



**ARLINGTON CITY COUNCIL  
MEETING AGENDA  
May 3, 2021 AT 6:30 PM  
COUNCIL CHAMBERS**

*The City Council is provided background information for agenda items in advance by city staff, committees, and boards. Many decisions regarding agenda items are based upon this information, as well as: City policy and practices, input from constituents, questions or information that has not yet been presented or discussed regarding an agenda item. If you have a concern or question, please ask to be recognized by the Mayor during the "Citizens addressing the Council" portion of the agenda– state your name and address for the record. Please keep comments under 5 minutes. Individuals wishing to speak for more than five minutes should ask to be included on the agenda in advance. All comments are appreciated, but please refrain from personal or derogatory attacks on individual*

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1. Call Meeting to Order and Pledge of Allegiance
2. Roll Call
3. Approve the Agenda and any Agenda Additions

**CONSENT AGENDA**

*The items listed for consideration will be enacted by one motion unless the Mayor, a member of the City Council, City Staff or a person in attendance requests an item to be removed from the Agenda.*

4. Approval of Consent Agenda

- A) Approval of Bills
- B) April 19, 2021 City Council Minutes
- C) Approve hiring of Brody Serbus as a seasonal employee for Public Works starting at \$12.50/hr.
- D) Accept resignation of Angelica Rose from the Arlington Area Ambulance

### **PETITIONS, REQUESTS, & COMMUNICATIONS**

- 5. Addressing the Council
- 6. Announcements
- 7. Communications
  - A) MMPA April 2021 Public Summary
  - B) MMPA Independent Auditor's Report and Financial Statement
  - C) October 26, 2020 Cemetery Committee minutes
  - D) October 26, 2020 Parks Committee minutes
  - E) Economic Impact of development efforts (Hoff project)

### **REPORTS OF OFFICERS, BOARDS AND COMMITTEES**

- 8. Reports
  - A) Report from Emergency Management Director Tim Hagenmiller
    - Approve/Deny replacing 2 of the warning sirens in town at a cost of \$37,910.
  - B) April Public Works Report – Kirby Weckworth, Maintenance Supervisor
    - Approve/Deny A/C repairs for Ambulance/PD (Bids will be presented on Monday.)
    - Approve/Deny curb work bid from Hanson & Vasek Construction, Inc. in the amount of \$15,150.00
      - Hanson & Vasek Construction, Inc. \$15,150.00
      - D.J. Siehndel Const. \$15,240.36
  - C) April Ambulance Department Report – Jaime Weikle, Ambulance Manager
    - Consider \$6.25/hour on-call pay

### **ORDINANCES & RESOLUTIONS**

- 9. Proclamation No. 2021-1 EMS Week Proclamation

### **UNFINISHED BUSINESS**

- 10.

### **NEW BUSINESS**

11. Approve/Deny Bolton and Menk to survey Nickel property at a cost not to exceed \$5,000.
12. Approve/Deny Approve hiring of Nathan Walton as a FT Police Office for the City of Arlington at \$22/hour with a start date of May 4, 2021.
13. Consider IT services
  - CIT
  - Corporate Technologies
  - PcM

### **MISCELLANEOUS BUSINESS**

#### Committee Updates –

- SE Community Ed
- Cemetery
- Parks

#### Open Discussion

### **ADJOURNMENT**

#### Reminders:

May 6 – P&Z - 7 pm- Public Hearing on rezoning of Nickel Property

May 10 – EDA – 5:30 pm

May 17 – City Council – 6:30 pm

**\*Check Summary Register©**

MAY 2021

Name	Check Date	Check Amt	
<b>10150 Cash</b>			
UnPaid	ABDO EICK & MEYERS LLP	\$15,000.00	2020 AUDIT - PROG. PAYMENT #2
UnPaid	AMAZON CAPITAL SERVICES	\$1,243.51	APR- COMPUTER EQUIP, OFFICE SUPPLIES
UnPaid	ARAMARK	\$262.97	APRIL- MAT RENTALS
UnPaid	B & R PLUMBING & HEATING	\$180.35	CC TOILET REPAIR
UnPaid	BOLTON & MENK, INC.	\$2,432.00	MAR- MISC ENG. SERVICES
UnPaid	CANON FINANCIAL SERVICES, I	\$160.19	APRIL- COPIER LEASES (OFFICE, PD)
UnPaid	CASH DISBURSEMENTS-POLICE	\$29.80	PD POSTAGE & TITLE TRANSFER
UnPaid	CENTERPOINT ENERGY	\$1,348.02	MARCH- CITY GAS BILLS
UnPaid	CITY OF ARLINGTON	\$8,457.20	CITY UTILITY BILLS - 3/15-4/15/21
UnPaid	CMC CONSTRUCTION, INC	\$6,275.00	WELL HOUSE #2 & CC LED SIGN BRICK
UnPaid	DELL MARKETING	\$4,166.28	AMB. TOUGHBOOK COMPUTERS (2)
UnPaid	DELTA DENTAL OF MINNESOTA	\$70.40	MAY- PED. DENTAL INS. PREMIUMS
UnPaid	GLOBAL EQUIPMENT COMPANY	\$612.00	PW TRUCK TOOLBOX
UnPaid	JERRY'S TRANSMISSION SERVI	\$936.71	AMB. '07 REPAIRS
UnPaid	KIRBY WECKWORTH	\$119.99	REIMB- WORK BOOTS
UnPaid	MADISON NATIONAL LIFE INS. C	\$20.50	MAY- DISABILITY INS. PREMIUMS
UnPaid	MINNESOTA LIFE	\$21.25	MAY- LIFE INS. PREMIUMS
UnPaid	MINNESOTA VALLEY ELECTRIC	\$18.73	MAR- SPORTSMANS PARK ELEC BILL
UnPaid	MN VALLEY UTILITY SERVICES	\$970.56	MAR- ELEC ENGINEERING
UnPaid	PEOPLE SERVICE INC.	\$21,693.00	MAY- W/WW SERVICES
UnPaid	QUALITY FLOW SYSTEMS, INC.	\$6,063.00	7th AVE LIFT STATION REPAIRS
UnPaid	RENVILLE SIBLEY SANITATION	\$714.48	APR- CITY GARBAGE & RECYCLING
UnPaid	SERVERMONKEY.COM, LLC	\$2,856.46	PD- NEW SERVER
UnPaid	SIB. COUNTY AUDITOR-TREASU	\$55,144.48	2021 PROP. TAXES - 1st HALF
UnPaid	SIBLEY COUNTY TREASURER	\$4,427.50	2021 DUSTCOATING
UnPaid	SIBLEY EAST	\$210.00	ADD'L FITNESS CENTER MEMBERSHIPS
UnPaid	SPECIALTY SOLUTIONS LLC	\$299.15	GRASS MATS & SEED (PARKS & CEM)
UnPaid	THOMES BROTHERS INC.	\$996.24	APR- BLACKTOP PATCH & MISC. CHARGES
UnPaid	U.S. BANK	\$537.70	APR- MISC. CARD CHARGES
UnPaid	VERIZON WIRELESS	\$286.36	MAY- TABLET/CELL PHONE BILL
<b>Total Checks</b>		<b>\$135,553.83</b>	

**Fund Summary**

	10150 Cash
101 General Fund	\$20,328.36
201 Fire Fund	\$182.52
202 Ambulance Fund	\$5,991.02
203 Community Center Fund	\$4,794.35
204 EDA Loan Programs Fund	\$1,576.00
207 Cemetery Fund	\$199.14
210 Medical Center Fund	\$46,193.00
601 Water Fund	\$19,036.40
602 Sewer Fund	\$622.00
603 AGI Sewer Fund	\$32,962.32
604 Electric Fund	\$3,548.72
605 Storm Water Drainage Fund	\$120.00
	<b>\$135,553.83</b>

Payments

Current Period: MAY 2021

Batch Name	05-03-21 PAY	User Dollar Amt	\$135,553.83
	Payments	Computer Dollar Amt	\$135,553.83

\$0.00 In Balance

Refer	12684 ABDO EICK & MEYERS LLP		
Cash Payment Invoice	E 101-41400-301 Auditing and Acct g Servi	2020 AUDIT - PROG. PAYMENT #2	\$6,000.00
Cash Payment Invoice	E 601-49400-301 Auditing and Acct g Servi	2020 AUDIT - PROG. PAYMENT #2	\$1,800.00
Cash Payment Invoice	E 603-49450-301 Auditing and Acct g Servi	2020 AUDIT - PROG. PAYMENT #2	\$4,700.00
Cash Payment Invoice	E 604-49550-301 Auditing and Acct g Servi	2020 AUDIT - PROG. PAYMENT #2	\$2,500.00
Transaction Date	4/30/2021	Cash	10150
		<b>Total</b>	<b>\$15,000.00</b>

Refer	12685 AMAZON BUSINESS		
Cash Payment Invoice	E 101-41400-200 Office Supplies	APR- COMPUTER EQUIP, OFFICE SUPPLIES	\$189.11
Cash Payment Invoice	E 101-41400-733 Reimbursible Expense	APR- COMPUTER EQUIP, OFFICE SUPPLIES	\$69.96
Cash Payment Invoice	E 101-41400-503 Computers/Software/We	APR- COMPUTER EQUIP, OFFICE SUPPLIES	\$210.00
Cash Payment Invoice	E 101-42110-503 Computers/Software/We	APR- COMPUTER EQUIP, OFFICE SUPPLIES	\$528.91
Cash Payment Invoice	E 101-43000-200 Office Supplies	APR- COMPUTER EQUIP, OFFICE SUPPLIES	\$27.57
Cash Payment Invoice	E 202-42153-503 Computers/Software/We	APR- COMPUTER EQUIP, OFFICE SUPPLIES	\$217.96
Transaction Date	4/30/2021	Cash	10150
		<b>Total</b>	<b>\$1,243.51</b>

Refer	12686 ARAMARK		
Cash Payment Invoice	E 101-42110-210 Operating Supplies	APRIL- MAT RENTALS	\$20.38
Cash Payment Invoice	E 101-45500-220 Repair/Maint Supply	APRIL- MAT RENTALS	\$15.00
Cash Payment Invoice	E 202-42153-217 Other Operating Supplie	APRIL- MAT RENTALS	\$30.58
Cash Payment Invoice	E 203-45000-410 Rentals	APRIL- MAT RENTALS	\$197.01
Transaction Date	4/30/2021	Cash	10150
		<b>Total</b>	<b>\$262.97</b>

Refer	12687 B & R PLUMBING & HEATING		
Cash Payment Invoice	E 203-45000-401 Repairs/Maint Buildings	CC TOILET REPAIR	\$180.35
Transaction Date	4/30/2021	Cash	10150
		<b>Total</b>	<b>\$180.35</b>

Refer	12688 BOLTON & MENK, INC.		
Cash Payment Invoice	E 101-43000-303 Engineering Fees	MAR- MISC ENG. SERVICES	\$130.00
Cash Payment Invoice	E 601-49400-303 Engineering Fees	MAR- MISC ENG. SERVICES	\$700.00
Cash Payment Invoice	E 601-49400-303 Engineering Fees	MAR- MISC ENG. SERVICES	\$1,482.00

