



CITY OF CORCORAN
Corcoran City Council Agenda
January 26, 2023 - 7:00 pm

HYBRID MEETING OPTION AVAILABLE
The public is invited to attend the regular Council meetings at City Hall.

Meeting Via Telephone/Other Electronic Means

Call-in Instructions:

+1 312 626 6799 US

Enter Meeting ID: 838 7860 4604

Press *9 to speak during the Public Comment Sections in the meeting.

Video Link and Instructions:

<https://us02web.zoom.us/j/83878604606>

visit <http://www.zoom.us> and enter

Meeting ID: 838 7860 4606

Participants can utilize the Raise Hand function to be recognized to speak during the Public Comment sections in the meeting. Participant video feeds will be muted. **In-person comments will be received first, with the hybrid electronic means option following.**

For more information on options to provide

www.corcoranmn.gov

1. **Call to Order / Roll Call**
2. **Pledge of Allegiance**
3. **Agenda Approval**
4. **Commission Representatives***
5. **Open Forum – Public Comment Opportunity**
6. **Presentations/Recognitions**
7. **Consent Agenda**
 - a. Memo: 2023-01-12 Draft Council Minutes*
 - b. Memo: 2023-01-12 Draft Council Work Session Minutes*
 - c. Memo: 2022-07-14 Draft Council Work Session Minutes*
 - d. Financial Claims*
 - e. Construction Hours Review – Annually After Change in 2021*
 - f. City Center Drive and 79th Place – Mass Grading and Stormwater Improvements – Pay Request 2*
 - g. Work Session Topics – Joint Session and Cook Lake Highland PUD Amendments*
 - h. Vollrath Agricultural Preserve*
 - i. Test Well #2 - Change Order 1 & Pay Request 3 FINAL*
 - j. Trail Haven Bridge Replacement – Construction Materials Testing Quote*
 - k. MNDOT Agency Agreement*
 - l. 2022 Financial Management Plan Adoption*
8. **Planning Business**
 - a. Pioneer Trail Industrial Park*
 - b. Accessory Structure Options*
9. **Unfinished Business – Public Comment Opportunity**
 - a. Water Supply System Discussion
 - i. Financial Analysis*
 - ii. Water Supply Bid Award Update—Water Tower and Treatment Facility*
 - iii. Water Tower – Purchase Agreement Amendment, Financial Agreement and Authorization to Close*
 - b. Public Hearing Tax Abatement Bonds*
 - c. Set Sale of 2023A Bonds*
 - d. Holiday Toy and Food Drive – Budget and Date Selection*
 - e. REU Credit Policy*
10. **New Business – Public Comment Opportunity**
 - a. Northwest Trails – Trail Alignment*
 - b. Organizational Updates and Employee Retention*
11. **Staff Reports**
 - a. Planning Project Update*
12. **2023 City Council Schedule***
13. **Adjournment**



CITY OF CORCORAN

***Includes Materials** - *Materials relating to these agenda items can be found in the Council Chambers Agenda Packet book located by the entrance. The complete Council Agenda Packet is available electronically on the City website at www.corcoranmn.gov.*

STAFF REPORT

Agenda Item: 4.

Council Meeting: January 26, 2023	Prepared By: Michelle Friedrich
Topic: Commission Representatives	Action Required: None – Informational

Summary:

The advisory commission representatives for the January 26, 2023, Council meeting are as follows:

- Planning Commission: Mark Lanterman
- Parks and Trails Commission: Judy Strehler

Financial/Budget:

N/A

Council Action:

N/A

Attachments:

N/A

STAFF REPORT

Agenda Item: 7a.

Council Meeting: January 26, 2023	Prepared By: Michelle Friedrich
Topic: Draft Council Minutes – January 12, 2023	Action Required: Informational

Summary:

Draft Minutes for the Council meeting for January 12, 2023, will be provided separately to Councilmembers via email and will be placed in the City Hall Agenda Packet and on the website when available. The anticipated date is Tuesday, January 24, 2023.

STAFF REPORT

Agenda Item: 7b.

Council Meeting: January 26, 2023	Prepared By: Michelle Friedrich
Topic: Draft Council Work Session Minutes – January 12, 2023	Action Required: Informational

Summary:

Draft Minutes for the Council Work Session for January 12, 2023, will be provided separately to Councilmembers via email and will be placed in the City Hall Agenda Packet and on the website when available. The anticipated date is Tuesday, January 24, 2023.

STAFF REPORT

Agenda Item: 7c.

Council Meeting: January 26, 2023	Prepared By: Jessica Beise
Topic: Draft Council Work Session Minutes – July 14, 2022	Action Required: Informational

Summary:

The Draft Minutes of the Council Work Session from July 14, 2022, will be provided separately to Councilmembers via email and will be placed in the City Hall Agenda Packet and on the website when available. The anticipated date is Tuesday, January 24, 2023.

FINANCIAL CLAIMS

CHECK RANGE

FUND #500 ESCROW CLAIMS

Paid to	Amount	Project name
SEE THE REGISTER FOR #500 CLAIMS		

Total	\$0.00	
Total Fund #500 =		\$ -
(See attached Payments Detail)		

ALL OTHER FINANCIAL CLAIMS

Check Register		\$669,522.72
(See attached Check Detail Registers)		
Total Checks	\$	669,522.72
Total of Auto Deductions	\$	146,238.29
 TOTAL EXPENDITURES FOR APPROVAL	 \$	 815,761.01

Date	Paid to	Amount	Description
1/6/2023	RevTrak	\$ 28.31	Credit Card Chargeback
1/10/2023	InvoiceCloud	\$ 1,061.02	Credit Card Processing Fee
1/12/2023	MN Dept of Revenue	\$ 330.32	Fuel Tax
1/13/2023	ADP	\$ 110,386.86	Net Payroll and Taxes
1/17/2023	ADP	\$ 21.42	Net Payroll and Taxes
1/17/2023	MN PERA	\$ 23,986.60	Employee Pension
1/18/2023	State of MN - Empower	\$ 5,648.72	Employee Deferred Comp/Healthcare Savings
1/18/2023	Optum Bank	\$ 4,341.04	Employee HSA
1/19/2023	MN Dept of Revenue	\$ 434.00	Sales Tax
Total		\$ 146,238.29	

INVOICE GL DISTRIBUTION REPORT FOR CITY OF CORCORAN
 CHECK DATES 01/10/2023 - 01/26/2023
 JOURNALIZED
 PAID - CHECK TYPE: PAPER CHECK
 CHECK REGISTER - COUNCIL

GL Number	Invoice Date	Vendor	Invoice Desc.	Invoice	Chk Date	Amount	Check
Check 33260							
601-49400-50430	01/10/23	HENNEPIN COUNTY TREASURER	WATER TOWER LAND PURCHASE REVIEW F	01102023	01/10/23	570.00	33260
			Total For Check 33260			<u>570.00</u>	
Check 33261							
100-41900-50300	12/30/22	ADP, LLC	PAYROLL PERIOD #26	622594972	01/26/23	363.16	33261
100-41900-50300	01/06/23	ADP, LLC	PAYROLL PERIOD #26	623020807	01/26/23	33.06	33261
100-41900-50300	01/13/23	ADP, LLC	PAYROLL PERIOD #1	623576571	01/26/23	328.12	33261
100-41900-50300	01/13/23	ADP, LLC	PAYROLL PERIOD #26 ADJUSTMENT	623576571 ADJ	01/26/23	91.25	33261
			Total For Check 33261			<u>815.59</u>	
Check 33262							
100-00000-22206	01/12/23	ALLIANT FINANCE LLC	BCO22-0004 PARTIAL ESCROW REFUND	BCO22-0004	01/26/23	2,000.00	33262
			Total For Check 33262			<u>2,000.00</u>	
Check 33263							
100-42100-50200	01/11/23	ALTA	WOODGRAIN SIGN/PLASTIC SIGNS	13387	01/26/23	23.50	33263
			Total For Check 33263			<u>23.50</u>	
Check 33264							
100-41900-50200	01/16/23	AMAZON CAPITAL SERVICES	OFFICE SUPPLIES	1XNY-MCW4-NRP4	01/26/23	252.71	33264
100-41900-50210	01/15/23	AMAZON CAPITAL SERVICES	AMERICAN FLAGS	1V9G-P7VG-GRGK	01/26/23	252.72	33264
100-42100-50200	12/28/22	AMAZON CAPITAL SERVICES	DESK CALENDAR	1JC9-FVJY-VTRQ	01/26/23	68.38	33264
100-42100-50200	12/25/22	AMAZON CAPITAL SERVICES	WALL CALENDAR	1NL6-HNMJ-974C	01/26/23	70.88	33264
100-42151-50210	01/14/23	AMAZON CAPITAL SERVICES	NALOXONE OVERDOSE KIT	1DRW-4NTF-F1CG	01/26/23	220.83	33264
100-45100-50210	12/30/22	AMAZON CAPITAL SERVICES	PARKS AND RECREATION SUPPLIES	1VL3-QCJ1-G4DY	01/26/23	702.04	33264
			Total For Check 33264			<u>1,567.56</u>	
Check 33265							
100-00000-21710	01/06/23	AMELIA FADDEN	2022 EXPENSE REIMBURSEMENT	01062023	01/26/23	1,119.25	33265
			Total For Check 33265			<u>1,119.25</u>	
Check 33266							
100-43100-50220	12/28/22	ASPEN EQUIPMENT COMPANY	HYDRAULIC FLUID	10243985	01/26/23	184.00	33266
100-43100-50220	12/20/22	ASPEN EQUIPMENT COMPANY	CUTTING KIT, SEAL KIT	10243515	01/26/23	908.02	33266
			Total For Check 33266			<u>1,092.02</u>	
Check 33267							
100-43100-50212	12/23/22	BEAUDRY OIL COMPANY	ULS DYED FUEL	2220733	01/26/23	1,464.98	33267
			Total For Check 33267			<u>1,464.98</u>	
Check 33268							
100-42100-50220	01/09/23	BOYER FORD TRUCKS INC	REFUND ADJUSTMENT	REFUND ADJ	01/26/23	384.82	33268
100-43100-50220	01/12/23	BOYER FORD TRUCKS INC	CORE (2)	003P32381	01/26/23	(60.80)	33268
100-43100-50220	01/09/23	BOYER FORD TRUCKS INC	REFUND ADJUSTMENT	REFUND ADJ	01/26/23	384.82	33268
			Total For Check 33268			<u>708.84</u>	
Check 33269							
408-48010-50530	01/11/23	BRAUN INTERTEC CORP	MASS GRADING AND POND CITY CENTER	B325121	01/26/23	1,105.00	33269
			Total For Check 33269			<u>1,105.00</u>	
Check 33270							
100-43100-50380	01/03/23	CENTERPOINT ENERGY	GAS BILL 11/29-12/28/22	01-2023	01/26/23	1,960.39	33270
			Total For Check 33270			<u>1,960.39</u>	
Check 33271							

GL Number	Invoice Date	Vendor	Invoice Desc.	Invoice	Chk Date	Amount	Check
Check 33271							
100-41900-50381	01/06/23	CENTERPOINT ENERGY	GAS BILL 800014143-4	01062023	01/26/23	16.80	33271
100-45200-50381	01/06/23	CENTERPOINT ENERGY	GAS BILL 800014143-4	01062023	01/26/23	329.81	33271
						<u>346.61</u>	
Total For Check 33271							
Check 33272							
100-41900-50400	01/11/23	CINTAS - 470	CITY HALL MATS	4143128297	01/26/23	133.06	33272
100-42100-50400	01/04/23	CINTAS - 470	LARGE BLUE TOWELS	4142285179	01/26/23	16.20	33272
100-43100-50400	01/04/23	CINTAS - 470	TOWELS/CRT BLUE	4142285258	01/26/23	132.52	33272
100-43100-50400	01/04/23	CINTAS - 470	MICROFIBER WIPE	4142285252	01/26/23	18.20	33272
100-43100-50400	01/11/23	CINTAS - 470	CRT BLUE	4143128298	01/26/23	87.81	33272
100-43100-50417	01/04/23	CINTAS - 470	UNIFORMS	4142285352	01/26/23	194.17	33272
100-43100-50417	01/11/23	CINTAS - 470	UNIFORMS	4143128404	01/26/23	194.17	33272
						<u>776.13</u>	
Total For Check 33272							
Check 33273							
100-41900-50321	01/05/23	COMCAST - 0023202	CITY HALL/POLICE INTERNET	01052022	01/26/23	139.18	33273
100-42100-50321	01/05/23	COMCAST - 0023202	CITY HALL/POLICE INTERNET	01052022	01/26/23	139.17	33273
						<u>278.35</u>	
Total For Check 33273							
Check 33274							
100-43100-50380	01/01/23	COMCAST - 930899035	INTERNET	163471104	01/26/23	295.05	33274
						<u>295.05</u>	
Total For Check 33274							
Check 33275							
100-43100-50321	01/05/23	COMCAST 0044893	PHONE SERVICE	01052023	01/26/23	225.28	33275
						<u>225.28</u>	
Total For Check 33275							
Check 33276							
100-43125-50210	12/16/22	COMPASS MINERALS	SALT	1096018	01/26/23	2,085.45	33276
100-43125-50210	12/19/22	COMPASS MINERALS	SALT	1097345	01/26/23	2,092.27	33276
						<u>4,177.72</u>	
Total For Check 33276							
Check 33277							
100-41900-50321	01/13/23	COMPUTER INTEGRATION TECH	MONTHLY BILLING FOR JANUARY 2023	342178	01/26/23	1,622.00	33277
100-41920-50210	01/13/23	COMPUTER INTEGRATION TECH	MONTHLY BILLING FOR FEBRUARY 2023	342438	01/26/23	885.00	33277
100-41920-50210	01/12/23	COMPUTER INTEGRATION TECH	1 YEAR UCC CERTIFICATE (ORDER #664	342570	01/26/23	300.00	33277
100-41920-50300	12/30/22	COMPUTER INTEGRATION TECH	SUPPORT SERVICES	342005	01/26/23	840.00	33277
						<u>3,647.00</u>	
Total For Check 33277							
Check 33278							
100-42100-50438	12/28/22	CORCORAN PET CARE CENTER, LL	K9 VET CARE	59786	01/26/23	215.98	33278
						<u>215.98</u>	
Total For Check 33278							
Check 33279							
100-41900-50210	01/04/23	CORPORATE CONNECTION	EMPLOYEE JACKETS	61869	01/26/23	240.00	33279
						<u>240.00</u>	
Total For Check 33279							
Check 33280							
100-42100-50210	12/31/22	CULLIGAN BOTTLED WATER	PD OFFICE WATER	100X07564904	01/26/23	82.20	33280
						<u>82.20</u>	
Total For Check 33280							
Check 33281							
601-00000-16500	12/02/22	EH RENNER & SONS INC	CORCORAN TEST WELL #2 FINAL PAYMEN	7439	01/26/23	8,152.00	33281
601-00000-20610	12/02/22	EH RENNER & SONS INC	CORCORAN TEST WELL #2 FINAL PAYMEN	7439	01/26/23	2,522.55	33281
						<u>10,674.55</u>	
Total For Check 33281							

GL Number	Invoice Date	Vendor	Invoice Desc.	Invoice	Chk Date	Amount	Check
Check 33281			Total For Check 33281			10,674.55	
Check 33282							
100-41900-50433	12/31/22	ELM CREEK WATERSHED MGMT COM	2023 MEMBER ASSESSMENT	304	01/26/23	18,863.81	33282
			Total For Check 33282			18,863.81	
Check 33283							
100-00000-22205	01/19/23	GIDEON J SLABAUGH	ESCROW REFUND BP22-0032	BP22-0032	01/26/23	1,203.75	33283
			Total For Check 33283			1,203.75	
Check 33284							
601-49400-50380	12/31/22	GOPHER STATE ONE CALL	SUPPORT SERVICES	2120315	01/26/23	67.50	33284
602-49450-50380	12/31/22	GOPHER STATE ONE CALL	SUPPORT SERVICES	2120315	01/26/23	67.50	33284
			Total For Check 33284			135.00	
Check 33285							
100-41500-50433	01/13/23	GOVERNMENT FINANCE OFFICERS	2023 MEMBERSHIP DUES - PETERSON	0272823	01/26/23	170.00	33285
			Total For Check 33285			170.00	
Check 33286							
100-42100-50305	12/31/22	HENN CO SHERIFF	JAIL CHARGES DEC 2022	1000196880	01/26/23	75.00	33286
			Total For Check 33286			75.00	
Check 33287							
100-42400-50300	01/05/23	HENNEPIN COUNTY ACCOUNTS REC	VIEW RECORDED DOCUMENTS	1000197306	01/26/23	7.50	33287
			Total For Check 33287			7.50	
Check 33288							
100-42100-50323	01/04/23	HENNEPIN COUNTY INFO TECH	PD RADIO LEASE FEES DECEMBER 2022	1000196907	01/26/23	1,567.22	33288
100-43100-50323	01/05/23	HENNEPIN COUNTY INFO TECH	RADIO FLEET FEE 12/2022	1000196974	01/26/23	308.88	33288
			Total For Check 33288			1,876.10	
Check 33289							
100-42100-50403	01/01/23	HOLIDAY COMPANIES	DECEMBER 2022 CAR WASH	003401012300	01/26/23	100.00	33289
			Total For Check 33289			100.00	
Check 33290							
100-41900-50433	11/01/22	I-94 WEST CHAMBER	MEMBERSHIP DUES	10220	01/26/23	350.00	33290
			Total For Check 33290			350.00	
Check 33291							
100-41900-50300	01/04/23	INTEGRITY EMPLOYEE BENEFITS	2023 BENEFITS CONNECT SERVICE	BC168	01/26/23	990.00	33291
			Total For Check 33291			990.00	
Check 33292							
100-43100-50220	01/03/23	KRIS ENGINEERING	SNO-SHOCK BLADE	37629	01/26/23	4,610.58	33292
			Total For Check 33292			4,610.58	
Check 33293							
100-41900-50433	09/01/22	LEAGUE OF MINNESOTA CITIES	MN MAYOR ASSOCIATION MEMBERSHIP	012023	01/26/23	30.00	33293
			Total For Check 33293			30.00	
Check 33294							
100-42100-50207	12/30/22	LEAGUE OF MINNESOTA CITIES	PEACE OFFICER TRAINING	374316	01/26/23	1,710.00	33294
			Total For Check 33294			1,710.00	

GL Number	Invoice Date	Vendor	Invoice Desc.	Invoice	Chk Date	Amount	Check
Check 33295							
100-42100-50365	01/03/23	LEAGUE OF MN CITIES INSUR.TR	WORKER'S COMPENSATION CLAIM # 0048	20158	01/26/23	162.53	33295
						<u>162.53</u>	
Total For Check 33295						162.53	
Check 33296							
601-00000-22200	01/12/23	LENNAR	UB REFUND FOR INACTIVE ACCOUNTS	01/12/2023	01/26/23	53.24	33296
601-00000-22200	01/12/23	LENNAR	UB REFUND FOR INACTIVE ACCOUNTS	01/12/2023	01/26/23	66.63	33296
601-00000-22200	01/12/23	LENNAR	UB REFUND FOR INACTIVE ACCOUNTS	01/12/2023	01/26/23	44.22	33296
601-00000-22200	01/12/23	LENNAR	UB REFUND FOR INACTIVE ACCOUNTS	01/12/2023	01/26/23	3.43	33296
						<u>167.52</u>	
Total For Check 33296						167.52	
Check 33297							
601-00000-22200	01/12/23	LENNAR	UB REFUND FOR INACTIVE ACCOUNTS	01/12/2023	01/26/23	21.29	33297
601-00000-22200	01/12/23	LENNAR	UB REFUND FOR INACTIVE ACCOUNTS	01/12/2023	01/26/23	118.94	33297
601-00000-22200	01/12/23	LENNAR	UB REFUND FOR INACTIVE ACCOUNTS	01/12/2023	01/26/23	65.83	33297
601-00000-22200	01/12/23	LENNAR	UB REFUND FOR INACTIVE ACCOUNTS	01/12/2023	01/26/23	43.44	33297
						<u>249.50</u>	
Total For Check 33297						249.50	
Check 33298							
601-00000-22200	01/12/23	LENNAR HOME	UB REFUND FOR INACTIVE ACCOUNTS	01/12/2023	01/26/23	42.11	33298
						<u>42.11</u>	
Total For Check 33298						42.11	
Check 33299							
100-41900-50221	01/11/23	LITHGOW AUTOMOTIVE	CH559 - 2014 FORD INTERCEPTOR VIN	70606	01/26/23	8.33	33299
100-41900-50403	01/11/23	LITHGOW AUTOMOTIVE	CH559 - 2014 FORD INTERCEPTOR VIN	70606	01/26/23	40.00	33299
100-42100-50400	01/11/23	LITHGOW AUTOMOTIVE	2020 FORD INTERCEPTOR VIN 2485 (SQ	70609	01/26/23	777.41	33299
						<u>825.74</u>	
Total For Check 33299						825.74	
Check 33300							
100-42200-50300	01/04/23	LORETTO FIRE DEPARTMENT	1ST QTR 2023 FIRE PROTECTION	2-2346	01/26/23	58,386.64	33300
						<u>58,386.64</u>	
Total For Check 33300						58,386.64	
Check 33301							
601-00000-22200	01/17/23	M/I HOMES	UB REFUND FOR ACCOUNT: 20020162-79	01/17/2023	01/26/23	3.39	33301
						<u>3.39</u>	
Total For Check 33301						3.39	
Check 33302							
601-00000-22200	01/17/23	M/I HOMES	UB REFUND FOR ACCOUNT: 20020097-80	01/17/2023	01/26/23	4.28	33302
601-00000-22200	01/17/23	M/I HOMES	UB REFUND FOR ACCOUNT: 20019304-74	01/17/2023	01/26/23	0.01	33302
601-00000-22200	01/17/23	M/I HOMES	UB REFUND FOR ACCOUNT: 20007252-23	01/17/2023	01/26/23	368.62	33302
601-00000-22200	01/17/23	M/I HOMES	UB REFUND FOR ACCOUNT: 20007982-81	01/17/2023	01/26/23	41.70	33302
601-00000-22200	01/17/23	M/I HOMES	UB REFUND FOR ACCOUNT: 20020138-79	01/17/2023	01/26/23	0.12	33302
601-00000-22200	01/17/23	M/I HOMES	UB REFUND FOR ACCOUNT: 20020123-79	01/17/2023	01/26/23	2.85	33302
601-00000-22200	01/17/23	M/I HOMES	UB REFUND FOR ACCOUNT: 20020112-80	01/17/2023	01/26/23	8.15	33302
						<u>425.73</u>	
Total For Check 33302						425.73	
Check 33303							
100-43122-50400	06/02/22	MACCOY SPECIALIZED CARRIERS	CLASS 5 DELIVERY FROM FEHN	00061	01/26/23	4,913.30	33303
100-43122-50400	06/02/22	MACCOY SPECIALIZED CARRIERS	CLASS 5 DELIVERY FROM FEHN	00062	01/26/23	4,606.63	33303
						<u>9,519.93</u>	
Total For Check 33303						9,519.93	
Check 33304							
100-41600-50300	01/06/23	MADDEN, GALANTER, HANSEN LLP	LEGAL FEES DECEMBER 2022	12312022	01/26/23	40.00	33304
						<u>40.00</u>	
Total For Check 33304						40.00	
Check 33305							

GL Number	Invoice Date	Vendor	Invoice Desc.	Invoice	Chk Date	Amount	Check
Check 33305 601-49400-50310	12/08/22	CITY OF MAPLE GROVE	WATER USAGE 2022 4TH QTR	12082022	01/26/23	307.07	33305
			Total For Check 33305			<u>307.07</u>	
Check 33306 100-41900-50300	01/01/23	MARIE RIDGEWAY LICSW, LLC	THERAPY SESSION/MANDATORY CHECK IN	2026	01/26/23	645.00	33306
			Total For Check 33306			<u>645.00</u>	
Check 33307 100-42100-50300	12/31/22	MARTIN-MCALLISTER	PUBLIC SAFETY ASSESSMENT	15044	01/26/23	600.00	33307
			Total For Check 33307			<u>600.00</u>	
Check 33308 100-43100-50321	01/13/23	MATTSON, KEVIN	2022 CELL PHONE REIMBURSEMENT (12	011323	01/26/23	600.00	33308
			Total For Check 33308			<u>600.00</u>	
Check 33309 602-49450-50210	11/02/22	MC TOOL & SAFETY	RESTRAINT LANYARD/EXTENSION D RING	014885	01/26/23	167.40	33309
			Total For Check 33309			<u>167.40</u>	
Check 33310 100-41400-50207	01/19/23	MCFOA REGION VI	2023 MCFOA REGION VI MEETING - FRI	012023	01/26/23	25.00	33310
			Total For Check 33310			<u>25.00</u>	
Check 33311 100-43100-50381	01/06/23	CITY OF MEDINA	SHARED SIGNAL/LIGHTING	00007782	01/26/23	517.40	33311
			Total For Check 33311			<u>517.40</u>	
Check 33312 100-42100-50210 100-45200-50210	01/03/23 12/29/22	MENARDS MAPLE GROVE MENARDS MAPLE GROVE	MOUSE TRAPS KEY SET	10243 9986	01/26/23 01/26/23	2.37 31.98	33312 33312
			Total For Check 33312			<u>34.35</u>	
Check 33313 100-41920-50210	01/01/23	METRO SALES INC	COPIER BASE RATE	INV2195418	01/26/23	10.00	33313
			Total For Check 33313			<u>10.00</u>	
Check 33314 100-42400-50300	01/10/23	METRO WEST INSPECTION SERVIC	PERMITS FINALED DECEMBER 2022	3552	01/26/23	46,857.01	33314
			Total For Check 33314			<u>46,857.01</u>	
Check 33315 100-42100-50300 100-43100-50300	12/30/22 12/30/22	MINNESOTA OCCUPATIONAL HEALT MINNESOTA OCCUPATIONAL HEALT	MEDICAL TESTING MEDICAL TESTING	414993 414993	01/26/23 01/26/23	537.00 287.00	33315 33315
			Total For Check 33315			<u>824.00</u>	
Check 33316 100-42100-50207	01/05/23	MN CHIEFS OF POLICE ASSOC	ETI CONFERENCE - BURNS	14093	01/26/23	525.00	33316
			Total For Check 33316			<u>525.00</u>	
Check 33317 100-00000-20802	12/31/22	MN DEPT OF LABOR & INDUSTRY	Q4 2022 BUILDING PERMIT SURCHARGE	DECEMBER2022	01/26/23	13,877.31	33317
			Total For Check 33317			<u>13,877.31</u>	
Check 33318 100-45100-50300	01/18/23	MN RECREATION/PARK FOUNDATIO	JOB POSTING - SEASONAL PROGRAM COO	10639	01/26/23	25.00	33318

GL Number	Invoice Date	Vendor	Invoice Desc.	Invoice	Chk Date	Amount	Check
Check 33318			Total For Check 33318			25.00	
Check 33319							
100-42100-50220	01/04/23	NAPA AUTO PARTS - Corcoran	2022 FORD EXPLORER WIPER BLADES	449859	01/26/23	214.24	33319
100-42100-50220	01/11/23	NAPA AUTO PARTS - Corcoran	SCRAPER AND SNOW BRUSH (CREDIT)	450856	01/26/23	(77.94)	33319
			Total For Check 33319			136.30	
Check 33320							
100-00000-21710	01/18/23	NATALIE DAVIS MCKEOWN	DEPENDENT CARE REIMBURSEMENT	01262023	01/26/23	384.62	33320
			Total For Check 33320			384.62	
Check 33321							
416-43100-50550	01/13/23	NORTH COUNTRY CHEVROLET	2023 GMC SIERRA 2500HD VIN 3205	4001218	01/26/23	52,323.40	33321
			Total For Check 33321			52,323.40	
Check 33322							
100-41900-50300	01/11/23	NORTHLAND SECURITIES, INC.	ANNUAL CONTINUING DISCLOSURE FOR F 7324		01/26/23	1,250.00	33322
			Total For Check 33322			1,250.00	
Check 33323							
100-43100-50220	01/03/23	NUSS TRUCK & EQUIPMENT	RETAINER	9006524P	01/26/23	16.64	33323
416-43100-50580	01/19/23	NUSS TRUCK & EQUIPMENT	2022 MACK GR64FR VIN 3463	01192023	01/26/23	135,980.03	33323
			Total For Check 33323			135,996.67	
Check 33324							
100-45200-50530	01/01/23	NW TRAILS ASSOCIATION	2023 1ST BENCHMARK	2023-1	01/26/23	21,128.96	33324
			Total For Check 33324			21,128.96	
Check 33325							
408-00000-20610	01/09/23	PARK CONSTRUCTION COMPANIES	MASS GRADING & STORMWATER CITY CEN	PAY 2	01/26/23	(11,558.80)	33325
408-48010-50530	01/09/23	PARK CONSTRUCTION COMPANIES	MASS GRADING & STORMWATER CITY CEN	PAY 2	01/26/23	231,176.00	33325
			Total For Check 33325			219,617.20	
Check 33326							
100-00000-21710	01/19/23	MIKE PRITCHARD	FSA REIMBURSEMENT	01192023	01/26/23	419.59	33326
			Total For Check 33326			419.59	
Check 33327							
100-41900-50380	12/31/22	REPUBLIC SERVICES	CITY HALL GARBAGE 3-0894-3468541	0894-006056073	01/26/23	407.24	33327
100-43100-50380	12/31/22	REPUBLIC SERVICES	PUBLIC WORKS GARBAGE 3-0894-346965	0894-006056991	01/26/23	287.73	33327
100-45200-50380	12/31/22	REPUBLIC SERVICES	WILDFLOWER PARK GARBAGE 3-0894-347	0894-006058268	01/26/23	118.74	33327
100-45200-50380	12/31/22	REPUBLIC SERVICES	CITY PARK GARBAGE	0894-006055901	01/26/23	404.79	33327
			Total For Check 33327			1,218.50	
Check 33328							
100-41900-50401	01/13/23	RUSSELL SECURITY RESOURCE IN	EXTERIOR NORTH DOOR REPAIR	A44245	01/26/23	185.00	33328
			Total For Check 33328			185.00	
Check 33329							
100-43125-50210	06/07/22	SPESCO, INC	COAL SLAG	61905	01/26/23	422.40	33329
			Total For Check 33329			422.40	
Check 33330							
100-43100-50300	11/28/22	ST MICHAEL SPINAL REHAB CENT	DOT PHYSICAL	010323	01/26/23	95.00	33330
			Total For Check 33330			95.00	

GL Number	Invoice Date	Vendor	Invoice Desc.	Invoice	Chk Date	Amount	Check
Check 33331							
100-00000-21709	01/01/23	STANDARD INSURANCE COMPANY	JANUARY 2023 LIFE INSURANCE PREMIU	01-2023	01/26/23	1,722.85	33331
						<u>1,722.85</u>	
Total For Check 33331						1,722.85	
Check 33332							
100-42100-50417	12/27/22	STREICHER'S POLICE EQUIPMENT	RADIO HOLDER	I1607723	01/26/23	43.99	33332
100-42100-50417	12/27/22	STREICHER'S POLICE EQUIPMENT	UNIFORMS	I1607774	01/26/23	199.99	33332
100-42100-50417	12/23/22	STREICHER'S POLICE EQUIPMENT	RADIO HOLDER RETURN	CM294702	01/26/23	(43.99)	33332
100-42100-50417	01/10/23	STREICHER'S POLICE EQUIPMENT	UNIFORMS/SHIRTS - EDSTROM	I1610369	01/26/23	119.98	33332
100-42100-50417	01/11/23	STREICHER'S POLICE EQUIPMENT	POLICE GEAR/CHEST PROTECTOR, FOREA	I1610653	01/26/23	1,546.69	33332
100-42100-50417	01/11/23	STREICHER'S POLICE EQUIPMENT	POLICE GEAR/FACESHIELD (4)	I1610617	01/26/23	700.00	33332
						<u>2,566.66</u>	
Total For Check 33332						2,566.66	
Check 33333							
100-00000-20205	01/01/23	TEAMSTER LOCAL 320	UNION DUES JAN 2023	01012023	01/26/23	(250.00)	33333
100-00000-21707	01/01/23	TEAMSTER LOCAL 320	UNION DUES JAN 2023	01012023	01/26/23	400.68	33333
						<u>150.68</u>	
Total For Check 33333						150.68	
Check 33334							
100-42100-50417	01/01/23	TIDE CLEANERS	DECEMBER 2022 DRY CLEANING	12-2022	01/26/23	295.45	33334
						<u>295.45</u>	
Total For Check 33334						295.45	
Check 33335							
100-42100-50300	01/01/23	TRANSUNION RISK & ALTERNATIV	PD INVESTIGATIONS - DECEMBER 2022	3609221-202212-	01/26/23	118.60	33335
						<u>118.60</u>	
Total For Check 33335						118.60	
Check 33336							
100-41320-50207	01/12/23	CREDIT CARD PURCHASES	JETS PIZZA/LEADERSHIP TRAINING	01122023	01/26/23	10.67	33336
100-41400-50207	01/12/23	CREDIT CARD PURCHASES	JETS PIZZA/LEADERSHIP TRAINING	01122023	01/26/23	21.34	33336
100-41500-50207	01/12/23	CREDIT CARD PURCHASES	JETS PIZZA/LEADERSHIP TRAINING	01122023	01/26/23	10.67	33336
100-41500-50433	12/31/22	CREDIT CARD PURCHASES	2022 MNGFOA MEMBERSHIP - BARNHART	15395	01/26/23	70.00	33336
100-41500-50433	01/03/23	CREDIT CARD PURCHASES	2023 MNGFOA MEMBERSHIP - BARNHART	15397	01/26/23	70.00	33336
100-41500-50433	01/03/23	CREDIT CARD PURCHASES	2023 MNGFOA MEMBERSHIP - UNG	15393	01/26/23	70.00	33336
100-41500-50433	01/03/23	CREDIT CARD PURCHASES	2023 MNGFOA MEMBERSHIP - PETERSON	15394	01/26/23	70.00	33336
100-41900-50200	01/14/23	CREDIT CARD PURCHASES	#10 DIE CUT WINDOW ENVELOPES	02052897676	01/26/23	153.43	33336
100-42100-50207	01/10/23	CENTURION ARMS	FIREARMS PARTS	26600	01/26/23	463.00	33336
100-42100-50207	01/08/23	CREDIT CARD PURCHASES	TRAINING MEAL	01082022	01/26/23	131.86	33336
100-42100-50207	01/10/23	CREDIT CARD PURCHASES	TRAINING MEAL	30003	01/26/23	45.39	33336
100-42100-50207	01/10/23	CREDIT CARD PURCHASES	TRAINING MEAL	84	01/26/23	91.76	33336
100-42100-50207	01/09/23	CREDIT CARD PURCHASES	TRAINING MEAL	69-2	01/26/23	220.10	33336
100-42100-50207	01/09/23	CREDIT CARD PURCHASES	TRAINING MEAL	306	01/26/23	194.70	33336
100-42100-50207	01/09/23	CREDIT CARD PURCHASES	PD TRAINING	3/3003	01/26/23	153.32	33336
100-42100-50207	01/10/23	CREDIT CARD PURCHASES	PD TRAINING/LODGING	3293471451	01/26/23	268.34	33336
100-42100-50207	01/10/23	CREDIT CARD PURCHASES	PD TRAINING/LODGING	3293471451-2	01/26/23	268.34	33336
100-42100-50207	01/10/23	CREDIT CARD PURCHASES	PD TRAINING/LODGING	3293471451-3	01/26/23	268.34	33336
100-42100-50207	01/10/23	CREDIT CARD PURCHASES	PD TRAINING/LODGING	3293471451-4	01/26/23	268.34	33336
100-42100-50207	01/10/23	CREDIT CARD PURCHASES	PD TRAINING/LODGING	3293471451-5	01/26/23	268.34	33336
100-42100-50207	01/10/23	CREDIT CARD PURCHASES	PD TRAINING/LODGING	3293471451-6	01/26/23	268.34	33336
100-42100-50207	01/10/23	CREDIT CARD PURCHASES	PD TRAINING/LODGING	3293471451-7	01/26/23	268.34	33336
100-42100-50207	01/12/23	CREDIT CARD PURCHASES	JETS PIZZA/LEADERSHIP TRAINING	01122023	01/26/23	53.35	33336
100-42100-50210	12/28/22	CREDIT CARD PURCHASES	KITCHEN SUPPLIES (FORKS, PLATES)	9097	01/26/23	100.97	33336
100-42100-50300	01/09/23	FLEETIO	SHIFT SCHEDULING	583067	01/26/23	60.00	33336
100-42100-50417	01/09/23	CREDIT CARD PURCHASES	GUNS/RAIL MOUNT	2023410019395	01/26/23	1,379.57	33336
100-42400-50207	01/12/23	CREDIT CARD PURCHASES	JETS PIZZA/LEADERSHIP TRAINING	01122023	01/26/23	10.67	33336
100-43100-50207	01/12/23	CREDIT CARD PURCHASES	JETS PIZZA/LEADERSHIP TRAINING	01122023	01/26/23	42.63	33336

GL Number	Invoice Date	Vendor	Invoice Desc.	Invoice	Chk Date	Amount	Check
Check 33336							
100-43100-50417	01/18/23	CINTAS - 470	UNIFORMS	4143828652	01/26/23	194.17	33336
100-45100-50207	01/12/23	CREDIT CARD PURCHASES	JETS PIZZA/LEADERSHIP TRAINING	01122023	01/26/23	10.67	33336
202-42100-50210	12/07/22	CREDIT CARD PURCHASES	SHOP WITH A COP	093487	01/26/23	197.30	33336
202-42100-50210	12/07/22	CREDIT CARD PURCHASES	SHOP WITH A COP	12072022	01/26/23	1,831.40	33336
Total For Check 33336						7,535.35	
Check 33337							
100-41900-50321	12/26/22	VERIZON WIRELESS	PD/CH CELL PHONE	9923894883	01/26/23	246.66	33337
100-42100-50321	12/26/22	VERIZON WIRELESS	PD/CH CELL PHONE	9923894883	01/26/23	1,327.50	33337
Total For Check 33337						1,574.16	
Check 33338							
100-43100-50220	01/03/23	WESTSIDE WHOLESALE TIRE	MACK DUMP TRUCK RADIAL PATCH	919427	01/26/23	73.77	33338
Total For Check 33338						73.77	
Check 33339							
100-00000-22205	01/10/23	WRIGHT-HENNEPIN COOP ELECT	UTILITY SERVICES	35030183718	01/26/23	24.25	33339
100-00000-22205-007	01/10/23	WRIGHT-HENNEPIN COOP ELECT	UTILITY SERVICES	35030183718	01/26/23	264.95	33339
100-00000-22205-056	01/10/23	WRIGHT-HENNEPIN COOP ELECT	UTILITY SERVICES	35030183718	01/26/23	300.75	33339
100-00000-22205-065	01/10/23	WRIGHT-HENNEPIN COOP ELECT	UTILITY SERVICES	35030183718	01/26/23	1,043.51	33339
100-00000-22205-087	01/10/23	WRIGHT-HENNEPIN COOP ELECT	UTILITY SERVICES	35030183718	01/26/23	319.20	33339
100-00000-22205-098	01/10/23	WRIGHT-HENNEPIN COOP ELECT	UTILITY SERVICES	35030183718	01/26/23	267.45	33339
100-41900-50381	01/10/23	WRIGHT-HENNEPIN COOP ELECT	UTILITY SERVICES	35030183718	01/26/23	2,825.65	33339
100-42151-50381	01/10/23	WRIGHT-HENNEPIN COOP ELECT	UTILITY SERVICES	35030183718	01/26/23	60.09	33339
100-43100-50381	01/10/23	WRIGHT-HENNEPIN COOP ELECT	UTILITY SERVICES	35030183718	01/26/23	219.58	33339
100-45200-50381	01/10/23	WRIGHT-HENNEPIN COOP ELECT	UTILITY SERVICES	35030183718	01/26/23	118.88	33339
601-49400-50380	01/10/23	WRIGHT-HENNEPIN COOP ELECT	UTILITY SERVICES	35030183718	01/26/23	93.43	33339
602-49450-50380	01/10/23	WRIGHT-HENNEPIN COOP ELECT	UTILITY SERVICES	35030183718	01/26/23	331.81	33339
Total For Check 33339						5,869.55	
Check 33340							
419-43100-50300	12/31/22	WSB	HACKAMORE RD FINAL DESIGN	R-020743-000-6	01/26/23	17,780.75	33340
Total For Check 33340						17,780.75	
Check 33341							
100-41900-50210	12/30/22	ZEP SALES & SERVICE	SUPPLIES	9008138872	01/26/23	311.89	33341
Total For Check 33341						311.89	

GL Number	Invoice Date	Vendor	Invoice Desc.	Invoice	Chk Date	Amount	Check
Fund Totals:							
			Fund 100 GENERAL FUND			227,520.13	
			Fund 202 POLICE DONATION FUND			2,028.70	
			Fund 408 PAVEMENT MANAGEMENT			220,722.20	
			Fund 416 CAPITAL-EQUIPMENT CERTS			188,303.43	
			Fund 419 HACKAMORE UPGRADE (LENNAR)			17,780.75	
			Fund 601 WATER			12,600.80	
			Fund 602 SEWER			566.71	
			Total For All Funds:			<u>669,522.72</u>	



CITY OF CORCORAN

8200 County Road 116 • Corcoran, MN 55340
763-420-2288 • www.corcoranmn.gov

MEMO

Meeting Date: January 26, 2023

To: City Council

From: Natalie Davis McKeown, Planner

Re: Construction Hours Update

The City Council requested an update on enforcement of the construction hours updated in 2021 within the noise nuisance section of City Code (Chapter 82.04, Subd. 5). Staff confirmed that the police documented 14 called-in suspected construction hour violations in 2022. Of these calls, 7 violations to the construction hours ordinance were confirmed. Additionally, 1 violation was found during active police patrol.

The police utilize an educational approach first and inform individuals of the allowed construction hours. In all instances, individual workers complied with a request to stop by the police, and specific individuals were not involved in a documented complaint twice. No one was formally charged for the 8 confirmed violations. Hypothetically, if an individual was found to be in violation of the ordinance more than once, then they would be charged at that time.

Most called-in complaints were within the Bellwether and Amberly developments. However, confirmed violations were also found in Ravinia, Tavera, and Rush Creek Reserve. On average, the police receive 2 calls a month regarding construction hours since June of 2022.

Staff met with residents in Bellwether and representatives of Pulte to discuss the frequency of violations reported specific to this area. Pulte confirmed they informed all of their subcontractors of the construction hours. Pulte is willing to work with the City to put up signs that state the construction hours at the entrances into Bellwether and Amberly to try to further inform employees of subcontractors that may not be aware of the hours for whatever reason.

Staff looked into creating City signs providing the allowed construction hours. The City of Minnetrista utilizes this approach and confirmed their overall success with achieving compliance since the signs were implemented. Staff is working with Gopher Signs to design the signs for Corcoran (see image below); an initial 10 signs are currently under production to be posted at all residential developments with a focus on implementing this process with Bellwether and Amberly first. The signs are expected to be available by mid-February. The City of Minnetrista uses a contract for developers to rent the construction hours signs. Staff intends to use a similar model for Corcoran as well. A copy of Minnetrista’s contract is enclosed for reference, and staff will customize this contract to be specific to Corcoran.



While there was some discussion of developing a penalty scheme applicable to the developer within the City’s standard Development Agreement, staff could not find another example of this being done by another city. It is unclear how exactly this would work in a way that would be upheld within the court system, especially if someone is completing work that can be argued to be construction-related but is not a subcontractor

of the developer. Staff believes it makes sense to first see if the frequency of construction hours complaints is reduced with the implementation of signs before dedicating additional resources to the development, implementation, and enforcement of a stricter penalty scheme. If the Council disagrees with this assessment, the Council should direct staff to move forward with revising the Development Agreement to include a penalty scheme for construction hour violations moving forward.

Attachments

1. City of Minnetrista's Construction Sign Contract



Municipal Offices
7701 County Road 110 West
Minnetrista, MN 55364-9552
Email: minnetrista@ci.minnetrista.mn.us

Date: _____

Company Name/Address:

RE: Construction Work Hour Sign Rental for _____
Development Name

The City of Minnetrista has received your request to rent one construction work hour sign, four u-channel mounting posts, and mounting hardware.

A \$350.00 Deposit is required to rent the sign. In the event that the sign is returned with considerable damage, the deposit will be forfeited, per Management discretion. Any remaining amount will be returned to you when you have returned the sign to the City.

Condition of sign at time of pick up Initials: _____
City Applicant

 New Good Fair Poor

Comments:

Condition of sign at time of return Initials: _____
City Applicant

 New Good Fair Poor

Comments:

Please have the responsible party sign below thereby indicating that you have read and agree to the terms of renting a City construction work hour sign and return the original with the \$350.00 Deposit payable to the City of Minnetrista.

If you have any question, please call me at (952) 241-2528.

Sincerely,
Renae Neumann
Utility Billing/Public Works

Signature of Responsible Party



Memo

To: Kevin Mattson, PE, PW Director From: Steve Hegland, PE

Project/File: 227704747 Date: January 9, 2023

Subject: Pay Application #2 to Park Construction Company – Mass Grading and Stormwater Pond for City Center Drive and 79th Place

Council Action Requested

Staff is recommending Council Approve Pay Application #2 for the Mass Grading and Stormwater Pond for City Center Drive and 79th Place to Park Construction Company in the amount of \$219,617.20. This approval is conditional until it is also approved by the St. Therese Development per the terms of the Cost Share Agreement.

Summary

The grading portion of this project has begun with Park Construction Company begun grading on the southern portion of the site and having prepared the building pad for the St. Therese Development in accordance with Change Order #1 which was approved in December. The signed payment request form and pay application is attached for review.

The contractor has stopped grading operations for the winter and will resume grading the remainder of the site in the spring when conditions allow. The St. Therese development will be beginning construction on the southern portion of their building this winter.

Attached is a summary of the work completed to date.

Total Contract Value to Date	\$1,451,685.40
Work Completed to Date	\$401,244.15
5% Retainage	\$20,062.21
Amount Paid to Date	\$161,564.74
Total Pay App #2	\$219,617.20

Engineer’s Recommendation

We recommend approving Pay Application #2 to Park Construction Company in the amount of \$219,617.20.

APPLICATION FOR PAYMENT FORM

OWNER: City of Corcoran
PROJECT: Mass Grading and Stormwater Pond for City Center Drive and 79th Place
CONTRACTOR: Park Construction Company

PAY ESTIMATE NO. 2

Original Contract Amount	\$ <u>....1,344,086.40</u>
Contract Changes approved to Date (List Change Order Numbers)	\$ <u>..... 107,599.00</u>
Revised Contract Price	\$ <u>....1,451,685.40</u>
Work Completed to Date (attached)	\$ <u>..... 401,244.15</u>
Retainage to Date, 5%	\$ <u>..... 20,062.21</u>
Work Completed to Date Less Retainage to Date	\$ <u>..... 381,181.94</u>
Total Amount Previously Certified	\$ <u>..... 161,564.71</u>
Payment Request This Estimate	\$ <u>..... 219,617.20</u>

I declare under penalty of perjury that this account, claim, or demand is just and correct and that no part of it has been paid.

Scott Neumann Digitally signed by Scott Neumann
Date: 2023.01.09 16:09:07 -06'00'

CONTRACTOR

CERTIFICATE OF CONTRACTOR

I hereby certify that the work and the materials supplied to date, as shown on the request for payment, represents the actual value of accomplishment under the terms of the contract dated

August 12, 2022 between the City of Corcoran (OWNER)

and Park Construction Company (CONTRACTOR) and all authorized changes thereto.

Park Construction Company

By Scott Neumann

Title Project Manager

Approval:

(CONTRACTOR)

Scott Neumann Digitally signed by Scott Neumann
Date: 2023.01.09 16:10:59 -06'00' Date 1/9/2023

(ENGINEER)


Steven Hegland, P.E. Date 1/9/2023

END OF SECTION

MASS GRADING AND STORMWATER POND FOR CITY CENTER DRIVE AND 79TH PLACE
PAYMENT REQUEST FORM
CONTRACTOR: PARK CONSTRUCTION COMPANY



NO.	ITEM DESCRIPTION BASE BID SCHEDULE BID SCHEDULE A	UNIT	QUANTITY	UNIT PRICE	TOTAL PRICE	COMPLETED TO DATE		LESS PREVIOUS PAYMENTS		CURRENT PAY REQUEST #2	
						QTY	PRICE	QTY	PRICE	QTY	PRICE
1	MOBILIZATION AND DEMOBILIZATION	LUMP SUM	1	\$ 66,000.00	\$66,000.00	0.75	\$ 49,500.00	0.5	\$ 33,000.00	0.25	\$ 16,500.00
2	TRAFFIC CONTROL	LUMP SUM	1	\$ 3,540.00	\$3,540.00	1	\$ 3,540.00	1	\$ 3,540.00	0	\$ -
3	CLEARING	ACRE	4.3	\$ 2,380.00	\$10,234.00	5.0	\$ 11,900.00	5.0	\$ 11,900.00	0	\$ -
4	GRUBBING	ACRE	4.3	\$ 2,380.00	\$10,234.00	5.0	\$ 11,900.00	5.0	\$ 11,900.00	0	\$ -
5	CLEAR TREE	TREE	5	\$ 144.00	\$720.00	5	\$ 720.00	5	\$ 720.00	0	\$ -
6	GRUB TREE	TREE	5	\$ 61.80	\$309.00	5	\$ 309.00	5	\$ 309.00	0	\$ -
7	COMMON EXCAVATION - ONSITE (NON-STRUCTURAL) (EV) (P)	CU YD	41300	\$ 7.00	\$289,100.00	1500	\$ 10,500.00	1500	\$ 10,500.00	1500	\$ 10,500.00
8	COMMON EXCAVATION - ONSITE (STRUCTURAL) (EV) (P)	CU YD	46524	\$ 3.95	\$183,769.80	3000	\$ 11,850.00	1500	\$ 5,925.00	1500	\$ 5,925.00
9	COMMON EXCAVATION - OFFSITE (EV) (P)	CU YD	25774	\$ 11.50	\$296,401.00	20850	\$ 239,775.00	7600	\$ 87,400.00	13250	\$ 152,375.00
10	COMMON BORROW - ONSITE (EV) (P)	CU YD	48518	\$ 3.35	\$162,535.30						
11	COMMON BORROW - ONSITE (EV) (P)	CU YD	4000	\$ 3.15	\$12,600.00						
12	STOCKPILE TOPSOIL (CV)	CU YD	3100	\$ 3.15	\$9,765.00						
13	BOULDER RETAINING WALL	LIN FT	170	\$ 160.00	\$27,200.00						
14	WETLAND BUFFER POSTS AND MONUMENTS	EACH	26	\$ 227.00	\$5,902.00						
15	COURSE FILTER AGGREGATE	CU YD	80	\$ 66.30	\$5,304.00						
16	MEDIUM FILTER AGGREGATE	CU YD	80	\$ 66.30	\$5,304.00						
17	PREMIXED IRON/FINE FILTER AGGREGATE (MOD)	CU YD	440	\$ 211.00	\$92,840.00						
18	GEOTEXTILE FABRIC TYPE IV (NON-WOVEN)	SQ YD	696	\$ 3.35	\$2,331.60						
19	RANDOM RIPRAP, CLASS III	CU YD	30	\$ 124.00	\$3,720.00						
20	ROLLED EROSION PREVENTION CATEGORY 76	CU YD	100	\$ 21.60	\$2,160.00						
21	36" RCP CLASS V STORM SEWER	LIN FT	88	\$ 289.00	\$25,432.00						
22	8" SOLID PVC SCH 40 DRAIN TILE PIPE	LIN FT	64	\$ 45.80	\$2,931.20						
23	6" SOLID PVC SCH 40 DRAIN TILE PIPE	LIN FT	5	\$ 45.80	\$228.00						
24	6" PERFORATED PVC SCH 40 DRAIN TILE PIPE	LIN FT	367	\$ 35.00	\$12,845.00						
25	PVC PIPE DRAIN CLEANOUT	EACH	6	\$ 686.00	\$4,116.00						
26	38" RCP FLARED END AND TRASH GUARD	EACH	1	\$ 6,850.00	\$6,850.00						
27	5" DIA OUTLET CONTROL STRUCTURE	EACH	1	\$ 19,200.00	\$19,200.00						
28	24" HDPE STORM SEWER PIPE	LIN FT	266	\$ 67.60	\$17,981.60						
29	TEMPORARY CONSTRUCTION ENTRANCE - MAINTAINED	LUMP SUM	1	\$ 2,710.00	\$2,710.00	1	\$ 2,710.00	1	\$ 2,710.00	0	\$ -
30	SEDIMENT CONTROL LOG - MAINTAINED	LUMP SUM	1	\$ 3.00	\$3.00						
31	SILT FENCE, TYPE MS - MAINTAINED	LIN FT	1760	\$ 2.35	\$4,136.00						
32	MNDOT SEED MIX 21-112 AND STRAW MULCH	ACRE	5276	\$ 618.00	\$3,260,608.00	5389	\$ 12,664.15	5389	\$ 12,664.15	0	\$ -
33	MNDOT SEED MIX 25-131	ACRE	23.4	\$ 7.00	\$163.80						
34	MNDOT SEED MIX 33-261	ACRE	1746	\$ 7.00	\$12,222.00						
35	MNDOT SEED MIX 34-171	ACRE	103	\$ 22.70	\$2,338.10						
36	MNDOT SEED MIX 34-171	ACRE	3	\$ 92.80	\$278.40						
37	MNDOT SEED MIX 35-241	ACRE	36	\$ 18.60	\$669.60						
38	SEED AND CAT 25 BLANKET	ACRE	23	\$ 495.00	\$11,385.00						
		SO YD	1800	\$ 1.55	\$2,790.00						
CO1.1	Indirects-Supervision-Bond-Survey-Mobilization	LUMP SUM	1	\$ 25,550.00	\$25,550.00	0.5	\$ 12,775.00	0	\$ -	0.5	\$ 12,775.00
CO1.2	Inefficiencies (Common Excavation Crew)	HOUR	22	\$ 1,425.00	\$31,350.00						
CO1.3	Excavate and Stockpile Building A	CU YD	8380	\$ 3.95	\$33,101.00	8380	\$ 33,101.00	0	\$ -	8380	\$ 33,101.00
CO1.4	Moisture Condition Stockpiled Materials	CU YD	8380	\$ 2.10	\$17,598.00						
TOTAL CONTRACT AMOUNT					\$1,451,685.40		\$401,244.15		\$170,068.15		\$231,176.00

GENERAL CONTRACTOR		COMPLETED TO DATE		LESS PREVIOUS PAYMENTS		PAYMENT REQUEST 1	
Park Construction Company		Subtotal:	\$401,244.15	Subtotal:	\$170,068.15	Subtotal:	\$231,176.00
1481 81st Ave NE		5% Retainage:	\$20,062.21	5% Retainage:	\$8,503.41	5% Retainage:	\$11,558.80
Minneapolis, MN 55432		Total:	\$381,181.94	Total:	\$161,564.74	Total:	\$219,617.20

STAFF REPORT

Agenda Item: 7g.

Council Meeting: January 26, 2023	Prepared By: Jessica Beise
Topic: Work Session Topics	Action Required: Schedule Work Sessions

Summary:

At the January 12, 2023 meeting, Council discussed work sessions and formalizing topics closer to the scheduled work session dates. Council noted if work sessions were needed, work session topics would be determined and included in the scheduled work session meeting.

Staff recommends hosting a Joint Work Session on February 9, 2023, at 5:30 pm with the Planning Commission and the Parks and Trails Commission.

Staff has been contracted by Cook Lake Highland regarding some potential PUD amendments and recommends hosting a work session to provide feedback before an application is submitted. Cook Lake Highlands is reacting to market conditions. Staff envisions the work session taking place on February 23, 2023, at 5:00 pm.

Financial/Budget:

N/A

Options:

1. Authorize staff to move forward with work sessions topics as presented.
2. Provide different work session topics.
3. Decline to schedule work sessions on the topics.

Recommendation:

Authorize staff to move forward with work sessions topics as presented.

Council Action:

Authorize staff to move forward with work sessions topics as presented.

Attachments:

None

STAFF REPORT

Agenda Item: 7h.

Council Meeting: January 26, 2023	Prepared By: Natalie Davis McKeown
Topic: Agriculture Preserve Application (City File No. 22-077)	Action Required: Approval

60-Day Review Deadline: January 29, 2023

1. Application Request

Jerald Vollrath requests City approval for initiation of the Metropolitan Agricultural Preserve program on one parcel consisting of 68.6 acres of land owned by Jerald Vollrath, Jason Vollrath, and Trent Vollrath, at 22903 Strehler Road (PID 20-119-23-22-0003).

2. Background

22903 Strehler Road is currently enrolled in the Agricultural Preserve program and is set to expire on January 22, 2023. An amendment to the 2040 Future Land Use is required to guide this parcel as Agricultural Preserve. The property is zoned as Rural Residential and is outside the Metropolitan Urban Service Area (MUSA) shown on the City's Comprehensive Plan.

3. Analysis of Request

The property owner is applying to commence enrollment in the Ag Preserve program without an initiation of expiration. This is consistent with the requirements of Minnesota State Statute §473H.

4. Recommendation

Move to adopt Resolutions 2023-06 approving designation.

Attachments:

1. Resolution 2023-06
2. Aerial Location Map
3. 2040 Land Use Map

RESOLUTION NO. 2023-06

**Motion By:
Seconded By:**

A RESOLUTION APPROVING A REQUEST FOR METROPOLITAN AGRICULTURAL PRESERVE DESIGNATION FOR 68.6 ACRES OF LAND OWNED BY JERALD, VOLLRATH, JASON VOLLRATH, AND TRENT VOLLRATH AT 22903 STREHLER ROAD (PID 20-119-23-22-0003) (CITY FILE 22-077)

WHEREAS, the property owners at 22903 Strehler Road are requesting approval of designation for 68.6 acres of land in one parcel for property legally described as follows:

See Attachment 1.

WHEREAS, the above described parcel is located outside of the Metropolitan Urban Service Area (MUSA);

WHEREAS, the owner of the described parcel has made an official application for their designation as an agricultural preserve attached to this resolution as Attachment A;

WHEREAS, the property owners request the City of Corcoran to submit an Affidavit of "Authority" attached to this resolution as Attachment B; and

WHEREAS, the requirements regarding size, covenants, development density and other stipulations of the act are deemed legally satisfied.

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE CITY COUNCIL OF THE CITY OF CORCORAN, MINNESOTA, that the property is hereby designated as Agricultural Preserve.

BE IT FUTHER RESOLVED, the property be classified as "Agricultural Preserve" in the 2040 Future Land Use Plan of the Comprehensive Plan and the related zoning district which will create more stringent zoning rules for the duration of the requested designation. No subdivisions can occur unless and until said properties are removed from the Ag Preserve Program.

RESOLUTION NO. 2023-02

VOTING AYE

- McKee, Tom
- Bottema, Jon
- Nichols, Jeremy
- Schultz, Alan
- Vehrenkamp, Dean

VOTING NAY

- McKee, Tom
- Bottema, Jon
- Nichols, Jeremy
- Schultz, Alan
- Vehrenkamp, Dean

Whereupon, said Resolution is hereby declared adopted on this 26th day of January 2023.

Tom McKee – Mayor

ATTEST:

Michelle Fredrick – City Clerk

City Seal

RESOLUTION NO. 2023-02

ATTACHMENT 1

That part of the West Half of the Northwest Quarter of Section 20, Township 119, Range 23, Hennepin County, Minnesota, lying South of the North 700.00 feet thereof.



Hennepin County Property Map

Date: 12/5/2022



PARCEL ID: 2011923220003

OWNER NAME: Trent E Vollrath Et Al

PARCEL ADDRESS: 52 Address Unassigned, Corcoran MN 00000

PARCEL AREA: 68.6 acres, 2,988,083 sq ft

A-T-B: Torrens

SALE PRICE: \$192,213

SALE DATE: 12/2020

SALE CODE: Excluded From Ratio Studies

ASSESSED 2021, PAYABLE 2022
PROPERTY TYPE: Ag Preserve
HOMESTEAD: Homestead
MARKET VALUE: \$462,000
TAX TOTAL: \$1,192.10

ASSESSED 2022, PAYABLE 2023
PROPERTY TYPE: Ag Preserve
HOMESTEAD: Non-Homestead
MARKET VALUE: \$470,200

Comments:

This data (i) is furnished 'AS IS' with no representation as to completeness or accuracy; (ii) is furnished with no warranty of any kind; and (iii) is not suitable for legal, engineering or surveying purposes. Hennepin County shall not be liable for any damage, injury or loss resulting from this data.

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CITY OF CORCORAN

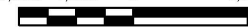
2040 COMPREHENSIVE PLAN

Map 2-1 2040 Future Land Use

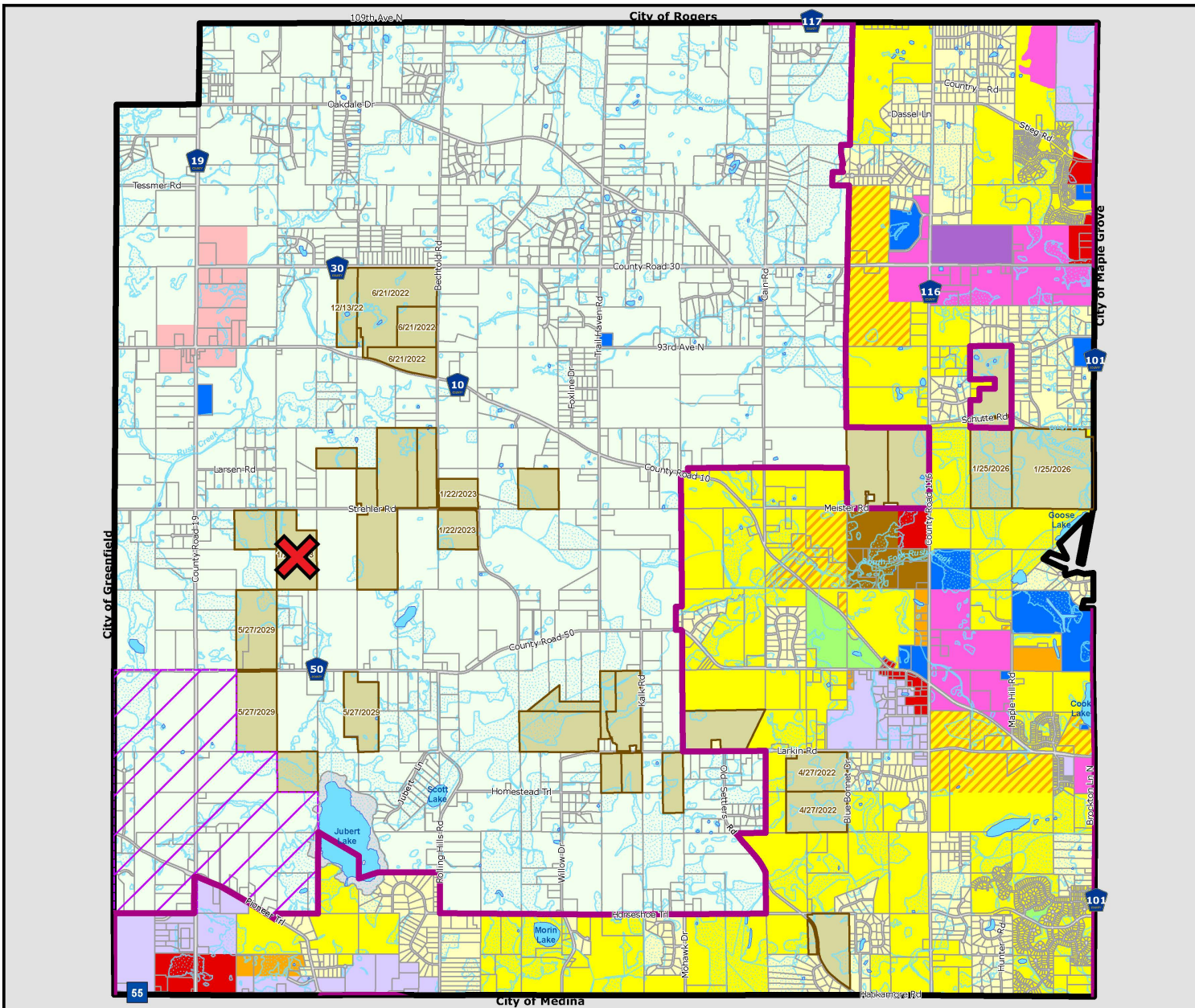
- Rural/Ag Residential
- Existing Residential
- Low Density Residential
- Medium Density Residential
- Mixed Residential
- High Density Residential
- Rural Service/Commercial
- Commercial
- Mixed Use
- Business Park
- Light Industrial
- Public/Semi-Public
- Parks/Open Space
- Agricultural Preserve (Date of Expiration)
- Open Water
- Municipal Boundary
- 2040 MUSA
- Future MUSA Expansion Area
- Parcel Boundaries
- Streams
- Lake/Open Water
- Wetlands

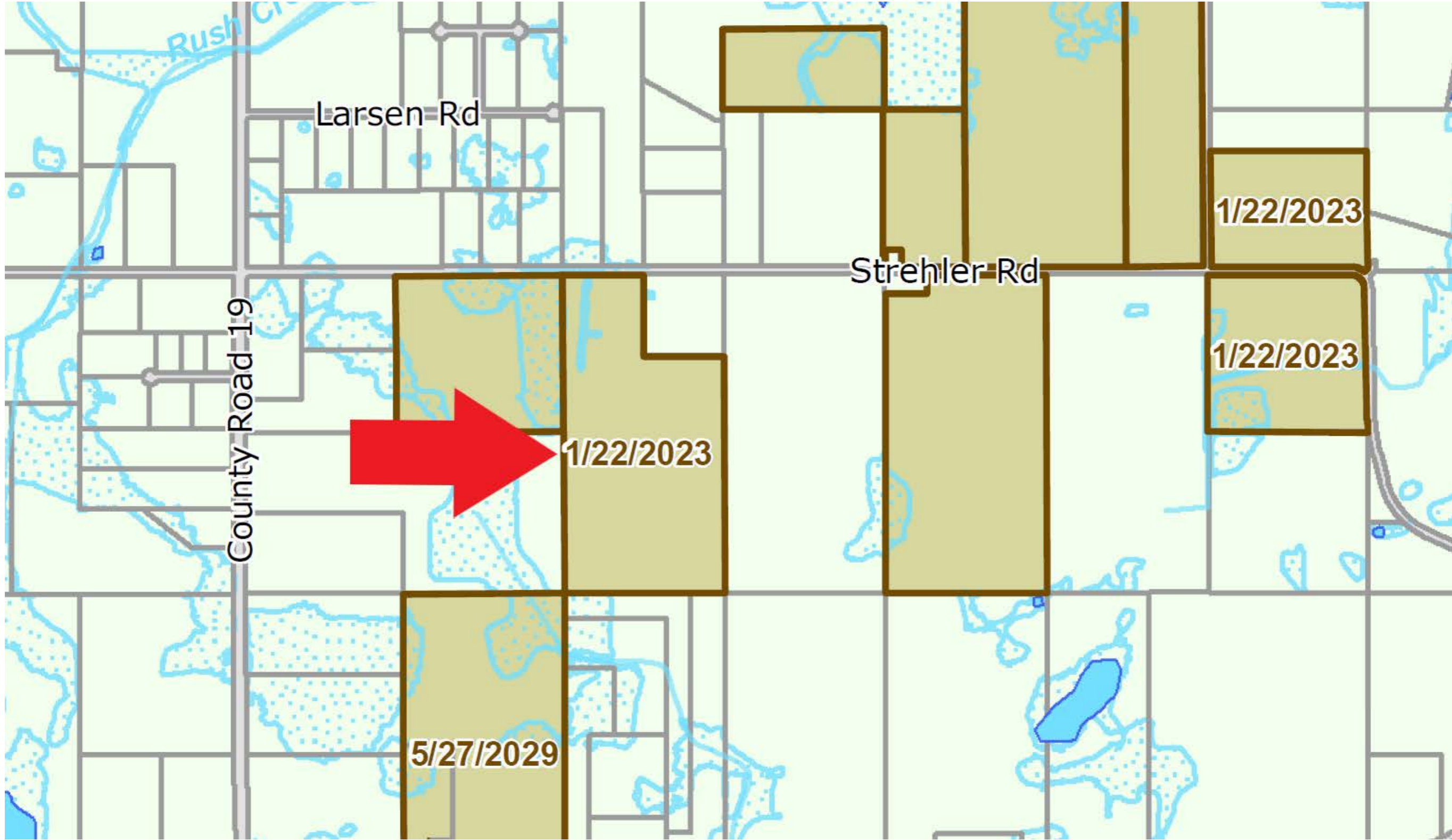
Source:
Revised National Wetland Inventory (MN DNR, 2009-2014)

3,000 1,500 0 3,000



Path: \\MSPFS\02\Design\Depot\Library\Software\GIS\Client\City of Corcoran\City wide maps\2040 Future Land Use.mxd
Date: 10/27/2021 Time: 9:57:35 AM User: LPSRemote







To: Kevin Mattson, Public Works Director From: Kent Torve, PE, City Engineer

File: 227704919 Date: January 26, 2023

Reference: Corcoran Test Well #2 – Change Order 1 & Final Payment

BACKGROUND

E.H. Renner & Sons (Renner) began work for the construction of Test Well #2 in August 2022. Due to unexpected geology, test pumping of the well was not possible, and it became necessary to seal the test well. This was completed as Change Order 1 in the amount of \$8,152.00 and was completed on a unit price basis.

Renner has completed the work on the Test Well #2 including well sealing and has submitted the final payment request in the amount of \$10,674.55. Final payment includes work completed to date in the amount of \$8,152.00 and release of the 5% retainage in the amount of \$2,522.55, as included in the attached payment request form. Also included is the lien waiver required for project closeout.

BUDGET IMPACT

The work completed is within the previously approved budget for the project.

RECOMMENDATION

We recommend payment for the work completed to date combined with retainage in the amount of \$10,674.55.

ATTACHMENTS

Final Payment Request

E.H. Renner & Sons

15688 Jarvis St NW
Elk River, MN 55330
Phone (763) 427-6100
www.ehrenner.com

INVOICE



Invoice Number: 7439
Date 12/2/2022

Terms:

CITY OF CORCORAN
8200 COUNTY ROAD 116
CORCORAN, MN 55340

Service Location	
Address:	P.I.D. # 0111923340069
City:	CORCORAN
Job/Well #	TEST WELL 2 U#856401
Purchase Order	

SEALING OF TEST WELL #2

Taxable Total \$0.00

If paying by CHECK: \$10,674.55

Thank you for the opportunity to work for you.

**CITY OF CORCORAN
TEST WELL NO 2**

FINAL PAY REQUEST

30-Nov-22

DESCRIPTION	EST # OF UNITS	UNITS	ACT # OF UNITS	TOTAL # OF UNITS THIS PERIOD	UNIT PRICE	TOTAL COMPLETED PERIOD	TOTAL WORK COMPLETED	TOTAL BID	DEVIATION
Mobilization/Demob	1	L.S.	1.00	0.00	\$ 6,150.00	\$ -	\$6,150.00	\$6,150.00	\$0.00
Well Drilling - 10" Borehole	300	L.F.	291.00	0.00	\$ 22.00	\$ -	\$6,402.00	\$6,600.00	-\$198.00
6" Steel Casing	300	L.F.	294.00	0.00	\$ 51.00	\$ -	\$14,994.00	\$15,300.00	-\$306.00
Grout Seal	5	CYD	9.00	0.00	\$ 490.00	\$ -	\$4,410.00	\$2,450.00	\$1,960.00
Well Drilling - 6" Open Borehole	150	L.F.	245.00	0.00	\$ 19.00	\$ -	\$4,655.00	\$2,850.00	\$1,805.00
Well Development	32	HR.	10.50	0.00	\$ 300.00	\$ -	\$3,150.00	\$9,600.00	-\$6,450.00
Surface Accessories (Protective Casing, Bollards, Locking Cap)	1	L.S.	0.00	0.00	\$ 490.00	\$ -	\$0.00	\$490.00	-\$490.00
Test Pump Set-Up & Removal, incl. Power Supply, Piping, & Related Equipment	1	L.S.	1.00	0.00	\$ 1,500.00	\$ -	\$1,500.00	\$1,500.00	\$0.00
Test Pumping (pump operation period)	30	HR.	12.00	0.00	\$ 195.00	\$ -	\$2,340.00	\$5,850.00	-\$3,510.00
Drawdown Monitoring	30	HR.	0.00	0.00	\$ 15.00	\$ -	\$0.00	\$450.00	-\$450.00
Recovery Monitoring	24	HR.	0.00	0.00	\$ 15.00	\$ -	\$0.00	\$360.00	-\$360.00
Water Analyses (all analytes, per well)	1	L.S.	1.00	0.00	\$ 1,450.00	\$ -	\$1,450.00	\$1,450.00	\$0.00
Gamma Logging & Report	1	L.S.	2.00	0.00	\$ 1,800.00	\$ -	\$3,600.00	\$1,800.00	\$1,800.00
Well Televising	1	L.S.	1.00	0.00	\$ 1,800.00	\$ -	\$1,800.00	\$1,800.00	\$0.00
TOTAL ORIGINAL BID								\$56,650.00	
Mobilization of work over rig to seal open hole	1	L.S.	1	1	\$750.00	\$750.00	\$750.00	\$750.00	\$0.00
Set tremie to bottom of well to grout 432ft to 634ft.	540	L.F.	538	538	\$4.00	\$2,152.00	\$2,152.00	\$2,160.00	-\$8.00
Neat cement Grout - grout seal - 48 # bags	185	BAGS	210	210	\$25.00	\$5,250.00	\$5,250.00	\$4,625.00	\$625.00
TOTAL BID with CHANGE ORDER TO SEAL								\$64,185.00	
WORK COMPLETED PERIOD						\$8,152.00			-\$5,582.00
TOTAL WORK COMPLETED TO DATE							\$58,603.00		
PLUS RETAINAGE WITHHELD						\$2,522.55			
LESS PAY REQUEST NO 1							\$ (42,014.70)		
LESS PAY REQUEST NO 2							\$ (5,913.75)		
AMOUNT DUE PERIOD						\$10,674.55	\$ 10,674.55		



Contractor Affidavit Submitted

Thank you, your Contractor Affidavit has been approved.

Confirmation Summary

Confirmation Number:	1-577-172-896
Submitted Date and Time:	17-Jan-2023 1:17:10 PM
Legal Name:	E H RENNER & SONS INC
Federal Employer ID:	41-0798285
User Who Submitted:	heathera
Type of Request Submitted:	Contractor Affidavit

Affidavit Summary

Affidavit Number:	423907328
Minnesota ID:	8602354
Project Owner:	CITY OF CORCORAN
Project Number:	TEST WELL #2
Project Begin Date:	01-Aug-2022
Project End Date:	01-Dec-2022
Project Location:	P.I.D #0111923340069
Project Amount:	\$58,603.00
Subcontractors:	No Subcontractors

Important Messages

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

Contact Us

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

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



To: Kevin Mattson, PE Public Works From: Kent Torve, PE
Steve Hegland, PE
Project/File: 227704115 Date: January 18, 2023

Reference: Trail Haven Construction Materials Testing Proposals

Background and Purpose

For the Trail Haven Bridge Replacement project the city is required to complete testing of construction materials throughout the project to ensure conformance with project specifications and MN State Aid requirements.

We solicited proposals from 2 local testing firms, and received 2 proposals:

Haugo Geotechnical Services:	\$5,110
Braun Intertec:	\$7,834

While the estimated testing cost for Haugo Geotechnical Services was lower, they indicated that they did not have a laboratory that is accredited by the AASHTO Resource for all test procedures performed, which is a requirement of the MnDOT 2020 Schedule of Materials Control which was specific to this project. Additionally, the City has used Braun Intertec on previous State Aid funded projects due to their expertise with this program. Because of this we would recommend entering into an agreement with Braun Intertec for construction materials testing for the project.

Action Requested

Staff is requesting Council review the information presented and consider the following:

- Review and approve of the attached Proposal for Construction Materials Testing Services provided by Braun Intertec

January 16, 2023

Proposal QTB171504

Nicholas Wyers, PE
Stantec Consulting Services, Inc.
1800 Pioneer Creek Center
Maple Plain, MN 55359

Re: Proposal for Construction Materials Testing Services
Corcoran – Trail Haven Bridge Replacement
S.A.P. 215-107-002, Bridge Number 27J78
Stantec Project No. 227704119
Corcoran, Minnesota

Dear Mr. Wyers:

Braun Intertec Corporation is pleased to submit this proposal to provide construction materials testing services for the Trail Haven Bridge Replacement project in Corcoran, Minnesota.

Since our inception in 1957, we have grown into one of the largest employee owned engineering firms in the nation. With more than 1,000 employee owners, retaining our firm gives you access to a diverse range of services and professionals you can consult with if the unforeseen occurs. The size of our company also allows us to respond quickly when schedule constraints occur.

Our Understanding of Project

We understand this project will include removal of the existing roadway for the installation of a new flow path for Rush Creek. The creek will be temporarily routed around the work area to install new precast culvert sections. The road will then be reconstructed with a small amount of aggregate base, geotextile barriers, select granular materials. The project is located on Trail Haven Road over Rush Creek in Corcoran, Minnesota.

This is a City of Corcoran project with state-aid funding. Projects that are constructed with state-aid funding are required to perform Quality Control and Quality Assurance (QC/QA) testing in accordance with the Minnesota Department of Transportation's (MnDOT's) 2020 Standard Specifications for Construction and MnDOT's Schedule of Materials Control. This project is using MnDOT's 2022 State Aid for Local Transportation (SALT) Schedule of Materials Control. Personnel with MnDOT certifications must complete the monitoring and testing. Braun Intertec will perform the QA field testing on the project as listed in our scope of services and as shown on our attached cost estimate table. The contractor will be responsible for performing all of the required QC testing and submitting all the documentation upon completion of the project. An audit of the project could be conducted upon completion. The audit may include reviewing tests and paperwork provided by your QC/QA representative.

Available Project Information

This proposal was prepared using the following documents and information.

- Project plans prepared by Stantec, dated October 24, 2022.
- Project manual prepared by Stantec, dated November 2022.
- The Request for Proposals by Stantec, emailed January 6, 2023.
- Project specified 2020 Edition of the Minnesota Department of Transportation "Standard Specifications for Construction".

Braun Intertec Project Personnel

For this project, we will provide technicians that are MnDOT certified in each specialized field. For the proposed scope of services, our staff will have the following certifications:

- Aggregate Production
- Grading & Base I

Accredited Laboratory

In the 2020 Schedule of Material Control, which is part of this project's testing requirements, MnDOT requires laboratories performing acceptance tests for payment to be accredited by the AASHTO Resource (formerly AASHTO Materials Reference Laboratory [AMRL]) for all test procedures performed.

Braun Intertec is one of the few independent testing companies that is accredited in the metro area/state. With Braun Intertec's Metro Material Laboratory typically operating 24 hours a day, laboratory test results are delivered in a timely manner.

Scope of Services

Services are performed under the direction of a licensed professional engineer. Testing services will be performed on an on-call, as-needed basis as requested and scheduled by you or your on-site project representative. After reviewing available information to determine compliance with project plans and/or specifications and other design or construction documents, our scope of services for the project will be limited to the tasks defined below.

Soil Related Services

- Perform nuclear gauge density tests on subgrade preparation, common embankment, select granular borrow, and utility backfill materials.
- Perform Dynamic Cone Penetrometer (DCP) tests on aggregate base materials.

- Perform gradation tests on aggregate base, coarse filter aggregate, and embankment materials.
- Perform laboratory standard Proctor tests on backfill and fill materials.
- Perform laboratory testing of topsoil materials.
- Prepare the preliminary and final grading and base report.

Reporting and Project Management

Test results will be issued weekly for the project as the various tasks are performed. If, at any time, there are failing tests which do not appear to be in accordance with the plans and specifications or MnDOT's Schedule of Materials Control, we will notify the engineer's representative and any others that we are directed to notify.

