default, neither party shall have any further obligations to the other party under this agreement except for payments or obligations arising or accruing prior to the effective date of termination, including Subscription Payments for Bill Credits received. Upon termination of this agreement for any reason, Subscriber's right to receive Bill Credits shall end and CEF may notify Xcel to remove Subscriber as a subscriber with respect to the Garden, and Subscriber shall no longer receive Bill Credits associated with the Subscription.

11.3. Ineligible Bill Credits. In the event Subscriber is determined to have been ineligible to receive Bill Credits from Xcel with respect to its Subscription for any period of time during the Term, and Xcel seeks recovery of the value of such Bill Credits from Subscriber, CEF shall have no liability to Subscriber for the value of any such Bill Credits unless the lack of eligibility was due to a breach by CEF of its obligations under this agreement.

11.4. No Consequential Damages. No party shall be liable to the other party for any indirect, special, punitive, exemplary, incidental, or consequential damages, whether arising in contract, tort, under statute, or in equity, and each Party waives its rights to any such damages. The Early Termination Fee and Transfer Fee are agreed to be compensation for costs and direct damages incurred by CEF and are not barred by this provision.

11.5. Force Majeure. If the performance of this agreement is prevented or substantially restricted or interfered with by reason of an event of Force Majeure as defined in Section 1, the affected party, upon giving notice to the other party, shall be excused from such performance to the extent of and for the duration of such prevention, restriction, or interference. The affected party shall use its reasonable efforts to avoid or remove such causes of nonperformance and shall continue performance as soon as such causes are removed.

11.6. Financing; Assignment by CEF; Opportunity to Cure. In order to secure financing for the Garden, without obtaining the consent of the Subscriber or providing prior notice to the Subscriber, CEF may (1) assign its rights and interests in this agreement to an affiliate or to a successor by acquisition, merger or reorganization, (2) mortgage, pledge, or collaterally assign this agreement and the Garden to any financier; and (3) assign this agreement and the Garden to any entity through which CEF is obtaining financing or capital. In the event a financier acquires CEF's rights and obligations under this agreement and the Garden by foreclosure or otherwise, the financier may assign, sell, or transfer its interests in this agreement and the Garden to any other person without Subscriber's consent. Once this agreement has been assigned or otherwise mortgaged or pledged to a financier, if an Event of Default occurs by CEF, any financier shall have no less than thirty (30) days after receipt of such notice from Subscriber to cure any default, or if the default cannot reasonably be cured within thirty (30) days, and the financier commences and diligently pursues a cure for the default within the thirty (30) day period, then the financier shall have up to an additional ninety (90) days to cure the default.

12. **Representations**.

12.1. General Representations. Each party represents and warrants to the other party as of the Effective Date that:

(1) it is duly organized and validly existing and in good standing in the jurisdiction of its organization;

(2) it has the full right and authority to enter into, execute, deliver, and perform its obligations under this agreement;

(3) it has taken all requisite corporate or other action to approve the execution, delivery, and performance of this agreement;

(4) this agreement constitutes its legal, valid, and binding obligation enforceable against such party in accordance with its terms;

(5) there is no litigation, action, proceeding or investigation pending or, to the best of its knowledge, threatened before any court or other governmental authority by, against, affecting or involving any of its business or assets that could reasonably be expected to adversely affect its ability to perform its obligations; and

(6) it is not currently the debtor in any bankruptcy, insolvency, liquidation or similar proceeding, has no present intent to seek protection under any bankruptcy, insolvency, liquidation or similar laws providing relief for creditors, and to the best of its knowledge, no other person intends to pursue any action to involuntarily subject the party to any bankruptcy, insolvency, liquidation or similar proceeding.

12.2. Subscriber Representations. Subscriber further represents to CEF that the information provided to CEF in this agreement, its Exhibits, and any other application materials or income verification materials is true and correct as of the Effective Date.

13. **Miscellaneous.**

13.1. Notice. All notices or other communications required or permitted to be given under this agreement will be in writing and delivered by hand, sent by facsimile or electronic mail, or sent, postage prepaid, by U.S. mail or reputable courier service to the respective parties as follows.

To Subscriber:	City of Mankato Attn: Rick Baird 10 Civic Center Plaza Mankato, MN 56001 (507) 387-8543 E-mail: rbaird@mankatomn.gov
To CEF:	C/o Cooperative Energy Futures Attn: Subscription Manager P.O. Box 17207 Minneapolis, MN 55417 (612) 568-2334 E-mail: contact@cooperativeenergyfutures.com

13.2. Assignment. Except as otherwise provided in this agreement, neither party may assign this agreement without the prior written consent of the other party. Any purported assignment without the required consent shall be void.

13.3. No Third Party Beneficiaries. Nothing in this agreement shall be construed to create any duty to, or standard of care with reference to, or liability to, any person not a party to this agreement. No provision of this agreement is intended to nor shall it in any way inure to the benefit of any third party so as to constitute any such person a third party beneficiary under this agreement, or of any one or more of the terms of this agreement, or otherwise give rise to any cause of action in any person not a party to this agreement.

13.4. Entire Agreement. It is mutually understood and agreed that this agreement and the attached exhibits constitute the entire agreement between Subscriber and CEF and supersedes any and all prior oral or written understandings, representations or statements, and that no understandings, representations or statements, verbal or written, have been made which modify, amend, qualify or affect the terms of this agreement. This agreement may not be amended except in a writing executed by both parties.

13.5. Governing law. This agreement governed by the laws of the State of Minnesota.

13.6. Waiver. Neither party shall be deemed to have waived any provision of this agreement or any remedy available to it unless such waiver is in writing and signed by the party against whom the waiver would operate. Any waiver at any time by either party of its rights with respect to any rights arising in connection with this agreement shall not be deemed a waiver with respect to any subsequent or other matter.

13.7. Relationship of Parties. The duties, obligations and liabilities of each of the parties are intended to be several and not joint or collective. This agreement shall not be interpreted or construed to create an association, joint venture, fiduciary relationship or partnership between the parties or to impose any partnership obligation or liability or any trust or agency obligation or relationship upon either party. CEF and Subscriber shall not have any right, power, or authority to enter into any agreement or undertaking for, or act on behalf of, or to act or be an agent or representative of, or to otherwise bind, the other party. This agreement is a services contract pursuant to Section 7701(e)(3) of the Internal Revenue Code.

13.8. Severability. Should any provision of this agreement be or become void, illegal or unenforceable, the validity or enforceability of the other provisions of this agreement shall not be affected and shall continue in full force. The parties will, however, use their best efforts to agree on the replacement of the void, illegal or unenforceable provisions with legally acceptable clauses which correspond as closely as possible to the sense and purpose of the affected provision and this agreement as a whole.

13.9. Counterparts; Electronic Signatures. This agreement may be executed in two or more counterparts and by different parties on separate counterparts, all of which shall be considered one and the same agreement and each of which shall be deemed an original. To the extent permitted by Applicable Laws, this agreement may be executed electronically and delivered by electronic transmission, and such electronic signatures shall be deemed original signatures for all purposes.

[signatures appear on following pages]

The parties are signing this agreement on the date stated in the introductory clause.

CEF Mankato Community Solar, LLC,
a Minnesota limited liability company

By: ____________________________________
Printed Name: Timothy DenHerder-Thomas
Title: President

City of Mankato,
a Minnesota municipal corporation

By: ____________________________________
Printed Name:

EXHIBIT A

ESTIMATED PRODUCTION, SUBSCRIPTION PAYMENT RATE, AND SUBSCRIPTION BENEFITS

Subscription Year	Estimated CSG Production (kWh)	Allocation (%)	Estimated CSG Rate ($/kWh)	Estimated Subscription Payment Rate ($/kWh)	Estimated Cost/Benefit ($)
1	2,003,425	14.66%	$0.10582	$0.09500	$3,178.02
2	1,993,408	14.66%	$0.10899	$0.09690	$3,534.63
3	1,983,441	14.66%	$0.11226	$0.09884	$3,904.24
4	1,973,524	14.66%	$0.11563	$0.10081	$4,287.23
5	1,963,656	14.66%	$0.11910	$0.10283	$4,684.00
6	1,953,838	14.66%	$0.12267	$0.10489	$5,094.95
7	1,944,069	14.66%	$0.12635	$0.10699	$5,520.51
8	1,934,348	14.66%	$0.13015	$0.10913	$5,961.09
9	1,924,676	14.66%	$0.13405	$0.11131	$6,417.14
10	1,915,053	14.66%	$0.13807	$0.11353	$6,889.12
11	1,905,478	14.66%	$0.14221	$0.11580	$7,377.48
12	1,895,950	14.66%	$0.14648	$0.11812	$7,882.70
13	1,886,471	14.66%	$0.15087	$0.12048	$8,405.27
14	1,877,038	14.66%	$0.15540	$0.12289	$8,945.70
15	1,867,653	14.66%	$0.16006	$0.12535	$9,504.49
16	1,858,315	14.66%	$0.16486	$0.12535	$10,765.20
17	1,849,023	14.66%	$0.16981	$0.12535	$12,052.12
18	1,839,778	14.66%	$0.17490	$0.12535	$13,365.92
19	1,830,579	14.66%	$0.18015	$0.12535	$14,707.30
20	1,821,426	14.66%	$0.18556	$0.12535	$16,076.96
21	1,812,319	14.66%	$0.19112	$0.12535	$17,475.64
22	1,803,258	14.66%	$0.19686	$0.12535	$18,904.08
23	1,794,241	14.66%	$0.20276	$0.12535	$20,363.05
24	1,785,270	14.66%	$0.20884	$0.12535	$21,853.32
25	1,776,344	14.66%	$0.21511	$0.12535	$23,375.71
TOTAL	47,192,582				$260,525.86

The CSG Rate for the first Subscription Year is $ 0.10582 / kWh, after which the CSG Rate is based on reasonable estimates because the average retail rate will change from time to time (as approved by the PUC). The Estimated Subscription Payment Rate includes a two percent (2%) escalator through Subscription Year 15. Costs and benefits shown equal the difference each year between the Subscription Payment Rate and CSG Rate multiplied by the estimated annual Subscribed Energy. Estimated Production was determined with PVSyst software using publicly available historical data for solar resources at the site of the Garden, the manufacturer's specifications for production capability of the solar modules, and reduction for estimated losses for Garden usage and conversion, module degradation, and transmission and transformation of the electricity generated by the Garden.

EXHIBIT B

SUBSCRIBER ELIGIBILITY

1. Name of Subscriber: City of Mankato
2. Xcel Service Address (Eligible Address): 1 Civic Center Plaza
Mankato, MN 56001-7777
Premise #: 302162209
3. Xcel Energy Account Number: 51-8461381-4
4. Subscriber Rate Class: General Service

SUBSCRIBER INFORMATION DISCLOSURE FORM

The purpose of this form is to provide Community Solar Garden Subscribers with a straightforward, uniform, and transparent resource to evaluate potential transactions under Minnesota's Low and Moderate-Income Accessible Community Solar Garden program. This document is not your contract. Read this document and your contract carefully so that you fully understand your contract.

Community Solar Subscribers do not directly purchase solar electricity. Instead, participants purchase a subscription in exchange for solar garden bill credits that will be applied to their utility bill. The cost of a Subscriber's community solar garden subscription must not exceed the value of the Subscriber's community solar garden bill credit. For income-eligible households, the cost of the community solar garden subscription must not exceed 90 percent of the Subscriber's community solar garden bill credit and must not include any fees at the time the subscription is executed.

SUBSCRIBER INFORMATION	SUBSCRIBER ORGANIZATION INFORMATION
Customer Name: City of Mankato	Company: CEF Mankato Community Solar, LLC
Name on Electric Bill (if different):	Street Address: c/o Cooperative Energy Futures P.O. Box 17207
Street Address: 1 Civic Center Plaza	City, State, Zip: Minneapolis, MN 55417
City, State, Zip: Mankato, MN 56001	Phone: (612) 568-2334
Phone: (507) 387-8543	Email: contact@cooperativeenergyfutures.com
Email: rbaird@mankatomn.gov	Contact Name: Mary Kay Olson

COMMUNITY SOLAR GARDEN SYSTEM INFORMATION		Reference Page or Section
Project Name	CEF Mankato Community Solar	Page 1
Project Location	55026 Gadwall Rd, Mankato, MN 56001	Page 1
Project Size (kW AC):	990 kW AC	Page 1
Estimated Operation Date:	November 2024	Page 1
YOUR SUBSCRIPTION & COST INFORMATION		
Subscriber Type	Backup Subscriber	Sections 2.3, 3.1; Exhibit B

Subscription Size (kW AC)	14.66% of the community solar project nameplate capacity. Total nameplate capacity is 990 kW AC. Estimated energy produced by this % share is 293,717 AC kWh/Year. The Community Solar Garden produces electricity in Direct Current (DC) before it is converted to Alternating Current (AC). Measured in DC, the total nameplate capacity is 1,238 kW DC and your Subscription Size is 181.5 kW DC.	Section 2.2
Subscription Model	Your subscription cost is variable. It is based on the actual kWh the garden produces. Your subscription size is a $/kWh for your share of total garden output over the previous month.	Section 2.8
Prices and Fees	You will be required to make nonrefundable monthly subscription payments. Your subscription price will be $0.095/kWh] for the first year the project is operating, and the amount you pay will be that price multiplied by your portion of the garden's total production. As a result, your subscription cost can vary greatly from month to month because the garden's production will vary from month to month. You will receive a community solar garden credit on your Xcel Energy bill at a rate of $0.10582/kWh, multiplied by your share of the garden's total production. This rate is adjusted by the PUC from time to time. Your per-kilowatt-hour subscription rate will increase two percent (2.0%) each year for the first 15 years, and then stay flat at the year 15 value. This subscription agreement guarantees your subscription payments will not exceed the value of your bill credits from Xcel Energy. Your subscription does not require any upfront charges, but we invite subscribers become cooperative members of Cooperative Energy Futures for a one-time cost of $25.00, and signing our Membership Agreement, enabling you to vote on major decisions affecting the cooperative, elect our Board of Directors, and share in co-op profits.	Section 2.8; Exhibit A
Payment Details	You will receive a monthly electronic invoice sent to your email address above unless you notify CEF that you would prefer to receive invoices by mail, in which case a paper invoice will be sent to your U.S. mail address above. Your invoice will be due within 15 days of the date invoiced by CEF. Your monthly subscription payment will be made on the due date via Automatic payment (via ACH) unless you arrange other methods approved by CEF. The one-time membership cost (if applicable) of $25.00 can be made via check or other method.	Sections 4.1 – 4.3
Penalties	Any late subscription payments (i.e., not paid within 15 days after invoice is issued) are charged interest on outstanding payments which will accrue interest of six percent (6%) annual percentage rate, calculated on a monthly basis, until the late payment balance and interest accrued is paid in full. Late payment charges are nonrefundable.	Section 4.4

	CEF has the right to temporarily remove you as a subscriber from the garden for missing subscription payments until you have paid balances due in full.	
Benefits	The actual or assumed current bill credit rate is $0.10582/kWh. In the first year, CEF estimates that your bill credit will exceed your subscription payments by $0.01082/kWh) resulting in an estimated $3,178 in savings.	Section 2.9; Exhibit A.
Guarantees or Fixed Savings	This agreement guarantees that your subscription payments will not exceed your bill credits from Xcel Energy. This agreement does not guarantee savings. The subscription price is based on the amount of electricity the garden produces each month. For example, if the garden does not produce any electricity for any month, your subscription cost that month would be zero. The Subscription Agreement does not guarantee any specific production amount from the garden, though CEF is heavily incented to ensure solar garden production to provide the ongoing revenue required to stay in business.	Section 2.8(e)
Contract Term	This contract is effective on [effective date]. The Subscription Agreement will remain in effect for 25 years after the first day of the first month immediately following the date the CEF Mankato Community Solar project begins operating unless cancelled prior to the contract end date.	Section 2.10
Contract Renewal	This Subscription Agreement does not have an option for renewal at the end of the 25 year term.	Section 2.10(a)
Early Termination or Cancellation – RESIDENTIAL SUBSCRIBERS	N/A.	
Early Termination or Cancelation – NON-RESIDENTIAL SUBSCRIBERS	The subscriber may terminate the Subscription Agreement for any reason with 180-day notice. An early termination fee will apply if Subscribers fails to comply with the notice requirements.	Section 8
Right to Cancel Without Penalty	In addition to any rights you have under State or local law, you have the right to terminate this contract without penalty **within three business days** of signing the contract, by contacting your Subscriber Organization: Mary Kay Olson, contact@cooperativeenergyfutures.com, (612) 568-2334	Sections 2.12, 13.1
Transferring or moving a subscription	The subscription is transferrable and portable, but only within Xcel Energy's service territory in Minnesota.	Section 8
Data Sharing and Privacy Policy	CEF will not disclose personal subscriber information or other data to anyone, except for the following circumstances: (i) to Xcel Energy or the Minnesota Department of Commerce, and only as required by law for the purpose of administering your Subscription and participation in the Program; (ii) to CEF's attorneys, accountants and other employees or consultants, and only as required for these professionals to provide advice to CEF or perform services associated with the Program, the garden or the Subscription Agreement;	Sections 9.1 – 9.2

	(iii) as required by an officer of the law. CEF requires that all of its attorneys, accountants, employees and consultants follow this confidentiality and data privacy requirement, in addition to all of Minnesota applicable laws. CEF is responsible for ensuring that these professionals comply with this policy. Further, any information shared with Xcel Energy or the Minnesota Department of Commerce is subject to Minnesota law and Xcel Energy's data privacy policy.	
Other Important Terms	N/A.	

Note:

A Renewable Energy Certificate (REC) represents the environmental attributes associated with one (1) megawatt-hour of renewable energy. RECs generated by a community solar facility are transferred to the qualified utility and are not the property of the Subscriber or the Subscriber Organization. While the Subscriber is not able to claim the purchase of renewable energy, participation in the community solar program does support additional development of renewable energy in Minnesota.

The value of the Solar Bill Credit for each Subscriber type is established by the Minnesota Legislature. The value is based on a percentage of the average retail rate of electricity for each individual Subscriber type and thus will be automatically adjusted with any changes in retail rates.

In case of Subscriber complaints: The Minnesota Department of Commerce urges subscribers to contact their Subscriber Organization's customer representative (named above) with any concerns or complaints about billing or terms of their agreements. If the complaint cannot be resolved, the subscriber should contact the Minnesota Department of Commerce Energy Division at 651-539-1886 or send an email to CommunitySolar@state.mn.us. After investigation of the complaint, the Department may refer unresolved issues to the Minnesota Office of the Attorney General for further action.

Certification of Receipt of Disclosure

I, ____, hereby affirm that I have received and understood the above information. I further confirm that I have had the chance to ask questions of the Subscriber Organization and have received sufficient answers, if applicable.

Date: ________________Signature: _______________________________________

Printed Name: ____

Certification of Delivery of Disclosure

I, ____, hereby affirm that I have provided and reviewed the above information with the Subscriber named here. I further confirm that I have provided sufficient answers to the questions of the Subscriber.

Date: ________________Signature: _______________________________________

Printed Name: ____

AGENDA RECOMMENDATION

Consent Calendar **6. F.**

City Council Regular Meeting

Meeting Date: 08/26/2024

Agenda Item:

Resolution authorizing the City Manager to enter into grant agreements with the FAA and MnDOT for Capital Improvement Project 11118; 2024 Airside Improvements at the Mankato Regional Airport (MKT).

Recommendation/Action(s):

Adoption of the attached resolution.

Summary:

The 2024 Airside Improvements project scope consists of the engineering and construction work for pavement rehabilitation of the concrete surface of Runway 15/33 and the asphalt surface on parallel Taxiway A. The work will include the sealing of cracks, repairing joint sealants, repairing spalls, and application of seal coat and pavement markings.

The bid package for this project included the crack sealing on Runway 15/33 and Taxiway A as a base bid with sealcoating and striping Taxiway A as a separate bid alternate. It was assembled this way based on possible funding limitations this year by the FAA and MnDOT Aeronautics, so the most favorable project, the crack sealing on Runway 15/33 and Taxiway A could proceed if funding limitations are placed on the project.