Payments

Current Period: MAY 2021

Cash Payment Invoice	E 605-49600-303 Engineering Fees	MAR- MISC ENG. SERVICES		\$120.00
Transaction Date	4/30/2021	Cash	10150	<b>Total</b> \$2,432.00
Refer	12689 CANON			
Cash Payment Invoice	E 101-41400-218 Office Expense	APRIL- COPIER LEASES (OFFICE, PD)		\$116.19
Cash Payment Invoice	E 101-42110-218 Office Expense	APRIL- COPIER LEASES (OFFICE, PD)		\$44.00
Transaction Date	4/30/2021	Cash	10150	<b>Total</b> \$160.19
Refer	12690 CASH DISBURSEMENTS-POLICE D			
Cash Payment Invoice	E 101-42110-322 Postage	PD POSTAGE & TITLE TRANSFER		\$4.80
Cash Payment Invoice	E 101-42110-430 Miscellaneous	PD POSTAGE & TITLE TRANSFER		\$25.00
Transaction Date	4/30/2021	Cash	10150	<b>Total</b> \$29.80
Refer	12691 CENTERPOINT ENERGY			
Cash Payment Invoice	E 101-41940-383 Gas Utilities	MARCH- CITY GAS BILLS		\$161.44
Cash Payment Invoice	E 101-42110-383 Gas Utilities	MARCH- CITY GAS BILLS		\$40.93
Cash Payment Invoice	E 101-43000-383 Gas Utilities	MARCH- CITY GAS BILLS		\$172.07
Cash Payment Invoice	E 101-45202-383 Gas Utilities	MARCH- CITY GAS BILLS		\$44.51
Cash Payment Invoice	E 101-45500-383 Gas Utilities	MARCH- CITY GAS BILLS		\$39.58
Cash Payment Invoice	E 201-42280-383 Gas Utilities	MARCH- CITY GAS BILLS		\$65.55
Cash Payment Invoice	E 202-42153-383 Gas Utilities	MARCH- CITY GAS BILLS		\$61.39
Cash Payment Invoice	E 203-45000-383 Gas Utilities	MARCH- CITY GAS BILLS		\$209.43
Cash Payment Invoice	E 601-49400-383 Gas Utilities	MARCH- CITY GAS BILLS		\$247.51
Cash Payment Invoice	E 603-49450-383 Gas Utilities	MARCH- CITY GAS BILLS		\$287.89
Cash Payment Invoice	E 604-49550-383 Gas Utilities	MARCH- CITY GAS BILLS		\$17.72
Transaction Date	4/30/2021	Cash	10150	<b>Total</b> \$1,348.02
Refer	12692 CITY OF ARLINGTON			
Cash Payment Invoice	E 101-41940-381 Electric & Heat Utilities	CITY UTILITY BILLS - 3/15-4/15/21		\$443.70
Cash Payment Invoice	E 101-42110-381 Electric & Heat Utilities	CITY UTILITY BILLS - 3/15-4/15/21		\$299.40
Cash Payment Invoice	E 101-43000-381 Electric & Heat Utilities	CITY UTILITY BILLS - 3/15-4/15/21		\$93.62
Cash Payment Invoice	E 101-43160-381 Electric & Heat Utilities	CITY UTILITY BILLS - 3/15-4/15/21		\$523.97
Cash Payment Invoice	E 101-45202-381 Electric & Heat Utilities	CITY UTILITY BILLS - 3/15-4/15/21		\$239.20

## Payments

Current Period: MAY 2021

Cash Payment Invoice	E 101-45500-381 Electric & Heat Utilities	CITY UTILITY BILLS - 3/15-4/15/21		\$81.78
Cash Payment Invoice	E 201-42280-381 Electric & Heat Utilities	CITY UTILITY BILLS - 3/15-4/15/21		\$108.17
Cash Payment Invoice	E 202-42153-381 Electric & Heat Utilities	CITY UTILITY BILLS - 3/15-4/15/21		\$449.10
Cash Payment Invoice	E 203-45000-381 Electric & Heat Utilities	CITY UTILITY BILLS - 3/15-4/15/21		\$830.60
Cash Payment Invoice	E 601-49400-381 Electric & Heat Utilities	CITY UTILITY BILLS - 3/15-4/15/21		\$2,338.39
Cash Payment Invoice	E 603-49450-381 Electric & Heat Utilities	CITY UTILITY BILLS - 3/15-4/15/21		\$653.67
Cash Payment Invoice	E 603-49450-381 Electric & Heat Utilities	CITY UTILITY BILLS - 3/15-4/15/21		\$2,395.60
Transaction Date	4/30/2021	Cash	10150	<b>Total</b> \$8,457.20
Refer	12693 CMC CONSTRUCTION, INC			
Cash Payment Invoice	E 203-45000-500 Capital Outlay	WELL HOUSE #2 & CC LED SIGN BRICK		\$3,275.00
Cash Payment Invoice	E 601-49400-401 Repairs/Maint Buildings	WELL HOUSE #2 & CC LED SIGN BRICK		\$3,000.00
Transaction Date	4/30/2021	Cash	10150	<b>Total</b> \$6,275.00
Refer	12694 DELL MARKETING			
Cash Payment Invoice	E 202-42153-503 Computers/Software/We	AMB. TOUGHBOOK COMPUTERS (2)		\$4,166.28
Transaction Date	4/30/2021	Cash	10150	<b>Total</b> \$4,166.28
Refer	12695 DELTA DENTAL OF MINNESOTA			
Cash Payment Invoice	G 101-21711 Health Ins. Premium	MAY- PED. DENTAL INS. PREMIUMS		\$28.16
Cash Payment Invoice	E 202-42153-131 Employer Paid Health/Lif	MAY- PED. DENTAL INS. PREMIUMS		\$42.24
Transaction Date	4/30/2021	Cash	10150	<b>Total</b> \$70.40
Refer	12696 GLOBAL EQUIPMENT COMPANY, I			
Cash Payment Invoice	E 101-43000-485 Gas and Repair Miscella	PW TRUCK TOOLBOX		\$612.00
Transaction Date	4/30/2021	Cash	10150	<b>Total</b> \$612.00
Refer	12697 JERRY S TRANSMISSION SERVIC			
Cash Payment Invoice	E 202-42153-485 Gas and Repair Miscella	AMB. '07 REPAIRS		\$936.71
Transaction Date	4/30/2021	Cash	10150	<b>Total</b> \$936.71
Refer	12698 KIRBY WECKWORTH			
Cash Payment Invoice	E 101-43000-210 Operating Supplies	REIMB- WORK BOOTS		\$119.99
Transaction Date	4/30/2021	Cash	10150	<b>Total</b> \$119.99
Refer	12699 MADISON NATIONAL LIFE			
Cash Payment Invoice	E 101-41400-131 Employer Paid Health/Lif	MAY- DISABILITY INS. PREMIUMS		-\$6.15
Cash Payment Invoice	E 101-42110-131 Employer Paid Health/Lif	MAY- DISABILITY INS. PREMIUMS		\$8.20

## Payments

Current Period: MAY 2021

Cash Payment Invoice	E 101-43000-131	Employer Paid Health/Lif	MAY- DISABILITY INS. PREMIUMS	\$6.97
Cash Payment Invoice	E 101-46500-131	Employer Paid Health/Lif	MAY- DISABILITY INS. PREMIUMS	\$1.02
Cash Payment Invoice	E 202-42153-131	Employer Paid Health/Lif	MAY- DISABILITY INS. PREMIUMS	\$4.10
Cash Payment Invoice	E 203-45000-131	Employer Paid Health/Lif	MAY- DISABILITY INS. PREMIUMS	\$1.23
Cash Payment Invoice	E 604-49550-131	Employer Paid Health/Lif	MAY- DISABILITY INS. PREMIUMS	\$5.13
Transaction Date	4/30/2021	Cash	10150	<b>Total</b> \$20.50
Refer	12700 MINNESOTA LIFE			
Cash Payment Invoice	E 101-41400-131	Employer Paid Health/Lif	MAY- LIFE INS. PREMIUMS	-\$6.37
Cash Payment Invoice	E 101-42110-131	Employer Paid Health/Lif	MAY- LIFE INS. PREMIUMS	\$8.50
Cash Payment Invoice	E 101-43000-131	Employer Paid Health/Lif	MAY- LIFE INS. PREMIUMS	\$7.23
Cash Payment Invoice	E 101-46500-131	Employer Paid Health/Lif	MAY- LIFE INS. PREMIUMS	\$1.06
Cash Payment Invoice	E 202-42153-131	Employer Paid Health/Lif	MAY- LIFE INS. PREMIUMS	\$4.25
Cash Payment Invoice	E 203-45000-131	Employer Paid Health/Lif	MAY- LIFE INS. PREMIUMS	\$1.27
Cash Payment Invoice	E 604-49550-131	Employer Paid Health/Lif	MAY- LIFE INS. PREMIUMS	\$5.31
Transaction Date	4/30/2021	Cash	10150	<b>Total</b> \$21.25
Refer	12701 MINNESOTA VALLEY ELECTRIC C			
Cash Payment Invoice	E 101-45202-381	Electric & Heat Utilities	MAR- SPORTSMANS PARK ELEC BILL	\$18.73
Transaction Date	4/30/2021	Cash	10150	<b>Total</b> \$18.73
Refer	12702 MN VALLEY UTILITY SERVICES			
Cash Payment Invoice	E 604-49550-303	Engineering Fees	MAR- ELEC ENGINEERING	\$970.56
Transaction Date	4/30/2021	Cash	10150	<b>Total</b> \$970.56
Refer	12703 PEOPLE SERVICE, INC.			
Cash Payment Invoice	E 601-49400-180	Operator Contract	MAY- WWW SERVICES	\$9,468.50
Cash Payment Invoice	E 602-49450-180	Operator Contract	MAY- WWW SERVICES	\$622.00
Cash Payment Invoice	E 603-49450-180	Operator Contract	MAY- WWW SERVICES	\$11,417.50
Cash Payment Invoice	E 603-49450-392	Testing	MAY- WWW SERVICES	\$185.00
Transaction Date	4/30/2021	Cash	10150	<b>Total</b> \$21,693.00
Refer	12704 QUALITY FLOW SYSTEMS, INC.			
Cash Payment Invoice	E 603-49450-408	Rep & Supp. Lift Station,	7th AVE LIFT STATION REPAIRS	\$1,183.00
Cash Payment Invoice	E 603-49450-408	Rep & Supp. Lift Station,	7th AVE LIFT STATION REPAIRS	\$4,880.00