Before the final project closeout, we will issue a final report. The report will include the following:

- Braun Intertec technician roster for technicians that conducted testing on the project.
- Completed MnDOT Materials Certification Exceptions Summary for items tested by Braun Intertec.
- Completed Preliminary and Final Grading and Base Report.
- Moisture, Density, Proctor, DCP, topsoil, and Gradation tests.

Basis of Scope of Work

The costs associated with the proposed scope of services were estimated using the following assumptions. If the construction schedule is modified or the contractor completes the various phases of the project at different frequencies or durations than shown in this proposal, we may need to adjust the overall cost accordingly. The scope of work and number of trips required to perform these services are as shown in the attached table. Notable assumptions in developing our estimate include:

- We assume it will take eight trips to complete the nuclear density gauge testing on this project.
- We assume compaction testing on aggregate base and full depth reclaim material will be performed using the Dynamic Cone Penetration (DCP) method; a minimum of two tests will be conducted each trip with two trips assumed.

- We assume your full-time on-site construction observer will observe excavated bottoms prior to placement of the precast concrete culvert sections. This scope of work is not included in our estimate. Braun Intertec can assist with engineering recommendations if unforeseen circumstances are encountered.
- We understand through conversations, your full-time on-site construction observer will observe the test rolling for this project if any are required,
- We assume the project engineer of record will review and approve contractor's quality control submittals and test results.
- You, or others you may designate, will provide us with current and approved plans and specifications for the project. Modification to these plans must also be sent to us so we can review their incorporation into the work.
- We will require a minimum of 24 hours' notice for scheduling inspections for a specific time. Shorter than 24 hours' notice may impact our ability to perform the requested services, and the associated impacts will be the responsibility of others.

If the work is completed at different rates than described above, this proposal should be revised. If the pace of construction is different than described above, this proposal should be revised.

Cost and Invoicing

We will furnish the services described herein for an estimated fee of **\$7,834**. **Our estimated costs are based on industry averages for construction production. Depending on the contractor's performance, our costs may be significantly reduced or slightly higher than estimated.** A tabulation showing our estimated hourly and/or unit rates associated with our proposed scope of services is also attached. The actual cost of our services will be based on the actual units or hours expended to meet the requirements of the project documents.

This cost estimate was developed with the understanding that the scope of services defined herein will be required and requested during our normal work hours of 6:00 a.m. to 4:00 p.m., Monday through Friday. Services that we are asked to provide to meet the project requirements or the contractor's construction schedule **outside** our normal business hours will be invoiced using an overtime rate factor. The factor for services provided outside our normal work hours or on Saturday will be 1.25 times the listed hourly rate for the service provided. The factor for services provided on Sunday or legal holidays will be 1.5 times the listed hourly rate for the service provided. We have not included premiums for overtime in our cost estimate; however, we recommend that allowances and contingencies be made for overtime charges based on conversations with the contractor. You will be billed only for services provided on a time and materials basis.

Because our services are directly controlled by the schedule and performance of others, the actual cost may vary from our estimate. It is difficult to project all of the services and the quantity of services that may be required for any project. If services are required that are not discussed above, we will provide them at the rates shown in the attached table or, if not shown, at our current Schedule of Charges. We will invoice you on a monthly basis.

General Remarks

We will be happy to meet with you to discuss our proposed scope of services further and clarify the various scope components.

We appreciate the opportunity to present this proposal to you. After reviewing this proposal, **please sign and return one copy to our office as notification of acceptance and authorization to proceed.** If anything in this proposal is not consistent with your requirements, please let us know immediately. Braun Intertec will not release any written reports until we have received a signed agreement. Also, ordering services from Braun Intertec constitutes acceptance of the terms of this proposal (including the attached General Conditions).

The proposed fee is based on the scope of services described and the assumption that our services will be authorized within 30 days and that others will not delay us beyond our proposed schedule.

We include the Braun Intertec General Conditions, which provide additional terms and are a part of our agreement.

To have questions answered or schedule a time to meet and discuss our approach to this project further, please contact Jacob Collins at 612.418.8570 (jacollins@braunintertec.com) or Andrew Valerius at 952.995.2242 (avalerius@braunintertec.com).

Sincerely,

BRAUN INTERTEC CORPORATION

Jacob D. Collins
Project Manager

Andrew M. Valerius
Account Leader, Senior Project Manager

Charles M. Cadenhead Jr., PE
Vice President, Principal Engineer

Attachments:
Project Proposal – QTB171504
General Conditions (1/1/18)

The proposal is accepted. We will reimburse you in accordance with this agreement, and you are authorized to proceed:

Authorizer's Firm

Authorizer's Signature

Authorizer's Name (please print or type)

Authorizer's Title

Date

Project Proposal

QTB171504

Corcoran - Trail Haven Bridge Replacement - SAP 215-107-002

Client:

Stantec Consulting Services Inc.
Nick Wyers
1800 Pioneer Creek Center
Maple Plain, MN 55359
(651) 636-4600

Work Site Address:

Trail Haven Road over Rush Creek
Approximately 0.5 Miles South of County Road
117
Corcoran, MN 55340

Service Description:

Construction Materials Testing
State Aid Project No. 215-107-002
Bridge No. 27J78
Stantec Project No. 227704119

	Description	Quantity	Units	Unit Price	Extension
Phase 1	Construction and Materials Testing				
Activity 1.1	Soil Testing				\$6,180.00
207	Compaction Testing - Nuclear	24.00	Hour	88.00	\$2,112.00
	<i>Work Activity Detail</i>	<i>Qty</i>	<i>Units</i>	<i>Hrs/Unit</i>	<i>Extension</i>
	Backfill Culvert/Select/Subgrade/Embankment	8.00	Trips	3.00	24.00
1308	Nuclear moisture-density meter charge, per hour	24.00	Each	24.00	\$576.00
217	Compaction Testing - DCP	7.00	Hour	88.00	\$616.00
	<i>Work Activity Detail</i>	<i>Qty</i>	<i>Units</i>	<i>Hrs/Unit</i>	<i>Extension</i>
	Roadway DCP Testing	2.00	Trips	3.50	7.00
209	Sample pick-up	4.00	Hour	88.00	\$352.00
1228	Topsoil Testing with nutrients, per sample	1.00	Each	390.00	\$390.00
1162	Sieve Analysis with 200 wash, per sample	6.00	Each	142.00	\$852.00
1318	Moisture Density Relationship (Standard), per sample	3.00	Each	194.00	\$582.00
1861	CMT Trip Charge	14.00	Each	50.00	\$700.00
Activity 1.2	Project Management				\$1,654.00
238	Project Assistant	3.00	Hour	88.00	\$264.00
226	Project Manager	7.00	Hour	170.00	\$1,190.00
228	Senior Project Manager	1.00	Hour	200.00	\$200.00
	Phase 1 Total:				\$7,834.00

Proposal Total:	\$7,834.00
------------------------	-------------------

Section 1: Agreement

1.1 Our agreement with you consists of these General Conditions and the accompanying written proposal or authorization ("Agreement"). This Agreement is the entire agreement between you and us. It supersedes prior agreements. It may be modified only in a writing signed by us, making specific reference to the provision modified.

1.2 The words "you," "we," "us," and "our" include officers, employees, and subcontractors.

1.3 In the event you use a purchase order or other documentation to authorize our scope of work ("Services"), any conflicting or additional terms are not part of this Agreement. Directing us to start work prior to execution of this Agreement constitutes your acceptance. If, however, mutually acceptable terms cannot be established, we have the right to terminate this Agreement without liability to you or others, and you will compensate us for fees earned and expenses incurred up to the time of termination.

Section 2: Our Responsibilities

2.1 We will provide Services specifically described in this Agreement. You agree that we are not responsible for services that are not expressly included in this Agreement. Unless otherwise agreed in writing, our findings, opinions, and recommendations will be provided to you in writing. You agree not to rely on oral findings, opinions, or recommendations without our written approval.

2.2 In performing our professional services, we will use that degree of care and skill ordinarily exercised under similar circumstances by reputable members of our profession practicing in the same locality. If you direct us to deviate from our recommended procedures, you agree to hold us harmless from claims, damages, and expenses arising out of your direction. If during the one year period following completion of Services it is determined that the above standards have not been met and you have promptly notified us in writing of such failure, we will perform, at our cost, such corrective services as may be necessary, within the original scope in this Agreement, to remedy such deficiency. Remedies set forth in this section constitute your sole and exclusive recourse with respect to the performance or quality of Services.

2.3 We will reference our field observations and sampling to available reference points, but we will not survey, set, or check the accuracy of those points unless we accept that duty in writing. Locations of field observations or sampling described in our report or shown on our sketches are based on information provided by others or estimates made by our personnel. You agree that such dimensions, depths, or elevations are approximations unless specifically stated otherwise in the report. You accept the inherent risk that samples or observations may not be representative of things not sampled or seen and further that site conditions may vary over distance or change over time.

2.4 Our duties do not include supervising or directing your representatives or contractors or commenting on, overseeing, or providing the means and methods of their services unless expressly set forth in this Agreement. We will not be responsible for the failure of your contractors, and the providing of Services will not relieve others of their responsibilities to you or to others.

2.5 We will provide a health and safety program for our employees, but we will not be responsible for contractor, owner, project, or site health or safety.

2.6 You will provide, at no cost to us, appropriate site safety measures as to work areas to be observed or inspected by us. Our employees are authorized by you to refuse to work under conditions that may be unsafe.

2.7 Unless a fixed fee is indicated, our price is an estimate of our project costs and expenses based on information available to us and our experience and knowledge. Such estimates are an exercise of our professional judgment and are not guaranteed or warranted. Actual costs may vary. You should allow a contingency in addition to estimated costs.

Section 3: Your Responsibilities

3.1 You will provide us with prior environmental, geotechnical and other reports, specifications, plans, and information to which you have access about the site. You agree to provide us with all plans, changes in plans, and new information as to site conditions until we have completed Services.

3.2 You will provide access to the site. In the performance of Services some site damage is normal even when due care is exercised. We will use reasonable care to minimize damage to the site. We have not included the cost of restoration of damage in the estimated charges.

3.3 You agree to provide us, in a timely manner, with information that you have regarding buried objects at the site. We will not be responsible for locating buried objects at the site. *You agree to hold us harmless, defend, and indemnify us from claims, damages, losses, penalties and expenses (including attorney fees) involving buried objects that were not properly marked or identified or of which you had knowledge but did not timely call to our attention or correctly show on the plans you or others furnished to us.*

3.4 You will notify us of any knowledge or suspicion of the presence of hazardous or dangerous materials present on any work site or in a sample provided to us. You agree to provide us with information in your possession or control relating to such materials or samples. If we observe or suspect the presence of contaminants not anticipated in this Agreement, we may terminate Services without liability to you or to others, and you will compensate us for fees earned and expenses incurred up to the time of termination.

3.5 Neither this Agreement nor the providing of Services will operate to make us an owner, operator, generator, transporter, treater, storer, or a disposal facility within the meaning of the Resource Conservation Recovery Act, as amended, or within the meaning of any other law governing the handling, treatment, storage, or disposal of hazardous substances. *You agree to hold us harmless, defend, and indemnify us from any damages, claims, damages, penalties or losses resulting from the storage, removal, hauling or disposal of such substances.*

3.6 Monitoring wells are your property, and you are responsible for their permitting, maintenance, and abandonment unless expressly set forth otherwise in this Agreement.

3.7 You agree to make all disclosures required by law. In the event you do not own the project site, you acknowledge that it is your duty to inform the owner of the discovery or release of contaminants at the site. *You agree to hold us harmless, defend, and indemnify us from claims, damages, penalties, or losses and expenses, including attorney fees, related to failures to make disclosures, disclosures made by us that are required by law, and from claims related to the informing or failure to inform the site owner of the discovery of contaminants.*

Section 4: Reports and Records

4.1 Unless you request otherwise, we will provide our report in an electronic format.

4.2 Our reports, notes, calculations, and other documents and our computer software and data are instruments of our service to you, and they remain our property. We hereby grant you a license to use the reports and related information we provide only for the related project and for the purposes disclosed to us. You may not transfer our reports to others or use them for a purpose for which they were not prepared without our written approval. *You agree to indemnify, defend, and hold us harmless from claims, damages, losses, and expenses, including attorney fees, arising out of such a transfer or use.*

4.3 If you do not pay for Services in full as agreed, we may retain work not yet delivered to you and you agree to return to us all of our work that is in your possession or under your control.

4.4 Samples and field data remaining after tests are conducted and field and laboratory equipment that cannot be adequately cleansed of contaminants are and continue to be your property. They may be discarded or returned to you, at our discretion, unless within 15 days of the report date you give us written direction to store or transfer the materials at your expense.

4.5 Electronic data, reports, photographs, samples, and other materials provided by you or others may be discarded or returned to you, at our discretion, unless within 15 days of the report date you give us written direction to store or transfer the materials at your expense.

Section 5: Compensation

5.1 You will pay for Services as stated in this Agreement. If such payment references our Schedule of Charges, the invoicing will be based upon the most current schedule. An estimated amount is not a firm figure. You agree to pay all sales taxes and other taxes based on your payment of our compensation. Our performance is subject to credit approval and payment of any specified retainer.

5.2 You will notify us of billing disputes within 15 days. You will pay undisputed portions of invoices upon receipt. You agree to pay interest on unpaid balances beginning 30 days after invoice dates at the rate of 1.5% per month, or at the maximum rate allowed by law.

5.3 If you direct us to invoice a third party, we may do so, but you agree to be responsible for our compensation unless the third party is creditworthy (in our sole opinion) and provides written acceptance of all terms of this Agreement.

5.4 Your obligation to pay for Services under this Agreement is not contingent on your ability to obtain financing, governmental or regulatory agency approval, permits, final adjudication of any lawsuit, your successful completion of any project, receipt of payment from a third party, or any other event. No retainage will be withheld.

5.5 If you do not pay us in accordance with this Agreement, you agree to reimburse all costs and expenses for collection of the moneys invoiced, including but not limited to attorney fees and staff time.

5.6 You agree to compensate us in accordance with our Schedule of Charges if we are asked or required to respond to legal process arising out of a proceeding related to the project and as to which we are not a party.

5.7 If we are delayed by factors beyond our control, or if project conditions or the scope or amount of work changes, or if changed labor conditions result in increased costs, decreased efficiency, or delays, or if the standards or methods change, we will give you timely notice, the schedule will be extended for each day of delay, and we will be compensated for costs and expenses incurred in accordance with our Schedule of Charges.

5.8 If you fail to pay us in accordance with this Agreement, we may consider the default a total breach of this Agreement and, at our option, terminate our duties without liability to you or to others, and you will compensate us for fees earned and expenses incurred up to the time of termination.

5.9 In consideration of our providing insurance to cover claims made by you, you hereby waive any right to offset fees otherwise due us.

Section 6: Disputes, Damage, and Risk Allocation

6.1 Each of us will exercise good faith efforts to resolve disputes without litigation. Such efforts will include, but not be limited to, a meeting(s)

attended by each party's representative(s) empowered to resolve the dispute. Before either of us commences an action against the other, disputes (except collections) will be submitted to mediation.

6.2 *Notwithstanding anything to the contrary in this Agreement, neither party hereto shall be responsible or held liable to the other for punitive, indirect, incidental, or consequential damages, or liability for loss of use, loss of business opportunity, loss of profit or revenue, loss of product or output, or business interruption.*

6.3 You and we agree that any action in relation to an alleged breach of our standard of care or this Agreement shall be commenced within one year of the date of the breach or of the date of substantial completion of Services, whichever is earlier, without regard to the date the breach is discovered. Any action not brought within that one year time period shall be barred, without regard to any other limitations period set forth by law or statute. We will not be liable unless you have notified us within 30 days of the date of such breach and unless you have given us an opportunity to investigate and to recommend ways of mitigating damages. You agree not to make a claim against us unless you have provided us at least 30 days prior to the institution of any legal proceeding against us with a written certificate executed by an appropriately licensed professional specifying and certifying each and every act or omission that you contend constitutes a violation of the standard of care governing our professional services. Should you fail to meet the conditions above, you agree to fully release us from any liability for such allegation.

6.4 *For you to obtain the benefit of a fee which includes a reasonable allowance for risks, you agree that our aggregate liability for all claims will not exceed the fee paid for Services or \$50,000, whichever is greater. If you are unwilling to accept this allocation of risk, we will increase our aggregate liability to \$100,000 provided that, within 10 days of the date of this Agreement, you provide payment in an amount that will increase our fees by 10%, but not less than \$500, to compensate us for the greater risk undertaken.* This increased fee is not the purchase of insurance.

6.5 *You agree to indemnify us from all liability to others in excess of the risk allocation stated herein and to insure this obligation. In addition, all indemnities and limitations of liability set forth in this Agreement apply however the same may arise, whether in contract, tort, statute, equity or other theory of law, including, but not limited to, the breach of any legal duty or the fault, negligence, or strict liability of either party.*

6.6 This Agreement shall be governed, construed, and enforced in accordance with the laws of the state in which our servicing office is located, without regard to its conflict of laws rules. The laws of the state of our servicing office will govern all disputes, and all claims shall be heard in the state or federal courts for that state. Each of us waives trial by jury.

6.7 No officer or employee acting within the scope of employment shall have individual liability for his or her acts or omissions, and you agree not to make a claim against individual officers or employees.

Section 7: General Indemnification

7.1 *We will indemnify and hold you harmless from and against demands, damages, and expenses of others to the comparative extent they are caused by our negligent acts or omissions or those negligent acts or omissions of persons for whom we are legally responsible. You will indemnify and hold us harmless from and against demands, damages, and expenses of others to the comparative extent they are caused by your negligent acts or omissions or those negligent acts or omissions of persons for whom you are legally responsible.*

7.2 To the extent it may be necessary to indemnify either of us under Section 7.1, you and we expressly waive, in favor of the other only, any immunity or exemption from liability that exists under any worker compensation law.

7.3 You agree to indemnify us against losses and costs arising out of claims of patent or copyright infringement as to any process or system that is specified or selected by you or by others on your behalf.

Section 8: Miscellaneous Provisions

8.1 We will provide a certificate of insurance to you upon request. Any claim as an Additional Insured shall be limited to losses caused by our negligence.

8.2 You and we, for ourselves and our insurers, waive all claims and rights of subrogation for losses arising out of causes of loss covered by our respective insurance policies.

8.3 Neither of us will assign or transfer any interest, any claim, any cause of action, or any right against the other. Neither of us will assign or otherwise transfer or encumber any proceeds or expected proceeds or compensation from the project or project claims to any third person, whether directly or as collateral or otherwise.

8.4 This Agreement may be terminated early only in writing. You will compensate us for fees earned for performance completed and expenses incurred up to the time of termination.

8.5 If any provision of this Agreement is held invalid or unenforceable, then such provision will be modified to reflect the parties' intention. All remaining provisions of this Agreement shall remain in full force and effect.

8.6 No waiver of any right or privilege of either party will occur upon such party's failure to insist on performance of any term, condition, or instruction, or failure to exercise any right or privilege or its waiver of any breach.

January 13, 2023

HGTS Proposal 23-0019

Mr. Nick Wyers
Stantec
1800 Pioneer Creek Center
Maple Plain, MN 55359-9000

Re: Proposal for Construction Materials Testing, Trailhaven Road Bridge Replacement, Corcoran, Minnesota.

Dear Mr. Wyers;

We are pleased to present this cost estimate for construction materials testing services during the construction of the Trailhaven Road Bridge Replacement in Corcoran, MN.

Project

Stantec, on behalf of The City of Corcoran is requesting a proposal for construction materials testing during the construction of the Trail Haven Road Bridge Replacement (SAP 215-107-002) in Corcoran, MN. It is our understanding the project will consist of replacing the existing culvert on Trailhaven Road over Rush Creek with a new box culvert.

To aid in preparing this proposal we were provided with a set of plans and specifications titled "Bridge No. 27J78 Replacement on Trailhaven Road" prepared by Stantec and dated November 2022. Our fees were based on the 2022 MnDOT SALT Schedule of Materials Control and the estimated quantities provided in the plans and specifications.

Scope of Services

Qualified technicians will perform the proposed field tests under the direction of a licensed professional engineer. Our services will be performed on an as-needed basis as scheduled by you or your authorized representative. Based on a review of available information and discussions with you, our services will be limited to the following tasks.

- Perform compaction testing on embankment fill and culvert backfill
- Perform compaction testing on the aggregate base.
- Collect soil samples for laboratory proctors and gradations.
- Provide management services including review of field reports and communication with project team members.

Cost

We will provide the above-mentioned services for an estimated fee of **\$5,110**. The project estimate, attached, provides a summary of the estimated hourly and unit rates associated with our scope of services.

Since our services are directly controlled by the schedule of others, the actual cost of our services may vary from this estimate. The cost of our services will be based on the actual hours and/or units tested for the project.

Our services will be provided over several invoicing periods. We will submit partial progress invoices as the project proceeds. Our invoices will be payable upon receipt in accordance with our attached General Conditions.

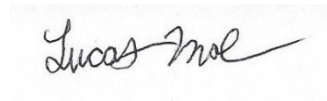
General

Thank you for the opportunity to provide this cost estimate to you. If it is acceptable, please sign and return one copy to us and retain one copy for your records. We are also including a copy of our General Conditions which provide additional terms and are part of this agreement.

If you have any questions regarding this proposal, please contact Lucas Mol (lmol@haugogts.com) at 612-297-4108.

Sincerely,

Haugo Geotechnical Services

A handwritten signature in black ink that reads "Lucas Mol". The signature is written in a cursive style with a long horizontal stroke at the end.

Lucas Mol
Project Manager

Attachments:
Project Estimate
General Conditions

Authorization to Proceed

By: _____

Date: _____

HAUGO GEOTECHNICAL SERVICES
2825 CEDAR AVE S, MINNEAPOLIS, MN 55407
WEBSITE: www.haugogts.com

HGTS Project # 23-0019
Client: City of Corcoran
Project: Trail Haven Bridge Replacemen
Location: Corcoran, MN

Table 1 Summary of Estimated Costs

	TRIPS	HOURS PER TRIP	QTY	UNITS	PRICE(\$)	SUM(\$)
<u>SOIL OBSERVATIONS</u>						
203C/D				EXCAVATING/FOOTING/PADS	86	
225				HELICAL OBSERVATION	86	
209				PROOFROLL-SUBBASE	86	
<u>COMPACTION TESTING</u>						
201				BUILDING PAD CORRECTION	76	
201	6	3	18	CULVERT BACKFILL	76	1368
201B	1	3	3	SELECT GRANULAR EMBANKMENT	76	228
201A	1	3	3	COMMON EMBANKMENT	76	228
201A	1	3	3	SUBGRADE	76	228
208	1	3	3	AGGREGATE BASE	86	258
<u>CONCRETE TESTING</u>						
101C				BUILDING FOOTINGS/PADS	76	
101E				WALLS	76	
101D				INTERIOR SLABS	76	
101E				PIERS	76	
101A/B				EXTERIOR CONCRETE	76	
<u>SPECIAL INSPECTIONS</u>						
161				FOOTINGS/PADS REINFORCEMENT	86	
161				WALL REINFORCEMENT	86	
161				PIER REINFORCEMENT	86	
151				MASONRY INSPECTIONS	86	
151				GROUTING INSPECTIONS	86	
162/163				BOLTING/WELDING INSPECTIONS	120	
164				FIRE PROOFING INSPECTIONS	120	
<u>COMPRESSIVE STRENGTH TESTING</u>						
102				STRUCTURAL CONCRETE CYLINDERS	20	
102				CONCRETE CYLINDERS	20	
157				MASONRY GROUT	30	
156				MASONRY BLOCK PRISMS	165	
159				MASONRY NET AREA	130	
107				GYPSUM CONCRETE CUBES	20	
105			3	SAMPLE PICK-UP	76	228
<u>SIEVE ANALYSIS / PROCTORS</u>						
401/402			2	STANDARD/MODIFIED PROCTOR	140	280
403			5	SIEVE ANALYSIS	140	700
<u>BITUMINOUS</u>						
303				EXTRACTION / GRADATION / AIR VOIDS	425	
304				CORE THICKNESS / DENSITY	25	
<u>PROJECT DETAILS</u>						
110			13	TRIP CHARGE	40	520
612				PROJECT ENGINEER	120	
602			8	PROJECT MANAGER	120	960
609			2	PROJECT ASSISTANT	56	112
					TOTAL \$	5,110.00

Our services are directly controlled by the schedule of others, the actual cost of our services may vary from our estimate. Invoices for our services will be based on the actual numbers of hours spent on the project and the tests performed. It is difficult to predict all of the services and the quantity of services that may be required. If services are required that are not shown above, we will provide them in accordance with our standard fee schedule.

Our agreement (“Agreement”) with you consists of these General Conditions and the accompanying written proposal or authorization.

Section 1: Our Responsibilities

1.1 We will provide the services specifically described in our Agreement with you. You agree that we are not responsible for services that are not fairly included in our specific undertaking. Unless otherwise agreed in writing, our findings, opinions, and recommendations will be provided to you in writing. You agree not to rely on oral findings, opinions, or recommendations without our written approval.

1.2 In performing our professional services, we will use that degree of care and skill ordinarily exercised under similar circumstances by reputable members of our profession practicing in the same locality. If you direct us to deviate from our recommended procedures, you agree to hold us harmless from claims, damages, and expenses arising out of your direction.

1.3 We will reference our field observations and sampling to available reference points, but we will not survey, set, or check the accuracy of those points unless we accept that duty in writing. Locations of field observations or sampling described in our report or shown on our sketches are based on information provided by others or estimates made by our personnel. You agree that such dimensions, depths, or elevations are approximations unless specifically stated otherwise in the report. You accept the inherent risk that samples or observations may not be representative of things not sampled or seen and, further, that site conditions may change over time.

1.4 Our duties do not include supervising your contractors or commenting on, overseeing, or providing the means and methods of their work, unless we accept such duties in writing. We will not be responsible for the failure of your contractors to perform in accordance with their undertakings, and the providing of our services will not relieve others of their responsibilities to you or to others.

1.5 We will provide a health and safety program for our employees, but we will not be responsible for contractor, job, or site health or safety unless we accept that duty in writing.

1.6 You will provide, at no cost to us, appropriate site safety measures as to work areas to be observed or inspected by us. Our

employees are authorized by you to refuse to work under conditions that may be unsafe.

1.7 Estimates of our fees or other project costs will be based on information available to us and on our experience and knowledge. Such estimates are an exercise of our professional judgment and are not guaranteed or warranted. Actual costs may vary. You should allow a contingency in addition to estimated costs.

Section 2: Your Responsibilities

2.1 You will provide us with prior geotechnical and other reports, specifications, plans, and information to which you have access about the site. You agree to provide us with all plans, changes in plans, and new information as to site conditions until we have completed our work.

2.2 You will provide access to the site. In the course of our work some site damage is normal even when due care is exercised. We will use reasonable care to minimize damage to the site. We have not included the cost of restoration of normal damage in the estimated charges.

2.3 You agree to provide us, in a timely manner, with information that you have regarding buried objects at the site. We will not be responsible for locating buried objects at the site unless we accept that duty in writing. You agree to hold us harmless from claims, damages, losses, and related expenses involving buried objects of which you had knowledge but did not timely call to our attention or correctly show on the plans you or others on your behalf furnished to us.

2.4 You will notify us of any knowledge or suspicion of the presence of hazardous or dangerous materials in a sample provided to us. You agree to provide us with information in your possession or control relating to contamination at the work site. If we observe or suspect the presence of contaminants not anticipated in our Agreement, we may terminate our work without liability to you or to others, and we will be paid for the services we have provided.

2.5 Neither this Agreement nor the providing of services will operate to make us an owner, operator, generator, transporter, treator, storer, or a disposal facility within the meaning of the Resource Conservation Recovery Act, as amended, or within the meaning of any other law governing the handling, treatment, storage, or disposal of hazardous materials. You agree to hold us harmless and indemnify us from any such claim or loss.

2.6 Monitoring wells are your property, and you are responsible for their permitting, maintenance, and abandonment unless we accept that duty in writing.

2.7 You agree to make disclosures required by law. In the event you do not own the site, you acknowledge that it is your duty to inform the owner of the discovery or release of contaminants at the site. You agree to hold us harmless and indemnify us from claims related to disclosures made by us that are required by law and from claims related to the informing or failure to inform the site owner of the discovery of contaminants.

Section 3: Reports and Records

3.1 We will furnish reports to you in duplicate. We will retain analytical data for seven years and financial data for three years.

3.2 Our reports, notes, calculations, and other documents and our computer software and data are instruments of our service to you, and they remain our property but are subject to a license to you for your use in the related project for the purposes disclosed to us. You may not transfer our reports to others or use them for a purpose for which they were not prepared without our written approval, which will not be unreasonably withheld. You agree to indemnify and hold us harmless from claims, damages, losses, and expenses, including attorney fees, arising out of such a transfer or use. At your request, we will provide endorsements of our reports or letters of reliance, but only if the recipients agree to be bound by the terms of our agreement with you and only if we are paid the administrative fee stated in our then current Schedule of Charges.

3.3 Because electronic documents may be modified intentionally or inadvertently, you agree that we will not be liable for damages resulting from change in an electronic document occurring after we transmit it to you. In case of any difference or ambiguity between an electronic and a paper document, the paper document shall govern.

3.4 If you do not pay for our services in full as agreed, we may retain work not yet delivered to you and you agree to return to us all of our work that is in your possession or under your control. You agree not to use or rely upon our work for any purpose whatsoever until it is paid for in full.

3.5 Samples remaining after tests are conducted and field and laboratory equipment that cannot be adequately cleansed of contaminants are and continue to be your property. They will be discarded or returned to you, at our discretion, unless within 15 days of the report date you give us written direction to store or transfer the materials at your expense.

Section 4: Compensation

4.1 You will pay for services as agreed upon or according to our then current Schedule of Charges if there is no other written agreement as to price. An estimated cost is not a firm figure. You agree to pay all sales taxes and other taxes based on your payment of our compensation. Our performance is subject to credit approval and payment of any specified retainer.

4.2 You will notify us of billing disputes within 15 days. You will pay undisputed portions of invoices on receipt. You agree to pay interest on unpaid balances beginning 30 days after invoice dates at the rate of 1.5% per month, or at the maximum rate allowed by law.

4.3 If you direct us to invoice another, we will do so, but you agree to be responsible for our compensation unless you provide us with that person's written acceptance of all terms of our Agreement and we agree to extend credit to that person and to release you.

4.4 You agree to compensate us in accordance with our fee schedule if we are asked or required to respond to legal process arising out of a proceeding related to the project and as to which we are not a party.

4.5 If we are delayed by factors beyond our control, or if project conditions or the scope or amount of work change, or if changed labor union conditions result in increased costs, decreased efficiency, or delays, or if the standards or methods change, we will give you timely notice and we will receive an equitable adjustment of our compensation. If you and we do not reach agreement on such compensation within 30 days of our written application, we may terminate without liability to you or others.

4.6 If you fail to pay us within 60 days following invoice date, we may consider the default a total breach of our Agreement and, at our option, terminate our duties without liability to you or to others.

4.7 In consideration of our providing insurance to cover claims made by you, you hereby waive any right of offset as to fees otherwise due us.

Section 5: Disputes, Damage, and Risk Allocation

5.1 Each of us will exercise good faith efforts to resolve disputes without litigation. Such efforts will include, but not be limited to, a meeting(s) attended by each party's representative(s) empowered to resolve the dispute. Before either of us commences an action against the other, disputes (except collections) will be submitted to mediation.

5.2 Neither of us will be liable for special, incidental, consequential, or punitive damages, including but not limited to those arising from delay, loss of use, loss of profits or revenue, loss of financing commitments or fees, or the cost of capital.

5.3 We will not be liable for damages unless suit is commenced within two years of the date of injury or loss or within two years of the date of the completion of our services, whichever is earlier. We will not be liable unless you have notified us of the discovery of the claimed breach of contract, negligent act, or omission within 30 days of the date of discovery and unless you have given us an opportunity to investigate and to recommend ways of mitigating damages.

5.4 For you to obtain the benefit of a fee which includes a reasonable allowance for risks, you agree that our aggregate liability will not exceed the fee paid for our services or \$50,000, whichever is greater, and you agree to indemnify us from all liability to others in excess of that amount. If you are unwilling to accept this allocation of risk, we will increase our aggregate liability to \$100,000 provided that, within 10 days of the date of our Agreement, you provide payment in an amount that will increase our fees by 10%, but not less than \$500, to compensate us for the greater risk undertaken. This increased fee is not the purchase of insurance.

5.5 If you do not pay us within 60 days of invoice date, or if you make a claim against us that is resolved in our favor, you agree to reimburse our expenses, including but not limited to attorney fees, staff time, expert witness fees, and other costs of collection or litigation.

5.6 The law of the state in which our servicing office is located will govern all disputes. Each of us waives trial by jury. No employee acting within the scope of employment shall have individual liability for his or her acts or omissions, and you agree not make a claim against individual employees.

Section 6: General Indemnification

6.1 We will indemnify and hold you harmless from and against demands, damages, and expenses to the comparative extent they are caused by our negligent acts or omissions or those negligent acts or omissions of persons for whom we are legally responsible. You will indemnify and hold us harmless from and against demands, damages, and expenses to the comparative extent they are caused by your negligent acts or omissions or those negligent acts or omissions of persons for whom you are legally responsible.

6.2 To the extent it may be necessary to indemnify either of us under Section 6.1, you and we expressly waive, in favor of the other only, any immunity or exemption from liability that exists under any worker compensation law.

6.3 You agree to indemnify us against losses and costs arising out of claims of patent or copyright infringement as to any process or system that is specified or selected by you or by others on your behalf.

Section 7: Miscellaneous Provisions

7.1 We will provide a certificate of insurance to you upon request. Any claim as an Additional Insured shall be limited to losses caused by our sole negligence.

7.2 This Agreement is our entire agreement. It supersedes prior agreements. It may be modified only in a writing, making specific reference to the provision modified.

7.3 Neither of us will assign or transfer any interest, any claim, any cause of action, or any right against the other. Neither of us will assign or otherwise transfer or encumber any proceeds or expected proceeds or compensation from the project or project claims to any third person, whether directly or as collateral or otherwise.

7.4 Our Agreement may be terminated early only in writing. We will receive an equitable adjustment of our compensation in the event of early termination.

STAFF REPORT

Agenda Item: 7k.

Council Meeting: January 26, 2023	Prepared By: Jessica Beise
Topic: MNDOT Agency Agreement	Action Required: Approval

Summary:

MNDOT has requested that the City enter into an agency agreement as they are looking to utilize Federal funds for road construction projects.

Financial/Budget:

N/A

Options:

1. Adopt Resolution 2023-08 Adopting Agency Agreement.
2. Decline to adopt Resolution 2023-08 Adopting Agency Agreement.

Council Action:

Consider a motion to adopt Resolution 2023-08 Adopting Agency Agreement.

Attachments:

1. Resolution 2023-08 Adopting Agency Agreement
2. Agency Agreement 1502123

RESOLUTION NO. 2023-08

**Motion By:
Seconded By:**

A RESOLUTION APPROVING AGENCY AGREEMENT

BE IT RESOLVED, that pursuant to Minnesota Stat. Sec. 161.36, the Commissioner of Transportation be appointed as Agent of the local agency to accept as its agent, federal aid funds which may be made available for eligible transportation related projects.

BE IT FURTHER RESOLVED, the Mayor and the City Administrator are hereby authorized and directed for and on behalf of the local agency to execute and enter into an agreement with the Commissioner of Transportation prescribing the terms and conditions of said federal aid participation as set forth and contained in "Minnesota Department of Transportation Agency Agreement No. 1052123", a copy of which said agreement was before the City Council/County Board and which is made a part hereof by reference.

VOTING AYE

- McKee, Tom**
- Bottema, Jon**
- Nichols, Jeremy**
- Schultz, Alan**
- Vehrenkamp, Dean**

VOTING NAY

- McKee, Tom**
- Bottema, Jon**
- Nichols, Jeremy**
- Schultz, Alan**
- Vehrenkamp, Dean**

Whereupon, said Resolution is hereby declared adopted on this 26th day of January 2023.

Tom McKee – Mayor

ATTEST:

Michelle Fredrick – City Clerk

City Seal



STATE OF MINNESOTA

AGENCY AGREEMENT

for

FEDERAL PARTICIPATION IN CONSTRUCTION

This Agreement is entered into by and between City of Corcoran (“Local Government”) and the State of Minnesota acting through its Commissioner of Transportation (“MnDOT”).

RECITALS

1. Pursuant to Minnesota Statutes Section 161.36, the Local Government desires MnDOT to act as the Local Government’s agent in accepting federal funds on the Local Government’s behalf for the construction, improvement, or enhancement of transportation financed either in whole or in part by Federal Highway Administration (“FHWA”) federal funds, hereinafter referred to as the “Project(s)”; and
2. This Agreement is intended to cover all federal aid projects initiated by the Local Government and therefore has no specific State Project number associated with it, and
 - 2.1. The Assistance Listing Number (ALN) is 20.205, 20.224, 20.933 or another Department of Transportation ALN as listed on SAM.gov and
 - 2.2. This project is for construction, not research and development.
 - 2.3. MnDOT requires that the terms and conditions of this agency be set forth in an agreement.

AGREEMENT TERMS

1. Term of Agreement; Prior Agreement

- 1.1. **Effective Date.** This Agreement will be effective on the date that MnDOT obtains all required signatures under Minn. Stat. §16C.05, Subd. 2. This Agreement will remain effective until it is superseded or terminated pursuant to section 14.

2. Local Government’s Duties

- 2.1. **Designation.** The Local Government designates MnDOT to act as its agent in accepting federal funds on its behalf made available for the Project(s). Details on the required processes and procedures are available on the State Aid Website.
- 2.2. **Staffing.**
 - 2.2.1. The Local Government will furnish and assign a publicly employed and licensed engineer, (“Project Engineer”), to be in responsible charge of the Project(s) and to supervise and direct the work to be performed under any construction contract let for the Project(s). In the alternative, where the Local Government elects to use a private consultant for construction engineering services, the Local Government will provide a qualified, full-time public employee of the Local Government to be in responsible charge of the Project(s). The services of the Local Government to be performed hereunder may not be assigned, sublet, or transferred unless the Local Government is notified in writing by MnDOT that such action is permitted under 23 CFR 1.33 and 23 CFR 635.105 and state law. This written consent will in no way relieve the Local Government from its primary responsibility for performance of the work.

- 2.2.2. During the progress of the work on the Project(s), the Local Government authorizes its Project Engineer to request in writing specific engineering and/or technical services from MnDOT, pursuant to Minnesota Statutes Section 161.39. Such services may be covered by other technical service agreements. If MnDOT furnishes the services requested, and if MnDOT requests reimbursement, then the Local Government will promptly pay MnDOT to reimburse the state trunk highway fund for the full cost and expense of furnishing such services. The costs and expenses will include the current MnDOT labor additives and overhead rates, subject to adjustment based on actual direct costs that have been verified by audit. Provision of such services will not be deemed to make MnDOT a principal or co-principal with respect to the Project(s).
- 2.3. **Pre-letting.** The Local Government will prepare construction contracts in accordance with Minnesota law and applicable Federal laws and regulations.
- 2.3.1. The Local Government will solicit bids after obtaining written notification from MnDOT that the FHWA has authorized the Project(s). Any Project(s) advertised prior to authorization **without permission** will not be eligible for federal reimbursement.
- 2.3.2. The Local Government will prepare the Proposal for Highway Construction for the construction contract, which will include all federal-aid provisions supplied by MnDOT.
- 2.3.3. The Local Government will prepare and publish the bid solicitation for the Project(s) as required by state and federal laws. The Local Government will include in the solicitation the required language for federal-aid construction contracts as supplied by MnDOT. The solicitation will state where the proposals, plans, and specifications are available for the inspection of prospective bidders and where the Local Government will receive the sealed bids.
- 2.3.4. The Local Government may not include other work in the construction contract for the authorized Project(s) without obtaining prior notification from MnDOT that such work is allowed by FHWA. Failure to obtain such notification may result in the loss of some or all of the federal funds for the Project(s). All work included in a federal contract is subject to the same federal requirements as the federal project.
- 2.3.5. The Local Government will prepare and sell the plan and proposal packages and prepare and distribute any addenda, if needed.
- 2.3.6. The Local Government will receive and open bids.
- 2.3.7. After the bids are opened, the Local Government will consider the bids and will award the bid to the lowest responsible bidder or reject all bids. If the construction contract contains a goal for Disadvantaged Business Enterprises (DBEs), the Local Government will not award the bid until it has received certification of the Disadvantaged Business Enterprise participation from the MnDOT Office of Civil Rights.
- 2.3.8. The Local Government must disclose in writing any potential conflict of interest to the Federal awarding agency or MnDOT in accordance with applicable FHWA policy.
- 2.4. **Contract Administration.**
- 2.4.1. The Local Government will prepare and execute a construction contract with the lowest responsible bidder, hereinafter referred to as the "Contractor," in accordance with the special provisions and the latest edition of MnDOT's Standard Specifications for Construction when the contract is awarded and all amendments thereto. All contracts between the Local Government and third parties or subcontractors must contain all applicable provisions of this Agreement, including the applicable federal contract clauses, which are identified in Appendix II of 2 CFR 200, Uniform Administrative

Requirements, Cost Principles and Audit Requirements for Federal Awards, and as identified in Section 18 of this Agreement.

- 2.4.2. The Project(s) will be constructed in accordance with the plans, special provisions, and standard specifications of each Project. The standard specifications will be the latest edition of MnDOT Standard Specifications for Highway Construction and all amendments thereto. The plans, special provisions, and standard specifications will be on file at the Local Government Engineer's Office. The plans, special provisions, and specifications are incorporated into this Agreement by reference as though fully set forth herein.
- 2.4.3. The Local Government will furnish the personnel, services, supplies, and equipment necessary to properly supervise, inspect, and document the work for the Project(s). The services of the Local Government to be performed hereunder may not be assigned, sublet, or transferred unless the Local Government is notified in writing by MnDOT that such action is permitted under 23 CFR 1.33 and 23 CFR 635.105 and state law. This written consent will in no way relieve the Local Government from its primary responsibility for performance of the work.
- 2.4.4. The Local Government will document quantities in accordance with the guidelines set forth in the Construction Section of the Electronic State Aid Manual that are in effect at the time the work was performed.
- 2.4.5. The Local Government will test materials in accordance with the Schedule of Materials Control in effect at the time each Project was let. The Local Government will notify MnDOT when work is in progress on the Project(s) that requires observation by the Independent Assurance Inspector, as required by the Independent Assurance Schedule.
- 2.4.6. The Local Government may make changes in the plans or the character of the work, as may be necessary to complete the Project(s), and may enter into Change Order(s) with the Contractor. The Local Government will not be reimbursed for any costs of any work performed under a change order unless MnDOT has notified the Local Government that the subject work is eligible for federal funds and sufficient federal funds are available.
- 2.4.7. The Local Government will request approval from MnDOT for all costs in excess of the amount of federal funds previously approved for the Project(s) prior to incurring such costs. Failure to obtain such approval may result in such costs being disallowed for reimbursement.
- 2.4.8. The Local Government will prepare reports, keep records, and perform work so as to meet federal requirements and to enable MnDOT to collect the federal aid sought by the Local Government. Required reports are listed in the MnDOT State Aid Manual, Delegated Contract Process Checklist, available from MnDOT's authorized representative. The Local Government will retain all records and reports and allow MnDOT or the FHWA access to such records and reports for six years.
- 2.4.9. Upon completion of the Project(s), the Project Engineer will determine whether the work will be accepted.

2.5. Limitations.

- 2.5.1. The Local Government will comply with all applicable Federal, State, and local laws, ordinances, and regulations.
- 2.5.2. **Nondiscrimination.** It is the policy of the Federal Highway Administration and the State of Minnesota that no person in the United States will, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance (42 U.S.C. 2000d). Through expansion of the mandate for nondiscrimination in Title VI and through parallel legislation, the proscribed bases of discrimination

include race, color, sex, national origin, age, and disability. In addition, the Title VI program has been extended to cover all programs, activities and services of an entity receiving Federal financial assistance, whether such programs and activities are Federally assisted or not. Even in the absence of prior discriminatory practice or usage, a recipient in administering a program or activity to which this part applies is expected to take affirmative action to assure that no person is excluded from participation in, or is denied the benefits of, the program or activity on the grounds of race, color, national origin, sex, age, or disability. It is the responsibility of the Local Government to carry out the above requirements.

2.5.3. **Utilities.** The Local Government will treat all public, private or cooperatively owned utility facilities which directly or indirectly serve the public and which occupy highway rights of way in conformance with 23 CFR 645 "Utilities", which is incorporated herein by reference.

2.6. **Maintenance.** The Local Government assumes full responsibility for the operation and maintenance of any facility constructed or improved under this Agreement.

3. MnDOT's Duties

3.1. **Acceptance.** MnDOT accepts designation as Agent of the Local Government for the receipt and disbursement of federal funds and will act in accordance herewith.

3.2. Project Activities.

3.2.1. MnDOT will make the necessary requests to the FHWA for authorization to use federal funds for the Project(s) and for reimbursement of eligible costs pursuant to the terms of this Agreement.

3.2.2. MnDOT will provide to the Local Government copies of the required Federal-aid clauses to be included in the bid solicitation and will provide the required Federal-aid provisions to be included in the Proposal for Highway Construction.

3.2.3. MnDOT will review and certify the DBE participation and notify the Local Government when certification is complete. If certification of DBE participation (or good faith efforts to achieve such participation) cannot be obtained, then Local Government must decide whether to proceed with awarding the contract. Failure to obtain such certification will result in the Project becoming ineligible for federal assistance, and the Local Government must make up any shortfall.

3.2.4. MnDOT will provide the required labor postings.

3.3. **Authority.** MnDOT may withhold federal funds, where MnDOT or the FHWA determines that the Project(s) was not completed in compliance with federal requirements.

3.4. **Inspection.** MnDOT, the FHWA, or duly authorized representatives of the state and federal government will have the right to audit, evaluate and monitor the work performed under this Agreement. The Local Government will make all books, records, and documents pertaining to the work hereunder available for a minimum of six years following the closing of the construction contract.

4. Time

4.1. The Local Government must comply with all time requirements described in this Agreement. In the performance of this Agreement, time is of the essence.

4.2. The period of performance is defined as beginning on the date of federal authorization and ending on the date defined in the federal financial system or federal agreement ("end date"). **No work completed** after the **end date** will be eligible for federal funding. Local Government must submit all contract close out paperwork to MnDOT at least twenty-four months prior to the **end date**.

5. Payment

- 5.1. **Cost.** The entire cost of the Project(s) is to be paid from federal funds made available by the FHWA and by other funds provided by the Local Government. The Local Government will pay any part of the cost or expense of the Project(s) that is not paid by federal funds. MnDOT will receive the federal funds to be paid by the FHWA for the Project(s), pursuant to Minnesota Statutes § 161.36, Subdivision 2. MnDOT will reimburse the Local Government, from said federal funds made available to each Project, for each partial payment request, subject to the availability and limits of those funds.
- 5.2. **Indirect Cost Rate Proposal/Cost Allocation Plan.** If the Local Government seeks reimbursement for indirect costs and has submitted to MnDOT an indirect cost rate proposal or a cost allocation plan, the rate proposed will be used on a provisional basis. At any time during the period of performance or the final audit of a Project, MnDOT may audit and adjust the indirect cost rate according to the cost principles in 2 CFR Part 200. MnDOT may adjust associated reimbursements accordingly.
- 5.3. **Reimbursement.** The Local Government will prepare partial estimates in accordance with the terms of the construction contract for the Project(s). The Project Engineer will certify each partial estimate. Following certification of the partial estimate, the Local Government will make partial payments to the Contractor in accordance with the terms of the construction contract for the Project(s).
 - 5.3.1. Following certification of the partial estimate, the Local Government may request reimbursement for costs eligible for federal funds. The Local Government's request will be made to MnDOT and will include a copy of the certified partial estimate.
 - 5.3.2. Upon completion of the Project(s), the Local Government will prepare a final estimate in accordance with the terms of the construction contract for the Project(s). The Project Engineer will certify the final estimate. Following certification of the final estimate, the Local Government will make the final payment to the Contractor in accordance with the terms of the construction contract for the Project(s).
 - 5.3.3. Following certification of the final estimate, the Local Government may request reimbursement for costs eligible for federal funds. The Local Government's request will be made to MnDOT and will include a copy of the certified final estimate along with the required records.
 - 5.3.4. Upon completion of the Project(s), MnDOT will perform a final inspection and verify the federal and state eligibility of all payment requests. If the Project is found to have been completed in accordance with the plans and specifications, MnDOT will promptly release any remaining federal funds due the Local Government for the Project(s). If MnDOT finds that the Local Government has been overpaid, the Local Government must promptly return any excess funds.
 - 5.3.5. In the event MnDOT does not obtain funding from the Minnesota Legislature or other funding source, or funding cannot be continued at a sufficient level to allow for the processing of the federal aid reimbursement requests, the Local Government may continue the work with local funds only, until such time as MnDOT is able to process the federal aid reimbursement requests.
- 5.4. **Matching Funds.** Any cost sharing or matching funds required of the Local Government in this Agreement must comply with 2 CFR 200.306.
- 5.5. **Federal Funds.** Payments under this Agreement will be made from federal funds. The Local Government is responsible for compliance with all federal requirements imposed on these funds and accepts full financial responsibility for failure to comply with any federal requirements including, but not limited to, 2 CFR Part 200. If, for any reason, the federal government fails to pay part of the cost or expense incurred by the Local Government, or in the event the total amount of federal funds is not available, the Local Government will be responsible for any and all costs or expenses incurred under this Agreement. The Local Government further agrees to pay any and all lawful claims arising out of or incidental to the performance of the work covered by this Agreement in the event the federal government does not pay the same.

- 5.6. **Closeout.** The Local Government must liquidate all obligations incurred under this Agreement for each Project and submit all financial, performance, and other reports as required by the terms of this Agreement and the Federal award at least twenty-four months prior to the **end date** of the period of performance for each Project. MnDOT will determine, at its sole discretion, whether a closeout audit is required prior to final payment approval. If a closeout audit is required, final payment will be held until the audit has been completed. Monitoring of any capital assets acquired with funds will continue following project closeout.
6. **Conditions of Payment.** All services provided by Local Government under this Agreement must be performed to MnDOT's satisfaction, as determined at the sole discretion of MnDOT's Authorized Representative, and in accordance with all applicable federal, state, and local laws, ordinances, rules, and regulations. The Local Government will not receive payment for work found by MnDOT to be unsatisfactory or performed in violation of federal, state, or local law.
7. **Authorized Representatives**
- 7.1. MnDOT's Authorized Representative is:
- Name: Kristine Elwood, or her successor.
- Title: State Aid Engineer
- Phone: 651-366-4831
- Email: Kristine.elwood@state.mn.us
- MnDOT's Authorized Representative has the responsibility to monitor Local Government's performance and the authority to accept the services provided under this Agreement. If the services are satisfactory, MnDOT's Authorized Representative will certify acceptance on each invoice submitted for payment.
- 7.2. The Local Government's Authorized Representative is:
- Name: Jessica Beise or their successor.
- Title: Corcoran City Administrator
- Phone: 763-400-7029
- Email: jbeise@corcoranmn.gov
- If the Local Government's Authorized Representative changes at any time during this Agreement, the Local Government will immediately notify MnDOT.
8. **Assignment Amendments, Waiver, and Agreement Complete**
- 8.1. **Assignment.** The Local Government may neither assign nor transfer any rights or obligations under this Agreement without the prior written consent of MnDOT and a fully executed Assignment Agreement, executed and approved by the same parties who executed and approved this Agreement, or their successors in office.
- 8.2. **Amendments.** Any amendment to this Agreement must be in writing and will not be effective until it has been executed and approved by the same parties who executed and approved the original agreement, or their successors in office.
- 8.3. **Waiver.** If MnDOT fails to enforce any provision of this Agreement, that failure does not waive the provision or MnDOT's right to subsequently enforce it.
- 8.4. **Agreement Complete.** This Agreement contains all negotiations and agreements between MnDOT and the Local Government. No other understanding regarding this Agreement, whether written or oral, may be used to bind either party.

- 8.5. **Severability.** If any provision of this Agreement, or the application thereof, is found to be invalid or unenforceable to any extent, the remainder of the Agreement, including all material provisions and the application of such provisions, will not be affected and will be enforceable to the greatest extent permitted by the law.
- 8.6. **Electronic Records and Signatures.** The parties agree to contract by electronic means. This includes using electronic signatures and converting original documents to electronic records.
- 8.7. **Certification.** By signing this Agreement, the Local Government certifies that it is not suspended or debarred from receiving federal or state awards.

9. Liability and Claims

- 9.1. **Tort Liability.** Each party is responsible for its own acts and omissions and the results thereof to the extent authorized by law and will not be responsible for the acts and omissions of any others and the results thereof. The Minnesota Tort Claims Act, Minnesota Statutes Section 3.736, governs MnDOT liability.
- 9.2. **Claims.** The Local Government acknowledges that MnDOT is acting only as the Local Government's agent for acceptance and disbursement of federal funds, and not as a principal or co-principal with respect to the Project. The Local Government will pay any and all lawful claims arising out of or incidental to the Project including, without limitation, claims related to contractor selection (including the solicitation, evaluation, and acceptance or rejection of bids or proposals), acts or omissions in performing the Project work, and any *ultra vires* acts. To the extent permitted by law, the Local Government will indemnify, defend (to the extent permitted by the Minnesota Attorney General), and hold MnDOT harmless from any claims or costs arising out of or incidental to the Project(s), including reasonable attorney fees incurred by MnDOT. The Local Government's indemnification obligation extends to any actions related to the certification of DBE participation, even if such actions are recommended by MnDOT.

10. Audits

- 10.1. Under Minn. Stat. § 16C.05, Subd.5, the books, records, documents, and accounting procedures and practices of the Local Government, or any other party relevant to this Agreement or transaction, are subject to examination by MnDOT and/or the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this Agreement, receipt and approval of all final reports, or the required period of time to satisfy all state and program retention requirements, whichever is later. The Local Government will take timely and appropriate action on all deficiencies identified by an audit.
- 10.2. All requests for reimbursement are subject to audit, at MnDOT's discretion. The cost principles outlined in 2 CFR 200.400-.476 will be used to determine whether costs are eligible for reimbursement under this Agreement.
- 10.3. If Local Government expends \$750,000 or more in Federal Funds during the Local Government's fiscal year, the Local Government must have a single audit or program specific audit conducted in accordance with 2 CFR Part 200.

11. **Government Data Practices.** The Local Government and MnDOT must comply with the Minnesota Government Data Practices Act, [Minn. Stat. Ch. 13](#), as it applies to all data provided by MnDOT under this Agreement, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Local Government under this Agreement. The civil remedies of [Minn. Stat. §13.08](#) apply to the release of the data referred to in this clause by either the Local Government or MnDOT.

12. **Workers Compensation.** The Local Government certifies that it is in compliance with [Minn. Stat. §176.181](#), Subd. 2, pertaining to workers' compensation insurance coverage. The Local Government's employees and agents will not be considered MnDOT employees. Any claims that may arise under the Minnesota Workers' Compensation Act on behalf of these employees and any claims made by any third party as a consequence of any act or omission

on the part of these employees are in no way MnDOT's obligation or responsibility.

- 13. Governing Law, Jurisdiction, and Venue.** Minnesota law, without regard to its choice-of-law provisions, governs this Agreement. Venue for all legal proceedings out of this Agreement, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.
- 14. Termination; Suspension**
- 14.1. Termination by MnDOT.** MnDOT may terminate this Agreement with or without cause, upon 30 days written notice to the Local Government. Upon termination, the Local Government will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed.
- 14.2. Termination for Cause.** MnDOT may immediately terminate this Agreement if MnDOT finds that there has been a failure to comply with the provisions of this Agreement, that reasonable progress has not been made, that fraudulent or wasteful activity has occurred, that the Local Government has been convicted of a criminal offense relating to a state agreement, or that the purposes for which the funds were granted have not been or will not be fulfilled. MnDOT may take action to protect the interests of MnDOT of Minnesota, including the refusal to disburse additional funds and/or requiring the return of all or part of the funds already disbursed.
- 14.3. Termination for Insufficient Funding.** MnDOT may immediately terminate this Agreement if:
- 14.3.1. It does not obtain funding from the Minnesota Legislature; or
- 14.3.2. If funding cannot be continued at a level sufficient to allow for the payment of the services covered here. Termination must be by written or fax notice to the Local Government. MnDOT is not obligated to pay for any services that are provided after notice and effective date of termination. However, the Local Government will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed to the extent that funds are available. MnDOT will not be assessed any penalty if the Agreement is terminated because of the decision of the Minnesota Legislature, or other funding source, not to appropriate funds. MnDOT will provide the Local Government notice of the lack of funding within a reasonable time of MnDOT's receiving that notice.
- 14.4. Suspension.** MnDOT may immediately suspend this Agreement in the event of a total or partial government shutdown due to the failure to have an approved budget by the legal deadline. Work performed by the Local Government during a period of suspension will be deemed unauthorized and undertaken at risk of non-payment.
- 15. Data Disclosure.** Under [Minn. Stat. § 270C.65](#), Subd. 3, and other applicable law, the Local Government consents to disclosure of its social security number, federal employer tax identification number, and/or Minnesota tax identification number, already provided to MnDOT, to federal and state tax agencies and state personnel involved in the payment of state obligations. These identification numbers may be used in the enforcement of federal and state tax laws which could result in action requiring the Local Government to file state tax returns and pay delinquent state tax liabilities, if any.
- 16. Fund Use Prohibited.** The Local Government will not utilize any funds received pursuant to this Agreement to compensate, either directly or indirectly, any contractor, corporation, partnership, or business, however organized, which is disqualified or debarred from entering into or receiving a State contract. This restriction applies regardless of whether the disqualified or debarred party acts in the capacity of a general contractor, a subcontractor, or as an equipment or material supplier. This restriction does not prevent the Local Government from utilizing these funds to pay any party who might be disqualified or debarred after the Local Government's contract award on this Project.
- 17. Discrimination Prohibited by Minnesota Statutes §181.59.** The Local Government will comply with the provisions of Minnesota Statutes §181.59 which requires that every contract for or on behalf of the State of Minnesota, or

any county, city, town, township, school, school district or any other district in the state, for materials, supplies or construction will contain provisions by which Contractor agrees: 1) That, in the hiring of common or skilled labor for the performance of any work under any contract, or any subcontract, no Contractor, material supplier or vendor, will, by reason of race, creed or color, discriminate against the person or persons who are citizens of the United States or resident aliens who are qualified and available to perform the work to which the employment relates; 2) That no Contractor, material supplier, or vendor, will, in any manner, discriminate against, or intimidate, or prevent the employment of any person or persons identified in clause 1 of this section, or on being hired, prevent or conspire to prevent, the person or persons from the performance of work under any contract on account of race, creed or color; 3) That a violation of this section is a misdemeanor; and 4) That this contract may be canceled or terminated by the state of Minnesota, or any county, city, town, township, school, school district or any other person authorized to contracts for employment, and all money due, or to become due under the contract, may be forfeited for a second or any subsequent violation of the terms or conditions of this Agreement.

18. Federal Contract Clauses

- 18.1. **Appendix II 2 CFR Part 200.** The Local Government agrees to comply with the following federal requirements as identified in 2 CFR 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, and agrees to pass through these requirements to its subcontractors and third-party contractors, as applicable. In addition, the Local Government shall have the same meaning as “Contractor” in the federal requirements listed below.
- 18.1.1. Contracts for more than the simplified acquisition threshold, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.
 - 18.1.2. All contracts in excess of \$10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be effected and the basis for settlement.
 - 18.1.3. Equal Employment Opportunity. Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of “federally assisted construction contract” in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, “Equal Employment Opportunity” (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, “Amending Executive Order 11246 Relating to Equal Employment Opportunity,” and implementing regulations at 41 CFR part 60, “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.”
 - 18.1.4. Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, “Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction”). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland “Anti-Kickback” Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (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”). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.
- 18.1.5. Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.
- 18.1.6. Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of “funding agreement” under 37 CFR § 401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency.
- 18.1.7. Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended - Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).
- 18.1.8. Debarment and Suspension (Executive Orders 12549 and 12689) - A contract award (see 2 CFR 180.220) must not be made to parties listed on the governmentwide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.
- 18.1.9. Byrd Anti-Lobbying Amendment (31 U.S.C. 1352) - Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

18.1.10. Local Government will comply with 2 CFR § 200.323.

18.1.11. Local Government will comply with 2 CFR § 200.216.

18.1.12. Local Government will comply with 2 CFR § 200.322.

18.2. **Drug-Free Workplace.** The Local Government will comply with the Drug-Free Workplace requirements under subpart B of 49 C.F.R. Part 32.

18.3. **Title VI/Non-discrimination Assurances.** The Local Government hereby agrees that, as a condition of receiving any Federal financial assistance under this Agreement, it will comply with Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. § 2000d), related nondiscrimination statutes (i.e., 23 U.S.C. § 324, Section 504 of the Rehabilitation Act of 1973 as amended, and the Age Discrimination Act of 1975), and applicable regulatory requirements to the end that no person in the United States shall, on the grounds of race, color, national origin, sex, disability, or age be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity for which the Local Government receives Federal financial assistance.

The Local Government hereby agrees to comply with all applicable US DOT Standard Title VI/Non-Discrimination Assurances contained in DOT Order No. 1050.2A, and in particular Appendices A and E, which can be found at: https://edocs-public.dot.state.mn.us/edocs_public/DMResultSet/download?docId=11149035. If federal funds are included in any contract, the Local Government will ensure the appendices and solicitation language within the assurances are inserted into contracts as required. State may conduct a review of the Local Government's compliance with this provision. The Local Government must cooperate with State throughout the review process by supplying all requested information and documentation to State, making Local Government staff and officials available for meetings as requested, and correcting any areas of non-compliance as determined by State.

18.4. **Buy America.** The Local Government must comply with the Buy America domestic preferences contained in the Build America, Buy America Act (Sections 70901-52 of the Infrastructure Investment and Jobs Act, Public Law 117-58) and as implemented by US DOT operating agencies.

18.5. **Federal Funding Accountability and Transparency Act (FFATA)**

18.5.1. This Agreement requires the Local Government to provide supplies and/or services that are funded in whole or in part by federal funds that are subject to FFATA. The Local Government is responsible for ensuring that all applicable requirements, including but not limited to those set forth herein, of FFATA are met and that the Local Government provides information to the MnDOT as required.

- a. Reporting of Total Compensation of the Local Government's Executives.
- b. The Local Government shall report the names and total compensation of each of its five most highly compensated executives for the Local Government's preceding completed fiscal year, if in the Local Government's preceding fiscal year it received:
 - i. 80 percent or more of the Local Government's annual gross revenues from Federal procurement contracts and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and
 - ii. \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts), and Federal financial assistance subject to the Transparency Act (and subawards); and
 - iii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities

Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <https://www.sec.gov/answers/execomp.htm>).

Executive means officers, managing partners, or any other employees in management positions.

- c. Total compensation means the cash and noncash dollar value earned by the executive during the Local Government's preceding fiscal year and includes the following (for more information see 17 CFR 229.402(c)(2)):
 - i. Salary and bonus.
 - ii. Awards of stock, stock options, and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.
 - iii. Earnings for services under non-equity incentive plans. This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.
 - iv. Change in pension value. This is the change in present value of defined benefit and actuarial pension plans.
 - v. Above-market earnings on deferred compensation which is not tax qualified.
- 18.5.2. Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000.
- 18.5.3. The Local Government must report executive total compensation described above to the MnDOT by the end of the month during which this Agreement is awarded.
- 18.5.4. The Local Government will obtain a Unique Entity Identifier number and maintain this number for the term of this Agreement. This number shall be provided to MnDOT on the plan review checklist submitted with the plans for each Project.
- 18.5.5. The Local Government's failure to comply with the above requirements is a material breach of this Agreement for which the MnDOT may terminate this Agreement for cause. The MnDOT will not be obligated to pay any outstanding invoice received from the Local Government unless and until the Local Government is in full compliance with the above requirements.

[THE REMAINDER OF THIS PAGE HAS INTENTIONALLY BEEN LEFT BLANK.]

City of Corcoran

Local Government certifies that the appropriate person(s) have executed the contract on behalf of the Local Government as required by applicable articles, bylaws, resolutions or ordinances.

By: _____

Title: _____

Date: _____

By: _____

Title: _____

Date: _____

DEPARTMENT OF TRANSPORTATION

By: _____

Title: _____

Date: _____

COMMISSIONER OF ADMINISTRATION

By: _____

Date: _____

STAFF REPORT

Agenda Item: 7I.

Council Meeting: January 26, 2023	Prepared By: Maggie Ung
Topic : 2022 Financial Management Plan	Action Required: Accept Plan

Summary:

Staff is recommending Council accept the last version presented of the 2022 Financial Management Plan as the final document for the year. The document is for planning purposes only and is a guidance document for future planning of the City.

Staff will begin working with Northland Securities on a 2023 Financial Management Plan as new information is received on the water supply planning process and other needed changes.

Financial/Budget:

No impact on the budget or financials. The 2022 Financial Management Plan is a guiding document for the Council to use when making financial decisions.

Options:

1. Accept the 2022 Financial Management Plan as presented.
2. Send back to staff for further review.

Recommendation

Accept the 2022 Financial Management Plan as presented.

Council Action:

Consider a motion to accept the 2022 Financial Management Plan as presented.

Attachments:

1. 2022 Financial Management Plan



2022 Financial Management Plan

As of November 3, 2022



Northland Securities, Inc.
150 South Fifth Street, Suite 3300
Minneapolis, MN 55402
(800) 851-2920
Member FINRA and SIPC
Registered with SEC and MSRB

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November 3, 2022

Jessica Beise
City Administrator
City of Corcoran, MN
8200 Co. Rd. 116
Corcoran, MN 55340

RE: 2022 Financial Management Plan

Dear Jessica:

Northland Securities is pleased to present the City of Corcoran with this 2022 Financial Management Plan (the "Plan"). In the months ahead, as you have requested, Northland is prepared to work with city staff to update assumptions within the Plan to reflect activity that is anticipated in the coming months may impact the assumptions in the Plan.

We appreciate the continued opportunity to provide service to the City.

Sincerely,

NORTHLAND SECURITIES, INC.

A handwritten signature in black ink that reads "Tammy Omdal".

Tammy Omdal
Managing Director

INTRODUCTION AND SUMMARY

The Financial Management Plan (the “Plan”) is intended to serve as a guide for the on-going financial management of the City of Corcoran (the “City”). The Plan was first prepared in year 2012 and has been updated annually.

The Plan contains proposed strategies and identification of key factors and objectives to monitor with respect to future financial performance. Information is included on estimated future property tax levies and municipal fees and charges necessary to fund planned city services, capital improvement plans, and debt service.

The objectives of the study for the Plan are as follows:

- **Revenue Sufficiency** - Develop and populate a forecasting model that will determine the level of revenue needed to satisfy general government and utility enterprises operations, capital improvements, and debt service while maintaining adequate reserves for future service and capital needs of the City.
- **Rate Calculations** - Model projected future tax capacity tax rates for the City and proposed rates and structure for billing water and sewer services (the “Utilities”) to meet defined revenue sufficiency objectives.

The Plan includes anticipated capital improvements for years 2023-2027 (the “CIP”). Estimates were prepared by the City as to cost and timing of projects.

While the specific timing of future improvements can sometimes be uncertain, awareness of the funding de-

mands for projects is important when considering annual tax levies, rates for fees and charges, and reserves for future capital.

Future development will provide increased revenue from charge for services and tax revenue. This will include increased revenue to the Utilities, with revenue from both development fees and usage fees. It will also provide additional property value and potential for property tax revenue to pay for services.

The rate of future development and addition of taxpayers and customers of the Utilities has been and continues to be a significant variable for the Plan. The City should continue to monitor actual development that occurs against the anticipated rate of development assumed in the Plan. The rate of development will impact the projected revenues and timing included in the Plan. Information on projected housing units to be added is included later in the Plan.

Study Approach

The following steps were taken as part of the study for the Plan:

- City provided historical financial data along with current budget plans and capital improvement plans.
- City provided the assumptions for future residential units to be constructed and connected to the Utilities.
- Information provided by the City was organized, analyzed, and used to support the development of the Plan.

- The prior year data included in the Plan is reconciled with the City's annual audited financial statements.
- City staff offered input and feedback on the assumptions, different options for levies and rates and desired outcomes for the Plan.
- The study did not include a review and comparison to other cities for tax rates and fees and charges.

Revenue Sufficiency

The Study evaluated the sufficiency of revenues to meet current and projected financial requirements over future years for the various financial "Funds" the City maintains. The Plan determines the tax levies and rates necessary in each year of the projection period to provide revenue sufficiency.

In year 2017, Moody's Investor Service upgraded the City's rating for general obligations bonds to 'Aa3' from 'A1'. In doing so the rating agency recognized the City's credit strength and strong financial operations resulting in growing reserves. The maintenance and continued relative growth of reserves through revenue sufficiency remains an important credit factor for the City.

The City should continue to actively manage its funds to achieve its policy goals and to maintain sufficient balances within the funds to meet its needs including the need for cash reserves.

Governmental Funds

The City has an adopted policy to maintain a minimum balance in the General Fund equivalent to 35% of annual expenditures. The goal of the Plan is to iden-

tify revenue sufficient to meet closer to 50% of annual expenditures, recognizing the need for the City to cash flow its expenditures between the semi-annual tax disbursements it receives from the County, among other needs for cash balance.

The City evaluates ending fund balances at year-end and makes decisions on the level of funds that is needed and appropriate. While the Plan provides for the General Fund to be at the 50% level, the City should continue to consider its fund balance needs annually.

The City desires to manage its budget so that growth in net tax capacity from new development will provide revenue sufficiency for the City to maintain an approximate constant tax rate.

Achieving a constant city tax rate (equal to the estimated net tax capacity rate to be certified for tax year 2023, for example) will represent a challenge for the City given the significant demands for expanded municipal services to support the growth that is rapidly occurring within the City. The City will likely need to adjust timing for planned staffing additions (see Appendix, Table C for staffing plans) and transfers from the General Fund to the Capital Projects Fund based on actual tax base growth and other needs that may arise in the General Fund.

Enterprise Funds

For purposes of the Plan, the revenue objective for the Water Fund and the Sewer Fund focused on providing revenue sufficient to achieve projected year-end cash balance to cover the following purposes:

- Three-months of operating expense
- Following-year debt service payments

- Following year capital acquisition (planned to be paid from cash)
- Reserves for future capital improvements and other reserve purposes

The graphics and tables that follow in the Introduction and Summary section of the Plan provide a summary of key financial information for the funds.

Funding Depreciation for the Utilities

The funding of depreciation, or setting aside of funds to replace depreciated infrastructure, is an important element for establishment of sufficient rates for the Utilities. The Study focused on the City's asset management practices to maintain and expand infrastructure at future estimated costs.

Rather than focus on "funding depreciation" it is better to gain a strong understanding of the expected future costs and, maybe more importantly, their timing, and plan for replacement of infrastructure and facilities. Using a planned schedule for capital improvements and the incorporation of those plans into the Study does that. Capital improvement plans combined with financial management targets are critical element that allows for the setting of rates that meet City goals.

Financial management targets begin with criteria for evaluating overall financial condition. For instance, do projections show sufficient revenues to cover planned operating and capital improvement expenses? The Utilities must do better than break even, but by how much?

The Plan helps to answer these question by allocating projected year-end cash balance to defined purposes. One of the purposes is for planned capital acquisition and reserves for future capital.

The Plan provides a second criteria to evaluate revenue sufficiency for the Utilities. The Plan sets a target (a floor) to maintain an unrestricted net position in the Water Fund and the Sewer Fund no lower than 50% of the subsequent year's estimated expenditures.

The majority of revenue for municipal utility operations comes from user charges, maintaining an unrestricted net position that is equal to at least 50% of expenditures will help to ensure that sufficient resources are available to fund basic functions between receipts of user charges.

The target (or floor) for ending unrestricted net position is meant to be an equivalent of the target for an unrestricted fund balance for the General Fund. Equity is reported as a fund balance in the General Fund and as a net asset within the Water Fund and the Sewer Fund. Fund balance and net assets are the difference between fund assets and liabilities reflected on the balance sheet or statement of net assets.

Rate Calculations

The Study focused on preparing projections for future annual tax capacity rates for the City, and reviewing the rates for the fees and charges of the Utilities. The Study did not include a review and analysis of other fees and charges, only the fees for the Utilities.

City Tax Rate

Future tax levies increases are projected to be necessary to fund planned expenditures and to maintain adequate cash balances across all City funds.

A summary of the projected City tax levy amounts is shown in the Figure 1 on the next page, along with the corresponding estimated City tax rate.

Future City Tax Levy is estimated based on assumptions in the Plan for changes to the City’s tax capacity from growth in the taxable market value of property within the City. The Plan anticipates a significant increase in tax capacity (from increasing taxable market value) for tax collection year 2025 from the planned new multi-family development next to city hall, which along with tax base growth from new single family housing units is projected to help the City strive for achieving a constant city tax rate in future years.

Figure 1.

Tax Collection Year	City Tax Levy	% Change Tax Levy	City Tax Rate	% Change Tax Rate
2021 Certified	\$5,045,377	8.3%	0.4352	-3.3%
2022 Certified	\$5,699,429	13.0%	0.4319	-0.8%
2023	\$7,166,425	25.7%	0.4197	-2.8%
2024	\$7,913,616	10.4%	0.4197	0.0%
2025	\$10,451,366	32.1%	0.4197	0.0%
2026	\$11,321,595	8.3%	0.4197	0.0%
2027	\$12,183,006	7.6%	0.4197	0.0%

The key assumptions for the Plan that impact the city tax rate include the following:

- Taxable market value within the City is projected to increase by approximately 3.0% annually. Based on recent years this is a conservative estimate. Because the Plan is focused on the long-term, the assumption is meant to be conservative.

- Fiscal disparities contribution and corresponding distribution of tax revenue are estimated to remain constant (at preliminary Pay 2023 amounts) over the planning period. The actual impact of the metro-wide fiscal disparities program varies from year to year.
- City will increase the tax levy to support additional planned spending in the General Fund related to growth of the community. Details on the specific items, which includes staff positions, is included in the Finance Plan section for the General Fund and in the Appendix.
- General fund non-tax revenue is estimated to increase by 2.0% and current expenditures by 3.0%. There are no assumed major changes to non-tax revenue. Based on current economic conditions (inflationary pressures) the 3.0% assumption for expenditures is low but the focus of the Plan is long-term.
- City estimates it will average approximately 345 new housing units (constructed) annually over the next decade between 2022-2031. The Plan assumes more rapid growth over the near term. For purposes of estimating market value of property, the average new home is estimated at \$500,000, with valuation inflated 3.0% annually.
- The Plan assumes an increase in taxable market value from construction of new commercial property in the City. The increase in taxable market value from commercial property for tax collection year 2023 is from Hennepin County. The City provided the estimate for year 2024 based on approved commercial development. For future years, new com-

mercial value of \$1.0 million per year is assumed. This is intended to be a conservative assumption for planning purposes.

- The construction of new multi-family housing units in southeast Corcoran is anticipated at 204 units in 2023 for first taxes payable in year 2025.
- For planning purposes, it is assumed the City will issue bonds to finance a new municipal building in 2026 with a preliminary estimated \$25 million project cost. The Plan anticipates that debt service will be paid from taxes (80%), water revenues (10%) and sewer revenues (10%). The final allocation of costs will require further review. The increase to the City's tax levy beginning in year 2026 is estimated at approximately \$1.1 million for payment of debt service for the project.

The table and graphics that follow provide historical and projected City property tax levies and tax rates along with tax capacity. A detailed break down of the debt service levy by bond series is provided as an Appendix.

Utility Rates

The City currently has a two-part rate structure for charging fees for water and sewer services, comprised of both a fixed and variable charges. This two-part structure is recommended by generally accepted practices and is a practice followed by most cities within the Twin Cities metropolitan area. This structure recovers a portion of system costs in a fixed charge, recognizing that the Utilities have certain fixed costs and customer service costs that are incurred year-round. These fixed costs are incurred regardless of the level of water usage.

Over the next five years it is projected that approximately 40% of the Water Fund expenses, including depreciation, will be fixed and for the Sewer Fund it is estimated at under 30%. The percentages vary somewhat from year to year. Fixed expenses as a percent of total expenses is projected to decrease somewhat over time as the number of customers increase and volume of water usage grows.

For usage or metered volume-based rates, based on the results of the study, there are no recommended changes in the structure. As the number of customers increases potential changes to the structure may be needed.

The Plan anticipates the City adopts planned increases to rates for water and sewer services as proposed in the Plan. This includes increasing the water and sewer services fees by 3.0% annually, with the exception of the base charge for water services which assumes a 5.0% annual fee increase (to account for the annual fee increase for the charge from Maple Grove, among other factors).

Beginning in 2022, the City adopted a new trunk line availability charge (TLAC) for water treatment and storage. The City now has two availability charges: 1) watermain and raw water TLAC; and 2) a treatment & storage TLAC. The Plan anticipates all TLAC and connectino charges for water and sewer services will adjust by 3.0% annually.

Appendix, Table A, includes information on estimated fee amounts by year for water and sewer services

Organization of Plan

The Plan is organized into seven sections:

1. Introduction and Summary provides information on the study approach, revenue sufficiency, and rate calculations.
2. Background provides historical and statistical context for the Utilities.
3. CIP and Debt provides information on the City's plans for equipment, facilities, and maintaining and expanding the water and sewer systems. This includes estimates on project costs, timing, and sources of funds. Information on outstanding debt obligation and debt service is included.
4. Financial Plans provides the financial plans (pro forma) for the City funds, including the Water Fund and the Sewer Fund. The financial plans include historical, current, and projected sources and uses of funds and estimated ending cash balances. Financial plans take into account capital improvement plans, both existing and planned debt issuance, and proposed rates.
5. Appendices provide additional data and graphics.