On May 13, 2024, the City Council conditionally awarded the 2024 Airside Improvements (base bid and bid alternate) to Fahrner Asphalt Sealers, LLC of Oakdale, MN in the amount of $192,357.64 pending confirmation that FAA and MnDOT funding are available and dedicated for this project and on August 20, staff received Grant Agreement 3-27-0055-035-2024 from the FAA acknowledging an encumbrance of $202,552 for their share of the project. Once this grant agreement is approved by the Council and fully executed, a MnDOT companion grant will be received by staff acknowledging an encumbrance of approximately $11,000.00 for their share of the project, making the City share of the project approximately $11,000.

Sources and uses presented to the Council on May 13 when the conditional award was approved are as follows, and while the amount in the federal grant varies slightly with what was presented on May 13 ($202,552 versus $200,121.88), the state and local will likely be slightly lower when we receive the MnDOT grant.

ITEM	COST
Project 11118 Base Bid	$109,467.00
Project 11118 Bid Alternate	$82,890.46
TOTAL CONSTRUCTION	**$192,357.64**
Engineering and Administration	$30,000.00
TOTAL	**$222,357.64**

SOURCE	FUNDING	PERCENT
FAA Share	$200,121.88	80%
State Share	$11,117.88	10%
Local Share	$11,117.88	10%
TOTAL	**222,357.64**	**100%**

Staff recommends approval of the resolution authorizing the City Manager to enter into the grant agreement with the FAA and to enter into the companion grant agreement with MnDOT when it is received without additional Council action.

Attachments

Resolution

Agreement

RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO GRANT AGREEMENTS WITH THE FAA AND MNDOT FOR CAPITAL IMPROVEMENT PROJECT NUMBER 11118; 2024 AIRSIDE IMPROVEMENTS AT THE MANKATO REGIONAL AIRPORT (MKT)

WHEREAS, On May 13, 2024 the City Council conditionally awarded the 2024 Airside Improvements to Fahrner Asphalt Sealers, LLC of Oakdale, MN in the amount of $192,357.64 pending confirmation that FAA and MnDOT funding are available and dedicated for this project, and

WEHERAS, the FAA has extended a grant agreement offer providing the city of Mankato financial support of Improvement Number AIP #3-27-0055-035-2024, and

WHEREAS, MnDOT will be extending a grant agreement offer providing the city of Mankato financial support of Improvement Number SP #A0701-124, and

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF MANKATO, MINNESOTA:

1. That the City Manager and the City Attorney are authorized to execute FAA agreements and any necessary changes to these agreements in accordance with Section 2.08 of the Mankato City Code on behalf of the City of Mankato for Improvement Number AIP #3-27-0055-035-2024, the 2024 Airside Improvements at the Mankato Regional Airport.

2. That the City Manager is authorized to execute MnDOT agreements and any necessary changes to these agreements in accordance with Section 2.08 of the Mankato City Code on behalf of the City of Mankato for Improvement Number SP #A0701-124, the 2024 Airside Improvements at the Mankato Regional Airport.

This resolution shall become effective upon its adoption.

Passed this 26th day of August 2024

____
Najwa Massad
Mayor

ATTEST:____________________________________
Renae Kopischke
City Clerk

U.S. Department Airports Division Dakota-Minnesota Airports of Transportation Great Lakes Region District Office
Federal Aviation Minnesota 6020 28th Ave S, Ste 102
Administration Minneapolis, MN 55450

{{August 20, 2024**DateTime_es_:signer1:calc(now()):format(date," mmmm d, yyyy")}}**

Ms. Susan Arntz
City Manager
10 Civic Center Plaza
PO Box 3368 Mankato,
MN 56002

Dear Ms. Arntz:

The Grant Offer for the Bipartisan Infrastructure Law (BIL) - Airport Infrastructure Grant (AIG) Project No. **3-27-0055-035-2024** at Mankato Regional Airport is attached for execution. This letter outlines the steps you must take to properly enter into this agreement and provides other useful information. Please read the conditions, special conditions, and assurances that comprise the grant offer carefully.

You may not make any modification to the text, terms or conditions of the grant offer.

***Steps You Must Take to Enter Into Agreement*.**

To properly enter into this agreement, you must do the following:

1. The governing body must give authority to execute the grant to the individual(s) signing the grant, i.e., the person signing the document must be the sponsor's authorized representative(s) (hereinafter "authorized representative").
2. The authorized representative must execute the grant by adding their electronic signature to the appropriate certificate at the end of the agreement.
3. Once the authorized representative has electronically signed the grant, the sponsor's attorney(s) will automatically receive an email notification.
4. On the **same day or after** the authorized representative has signed the grant, the sponsor's attorney(s) will add their electronic signature to the appropriate certificate at the end of the agreement.
5. If there are co-sponsors, the authorized representative(s) and sponsor's attorney(s) must follow the above procedures to fully execute the grant and finalize the process. Signatures must be obtained and finalized no later than **September 16, 2024**.
6. The fully executed grant will then be automatically sent to all parties as an email attachment.

Payment. Subject to the requirements in 2 CFR § 200.305 (Federal Payment), each payment request for reimbursement under this grant must be made electronically via the Delphi eInvoicing System. Please see the attached Grant Agreement for more information regarding the use of this System.

Project Timing. The terms and conditions of this agreement require you to complete the project without undue delay and no later than the Period of Performance end date (1,460 days from the grant execution date). We will be monitoring your progress to ensure proper stewardship of these Federal funds. We expect you to submit payment requests for reimbursement of allowable incurred project expenses consistent with project progress. Your grant may be placed in "inactive" status if you do not make draws on a regular basis, which will affect your ability to receive future grant offers. Costs incurred after the Period of Performance ends are generally not allowable and will be rejected unless authorized by the FAA in advance.

Reporting. Until the grant is completed and closed, you are responsible for submitting formal reports as follows:

- For all grants, you must submit by December 31st of each year this grant is open:
  1. A signed/dated SF-270 (Request for Advance or Reimbursement for non-construction projects) or SF-271 or equivalent (Outlay Report and Request for Reimbursement for Construction Programs), and
  2. An SF-425 (Federal Financial Report).
- For non-construction projects, you must submit FAA Form 5100-140, Performance Report within 30 days of the end of the Federal fiscal year.
- For construction projects, you must submit FAA Form 5370-1, Construction Progress and Inspection Report, within 30 days of the end of each Federal fiscal quarter.

Audit Requirements. As a condition of receiving Federal assistance under this award, you must comply with audit requirements as established under 2 CFR Part 200. Subpart F requires non-Federal entities that expend $750,000 or more in Federal awards to conduct a single or program specific audit for that year. Note that this includes Federal expenditures made under other Federal-assistance programs. Please take appropriate and necessary action to ensure your organization will comply with applicable audit requirements and standards.

Closeout. Once the project(s) is completed and all costs are determined, we ask that you work with your FAA contact indicated below to close the project without delay and submit the necessary final closeout documentation as required by your Region/Airports District Office.

FAA Contact Information. Sean Johnston, (612) 253-4645, sean.m.johnston@faa.gov is the assigned program manager for this grant and is readily available to assist you and your designated representative with the requirements stated herein.

We sincerely value your cooperation in these efforts and look forward to working with you to complete this important project.

Sincerely,

E Lindsay Terry

{Sig_es_:signer1: signature}}

E. Lindsay Terry
Manager

U.S. Department of Transportation Federal Aviation Administration

FY 2024 AIRPORT INFRASTRUCTURE GRANT GRANT AGREEMENT Part I - Offer

Federal Award Offer Date **{{**August 20, 2024**DateTime_es_:signer1:calc(now()):format(date," mmmm d, yyyy")}}**

Airport/Planning Area	Mankato Regional Airport
Airport Infrastructure Grant Number	3-27-0055-035-2024
Unique Entity Identifier	S814RGZQHCB1

TO: City of Mankato

(applies to a Coherein called the "Sponsor") (For Co-Sponsor.) -Sponsors, list all Co-Sponsor names. The word "Sponsor" in this Grant Agreement also

This grant channels through the State of Minnesota.

FROM: **The United States of America** (acting through the Federal Aviation Administration, herein called the "FAA")

WHEREAS, the Sponsor has submitted to the FAA a Project Application dated August 15, 2024, for a grant of Federal funds for a project at or associated with the Mankato Regional Airport, which is included as part of this Grant Agreement; and

WHEREAS, the FAA has approved a project for the Mankato Regional Airport (herein called the "Project") consisting of the following:

Reseal/Resurface Runway Pavement 15/33, Reseal Taxiway Pavement A

which is more fully described in the Project Application.

NOW THEREFORE, Pursuant to and for the purpose of carrying out the Infrastructure Investment and Jobs Act (Public Law 117-58) of 2021 referred to as the Bipartisan Infrastructure Law (BIL); and the representations contained in the Project Application; and in consideration of: (a) the Sponsor's adoption and ratification of the Grant Assurances attached hereto; (b) the Sponsor's acceptance of this Offer; and (c) the benefits to accrue to the United States and the public from the accomplishment of the Project and compliance with the Grant Assurance and conditions as herein provided;

THE FEDERAL AVIATION ADMINISTRATION, FOR AND ON BEHALF OF THE UNITED STATES, HEREBY OFFERS AND AGREES to pay (90) % of the allowable costs incurred accomplishing the Project as the United States share of the Project.

Assistance Listings Number (Formerly CFDA Number): 20.106

This Offer is made on and SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS:

CONDITIONS

1. **Maximum Obligation.** The maximum obligation of the United States payable under this Offer is **$202,552.**

   The following amounts represent a breakdown of the maximum obligation for the purpose of establishing allowable amounts for any future grant amendment, which may increase the foregoing maximum obligation of the United States under the provisions of 49 U.S.C. § 47108(b):
   $202,552 for planning
   $0 for airport development or noise program implementation; and, $0
   for land acquisition.

2. **Grant Performance.** This Grant Agreement is subject to the following Federal award requirements: a.

   Period of Performance:

   1. Shall start on the date the Sponsor formally accepts this Agreement and is the date signed by the last Sponsor signatory to the Agreement. The end date of the Period of Performance is 4 years (1,460 calendar days) from the date of acceptance. The Period of Performance end date shall not affect, relieve, or reduce Sponsor obligations and assurances that extend beyond the closeout of this Grant Agreement.

   2. Means the total estimated time interval between the start of an initial Federal award and the planned end date, which may include one or more funded portions or budget periods (2 Code of Federal Regulations (CFR) § 200.1).

   b. Budget Period:

   1. For this Grant is 4 years (1,460 calendar days) and follows the same start and end date as the Period of Performance provided in paragraph 2(a)(1). Pursuant to 2 CFR § 200.403(h), the Sponsor may charge to the Grant only allowable costs incurred during the Budget Period. Eligible project-related costs incurred on or after November 15, 2021 that comply with all Federal funding procurement requirements and FAA standards are allowable costs.

   2. Means the time interval from the start date of a funded portion of an award to the end date of that funded portion during which the Sponsor is authorized to expend the funds awarded, including any funds carried forward or other revisions pursuant to 2 CFR § 200.308. c. Close Out and Termination

   1. Unless the FAA authorizes a written extension, the Sponsor must submit all Grant closeout documentation and liquidate (pay-off) all obligations incurred under this award no later than

120 calendar days after the end date of the Period of Performance. If the Sponsor does not submit all required closeout documentation within this time period, the FAA will proceed to close out the grant within one year of the Period of Performance end date with the information available at the end of 120 days (2 CFR § 200.344).

2. The FAA may terminate this Grant, in whole or in part, in accordance with the conditions set forth in 2 CFR § 200.340, or other Federal regulatory or statutory authorities as applicable.

3. **Ineligible or Unallowable Costs.** The Sponsor must not include any costs in the project that the FAA has determined to be ineligible or unallowable.
4. **Indirect Costs - Sponsor.** The Sponsor may charge indirect costs under this award by applying the indirect cost rate identified in the project application as accepted by the FAA, to allowable costs for Sponsor direct salaries and wages.
5. **Determining the Final Federal Share of Costs.** The United States' share of allowable project costs will be made in accordance with 49 U.S.C. § 47109, the regulations, policies, and procedures of the Secretary of Transportation ("Secretary"), and any superseding legislation. Final determination of the United States' share will be based upon the final audit of the total amount of allowable project costs and settlement will be made for any upward or downward adjustments to the Federal share of costs.
6. **Completing the Project Without Delay and in Conformance with Requirements.** The Sponsor must carry out and complete the project without undue delays and in accordance with this Agreement, BIL (Public Law 117-58), the regulations, policies, and procedures of the Secretary. Per 2 CFR § 200.308, the Sponsor agrees to report and request prior FAA approval for any disengagement from performing the project that exceeds three months or a 25 percent reduction in time devoted to the project. The report must include a reason for the project stoppage. The Sponsor also agrees to comply with the grant assurances, which are part of this Agreement.
7. **Amendments or Withdrawals before Grant Acceptance.** The FAA reserves the right to amend or withdraw this offer at any time prior to its acceptance by the Sponsor.
8. **Offer Expiration Date.** This offer will expire and the United States will not be obligated to pay any part of the costs of the project unless this offer has been accepted by the Sponsor on or before **September 16, 2024**, or such subsequent date as may be prescribed in writing by the FAA.
9. **Improper Use of Federal Funds.** The Sponsor must take all steps, including litigation if necessary, to recover Federal funds spent fraudulently, wastefully, or in violation of Federal antitrust statutes, or misused in any other manner for any project upon which Federal funds have been expended. For the purposes of this Grant Agreement, the term "Federal funds" means funds however used or dispersed by the Sponsor, that were originally paid pursuant to this or any other Federal grant agreement. The Sponsor must obtain the approval of the Secretary as to any determination of the amount of the Federal share of such funds. The Sponsor must return the recovered Federal share, including funds recovered by settlement, order, or judgment, to the Secretary. The Sponsor must furnish to the Secretary, upon request, all documents and records pertaining to the determination of the amount of the Federal share or to any settlement, litigation, negotiation, or other efforts taken to recover such funds. All settlements or other final positions of the Sponsor, in court or otherwise, involving the recovery of such Federal share require advance approval by the Secretary.

10. **United States Not Liable for Damage or Injury.** The United States is not responsible or liable for damage to property or injury to persons which may arise from, or be incident to, compliance with this Grant Agreement.

11. **System for Award Management (SAM) Registration and Unique Entity Identifier (UEI).**

    a. Requirement for System for Award Management (SAM): Unless the Sponsor is exempted from this requirement under 2 CFR § 25.110, the Sponsor must maintain the currency of its

    information in the SAM until the Sponsor submits the final financial report required under this Grant, or receives the final payment, whichever is later. This requires that the Sponsor review and update the information at least annually after the initial registration and more frequently if required by changes in information or another award term. Additional information about registration procedures may be found at the SAM website (currently at http://www.sam.gov).

    b. Unique entity identifier (UEI) means a 12-character alpha-numeric value used to identify a specific commercial, nonprofit or governmental entity. A UEI may be obtained from SAM.gov at https://sam.gov/content/entity-registration.

12. **Electronic Grant Payment(s).** Unless otherwise directed by the FAA, the Sponsor must make each payment request under this Agreement electronically via the Delphi eInvoicing System for Department of Transportation (DOT) Financial Assistance Awardees.

13. **Informal Letter Amendment of BIL Projects.** If, during the life of the project, the FAA determines that the maximum grant obligation of the United States exceeds the expected needs of the Sponsor by $25,000 or five percent (5%), whichever is greater, the FAA can issue a letter amendment to the Sponsor unilaterally reducing the maximum obligation.

    The FAA can, subject to the availability of Federal funds, also issue a letter to the Sponsor increasing the maximum obligation if there is an overrun in the total actual eligible and allowable project costs to cover the amount of the overrun provided it will not exceed the statutory limitations for grant amendments. The FAA's authority to increase the maximum obligation does not apply to the "planning" component of Condition No. 1, Maximum Obligation.

    The FAA can also issue an informal letter amendment that modifies the grant description to correct administrative errors or to delete work items if the FAA finds it advantageous and in the best interests of the United States.

    An informal letter amendment has the same force and effect as a formal grant amendment.

14. **Environmental Standards.** The Sponsor is required to comply with all applicable environmental standards, as further defined in the Grant Assurances, for all projects in this grant. If the Sponsor fails to comply with this requirement, the FAA may suspend, cancel, or terminate this Grant Agreement.

15. **Financial Reporting and Payment Requirements.** The Sponsor will comply with all Federal financial reporting requirements and payment requirements, including submittal of timely and accurate reports.

16. **Buy American.** Unless otherwise approved in advance by the FAA, in accordance with 49 U.S.C. § 50101, the Sponsor will not acquire or permit any contractor or subcontractor to acquire any steel or manufactured goods produced outside the United States to be used for any project for which funds are provided under this Grant. The Sponsor will include a provision implementing Buy American in every contract and subcontract awarded under this Grant.

17. **Build America, Buy American.** The Sponsor must comply with the requirements under the Build America, Buy America Act (Public Law 117-58).

18. **Maximum Obligation Increase.** In accordance with 49 U.S.C. § 47108(b)(3), as amended, the maximum obligation of the United States, as stated in Condition No. 1, Maximum Obligation, of this Grant:

    a. May not be increased for a planning project;

    b. May be increased by not more than 15 percent for development projects, if funds are available;

    c. May be increased by not more than the greater of the following for a land project, if funds are available:

        1. 15 percent; or

        2. 25 percent of the total increase in allowable project costs attributable to acquiring an interest in the land.

    If the Sponsor requests an increase, any eligible increase in funding will be subject to the United States Government share as provided in BIL (Public Law 117-58), or other superseding legislation if applicable, for the fiscal year appropriation with which the increase is funded. The FAA is not responsible for the same Federal share provided herein for any amount increased over the initial grant amount. The FAA may adjust the Federal share as applicable through an informal letter of amendment.

19. **Audits for Sponsors.**

    PUBLIC SPONSORS. The Sponsor must provide for a Single Audit or program-specific audit in accordance with 2 CFR Part 200. The Sponsor must submit the audit reporting package to the Federal Audit Clearinghouse on the Federal Audit Clearinghouse's Internet Data Entry System at http://harvester.census.gov/facweb/. Upon request of the FAA, the Sponsor shall provide one copy of the completed audit to the FAA. Sponsors that expend less than $750,000 in Federal awards and are exempt from Federal audit requirements must make records available for review or audit by the appropriate Federal agency officials, State, and Government Accountability Office. The FAA and other appropriate Federal agencies may request additional information to meet all Federal audit requirements.

20. **Suspension or Debarment.** When entering into a "covered transaction" as defined by 2 CFR § 180.200, the Sponsor must:

    a. Verify the non-Federal entity is eligible to participate in this Federal program by:

        1. Checking the Responsibility/Qualification records in the Federal Awardee Performance and Integrity Information System (FAPIIS) as maintained within the System for Award Management (SAM) to determine if the non-Federal entity is excluded or disqualified; or

        2. Collecting a certification statement from the non-Federal entity attesting they are not excluded or disqualified from participating; or

        3. Adding a clause or condition to covered transactions attesting the individual or firm are not excluded or disqualified from participating.

    b. Require prime contractors to comply with 2 CFR § 180.330 when entering into lower-tier transactions with their contractors and sub-contractors.

c. Immediately disclose in writing to the FAA whenever (1) the Sponsor learns they have entered into a covered transaction with an ineligible entity or (2) the Public Sponsor suspends or debars a contractor, person, or entity.

21. **Ban on Texting While Driving.**

a. In accordance with Executive Order 13513, Federal Leadership on Reducing Text Messaging While Driving, October 1, 2009, and DOT Order 3902.10, Text Messaging While Driving, December 30, 2009, the Sponsor is encouraged to:

1. Adopt and enforce workplace safety policies to decrease crashes caused by distracted drivers including policies to ban text messaging while driving when performing any work for, or on behalf of, the Federal government, including work relating to a grant or subgrant.

2. Conduct workplace safety initiatives in a manner commensurate with the size of the business, such as:

i. Establishment of new rules and programs or re-evaluation of existing programs to prohibit text messaging while driving; and

ii. Education, awareness, and other outreach to employees about the safety risks associated with texting while driving.

b. The Sponsor must insert the substance of this clause on banning texting while driving in all subgrants, contracts, and subcontracts funded with this Grant.