Payments

Current Period: MAY 2021

Transaction Date	4/30/2021	Cash	10150	Total	\$6,063.00
Refer	12705 RENVILLE SIBLEY SANITATION				
Cash Payment Invoice	E 101-41940-384 Refuse/Garbage Dispos	APR- CITY GARBAGE & RECYCLING			\$8.00
Cash Payment Invoice	E 101-42110-384 Refuse/Garbage Dispos	APR- CITY GARBAGE & RECYCLING			\$7.10
Cash Payment Invoice	E 101-43000-384 Refuse/Garbage Dispos	APR- CITY GARBAGE & RECYCLING			\$39.78
Cash Payment Invoice	E 101-43000-385 Recycling	APR- CITY GARBAGE & RECYCLING			\$508.00
Cash Payment Invoice	E 101-45202-384 Refuse/Garbage Dispos	APR- CITY GARBAGE & RECYCLING			\$32.80
Cash Payment Invoice	E 101-45500-384 Refuse/Garbage Dispos	APR- CITY GARBAGE & RECYCLING			\$12.30
Cash Payment Invoice	E 201-42280-384 Refuse/Garbage Dispos	APR- CITY GARBAGE & RECYCLING			\$8.80
Cash Payment Invoice	E 202-42153-384 Refuse/Garbage Dispos	APR- CITY GARBAGE & RECYCLING			\$5.40
Cash Payment Invoice	E 203-45000-384 Refuse/Garbage Dispos	APR- CITY GARBAGE & RECYCLING			\$59.50
Cash Payment Invoice	E 603-49450-384 Refuse/Garbage Dispos	APR- CITY GARBAGE & RECYCLING			\$32.80
Transaction Date	4/30/2021	Cash	10150	Total	\$714.48
Refer	12706 SERVERMONKEY.COM				
Cash Payment Invoice	E 101-42110-503 Computers/Software/We	PD- NEW SERVER			\$2,856.46
Transaction Date	4/30/2021	Cash	10150	Total	\$2,856.46
Refer	12707 SIBLEY COUNTY TREASURER				
Cash Payment Invoice	E 101-43000-224 Street Maint Materials	2021 DUSTCOATING			\$4,427.50
Transaction Date	4/30/2021	Cash	10150	Total	\$4,427.50
Refer	12708 SIBLEY COUNTY TREASURER				
Cash Payment Invoice	E 101-41940-311 Real Estate Tax	2021 PROP. TAXES - 1st HALF			\$54.00
Cash Payment Invoice	E 101-43000-311 Real Estate Tax	2021 PROP. TAXES - 1st HALF			\$40.62
Cash Payment Invoice	E 101-45202-311 Real Estate Tax	2021 PROP. TAXES - 1st HALF			\$36.00
Cash Payment Invoice	E 101-45500-311 Real Estate Tax	2021 PROP. TAXES - 1st HALF			\$18.00
Cash Payment Invoice	E 204-46550-311 Real Estate Tax	2021 PROP. TAXES - 1st HALF			\$1,576.00
Cash Payment Invoice	E 210-44100-311 Real Estate Tax	2021 PROP. TAXES - 1st HALF			\$46,193.00
Cash Payment Invoice	E 603-49450-311 Real Estate Tax	2021 PROP. TAXES - 1st HALF			\$7,226.86
Transaction Date	4/30/2021	Cash	10150	Total	\$55,144.48
Refer	12709 SIBLEY EAST				
Cash Payment Invoice	E 101-41400-733 Reimbursible Expense	ADD'L FITNESS CENTER MEMBERSHIPS			\$210.00

Payments

Current Period: MAY 2021

Transaction Date	4/30/2021	Cash	10150	<b>Total</b>	\$210.00
Refer	12710 SPECIALTY SOLUTIONS LLC				
Cash Payment Invoice	E 101-45202-220 Repair/Maint Supply	GRASS MATS & SEED (PARKS & CEM)			\$150.00
Cash Payment Invoice	E 207-49990-406 Repairs, Supplies & Oth	GRASS MATS & SEED (PARKS & CEM)			\$149.15
Transaction Date	4/30/2021	Cash	10150	<b>Total</b>	\$299.15
Refer	12711 THOMES BROTHERS HARDWARE				
Cash Payment Invoice	E 101-42110-210 Operating Supplies	APR- BLACKTOP PATCH & MISC. CHARGES			\$170.96
Cash Payment Invoice	E 101-43000-224 Street Maint Materials	APR- BLACKTOP PATCH & MISC. CHARGES			\$671.52
Cash Payment Invoice	E 101-43000-420 Shop Equipment	APR- BLACKTOP PATCH & MISC. CHARGES			\$43.95
Cash Payment Invoice	E 202-42153-217 Other Operating Supplie	APR- BLACKTOP PATCH & MISC. CHARGES			\$19.86
Cash Payment Invoice	E 203-45000-210 Operating Supplies	APR- BLACKTOP PATCH & MISC. CHARGES			\$39.96
Cash Payment Invoice	E 207-49990-406 Repairs, Supplies & Oth	APR- BLACKTOP PATCH & MISC. CHARGES			\$49.99
Transaction Date	4/30/2021	Cash	10150	<b>Total</b>	\$996.24
Refer	12712 U.S. BANK - CREDIT CARD				
Cash Payment Invoice	E 101-41400-321 Telephone	APR- MISC. CARD CHARGES			\$16.02
Cash Payment Invoice	E 101-41400-351 Legal Notices Publishing	APR- MISC. CARD CHARGES			\$148.43
Cash Payment Invoice	E 101-42110-208 Training and Instruction	APR- MISC. CARD CHARGES			\$90.00
Cash Payment Invoice	E 101-42110-503 Computers/Software/We	APR- MISC. CARD CHARGES			\$10.68
Cash Payment Invoice	E 101-43000-200 Office Supplies	APR- MISC. CARD CHARGES			\$40.38
Cash Payment Invoice	E 101-43000-398 Community Sign	APR- MISC. CARD CHARGES			\$212.30
Cash Payment Invoice	E 101-43000-485 Gas and Repair Miscella	APR- MISC. CARD CHARGES			\$10.00
Cash Payment Invoice	E 202-42153-217 Other Operating Supplie	APR- MISC. CARD CHARGES			\$9.89
Transaction Date	4/30/2021	Cash	10150	<b>Total</b>	\$537.70
Refer	12713 VERIZON WIRELESS				
Cash Payment Invoice	E 101-42110-321 Telephone	MAY- TABLET/CELL PHONE BILL			\$193.10
Cash Payment Invoice	E 202-42153-321 Telephone	MAY- TABLET/CELL PHONE BILL			\$43.26
Cash Payment Invoice	E 604-49550-321 Telephone	MAY- TABLET/CELL PHONE BILL			\$50.00
Transaction Date	4/30/2021	Cash	10150	<b>Total</b>	\$286.36

Payments

Current Period: MAY 2021

Fund Summary

	10150 Cash
101 General Fund	\$20,328.36
201 Fire Fund	\$182.52
202 Ambulance Fund	\$5,991.02
203 Community Center Fund	\$4,794.35
204 EDA Loan Programs Fund	\$1,576.00
207 Cemetery Fund	\$199.14
210 Medical Center Fund	\$46,193.00
601 Water Fund	\$19,036.40
602 Sewer Fund	\$622.00
603 AGI Sewer Fund	\$32,962.32
604 Electric Fund	\$3,548.72
605 Storm Water Drainage Fund	\$120.00
	<hr/>
	\$135,553.83

Pre-Written Check	\$0.00
Checks to be Generated by the Computer	\$135,553.83
Total	<hr/>
	\$135,553.83



**ARLINGTON CITY COUNCIL  
MEETING MINUTES  
April 19, 2021 AT 6:30 PM  
COUNCIL CHAMBERS**

*The City Council is provided background information for agenda items in advance by city staff, committees, and boards. Many decisions regarding agenda items are based upon this information, as well as: City policy and practices, input from constituents, questions or information that has not yet been presented or discussed regarding an agenda item. If you have a concern or question, please ask to be recognized by the Mayor during the "Citizens addressing the Council" portion of the agenda—state your name and address for the record. Please keep comments under 5 minutes. Individuals wishing to speak for more than five minutes should ask to be included on the agenda in advance. All comments are appreciated, but please refrain from personal or derogatory attacks on individual*

Join from PC, Mac, Linux, iOS or Android:

<https://meetings.ringcentral.com/j/1468023722?pwd=cUFhRmRLSTIOdHFrc0g4U3VZSUU4QT09>

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Meeting ID: 146 802 3722

International numbers available: <https://meetings.ringcentral.com/teleconference>

1. Call Meeting to Order and Pledge of Allegiance – Meeting was called to order at 6:30 by Mayor Nagel. All stood for the Pledge of Allegiance.
2. Roll Call  
Present: Mayor Rich Nagel, John Thomes, Joe Morgan, Matt Scharpe, Craig Buss, Michelle Battcher joined by 7:05 pm.  
Absent: none  
Staff present: City Administrator Amy Newsom, Intern Haile Tegegne, Police Chief Andrew Konechne, City Attorney Ross Arneson  
Guests present: Lee Ortloff – PeopleService, Tom Hatlestad, Tony Hoff, Howard Brinkman, Kurt Menk - *Arlington Enterprise*, Curt Cordt and Sarah Peterson of MVEC

3. Approve the Agenda and any Agenda Additions – Newsom requested 2 additions to the agenda. Resolutions 27-2021 and 28-2021. Motion by Buss to approve the agenda with additions, second by Scharpe. Motion carried.

### **CONSENT AGENDA**

*The items listed for consideration will be enacted by one motion unless the Mayor, a member of the City Council, City Staff or a person in attendance requests an item to be removed from the Agenda.*

Motion by Scharpe to approve the following consent agenda items:

4. Approval of Consent Agenda
  - A) Approval of Bills
  - B) April 5, 2021 City Council Workshop minutes
  - C) April 5, 2021 City Council Minutes
  - D) Approve hiring of Kenneth Perschau as a seasonal employee for Public Works
  - E) Approve hiring of William Rau as a seasonal employee for Public Works
  - F) Approve hiring Haile Tegegne as a Community Center Attendant
  - G) Approve On Sale Liquor License for the Arlington Raceway
  - H) Approve On Sale and Sunday Liquor Licenses for Double Tap LLC
  - I) Approve Off Sale Liquor License for Arlington Liquors

Second by Buss. Motion carried.

### **PETITIONS, REQUESTS, & COMMUNICATIONS**

5. Addressing the Council -none
6. Announcements
  - A) 2020 Tree City Recognition – Newsom reported on the City’s 13<sup>th</sup> year being recognized as a Tree City.
  - B) Certificate of Commendation Arlington WWTP- Newsom recognized the staff at the WWTP for their work on this achievement.
7. Communications
  - A) September 10, 2020 A-GI Wastewater minutes
  - B) April 8, 2021 A-GI Wastewater minutes (unapproved)
  - C) March 8, 2021 EDA minutes
  - D) Twin Cities & Western Railroad Company – work occurring in the vicinity of railroad tracks
  - E) Biosolids Annual Report/NPDES Permit Number MN0020834
  - F) Coronavirus (COVID-19) Funeral Assistance
  - G) Southern Minnesota Initiative Foundation
  - H) Xcel Energy inspection of the transmission power line

### **REPORTS OF OFFICERS, BOARDS AND COMMITTEES**

8. Reports
  - A) Annual Report from Electrical Engineer - Curtis Cordt PE, Engineering Manager, Minnesota Valley Utility Services LLC  
Curt Cordt joined by RingCentral. Cordt stated that they are looking at the need to replace electric meters in town, a new 5-year budget plan, the last 12 poles are being replaced and

replacing some trans closures in town. Cordt also mentioned Xcel's Energy is planning a project that will last November of 2021 through spring of 2022 and will take the substation by Four Seasons Park out of commission. Cordt mentioned problems with the north substation that need to be investigated before the planned outage.

B) PeopleService Report – Lee Ortloff, Lead Operator PeopleService

- March O&M Report – Orloff reviewed the March report.
- Work Order Maintenance Report – Ortloff reviewed the work order report which provides detailed information for Council.
- Approve/Deny Tire Quote for tractor tires in the amount of \$8,651.84 from UFC
  - UFC \$8,651.84
  - Sam's Tire Service \$9,329.60

Motion by Buss, second by Thomes to approve the tire purchase from UFC in the amount of \$8,651.84. Motion carried 4-0. Battcher was absent.

- Diamond Maps demo – Ortloff demonstrated a new program that PeopleService is using to locate and track water and sewer information.

C) March Police Department Report – Chief Andrew Konechne- Chief Konechne reviewed the March PD report.