TABLE 1
City of Corcoran
Summary of Property Tax Levy, Tax Capacity, and Tax Rate

	Certified		Projected				
	2021	2022	2023	2024	2025	2026	2027
Property Tax Levy by Payable Year							
General Fund	4,447,791	5,139,711	6,362,123	6,846,001	8,496,316	8,102,358	8,636,781
Debt Service Equipment	264,259	225,488	470,544	474,586	734,566	923,987	962,522
Debt Service Facilities	333,327	334,231	333,758	593,028	1,220,483	2,295,251	2,583,704
Total Property Tax Levy	5,045,377	5,699,429	7,166,425	7,913,616	10,451,366	11,321,595	12,183,006
Less Fiscal Disparities Distribution	288,761	291,939	312,812	312,812	312,812	312,812	312,812
Net Spread Levy	4,756,616	5,407,490	6,853,613	7,600,804	10,138,554	11,008,783	11,870,194
Tax Capacity (TC)							
Gross Tax Capacity (TC) Real Property	10,907,850	12,591,754	16,295,139	18,075,452	24,122,083	26,195,556	28,248,018
Gross Tax Capacity (TC) Personal Property	540,846	502,552	627,223	627,223	627,223	627,223	627,223
Total Gross TC	11,448,696	13,094,306	16,922,362	18,702,675	24,749,306	26,822,779	28,875,241
Less Tran Line TC	2,567	2,577	2,579	2,579	2,579	2,579	2,579
Less Fiscal Disparities TC	516,672	571,958	589,855	589,855	589,855	589,855	589,855
Less Tax Increment Financing TC	-	-	-	-	-	-	-
Net Tax Capacity	10,929,457	12,519,771	16,329,928	18,110,241	24,156,872	26,230,345	28,282,807
City Tax Rate	0.43521	0.43192	0.41970	0.4197	0.4197	0.4197	0.4197
Total Property Tax Levy Annual % Change	8.3%	13.0%	25.7%	10.4%	32.1%	8.3%	7.6%
Net Tax Capacity Annual % Change	12.4%	14.6%	30.4%	10.9%	33.4%	8.6%	7.8%
City Tax Rate Annual % Change	-3.3%	-0.8%	-2.8%	0.0%	0.0%	0.0%	0.0%
City Tax Rate Annual % Change without Adjustments	-3.3%	-0.8%	-2.8%	0.0%	0.0%	0.0%	0.0%

TABLE 2
City of Corcoran
Projected City Taxes Payable for Example Properties

			2023	2024	2025	2026	2027
Annual Percent Change in Market Value of Example Properties:			10.00%	10.00%	3.00%	3.00%	3.00%
Valuation \$	Residential Example 1	250,000	275,000	302,500	311,575	320,922	330,550
	Residential Example 2	500,000	550,000	605,000	623,150	641,845	661,100
	Residential Example 3	700,000	770,000	847,000	872,410	898,582	925,540
	Residential Example 4	1,000,000	1,100,000	1,210,000	1,246,300	1,283,689	1,322,200
	Commercial Example 1	1,000,000	1,100,000	1,210,000	1,246,300	1,283,689	1,322,200
	Commercial Example 2	2,000,000	2,200,000	2,420,000	2,492,600	2,567,378	2,644,399
	Commercial Example 3	3,000,000	3,300,000	3,630,000	3,738,900	3,851,067	3,966,599
	Commercial Example 4	4,000,000	4,400,000	4,840,000	4,985,200	5,134,756	5,288,799
City Tax Payable \$	Residential Example 1	1,016	1,102	1,228	1,269	1,312	1,356
	Residential Example 2	2,160	2,361	2,649	2,745	2,843	2,944
	Residential Example 3	3,239	3,515	3,919	4,052	4,190	4,331
	Residential Example 4	4,859	5,246	5,823	6,014	6,210	6,412
	Commercial Example 1	8,638	9,233	10,157	10,461	10,775	11,098
	Commercial Example 2	17,277	18,467	20,313	20,923	21,550	22,197
	Commercial Example 3	25,915	27,700	30,470	31,384	32,326	33,295
	Commercial Example 4	34,553	36,933	40,627	41,845	43,101	44,394
Annual Change in Total City Tax Payable \$	Residential Example 1		86	126	42	43	44
	Residential Example 2		201	289	95	98	101
	Residential Example 3		276	404	133	137	141
	Residential Example 4		387	577	190	196	202
	Commercial Example 1		595	923	305	314	323
	Commercial Example 2		1,190	1,847	609	628	647
	Commercial Example 3		1,785	2,770	914	942	970
	Commercial Example 4		2,380	3,693	1,219	1,255	1,293

CHART 1

City plans to strive to maintain a relatively constant tax rate from year-to-year

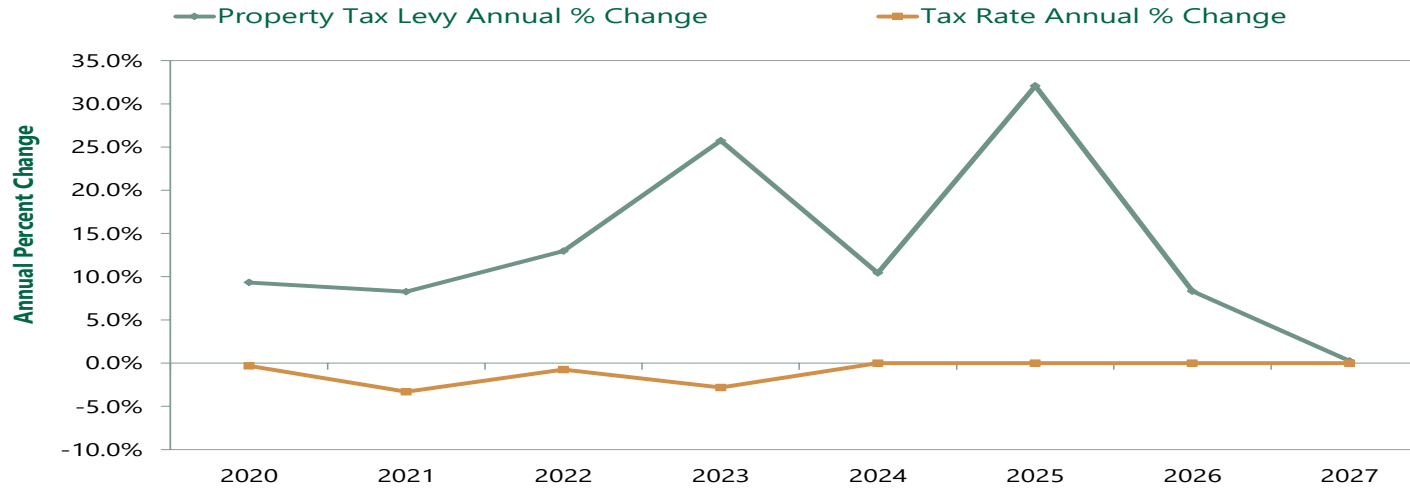
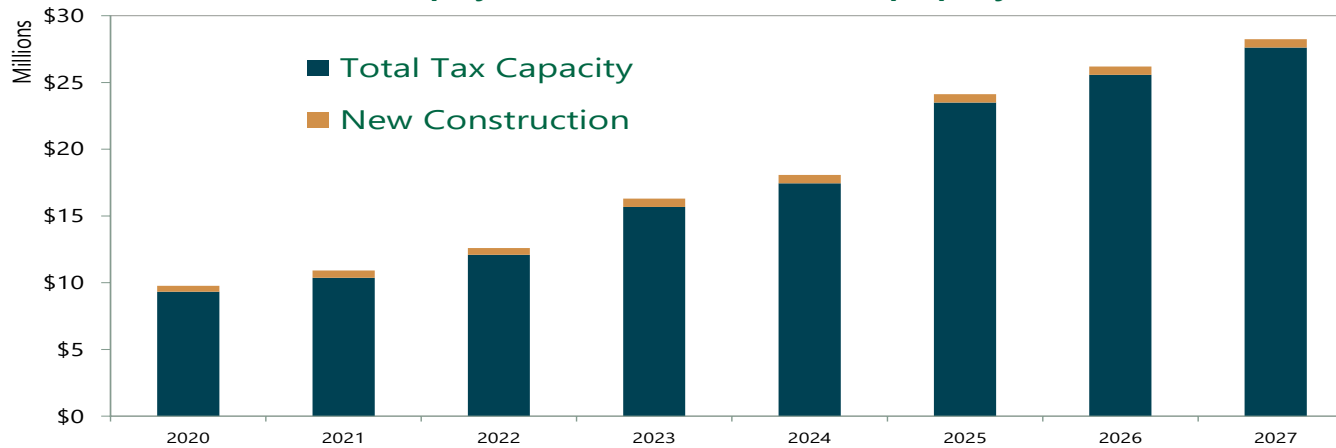


CHART 2

City Total Tax Capacity is projected to increase driven by new construction and projected valuation increases for property



Tax capacity is the valuation of property based on market value and class rates on which property taxes are determined

CHART 3

Ending Fund Balance for General Fund is projected to continue to meet City policy to maintain a minimum balance in the General Fund equivalent to 35% of annual expenditures

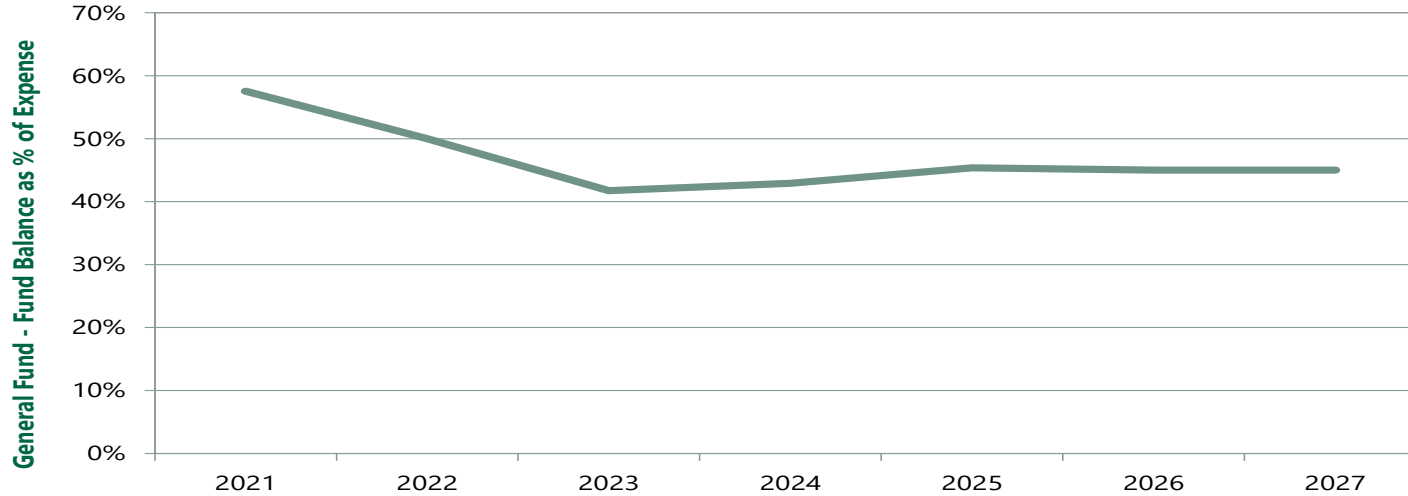
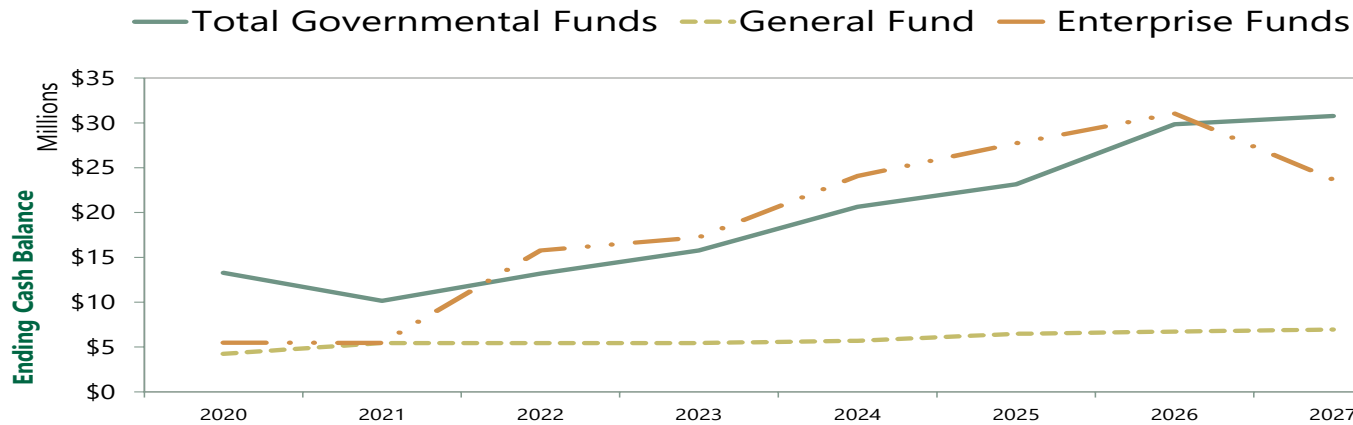


CHART 4

Ending Cash Balances are projected to be at levels sufficient to meet City objectives



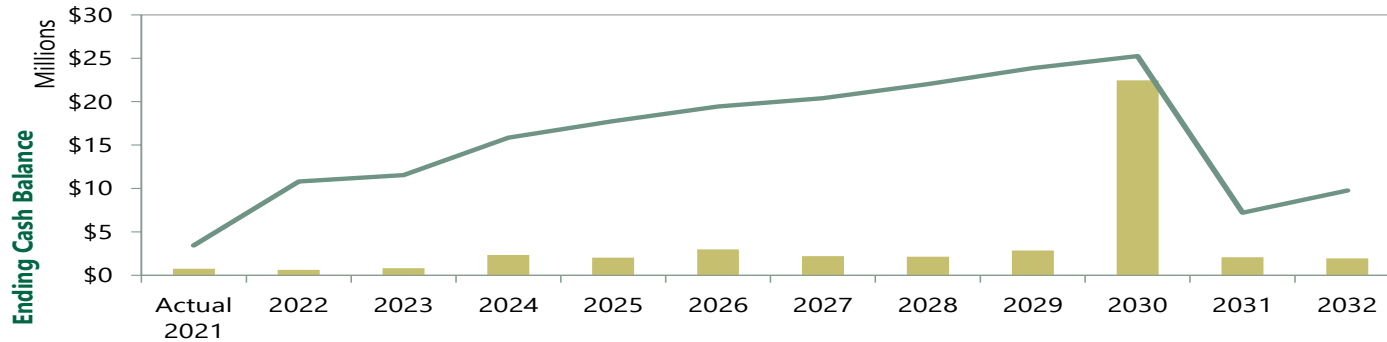
Cash balances vary due to timing of capital projects and debt service and timing of receipt of funds, including bond proceeds.

Introduction and Summary

CHART 5
Water Fund

Water Fund ending cash balance is projected to increase from collection of development related revenue which will be spent on future improvement projects

- Minimum Cash for operating cash flow, following year debt service, pay-go capital
- Projected Cash Position with Future Rate Adjustments

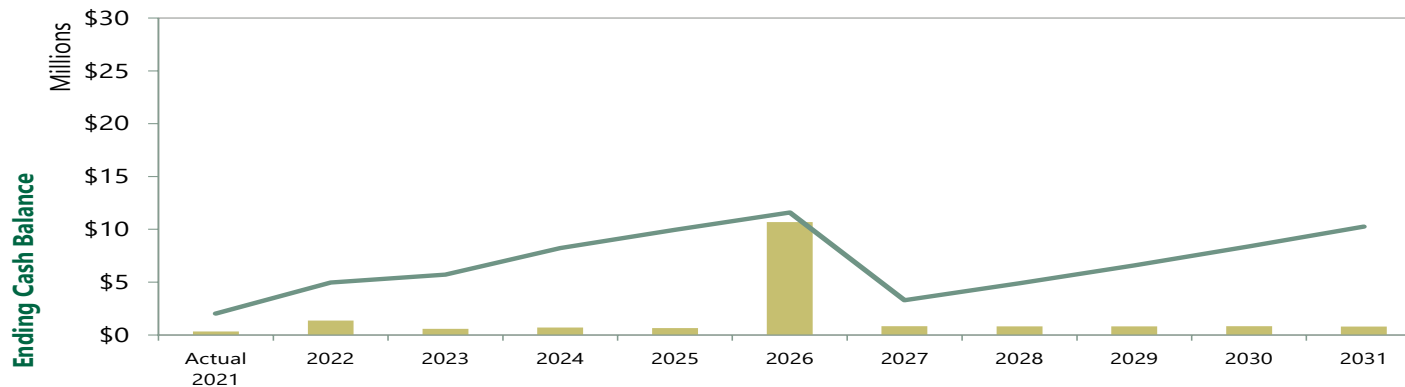


The Plan anticipates use of cash (pay-go) in year 2031 for treatment plant improvement project.

CHART 6
Sewer Fund

Sewer Fund ending cash balance is projected to increase from collection of development related revenue which will be spent on future improvement projects

- Minimum Cash for operating cash flow, following year debt service, pay-go capital
- Projected Cash Position with Future Rate Adjustments



The Plan anticipates use of cash (pay-go) in year 2027 for NE to SE Trunk Sewer Line project.

The increase in the Water Fund and Sewer Fund Year-End Cash Balance is planned.

The difference between Projected Cash Position and Minimum Cash Position represents the net amount of cash projected to be available as reserves for future capital improvements. The City collects development fees at time of platting and building permit, use of the funds collected occurs over time to pay for financing of projects.

Connection and availability charges from development will pay for future capital improvements to support development both programmed and not yet programmed in the CIP.

CHART 7
Tax Levy and Tax Base

Cumulative increase in Tax Levy is projected to be less than the cumulative increase in Net Tax Capacity

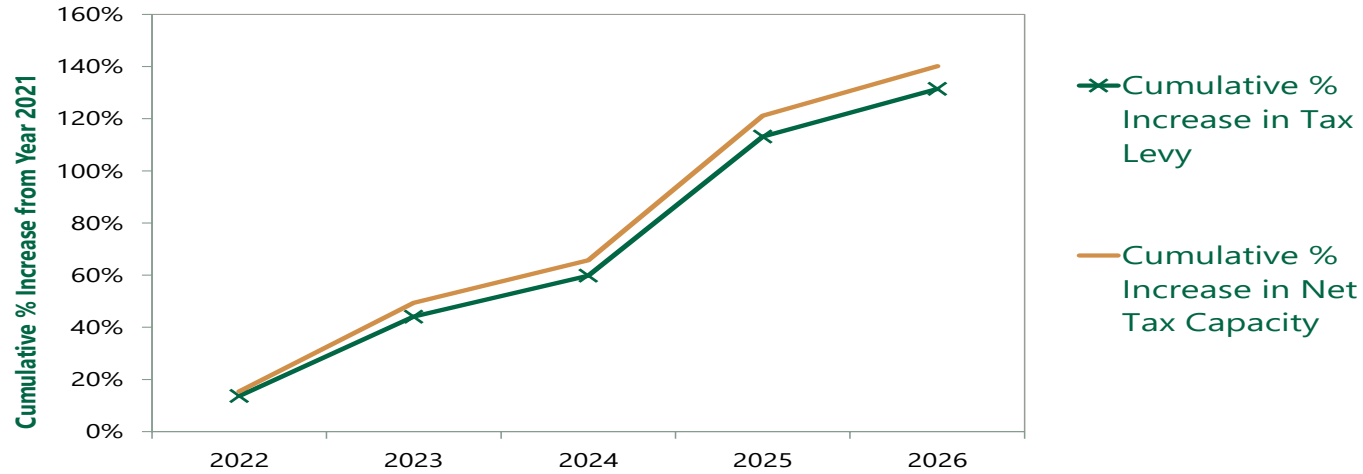
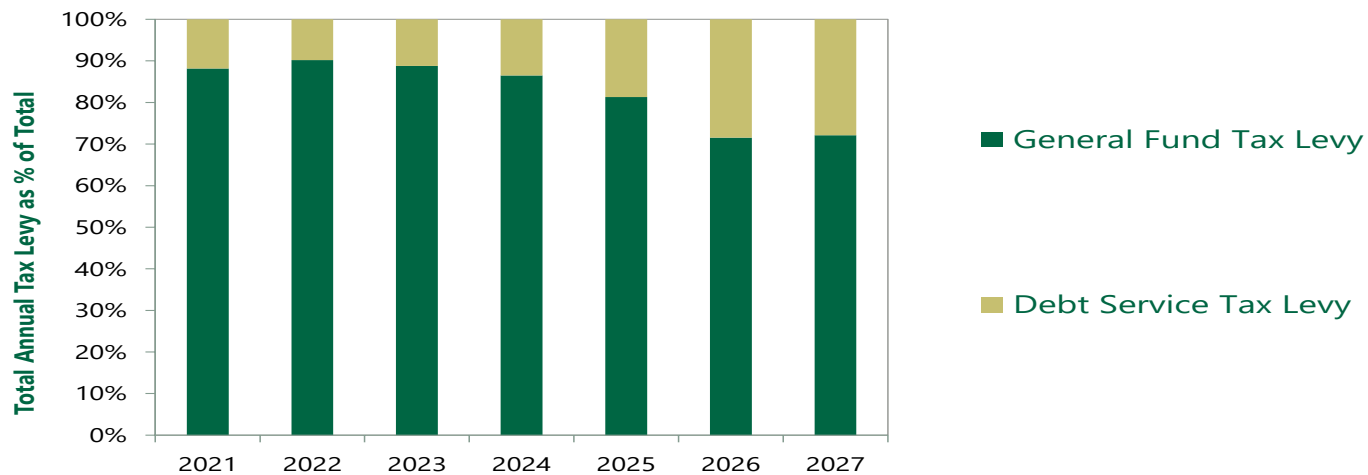


CHART 8
Tax Levy by Purpose

Tax Levy for Debt Service is projected to increase with planned issuance of new debt for projects



BACKGROUND

The City of Corcoran is located on the western edge of the Twin Cities Metropolitan area in Hennepin County. The population is estimated at 6,770 (U.S. Census Bureau as of July 1, 2021). Population will continue to increase due to development of residential property within the City. The land area for the City encompasses just under 36 square miles and includes area for future residential development.

Commercial and industrial development in the City is expected to continue to expand due to access to municipal water and sewer services and the expansion of transportation corridors. In 2012 the City successfully financed and implemented a major improvement project to first bring and then expand municipal water and sewer services to the City. The project provided for connection to the metropolitan disposal system. The City forecasts continued development of both residential and commercial property.

The City's development plan for its downtown area provides an opportunity for additional economic development. In recent years the City completed construction of street improvements and utility infrastructure in the downtown area.

The table that follows provides the estimated number of housing units along with municipal utility connections units for commercial property in the downtown area the City projects to be added over the next twenty-years. The assumptions on units is an important input to the Plan and is updated on annual basis by the City.

The City is in the process of planning for water service to serve the northeast area of the City. The access to water purchased from Maple Grove is limited. The City is planning on investments for a water treatment plant and water tower in the near term.

Table 3
Page 1 of 3 for Table 3
City of Corcoran
Growth Projections

		2021	2022	2023	2024	2025	2026	2027
PROJECTED UNITS - BASED ON YEAR OF BUILDING PERMIT								
Residential (Ravinia)	SE District	90	22	4	-	-	-	-
Residential (Bass Lake Crossing)	SE District	20	-	-	-	-	-	-
Residential (Bass Lake Crossing South)	SE District	14	-	-	-	-	-	-
Commercial	SE District	1	1	1	1	1	1	1
Residential (Tavera)	SE District	3	120	100	100	75	50	35
Residential (Rush Creek Reserve)	SE District	10	73	50	40	20	9	-
Residential (Walcott-Glen project)	SE District	10	80	165	220	245	275	250
Residential (Amberly/Bellweather)	NE District	85	155	130	50	10	-	-
Residential (Other)	NE District	-	-	115	10	-	-	-
Multi-Family		-	-	204	-	-	-	-
Residential (Greater Corcoran)		5	5	5	5	5	5	5
Total Annual Units Constructed (Year of Building Permit)		238	456	774	426	356	340	291
ESTIMATED UNITS FOR FINANCIAL PLANNING PURPOSES (PLAN ASSUMES UNITS ADDED AS UTILITY CUSTOMER IN YEAR AFTER BUILDING PERMIT ISSUED)								
Annual New Units Added:								
Residential (Ravinia)	SE District	85	90	22	4	-	-	-
Residential (Bass Lake Crossing)	SE District	31	20	-	-	-	-	-
Residential (Bass Lake Crossing South)	SE District	24	14	-	-	-	-	-
Commercial	SE District	1	1	1	1	1	1	1
Residential (Tavera)	SE District	-	3	120	100	100	75	50
Residential (Rush Creek Reserve)	SE District	-	10	73	50	40	20	9
Residential (Amberly/Bellweather)	SE District	-	10	80	165	220	245	275
Residential (Bellweather)	NE District	91	85	155	130	50	10	-
Residential (Other)	NE District	-	-	-	115	10	-	-
Multi-Family		-	-	-	204	-	-	-
Residential (Greater Corcoran)		7	5	5	5	5	5	5
Total Utility Billing Customer Units Added		239	238	456	774	426	356	340
Acres Platted (Trunk)								
Northeast Corcoran		37	160	63	40	40	40	40
Southeast Corcroan		40	194	85	135	60	60	48
Total Acres Platted		77	354	148	175	100	100	88

Table 3
Page 2 of 3 for Table 3
City of Corcoran
Growth Projections

	2021	2022	2023	2024	2025	2026	2027
SUMMARY OF PROJECTED CUSTOMER UNITS AND VOLUME USED FOR PLAN							
CUSTOMER UNITS							
Customer Units Added Per Year by Type and Area							
Residential SE District	140	147	295	319	360	340	334
Residential NE District	91	85	155	245	60	10	0
Greater Corcoran	7	5	5	5	5	5	5
Subtotal Residential	238	237	455	569	425	355	339
Commercial SE District	1	1	1	1	1	1	1
Multi-Family	0	0	0	204	0	0	0
Total Units Added	239	238	456	774	426	356	340
Total Customer Units by Type							
Residential SE District	547	694	989	1,308	1,668	2,008	2,342
Residential NE District	190	275	430	675	735	745	745
Greater Corcoran	7	12	17	22	27	32	37
Subtotal Residential	744	981	1,436	2,005	2,430	2,785	3,124
Commercial SE District	31	32	33	34	35	36	37
Multi-Family	0	0	0	204	204	204	204
Grand Total Units	775	1,013	1,469	2,243	2,669	3,025	3,365
CUSTOMER WATER VOLUMES							
Average Estimated Annual Volume Per Customer							
Residential average gallons per year per REU	85	85	85	85	85	85	85
Multi-Family average gallons per year per REU	75	75	75	75	75	75	75
Commercial average gallons per year per REU	38	38	38	38	38	38	38
Total Purchased Water Volume (1,000 Gal)							
Residential SE District	46,495	58,990	84,065	111,180	141,780	170,680	199,070
Residential NE District	16,150	23,375					
Greater Corcoran	595	1,020	1,445	1,870	2,295	2,720	3,145
Subtotal Residential	63,240	83,385	85,510	113,050	144,075	173,400	202,215
Commercial SE District	1,178	1,216	1,254	1,292	1,330	1,368	1,406
Multi-Family	-	-	-	15,300	15,300	15,300	15,300
Municipal Water Usage (10% of total)	6,442	8,460	8,676	12,964	16,071	19,007	21,892
Total Purchased Water Volume (1,000 Gal)	70,860	93,061	95,440	142,606	176,776	209,075	240,813
Total City Water Produced Volume (1,000 Gal)							
Residential SE District							
Residential NE District			36,550	57,375	62,475	63,325	63,325
Greater Corcoran							
Subtotal Residential	-	-	36,550	57,375	62,475	63,325	63,325
Commercial SE District							
Multi-Family							
Municipal Water Usage (15% of total)							
Total City Water Produced Volume (1,000 Gal)	-	-	36,550	57,375	62,475	63,325	63,325

Table 3
Page 3 of 3 for Table 3
City of Corcoran
Growth Projections

	2021	2022	2023	2024	2025	2026	2027
Total Water Billed to Customers (1,000 Gal)							
Residential SE District	46,495	58,990	84,065	111,180	141,780	170,680	199,070
Residential NE District	16,150	23,375	36,550	57,375	62,475	63,325	63,325
Greater Corcoran	595	1,020	1,445	1,870	2,295	2,720	3,145
Subtotal Residential	63,240	83,385	122,060	170,425	206,550	236,725	265,540
Commercial SE District	1,178	1,216	1,254	1,292	1,330	1,368	1,406
Multi-Family	-	-	-	15,300	15,300	15,300	15,300
Municipal Water Usage (15% of total)							
Total Water Volume Billed (1,000 Gal)	64,418	84,601	123,314	187,017	223,180	253,393	282,246

Notes to Table 3:

- The Plan assumes the following volume of water sold by billing tier, as shown below. As volumes sold increase, this assumption will need to be modified.

Tier 1: Water usage 0 to 4,999 gallons	82%	Tier 2: Water usage 5,000 to 8,999 gallons	15%
Tier 3: Water usage 9,000 to 19,999 gallons	3%		
Tier 4: Water usage 20,000 gallons over	0%		
- NE District is projected to be served by a City water system beginning in year in 2023. Prior to year 2023, property in the NE District will be served by water purchased from Maple Grove.
- Table 3 does not include customer units in greater Corcoran that are not sewered.

CHART 9

Projections for future growth from residential and commercial development drive the revenue assumptions in the Plan

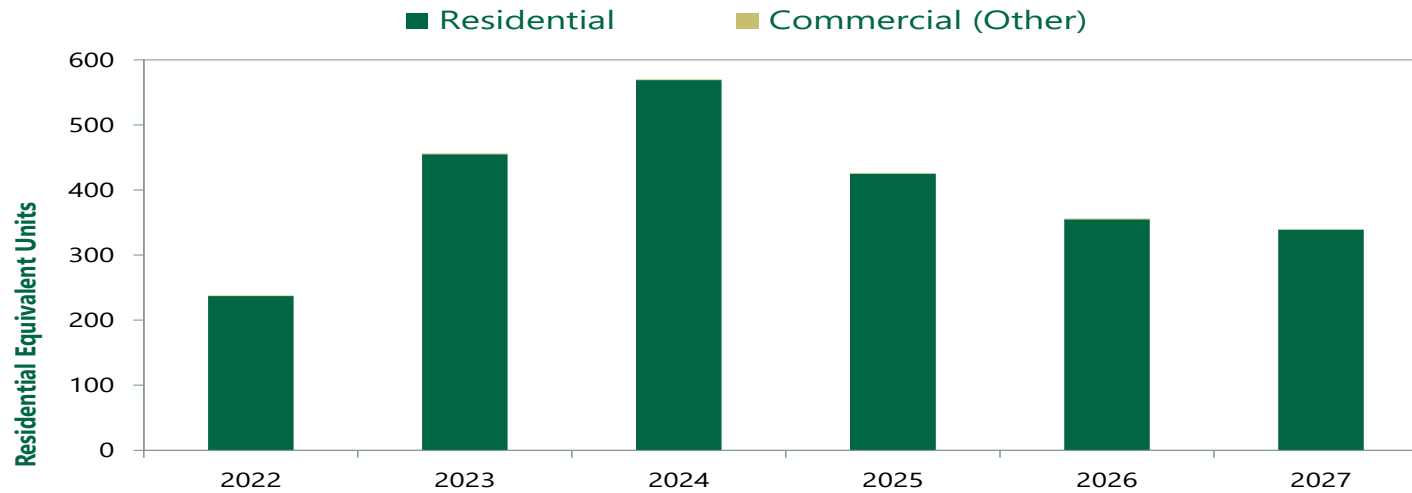
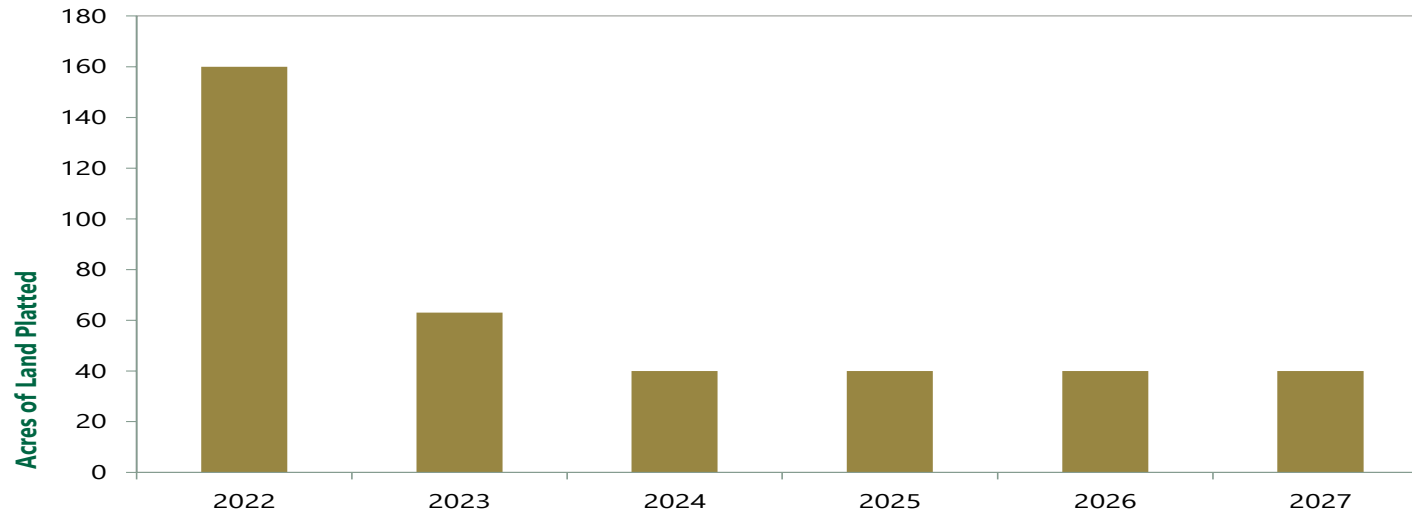


CHART 10

Projection for future acres of land platted for development impacts the revenue assumptions in the Plan



CAPITAL IMPROVEMENT PLAN (CIP) AND DEBT

The City annually reviews its plans for capital acquisition and improvements and updates its multi-year plan. The CIP in the Plan provides details on costs by year and proposed funding sources. The debt service study, included in the Plan, provides information on current debt service and estimated future debt. The CIP provides an important input into preparing the financial plans for the individual City funds.

Equipment and Vehicles

Over the next five years the City anticipates spending an average of approximately \$1.10 million per year on equipment and vehicles. The Plan includes anticipated bonding in year 2022 and 2024 for equipment and vehicles.

The City plans to continue to incrementally increasing tax levy in the General Fund to support a transfer to the Equipment Fund. Annual sale of capital assets is estimated to provide approximately \$75,000 for new equipment and vehicles.

Water Improvements

Water improvements are included in the CIP for the implementation of a water system for the northeast area of the City estimated at \$19,000,000 in year 2023. Additional wells and treatment improvements are anticipated in future years in the estimated amount of \$21,800,000 between years 2024-2031.

The Plan anticipates the southeast area of the City will continue to be served under terms of an agreement

with Maple Grove for purchase of municipal water until demand passes capacity. Future improvements in southeast Corcoran will need to be undertaken at some point in the future.

The CIP does not include water improvement projects that are anticipated to be constructed and financed by private development and contributed to the City. These projects will be paid entirely by private funds with infrastructure then contributed to the City.

Sewer Improvements

The Plan includes planned construction of a north-east-southeast trunk line in year 2027 in the estimated amount of \$10,000,000.

Street Improvements

The CIP includes street improvements for Hackamore Road, Horshoe Bend, and City Center Drive & Development in year 2023 in the estimated amount of \$6,950,000. These improvements are anticipated to be financed through issuance of general obligation bonds in 2023.

Improvement to Gravel Roads

Council has discussed a need to establish a plan to begin paving gravel roads. A dedicated revenue source is likely needed for this to take place and should be discussed and included in future Plans.

Facility and Parks

A future municipal building or expansion of the existing building is planned for approximately \$25 million in year 2026; this is a “placeholder” year. The Plan anticipates that the debt on the municipal building will be paid 80% from tax levy and 20% from water

and sewer revenues. The annual debt service expense is included in the financial plans for the Debt Service Fund, including the transfers in of revenues from the Water Fund and Sewer Fund, respectively. The annual debt service is estimated at approximately \$1.6 million for a \$25.375 million bond issuance, which includes funds for project construction and cost of issuance of the bonds. The annual tax levy for debt service, after accounting for use of utility revenues, is estimated at approximately \$1.1 million beginning in 2026.

Future Park Improvements

The City is planning for various park improvements including City Park as well as other park planning as outlined in the 2040 Comprehensive Plan. These improvements will be paid with park dedication funds and completed as funds allow.

- Town Center Park and Linear Park
- Phase 1 of the City Park Improvement Project
- Open space park near Ravinia Development
- Open space park near Bellwether Development
- Neighborhood park near Bellwether Development
- County Road trail improvements

The Plan includes \$4.5 million for park facilities in year 2023 to be funded from general obligation bond issuance in 2023.

Bond Issuance

The City's outstanding general obligation bonds are rated as 'Aa3' by Moody's Investors Service. The positive credit strengths include strong financial operations resulting in growing reserves. The strong bond

rating means a lower cost of borrowing for the City.

The City anticipates the issuance of bonds to finance certain capital improvements. The tables and graphics that follows provide a summary of existing and future estimated debt service payments (principal and interest) and funding sources, along with a summary of debt outstanding by year.

The annual debt service on "new" bonds to be issued is also included in the financial plans for the Debt Service Fund, Water Fund, and the Sewer Fund. The preliminary estimates for debt service are based on the following estimated new bond issues:

- Year 2023, G.O. Bonds, \$8,670,000 to finance street and park improvements payable from tax levy, with the bonds sized for capitalized interest.
- Year 2023, G.O. Bonds, \$16,300,000 to finance water system improvements over a 30 year term payable from net revenues of the Water Fund.
- Year 2024, G.O. Bonds, \$1,850,000 to finance equipment and vehicle acquisition over a 10 year term payable from tax levy.
- Year 2026, G.O. Bonds \$25,375,000 to finance municipal buildings over a 25 year term payable from tax levy and net revenues of the Water Fund and the Sewer Fund. The estimated split is 80% payable from tax levy and 20% payable from the utility revenues.
- Year 2026, G.O. Bonds, \$2,040,000 to finance equipment and vehicle acquisition over a 10 year term payable from tax levy.

Bond Terms

The final sizing, structuring, and interest rates will depend on project specifics and market conditions at time of issuance. The amounts shown in the Plan are preliminary and for planning purposes only. The bond issuance sizes include capital acquisition and construction costs, cost of issuance of bonds, and capitalized interest funds, if applicable. The debt service for the new bonds is based on the terms stated above and a conservatively estimated 4-5% interest rate on the bonds.

TABLE 4
Page 1 of 2 of Table 4
Capital Improvement Plan

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Equipment and Vehicles										
Use of Funds										
Public Safety	485,000	160,000	400,000	412,000	424,360	437,091	450,204	463,710	477,621	491,950
Public Works	1,137,000	235,000	700,000	721,000	742,630	764,909	787,856	811,492	835,837	860,912
Administration	-	100,000	100,000	103,000	106,090	109,273	112,551	115,927	119,405	122,987
Total	1,622,000	495,000	1,200,000	1,236,000	1,273,080	1,311,272	1,350,611	1,391,129	1,432,863	1,475,849
Source of Funds										
Bond proceeds	1,760,000		1,800,000		2,000,000					
Sale of assets	152,000	10,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
Cash from fund	(290,000)	485,000	(675,000)	1,161,000	(801,920)	1,236,272	1,275,611	1,316,129	1,357,863	1,400,849
Total	1,622,000	495,000	1,200,000	1,236,000	1,273,080	1,311,272	1,350,611	1,391,129	1,432,863	1,475,849
Water Improvements										
Use of Funds										
Preliminary planning for water system										
Water system	500,000	19,000,000				750,000			750,000	20,350,000
Total	500,000	19,000,000	-	-	-	750,000	-	-	750,000	20,350,000
Source of Funds										
Bond proceeds		16,000,000								
Federal Funds		3,000,000								
Cash from fund	500,000					750,000			750,000	20,350,000
Total	500,000	19,000,000	-	-	-	750,000	-	-	750,000	20,350,000
Sewer Improvements										
Use of Funds										
NE to SE Trunk Sewer						10,000,000				
NE Trunk Sewer		1,000,000								
Total	-	1,000,000	-	-	-	10,000,000	-	-	-	-
Source of Funds										
Bond proceeds										
Cash from fund		1,000,000				10,000,000				
Total	-	1,000,000	-	-	-	10,000,000	-	-	-	-
Street Improvements										
Use of Funds										
Hackamore Road		1,750,000								
Horshoe Bend		200,000								
City Center Drive & Development		5,000,000								
Total	-	6,950,000	-	-	-	-	-	-	-	-
Source of Funds										
Bond proceeds		3,480,000								
Sale of assets		600,000								
Municipal State Aid		2,200,000								
Sale of property		670,000								
Total	-	6,950,000	-	-	-	-	-	-	-	-

TABLE 4
Page 2 of 2 of Table 4
Capital Improvement Plan

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Facility and Parks										
Use of Funds										
Municipal building improvements					25,000,000					
Park facilities		4,500,000								
Total	-	4,500,000	-	-	25,000,000	-	-	-	-	-
Source of Funds										
Bond proceeds		4,500,000			25,000,000					
Total	-	4,500,000	-	-	25,000,000	-	-	-	-	-
Total Capital Improvement Plan										
Total Use of Funds										
Equipment and Vehicles	1,622,000	495,000	1,200,000	1,236,000	1,273,080	1,311,272	1,350,611	1,391,129	1,432,863	1,475,849
Water Improvements	500,000	19,000,000	-	-	-	750,000	-	-	750,000	20,350,000
Sewer Improvements	-	1,000,000	-	-	-	10,000,000	-	-	-	-
Street Improvements	-	6,950,000	-	-	-	-	-	-	-	-
Facility and Parks	-	4,500,000	-	-	25,000,000	-	-	-	-	-
Total Use of Funds	2,122,000	31,945,000	1,200,000	1,236,000	26,273,080	12,061,272	1,350,611	1,391,129	2,182,863	21,825,849
Total Source of Funds										
Bond proceeds	1,760,000	23,980,000	1,800,000	-	27,000,000	-	-	-	-	-
Sale of assets	152,000	610,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
Municipal State Aid	-	2,200,000	-	-	-	-	-	-	-	-
Federal Funds	-	3,000,000	-	-	-	-	-	-	-	-
Other Funds	-	670,000	-	-	-	-	-	-	-	-
Cash from funds	210,000	1,485,000	(675,000)	1,161,000	(801,920)	11,986,272	1,275,611	1,316,129	2,107,863	21,750,849
Total Source of Funds	2,122,000	31,945,000	1,200,000	1,236,000	26,273,080	12,061,272	1,350,611	1,391,129	2,182,863	21,825,849

Notes:

1. Project costs and bond proceeds shown in this table do not include cost of issuance of the bonds and capitalized interest.

TABLE 5
City of Corcoran
Debt Service (Principal and Interest Payments) and Source of Funds

	Par Amount of Bonds	2022	2023	2024	2025	2026	2027	2028	2029	2030
GOVERNMENTAL DEBT										
Debt Service										
G.O. 2012A Certificates (Equipment)	410,000	-	-	-	-	-	-	-	-	-
G.O. 2012B CIP Bonds (Public Works Bldg)	4,000,000	-	-	-	-	-	-	-	-	-
G.O. 2014A Bonds (Equipment)	442,000	-	-	-	-	-	-	-	-	-
G.O. 2016A Bonds (DT Project, and Equipment)	2,915,000	296,680	301,380	300,930	295,430	294,880	259,580	61,420	60,100	58,780
G.O. 2018A Bonds (Park, and Equipment)	1,835,000	180,900	181,775	177,575	178,300	178,875	174,375	179,725	101,050	103,380
G.O. 2020A Bonds (Equipment)	805,000	95,300	98,650	96,950	100,200	98,400	96,600	99,750	97,850	95,950
G.O. 2020B Bonds (Refund 2012B)	3,365,000	198,340	210,290	212,040	218,640	220,090	221,440	222,690	218,890	225,990
G.O. 2022A Bonds (Equipment)	1,800,000	-	78,839	234,338	232,438	235,238	232,738	234,938	236,738	233,238
PROJECTED G.O. 2023 Bonds (Streets and Park)	8,670,000	-	-	-	529,740	416,625	827,928	826,810	829,728	826,400
PROJECTED G.O. 2024 Bonds (Equipment)	1,850,000	-	-	-	105,117	245,700	243,600	246,200	248,400	245,300
PROJECTED G.O. 2026 Bonds (Facilities)	25,375,000	-	-	-	-	-	1,777,067	1,603,300	1,607,700	1,606,000
PROJECTED G.O. 2026A Bonds (Equipment)	-	-	-	-	-	-	261,800	246,300	249,100	246,600
Total		771,220	870,934	1,021,833	1,659,865	1,689,808	4,095,127	3,721,133	3,649,555	3,641,638
Source of Funds										
Tax levy ¹		559,718	804,302	1,067,615	1,955,050	3,219,238	3,546,225	3,465,612	3,463,522	3,374,934
Special assessments (collected in current year)		95,668	104,006	104,006	104,006	104,006	104,006	104,006	-	-
Transfer in from Water Fund ³		89,295	63,255	62,855	62,455	239,762	183,970	184,010	183,440	183,220
Transfer in from Sewer Fund ⁴		89,787	55,347	54,747	54,097	219,597	201,520	201,260	200,390	199,840
Capitalized interest funds (from bond proceeds)		44,970	346,015	-	-	-	-	-	-	-
Debt service funds draw (increase) in fund balance ²		(108,218)	(501,992)	(267,390)	(515,743)	(2,092,795)	59,405	(233,755)	(197,797)	(116,356)
Total Governmental Debt		771,220	870,934	1,021,833	1,659,865	1,689,808	4,095,127	3,721,133	3,649,555	3,641,638
PROPRIETARY DEBT										
Debt Service										
G.O. 2014B Bonds	3,130,000	219,275	214,925	220,425	220,700	220,825	215,875	215,850	215,456	214,688
G.O. 2020A Bonds (Water Portion)	1,145,000	126,850	124,750	127,600	125,400	128,150	125,850	128,500	126,100	123,700
PROJECTED G.O. 2023 Bonds (Water)	16,300,000	-	-	1,442,086	1,051,830	1,052,186	1,052,060	1,051,363	1,054,828	1,052,345
Subtotal		346,125	339,675	1,790,111	1,397,930	1,401,161	1,393,785	1,395,713	1,396,384	1,390,733
Note Payable to Maple Grove, 2014	300,000	36,863	36,997	37,139	37,289	37,447	37,613	14,845	-	-
Note Payable to Maple Grove, 2016	117,790	11,779	11,779	11,779	11,779	11,779	11,779	-	-	-
Subtotal		48,642	48,776	48,918	49,068	49,226	49,392	14,845	-	-
Total		394,767	388,451	1,839,029	1,446,998	1,450,387	1,443,177	1,410,557	1,396,384	1,390,733
Source of Funds										
Water Fund		275,731	273,755	1,716,547	1,326,539	1,329,527	1,326,952	1,291,804	1,277,483	1,271,870
Sewer Fund		119,036	114,696	122,483	120,458	120,860	116,225	118,754	118,900	118,863
Total Proprietary Debt		394,767	388,451	1,839,029	1,446,998	1,450,387	1,443,177	1,410,557	1,396,384	1,390,733

Notes:

1. Collection of the tax levy is in the calendar year prior to the payment of debt service. This results in draws and (increases) in fund balance of the debt service funds.
2. Difference is due to timing of collection of tax levies and assessments and debt payment dates. Tax levies and assessments are collected in year prior to principal payment.
3. Transfers from Water/Sanitary Sewer pay a pro-rata share of Governmental Debt that benefits the utility services. This includes 2016A Bonds and 2025A Bonds.

TABLE 6
City of Corcoran
Debt Outstanding at Year-End

	Original Par Amount of Bonds	2022	2023	2024	2025	2026	2027
GOVERNMENTAL DEBT							
Debt Service							
G.O. 2016A Bonds (DT Project, and Equipment)	2,915,000	1,645,000	1,375,000	1,100,000	825,000	545,000	295,000
G.O. 2018A Bonds (Park, and Equipment)	1,835,000	1,445,000	1,305,000	1,165,000	1,020,000	870,000	720,000
G.O. 2020A Bonds (Equipment)	805,000	725,000	640,000	555,000	465,000	375,000	285,000
G.O. 2020B Bonds (Refund 2012B)	3,365,000	3,220,000	3,060,000	2,895,000	2,720,000	2,540,000	2,355,000
G.O. 2022A Bonds (Equipment)	1,800,000	1,800,000	1,800,000	1,630,000	1,455,000	1,270,000	1,080,000
PROJECTED G.O. 2023A Bonds (Streets)	8,670,000	-	8,670,000	8,670,000	8,620,000	8,150,000	7,665,000
PROJECTED G.O. 2024A Bonds (Equipment)	1,850,000	-	-	1,850,000	1,855,000	1,680,000	1,500,000
PROJECTED G.O. 2026A Bonds (Facilities)	25,375,000	-	-	-	-	25,375,000	24,770,000
PROJECTED G.O. 2026A Bonds (Equipment)	2,040,000	-	-	-	-	2,040,000	1,870,000
Total		8,835,000	16,850,000	17,865,000	16,960,000	42,845,000	40,540,000
PROPRIETARY DEBT							
Debt Service							
G.O. 2014B Bonds	3,130,000	2,215,000	2,070,000	1,915,000	1,755,000	1,590,000	1,425,000
G.O. 2020A Bonds (Water Portion)	1,145,000	1,040,000	935,000	825,000	715,000	600,000	485,000
PROJECTED G.O. 2023A Bonds (Water)	16,300,000	-	16,300,000	15,980,000	15,695,000	15,400,000	15,095,000
Subtotal		3,255,000	19,305,000	18,720,000	18,165,000	17,590,000	17,005,000
Note Payable to Maple Grove, 2014	300,000	172,489	144,117	114,183	82,604	49,287	14,138
Note Payable to Maple Grove, 2016	117,790	58,895	47,116	35,337	23,558	11,779	-
Subtotal		231,384	191,233	149,520	106,162	61,066	14,138
Total		3,486,384	19,496,233	18,869,520	18,271,162	17,651,066	17,019,138

CHART 11

With the exception of equipment and vehicles, annual spending on capital is projected to vary from year to year

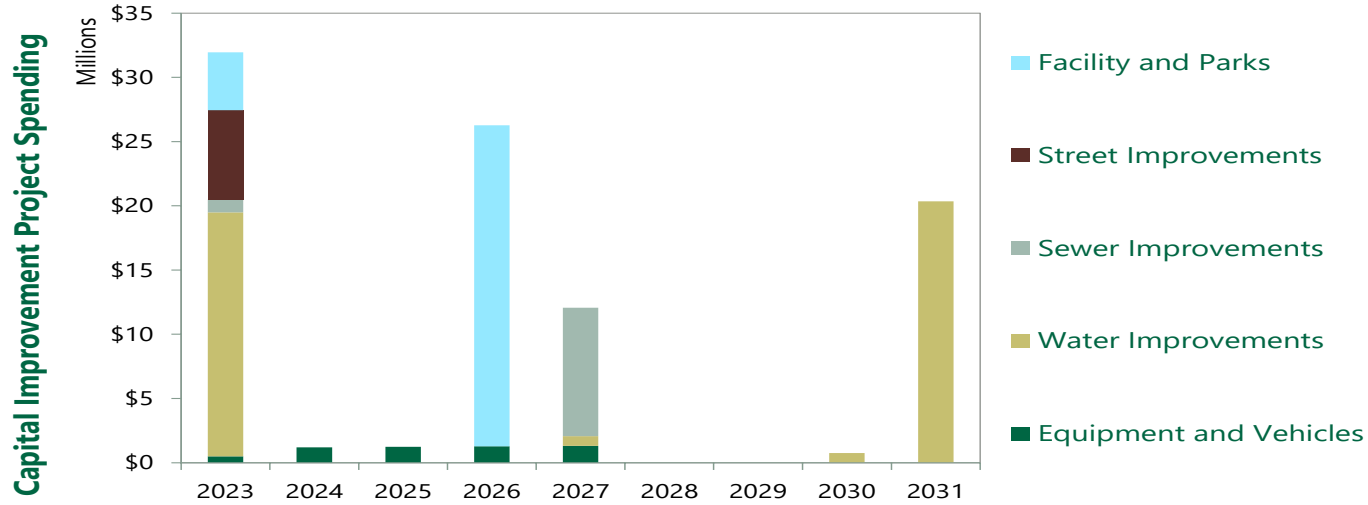


CHART 12

Bonding to finance capital improvements is planned along with other sources of revenue

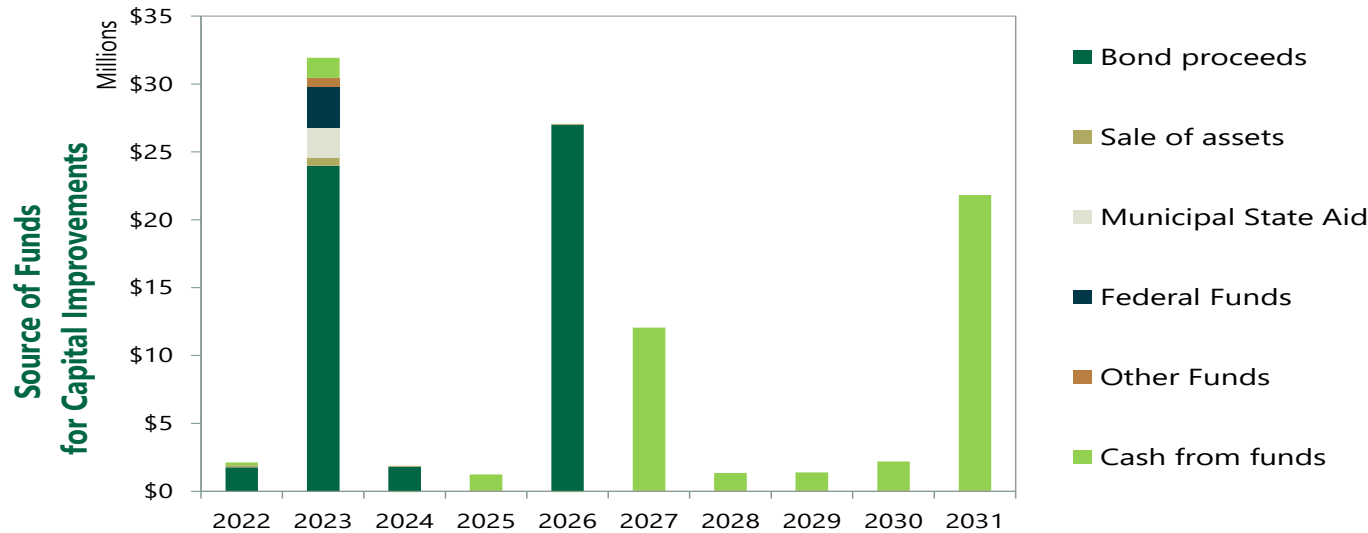


CHART 13

Increase in debt service payments is planned as the City undertakes planned improvements to facilities and utility infrastructure

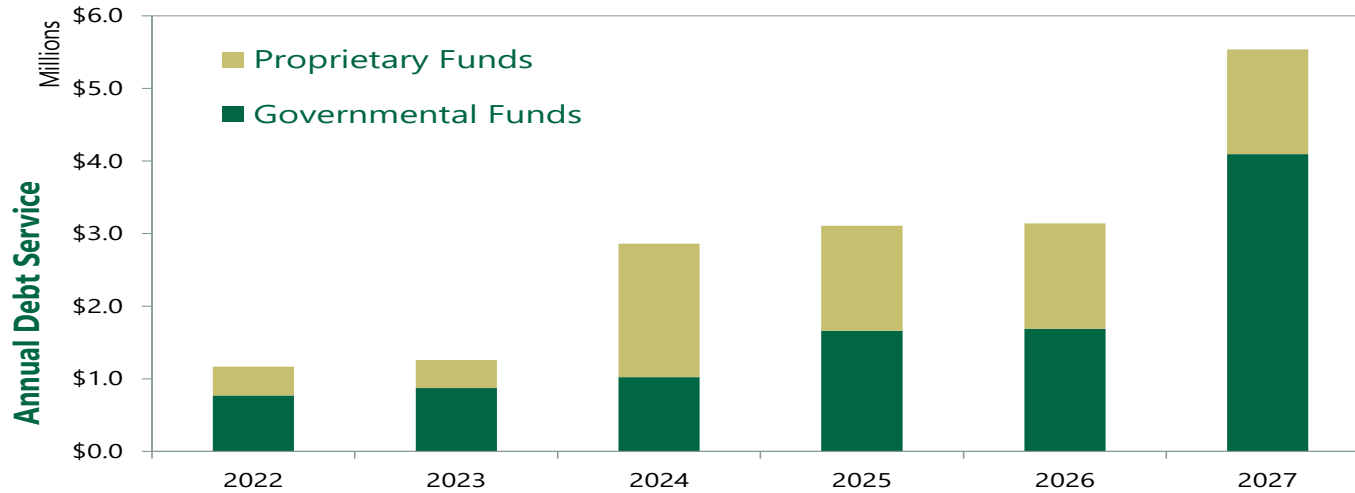
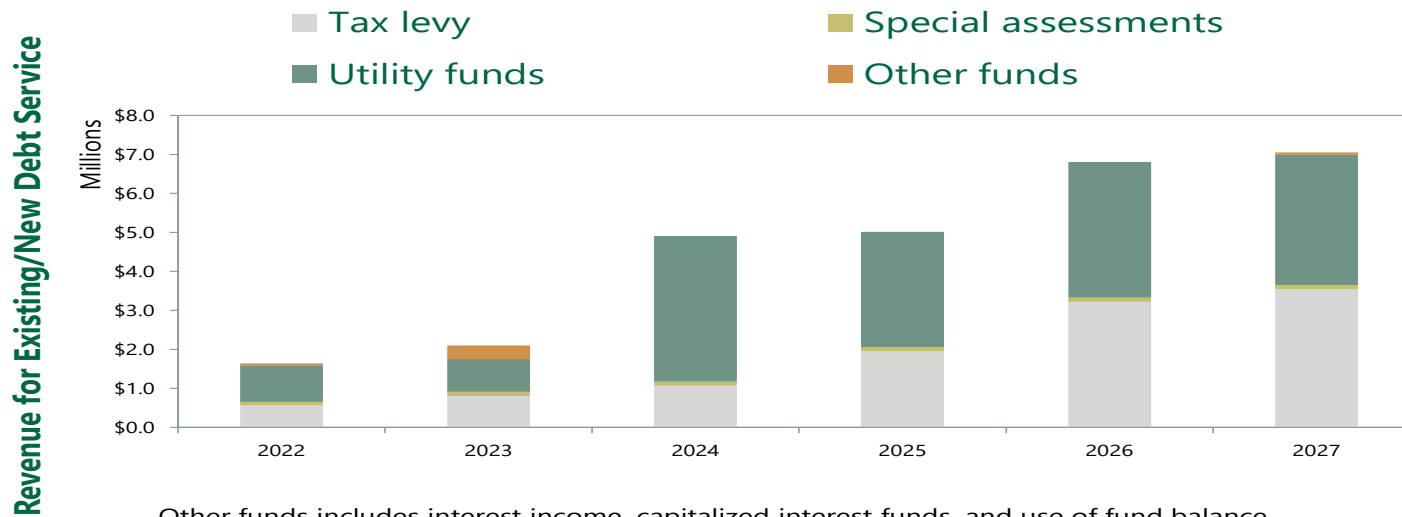


CHART 14

About half of City debt is projected to be payable from net revenue from utility funds



Other funds includes interest income, capitalized interest funds, and use of fund balance.

CHART 15

City debt outstanding both for governmental and proprietary (utilities) is planned to increase with construction of facilities and other improvements as the City grows

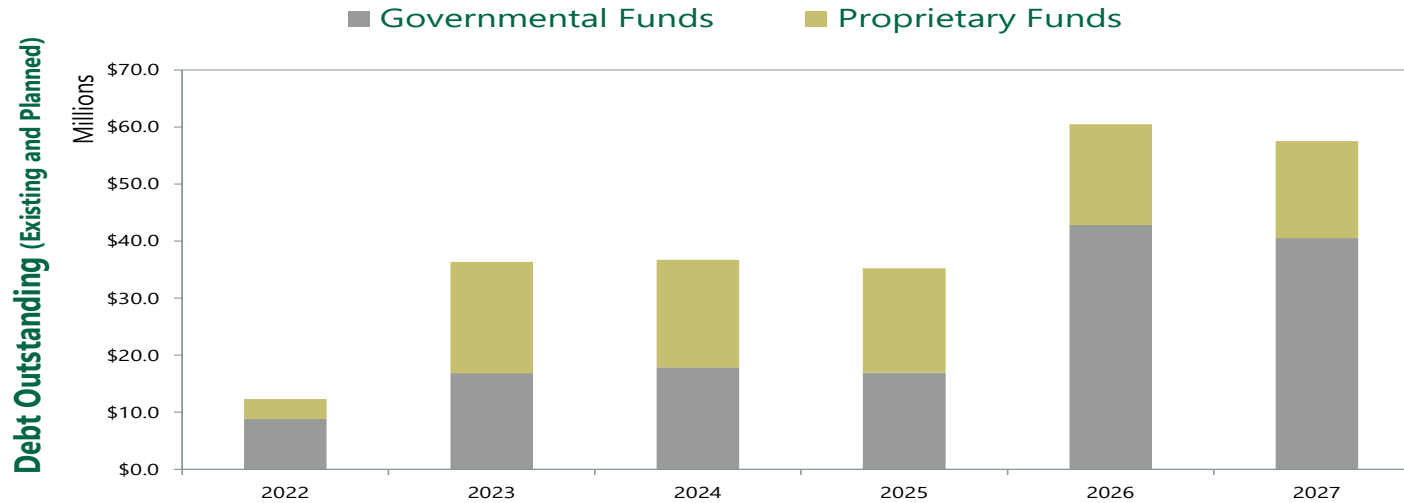
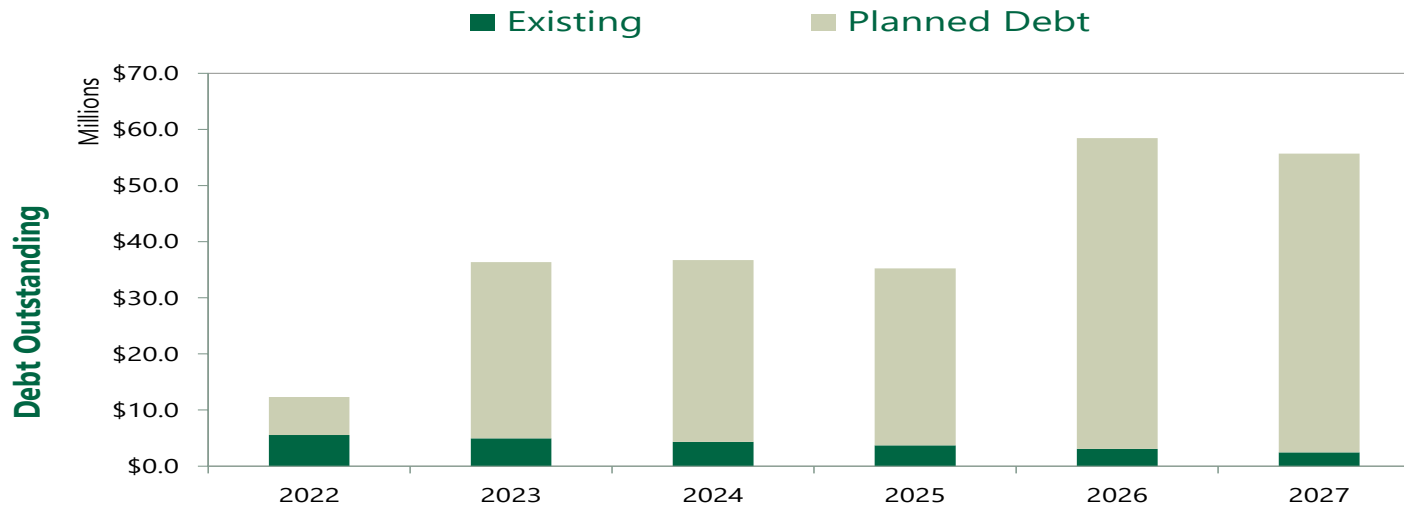


CHART 16

City debt outstanding is planned to increase with construction of facilities and other improvements as the City grows



FINANCIAL PLANS

Background

Financial plans have been prepared for each of the following type of funds:

Governmental Funds

- General Fund
- Debt Service Funds
- Special Revenue Funds
- Capital Projects Funds
- Capital Equipment Fund
- Capital Facilities Fund

Proprietary Funds (Enterprise Funds)

- Water Fund
- Sewer Fund

Governmental Funds are used to account for most typical municipal functions of the City. The acquisition, use, and balances of the City's expendable financial resources and the related current liabilities (except those accounted for in Proprietary Funds), are accounted for through the Governmental Funds.

Proprietary Funds (Enterprise Funds) are used to account for the City's ongoing municipal utility operations that are similar to businesses found in the private sector. These funds are considered self-supporting in that the services rendered by them are financed through user charges. The financial plans, for the Proprietary Funds, include assets and liabilities in addi-

tion to the revenues and expenditures. For the Proprietary Funds, there is a capitalization of certain expenses and the subsequent depreciation of the capitalized costs.

Summary of Key Factors and Assumptions

The key factors or assumptions used to develop the financial plans are as follows:

- 3.0% annual increase in operating expense for the Governmental Funds.
- 2.0% annual increase in non-property tax revenue for the Governmental Funds.
- Annual projected increase in property tax levies to be set at a level sufficient to maintain sufficient fund balance levels per City. Maintaining a constant tax rate is currently projected to require the City to adjust its plans for staffing additions and other spending.
- Fiscal disparities distribution of property taxes and contribution of property tax capacity is assumed to be at the same levels as estimated for Pay 2023. The actual amounts will vary by year and will impact the projections shown in the Plan.
- Maintain a minimum balance in the General Fund equal to approximately 45% of current expenditures (which is greater than the 35% minimum per policy), recognizing the need for cash flow and contingency.
- 3.0% average annual rate increase for water and sewer services, with the exception of the base fee for water which is 5.0%. The annual percent rate increase is approximate and reflects the anticipated cost increases and project needs.

- A new availability charge for water treatment and storage was adopted in 2022 for both Northeast Corcoran and Southeast Corcoran.
- 1.0% annual investment income rate for all City Funds.
- Maintain cash in the Water Fund and Sewer Fund sufficient to achieve projected year-end cash balance to cover the following purposes:
 - Three-months of operating expense
 - Following-year debt service payments
 - Following year capital acquisition (planned to be paid from cash)
 - Reserves for future capital improvements and other reserve purposes
- Maintain positive balances in all other City funds and amounts sufficient to meet specific cash flow requirements of the funds.

TOTAL GOVERNMENTAL FUNDS COMBINED

The table that follows provides total sources and uses of funds for the following Governmental Funds combined. Individual financial plans are then provided for each of the following funds:

- General Fund
- Debt Service Funds
- Special Revenue Funds
- Capital Projects Fund
- Capital Equipment Fund
- Capital Facilities Fund

The City's annual financial statements include a breakdown of individual funds for the Debt Service Fund, Special Revenue Fund, and Capital Projects Fund. For example, the City maintains separate debt service funds for each bond series issued. For capital projects, the City establishes a specific "Capital Projects Fund" for each individual project. For purposes of the Plan, this level of detail is not included.

Revenue

Annual source of funds from non-property tax levy sources has been stable for the City and is expected to remain so in the future. The City does not receive local government aid (LGA) from the state.

Property tax levy increases will be needed to pay for increased operating costs and debt service related to planned capital improvements.

Expense

Personnel and other operating costs overall have been and are projected to remain stable in the near term with planned increases in the future to address the demands of a growing community.

The financial plans anticipate includes projected staffing increases in the General Fund. These increases are detailed in the General Fund financial plan that follows and in the Appendix.

Approximately 26+ new full time equivalent (FTE) are planned to be added between years 2023-2027. The timing of staff additions will need to be modified to achieve the City's objective to maintain a constant city tax rate from year-to-year.

Transfers To and From Other Funds

Transfers between funds for future years include the following:

- Transfers from the Water Fund and Sewer Fund to the General Fund to pay an allocated share of operating costs.
- Transfer from the Water Fund and Sewer Fund to the Debt Service Fund to pay an allocated share of the debt services for the 2016A Bonds and the bonds anticipated to be issued in 2025 to pay for municipal building improvements.
- The Plan includes annual transfers of cash (tax levy) from the General Fund to the Equipment Fund, Facilities Fund, and Storm Water Fund for capital projects.

TOTAL GOVERNMENTAL FUNDS

TOTAL GOVERNMENTAL FUNDS

CHART 17
Total Governmental Funds

Minimum fund balance policy objectives of the City are projected to be met with source of funds sufficient to cover use of funds and provide sufficient reserves

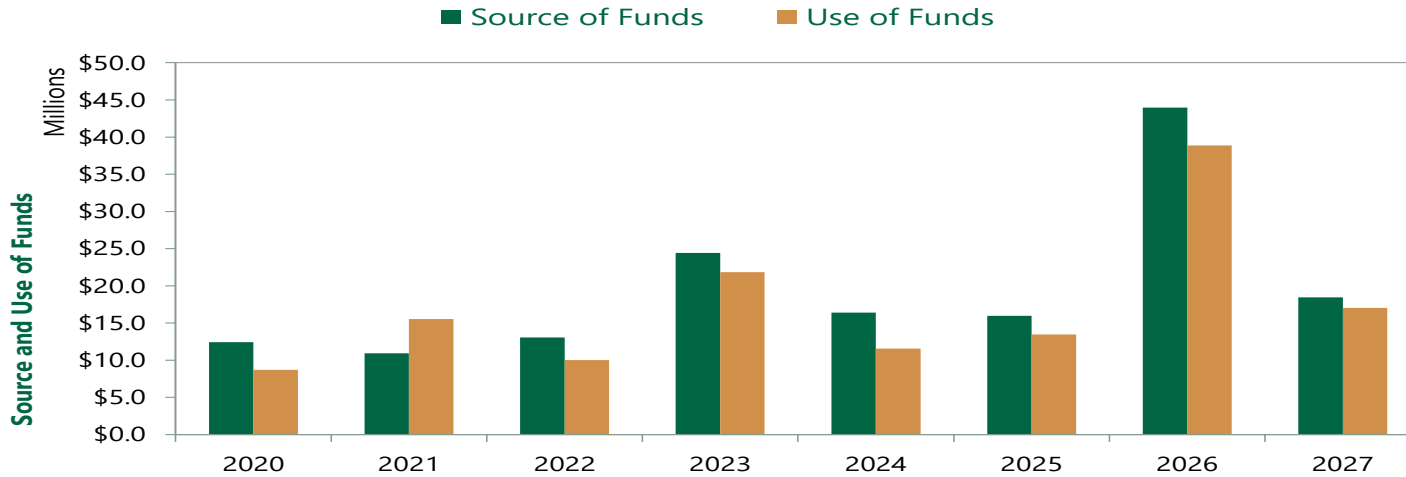


CHART 18
Total Governmental Funds

Future years include projected increase in fund balance to support planned increase in the City's budget consistent with City's policy for maintaining adequate fund balance

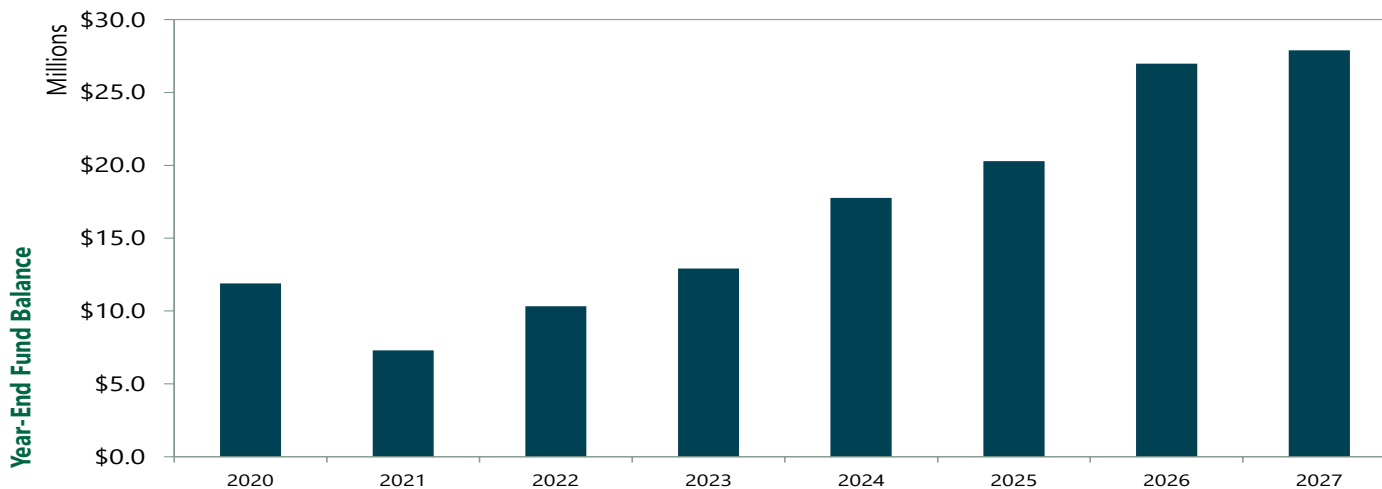


TABLE 7
City of Corcoran
Total Governmental Funds Combined
Financial Plan

	Prior Year Actuals		Current Year	Projected				
	2020	2021	2022	2023	2024	2025	2026	2027
Revenue								
Charges for service	249,889	979,371	1,381,614	322,410	328,674	335,060	341,572	348,211
Assessments	114,386	176,304	104,006	104,006	104,006	104,006	104,006	104,006
Licenses and permits	1,245,432	1,486,873	1,312,000	1,326,850	1,366,656	1,407,655	1,449,885	1,493,381
Intergovernmental	748,951	398,516	312,945	2,538,245	348,392	358,844	369,609	380,698
Investment Income	59,504	1,237	54,702	87,407	108,307	151,706	164,114	193,042
Fines and forfeitures	18,829	11,758	40,000	25,000	25,750	26,523	27,318	28,138
Cable franchise fees	50,059	56,691	53,000	59,000	60,770	62,593	64,471	66,405
Misc - Other	298,631	2,361,737	1,153,891	2,171,448	3,340,977	2,034,980	1,712,244	1,639,447
Bond proceeds	4,170,000	-	1,804,970	8,326,015	1,800,000	-	27,000,000	-
Sale of capital assets	-	104,940	152,000	1,280,000	75,000	75,000	75,000	75,000
Transfer in from General Fund	537,000	-	354,417	350,000	250,000	250,000	250,000	900,000
Transfer in from Utility Funds	283,952	269,164	633,230	654,102	679,877	706,941	1,079,267	1,036,394
Subtotal Non Property Tax Funds	7,776,633	5,846,591	7,356,775	17,244,483	8,488,409	5,513,308	32,637,486	6,264,721
Property tax levy	4,643,582	5,079,375	5,699,429	7,166,425	7,913,616	10,451,366	11,321,595	12,183,006
Total Source of Funds	12,420,215	10,925,966	13,056,204	24,410,909	16,402,025	15,964,674	43,959,081	18,447,727
	-	-	-	-	-	-	-	-
Expense								
Current expenditures	5,452,211	6,268,230	7,211,521	8,629,500	9,004,103	10,225,133	10,573,829	10,638,674
Capital outlay	1,638,834	5,066,351	1,646,960	11,969,960	1,224,960	1,260,960	26,298,040	1,336,232
Debt service	1,071,298	4,191,272	771,220	870,934	1,021,833	1,659,865	1,689,808	4,095,127
Transfer out to Equip Fund	150,000	-	300,000	325,000	250,000	250,000	250,000	900,000
Transfer out to Storm Water Fund	-	-	35,000	10,000	45,000	50,000	55,000	60,000
Transfer out to Capital Projects Fund	200,000	-	29,417	-	-	-	-	-
Transfer out to Facilities Fund	187,000	-	25,000	25,000	-	-	-	-
Total Use of Funds	8,699,343	15,525,853	10,019,118	21,830,394	11,545,895	13,445,957	38,866,676	17,030,033
	-	-	-	-	-	-	-	-
Net Change in fund balance	3,720,872	(4,599,887)	3,037,086	2,580,515	4,856,129	2,518,717	5,092,405	1,417,694
	-	-	-	-	-	-	-	-
Ending Fund Balance	11,889,974	7,290,087	10,327,173	12,907,687	17,763,817	20,282,533	25,374,938	26,792,632
	-	-	-	-	-	-	-	-
Ending Cash Balance	13,274,213	10,159,252	13,196,338	15,776,853	20,632,982	23,151,699	28,244,104	29,661,798

GENERAL FUND

GENERAL FUND

The General Fund is the primary fund used by the City. This fund is used to record all resource inflows and outflows that are not associated with special-purpose funds. The activities being paid for through the General Fund constitute the core administrative and operational tasks of the City.

Revenue

Annual source of non-tax revenue for the General Fund has been stable and is projected to remain stable. Licenses and permits provides the single largest source of non-tax revenue to the General Fund. The City does not receive local government aid (LGA) from the state.

The next largest sources of non-tax revenue are charges for services and intergovernmental.

Tax Levy Revenue

Property tax levy revenue is estimated to increase each year. In addition to funding general city operations, transfers to other funds for facility, equipment, and other capital improvements, property tax levy provides revenue to meet fund balance goals for contingency.

Figure 2 provides the projected General Fund property tax levy by year, along with the annual percent changes. The General Fund Tax Levy amounts are estimated at levels to achieve the City’s desire to maintain a relatively constant city tax rate from year-to-year.

Figure 2.

Tax Collection Year	General Fund Tax Levy	% Change in Tax Levy
2021	4,447,791	8.4%
2022	5,139,711	15.6%
2023	6,362,123	23.8%
2024	6,846,001	7.6%
2025	8,496,316	24.1%
2026	8,102,358	-4.6%
2027	8,636,781	6.6%

Non-Tax Revenue

Non-tax revenue includes charges for services, license and permits, intergovernmental, transfers in from the utility funds, among other sources of non-tax revenue.

The financial plan for the General Fund is based on the following key assumptions for non-tax revenues:

- Non-tax revenues increase of 2.0% annually.
- Annual investment income rate of 1.0%.

Intergovernmental Revenue in 2020-2021 has been higher due to receipt of federal funds for Corona virus aid.

Expense

The General Fund is used to account for the expense of providing general government services for the City.

The largest use of funds in current expenditures is for the cost of personnel, including salary and wages, and benefits. Other costs including operating materials and supplies, equipment, and other professional services.

The financial plan for the General Fund is based on the following key assumptions:

- Current expenditures (includes personnel costs) increase by 3.0% annually for inflation and then adjusted to a level that would be needed to maintain a constant city tax rate from year-to-year.
- Increase in staff (FTE) and position changes are planned (see Appendix for further details by position), with a portion of the costs to be allocated to the Water and Sewer Funds for certain positions. The FTEs that may be paid either in full or part from the General Fund, depending on available revenues, are listed below. The dollar amount shown below is equal to the estimated portion of the cost of the FTEs to be paid from the General Fund.
 - 2.46 FTE, \$257,000 in 2023
 - 6.58 FTE, \$751,375 in 2024
 - 7.85 FTE, \$926,500 in 2025
 - 4.30 FTE, \$567,000 in 2026
 - 1.8 FTE, \$245,000 in 2027

Transfers To and From Other Funds

The Water Fund and the Sewer Fund transfer revenue in to the General Fund to pay an allocated share of operating costs. This transfer is projected to continue with annual inflationary adjustments.

Transfers out to other funds includes the following:

- Increase in transfer out to the Equipment Fund to pay for a portion of planned equipment and vehicle acquisitions as included in the CIP.
- Increase in transfer out to the Storm Water Fund to begin to build a balance of funds for project costs.

- Additional transfers out of funds from the General Fund to the Capital Projects Funds, including the Facilities Fund, may occur to the extent annual revenue is available in excess of annual expenditures, after first maintaining a minimum fund balance in the General Fund equal to 40-50% of current expenditures.

Fund Balance

The maintenance of the City's reserves, including growing fund balance (reserves), is important to the maintaining the City's credit rating on its outstanding bonds.

Fund balance for the General Fund is projected to remain at approximately 40-50% of expenditures. City has formally adopted a fund balance policy for the General Fund. The City's policy is to maintain a minimum of 35% of budgeted operating expenditures for cash-flow timing needs. Fund balance in excess of the minimum is a credit positive with respect to maintaining the City's credit rating from Moody's.