22. **Trafficking in Persons.**

a. *Posting of contact information.*

1. The Sponsor must post the contact information of the national human trafficking hotline (including options to reach out to the hotline such as through phone, text, or TTY) in all public airport restrooms.

b. *Provisions applicable to a recipient that is a private entity.*

1. You as the recipient, your employees, subrecipients under this Grant, and subrecipients' employees may not:

i. Engage in severe forms of trafficking in persons during the period of time that the Grant and applicable conditions are in effect;

ii. Procure a commercial sex act during the period of time that the Grant and applicable conditions are in effect; or

iii. Use forced labor in the performance of the Grant or any subgrants under this Grant.

2. We as the Federal awarding agency, may unilaterally terminate this Grant, without penalty, if you or a subrecipient that is a private entity –

i. Is determined to have violated a prohibition in paragraph (b) of this Grant Condition; or ii. Has an employee who is determined by the agency official authorized to terminate the Grant to have violated a prohibition in paragraph (b) of this Grant Condition through conduct that is either –

a) Associated with performance under this Grant; or

b) Imputed to you or the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR Part 180, "OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement)," as implemented by our agency at 2 CFR Part 1200.

c. *Provision applicable to a recipient other than a private entity.* We as the Federal awarding agency may unilaterally terminate this Grant, without penalty, if a subrecipient that is a private entity –

1. Is determined to have violated an applicable prohibition in paragraph (a) of this Grant Condition; or

2. Has an employee who is determined by the agency official authorized to terminate the Grant to have violated an applicable prohibition in paragraph (a) of this Grant Condition through conduct that is either –

   i. Associated with performance under this Grant; or

   ii. Imputed to the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR Part 180, "OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement)," as implemented by our agency at 2 CFR Part 1200.

d. *Provisions applicable to any recipient.*

1. You must inform us immediately of any information you receive from any source alleging a violation of a prohibition in paragraph (a) of this Grant Condition.

2. Our right to terminate unilaterally that is described in paragraph (a) or (b) of this Grant Condition:

   i. Implements section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended [22 U.S.C. § 7104(g)], and
   ii. Is in addition to all other remedies for noncompliance that are available to us under this Grant.

3. You must include the requirements of paragraph (a) of this Grant Condition in any subgrant you make to a private entity.

e. *Definitions.* For purposes of this Grant Condition:

1. "Employee" means either:

   i. An individual employed by you or a subrecipient who is engaged in the performance of the project or program under this Grant; or

   ii. Another person engaged in the performance of the project or program under this Grant and not compensated by you including, but not limited to, a volunteer or individual whose services are contributed by a third party as an in-kind contribution toward cost sharing or matching requirements.

2. "Forced labor" means labor obtained by any of the following methods: the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.

3. "Private entity":

i. Means any entity other than a State, local government, Indian tribe, or foreign public entity, as those terms are defined in 2 CFR § 175.25.

ii. Includes:

a) A nonprofit organization, including any nonprofit institute of higher education, hospital, or tribal organization other than one included in the definition of Indian tribe at 2 CFR § 175.25(b).

b) A for-profit organization.

4. "Severe forms of trafficking in persons," "commercial sex act," and "coercion" have the meanings given at section 103 of the TVPA, as amended (22 U.S.C. § 7102).

23. **BIL Funded Work Included in a PFC Application.** Within 120 days of acceptance of this Grant Agreement, the Sponsor must submit to the FAA an amendment to any approved Passenger Facility Charge (PFC) application that contains an approved PFC project also covered under this Grant Agreement as described in the project application. The airport sponsor may not make any expenditure under this Grant Agreement until project work addressed under this Grant Agreement is removed from an approved PFC application by amendment.

24. **Exhibit "A" Property Map.** The Exhibit "A" Property Map dated December 01, 2023, is incorporated herein by reference or is submitted with the project application and made part of this Grant Agreement.

25. **Employee Protection from Reprisal.**

a. Prohibition of Reprisals.

1. In accordance with 41 U.S.C. § 4712, an employee of a Sponsor, grantee, subgrantee, contractor, or subcontractor may not be discharged, demoted, or otherwise discriminated against as a reprisal for disclosing to a person or body described in sub-paragraph (a)(2) below, information that the employee reasonably believes is evidence of: i. Gross mismanagement of a Federal grant; ii. Gross waste of Federal funds;

iii. An abuse of authority relating to implementation or use of Federal funds; iv.

A substantial and specific danger to public health or safety; or

v. A violation of law, rule, or regulation related to a Federal grant.

2. Persons and bodies covered. The persons and bodies to which a disclosure by an employee is covered are as follows:

i. A member of Congress or a representative of a committee of Congress; ii.

An Inspector General;

iii. The Government Accountability Office;

iv. A Federal employee responsible for contract or grant oversight or management at the relevant agency;

v. A court or grand jury;

vi. A management official or other employee of the Sponsor, contractor, or subcontractor who has the responsibility to investigate, discover, or address misconduct; or

vii. An authorized official of the Department of Justice or other law enforcement agency. b.

Investigation of Complaints.

1. Submission of Complaint. A person who believes that they have been subjected to a reprisal prohibited by paragraph (a) of this Condition may submit a complaint regarding the reprisal to the Office of Inspector General (OIG) for the U.S. Department of Transportation.
2. Time Limitation for Submittal of a Complaint. A complaint may not be brought under this subsection more than three years after the date on which the alleged reprisal took place.
3. Required Actions of the Inspector General. Actions, limitations, and exceptions of the OIG's office are established under 41 U.S.C. § 4712(b).

c. Remedy and Enforcement Authority.

1. Assumption of Rights to Civil Remedy. Upon receipt of an explanation of a decision not to conduct or continue an investigation by the OIG, the person submitting a complaint assumes the right to a civil remedy under 41 U.S.C. § 4712(c)(2).

26. **Prohibited Telecommunications and Video Surveillance Services and Equipment.** The Sponsor agrees to comply with mandatory standards and policies relating to use and procurement of certain telecommunications and video surveillance services or equipment in compliance with the National Defense Authorization Act [Public Law 115-232 § 889(f)(1)] and 2 CFR § 200.216.

27. **Title VI of the Civil Rights Act.** As a condition of a grant award, the Sponsor shall demonstrate that it complies with the provisions of Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d et seq) and implementing regulations (49 CFR part 21), the Airport and Airway Improvement Act of 1982 (49 U.S.C. § 47123), the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794 et seq.), the Americans with Disabilities Act of 1990 (42 U.S.C. § 12101, et seq.), U.S. Department of Transportation and Federal Aviation Administration (FAA) Assurances, and other relevant civil rights statutes, regulations, or authorities. This may include, as applicable, providing a current Title VI Program Plan and a Community Participation Plan (alternatively may be called a Public Participation Plan) to the FAA for approval, in the format and according to the timeline required by the FAA, and other information about the communities that will be benefited and impacted by the project. A completed FAA Title VI Pre-Grant Award Checklist is also required for every grant application, unless excused by the FAA. The Sponsor shall affirmatively ensure that when carrying out any project supported by this grant that it complies with all federal nondiscrimination and civil rights laws based on race, color, national origin (including limited English proficiency), sex (including sexual orientation and gender identity), creed, age, disability, genetic information, or environmental justice in consideration for federal financial assistance. The Sponsor, who have not sufficiently demonstrated the conditions of compliance with civil rights requirements will be required to do so before receiving funds. The Department's and FAA's Office of Civil Rights may provide resources and technical assistance to recipients to ensure full and sustainable compliance with Federal civil rights requirements. Failure to comply with civil rights requirements will be considered a violation of the agreement or contract and be subject to any enforcement action as authorized by law.

SPECIAL CONDITIONS

28. **Environmental.** The environmental approval for this project was issued on 12/27/2023.

29. **Pavement Maintenance Management Program.** The Sponsor agrees that it will implement an effective airport pavement maintenance management program as required by Airport Sponsor Grant Assurance 11, Pavement Preventive Maintenance-Management, which is codified at 49 U.S.C. § 47105(e). The Sponsor agrees that it will use the program for the useful life of any pavement constructed, reconstructed, rehabilitated, or repaired with Federal financial assistance at the airport. The Sponsor further agrees that the program will:

a. Follow the current version of FAA Advisory Circular 150/5380-6, "Guidelines and Procedures for Maintenance of Airport Pavements," for specific guidelines and procedures for maintaining airport pavements, establishing an effective maintenance program, specific types of distress and its probable cause, inspection guidelines, and recommended methods of repair;

b. Detail the procedures to be followed to assure that proper pavement maintenance, both preventive and repair, is performed;

c. Include a Pavement Inventory, Inspection Schedule, Record Keeping, Information Retrieval, and Reference, meeting the following requirements:

1. Pavement Inventory. The following must be depicted in an appropriate form and level of detail:

   i. Location of all runways, taxiways, and aprons; ii. Dimensions; iii. Type of pavement; and,

   iv. Year of construction or most recent major reconstruction, rehabilitation, or repair.

2. Inspection Schedule.

   i. Detailed Inspection. A detailed inspection must be performed at least once a year. If a history of recorded pavement deterioration is available, i.e., Pavement Condition Index (PCI) survey as set forth in the current version of Advisory Circular 150/5380-6, the frequency of inspections may be extended to three years.

   ii. Drive-By Inspection. A drive-by inspection must be performed a minimum of once per month to detect unexpected changes in the pavement condition. For drive-by inspections, the date of inspection and any maintenance performed must be recorded.

3. Record Keeping. Complete information on the findings of all detailed inspections and on the maintenance performed must be recorded and kept on file for a minimum of five years. The type of distress, location, and remedial action, scheduled or performed, must be documented. The minimum information is: i. Inspection date; ii. Location; iii. Distress types; and iv. Maintenance scheduled or performed.

4. Information Retrieval System. The Sponsor must be able to retrieve the information and records produced by the pavement survey to provide a report to the FAA as may be required.

30. **Maintenance Project Life.** The Sponsor agrees that pavement maintenance is limited to those aircraft pavements that are in sufficiently sound condition that they do not warrant more extensive work, such as reconstruction or overlays in the immediate or near future. The Sponsor further agrees that Airport Improvement Program (AIP), Airport Infrastructure Grant (AIG), or supplemental appropriation funding for the pavements maintained under this project will not be requested for more substantial type rehabilitation (more substantial than periodic maintenance) for a 5-year period

following the completion of this project unless the FAA determines that the rehabilitation or reconstruction is required for safety reasons.

31. **Leaded Fuel.** FAA Reauthorization Act of 2024 (P.L. 118-63) Section 770 "Grant Assurances" requires airports that made 100-octane low lead aviation gasoline (100LL) available at any time during calendar year 2022 to not prohibit or restrict the sale or self-fueling of such aviation gasoline. This requirement remains until the earlier of 2030 or the date on which the airport or any retail fuel seller at the airport makes available an FAA-authorized unleaded aviation gasoline replacement for 100LL meeting either an industry consensus standard or other standard that facilitates the safe use, production, and distribution of such unleaded aviation gasoline, as deemed appropriate by the Administrator. The Sponsor understands and agrees that any violations are subject to civil penalties.
32. **Buy American Executive Orders.** The Sponsor agrees to abide by applicable Executive Orders in effect at the time this Grant Agreement is executed, including Executive Order 14005, Ensuring the Future Is Made in All of America by All of America's Workers.

The Sponsor's acceptance of this Offer and ratification and adoption of the Project Application incorporated herein shall be evidenced by execution of this instrument by the Sponsor, as hereinafter provided, and this Offer and Acceptance shall comprise a Grant Agreement, constituting the contractual obligations and rights of the United States and the Sponsor with respect to the accomplishment of the Project and compliance with the Grant Assurances, terms, and conditions as provided herein. Such Grant Agreement shall become effective upon the Sponsor's acceptance of this Offer.

Please read the following information: By signing this document, you are agreeing that you have reviewed the following consumer disclosure information and consent to transact business using electronic communications, to receive notices and disclosures electronically, and to utilize electronic signatures in lieu of using paper documents. You are not required to receive notices and disclosures or sign documents electronically. If you prefer not to do so, you may request to receive paper copies and withdraw your consent at any time.

I declare under penalty of perjury that the foregoing is true and correct.[1]

UNITED STATES OF AMERICA FEDERAL AVIATION ADMINISTRATION

E Lindsay Terry

{{Sig_es_:signer1:signature:dimension(height=12mm, width=70mm}}

(Signature)

{{E. Lindsay Terry**N_es_:signer1:fullname }}**

(Typed Name)

{{Manager, FAA-DMA-ADO**N_es_:signer1:title }}**

(Title of FAA Official)

[1] Knowingly and willfully providing false information to the Federal government is a violation of 18 U.S.C. § 1001 (False Statements) and could subject you to fines, imprisonment, or both.

Part II - Acceptance

The Sponsor does hereby ratify and adopt all assurances, statements, representations, warranties, covenants, and agreements contained in the Project Application and incorporated materials referred to in the foregoing Offer, and does hereby accept this Offer and by such acceptance agrees to comply with all of the Grant Assurances, terms, and conditions in this Offer and in the Project Application.

Please read the following information: By signing this document, you are agreeing that you have reviewed the following consumer disclosure information and consent to transact business using electronic communications, to receive notices and disclosures electronically, and to utilize electronic signatures in lieu of using paper documents. You are not required to receive notices and disclosures or sign documents electronically. If you prefer not to do so, you may request to receive paper copies and withdraw your consent at any time.

I declare under penalty of perjury that the foregoing is true and correct.[2]

Dated **{{DateTime_es_:signer2:calc(now()):format(date," mmmm d, yyyy")}}**

City of Mankato

(Name of Sponsor)

{{Sig_es_:signer2:signature:dimension(height=12mm, width=70mm}}

(Signature of Sponsor's Authorized Official)

By: {{N_es_:signer2:fullname }}

(Typed Name of Sponsor's Authorized Official)

Title: {{*Ttl_es_:signer2:title }}

(Title of Sponsor's Authorized Official)

[2] Knowingly and willfully providing false information to the Federal government is a violation of 18 U.S.C. § 1001 (False Statements) and could subject you to fines, imprisonment, or both.

CERTIFICATE OF SPONSOR'S ATTORNEY

I, **{{N_es_:signer3: fullname}}**, acting as Attorney for the Sponsor do hereby certify:

That in my opinion the Sponsor is empowered to enter into the foregoing Grant Agreement under the laws of the State of Minnesota. Further, I have examined the foregoing Grant Agreement and the actions taken by said Sponsor and Sponsor's official representative, who has been duly authorized to execute this Grant Agreement, which is in all respects due and proper and in accordance with the laws of the said State; the Infrastructure Investment and Jobs Act (Public Law 117-58) of 2021 referred to as the Bipartisan Infrastructure Law (BIL), Division J, Title VIII; and the representations contained in the Project Application. In addition, for grants involving projects to be carried out on property not owned by the Sponsor, there are no legal impediments that will prevent full performance by the Sponsor. Further, it is my opinion that the said Grant Agreement constitutes a legal and binding obligation of the Sponsor in accordance with the terms thereof.

Please read the following information: By signing this document, you are agreeing that you have reviewed the following consumer disclosure information and consent to transact business using electronic communications, to receive notices and disclosures electronically, and to utilize electronic signatures in lieu of using paper documents. You are not required to receive notices and disclosures or sign documents electronically. If you prefer not to do so, you may request to receive paper copies and withdraw your consent at any time.

I declare under penalty of perjury that the foregoing is true and correct.[3]

Dated at **{{DateTime_es_:signer3:calc(now()):format(date," mmmm d, yyyy")}}**

By: {{Sig_es_:signer3:signature:dimension(height=12mm, width=70mm)}}

(Signature of Sponsor's Attorney)

[3] Knowingly and willfully providing false information to the Federal government is a violation of 18 U.S.C. § 1001 (False Statements) and could subject you to fines, imprisonment, or both.

ASSURANCES

AIRPORT SPONSORS A.

General.

1. These assurances shall be complied with in the performance of grant agreements for airport development, airport planning, and noise compatibility program grants for airport sponsors.
2. These assurances are required to be submitted as part of the project application by sponsors requesting funds under the provisions of Public Law 117-58, Division J, Title VIII, as amended. As used herein, the term "public agency sponsor" means a public agency with control of a public-use airport; the term "private sponsor" means a private owner of a public-use airport; and the term "sponsor" includes both public agency sponsors and private sponsors.
3. Upon acceptance of this grant offer by the sponsor, these assurances are incorporated in and become part of this Grant Agreement. **B. Duration and Applicability.**

1. **Airport development or Noise Compatibility Program Projects Undertaken by a Public Agency Sponsor.**

   The terms, conditions and assurances of this Grant Agreement shall remain in full force and effect throughout the useful life of the facilities developed or equipment acquired for an airport development or noise compatibility program project, or throughout the useful life of the project items installed within a facility under a noise compatibility program project, but in any event not to exceed twenty (20) years from the date of acceptance of a grant offer of Federal funds for the project. However, there shall be no limit on the duration of the assurances regarding Exclusive Rights and Airport Revenue so long as the airport is used as an airport. There shall be no limit on the duration of the terms, conditions, and assurances with respect to real property acquired with federal funds. Furthermore, the duration of the Civil Rights assurance shall be specified in the assurances.

2. **Airport Development or Noise Compatibility Projects Undertaken by a Private Sponsor.**

   The preceding paragraph (1) also applies to a private sponsor except that the useful life of project items installed within a facility or the useful life of the facilities developed or equipment acquired under an airport development or noise compatibility program project shall be no less than ten (10) years from the date of acceptance of Federal aid for the project.

3. **Airport Planning Undertaken by a Sponsor.**

   Unless otherwise specified in this Grant Agreement, only Assurances 1, 2, 3, 5, 6, 13, 18, 23, 25, 30, 32, 33, 34, and 37 in Section C apply to planning projects. The terms, conditions, and assurances of this Grant Agreement shall remain in full force and effect during the life of the project; there shall be no limit on the duration of the assurances regarding Exclusive Rights and Airport Revenue so long as the airport is used as an airport.

C. Sponsor Certification.

The sponsor hereby assures and certifies, with respect to this grant that:

1. General Federal Requirements

It will comply with all applicable Federal laws, regulations, executive orders, policies, guidelines, and requirements as they relate to the application, acceptance, and use of Federal funds for this Grant including but not limited to the following:

FEDERAL LEGISLATION

a. 49 U.S.C. subtitle VII, as amended.

b. Davis-Bacon Act, as amended — 40 U.S.C. §§ 3141-3144, 3146, and 3147, et seq.[1]

c. Federal Fair Labor Standards Act – 29 U.S.C. § 201, et seq.

d. Hatch Act – 5 U.S.C. § 1501, et seq.[2]

e. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, 42 U.S.C. § 4601, et seq.[1, 2]

f. National Historic Preservation Act of 1966 – Section 106 – 54 U.S.C. § 306108.[1]

g. Archeological and Historic Preservation Act of 1974 – 54 U.S.C. § 312501, et seq.[1]

h. Native Americans Grave Repatriation Act – 25 U.S.C. § 3001, et seq.

i. Clean Air Act, P.L. 90-148, as amended – 42 U.S.C. § 7401, et seq.

j. Coastal Zone Management Act, P.L. 92-583, as amended – 16 U.S.C. § 1451, et seq.

k. Flood Disaster Protection Act of 1973 – Section 102(a) - 42 U.S.C. § 4012a.[1]

l. 49 U.S.C. § 303, (formerly known as Section 4(f))

m. Rehabilitation Act of 1973 – 29 U.S.C. § 794.

n. Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);

o. Americans with Disabilities Act of 1990, as amended, (42 U.S.C. § 12101 et seq.) (prohibits discrimination on the basis of disability).

p. Age Discrimination Act of 1975 – 42 U.S.C. § 6101, et seq.

q. American Indian Religious Freedom Act, P.L. 95-341, as amended.

r. Architectural Barriers Act of 1968, as amended – 42 U.S.C. § 4151, et seq.[1]

s. Powerplant and Industrial Fuel Use Act of 1978 – Section 403 – 42 U.S.C. § 8373.[1]

t. Contract Work Hours and Safety Standards Act – 40 U.S.C. § 3701, et seq.[1]

u. Copeland Anti-kickback Act – 18 U.S.C. § 874.[1]

v. National Environmental Policy Act of 1969 – 42 U.S.C. § 4321, et seq.[1]

w. Wild and Scenic Rivers Act, P.L. 90-542, as amended – 16 U.S.C. § 1271, et seq.

x. Single Audit Act of 1984 – 31 U.S.C. § 7501, et seq.[2]

y. Drug-Free Workplace Act of 1988 – 41 U.S.C. §§ 8101 through 8105.

z. The Federal Funding Accountability and Transparency Act of 2006, as amended (Pub. L. 109-282, as amended by section 6202 of Pub. L. 110-252). aa. Civil Rights Restoration Act of 1987, P.L. 100-259. bb. Build America, Buy America Act, P.L. 117-58, Title IX.