Konechne requested that Council allow him to offer a conditional job offer to the 2<sup>nd</sup> runner up from last round of interviews. Chief feels that there may be another vacancy in the PD soon and would like to be able to fill the job as soon as possible. Motion by Thomes to allow a conditional offer of employment to the 2<sup>nd</sup> runner up. Second by Buss. Motion carried by a 3-2 vote with Morgan and Battcher voting against.

- Adolescent violence – Councilmember Buss discussed some concerns about harassment happening at SE and in the community. Issues with minors are moving from the school into public places like parks. Buss wanted to bring it up so the community would be aware.

D) March Expenditures Report- City Administrator Amy Newsom – Newsom presented the March expenditures report showing departments are under budget.

## **ORDINANCES & RESOLUTIONS**

9. Resolution 23-2021 A Resolution Accepting a Donation – Motion by Battcher to approve Resolution 23-2021, second by Morgan. Motion carried. Battcher, Morgan, Thomes, Buss, Scharpe voted in favor. None against. None abstained. None absent.
10. Resolution 24-2021 A Resolution Accepting a Donation - Motion by Battcher to approve Resolution 24-2021, second by Scharpe. Motion carried. Battcher, Morgan, Thomes, Buss, Scharpe voted in favor. None against. None abstained. None absent.
11. Resolution 25-2021 A Resolution Accepting a Donation - Motion by Thomes to approve Resolution 25-2021, second by Battcher. Motion carried. Battcher, Morgan, Thomes, Buss, Scharpe voted in favor. None against. None abstained. None absent.
12. Resolution 26-2021 A Resolution Accepting a Donation - Motion by Battcher to approve Resolution 26-2021, second by Buss. Motion carried. Battcher, Thomes, Buss, Scharpe voted in favor. Morgan voted against. None abstained. None absent.

13. **Resolution 27-2021** - Motion by Morgan to approve Resolution 27-2021, second by Battcher. Motion carried. Battcher, Morgan, Thomes, Buss, Scharpe voted in favor. None against. None abstained. None absent.
14. **Resolution 28-2021** - Motion by Scharpe to approve Resolution 28-2021, second by Thomes. Motion carried. Battcher, Morgan, Thomes, Buss, Scharpe voted in favor. None against. None abstained. None absent.

### **UNFINISHED BUSINESS**

15. None

### **NEW BUSINESS**

16. Approve/Deny EDA recommendation to approve purchase agreement with AJH Properties, LLC  
Motion by Scharpe to approve the purchase agreement with AJH Properties, LLC, second by Buss. Motion carried.
17. Approve/Deny EDA recommendation to approve development agreement with AJH Properties, LLC  
Motion by Morgan to approve the development agreement with AJH Properties, LLC, second by Battcher. Motion carried.
18. Approve/Deny EDA recommendation allowing Bolton and Menk to move forward with BDPI application for AJH Properties
  - Estimated cost for Bolton and Menk to apply for infrastructure grant is \$4,000.
  - Recommendation that grant pay for half of infrastructure cost/Hoff pay for halfMotion by Battcher to allow Bolton and Menk to work on the BDPI grant application, second by Scharpe. Motion carried.
19. Discussion on Municipal Liquor Store- Consensus of the Council not to pursue a municipal liquor store.
20. Northland Drying odor – Discussion on odors coming from Northland last summer. Attorney Arneson requested topic on agenda to get ahead of any issues this year. Newsom noted that the smell may have been due to the potatoes sitting in trailers on the yard last summer. Newsom to reach out to owner Lee Olmscheid to schedule a Council tour.

### **MISCELLANEOUS BUSINESS**

Committee Updates - none

Open Discussion – Newsom reported that Dryden Township has not paid the full amount billed for ambulance service. They paid \$100 of the \$400 owed.

Councilmember Morgan questioned if the sale of the City land was a good return on investment and wondered if there was a way to quantify the sale.

### **ADJOURNMENT**

Motion by Buss to adjourn at 8:40 pm, second by Scharpe. Motion carried.

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City Administrator Amy Newsom

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Mayor Richard Nagel

## Amy Newsom

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**From:** Jaime Weikle  
**Sent:** Wednesday, April 28, 2021 8:42 AM  
**To:** Amy Newsom  
**Subject:** FW: Resignation from Arlington Ambulance

**Jaime Weikle, NRP**  
Arlington Area Ambulance Manager



City of Arlington  
204 Shamrock Drive  
Arlington, MN 55307

Office: 507-964-2828  
Cell: 612-357-2749  
Fax: 507-964-5973  
[jweikle@arlingtonmn.com](mailto:jweikle@arlingtonmn.com)

**From:** [Angelica Figueroa](#)  
**Sent:** Tuesday, April 27, 2021 4:46 PM  
**To:** [Jaime Weikle](#)  
**Subject:** Resignation from Arlington Ambulance

Good Afternoon,

I would like to resign from Arlington Area Ambulance as of May 31st, 2021. The reason I have made this extremely hard decision is due to family matters causing a need to relocate to Arizona. I appreciate the opportunity to work in this great community organization with such wonderful and selfless members. I will miss this the most as I leave MN.

r/s

Angelica Rose

## Amy Newsom

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**From:** David W. Niles <David.Niles@avantenergy.com>  
**Sent:** Wednesday, April 28, 2021 3:35 PM  
**To:** David W. Niles  
**Subject:** MMPA Board Meeting Public Summary - April 2021  
**Attachments:** MMPA 2020 Audit Report.pdf

Good afternoon,

The public summary of the April 2021 MMPA Board of Directors meeting is below.

The Board of Directors of the Minnesota Municipal Power Agency (MMPA) met on April 27, 2021, via WebEx.

BKD presented MMPA's 2020 financial statement audit. The Board received and accepted the audit report, which is available on MMPA's website [www.mmpa.org](http://www.mmpa.org). An electronic copy of the audit report is also attached.

The Board decided to postpone the Agency's 2021 annual summer dinner meeting with city officials to a later date than the usual July meeting.

The Board reviewed and approved an updated load shedding policy that would be used in the event of a system emergency.

The Board discussed MMPA's initiatives regarding electric vehicles.

There was an increase of 4 customers participating in MMPA's residential Clean Energy Choice program from February to March. Customer penetration of the program for residential customers remains at 3.6%.

Have a wonderful day!

Thanks,

-David

# **Minnesota Municipal Power Agency**

Independent Auditor's Report and Financial Statements

December 31, 2020 and 2019

**Minnesota Municipal Power Agency**  
**December 31, 2020 and 2019**

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## Independent Auditor's Report

Board of Directors  
Minnesota Municipal Power Agency  
Minneapolis, Minnesota

We have audited the accompanying financial statements of Minnesota Municipal Power Agency (the Agency), as of and for the years ended December 31, 2020 and 2019, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Minnesota Municipal Power Agency as of December 31, 2020 and 2019, and the changes in financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matter***Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*BKD, LLP*

April 19, 2021  
Lincoln, Nebraska

## Management's Discussion and Analysis

This discussion and analysis of Minnesota Municipal Power Agency's (the Agency) financial performance provides an overview of the Agency's activities for the fiscal years ended December 31, 2020 and 2019. The information presented should be read in conjunction with the financial statements and the accompanying notes to the financial statements.

Minnesota Municipal Power Agency is a municipal corporation and a political subdivision of the State of Minnesota whose purpose is to secure an adequate, economical, and reliable supply of electric energy for its member municipalities. The Agency currently comprises 12 Minnesota municipalities.

### Financial Statements Overview

The Agency follows the Uniform System of Accounts prescribed by the Federal Energy Regulatory Commission (FERC). The basic financial statements are prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles. The Agency's basic financial statements include the statements of net position, the statements of revenues, expenses, and changes in net position, the statements of cash flows, and notes to the financial statements.

The statements of net position provide information about the nature and amount of assets and obligations (liabilities) of the Agency as of the end of each year reported. The statements of revenues, expenses, and changes in net position report revenues and expenses. The statements of cash flows report cash receipts, cash payments, and net changes in cash resulting from operating, noncapital financing, capital and related financing activities, and investing activities.

### Financial Highlights

#### *Comparison of 2020 with 2019*

The following table summarizes the financial position of the Agency as of December 31:

<b>Condensed Statements of Net Position</b>				
	<b>2020</b>	<b>2019</b>	<b>Dollar Change</b>	<b>Percentage Change</b>
Capital assets, net	\$ 283,493,313	\$ 294,024,805	\$ (10,531,492)	(3.6)%
Current assets	71,004,869	105,557,122	(34,552,253)	(32.7)
Other noncurrent assets	<u>66,870,974</u>	<u>70,820,013</u>	<u>(3,949,039)</u>	(5.6)
Total assets	421,369,156	470,401,940	(49,032,784)	(10.4)
Deferred outflows of resources	<u>1,166,169</u>	<u>1,416,249</u>	<u>(250,080)</u>	(17.7)
Total assets and deferred outflows	<u>\$ 422,535,325</u>	<u>\$ 471,818,189</u>	<u>\$ (49,282,864)</u>	(10.4)

**Condensed Statements of Net Position**

	<b>2020</b>	<b>2019</b>	<b>Dollar Change</b>	<b>Percentage Change</b>
Current liabilities	\$ 19,383,765	\$ 24,201,656	\$ (4,817,891)	(19.9)%
Long-term liabilities	<u>192,501,584</u>	<u>267,299,647</u>	<u>(74,798,063)</u>	(28.0)
<b>Total liabilities</b>	211,885,349	291,501,303	(79,615,954)	(27.3)
Deferred inflows of resources	<u>39,503,190</u>	<u>39,717,570</u>	<u>(214,380)</u>	(0.5)
<b>Total liabilities and deferred inflows</b>	<u>251,388,539</u>	<u>331,218,873</u>	<u>(79,830,334)</u>	(24.1)
<b>Net position</b>				
Net investment in capital assets	94,288,936	35,515,597	58,773,339	165.5
Restricted	3,984,725	6,069,712	(2,084,987)	(34.4)
Unrestricted	<u>72,873,125</u>	<u>99,014,007</u>	<u>(26,140,882)</u>	(26.4)
<b>Total net position</b>	<u>171,146,786</u>	<u>140,599,316</u>	<u>30,547,470</u>	21.7
<b>Total liabilities, deferred inflows, and net position</b>	<u>\$ 422,535,325</u>	<u>\$ 471,818,189</u>	<u>\$ (49,282,864)</u>	(10.4)

Condensed statement of net position highlights are as follows:

- The assets and deferred outflows of resources of the Agency exceeded its liabilities and deferred inflows of resources at the close of 2020 by approximately \$171.1 million (net position) as compared with \$140.6 million at the end of 2019. Net position provides necessary liquidity to the Agency and supports its investment-grade credit rating.
- Capital assets, net decreased by approximately \$10.5 million during 2020, primarily the result of depreciation on capital assets in service. The Hometown Wind repowering capital project was also completed and placed in service in 2020 for \$2.7 million.
- Current assets decreased by \$34.6 million from 2019 to 2020, primarily the result of using cash and investments for the 2010A bond redemption on October 1, 2020. Power sales and other receivables decreased by \$0.6 million because of lower rates to members in December 2020 compared to December 2019.
- Other noncurrent assets, which include restricted cash, cash equivalents, and investments, prepaid expenses, and future recoverable costs, decreased by \$3.9 million from 2019 to 2020, primarily the result of the sale of restricted investments in connection with the 2010A bond redemption. This was partially offset by a \$3.6 million increase in future recoverable costs related to the levelization of depreciation, bond interest, and costs associated with the Agency's generating resources.
- Deferred outflows of resources decreased by \$0.3 million from 2019 to 2020, primarily as a result of the Agency's hedging activities and amortization of the Agency's deferred loss on bond refunding.
- Current liabilities decreased by approximately \$4.8 million from 2019 to 2020, primarily the result of the 2010A bond redemption that resulted in a \$2.5 million decrease in the current portion of long-term debt and \$1.0 million decrease in accrued interest payable. Accounts payable and accrued liabilities also decreased by \$1.3 million from 2019 to 2020.