CHART 19
General Fund

Fund Balance is planned to be above City policy for minimum balance

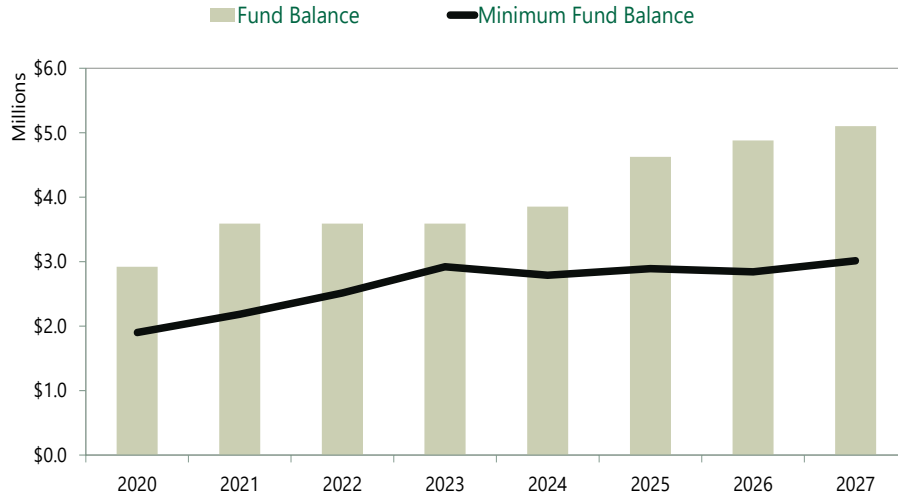


CHART 21
General Fund

Non-Property Tax Revenues fluctuate mostly due to Intergovernmental Revenues and Licenses and Permits Revenue related to Projects, both City and Private Construction

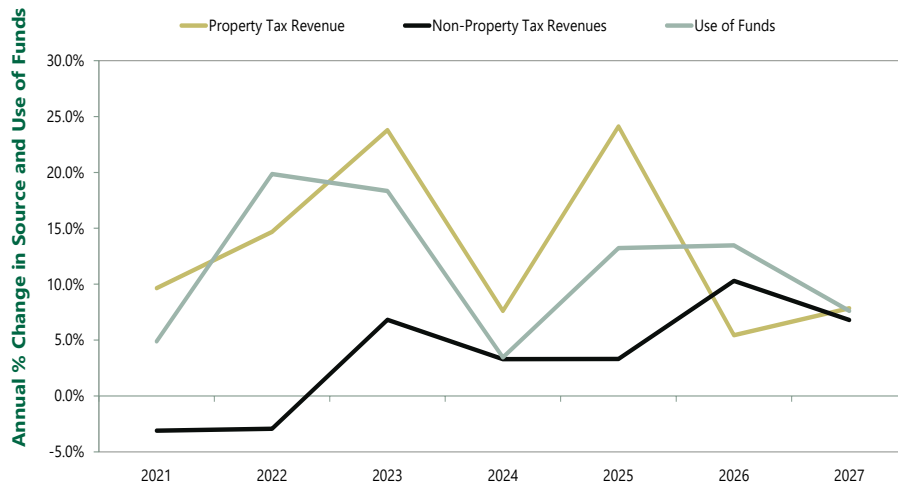


CHART 20
General Fund

Property tax revenue provides the majority of source of funds for the General Fund

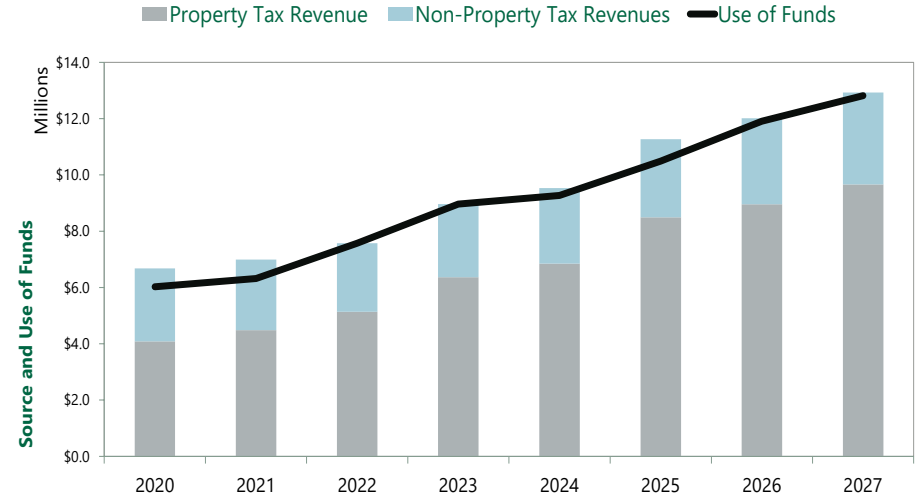


CHART 22
General Fund

City is planning to add positions over the next several years in response to growth in the community and service demands

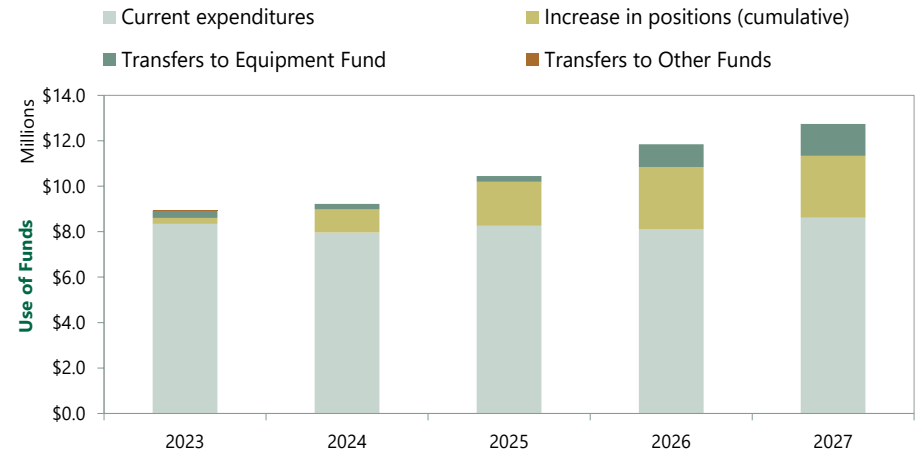


TABLE 8
City of Corcoran
General Fund
Financial Plan

	Prior Year Actuals		Current Year	Projected				
	2020	2021	2022	2023	2024	2025	2026	2027
Revenue								
Charges for service	220,439	138,750	243,980	285,565	291,276	297,102	303,044	309,105
Assessments	-	34,802			-	-	-	-
Licenses and permits	1,245,432	1,486,873	1,312,000	1,326,850	1,366,656	1,407,655	1,449,885	1,493,381
Intergovernmental	748,951	397,969	312,945	338,245	348,392	358,844	369,609	380,698
Investment Income	16,945	(1,542)	8,000	11,500	11,615	11,731	11,848	11,967
Fines and forfeitures	18,118	7,558	40,000	25,000	25,750	26,523	27,318	28,138
Cable franchise fees	50,059	56,691	53,000	59,000	60,770	62,593	64,471	66,405
Misc - Other	68,307	116,324	9,000	17,000	17,510	18,035	18,576	19,134
Transfer in from Utility Funds	218,872	269,164	454,148	535,500	562,275	590,389	619,908	650,904
Subtotal Non Property Tax Funds	2,587,123	2,506,589	2,433,073	2,598,660	2,684,244	2,772,872	2,864,660	2,959,731
Property tax levy	4,087,767	4,481,789	5,139,711	6,362,123	6,846,001	8,496,316	8,102,358	8,636,781
Total Source of Funds	6,674,890	6,988,378	7,572,784	8,960,783	9,530,245	11,269,188	10,967,018	11,596,512
Expense								
Current expenditures	5,432,689	6,240,628	7,183,367	8,600,783	8,974,811	10,195,255	10,543,354	10,607,590
Capital outlay	54,731	77,965	-	-	-	-	-	-
Transfer out to Equip Fund	150,000		300,000	325,000	250,000	250,000	250,000	900,000
Transfer out to Storm Water Fund			35,000	10,000	45,000	50,000	55,000	60,000
Transfer out to Capital Projects Fund	200,000		29,417					
Transfer out to Facilities Fund	187,000		25,000	25,000	-	-		
Total Use of Funds	6,024,420	6,318,593	7,572,784	8,960,783	9,269,811	10,495,255	10,848,354	11,567,590
Net Change in fund balance	650,470	669,785	-	-	260,434	773,933	118,664	28,922
Ending Fund Balance	2,921,480	3,591,265	3,591,265	3,591,265	3,851,699	4,625,631	4,744,295	4,773,217
Ending Cash Balance	4,244,063	5,438,932	5,438,932	5,438,932	5,699,366	6,473,298	6,591,962	6,620,884
Fund Balance Minimum per Policy (35%)	1,901,441	2,184,220	2,514,178	2,920,324	2,788,253	2,891,133	2,814,518	2,759,300
Fund Balance in Excess (Shortfall)	1,020,039	1,407,045	1,077,087	670,941	1,063,446	1,734,498	1,929,778	2,013,917
Fund Balance as % of Current Expenditures	54%	58%	50%	42%	43%	45%	45%	45%

DEBT SERVICE FUND

The Debt Service Fund includes the combined funds used to account for all of the City's governmental debt service.

At the end of 2021, the City reported total general obligation bonds payable (reported as Governmental Debt) of \$7,655,000. The Water Fund and the Sewer Fund also report debt outstanding, which is accounted for separately as a liability for Proprietary Funds. At the end of 2021, the City reported total general obligation bonds payable in the proprietary funds of \$3,505,000.

In addition to bonds outstanding, the Water Fund reported \$270,057 in outstanding notes payable to Maple Grove for connections to the water system.

The year-end cash balance in the Debt Service Funds fluctuates due to the timing of collection of revenue, for example tax levy, in the year prior to debt service payments coming due.

The City is required to have cash available in the respective debt service funds equal to 105% of the debt service payments coming due for a specific bond series. For example, the year-end cash balance includes cash from collection of special assessments and tax levy in current year to pay the following February 1st debt payments. The City receives a tax settlement from the County in June and December of each year. The first half tax settlement is available to cover the August 1st debt payments and the second tax settlement is available to cover the February 1st payments.

Revenue

The Debt Service Funds include the following source of funds: special assessments, interest income, transfers in from other funds, property tax levy, and bond proceeds for any capitalized interest funds.

General obligation equipment certificates will be repaid from property tax levy. Prior year and future projected tax levy amounts for repayment of equipment certificates are included in the Plan.

Over the next five years, the Plan anticipates the issuance of general obligation bonds in years 2023, 2024, and 2026 that will be accounted for in the Debt Service Funds. Future debt will be supported by a combination of tax levy, special assessments, and transfers in of revenue from the Water Fund and the Sewer Fund.

Expense

The use of funds is for the payment of debt, including principal and interest payments.

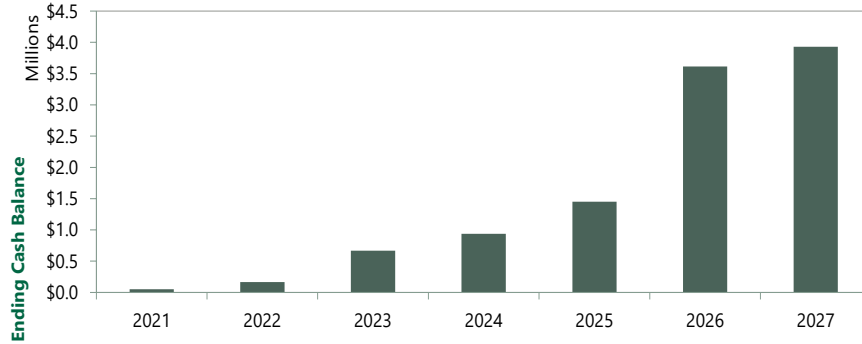
Transfers From Other Funds

The City is to transfer revenue from the Water Fund and Sewer Fund to the Debt Service Fund used to account of the 2016A Bonds.

DEBT SERVICE FUND

CHART 23
Debt Service Funds

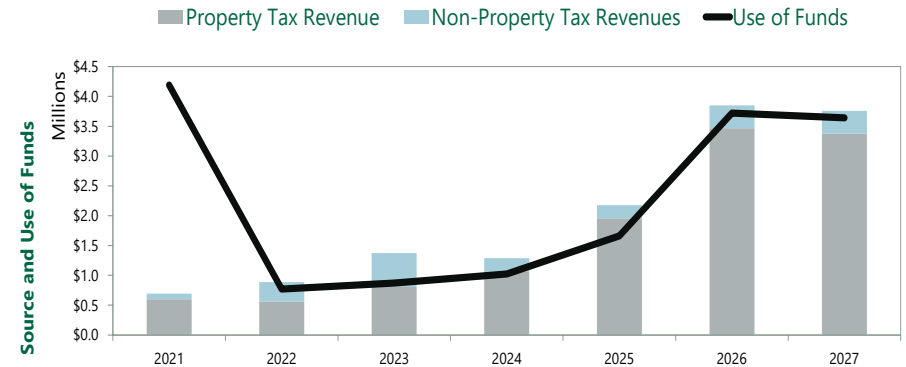
Cash Balance is projected to grow as debt issuance increases and be sufficient to cover all debt service payments due



Fund balance and cash balance fluctuates due to timing of collection of revenue and when payments are due, balances also fluctuate due to amortization of existing debt and issuance of new debt. City did not transfer revenue from the Utility Funds to the Debt Service Funds in 2021, resulting in lower ending cash balance, transfer will be made in 2022.

CHART 24
Debt Service Funds

City is planning to issue new debt in 2023, 2024, and 2026



Difference between revenues and use of funds (for debt service) fluctuates due to timing of collection of revenue and when payments are due, use of funds also fluctuates due to amortization of existing debt and issuance of new debt. Year 2021 included use of prior years bond proceeds for the refunding of the 2012B Bonds.

CHART 25
Debt Service Funds

Property Tax Revenue needed for debt service is projected to increase over the next five years with issuance of new debt supported by tax levy

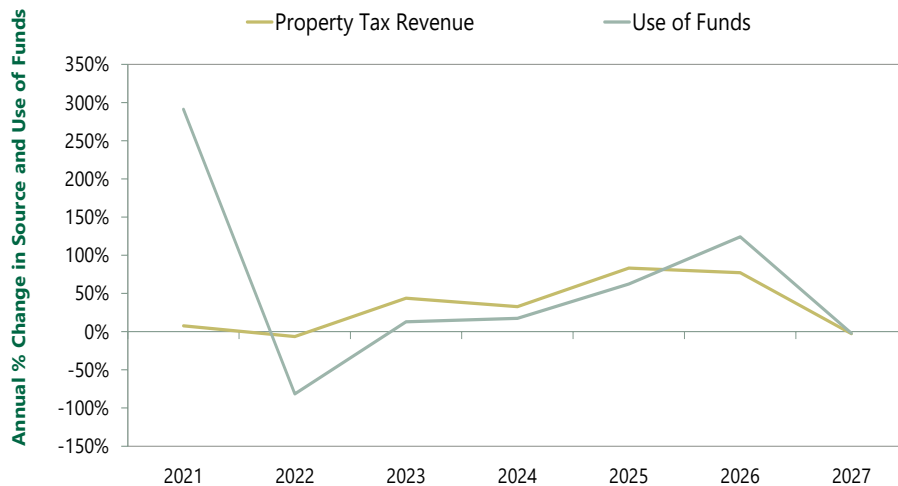


CHART 26
Debt Service Fund

City is planning to issue new debt for equipment, streets, and facilities over the next several years in response to growth in the community and service demands

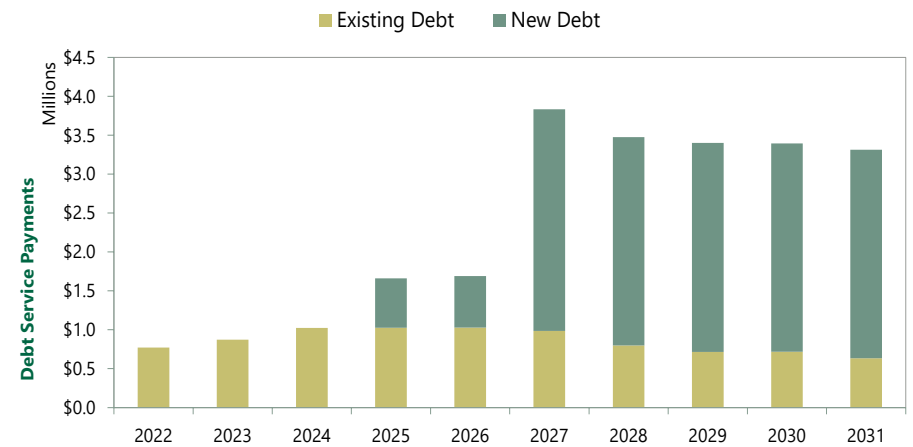


TABLE 9
City of Corcoran
Debt Service Funds
Financial Plan

	Prior Year Actuals		Current Year	Projected				
	2020	2021	2022	2023	2024	2025	2026	2027
Revenue								
Assessments	109,922	95,668	104,006	104,006	104,006	104,006	104,006	104,006
Bond proceeds	3,365,000		44,970	346,015			-	
Transfer in from General Fund								
Transfer in from Utility Funds	65,080		179,082	118,602	117,602	116,552	459,358	385,490
Transfer in from Capital Proj Fund								
Subtotal Non Property Tax Funds	3,618,541	95,467	328,058	568,623	221,608	220,558	563,364	489,496
Property tax levy	555,815	597,586	559,718	804,302	1,067,615	1,955,050	3,219,238	3,546,225
Total Source of Funds	4,174,356	693,053	887,776	1,372,926	1,289,223	2,175,608	3,782,602	4,035,721
Expense								
Debt service	1,071,298	4,191,272	771,220	870,934	1,021,833	1,659,865	1,689,808	4,095,127
Total Use of Funds	1,071,298	4,191,272	771,220	870,934	1,021,833	1,659,865	1,689,808	4,095,127
Net Change in fund balance	3,103,058	(3,498,219)	116,556	501,992	267,390	515,743	2,092,795	(59,405)
Ending Fund Balance	3,554,789	56,570	173,126	675,118	942,508	1,458,251	3,551,045	3,491,640
Ending Cash Balance	3,550,535	50,150	166,706	668,698	936,088	1,451,831	3,544,626	3,485,221

SPECIAL REVENUE FUNDS

The financial plan for the Special Revenue Funds as included in the Plan provides sources and uses of funds on a combined basis for the following special revenue funds. The funds included are as follows:

- Fund 201 Reserve Donation
- Fund 202 Police Donation
- Fund 204 Firearms Safety
- Fund 205 DWI Forfeiture
- Fund 206 Drug Forfeiture
- Fund 207 Truck Safety
- Fund 208 Lawful Gambling
- Fund 209 Emergency Sirens

Revenue

The source of funds for the special revenue funds come from donations, charges for services, and other miscellaneous revenue sources which are generally restricted for the purpose they were collected. There is no property tax levy that is recorded to the special revenue funds.

Expense

The use of funds is restricted for the purpose of the funds collected.

Transfers To and From Other Funds

There are no transfers.

TABLE 10
City of Corcoran
Special Revenue Funds
Financial Plan

	Prior Year Actuals		Current Year	Projected				
	2020	2021	2022	2023	2024	2025	2026	2027
Revenue								
Charges for service	29,450	35,764	36,300	36,845	37,398	37,959	38,528	39,106
Intergovernmental								
Investment Income	1,481	(60)	6,090	6,419	6,757	7,105	7,462	7,830
Developer payment								
Misc - Other	39,988	42,913	43,557	44,210	44,873	45,546	46,229	46,923
Transfer in from General Fund								
Transfer in from Utility Funds								
Transfer in from Capital Proj Fund								
Subtotal Non Property Tax Funds	71,630	82,817	85,948	87,474	89,028	90,609	92,220	93,859
Property tax levy								
Total Source of Funds	71,630	82,817	85,948	87,474	89,028	90,609	92,220	93,859
Expense								
Current expenditures	19,522	27,602	28,154	28,717	29,291	29,877	30,475	31,084
Capital outlay	-	24,960	24,960	24,960	24,960	24,960	24,960	24,960
Transfer out to Equip Fund								
Transfer out to Storm Water Fund								
Transfer out to Water Fund								
Transfer out to Capital Projects Fund								
Transfer out to Facilities Fund								
Total Use of Funds	19,522	52,562	53,114	53,677	54,251	54,837	55,435	56,044
Net Change in fund balance	52,108	30,255	32,834	33,797	34,776	35,772	36,785	37,815
Ending Fund Balance	237,090	267,345	300,179	333,975	368,751	404,524	441,309	479,123
Ending Cash Balance	237,402	609,049	641,883	675,679	710,455	746,228	783,013	820,827

CAPITAL PROJECTS FUNDS

The financial plan for the Capital Projects Funds, as included in the Plan, provides sources and uses of funds on a combined basis for all of the City's capital projects funds, with two exceptions. For purposes of the Plan, the Capital Equipment Fund (416) and the Facilities Fund / City Hall (400) are not included as part of the Capital Projects Funds. Separate financial plans are provided for equipment and facilities.

Revenue

The majority of the source of funds comes from charges for service, special assessments, investment income, intergovernmental, and bond proceeds.

Prior to year 2021, the City collected revenue from developer payment for Hackamore Road improvements. Hackamore Road will be funded from a combination of developer payments and bond proceeds supported by tax levy. The issuance of bonds for Hackamore Road is planned for year 2023.

Expense

The projected use of funds is for capital projects as included in the CIP. This includes construction of street and facility improvements, among other public improvements.

Transfers To and From Other Funds

The financial plan does not include annual transfers to and from other funds for the Capital Projects Funds (transfers for the Facility Fund (400) and the Equipment Fund (416) are included in the financial plans for these funds). The City Council may approve un-bud-

geted transfers to and from the Capital Projects Funds based on available resources.

TABLE 11
City of Corcoran
Capital Projects Funds (not including Facilities Improvement Fund (400) and Equipment-Cert Fund 416)
Financial Plan

	Prior Year Actuals		Current Year	Projected				
	2020	2021	2022	2023	2024	2025	2026	2027
Revenue								
Charges for service		804,857	1,101,334					
Assessments	4,464	45,834						
Intergovernmental		547	-	2,200,000	-	-	-	-
Investment Income	35,306	2,844	41,406	64,141	85,885	119,530	140,439	158,318
Other / Park Dedication	55,353	2,202,500	1,101,334	2,110,238	3,278,594	1,971,398	1,647,438	1,573,390
Bond proceeds				3,480,000	-	-	-	-
Sale of capital assets				1,270,000	-	-	-	-
Transfer in from General Fund	200,000		29,417	-	-	-	-	-
Subtotal Non Property Tax Funds	295,123	3,056,582	2,273,491	9,124,379	3,364,479	2,090,928	1,787,877	1,731,708
Property tax levy								
Total Source of Funds	295,123	3,056,582	2,273,491	9,124,379	3,364,479	2,090,928	1,787,877	1,731,708
Expense								
Capital outlay	793,864	3,742,349	-	6,950,000	-	-	-	-
Total Use of Funds	793,864	3,742,349	-	6,950,000	-	-	-	-
Net Change in fund balance	(498,741)	(685,767)	2,273,491	2,174,379	3,364,479	2,090,928	1,787,877	1,731,708
Ending Fund Balance	4,197,469	3,511,702	5,785,193	7,959,572	11,324,051	13,414,979	15,202,856	16,934,564
Ending Cash Balance	4,201,596	4,140,628	6,414,119	8,588,498	11,952,977	14,043,905	15,831,782	17,563,490

Notes:

- The revenue from charges for services is from developer payments for improvement project.
- Park Dedication Revenue is estimated as follows:

Park Dedication Fee Estimate by Property Classification:

Single Family	4,628	4,628	4,628	4,628	4,628	4,628	4,628
Multi-Family	3,141	3,141	3,141	3,141	3,141	3,141	3,141
Commercial-Industrial	4,498	4,498	4,498	4,498	4,498	4,498	4,498

Units Added by Property Classification Subject to Park Dedication Fee:

Single Family	237	455	569	425	355	339
Multi	-	-	204	-	-	-
CI	1	1	1	1	1	1

Park Dedication Revenue by Property Classification:

Single Family	1,096,836	2,105,740	2,633,332	1,966,900	1,642,940	1,568,892
Multi	-	-	640,764	-	-	-
CI	4,498	4,498	4,498	4,498	4,498	4,498
Total	1,101,334	2,110,238	3,278,594	1,971,398	1,647,438	1,573,390

CAPITAL EQUIPMENT FUND (416)

The City uses the Capital Equipment Fund to record all revenue and expense related to the acquisition of equipment and vehicles.

Revenue

The source of revenue has historically come from the issuance of bonds. Beginning in year 2015, the City implemented a plan to begin to transition to fund equipment and vehicle acquisition on a pay-go basis to eliminate the need to borrow (issue bonds) and incur interest expense.

The Plan assumes the City will continue to transfer cash from the General Fund to the Equipment Fund to allow the City to limit issuance of debt for these types of purchases.

Other sources of funds includes sale of capital assets, estimated at \$75,000 annually and investment income.

The Plan anticipates issuance of general obligation bonds (equipment certificates) for equipment and vehicle acquisitions in years 2024 and 2026. Future bond issuance after year 2026 will depend on the future available cash and future capital acquisition plans.

Expense

The projected use of funds is for planned capital acquisition of equipment and vehicles.

Transfers To and From Other Funds

The transfer in shown in the financial plan comes from the transfer of cash (tax levy) from the General Fund.

TABLE 12
City of Corcoran
Equipment Fund (416)
Financial Plan

	Prior Year Actuals		Current Year	Projected				
	2020	2021	2022	2023	2024	2025	2026	2027
Revenue								
Intergovernmental								
Investment Income	1,154	31	(339)	5,558	4,013	13,303	4,326	14,889
Misc - Other	57,601							
Bond proceeds	805,000		1,760,000	-	1,800,000	-	2,000,000	-
Sale of capital assets		104,940	152,000	10,000	75,000	75,000	75,000	75,000
Transfer in from General Fund	150,000		300,000	325,000	250,000	250,000	250,000	900,000
Transfer in from Utility Funds								
Transfer in from Capital Proj Fund								
Subtotal Non Property Tax Funds	1,013,755	104,971	2,211,661	340,558	2,129,013	338,303	2,329,326	989,889
Property tax levy								
Total Source of Funds	1,013,755	104,971	2,211,661	340,558	2,129,013	338,303	2,329,326	989,889
Expense								
Capital outlay	593,915	675,914	1,622,000	495,000	1,200,000	1,236,000	1,273,080	1,311,272
Total Use of Funds	593,915	675,914	1,622,000	495,000	1,200,000	1,236,000	1,273,080	1,311,272
Net Change in fund balance	419,840	(570,943)	589,661	(154,442)	929,013	(897,697)	1,056,246	(321,384)
Ending Fund Balance	502,084	(68,859)	520,802	366,360	1,295,373	397,676	1,453,923	1,132,539
Ending Cash Balance	504,935	(33,899)	555,762	401,320	1,330,333	432,636	1,488,883	1,167,499

CAPITAL FACILITIES FUND / CITY HALL (400)

The City established this fund to record transactions related to improvements to City Hall in 2020 and a new municipal building or significant expansion in 2026.

Revenue

The source of revenue has come from a combination of transfer in of cash from other City funds. Bond issuance is anticipated in 2026 to provide funds for a new municipal building or significant expansion of the existing building. The exact timing and scope of the project is uncertain. The placeholder amount included in year 2026 is \$25 million.

Expense

The projected use of funds will be to pay for capital project spending, including planning for the improvements.

Transfers To and From Other Funds

Transfer in of cash has come from the General Fund and other funds to pay for facility improvement costs.

TABLE 13
City of Corcoran
Facilities Improvement Fund (Fund 400)
Financial Plan

	Prior Year Actuals		Current Year	Projected				
	2020	2021	2022	2023	2024	2025	2026	2027
Revenue								
Intergovernmental								
Investment Income	3,461	165	(456)	(211)	37	38	38	38
Misc - Other								
Bond proceeds	-		-	4,500,000	-	-	25,000,000	-
Sale of capital assets								
Transfer in from General Fund	187,000	-	25,000	25,000	-	-	-	-
Transfer in from Utility Funds	-	-	-	-	-	-	-	-
Transfer in from Capital Proj Fund	-	-	-	-	-	-	-	-
Subtotal Non Property Tax Funds	190,461	165	24,544	4,524,789	37	38	25,000,038	38
Property tax levy								
Total Source of Funds	190,461	165	24,544	4,524,789	37	38	25,000,038	38
Expense								
Capital outlay	196,324	545,163	-	4,500,000	-	-	25,000,000	-
Total Use of Funds	196,324	545,163	-	4,500,000	-	-	25,000,000	-
Net Change in fund balance	(5,863)	(544,998)	24,544	24,789	37	38	38	38
Ending Fund Balance	477,062	(67,936)	(43,392)	(18,603)	(18,565)	(18,528)	(18,490)	(18,451)
Ending Cash Balance	535,682	(45,608)	(21,064)	3,725	3,763	3,800	3,838	3,877

WATER FUND

The Water Fund was established as a Proprietary Fund for the accounting for costs of providing municipal water services to residents and businesses. The Water Fund is considered self-supporting in that the services rendered are financed through user charges.

The financial plan includes assets and liabilities in addition to the revenues and expenditures. There is a capitalization of certain expenses and the subsequent depreciation of the capitalized costs.

Revenue

The source of funds are charges for services, special assessments, developer fees and payments, and bond proceeds. A schedule of fees and charges is included in an Appendix.

Future growth from development, which impacts the projection of operating and non-operating revenue for the Water Fund, is assumed to be the following over the next decade:

- Nearly 965 acres platted between 2022-2027
- 2,590 new customer units to be added between 2022-2027

Details on the estimated acres platted per year and customer units added is shown in Table 3. Development will provide increasing revenue to the Water Fund.

The Plan estimates annual rate adjustments of 3.0%. The actual increase that may be needed in the future will depend on growth in customers. A new availability charge for water treatment and storage (on a per acre basis) was adopted in 2022.

With proposed annual rate adjustments, the Water Fund is projected to maintain adequate cash balance over the planning period. For purposes of the Plan, the revenue objective focused on providing revenue sufficient to achieve projected year-end cash balance to cover the following purposes:

- Three-months of operating expense
- Following-year debt service payments
- Following year capital acquisition (planned to be paid from cash)
- Reserves for future capital improvements and other reserve purposes

The Plan anticipates the issuance bonds in 2023 to finance water system improvements in the northeast area of the City.

Expense

The use of funds is to pay for the operation and capital improvements, and related debt service, for providing municipal water services, including depreciation of capital assets.

The City has an agreement with the City of Maple Grove which provides for payment to Maple Grove for water connections and distribution in the southeast area of the City.

Approximately 40% of the Water Fund expenses are estimated to be fixed costs, this amount fluctuates somewhat from year to year and has been declining as the number of customers using the system has increased.

The City anticipates the addition of approximately 1.61 FTE (allocated portion) over the next five years paid by

the Water Fund. The cost of the FTE's is included in the financial plan.

Annual debt service payments on bonds issued to finance water improvements are supported by net revenues of the Water Fund. The Water Fund pays a portion of the debt on the 2014B Bonds. The portion of the 2014B Bonds payable from water revenues is reported as a liability of the Water Fund. As payments on the debt are made the liability in the Water Fund is reduced. Interest is recorded as an expense.

In addition to this liability, it is anticipated cash from the Water Fund will be transferred to the Governmental Debt Service Funds to pay a portion of the 2016A Bonds. Beginning in year 2026, the Water Fund is also projected to begin transferring funds to pay an allocated portion (10%) of the debt on the planned bonds for municipal facilities improvements.

The Water Fund reports a debt obligation for the Notes payable to the City of Maple Grove for water connection charges. As payment is made on the Notes the liability in the Water Fund is reduced. The interest expense on the Note issued in 2014 is recorded as an expense in the Water Fund. There is no interest payable on the Note issued in 2016.

Depreciation is reported as an expense and is adjusted for anticipated annual depreciable capital acquisitions. For purposes of the Plan, capital is depreciated over a 55 year term.

Transfers To and From Other Funds

The Water Fund transfers funds annually to the General Fund to pay for operational support.

Special assessment revenue from assessments levied

to finance connection fees and availability charges for water services are deposited directly in the Water Fund. As noted above, cash from the Water Fund is to be transferred to the City's Governmental Debt Service Funds to pay allocated portions of debt service.

Financial Plans

CHART 27
Water Fund

Ending cash balance will decline as the City spends down development fees (reserves) collected to service debt issued to finance water improvement projects to support development

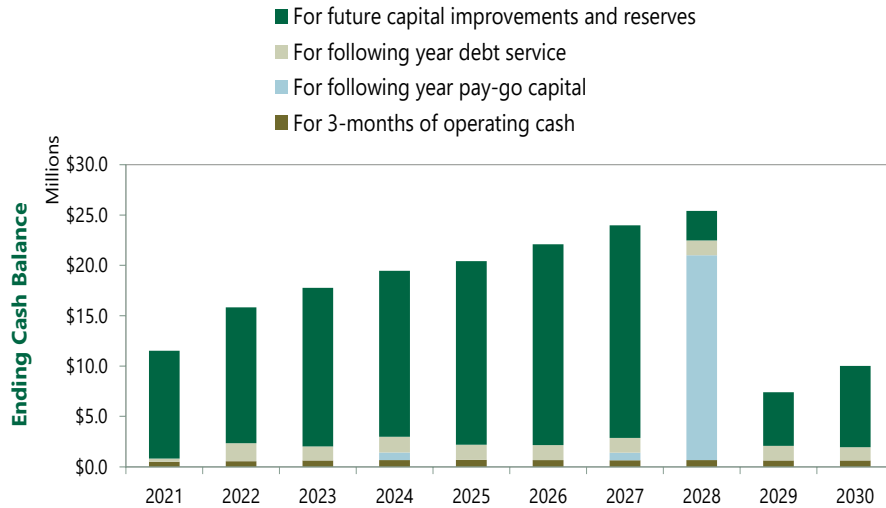


CHART 29
Water Fund

Revenues will exceed expenses due to the timing of collection of development related revenues and the use of these funds for capital improvements, including water treatment and storage

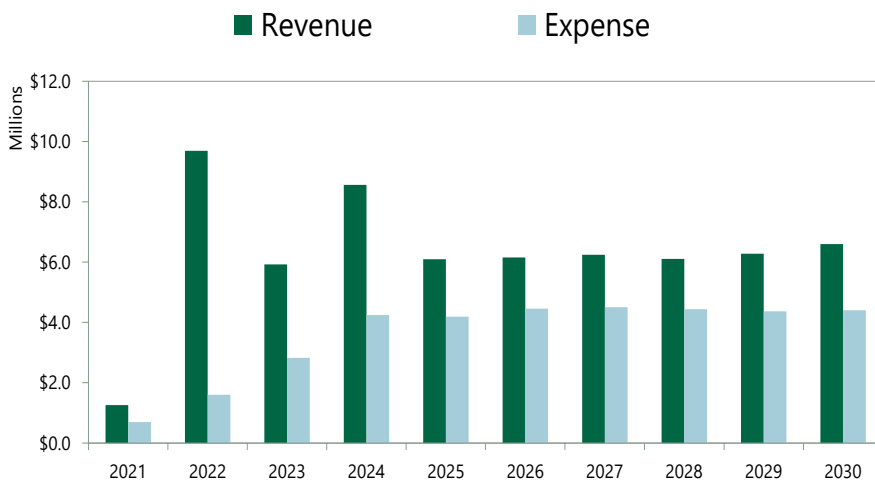


CHART 28
Water Fund

Water Fund is projected to accumulate cash from development charges to pay for future planned capital resulting in an increase in net position

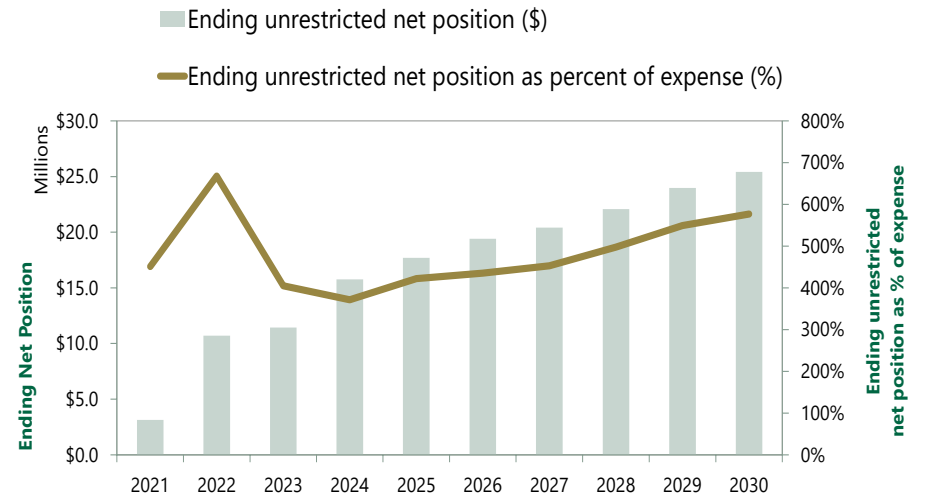


CHART 30

New customers to be added will increase water volumes

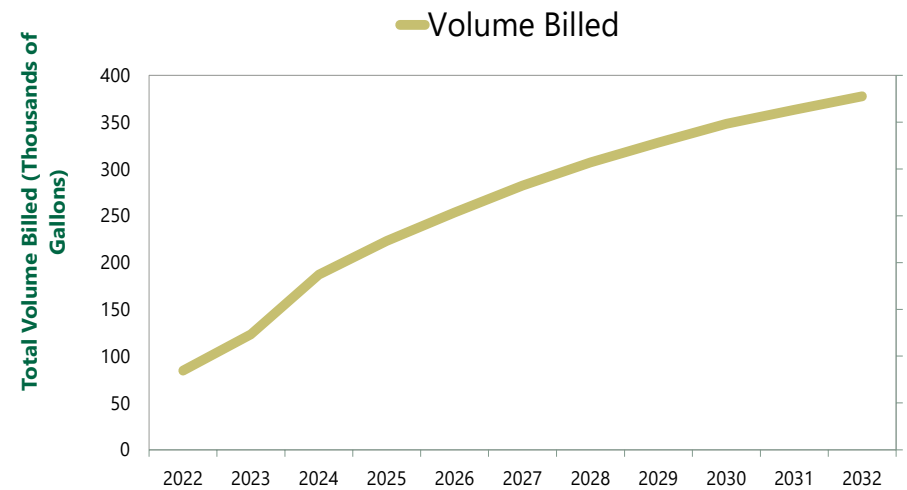


Table 14
Page 1 of 2 of Table 14
City of Corcoran
Water Fund

	Prior Year Actuals		Current Year	Projected				
	2020	2021	2022	2023	2024	2025	2026	2027
REVENUE								
Charges for services	287,892	470,871	544,998	874,731	1,343,499	1,559,364	1,792,903	2,062,826
Special assessments								
Developer contributions (trunk line)	303,582	373,626	8,110,109	3,445,282	3,760,536	2,436,706	2,509,810	2,340,261
Connection fees	281,017	337,895	292,648	583,459	2,330,613	765,077	528,354	487,794
Connection fees payable to MG		-	708,288	914,868	1,015,049	1,173,457	1,144,361	1,158,815
Other revenues		74,675	-	-	-	-	-	-
Investment income	24,849	2,014	34,322	107,850	115,133	158,329	177,596	194,673
Total Revenue	897,340	1,259,081	9,690,365	5,926,191	8,564,830	6,092,932	6,153,024	6,244,368
EXPENSES								
Variable								
Current oper expenses	128,923	356,361	104,411	175,043	261,607	292,705	312,487	333,361
Current oper expenses for NE Dist			-	312,863	340,673	345,308	345,308	345,308
Purchased water (from Maple Grove)	151,640	-	148,585	353,753	460,439	571,796	691,527	769,511
Water meters	80,000	-	103,365	173,942	149,652	147,194	129,696	115,161
Capital maintenance	25,750	-	-	-	-	-	-	-
Connections paid to Maple Grove	-		708,288	914,868	1,015,049	1,173,457	1,144,361	1,158,815
Subtotal Variable Expenses	386,313	356,361	1,064,649	1,930,469	2,227,420	2,530,461	2,623,378	2,722,155
Fixed								
Transfer to General Fund	109,436	134,582	227,074	267,750	275,783	284,056	292,578	301,355
Transfer to Debt Service Funds	25,640		89,295	63,255	62,855	62,455	239,762	183,970
Interest and fiscal exp bonds	70,170	49,758	59,589	55,279	1,172,928	813,072	798,701	783,760
Interest exp notes payable to MG	8,624	11,335	9,969	8,624	7,206	5,709	4,130	2,464
Depreciation	106,461	142,927	152,018	497,472	497,472	497,472	497,472	511,109
Subtotal Fixed Expenses	320,331	338,602	537,945	892,381	2,016,244	1,662,764	1,832,643	1,782,658
Total Expense	706,644	694,963	1,602,594	2,822,850	4,243,664	4,193,225	4,456,021	4,504,813
CHANGE IN NET POSITION								
	190,696	564,118	8,087,771	3,103,341	4,321,166	1,899,707	1,697,003	1,739,555
Net Position, January 1	4,637,901	4,251,080	4,815,198	12,902,969	16,006,310	20,327,476	22,227,184	23,924,186
Prior Period Adjustment	(577,517)							
Net Position, December 31	4,251,080	4,815,198	12,902,969	16,006,310	20,327,476	22,227,184	23,924,186	25,663,741

Table 14
Page 2 of 2 of Table 14
City of Corcoran
Water Fund

	Prior Year Actuals		Current Year	Projected				
	2020	2021	2022	2023	2024	2025	2026	2027
ASSETS								
Cash	4,254,564	3,432,211	10,785,044	11,513,321	15,832,862	17,759,599	19,467,280	20,426,516
Accounts receivable	16,623	100,663	20,000	20,000	20,000	20,000	20,000	20,000
Special assessments receivable	222,703	192,662	154,647	116,632	78,617	40,602		
Other current assets	2,396	2,430	2,000	2,000	2,000	2,000	2,000	2,000
Capital assets	4,454,478	4,596,291	5,096,291	24,096,291	24,096,291	24,096,291	24,096,291	24,846,291
Less accumulated depreciation	(522,297)	(665,225)	(817,243)	(1,314,715)	(1,812,188)	(2,309,660)	(2,807,133)	(3,318,242)
Total Assets	8,428,467	7,659,032	15,240,740	34,433,529	38,217,583	39,608,831	40,778,438	41,976,565
LIABILITIES								
Accounts payable	307,731	42,763	10,000	10,000	10,000	10,000	10,000	10,000
Other liabilities / Due to Other Govts	1,219,072	260,328	15,000	15,000	15,000	15,000	15,000	15,000
Bond premium amortized	106,426	77,086	76,386	75,686	74,986	74,286	73,586	72,886
Notes payable to Maple Grove	309,158	270,057	231,384	191,233	149,520	106,162	61,066	14,138
Bonds payable, net of premiums	2,235,000	2,172,500	2,005,000	18,135,300	17,640,600	17,176,200	16,694,600	16,200,800
Total Liabilities	4,177,387	2,822,734	2,337,770	18,427,219	17,890,106	17,381,648	16,854,252	16,312,824
Net investment in capital assets	1,974,737	1,681,480	2,197,662	4,570,590	4,568,517	4,536,145	4,520,972	5,254,363
Unrestricted net assets	2,276,343	3,133,718	10,705,307	11,435,721	15,758,959	17,691,039	19,403,214	20,409,378
Total Net Position	4,251,080	4,815,198	12,902,969	16,006,310	20,327,476	22,227,184	23,924,186	25,663,741
Total Liabilities and Net Position	8,428,467	7,637,932	15,240,740	34,433,529	38,217,583	39,608,831	40,778,438	41,976,565

TABLE 15
 Page 1 of 3 of Table 15
City of Corcoran
Projected Water Revenues

	2022	2023	2024	2025	2026	2027
WATER CHARGES FOR SERVICE (REVENUE)						
Residential						
Water Base Charge	242,503	372,728	546,403	695,466	836,837	985,560
Usage Charges:						
Tier 1: Water usage 0 to 4,999 gallons	150,427	231,206	339,589	431,896	520,227	611,857
Tier 2: Water usage 5,000 to 8,999 gallons	33,146	50,899	74,646	95,116	114,338	134,629
Tier 3: Water usage 9,000 to 19,999 gallons	8,280	12,743	18,662	23,733	28,549	33,617
Tier 4: Water usage 20,000 gallons over	-	-	-	-	-	-
Water Volume Billed	191,852	294,848	432,897	550,745	663,114	780,103
Multi-Residential						
Water Base Charge	-	-	55,594	58,385	61,298	64,358
Usage Charges						
Tier 1: Water usage 1,000 gallons +	-	-	44,676	46,971	49,266	51,714
Commercial						
Water Base Charge	9,777	10,585	11,453	12,377	13,366	14,426
Usage Charges						
Tier 1: Water usage 1,000 gallons +	3,222	3,486	3,773	4,083	4,405	4,752
Other Charges						
Meter Charges	97,644	193,084	248,705	191,336	164,617	161,913
Total Charges for Services	544,998	874,731	1,343,499	1,559,364	1,792,903	2,062,826

TABLE 15
 Page 2 of 3 of Table 15
City of Corcoran
Projected Water Revenues

	2022	2023	2024	2025	2026	2027
WATER NON-OPERATING (DEVELOPMENT) REVENUES						
Northeast Water Connection Charges (paid with building permit on per unit basis)						
Single Family Residential	106,760	200,524	1,068,813	269,604	46,282	-
Multi-Family Residential	-	-	835,400	-	-	-
Commercial/Other	-	-	-	-	-	-
Maple Grove Connection - Residential	242,760	-	-	-	-	-
Maple Grove Connection - Commercial/Other	-	-	-	-	-	-
Southeast Water Connection Charges (paid with building permit on per unit basis)						
Single Family Residential	184,632	381,642	425,068	494,100	480,658	486,337
Multi-Family Residential	-	-	-	-	-	-
Commercial/Other	1,256	1,294	1,333	1,373	1,414	1,456
Maple Grove Connection - Residential	419,832	867,802	966,570	1,123,524	1,092,930	1,105,841
Maple Grove Connection - Commercial/Other	45,696	47,067	48,479	49,933	51,431	52,974
Trunk Line Availability Charges (paid at time of development on per acre basis)						
Northeast Corcoran / Water Availability	1,795,616	728,236	476,244	490,532	505,248	520,404
Northeast Corcoran / Treatment and Storage	2,900,029	1,176,141	769,160	792,236	816,004	840,484
Southeast Corcoran / Water Availability	1,650,583	744,889	1,215,843	557,826	574,560	473,438
Southeast Corcoran / Treatment and Storage	1,763,881	796,017	1,299,289	596,112	613,998	505,934
Total Non-Operating Revenues	9,111,045	4,943,609	7,106,198	4,375,240	4,182,525	3,986,869

TABLE 15
 Page 3 of 3 of Table 15
City of Corcoran
Projected Water Revenues

	2022	2023	2024	2025	2026	2027
Charges for water usage	195,075	298,334	481,345	601,799	716,785	836,570
Base service charges	252,280	383,313	613,449	766,228	911,501	1,064,343
Charge for meter	97,644	193,084	248,705	191,336	164,617	161,913
Total Charges for Services	544,998	874,731	1,343,499	1,559,364	1,792,903	2,062,826
Water connection charges (City)	292,648	583,459	2,330,613	765,077	528,354	487,794
Water connection charges (Maple Grove)	708,288	914,868	1,015,049	1,173,457	1,144,361	1,158,815
Total Connection Fees	1,000,936	1,498,327	3,345,662	1,938,534	1,672,715	1,646,608
Water trunk line availability charges (City)	8,110,109	3,445,282	3,760,536	2,436,706	2,509,810	2,340,261
Grand Total	9,656,043	5,818,340	8,449,697	5,934,603	5,975,428	6,049,695

Details for Total Charges for Services:

Residential usage and base charges	434,355	667,576	979,299	1,246,211	1,499,951	1,765,663
Multi-Residential usage and base charges	-	-	100,270	105,356	110,564	116,072
Commercial usage and base charges	9,777	10,585	11,453	12,377	13,366	14,426
Meter charges	97,644	193,084	248,705	191,336	164,617	161,913
Total Charges for Services	541,776	871,245	1,339,726	1,555,281	1,788,498	2,058,074

Total Charges for Services is calculated based on assumptions for fee schedule and customer units and volume in the Plan.

Table 16
City of Corcoran
Water Fund

	Actual 2021	2022	2023	2024	2025	2026	2027
Use of Cash							
Operations & Maintenance	356,361	1,064,649	1,930,469	2,227,420	2,530,461	2,623,378	2,722,155
Capital Improvements	141,813	500,000	19,000,000	-	-	-	750,000
Interfund Transfers (not incl for debt)	134,582	227,074	267,750	275,783	284,056	292,578	301,355
Debt Service (incl transfers for debt)	162,694	365,026	337,010	1,779,402	1,388,994	1,569,288	1,510,922
Total Use of Cash	795,450	2,156,749	21,535,229	4,282,604	4,203,511	4,485,244	5,284,432
Source of Cash							
Charges for services and other operating revenue	547,560	579,321	982,582	1,458,632	1,717,692	1,970,499	2,257,499
Development related fees	711,521	9,111,045	4,943,609	7,106,198	4,375,240	4,182,525	3,986,869
Bond Proceeds	-	-	16,300,000	-	-	-	-
Interfund Transfers	-	-	-	-	-	-	-
Total Source of Cash	1,259,081	9,690,365	22,226,191	8,564,830	6,092,932	6,153,024	6,244,368
Net Change in Other Assets and Liabilities	(1,285,984)	(180,783)	37,315	37,315	37,315	39,902	(700)
Contributing (Reducing) Cash							
Change in Cash Balance	(822,353)	7,352,833	728,277	4,319,541	1,926,736	1,707,682	959,236
Ending Cash and Investments	3,432,211	10,785,044	11,513,321	15,832,862	17,759,599	19,467,280	20,426,516
Ending Cash by Purpose							
For future capital / trunk fee reserve	2,680,427	10,153,856	10,693,694	13,496,606	15,737,989	16,492,147	18,235,055
For following year pay-go capital	500,000	-	-	-	-	750,000	-
For 3-months of operating cash	89,090	266,162	482,617	556,855	632,615	655,844	680,539
For following year debt service	162,694	365,026	337,010	1,779,402	1,388,994	1,569,288	1,510,922
Ending Cash and Investments	3,432,211	10,785,044	11,513,321	15,832,862	17,759,599	19,467,280	20,426,516

SEWER FUND

The Water Fund was established as a Proprietary Fund for the accounting for costs of providing municipal water services to residents and businesses. The Water Fund is considered self-supporting in that the services rendered are financed through user charges.

The financial plan includes assets and liabilities in addition to the revenues and expenditures. There is a capitalization of certain expenses and the subsequent depreciation of the capitalized costs.

Source of Funds

The source of funds are charges for services, special assessments, developer fees and payments, and bond proceeds. A schedule of fees and charges is included in an Appendix.

Future growth from development, which impacts the projection of operating and non-operating revenue for the Sewer Fund, is assumed to be the following over the next decade:

- Nearly 965 acres platted between 2022-2027
- 2,590 new customer units to be added between 2022-2027

Details on the estimated acres platted per year and customer units added is shown in Table 3. Development will provide increasing revenue to the Water Fund.

The Plan estimates annual rate adjustments of 3.0%. The actual increase that may be needed in the future will depend on growth in customers.

With proposed annual rate adjustments, the Sewer

Fund is projected to maintain adequate cash balance over the planning period. For purposes of the Plan, the revenue objective focused on providing revenue sufficient to achieve projected year-end cash balance to cover the following purposes:

- Three-months of operating expense
- Following-year debt service payments
- Following year capital acquisition (planned to be paid from cash)
- Reserves for future capital improvements and other reserve purposes

The Plan does not anticipate the issuance of bonds to finance sewer improvements.

Expense

The use of funds is to pay for the operation and capital improvements, and related debt service, for providing sewer services, including depreciation of capital assets.

Approximately 25-30% of the Water Fund expenses are estimated to be fixed costs, this amount fluctuates somewhat from year to year and has been declining as the number of customers using the system has increased.

The City anticipates the addition of approximately 1.61 FTE (allocated portion) over the next five years paid by the Sewer Fund. The cost of the FTE's is included in the financial plan.

Annual debt service payments on bonds issued to finance sewer related improvements are supported by net revenues of the Sewer Fund. The Sewer Fund pays a portion of the debt on the 2014B Bonds. The portion

of the 2014B Bonds payable from sewer revenues is reported as a liability of the Sewer Fund. In addition to this liability, the Sewer Fund transfers revenue to the Governmental Debt Service Funds to pay a portion of the 2016A Bonds. Beginning in year 2026, the Sewer Fund is also projected to begin transferring funds to pay a portion of the debt on the planned bonds for municipal facilities improvements.

Depreciation is reported as an expense and is adjusted for anticipated annual depreciable capital acquisitions. For purposes of the Plan, capital is depreciated over a 55 year term.

The City is planning for sewer extension project estimated at \$10.0 million in 2027, the North Sewer Connection Project. The plan is to use cash to pay for this project. The exact timing will depend on growth.

Transfers To and From Other Funds

The Sewer Fund transfers funds annually to the General Fund to pay for operational support.

As noted above, cash from the Sewer Fund is to be transferred to the City's Governmental Debt Service Funds to pay allocated portions of debt service.

Financial Plans

CHART 31
Sewer Fund

Ending cash balance will decline as the City spends down development fees (reserves) collected to service debt issued to finance sewer improvement projects to support development

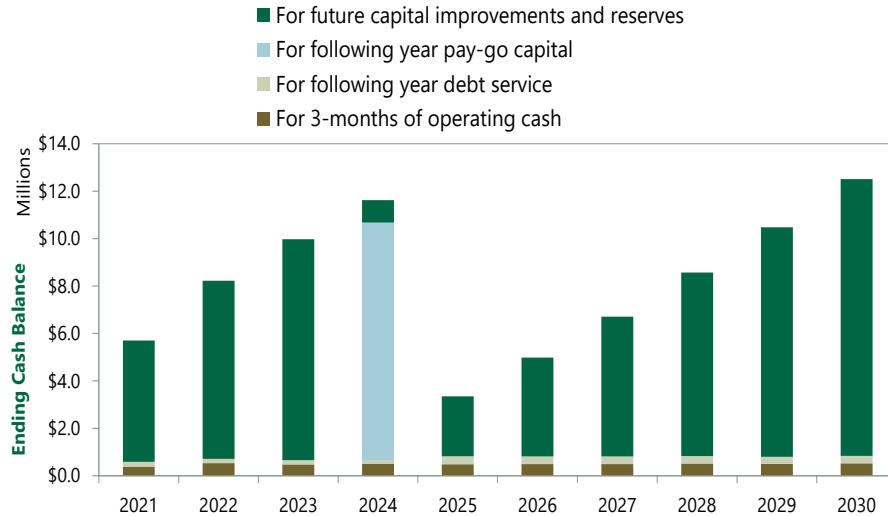


CHART 33
Sewer Fund

Revenues will exceed expenses due to the timing of collection of development related revenues and the use of these funds for capital improvements, including water treatment and storage

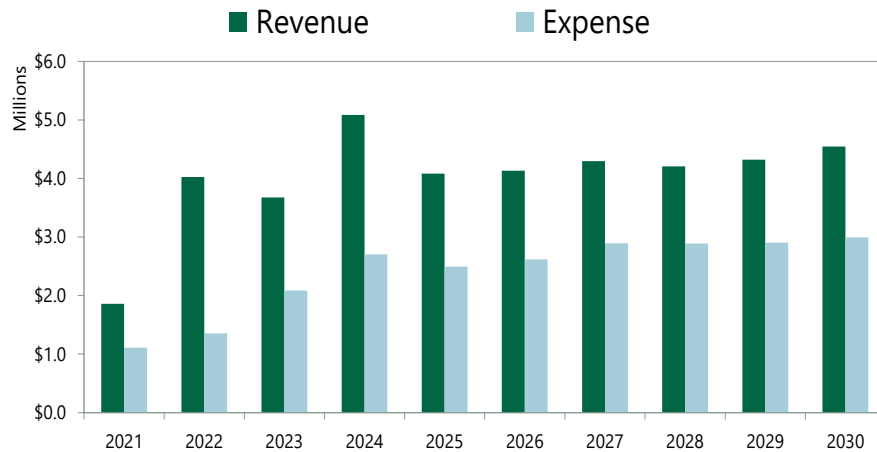


CHART 32
Sewer Fund

Sewer Fund is projected to accumulate cash from development charges to pay for future planned capital resulting in changes in net position over time

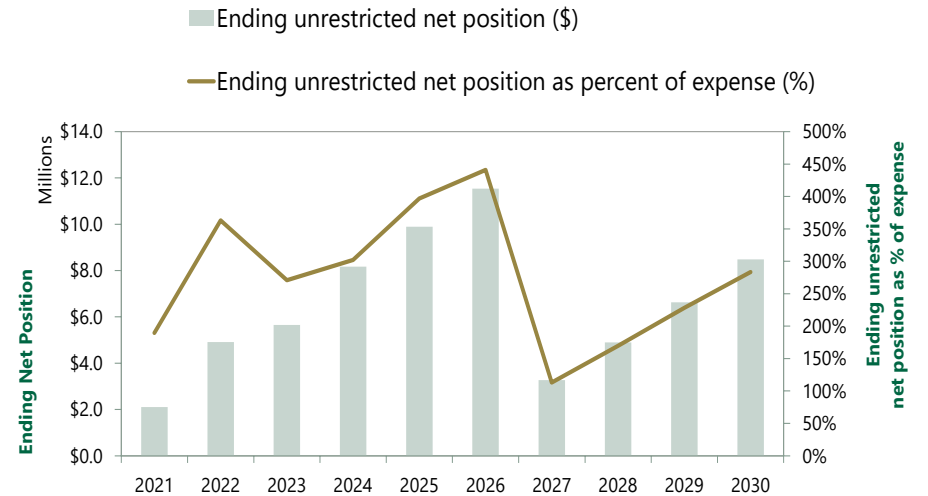


CHART 34
Sewer Fund

New customers to be added will increase sewer flow billed

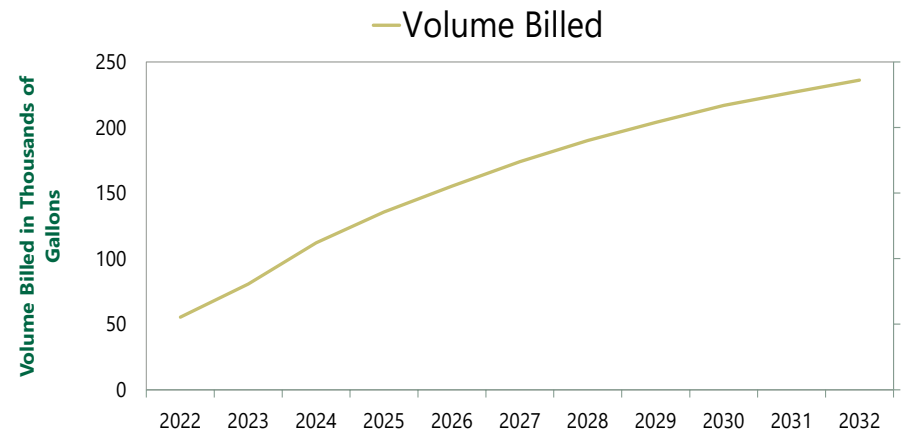


TABLE 17
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City of Corcoran
Sewer Fund
Financial Plan

	Prior Year Actuals		Current Year	Projected				
	2020	2021	2022	2023	2024	2025	2026	2027
REVENUE								
Charges for services	206,037	346,950	521,664	780,108	1,223,552	1,500,240	1,752,810	2,009,185
Special assessments								
Developer contributions (trunk line charges)			2,621,370	1,128,826	1,372,443	809,170	833,450	755,436
Connection fees	336,117	877,639	289,619	577,415	960,277	571,844	491,049	482,735
Connection fees payable to Met Council	334,276	576,520	576,520	1,151,820	1,486,930	1,140,510	978,950	962,221
Other revenues	24,608	57,160	-	-	-	-	-	-
Investment income	7,496	724	15,239	37,191	42,798	61,690	74,829	87,185
Total Revenue	908,534	1,858,993	4,024,412	3,675,360	5,086,001	4,083,454	4,131,089	4,296,762
EXPENSES								
Variable								
Current operating expenses	28,926	72,725	74,907	144,654	230,306	260,465	279,279	299,158
Current operating expenses for NE District								
Disposal charges (\$2.81 plus inflator after 2022)	46,594	74,556	139,713	204,977	396,900	497,077	592,409	692,702
Connections paid to Met Council	334,276	576,520	576,520	1,151,820	1,486,930	1,140,510	978,950	962,221
<i>Subtotal Variable Expenses</i>	<i>409,796</i>	<i>723,801</i>	<i>791,140</i>	<i>1,501,451</i>	<i>2,114,136</i>	<i>1,898,052</i>	<i>1,850,638</i>	<i>1,954,080</i>
Fixed								
Transfer to General Fund	109,436	134,582	227,074	267,750	275,783	284,056	292,578	301,355
Transfer to Debt Service Funds	39,440		89,787	55,347	54,747	54,097	219,597	201,520
Interest expense on bonds	44,373	42,113	36,536	34,396	32,183	29,858	27,460	25,025
Depreciation	208,951	208,951	208,951	227,133	227,133	227,133	227,133	408,951
<i>Subtotal Fixed Expenses</i>	<i>402,200</i>	<i>385,646</i>	<i>562,348</i>	<i>584,626</i>	<i>589,845</i>	<i>595,144</i>	<i>766,767</i>	<i>936,851</i>
Total Expense	811,996	1,109,447	1,353,488	2,086,077	2,703,981	2,493,196	2,617,405	2,890,932
CHANGE IN NET POSITION	96,538	749,546	2,670,925	1,589,283	2,382,020	1,590,258	1,513,683	1,405,830
Net Position, January 1	5,422,429	5,518,967	6,268,513	8,939,438	10,528,721	12,910,741	14,500,999	16,014,682
Net Position, December 31	5,518,967	6,268,513	8,939,438	10,528,721	12,910,741	14,500,999	16,014,682	17,420,512

TABLE 17
Page 2 of 2 of Table 17
City of Corcoran
Sewer Fund
Financial Plan

	Prior Year Actuals		Current Year	Projected				
	2020	2021	2022	2023	2024	2025	2026	2027
ASSETS								
Cash	1,243,873	2,031,865	4,958,798	5,706,421	8,225,274	9,977,217	11,624,633	3,348,213
Accounts receivable	25,194	125,010	20,000	20,000	20,000	20,000	20,000	20,000
Special assessments receivable	55,676	48,166	36,659	25,152	25,152			
Other current assets	599	12,074	2,000	2,000	2,000	2,000	2,000	2,000
Capital assets	6,395,158	6,395,158	6,395,158	7,395,158	7,395,158	7,395,158	7,395,158	17,395,158
Less accumulated depreciation	(700,274)	(909,226)	(1,118,177)	(1,345,310)	(1,572,443)	(1,799,575)	(2,026,708)	(2,435,659)
Total Assets	7,020,226	7,703,047	10,294,438	11,803,421	14,095,141	15,594,799	17,015,082	18,329,712
LIABILITIES								
Accounts payable	85,554	640	85,000	85,000	85,000	85,000	85,000	85,000
Other liabilities	18,677	114,947	20,000	20,000	20,000	20,000	20,000	20,000
Bond premium amortized	(12,972)	(13,553)						
Bonds payable, net of premiums	1,410,000	1,332,500	1,250,000	1,169,700	1,079,400	988,800	895,400	804,200
Total Liabilities	1,501,259	1,434,534	1,355,000	1,274,700	1,184,400	1,093,800	1,000,400	909,200
Net investment in capital assets	4,297,856	4,166,985	4,026,981	4,880,148	4,743,315	4,606,783	4,473,050	14,155,299
Unrestricted net assets	1,221,111	2,101,528	4,912,457	5,648,573	8,167,426	9,894,217	11,541,633	3,265,213
Total Net Position	5,518,967	6,268,513	8,939,438	10,528,721	12,910,741	14,500,999	16,014,682	17,420,512
Total Liabilities and Net Position	7,020,226	7,703,047	10,294,438	11,803,421	14,095,141	15,594,799	17,015,082	18,329,712

Table 18
Page 1 of 2 of Table 18
City of Corcoran
Projected Sewer Revenues

	2021	2022	2023	2024	2025	2026	2027
SEWER CHARGES FOR SERVICES							
Residential							
Sewer Base Charge	\$258,733	\$347,980	\$524,659	\$754,527	\$941,897	\$1,111,885	\$1,284,644
Usage Charges:							
Tier 1: Sewer volume	\$117,974	\$158,807	\$239,604	\$344,514	\$429,624	\$507,775	\$586,843
Multi-Residential							
Sewer Base Charge	\$0	\$0	\$0	\$76,770	\$79,073	\$81,445	\$83,888
Usage Charges:							
Tier 1: Sewer volume	\$0	\$0	\$0	\$30,929	\$31,824	\$32,819	\$33,813
Sewer Volume Billed	\$0	\$0	\$0	\$30,929	\$31,824	\$32,819	\$33,813
Commercial							
Sewer Base Charge	\$10,781	\$11,351	\$12,058	\$12,795	\$13,566	\$14,373	\$15,216
Usage Charges:							
Tier 1: Water usage 1,000 gallons +	\$3,381	\$3,526	\$3,787	\$4,018	\$4,256	\$4,514	\$4,780
Total Charges for Services	\$390,869	\$521,664	\$780,108	\$1,223,552	\$1,500,240	\$1,752,810	\$2,009,185
SEWER NON-OPERATING (DEVELOPMENT) REVENUES							
Northeast Sewer Connection Charges (paid with building permit on per unit basis)							
Single Family Residential	\$108,745	\$105,655	\$198,447	\$323,082	\$81,498	\$13,990	\$0
Multi-Residential	\$0	\$0	\$0	\$215,212	\$0	\$0	\$0
Commercial/Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MCES connection charge (per unit)	\$226,135	\$211,225	\$396,738	\$645,918	\$162,930	\$27,970	\$0
Southeast Sewer Connection Charges (paid with building permit on per unit basis)							
Single Family Residential	\$167,300	\$182,721	\$377,689	\$420,665	\$488,988	\$475,660	\$481,294
Multi-Residential	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Commercial/Other	\$1,195	\$1,243	\$1,280	\$1,319	\$1,358	\$1,399	\$1,441
MCES connection charge (per unit)	\$347,900	\$365,295	\$755,082	\$841,012	\$977,580	\$950,980	\$962,221
Trunk Line Availability Charges (paid at time of development on per acre basis)							
Corcoran (NE and SE)	\$555,135	\$2,621,370	\$1,128,826	\$1,372,443	\$809,170	\$833,450	\$755,436
Total Non-Operating Revenues	\$1,406,410	\$3,487,509	\$2,858,061	\$3,819,650	\$2,521,524	\$2,303,449	\$2,200,392

Table 18
Page 2 of 2 of Table 18

City of Corcoran
Projected Sewer Revenues

	2021	2022	2023	2024	2025	2026	2027
SUMMARY OF REVENUE BY TYPE AND CUSTOMER CLASSIFICATION							
Charges for sewer volume	\$121,355	\$162,333	\$243,391	\$379,461	\$465,704	\$545,108	\$625,437
Base service charges	\$269,514	\$359,331	\$536,717	\$844,091	\$1,034,536	\$1,207,702	\$1,383,748
Total Charges for Services	\$390,869	\$521,664	\$780,108	\$1,223,552	\$1,500,240	\$1,752,810	\$2,009,185
Sewer connection charges (City)	\$277,240	\$289,619	\$577,415	\$960,277	\$571,844	\$491,049	\$482,735
Sewer connection charges (MCES)	\$574,035	\$576,520	\$1,151,820	\$1,486,930	\$1,140,510	\$978,950	\$962,221
Total Connection Charges	\$851,275	\$866,139	\$1,729,235	\$2,447,207	\$1,712,354	\$1,469,999	\$1,444,956
Sewer trunk line availability charges	\$555,135	\$2,621,370	\$1,128,826	\$1,372,443	\$809,170	\$833,450	\$755,436
Grand Total	\$1,223,244	\$3,432,653	\$2,486,349	\$3,556,273	\$2,881,255	\$3,077,309	\$3,247,356
Residential usage and base charges	\$376,708	\$506,787	\$764,263	\$1,099,041	\$1,371,521	\$1,619,660	\$1,871,487
Multi-Residential usage and base charges	\$0	\$0	\$0	\$107,699	\$110,897	\$114,264	\$117,701
Commercial usage and base charges	\$14,161	\$14,877	\$15,845	\$16,813	\$17,822	\$18,887	\$19,996
Total Charges for Services	\$390,869	\$521,664	\$780,108	\$1,223,552	\$1,500,240	\$1,752,810	\$2,009,185

Table 19
Sewer Fund
Projected Year End Cash Balance

	Actual 2021	2022	2023	2024	2025	2026	2027
Use of Cash:							
Operations & Maintenance	709,506	973,419	1,507,687	2,121,568	1,905,676	2,024,659	1,944,781
Capital Improvements	-	-	1,000,000	-	-	-	10,000,000
Interfund Transfers (not incl for debt)	109,436	134,582	227,074	267,750	275,783	284,056	292,578
Debt Service (incl transfers for debt)	159,053	119,036	204,483	177,830	175,205	174,957	335,822
Total Use of Cash	977,995	1,227,037	2,939,244	2,567,148	2,356,663	2,483,673	12,573,181
Source of Cash:							
Charges for services and other operating revenue	404,834	536,903	817,299	1,266,351	1,561,930	1,827,640	2,096,370
Development related fees	1,454,159	3,487,509	2,858,061	3,819,650	2,521,524	2,303,449	2,200,392
Bond Proceeds	-	-	-	-	-	-	-
Interfund Transfers	-	-	-	-	-	-	-
Total Source of Cash	1,858,993	4,024,412	3,675,360	5,086,001	4,083,454	4,131,089	4,296,762
Net Change in Other Assets and Liabilities	(93,006)	129,557	11,507	-	25,152	-	-
Increasing/(Reducing) Cash							
Beginning Cash Balance	1,243,873	2,031,865	4,958,798	5,706,421	8,225,274	9,977,217	11,624,633
Change in Cash Balance	787,992	2,926,933	747,623	2,518,853	1,751,943	1,647,416	(8,276,419)
Ending Cash and Investments	2,031,865	4,958,798	5,706,421	8,225,274	9,977,217	11,624,633	3,348,213
Ending Cash by Purpose							
For future capital / trunk fee reserve	1,695,435	3,596,407	5,125,016	7,517,052	9,325,592	943,510	2,526,196
For following year pay-go capital	-	1,000,000	-	-	-	10,000,000	-
For 3-months of operating cash	177,377	243,355	376,922	530,392	476,419	506,165	486,195
For following year debt service	159,053	119,036	204,483	177,830	175,205	174,957	335,822
Ending Cash and Investments	2,031,865	4,958,798	5,706,421	8,225,274	9,977,217	11,624,633	3,348,213

**Appendix
Table A
Page 1 of 3 for Table A
City of Corcoran
Fees and Charges**

	2021	2022	2023	2024	2025	2026	2027
Annual % adjustment to base and usage Water fees:			5.0%	5.0%	5.0%	5.0%	5.0%
Annual % adjustment to base and usage Sewer fees:			3.0%	3.0%	3.0%	3.0%	3.0%
Annual % adjustment to Water connection fee:			3.0%	3.0%	3.0%	3.0%	3.0%
Annual % adjustment to Sewer connection fee:			3.0%	3.0%	3.0%	3.0%	3.0%
Annual % adjustment to Southeast Water TLAC fee:			3.0%	3.0%	3.0%	3.0%	3.0%
Annual % adjustment to Northeast Water TLAC fee:			3.0%	3.0%	3.0%	3.0%	3.0%
Annual % adjustment to Sewer TLAC fee:			3.0%	3.0%	3.0%	3.0%	3.0%
RESIDENTIAL							
Water Base Charge	\$20.00	\$20.60	\$21.63	\$22.71	\$23.85	\$25.04	\$26.29
Sewer Base Charge	\$28.98	\$29.56	\$30.45	\$31.36	\$32.30	\$33.27	\$34.27
Usage Charges							
Tier 1: Water usage 0 to 4,999 gallons	\$2.14	\$2.20	\$2.31	\$2.43	\$2.55	\$2.68	\$2.81
Tier 2: Water usage 5,000 to 8,999 gallons	\$2.57	\$2.65	\$2.78	\$2.92	\$3.07	\$3.22	\$3.38
Tier 3: Water usage 9,000 to 19,999 gallons	\$3.21	\$3.31	\$3.48	\$3.65	\$3.83	\$4.02	\$4.22
Tier 4: Water usage 20,000 gallons over	\$4.28	\$4.28	\$4.49	\$4.71	\$4.95	\$5.20	\$5.46
Sewer (sewer based on winter water usage) per 1,000 gallo	\$2.87	\$2.93	\$3.02	\$3.11	\$3.20	\$3.30	\$3.40
MULTI-RESIDENTIAL (7+Units)							
Water Base Charge	\$20.00	\$20.60	\$21.63	\$22.71	\$23.85	\$25.04	\$26.29
Sewer Base Charge	\$28.98	\$29.56	\$30.45	\$31.36	\$32.30	\$33.27	\$34.27
Usage Charges							
Tier 1: Water usage	\$2.14	\$2.65	\$2.78	\$2.92	\$3.07	\$3.22	\$3.38
Sewer (sewer based on winter water usage) per 1,000 gallo	\$2.87	\$2.90	\$3.02	\$3.11	\$3.20	\$3.30	\$3.40
NON-RESIDENTIAL							
Water Base Charge (Less 3" Meter)	\$24.72	\$25.46	\$26.73	\$28.07	\$29.47	\$30.94	\$32.49
Sewer Base Charge	\$28.98	\$29.56	\$30.45	\$31.36	\$32.30	\$33.27	\$34.27
Usage Charges							
Tier 1: Water usage 1,000 gallons +	\$2.57	\$2.65	\$2.78	\$2.92	\$3.07	\$3.22	\$3.38
Sewer per 1,000 gallons	\$2.87	\$2.90	\$3.02	\$3.11	\$3.20	\$3.30	\$3.40

**Appendix
Table A
Page 2 of 3 for Table A
City of Corcoran
Fees and Charges**

	2021	2022	2023	2024	2025	2026	2027
OTHER FEES							
Maple Grove Water Usage Charge per 1,000 gallons	\$2.14	\$2.25	\$2.36	\$2.48	\$2.60	\$2.73	\$2.87
Meter Charge (Cost Plus 10%)	\$400	\$412	\$424	\$437	\$450	\$464	\$478
CONNECTION CHARGES							
Sewer Connection Charges							
Single Family Residential	\$1,195	\$1,243	\$1,280	\$1,319	\$1,358	\$1,399	\$1,441
Multi-Residential (7+Units)	\$955	\$995	\$1,024	\$1,055	\$1,087	\$1,119	\$1,153
Non-Residential	\$1,195	\$1,243	\$1,280	\$1,319	\$1,358	\$1,399	\$1,441
MCES connection charge (per unit)	\$2,485	\$2,485	\$2,560	\$2,636	\$2,716	\$2,797	\$2,881
Water Connection Charges							
Northeast Corcoran							
Single Family Residential Connection	\$1,219	\$1,256	\$1,294	\$4,363	\$4,493	\$4,628	\$4,767
Multi-Residential Connection	\$975	\$1,004	\$1,034	\$4,095	\$4,218	\$4,345	\$4,475
Non-Residential Connection	\$1,219	\$1,256	\$1,294	\$13,452	\$13,856	\$14,272	\$14,700
Maple Grove Residential Connection	\$2,720	\$2,856	\$2,942				
Maple Grove Commercial/Other Connection	\$10,880	\$11,424	\$11,767				
Southeast Corcoran							
Single Family Residential Connection	\$1,195	\$1,256	\$1,294	\$1,333	\$1,373	\$1,414	\$1,456
Multi- Residential Connection	\$955	\$1,004	\$1,034	\$1,066	\$1,098	\$1,131	\$1,165
Non-Residential Connection	\$1,195	\$1,256	\$1,294	\$1,333	\$1,373	\$1,414	\$1,456
Maple Grove Residential Connection	\$2,591	\$2,856	\$2,942	\$3,030	\$3,121	\$3,215	\$3,311
Maple Grove Commercial/Other Connection	\$10,364	\$11,424	\$11,767	\$12,120	\$12,483	\$12,858	\$13,244

**Appendix
Table A
Page 3 of 3 for Table A
City of Corcoran
Fees and Charges**

	2021	2022	2023	2024	2025	2026	2027
AVAILABILITY CHARGES*							
Sewer availability charge per acre of land	\$7,189	\$7,405	\$7,627	\$7,856	\$8,092	\$8,335	\$8,585
Northeast Corcoran*							
Watermain & Raw Water - Trunk Line Availability Charge (TLAC) - per acre: Northeast	\$16,789.00	\$11,222.60	\$11,559.30	\$11,906.10	\$12,263.30	\$12,631.20	\$13,010.10
Treatment & Storage - Trunk Line Availability Charge (TLAC) - per acre: Northeast		\$18,125.18	\$18,668.90	\$19,229.00	\$19,805.90	\$20,400.10	\$21,012.10
Southeast Corcoran*							
Watermain & Raw Water - Trunk Line Availability Charge (TLAC) - per acre: Southeast	\$7,475.00	\$8,508.16	\$8,763.40	\$9,026.30	\$9,297.10	\$9,576.00	\$9,863.30
Treatment & Storage - Trunk Line Availability Charge (TLAC) - per acre: Southeast		\$9,092.17	\$9,364.90	\$9,645.80	\$9,935.20	\$10,233.30	\$10,540.30

* Prior to 5/12/2022, the City had just one TLAC charge for water trunk line availability. Effective 5/12/2022, the City adjusted the amount charged for availability of water services to include two separate charges, as described here. In addition, effective 5/12/2022, at time of adopting a new "Treatment & Storage" charge, the City adopted adjustments to the amount charged for Watermain & Raw Water TLAC. The amounts shown for year 2022 reflect the rates as of 5/12/2022.

Notes to Table A:

1. Fee schedule is based on Corcoran constructing its own water system to serve northeast Corcoran beginning in year 2023. Changes to northeast water connection charges are based on this assumption.
2. After year 2030, for purposes of preparing financial plans, it is assumed that rates continue to be adjusted by the same percentage changes shown in year 2024.
3. This schedule does not include all city fees for water and sewer. For purpose of financial planning, the schedule only includes fees for the most frequent and material sources of revenue to the City.

Appendix
Table B
City of Corcoran
Property Tax Levy Planned for Debt Service

Levy Collection Year	Debt Service Levy for Equipment							Debt Service Levy for Facilities, Parks, and Street Improvements (Includes Tax Abatement)					Combined Total
	EXISTING 2016A Bonds - Equipment	EXISTING 2018A Bonds - Equipment Portion	EXISTING 2020 Bonds - Equipment	EXISTING 2022 Bonds - Equipment	NEW 2024 Bonds - Equipment	NEW 2026 Bonds - Equipment	Subtotal	EXISTING G.O. 2012B CIP Bonds, Refunded with 2020B	EXISTING 2018A Bonds - Abatement (Parks)	NEW 2023A for Street and Park improvements	NEW 2026A Bonds for Municipal Building	Subtotal	Total Estimated Levy (with coverage) ²
2022	39,690	81,323	104,475	-	-	-	225,488	222,485	111,746	-	-	334,231	559,718
2023	38,955	79,275	102,690	249,624	-	-	470,544	224,375	109,384	-	-	333,758	804,302
2024	38,220	82,478	106,155	247,734	-	-	474,586	231,410	107,021	254,598	-	593,028	1,067,615
2025	37,485	80,273	104,265	250,884	261,660	-	734,566	232,985	109,909	877,590	-	1,220,483	1,955,050
2026	-	78,068	102,375	248,364	259,560	235,620	923,987	234,455	107,389	876,808	1,076,600	2,295,251	3,219,238
2027		81,113	105,735	250,884	262,500	262,290	962,522	235,820	110,119	880,493	1,357,272	2,583,704	3,546,225
2028			103,740	252,984	265,020	265,440	887,184	231,830	107,441	877,685	1,361,472	2,578,427	3,465,612
2029			101,745	249,414	261,870	262,920	875,949	238,340	110,014	878,756	1,360,464	2,587,573	3,463,522
2030			-	250,884	263,760	265,440	780,084	241,490	107,084	883,460	1,362,816	2,594,849	3,374,934
2031			-	249,047	265,230	262,290	776,567	244,157	109,405	886,276	1,359,960	2,599,797	3,376,364
2032			-	-	261,030	264,180	525,210	246,761	111,563	887,127	1,360,464	2,605,914	3,131,124
2033			-	-	-	256,620	265,650	249,076	108,281	885,932	1,364,160	2,607,449	3,129,719
2034			-	-	-	-	266,700	246,073	-	893,114	1,362,480	2,501,667	2,768,367
2035			-	-	-	-	262,080	247,858	-	892,366	1,363,992	2,504,216	2,766,296
2036			-	-	-	-	-	254,814	-	894,695	1,364,328	2,513,837	2,513,837
2037			-	-	-	-	-	261,366	-	894,537	1,363,488	2,519,391	2,519,391
2038			-	-	-	-	-	-	-	876,070	1,365,672	2,241,742	2,241,742
2039			-	-	-	-	-	-	-	-	1,366,512	1,366,512	1,366,512
2040			-	-	-	-	-	-	-	-	1,366,008	1,366,008	1,366,008
2041			-	-	-	-	-	-	-	-	1,368,360	1,368,360	1,368,360
2042			-	-	-	-	-	-	-	-	1,369,200	1,369,200	1,369,200
2043			-	-	-	-	-	-	-	-	1,368,528	1,368,528	1,368,528
2044			-	-	-	-	-	-	-	-	1,370,544	1,370,544	1,370,544
2045			-	-	-	-	-	-	-	-	1,370,880	1,370,880	1,370,880
2046			-	-	-	-	-	-	-	-	1,373,736	1,373,736	1,373,736
2047			-	-	-	-	-	-	-	-	1,374,744	1,374,744	1,374,744
2048			-	-	-	-	-	-	-	-	1,373,904	1,373,904	1,373,904
2049			-	-	-	-	-	-	-	-	1,375,416	1,375,416	1,375,416
2050			-	-	-	-	-	-	-	-	1,349,712	1,349,712	1,349,712
Total	262,079	723,503	932,085	2,249,822	2,357,250	2,612,610	9,381,348	4,527,472	1,637,769	12,639,505	33,850,712	52,655,458	62,036,806

Notes:

1/ The tax levy amounts above include the 5% overlevy (for delinquent property taxes).