EXECUTIVE ORDERS

a. Executive Order 11246 – Equal Employment Opportunity[1]
b. Executive Order 11990 – Protection of Wetlands
c. Executive Order 11998 – Flood Plain Management
d. Executive Order 12372 – Intergovernmental Review of Federal Programs
e. Executive Order 12699 – Seismic Safety of Federal and Federally Assisted New Building Construction[1]
f. Executive Order 12898 – Environmental Justice
g. Executive Order 13166 – Improving Access to Services for Persons with Limited English Proficiency
h. Executive Order 13985 – Executive Order on Advancing Racial Equity and Support for Underserved Communities Through the Federal Government
i. Executive Order 13988 - Preventing and Combating Discrimination on the Basis of Gender Identity or Sexual Orientation
j. Executive Order 14005 – Ensuring the Future is Made in all of America by All of America's Workers
k. Executive Order 14008 – Tackling the Climate Crisis at Home and Abroad

FEDERAL REGULATIONS

a. 2 CFR Part 180 – OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement).
b. 2 CFR Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. [4, 5]
c. 2 CFR Part 1200 – Nonprocurement Suspension and Debarment.
d. 14 CFR Part 13 – Investigative and Enforcement Procedures.
e. 14 CFR Part 16 – Rules of Practice for Federally-Assisted Airport Enforcement Proceedings.
f. 14 CFR Part 150 – Airport Noise Compatibility Planning.
g. 28 CFR Part 35 – Nondiscrimination on the Basis of Disability in State and Local Government Services.
h. 28 CFR § 50.3 – U.S. Department of Justice Guidelines for the Enforcement of Title VI of the Civil Rights Act of 1964.
i. 29 CFR Part 1 – Procedures for Predetermination of Wage Rates.[1]
j. 29 CFR Part 3 – Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States.[1]

k. 29 CFR Part 5 – Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction (Also Labor Standards Provisions Applicable to Nonconstruction Contracts Subject to the Contract Work Hours and Safety Standards Act).[1]

l. 41 CFR Part 60 – Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor (Federal and Federally-assisted contracting requirements).[1]

m. 49 CFR Part 20 – New Restrictions on Lobbying.

n. 49 CFR Part 21 – Nondiscrimination in Federally-Assisted Programs of the Department of Transportation - Effectuation of Title VI of the Civil Rights Act of 1964.

o. 49 CFR Part 23 – Participation by Disadvantage Business Enterprise in Airport Concessions.

p. 49 CFR Part 24 – Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally-Assisted Programs.[1, 2]

q. 49 CFR Part 26 – Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs.

r. 49 CFR Part 27 – Nondiscrimination on the Basis of Disability in Programs or Activities Receiving Federal Financial Assistance.[1]

s. 49 CFR Part 28 – Enforcement of Nondiscrimination on the Basis of Handicap in Programs or Activities Conducted by the Department of Transportation.

t. 49 CFR Part 30 – Denial of Public Works Contracts to Suppliers of Goods and Services of Countries That Deny Procurement Market Access to U.S. Contractors.

u. 49 CFR Part 32 – Governmentwide Requirements for Drug-Free Workplace (Financial Assistance).

v. 49 CFR Part 37 – Transportation Services for Individuals with Disabilities (ADA).

w. 49 CFR Part 38 – Americans with Disabilities Act (ADA) Accessibility Specifications for Transportation Vehicles.

x. 49 CFR Part 41 – Seismic Safety.

Footnotes to Assurance (C)(1)

[1] These laws do not apply to airport planning sponsors.
[2] These laws do not apply to private sponsors.
[3] 2 CFR Part 200 contains requirements for State and Local Governments receiving Federal assistance. Any requirement levied upon State and Local Governments by this regulation shall apply where applicable to private sponsors receiving Federal assistance under Title 49, United States Code.
[4] Cost principles established in 2 CFR part 200 subpart E must be used as guidelines for determining the eligibility of specific types of expenses.
[5] Audit requirements established in 2 CFR part 200 subpart F are the guidelines for audits.

Specific Assurances

Specific assurances required to be included in grant agreements by any of the above laws, regulations or circulars are incorporated by reference in this Grant Agreement.

2. Responsibility and Authority of the Sponsor.

a. Public Agency Sponsor:

It has legal authority to apply for this Grant, and to finance and carry out the proposed project; that a resolution, motion or similar action has been duly adopted or passed as an official act of the applicant's governing body authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required. b. Private Sponsor:

It has legal authority to apply for this Grant and to finance and carry out the proposed project and comply with all terms, conditions, and assurances of this Grant Agreement. It shall designate an official representative and shall in writing direct and authorize that person to file this application, including all understandings and assurances contained therein; to act in connection with this application; and to provide such additional information as may be required.

3. Sponsor Fund Availability.

It has sufficient funds available for that portion of the project costs which are not to be paid by the United States. It has sufficient funds available to assure operation and maintenance of items funded under this Grant Agreement which it will own or control.

4. Good Title.

a. It, a public agency or the Federal government, holds good title, satisfactory to the Secretary, to the landing area of the airport or site thereof, or will give assurance satisfactory to the Secretary that good title will be acquired.

b. For noise compatibility program projects to be carried out on the property of the sponsor, it holds good title satisfactory to the Secretary to that portion of the property upon which Federal funds will be expended or will give assurance to the Secretary that good title will be obtained.

5. Preserving Rights and Powers.

a. It will not take or permit any action which would operate to deprive it of any of the rights and powers necessary to perform any or all of the terms, conditions, and assurances in this Grant Agreement without the written approval of the Secretary, and will act promptly to acquire, extinguish or modify any outstanding rights or claims of right of others which would interfere with such performance by the sponsor. This shall be done in a manner acceptable to the Secretary.

b. Subject to the FAA Act of 2018, Public Law 115-254, Section 163, it will not sell, lease, encumber, or otherwise transfer or dispose of any part of its title or other interests in the property shown on Exhibit A to this application or, for a noise compatibility program project, that portion of the property upon which Federal funds have been expended, for the duration of the terms, conditions, and assurances in this Grant Agreement without approval by the

Secretary. If the transferee is found by the Secretary to be eligible under Title 49, United States Code, to assume the obligations of this Grant Agreement and to have the power, authority, and financial resources to carry out all such obligations, the sponsor shall insert in the contract or document transferring or disposing of the sponsor's interest, and make binding upon the transferee all of the terms, conditions, and assurances contained in this Grant Agreement.

c. For all noise compatibility program projects which are to be carried out by another unit of local government or are on property owned by a unit of local government other than the sponsor, it will enter into an agreement with that government. Except as otherwise specified by the Secretary, that agreement shall obligate that government to the same terms, conditions, and assurances that would be applicable to it if it applied directly to the FAA for a grant to undertake the noise compatibility program project. That agreement and changes thereto must be satisfactory to the Secretary. It will take steps to enforce this agreement against the local government if there is substantial non-compliance with the terms of the agreement.

d. For noise compatibility program projects to be carried out on privately owned property, it will enter into an agreement with the owner of that property which includes provisions specified by the Secretary. It will take steps to enforce this agreement against the property owner whenever there is substantial non-compliance with the terms of the agreement.

e. If the sponsor is a private sponsor, it will take steps satisfactory to the Secretary to ensure that the airport will continue to function as a public-use airport in accordance with these assurances for the duration of these assurances.

f. If an arrangement is made for management and operation of the airport by any agency or person other than the sponsor or an employee of the sponsor, the sponsor will reserve sufficient rights and authority to ensure that the airport will be operated and maintained in accordance with Title 49, United States Code, the regulations and the terms, conditions and assurances in this Grant Agreement and shall ensure that such arrangement also requires compliance therewith.

g. Sponsors of commercial service airports will not permit or enter into any arrangement that results in permission for the owner or tenant of a property used as a residence, or zoned for residential use, to taxi an aircraft between that property and any location on airport. Sponsors of general aviation airports entering into any arrangement that results in permission for the owner of residential real property adjacent to or near the airport must comply with the requirements of 49 U.S.C. § 47107(s) and the sponsor assurances.

6. Consistency with Local Plans.

The project is reasonably consistent with plans (existing at the time of submission of this application) of public agencies that are authorized by the State in which the project is located to plan for the development of the area surrounding the airport.

7. Consideration of Local Interest.

It has given fair consideration to the interest of communities in or near where the project may be located.

8. Consultation with Users.

In making a decision to undertake any airport development project under Title 49, United States Code, it has undertaken reasonable consultations with affected parties using the airport at which project is proposed.

9. Public Hearings.

In projects involving the location of an airport, an airport runway, or a major runway extension, it has afforded the opportunity for public hearings for the purpose of considering the economic, social, and environmental effects of the airport or runway location and its consistency with goals and objectives of such planning as has been carried out by the community and it shall, when requested by the Secretary, submit a copy of the transcript of such hearings to the Secretary. Further, for such projects, it has on its management board either voting representation from the communities where the project is located or has advised the communities that they have the right to petition the Secretary concerning a proposed project.

10. Metropolitan Planning Organization.

In projects involving the location of an airport, an airport runway, or a major runway extension at a medium or large hub airport, the sponsor has made available to and has provided upon request to the metropolitan planning organization in the area in which the airport is located, if any, a copy of the proposed amendment to the airport layout plan to depict the project and a copy of any airport master plan in which the project is described or depicted.

11. Pavement Preventive Maintenance.

With respect to a project approved after January 1, 1995, for the replacement or reconstruction of pavement at the airport, it assures or certifies that it has implemented an effective airport pavement maintenance-management program and it assures that it will use such program for the useful life of any pavement constructed, reconstructed or repaired with Federal financial assistance at the airport. It will provide such reports on pavement condition and pavement management programs as the Secretary determines may be useful.

12. Terminal Development Prerequisites.

For projects which include terminal development at a public use airport, as defined in Title 49, it has, on the date of submittal of the project grant application, all the safety equipment required for certification of such airport under 49 U.S.C. § 44706, and all the security equipment required by rule or regulation, and has provided for access to the passenger enplaning and deplaning area of such airport to passengers enplaning and deplaning from aircraft other than air carrier aircraft.

13. Accounting System, Audit, and Record Keeping Requirements.

a. It shall keep all project accounts and records which fully disclose the amount and disposition by the recipient of the proceeds of this Grant, the total cost of the project in connection with which this Grant is given or used, and the amount or nature of that portion of the cost of the project supplied by other sources, and such other financial records pertinent to the project. The accounts and records shall be kept in accordance with an accounting system that will facilitate an effective audit in accordance with the Single Audit Act of 1984.

b. It shall make available to the Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, for the purpose of audit and examination, any books, documents, papers, and records of the recipient that are pertinent to this Grant. The Secretary may require that an appropriate audit be conducted by a recipient. In any case in which an independent audit is made of the accounts of a sponsor relating to the disposition of the proceeds of a grant or relating to the project in connection with which this Grant was given or used, it shall file a certified copy of such audit with the Comptroller General of the United States not later than six (6) months following the close of the fiscal year for which the audit was made.

14. Minimum Wage Rates.

It shall include, in all contracts in excess of $2,000 for work on any projects funded under this Grant Agreement which involve labor, provisions establishing minimum rates of wages, to be predetermined by the Secretary of Labor under 40 U.S.C. §§ 3141-3144, 3146, and 3147, Public Building, Property, and Works), which contractors shall pay to skilled and unskilled labor, and such minimum rates shall be stated in the invitation for bids and shall be included in proposals or bids for the work.

15. Veteran's Preference.

It shall include in all contracts for work on any project funded under this Grant Agreement which involve labor, such provisions as are necessary to insure that, in the employment of labor (except in executive, administrative, and supervisory positions), preference shall be given to Vietnam era veterans, Persian Gulf veterans, Afghanistan-Iraq war veterans, disabled veterans, and small business concerns owned and controlled by disabled veterans as defined in 49 U.S.C. § 47112. However, this preference shall apply only where the individuals are available and qualified to perform the work to which the employment relates.

16. Conformity to Plans and Specifications.

It will execute the project subject to plans, specifications, and schedules approved by the Secretary. Such plans, specifications, and schedules shall be submitted to the Secretary prior to commencement of site preparation, construction, or other performance under this Grant Agreement, and, upon approval of the Secretary, shall be incorporated into this Grant Agreement. Any modification to the approved plans, specifications, and schedules shall also be subject to approval of the Secretary, and incorporated into this Grant Agreement.

17. Construction Inspection and Approval.

It will provide and maintain competent technical supervision at the construction site throughout the project to assure that the work conforms to the plans, specifications, and schedules approved by the Secretary for the project. It shall subject the construction work on any project contained in an approved project application to inspection and approval by the Secretary and such work shall be in accordance with regulations and procedures prescribed by the Secretary. Such regulations and procedures shall require such cost and progress reporting by the sponsor or sponsors of such project as the Secretary shall deem necessary.

18. Planning Projects.

In carrying out planning projects:

a. It will execute the project in accordance with the approved program narrative contained in the project application or with the modifications similarly approved.

b. It will furnish the Secretary with such periodic reports as required pertaining to the planning project and planning work activities.

c. It will include in all published material prepared in connection with the planning project a notice that the material was prepared under a grant provided by the United States.

d. It will make such material available for examination by the public, and agrees that no material prepared with funds under this project shall be subject to copyright in the United States or any other country.

e. It will give the Secretary unrestricted authority to publish, disclose, distribute, and otherwise use any of the material prepared in connection with this grant.

f. It will grant the Secretary the right to disapprove the sponsor's employment of specific consultants and their subcontractors to do all or any part of this project as well as the right to disapprove the proposed scope and cost of professional services.

g. It will grant the Secretary the right to disapprove the use of the sponsor's employees to do all or any part of the project.

h. It understands and agrees that the Secretary's approval of this project grant or the Secretary's approval of any planning material developed as part of this grant does not constitute or imply any assurance or commitment on the part of the Secretary to approve any pending or future application for a Federal airport grant.

19. Operation and Maintenance.

a. The airport and all facilities which are necessary to serve the aeronautical users of the airport, other than facilities owned or controlled by the United States, shall be operated at all times in a safe and serviceable condition and in accordance with the minimum standards as may be required or prescribed by applicable Federal, state, and local agencies for maintenance and operation. It will not cause or permit any activity or action thereon which would interfere with its use for airport purposes. It will suitably operate and maintain the airport and all facilities thereon or connected therewith, with due regard to climatic and flood conditions. Any proposal to temporarily close the airport for non-aeronautical purposes must first be approved by the Secretary. In furtherance of this assurance, the sponsor will have in effect arrangements for:

   1. Operating the airport's aeronautical facilities whenever required;
   2. Promptly marking and lighting hazards resulting from airport conditions, including temporary conditions; and
   3. Promptly notifying aviators of any condition affecting aeronautical use of the airport. Nothing contained herein shall be construed to require that the airport be operated for aeronautical use during temporary periods when snow, flood, or other climatic conditions interfere with such operation and maintenance. Further, nothing herein shall be construed as requiring the maintenance, repair, restoration, or replacement of any structure or facility which is substantially damaged or destroyed due to an act of God or other condition or circumstance beyond the control of the sponsor.

b. It will suitably operate and maintain noise compatibility program items that it owns or controls upon which Federal funds have been expended.

20. Hazard Removal and Mitigation.

It will take appropriate action to assure that such terminal airspace as is required to protect instrument and visual operations to the airport (including established minimum flight altitudes) will be adequately cleared and protected by removing, lowering, relocating, marking, or lighting or otherwise mitigating existing airport hazards and by preventing the establishment or creation of future airport hazards.

21. Compatible Land Use.

It will take appropriate action, to the extent reasonable, including the adoption of zoning laws, to restrict the use of land adjacent to or in the immediate vicinity of the airport to activities and purposes compatible with normal airport operations, including landing and takeoff of aircraft. In addition, if the project is for noise compatibility program implementation, it will not cause or permit any change in land use, within its jurisdiction, that will reduce its compatibility, with respect to the airport, of the noise compatibility program measures upon which Federal funds have been expended.

22. Economic Nondiscrimination.

a. It will make the airport available as an airport for public use on reasonable terms and without unjust discrimination to all types, kinds and classes of aeronautical activities, including commercial aeronautical activities offering services to the public at the airport.

b. In any agreement, contract, lease, or other arrangement under which a right or privilege at the airport is granted to any person, firm, or corporation to conduct or to engage in any aeronautical activity for furnishing services to the public at the airport, the sponsor will insert and enforce provisions requiring the contractor to:

   1. Furnish said services on a reasonable, and not unjustly discriminatory, basis to all users thereof, and

   2. Charge reasonable, and not unjustly discriminatory, prices for each unit or service, provided that the contractor may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.

c. Each fixed-based operator at the airport shall be subject to the same rates, fees, rentals, and other charges as are uniformly applicable to all other fixed-based operators making the same or similar uses of such airport and utilizing the same or similar facilities.

d. Each air carrier using such airport shall have the right to service itself or to use any fixed-based operator that is authorized or permitted by the airport to serve any air carrier at such airport.

e. Each air carrier using such airport (whether as a tenant, non-tenant, or subtenant of another air carrier tenant) shall be subject to such nondiscriminatory and substantially comparable rules, regulations, conditions, rates, fees, rentals, and other charges with respect to facilities directly and substantially related to providing air transportation as are applicable to all such air carriers which make similar use of such airport and utilize similar facilities, subject to reasonable classifications such as tenants or non-tenants and signatory carriers and non-signatory carriers. Classification or status as tenant or signatory shall not be unreasonably withheld by any airport provided an air carrier assumes obligations substantially similar to those already imposed on air carriers in such classification or status.

f. It will not exercise or grant any right or privilege which operates to prevent any person, firm, or corporation operating aircraft on the airport from performing any services on its own aircraft with its own employees (including, but not limited to maintenance, repair, and fueling) that it may choose to perform.

g. In the event the sponsor itself exercises any of the rights and privileges referred to in this assurance, the services involved will be provided on the same conditions as would apply to the furnishing of such services by commercial aeronautical service providers authorized by the sponsor under these provisions.

h. The sponsor may establish such reasonable, and not unjustly discriminatory, conditions to be met by all users of the airport as may be necessary for the safe and efficient operation of the airport.

i. The sponsor may prohibit or limit any given type, kind or class of aeronautical use of the airport if such action is necessary for the safe operation of the airport or necessary to serve the civil aviation needs of the public.

23. Exclusive Rights.

It will permit no exclusive right for the use of the airport by any person providing, or intending to provide, aeronautical services to the public. For purposes of this paragraph, the providing of the services at an airport by a single fixed-based operator shall not be construed as an exclusive right if both of the following apply:

a. It would be unreasonably costly, burdensome, or impractical for more than one fixed-based operator to provide such services, and

b. If allowing more than one fixed-based operator to provide such services would require the reduction of space leased pursuant to an existing agreement between such single fixed-based operator and such airport. It further agrees that it will not, either directly or indirectly, grant or permit any person, firm, or corporation, the exclusive right at the airport to conduct any aeronautical activities, including, but not limited to charter flights, pilot training, aircraft rental and sightseeing, aerial photography, crop dusting, aerial advertising and surveying, air carrier operations, aircraft sales and services, sale of aviation petroleum products whether or not conducted in conjunction with other aeronautical activity, repair and maintenance of aircraft, sale of aircraft parts, and any other activities which because of their direct relationship to the operation of aircraft can be regarded as an aeronautical activity, and that it will terminate any exclusive right to conduct an aeronautical activity now existing at such an airport before the grant of any assistance under Title 49, United States Code.

24. Fee and Rental Structure.

It will maintain a fee and rental structure for the facilities and services at the airport which will make the airport as self-sustaining as possible under the circumstances existing at the particular airport, taking into account such factors as the volume of traffic and economy of collection. No part of the Federal share of an airport development, airport planning or noise compatibility project for which a Grant is made under Title 49, United States Code, the Airport and Airway Improvement Act of 1982, the Federal Airport Act or the Airport and Airway Development Act of 1970 shall be included in the rate basis in establishing fees, rates, and charges for users of that airport.