- Long-term liabilities decreased by approximately \$74.8 million from 2019 to 2020, primarily the result of the 2010A bond redemption and other principal payments on debt.
- Deferred inflows of resources decreased by \$0.2 million from 2019 to 2020, primarily the result of a net decrease of \$0.9 million in the Agency's energy adjustment accrual, partially offset by a net contribution of \$0.7 million to its plant major maintenance accrual.

*Comparison of 2019 with 2018*

The following table summarizes the financial position of the Agency as of December 31:

<b>Condensed Statements of Net Position</b>				
	<b>2019</b>	<b>2018</b>	<b>Dollar Change</b>	<b>Percentage Change</b>
Capital assets, net	\$ 294,024,805	\$ 307,388,043	\$ (13,363,238)	(4.3)%
Current assets	105,557,122	42,906,059	62,651,063	146.0
Other noncurrent assets	70,820,013	108,446,034	(37,626,021)	(34.7)
Total assets	470,401,940	458,740,136	11,661,804	2.5
Deferred outflows of resources	1,416,249	1,853,889	(437,640)	(23.6)
Total assets and deferred outflows	<u>\$ 471,818,189</u>	<u>\$ 460,594,025</u>	<u>\$ 11,224,164</u>	2.4
Current liabilities	\$ 24,201,656	\$ 24,930,302	\$ (728,646)	(2.9)
Long-term liabilities	267,299,647	280,287,078	(12,987,431)	(4.6)
Total liabilities	291,501,303	305,217,380	(13,716,077)	(4.5)
Deferred inflows of resources	39,717,570	37,055,849	2,661,721	7.2
Total liabilities and deferred inflows	<u>331,218,873</u>	<u>342,273,229</u>	<u>(11,054,356)</u>	(3.2)
Net position				
Net investment in capital assets	35,515,597	36,428,103	(912,506)	(2.5)
Restricted	6,069,712	6,410,280	(340,568)	(5.3)
Unrestricted	99,014,007	75,482,413	23,531,594	31.2
Total net position	<u>140,599,316</u>	<u>118,320,796</u>	<u>22,278,520</u>	18.8
Total liabilities, deferred inflows and net position	<u>\$ 471,818,189</u>	<u>\$ 460,594,025</u>	<u>\$ 11,224,164</u>	2.4

Condensed statement of net position highlights are as follows:

- The assets and deferred outflows of resources of the Agency exceeded its liabilities and deferred inflows of resources at the close of 2019 by approximately \$140.6 million (net position) as compared with \$118.3 million at the end of 2018. Net position provides necessary liquidity to the Agency and supports its investment-grade credit rating.
- Capital assets, net decreased by approximately \$13.4 million during 2019, primarily the result of depreciation on capital assets in service.

- Current assets increased by \$62.7 from 2018 to 2019, primarily the result of the movement of \$40.4 million in U.S. government agency securities from non-current to current based on their maturity date. Cash and cash equivalents increased by \$23.8 million, primarily related to the Agency's change in net position during the year. Power sales and other receivables decreased by \$1.8 million because of lower rates to members in December 2019 compared to December 2018.
- Other noncurrent assets, which include restricted cash, cash equivalents, and investments, prepaid expenses, and future recoverable costs, decreased by \$37.6 million from 2018 to 2019, primarily the result of the movement of \$40.4 million in U.S. government agency securities from non-current investments to current investments based on their maturity date. This was partially offset by a \$2.5 million increase in future recoverable costs related to the levelization of depreciation, bond interest, and costs associated with the Agency's generating resources.
- Deferred outflows of resources decreased by \$0.4 million from 2018 to 2019, primarily as a result of the Agency's hedging activities.
- Current liabilities decreased by approximately \$0.7 million from 2018 to 2019, primarily the result of a \$0.7 million decrease of accounts payable and accrued liabilities, a \$0.3 million decrease in derivative instruments-futures, and a \$0.1 million decrease in accrued interest payable. This was partially offset by a \$0.4 million increase in the current portion of long-term debt and \$0.1 million increase in the capital lease liability due within one year.
- Long-term liabilities decreased by approximately \$13.0 million from 2018 to 2019, primarily the result of the Agency's principal payments on debt.
- Deferred inflows of resources increased by \$2.7 million from 2018 to 2019, primarily the result of net contributions of \$1.4 million to the Agency's energy adjustment accrual, and \$1.3 million to its plant major maintenance accrual.

The following table summarizes the changes in financial position of the Agency for the years ended December 31, 2020 and 2019:

<b>Condensed Statements of Revenues, Expenses, and Changes in Net Position</b>				
	<b>2020</b>	<b>2019</b>	<b>Dollar Change</b>	<b>Percentage Change</b>
Operating revenues, power sales	\$ 136,821,879	\$ 140,973,294	\$ (4,151,415)	(2.9)%
Other nonoperating revenues	4,772,085	3,616,355	1,155,730	32.0
Total revenues	<u>141,593,964</u>	<u>144,589,649</u>	<u>(2,995,685)</u>	(2.1)
Operating expenses	103,048,593	113,027,743	(9,979,150)	(8.8)
Other nonoperating expenses	11,950,760	11,751,516	199,244	1.7
Total expenses	114,999,353	124,779,259	(9,779,906)	(7.8)
Future recoverable costs	3,952,859	2,468,130	1,484,729	60.2
Change in net position	30,547,470	22,278,520	8,268,950	37.1
Beginning net position	<u>140,599,316</u>	<u>118,320,796</u>	<u>22,278,520</u>	18.8
Ending net position	<u>\$ 171,146,786</u>	<u>\$ 140,599,316</u>	<u>\$ 30,547,470</u>	21.7

Condensed statements of revenues, expenses, and changes in net position highlights are as follows:

- Operating revenues – power sales decreased by approximately \$4.2 million between 2020 and 2019, primarily the result of decreased energy sales and lower average rates in 2020 compared to 2019. Operating revenues – power sales consist primarily of member power sales revenue, power sales to nonmembers, and transmission revenue.
- Other nonoperating revenues increased by approximately \$1.2 million between 2020 and 2019, related to the recognition of \$1.8 million in proceeds received for the termination of a purchased power agreement, and a \$1.5 million gain on the sale of investments in connection with the 2010A bond redemption in 2020. This was partially offset by lower investment income of \$1.1 million earned on cash and cash equivalents as well as the Agency’s investments.
- Operating expenses decreased by approximately \$10.0 million between 2020 and 2019, primarily the result of a \$7.3 million decrease in power acquisition expense, a \$2.2 million decrease in transmission expense, and a \$0.5 million decrease in other operating expenses. These decreases are primarily attributable to lower demand and lower energy market prices in 2020.
- Other nonoperating expenses increased by approximately \$0.2 million between 2020 and 2019, primarily related to the net decrease in fair value of investments and loss on extinguishment of debt. This was offset by lower interest expense primarily in connection with the 2010A bond redemption.
- Future recoverable costs increased by approximately \$1.5 million between 2020 and 2019, primarily the result of the application of the Agency’s policy regarding the levelization of costs for generating assets financed by debt and the application of the Agency’s policy of not recognizing the change in value of investments for ratemaking purposes.

The following table summarizes the changes in financial position of the Agency for the years ended December 31, 2019 and 2018:

<b>Condensed Statements of Revenues, Expenses, and Changes in Net Position</b>				
	<b>2019</b>	<b>2018</b>	<b>Dollar Change</b>	<b>Percentage Change</b>
Operating revenues, power sales	\$ 140,973,294	\$ 127,041,512	\$ 13,931,782	11.0 %
Other nonoperating revenues	<u>3,616,355</u>	<u>23,020,675</u>	<u>(19,404,320)</u>	(84.3)
Total revenues	<u>144,589,649</u>	<u>150,062,187</u>	<u>(5,472,538)</u>	(3.6)
Operating expenses	113,027,743	105,117,186	7,910,557	7.5
Other nonoperating expenses	<u>11,751,516</u>	<u>13,084,016</u>	<u>(1,332,500)</u>	(10.2)
Total expenses	<u>124,779,259</u>	<u>118,201,202</u>	<u>6,578,057</u>	5.6
Future recoverable costs	<u>2,468,130</u>	<u>4,071,182</u>	<u>(1,603,052)</u>	(39.4)
Change in net position	22,278,520	35,932,167	(13,653,647)	(38.0)
Beginning net position	<u>118,320,796</u>	<u>82,388,629</u>	<u>35,932,167</u>	43.6
Ending net position	<u>\$ 140,599,316</u>	<u>\$ 118,320,796</u>	<u>\$ 22,278,520</u>	18.8

Condensed statements of revenues, expenses, and changes in net position highlights are as follows:

- Operating revenues – power sales increased by approximately \$13.9 million between 2019 and 2018, primarily the result of increased energy sales from selling a full year of power to Elk River, but partially offset by lower average rates in 2019. Operating revenues – power sales consist primarily of member power sales revenue, power sales to nonmembers, and transmission revenue.
- Other nonoperating revenues decreased by approximately \$19.4 million between 2019 and 2018, primarily related to recognition of the \$21.3 million capital contribution from Elk River in 2018 that did not reoccur in 2019. This was partially offset by additional investment income of \$0.9 million earned on cash and cash equivalents as well as the Agency’s investments.
- Operating expenses increased by approximately \$7.9 million between 2019 and 2018, primarily the result of a \$4.2 million increase in transmission expense, a \$3.4 million increase in power acquisition expense, and a \$0.3 million increase in other operating expenses. These increases are primarily attributable to the Agency providing a full year of power to Elk River.
- Other nonoperating expenses decreased by approximately \$1.3 million between 2019 and 2018, primarily related to a \$0.5 million decrease in interest expense, and a loss of \$0.7 million on the disposition of property related to the discontinuation of development activities on potential generation projects recognized in 2018 that did not reoccur in 2019.
- Future recoverable costs decreased by approximately \$1.6 million between 2019 and 2018, primarily the result of the application of the Agency’s policy regarding the levelization of costs for generating assets financed by debt and the application of the Agency’s policy of not recognizing the change in value of investments for ratemaking purposes.

#### **Debt Administration**

As of December 31, 2020, the Agency had long-term debt outstanding of approximately \$166.5 million.

On October 1, 2020, the Agency redeemed the remaining Series 2010A bonds in the amount of \$67.8 million.

The Agency continued to hold an A1 rating from Moody’s and an A+ rating from Fitch in 2020.

#### **Other Factors**

On March 13, 2020, a national emergency was declared in relation to the Coronavirus Disease (COVID-19) pandemic. Ensuing orders and declarations caused changes in the economic climate for many organizations. Many entities faced declines in revenues and asset values, changes in the volumes of business and other factors. Throughout 2020, the Agency closely monitored customer accounts, investments and other assets and was able to report positive financial results. For the upcoming year, the Agency does not foresee a significant impact from the COVID-19 pandemic on financial results.