2/ The 2018A Bonds includes tax abatement levy.

**APPENDIX
TABLE C
Planned Staffing Additions and Changes**

YEAR	DESCRIPTION	FTE	AMOUNT	GENERAL FUND	WATER FUND	SEWER FUND
2023	PT Rec. Prog. (increase to .46 FTE)	0.21	\$10,000	\$10,000	\$0	\$0
2023	Planning Admin. Asst. (move to FT)	0.50	\$50,000	\$50,000	\$0	\$0
2023	Police Officer	1.00	\$130,000	\$130,000	\$0	\$0
2023	Police Officer	0.25	\$35,000	\$35,000	\$0	\$0
2023	PT CSO (increase to 1.25 FTE)	0.25	\$6,000	\$6,000	\$0	\$0
2023	Fire Commander	0.25	\$26,000	\$26,000	\$0	\$0
2023	PW Utility Supt.	1.00	\$135,000	\$0	\$67,500	\$67,500
2023 Total		3.46	\$392,000	\$257,000	\$67,500	\$67,500
2024	Fire Commander	0.75	\$140,000	\$140,000	\$0	\$0
2024	.75 of the 2nd Police Officer Hire	0.75	\$100,000	\$100,000	\$0	\$0
2024	IT Manager	1.00	\$133,000	\$116,375	\$8,313	\$8,313
2024	Rec. Prog. (increase to .75 FTE)	0.50	\$26,000	\$26,000	\$0	\$0
2024	PT PD Records Tech	0.50	\$30,000	\$30,000	\$0	\$0
2024	Fire Inspector	1.00	\$100,000	\$100,000	\$0	\$0
2024	Planner 2	1.00	\$115,000	\$115,000	\$0	\$0
2024	PW Water Treatment Operator	1.00	\$115,000	\$0	\$57,500	\$57,500
2024	PW Maintenance Worker	1.00	\$105,000	\$84,000	\$10,500	\$10,500
2024	Communications Assistant to FT	0.50	\$50,000	\$40,000	\$5,000	\$5,000
2024 Total		8.00	\$914,000	\$751,375	\$81,313	\$81,313
2025	Finance Director (enhanced role)		\$20,000	\$16,000	\$2,000	\$2,000
2025	Accountant	1.00	\$105,000	\$73,500	\$15,750	\$15,750
2025	PW Mechanic	1.00	\$110,000	\$99,000	\$5,500	\$5,500
2025	CSO (change to FT with PT)	0.25	\$21,000	\$21,000	\$0	\$0
2025	PT Fire Duty Crew	2.00	\$200,000	\$200,000	\$0	\$0
2025	PW Parks Supervisor	1.00	\$137,000	\$137,000	\$0	\$0
2025	Police Officer	1.00	\$125,000	\$125,000	\$0	\$0
2025	Police Officer	1.00	\$125,000	\$125,000	\$0	\$0
2025	Senior Planner	1.00	\$130,000	\$130,000	\$0	\$0
2025 Total		8.25	\$973,000	\$926,500	\$23,250	\$23,250
2026	PW Maintenance Worker	1.00	\$110,000	\$88,000	\$11,000	\$11,000
2026	Police Lieutenant	1.00	\$150,000	\$150,000	\$0	\$0
2026	Drug Task Force	1.00	\$137,000	\$137,000	\$0	\$0
2026	Human Resources Manager	1.00	\$137,000	\$137,000	\$0	\$0
2026	PD Records Tech (move to FT)	0.50	\$55,000	\$55,000	\$0	\$0
2026 Total		4.50	\$589,000	\$567,000	\$11,000	\$11,000
2027	Police Officer	1.00	\$130,000	\$130,000	\$0	\$0
2027	PW Maintenance Worker	1.00	\$115,000	\$92,000	\$11,500	\$11,500
2027 Total		2.00	\$245,000	\$222,000	\$11,500	\$11,500
Grand Total		26.21	\$3,113,000	\$2,723,875	\$194,563	\$194,563

Note: This is a listing of all identified positions and costs included in the Plan. The timing and actual positions to be added in future years will be managed within the available resources and may be different in positions, timing, and amounts as shown here.



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RESOLUTION NO. 2023-03

ATTACHMENT A

Parcel A:

The West 561.81 feet of the Southwest Quarter of the Southeast Quarter of Section 32, Township 119, Range 23, Hennepin County, Minnesota, EXCEPT that part taken for State Highway No. 55.

And

That part of the Southeast Quarter of the Southwest Quarter of said Section 32 described as follows:

Commencing at a point on the west line of said Southeast Quarter of the Southwest Quarter a distance of 455.00 feet South of the northwest corner thereof; thence East parallel with the north line of said Southeast Quarter of the Southwest Quarter a distance of 240.00 feet; thence on a tangential curve to the left having a radius of 111.96 feet (delta angle of 30 degrees 00 minutes) a distance of 58.62 feet; thence on a tangential curve to the right having a radius of 111.96 feet (delta angle of 30 degrees 00 minutes) a distance of 58.62 feet; thence East tangent to said curve a distance of 173.04 feet; thence on a tangential curve to the left having a radius of 111.96 feet (delta angle of 30 degrees 00 minutes) a distance of 58.62 feet; thence on a tangential curve to the right having a radius of 111.96 feet (delta angle of 30 degrees 00 minutes) a distance of 58.62 feet; thence East tangent to said curve a distance of 265.00 feet to the actual point of beginning of the tract of land to be herein described; thence North parallel with said west line a distance of 30.00 feet; thence East parallel with said north line 253.04 feet, more or less, to a line drawn parallel with and distant 1155.00 feet East of said west line; thence North parallel with said west line 365.00 feet to said north line; thence East along said north line a distance of 172.55 feet, more or less, to the northeast corner of said Southeast Quarter of the Southwest Quarter; thence South along the east line thereof to the southeast corner of said Southeast Quarter of the Southwest Quarter; thence West along the south line thereof to a line drawn parallel with said west line from the actual point of beginning; thence North parallel with said west line to the actual point of beginning. EXCEPT that part thereof lying within a radius of 60.00 feet of the actual point of beginning. Also EXCEPT that part taken for State Highway No. 55.

Parcel B:

That part of the Southeast Quarter of the Southwest Quarter of Section 32, Township 119, Range 23, Hennepin County, Minnesota, described as follows:

Commencing at a point on the West line of said Southeast Quarter of the Southwest Quarter a distance of 455.0 feet South of the Northwest corner thereof; thence East parallel with the North line of said Southeast Quarter of the Southwest Quarter of the Southwest Quarter a distance of 240.0 feet; thence on a tangential curve to the left having a radius of 111.96 feet (delta angle of 30 degrees 30 minutes) a distance of 58.62 feet; thence on a tangential curve to the right having a radius of 111.96 feet (delta angle of 30 degrees 30 minutes) a distance of 58.62 feet; thence East tangent to last mentioned curve a distance of 173.04 feet; thence on a tangential curve to the left having a radius of 111.96 feet (delta angle of 30 degrees 30 minutes) a distance of 58.62 feet; thence on a tangential curve to the right having a radius of 111.96 feet (delta angle of 30 degrees 30 minutes) a distance of 58.62 feet; thence East tangent to last mentioned curve a distance of 131.21 feet to the actual point of beginning of the tract of land to be herein described; thence continue East along last mentioned line a distance of 133.79 feet to a point hereafter known as Point A; thence South parallel with said West line a distance of 362.0 feet to a line

RESOLUTION NO. 2023-03

drawn parallel with and 757.0 feet South of said North line; thence West parallel with said North line a distance of 133.79 feet to a line drawn parallel with said West line from the actual point of beginning; thence North along said parallel line to the actual point of beginning. Except the Northerly 30.0 feet thereof. Also except that part thereof lying within a radius of 60.0 feet of Point A, described above.

Parcel C:

That part of the West 901.96 feet of the Southeast Quarter of the Southwest Quarter of Section 32, Township 119, Range 23, Hennepin County, Minnesota lying East of the centerline of Pioneer Trail. Except for the North 757.00 feet thereof. Also except the right of way for State Highway Number 55. And also except any part thereof contained within the description of the land in the Contract for Deed recorded November 6, 1996 in the office of the Hennepin County Recorder as Document No. 6658801.

Also that part of the Southwest Quarter of the Southwest Quarter of Section 32, Township 119, Range 23, Hennepin County, Minnesota lying East of the centerline of Pioneer Trail and lying South of the North 757.00 feet thereof.

ABSTRACT PROPERTY

STAFF REPORT

Agenda Item: 8a.

City Council Meeting: January 26, 2023	Prepared By: Nicholas Ouellette through Kendra Lindahl
Topic: Rezoning, Preliminary Planned Unit Development (PUD) Plan and Preliminary Plat for “Pioneer Trail Industrial Park” (PIDs 32-119-23-34-0013, 32-119-23-34-0007, 32-119-23-43-0005 and 32-119-23-43-0006) (City file no. 22-039)	Action Required: Approval

Review Deadline: March 1, 2023

1. Request

The applicant, Joseph Radach of Contour Development LLC, has submitted a request for review of a rezoning to planned unit development (PUD), preliminary PUD plan and preliminary plat to develop a five-lot industrial park.

Key application materials are attached as part of this packet; however, due to size limitations not every item is included. The complete application is available at city hall.



Figure A: Site Location

2. Background

On January 12, 2023, the City Council tabled this item. A link to review the January 12, 2023 City Council packet is available here:

<https://www.corcoranmn.gov/common/pages/DisplayFile.aspx?itemId=19248442>

3. Recommendation

Move to adopt the following, as recommended by the Planning Commission:

- a. Ordinance 2023-477 approving rezoning
- b. Resolution 2023-02 with findings of fact for rezoning
- c. Resolution 2023-03 approving preliminary PUD (which includes amendments made by the City Council on January 12, 2023)
- d. Resolution 2023-04 approving preliminary plat

Attachments

1. Ordinance 2023-477 Approving Rezoning
2. Resolution 2023-02 with Findings of Fact for Rezoning
3. Resolution 2023-03 Approving the Preliminary PUD Plan
4. Resolution 2023-04 Approving the Preliminary Plat
5. Resolution 2023-02 Denying the Request

ORDINANCE NO. 2023-477

**Motion By:
Seconded By:**

AN ORDINANCE AMENDING TITLE X (ZONING ORDINANCE) OF THE CITY CODE TO CLASSIFY CERTAIN LAND LOCATED AT 6210 PIONEER TRAIL (PID 32-119-23-34-0013, 32-119-23-34-0007, 32-119-23-43-0005 AND 32-119-23-43-0006) (CITY FILE NO. 22-039)

THE CITY OF CORCORAN ORDAINS:

Section 1. Amendment of the City Code. Title X of the City Code of the City of Corcoran, Minnesota, is hereby amended by changing the classification of the City of Corcoran Zoning Map from Light Industrial (I-1) and Urban Reserve (UR) to Planned Unit Development (PUD), legally described as follows:

See Attachment A

Section 2. This amendment shall take effect upon adoption of the resolution approving the final PUD plan for this project.

VOTING AYE

- McKee, Tom
- Bottema, Jon
- Nichols, Jeremy
- Schultz, Alan
- Vehrenkamp, Dean

VOTING NAY

- McKee, Tom
- Bottema, Jon
- Nichols, Jeremy
- Schultz, Alan
- Vehrenkamp, Dean

Whereupon, said Resolution is hereby declared adopted on this 26th day of January 2023.

Tom McKee - Mayor

ATTEST:

Michelle Friedrich – City Clerk

City Seal

ORDINANCE NO. 2023-477

ATTACHMENT A

Parcel A:

The West 561.81 feet of the Southwest Quarter of the Southeast Quarter of Section 32, Township 119, Range 23, Hennepin County, Minnesota, EXCEPT that part taken for State Highway No. 55.

And

That part of the Southeast Quarter of the Southwest Quarter of said Section 32 described as follows:

Commencing at a point on the west line of said Southeast Quarter of the Southwest Quarter a distance of 455.00 feet South of the northwest corner thereof; thence East parallel with the north line of said Southeast Quarter of the Southwest Quarter a distance of 240.00 feet; thence on a tangential curve to the left having a radius of 111.96 feet (delta angle of 30 degrees 00 minutes) a distance of 58.62 feet; thence on a tangential curve to the right having a radius of 111.96 feet (delta angle of 30 degrees 00 minutes) a distance of 58.62 feet; thence East tangent to said curve a distance of 173.04 feet; thence on a tangential curve to the left having a radius of 111.96 feet (delta angle of 30 degrees 00 minutes) a distance of 58.62 feet; thence on a tangential curve to the right having a radius of 111.96 feet (delta angle of 30 degrees 00 minutes) a distance of 58.62 feet; thence East tangent to said curve a distance of 265.00 feet to the actual point of beginning of the tract of land to be herein described; thence North parallel with said west line a distance of 30.00 feet; thence East parallel with said north line 253.04 feet, more or less, to a line drawn parallel with and distant 1155.00 feet East of said west line; thence North parallel with said west line 365.00 feet to said north line; thence East along said north line a distance of 172.55 feet, more or less, to the northeast corner of said Southeast Quarter of the Southwest Quarter; thence South along the east line thereof to the southeast corner of said Southeast Quarter of the Southwest Quarter; thence West along the south line thereof to a line drawn parallel with said west line from the actual point of beginning; thence North parallel with said west line to the actual point of beginning. EXCEPT that part thereof lying within a radius of 60.00 feet of the actual point of beginning. Also EXCEPT that part taken for State Highway No. 55.

Parcel B:

That part of the Southeast Quarter of the Southwest Quarter of Section 32, Township 119, Range 23, Hennepin County, Minnesota, described as follows:

Commencing at a point on the West line of said Southeast Quarter of the Southwest Quarter a distance of 455.0 feet South of the Northwest corner thereof; thence East parallel with the North line of said Southeast Quarter of the Southwest Quarter of the Southwest Quarter a distance of 240.0 feet; thence on a tangential curve to the left having a radius of 111.96 feet (delta angle of 30 degrees 30 minutes) a distance of 58.62 feet; thence on a tangential curve to the right having a radius of 111.96 feet (delta angle of 30 degrees 30 minutes) a distance of 58.62 feet; thence East tangent to last mentioned curve a distance of 173.04 feet; thence on a tangential curve to the left having a radius of 111.96 feet (delta angle of 30 degrees 30 minutes) a distance of 58.62 feet; thence on a tangential curve to the right having a radius of 111.96 feet (delta angle of 30 degrees 30 minutes) a distance of 58.62 feet; thence East tangent to last mentioned curve a distance of 131.21 feet to the actual point of beginning of the tract of land to be herein described; thence continue East along last mentioned line a distance of 133.79 feet to a point hereafter known as Point A; thence South parallel with said West line a distance of 362.0 feet to a line

ORDINANCE NO. 2023-477

drawn parallel with and 757.0 feet South of said North line; thence West parallel with said North line a distance of 133.79 feet to a line drawn parallel with said West line from the actual point of beginning; thence North along said parallel line to the actual point of beginning. Except the Northerly 30.0 feet thereof. Also except that part thereof lying within a radius of 60.0 feet of Point A, described above.

Parcel C:

That part of the West 901.96 feet of the Southeast Quarter of the Southwest Quarter of Section 32, Township 119, Range 23, Hennepin County, Minnesota lying East of the centerline of Pioneer Trail. Except for the North 757.00 feet thereof. Also except the right of way for State Highway Number 55. And also except any part thereof contained within the description of the land in the Contract for Deed recorded November 6, 1996 in the office of the Hennepin County Recorder as Document No. 6658801.

Also that part of the Southwest Quarter of the Southwest Quarter of Section 32, Township 119, Range 23, Hennepin County, Minnesota lying East of the centerline of Pioneer Trail and lying South of the North 757.00 feet thereof.

ABSTRACT PROPERTY

ORDINANCE NO. 2023-02

Motion By:
Seconded By:

APPROVING FINDINGS OF FACT FOR REZONING FOR THE PROPERTIES LOCATED AT 6210 PIONEER TRAIL (PID 32-119-23-34-0013, 32-119-23-34-0007, 32-119-23-43-0005 AND 32-119-23-43-0006) (CITY FILE NO. 22-039)

WHEREAS, Contour Development, LLC, (the “applicant”) has requested approval to rezone 56.86 acres legally described as follows:

See Attachment A

WHEREAS, the Planning Commission has reviewed the request at a duly called Public Hearing, and;

WHEREAS, the City Council has adopted an ordinance rezoning the affected parcels from Light Industrial (I-1) and Urban Reserve (UR) to Planned Unit Development (PUD);

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CORCORAN, MINNESOTA, that it should and hereby does support the request for reclassification of the property, based on the following findings and conditions:

1. The planned development is not in conflict with the Comprehensive Plan. The proposed development is guided for industrial development as proposed. The plan develops the site in advance of municipal services being able to service the area; however, utility corridors for the future services will be dedicated to the City by the applicant.
2. The planned development is not in conflict with the intent of the underlying zoning district. Three parcels are zoned I-1 district and the smallest parcel is zoned UR district. The proposed development is not in conflict with the intent of the zoning district.
3. The planned development is not in conflict with other applicable provisions of the City’s Zoning Ordinance, except that PUD flexibility is requested as noted in the staff report. The PUD allows the applicant to request flexibility from the performance standards in the ordinance in exchange for a high-quality development than might otherwise be expected.
4. The planned development or unit thereof is of sufficient size, composition, and arrangement that its construction, marketing, and/or operation is feasible as a complete unit without dependence upon any other subsequent unit or phase. The Pella and Park Place Storage projects will begin construction this year and the remaining three lots will be developed in future phases.
5. The planned development will not create an excessive burden on parks, schools, streets and other public facilities and utilities which serve or are proposed to serve the planned development. The developer is providing sidewalks consistent with the City’s Comprehensive Plan. The developer is also constructing a new street to provide access to the development as required by the Southwest District Plan. Municipal sanitary sewer and water are not available to serve the site. The applicant is proposing private well and septic to serve the site until municipal services are available and has requested PUD

ORDINANCE NO. 2023-02

flexibility to allow development in the MUSA in advance of municipal sewer and water. The applicant has provided utility corridors along 62nd Avenue to accommodate the future municipal services.

6. The planned development will not have an adverse impact on the reasonable enjoyment of the neighborhood property. The property is zoned Light Industrial. The development does comply with setback and landscape screening requirements from adjacent residential properties to the northeast and northwest.
7. The quality of the building and site design proposed by the PUD plan shall substantially enhance the aesthetics of the site, shall demonstrate higher standards, more efficient and effective uses of streets, utilities and public facilities, it shall maintain and enhance any natural resources within the development, and create a public benefit that is greater than what would have been achieved through the strict application of the primary zoning regulations.

VOTING AYE

- McKee, Tom
- Bottema, Jon
- Nichols, Jeremy
- Schultz, Alan
- Vehrenkamp, Dean

VOTING NAY

- McKee, Tom
- Bottema, Jon
- Nichols, Jeremy
- Schultz, Alan
- Vehrenkamp, Dean

Whereupon, said Resolution is hereby declared adopted on this 26th day of January 2023.

Tom McKee - Mayor

ATTEST:

Michelle Friedrich – City Clerk

City Seal

ORDINANCE NO. 2023-02

ATTACHMENT A

Parcel A:

The West 561.81 feet of the Southwest Quarter of the Southeast Quarter of Section 32, Township 119, Range 23, Hennepin County, Minnesota, EXCEPT that part taken for State Highway No. 55.

And

That part of the Southeast Quarter of the Southwest Quarter of said Section 32 described as follows:

Commencing at a point on the west line of said Southeast Quarter of the Southwest Quarter a distance of 455.00 feet South of the northwest corner thereof; thence East parallel with the north line of said Southeast Quarter of the Southwest Quarter a distance of 240.00 feet; thence on a tangential curve to the left having a radius of 111.96 feet (delta angle of 30 degrees 00 minutes) a distance of 58.62 feet; thence on a tangential curve to the right having a radius of 111.96 feet (delta angle of 30 degrees 00 minutes) a distance of 58.62 feet; thence East tangent to said curve a distance of 173.04 feet; thence on a tangential curve to the left having a radius of 111.96 feet (delta angle of 30 degrees 00 minutes) a distance of 58.62 feet; thence on a tangential curve to the right having a radius of 111.96 feet (delta angle of 30 degrees 00 minutes) a distance of 58.62 feet; thence East tangent to said curve a distance of 265.00 feet to the actual point of beginning of the tract of land to be herein described; thence North parallel with said west line a distance of 30.00 feet; thence East parallel with said north line 253.04 feet, more or less, to a line drawn parallel with and distant 1155.00 feet East of said west line; thence North parallel with said west line 365.00 feet to said north line; thence East along said north line a distance of 172.55 feet, more or less, to the northeast corner of said Southeast Quarter of the Southwest Quarter; thence South along the east line thereof to the southeast corner of said Southeast Quarter of the Southwest Quarter; thence West along the south line thereof to a line drawn parallel with said west line from the actual point of beginning; thence North parallel with said west line to the actual point of beginning. EXCEPT that part thereof lying within a radius of 60.00 feet of the actual point of beginning. Also EXCEPT that part taken for State Highway No. 55.

Parcel B:

That part of the Southeast Quarter of the Southwest Quarter of Section 32, Township 119, Range 23, Hennepin County, Minnesota, described as follows:

Commencing at a point on the West line of said Southeast Quarter of the Southwest Quarter a distance of 455.0 feet South of the Northwest corner thereof; thence East parallel with the North line of said Southeast Quarter of the Southwest Quarter of the Southwest Quarter a distance of 240.0 feet; thence on a tangential curve to the left having a radius of 111.96 feet (delta angle of 30 degrees 30 minutes) a distance of 58.62 feet; thence on a tangential curve to the right having a radius of 111.96 feet (delta angle of 30 degrees 30 minutes) a distance of 58.62 feet; thence East tangent to last mentioned curve a distance of 173.04 feet; thence on a tangential curve to the left having a radius of 111.96 feet (delta angle of 30 degrees 30 minutes) a distance of 58.62 feet; thence on a tangential curve to the right having a radius of 111.96 feet (delta angle of 30 degrees 30 minutes) a distance of 58.62 feet; thence East tangent to last mentioned curve a distance of 131.21 feet to the actual point of beginning of the tract of land to be herein described; thence continue East along last mentioned line a distance of 133.79 feet to a point hereafter known as Point A; thence South parallel with said West line a distance of 362.0 feet to a line

ORDINANCE NO. 2023-02

drawn parallel with and 757.0 feet South of said North line; thence West parallel with said North line a distance of 133.79 feet to a line drawn parallel with said West line from the actual point of beginning; thence North along said parallel line to the actual point of beginning. Except the Northerly 30.0 feet thereof. Also except that part thereof lying within a radius of 60.0 feet of Point A, described above.

Parcel C:

That part of the West 901.96 feet of the Southeast Quarter of the Southwest Quarter of Section 32, Township 119, Range 23, Hennepin County, Minnesota lying East of the centerline of Pioneer Trail. Except for the North 757.00 feet thereof. Also except the right of way for State Highway Number 55. And also except any part thereof contained within the description of the land in the Contract for Deed recorded November 6, 1996 in the office of the Hennepin County Recorder as Document No. 6658801.

Also that part of the Southwest Quarter of the Southwest Quarter of Section 32, Township 119, Range 23, Hennepin County, Minnesota lying East of the centerline of Pioneer Trail and lying South of the North 757.00 feet thereof.

ABSTRACT PROPERTY

RESOLUTION NO. 2023-03

Motion By:
Seconded By:

APPROVING PRELIMINARY PLANNED UNIT DEVELOPMENT PLAN FOR “PIONEER TRAIL INDUSTRIAL PARK” LOCATED AT 6210 PIONEER TRAIL (PID 32-119-23-34-0013, 32-119-23-34-0007, 32-119-23-43-0005 AND 32-119-23-43-0006) (CITY FILE NO. 22-039)

WHEREAS, Contour Development, LLC, (the “applicant”) has requested approval of “Pioneer Trail Industrial Park” an industrial subdivision on property legally described as:

See Attachment A

WHEREAS, the Planning Commission has reviewed the plan at a duly called Public Hearing, and;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CORCORAN, MINNESOTA, that the Corcoran City Council hereby approves the request for preliminary PUD plan, subject to the following conditions:

1. A preliminary planned unit development (PUD) plan is approved for “Pioneer Trail Industrial Park”, in accordance with the plans and application received by the City on June 21, 2022 and revisions received on June 23, 2022, September 20, 2022, November 1, 2022, December 1, 2022, December 5, 2022, December 12, 2022 and December 14, 2022, except as amended by this resolution.
2. The preliminary PUD plan is approved based on the finding that the proposed project is consistent with the City’s Comprehensive Plan and the PUD standards in the ordinance.
3. Approval is contingent upon City Council approval of the requested rezoning and preliminary plat (Ordinance 2023-477 and Resolution 2023-04).
4. The applicant shall comply with all requirements of the Public Safety Memo dated October 5, 2022.
5. The applicant shall comply with all requirements of the City Engineer’s memo dated November 21, 2022.
6. The applicant shall comply with all requirements of the May 26, 2022 EAW Record of Decision.
7. The applicant is subject to review and approval by Hennepin County. The applicant is required to secure all permits and approvals from the County.
8. PUD flexibility is granted for the following:
 - a. Development in advance of City services (water and sanitary sewer) being available to serve the project.
 - b. Reduced parking setback of 70 feet from Highway 55 where 100 feet is required.
 - c. Reduced parking setback of 18 feet from 62nd Avenue where 50 feet is required for Lots 1, 2 and 3, Block 1 and Lots 1 and 2, Block 2.

RESOLUTION NO. 2023-03

- d. Reduced parking and building setback of 36 feet from 62nd Avenue for the lots north of 62nd Avenue.
 - e. Wall signage on the north and south façade of buildings for Lots 1, 2 and 3, Block 1 where only one wall sign is allowed at the primary entrance of each tenant space, not to exceed 10% of the primary building face. The 10% wall sign area would be split between the north and south elevations.
 - f. Reduced parking and building setback of 36 feet from 62nd Avenue for the lots north of 62nd Avenue.
 - g. Insulated metal panels as a primary building façade for Lots 1 and 2, Block 2 north of 62nd Avenue.
 - h. Landscape tree requirement to be applied across the whole site.
 - i. Reduced number of landscape shrubs for Lots 1 and 2, Block 2 north of 62nd Avenue.
 - j. Impervious area to be calculated on a project-wide basis not to exceed 80%. This will allow some lots as much 80% impervious area.
 - k. Creation of an outlot without frontage (Outlot A for the City well site).
9. All allowed uses in the I-1 zoning district shall be permitted in this PUD, subject to the standards in Section 1040.125 of the Zoning Ordinance.
- a. **The request for PUD flexibility for the gas station on Lot 1 is denied.**
 - b. **The present plan does not meet warrants for a traffic signal without the proposed gas station.**
 - c. **This is a multi-phase project and the traffic warrants will be evaluated with each phase and if warrants for the signal are met by users in this development during any phase, the applicant and/or applicant's successors and assigns shall be responsible for the full cost of the signal.**
 - d. **When municipal sanitary sewer and water become available, the users shall connect within one year in accordance with City policies.**
 - e. **All sanitary sewer and water trunk line area charges (TLAC) and connection charges shall be due when the connection is made.**
10. Park dedication shall be satisfied by cash-in-lieu of land for the industrial park. Park dedication be based on the park dedication ordinance in place at the time the final plat is approved for each phase.
11. Prior to submittal of the PUD final plan and final plat:
- a. Plans must be revised to show details for trash enclosures to ensure compliance with 1060.020 of the Zoning Ordinance. The trash enclosures must be clearly shown on the site plans.
 - b. Plans must be revised to rename the proposed street to 62nd Avenue from Kimberly Lane.
 - c. Plans must show mechanical equipment screening in compliance with Section 1060.030 of the Zoning Ordinance.
 - d. Parking for Lot 2 and 3, Block 1 is granted PUD flexibility to require a minimum of one space per 2,000 sq. ft. for warehouse uses. This would require 126 parking stalls for phase 1 and II on Lot 3. Proof of parking for 46 shall be preserved. The

RESOLUTION NO. 2023-03

parking demand shall be reevaluated with the Phase II construction to ensure that adequate parking is provided. The City may require construction of the proof of parking stalls if a parking demand is documented.

- e. The landscape plan must be revised. The landscape plan dated November 1, 2022 provides a total of 624 overstory trees and 910 shrubs.
 - i. The code requires 487 overstory trees and the applicant has provided 624 overstory trees. The trees are planted across the site and not all lots comply with the minimum landscaping requirements on individual lots.
 - ii. Plans show an additional 137 trees on Lot 3, Block 1. This is a PUD benefit.
 - iii. PUD flexibility is shown on plans allowing 117 trees required for Lot 2, Block 2 located on Lot 1, Block 2.
 - iv. PUD flexibility is shown on plans allowing 173 shrubs for Lot 2, Block 2 where 691 shrubs are required.
 - v. Landscaping three feet high shall be provided for parking areas with four or more stalls to screen vehicle headlights from adjacent residential and public streets. The plans must be revised to provide shrubs for all parking along the new public street (62nd Avenue).
 - vi. Trees are proposed within the wetland buffer areas. The applicant shall specify the tree species proposed for wetland buffer areas to ensure long-term viability.
 - vii. The final landscape details shall be provided with PUD final plan application.
 - viii. The applicant shall provide revised plans to show wetland buffer seeding.
 - ix. A wetland buffer planting and maintenance plan must be submitted for review and approval by the City.
 - x. The applicant shall add a double row of landscaping and/or solid wall low-maintenance fencing on the north side of 62nd Avenue a minimum of 300 feet from Pioneer Trail to provide screening for the existing homes on Wagon Wheel. The applicant shall work with staff to shift the street south, if possible, to accommodate the landscaping.
- f. The applicant is encouraged to revise the plans to:
 - i. Provide native grass landscaping in open space areas in lieu of turf grass.
 - ii. Relocate proposed trees from where native grass landscaping is installed to areas where trees can provide more effective screening from residential properties.
 - iii. Consider shifting the required trees away from septic systems and relocated elsewhere on site.
- g. Snow storage areas must be clearly shown on plans.
- h. A chloride management plan shall be provided.
- i. The applicant shall revise Pella architecture plans to clarify if the painted yellow pre-cast concrete is integrally colored. The applicant is encouraged to utilize integrally colored and other durable building materials.

RESOLUTION NO. 2023-03

- j. The light pole height and fixture details must be provided for freestanding and building lighting in compliance with the standards in Section 1060 of the Zoning Ordinance.
 - k. The applicant shall provide plans showing the planned grading, utilities and landscaping to ensure no conflicts.
 - i. The applicant shall provide plans showing how the proposed building on Lot 2, Block 1 will connect to the proposed septic drainage fields on Lot 3, Block 1. This septic connection must be protected throughout all phases of construction.
 - l. The small utility corridor between the sidewalk and roadway along the south side of 62nd Avenue shall be relocated south of the sidewalk in front of Lot 3, Block 1.
 - m. The stormwater management plan shall be revised to account for the added impervious surface from the Pioneer Trail turn lanes.
 - n. The association of building owner is responsible for ensuring sidewalks in the development area and for maintenance of all common areas. Association documents must be provided for review and approval with the PUD final plan application.
12. The sidewalk shall be constructed on the south side of the street at the time a street is constructed as required by Section 945 of the City Code.
13. All permanent wetland buffer monuments must be erected along the wetland buffer line as required by Section 1050.010, Subd. 7 of the Zoning Ordinance.
- a. The applicant shall work with City staff to finalize the location of wetland buffer monuments.
 - b. Wetland signs shall be purchased from the City.
 - c. The final locations must be inspected and approved by City staff.
 - d. Monument signs shall be installed prior to approval of the building permit.
14. Drainage and utility easements must be provided over all wetlands, wetland buffers and ponds.
15. Drainage and utility easements shall be provided along the perimeter of all lots.
16. All utility facilities shall be located underground.
17. A sign permit is required for any signage. All signage must comply with Chapter 84 of the City Code, except where PUD flexibility has been requested and granted for wall signage on Lots 1, 2 and 3, Block 1.
- a. Wall signs on the north, west and east sides of the building shall not be lit between 9:00 p.m. – 6:00 a.m.

RESOLUTION NO. 2023-03

18. The development shall comply with the City's requirements regarding fire access, fire protection and fire flow calculations, the location of fire hydrant, fire department connections and fire lane signage.
19. Parking shall be reviewed with building permit and must comply with ordinance standards for the proposed use, except where PUD flexibility is requested.
20. No parking shall be permitted on either side of 62nd Avenue.
21. The applicant shall document that the existing septic field and easement for Medina Electric are necessary and that the easement holder does not want the easement released.
 - a. If the easement can be released, 62nd Avenue should extend as far east as conditions allow.
 - b. If the easement cannot be released, additional agreements will be required for roadway encroachment into the easement.
22. The applicant must provide a temporary cul-de-sac easement for the new public street.
23. The new public street shall follow the City's street naming policy.
24. An access easement shall be provided to Outlot A from 62nd Avenue.
25. An encroachment agreement shall be required for all site improvements or items placed within the City rights-of-way or easements.
26. The applicant must enter into a stormwater maintenance agreement prior to release of final plat.
27. The applicant shall deed Outlot A to the City.

VOTING AYE

- McKee, Tom
- Bottema, Jon
- Nichols, Jeremy
- Schultz, Alan
- Vehrenkamp, Dean

VOTING NAY

- McKee, Tom
- Bottema, Jon
- Nichols, Jeremy
- Schultz, Alan
- Vehrenkamp, Dean

Whereupon, said Resolution is hereby declared adopted on this 26th day of January 2023.

Tom McKee - Mayor

ATTEST:

Michelle Friedrich – City Clerk

City Seal

RESOLUTION NO. 2023-03

ATTACHMENT A

Parcel A:

The West 561.81 feet of the Southwest Quarter of the Southeast Quarter of Section 32, Township 119, Range 23, Hennepin County, Minnesota, EXCEPT that part taken for State Highway No. 55.

And

That part of the Southeast Quarter of the Southwest Quarter of said Section 32 described as follows:

Commencing at a point on the west line of said Southeast Quarter of the Southwest Quarter a distance of 455.00 feet South of the northwest corner thereof; thence East parallel with the north line of said Southeast Quarter of the Southwest Quarter a distance of 240.00 feet; thence on a tangential curve to the left having a radius of 111.96 feet (delta angle of 30 degrees 00 minutes) a distance of 58.62 feet; thence on a tangential curve to the right having a radius of 111.96 feet (delta angle of 30 degrees 00 minutes) a distance of 58.62 feet; thence East tangent to said curve a distance of 173.04 feet; thence on a tangential curve to the left having a radius of 111.96 feet (delta angle of 30 degrees 00 minutes) a distance of 58.62 feet; thence on a tangential curve to the right having a radius of 111.96 feet (delta angle of 30 degrees 00 minutes) a distance of 58.62 feet; thence East tangent to said curve a distance of 265.00 feet to the actual point of beginning of the tract of land to be herein described; thence North parallel with said west line a distance of 30.00 feet; thence East parallel with said north line 253.04 feet, more or less, to a line drawn parallel with and distant 1155.00 feet East of said west line; thence North parallel with said west line 365.00 feet to said north line; thence East along said north line a distance of 172.55 feet, more or less, to the northeast corner of said Southeast Quarter of the Southwest Quarter; thence South along the east line thereof to the southeast corner of said Southeast Quarter of the Southwest Quarter; thence West along the south line thereof to a line drawn parallel with said west line from the actual point of beginning; thence North parallel with said west line to the actual point of beginning. EXCEPT that part thereof lying within a radius of 60.00 feet of the actual point of beginning. Also EXCEPT that part taken for State Highway No. 55.

Parcel B:

That part of the Southeast Quarter of the Southwest Quarter of Section 32, Township 119, Range 23, Hennepin County, Minnesota, described as follows:

Commencing at a point on the West line of said Southeast Quarter of the Southwest Quarter a distance of 455.0 feet South of the Northwest corner thereof; thence East parallel with the North line of said Southeast Quarter of the Southwest Quarter of the Southwest Quarter a distance of 240.0 feet; thence on a tangential curve to the left having a radius of 111.96 feet (delta angle of 30 degrees 30 minutes) a distance of 58.62 feet; thence on a tangential curve to the right having a radius of 111.96 feet (delta angle of 30 degrees 30 minutes) a distance of 58.62 feet; thence East tangent to last mentioned curve a distance of 173.04 feet; thence on a tangential curve to the left having a radius of 111.96 feet (delta angle of 30 degrees 30 minutes) a distance of 58.62 feet; thence on a tangential curve to the right having a radius of 111.96 feet (delta angle of 30 degrees 30 minutes) a distance of 58.62 feet; thence East tangent to last mentioned curve a distance of 131.21 feet to the actual point of beginning of the tract of land to be herein described; thence continue East along last mentioned line a distance of 133.79 feet to a point hereafter known as Point A; thence South parallel with said West line a distance of 362.0 feet to a line

RESOLUTION NO. 2023-03

drawn parallel with and 757.0 feet South of said North line; thence West parallel with said North line a distance of 133.79 feet to a line drawn parallel with said West line from the actual point of beginning; thence North along said parallel line to the actual point of beginning. Except the Northerly 30.0 feet thereof. Also except that part thereof lying within a radius of 60.0 feet of Point A, described above.

Parcel C:

That part of the West 901.96 feet of the Southeast Quarter of the Southwest Quarter of Section 32, Township 119, Range 23, Hennepin County, Minnesota lying East of the centerline of Pioneer Trail. Except for the North 757.00 feet thereof. Also except the right of way for State Highway Number 55. And also except any part thereof contained within the description of the land in the Contract for Deed recorded November 6, 1996 in the office of the Hennepin County Recorder as Document No. 6658801.

Also that part of the Southwest Quarter of the Southwest Quarter of Section 32, Township 119, Range 23, Hennepin County, Minnesota lying East of the centerline of Pioneer Trail and lying South of the North 757.00 feet thereof.

ABSTRACT PROPERTY

RESOLUTION NO. 2023-03

Motion By:
Seconded By:

APPROVING PRELIMINARY PLANNED UNIT DEVELOPMENT PLAN FOR “PIONEER TRAIL INDUSTRIAL PARK” LOCATED AT 6210 PIONEER TRAIL (PID 32-119-23-34-0013, 32-119-23-34-0007, 32-119-23-43-0005 AND 32-119-23-43-0006) (CITY FILE NO. 22-039)

WHEREAS, Contour Development, LLC, (the “applicant”) has requested approval of “Pioneer Trail Industrial Park” an industrial subdivision on property legally described as:

See Attachment A

WHEREAS, the Planning Commission has reviewed the plan at a duly called Public Hearing, and;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CORCORAN, MINNESOTA, that the Corcoran City Council hereby approves the request for preliminary PUD plan, subject to the following conditions:

1. A preliminary planned unit development (PUD) plan is approved for “Pioneer Trail Industrial Park”, in accordance with the plans and application received by the City on June 21, 2022 and revisions received on June 23, 2022, September 20, 2022, November 1, 2022, December 1, 2022, December 5, 2022, December 12, 2022 and December 14, 2022, except as amended by this resolution.
2. The preliminary PUD plan is approved based on the finding that the proposed project is consistent with the City’s Comprehensive Plan and the PUD standards in the ordinance.
3. Approval is contingent upon City Council approval of the requested rezoning and preliminary plat (Ordinance 2023-477 and Resolution 2023-04).
4. The applicant shall comply with all requirements of the Public Safety Memo dated October 5, 2022.
5. The applicant shall comply with all requirements of the City Engineer’s memo dated November 21, 2022.
6. The applicant shall comply with all requirements of the May 26, 2022 EAW Record of Decision.
7. The applicant is subject to review and approval by Hennepin County. The applicant is required to secure all permits and approvals from the County.
8. PUD flexibility is granted for the following:
 - a. Development in advance of City services (water and sanitary sewer) being available to serve the project.
 - b. Reduced parking setback of 70 feet from Highway 55 where 100 feet is required.
 - c. Reduced parking setback of 18 feet from 62nd Avenue where 50 feet is required for Lots 1, 2 and 3, Block 1 and Lots 1 and 2, Block 2.

RESOLUTION NO. 2023-03

- d. Reduced parking and building setback of 36 feet from 62nd Avenue for the lots north of 62nd Avenue.
 - e. Wall signage on the north and south façade of buildings for Lots 1, 2 and 3, Block 1 where only one wall sign is allowed at the primary entrance of each tenant space, not to exceed 10% of the primary building face. The 10% wall sign area would be split between the north and south elevations.
 - f. Reduced parking and building setback of 36 feet from 62nd Avenue for the lots north of 62nd Avenue.
 - g. Insulated metal panels as a primary building façade for Lots 1 and 2, Block 2 north of 62nd Avenue.
 - h. Landscape tree requirement to be applied across the whole site.
 - i. Reduced number of landscape shrubs for Lots 1 and 2, Block 2 north of 62nd Avenue.
 - j. Impervious area to be calculated on a project-wide basis not to exceed 80%. This will allow some lots as much 80% impervious area.
 - k. Creation of an outlot without frontage (Outlot A for the City well site).
9. All allowed uses in the I-1 zoning district shall be permitted in this PUD, subject to the standards in Section 1040.125 of the Zoning Ordinance.
10. Park dedication shall be satisfied by cash-in-lieu of land for the industrial park. Park dedication be based on the park dedication ordinance in place at the time the final plat is approved for each phase.
11. Prior to submittal of the PUD final plan and final plat:
- a. Plans must be revised to show details for trash enclosures to ensure compliance with 1060.020 of the Zoning Ordinance. The trash enclosures must be clearly shown on the site plans.
 - b. Plans must be revised to rename the proposed street to 62nd Avenue from Kimberly Lane.
 - c. Plans must show mechanical equipment screening in compliance with Section 1060.030 of the Zoning Ordinance.
 - d. Parking for Lot 2 and 3, Block 1 is granted PUD flexibility to require a minimum of one space per 2,000 sq. ft. for warehouse uses. This would require 126 parking stalls for phase 1 and II on Lot 3. Proof of parking for 46 shall be preserved. The parking demand shall be reevaluated with the Phase II construction to ensure that adequate parking is provided. The City may require construction of the proof of parking stalls if a parking demand is documented.”.
 - e. The landscape plan must be revised. The landscape plan dated November 1, 2022 provides a total of 624 overstory trees and 910 shrubs.
 - i. The code requires 487 overstory trees and the applicant has provided 624 overstory trees. The trees are planted across the site and not all lots comply with the minimum landscaping requirements on individual lots.

RESOLUTION NO. 2023-03

- ii. Plans show and additional 137 trees on Lot 3, Block 1. This is a PUD benefit.
 - iii. PUD flexibility is shown on plans allowing 117 trees required for Lot 2, Block 2 located on Lot 1, Block 2.
 - iv. PUD flexibility is shown on plans allowing 173 shrubs for Lot 2, Block 2 where 691 shrubs are required.
 - v. Landscaping three feet high shall be provided for parking areas with four or more stalls to screen vehicle headlights from adjacent residential and public streets. The plans must be revised to provide shrubs for all parking along the new public street (62nd Avenue).
 - vi. Trees are proposed within the wetland buffer areas. The applicant shall specify the tree species proposed for wetland buffer areas to ensure long-term viability.
 - vii. The final landscape details shall be provided with PUD final plan application.
 - viii. The applicant shall provide revised plans to show wetland buffer seeding.
 - ix. A wetland buffer planting and maintenance plan must be submitted for review and approval by the City.
 - x. The applicant shall add a double row of landscaping and/or solid wall low-maintenance fencing on the north side of 62nd Avenue a minimum of 300 feet from Pioneer Trail to provide screening for the existing homes on Wagon Wheel. The applicant shall work with staff to shift the street south, if possible, to accommodate the landscaping.
- f. The applicant is encouraged to revise the plans to:
- i. Provide native grass landscaping in open space areas in lieu of turf grass.
 - ii. Relocate proposed trees from where native grass landscaping is installed to areas where trees can provide more effective screening from residential properties.
 - iii. Consider shifting the required trees away from septic systems and relocated elsewhere on site.
- g. Snow storage areas must be clearly shown on plans.
- h. A chloride management plan shall be provided.
- i. The applicant shall revise Pella architecture plans to clarify if the painted yellow pre-cast concrete is integrally colored. The applicant is encouraged to utilize integrally colored and other durable building materials.
- j. The light pole height and fixture details must be provided for freestanding and building lighting in compliance with the standards in Section 1060 of the Zoning Ordinance.
- k. The applicant shall provide plans showing the planned grading, utilities and landscaping to ensure no conflicts.
- i. The applicant shall provide plans showing how the proposed building on Lot 2, Block 1 will connect to the proposed septic drainage fields on Lot 3, Block

RESOLUTION NO. 2023-03

1. This septic connection must be protected throughout all phases of construction.
 - l. The small utility corridor between the sidewalk and roadway along the south side of 62nd Avenue shall be relocated south of the sidewalk in front of Lot 3, Block 1.
 - m. The stormwater management plan shall be revised to account for the added impervious surface from the Pioneer Trail turn lanes.
 - n. The association of building owner is responsible for ensuring sidewalks in the development area and for maintenance of all common areas. Association documents must be provided for review and approval with the PUD final plan application.
12. The sidewalk shall be constructed on the south side of the street at the time a street is constructed as required by Section 945 of the City Code.
13. All permanent wetland buffer monuments must be erected along the wetland buffer line as required by Section 1050.010, Subd. 7 of the Zoning Ordinance.
 - a. The applicant shall work with City staff to finalize the location of wetland buffer monuments.
 - b. Wetland signs shall be purchased from the City.
 - c. The final locations must be inspected and approved by City staff.
 - d. Monument signs shall be installed prior to approval of the building permit.
14. Drainage and utility easements must be provided over all wetlands, wetland buffers and ponds.
15. Drainage and utility easements shall be provided along the perimeter of all lots.
16. All utility facilities shall be located underground.
17. A sign permit is required for any signage. All signage must comply with Chapter 84 of the City Code, except where PUD flexibility has been requested and granted for wall signage on Lots 1, 2 and 3, Block 1.
 - a. Wall signs on the north, west and east sides of the building shall not be lit between 9:00 p.m. – 6:00 a.m.
18. The development shall comply with the City's requirements regarding fire access, fire protection and fire flow calculations, the location of fire hydrant, fire department connections and fire lane signage.
19. Parking shall be reviewed with building permit and must comply with ordinance standards for the proposed use, except where PUD flexibility is requested.
20. No parking shall be permitted on either side of 62nd Avenue.

RESOLUTION NO. 2023-03

21. The applicant shall document that the existing septic field and easement for Medina Electric are necessary and that the easement holder does not want the easement released.
 - a. If the easement can be released, 62nd Avenue should extend as far east as conditions allow.
 - b. If the easement cannot be released, additional agreements will be required for roadway encroachment into the easement.
22. The applicant must provide a temporary cul-de-sac easement for the new public street.
23. The new public street shall follow the City's street naming policy.
24. An access easement shall be provided to Outlot A from 62nd Avenue.
25. An encroachment agreement shall be required for all site improvements or items placed within the City rights-of-way or easements.
26. The applicant must enter into a stormwater maintenance agreement prior to release of final plat.
27. The applicant shall deed Outlot A to the City.

VOTING AYE

- McKee, Tom
- Bottema, Jon
- Nichols, Jeremy
- Schultz, Alan
- Vehrenkamp, Dean

VOTING NAY

- McKee, Tom
- Bottema, Jon
- Nichols, Jeremy
- Schultz, Alan
- Vehrenkamp, Dean

Whereupon, said Resolution is hereby declared adopted on this 26th day of January 2023.

Tom McKee - Mayor

ATTEST:

Michelle Friedrich – City Clerk

City Seal

RESOLUTION NO. 2023-03

ATTACHMENT A

Parcel A:

The West 561.81 feet of the Southwest Quarter of the Southeast Quarter of Section 32, Township 119, Range 23, Hennepin County, Minnesota, EXCEPT that part taken for State Highway No. 55.

And

That part of the Southeast Quarter of the Southwest Quarter of said Section 32 described as follows:

Commencing at a point on the west line of said Southeast Quarter of the Southwest Quarter a distance of 455.00 feet South of the northwest corner thereof; thence East parallel with the north line of said Southeast Quarter of the Southwest Quarter a distance of 240.00 feet; thence on a tangential curve to the left having a radius of 111.96 feet (delta angle of 30 degrees 00 minutes) a distance of 58.62 feet; thence on a tangential curve to the right having a radius of 111.96 feet (delta angle of 30 degrees 00 minutes) a distance of 58.62 feet; thence East tangent to said curve a distance of 173.04 feet; thence on a tangential curve to the left having a radius of 111.96 feet (delta angle of 30 degrees 00 minutes) a distance of 58.62 feet; thence on a tangential curve to the right having a radius of 111.96 feet (delta angle of 30 degrees 00 minutes) a distance of 58.62 feet; thence East tangent to said curve a distance of 265.00 feet to the actual point of beginning of the tract of land to be herein described; thence North parallel with said west line a distance of 30.00 feet; thence East parallel with said north line 253.04 feet, more or less, to a line drawn parallel with and distant 1155.00 feet East of said west line; thence North parallel with said west line 365.00 feet to said north line; thence East along said north line a distance of 172.55 feet, more or less, to the northeast corner of said Southeast Quarter of the Southwest Quarter; thence South along the east line thereof to the southeast corner of said Southeast Quarter of the Southwest Quarter; thence West along the south line thereof to a line drawn parallel with said west line from the actual point of beginning; thence North parallel with said west line to the actual point of beginning. EXCEPT that part thereof lying within a radius of 60.00 feet of the actual point of beginning. Also EXCEPT that part taken for State Highway No. 55.

Parcel B:

That part of the Southeast Quarter of the Southwest Quarter of Section 32, Township 119, Range 23, Hennepin County, Minnesota, described as follows:

Commencing at a point on the West line of said Southeast Quarter of the Southwest Quarter a distance of 455.0 feet South of the Northwest corner thereof; thence East parallel with the North line of said Southeast Quarter of the Southwest Quarter of the Southwest Quarter a distance of 240.0 feet; thence on a tangential curve to the left having a radius of 111.96 feet (delta angle of 30 degrees 30 minutes) a distance of 58.62 feet; thence on a tangential curve to the right having a radius of 111.96 feet (delta angle of 30 degrees 30 minutes) a distance of 58.62 feet; thence East tangent to last mentioned curve a distance of 173.04 feet; thence on a tangential curve to the left having a radius of 111.96 feet (delta angle of 30 degrees 30 minutes) a distance of 58.62 feet; thence on a tangential curve to the right having a radius of 111.96 feet (delta angle of 30 degrees 30 minutes) a distance of 58.62 feet; thence East tangent to last mentioned curve a distance of 131.21 feet to the actual point of beginning of the tract of land to be herein described; thence continue East along last mentioned line a distance of 133.79 feet to a point hereafter known as Point A; thence South parallel with said West line a distance of 362.0 feet to a line

RESOLUTION NO. 2023-03

drawn parallel with and 757.0 feet South of said North line; thence West parallel with said North line a distance of 133.79 feet to a line drawn parallel with said West line from the actual point of beginning; thence North along said parallel line to the actual point of beginning. Except the Northerly 30.0 feet thereof. Also except that part thereof lying within a radius of 60.0 feet of Point A, described above.

Parcel C:

That part of the West 901.96 feet of the Southeast Quarter of the Southwest Quarter of Section 32, Township 119, Range 23, Hennepin County, Minnesota lying East of the centerline of Pioneer Trail. Except for the North 757.00 feet thereof. Also except the right of way for State Highway Number 55. And also except any part thereof contained within the description of the land in the Contract for Deed recorded November 6, 1996 in the office of the Hennepin County Recorder as Document No. 6658801.

Also that part of the Southwest Quarter of the Southwest Quarter of Section 32, Township 119, Range 23, Hennepin County, Minnesota lying East of the centerline of Pioneer Trail and lying South of the North 757.00 feet thereof.

ABSTRACT PROPERTY

RESOLUTION NO. 2023-04

Motion By:
Seconded By:

APPROVING PRELIMIINARY PLAT FOR “PIONEER TRAIL INDUSTRIAL PARK” LOCATED AT 6210 PIONEER TRAIL (PID 32-119-23-34-0013, 32-119-23-34-0007, 32-119-23-43-0005 AND 32-119-23-43-0006) (CITY FILE NO. 22-039)

WHEREAS, Contour Development, LLC, (the “applicant”) has requested approval of “Pioneer Trail Industrial Park” an industrial subdivision on the property legally described as follows:

See Attachment A

WHEREAS, the Planning Commission has reviewed the plan at a duly called Public Hearing, and;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CORCORAN, MINNESOTA, that the Corcoran City Council hereby approves the request for preliminary plat, subject to the following conditions:

1. A preliminary plat is approved to create five lots and one outlot, “Pioneer Trail Industrial Park”, in accordance with the plans and application received by the City on June 21, 2022 and revisions received on June 23, 2022, September 20, 2022, November 1, 2022, December 1, 2022, December 5, 2022, December 12, 2022 and December 14, 2022, except as amended by this resolution.
2. Approval is contingent upon City Council approval of the preliminary PUD plan for “Pioneer Trail Industrial Park”. The applicant shall comply with all conditions of the preliminary PUD plan approval (Resolution 2023-03).
3. Park dedication is due as required by the PUD approvals, prior to the release of the final plat for recording.
4. The applicant shall comply with all requirements of the City Engineer’s memo, dated November 21, 2022.
5. The preliminary plat zoning table shall be updated to note the current zoning is Urban Reserve (UR) for the smallest parcel (22733 Wagon Wheel Lane).
6. Approval shall expire within one year of the date of approval unless the applicant has filed a complete application for approval of the final plat.

VOTING AYE

- McKee, Tom**
- Bottema, Jon**
- Nichols, Jeremy**
- Schultz, Alan**
- Vehrenkamp, Dean**

VOTING NAY

- McKee, Tom**
- Bottema, Jon**
- Nichols, Jeremy**
- Schultz, Alan**
- Vehrenkamp, Dean**

RESOLUTION NO. 2023-04

Whereupon, said Resolution is hereby declared adopted on this 26th day of January 2023.

Tom McKee - Mayor

ATTEST:

Michelle Friedrich – City Clerk

City Seal

RESOLUTION NO. 2023-04

ATTACHMENT A

Parcel A:

The West 561.81 feet of the Southwest Quarter of the Southeast Quarter of Section 32, Township 119, Range 23, Hennepin County, Minnesota, EXCEPT that part taken for State Highway No. 55.

And

That part of the Southeast Quarter of the Southwest Quarter of said Section 32 described as follows:

Commencing at a point on the west line of said Southeast Quarter of the Southwest Quarter a distance of 455.00 feet South of the northwest corner thereof; thence East parallel with the north line of said Southeast Quarter of the Southwest Quarter a distance of 240.00 feet; thence on a tangential curve to the left having a radius of 111.96 feet (delta angle of 30 degrees 00 minutes) a distance of 58.62 feet; thence on a tangential curve to the right having a radius of 111.96 feet (delta angle of 30 degrees 00 minutes) a distance of 58.62 feet; thence East tangent to said curve a distance of 173.04 feet; thence on a tangential curve to the left having a radius of 111.96 feet (delta angle of 30 degrees 00 minutes) a distance of 58.62 feet; thence on a tangential curve to the right having a radius of 111.96 feet (delta angle of 30 degrees 00 minutes) a distance of 58.62 feet; thence East tangent to said curve a distance of 265.00 feet to the actual point of beginning of the tract of land to be herein described; thence North parallel with said west line a distance of 30.00 feet; thence East parallel with said north line 253.04 feet, more or less, to a line drawn parallel with and distant 1155.00 feet East of said west line; thence North parallel with said west line 365.00 feet to said north line; thence East along said north line a distance of 172.55 feet, more or less, to the northeast corner of said Southeast Quarter of the Southwest Quarter; thence South along the east line thereof to the southeast corner of said Southeast Quarter of the Southwest Quarter; thence West along the south line thereof to a line drawn parallel with said west line from the actual point of beginning; thence North parallel with said west line to the actual point of beginning. EXCEPT that part thereof lying within a radius of 60.00 feet of the actual point of beginning. Also EXCEPT that part taken for State Highway No. 55.

Parcel B:

That part of the Southeast Quarter of the Southwest Quarter of Section 32, Township 119, Range 23, Hennepin County, Minnesota, described as follows:

Commencing at a point on the West line of said Southeast Quarter of the Southwest Quarter a distance of 455.0 feet South of the Northwest corner thereof; thence East parallel with the North line of said Southeast Quarter of the Southwest Quarter of the Southwest Quarter a distance of 240.0 feet; thence on a tangential curve to the left having a radius of 111.96 feet (delta angle of 30 degrees 30 minutes) a distance of 58.62 feet; thence on a tangential curve to the right having a radius of 111.96 feet (delta angle of 30 degrees 30 minutes) a distance of 58.62 feet; thence East tangent to last mentioned curve a distance of 173.04 feet; thence on a tangential curve to the left having a radius of 111.96 feet (delta angle of 30 degrees 30 minutes) a distance of 58.62 feet; thence on a tangential curve to the right having a radius of 111.96 feet (delta angle of 30 degrees 30 minutes) a distance of 58.62 feet; thence East tangent to last mentioned curve a distance of 131.21 feet to the actual point of beginning of the tract of land to be herein described; thence continue East along last mentioned line a distance of 133.79 feet to a point hereafter known as Point A; thence South parallel with said West line a distance of 362.0 feet to a line

RESOLUTION NO. 2023-04

drawn parallel with and 757.0 feet South of said North line; thence West parallel with said North line a distance of 133.79 feet to a line drawn parallel with said West line from the actual point of beginning; thence North along said parallel line to the actual point of beginning. Except the Northerly 30.0 feet thereof. Also except that part thereof lying within a radius of 60.0 feet of Point A, described above.

Parcel C:

That part of the West 901.96 feet of the Southeast Quarter of the Southwest Quarter of Section 32, Township 119, Range 23, Hennepin County, Minnesota lying East of the centerline of Pioneer Trail. Except for the North 757.00 feet thereof. Also except the right of way for State Highway Number 55. And also except any part thereof contained within the description of the land in the Contract for Deed recorded November 6, 1996 in the office of the Hennepin County Recorder as Document No. 6658801.

Also that part of the Southwest Quarter of the Southwest Quarter of Section 32, Township 119, Range 23, Hennepin County, Minnesota lying East of the centerline of Pioneer Trail and lying South of the North 757.00 feet thereof.

ABSTRACT PROPERTY

RESOLUTION NO. 2023-02

Motion By:
Seconded By:

DENYING THE REQUEST FOR A REZONING, PRELIMINARY PLAT AND PRELIMINARY PLANNED UNIT DEVELOPMENT PLAN FOR “PIONEER TRAIL INDUSTRIAL PARK” ON THE PROPERTY LOCATED AT 6210 PIONEER TRAIL (PID 32-119-23-34-0013, 32-119-23-34-0007, 32-119-23-43-0005 AND 32-119-23-43-0006) (CITY FILE NO. 22-039)

WHEREAS, Contour Development, LLC, (the “applicant”) has requested approval of a rezoning, preliminary plat and preliminary planned unit development (PUD) plan for “Pioneer Trail Industrial Park” an industrial subdivision on the 56.86-acre property legally described as follows:

See Attachment A

WHEREAS, the Planning Commission has reviewed the plan at a duly called Public Hearing, and;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CORCORAN, MINNESOTA, that the Corcoran City Council hereby does deny the request, based on the following findings and conditions:

1. The PUD flexibility requested by the applicant results in deviations from the applicable provisions of the Zoning Ordinance that are not offset by the PUD benefits proposed by the applicant and, therefore, are in conflict with the applicable PUD provisions of the ordinance.
2. The planned development will have an adverse impact on the reasonable enjoyment of the neighborhood property. The property is zoned Light Industrial, but the developer has not provided adequate landscaping to buffer the development from the residential properties to the northwest, north and northeast.
3. The quality of the building and site design proposed by the PUD plan does not substantially enhance the aesthetics of the site, demonstrate higher standards, more efficient and effective uses of streets, utilities and public facilities and create a public benefit that is greater than what would be achieved through the strict application of the primary zoning regulations.

VOTING AYE

- McKee, Tom**
- Bottema, Jon**
- Nichols, Jeremy**
- Schultz, Alan**
- Vehrenkamp, Dean**

VOTING NAY

- McKee, Tom**
- Bottema, Jon**
- Nichols, Jeremy**
- Schultz, Alan**
- Vehrenkamp, Dean**

RESOLUTION NO. 2023-02

Whereupon, said Resolution is hereby declared adopted on this 26th day of January 2023.

Tom McKee - Mayor

ATTEST:

Michelle Friedrich – City Clerk

City Seal

RESOLUTION NO. 2023-02

ATTACHMENT A

Parcel A:

The West 561.81 feet of the Southwest Quarter of the Southeast Quarter of Section 32, Township 119, Range 23, Hennepin County, Minnesota, EXCEPT that part taken for State Highway No. 55.

And

That part of the Southeast Quarter of the Southwest Quarter of said Section 32 described as follows:

Commencing at a point on the west line of said Southeast Quarter of the Southwest Quarter a distance of 455.00 feet South of the northwest corner thereof; thence East parallel with the north line of said Southeast Quarter of the Southwest Quarter a distance of 240.00 feet; thence on a tangential curve to the left having a radius of 111.96 feet (delta angle of 30 degrees 00 minutes) a distance of 58.62 feet; thence on a tangential curve to the right having a radius of 111.96 feet (delta angle of 30 degrees 00 minutes) a distance of 58.62 feet; thence East tangent to said curve a distance of 173.04 feet; thence on a tangential curve to the left having a radius of 111.96 feet (delta angle of 30 degrees 00 minutes) a distance of 58.62 feet; thence on a tangential curve to the right having a radius of 111.96 feet (delta angle of 30 degrees 00 minutes) a distance of 58.62 feet; thence East tangent to said curve a distance of 265.00 feet to the actual point of beginning of the tract of land to be herein described; thence North parallel with said west line a distance of 30.00 feet; thence East parallel with said north line 253.04 feet, more or less, to a line drawn parallel with and distant 1155.00 feet East of said west line; thence North parallel with said west line 365.00 feet to said north line; thence East along said north line a distance of 172.55 feet, more or less, to the northeast corner of said Southeast Quarter of the Southwest Quarter; thence South along the east line thereof to the southeast corner of said Southeast Quarter of the Southwest Quarter; thence West along the south line thereof to a line drawn parallel with said west line from the actual point of beginning; thence North parallel with said west line to the actual point of beginning. EXCEPT that part thereof lying within a radius of 60.00 feet of the actual point of beginning. Also EXCEPT that part taken for State Highway No. 55.

Parcel B:

That part of the Southeast Quarter of the Southwest Quarter of Section 32, Township 119, Range 23, Hennepin County, Minnesota, described as follows:

Commencing at a point on the West line of said Southeast Quarter of the Southwest Quarter a distance of 455.0 feet South of the Northwest corner thereof; thence East parallel with the North line of said Southeast Quarter of the Southwest Quarter of the Southwest Quarter a distance of 240.0 feet; thence on a tangential curve to the left having a radius of 111.96 feet (delta angle of 30 degrees 30 minutes) a distance of 58.62 feet; thence on a tangential curve to the right having a radius of 111.96 feet (delta angle of 30 degrees 30 minutes) a distance of 58.62 feet; thence East tangent to last mentioned curve a distance of 173.04 feet; thence on a tangential curve to the left having a radius of 111.96 feet (delta angle of 30 degrees 30 minutes) a distance of 58.62 feet; thence on a tangential curve to the right having a radius of 111.96 feet (delta angle of 30 degrees 30 minutes) a distance of 58.62 feet; thence East tangent to last mentioned curve a distance of 131.21 feet to the actual point of beginning of the tract of land to be herein described; thence continue East along last mentioned line a distance of 133.79 feet to a point hereafter known as Point A; thence South parallel with said West line a distance of 362.0 feet to a line

RESOLUTION NO. 2023-02

drawn parallel with and 757.0 feet South of said North line; thence West parallel with said North line a distance of 133.79 feet to a line drawn parallel with said West line from the actual point of beginning; thence North along said parallel line to the actual point of beginning. Except the Northerly 30.0 feet thereof. Also except that part thereof lying within a radius of 60.0 feet of Point A, described above.

Parcel C:

That part of the West 901.96 feet of the Southeast Quarter of the Southwest Quarter of Section 32, Township 119, Range 23, Hennepin County, Minnesota lying East of the centerline of Pioneer Trail. Except for the North 757.00 feet thereof. Also except the right of way for State Highway Number 55. And also except any part thereof contained within the description of the land in the Contract for Deed recorded November 6, 1996 in the office of the Hennepin County Recorder as Document No. 6658801.

Also that part of the Southwest Quarter of the Southwest Quarter of Section 32, Township 119, Range 23, Hennepin County, Minnesota lying East of the centerline of Pioneer Trail and lying South of the North 757.00 feet thereof.

ABSTRACT PROPERTY

STAFF REPORT

Agenda Item: 8b.

City Council Meeting: January 26, 2023	Prepared By : Jessica Beise
Topic : Accessory Structure Options	Action Required: Direction

1. Request

Mayor McKee was approached by residents Byron Moyle and Erin Shanahan to look at options for accessory structures. The residents provided feedback and below is an analysis of potential options provided by Mayor McKee. The residents are seeking feedback from the Council on potential options.

2. Background

A fire burned down the accessory structure at 9425 County Road 101. The residents would like to build a building that exceeds the accessory structure allowances. The residents would propose a building that is 60' x 80' which would be 4800 square feet where 2,969 square feet would be allowed under the current code.

3. Context and Analysis

Zoning and Land Use

The property is currently in Urban Reserve.

Setbacks for accessory buildings in the urban residential zoning districts shall comply with the following:

- a. Front – no accessory building shall be located in the front yard
- b. Side – 10 feet
- c. Rear – 10 feet

Additional considerations for accessory structures include how accessory structures are calculated.

Attached garages with a footprint of less than 1,000 square feet shall not be considered as part of the maximum footprint for purposes of the detached accessory structure calculations. However, attached accessory space in excess of the initial 1,000 square feet shall be counted towards the maximum allowable detached accessory building footprint.

Except in the UR and RR districts, a conditional use permit is required for construction of more than one detached accessory building with a footprint in excess of 200 square feet.

The maximum allowable total or accumulated footprint (total footprint of all accessory structures) for detached accessory buildings in the Urban Reserve and Rural Residential districts shall be as follows:

Acres	0	0.1	0.2	0.3	0.4	0.5	0.6	0.7	0.8	0.9
<1	1,250 or 25 percent of the area of the rear yard, whichever is less.									
1	1,250	1,275	1,300	1,325	1,350	1,375	1,400	1,425	1,450	1,475
2	1,500	1,531	1,563	1,594	1,625	1,656	1,688	1,719	1,750	1,781
3	1,813	1,844	1,875	1,906	1,938	1,969	2,000	2,031	2,063	2,094
4	2,125	2,156	2,188	2,219	2,250	2,281	2,313	2,344	2,375	2,406
5	2,438	2,469	2,500	2,531	2,563	2,594	2,625	2,656	2,688	2,719
6	2,750	2,781	2,813	2,844	2,875	2,906	2,938	2,969	3,000	3,031
7	3,063	3,094	3,125	3,156	3,188	3,219	3,250	3,281	3,313	3,344
8	3,375	3,406	3,438	3,469	3,500	3,531	3,563	3,594	3,625	3,656
9	3,688	3,719	3,750	3,781	3,813	3,844	3,875	3,906	3,938	3,969
10+	3,969	CUP	CUP	CUP	CUP	CUP	CUP	CUP	CUP	CUP

Currently a conditional use permit may be granted for parcels that exceed 10 acres of land.

Building Standards

Building height per section 1070.020 of code cannot exceed 13.5 feet.

The proposed materials would need to in compliance with section 1070.020 of the code.

Home Occupation

If a business were to be operated out the accessory structure it would need to apply for a Conditional Home Occupation License.

Variance, CUP and Alternate Options

Variance standards would be challenging to meet as at this time there are no known hardships.

Staff would have to look into if a CUP would be possible.

Staff would have to review if solar would be possible on the accessory structure.

It would be possible potentially to add some storage to the attached garage and stay below 1,000 square ft.

It would be possible to have cantilevered over hangs to provide additional covered storage without impacting the footprint of the building. These would have to ben engineered.

4. Summary of Discussion Items

There has not been a formal application submitted but rather a request for the Council to provide feedback. As there is no formal application, the feedback given would be similar to a sketch plan that would be advisory in nature. Council should consider the following topics for discussion:

1. Is Council interested in reviewing the ordinance on accessory structures?
 - a. If so, are there specific parameters?
 - i. Would Council consider a 4,800 square foot building on a parcel under 10 acres?
 - b. Who would pay for this project?
 - i. Staff would recommend taking a \$5,000 escrow like we did for the Westside Tire I-1 ordinance amendment. The applicant would prefer City Planner Lindahl assist in this project. In the past residents have requested amendments and the City has not initiated ordinance changes at the City's cost for a specific change that benefits few properties. The City has reviewed ordinance changes that are City initiatives at the City's cost on the City's timeline.
 - c. Where does this fall in the priority of ordinance amendments?
2. Is the Council interested in pursuing alternative routes such as additional attached accessory structure or a cantilevered overhang?

Attachments:

1. Narrative
2. Maps
3. Plans

1. We conducted an assessment for drainage purposes and concluded that it would make more sense to add onto the square footage of the detached building, rather than add on to the garage.
2. As we plan to be more environmentally conscious, the roof of the building provides us with the ability to install a solar grid, which in turn, allows us to consume less power.
3. As you know, we have almost 7 acres of property that we maintain. The additional square footage to the building provides us with the much needed opportunity to park our equipment inside, monitor any leaks, and make repairs. This creates less environmental damage into wetlands resulting from leaking machinery. In addition, having space for equipment also allows us to help our neighbors in the winter months, including the neighbor across the street who is handicapped - we have been plowing his driveway since we moved in.
4. Since we moved in two a half years ago, we have made many improvements to the property, including a great deal of landscaping. We have created a wildflower field in the front pasture that can be seen from 101. It is quite beautiful and people stop on the road to take photos of it. It is a nice way to welcome people to Corcoran as we are right on the 101&30 intersection.
5. By putting a home office into the building instead of the main residence will allow for better work/life balance and a separate space for my wife to work as she is full time work from home.

Our main goal with the building to be environmentally conscious and to preserve the natural beauty of Corcoran.

Property Map HENNEPIN COUNTY
MINNESOTA

Search by Address or PID search help

Results **Property Links**

PID 1211923440006
Address 9425 Co Rd No 101, Corcoran, MN 55340

Owner/Taxpayer

Owner Erin B Shanahan
Taxpayer ERIN B SHANAHAN
 9425 CO RD NO 101
 HAMEL MN 55340

Tax Parcel

Parcel Area 6.67 acres
 290,616 sq ft

Torrens/Abstract Abstract

Addition Brandywine Addn
Lot 012
Block 003

Metes & Bounds

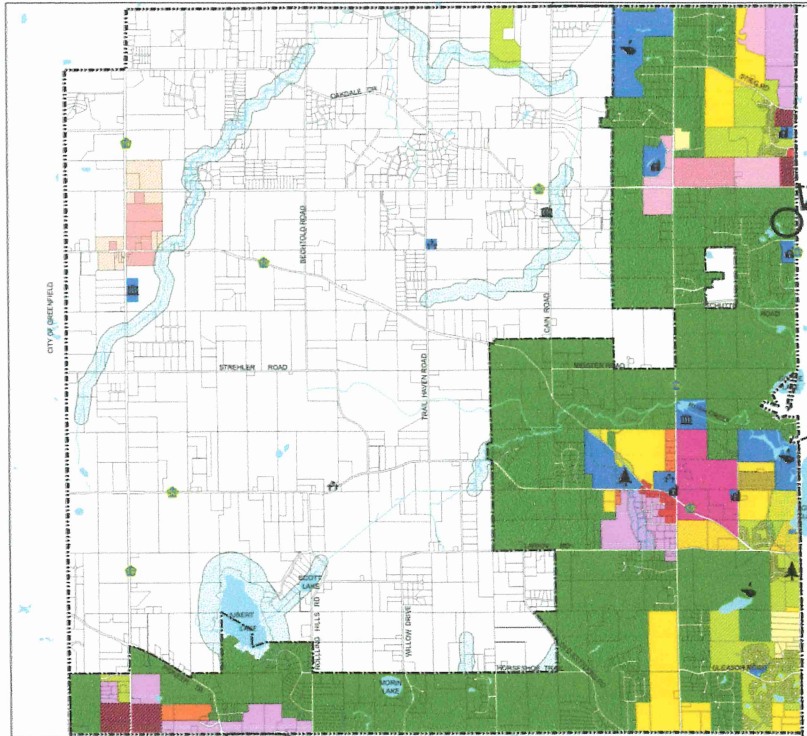
Tax Data (Assessed 2021, Payable 2022)

Market Value \$482,000
Total Tax \$6,095.94
Property Type Residential
 Homestead
Year Built 1979

Tax Data (Assessed 2022, Payable 2023)



Property - 9425 County Road 101 Corcoran, MN 55340



CITY OF CORCORAN
Official Zoning Map

Zoning Districts:

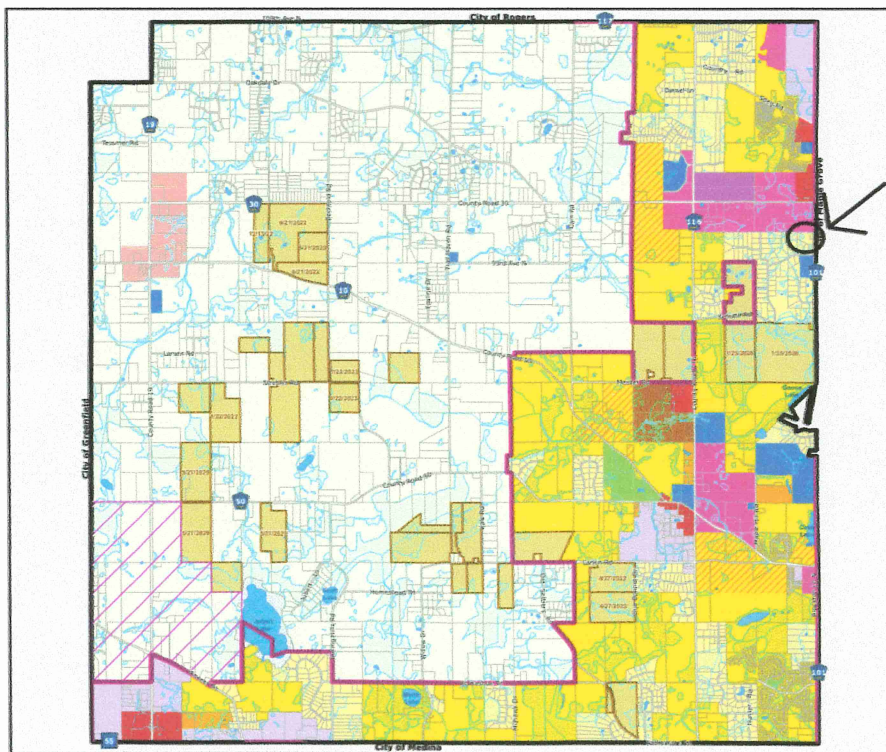
- UR Urban Reserve
- RR Rural Residential
- RSF-1 Single Family Residential 1
- RSF-2 Single Family Residential 2
- RSF-3 Single and Two Family Residential 3
- RMF-1 Medium Density Residential
- RMF-2 Mixed Residential
- RMF-3 High Density Residential
- MP Manufactured Home Park
- P-1 Public / Institutional
- TCR Transitional Rural Commercial
- CR Rural Commercial
- C-1 Neighborhood Commercial
- C-2 Community Commercial
- DMU Downtown Mixed Use
- GMU General Mixed Use
- BP Business District
- I-1 Light Industrial
- FUD Planned Unit Development

Cemetery
 Church
 Golf Course
 Government Building
 Public Park
 2040 Metropolitan Urban Service Area
 City Limit
 Open Water
 Shoreland Overlay District

3,000 1,500 0 3,000 Feet

Updated September 2020
 Adopted June 2011

Zoning Map – Property Circled



CITY OF CORCORAN
2040 COMPREHENSIVE PLAN
 Map Z-1
2040 Future Land Use

- Rural/Ag Residential
- Existing Residential
- Low Density Residential
- Medium Density Residential
- Mixed Residential
- High Density Residential
- Rural Service/Commercial
- Commercial
- Mixed Use
- Business Park
- Light Industrial
- Public/Semi-Public
- Parks/Open Space
- Agricultural Preserve (Date of Expiration)
- Open Water
- Municipal Boundary
- 2040 MUSA
- Future MUSA Expansion Area
- Parcel Boundaries
- Streams
- Lake/Open Water
- Wetlands

Source: Revised National Wetland Inventory (NWI) Data, 2007-2016

3,000 1,500 0 3,000 Feet

Map

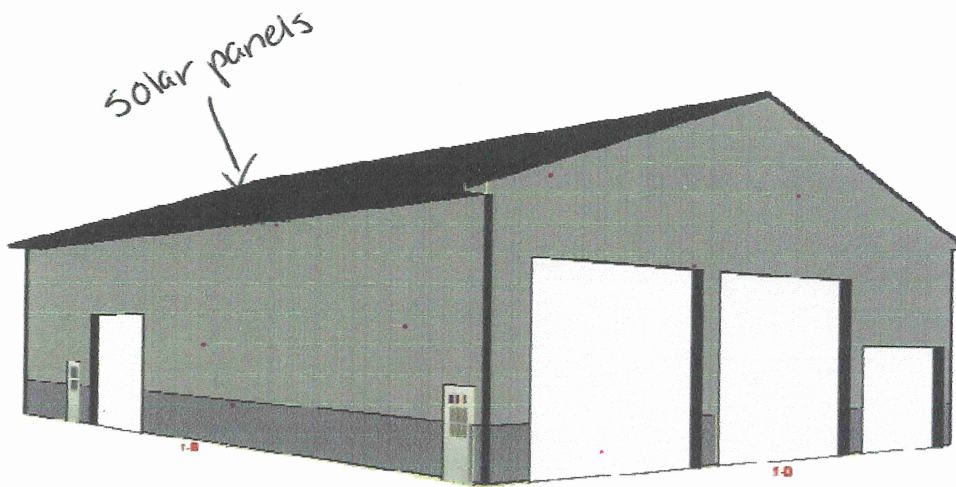
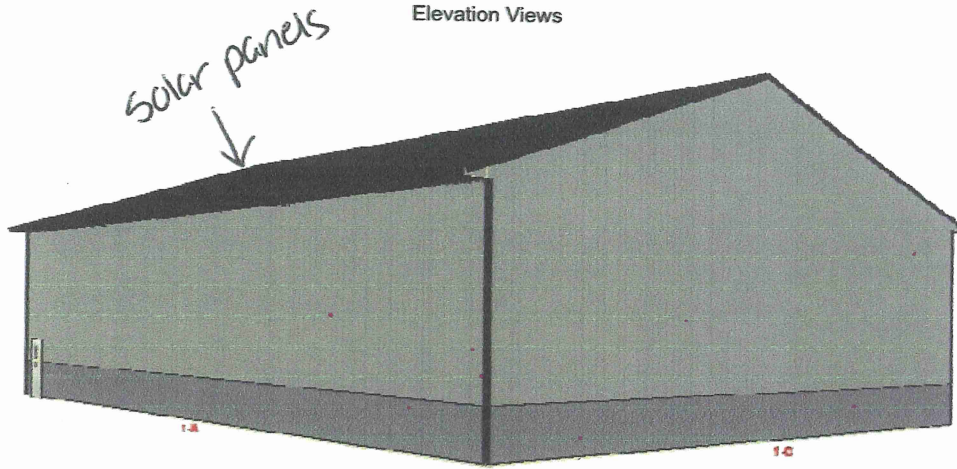
Future Land Use Map – Property Circled

Design #: 313756235080
Estimate #: 78296
Store: MAPLE GROVE



Post Frame Building Estimate
Date: Jan 16, 2023 12:47:33 PM


Elevation Views

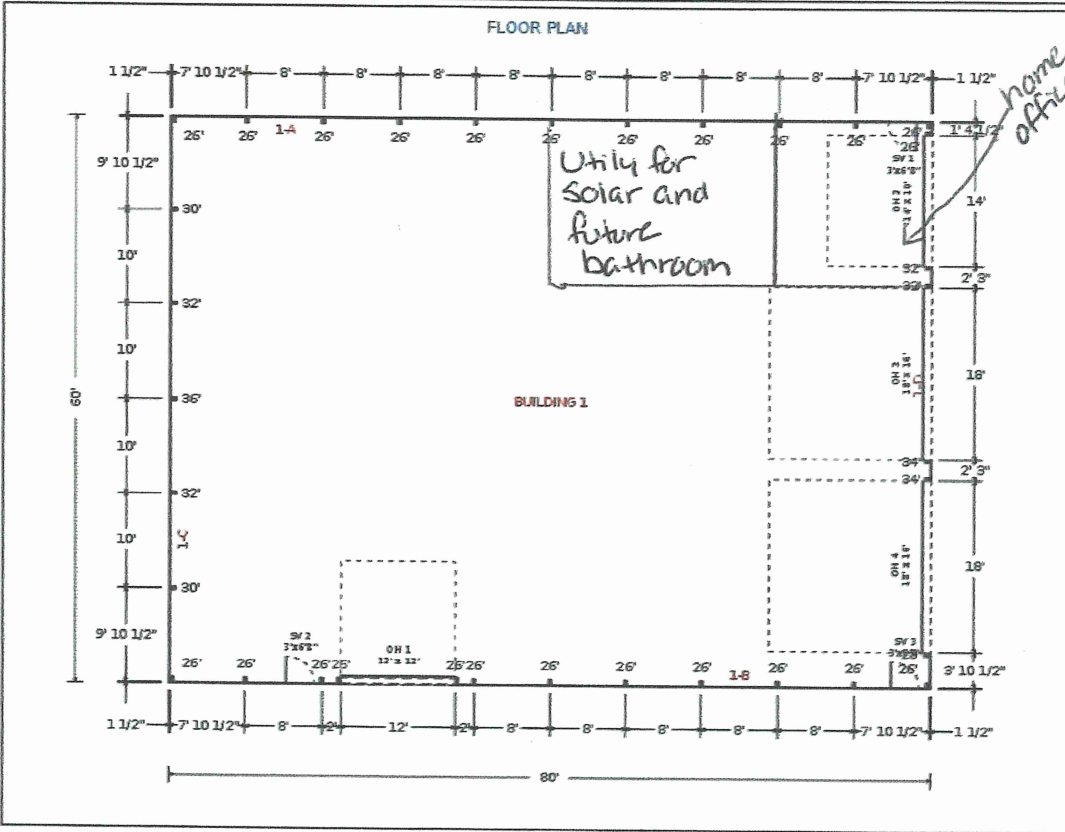


Date: 01/16/2023 - 12:47 PM
 Design Name: Post Frame Designer
 Design ID: 313756235080
 System V Estimate ID: 78296
 Estimated price: \$64,894.44 *

*Today's estimated price, future pricing may go up or down.
 Tax, labor, and delivery not included.