25. Airport Revenues.

a. All revenues generated by the airport and any local taxes on aviation fuel established after December 30, 1987, will be expended by it for the capital or operating costs of the airport; the local airport system; or other local facilities which are owned or operated by the owner or operator of the airport and which are directly and substantially related to the actual air transportation of passengers or property; or for noise mitigation purposes on or off the airport. The following exceptions apply to this paragraph:

   1. If covenants or assurances in debt obligations issued before September 3, 1982, by the owner or operator of the airport, or provisions enacted before September 3, 1982, in governing statutes controlling the owner or operator's financing, provide for the use of the revenues from any of the airport owner or operator's facilities, including the airport, to support not only the airport but also the airport owner or operator's general debt obligations or other facilities, then this limitation on the use of all revenues generated by the airport (and, in the case of a public airport, local taxes on aviation fuel) shall not apply.
   2. If the Secretary approves the sale of a privately owned airport to a public sponsor and provides funding for any portion of the public sponsor's acquisition of land, this limitation on the use of all revenues generated by the sale shall not apply to certain proceeds from the sale. This is conditioned on repayment to the Secretary by the private owner of an amount equal to the remaining unamortized portion (amortized over a 20-year period) of any airport improvement grant made to the private owner for any purpose other than land acquisition on or after October 1, 1996, plus an amount equal to the federal share of the current fair market value of any land acquired with an airport improvement grant made to that airport on or after October 1, 1996.
   3. Certain revenue derived from or generated by mineral extraction, production, lease, or other means at a general aviation airport (as defined at 49 U.S.C. § 47102), if the FAA determines the airport sponsor meets the requirements set forth in Section 813 of Public Law 112-95.

b. As part of the annual audit required under the Single Audit Act of 1984, the sponsor will direct that the audit will review, and the resulting audit report will provide an opinion concerning, the use of airport revenue and taxes in paragraph (a), and indicating whether funds paid or transferred to the owner or operator are paid or transferred in a manner consistent with Title 49, United States Code and any other applicable provision of law, including any regulation promulgated by the Secretary or Administrator.

26. Reports and Inspections.

It will:

a. submit to the Secretary such annual or special financial and operations reports as the Secretary may reasonably request and make such reports available to the public; make available to the public at reasonable times and places a report of the airport budget in a format prescribed by the Secretary;

b. for airport development projects, make the airport and all airport records and documents affecting the airport, including deeds, leases, operation and use agreements, regulations and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request;

c. for noise compatibility program projects, make records and documents relating to the project and continued compliance with the terms, conditions, and assurances of this Grant Agreement including deeds, leases, agreements, regulations, and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request; and

d. in a format and time prescribed by the Secretary, provide to the Secretary and make available to the public following each of its fiscal years, an annual report listing in detail:

   1. all amounts paid by the airport to any other unit of government and the purposes for which each such payment was made; and

   2. all services and property provided by the airport to other units of government and the amount of compensation received for provision of each such service and property.

27. Use by Government Aircraft.

It will make available all of the facilities of the airport developed with Federal financial assistance and all those usable for landing and takeoff of aircraft to the United States for use by Government aircraft in common with other aircraft at all times without charge, except, if the use by Government aircraft is substantial, charge may be made for a reasonable share, proportional to such use, for the cost of operating and maintaining the facilities used. Unless otherwise determined by the Secretary, or otherwise agreed to by the sponsor and the using agency, substantial use of an airport by Government aircraft will be considered to exist when operations of such aircraft are in excess of those which, in the opinion of the Secretary, would unduly interfere with use of the landing areas by other authorized aircraft, or during any calendar month that:

a. Five (5) or more Government aircraft are regularly based at the airport or on land adjacent thereto; or

b. The total number of movements (counting each landing as a movement) of Government aircraft is 300 or more, or the gross accumulative weight of Government aircraft using the airport (the total movement of Government aircraft multiplied by gross weights of such aircraft) is in excess of five million pounds.

28. Land for Federal Facilities.

It will furnish without cost to the Federal Government for use in connection with any air traffic control or air navigation activities, or weather-reporting and communication activities related to air traffic control, any areas of land or water, or estate therein as the Secretary considers necessary or desirable for construction, operation, and maintenance at Federal expense of space or facilities for such purposes. Such areas or any portion thereof will be made available as provided herein within four months after receipt of a written request from the Secretary.

29. Airport Layout Plan.

a. Subject to the FAA Reauthorization Act of 2018, Public Law 115-254, Section 163, it will keep up to date at all times an airport layout plan of the airport showing:

   1. boundaries of the airport and all proposed additions thereto, together with the boundaries of all offsite areas owned or controlled by the sponsor for airport purposes and proposed additions thereto;

2. the location and nature of all existing and proposed airport facilities and structures (such as runways, taxiways, aprons, terminal buildings, hangars and roads), including all proposed extensions and reductions of existing airport facilities;
3. the location of all existing and proposed non-aviation areas and of all existing improvements thereon; and
4. all proposed and existing access points used to taxi aircraft across the airport's property boundary.

Such airport layout plans and each amendment, revision, or modification thereof, shall be subject to the approval of the Secretary which approval shall be evidenced by the signature of a duly authorized representative of the Secretary on the face of the airport layout plan. The sponsor will not make or permit any changes or alterations in the airport or any of its facilities which are not in conformity with the airport layout plan as approved by the Secretary and which might, in the opinion of the Secretary, adversely affect the safety, utility or efficiency of the airport.

b. Subject to the FAA Reauthorization Act of 2018, Public Law 115-254, Section 163, if a change or alteration in the airport or the facilities is made which the Secretary determines adversely affects the safety, utility, or efficiency of any federally owned, leased, or funded property on or off the airport and which is not in conformity with the airport layout plan as approved by the Secretary, the owner or operator will, if requested, by the Secretary:
    1. eliminate such adverse effect in a manner approved by the Secretary; or
    2. bear all costs of relocating such property (or replacement thereof) to a site acceptable to the Secretary and all costs of restoring such property (or replacement thereof) to the level of safety, utility, efficiency, and cost of operation existing before the unapproved change in the airport or its facilities except in the case of a relocation or replacement of an existing airport facility due to a change in the Secretary's design standards beyond the control of the airport sponsor.

30. Civil Rights.

It will promptly take any measures necessary to ensure that no person in the United States shall, on the grounds of race, color, and national origin (including limited English proficiency) in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4); creed and sex (including sexual orientation and gender identity) per 49 U.S.C. § 47123 and related requirements; age per the Age Discrimination Act of 1975 and related requirements; or disability per the Americans with Disabilities Act of 1990 and related requirements, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination in any program and activity conducted with, or benefiting from, funds received from this Grant.

a. Using the definitions of activity, facility, and program as found and defined in 49 CFR §§ 21.23(b) and 21.23(e), the sponsor will facilitate all programs, operate all facilities, or conduct all programs in compliance with all non-discrimination requirements imposed by or pursuant to these assurances.

b. Applicability

1. Programs and Activities. If the sponsor has received a grant (or other federal assistance) for any of the sponsor's program or activities, these requirements extend to all of the sponsor's programs and activities.
2. Facilities. Where it receives a grant or other federal financial assistance to construct, expand, renovate, remodel, alter, or acquire a facility, or part of a facility, the assurance extends to the entire facility and facilities operated in connection therewith.
3. Real Property. Where the sponsor receives a grant or other Federal financial assistance in the form of, or for the acquisition of real property or an interest in real property, the assurance will extend to rights to space on, over, or under such property. c. Duration.

The sponsor agrees that it is obligated to this assurance for the period during which Federal financial assistance is extended to the program, except where the Federal financial assistance is to provide, or is in the form of, personal property, or real property, or interest therein, or structures or improvements thereon, in which case the assurance obligates the sponsor, or any transferee for the longer of the following periods:

1. So long as the airport is used as an airport, or for another purpose involving the provision of similar services or benefits; or
2. So long as the sponsor retains ownership or possession of the property.

d. Required Solicitation Language. It will include the following notification in all solicitations for bids, Requests For Proposals for work, or material under this Grant Agreement and in all proposals for agreements, including airport concessions, regardless of funding source:

"The (**City of Mankato**), in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4) and the Regulations, hereby notifies all bidders or offerors that it will affirmatively ensure that for any contract entered into pursuant to this advertisement, [select businesses, or disadvantaged business enterprises or airport concession disadvantaged business enterprises] will be afforded full and fair opportunity to submit bids in response to this invitation and no businesses will be discriminated against on the grounds of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability in consideration for an award."

e. Required Contract Provisions.

1. It will insert the non-discrimination contract clauses requiring compliance with the acts and regulations relative to non-discrimination in Federally-assisted programs of the Department of Transportation (DOT), and incorporating the acts and regulations into the contracts by reference in every contract or agreement subject to the non-discrimination in Federally-assisted programs of the DOT acts and regulations.
2. It will include a list of the pertinent non-discrimination authorities in every contract that is subject to the non-discrimination acts and regulations.
3. It will insert non-discrimination contract clauses as a covenant running with the land, in any deed from the United States effecting or recording a transfer of real property, structures, use, or improvements thereon or interest therein to a sponsor.

4. It will insert non-discrimination contract clauses prohibiting discrimination on the basis of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability as a covenant running with the land, in any future deeds, leases, license, permits, or similar instruments entered into by the sponsor with other parties:
   a. For the subsequent transfer of real property acquired or improved under the applicable activity, project, or program; and
   b. For the construction or use of, or access to, space on, over, or under real property acquired or improved under the applicable activity, project, or program.

f. It will provide for such methods of administration for the program as are found by the Secretary to give reasonable guarantee that it, other recipients, sub-recipients, sub-grantees, contractors, subcontractors, consultants, transferees, successors in interest, and other participants of Federal financial assistance under such program will comply with all requirements imposed or pursuant to the acts, the regulations, and this assurance.

g. It agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the acts, the regulations, and this assurance.

31. Disposal of Land.

a. For land purchased under a grant for airport noise compatibility purposes, including land serving as a noise buffer, it will dispose of the land, when the land is no longer needed for such purposes, at fair market value, at the earliest practicable time. That portion of the proceeds of such disposition which is proportionate to the United States' share of acquisition of such land will be, at the discretion of the Secretary, (1) reinvested in another project at the airport, or (2) transferred to another eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order:
   1. Reinvestment in an approved noise compatibility project;
   2. Reinvestment in an approved project that is eligible for grant funding under 49 U.S.C. § 47117(e);
   3. Reinvestment in an approved airport development project that is eligible for grant funding under 49 U.S.C. § 47114, 47115, or 47117, or under Public Law 117-58, Division J, Title VIII; or
   4. Transfer to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport.

   If land acquired under a grant for noise compatibility purposes is leased at fair market value and consistent with noise buffering purposes, the lease will not be considered a disposal of the land. Revenues derived from such a lease may be used for an approved airport development project that would otherwise be eligible for grant funding or any permitted use of airport revenue.

b. For land purchased under a grant for airport development purposes (other than noise compatibility), it will, when the land is no longer needed for airport purposes, dispose of such land at fair market value or make available to the Secretary an amount equal to the United States' proportionate share of the fair market value of the land. That portion of the proceeds of such disposition which is proportionate to the United States' share of the cost of acquisition of such land will, upon application to the Secretary, be reinvested or transferred to another eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order:

1. Reinvestment in an approved noise compatibility project;
2. Reinvestment in an approved project that is eligible for grant funding under 49 U.S.C. § 47117(e);
3. Reinvestment in an approved airport development project that is eligible for grant funding under 49 U.S.C. §§ 47114, 47115, or 47117, or under Public Law 117-58, Division J, Title VIII; or
4. Transfer to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport.

c. Land shall be considered to be needed for airport purposes under this assurance if (1) it may be needed for aeronautical purposes (including runway protection zones) or serve as noise buffer land, and (2) the revenue from interim uses of such land contributes to the financial self-sufficiency of the airport. Further, land purchased with a grant received by an airport operator or owner before December 31, 1987, will be considered to be needed for airport purposes if the Secretary or Federal agency making such grant before December 31, 1987, was notified by the operator or owner of the uses of such land, did not object to such use, and the land continues to be used for that purpose, such use having commenced no later than December 15, 1989.

d. Disposition of such land under (a), (b), or (c) will be subject to the retention or reservation of any interest or right therein necessary to ensure that such land will only be used for purposes which are compatible with noise levels associated with operation of the airport.

32. Engineering and Design Services.

If any phase of such project has received Federal funds under Chapter 471 subchapter 1 of Title 49 U.S.C., or Public Law 117-58, Division J, Title VIII it will award each contract, or sub-contract for program management, construction management, planning studies, feasibility studies, architectural services, preliminary engineering, design, engineering, surveying, mapping or related services in the same manner as a contract for architectural and engineering services is negotiated under Chapter 11 of Title 40 U S.C., or an equivalent qualifications-based requirement prescribed for or by the sponsor of the airport.

33. Foreign Market Restrictions.

It will not allow funds provided under this Grant to be used to fund any project which uses any product or service of a foreign country during the period in which such foreign country is listed by the United States Trade Representative as denying fair and equitable market opportunities for products and suppliers of the United States in procurement and construction.

34. Policies, Standards, and Specifications.

It will carry out any project funded under a Bipartisan Infrastructure Law grant in accordance with policies, standards, and specifications approved by the Secretary including, but not limited to, current FAA Advisory Circulars (https://www.faa.gov/airports/aip/media/aip-pfc-checklist.pdf) for BIL projects as of August 15, 2024.

35. Relocation and Real Property Acquisition.

a. It will be guided in acquiring real property, to the greatest extent practicable under State law, by the land acquisition policies in Subpart B of 49 CFR Part 24 and will pay or reimburse property owners for necessary expenses as specified in Subpart B.

b. It will provide a relocation assistance program offering the services described in Subpart C of 49 CFR Part 24 and fair and reasonable relocation payments and assistance to displaced persons as required in Subpart D and E of 49 CFR Part 24.

c. It will make available within a reasonable period of time prior to displacement, comparable replacement dwellings to displaced persons in accordance with Subpart E of 49 CFR Part 24.

36. Access By Intercity Buses.

The airport owner or operator will permit, to the maximum extent practicable, intercity buses or other modes of transportation to have access to the airport; however, it has no obligation to fund special facilities for intercity buses or for other modes of transportation.

37. Disadvantaged Business Enterprises.

The sponsor shall not discriminate on the basis of race, color, national origin, sex, in the award and performance of any DOT-assisted contract covered by 49 CFR Part 26, or in the award and performance of any concession activity contract covered by 49 CFR Part 23. In addition, the sponsor shall not discriminate on the basis of race, color, national origin or sex in the administration of its Disadvantaged Business Enterprise (DBE) and Airport Concessions Disadvantaged Business Enterprise (ACDBE) programs or the requirements of 49 CFR Parts 23 and 26. The sponsor shall take all necessary and reasonable steps under 49 CFR Parts 23 and 26 to ensure nondiscrimination in the award and administration of DOT-assisted contracts, and/or concession contracts. The sponsor's DBE and ACDBE programs, as required by 49 CFR Parts 26 and 23, and as approved by DOT, are incorporated by reference in this agreement. Implementation of these programs is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the sponsor of its failure to carry out its approved program, the Department may impose sanctions as provided for under Parts 26 and 23 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. § 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. §§ 3801-3809, 3812).

38. Hangar Construction.

If the airport owner or operator and a person who owns an aircraft agree that a hangar is to be constructed at the airport for the aircraft at the aircraft owner's expense, the airport owner or operator will grant to the aircraft owner for the hangar a long term lease that is subject to such terms and conditions on the hangar as the airport owner or operator may impose.

39. Competitive Access.

a. If the airport owner or operator of a medium or large hub airport (as defined in 49 U.S.C. § 47102) has been unable to accommodate one or more requests by an air carrier for access to gates or other facilities at that airport in order to allow the air carrier to provide service to the airport or to expand service at the airport, the airport owner or operator shall transmit a report to the Secretary that:

1. Describes the requests;
2. Provides an explanation as to why the requests could not be accommodated; and
3. Provides a time frame within which, if any, the airport will be able to accommodate the requests.

b. Such report shall be due on either February 1 or August 1 of each year if the airport has been unable to accommodate the request(s) in the six month period prior to the applicable due date.

Certification and Disclosure Regarding Potential Conflicts of Interest Airport Improvement Program Sponsor Certification

Sponsor: City of Mankato

Airport: Mankato Regional Airport

Project Number: 3-27-0055-035-2024

Description of Work: Reseal/Resurface Runway Pavement 15/33, Reseal Taxiway Pavement A

Application

Title 2 CFR § 200.112 and § 1201.112 address Federal Aviation Administration (FAA) requirements for conflict of interest. As a condition of eligibility under the Airport Improvement Program (AIP), sponsors must comply with FAA policy on conflict of interest. Such a conflict would arise when any of the following have a financial or other interest in the firm selected for award:

a) The employee, officer or agent,

b) Any member of his immediate family,

c) His or her partner, or

d) An organization which employs, or is about to employ, any of the above.

Selecting “Yes” represents sponsor or sub-recipient acknowledgement and confirmation of the certification statement. Selecting “No” represents sponsor or sub-recipient disclosure that it cannot fully comply with the certification statement. If “No” is selected, provide support information explaining the negative response as an attachment to this form. This includes whether the sponsor has established standards for financial interest that are not substantial or unsolicited gifts are of nominal value (2 CFR § 200.318(c)). The term “will” means Sponsor action taken at appropriate time based on the certification statement focus area, but no later than the end of the project period of performance.

Certification Statements

1. The sponsor or sub-recipient maintains a written standards of conduct governing conflict of interest and the performance of their employees engaged in the award and administration of contracts (2 CFR § 200.318(c)). To the extent permitted by state or local law or regulations, such standards of conduct provide for penalties, sanctions, or other disciplinary actions for violations of such standards by the sponsor’s and sub-recipient’s officers, employees, or agents, or by contractors or their agents.

   {{[]}} Yes {{[]}} No {{[]}} N/A

2. The sponsor's or sub-recipient's officers, employees or agents have not and will not solicit or accept gratuities, favors or anything of monetary value from contractors, potential contractors, or parties to sub-agreements (2 CFR § 200.318(c)).

   {{[]}} Yes {{[]}} No {{[]}} N/A

3. The sponsor or sub-recipient certifies that is has disclosed and will disclose to the FAA any known potential conflict of interest (2 CFR § 1200.112).

   {{[]}} Yes {{[]}} No {{[]}} N/A

Attach documentation clarifying any above item marked with "no" response.

Sponsor's Certification

I certify, for the project identified herein, responses to the forgoing items are accurate as marked and additional documentation for any item marked "no" is correct and complete.

{{DateTime_es_:signer2:calc(now()):format(date," mmmm d, yyyy")}}

Name of Sponsor:

Name of Sponsor's Authorized Official: {{N_es_:signer2: fullname}}

Title of Sponsor's Authorized Official: {{*Ttl_es_:signer2: title}}

Signature of Sponsor's Authorized Official: {{Sig_es_:signer2: signature}}

I declare under penalty of perjury that the foregoing is true and correct. I understand that knowingly and willfully providing false information to the federal government is a violation of 18 USC § 1001 (False Statements) and could subject me to fines, imprisonment, or both.

U.S. Department of Transportation
Federal Aviation Administration

OMB CONTROL NUMBER: 2120-0569
EXPIRATION DATE: 8/31/2019

Construction Project Final Acceptance Airport Improvement Program Sponsor Certification

Sponsor: City of Mankato

Airport: Mankato Regional Airport

Project Number: 3-27-0055-035-2024

Description of Work: Reseal/Resurface Runway Pavement 15/33, Reseal Taxiway Pavement A

Application

49 USC § 47105(d), authorizes the Secretary to require me certification from the sponsor that it will comply with the statutory and administrative requirements in carrying out a project under the Airport Improvement Program. General standards for final acceptance and close out of federally funded construction projects are in 2 CFR § 200.343 – Closeout and supplemented by FAA Order 5100.38. The sponsor must determine that project costs are accurate and proper in accordance with specific requirements of the grant agreement and contract documents.