#### **Contact Information**

This financial report is designed to provide a general overview of the Agency's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Avant Energy, Inc., 220 South Sixth Street, Suite 1300, Minneapolis, Minnesota 55402.

**Minnesota Municipal Power Agency**  
**Statements of Net Position**  
**December 31, 2020 and 2019**

<b>Assets and Deferred Outflows of Resources</b>	<b>2020</b>	<b>2019</b>
<b>Current Assets</b>		
Cash and cash equivalents	\$ 50,477,900	\$ 42,120,439
Restricted cash and cash equivalents	3,984,725	6,069,712
Investments	-	40,357,472
Accrued interest receivable	79,370	333,596
Power sales and other receivables	10,284,268	10,929,332
Fuel inventory	1,124,779	1,237,292
Plant inventory – spares	3,603,323	3,167,381
Prepaid expenses	1,450,504	1,341,898
Total current assets	<u>71,004,869</u>	<u>105,557,122</u>
<b>Noncurrent Assets</b>		
<b>Capital assets</b>		
Electric generation assets	431,342,527	428,166,676
Land	7,693,006	7,091,719
Less: accumulated depreciation	<u>(156,685,858)</u>	<u>(142,181,105)</u>
Property and equipment, net	282,349,675	293,077,290
Construction in progress	1,143,638	947,515
Total capital assets, net	<u>283,493,313</u>	<u>294,024,805</u>
Restricted cash, cash equivalents, and investments	11,211,992	18,728,441
Prepaid expenses	475,205	511,223
Future recoverable costs	55,183,777	51,580,349
Total noncurrent assets	<u>350,364,287</u>	<u>364,844,818</u>
Total assets	<u>421,369,156</u>	<u>470,401,940</u>
<b>Deferred Outflows of Resources</b>		
Deferred outflows of resources – other	<u>1,166,169</u>	<u>1,416,249</u>
Total assets and deferred outflows of resources	<u>\$ 422,535,325</u>	<u>\$ 471,818,189</u>
<b>Liabilities, Deferred Inflows of Resources and Net Position</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued liabilities	\$ 8,013,021	\$ 9,333,097
Accrued interest payable	1,896,887	2,853,782
Long-term debt due within one year	8,268,333	10,763,333
Capital lease liability due within one year	1,205,524	1,091,514
Derivative instruments – futures	-	159,930
Total current liabilities	<u>19,383,765</u>	<u>24,201,656</u>
<b>Noncurrent Liabilities</b>		
Long-term debt, net	177,246,291	251,399,917
Capital lease liability, net	15,255,293	15,899,730
Total noncurrent liabilities	<u>192,501,584</u>	<u>267,299,647</u>
Total liabilities	<u>211,885,349</u>	<u>291,501,303</u>
<b>Deferred Inflows of Resources</b>		
Rate stabilization	33,071,000	33,071,000
Other	6,432,190	6,646,570
Total liabilities and deferred inflows of resources	<u>251,388,539</u>	<u>331,218,873</u>
<b>Net Position</b>		
Net investment in capital assets	94,288,936	35,515,597
Restricted for debt service	3,984,725	6,069,712
Unrestricted	72,873,125	99,014,007
Total net position	<u>171,146,786</u>	<u>140,599,316</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 422,535,325</u>	<u>\$ 471,818,189</u>

See Notes to Financial Statements

**Minnesota Municipal Power Agency**  
**Statements of Revenues, Expenses and Changes in Net Position**  
**Years Ended December 31, 2020 and 2019**

	<u>2020</u>	<u>2019</u>
<b>Operating Revenues</b>		
Power sales to members	\$ 135,487,767	\$ 139,626,526
Power sales to nonmembers	1,334,112	1,346,768
	<u>136,821,879</u>	<u>140,973,294</u>
<b>Operating Expenses</b>		
Power acquisition expense	40,241,607	47,529,466
Transmission	20,927,207	23,144,495
Other operating expenses	27,375,026	27,887,955
Depreciation	14,504,753	14,465,827
	<u>103,048,593</u>	<u>113,027,743</u>
Operating income	<u>33,773,286</u>	<u>27,945,551</u>
<b>Nonoperating Revenues (Expenses)</b>		
Interest expense	(10,368,829)	(11,694,806)
Investment income	1,532,113	2,602,724
Loss on extinguishment of debt	(544,981)	-
Loss on bond investment redemption	-	(56,710)
Net (decrease) increase in fair value of investments	(1,036,950)	947,106
Realized gains on sales of investments	1,489,760	-
Other	1,750,212	66,525
	<u>(7,178,675)</u>	<u>(8,135,161)</u>
Total nonoperating revenues (expenses), net	<u>(7,178,675)</u>	<u>(8,135,161)</u>
Change in net position before future recoverable costs	26,594,611	19,810,390
<b>Future Recoverable Costs</b>	<u>3,952,859</u>	<u>2,468,130</u>
Change in net position	30,547,470	22,278,520
<b>Net Position, Beginning of Year</b>	<u>140,599,316</u>	<u>118,320,796</u>
<b>Net Position, End of Year</b>	<u>\$ 171,146,786</u>	<u>\$ 140,599,316</u>

**Minnesota Municipal Power Agency**  
**Statements of Cash Flows**  
**Years Ended December 31, 2020 and 2019**

	<u>2020</u>	<u>2019</u>
<b>Cash Flows from Operating Activities</b>		
Receipts from power sales	\$ 137,151,845	\$ 141,970,119
Payments for power acquisition/production and operating expenses	<u>(90,336,777)</u>	<u>(97,138,657)</u>
Net cash provided by operating activities	<u>46,815,068</u>	<u>44,831,462</u>
<b>Cash Flows from Noncapital Financing Activities</b>		
Proceeds from termination of purchased power agreement	<u>1,750,212</u>	<u>-</u>
Net cash provided by noncapital financing activities	<u>1,750,212</u>	<u>-</u>
<b>Cash Flows from Capital and Related Financing Activities</b>		
Construction of capital assets	(3,234,613)	(1,424,094)
Remittance of deposits held by others for capital projects	-	1,097,786
Principal payments on electric revenue bonds	(75,708,334)	(10,368,333)
Principal payments on capital lease	(1,091,514)	(1,030,023)
Payment of interest	<u>(12,371,415)</u>	<u>(12,838,112)</u>
Net cash used in capital and related financing activities	<u>(92,405,876)</u>	<u>(24,562,776)</u>
<b>Cash Flows from Investing Activities</b>		
Proceeds from sales of investments	59,979,026	15,025,636
Purchase of investments	(11,640,636)	(15,422,636)
Interest received	<u>1,786,339</u>	<u>2,645,452</u>
Net cash provided by investing activities	<u>50,124,729</u>	<u>2,248,452</u>
Net change in cash and cash equivalents	6,284,133	22,517,138
Cash and cash equivalents, beginning of year	<u>48,357,617</u>	<u>25,840,479</u>
Cash and cash equivalents, end of year	<u>\$ 54,641,750</u>	<u>\$ 48,357,617</u>
<b>Composition of Cash and Cash Equivalents</b>		
Cash and cash equivalents	\$ 50,477,900	\$ 42,120,439
Restricted cash and cash equivalents	<u>4,163,850</u>	<u>6,237,178</u>
Cash and cash equivalents, end of year	<u>\$ 54,641,750</u>	<u>\$ 48,357,617</u>
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities</b>		
Operating income	<u>\$ 33,773,286</u>	<u>\$ 27,945,551</u>
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	14,504,753	14,465,827
Change in deferred inflows of resources – other	(214,380)	2,661,721
Changes in current assets and liabilities		
Power sales and other receivables	329,966	996,825
Fuel inventory	112,513	(313,750)
Plant inventory – spares	(435,942)	(223,951)
Prepaid expenses	(72,588)	(14,624)
Accounts payable and accrued liabilities	<u>(1,182,540)</u>	<u>(686,137)</u>
Total adjustments	<u>13,041,782</u>	<u>16,885,911</u>
Net cash provided by operating activities	<u>\$ 46,815,068</u>	<u>\$ 44,831,462</u>
<b>Supplemental Cash Flows Information</b>		
Amortization of premium on electric revenue bonds	\$ 1,135,842	\$ 1,132,583
Capital assets in accounts payable and accrued liabilities	10,118	147,659
Change in fair value of investments	(1,036,950)	947,106
Capital assets acquired through capital lease	561,087	-

See Notes to Financial Statements

# Minnesota Municipal Power Agency

## Notes to Financial Statements

December 31, 2020 and 2019

### Note 1: Organization and Significant Accounting Policies

#### ***Organization and Operation***

Minnesota Municipal Power Agency (the Agency) was created as a municipal corporation and a political subdivision of the State of Minnesota by an agency agreement recorded with the Secretary of the State of Minnesota on May 11, 1992. The Agency's purpose is to secure an adequate, economical, and reliable supply of electric energy for its member municipalities. As of December 31, 2020, the Agency comprises 12 Minnesota municipalities. In 2013, the City of Elk River, by and through the Elk River Utilities Commission, joined the Agency, becoming its 12th member. Elk River began purchasing all of its power and energy needs from the Agency on October 1, 2018.

The accompanying financial statements present the Agency and its component units, entities for which the Agency is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the Agency's operations.

**Blended Component Units:** The Agency owns 100% of Minnesota Renewable Energy, LLC. Minnesota Renewable Energy, LLC owns 100% of Oak Glen Wind Farm, LLC and 100% of Hometown BioEnergy, LLC. Oak Glen Wind Farm, LLC is responsible for the operation of Oak Glen Wind Farm, a 44 megawatt (MW) wind project located in Steele County, Minnesota. Hometown BioEnergy, LLC is responsible for the operation of the Hometown BioEnergy project, an 8 MW renewable energy project located in Le Sueur, Minnesota. The Agency owns 100% of Hometown GeoPower, LLC. Hometown GeoPower, LLC provides services to residents of the Agency's member municipalities. The Agency owns 100% of MMPA Transmission LLC. MMPA Transmission LLC holds the Agency's transmission-related assets. Complete unaudited financial statements for each of the individual component units may be obtained from the Agency. Separate audited financial statements for MMPA Transmission LLC may also be obtained from the Agency.

The Agency sells power to its members under long-term power sales contracts. Ten of the Agency's power sales contracts with members have a term that expires December 31, 2050. Two of the Agency's power sales contracts with members have a term that expires October 31, 2040. Under the terms of these contracts, the Agency is obligated to furnish, and each member is obligated to take and pay for, the total power and energy required by each member.

The Agency has entered into agreements with various providers to purchase accredited power and energy during 2020. The power capacity charge for 2020 is approximately \$2.6 million. Capacity commitments and charges include 41 MW of capacity purchased pursuant to an agreement with the City of Chaska, a member of the Agency. Under the terms of that agreement and its amendment, the Agency has agreed to make certain payments to the City of Chaska in exchange for the peaking power capacity provided by specified generation facilities owned by the City of Chaska in an amount at least sufficient, together with certain available interest income, to pay the principal of and interest on the bonded indebtedness issued by the City of Chaska for the construction of the generation facility.

# Minnesota Municipal Power Agency

## Notes to Financial Statements

December 31, 2020 and 2019

### Note 1: Organization and Significant Accounting Policies - Continued

#### **Organization and Operation -Continued**

Minimum commitments under the terms of the power sales agreements to purchase power capacity for the next five years are as follows:

	<u>Megawatts</u>
Year ending December 31:	
2021	111
2022	116
2023	121
2024	126
2025	131

The Agency purchases transmission services from the Midcontinent Independent System Operator, Inc. (MISO) at tariff-based rates.