MENARDS
Design & Buy™
 POST FRAME

<p>How to recall and purchase a saved design at home</p>  <p>OR</p> <ol style="list-style-type: none"> 1. On Menards.com, enter "Design & Buy" in the search bar 2. Select the Buildings Designer 3. Recall your design by entering Design ID: 313756235080 4. Follow the on-screen purchasing instructions 	<p>How to purchase at the store</p> <ol style="list-style-type: none"> 1. Enter Design ID: 313756235080 at the Design-It Center Kiosk in the Building Materials Department 2. Follow the on-screen purchasing instructions.
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CITY OF CORCORAN

Financial Management Plan Review of Development Scenarios and Impact on Water and Sewer Funds

January 26, 2023

Tammy Omdal
Managing Director, Northland Securities

Scenario Development

- Analyze the financial impact of modified development assumptions on the Long-Term Financial Plan, dated November 3, 2022 (Plan)
- Focus on impact on the Water and Sewer Funds, specifically
- Modify development assumptions for a new scenario (Scenario B) to be based on a more conservative scenario for development

Scenarios

- Scenario A is based on information and assumptions contained in the Plan, inclusive of only one change and that is for the estimated debt to be issued in 2023 based on updated project cost estimates
- Scenario B is based on modified assumptions for growth (more conservative), revenues, and capital spending compared to Scenario A

Comparison of Scenario A and B

- If development does not occur as anticipated, City would not proceed with planned capital improvements in future years
 - Scenario A includes water and sewer system improvements (in years 2027, 2030, and 2031) to support development
 - Scenario A assumes pay-go funding for capital projects (no debt issuance)
- Estimated fees charged to utility customers to provide revenue to support expenses is the same for Scenarios A and B
 - Approximately 5% annually for water services and 3% for sewer services

Comparison of Scenario A and B

- Under either scenario, City would not need to levy ad valorem taxes to support the Water and Sewer Funds
- Water and sewer revenues are projected to be sufficient under both scenarios to cover expenses and projected cash needs

Chart 1
Water and Sewer Funds
Projected Ending Cash Balance

- SCENARIO A: Base Scenario for Future Development
- SCENARIO B: More Pessimistic Scenario for Future Development

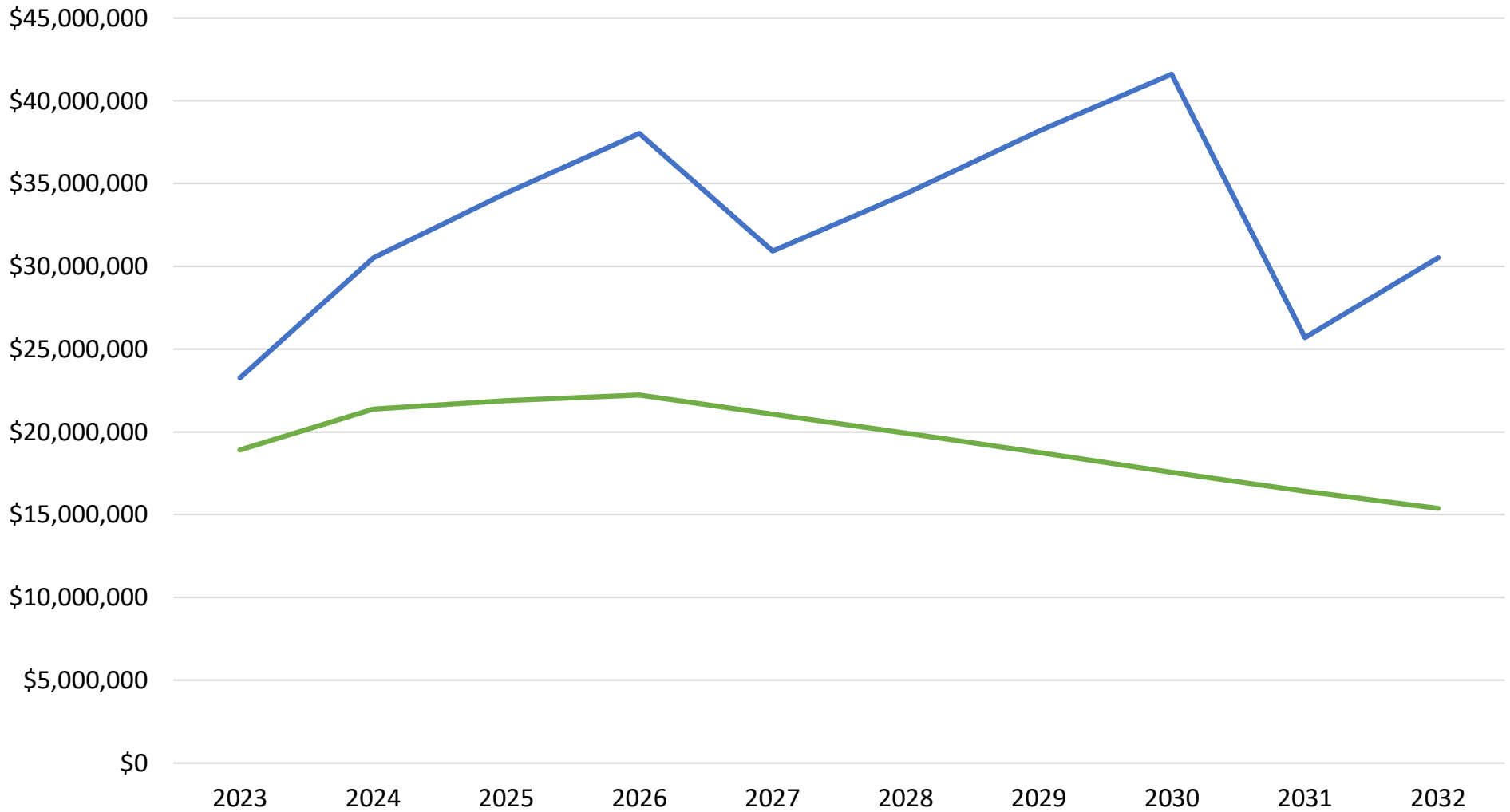


Chart 2
Water and Sewer Funds

Projected Ending Cash Available for Future Capital Improvements / Reserves

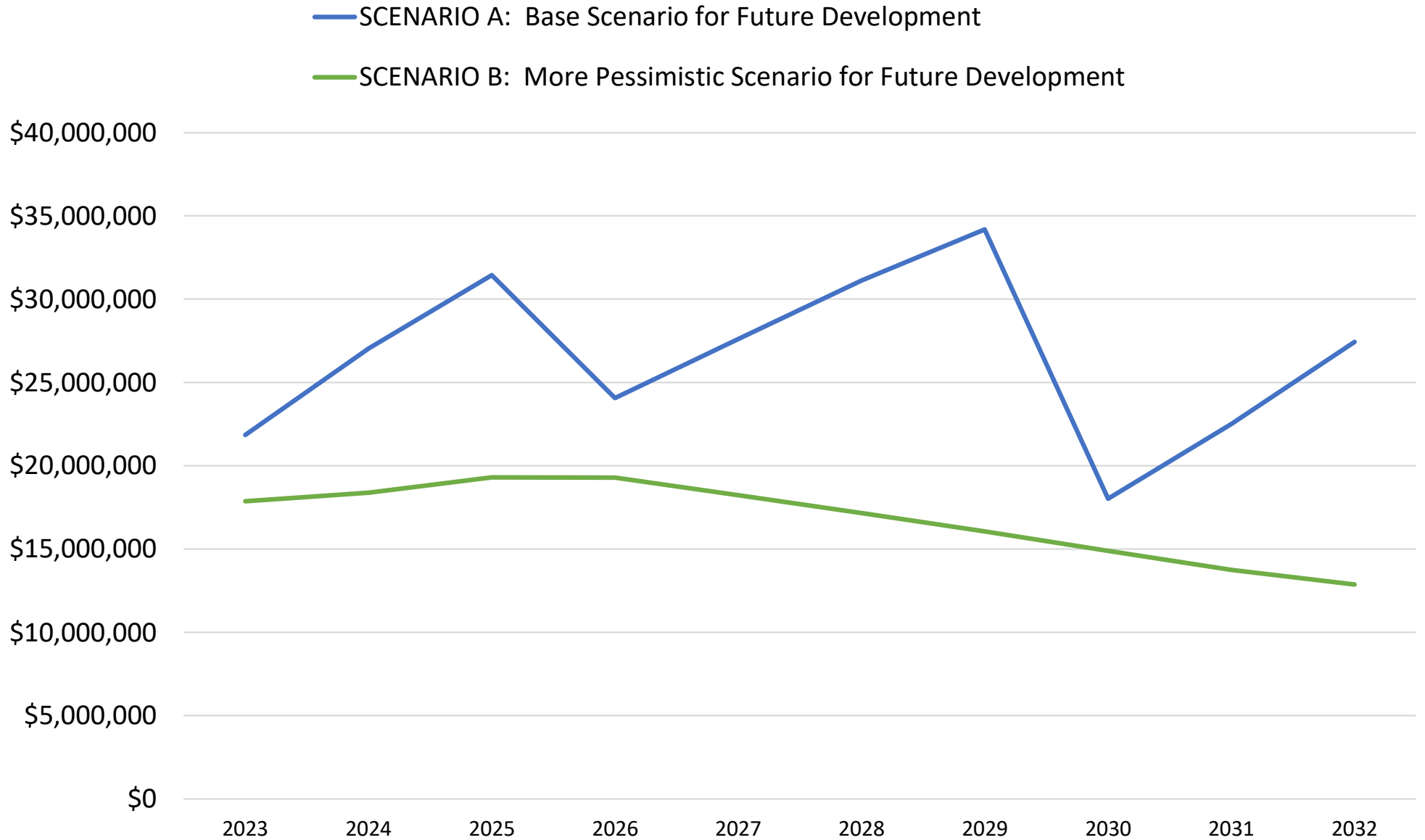


Chart 3
Water and Sewer Funds

Projected Equivalent Customer Units for Water and Sewer Utilities

■ SCENARIO A: Base Scenario for Future Development

■ SCENARIO B: More Pessimistic Scenario for Future Development

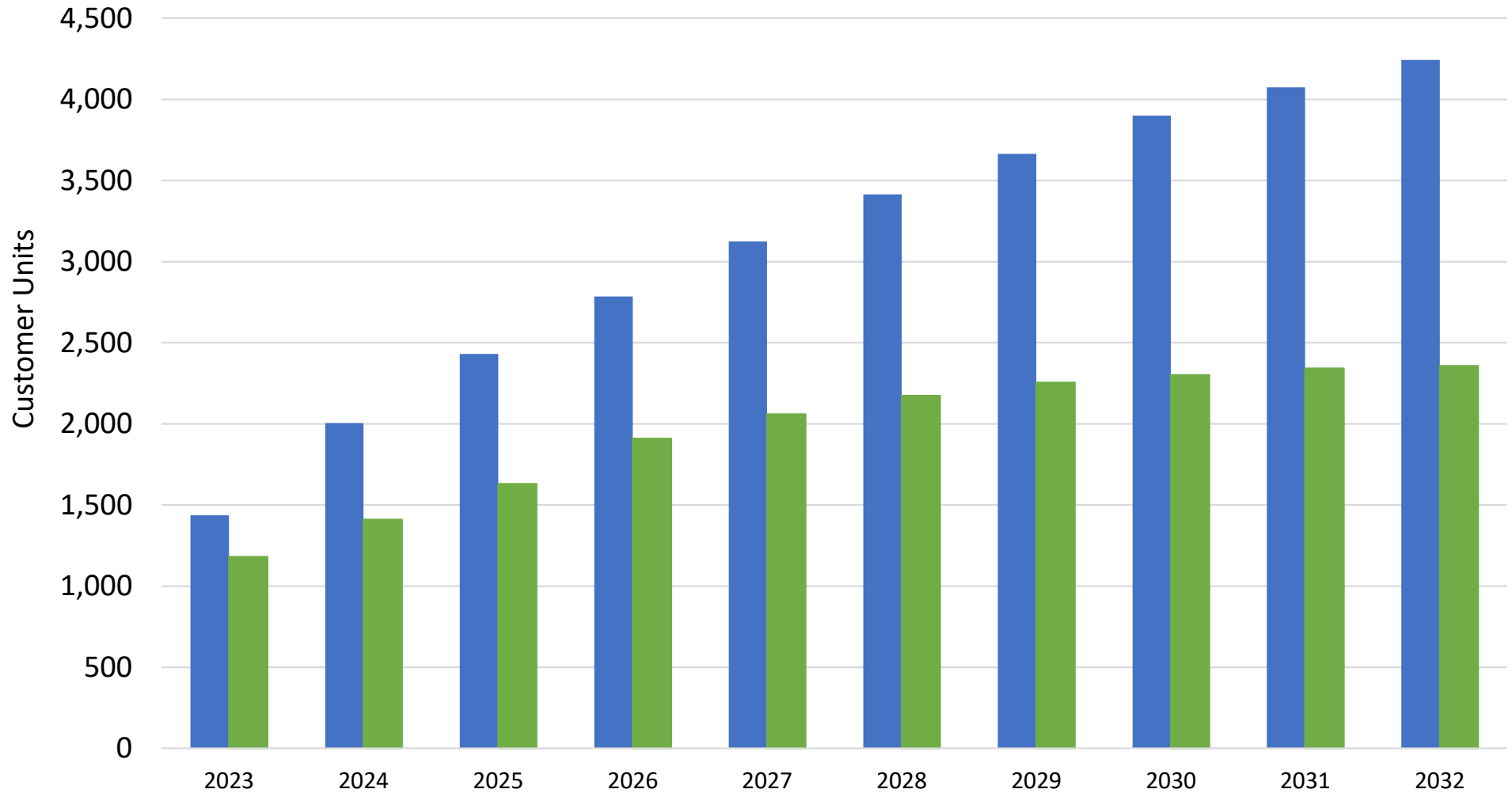


Chart 4
Water and Sewer Funds
Projected Water Volume Sold

- SCENARIO A: Base Scenario for Future Development
- SCENARIO B: More Pessimistic Scenario for Future Development

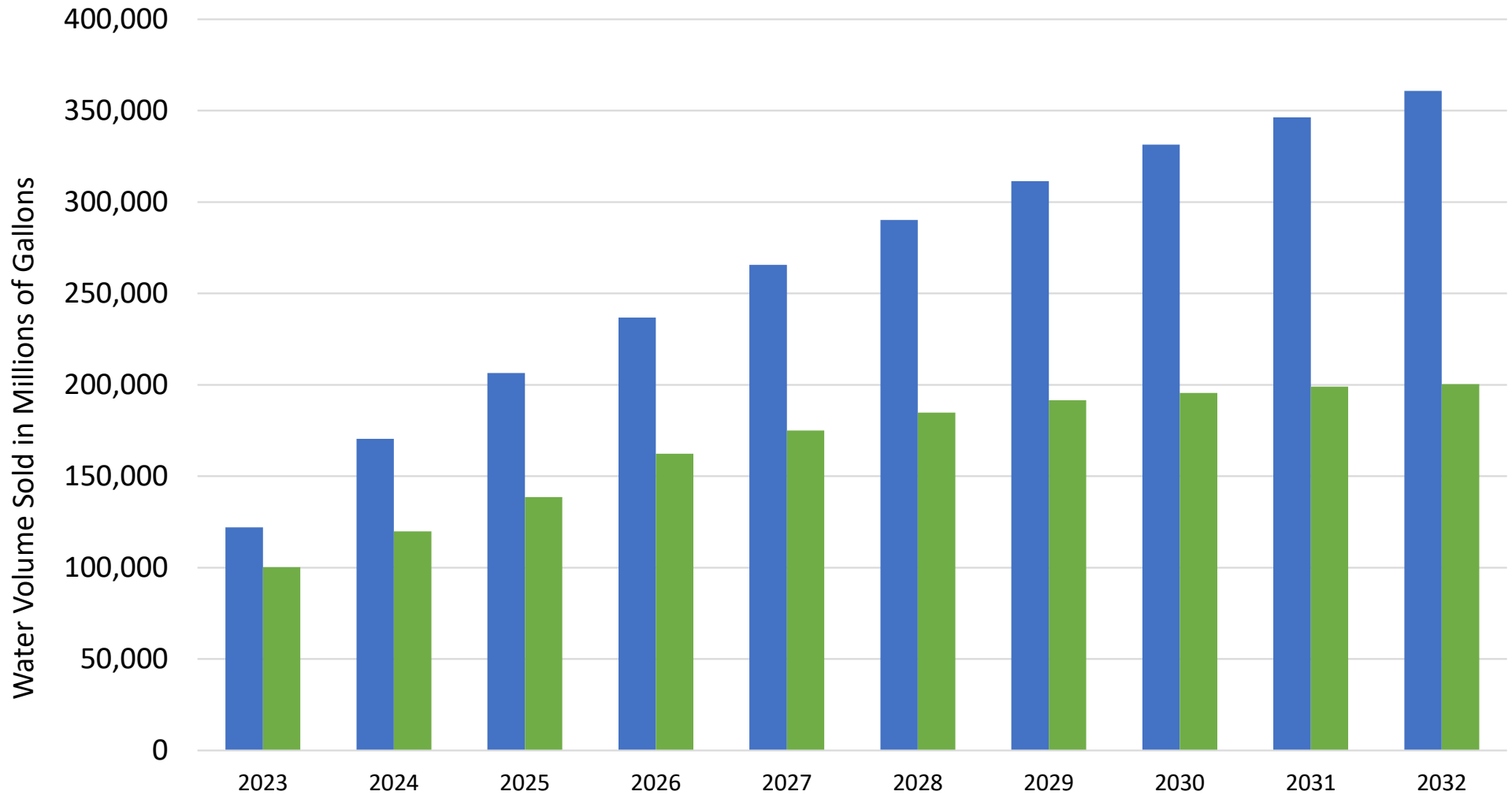


Chart 5
Water and Sewer Funds
Projected Acres Platted

- SCENARIO A: Base Scenario for Future Development
- SCENARIO B: More Pessimistic Scenario for Future Development

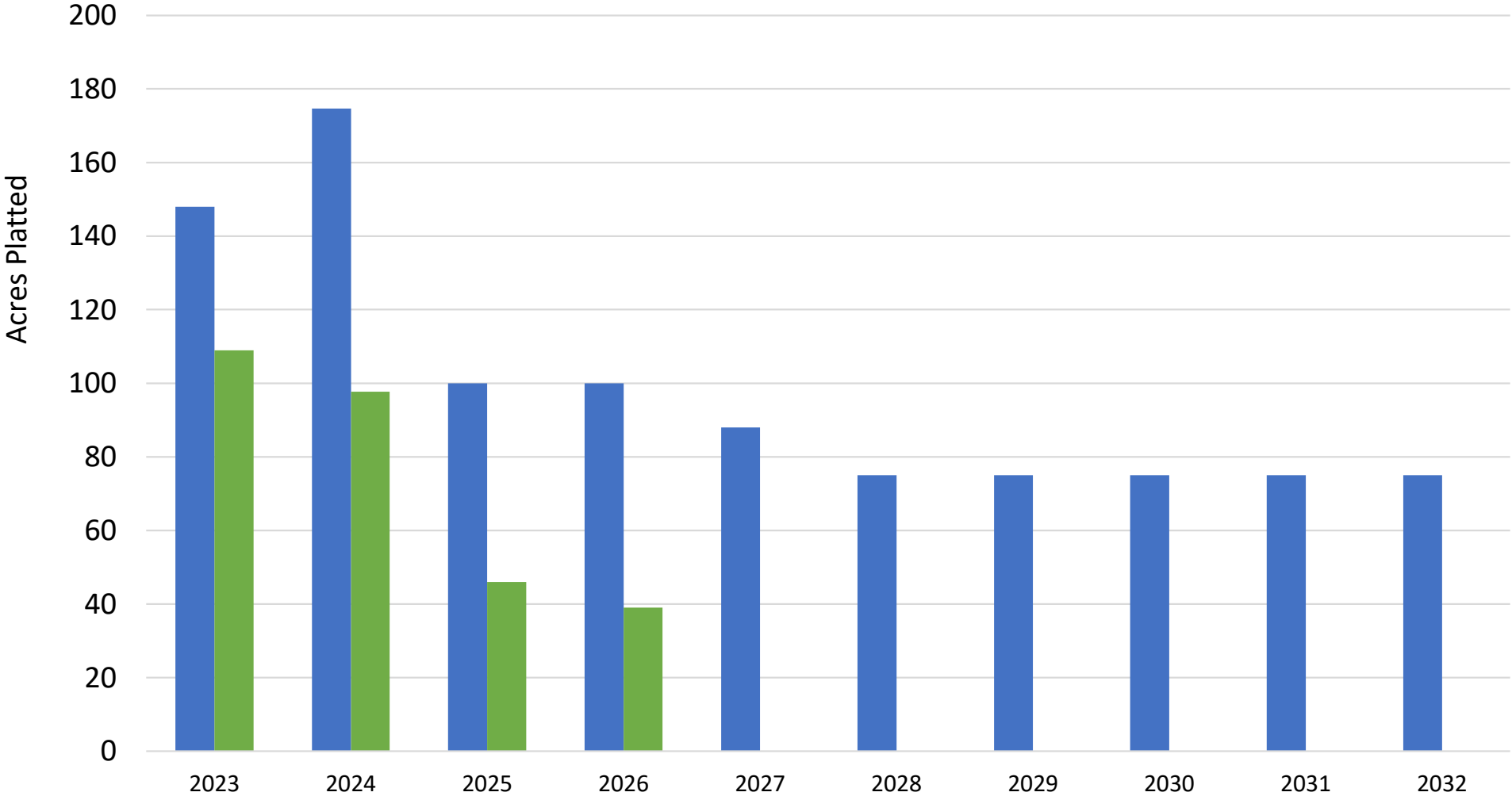


Chart 6
Water and Sewer Funds

Projected Revenue from Development (Availability and Connection Charges)

- SCENARIO A: Base Scenario for Future Development
- SCENARIO B: More Pessimistic Scenario for Future Development

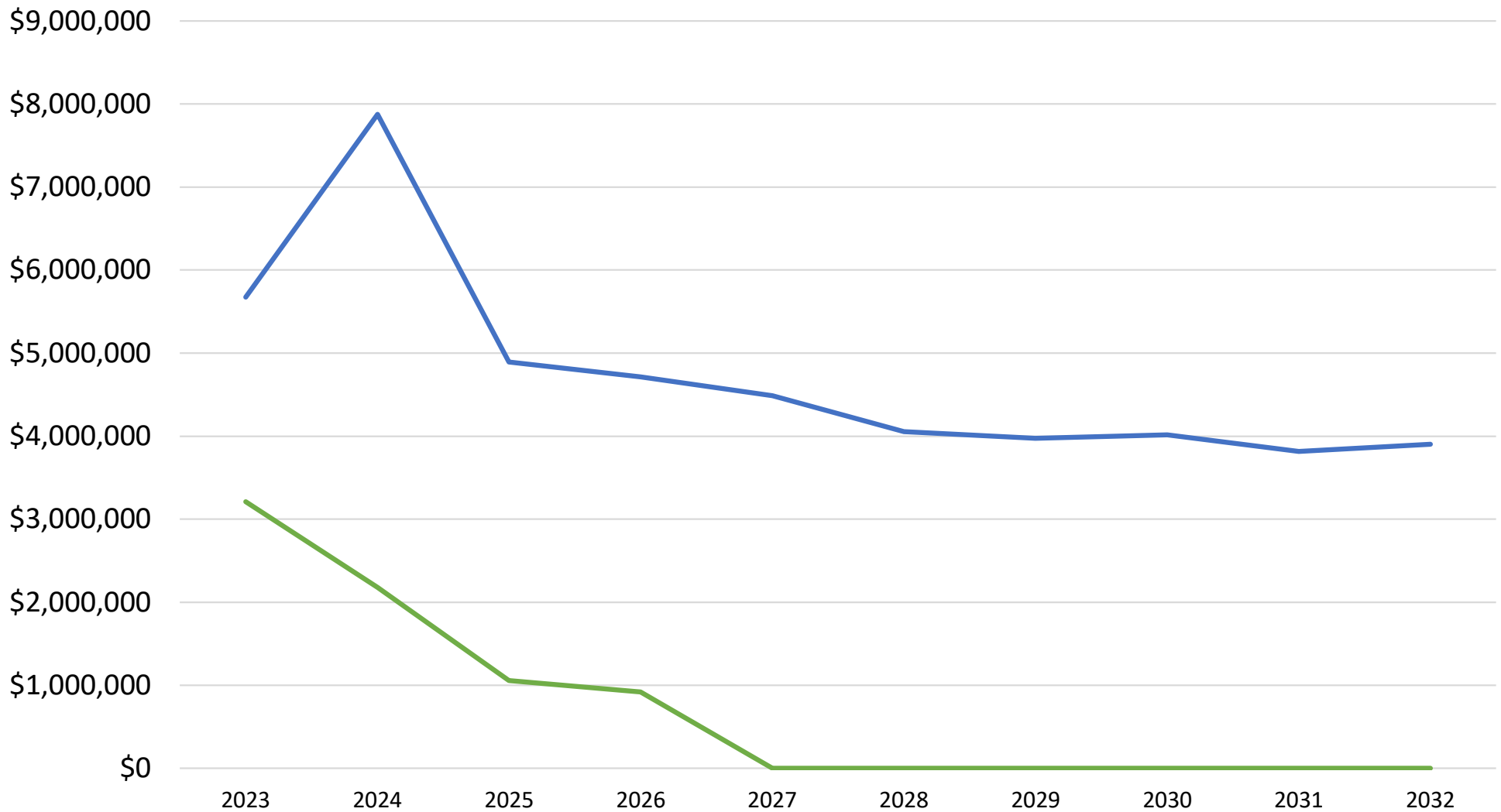


Chart 7
Water and Sewer Funds
Projected Annual Debt Service as Percent of Projected Total Ending Cash

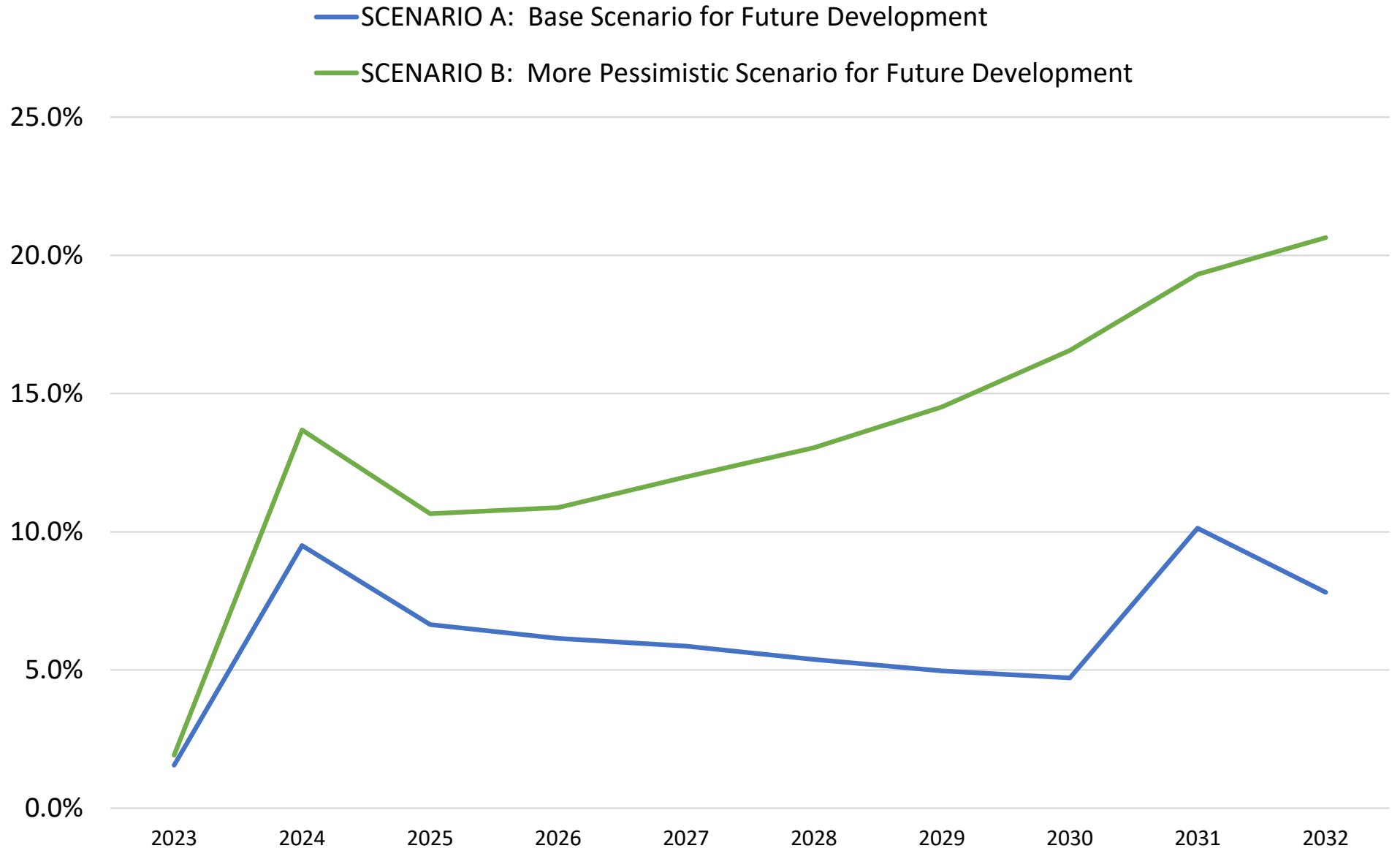


Chart 8
Water and Sewer Funds
Projected Annual Debt Service Payments

- SCENARIO A: Base Scenario for Future Development
- SCENARIO B: More Pessimistic Scenario for Future Development

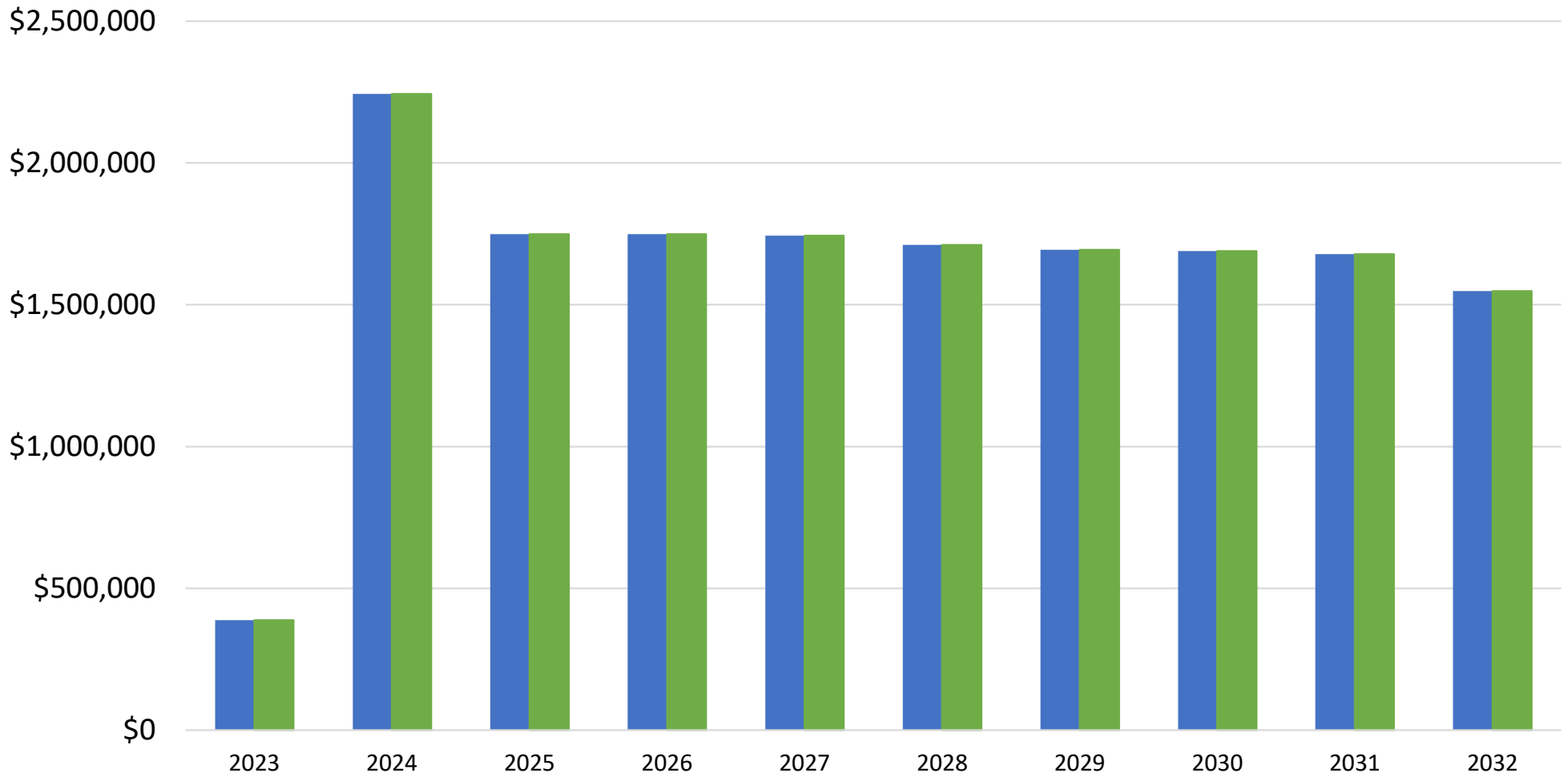


Chart 9
Water and Sewer Funds
Projected Bonds Outstanding Payable form Water and Sewer Revenues

- SCENARIO A: Base Scenario for Future Development
- SCENARIO B: More Pessimistic Scenario for Future Development

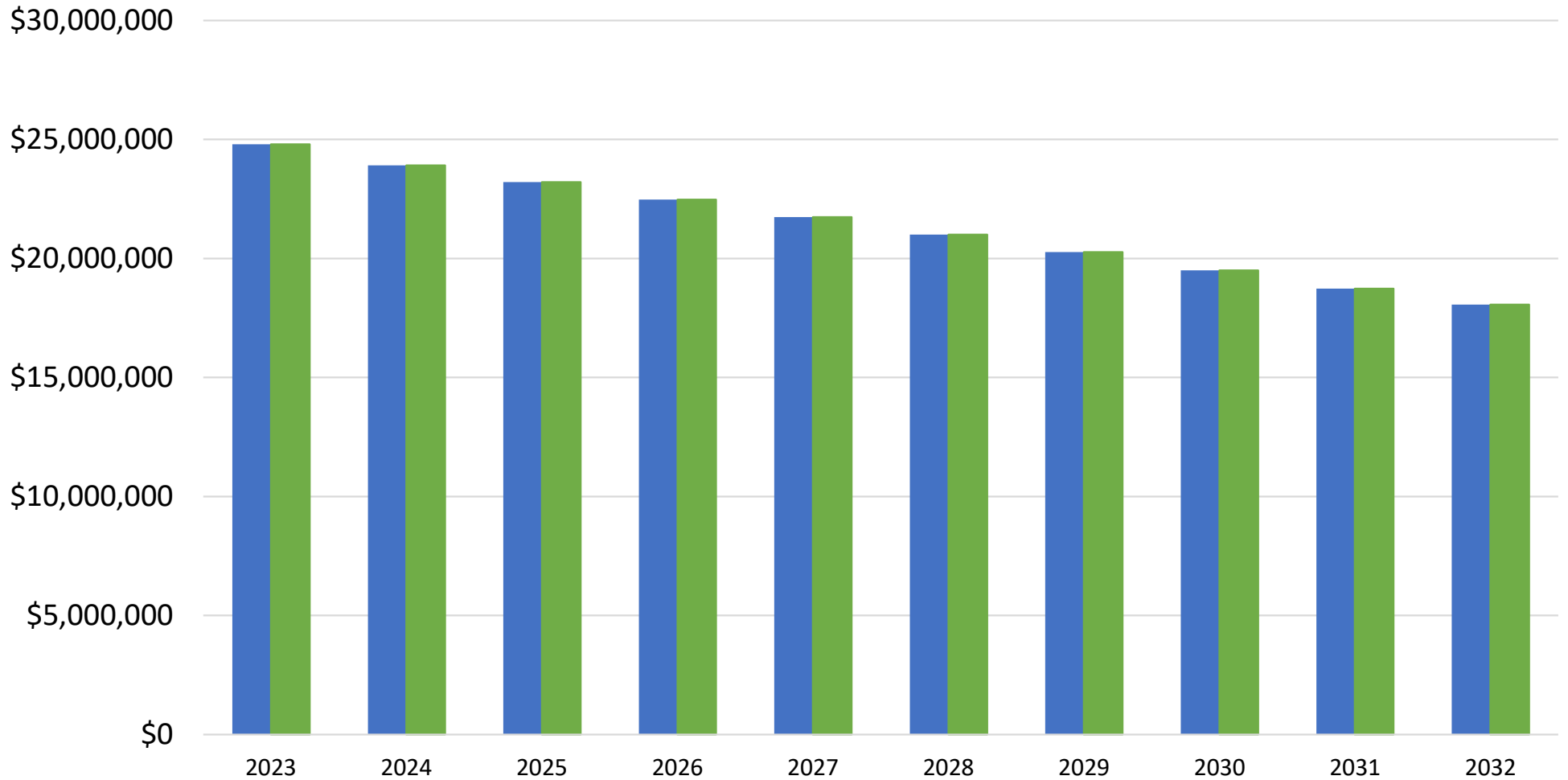


Chart 10
Water and Sewer Funds
Projected Annual Capital Improvement Project Spending

- SCENARIO A: Base Scenario for Future Development
- SCENARIO B: More Pessimistic Scenario for Future Development

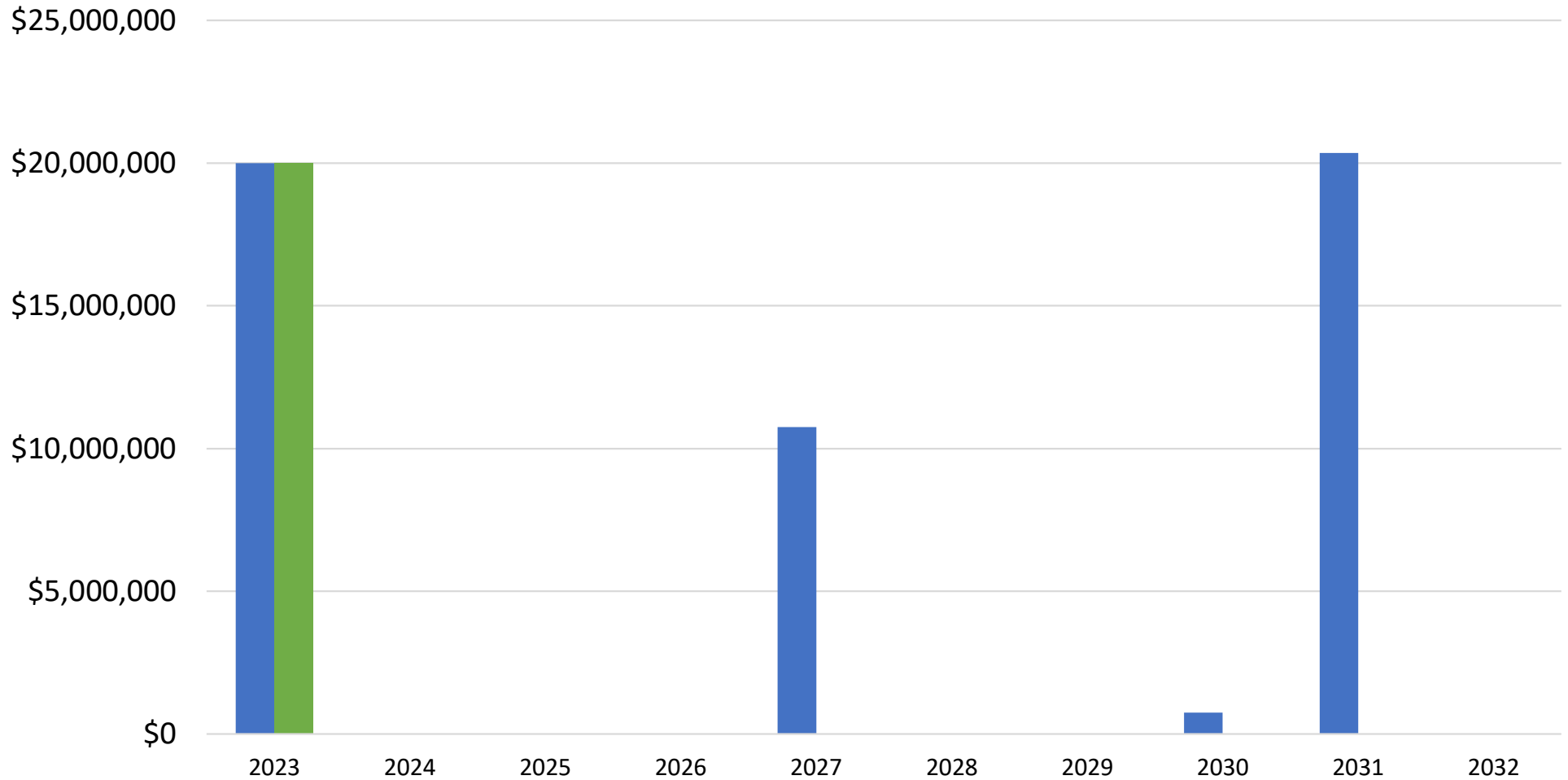


Chart 11
Water and Sewer Funds
Projected Bond Issuance by Year

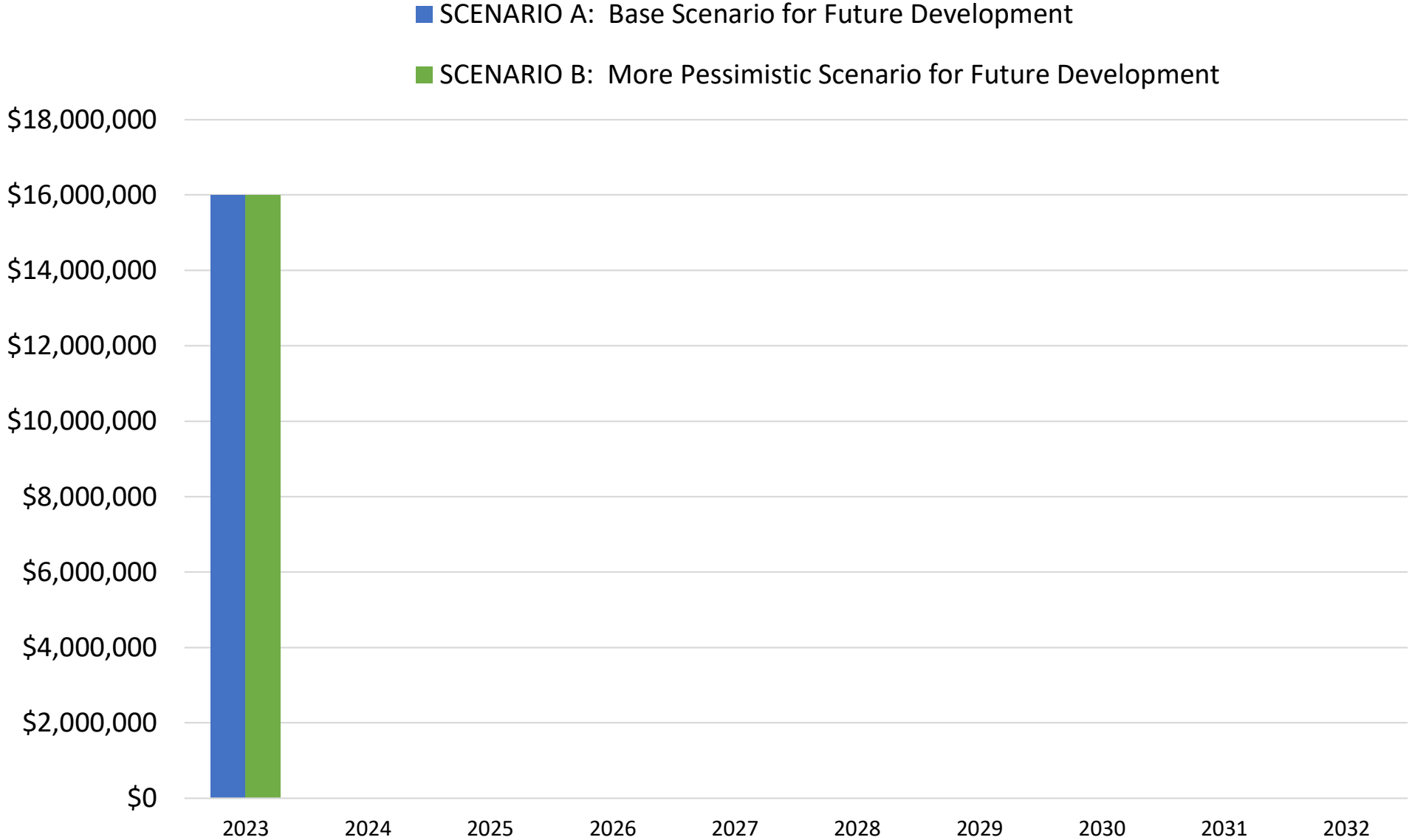


Chart 12
Water Fund

Projected Annual Rate Adjustments for Water Base and Usage Charges

- SCENARIO A: Base Scenario for Future Development
- SCENARIO B: More Pessimistic Scenario for Future Development

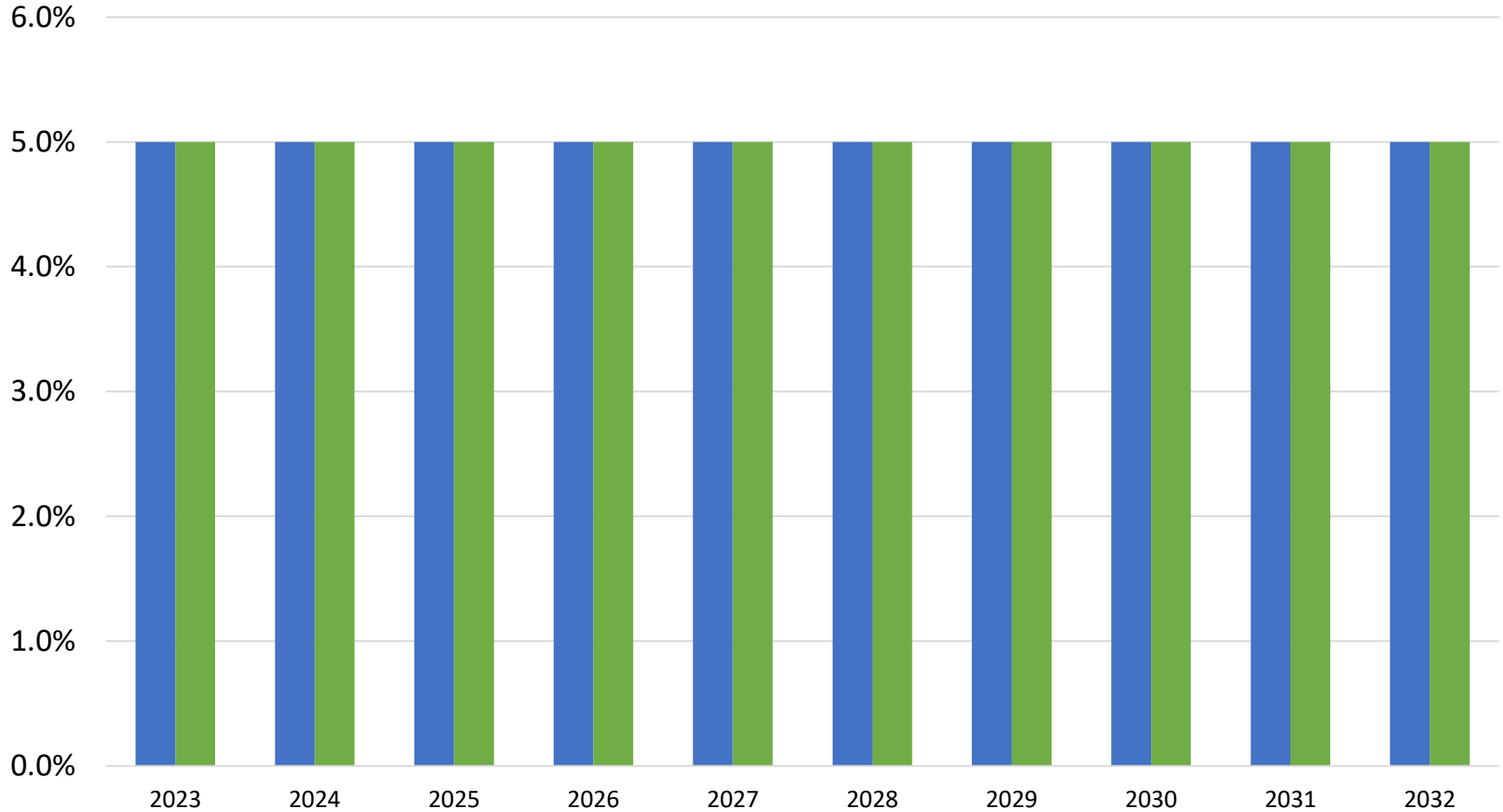
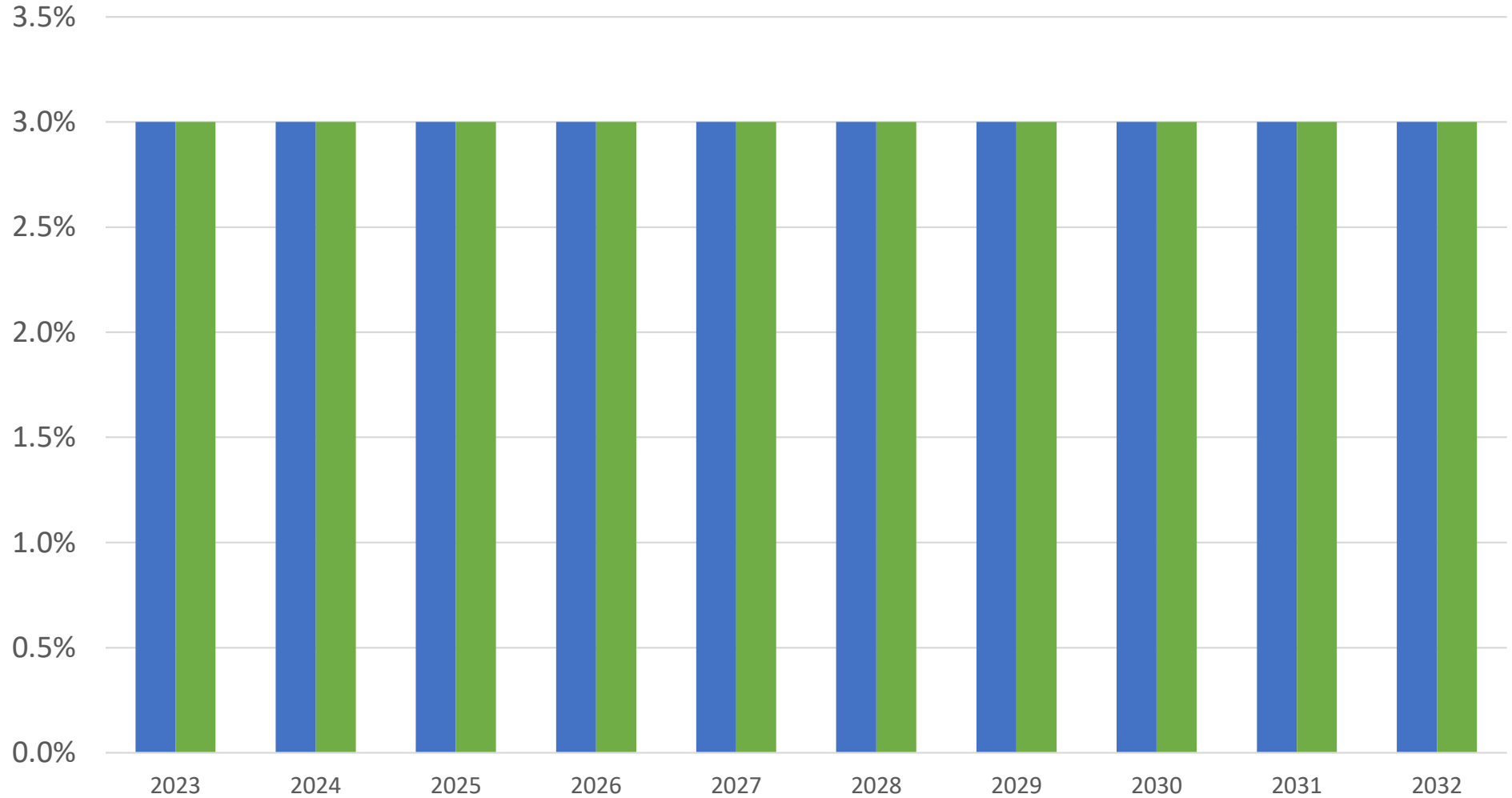


Chart 13
Sewer Fund

Projected Annual Rate Adjustments for Sewer Base and Usage Charges

- SCENARIO A: Base Scenario for Future Development
- SCENARIO B: More Pessimistic Scenario for Future Development



Summary

- Development will drive revenues and need for capital improvements
- Water and Sewer Funds are projected to maintain sufficient cash and remain in sound financial condition

Questions

Tammy Omdal
Managing Director
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tomdal@northlandsecurities.com

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Registered with SEC and MSRB
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STAFF REPORT

Agenda Item: 9ai.

Council Meeting: January 26, 2023	Prepared By: Jessica Beise
Topic: Financial Analysis	Action Required: Approval

Summary:

Over the past several months staff has been working with Council to identify funding options for the water treatment facility. The current financial model has the water tower and treatment plant utilizing bonding funds. The trunk infrastructure project is planned to be funded by the \$3 million-dollar federal allocation. Should the Council approve bid alternate 6 – Lift Satiation SCADA, associated with the water treatment, staff recommends utilizing the sewer fund.

Tammy Omdal, Northland Securities, the City's financial advisor, as completed a analysis for the water funds based on potential changes to market conditions. Tammy will be available at the meeting to answer additional questions.

Financial/Budget:

These are planned projects in the financial management plan.

Options:

1. Review the financial analysis information.
2. Send back to staff for further review.

Recommendation

Review the financial analysis information and provide direction on the project to staff.

Council Action:

Review the financial analysis information and provide direction on the project to staff.

Attachments:

1. Finance Analysis

**MEMORANDUM**

To: City of Corcoran
From: Tammy Omdal, Managing Director
Date: January 17, 2023
Re: Impact of Development Assumptions on the City's Long-Term Financial Plan

Northland was asked to analyze the financial impact of modified development assumptions on the City's Long-Term Financial Plan, dated as of November 3, 2022 (the "Plan") and impact on the Water and Sewer Funds, specifically. The modified development assumptions are based on a more conservative scenario for development compared to the assumptions in the Plan. The growth assumptions in the Plan were prepared by city staff and are believed to be moderately conservative estimates for growth.

For purposes of the analysis and comparison of scenarios, the scenarios are described as follows:

- **Scenario A** is based on information and assumptions contained in the Plan, inclusive of only one change and that is for the estimated debt to be issued in 2023 based on updated project cost estimates.
- **Scenario B** is based on modified assumptions for growth (more conservative), revenues, and capital spending as compared to Scenario A.

If development does not occur as anticipated (Scenario A) and development between 2023-2032 is significantly less (Scenario B), City would not proceed with planned capital improvements. Scenario A includes water and sewer system improvements (in years 2027, 2030, and 2031) to support development. Scenario A assumes pay-go funding for these projects (no debt issuance).

The estimated fees charged to utility customers to provide revenue to support expenses is the same for Scenarios A and B, approximately 5% annually for water services and 3% for sewer services. Under either scenario, City would not need to levy ad valorem taxes to support the Water and Sewer Funds. Revenues are projected to be sufficient under both scenarios to cover expenses and projected cash needs.

The graphs that follow provide a summary of key information to compare the scenarios. For purpose of presentation data is combined for the Water Fund and the Sewer Fund and presented in total. The graphs include the following information provided for years 2023-2032:

Graph 1 (Ending Cash): Provides comparison of estimated ending cash balance for the two scenarios. Based on a more conservative assumption for growth, along with other adjustments for Scenario B, it is estimated that the combined ending cash balance projected for year 2032 would be approximately \$15.1 million less under Scenario B compared to Scenario A, or approximately \$30.5 million compared to \$15.4 million.

Graph 2 (Reserves for Capital): Provides comparison of combined estimated cash available for future capital improvements or reserve of cash from collection of development charges (connection and availability charges). Based on a more conservative assumption for growth, along with other adjustments for Scenario B, it is estimated that there would be approximately \$14.6 million less in available funds for future projects by year 2032. This may result in the City needing to consider issuance of debt for future capital improvements beyond year 2032, depending on timing of development after year 2032.

Graph 3 (Customer Units): Provides comparison of equivalent customer units of the utilities as estimated under Scenario A compared to Scenario B. Scenario A estimates 4,244 customers by year 2032 compared to 2,358 for Scenario B.

Graph 4 (Water Volume Sold): Provides comparison of estimated water volume sold annually as estimated under Scenario A compared to Scenario B. Scenario A estimates City will sell (in millions of gallons) approximately 360,740 by year 2032 compared to 200,430 for Scenario B.

Graph 5 (Acres Platted): Provides comparison of estimated acres platted under Scenario A compared to Scenario B. Under Scenario A the assumption is approximately 986 acres would be platted by year 2032 compared to approximately 292 acres for Scenario B.

Graph 6 (Revenue from Connection and Availability Charges): Provides comparison of estimated revenue from connection and availability charges for Scenario A compared to Scenario B. Under Scenario A the assumption is the collection of approximately \$47.4 million in connection and availability charges by year 2032 compared to \$7.4 for Scenario B.

Graph 7 (Debt Services as Percent of Ending Cash): Provides comparison of estimated annual debt service as a percent of ending cash balance for Scenario A compared to Scenario B. Year 2023 is estimated to be the only year of debt issuance for both Scenario A and B. For Scenario A it is estimated that as of year 2032 debt service as a percent of ending cash balance will be approximately 7.3%. Under Scenario B, the more pessimistic scenario for development, it is

estimated that annual debt service would be equal to approximately 21% of the ending cash balance as of year 2032.

Graph 8 (Annual Debt Service): Provides comparison of estimated annual debt service for Scenario A compared to Scenario B. Annual debt service is assumed to be the same under both Scenarios A and B. Annual debt service as of year 2032 is estimated at approximately \$1.5 million annually. Capital improvement spending is greater under Scenario A compared to Scenario B, For Scenario A, it is assumed that development will drive the need and support the cost of capital improvement spending (through collection of development charges) without debt issuance after year 2023. Actual timing of development will determine if the assumption (pay-go versus debt issuance) will be possible.

Graph 9 (Bonds Outstanding): Provides comparison of estimated bonds outstanding payable from water and sewer revenues for Scenarios A and B. Bonds outstanding are estimated to be the same for both scenarios. Total bonds outstanding by year 2032 is estimated at approximately \$18.1 million. Scenario B assumes no additional capital spending after year 2023. Scenario A assumes the City will have collected cash from development charges sufficient to pay for improvements on a pay-go basis and no issuance of debt between years 2024-2032.

Graph 10 (Capital Improvements): Provides estimated capital improvement spending on water and sewer. Planned spending is higher under Scenario A, with spending on water and sewer improvements between 2023-2032 estimated at nearly \$52 million. This includes for treatment and storage facilities as well as trunk expansion, among other improvements. Scenario B does not include any capital spending between years 2024-2032. Without development, the improvements will not be necessary.

Graph 11 (Bond Issuance): Provides estimated bond issuance to support capital improvement spending on water and sewer. Scenario A includes bond issuance in 2023 only with future improvements estimated to be paid from cash collected from estimated development under Scenario A. Scenarios A and B both include \$21,605,000 of bond issuance in 2023, with no bond issuance between 2024-2032.

Graphs 12 and 13 (Rate Adjustments): Provides comparison of estimated annual rate increases for water and sewer services, including to base charge and usage charges. The analysis estimates the rate increases for water services to be approximately 5% annually and for sewer services approximately 3.0% annually, for both Scenarios A and B.

Chart 1
 Water and Sewer Funds
Projected Ending Cash Balance

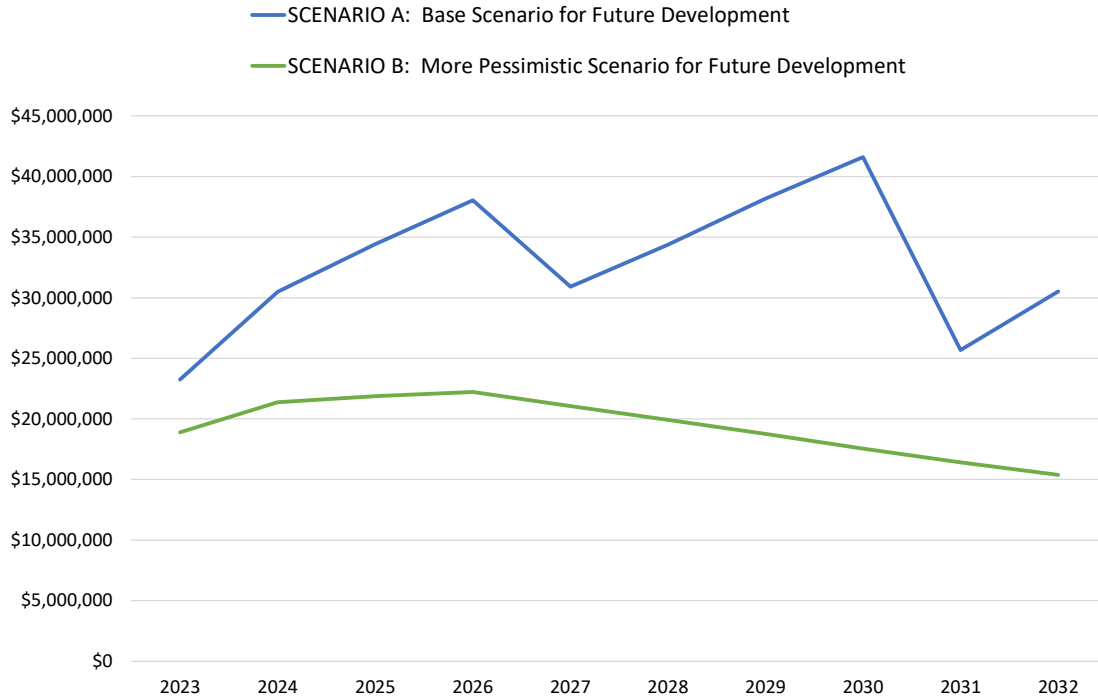


Chart 2
 Water and Sewer Funds
Projected Ending Cash Available for Future Capital Improvements / Reserves

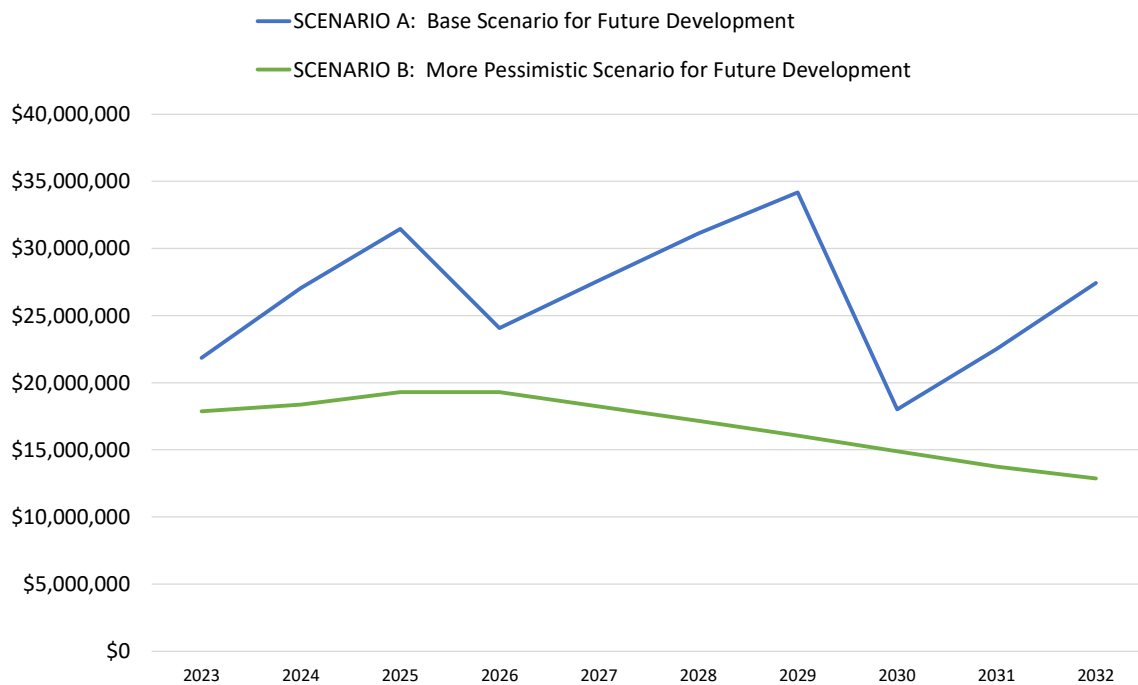


Chart 3
 Water and Sewer Funds
Projected Equivalent Customer Units for Water and Sewer Utilities

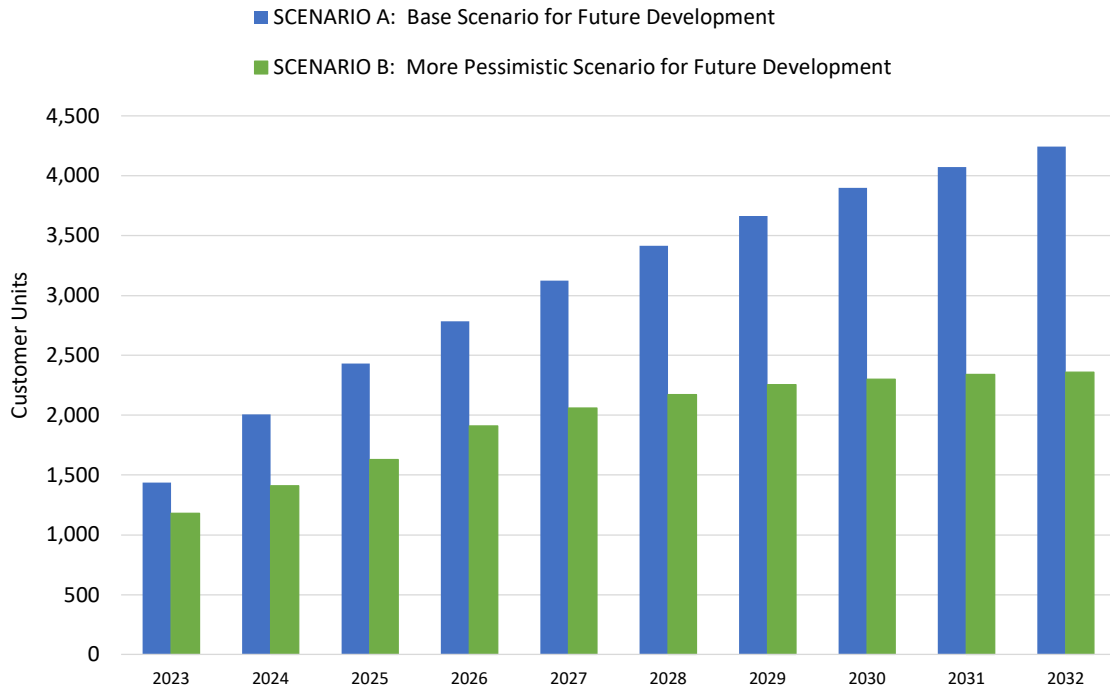


Chart 4
 Water and Sewer Funds
Projected Water Volume Sold

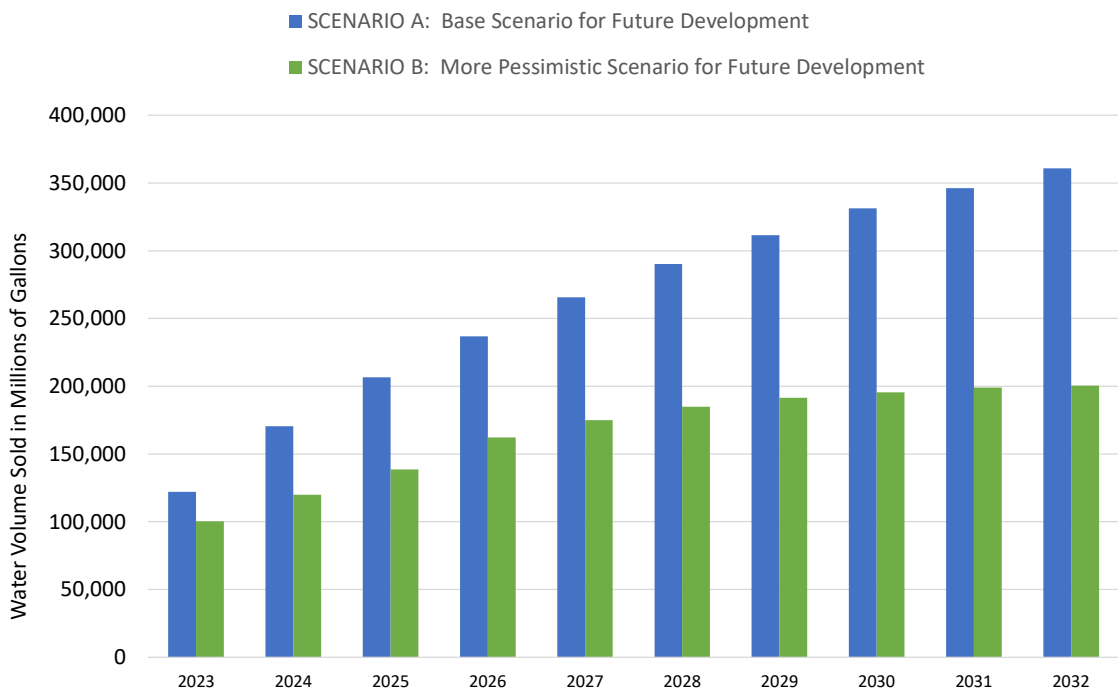


Chart 5
 Water and Sewer Funds
Projected Acres Platted

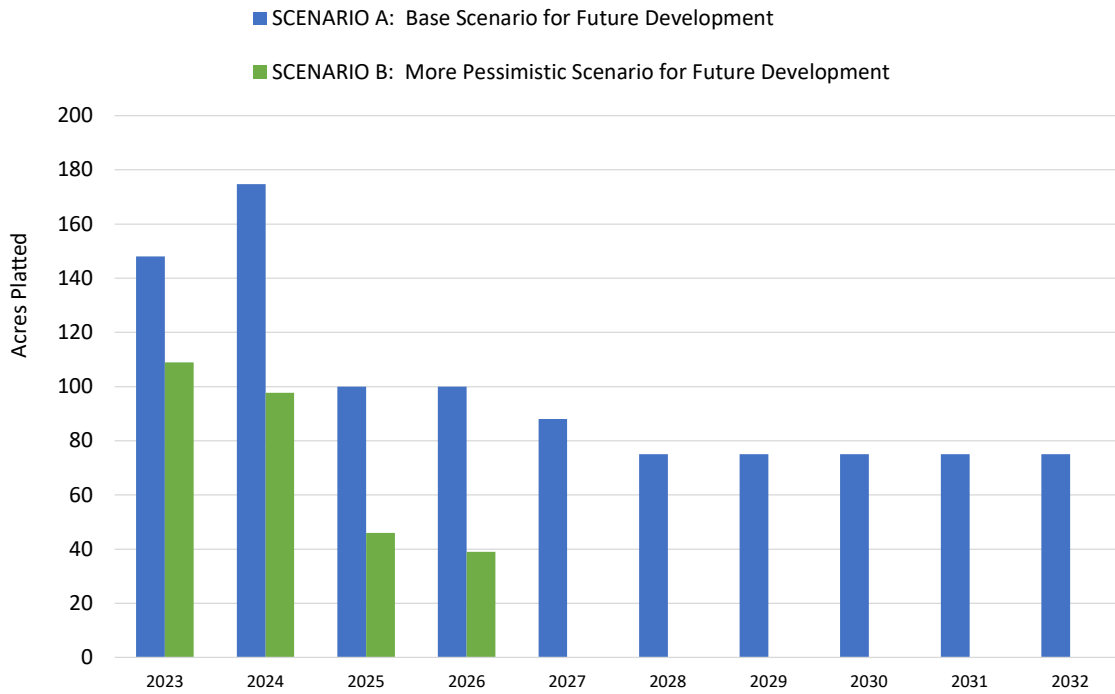


Chart 6
 Water and Sewer Funds
Projected Revenue from Development (Availability and Connection Charges)

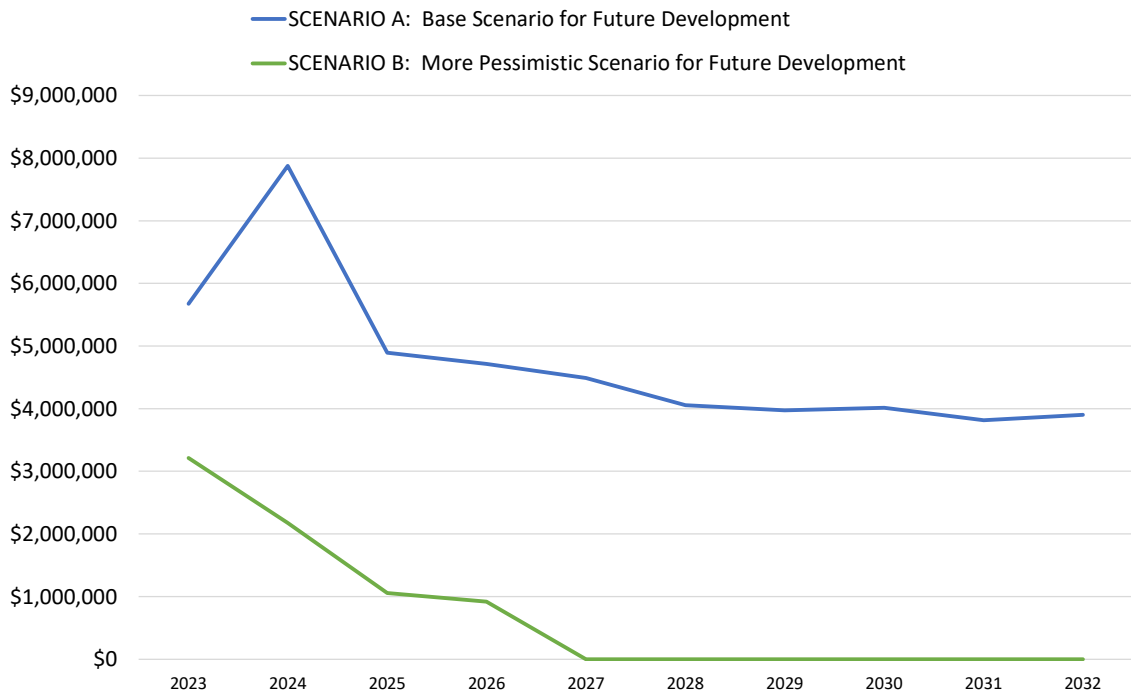


Chart 7
 Water and Sewer Funds
Projected Annual Debt Service as Percent of Projected Total Ending Cash