Certification Statements

Except for certification statements below marked not applicable (N/A), this list includes major requirements of the construction project. Selecting "Yes" represents sponsor acknowledgment and confirmation of the certification statement. The term "will" means Sponsor action taken at appropriate time based on the certification statement focus area, but no later than the end of the project period of performance. This list is not comprehensive and does not relieve the sponsor from fully complying with all applicable statutory and administrative standards. The source of the requirement is referenced within parenthesis.

1. The personnel engaged in project administration, engineering supervision, project inspection, and acceptance testing were or will be determined to be qualified and competent to perform the work (Grant Assurance).

   {{[]}} Yes {{[]}} No {{[]}} N/A
2. Construction records, including daily logs, were or will be kept by the resident engineer/construction inspector that fully document contractor's performance in complying with:

   a. Technical standards (Advisory Circular (AC) 150/5370-12);

   b. Contract requirements (2 CFR part 200 and FAA Order 5100.38); and

   c. Construction safety and phasing plan measures (AC 150/5370-2).

   {{[]}} Yes {{[]}} No {{[]}} N/A
3. All acceptance tests specified in the project specifications were or will be performed and documented. (AC 150/5370-12).

   {{[]}} Yes {{[]}} No {{[]}} N/A

4. Sponsor has taken or will take appropriate corrective action for any test result outside of allowable tolerances (AC 150/5370-12).

   {{[]}} Yes {{[]}} No {{[]}} N/A

5. Pay reduction factors required by the specifications were applied or will be applied in computing final payments with a summary made available to the FAA (AC 150/5370-10).

   {{[]}} Yes {{[]}} No {{[]}} N/A

6. Sponsor has notified, or will promptly notify the Federal Aviation Administration (FAA) of the following occurrences:

   a. Violations of any federal requirements set forth or included by reference in the contract documents (2 CFR part 200);

   b. Disputes or complaints concerning federal labor standards (29 CFR part 5); and

   c. Violations of or complaints addressing conformance with Equal Employment Opportunity or Disadvantaged Business Enterprise requirements (41 CFR Chapter 60 and 49 CFR part 26).

   {{[]}} Yes {{[]}} No {{[]}} N/A

7. Weekly payroll records and statements of compliance were or will be submitted by the prime contractor and reviewed by the sponsor for conformance with federal labor and civil rights requirements as required by FAA and U.S. Department of Labor (29 CFR Part 5).

   {{[]}} Yes {{[]}} No {{[]}} N/A

8. Payments to the contractor were or will be made in conformance with federal requirements and contract provisions using sponsor internal controls that include:

   a. Retaining source documentation of payments and verifying contractor billing statements against actual performance (2 CFR § 200.302 and FAA Order 5100.38);

   b. Prompt payment of subcontractors for satisfactory performance of work (49 CFR § 26.29);

   c. Release of applicable retainage upon satisfactory performance of work (49 CFR § 26.29); and

   d. Verification that payments to DBEs represent work the DBE performed by carrying out a commercially useful function (49 CFR §26.55).

   {{[]}} Yes {{[]}} No {{[]}} N/A

9. A final project inspection was or will be conducted with representatives of the sponsor and the contractor present that ensure:

   a. Physical completion of project work in conformance with approved plans and specifications (Order 5100.38);

   b. Necessary actions to correct punch list items identified during final inspection are complete (Order 5100.38); and

   c. Preparation of a record of final inspection and distribution to parties to the contract (Order 5100.38);

   {{[]}} Yes {{[]}} No {{[]}} N/A

10. The project was or will be accomplished without material deviations, changes, or modifications from approved plans and specifications, except as approved by the FAA (Order 5100.38). {{[]}} Yes {{[]}} No {{[]}} N/A

11. The construction of all buildings have complied or will comply with the seismic construction requirements of 49 CFR § 41.120.

    {{[]}} Yes {{[]}} No {{[]}} N/A

12. For development projects, sponsor has taken or will take the following close-out actions:

    a. Submit to the FAA a final test and quality assurance report summarizing acceptance test results, as applicable (Grant Condition);

    b. Complete all environmental requirements as established within the project environmental determination (Oder 5100.38); and

    c. Prepare and retain as-built plans (Order 5100.38) {{[]}} Yes {{[]}} No {{[]}} N/A

13. Sponsor has revised or will revise their airport layout plan (ALP) that reflects improvements made and has submitted or will submit an updated ALP to the FAA no later than 90 days from the period of performance end date. (49 USC § 47107 and Order 5100.38).

    {{[]}} Yes {{[]}} No {{[]}} N/A

Attach documentation clarifying any above item marked with "No" response.

Sponsor's Certification

I certify, for the project identified herein, responses to the forgoing items are accurate as marked and additional documentation for any item marked "no" is correct and complete.

{{DateTime_es_:signer2:calc(now()):format(date," mmmm d, yyyy")}}

Name of Sponsor:

Name of Sponsor's Authorized Official: {{N_es_:signer2: fullname}}

Title of Sponsor's Authorized Official: {{*Ttl_es_:signer2: title}}

Signature of Sponsor's Authorized Official: {{Sig_es_:signer2: signature}}

I declare under penalty of perjury that the foregoing is true and correct. I understand that knowingly and willfully providing false information to the federal government is a violation of 18 USC § 1001 (False Statements) and could subject me to fines, imprisonment, or both.

Drug-Free Workplace Airport Improvement Program Sponsor Certification

Sponsor: City of Mankato

Airport: Mankato Regional Airport

Project Number: 3-27-0055-035-2024

Description of Work: Reseal/Resurface Runway Pavement 15/33, Reseal Taxiway Pavement A

Application

49 USC § 47105(d) authorizes the Secretary to require certification from the sponsor that it will comply with the statutory and administrative requirements in carrying out a project under the Airport Improvement Program (AIP). General requirements on the drug-free workplace within federal grant programs are described in 2 CFR part 182. Sponsors are required to certify they will be, or will continue to provide, a drug-free workplace in accordance with the regulation. The AIP project grant agreement contains specific assurances on the Drug-Free Workplace Act of 1988.

Certification Statements

Except for certification statements below marked as not applicable (N/A), this list includes major requirements of the construction project. Selecting "Yes" represents sponsor acknowledgement and confirmation of the certification statement. The term "will" means Sponsor action taken at appropriate time based on the certification statement focus area, but no later than the end of the project period of performance. This list is not comprehensive and does not relieve the sponsor from fully complying with all applicable statutory and administrative standards. The source of the requirement is referenced within parenthesis.

1. A statement has been or will be published prior to commencement of project notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the sponsor's workplace, and specifying the actions to be taken against employees for violation of such prohibition (2 CFR § 182.205).

   {{[]}} Yes {{[]}} No {{[]}} N/A

2. An ongoing drug-free awareness program (2 CFR § 182.215) has been or will be established prior to commencement of project to inform employees about:

   a. The dangers of drug abuse in the workplace;

   b. The sponsor's policy of maintaining a drug-free workplace;

   c. Any available drug counseling, rehabilitation, and employee assistance programs; and

   d. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.

   {{[]}} Yes {{[]}} No {{[]}} N/A

3. Each employee to be engaged in the performance of the work has been or will be given a copy of the statement required within item 1 above prior to commencement of project (2 CFR § 182.210).

   {{[]}} Yes {{[]}} No {{[]}} N/A

4. Employees have been or will be notified in the statement required by item 1 above that, as a condition employment under the grant (2 CFR § 182.205(c)), the employee will:

   a. Abide by the terms of the statement; and

   b. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction.

   {{[]}} Yes {{[]}} No {{[]}} N/A

5. The Federal Aviation Administration (FAA) will be notified in writing within 10 calendar days after receiving notice under item 4b above from an employee or otherwise receiving actual notice of such conviction (2 CFR § 182.225). Employers of convicted employees must provide notice, including position title of the employee, to the FAA (2 CFR § 182.300).

   {{[]}} Yes {{[]}} No {{[]}} N/A

6. One of the following actions (2 CFR § 182.225(b)) will be taken within 30 calendar days of receiving a notice under item 4b above with respect to any employee who is so convicted:

   a. Take appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; and

   b. Require such employee to participate satisfactorily in drug abuse assistance or rehabilitation programs approved for such purposes by a federal, state, or local health, law enforcement, or other appropriate agency.

   {{[]}} Yes {{[]}} No {{[]}} N/A

7. A good faith effort will be made, on a continuous basis, to maintain a drug-free workplace through implementation of items 1 through 6 above (2 CFR § 182.200).

   {{[]}} Yes {{[]}} No {{[]}} N/A

Site(s) of performance of work (2 CFR § 182.230):

Location 1

Name of Location: {{ Location_1 }}

{{ Address_1 }}

Location 2 (if applicable)

Name of Location: {{ Location_2 }}

{{ Address_2 }}

Location 3 (if applicable)

{{ Location_3 }}

{{ Address_3 }}

Attach documentation clarifying any above item marked with a "No" response.

Sponsor's Certification

I certify, for the project identified herein, responses to the forgoing items are accurate as marked and additional documentation for any item marked "no" is correct and complete.

{{DateTime_es_:signer2:calc(now()):format(date," mmmm d, yyyy")}}

Name of Sponsor:

Name of Sponsor's Authorized Official: {{N_es_:signer2: fullname}}

Title of Sponsor's Authorized Official: {{*Ttl_es_:signer2: title}}

Signature of Sponsor's Authorized Official: {{Sig_es_:signer2: signature}}

I declare under penalty of perjury that the foregoing is true and correct. I understand that knowingly and willfully providing false information to the federal government is a violation of 18 USC § 1001 (False Statements) and could subject me to fines, imprisonment, or both.

Equipment and Construction Contracts Airport Improvement Sponsor Certification

Sponsor: City of Mankato

Airport: Mankato Regional Airport

Project Number: 3-27-0055-035-2024

Description of Work: Reseal/Resurface Runway Pavement 15/33, Reseal Taxiway Pavement A

Application

49 USC § 47105(d) authorizes the Secretary to require certification from the sponsor that it will comply with the statutory and administrative requirements in carrying out a project under the Airport Improvement Program (AIP). General procurement standards for equipment and construction contracts within Federal grant programs are described in 2 CFR §§ 200.317-200.326. Labor and Civil Rights Standards applicable to the AIP are established by the Department of Labor (www.dol.gov) AIP Grant Assurance C.1—General Federal Requirements identifies all applicable Federal Laws, regulations, executive orders, policies, guidelines and requirements for assistance under the AIP. Sponsors may use state and local procedures provided the procurement conforms to these federal standards.

This certification applies to all equipment and construction projects. Equipment projects may or may not employ laborers and mechanics that qualify the project as a "covered contract" under requirements established by the Department of Labor requirements. Sponsor shall provide appropriate responses to the certification statements that reflect the character of the project regardless of whether the contract is for a construction project or an equipment project.

Certification Statements

Except for certification statements below marked as not applicable (N/A), this list includes major requirements of the construction project. Selecting "Yes" represents sponsor acknowledgement and confirmation of the certification statement. The term "will" means Sponsor action taken at appropriate time based on the certification statement focus area, but no later than the end of the project period of performance. This list is not comprehensive and does not relieve the sponsor from fully complying with all applicable statutory and administrative standards. The source of the requirement is referenced within parenthesis.

1. A written code or standard of conduct is or will be in effect prior to commencement of the project that governs the performance of the sponsor's officers, employees, or agents in soliciting, awarding and administering procurement contracts (2 CFR § 200.318).

   {{[]}} Yes {{[]}} No {{[]}} N/A

2. For all contracts, qualified and competent personnel are or will be engaged to perform contract administration, engineering supervision, construction inspection, and testing (Grant Assurance C.17).

   {{[]}} Yes {{[]}} No {{[]}} N/A

3. Sponsors that are required to have a Disadvantage Business Enterprise (DBE) program on file with the FAA have included or will include clauses required by Title VI of the Civil Rights Act and 49 CFR Part 26 for Disadvantaged Business Enterprises in all contracts and subcontracts.

   {{[]}} Yes {{[]}} No {{[]}} N/A

4. Sponsors required to have a DBE program on file with the FAA have implemented or will implement monitoring and enforcement measures that:

   a. Ensure work committed to Disadvantaged Business Enterprises at contract award is actually performed by the named DBEs (49 CFR § 26.37(b));

   b. Include written certification that the sponsor has reviewed contract records and has monitored work sites for performance by DBE firms (49 CFR § 26.37(b)); and

   c. Provides for a running tally of payments made to DBE firms and a means for comparing actual attainments (i.e. payments) to original commitments (49 CFR § 26.37(c)).

   {{[]}} Yes {{[]}} No {{[]}} N/A

5. Sponsor procurement actions using the competitive sealed bid method (2 CFR § 200.320(c)). was or will be:

   a. Publicly advertised, allowing a sufficient response time to solicit an adequate number of interested contractors or vendors;

   b. Prepared to include a complete, adequate and realistic specification that defines the items or services in sufficient detail to allow prospective bidders to respond;

   c. Publicly opened at a time and place prescribed in the invitation for bids; and

   d. Prepared in a manner that result in a firm fixed price contract award to the lowest responsive and responsible bidder.

   {{[]}} Yes {{[]}} No {{[]}} N/A

6. For projects the Sponsor proposes to use the competitive proposal procurement method (2 CFR § 200.320(d)), Sponsor has requested or will request FAA approval prior to proceeding with a competitive proposal procurement by submitting to the FAA the following:

   a. Written justification that supports use of competitive proposal method in lieu of the preferred sealed bid procurement method;

   b. Plan for publicizing and soliciting an adequate number of qualified sources; and

   c. Listing of evaluation factors along with relative importance of the factors. {{[]}} Yes {{[]}} No {{[]}} N/A

7. For construction and equipment installation projects, the bid solicitation includes or will include the current federal wage rate schedule(s) for the appropriate type of work classifications (2 CFR Part 200, Appendix II).

   {{[]}} Yes {{[]}} No {{[]}} N/A

8. Concurrence was or will be obtained from the Federal Aviation Administration (FAA) prior to contract award under any of the following circumstances (Order 5100.38D):
    a. Only one qualified person/firm submits a responsive bid;
    b. Award is to be made to other than the lowest responsible bidder; and
    c. Life cycle costing is a factor in selecting the lowest responsive bidder.

{{[]}} Yes {{[]}} No {{[]}} N/A

9. All construction and equipment installation contracts contain or will contain provisions for:
    a. Access to Records (§ 200.336)
    b. Buy American Preferences (Title 49 U.S.C. § 50101)
    c. Civil Rights - General Provisions and Title VI Assurances(41 CFR part 60)
    d. Federal Fair Labor Standards (29 U.S.C. § 201, et seq)
    e. Occupational Safety and Health Act requirements (20 CFR part 1920)
    f. Seismic Safety – building construction (49 CFR part 41)
    g. State Energy Conservation Requirements - as applicable(2 CFR part 200, Appendix II)
    h. U.S. Trade Restriction (49 CFR part 30)
    i. Veterans Preference (49 USC § 47112(c))

{{[]}} Yes {{[]}} No {{[]}} N/A

10. All construction and equipment installation contracts exceeding $2,000 contain or will contain the provisions established by:
    a. Davis-Bacon and Related Acts (29 CFR part 5)
    b. Copeland "Anti-Kickback" Act (29 CFR parts 3 and 5)

{{[]}} Yes {{[]}} No {{[]}} N/A

11. All construction and equipment installation contracts exceeding $3,000 contain or will contain a contract provision that discourages distracted driving (E.O. 13513). {{[]}} Yes {{[]}} No {{[]}} N/A

12. All contracts exceeding $10,000 contain or will contain the following provisions as applicable:
    a. Construction and equipment installation projects - Applicable clauses from 41 CFR Part 60 for compliance with Executive Orders 11246 and 11375 on Equal Employment Opportunity;
    b. Construction and equipment installation - Contract Clause prohibiting segregated facilities in accordance with 41 CFR part 60-1.8;
    c. Requirement to maximize use of products containing recovered materials in accordance with 2 CFR § 200.322 and 40 CFR part 247; and
    d. Provisions that address termination for cause and termination for convenience (2 CFR Part 200, Appendix II).

{{[]}} Yes {{[]}} No {{[]}} N/A

13. All contracts and subcontracts exceeding $25,000: Measures are in place or will be in place (e.g. checking the System for Award Management) that ensure contracts and subcontracts are not awarded to individuals or firms suspended, debarred, or excluded from participating in federally assisted projects (2 CFR parts 180 and 1200).

{{[]}} Yes {{[]}} No {{[]}} N/A

14. Contracts exceeding the simplified acquisition threshold (currently $150,000) include or will include provisions, as applicable, that address the following:

    a. Construction and equipment installation contracts - a bid guarantee of 5%, a performance bond of 100%, and a payment bond of 100% (2 CFR § 200.325);

    b. Construction and equipment installation contracts - requirements of the Contract Work Hours and Safety Standards Act (40 USC 3701-3708, Sections 103 and 107);

    c. Restrictions on Lobbying and Influencing (2 CFR part 200, Appendix II);

    d. Conditions specifying administrative, contractual and legal remedies for instances where contractor of vendor violate or breach the terms and conditions of the contract (2 CFR §200, Appendix II); and

    e. All Contracts - Applicable standards and requirements issued under Section 306 of the Clean Air Act (42 USC 7401-7671q), Section 508 of the Clean Water Act (33 USC 1251-1387, and Executive Order 11738.

{{[]}} Yes {{[]}} No {{[]}} N/A

Attach documentation clarifying any above item marked with "No" response

Sponsor's Certification

I certify, for the project identified herein, responses to the forgoing items are accurate as marked and additional documentation for any item marked "no" is correct and complete.

{{DateTime_es_:signer2:calc(now()):format(date," mmmm d, yyyy")}}

Name of Sponsor:

Name of Sponsor's Authorized Official: {{N_es_:signer2: fullname}}

Title of Sponsor's Authorized Official: {{*Ttl_es_:signer2: title}}

Signature of Sponsor's Authorized Official: {{Sig_es_:signer2: signature}}

I declare under penalty of perjury that the foregoing is true and correct. I understand that knowingly and willfully providing false information to the federal government is a violation of 18 USC § 1001 (False Statements) and could subject me to fines, imprisonment, or both.

131 (1/17) SUPERSEDES PREVIOUS EDITION

AGENDA RECOMMENDATION

Consent Calendar **6. G.**

City Council Regular Meeting

Meeting Date: 08/26/2024

Agenda Item:

Set September 9, 2024, as the date of public hearing for the Consolidated Annual Performance Evaluation Report (CAPER) for the Community Development Block Grant (CDBG) Program.

Recommendation/Action(s):

Set date of public hearing.

Summary:

On June 8, 2020, the City Council adopted the City of Mankato 2020–2024 Consolidated Plan for utilization of Community Development Block Grant (CDBG) funding. The plan details how the expected funding will be used in conformance with CDBG guidelines. The fourth funding year of this plan ended on June 30, 2024. The federal regulations that govern the CDBG program require two public hearings every year. The purpose of the first hearing is to review the Action Plan for the coming year and the Consolidated Plan (when applicable), which was held by the City Council on April 22, 2024. The purpose of the second hearing is to review the program performance for the previous year, which is the subject of the requested action. The performance for the previous year is summarized in a standardized format referred to as the Consolidated Annual Performance Evaluation Report – or CAPER.

The CAPER will be posted for public comment on August 24, 2024, and will run through September 8, 2024. It is requested the Council set the date of the public hearing for September 9, 2024.

AGENDA RECOMMENDATION

Consent Calendar 6. H.

City Council Regular Meeting

Meeting Date: 08/26/2024

Agenda Item:

Set October 15, 2024, as the date of public hearing for establishment of Development District No. 50 and Tax Increment District No. 50-1 (101 East Main Street, 121 East Main Street and 118 South 2nd Street).

Recommendation/Action(s):

Adoption of the attached resolution.

Summary:

Hotel Mankato, LLC is proposing to redevelop the property located at 101 East Main Street, 121 East Main Street and 118 South 2nd Street. It is proposed to demolish the two vacant buildings on the site and to construct two adjoining hotels totaling approximately 250,000 square feet with a total of 282 hotel guest rooms, a rooftop restaurant including an outdoor patio, a 168-stall underground parking garage and nine surface parking stalls.