The Agency enters into contracts in connection with the purchase, generation, and sale of electric power to or from its member cities, MISO, and other wholesale market participants. A substantial portion of these contracts are for the purchase of natural gas at power plants owned and operated by the Agency and for the physical delivery of power to designated interconnection points on the electric grid as a normal course of business. Substantially all of the Agency's power purchases and sales are with MISO. The Agency also enters into futures or forward contracts to manage exposure to unfavorable trends in the prices of fuel (natural gas) and electric power, which are directly related to the business of the Agency. Open positions at the end of the year are carried at fair value in the Agency's financial statements with an offsetting deferral amount to reflect the effectiveness of the hedge. There were no open positions on these contracts as of December 31, 2020.

Additionally, the Agency has agreements for dispatching, billing, maintenance services, and other general administration. The Agency has a contract with Avant Energy, Inc. to manage the Agency, which terminates on December 31, 2030. The Agency has no employees.

#### **Basis of Accounting**

The Agency follows the FERC's Uniform System of Accounts and maintains accounting records on an accrual basis in conformity with U.S. generally accepted accounting principles, including the application of Governmental Accounting Standards Board (GASB) Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements* (GASB Statement No. 62), as the guidance relates to Regulated Operations. The guidance allows for the deferral of revenues and expenses to future periods in which the revenues are earned or the expenses are recovered through the rate-making process.

**Minnesota Municipal Power Agency**  
**Notes to Financial Statements**  
**December 31, 2020 and 2019**

**Note 1: Organization and Significant Accounting Policies - Continued**

***Capital Assets***

Capital assets are recorded at cost, including capitalized interest on borrowed funds during construction. The capitalized interest is recorded as part of the asset to which it relates and is amortized over the asset's estimated useful life. The Agency did not capitalize any interest costs in 2020 or 2019.

The Agency follows a preventative and predictive approach to its maintenance of the Faribault Energy Park (FEP) facility. In doing so, it inspects the combustion turbine and steam turbine and performs major maintenance at intervals suggested by the turbine manufacturers. Periodically, one set of combustion parts is removed from the turbine and a replacement set is rotated into the turbine. The parts that have been removed are refurbished and are then ready to be rotated back into the turbine at the next major maintenance cycle. The Agency is depreciating the cost of the combustion turbine spare parts over the remaining life of the FEP asset. The amount on the statements of net position is the gross acquisition cost, with depreciation associated with the parts included in accumulated depreciation.

Equipment is recorded at cost and consists of telecommunication equipment, transportation equipment, and certain maintenance/testing equipment. Depreciation is provided over the estimated useful lives of the property and equipment by use of the straight-line method. Generally, the estimated useful life is 30 years for electric plant, 40 years for transmission assets, and 5 years for telecommunications equipment and transportation equipment. Other specialized equipment may differ.

***Restricted Cash, Cash Equivalents, and Investments***

The Agency's bond resolution requires the segregation of bond proceeds and prescribes the application of the Agency's revenues. Amounts classified as restricted cash and cash equivalents on the statements of net position represent cash and cash equivalents whose use is restricted by the bond resolution. It is the Agency's policy to use restricted resources first for debt service and then unrestricted resources as they are needed.

***Investments***

The Agency's investments in money market accounts are carried at cost, which approximates fair value. All other investments are reported at fair value based on quoted market prices.

***Regulated Operations***

***Future Recoverable Costs***

Rates charged to members include amounts sufficient to pay levelized principal and interest payments on long-term debt. For financial reporting purposes, the Agency recognizes depreciation and amortization pertaining to capital assets and other assets financed by long-term debt in addition to interest paid on such debt. As permitted by the application of the regulated operations provisions of GASB Statement No. 62, the Agency defers the current depreciation, amortization, and interest costs in excess of levelized principal and interest costs on long-term debt for assets placed into service prior to September 24, 2013 and after December 15, 2015. These costs will be recovered through rates charged to members in future periods when the levelized costs of principal and interest on long-term debt exceed the then current depreciation and interest costs related to such issues.

# Minnesota Municipal Power Agency

## Notes to Financial Statements

December 31, 2020 and 2019

### Note 1: Organization and Significant Accounting Policies - Continued

#### ***Regulated Operations - Continued***

##### *Future Recoverable Costs - Continued*

In December 2020, the Agency's Board of Directors approved amortizing these remaining deferred costs, which amounted to approximately \$56 million at December 31, 2020, over a seven-year period beginning in fiscal year 2021. In accordance with the regulated operations provisions of GASB Statement No. 62, this amortization is factored into the Agency's rate-setting process.

For financial reporting purposes, the Agency also reports investments and restricted investments at fair value. As permitted by the application of the provisions of GASB Statement No. 62, the Agency defers changes in the fair value of investments and restricted investments that the Agency intends to hold to maturity.

##### *Deferred Inflows of Resources – Rate Stabilization*

In setting rates, the Agency has from time to time deferred revenues from a current period to a future period to support the Agency's goal of providing stable long-term rates to members. These deferred revenues are reported as deferred inflows of resources – rate stabilization on the Agency's statements of net position.

##### *Deferred Inflows of Resources – Other*

Deferred inflows of resources – other includes the amount accrued by the Agency for future major maintenance of its combustion turbine and steam turbine generation resources. As permitted by the application of the provisions of GASB Statement No. 62, the Agency recognizes major maintenance expense for combustion turbine and steam turbine generation resources both on a per-start basis and over time. These expenses are accrued as a deferred inflow of resources. The accrued amount is reduced when the Agency performs major maintenance on its combustion turbine and steam turbine generation resources.

Deferred inflows of resources – other also includes the amount accrued by the Agency related to the operation of its Energy Adjustment Clause.

#### ***Unamortized Debt Premium***

The Agency's debt premium is amortized over the repayment period of the related issues using the straight-line method, which approximates the effective-interest method.

#### ***Cash and Cash Equivalents***

For purposes of the statements of cash flows, cash equivalents are cash and equivalents and investments having an initial maturity of three months or less when purchased.

**Minnesota Municipal Power Agency**  
**Notes to Financial Statements**  
**December 31, 2020 and 2019**

**Note 1: Organization and Significant Accounting Policies - Continued**

***Power Sales Receivables***

Power sales receivables represent power sales for the period between the last billing date and the end of the period that are accrued in the period earned.

***Fuel Inventory and Plant Inventory – Spares***

Fuel inventory and plant inventory – spares are valued on a cost basis, using the first-in, first-out (FIFO) method, which does not exceed market.

***Deferred Outflows of Resources***

Deferred outflows of resources include the unamortized difference between reacquisition price and net carrying amount related to the Agency's bond refunding activities. The deferred outflows of resources related to the bond refunding activities will be amortized through 2034. Deferred outflows of resources also include the offsetting deferral amount to reflect the effectiveness of the Agency's hedging derivative instruments.

***Derivative Instruments – Futures***

The Agency engages in certain futures market activities to hedge future power acquisition costs. The fair value of the derivative instruments is reported on the statements of net position as either an asset or liability, depending on the fair value of such instruments. There were no open positions on derivative instruments as of December 31, 2020.

***Rates***

Rates and charges for providing wholesale power supply are reviewed and adopted by the Agency's board of directors. Power supply services provided by the Agency are not subject to state or federal rate regulation.

***Revenue Recognition***

The Agency recognizes revenue on sales when the electricity is provided to and used by the customers. The Agency reports only the net amount of operating revenues – power sales and power purchases expense resulting from its transactions with MISO as revenue.

***Operating Revenues and Expenses***

Operating revenues result from exchange transactions associated with the principal activity of the Agency, the sale of electricity. Reported operating revenues are affected by contributions to or distributions from the rate stabilization account. Operating expenses are defined as expenses directly related to, or incurred in support of, the production and transmission of electricity to the participating members. All other expenses are classified as nonoperating expenses.

# Minnesota Municipal Power Agency

## Notes to Financial Statements

December 31, 2020 and 2019

### Note 1: Organization and Significant Accounting Policies - Continued

#### *Income Taxes*

The Agency is exempt from federal and state income taxes as it is a political subdivision of the State of Minnesota.

#### *Use of Estimates*

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### Note 2: Cash, Cash Equivalents, and Investments

The agency agreement that established the Agency and the bond resolution, under which the Electric Revenue Bonds were issued, provides for the creation and maintenance of certain funds and accounts. The funds and accounts consist principally of deposits and investments in accordance with the agency agreement, bond resolution, and applicable state law. Funds and accounts are reported in the financial statements as follows:

	December 31	
	2020	2019
Current assets:		
Cash and cash equivalents	\$ 50,477,900	\$ 42,120,439
Restricted cash and cash equivalents	3,984,725	6,069,712
Investments	-	40,357,472
	<u>54,462,625</u>	<u>88,547,623</u>
Noncurrent assets:		
Restricted cash and cash equivalents	179,125	167,466
Restricted investments	11,032,867	18,560,975
	<u>11,211,992</u>	<u>18,728,441</u>
Total	<u>\$ 65,674,617</u>	<u>\$ 107,276,064</u>

**Minnesota Municipal Power Agency**  
**Notes to Financial Statements**  
**December 31, 2020 and 2019**

**Note 2: Cash, Cash Equivalents, and Investments - Continued**

At December 31, 2020 and 2019, all deposits for the Agency were insured or collateralized by securities held by the Agency's agent in the Agency's name.

In accordance with its investment policy, the Agency invests in the following types of investments, subject to the limitations and requirements of Minnesota statutes:

- Interest bearing checking accounts
- U.S. Treasury bills, bonds, and notes
- U.S. government agencies and instrumentalities securities
- State and local securities
- Minnesota Joint Powers Investment Trusts
- Certificates of deposit
- Banker's acceptances of U.S. banks eligible for purchase by the Federal Reserve System
- Commercial paper issued by U.S. corporations or their Canadian subsidiaries, of the highest quality and maturing within 270 days
- Money market mutual funds – open-end, no-load
- Guaranteed investment contracts
- Repurchase agreements fully (100%) collateralized by U.S. securities

**Interest Rate Risk**

Interest rate risk is the risk that the fair value of investments will be adversely affected by a change in interest rates.

The Agency had the following investments and maturities as of December 31, 2020 and 2019:

	Carrying Value	Maturities in Years			More Than 10
		Less Than 1	1 - 5	6 - 10	
<b>December 31, 2020</b>					
U.S. government agencies	\$ 11,032,867	\$ 5,942,692	\$ 2,144,331	\$ -	\$ 2,945,844
Money market accounts	54,641,750	54,641,750	-	-	-
	<u>\$ 65,674,617</u>	<u>\$ 60,584,442</u>	<u>\$ 2,144,331</u>	<u>\$ -</u>	<u>\$ 2,945,844</u>
<b>December 31, 2019</b>					
U.S. government agencies	\$ 56,136,447	\$ 46,278,171	\$ 2,112,748	\$ -	\$ 7,745,528
Negotiable certificates of deposit	2,782,000	-	2,782,000	-	-
Money market accounts	48,357,617	48,357,617	-	-	-
	<u>\$ 107,276,064</u>	<u>\$ 94,635,788</u>	<u>\$ 4,894,748</u>	<u>\$ -</u>	<u>\$ 7,745,528</u>

# Minnesota Municipal Power Agency

## Notes to Financial Statements

December 31, 2020 and 2019

### Note 2: Cash, Cash Equivalents, and Investments - Continued

#### Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Credit risk is measured using credit quality ratings of investments in debt securities as described by nationally recognized rating agencies such as Standard & Poor's and Moody's. The certificates of deposit are FDIC insured. The money market accounts are invested in short-term U.S. government securities and commercial paper.