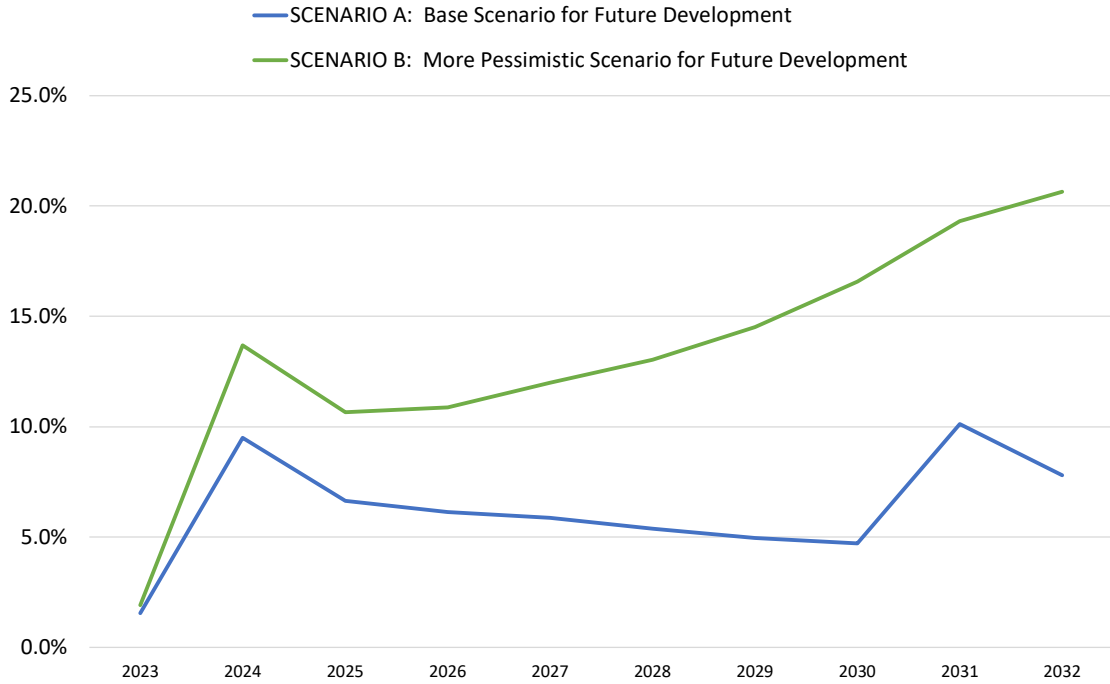


Chart 8
 Water and Sewer Funds
Projected Annual Debt Service Payments

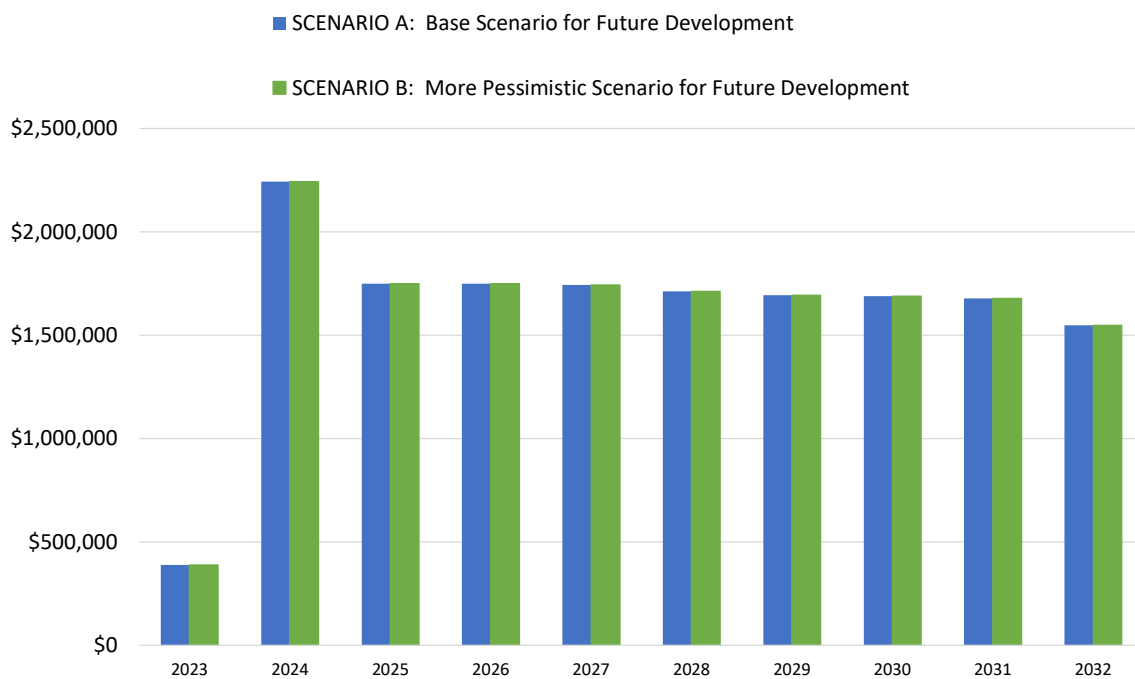


Chart 9
 Water and Sewer Funds
Projected Bonds Outstanding Payable form Water and Sewer Revenues

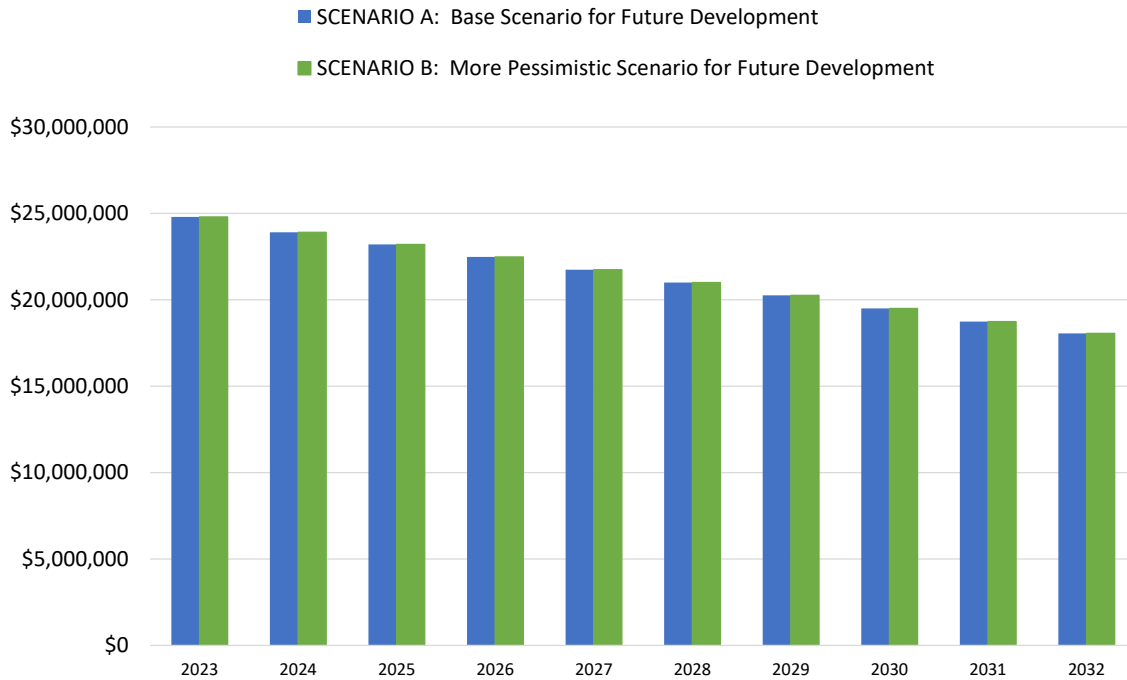


Chart 10
 Water and Sewer Funds
Projected Annual Capital Improvement Project Spending

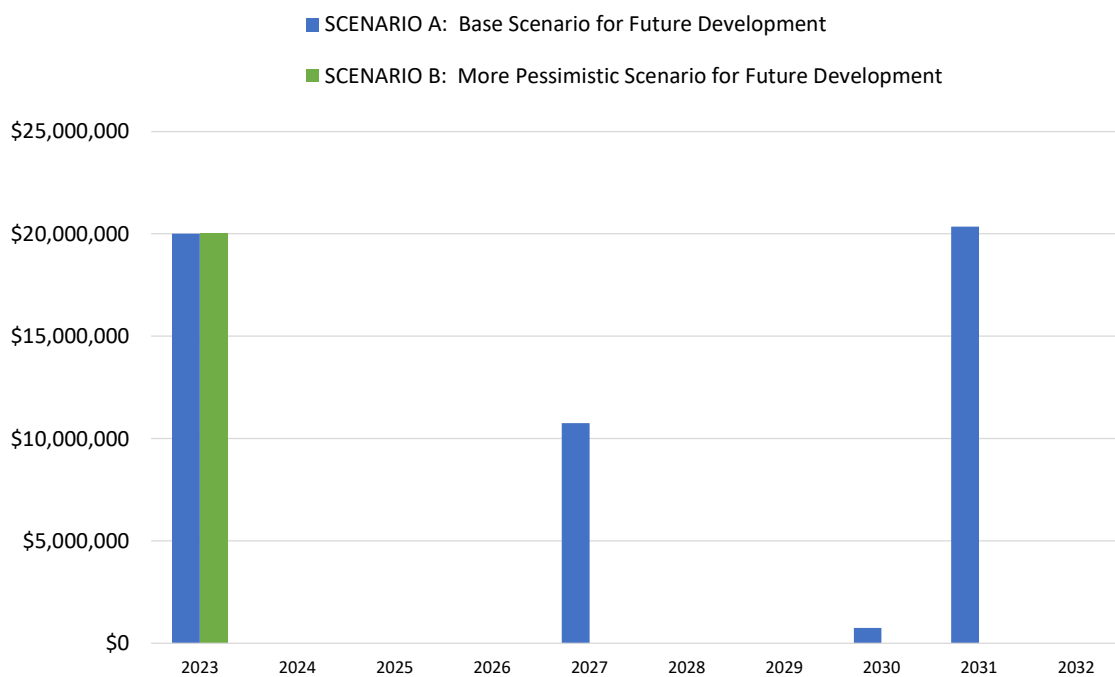


Chart 11
Water and Sewer Funds
Projected Bond Issuance by Year

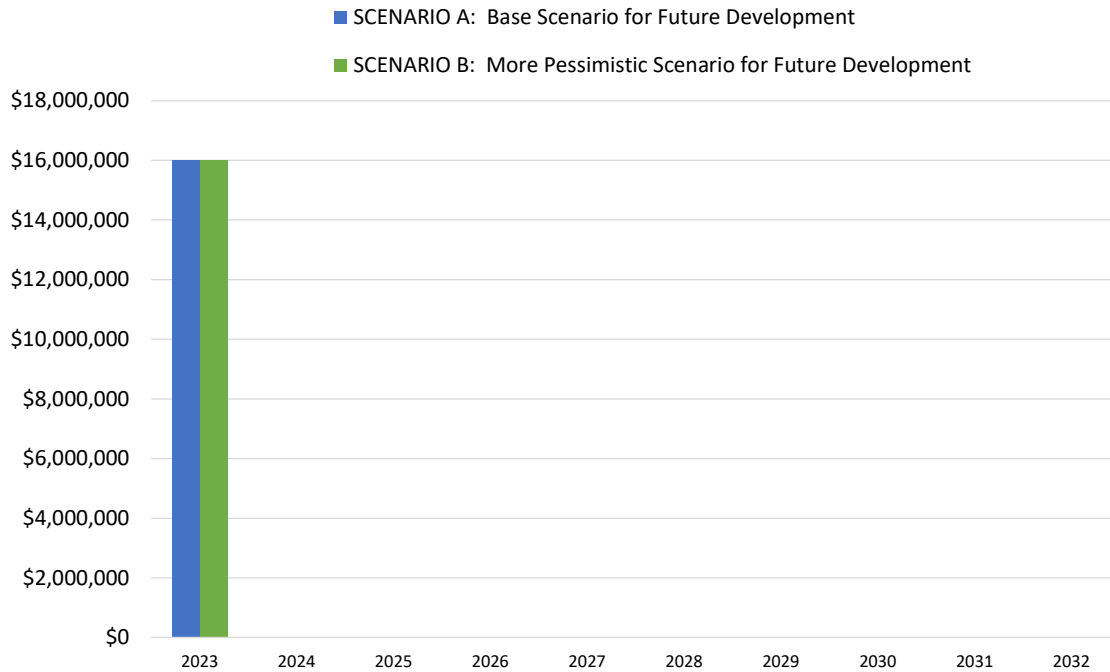
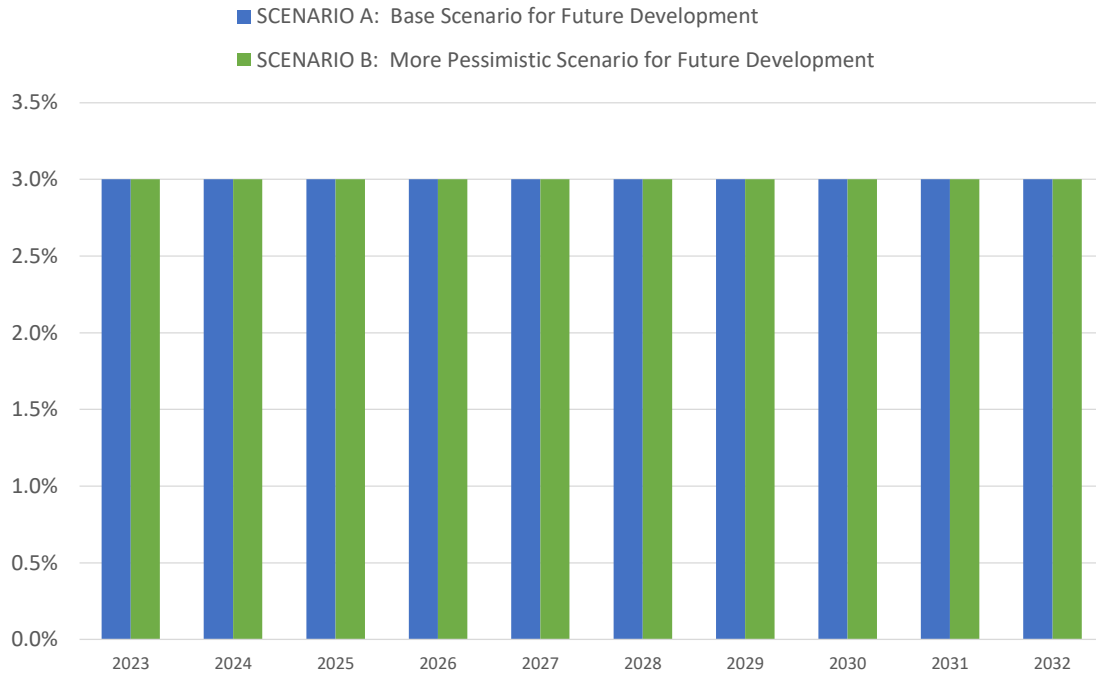


Chart 12
Water Fund
Projected Annual Rate Adjustments for Water Base and Usage Charges



Chart 13
Sewer Fund
Projected Annual Rate Adjustments for Sewer Base and Usage Charges



To: Kevin Mattson, Public Works Director From: Kent Torve, PE, City Engineer

File: 227704426 Date: January 19th, 2023

Reference: Corcoran Water Supply, Treatment & Storage Project – Present Bids for WTP and Water Tower Projects

STATUS UPDATE

Bids for the Water Treatment Plant and the Water Tower were opened on November 29th, 2022 and Bid Results were presented to the City Council at the December 8th, 2022 City Council meeting. At that meeting, the City Council did not make a decision on the project and requested additional financial information which is being provided by City Staff.

This memo provides additional information on the projects and the alternates to be considered by the City Council as they review the bids and consider moving forward with the Water Treatment Plant and Water Tower Projects.

Because the contractors on the project were required to hold their bid pricing for 60-days, a decision will need to be made at the January 26th City Council Meeting or the prices will lapse and the project will need to be re-bid.

Water Tower Bid Results

The City received three qualified bids on the Water Tower Project with Phoenix Fabricators from Avon, Indiana as the apparent low bidder on the base project and all variations of the alternates.

Below is a brief summary and results table of the Base Bid and Alternates to be considered by the City Council. As Phoenix Fabricators would be the apparent low bidder under all variations, only their bid results are presented but a complete bid tab is provided as an attachment to this memo.

Summary

Base Bid Site Work – The base bid is for the site work for the facility. The site work is the same for all of the tower sizing alternatives.

Base Bid 750,000 Gallon Composite Tank – This is the bid to construct the 750,000 gallon composite tank.

Alternate A 1,000,000 Gallon Composite Tank – This is the bid to construct 1,000,000 gallon composite tank.

Alternate B 750,000 Gallon Composite Tank – This is the cost savings by allowing non-domestic fittings on the 750,000 gallon tank project.

Alternate C 1,000,000 Gallon Composite Tank– This is the cost savings by allowing non-domestic fittings on the 1,000,000 gallon tank project.

Results

Bid Item	Cost
Base Bid - Site Work	\$ 690,817.00
Base Bid – 750,000 Composite Tank	\$ 3,553,231.00
Alternate A – 1,000,000 Gallon Composite Tank	\$ 4,012,569.00
Alternate B – 750,000 Gallon Composite Tank	(\$ 6,000)
Alternate C – 1,000,000 Gallon Composite Tank	(\$ 6,000)

Recommendation

If the City Council chooses to move forward with the Water Tower Project, we would recommend awarding to construct the 1,000,000 gallon composite tank option which is the Base Bid Site Work Project and Bid Alternate A for a Total Cost of \$4,703,386.00 to Phoenix Fabricators.

While the project was bid to allow for non domestic fittings, the City historically has found value in the domestic fittings and would not recommend those alternates for this project.

If the City Council elects to award the 750,000 gallon composite tank option, we would recommend awarding the Base Bid Site Work and Base Bid Tower for a Total Cost of \$4,244,048.00 to Phoenix Fabricators.

Water Treatment Plant Bid Results

The City received five qualified bids on the water treatment plant project. Rice Lake Construction Group from Deerwood, Minnesota was the apparent low bidder for the water treatment plant project for the base bid and all of the bid alternates of the project.

Below is a brief summary and results table of the Base Bid and Alternates to be considered by the City Council. As Rice Lake Construction Group would be the apparent low bidder under all variations, only their bid results are presented but a complete bid tab is provided as an attachment to this memo.

Summary

Base Bid Item 1 – This is the cost to construct the two-filter cell water treatment facility and all of the site improvements.

Base Bid Item 2 – This is the allowance to allow for City Staff to address minor field changes on the facility.

Bid Alternate Item 3 – This is the cost to include the architectural dormers on the two-filter cell facility.

Bid Alternate Item 4 – This is the additional cost beyond the base bid to construct a three-filter cell facility.

Bid Alternate Item 5 – This is the cost to include the architectural dormers on the three-filter cell facility.

Bid Alternate Item 6 – A significant investment will be made into a new SCADA (control) system for the water treatment facility. This Bid Item is to upgrade the existing controls at the existing lift station facilities to work with the new control system.

Bid Alternate Item 7 – This Bid Item is to include the SCADA system with the new water tower. This was included with this project to ensure one system is used across the entire City system.

Bid Alternate Item 8 – This is the cost savings to allow for non-domestic pipe and fittings on the two-filter cell facility.

Bid Alternate Item 9 – This is the cost savings to allow for non-domestic pipe and fittings on the three-filter cell facility.

Results

Bid Item	Cost
Base Bid Item 1 – Two-Filter Cell Facility	\$ 15,149,400.00
Base Bid Item 2 – General Allowance	\$ 50,000.00
Alternate Bid Item 3 – Two-Filter Cell Architectural Dormers	\$ 71,000.00
Alternate Bid Item 4 – Three-Filter Cell Facility (Additional Cost)	\$ 2,394,800.00
Alternate Bid Item 5 – Three-Filter Cell Architectural Dormers	\$ 98,000.00
Alternate Bid Item 6 – Lift Station SCADA Integration	\$ 184,000.00
Alternate Bid Item 7 – Water Tower SCADA Integration	\$ 61,000.00
Alternate Bid Item 8 – Non-Domestic Materials Two-Cell	(\$ 923,000.00)
Alternate Bid Item 9 – Non-Domestic Materials Three-Cell (Additional Deduct)	(\$ 188,000.00)

Recommendation

If the City Council determines to move forward with the Water Treatment Plant, we would recommend that they award the Bid Alternates 6 and 7 under any scenario. Alternate 6 will allow Public Works and the system operators the tools to monitor and run these systems from one control system. Alternate 7 is needed in order for the water treatment plant to communicate with the water tower.

Additionally, as this project was being bid it was recognized that there could be significant project value by allow for non-domestic pipe and fittings to be used. While the City has historically found value in domestic materials, based on the bids provided we would recommend awarding Alternate Bid Items 8 and 9 on the project as we feel the value of these materials are not present for this project.

Alternates 3 and 5 were provided for the architectural dormer additions for both the two and three-filter cell options.

The City Council has the discretion to review the bids and consider and award any of the alternates provided but below are considerations for the City Council for a two-filter cell and three-filter cell facility based on the recommendations above. We would recommend the three-filter cell facility based on the value it brings for the additional capacity but the City Council should review and fully consider the bids presented.

Two-Filter Cell Facility (Base Bid Items 1 and 2 along with Alt. Bid Items 6, 7 and 8) - \$14,521,400.00
 Architectural Dormer Addition (Alternate Bid Item 3) - \$71,000.00

Three-Filter Cell Facility (Base Bid Items 1 and 2 along with Alt. Bid Items 4, 6, 7, 8 and 9) - \$16,728,200.00
 Architectural Dormer Addition (Alternate Bid Item 5) - \$98,000.00

COUNCIL ACTION REQUESTED

Staff is requesting Council review the Bids that were presented and determine whether to award Bids on the Water Tower and Water Treatment Facility with the select alternates as provided above. Because the contractors on the project were required to hold their bid pricing for 60-days, a decision will need to be made at the January 26th City Council Meeting or the prices will lapse.

ATTACHMENTS

WTP Bid Tab Summary

Tower Bid Tab Summary



Stantec Consulting Services Inc.
733 Marquette Avenue, Suite 1000, Minneapolis, MN 55402

November 29, 2022

Honorable Mayor and City Council
City of Corcoran
City Hall
8200 County Road 116
Corcoran, MN 55340

Re: Water Tower
Stantec Project No. 227705274
Bid Results

Dear Honorable Mayor and City Council:

Bids were opened for the Project stated above on November 29, 2022. Transmitted herewith is a copy of the Bid Tabulation for your information and file. Copies will also be distributed to each Bidder once the Project has been awarded.

There was a total of 3 Bids. The following summarizes the results of the Bids received:

	<u>Contractor</u>	<u>Total Base Bid</u>	<u>Site Work & Alt Bid A</u>
Low	Phoenix Fabricators	\$4,244,048.00	\$4,703,386.00
#2	Landmark Structures, LP	\$5,042,000.00	\$5,741,000.00
#3	Caldwell Tanks, Inc.	\$6,182,000.00	\$6,729,000.00

The low Bidder on the Project was Phoenix Fabricators with a Total Base Bid of \$4,244,048.00. These Bids have been reviewed and found to be in order.

If the City Council wishes to award the Project to the low Bidder, then Phoenix Fabricators should be awarded the Project on the Total Base Bid of \$4,244,048.00. If the City wishes to award the Part 1 – Site Work plus Alternate No. 1 to the low Bidder, then Phoenix Fabricators should be awarded the Adjusted Total Base Bid of \$4,703,386.00.

Should you have any questions, please feel free to contact me at 612-712-2069.

Sincerely,
STANTEC CONSULTING SERVICES INC.

Daryl Kirschenman, P.E.
Enclosure



Item Num	BID TABULATION	Units	Qty	Bidder No. 1 Phoenix Fabricators		Bidder No. 2 Landmark Structures, LP		Bidder No. 3 Caldwell Tanks, Inc.	
				Unit Price	Total	Unit Price	Total	Unit Price	Total
BASE BID:									
PART 1 - SITEWORK									
1	MOBILIZATION	LS	1	\$185,000.00	\$185,000.00	\$95,000.00	\$95,000.00	\$160,000.00	\$160,000.00
2	TRAFFIC CONTROL	LS	1	\$4,000.00	\$4,000.00	\$5,000.00	\$5,000.00	\$15,000.00	\$15,000.00
3	SALVAGE, STOCKPILE AND RESPREAD TOPSOIL	LS	1	\$6,500.00	\$6,500.00	\$25,000.00	\$25,000.00	\$12,000.00	\$12,000.00
4	TEMPORARY ROCK CONSTRUCTION ENTRANCE PLACE	LS	1	\$4,000.00	\$4,000.00	\$5,000.00	\$5,000.00	\$16,000.00	\$16,000.00
5	COMMON TOPSOIL BORROW (LV)	CY	50	\$40.00	\$2,000.00	\$15.00	\$750.00	\$125.00	\$6,250.00
6	CONNECT TO EXISTING 20" PVC WATER MAIN	EA	1	\$5,700.00	\$5,700.00	\$10,000.00	\$10,000.00	\$12,000.00	\$12,000.00
7	20" PVC WATERMAIN, C900	LF	355	\$265.00	\$94,075.00	\$250.00	\$88,750.00	\$500.00	\$177,500.00
8	20" GATE VALVE	EA	1	\$31,000.00	\$31,000.00	\$31,000.00	\$31,000.00	\$38,500.00	\$38,500.00
9	20" DIP WATERMAIN, CL. 52, INCL. POLY WRAP	LF	18	\$397.00	\$7,146.00	\$250.00	\$4,500.00	\$500.00	\$9,000.00
10	6" DIP WATER MAIN, CL. 52, INCL. POLY WRAP	LF	55	\$117.00	\$6,435.00	\$100.00	\$5,500.00	\$125.00	\$6,875.00
11	6" GATE VALVE AND BOX	EA	2	\$4,000.00	\$8,000.00	\$4,000.00	\$8,000.00	\$3,400.00	\$6,800.00
12	6" HYDRANT	EA	2	\$8,512.00	\$17,024.00	\$10,000.00	\$20,000.00	\$8,400.00	\$16,800.00
13	DUCTILE IRON FITTINGS	LB	4000	\$15.00	\$60,000.00	\$12.00	\$48,000.00	\$25.00	\$100,000.00
14	4' x 6' OVERFLOW SPLASH PAD	EA	1	\$1,800.00	\$1,800.00	\$5,310.00	\$5,310.00	\$6,000.00	\$6,000.00
15	CONCRETE SIDEWALK	SY	20	\$75.00	\$1,500.00	\$200.00	\$4,000.00	\$175.00	\$3,500.00
16	8" BOLLARD	EA	2	\$1,000.00	\$2,000.00	\$750.00	\$1,500.00	\$1,250.00	\$2,500.00
17	CONCRETE DRIVEWAY APRON	LS	1	\$8,000.00	\$8,000.00	\$20,000.00	\$20,000.00	\$23,000.00	\$23,000.00
18	GEOTEXTILE FABRIC TYPE V NON WEAR	SY	1750	\$2.60	\$4,550.00	\$4.00	\$7,000.00	\$10.00	\$17,500.00
19	AGGREGATE BASE	TN	1625	\$49.00	\$79,625.00	\$30.00	\$48,750.00	\$50.00	\$81,250.00
20	BITUMINOUS WEAR SPWEA340b	TN	175	\$190.00	\$33,250.00	\$140.00	\$24,500.00	\$230.00	\$40,250.00
21	BITUMINOUS BASE SPNWB330b	TN	225	\$195.00	\$43,875.00	\$140.00	\$31,500.00	\$230.00	\$51,750.00
22	BITUMINOUS RIBBON CURB	LF	510	\$31.00	\$15,810.00	\$30.00	\$15,300.00	\$35.00	\$17,850.00
23	B618 CURB	LF	410	\$47.00	\$19,270.00	\$36.00	\$14,760.00	\$35.00	\$14,350.00
24	SILT FENCE, MS	LF	1250	\$4.50	\$5,625.00	\$10.00	\$12,500.00	\$12.00	\$15,000.00
25	INFILTRATION BASIN, FILTER FABRIC, 6' DRAIN TILE AND 6' FLARED END SECTION	LS	1	\$8,500.00	\$8,500.00	\$9,100.00	\$9,100.00	\$25,000.00	\$25,000.00
26	MnDOT SEED MIXTURE 25-131	AC	1.4	\$8,220.00	\$11,508.00	\$15,000.00	\$21,000.00	\$15,000.00	\$21,000.00
27	2.5" B&B DECIDUOUS TREE	EA	11	\$820.00	\$9,020.00	\$600.00	\$6,600.00	\$700.00	\$7,700.00
28	6' HT CONIFEROUS TREE	EA	10	\$670.00	\$6,700.00	\$500.00	\$5,000.00	\$1,000.00	\$10,000.00
29	SHRUB 5 GAL. CONTAINER	EA	56	\$100.00	\$5,600.00	\$160.00	\$8,960.00	\$400.00	\$22,400.00
30	PERENNIAL 1 GAL. CONTAINER	EA	118	\$28.00	\$3,304.00	\$40.00	\$4,720.00	\$300.00	\$35,400.00
TOTAL PART 1 - SITE WORK					\$690,817.00		\$587,000.00		\$971,175.00
BASE BID - 750,000 GALLON COMPOSITE TANK									
31	750,000 GALLON COMPOSITE ELEVATED TANK WITH ACCESSORIES, ELECTRICAL, CONTROL ENCLOSURE, TANK MIXER, AND MATERIALS TESTING. OTHER ITEMS NOT SPECIFICALLY IDENTIFIED SHALL BE INCIDENTAL TO THE PROJECT AND INCLUDED IN THE LUMP SUM AMOUNT. THIS SHALL INCLUDE ALL APPLICABLE SALES TAXES. THE SCOPE OF WORK FOR THE BASE BID IS SHOWN IN THE DRAWINGS AS INDICATED IN THE SHEET INDEX AND NOTED ON THE DRAWINGS.	LS	1	\$3,327,631.00	\$3,327,631.00	\$4,292,000.00	\$4,292,000.00	\$5,026,825.00	\$5,026,825.00
32	LOGO ALLOWANCE	***	1	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00
33	STRUCTURAL FILL BELOW FOUNDATION	CY	600	\$51.00	\$30,600.00	\$40.00	\$24,000.00	\$115.00	\$69,000.00
34	COMMON EXCAVATION AND SITE GRADING	LS	1	\$170,000.00	\$170,000.00	\$114,000.00	\$114,000.00	\$90,000.00	\$90,000.00
TOTAL BASE BID - 750,000 GALLON COMPOSITE TANK					\$3,553,231.00		\$4,455,000.00		\$5,210,825.00
ALTERNATE A - 1,000,000 GALLON COMPOSITE TANK									
35	1,000,000 GALLON COMPOSITE ELEVATED TANK WITH ACCESSORIES, ELECTRICAL, CONTROL ENCLOSURE, TANK MIXER, MATERIALS TESTING. OTHER ITEMS NOT SPECIFICALLY IDENTIFIED SHALL BE INCIDENTAL TO THE PROJECT AND INCLUDED IN THE LUMP SUM AMOUNT. THIS SHALL INCLUDE ALL APPLICABLE SALES TAXES. THE SCOPE OF THE BID ALTERNATE INCLUDES ALL DRAWINGS WITH AN "A" SUFFIX AFTER THE DRAWING NUMBER AS INDICATED IN THE SHEET INDEX AND AS NOTED ON THE DRAWINGS WHICH SHALL REPLACE THE BASE BID DRAWINGS OF THE SAME	LS	1	\$3,825,494.00	\$3,825,494.00	\$4,991,000.00	\$4,991,000.00	\$5,539,950.00	\$5,539,950.00
36	LOGO ALLOWANCE	LS	1	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00
37	STRUCTURAL FILL BELOW FOUNDATION	CY	825	\$51.00	\$42,075.00	\$40.00	\$33,000.00	\$115.00	\$94,875.00
38	COMMON EXCAVATION AND SITE GRADING	LS	1	\$120,000.00	\$120,000.00	\$105,000.00	\$105,000.00	\$98,000.00	\$98,000.00
TOTAL ALTERNATE A - 1,000,000 GALLON COMPOSITE TANK					\$4,012,569.00		\$5,154,000.00		\$5,757,825.00
ALTERNATE B - 750,000 GALLON COMPOSITE TANK									
39	NON-DOMESTIC PIPE AND FITTINGS COST DEDUCT	LS	1	(\$6,000.00)	(\$6,000.00)	\$6,000.00	\$6,000.00	\$62,500.00	\$62,500.00
TOTAL ALTERNATE B - 750,000 GALLON COMPOSITE TANK					(\$6,000.00)		\$6,000.00		\$62,500.00
ALTERNATE C - 1,000,000 GALLON COMPOSITE TANK									
40	NON-DOMESTIC PIPE AND FITTINGS COST DEDUCT	LS	1	(\$6,000.00)	(\$6,000.00)	\$6,000.00	\$6,000.00	\$62,500.00	\$62,500.00
TOTAL ALTERNATE C - 1,000,000 GALLON COMPOSITE TANK					(\$6,000.00)		\$6,000.00		\$0.00
BASE BID SUMMARY:									
TOTAL PART 1 - SITE WORK					\$690,817.00		\$587,000.00		\$971,175.00
TOTAL BASE BID - 750,000 GALLON COMPOSITE TANK					\$3,553,231.00		\$4,455,000.00		\$5,210,825.00
TOTAL BASE BID					\$4,244,048.00		\$5,042,000.00		\$6,182,000.00
BASE BID SUMMARY:									
TOTAL PART 1 - SITE WORK					\$690,817.00		\$587,000.00		\$971,175.00
TOTAL ALTERNATE A - 1,000,000 GALLON COMPOSITE TANK					\$4,012,569.00		\$5,154,000.00		\$5,757,825.00
TOTAL BASE BID PLUS ALTERNATE A					\$4,703,386.00		\$5,741,000.00		\$6,729,000.00
TOTAL ALTERNATE B - 750,000 GALLON COMPOSITE TANK					(\$6,000.00)		\$6,000.00		\$62,500.00
TOTAL ALTERNATE C - 1,000,000 GALLON COMPOSITE TANK					(\$6,000.00)		\$6,000.00		\$62,500.00
Contractor Name and Address:				Phoenix Fabricators 182 S. County Rd. 900 East Avon, IN 46123 Phone: (317) 271-7002 Email: jessica.bradbury@phoenixtank.com Signed By: Kurt Fuller Title: Executive VP Bid Security: Bid Bond Responsible Contractor Certification: Yes Addenda Acknowledged: 1	Landmark Structures, LP 1665 Harmon Rd. Ft. Worth, TX 76177 (817) 439-8888 estimating@teamlanmark.com Christopher Lamom CEO Bid Bond Yes 1	Caldwell Tanks, Inc. 4000 tower Rd. Louisville, KY 40219 (502) 964-3361 sales@caldwelltanks.com Conrad R. Spangler, III Sales Manager Bid Bond Yes 1			



Project Name: **CORCORAN WATER** this is an exact
is received.

City Project No.: _____

Bid Opening: Tuesday, November *14*

PE

BID TABULATION

Item Num	Item	Units	Qty
BASE BID:			
PART 1 - SITEWORK			
1	MOBILIZATION	LS	1
2	TRAFFIC CONTROL	LS	1
3	SALVAGE, STOCKPILE AND RESPREAD TOPSOIL	LS	1
4	TEMPORARY ROCK CONSTRUCTION ENTRANCE PLACE	LS	1
5	COMMON TOPSOIL BORROW (LV)	CY	50
6	CONNECT TO EXISTING 20" PVC WATER MAIN	EA	1
7	20" PVC WATERMAIN, C900	LF	355
8	20" GATE VALVE	EA	1
9	20" DIP WATERMAIN, CL. 52. INCL. POLY WRAP	LF	18
10	6" DIP WATER MAIN, CL. 52, INCL. POLY WRAP	LF	55
11	6" GATE VALVE AND BOX	EA	2
12	6" HYDRANT	EA	2
13	DUCTILE IRON FITTINGS	LB	4000
14	4' x 6' OVERFLOW SPLASH PAD	EA	1
15	CONCRETE SIDEWALK	SY	20
16	8" BOLLARD	EA	2
17	CONCRETE DRIVEWAY APRON	LS	1
18	GEOTEXTILE FABRIC TYPE V NON WEAR	SY	1750
19	AGGREGATE BASE	TN	1625
20	BITUMINOUS WEAR SPWEA340b	TN	175
21	BITUMINOUS BASE SPNWB330b	TN	225
22	BITUMINOUS RIBBON CURB	LF	510
23	B618 CURB	LF	410
24	SILT FENCE, MS	LF	1250
25	INFILTRATION BASIN, FILTER FABRIC, 6' DRAIN TILE AND 6' FLARED END SECTION	LS	1
26	MnDOT SEED MIXTURE 25-131	AC	1.4
27	2.5" B&B DECIDUOUS TREE	EA	11
28	6' HT CONIFEROUS TREE	EA	10
29	SHRUB 5 GAL. CONTAINER	EA	56
30	PERENNIAL 1 GAL. CONTAINER	EA	118
TOTAL PART 1 - SITE WORK			
BASE BID - 750,000 GALLON COMPOSITE TANK			
31	750,000 GALLON COMPOSITE ELEVATED TANK WITH ACCESSORIES, ELECTRICAL, CONTROL ENCLOSURE, TANK MIXER, AND MATERIALS TESTING. OTHER ITEMS NOT SPECIFICALLY IDENTIFIED SHALL BE INCIDENTAL TO THE PROJECT AND INCLUDED IN THE LUMP SUM AMOUNT. THIS SHALL INCLUDE ALL APPLICABLE SALES TAXES. THE SCOPE OF WORK FOR THE BASE BID IS SHOWN IN THE DRAWINGS AS INDICATED IN THE SHEET INDEX AND NOTED ON THE DRAWINGS.	LS	1
32	LOGO ALLOWANCE	***	1
33	STRUCTURAL FILL BELOW FOUNDATION	CY	600
34	COMMON EXCAVATION AND SITE GRADING	LS	1
TOTAL BASE BID - 750,000 GALLON COMPOSITE TANK			
ALTERNATE A - 1,000,000 GALLON COMPOSITE TANK			
35	1,000,000 GALLON COMPOSITE ELEVATED TANK WITH ACCESSORIES, ELECTRICAL, CONTROL ENCLOSURE, TANK MIXER, MATERIALS TESTING. OTHER ITEMS NOT SPECIFICALLY IDENTIFIED SHALL BE INCIDENTAL TO THE PROJECT AND INCLUDED IN THE LUMP SUM AMOUNT. THIS SHALL INCLUDE ALL APPLICABLE SALES TAXES. THE SCOPE OF THE BID ALTERNATE INCLUDES ALL DRAWINGS WITH AN "A" SUFFIX AFTER THE DRAWING NUMBER AS INDICATED IN THE SHEET INDEX AND AS NOTED ON THE DRAWINGS WHICH SHALL REPLACE THE BASE BID DRAWINGS OF THE SAME	LS	1
36	LOGO ALLOWANCE	LS	1
37	STRUCTURAL FILL BELOW FOUNDATION	CY	825
38	COMMON EXCAVATION AND SITE GRADING	LS	1
TOTAL ALTERNATE A - 1,000,000 GALLON COMPOSITE TANK			
ALTERNATE B - 750,000 GALLON COMPOSITE TANK			
39	NON-DOMESTIC PIPE AND FITTINGS COST DEDUCT	LS	1
TOTAL ALTERNATE B - 750,000 GALLON COMPOSITE TANK			
ALTERNATE C - 1,000,000 GALLON COMPOSITE TANK			
40	NON-DOMESTIC PIPE AND FITTINGS COST DEDUCT	LS	1
TOTAL ALTERNATE C - 1,000,000 GALLON COMPOSITE TANK			
BASE BID SUMMARY:			
TOTAL PART 1 - SITE WORK			
TOTAL BASE BID - 750,000 GALLON COMPOSITE TANK			
TOTAL BASE BID			
BASE BID SUMMARY:			
TOTAL PART 1 - SITE WORK			
TOTAL ALTERNATE A - 1,000,000 GALLON COMPOSITE TANK			
TOTAL BASE BID PLUS ALTERNATE A			
TOTAL ALTERNATE B - 750,000 GALLON COMPOSITE TANK			
TOTAL ALTERNATE C - 1,000,000 GALLON COMPOSITE TANK			

Contractor Name and Address: _____

Phone: _____

Email: _____

Signed By _____

Title: _____

Bid Security: _____

Responsible Contractor Certification: _____

Addenda Acknowledged: _____



Stantec Consulting Services Inc.
733 Marquette Avenue, Suite 1000, Minneapolis, MN 55402

November 29, 2022

Honorable Mayor and City Council
City of Corcoran
City Hall
8200 County Road 116
Corcoran, MN 55340

Re: Water Treatment Plant
Stantec Project No. 227704426
Bid Results

Dear Honorable Mayor and City Council:

Bids were opened for the Project stated above on November 29, 2022. Transmitted herewith is a copy of the Bid Tabulation for your information and file. Copies will also be distributed to each Bidder once the Project has been awarded.

There was a total of 5 Bids. The following summarizes the results of the Bids received:

	<u>Contractor</u>	<u>Total Base Bid</u>	<u>Alternate Bid No. 1</u>
Low	Rice Lake Construction Group	\$15,199,400.00	See Bid Tab
#2	Magney Construction, Inc.	\$16,045,000.00	See Bid Tab
#3	Gridor Constr., Inc.	\$16,164,600.00	See Bid Tab
#4	Shaw-Lundquist Associates, Inc.	\$16,348,312.00	See Bid Tab
#5	Market and Johnson	\$16,586,000.00	See Bid Tab

The low Bidder on the Project was Rice Lake Construction Group with a Total Base Bid of \$15,199,400.00. These Bids have been reviewed and found to be in order.

If the City Council wishes to award the Project to the low Bidder, then Rice Lake Construction Group should be awarded the Project on the Total Base Bid of \$15,199,400.00. If the City wishes to award the Base Bid Plus Alternate Bid Items to the low Bidder, then the Alternate Bid Items would need to be selected to determine the lowest bidder.

Should you have any questions, please feel free to contact me at 763-252-6945.

Sincerely,
STANTEC CONSULTING SERVICES INC.

Ash Hammerbeck, P.E.
Enclosure



Project Name: **Water Treatment Plant**

City Project No.:

Stantec Project No.: 227704426

I hereby certify that this is an exact reproduction of bids received.

Bid Opening: Thursday, November 17, 2022 at 2:00 PM CST

Owner: City of Corcoran, Minnesota

Ash Hammerbeck, PE
License No. 54844

Item Num	BID TABULATION Item	Units	Qty	Bidder No. 1 Rice Lake Construction Grp		Bidder No. 2 Magney Construction, Inc.		Bidder No. 3 Gridor Constr., Inc.		Bidder No. 4 Shaw-Lundquist Associates, Inc.		Bidder No. 5 Market and Johnson	
				Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total
BASE BID													
1	THE BASE BID SHALL INCLUDE ALL WORK AND COSTS ASSOCIATED WITH THE CONSTRUCTION OF THE 2-FILTER CELL WATER TREATMENT PLANT AND WELL EQUIPMENT, COMPLETE WITH ALL STRUCTURAL, ARCHITECTURAL, PUMPING, PIPING, MECHANICAL, ELECTRICAL, CHEMICAL FEED, PROCESS CONTROL, INSTRUMENTATION, SYSTEM HARDWARE, INTEGRATION, SITEWORK, AND COORDINATION WITH SYSTEM SUPPLIERS. OTHER ITEMS NOT SPECIFICALLY IDENTIFIED SHALL BE INCIDENTAL TO THE PROJECT AND INCLUDED IN THE LUMP SUM BASE BID AMOUNT. THIS SHALL INCLUDE ALL APPLICABLE SALES TAXES. THE SCOPE OF WORK FOR THE BASE BID IS SHOWN IN THE DRAWINGS AS INDICATED IN THE SHEET INDEX AND NOTED ON THE DRAWINGS	LS	1	\$15,149,400.00	\$15,149,400.00	\$15,995,000.00	\$15,995,000.00	\$16,114,600.00	\$16,114,600.00	\$16,298,312.00	\$16,298,312.00	\$16,586,000.00	\$16,586,000.00
2	GENERAL ALLOWANCE	LS	1	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00
TOTAL BASE BID					\$15,199,400.00		\$16,045,000.00		\$16,164,600.00		\$16,348,312.00		\$16,636,000.00
ALTERNATE BID ITEMS:													
3	ARCHITECTURAL DORMER OPTION, 2-FILTER CELL FACILITY	LS	1	\$71,000.00	\$71,000.00	\$55,000.00	\$55,000.00	\$70,000.00	\$70,000.00	\$35,120.00	\$35,120.00	\$39,000.00	\$39,000.00
4	ALL WORK AND COSTS ASSOCIATED WITH THE CONSTRUCTION OF THE 3-FILTER CELL WATER TREATMENT PLANT INCLUDING ALL STRUCTURAL, ARCHITECTURAL, PUMPING, PIPING, MECHANICAL, ELECTRICAL, CHEMICAL FEED, PROCESS CONTROL, INSTRUMENTATION, SYSTEM HARDWARE, INTEGRATION, SITEWORK, INCIDENTALS, AND SALES TAXES. THESE COSTS SHALL BE INCLUDED AS A COST ADDITION TO THE BASE BID 2-FILTER CELL FACILITY. THE SCOPE OF THE BID ALTERNATE INCLUDES ALL DRAWINGS WITH AN "A" SUFFIX AFTER THE DRAWING NUMBER AS INDICATED IN THE SHEET INDEX AND AS NOTED ON THE DRAWINGS WHICH SHALL REPLACE THE BASE BID DRAWINGS OF THE SAME NUMBER	LS	1	\$2,394,800.00	\$2,394,800.00	\$18,476,000.00	\$18,476,000.00	\$2,224,000.00	\$2,224,000.00	\$2,567,232.00	\$2,567,232.00	\$2,388,000.00	\$2,388,000.00
5	ARCHITECTURAL DORMER OPTION, 3-FILTER CELL FACILITY	LS	1	\$98,000.00	\$98,000.00	\$75,000.00	\$75,000.00	\$35,000.00	\$35,000.00	\$19,254.00	\$19,254.00	\$62,000.00	\$62,000.00
6	LIFT STATION SCADA INTEGRATION	LS	1	\$184,000.00	\$184,000.00	\$184,000.00	\$184,000.00	\$185,000.00	\$185,000.00	\$175,960.00	\$175,960.00	\$165,000.00	\$165,000.00
7	WATER TOWER SCADA INTEGRATION	LS	1	\$61,000.00	\$61,000.00	\$62,000.00	\$62,000.00	\$68,000.00	\$68,000.00	\$62,540.00	\$62,540.00	\$56,000.00	\$56,000.00
8	NON-DOMESTIC PIPE AND FITTINGS COST DEDUCT, 2-FILTER CELL FACILITY	LS	1	(\$923,000.00)	(\$923,000.00)	(\$950,000.00)	(\$950,000.00)	(\$1,000,000.00)	(\$1,000,000.00)	(\$981,116.00)	(\$981,116.00)	(\$955,000.00)	(\$955,000.00)
9	NON-DOMESTIC PIPE AND FITTINGS COST DEDUCT, 3-FILTER CELL FACILITY	LS	1	(\$188,000.00)	(\$188,000.00)	(\$1,100,000.00)	(\$1,100,000.00)	(\$190,000.00)	(\$190,000.00)	(\$123,296.00)	(\$123,296.00)	(\$1,027,000.00)	(\$1,027,000.00)
Contractor Name and Address:				Rice Lake Construction Group 22360 County Road 12 Deerwood, MN 56444 (218) 546-5519	Magney Construction, Inc. 1401 Park Road Shanhassen, MN 55317 (952) 474-1674	Gridor Constr., Inc. 3990 27th St. SE Buffalo, MN 55313 (952) 559-3734	Shaw-Lundquist Associates, Inc. 2757 West Service Road St. Paul, MN 55121 (651) 454-0670	Market and Johnson 2350 Galloway St. Eau Claire, WI 54703 (715) 834-1213					
Phone:													
Email:				estimating@ricelake.org	Mark@magneyconstruction.com	estimating@gridor.com	tmeyers@shawlundquist.com	bitting@market-johnson.com					
Signed By:				Wade Leonard	Mark Magney	G.H. Theisen	Thomas J. Meyers	Kevin Renley					
Title:				President	President	President	Vice President	President					
Signed Responsible Contractor Certificate:				Yes	Yes	Yes	Yes	Yes					
Bid Security:				Bid Bond	Bid Bond	Bid Bond	Bid Bond	Bid Bond					
Addenda Acknowledged:				1,2,3,4,5,6	1,2,3,4,5,6	1,2,3,4,5,6	1,2,3,4,5,6	1,2,3,4,5,6					

STAFF REPORT

Agenda Item: 9aiii.

Council Meeting: January 26, 2023	Prepared By: Jessica Beise
Topic: Water Tower – Purchase Agreement Amendment, Financial Agreement and Authorization to Close	Action Required: Approval

Summary:

There are a few final details to review before the City closes on the land for the water tower site. Even if the City chooses not to move forward with water supply infrastructure construction, staff recommends continuing with the purchase of the site for future infrastructure.

The City entered into a purchase agreement for land for the water tower site. Due to challenges with final reviews by other agencies, the land purchase was delayed. A purchase agreement amendment will need to be executed to continue.

Due to the delay in the purchase agreement, Hope Ministries International, is asking the City to allow for the work for the Environmental Assessment Worksheet, (EAW) to begin and the City to enter into a financial agreement to cover the costs until closing is finalized. Hope Church was intending on utilizing the funds from the land sale to pay for the EAW. The City Attorney has drafted an agreement that covers a variety of scenarios to ensure the city isn't liable for outstanding charges from the EAW.

The City also needs authorization to close on the water tower site.

Financial/Budget:

These are planned projects within the water supply project scope and would be paid for by the City's water utility.

Options:

1. Authorize the Mayor and City Administrator to execute the first amendment to purchase agreement; authorize the Mayor and City Administrator to execute the Financing Agreement; Adopt Resolution 2023-11 Authorizing Closing on the Sale of Certain Real Property.
2. Send back to staff for further review.

Recommendation

Authorize the Mayor and City Administrator to execute the first amendment to purchase agreement; authorize the Mayor and City Administrator to execute the Financing Agreement; Adopt Resolution 2023-11 Authorizing Closing on the Sale of Certain Real Property.

Council Action:

Consider a motion to authorize the Mayor and City Administrator to execute the first amendment to purchase agreement; authorize the Mayor and City Administrator to execute the Financing Agreement; and Adopt Resolution 2023-11 Authorizing Closing on the Sale of Certain Real Property.

Attachments:

1. First Amendment to Purchase Agreement
2. Financing Agreement
3. Resolution 2023-11 Authorizing Closing on the Sale of Certain Real Property

FIRST AMENDMENT TO PURCHASE AGREEMENT

This First Amendment to Purchase Agreement (this "First Amendment") is made and entered into by and between the City of Corcoran, a Minnesota municipal corporation ("Buyer"), and Hope Ministries International, Inc., a Minnesota non-profit corporation ("Seller"). Buyer and Seller are sometimes collectively referred to herein as the "parties" and individually as a "party". This First Amendment amends certain terms of the Purchase Agreement executed by the parties and dated November 16, 2022 (the "Agreement").

RECITALS

WHEREAS, the parties entered into the Agreement, which contemplated terms of the purchase and sale of the Subject Property, as defined therein, on November 16, 2022; and

WHEREAS, Buyer and Seller are presently engaged in the process of investigating and clearing title encumbrances per the terms of the Agreement and are seeking plat approval for the Subject Property from Hennepin County; and

WHEREAS, the parties have been informed that Hennepin County review of the approved plat will not be complete by the contemplated maximum closing date set forth in the Agreement; and

WHEREAS, the parties mutually desire to extend the deadline for closing on the purchase and sale of the Subject Property; and

WHEREAS, Seller is contemporaneously seeking government approvals for land use application project number 22-074, (the "Project") to develop portions of four parcels of real property owned by Seller and legally described as:

Parcel 1:

Lot 1, Block 1, Hope Place, according to the recorded plat thereof, Hennepin County, Minnesota.

Parcel 2:

Lot 1, Block 2, Hope Place, according to the recorded plat thereof, Hennepin County, Minnesota.

Parcel 3:

Outlot A, Hope Place, according to the recorded plat thereof, Hennepin County, Minnesota.

Parcel 4:

Outlot C, Serenity Meadows, according to the recorded plat thereof, Hennepin County, Minnesota (Abstract Property).

(collectively the “Development Property”)

WHEREAS, Seller is responsible for the costs of obtaining an Environmental Assessment Worksheet (the “EAW”) as a part of the Project; and

WHEREAS, Seller and Buyer have entered into a separate agreement which contemplates that Buyer will cover the costs of the EAW, and be reimbursed for those costs at the Closing of the transaction to purchase the Subject Property via a credit against the purchase price in the same amount (the “Financing Agreement”).

NOW, THEREFORE, in consideration of the mutual terms, covenants, conditions and agreements hereinafter contained the parties hereto agree as follows:

1. Section 1a) of the Agreement entitled “Purchase Price and Payment” is hereby amended to add the following words after “\$150,000.00 cash at closing”:

“less any costs expended by Buyer to prepare and/or complete the Environmental Assessment Worksheet for Corcoran land use application project number 22-074. Buyer and Seller shall mutually provide the closer with an agreed upon amount of costs expended on the EAW to be credited against the purchase price owed by Buyer at Closing.”

2. Section 2 of the Agreement entitled “Closing” is hereby amended to delete the words: “on or before January 31, 2023” and replace them with the words: “on or before March 20, 2023”.
3. All other terms of the Agreement remain in full force and effect, however, in the event of any conflict between the terms of this First Amendment and the terms of the Agreement, the terms of this First Amendment shall control.

[SIGNATURES ON PAGES TO FOLLOW]

SELLERS:

HOPE MINISTRIES INTERNATIONAL, INC.,
a Minnesota non-profit corporation

Dated: _____

By: _____

Brian L. Lother

Its: President

STATE OF MINNESOTA)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 2023, by Brian L. Lother, the President of Hope Ministries International, Inc., a Minnesota non-profit corporation, on behalf of the corporation.

Notary Public

THIS INSTRUMENT WAS DRAFTED BY:
John J. Thames, Esq.
CARSON, CLELLAND & SCHREDER
6300 Shingle Creek Parkway, Suite 305
Minneapolis, MN 55430
763-561-2800

FINANCING AGREEMENT

This Financing Agreement (this "Agreement") is made and entered into by and between the City of Corcoran, a Minnesota municipal corporation ("City"), and Hope Ministries International, Inc., a Minnesota non-profit corporation ("Developer"). City and Developer are sometimes collectively referred to herein as the "parties" and individually as a "party".

RECITALS

WHEREAS, Developer has submitted a Corcoran land use application, project number 22-074 (the "Project") proposing to develop portions of four parcels of real property owned by Developer and legally described as:

Parcel 1:

Lot 1, Block 1, Hope Place, according to the recorded plat thereof, Hennepin County, Minnesota.

Parcel 2:

Lot 1, Block 2, Hope Place, according to the recorded plat thereof, Hennepin County, Minnesota.

Parcel 3:

Outlot A, Hope Place, according to the recorded plat thereof, Hennepin County, Minnesota.

Parcel 4:

Outlot C, Serenity Meadows, according to the recorded plat thereof, Hennepin County, Minnesota (Abstract Property).

(Parcels 1-4 are collectively the "Development Property"); and

WHEREAS, Developer is required to fund and complete an Environmental Assessment Worksheet (the "EAW") as a part of the Project; and

WHEREAS, separately, Developer and the City have entered into an agreement for the purchase and sale of real property owned by Developer (said real property the “Water Tower Property”), and intend to close on that transaction in 2023 pursuant to the terms of that purchase and sale agreement (said purchase and sale agreement the “Purchase Agreement”); and

WHEREAS, in order to maximize Project efficiency, Developer desires to have the City fund and complete the EAW required for the Project and take an equal and corresponding credit against the purchase price for the Water Tower Property at the closing of that transaction; and

WHEREAS, the City is willing to front the costs of the EAW as requested in exchange for the credit against the purchase price for the Water Tower Property contemplated above, on certain conditions.

NOW, THEREFORE, in consideration of the mutual terms, covenants, conditions and agreements herein contained the parties hereto agree as follows:

1. The above Recitals are incorporated herein and made a part of this Agreement as if set forth in full hereafter.
2. Upon the separate written authorization of Developer, the City hereby agrees to fund and complete the EAW required for the Project, conditioned upon Developer’s execution of this Agreement and compliance with the terms set forth herein.
3. Developer may provide the City with formal written direction to halt all work on the EAW at any time and Developer shall only be responsible for work performed and costs incurred by the City up to the time of that notice.
4. Developer shall be responsible for reimbursing the City for all costs incurred by the City in funding and completing the EAW (the “EAW Costs”). The parties estimate those costs to be approximately sixty-three thousand five hundred dollars and no cents (\$63,500.00), but this estimate shall not act as a cap on actual costs incurred nor upon Developer’s reimbursement obligation.
5. The parties agree that the City shall receive a credit at closing against the purchase price for the Water Tower Property equal to the EAW Costs. The parties agree to make a mutual, timely and good faith certification of that credit to the closer of Water Tower Property transaction. Developer may require a reasonable and basic accounting of the EAW Costs prior to endorsing the credit, but Developer shall not unreasonably withhold or delay certification of the credit to the closer.
6. Should either party cancel or terminate the Purchase Agreement, Developer reimbursement of the EAW Costs shall become due to the City within thirty (30) days after the date of that cancellation or termination. Additionally, regardless of cancellation or termination of the Purchase Agreement, if the parties have not closed on the transaction contemplated in the Purchase Agreement by July 31, 2023, the EAW Costs

shall become due within thirty (30) days from that date. Should Developer fail to make full payment of that reimbursement within the timeframes set forth within this paragraph, the City may assess the costs owed to any or all of the parcels which comprise the Development Property. Developer, on behalf of itself and its successors and assigns as owner of the Development Property hereby acknowledges the benefit provided to the Development Property matches or exceeds the value of said assessment and hereby waives any right to appeal said assessment.

7. Any notice or election required or permitted to be given or served by any party hereto upon any other shall be deemed given or served if personally delivered to an officer of the party to be notified or if mailed by US registered or certified mail, postage prepaid return receipt requested, or sent by reputable overnight courier, to the property address as follows:

If to Developer: Brian Lothar, President
 Hope Ministries International, Inc.
 19951 Oswald Farm Road
 Corcoran, MN 55374

If to City: Jessica Beise, City Administrator
 City of Corcoran
 8200 County Road 116
 Corcoran, MN 55340

With Copy to: John J. Thames
 Carson, Clelland & Schreder
 6300 Shingle Creek Parkway
 Suite 305
 Minneapolis, MN 55430

Except as otherwise expressly provided herein, each such notice shall be deemed to have been received by, or served upon, the party to whom addressed on the date on which is three (3) days after the date upon which the same is deposited in the US registered or certified mail, postage prepaid, return receipt requested, properly addressed and if served personally or sent by reputable overnight courier, on the date of service or delivery.

Alternatively, any notice or election may be deemed given if delivered via electronic mail, and subsequently acknowledged by the intended recipient at the following addresses:

If to Developer: Brian Lothar, President
 blother@comcast.net

If to City: Jessica Beise, City Administrator
 jbeise@corcoranmn.gov

With Copy to: John J. Thames
 john.thames@carsoncs.net

Should any party hereto change its address or email address, notice of address change must be to the other party before the change of address is effective.

[SIGNATURES ON PAGES TO FOLLOW]

SELLERS:

HOPE MINISTRIES INTERNATIONAL, INC.,
a Minnesota non-profit corporation

Dated: _____

By: _____
Brian L. Lothar

Its: President

STATE OF MINNESOTA)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 2023, by Brian L. Lothar, the President of Hope Ministries International, Inc., a Minnesota non-profit corporation, on behalf of the corporation.

Notary Public

THIS INSTRUMENT WAS DRAFTED BY:
John J. Thames, Esq.
CARSON, CLELLAND & SCHREDER
6300 Shingle Creek Parkway, Suite 305
Minneapolis, MN 55430
763-561-2800

RESOLUTION NO. 2023-11

Motion By:
Seconded By:

A RESOLUTION AUTHORIZING CLOSING ON THE SALE OF CERTAIN REAL PROPERTY

WHEREAS, the City of Corcoran (the “City”) is the owner of certain real property within the City of Corcoran, described on the attached Exhibit A (the “Subject Property”); and

WHEREAS, the City Council previously approved and authorized execution of a purchase agreement between the City and Hope Ministries International, a Minnesota non-profit corporation, (the “Original Buyer”), contemplating terms of sale of the Subject Property. Said purchase agreement was fully executed on November 16, 2022.

WHEREAS, the City and the New Buyer now desire to close on the sale of the Subject Property to New Buyer, and the City desires to authorize the Mayor and the Administrator or their respective designees to execute any and all documents necessary and proper to facilitate closing of the transaction; and

NOW THEREFORE BE IT RESOLVED, the City Council of the City of Corcoran hereby authorizes the Mayor and the Administrator or their respective designees to execute any and all documents necessary and proper to facilitate closing of the transaction to sell the Subject Property to New Buyer.

VOTING AYE

- McKee, Tom
- Bottema, Jon
- Nichols, Jeremy
- Schultz, Alan
- Vehrenkamp, Dean

VOTING NAY

- McKee, Tom
- Bottema, Jon
- Nichols, Jeremy
- Schultz, Alan
- Vehrenkamp, Dean

Whereupon, said Resolution is hereby declared adopted on this 26th day of January 2023.

Tom McKee – Mayor

ATTEST:

Michelle Friedrich – City Clerk

City Seal

**RESOLUTION NO. 2023-11
EXHIBIT A**

The “Subject Property”

Lot 2, Block 1, Hope Place Second Addition, Hennepin County, according to the record plat thereof.

DRAFT

STAFF REPORT

Agenda Item: 9b.

Council Meeting: January 26, 2023	Prepared By: Jessica Beise
Topic: Public Hearing – Tax Abatement Bonds	Action Required: Approval

Summary:

The City has identified projects for the 2023A that don't qualify for utility, special assessment or revenue bonding options. As the City is limited in the type of bonds available for project such as these, the City is utilizing tax abatement bonds as the revenue source.

A public hearing is required when utilizing tax abatement. Council is requested to hold the public hearing and adopt Resolution 2023-09 Approving Property Tax Abatement in the City of Corcoran for Certain Public Infrastructure Improvements.

Financial/Budget:

These are planned projects, payments for the debt are included in the City's finance plans.

Options:

1. Hold the public hearing; Adopt Resolution 2023-09 Approving Property Tax Abatement in the City of Corcoran for Certain Public Infrastructure Improvements.
2. Send back to staff for further review.

Recommendation

Hold the public hearing; Adopt Resolution 2023-09 Approving Property Tax Abatement in the City of Corcoran for Certain Public Infrastructure Improvements.

Council Action:

Hold the public hearing; Adopt Resolution 2023-09 Approving Property Tax Abatement in the City of Corcoran for Certain Public Infrastructure Improvements.

Attachments:

1. Resolution 2023-09 Approving Property Tax Abatement in the City of Corcoran for Certain Public Infrastructure Improvements.

CITY OF CORCORAN, MINNESOTA

RESOLUTION NO. 2023-09

APPROVING PROPERTY TAX ABATEMENT IN THE CITY OF CORCORAN FOR CERTAIN PUBLIC INFRASTRUCTURE IMPROVEMENTS

BE IT RESOLVED by the City Council of the City of Corcoran, Minnesota (the “City”), as follows:

Section 1. Recitals.

1.01. The City proposes to (i) undertake various public improvements, including but not limited to street, stormwater, utility and road improvements to Hackamore Drive, City Center Drive and 79th Place, Horseshoe Road and Horseshoe Bend (the “Project”) with tax abatement bonds authorized by Minnesota Statutes, Sections 469.1812 through 469.1815 (the “Abatement Act”) and (ii) authorize a property tax abatement with respect to various parcels of land that benefit from such public improvements.

1.02. Pursuant to Section 469.1813, subdivision 1 of the Abatement Act, the City may grant an abatement of all or a portion of the taxes imposed by the City on one or more parcels of property to pay for all or part of the cost of financing or providing public infrastructure, increasing or preserving the tax base, providing employment opportunities, and help provide access to services for residents of the City.

1.03. The City has identified 339 parcels located in the City, identified in **EXHIBIT A** attached hereto (the “Abatement Property”), which will be benefitted by the Project and from which the City proposes to abate all or a portion of the City’s share of taxes to help finance the Project, subject to all the terms and conditions of this resolution.

1.04. The Abatement Property is not located in a tax increment financing district.

1.05. The City is authorized under the Abatement Act and Minnesota Statutes, Chapter 475, as amended (together, the “Act”), to issue one or more series of general obligation tax abatement bonds in the aggregate principal amount not to exceed \$5,108,000 (the “Abatement Bonds”) to pay the costs of the Project pursuant to the Abatement Act, and which are expected to be paid primarily through the collection of Abatement (hereinafter defined) revenues.

1.06. On the date hereof, the City Council conducted a duly noticed public hearing on the Abatement at which the views of all interested persons were heard.

Section 2. Findings.

2.01. It is hereby found and determined that the benefits to the City from the Abatement will be at least equal to the costs to the City of the Abatement, because (a) the Abatement will help finance public infrastructure in a way that will strengthen the local economy and attract and retain citizens due to improved roads and utilities, help mitigate the identified streets that are in various stages of disrepair and help increase or preserve tax base by stimulating development and maintaining values in the area, help provide construction jobs, and protect the general health and welfare of the community by maintaining public infrastructure and facilities.; and (b) the increased City taxes collected from the Abatement Property upon

termination of the Abatement are expected to far exceed the amount of the Abatement collected from the Abatement Property during the term of this resolution.

2.02. It is hereby found and determined that the Abatement is in the public interest for the reasons described in Section 2.01 hereof.

Section 3. Actions Ratified; Abatement Approved.

3.01. The City Council hereby ratifies all actions of the City's staff and consultants in arranging for approval of this resolution in accordance with the Abatement Act.

3.02. Subject to the provisions of the Abatement Act, the Abatement is hereby approved and adopted subject to the following terms and conditions:

(a) The term "Abatement" means the City's share of the real property taxes generated from the Abatement Property, in the amounts described in this Section:

(i) The aggregate Abatement paid by the City during the term of this resolution will not exceed the amount necessary to pay the principal of and all or a portion of the interest on the Abatement Bonds, up to a maximum of \$5,108,000.

(ii) Notwithstanding anything to the contrary herein, the Abatement payable on any August 1 and subsequent February 1, combined, will not exceed the amount produced by extending the City's total tax rate for the applicable year against the tax capacity of the Abatement Property, as of January 2 in the prior year.

(iii) In accordance with Section 469.1813, subdivision 8 of the Act, in no year shall the Abatement, together with all other abatements approved by the City under the Act and paid in that year, exceed the greater of ten percent (10%) of the City's net tax capacity for that year or \$200,000 (the "Abatement Volume Cap"). The City may grant any other abatements permitted under the Act after the date of this resolution, provided that to the extent the total abatements in any year exceed the Abatement Volume Cap, the allocation of Abatement Volume Cap to such other abatements is subordinate to the Abatements under this resolution.

(b) The City will pay the Abatement in semiannual installments over a period of 15 years each February 1 and August 1, commencing in taxes payable year 2024, and continuing through taxes payable in 2039 or such other dates that correspond to the payment of debt service on the Abatement Bonds over a period not to exceed 15 years. The City will pay the Abatement solely to finance the cost of the Project, through application of Abatement amounts toward debt service payments on the Abatement Bonds (including any bonds issued to refund the initial Abatement Bonds).

(c) This resolution may be modified only with the prior written approval of the City, and any modification is subject to Section 469.1813, subdivision 7 of the Abatement Act.

(d) In accordance with Section 469.1815 of the Abatement Act, the City will add to its levy in each year during the term of the Abatement the total estimated amount of current year Abatement granted under this resolution.

Approved this January 26, 2023 by the City Council of the City of Corcoran, Minnesota.

Mayor

ATTEST:

City Clerk

EXHIBIT A

ABATEMENT PROPERTY

Parcel Identification Numbers:

0111923340004	0111923340061	0111923420035	0111923430052	0111923440016	1211923110028
0111923340005	0111923340062	0111923420036	0111923430053	0111923440017	1211923110029
0111923340006	0111923340063	0111923420037	0111923430054	0111923440018	1211923110030
0111923340007	0111923340064	0111923420038	0111923430055	0111923440019	1211923110031
0111923340008	0111923340065	0111923420039	0111923430056	0111923440020	1211923110032
0111923340009	0111923410004	0111923420040	0111923430057	0111923440021	1211923110033
0111923340010	0111923410005	0111923420041	0111923430058	0111923440022	1211923110034
0111923340011	0111923410006	0111923420042	0111923430059	0111923440023	1211923110035
0111923340012	0111923410007	0111923420043	0111923430060	0111923440024	1211923110036
0111923340013	0111923410008	0111923420044	0111923430061	0111923440025	1211923110037
0111923340014	0111923410009	0111923420045	0111923430062	0111923440026	1211923110038
0111923340015	0111923410010	0111923420046	0111923430063	0111923440027	1211923110039
0111923340016	0111923410011	0111923420047	0111923430064	0111923440028	1211923110040
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0111923340029	0111923410024	0111923430019	0111923430077	0111923440041	1211923110053
0111923340030	0111923410025	0111923430020	0111923430078	0111923440042	1211923110054
0111923340031	0111923420004	0111923430021	0111923430079	0111923440043	1211923110055
0111923340032	0111923420005	0111923430022	0111923430080	0111923440044	1211923110056
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0111923340035	0111923420009	0111923430025	0111923430083	0111923440052	1211923110059
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0111923340037	0111923420011	0111923430027	0111923430085	1211923110003	1211923110061
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0111923340060	0111923420034	0111923430051	0111923440015	1211923110027	

STAFF REPORT

Agenda Item: 9c.

Council Meeting: January 26, 2023	Prepared By: Jessica Beise
Topic: Set Sale Resolution and Finance Plan – Bond 2023A	Action Required: Approval

Summary:

The City has a planned 2023 debt issuance to fund Water Supply NE Watermain Improvements, Hackamore Road, Horseshoe Bend, and City Center Dr. and Development Grading as outlined below:

Utility Funded

- Water Supply NE Watermain Improvements - \$21,605,000

Tax Abatement Funded

- Hackamore Road - \$1,840,000
- Horseshoe Bend - \$420,000
- City Center Dr. and Development Grading \$ 2,245,000

The bonding plan without the \$4.5 million dollars set aside for the park. Due to the unknown with the timing and final cost of the City Park Remaster, staff recommends moving forward with the finance plan as presented. The amount of bonds could change up or down after the set sale resolution but would have to be decided upon before the sale. If Council would like to have the finance plan changed to include the City Park Remaster or see other changes, direct staff to amend the finance plan.

It is requested that the Council approve the resolution for the issuance of the bonds.

Financial/Budget:

These are planned projects, payments for the debt are included in the City's finance plans.

Options:

1. Approve Resolution 2023-10 Providing for the Issuance and Sale of Approximately \$26,110,000 General Obligation Bonds, Series 2023A.
2. Send back to staff for further review.

Recommendation

Approve Resolution 2023-10 Providing for the Issuance and Sale of Approximately \$26,110,000 General Obligation Bonds, Series 2023A.

Council Action:

Approve Resolution 2023-10 Providing for the Issuance and Sale of Approximately \$26,110,000 General Obligation Bonds, Series 2023A.

Attachments:

1. Finance Plan
2. Municipal Advisory Service Agreement
3. Resolution 2023-10 Providing for the Issuance and Sale of Approximately \$26,110,000 General Obligation Bonds, Series 2023A.

Finance Plan

City of Corcoran, Minnesota

\$26,110,000

General Obligation Bonds, Series 2023A

January 26, 2023



150 South 5th Street, Suite 3300

Minneapolis, MN 55402

612-851-5900 800-851-2920

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Executive Summary

The following is a summary of the recommended terms for the issuance of approximately \$26,110,000 General Obligation Bonds, Series 2023A (the “Bonds” or “Issue”). Additional information on the proposed finance plan and issuing process can be found after the Executive Summary, in the Issue Overview and Attachment 3 – Related Considerations.

Purpose	Proceeds from the Bonds will be used to finance water improvements and various road projects, and to pay the costs associated with the issuance of the Bonds.
Security	The Bonds will be a general obligation of the City. The City will pledge net revenues of the City’s water system, an abatement levy, and ad valorem taxes.
Repayment Term	The Bonds will mature annually each February 1 in the years 2024 through 2053. Interest on the Bonds will be payable on February 1, 2024, and semiannually thereafter on each February 1 and August 1.
Estimated Interest Rate	True interest cost (TIC): 4.85%
Prepayment Option	Bonds maturing on and after February 1, 2032 will be subject to redemption on February 1, 2031 and any day thereafter at a price of par plus accrued interest.
Rating	A rating will be requested from Moody’s. The City’s general obligation debt is currently rated "Aa3" by Moody’s.
Tax Status	The Bonds will be tax-exempt, non-bank qualified obligations.
Risk Factors	There are certain risks associated with all debt. Risk factors related to the Bonds are discussed in Attachment 5.
Type of Bond Sale	Public Sale – Competitive Bids
Proposals Received	Thursday, March 23, 2023 @ 10:00 A.M*.
Council Consideration	Thursday, March 23, 2023 @ 7:00 P.M.

**The Federal Open Market Committee (FOMC, the Fed) meets on March 21 and March 22, 2023. Northland will monitor market conditions and expectations of the FOMC meeting to determine if a change in the date of the bond sale is in the best interests of the City.*

Issue Overview

Purpose

Proceeds from the Bonds will be used to finance water improvements (the “Water Portion”) and the following road and park projects (collectively, the “Tax Abatement Portions”):

- Hackamore Road
- Horseshoe Bend
- City Center Drive and Private Development Property Grading

Proceeds will also be used to pay costs associated with issuing the Bonds. The Bonds have been sized based on estimates provided by City staff. The final construction costs are expected to be confirmed on March 9, 2023. The table below contains the estimated sources and uses of funds for the bond issue.

	Water Supply NE	Tax Abatement (Hackamore Road)	Tax Abatement (Horseshoe Bend)	Tax Abatement (City Center Dr. & Develop. Grading)	Issue Summary
Sources Of Funds					
Par Amount of Bonds	\$21,605,000.00	\$1,840,000.00	\$420,000.00	\$2,245,000.00	\$26,110,000.00
Federal Funds	3,000,000.00	-	-	-	3,000,000.00
Municipal State Aid	-	-	-	2,200,000.00	2,200,000.00
Proceeds from Sale of Property	-	-	-	670,000.00	670,000.00
Total Sources	\$24,605,000.00	\$1,840,000.00	\$420,000.00	\$5,115,000.00	\$31,980,000.00
Uses Of Funds					
Deposit to Project Construction Fund	24,200,000.00	1,750,000.00	400,000.00	5,000,000.00	31,350,000.00
Total Underwriter's Discount (1.450%)	313,272.50	26,680.00	6,090.00	32,552.50	378,595.00
Deposit to Capitalized Interest (CIF) Fund	-	57,118.71	12,059.42	69,659.88	138,838.01
Costs of Issuance	89,270.61	7,602.77	1,735.40	9,276.22	107,885.00
Rounding Amount	2,456.89	(1,401.48)	115.18	3,511.40	4,681.99
Total Uses	\$24,605,000.00	\$1,840,000.00	\$420,000.00	\$5,115,000.00	\$31,980,000.00

Authority

The Bonds will be issued pursuant to the authority of Minnesota Statutes, Sections 469.1812 through 469.1815 and Chapters 444, and 475.

System Revenue Portions

Under Chapter 444, general obligation system revenue bonds may be issued to build, construct, reconstruct, repair, enlarge, improve, or in any other manner obtain sanitary sewer, water and storm sewer facilities, and maintain and operate the facilities inside or outside a city’s corporate limits.

Abatement Portion

Sections 469.1812 through 469.1815 does not authorize the actual “abatement of taxes.” Instead, the City will have the authority to levy a property tax (an abatement levy) that is equivalent to taxes that could be abated. At time of issuance, the City will certify abatement levies to pay the principal on the Bonds and debt service levies to pay interest (together “the tax levies”).

A public hearing will be held on January 26, 2023, and following the hearing the City Council will consider adoption of a resolution approving the property tax abatements and issuance of the Abatement Portion of the Bonds.

The maximum annual abatement levy to be certified for the Abatement Portion of the Bonds is estimated to be approximately \$355,000, which is less than the total amount of abatement levies the City may approve pursuant to State Statute. Based on the City's 2022 net tax capacity, the City has authority to approve total maximum annual abated levies in the amount of \$1,309,430 (the "statutory maximum"). The City has one outstanding bond (a portion of the Series 2018A Bonds) subject to the maximum abatement levy, which when combined with the estimated abatement levy will still be below the City's statutory maximum.

Structure

The Water portion of the of the Bonds has been structured over 30 years, with relatively level debt service payments beginning on February 1, 2024.

The Hackamore Road and City Center Drive and Development portions of the Tax Abatement Portions has been structured over 15 years, with relatively level debt service payments beginning on February 1, 2025.

The Horseshoe Bend portion of the Tax Abatement Portions has been structured over 10 years, with relatively level debt service payments beginning on February 1, 2025.

The proposed structures for the bond issue and preliminary debt service projections for each portion of the Issue are illustrated in Attachment 1 and the estimated levies are illustrated in Attachment 2.

Security and Source of Repayment

The Bonds will be general obligations of the City. The finance plan relies on the following assumptions for the revenues used to pay debt service, as provided by City staff:

- Water System Revenues. Net revenues of the City's water funds (operating funds) will be pledged for payment of the Water Portion of the Bonds. The City will covenant to adopt water rates and charges that are sufficient to produce net revenues equal to at least 105% of the debt service requirements on the Water Portion of the Bonds. In the event there is a deficiency in the amount of net revenues available for payment of debt service, the City may levy taxes to cover the insufficiency, but only on a temporary basis until rates are adjusted.
- Abatement Levy. The City will pledge abatement levies for payment of the Abatement Portions of the Bonds. As required by statute for issuance of Tax Abatement Bonds, the annual City taxes on the parcels to be included within the abatement project area are estimated, at a minimum, to equal the annual principal over the terms of the Abatement Portions of the Bonds.

Properties within the abatement project area will pay the same amount (rate) for City taxes as property outside of the abatement project area. Inclusion within the abatement project area has no tax implications for these properties. There is no different impact on individual property tax statements for properties within the tax abatement project area as compared to other properties within the City as a whole.

- Special Assessments. Although not pledged as security to the Bonds, the City anticipates levying \$200,000 in special assessments against benefitted properties in 2023 for the City Center Drive & Private Development portion of the Tax Abatement Portions. The

assessments are structured for level annual payments with interest charged at a rate of 5.30% (1% over the True Interest Cost) and spread over 15 years.

- Property Taxes. The remaining revenues needed to pay debt service on the Bonds are expected to come from property tax levies. The initial projections show a tax levy ranging from approximately \$15,191 to \$178,647 for the Abatement Portions of the Bonds is needed to produce the statutory requirement of 105% of debt service, after accounting for abatement levies, water system revenues and special assessments. The levies may be adjusted annually based on actual special assessment collections and additional monies in the debt service fund. The initial tax levies will be made in 2023 for taxes payable in 2024.

Given the timing of the initial revenue from the tax levy and special assessments, the structure includes capitalized interest for the Tax Abatement Portions of the Bonds to cover the interest payments due on February 1, 2024, for those portions.

Plan Rationale

The Finance Plan recommended in this report is based on a variety of factors and information provided by the City related to the financed project and City objectives, Northland's knowledge of the City and our experience in working with similar cities and projects. The issuance of General Obligation Bonds provides the best means of achieving the City's objectives and cost-effective financing. The City has successfully issued and managed this type of debt for previous projects.