The City Council approved the conditional use permit, certificate of design compliance and alley vacation for the redevelopment on August 12, 2024. The estimated total project cost is $92,710,000 and construction is anticipated to begin in late 2024 or early 2025 and be completed in 2026. It is anticipated there will be a total of 116 full-time equivalent jobs created for both hotels and the rooftop restaurant.

On August 12, 2024, the Economic Development Authority (EDA) reviewed the request for tax increment financing (TIF) for a redevelopment district and adopted a motion directing staff to prepare materials for a public hearing on October 15, 2024, regarding the establishment of Development District No. 50 and Tax Increment Financing District No. 50-1 and approval of a development agreement. Additional background information regarding the request can be found in the agenda item presented to the EDA on August 12, 2024.

The requested action is adoption of the attached resolution setting October 15, 2024, as the date of public hearing for the establishment of Development District No. 50 and TIF District No. 50-1. The draft TIF plan will be distributed to the taxing jurisdictions by September 13, 2024. The Planning Commission will review the development district on September 25, 2024. The TIF plan will generally consist of the information contained in the August 12, 2024, EDA memorandum.

Attachments

Resolution

Schedule

RESOLUTION CALLING FOR PUBLIC HEARING ON THE
PROPOSED ESTABLISHMENT OF MUNICIPAL DEVELOPMENT DISTRICT NO. 50 AND
TAX INCREMENT FINANCING DISTRICT NO. 50-1 AND
THE PROPOSED ADOPTION OF A DEVELOPMENT DISTRICT PLAN AND
TAX INCREMENT FINANCING PLAN RELATING THERETO

BE IT RESOLVED by the City Council (the "Council") of the City of Mankato, Minnesota (the "City", as follows:

1. Public Hearing. This Council shall meet on Tuesday, October 15, 2024, after 6:00 PM, to hold a public hearing on the following matters: (a) the proposed establishment of Development District No. 50 and Tax Increment Financing District No. 50-1 and (b) the proposed adoption of a Development District Plan and Tax Increment Financing Plan relating thereto, all pursuant to an in accordance with Minnesota Statutes, sections 469.124 through 469.134 and 469.174 through 469.179, both inclusive, as amended (the "Act").

2. Notice of Hearing; Filing of Plan. The City Clerk is hereby authorized to cause a notice of the hearing, substantially in the form attached hereto, to be published as required by the Act and to place a copy of the proposed Development District Plan and Tax Increment Financing Plan on file in the City Clerk's office at City Hall and to make such copy available for inspection by public.

Adopted this 26th day of August, 2024

____
Najwa Massad, Mayor

Attest: __________________________
Renae Kopischke, MMC
City Clerk

The motion for the adoption of the forgoing resolution was made by Councilmember _________________________ and duly seconded by Councilmember ____________________________.

Upon a vote being taken the following member voted in favor thereof: ______________________

____

Those against same: ____

City of Mankato, Minnesota

Timeline for
Establishment of

Tax Increment Financing (Redevelopment) District No. 50-1 within Development District No. 50
(Landmark/City Center Redevelopment)

Proposed Schedule of Events

Date	Event	Responsible Party
Establishment of TIF Plan and TIF District		
Monday, August 12	Economic Development Authority reviews project	City & Baker Tilly
Monday, August 26	City Council adoption of resolution calling for public hearing to be held on October 15, 2024	City & Baker Tilly
Friday, August 30	County Commissioner receives notification letter-regarding establishment of Redevelopment TIF District ***(at least 30 days prior to publication of notice of public hearing)***	Baker Tilly
Friday, September 13	County and School District receive impact letters and draft TIF Plan **(at least 30 days prior to public hearing)**	Baker Tilly
Wednesday, September 25	***Planning Commission review of Development District Plan***	City & Baker Tilly
Friday, September 27	Submission of public hearing notice **(deadline: at least 2 days prior by 12pm)**	Baker Tilly
Wednesday, October 2	Publication of notice of public hearing in Mankato Free Press Newspaper **(10-30 days prior to public hearing)**	Baker Tilly
Tuesday, October 15	City Council decertification of TIF 43-1 (for property to be included within new TIF Redevelopment District No. 50-1)	City & Baker Tilly
Tuesday, October 15	City Council holds public hearing and adopts resolution approving TIF Plan and TIF District	City & Baker Tilly
After Tuesday, October 15	Request for Certification of TIF District to County and Filing of TIF District and Plan with State	Baker Tilly

AGENDA RECOMMENDATION

City Council Regular Meeting **6. I.**

Meeting Date: 08/26/2024

Agenda Item:

Set September 9, 2024, as the date of public hearing for a variance from Section 10.13, Subd.6.C of the Mankato City Code to reduce the rear yard setback from 25 feet to 15.2 feet. The variance is being requested in order to construct a 26' X 29.5' attached garage addition at 102 Uriah Court.

Recommendation/Action(s):

Set September 9, 2024, as the date of public hearing.

Summary:

The applicants, Shawn Griffiths and Denise Schweim, are requesting to set a date of public hearing for review of a variance from Section 10.13, Subd.6. C of the Mankato City Code to reduce the rear yard setback from 25 feet to 15.2 feet. The property is described as Lot 16, Block 3, Copperfield No. 2, City of Mankato, Minnesota (102 Uriah Court).

The applicant is proposing to add on to the rear of their existing garage at their property at 129 Uriah Court. A new, 26' X 29.5', garage addition is proposed. A variance is requested to reduce the required rear yard setback from 25' to 15.2'. In considering a variance, the application will be evaluated for practical difficulty standards as presented by the applicant and variance findings will be determined based on whether (League of Minnesota Cities Guidance):

- The variance is in harmony with the purposes and intent of the ordinance. The variance is consistent with the comprehensive plan.
- The proposal puts the property to use in a reasonable manner.
- There are unique circumstances to the property not created by the landowner. The variance, if granted, will not alter the essential character of the locality.

The Site Plan and Traffic Advisory Committee met on August 13, 2024, and recommended denial based on property not meeting practical difficulty thresholds.

Staff will hold an administrative hearing on August 28, 2024. Information gathered at the administrative hearing will be included with the recommendation for the City Council to review.

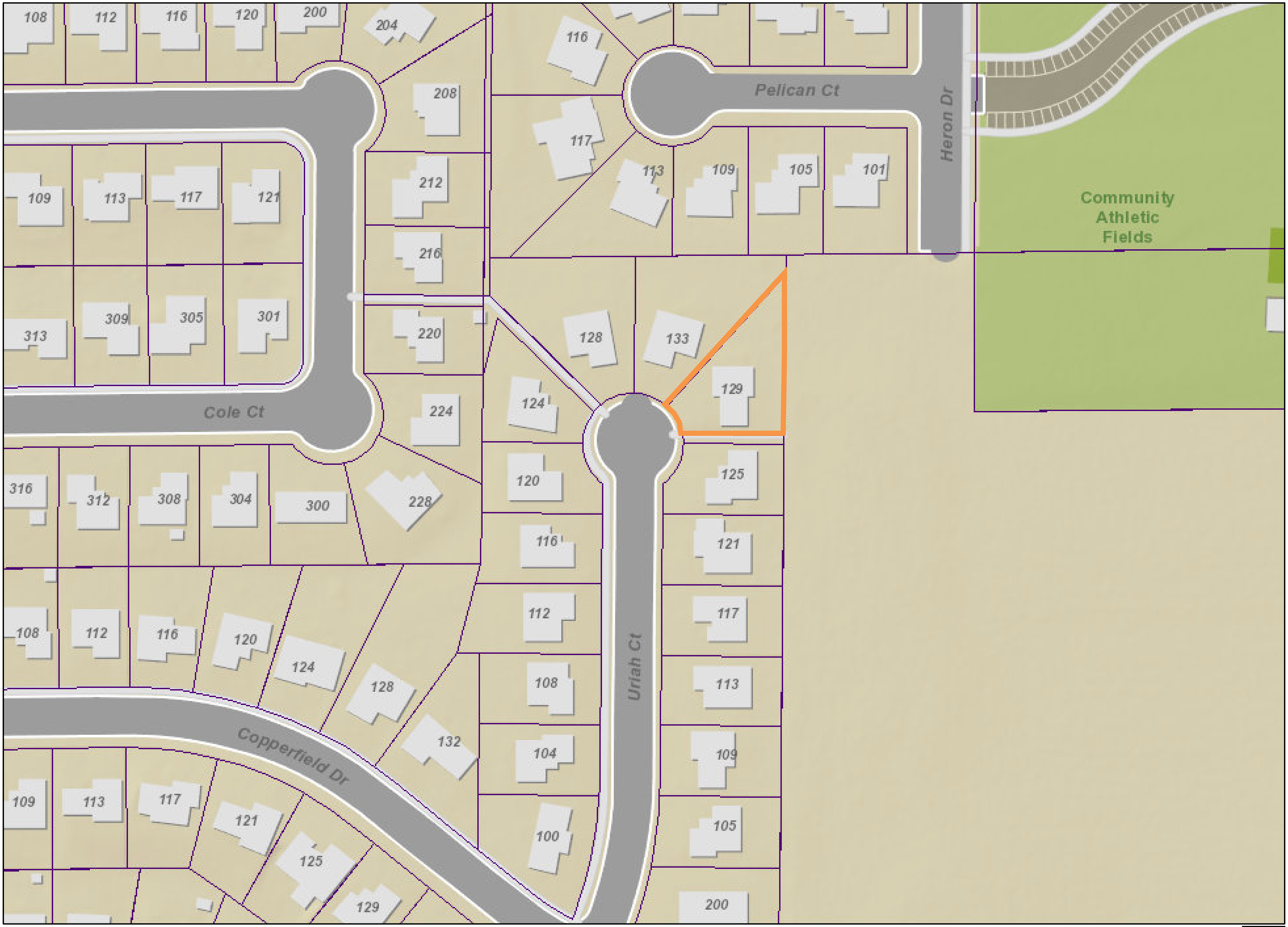
Attachments

General Location Map

Aerial

Survey

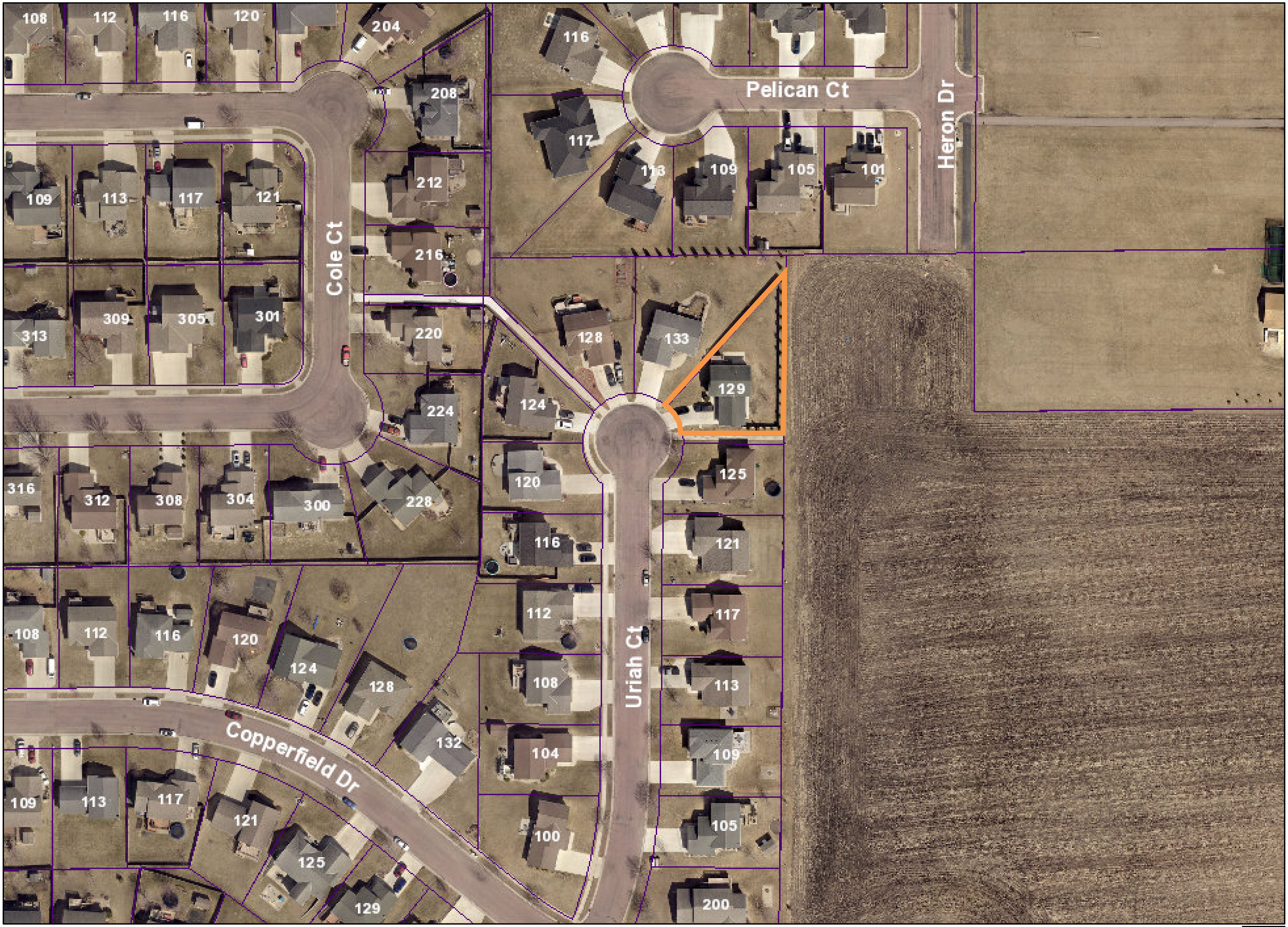
General Location Map



Date: July 2024

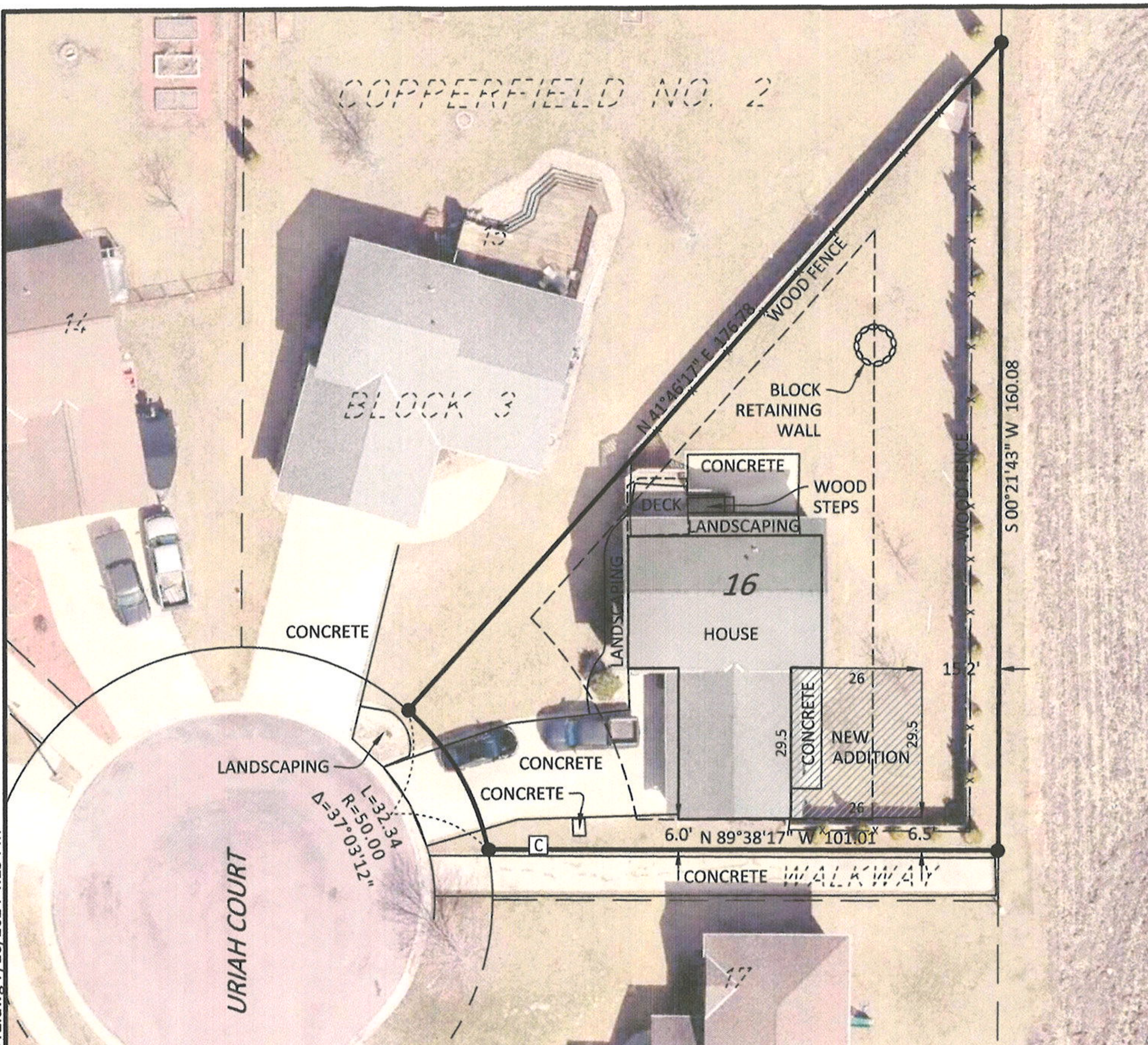
Author:

Aerial Map



Date: July 2024

Author:



LEGEND

● MONUMENT FOUND

Horizontal Datum: Blue Earth County Coordinate System (1996 Adj.)

N

0 30

SCALE IN FEET

DESCRIPTION

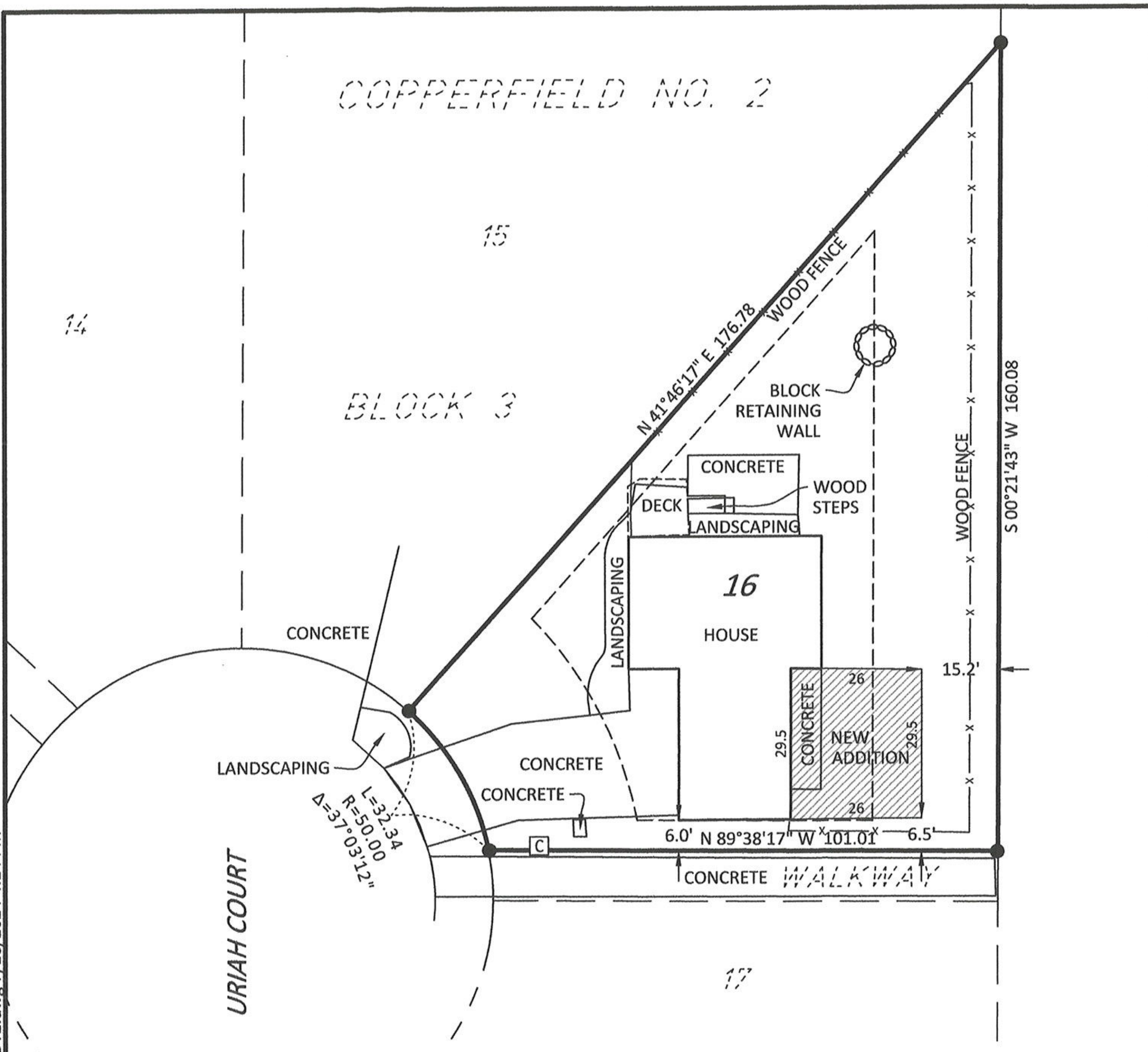
Lot 16, Block 3, Copperfield No. 2, Blue Earth County, Minnesota.