Issuing Process

Northland will receive bids to purchase the Bonds on Thursday, March 23, 2023, at 10:00 AM. Market conditions and the marketability of the Bonds support issuance through a competitive sale. This process has been chosen as it is intended to produce the lowest combination of interest expense and underwriting expense on the date and time set to receive bids. The calendar of events for the issuing process can be found in Attachment 4.

Municipal Advisor: Northland Securities, Inc., Minneapolis, Minnesota

Bond Counsel: Kennedy & Graven, Chartered, Minneapolis, Minnesota

Paying Agent: Northland Trust Services, Inc., Minneapolis, Minnesota

Attachment 1 - Preliminary Debt Service Schedules

Total Combined 2023A Bonds

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
04/19/2023	-	-	-	-	-
02/01/2024	585,000.00	3.450%	914,633.72	1,499,633.72	1,499,633.72
08/01/2024	-	-	573,717.50	573,717.50	-
02/01/2025	635,000.00	3.350%	573,717.50	1,208,717.50	1,782,435.00
08/01/2025	-	-	563,081.25	563,081.25	-
02/01/2026	650,000.00	3.350%	563,081.25	1,213,081.25	1,776,162.50
08/01/2026	-	-	552,193.75	552,193.75	-
02/01/2027	680,000.00	3.400%	552,193.75	1,232,193.75	1,784,387.50
08/01/2027	-	-	540,633.75	540,633.75	-
02/01/2028	705,000.00	3.450%	540,633.75	1,245,633.75	1,786,267.50
08/01/2028	-	-	528,472.50	528,472.50	-
02/01/2029	725,000.00	3.550%	528,472.50	1,253,472.50	1,781,945.00
08/01/2029	-	-	515,603.75	515,603.75	-
02/01/2030	750,000.00	3.650%	515,603.75	1,265,603.75	1,781,207.50
08/01/2030	-	-	501,916.25	501,916.25	-
02/01/2031	780,000.00	3.700%	501,916.25	1,281,916.25	1,783,832.50
08/01/2031	-	-	487,486.25	487,486.25	-
02/01/2032	805,000.00	3.850%	487,486.25	1,292,486.25	1,779,972.50
08/01/2032	-	-	471,990.00	471,990.00	-
02/01/2033	835,000.00	4.000%	471,990.00	1,306,990.00	1,778,980.00
08/01/2033	-	-	455,290.00	455,290.00	-
02/01/2034	875,000.00	4.100%	455,290.00	1,330,290.00	1,785,580.00
08/01/2034	-	-	437,352.50	437,352.50	-
02/01/2035	855,000.00	4.200%	437,352.50	1,292,352.50	1,729,705.00
08/01/2035	-	-	419,397.50	419,397.50	-
02/01/2036	890,000.00	4.300%	419,397.50	1,309,397.50	1,728,795.00
08/01/2036	-	-	400,262.50	400,262.50	-
02/01/2037	930,000.00	4.400%	400,262.50	1,330,262.50	1,730,525.00
08/01/2037	-	-	379,802.50	379,802.50	-
02/01/2038	970,000.00	4.500%	379,802.50	1,349,802.50	1,729,605.00
08/01/2038	-	-	357,977.50	357,977.50	-
02/01/2039	1,015,000.00	4.600%	357,977.50	1,372,977.50	1,730,955.00
08/01/2039	-	-	334,632.50	334,632.50	-
02/01/2040	690,000.00	4.650%	334,632.50	1,024,632.50	1,359,265.00
08/01/2040	-	-	318,590.00	318,590.00	-
02/01/2041	725,000.00	4.750%	318,590.00	1,043,590.00	1,362,180.00
08/01/2041	-	-	301,371.25	301,371.25	-
02/01/2042	755,000.00	4.800%	301,371.25	1,056,371.25	1,357,742.50
08/01/2042	-	-	283,251.25	283,251.25	-
02/01/2043	795,000.00	4.850%	283,251.25	1,078,251.25	1,361,502.50
08/01/2043	-	-	263,972.50	263,972.50	-
02/01/2044	830,000.00	4.900%	263,972.50	1,093,972.50	1,357,945.00
08/01/2044	-	-	243,637.50	243,637.50	-
02/01/2045	875,000.00	4.900%	243,637.50	1,118,637.50	1,362,275.00
08/01/2045	-	-	222,200.00	222,200.00	-
02/01/2046	915,000.00	4.950%	222,200.00	1,137,200.00	1,359,400.00
08/01/2046	-	-	199,553.75	199,553.75	-
02/01/2047	960,000.00	5.000%	199,553.75	1,159,553.75	1,359,107.50

Continued on next page.

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
08/01/2047	-	-	175,553.75	175,553.75	-
02/01/2048	1,010,000.00	5.050%	175,553.75	1,185,553.75	1,361,107.50
08/01/2048	-	-	150,051.25	150,051.25	-
02/01/2049	1,060,000.00	5.050%	150,051.25	1,210,051.25	1,360,102.50
08/01/2049	-	-	123,286.25	123,286.25	-
02/01/2050	1,115,000.00	5.100%	123,286.25	1,238,286.25	1,361,572.50
08/01/2050	-	-	94,853.75	94,853.75	-
02/01/2051	1,170,000.00	5.100%	94,853.75	1,264,853.75	1,359,707.50
08/01/2051	-	-	65,018.75	65,018.75	-
02/01/2052	1,230,000.00	5.150%	65,018.75	1,295,018.75	1,360,037.50
08/01/2052	-	-	33,346.25	33,346.25	-
02/01/2053	1,295,000.00	5.150%	33,346.25	1,328,346.25	1,361,692.50
Total	\$26,110,000.00	-	\$20,903,626.22	\$47,013,626.22	-

Yield Statistics

Bond Year Dollars	\$437,077.83
Average Life	16.740 Years
Average Coupon	4.7825867%
Net Interest Cost (NIC)	4.8692063%
True Interest Cost (TIC)	4.8519286%
Bond Yield for Arbitrage Purposes	4.7160718%
All Inclusive Cost (AIC)	4.8912163%

IRS Form 8038

Net Interest Cost	4.7825867%
Weighted Average Maturity	16.740 Years

Optional Redemption

02/01/2031	@100.000%
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*Based on Preliminary Non-Bank Qualified "Aa3" Rates as of January 11, 2023, plus 0.75%.

Water Portion

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
04/19/2023	-	-	-	-	-
02/01/2024	585,000.00	3.450%	775,795.71	1,360,795.71	1,360,795.71
08/01/2024	-	-	485,097.50	485,097.50	-
02/01/2025	390,000.00	3.350%	485,097.50	875,097.50	1,360,195.00
08/01/2025	-	-	478,565.00	478,565.00	-
02/01/2026	400,000.00	3.350%	478,565.00	878,565.00	1,357,130.00
08/01/2026	-	-	471,865.00	471,865.00	-
02/01/2027	415,000.00	3.400%	471,865.00	886,865.00	1,358,730.00
08/01/2027	-	-	464,810.00	464,810.00	-
02/01/2028	430,000.00	3.450%	464,810.00	894,810.00	1,359,620.00
08/01/2028	-	-	457,392.50	457,392.50	-
02/01/2029	445,000.00	3.550%	457,392.50	902,392.50	1,359,785.00
08/01/2029	-	-	449,493.75	449,493.75	-
02/01/2030	460,000.00	3.650%	449,493.75	909,493.75	1,358,987.50
08/01/2030	-	-	441,098.75	441,098.75	-
02/01/2031	480,000.00	3.700%	441,098.75	921,098.75	1,362,197.50
08/01/2031	-	-	432,218.75	432,218.75	-
02/01/2032	495,000.00	3.850%	432,218.75	927,218.75	1,359,437.50
08/01/2032	-	-	422,690.00	422,690.00	-
02/01/2033	515,000.00	4.000%	422,690.00	937,690.00	1,360,380.00
08/01/2033	-	-	412,390.00	412,390.00	-
02/01/2034	535,000.00	4.100%	412,390.00	947,390.00	1,359,780.00
08/01/2034	-	-	401,422.50	401,422.50	-
02/01/2035	555,000.00	4.200%	401,422.50	956,422.50	1,357,845.00
08/01/2035	-	-	389,767.50	389,767.50	-
02/01/2036	580,000.00	4.300%	389,767.50	969,767.50	1,359,535.00
08/01/2036	-	-	377,297.50	377,297.50	-
02/01/2037	605,000.00	4.400%	377,297.50	982,297.50	1,359,595.00
08/01/2037	-	-	363,987.50	363,987.50	-
02/01/2038	630,000.00	4.500%	363,987.50	993,987.50	1,357,975.00
08/01/2038	-	-	349,812.50	349,812.50	-
02/01/2039	660,000.00	4.600%	349,812.50	1,009,812.50	1,359,625.00
08/01/2039	-	-	334,632.50	334,632.50	-
02/01/2040	690,000.00	4.650%	334,632.50	1,024,632.50	1,359,265.00
08/01/2040	-	-	318,590.00	318,590.00	-
02/01/2041	725,000.00	4.750%	318,590.00	1,043,590.00	1,362,180.00
08/01/2041	-	-	301,371.25	301,371.25	-
02/01/2042	755,000.00	4.800%	301,371.25	1,056,371.25	1,357,742.50
08/01/2042	-	-	283,251.25	283,251.25	-
02/01/2043	795,000.00	4.850%	283,251.25	1,078,251.25	1,361,502.50
08/01/2043	-	-	263,972.50	263,972.50	-
02/01/2044	830,000.00	4.900%	263,972.50	1,093,972.50	1,357,945.00
08/01/2044	-	-	243,637.50	243,637.50	-
02/01/2045	875,000.00	4.900%	243,637.50	1,118,637.50	1,362,275.00
08/01/2045	-	-	222,200.00	222,200.00	-
02/01/2046	915,000.00	4.950%	222,200.00	1,137,200.00	1,359,400.00
08/01/2046	-	-	199,553.75	199,553.75	-
02/01/2047	960,000.00	5.000%	199,553.75	1,159,553.75	1,359,107.50
08/01/2047	-	-	175,553.75	175,553.75	-
02/01/2048	1,010,000.00	5.050%	175,553.75	1,185,553.75	1,361,107.50
08/01/2048	-	-	150,051.25	150,051.25	-
02/01/2049	1,060,000.00	5.050%	150,051.25	1,210,051.25	1,360,102.50
08/01/2049	-	-	123,286.25	123,286.25	-
02/01/2050	1,115,000.00	5.100%	123,286.25	1,238,286.25	1,361,572.50
08/01/2050	-	-	94,853.75	94,853.75	-
02/01/2051	1,170,000.00	5.100%	94,853.75	1,264,853.75	1,359,707.50
08/01/2051	-	-	65,018.75	65,018.75	-
02/01/2052	1,230,000.00	5.150%	65,018.75	1,295,018.75	1,360,037.50
08/01/2052	-	-	33,346.25	33,346.25	-
02/01/2053	1,295,000.00	5.150%	33,346.25	1,328,346.25	1,361,692.50
Total	\$21,605,000.00	-	\$19,190,250.71	\$40,795,250.71	-

Hackamore Road Portion

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
04/19/2023	-	-	-	-	-
02/01/2024	-	-	57,118.71	57,118.71	57,118.71
08/01/2024	-	-	36,458.75	36,458.75	-
02/01/2025	95,000.00	3.350%	36,458.75	131,458.75	167,917.50
08/01/2025	-	-	34,867.50	34,867.50	-
02/01/2026	95,000.00	3.350%	34,867.50	129,867.50	164,735.00
08/01/2026	-	-	33,276.25	33,276.25	-
02/01/2027	100,000.00	3.400%	33,276.25	133,276.25	166,552.50
08/01/2027	-	-	31,576.25	31,576.25	-
02/01/2028	105,000.00	3.450%	31,576.25	136,576.25	168,152.50
08/01/2028	-	-	29,765.00	29,765.00	-
02/01/2029	110,000.00	3.550%	29,765.00	139,765.00	169,530.00
08/01/2029	-	-	27,812.50	27,812.50	-
02/01/2030	110,000.00	3.650%	27,812.50	137,812.50	165,625.00
08/01/2030	-	-	25,805.00	25,805.00	-
02/01/2031	115,000.00	3.700%	25,805.00	140,805.00	166,610.00
08/01/2031	-	-	23,677.50	23,677.50	-
02/01/2032	120,000.00	3.850%	23,677.50	143,677.50	167,355.00
08/01/2032	-	-	21,367.50	21,367.50	-
02/01/2033	125,000.00	4.000%	21,367.50	146,367.50	167,735.00
08/01/2033	-	-	18,867.50	18,867.50	-
02/01/2034	130,000.00	4.100%	18,867.50	148,867.50	167,735.00
08/01/2034	-	-	16,202.50	16,202.50	-
02/01/2035	135,000.00	4.200%	16,202.50	151,202.50	167,405.00
08/01/2035	-	-	13,367.50	13,367.50	-
02/01/2036	140,000.00	4.300%	13,367.50	153,367.50	166,735.00
08/01/2036	-	-	10,357.50	10,357.50	-
02/01/2037	145,000.00	4.400%	10,357.50	155,357.50	165,715.00
08/01/2037	-	-	7,167.50	7,167.50	-
02/01/2038	155,000.00	4.500%	7,167.50	162,167.50	169,335.00
08/01/2038	-	-	3,680.00	3,680.00	-
02/01/2039	160,000.00	4.600%	3,680.00	163,680.00	167,360.00
Total	\$1,840,000.00	-	\$725,616.21	\$2,565,616.21	-

Horseshoe Portion

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
04/19/2023	-	-	-	-	-
02/01/2024	-	-	12,059.42	12,059.42	12,059.42
08/01/2024	-	-	7,697.50	7,697.50	-
02/01/2025	35,000.00	3.350%	7,697.50	42,697.50	50,395.00
08/01/2025	-	-	7,111.25	7,111.25	-
02/01/2026	35,000.00	3.350%	7,111.25	42,111.25	49,222.50
08/01/2026	-	-	6,525.00	6,525.00	-
02/01/2027	40,000.00	3.400%	6,525.00	46,525.00	53,050.00
08/01/2027	-	-	5,845.00	5,845.00	-
02/01/2028	40,000.00	3.450%	5,845.00	45,845.00	51,690.00
08/01/2028	-	-	5,155.00	5,155.00	-
02/01/2029	40,000.00	3.550%	5,155.00	45,155.00	50,310.00
08/01/2029	-	-	4,445.00	4,445.00	-
02/01/2030	45,000.00	3.650%	4,445.00	49,445.00	53,890.00
08/01/2030	-	-	3,623.75	3,623.75	-
02/01/2031	45,000.00	3.700%	3,623.75	48,623.75	52,247.50
08/01/2031	-	-	2,791.25	2,791.25	-
02/01/2032	45,000.00	3.850%	2,791.25	47,791.25	50,582.50
08/01/2032	-	-	1,925.00	1,925.00	-
02/01/2033	45,000.00	4.000%	1,925.00	46,925.00	48,850.00
08/01/2033	-	-	1,025.00	1,025.00	-
02/01/2034	50,000.00	4.100%	1,025.00	51,025.00	52,050.00
Total	\$420,000.00	-	\$104,346.92	\$524,346.92	-

City Center Drive Street & Private Development Property Grading Portion

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
04/19/2023	-	-	-	-	-
02/01/2024	-	-	69,659.88	69,659.88	69,659.88
08/01/2024	-	-	44,463.75	44,463.75	-
02/01/2025	115,000.00	3.350%	44,463.75	159,463.75	203,927.50
08/01/2025	-	-	42,537.50	42,537.50	-
02/01/2026	120,000.00	3.350%	42,537.50	162,537.50	205,075.00
08/01/2026	-	-	40,527.50	40,527.50	-
02/01/2027	125,000.00	3.400%	40,527.50	165,527.50	206,055.00
08/01/2027	-	-	38,402.50	38,402.50	-
02/01/2028	130,000.00	3.450%	38,402.50	168,402.50	206,805.00
08/01/2028	-	-	36,160.00	36,160.00	-
02/01/2029	130,000.00	3.550%	36,160.00	166,160.00	202,320.00
08/01/2029	-	-	33,852.50	33,852.50	-
02/01/2030	135,000.00	3.650%	33,852.50	168,852.50	202,705.00
08/01/2030	-	-	31,388.75	31,388.75	-
02/01/2031	140,000.00	3.700%	31,388.75	171,388.75	202,777.50
08/01/2031	-	-	28,798.75	28,798.75	-
02/01/2032	145,000.00	3.850%	28,798.75	173,798.75	202,597.50
08/01/2032	-	-	26,007.50	26,007.50	-
02/01/2033	150,000.00	4.000%	26,007.50	176,007.50	202,015.00
08/01/2033	-	-	23,007.50	23,007.50	-
02/01/2034	160,000.00	4.100%	23,007.50	183,007.50	206,015.00
08/01/2034	-	-	19,727.50	19,727.50	-
02/01/2035	165,000.00	4.200%	19,727.50	184,727.50	204,455.00
08/01/2035	-	-	16,262.50	16,262.50	-
02/01/2036	170,000.00	4.300%	16,262.50	186,262.50	202,525.00
08/01/2036	-	-	12,607.50	12,607.50	-
02/01/2037	180,000.00	4.400%	12,607.50	192,607.50	205,215.00
08/01/2037	-	-	8,647.50	8,647.50	-
02/01/2038	185,000.00	4.500%	8,647.50	193,647.50	202,295.00
08/01/2038	-	-	4,485.00	4,485.00	-
02/01/2039	195,000.00	4.600%	4,485.00	199,485.00	203,970.00
Total	\$2,245,000.00	-	\$883,412.38	\$3,128,412.38	-

Attachment 2 – Estimated Levy Schedule

Tax Abatement Portions (combined)

Date	Total P-I	CIF	105% Levy	Less:	Less:	Net Levy	Special	Reduced Levy	Levy Year	Collection Year
				Abatement Levy	Assessment Revenue*					
02/01/2024	138,838.01	(138,838.01)	-	-	-	-	-	-		
02/01/2025	422,240.00	-	443,352.00	245,000.00	198,352.00	19,705.13	178,646.87		2023	2024
02/01/2026	419,032.50	-	439,984.13	250,000.00	189,984.13	19,705.14	170,278.99		2024	2025
02/01/2027	425,657.50	-	446,940.38	265,000.00	181,940.38	19,705.14	162,235.24		2025	2026
02/01/2028	426,647.50	-	447,979.88	275,000.00	172,979.88	19,705.13	153,274.75		2026	2027
02/01/2029	422,160.00	-	443,268.00	280,000.00	163,268.00	19,705.14	143,562.86		2027	2028
02/01/2030	422,220.00	-	443,331.00	290,000.00	153,331.00	19,705.14	133,625.86		2028	2029
02/01/2031	421,635.00	-	442,716.75	300,000.00	142,716.75	19,705.14	123,011.61		2029	2030
02/01/2032	420,535.00	-	441,561.75	310,000.00	131,561.75	19,705.14	111,856.61		2030	2031
02/01/2033	418,600.00	-	439,530.00	320,000.00	119,530.00	19,705.14	99,824.86		2031	2032
02/01/2034	425,800.00	-	447,090.00	340,000.00	107,090.00	19,705.14	87,384.86		2032	2033
02/01/2035	371,860.00	-	390,453.00	300,000.00	90,453.00	19,705.14	70,747.86		2033	2034
02/01/2036	369,260.00	-	387,723.00	310,000.00	77,723.00	19,705.12	58,017.88		2034	2035
02/01/2037	370,930.00	-	389,476.50	325,000.00	64,476.50	19,705.14	44,771.36		2035	2036
02/01/2038	371,630.00	-	390,211.50	340,000.00	50,211.50	19,705.14	30,506.36		2036	2037
02/01/2039	371,330.00	-	389,896.50	355,000.00	34,896.50	19,705.13	15,191.37		2037	2038
Total	\$6,218,375.51	(138,838.01)	\$6,383,514.38	\$4,505,000.00	\$1,878,514.38	\$295,577.05	\$1,582,937.33			

*Special assessment revenue for the City Center Drive Street & Private Development Property Grading portion is based on assessments totaling \$200,000 assessed at a rate of 5.30% (1% over the True Interest Cost, rounded to the nearest 0.05%), with equal annual payments spread over 15 years.

Attachment 3 – Related Considerations

Not Bank Qualified

The Bonds are more than \$10,000,000 in tax-exempt debt. Therefore, the Bonds will not be designated as “bank qualified” obligations pursuant to Federal Tax Law.

Arbitrage Compliance

Project/Construction Fund. All tax-exempt bond issues are subject to federal rebate requirements which require all arbitrage earned to be rebated to the U.S. Treasury. A rebate exemption the City expects to qualify for is the “24-month exception.”

Debt Service Fund. The City must maintain a bona fide debt service fund for the Bonds or be subject to yield restriction in the debt service fund. A bona fide debt service fund involves an equal matching of revenues to debt service expense with a balance forward permitted equal to the greater of the investment earnings in the fund during that year or 1/12 of the debt service of that year.

The City should become familiar with the various Arbitrage Compliance requirements for this bond issue. The Resolution for the Bonds prepared by Bond Counsel explains the requirements in greater detail.

Continuing Disclosure

Type: Full

Dissemination Agent: Northland Securities

The requirements for continuing disclosure are governed by SEC Rule 15c2-12. The primary requirements of Rule 15c2-12 actually fall on underwriters. The Rule sets forth due diligence needed prior to the underwriter’s purchase of municipal securities. Part of this requirement is obtaining commitment from the issuer to provide continuing disclosure. The document describing the continuing disclosure commitments (the “Undertaking”) is contained in the Official Statement that will be prepared to offer the Bonds to investors.

The City has more than \$10,000,000 of outstanding debt and is required to undertake “full” continuing disclosure. Full disclosure requires annual posting of the audit and a separate continuing disclosure report, as well as the reporting of certain “material events.” Material events set forth in the Rule, including, but not limited to, bond rating changes, call notices, and issuance of “financial obligations” (such as USDA loans, Public Finance Authority loans and lease agreements) must be reported within ten days of occurrence. Northland currently serves as dissemination agent for the City. We will assist with getting your annual report filed in compliance with full continuing disclosure regulations.

Premiums

In the current market environment, it is likely that bids received from underwriters will include premiums. A premium bid occurs when the purchaser pays the City an amount in excess of the par amount of a maturity in exchange for a higher coupon (interest rate). The use of premiums reflects the bidder’s view on future market conditions, tax considerations for investors and other factors. Ultimately, the true interest cost (“TIC”) calculation will determine the lowest bid, regardless of premium.

A premium bid produces additional funds that can be used in several ways:

- The premium means that the City needs less bond proceeds and can reduce the size of the issue by the amount of the premium.
- The premium can be deposited in the Construction Fund and used to pay additional project costs, rather than used to reduce the size of the issue.
- The premium can be deposited in the Debt Service Fund and used to pay principal and interest.

Northland will work with City staff prior to the sale day to determine use of premium (if any). A consideration for use of premium is the bank qualification of the Bonds.

Rating

A rating will be requested from Moody's. The City's general obligation debt is currently rated "Aa3" by Moody's. The rating process will include a conference call with the rating analyst from Moody's. Northland will assist City staff in preparing for and conducting the rating calls.

Attachment 4 - Calendar of Events

The following checklist of items denotes each milestone activity as well as the members of the finance team who will have the responsibility to complete it. *Please note this proposed timetable assumes regularly scheduled City Council meetings.*

December 2022						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

January 2023						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

February 2023						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28				

March 2023						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

April 2023						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

May 2023						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

Holiday

Date	Action	Responsible Party
December 1, 2022	City to confirm parcels for Tax Abatement (Northland will assist City with the process of identifying parcels and coordinating with bond counsel)	City Staff
December 15, 2022	Resolution Calling for the Tax Abatement Hearing sent to City	Bond Counsel
December 22, 2022	Resolution Calling for the Tax Abatement Hearing Adopted by City Council	City Council Action, Northland, Bond Counsel
January 12, 2022	General Information Certificate Sent to City for updates	Northland

Date	Action	Responsible Party
January 16, 2023	Notice of City Public Hearing for Tax Abatement Published No Later Than This Date (10-day notice)	City Staff
January 19, 2023	Finance Plan and Set Sale Resolution sent to City	Northland, Bond Counsel
January 26, 2023	Public Hearing to Approve Tax Abatement Held by City Council and Resolution Approving Tax Abatement Adopted by City Council Set Sale Resolution Adopted and Finance Plan Reviewed	City Council Action , Northland, Bond Counsel
	Bid opening and award	City Staff
February 1, 2023	General Information Certificate Returned to Northland	City Staff
February 15, 2023	Preliminary Official Statement Sent to City for Sign Off and to Moody's	Northland
Week of February 27 or March 6, 2023	Rating Conference Call	Northland, City Staff, Rating Agency
March 9, 2023	City confirms project costs to be financed and source of payment and plans for use of any premium that may be bid Decision on date for Bond Sale to be finalized*	City Staff
March 15, 2023	Rating Received	Moody's, City Staff, Northland
March 16, 2023	Authorizing Resolution sent to City	Bond Counsel
March 21-22, 2023	FOMC Meeting*	
March 23, 2023	Bond Sale 10:00 a.m.* Authorizing Resolution Adopted - 7:00 p.m.	Northland, Bond Counsel, City Council Action
April 19, 2023	Closing on the Bonds (Proceeds available)	Northland, City Staff, Bond Counsel

**The Federal Open Market Committee (FOMC, the Fed) meets on March 21 and March 22, 2023. Northland will monitor market conditions and expectations of the FOMC meeting to determine if a change in the date of the bond sale is in the best interests of the City.*

Attachment 5 - Risk Factors

Property Taxes: Property tax levies shown in this Finance Plan are based on projected debt service and other revenues. Final levies will be set based on the results of sale. Levies should be reviewed annually and adjusted as needed. The debt service levy must be included in the preliminary levy for annual Truth in Taxation hearings. Future Legislative changes in the property tax system, including the imposition of levy limits and changes in calculation of property values, would affect plans for payment of debt service. Delinquent payment of property taxes would reduce revenues available to pay debt service.

Special Assessments: Special assessments have not been levied at this time. This Finance Plan is based on the assumptions listed earlier in this report. Changes in the terms and timing for the actual assessments will alter the projected flow of funds for payment of debt service on the Improvement Portion of the Bonds. Also, special assessments may be prepaid. It is likely that the income earned on the investment of prepaid assessments will be less than the interest paid if the assessments remained outstanding. Delinquencies in assessment collections would reduce revenues needed to pay debt service. The collection of deferred assessments, if any, has not been included in the revenue projections. Projected assessment income should be reviewed annually and adjusted as needed.

Tax Abatement: The tax abatement levy needs to be calculated annually in accordance with the abatement resolution. The abatement levy must be included in the preliminary levy used for annual Truth in Taxation hearings. A tax abatement levy was authorized as a special levy (not subject to levy limits) under the most recent legislation. Levy limits are not currently enacted. The status of a tax abatement levy under future levy limitations (if any) cannot be predicted.

System Revenues: The City pledges the net revenues of the water system to the payment of principal and interest on the Water Portion of the Bonds, respectively. The failure to adjust rates and charges as needed and the loss of significant customers will affect available net revenues. If the net revenues are insufficient, the City is required to levy property taxes or use other revenues to cover the deficiency. Property taxes can only be used on a temporary basis and may not be an ongoing source of revenue to pay debt service.

General: In addition to the risks described above, there are certain general risks associated with the issuance of bonds. These risks include, but are not limited to:

- Failure to comply with covenants in bond resolution.
- Failure to comply with Undertaking for continuing disclosure.
- Failure to comply with IRS regulations, including regulations related to use of the proceeds and arbitrage/rebate. The IRS regulations govern the ability of the City to issue its bonds as tax-exempt securities and failure to comply with the IRS regulations may lead to loss of tax-exemption.

**MUNICIPAL ADVISORY SERVICE AGREEMENT
BY AND BETWEEN
THE CITY OF CORCORAN, MINNESOTA
AND
NORTHLAND SECURITIES, INC.**

This Agreement is made and entered into by and between the City of Corcoran, Minnesota (hereinafter "Client") and Northland Securities, Inc., of Minneapolis, Minnesota (hereinafter "Northland").

WITNESSETH

WHEREAS, the Client desires to have Northland provide it with advice on the structure, terms, timing and other matters related to the issuance of the General Obligation Bonds, Series 2023A (the "Debt") serving in the role of municipal (financial) advisor, and

WHEREAS, Northland is a registered municipal advisor with both the Securities and Exchange Commission ("SEC") and the Municipal Securities Rulemaking Board ("MSRB") (registration # 866-00082-00), and

WHEREAS, Northland will act as municipal advisor in accordance with the duties and responsibilities of Rule G-42 of the MSRB, and

WHEREAS, the MSRB provides a municipal advisory client brochure on its website (www.msrb.org) that describes the protections that may be provided by the MSRB rules, including professional competency, fair dealing, duty of loyalty, remedies for disputes and how to file a complaint with an appropriate regulatory authority, and

WHEREAS, the Client and Northland are entering into this Agreement to define the municipal advisory relationship at the earliest opportunity related to the inception of the municipal advisory relationship for the Debt, and

WHEREAS, Northland desires to furnish services to the Client as hereinafter described,

NOW, THEREFORE, it is agreed by and between the parties as follows:

SERVICES TO BE PROVIDED BY NORTHLAND

Northland shall provide the Client with services necessary to analyze, structure, offer for sale and close the Debt. The services will be tailored to meet the needs of this engagement and may include:

Planning and Development

1. Assist Client officials to define the scope and the objectives for the Debt.
2. Investigate and consider reasonably feasible financing alternatives.
3. Assist the Client in understanding the material risks, potential benefits, structure and other characteristics of the recommended plan for the Debt, including issue structure, estimated debt

service payments, projected revenues, method of issuance, bond rating, sale timing, and call provisions.

4. Prepare a schedule of events related to the issuance process.
5. Coordinate with bond counsel any actions needed to authorize the issuance of the Debt.
6. Attend meetings of the Client and other project and bond issue related meetings as needed and as requested.

Bond Sale

1. Assist the Client with the preparation, review and approval of the preliminary official statement (POS).
2. Assist the Client and bond counsel with preparing and publishing the Official Notice of Sale if required by law.
3. Prepare and submit application for bond rating(s) and assist the Client with furnishing the rating agency(s) with any additional information required to conduct the rating review. Assist the Client with preparing and conducting the rating call or other presentation.
4. Assist the Client in receiving the bids, compute the accuracy of the bids received, and recommend to the Client the most favorable bid for award.
5. Coordinate with bond counsel the preparation of required contracts and resolutions.

Post-Sale Support

1. Assist the Client with the preparation of final official statement, distribution to the underwriter and posting on EMMA.
2. Coordinate the bond issue closing, including making all arrangements for bond printing, registration, and delivery.
3. Furnish to the Client a complete transcript of the transaction, if not provided by bond counsel.

There are no specific limitations on the scope of this agreement.

COMPENSATION

For providing these services with respect to the Debt, Northland shall be paid a lump sum of \$51,860. The fee due to Northland shall be payable by the Client upon the closing of the Bonds.

CONFLICTS OF INTEREST

Northland, as your Municipal Advisor, mitigates conflicts through its adherence to its fiduciary duty to the Client, which includes a duty of loyalty to the Client in performing all municipal advisory activities for the Client. This duty of loyalty obligates Northland to deal honestly and with the utmost good faith with the Client and to act in the Client's best interests without regard to our own financial or other interests. In addition, because Northland is a broker-dealer with significant capital due to the nature of its overall business, the success and profitability of Northland is not dependent on maximizing short-term revenue generated from individualized recommendations to its clients but instead is dependent on long-term profitability built on a foundation of integrity, quality of service and strict adherence to its fiduciary duty. Furthermore, Northland's municipal advisory supervisory structure leverages our long-standing and comprehensive broker-dealer supervisory processes and practices, and provides strong safeguards against individual representatives of Northland potentially departing from our regulatory duties due to personal interests. The disclosures below describe, as

applicable, any additional mitigations that may be relevant with respect to any specific conflict disclosed below.

Northland serves a wide variety of other clients that may from time to time have interests that could have a direct or indirect impact on the interests of the Client. For example, Northland serves as Municipal Advisor to other Municipal Advisory clients and, in such cases, owes a regulatory duty to such other clients just as it does to the Client under this Agreement. These other clients may, from time to time and depending on the specific circumstances, have competing interests, such as accessing the new issue market with the most advantageous timing and with limited competition at the time of the offering. In acting in the interests of its various clients, Northland could potentially face a conflict of interest arising from these competing client interests. In other cases, as a broker-dealer that engages in underwritings of new issuances of municipal securities by other municipal entities, the interests of Northland to achieve a successful and profitable underwriting for its municipal entity underwriting clients could potentially constitute a conflict of interest if, as in the example above, the municipal entities that Northland serves as underwriter or municipal advisor have competing interests in seeking to access the new issue market with the most advantageous timing and with limited competition at the time of the offering. However, none of these other engagements or relationships would impair Northland's ability to fulfill its regulatory duties to the Client.

The compensation for services provided in this Agreement is customary in the municipal securities market, however, it may pose a conflict of interest. The fees due under this Agreement are in a fixed amount established at the outset of the Agreement. The amount is usually based upon an analysis by Client and Northland of, among other things, the expected duration and complexity of the transaction and the Scope of Services to be performed by Northland. This form of compensation presents a potential conflict of interest because, if the transaction requires more work than originally contemplated, Northland may suffer a loss. Thus, Northland may recommend less time-consuming alternatives, or fail to do a thorough analysis of alternatives. This conflict of interest is mitigated by supervisory policies and procedures to ensure the scope of services within the transaction align with other comparable engagements. By executing this Agreement, the Client acknowledges and accepts the potential conflicts of interest posed by the compensation to Northland. Northland does not participate in any payments to be retained, nor participate in any fee splitting agreements or arrangements.

Northland is also a broker-dealer that engages in a broad range of securities-related activities to service its clients, in addition to serving as a Municipal Advisor or Underwriter. Such securities-related activities, which may include but are not limited to the buying and selling of outstanding securities, including securities of the Client, may be undertaken on behalf of, or as counterparty to, the Client, and current or potential investors in the securities of the Client. These other Northland clients may, from time to time and depending on the specific circumstances, have interests in conflict with those of the Client, such as when their buying or selling of the Client's securities may have an adverse effect on the market for the Client's securities. However, any potential conflict arising from Northland effecting or otherwise assisting such other clients in connection with such transactions is mitigated by means of such activities being engaged in on customary terms through other business units of Northland that operate independently from Northland's Municipal Advisory business, thereby reducing or

eliminating the likelihood that the interests of such other clients would have an impact on the services provided by Northland to the Client under this Agreement. Northland has policies and procedures in place to ensure that Northland as a broker-dealer is not participating in bidding or determining market prices for the Client's transaction that is covered under this Agreement.

Northland Capital Holdings is the parent company of Northland Securities. A subsidiary of Northland Capital Holdings is Northland Trust, Inc. Northland Trust provides paying agent services to issuers of municipal bonds. The Client is solely responsible for the decision on the source of paying agent services. Any engagement of Northland Trust is outside the scope of this Agreement. No compensation paid to Northland Trust is shared with Northland Securities.

Northland is not aware of any additional material conflicts of interest that could reasonably be anticipated to impair Northland's ability to provide advice to or on behalf of the Client in accordance with the standards of conduct for municipal advisors.

LEGAL AND DISCIPLINARY ACTIONS

There are no legal or disciplinary events reported by the Securities and Exchange Commission contained in Form MA or Form MA-I. The Client can find information about these forms and accessing information related to Northland at www.sec.gov/municipal/oms-edgar-links.

SUCCESSORS OR ASSIGNS

The terms and provisions of this Agreement are binding upon and inure to the benefit of the Client and Northland and their successors or assigns.

TERM OF THIS AGREEMENT

This Agreement may be terminated by thirty (30) days written notice by either the Client or Northland and it shall terminate sixty (60) days following the closing date related to the issuance of the Debt.

Dated this 26th day of January, 2023.

Northland Securities, Inc.



By: _____

Tammy Omdal, Managing Director



By: _____

Clifton Schultz, Managing Director

City of Corcoran, Minnesota

By: _____

Its: _____

Extract of Minutes of Meeting
of the City Council of the City
of Corcoran, Hennepin County, Minnesota

Pursuant to due call and notice thereof a regular meeting of the City Council of the City of Corcoran, Hennepin County, Minnesota, was held at the City Hall in the City on Thursday, January 26, 2023, commencing at 7:00 P.M.

The following members of the Council were present:

and the following were absent:

* * *

* * *

* * *

The following resolution was presented by Councilmember _____ who moved its adoption:

RESOLUTION NO. 2023-10

RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF
APPROXIMATELY \$26,110,000 GENERAL OBLIGATION BONDS, SERIES 2023A

BE IT RESOLVED By the City Council of the City of Corcoran, Hennepin County, Minnesota (the “City”) as follows:

1. Abatement Bonds.

(a) The City has determined to undertake certain public improvements, including street, utility and road improvements to Hackamore Drive, City Center Drive and 79th Place, Horseshoe Road and Horseshoe Bend (the “Abatement Project”).

(b) Under Minnesota Statutes, Chapter 475, as amended, and Minnesota Statutes, Sections 469.1812 through 469.1815, as amended (collectively, the “Abatement Act”), the City is authorized to grant a property tax abatement on specified parcels in order to accomplish certain public purposes, including the provision or construction of public infrastructure such as the Abatement Project.

(c) Following a public hearing this same date (the “Abatement Resolution”), the City Council has adopted a tax abatement (the “Abatements”) for certain property in the City (the “Abatement Parcels”) over a period of fifteen (15) years, in an amount sufficient to pay the principal amount and all or a portion of the interest on bonds issued to finance the Abatement Project in a maximum principal amount of \$5,108,000.

(d) Subject to approval of the Abatement Resolution this same date, the City Council finds it necessary and expedient to the sound financial management of the affairs of the City to issue its obligations in the proposed approximate principal amount of \$5,108,000 (the “Abatement Bonds”) pursuant to the Abatement Act, to provide financing for the Abatement Project.

2. Utility Revenue Bonds.

(a) The City engineer has recommended the construction of various improvements to the City’s water system (the “Utility Improvements”), pursuant to Minnesota Statutes, Chapters 444 and 475, as amended (collectively, the “Utility Revenue Act”).

(b) It is necessary and expedient to the sound financial management of the affairs of the City to issue general obligations in the approximate aggregate principal amount of \$21,605,000 (the “Utility Revenue Bonds”), pursuant to the Utility Revenue Act, to provide financing for the Utility Improvements.

2. Sale of Bonds.

(a) The City Council finds it necessary and expedient to the sound financial management of the affairs of the City that the City issue its General Obligation Bonds, Series 2023A (the “Bonds”), in the proposed aggregate principal amount of \$26,110,000, pursuant to the Abatement Act and the Utility Revenue Act (together, the “Act”), which amount is subject to adjustment in accordance with the official Notice of Sale attached hereto as **EXHIBIT B** (the “Notice of Sale”). The Bonds will be issued, sold, and delivered in accordance with the Notice of Sale.

(b) The City is authorized by Section 475.60, subdivision 2(9) of the Act to negotiate the sale of the Bonds, it being determined that the City has retained an independent municipal advisor in connection with such sale.

3. Authority of Municipal Advisor. Northland Securities, Inc. is authorized and directed to negotiate the Bonds in accordance with the Notice of Sale. The City Council will meet at 7:00 P.M. on Thursday, March 23, 2023, to consider proposals on the Bonds and take any other appropriate action with respect to the Bonds.

4. Authority of Bond Counsel. The law firm of Kennedy & Graven, Chartered, as bond counsel for the City, is authorized to act as bond counsel and to assist in the preparation and review of necessary documents, certificates and instruments relating to the Bonds. The officers, employees and agents of the City are hereby authorized to assist Kennedy & Graven, Chartered in the preparation of such documents, certificates, and instruments.

5. Covenants. In the resolution awarding the sale of the Bonds the City Council will set forth the covenants and undertakings required by the Act.

6. Official Statement. In connection with the sale of the Bonds, the officers or employees of the City are authorized and directed to cooperate with Northland Securities, Inc. and participate in the preparation of an official statement for the Bonds and to execute and deliver it on behalf of the City upon its completion.

Approved by the City Council of the City of Corcoran, Minnesota this 26th day of January, 2023.

Mayor

ATTEST:

City Administrator

Exhibit A
NOTICE OF SALE

\$26,110,000*
GENERAL OBLIGATION BONDS, SERIES 2023A

CITY OF CORCORAN, MINNESOTA
(Book-Entry Only)

NOTICE IS HEREBY GIVEN that these Bonds will be offered for sale according to the following terms:

TIME AND PLACE:

Proposals (also referred to herein as “bids”) will be opened by the City’s Finance Manager, or designee, on Thursday, March 23, 2023, at 10:00 A.M., CT, at the offices of Northland Securities, Inc. (the City’s “Municipal Advisor”), 150 South 5th Street, Suite 3300, Minneapolis, Minnesota 55402. Consideration of the Proposals for award of the sale will be by the City Council at its meeting at the City Offices beginning Thursday, March 23, 2023 at 7:00 P.M., CT.

SUBMISSION OF PROPOSALS

Proposals may be:

- a) submitted to the office of Northland Securities, Inc.,
- b) faxed to Northland Securities, Inc. at 612-851-5918,
- c) emailed to PublicSale@northlandsecurities.com
- d) for proposals submitted prior to the sale, the final price and coupon rates may be submitted to Northland Securities, Inc. by telephone at 612-851-5900 or 612-851-4945, or
- e) submitted electronically.

Notice is hereby given that electronic proposals will be received via PARITY™, or its successor, in the manner described below, until 10:00 A.M., CT, on Thursday, March 23, 2023. Proposals may be submitted electronically via PARITY™ or its successor, pursuant to this Notice until 10:00 A.M., CT, but no Proposal will be received after the time for receiving Proposals specified above. To the extent any instructions or directions set forth in PARITY™, or its successor, conflict with this Notice, the terms of this Notice shall control. For further information about PARITY™, or its successor, potential bidders may contact Northland Securities, Inc. or i-Deal® at 1359 Broadway, 2nd floor, New York, NY 10018, telephone 212-849-5021.

Neither the City nor Northland Securities, Inc. assumes any liability if there is a malfunction of PARITY™ or its successor. All bidders are advised that each Proposal shall be deemed to constitute a contract between the bidder and the City to purchase the Bonds regardless of the manner in which the Proposal is submitted.

BOOK-ENTRY SYSTEM

The Bonds will be issued by means of a book-entry system with no physical distribution of bond certificates made to the public. The Bonds will be issued in fully registered form and one bond certificate, representing the aggregate principal amount of the Bonds maturing in each year, will be registered in the name of Cede &

* The City reserves the right to increase or decrease the principal amount of the Bonds. Any such increase or decrease will be made in multiples of \$5,000 and may be made in any maturity. If any maturity is adjusted, the purchase price will also be adjusted to maintain the same gross spread.

Co. as nominee of Depository Trust Company (“DTC”), New York, New York, which will act as securities depository of the Bonds.

Individual purchases of the Bonds may be made in the principal amount of \$5,000 or any multiple thereof of a single maturity through book entries made on the books and records of DTC and its participants. Principal and interest are payable by the City through Northland Trust Services, Inc. Minneapolis, Minnesota (the “Paying Agent/Registrar”), to DTC, or its nominee as registered owner of the Bonds. Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC; transfer of principal and interest payments to beneficial owners by participants will be the responsibility of such participants and other nominees of beneficial owners. The successful bidder, as a condition of delivery of the Bonds, will be required to deposit the bond certificates with DTC. The City will pay reasonable and customary charges for the services of the Paying Agent/Registrar.

DATE OF ORIGINAL ISSUE OF BONDS

Date of Delivery (Estimated to be April 19, 2023)

AUTHORITY/PURPOSE/SECURITY

The Bonds are being issued pursuant to Minnesota Statutes, Chapters 444 and 475 and Sections 469.1812 through 469.1815. Proceeds will be used to finance a water project and various road projects within the City and to pay costs associated with the issuance of the Bonds. The Bonds are payable from net revenues of the water system, tax abatement levies and additionally secured by ad valorem taxes on all taxable property within the City. The full faith and credit of the City is pledged to their payment and the City has validly obligated itself to levy ad valorem taxes in the event of any deficiency in the debt service account established for this issue.

INTEREST PAYMENTS

Interest is due semiannually on each February 1 and August 1, commencing February 1, 2024, to registered owners of the Bonds appearing of record in the Bond Register as of the close of business on the fifteenth day (whether or not a business day) of the calendar month next preceding such interest payment date.

MATURITIES

Principal is due annually on February 1, inclusive, in each of the years and amounts as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2024	\$585,000	2034	\$875,000	2044	\$830,000
2025	635,000	2035	855,000	2045	875,000
2026	650,000	2036	890,000	2046	915,000
2027	680,000	2037	930,000	2047	960,000
2028	705,000	2038	970,000	2048	1,010,000
2029	725,000	2039	1,015,000	2049	1,060,000
2030	750,000	2040	690,000	2050	1,115,000
2031	780,000	2041	725,000	2051	1,170,000
2032	805,000	2042	755,000	2052	1,230,000
2033	835,000	2043	795,000	2053	1,295,000

Proposals for the Bonds may contain a maturity schedule providing for any combination of serial bonds and term bonds, subject to mandatory redemption, so long as the amount of principal maturing or subject to mandatory redemption in each year conforms to the maturity schedule set forth above.

INTEREST RATES

All rates must be in integral multiples of 1/20th or 1/8th of 1%. *The rate for any maturity may not be more than 2.00% less than the rate for any preceding maturity.* All Bonds of the same maturity must bear a single uniform rate from date of issue to maturity.

ESTABLISHMENT OF ISSUE PRICE

(HOLD-THE-OFFERING-PRICE RULE MAY APPLY – BIDS NOT CANCELLABLE)

The winning bidder shall assist the City in establishing the issue price of the Bonds and shall execute and deliver to the City at closing an “issue price” or similar certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Bonds, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit A, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the City and Bond Counsel. All actions to be taken by the City under this Notice of Sale to establish the issue price of the Bonds may be taken on behalf of the City by the City’s Municipal Advisor and any notice or report to be provided to the City may be provided to the City’s Municipal Advisor.

The City intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the “competitive sale requirements”) because:

- (1) the City shall disseminate this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the City may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (4) the City anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the highest price (or lowest cost), as set forth in this Notice of Sale.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Bonds, as specified in the bid.

In the event that the competitive sale requirements are not satisfied, the City shall promptly so advise the winning bidder. The City may then determine to treat the initial offering price to the public as of the award date of the Bonds as the issue price of each maturity by imposing on the winning bidder the Hold-the-Offering-Price Rule as described in the following paragraph (the “Hold-the-Offering-Price Rule”). Bids will **not** be subject to cancellation in the event that the City determines to apply the Hold-the-Offering-Price Rule to the Bonds. **Bidders should prepare their bids on the assumption that the Bonds will be subject to the Hold-the-Offering-Price Rule in order to establish the issue price of the Bonds.**

By submitting a bid, the winning bidder shall (i) confirm that the underwriters have offered or will offer the Bonds to the public on or before the date of award at the offering price or prices (the “Initial Offering Price”), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder and (ii) agree, on behalf of the underwriters participating in the purchase of the Bonds, that the underwriters will

neither offer nor sell unsold Bonds of any maturity to which the Hold-the-Offering Price Rule shall apply to any person at a price that is higher than the Initial Offering Price to the public during the period starting on the award date for the Bonds and ending on the **earlier** of the following:

- (1) the close of the fifth (5th) business day after the award date; or
- (2) the date on which the underwriters have sold at least 10% of a maturity of the Bonds to the public at a price that is no higher than the Initial Offering Price to the public (the “10% Test”), at which time only that particular maturity will no longer be subject to the Hold-the-Offering-Price Rule.

The City acknowledges that, in making the representations set forth above, the winning bidder will rely on (i) the agreement of each underwriter to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the Hold-the-Offering-Price Rule, if applicable to the Bonds, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Bonds, including but not limited to, its agreement to comply with the Hold-the-Offering-Price Rule, if applicable to the Bonds, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an underwriter or dealer who is a member of the selling group is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the Hold-the-Offering-Price Rule, if applicable to the Bonds, as set forth in the third-party distribution agreement and the related pricing wires. The City further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the requirements for establishing issue price of the Bonds, including but not limited to, its agreement to comply with the Hold-the-Offering-Price Rule, if applicable to the Bonds, and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the Hold-the-Offering-Price Rule if applicable to the Bonds.

By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable, (A) to comply with the Hold-the-Offering-Price Rule, if applicable if and for so long as directed by the winning bidder and as set forth in the related pricing wires, (B) to promptly notify the winning bidder of any sales of Bonds that to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below), and (C) to acknowledge that, unless otherwise advised by the underwriter, dealer or broker-dealer, the winning bidder shall assume that each order submitted by the underwriter, dealer or broker-dealer is a sale to the public, and (ii) any agreement among underwriters or selling group agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter or dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such retail distribution agreement to comply with the Hold-the-Offering-Price Rule, if applicable, in each case if and for so long as directed by the winning bidder or the underwriter and as set forth in the related pricing wires.

Notes: Sales of any Bonds to any person that is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below) shall not constitute sales to

the public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:

- (1) “public” means any person other than an underwriter or a related party,*
- (2) “underwriter” means (A) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the public).*
- (3) a purchaser of any of the Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation or another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership or another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and*
- (4) “sale date” means the date that the Bonds are awarded by the City to the winning bidder.*

ADJUSTMENTS TO PRINCIPAL AMOUNT AFTER PROPOSALS

The City reserves the right to increase or decrease the principal amount of the Bonds. Any such increase or decrease will be made in multiples of \$5,000 and may be made in any maturity. If any maturity is adjusted, the purchase price will also be adjusted to maintain the same gross spread. Such adjustments shall be made promptly after the sale and prior to the award of Proposals by the City and shall be at the sole discretion of the City. The successful bidder may not withdraw or modify its Proposal once submitted to the City for any reason, including post-sale adjustment. Any adjustment shall be conclusive and shall be binding upon the successful bidder.

OPTIONAL REDEMPTION

Bonds maturing on February 1, 2032 through 2053 are subject to redemption and prepayment at the option of the City on February 1, 2031 and any date thereafter, at a price of par plus accrued interest. Redemption may be in whole or in part of the Bonds subject to prepayment. If redemption is in part, the maturities and principal amounts within each maturity to be redeemed shall be determined by the City and if only part of the Bonds having a common maturity date are called for prepayment, the specific Bonds to be prepaid shall be chosen by lot by the Bond Registrar.

CUSIP NUMBERS

If the Bonds qualify for assignment of CUSIP numbers such numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the successful bidder thereof to accept delivery of and pay for the Bonds in accordance with terms of the purchase contract. The CUSIP Service Bureau charge for the assignment of CUSIP identification numbers shall be paid by the successful bidder.

DELIVERY

Delivery of the Bonds will be within thirty days after award, subject to an approving legal opinion by Kennedy & Graven, Chartered, Bond Counsel. The legal opinion will be paid by the City and delivery will

be anywhere in the continental United States without cost to the successful bidder at DTC.

TYPE OF PROPOSAL

Proposals of not less than \$25,731,405.00 (98.55%) and accrued interest on the principal sum of \$26,110,000 must be filed with the undersigned prior to the time of sale. Proposals must be unconditional except as to legality. Proposals for the Bonds should be delivered to Northland Securities, Inc. and addressed to:

Maggie Ung, Finance Manager
Corcoran City Hall
8200 County Road 116
Corcoran, MN 55340

A good faith deposit (the "Deposit") in the amount of \$500,000 in the form of a federal wire transfer (payable to the order of the City) is only required from the apparent winning bidder, and must be received within two hours after the time stated for the receipt of Proposals. The apparent winning bidder will receive notification of the wire instructions from the Municipal Advisor promptly after the sale. If the Deposit is not received from the apparent winning bidder in the time allotted, the City may choose to reject their Proposal and then proceed to offer the Bonds to the next lowest bidder based on the terms of their original proposal, so long as said bidder wires funds for the Deposit amount within two hours of said offer.

The City will retain the Deposit of the successful bidder, the amount of which will be deducted at settlement and no interest will accrue to the successful bidder. In the event the successful bidder fails to comply with the accepted Proposal, said amount will be retained by the City. No Proposal can be withdrawn after the time set for receiving Proposals unless the meeting of the City scheduled for award of the Bonds is adjourned, recessed, or continued to another date without award of the Bonds having been made.

AWARD

The Bonds will be awarded on the basis of the lowest interest rate to be determined on a true interest cost (TIC) basis. The City's computation of the interest rate of each Proposal, in accordance with customary practice, will be controlling. In the event of a tie, the sale of the Bonds will be awarded by lot. The City will reserve the right to: (i) waive non-substantive informalities of any Proposal or of matters relating to the receipt of Proposals and award of the Bonds, (ii) reject all Proposals without cause, and (iii) reject any Proposal which the City determines to have failed to comply with the terms herein.

INFORMATION FROM SUCCESSFUL BIDDER

The successful bidder will be required to provide, in a timely manner, certain information relating to the initial offering price of the Bonds necessary to compute the yield on the Bonds pursuant to the provisions of the Internal Revenue Code of 1986, as amended.

OFFICIAL STATEMENT

By awarding the Bonds to any underwriter or underwriting syndicate submitting a Proposal therefor, the City agrees that, no more than seven business days after the date of such award, it shall provide to the senior managing underwriter of the syndicate to which the Bonds are awarded, the Final Official Statement in an electronic format as prescribed by the Municipal Securities Rulemaking Board (MSRB).

FULL CONTINUING DISCLOSURE UNDERTAKING

The City will covenant in the resolution awarding the sale of the Bonds and in a Continuing Disclosure Undertaking to provide, or cause to be provided, annual financial information, including audited financial statements of the City, and notices of certain material events, as required by SEC Rule 15c2-12.

NOT BANK QUALIFIED

The City will not designate the Bonds as qualified tax-exempt obligations for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

BOND INSURANCE AT UNDERWRITER'S OPTION

If the Bonds qualify for issuance of any policy of municipal bond insurance or commitment therefor at the option of the successful bidder, the purchase of any such insurance policy or the issuance of any such commitment shall be at the sole option and expense of the successful bidder of the Bonds. Any increase in the costs of issuance of the Bonds resulting from such purchase of insurance shall be paid by the successful bidder, except that, if the City has requested and received a rating on the Bonds from a rating agency, the City will pay that rating fee. Any other rating agency fees shall be the responsibility of the successful bidder. Failure of the municipal bond insurer to issue the policy after the Bonds have been awarded to the successful bidder shall not constitute cause for failure or refusal by the successful bidder to accept delivery on the Bonds.

The City reserves the right to reject any and all Proposals, to waive informalities and to adjourn the sale.

Dated: January 26, 2023

BY ORDER OF THE CORCORAN CITY COUNCIL

/s/ Maggie Ung
Finance Manager

Additional information may be obtained from:

Northland Securities, Inc.
150 South 5th Street, Suite 3300
Minneapolis, Minnesota 55402
Telephone No.: 612-851-5900

EXHIBIT A

(ISSUE PRICE CERTIFICATE – COMPETITIVE SALE SATISFIED)

The undersigned, for and on behalf of [NAME OF PURCHASER/REPRESENTATIVE] (the [“Purchaser”] [“Representative,” on behalf of itself and other underwriters listed below (collectively, the “Underwriting Group”)], with respect to the sale and issuance of the General Obligation Bonds, Series 2023A (the “Bonds”), issued by the City of Corcoran, Minnesota (the “Issuer”), in the original aggregate principal amount of \$_____, certifies as follows:

1. Reasonably Expected Initial Offering Price.

(a) As of the Sale Date, the reasonably expected initial offering prices of the Bonds to the Public by the [Purchaser] [Underwriting Group] are the prices listed in EXHIBIT A attached hereto (the “Expected Offering Prices”). The Expected Offering Prices are the prices of the Maturities of the Bonds used by the [Purchaser] [Underwriting Group] in formulating its bid to purchase the Bonds. Attached hereto as EXHIBIT B is a true and correct copy of the bid provided by the [Purchaser] [Underwriting Group] to purchase the Bonds.

(b) The [Purchaser] [Underwriting Group] was not given the opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by the [Purchaser] [Underwriting Group] constituted a firm offer to purchase the Bonds.

(d) Capitalized terms that are used herein that are otherwise not defined shall have the meanings assigned to such terms in Section 5 hereof.

2. Purchase Price. The [Purchaser] [Representative] acknowledges that it is purchasing the Bonds for an aggregate purchase price of \$_____ (par amount of Bonds of \$_____, plus original issue premium of \$_____, less original issue discount of \$_____, less [a Purchaser’s] [an underwriter’s] discount of \$_____), plus accrued interest in the amount of \$_____.

3. Receipt of Bonds. The undersigned hereby acknowledges receipt of \$_____ in original aggregate principal amount of the Bonds from the Issuer, fully executed and authenticated. [The [Purchaser] [Representative] has paid to [NAME OF INSURER] the sum of \$_____ as a premium for an insurance policy for the Bonds.]

4. Representations. The representations set forth in this Certificate of Purchaser (the “Certificate”) are limited to factual matters only. Nothing in this Certificate represents the interpretation by the [Purchaser] [Representative] of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations promulgated thereunder. The undersigned understands that the foregoing information will be relied upon by: (i) the Issuer with respect to certain of the representations set forth in a tax certificate of the Issuer executed on the date hereof with respect to compliance with the federal income tax rules affecting the Bonds; and (ii) Kennedy & Graven, Chartered, in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of Information Return for Tax-Exempt Governmental Obligations, Form 8038-G (Rev. September 2018), and other federal income tax advice that

it may give to the Issuer from time to time relating to the Bonds.

5. Defined Terms.

(a) “Maturity” means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(b) “Public” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this Certificate means, with respect to a purchaser of the Bonds, if the Underwriter and the purchaser are subject, directly or indirectly, to (i) more than fifty percent (50%) common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another); (ii) more than fifty percent (50%) common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another); or (iii) more than fifty percent (50%) common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

(c) “Sale Date” means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is _____.

(d) “Underwriter” means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

IN WITNESS WHEREOF, the undersigned officer has executed this Certificate of Purchaser as of the date and year first written above.

[PURCHASER] [REPRESENTATIVE]

By _____

Name _____

Its _____

[Account Members:]

(ISSUE PRICE CERTIFICATE – HOLD THE PRICE)

The undersigned, for and on behalf of [NAME OF PURCHASER/REPRESENTATIVE] (the [“Purchaser”] [“Representative,” on behalf of itself and other underwriters listed below (collectively, the

“Underwriting Group”)],, with respect to the sale and issuance of the General Obligation Bonds, Series 2023A (the “Bonds”), by the City of Corcoran, Minnesota (the “Issuer”), in the original aggregate principal amount of \$_____, certifies as follows:

1. Initial Offering Price for the Bonds.

(a) The [Purchaser] [Underwriting Group] offered each Maturity of the Bonds to the Public for purchase at the respective initial offering prices listed in EXHIBIT A attached hereto (the “Initial Offering Prices”). A copy of the pricing wire or equivalent communication for the Bonds is attached hereto as EXHIBIT A. Capitalized terms used herein that are otherwise not defined shall have the meanings assigned to such terms in Section 5 hereof.

(b) As set forth in the Notice of Sale and the bid award, the [Purchaser has] [members of the Underwriting Group have] agreed in writing that, (i) for each Maturity of the Bonds, [it] [they] would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “Hold-the-Offering-Price Rule”), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the Hold-the-Offering-Price Rule. Pursuant to such agreement, no Underwriter has offered or sold any Maturity of the Bonds at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

2. Purchase Price. The [Purchaser] [Representative] acknowledges that it is purchasing the Bonds for an aggregate purchase price of \$_____ (par amount of Bonds of \$_____, plus original issue premium of \$_____, less original issue discount of \$_____, less [a Purchaser’s] [an underwriter’s] discount of \$_____).

3. Receipt of Bonds. The undersigned hereby acknowledges receipt of \$_____ in original aggregate principal amount of the Bonds from the Issuer, fully executed and authenticated.

4. Representations. The representations set forth in this Certificate of Purchaser (the “Certificate”) are limited to factual matters only. Nothing in this Certificate represents the interpretation by the [Purchaser] [Representative] of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations promulgated thereunder. The undersigned understands that the foregoing information will be relied upon by: (i) the Issuer with respect to certain of the representations set forth in a tax certificate of the Issuer executed on the date hereof with respect to compliance with the federal income tax rules affecting the Bonds; and (ii) Kennedy & Graven, Chartered, in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of Information Return for Tax-Exempt Governmental Bonds, Form 8038 G (Rev. September 2018), and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

5. Defined Terms.

(a) “Holding Period” means, with respect to each Maturity of the Bonds, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date, or (ii) the date on which the [Purchaser has] [Underwriters have] sold at least ten percent (10%) of such Maturity to the Public at prices that are no higher than the Initial Offering Price for such Maturity.

(b) “Maturity” means Bonds with the same credit and payment terms. Bonds with different

maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(c) “Public” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this Certificate means, with respect to a purchaser of the Bonds, if the Underwriter and the purchaser are subject, directly or indirectly, to (i) more than fifty percent (50%) common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another); (ii) more than fifty percent (50%) common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another); or (iii) more than fifty percent (50%) common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

(d) “Sale Date” means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is _____.

(e) “Underwriter” means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

IN WITNESS WHEREOF, the undersigned officer has executed this Certificate of Purchaser as of the date and year first written above.

[PURCHASER] [REPRESENTATIVE]

By _____

Name _____

Its _____

STAFF REPORT

Agenda Item: 9d.

Council Meeting: January 26, 2023	Prepared By: Jessica Christensen Buck and Peter Ekenberg
Topic : 2023 Holiday Toy and Food Drive	Action Required: Approval

Summary:

During the December 22, 2022, City Council meeting, staff summarized the 2022 Holiday Toy and Food Drive, noting 5 neighborhood stops, 1,000 pounds of donated food, and \$15,000 worth of donated toys.

Internally, staff discussed potential dates for the 2023 event, with discussions including other holiday events and deadlines for donations. Staff is requesting approval of the proposed dates for the 2023 event:

- **Planned date:** Tuesday, December 12, 2023
- **Backup date:** Wednesday, December 13, 2023

The purpose of the dates being back-to-back allows staff to avoid duplicating set-up and teardown of the vehicles if the event must be postponed due to unforeseen circumstances.

Staff is also requesting approval to seek outside donations for any necessary additional supplies for the event.

Financial/Budget:

Staff is not anticipating budget impacts with the intention to seek outside donations for additional supply purchases.

Options:

1. Approve December 12, 2023, as the planned date, Wednesday, December 13, 2023, as the backup date, and funding methods presented by staff.
2. Recommend alternative dates for the event and/or alternative funding options.
3. Decline to schedule dates for the 2023 Holiday Toy and Food Drive.

Recommendation:

Staff recommends approval of December 12, 2023 as the planned date, Wednesday, December 13, 2023 as the backup date, and staff's request to seek donations as necessary.

Council Action:

Consider a motion to schedule the event for December 12, 2023, with a backup date of December 13, 2023, and approval of staff's request to seek outside donations as necessary.

Attachments:

None

STAFF REPORT

Agenda Item: 9e.

Council Meeting: January 26, 2023	Prepared By: Maggie Ung
Topic: REU Credit Policy	Action Required: Approval

Summary:

On December 22nd, 2022 Council Meeting, Council adopted the 2023 fee schedule. As part of the adopted fee schedule, utility base fees for water and sewer service would be based on a per SAC unit multiplier. Base fees help cover the current and future maintenance, repair and operation costs of the water and sewer infrastructure.

To ensure an equitable system for all properties within the City, base fees will be charged on a residential equivalent unit. Staff have determined that the Met Council formula for determining SAC unit is a good methodology to use for determining residential equivalent unit for non-residential properties on City water and sewer. SAC unit is determined based on the maximum potential sewage flow created by the activities created at the location, thus reflects the maximum potential water flow created.

To maintain equity to non-residential properties that do not meet the maximum potential flow for water and sewage, staff is proposing an adoption of a residential equivalent unit (REU) credit policy. All properties have a minimum of 1 SAC unit charged for utility base fees per month. The policy allows for half of the calculated SAC units, over the 1 SAC unit, to be credited back on the SAC unit determined. Staff recommends that an application is submitted by the applicant be renewed on a bi-annual basis to ensure that each property's water and/or sewer flow are staying below the usage thresholds listed in the policy to receive the credit.

Financial/Budget:

There is no significant impact to the budget or financials.

Options:

1. Adopted Resolution 2023-07 Adopting the REU Credit Policy.
2. Direct staff to amend the policy.
3. Decline the policy.

Council Action:

Approve the REU Credit Policy and adopted Resolution 2023-07 Adopting the REU Credit Policy.

Attachments:

1. REU Credit Policy
2. REU Credit Application
3. Resolution 2023-07 Adopting the REU Credit Policy

CITY OF CORCORAN REU CREDIT POLICY

1. **Background**

The City of Corcoran's Water and Sewer Utility base fees are based on a per residential equivalent units for all properties. The residential equivalent unit (REU) basis that the City of Corcoran has adopted to instill upon all properties within the City limits is based on sewer access charge (SAC) unit, which is determined at initial connection to the Metropolitan Council wastewater system. SAC unit is determined based on the maximum potential sewage flow created by the activities at the location and thus reflects maximum potential water flow created by the activities at the location.

A single-family household is typically 1 REU, whereas multi-residential, commercial, and industrial buildings are calculated on numerous factors, such as the type of business, how many plumbing connections are within the building, the square footage of the building, the number of offices and other factors.

This REU figure is used to ensure that a facility that has a higher demand for water and/or sewer service pays a proportionately higher cost to maintain, operate and ensure continuance of the infrastructure used to deliver the service from source to point of use, as in the case of water, or point of discharge to point of treatment, as in the case with sewer. Without this system in place, a user with greater need for service has the potential to create more cost, such as repair and maintenance cost. This could create a disproportional financial burden for single-family residence built on the same route as a factory.

2. **Authority to Establish**

Per MN State Statute 444.075 and City of Corcoran Ordinance 51.030, subd. 2.3, the City of Corcoran has the authority to charge properties within the City boundaries as deemed necessary for the maintenance, operations and continuance of the water and sewer system.

3. **Policy Objective**

The proposed REU credit provides a reasonable and responsible financial acknowledgement to non-residential property owners who do not use the maximum potential water and sewer flow. The purpose of the credit encourages commercial and industrial properties to monitor water and sewer usage, to reduce environmental impact and impact to the utility system.

4. **Credit Limitations**

All properties will have a minimum of 1 SAC unit charged for utility base fees per month. The City of Corcoran will allow up to half of the calculated SAC units to be credited based on the amount of water usage the property consumes on an average annual basis. SAC unit credits will be rounded down to the nearest whole number.

For example, if a property is determined to be 3 SAC units, the maximum credit would be 1 SAC unit, therefore the property will be charged at 2 SAC units. If a property is determined to be 1 SAC unit, no credit will be allowed.

To be eligible for a REU credit, a property must fall under the following usage:

For properties with 2-5 SAC units, average usage under 9,000 gallons per month.

For Properties with 6 – 10 SAC units, average usage under 18,000 gallons per month.

For Properties with 11 – 15 SAC units, average usage under 27,000 gallons per month.

Properties with more than 15 SAC units will not be qualified to received credit.

The average usage will be based on a January through December basis.

5. Application Procedure

Non-residential properties can fill out the application and submit at any time upon connection to the water and/or sewer system. For those already on water and/or sewer prior to the beginning of each year, applications must be submitted by April 30th of the year of initial application. Applications will be effective January 1st of the year the application is turned in, to December 31st of the following year.

6. Renewal Terms

All properties will need to fill out a new application every 2 years to continue receiving the REU credit on their base fee. Renewal applications must be submitted by April 30th. If application is not received, the City can retro-bill the property for the full SAC units determined.

7. Termination

The application process does not guarantee that a credit will be given to the property. The City reserves the right to void the application at any time. Upon sale of the property, the application is voided, and a new application will need to be submitted by the new property occupant(s).



8200 County Road 116, Corcoran, MN 55340

(763) 420-2288 www.corcoranmn.gov

CITY OF CORCORAN APPLICATION FOR REU CREDIT

Service Address: _____

Owner Renter

Name of business: _____

Mailing Address (if different from service address): _____

City: _____ State: _____ Zip: _____

Personal Phone: (Optional) _____ Business Phone: _____

Email Address: (Optional) _____

This application does not guarantee a credit will be given. The City reserves the right to void this application at any time. This application remains in effect until December 31st of the year following the date of application acceptance.

By signing this application, you agree that you are an authorized representative of the property with authority to submit this information.

Signature of Owner/Renter(s): _____

Printed Name(s): _____

Date: _____

Please email the signed application to utilitybilling@corcoranmn.gov, or print out and mail to City of Corcoran, 8200 County Road 116, Corcoran, MN 55340.

For city use only:

Date application received: _____

[] Approved [] Denied

Date application is effective: _____

Date application expires: _____

City staff approval: _____

SAC Unit determined _____

REU Credit Given _____

TOTAL SAC UNIT TO BILL _____

RESOLUTION NO. 2023-07

Motion By:
Seconded By:

A RESOLUTION ADOPTING THE REU CREDIT POLICY

WHEREAS, polices guide in the preparation and management of the City's overall budget and major objectives to be accomplished and;

WHEREAS, Government Finance Officers Association (GFOA) best practices recommends government formally adopt financial policies and;

WHEREAS, the REU credit policy will be added to the Financial Guidelines;

WHEREAS, the policy will serve as a guideline for determining non-residential properties' base fee charges for applicable utility services;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Corcoran, Minnesota authorizes the adoption of the REU Credit Policy.

VOTING AYE

- McKee, Tom
- Bottema, Jon
- Nichols, Jeremy
- Schultz, Alan
- Vehrenkamp, Dean

VOTING NAY

- McKee, Tom
- Bottema, Jon
- Nichols, Jeremy
- Schultz, Alan
- Vehrenkamp, Dean

Whereupon, said Resolution is hereby declared adopted on this 26th day of January, 2023.

Tom McKee - Mayor

ATTEST:

Michelle Friedrich – City Clerk

City Seal

STAFF REPORT

Agenda Item: 10a.

Council Meeting: January 26, 2023	Prepared By: Jessica Beise
Topic: Northwest Trails – Trail Alignment	Action Required: Approval

Summary:

Staff was approached by the Northwest Trails Association to change the alignment of the trail along County Road 116. Currently the trails goes along 116 and takes a right at Schutte Road. The Northwest Trails Association asked if the City would grant access along City property to create a slightly different access. The group would like to change the corner and cut across the City's land rather than follow the roads. Staff reviewed and believe the request is reasonable. The City would have to allow access and sign a right of use permit.



Financial/Budget:

N/A

Options:

1. Authorize staff to work with the Northwest Trails Association to sign the required paperwork to approve the proposed changed route.
2. Decline to change the trail access.

Recommendation

Authorize staff to work with the Northwest Trails Association to sign the required paperwork to approve the proposed changed route.

Council Action:

Consider a motion to authorize staff to work with the Northwest Trails Association to sign the required paperwork to approve the proposed changed route.

Attachments:

N/A

STAFF REPORT

Agenda Item: 10b.

Council Meeting: January 26, 2023	Prepared By: Kevin Mattson and Jessica Beise
Topic: Organizational Updates and Employee Retention	Action Required: Approval

Summary:

As the Public Works Department routinely evaluates our goals and processes, it is becoming apparent that the department needs to make some organizational adjustments to continue to provide the city with efficient and timely maintenance/service of its infrastructure systems. This results from significant existing workload demands, increasing utility infrastructure requirements, and employee retention/recruitment challenges.

Staff has been awaiting additional information related to the status of a potential water supply facility before initiating a comprehensive review of the department and job description updates. Regardless of the upcoming water supply decision, this evaluation would include consideration for creating two groups within the Operations division – Streets/Parks and Utilities.

Additionally, staff is requesting authorization to assess employee retention and recruitment items including shift differential, on-call compensation, and other strategic options that would help retain and attract high quality employees.

At the January 12, 2023 Work Session on Police Recruitment and Retention, Council provided some direction to review retention options for other departments.

Financial/Budget:

N/A

Options:

1. Authorize staff to assess employee retention and recruitment items.
2. Decline to authorize staff to assess employee retention and recruitment items.

Recommendation

Authorize staff to assess employee retention and recruitment items.

Council Action:

Consider a motion to authorize staff to assess employee retention and recruitment items.

Attachments:

N/A



CITY OF CORCORAN

8200 County Road 116, Corcoran, MN 55340
763-420-2288

email: general@corcoranmn.gov / website: www.corcoranmn.gov

MEMO

Meeting Date: January 26, 2023
To: City Council
From: Natalie Davis McKeown, Planner
Re: Active Corcoran Planning Applications

The following is a status summary of active planning projects:

- 1. Transition/Buffer Zones ZOA (City File 22-034).** *After multiple discussions on this topic in 2022, staff prepared a draft of a Buffer Yard Ordinance to be reviewed by the City Council at the January 26th work session. This is expected to go to the Planning Commission for a public hearing in the first half of 2023.*
- 2. Pioneer Trail Industrial Park, Rezoning and Preliminary Plat and PUD (PID 32-119-23-34-0013, 32-119-23-34-0007, 32-119-23-43-0005 and 32-119-23-43-0006) (City File No. 22-039).** *An application was submitted to move forward with the preliminary approvals for the Pioneer Trail Industrial Park off Highway 55. The item was reviewed by the Planning Commission at a Public Hearing on December 1st and was recommended for approval on a 3-1 vote. The City Council reviewed this item at the January 12th meeting, and it was tabled to work through remaining concerns related to traffic. The item is anticipated to be further reviewed at the January 26th regular meeting.*
- 3. PUD Standards Zoning Ordinance Amendment (City File No. 22-045).** *After various discussions on planned unit development standards in 2022, staff and City Council are working through a slightly revised draft at the January 26th City Council work session. This is expected to go to the Planning Commission for a public hearing in the first half of 2023.*
- 4. Rental Ordinance (City File No. 22-046).** *Staff and City Council continue to work through the draft ordinance and planning for administrative implementation. This item will go to another Council work session in the first quarter of 2023 before proceeding with Council approval. Since the Rental Ordinance will not be contained within the Zoning or Subdivision Ordinances of City Code, a public hearing is not required.*
- 5. Keefe Minor Subdivision (PID 33-119-23-12-0007) (City File No. 22-063).** *An application for a two-lot subdivision at 6801 Willow Drive was submitted. The application was determined to be incomplete for City review and is not currently scheduled for review by the City Council. This type of application does not require review by the Planning Commission.*
- 6. Park Dedication Fees Update (City File No. 22-065).** *Staff and Council evaluated park*

dedication fees. A public hearing was held at the December 1st Planning Commission meeting. The proposed subdivision amendment was unanimously recommended for approval by the Planning Commission. *The City Council unanimously approved the ordinance update on December 12, 2022 with the summary ordinance unanimously approved at the January 12th Council meeting.*

7. **Dish Tower Site Plan Amendment (PID 25-119-23-44-0005) (City File No. 22-066).** A minor site plan amendment application was submitted for installation of new ground equipment at an existing telecommunications tower at 7205 County Road 101. This application is incomplete for review but will be approved administratively once all materials are submitted.
8. **Gmach Accessory Dwelling Unit (ADU) Zoning Ordinance Amendment (City File No. 22-071).** George Gmach submitted a Zoning Ordinance Amendment application requesting changes to the standards for ADUs including changing it from an Interim Use to a Conditional Use and re-evaluating the size and garage requirements. The application was reviewed at a public hearing on December 1st by the Planning Commission, and the Commission unanimously recommended approval of proposed amendments to the ADU standards. *The City Council approved the changes as recommended by Staff and the Planning Commission at the December 22nd meeting with the summary ordinance approved on January 12th.*
9. **“Hope Community Sketch Plat” (PID 11-119-23-14-0003) (City File No. 22-074).** Brian Lothar submitted a concept plan application to receive feedback from Council for a proposed residential and mixed-use development on the properties surrounding Hope Community Church. The concept includes medical offices, retail space, market-rate apartments, townhomes, senior villas, and some assisted living units. The applicant is also moving forward with an EAW based on the submitted concept plan. *The Council provided feedback on the sketch plan at the January 12, 2023 meeting.*
10. **“Red Barn Pet Retreat Sketch Plat” (PID 01-119-23-44-0045) (City File No. 22-075).** Daniel Benjamin submitted a concept plan for the property at the northwest corner of Stieg Road and County Road 101. The request includes re-guiding the land to commercial to allow for expansion of his commercial kennel business. The sketch plat also reflects 9 additional lots for future commercial users on the property. *The sketch plan was reviewed by the Council at the December 22nd meeting.*
11. **“Cook Lake Highland Planned Unit Development Amendment” (PID 25-119-23-14-0003) (City File No. 22-076).** JB Limited, LLC and Grace Communities had submitted a PUD amendment application for the memory care facility to be constructed as a part of Cook Lake Highlands, *but the applicant recently asked for the item to be withdrawn at this time. It is possible another PUD amendment will be applied for in the foreseeable future.*
12. **“Vollrath Agricultural Preserve” (PID 20-119-23-22-0003) (City File No. 22-077).** Jerald Vollrath submitted an application to re-enroll his acreage in the agricultural preserve program. The application is complete for review and will be placed on the January 26, 2023 Council agenda.
13. **“Vollrath Compost Site Sketch Plan” (PID 19-119-23-12-0002) (City File No. 22-078).** *Trent Vollrath submitted an application to ask the Council for feedback on allowing a commercial compost site within the Rural Residential district. The application was determined to be incomplete at this time.*
14. **“MS4 Updates” (Citywide) (City File No. 23-001).** *Staff anticipates needing to process further changes to MS4-related regulations to comply with the City’s MS4 permit. Currently, Public Works and Engineering are focusing efforts on establishing new requirements for salt storage. The salt storage ordinance amendments are tentatively scheduled for Council review on March 9th.*

15. **“Gmach Accessory Dwelling Unit CUP” (PID 05-119-23-13-0011) (City File No. 23-002).**

George Gmach submitted an application for a conditional use permit to allow an accessory dwelling unit over 960 square feet at 22600 Oakdale Drive. This item is currently under review for completeness and could be scheduled for Planning Commission and City Council review as early as March.

City of Corcoran 2023 City Council Schedule

Agenda Item: 12.

Below is a tentative schedule for City Council meetings. The items and schedule are subject to change.

February 9, 2023 Work Session (Tentative)

- Joint Work Session

February 9, 2023

- Award RFP for City Park (Tentative)
- Hackamore Project Approve Plans / Authorize Bids
- Joint Powers Agreement – Hackamore Project
- Improvement and Assessment Hearings and Orders Project for Hackamore Project
- Accept Feasibility Study and Call the Improvement Hearing – Hackamore Road
- Long Range Planning Fund / 2022 Transfers
- RFP – History and Discussion of RFP Schedule
- Calling of Bonds in 2023
- Compost Site Sketch Plan
- Strategic Planning – Report

February 23, 2023 Work Session (Tentative)

- Cook Lake Highlands PUD Amendments
- Draft Rental Ordinance

February 23, 2023

- 2023A Bond Sale
- Re-appoint Commissioners to Expired Commission Seats
- Concept Sketch Plan

March 9, 2023 Work Session (Tentative)

- Sidewalk Policy

March 9, 2023

- Park Signs Plan
- Three Rivers Park District – Cooperative Agreement
- Firearms Ordinance Draft
- Planning Assistant – Transition PT 32 Hours and FT
- MS4 – Salt Storage Ordinance

March 23, 2023

- NW Trails Resolution of Support
- Placeholder to THC Regulations Follow Up
- Cook Lake Highlands – PUD Amendment (Tentative)

April 13, 2023

April 27, 2023

Additional Future Meeting Items

Host Special Charter Commission Meeting – March 21, 2023 at 5:30pm

Annual Charter Commission Meeting – September 13, 2023 at 5:30pm

Supporting NW Trails DNR Funding – July 27, 2023