EXHIBIT MANKATO, MINNESOTA	LOT 16, BLOCK 3, COPPERFIELD NO. 2, BLUE EARTH COUNTY, MINNESOTA
BOLTON & MENK — 1960 PREMIER DRIVE MANKATO, MN 56001 (507) 625-4171	FOR: HOME SWEET HOME REMODELING

SDB135342H JOB NUMBER: 24X.135342.000 FIELD BOOK: DRAWN BY: CDT

H:\HOMESWEE PR\24X135342000\CAD\C3D\135342V-BNDY2.dwg 7/16/2024 4:15 PM

1.0 S29-T108N-R26W-(23)



LEGEND

● MONUMENT FOUND

Horizontal Datum: Blue Earth County Coordinate System (1996 Adj.)

DESCRIPTION

Lot 16, Block 3, Copperfield No. 2, Blue Earth County, Minnesota.

0 30
SCALE IN FEET

SURVEYOR'S CERTIFICATION

I hereby certify that this survey, plan, or report was prepared by me or under my direct supervision and that I am a duly Licensed Land Surveyor under the laws of the State of Minnesota.

Michael M. Eichers
License Number 46564

XX/XX/XXXX
Date

CERTIFICATE OF SURVEY

MANKATO, MINNESOTA

LOT 16, BLOCK 3, COPPERFIELD NO. 2,
BLUE EARTH COUNTY, MINNESOTA

BOLTON & MENK
1960 PREMIER DRIVE
MANKATO, MN 56001
(507) 625-4171

FOR: HOME SWEET HOME REMODELING

SDB135342H | JOB NUMBER: 24X.135342.000 | FIELD BOOK: | DRAWN BY: CDT

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AGENDA RECOMMENDATION

Public Hearings 7. A.

City Council Regular Meeting

Meeting Date: 08/26/2024

Agenda Item:

Ordinance establishing a Housing Trust Fund and Resolution creating the Housing Trust Fund Advisory Committee.

Recommendation/Action(s):

Adoption of the attached ordinance and resolution.

Summary:

In 2017, the Minnesota Legislature defined a Local Housing Trust Funds (LHTF) in law providing clarity to assist local jurisdictions with housing investments. LHTFs are established by a local government dedicating public revenue to housing. They are a consistent, flexible resource for housing within local jurisdictions. Trust funds help communities leverage public and private resources and jump start projects that draw investment and jobs. LHTFs enable prioritizing developments that maximize benefit to the community.

To incentivize LHTFs, in 2021, the Minnesota Legislature authorized a state match fund of $1 million, providing a one-to-one match on the first $150,000 of new revenue invested in housing trust funds by cities and counties, and a one-to-two match on the next $150,000 of available funds. MN Housing anticipates releasing an RFP for these matching funds this fall for communities with established LHTFs.

Furthering support for LHTFs, the Minnesota Legislature created the Statewide Affordable Housing Aid (SAHA) program in 2023 to help local governments develop and preserve affordable housing within their jurisdictions, to keep families from losing housing, and to help those experiencing homelessness find housing. The City of Mankato was certified and received $288,957 and Blue Earth County was certified and received $165,141 on December 26, 2023, for 2023 funding. Additionally, they have been certified to receive this amount in 2024.

SAHA legislation requires affordable housing for households that have incomes which do not exceed 115% of the greater state or area median income for homeownership projects and 80% of the greater state or area median income for renter housing projects. Area Median Income is determined by the US Department of Housing and Urban Development.

The City of Mankato identified the need to establish a LHTF during the development of the Affordable Housing Action Plan. The City may begin the trust using SAHA funding received and can leverage other EDA or general funds to seek state matching dollars to expand the LHTF.

An ordinance to establish an LHTF was drafted in consultation with the Minnesota Housing Partnership and is attached. This ordinance sets the purpose and intent of the LHTF to encourage the creation of affordable housing for renters and homeowners, promote the preservation of affordable housing resources, prevent and end homelessness, and provide rental assistance. Other ordinance components include a description of funding sources, a determination of funding use, and the distribution of funds.

A Resolution to create a LHTF Advisory Committee has also been drafted and is attached. This Resolution outlines the creation of a LHTF Advisory Committee in partnership with Blue Earth County.

The requested action is a motion to approve by Ordinance the establishment of a Housing Trust Fund and a motion to approve by Resolution the creation of the Housing Trust Fund Advisory Committee.

Attachments

Ordinance

Resolution

AMI Limits

ORDINANCE NO. __________

CITY OF MANKATO MINNESOTA
ORDINANCE ESTABLISHING AN AFFORDABLE HOUSING TRUST FUND

WHEREAS, pursuant to Minnesota Statutes, Section 462C.16, there is hereby created and established for the City of Mankato a fund to be known and denominated as the Affordable Housing Trust Fund (the "Housing Trust Fund"); and

WHEREAS, the Housing Trust Fund shall be a permanent source of funding and a continually renewable source of revenue to meet, in part, the housing needs of moderate, low-income and very low-income households, as defined by the United States Department of Housing and Urban Development (HUD), using Area Median Income for Blue Earth County adjusted for household size; and

WHEREAS, the Housing Trust Fund shall provide loans and grants to recipients for the following purposes: (1) acquisition, capital and soft costs necessary for the creation of new affordable and workforce housing (both rental and owner- occupied), (2) acquisition, rehabilitation, capital and soft costs necessary for the preservation of existing affordable and workforce housing (both rental and owner- occupied); (3) acquisition, capital and soft costs necessary for the creation of new mixed income housing (both rental and owner- occupied); (4) the rehabilitation of the existing housing stock; (5) assist with funding of programs that prevent and end homelessness; and (6) other housing expenditures that are consistent with Minnesota Statutes, Section 462C.16 Subd. (3).

NOW THEREFORE BE IT ORDAINED by the City Council for the City of Mankato, Minnesota, that Mankato City Code Chapter 2, Article IV, Affordable Housing Trust Fund be and hereby is created as follows:

DIVISION 1. GENERALLY

Sec. 2-99. Authority and purpose.

Pursuant to the authority granted to the city under M.S.A. 462C.16, an affordable housing trust fund (the "housing trust fund") is established to support the development, rehabilitation, or financing of housing, support housing projects, to provide payment assistance, rental assistance, and home buyer counseling services, and for any other purposes authorized by law.

Sec. 2-100. Definitions.

The following words, terms and phrases, when used in this division, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Affordable means a housing unit that has an affordable housing cost which means an amount satisfied by:

(1) For "owner-occupied housing", a housing payment inclusive of loan principal, loan interest, property taxes, property and mortgage insurance, and homeowner association dues which allows a moderate, low or very low-income household to purchase a home while paying no more than thirty percent (30%) of their gross household income.

(2) For "rental or cooperative housing", a housing payment, inclusive of a reasonable allowance for basic utilities, which allow a moderate, low or very low-income household to rent a unit while paying no more than thirty percent (30%) of their gross household income.

Area median income means the income guidelines established and published annually by the U.S. Department of Housing and Urban Development for Blue Earth County adjusted for household size.

Assisted unit means a housing unit that is affordable because of assistance from the housing trust fund.

Housing trust fund committee means a committee made up of city staff, county staff, two (2) community members appointed by the EDA of Mankato, and two (2) community members appointed by the EDA of Blue Earth County.

EDA means the economic development authority in and for the city of Mankato.

Low income means gross household income that is at or below eighty percent (80%) of area median income, but more than fifty percent (50%) of Area Median Income.

Mixed income housing means a residential structure that comprises differing levels of affordability, with some units at market rate and others available to low- and moderate-income households at below-market rates.

Moderate income means gross household income that is at or below 115 percent (115%) of area median income, but more than eighty percent (80%) of area median income.

Project may mean a single-family house (attached or detached) or a multifamily property, either as owner-occupied property or rental property or homeless shelter.

Recipient means any homeowner, for-profit, non-profit or local unit of government housing developer that receives funds in the form of a loan or a grant from the Housing Trust Fund Account. A Recipient may be an individual, partnership, local unit of government, joint venture limited liability company or partnership, association or corporation.

Very low income means gross household income that is at or below fifty percent (50%) of Area Median Income.

DIVISION 2. HOUSING TRUST FUND ACCOUNT

Sec. 2-101. Source of trust funds.

There is hereby established a housing trust fund account, to be maintained by the Mankato EDA. All funds received by the EDA on behalf of the trust fund shall be deposited in the trust fund account. The housing trust fund shall be funded from multiple sources including but not limited to:

(1) Private cash contributions designated for the housing trust fund.

(2) Payments in lieu of participation in current or future affordable housing programs.

(3) Grants or loans from the federal or state government.

(4) Principal and interest from trust fund loan repayments and all other income from trust fund activities.

(5) Budgeted payments made by the EDA’s tax levy fund as approved by the city council. The Mankato EDA may fund the trust fund in levy receipts on an annual basis.

(6) Employer based funds and matches.

(7) Other sources to be considered include contributions made by local or regional utility companies, local cities and county, city/county departments or program funds, townships, and non-profit organizations, and foundations.

(8) Application fees made by those applying for funds.

(9) Appropriations to the housing trust fund by the local government where the project is located.
(10) Tax increment returned to the city after decertification of a TIF district.

(11) Any other appropriations as determined from time to time by action of the EDA or city council.

Sec. 2-102. Trust fund administration.

(a) The housing trust fund is to function as a resource to fund loans and grants in strict accordance with this article. The EDA shall review and adopt a policy to establish the process and other administrative parameters of the loans and grants permitted by the housing trust fund. No disbursements may be made from the housing trust fund account without the recommendation of the housing trust fund committee and prior approval of the EDA.

(b) Disbursements from the housing trust fund account shall be made as loans or grants to assist recipients in the creation of assisted units and administrative fees not to exceed ten percent (10%). Recipients may use the funds to pay for: capital costs, including but not limited to the actual costs of rehabilitating or constructing assisted units; preserving affordable units; demolishing or converting existing non-residential buildings to create new assisted units; real property acquisition costs; rental assistance; landlord incentives; supportive services to stabilize housing; past due housing expenses; security deposits; down payment and gap assistance; home buyer counseling and educational services; and professional service costs, including but not limited to, those costs incurred for architectural, engineering, planning and legal services which are attributable to the creation of assisted units.

(c) The EDA will enter into loan and grant agreements with the recipients of the housing trust fund monies. Each agreement will clearly state the conditions and requirements for the recipient's use of housing trust fund monies, including the term of compliance, transfer or sale requirements and other requirements as specified.

(d) The EDA shall, within thirty (30) days following the close of each fiscal year, prepare and submit an annual report to the city and Minnesota Housing on the activities undertaken with funds from the housing trust fund. The report shall specify the number and types of units assisted; the amount loaned or granted per assisted unit; the amount of state, federal and private funds leveraged; the geographic distribution of assisted units; and a summary of statistical data relative to the incomes of assisted households, including their monthly rent or mortgage payments, and the sales prices of owner- occupied assisted units.

This Ordinance shall, in accordance with the provisions of Section 2.14 and 5.06 of the Mankato City Charter, become effective thirty (30) days after publication of notice of its adoption.

Adopted this __________ day of _______________, 2024.

____
Najwa Massad
Mayor

Attest: ___________________________________
Renae Kopischke, MMC
City Clerk

RESOLUTION CREATING AN AFFORDABLE HOUSING TRUST FUND ADVISORY COMMITTEE

WHEREAS, on August 26, 2024, the City Council adopted the Ordinance establishing the Affordable Housing Trust providing a permanent source of funding and a continually renewable source of revenue to meet housing needs of Moderate, Low-Income, and Very Low-Income households; and

WHEREAS, Chapter 2, Section 2.13 allows the City Council to create boards and/or committees by resolution as may be deemed necessary to advise and assist the City Council, city administration, and the Economic Development Authority of Mankato on city business or current issues related to affordable housing; and

WHEREAS, it is requested that the Housing Trust Fund Advisory Committee be established by resolution.

NOW, THEREFORE BE IT RESOLVED by the City Council for the City of Mankato that the Housing Trust Fund Advisory Committee be and hereby is established as follows:

Composition. The committee shall consist of one City of Mankato staff, one Blue Earth County staff, two (2) community members appointed by the EDA of Mankato, and two (2) community members appointed by the EDA of Blue Earth County. Committee make up shall reflect the demographics of the community at large specific to race and gender and represent business and community organizations, non-profit service providers, community-based organizations or foundations.

Terms. Staff shall serve on the committee as directed by the EDA. Members shall be appointed for a term of three (3) years. All terms are staggered and expire on June 30 of the year in which the term expired. No EDA appointed person may serve more than three (3) complete, successive terms as a committee member.

Vacancies: Vacancies on the committee shall be filled for the unexpired portion of the term by the EDA.

Compensation. The members of the committee shall serve without compensation.

Removal. The EDA, by majority vote, may remove any member of the committee for cause.

Duties:

- The committee shall adopt bylaws for the administration and operation of the committee and their meetings.
- The committee shall conduct meeting for consideration of such matters as referred by the City Council, EDA, or City Manager to the committee for evaluation and recommendation. Meetings will be scheduled as determined by the committee.
- The committee may review and provide recommendations on the strategic long-term planning and priorities of the city and EDA as they relate to affordable housing.
- The committee may shall review and recommend to the EDA loans and grants to recipients for the following purposes: (1) acquisition, capital and soft costs necessary for the creation of new affordable and workforce housing (both rental and owner- occupied), (2) acquisition, rehabilitation, capital and soft costs necessary for the preservation of existing affordable and workforce housing (both rental and owner- occupied); (3) acquisition, capital and soft

costs necessary for the creation of new mixed income housing (both rental and owner-occupied); (4) the rehabilitation of the existing housing stock; (5) assist with funding of programs that prevent and end homelessness; and (6) other housing expenditures that are consistent with Minnesota Statutes, Section 462C.16 Subd. (3).

- The committee shall assist in the development and review of the affordable housing action plan.

Chairperson. The Housing Trust Fund Advisory Committee shall elect from among its members a chairperson who will serve a one (1) year term. This election will be conducted at the first committee meeting held after July 1.

This resolution shall become effective upon its passage and without further publication.

Dated this ______________ day of _________________, 2024.

____
Najwa Massad
Mayor

ATTEST:

____
Renae Kopischke, MMC
City Clerk

2024 Area Median Income Limits

Statewide Average

Moderate-Income Limit (LIL) 115% of Median Statewide							
1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
$62,650	$71,600	$80,550	$89,500	$96,650	$103,800	$110,950	$118,100

Moderate-Income Limit (LIL) 115% of Median Statewide							
1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
$89,950	$102,800	$115,650	$128,500	$138,750	$149,050	$159,300	$169,600

2024 Area Median Income Limits

Blue Earth County

Low-Income Limit (LIL) 80% of Median Blue Earth County							
1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
$56,350	$64,400	$72,450	$80,500	$86,950	$93,400	$99,850	$106,300

Moderate-Income Limit (LIL) 115% of Median Blue Earth County							
1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
$81,000	$92,550	$104,150	$115,700	$124,950	$134,200	$143,450	$152,700

AGENDA RECOMMENDATION

City Manager's Report **8. A.**

City Council Regular Meeting

Meeting Date: 08/26/2024

Agenda Item:

Resolution considering bids on Capital Improvement Project 11088; Viking Ravine Lift Station.

Recommendation/Action(s):

Adoption of the attached resolution.

Summary:

On August 23, 2024, bids were opened on Capital Improvement Project Number 11088. Five bids were received, with the low bid submitted by Holtmeier Construction, Inc. of $680,349.14. The Engineer's Estimate for the project was $707,655.08

The overall project cost was reduced from the initial budget in the Capital Improvement Plan. This was due to changes made during final design to the force main and lift station structure.

Staff recommends awarding the construction contract for Capital Improvement Project Number 11088 to Holtmeier Construction, Inc. The contract has a final completion date of May 15, 2025, to allow for final restoration along the project. The lift station has an in-service date of January 31, 2025, and construction is anticipated to start in late September.

Staff will notify residents along the project of the upcoming construction to explain the work schedule, access to homes and businesses during construction, mail delivery, garbage collection, and other miscellaneous items of interest to the residents.

Attachments

Resolution

Bids Received and Budget

RESOLUTION ACCEPTING BID ON IMPROVEMENT NUMBER 11088

WHEREAS, pursuant to an advertisement for bids for Improvement Number 11088, the improvement of Viking Ravine Sewer by installation of a lift station and force main, bids were received, opened, and tabulated according to the law, and the following bids were received complying with the advertisement:

Company Name	City, State	Bid Amount
Holtmeier Construction, Inc	Mankato, MN	$680,346.14
R & R Excavating, Inc	Hutchinson, MN	$850,947.64
G M Contracting, Inc	Lake Crystal, MN	$943,356.29
Bromeling Excavating, Inc	Mankato, MN	$998,338.87
Minger Construction Co. Inc.	Jordan, MN	$1,052,820.87

AND WHEREAS, it appears that Holtmeier Construction, Inc of Mankato, MN is the lowest responsible bidder.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF MANKATO, MINNESOTA:

1. The City Manager hereby authorized and directed to enter into contract with Holtmeier Construction, Inc of Mankato, MN in the name of the City of Mankato for the Capital Improvement Project 11088, the improvement of Viking Ravine Sewer by installation of a lift station and force main, according to the plans and specifications therefore approved by the city council and on file in the office of the city engineer.
2. That the City Manager is authorized to execute any necessary changes to this contract in accordance with Section 2.08 of the Mankato City Code.

This resolution shall become effective upon its adoption.

Passed this 26th day of August 2024.

____
Najwa Massad
Mayor

ATTEST:____________________________________
Renae Kopischke
City Clerk

Viking Ravine Lift Station

City Project 11088

Tabulation of Bids

Planholder	Bid Amount	
Engineer's Estimate	$707,655.08	
Holtmeier Construction, Inc.	$680,349.14	LOW BIDDER
R & R Excavating, Inc.	$850,947.64	
G M Contracting, Inc.	$943,356.29	
Bromeling Excavating, Inc.	$998,338.87	
Minger Construction Co. Inc.	$1,052,820.87	

Low Bid Project Budget

CONSTRUCTION COST

Item	Amount	Percentage
Street and Landscaping	$156,367.00	23.0%
Stormwater Pollution Prevention	$5,479.15	0.8%
Storm Drainage Construction	$29,909.16	4.4%
Sanitary Sewer Construction	$488,593.83	71.8%
Total Contract Cost	**$680,349.14**	**100.0%**

PROJECT COST

Item	Amount	Percentage
Project 11088 Construction Contract	$680,349.14	78%
10% Construction Contingency	$68,034.91	8%
Engineering (10%)	$74,838.40	9%
Administration (6%)	$44,903.04	5%
Total Estimated Project Cost	**$868,125.50**	**100%**

FUNDING SOURCES	CIP	AS BID	
Sewer Utility	$1,245,471.25	$868,125.50	100.0%
Total Project Funds	**$1,245,471.25**	**$868,125.50**	**100.0%**