The following tables list the credit quality ratings per Standard & Poor's and/or Moody's of the Agency's investments as of December 31, 2020 and 2019:

	December 31, 2020			
	Carrying Value	Quality ratings		
		AA	AAA	Unrated
Investment type:				
U.S. government agencies	\$ 11,032,867	\$ 11,032,867	\$ -	\$ -
Money market accounts	54,641,750	-	4,163,850	50,477,900
Total	<u>\$ 65,674,617</u>	<u>\$ 11,032,867</u>	<u>\$ 4,163,850</u>	<u>\$ 50,477,900</u>

	December 31, 2019			
	Carrying Value	Quality ratings		
		AA	AAA	Unrated
Investment type:				
U.S. government agencies	\$ 56,136,447	\$ 50,215,747	\$ -	\$ 5,920,700
Certificates of deposit	2,782,000	-	-	2,782,000
Money market accounts	48,357,617	-	6,236,321	42,121,296
Total	<u>\$ 107,276,064</u>	<u>\$ 50,215,747</u>	<u>\$ 6,236,321</u>	<u>\$ 50,823,996</u>

#### Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of a counterparty, the Agency will not be able to recover the value of the investments, collateral securities, or deposits that are in the possession of the counterparty. The Agency's investment policy addresses, among other things, custodial credit risk. At December 31, 2020 and 2019, all of the Agency's investments are insured and registered and are held by the counterparty's trust department or agent in the Agency's name.

**Minnesota Municipal Power Agency**  
**Notes to Financial Statements**  
**December 31, 2020 and 2019**

**Note 2: Cash, Cash Equivalents, and Investments - Continued**

***Concentration of Credit Risk***

Concentration of credit risk is the risk associated with the amount of investments the Agency has with any one issuer that exceeds 5% or more of its total investments. Investments issued or explicitly guaranteed by the U.S. Government are excluded from this requirement. The Agency does not have an investment policy related to investing 5% or more of the Agency's portfolio in the securities of a single issue. At December 31, 2020 and 2019, the Agency had the following investment concentrations:

	<b>Portfolio Composition</b>	
	<b>December 31,</b>	
	<b>2020</b>	<b>2019</b>
Federal Farm Credit Bank	4.5%	44.8%
Federal Home Loan Mortgage Corporation	9.0%	5.5%

***Disclosures About Fair Value of Assets and Liabilities***

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

- Level 1** Quoted prices in active markets for identical assets or liabilities
- Level 2** Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities
- Level 3** Unobservable inputs supported by little or no market activity and are significant to the fair value of the assets or liabilities

The Agency's investment in money market accounts are carried at cost and thus are not included within the fair value hierarchy.

**Minnesota Municipal Power Agency**  
**Notes to Financial Statements**  
**December 31, 2020 and 2019**

**Note 2: Cash, Cash Equivalents, and Investments - Continued**

The Agency had the following recurring fair value measurements for the years ended December 31, 2020 and 2019:

<b>December 31, 2020</b>	<b>Fair Value</b>	<b>Fair Value Measurements Using</b>		
		<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
<b>Investments by Fair Value Level</b>				
U.S. government agencies	\$ 11,032,867	\$ -	\$ 11,032,867	\$ -
Total investments by fair value level	<u>\$ 11,032,867</u>	<u>\$ -</u>	<u>\$ 11,032,867</u>	<u>\$ -</u>
<b>December 31, 2019</b>	<b>Fair Value</b>	<b>Fair Value Measurements Using</b>		
<b>Investments by Fair Value Level</b>		<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
U.S. government agencies	\$ 56,136,447	\$ -	\$ 56,136,447	\$ -
Negotiable certificates of deposit	2,782,000	-	2,782,000	-
Total investments by fair value level	<u>\$ 58,918,447</u>	<u>\$ -</u>	<u>\$ 58,918,447</u>	<u>\$ -</u>
Fair value of derivative instruments – futures	\$ (159,930)	\$ -	\$ (159,930)	\$ -

Securities classified in Level 2 are valued using the following approaches:

- U.S. Government Agencies: quoted prices for identical securities in markets that are not active;
- Negotiable Certificates of Deposit: matrix pricing based on the securities' relationship to benchmark quoted prices.

**Minnesota Municipal Power Agency**  
**Notes to Financial Statements**  
**December 31, 2020 and 2019**

**Note 3: Capital Assets**

Capital assets activity was as follows:

	<b>2020</b>			
	<b>Beginning Balance</b>	<b>Additions</b>	<b>Retirements/ Transfers</b>	<b>Ending Balance</b>
Nondepreciable capital assets:				
Construction work in progress	\$ 947,515	\$ 3,131,366	\$ (2,935,243)	\$ 1,143,638
Land	7,091,719	601,287	-	7,693,006
Depreciable capital assets:				
Telemetry and telecommunication	1,331,919	9,786	-	1,341,705
Capital lease asset	29,080,531	561,087	-	29,641,618
Electric plant	387,910,021	2,604,978	-	390,514,999
Rotable combustion turbine parts	9,844,205	-	-	9,844,205
Less accumulated depreciation for assets in service	<u>(142,181,105)</u>	<u>(14,504,753)</u>	<u>-</u>	<u>(156,685,858)</u>
Capital assets, net	<u>\$ 294,024,805</u>	<u>\$ (7,596,249)</u>	<u>\$ (2,935,243)</u>	<u>\$ 283,493,313</u>
	<b>2019</b>			
	<b>Beginning Balance</b>	<b>Additions</b>	<b>Retirements/ Transfers</b>	<b>Ending Balance</b>
Nondepreciable capital assets:				
Construction work in progress	\$ 739,222	\$ 1,531,421	\$ (1,323,128)	\$ 947,515
Land	7,066,719	25,000	-	7,091,719
Depreciable capital assets:				
Telemetry and telecommunication	1,331,919	-	-	1,331,919
Capital lease asset	29,080,531	-	-	29,080,531
Electric plant	387,040,725	869,296	-	387,910,021
Rotable combustion turbine parts	9,844,205	-	-	9,844,205
Less accumulated depreciation for assets in service	<u>(127,715,278)</u>	<u>(14,465,827)</u>	<u>-</u>	<u>(142,181,105)</u>
Capital assets, net	<u>\$ 307,388,043</u>	<u>\$ (12,040,110)</u>	<u>\$ (1,323,128)</u>	<u>\$ 294,024,805</u>

# Minnesota Municipal Power Agency

## Notes to Financial Statements

December 31, 2020 and 2019

### Note 4: Long-Term Debt

The Agency has issued the following Electric Revenue Bonds to finance its construction activities:

	2020	2019
Series 2009A, 1.40%, due October 1, 2009 to 2023	\$ 1,000,000	\$ 1,333,334
Series 2010A, 3.00%–5.25%, due October 1, 2011 to 2035	-	67,810,000
Series 2013, 3.00%–5.00%, due October 1, 2014 to 2023	6,270,000	8,170,000
Series 2014, 2.00%–5.00%, due October 1, 2015 to 2044	36,975,000	38,695,000
Series 2014A, 3.50%–5.00%, due October 1, 2016 to 2035	62,205,000	65,040,000
Series 2016, 2.13%–5.00%, due October 1, 2018 to 2047	60,085,000	61,195,000
Total bonds outstanding	166,535,000	242,243,334
Less current maturities	(8,268,333)	(10,763,333)
Add unamortized premium	18,979,624	19,919,916
	\$ 177,246,291	\$ 251,399,917

Debt service requirements on the outstanding bonds are as follows:

Year	Principal	Interest	Total
2021	\$ 8,268,333	\$ 7,587,544	\$ 15,855,877
2022	8,613,333	7,233,877	15,847,210
2023	8,988,333	6,854,810	15,843,143
2024	6,760,000	6,449,944	13,209,944
2025	7,105,000	6,111,944	13,216,944
2026–2030	40,760,000	25,310,069	66,070,069
2031–2035	47,820,000	15,164,881	62,984,881
2036–2040	14,000,000	7,595,250	21,595,250
2041–2045	16,880,000	4,346,850	21,226,850
2046–2050	7,340,001	555,000	7,895,001
	\$ 166,535,000	\$ 87,210,169	\$ 253,745,169

During 2020, the Agency made the scheduled principal payment on the Series 2010A bonds of \$2,865,000, and then also used existing resources to redeem the remaining outstanding balance of the Series 2010A bonds. In addition to redeeming the principal balance of the bonds, the Agency also wrote off \$195,550 and \$349,431 of the unamortized issuance discount and issuance costs (future recoverable costs) related to the Series 2010A bonds.

**Minnesota Municipal Power Agency**  
**Notes to Financial Statements**  
**December 31, 2020 and 2019**

**Note 4: Long-Term Debt - Continued**

The Agency has an agreement with the City of Chaska to purchase capacity, described more fully in Note 1. The agreement is without collateral. A portion of the payments under this agreement are accounted for as a capital lease. The Agency also has an equipment lease agreement with the City of Chaska. Future minimum payments under these agreements are as follows:

Year	Principal	Interest	Executory Costs	Payment
2021	\$ 1,205,524	\$ 907,046	\$ 435,808	\$ 2,548,378
2022	1,274,619	837,951	435,808	2,548,378
2023	1,349,140	763,430	435,808	2,548,378
2024	1,428,066	684,504	435,808	2,548,378
2025	1,511,659	600,910	435,808	2,548,377
2026–2030	8,995,933	1,566,916	2,179,042	12,741,891
2031–2035	695,876	8,314	196,900	901,090
	<u>\$ 16,460,817</u>	<u>\$ 5,369,071</u>	<u>\$ 4,554,982</u>	<u>\$ 26,384,870</u>

Long-term liability activity for the years ended December 31, 2020 and 2019 was as follows:

Long-term Liabilities as of December 31, 2020	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Long-term bonds:	\$ 242,243,334	\$ -	\$ (75,708,334)	\$ 166,535,000	\$ 8,268,333
Add unamortized premium, net	19,919,916	-	(940,292)	18,979,624	-
Long-term bonds, net	262,163,250	-	(76,648,626)	185,514,624	8,268,333
Capital lease liability	16,991,244	561,087	(1,091,514)	16,460,817	1,205,524
Total long-term debt	<u>\$ 279,154,494</u>	<u>\$ 561,087</u>	<u>\$ (77,740,140)</u>	<u>\$ 201,975,441</u>	<u>\$ 9,473,857</u>
Long-term Liabilities as of December 31, 2019	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Long-term bonds:	\$ 252,611,667	\$ -	\$ (10,368,333)	\$ 242,243,334	\$ 10,763,333
Add unamortized premium, net	21,052,499	-	(1,132,583)	19,919,916	-
Long-term bonds, net	273,664,166	-	(11,500,916)	262,163,250	10,763,333
Capital lease liability	18,021,267	-	(1,030,023)	16,991,244	1,091,514
Total long-term debt	<u>\$ 291,685,433</u>	<u>\$ -</u>	<u>\$ (12,530,939)</u>	<u>\$ 279,154,494</u>	<u>\$ 11,854,847</u>

# Minnesota Municipal Power Agency

## Notes to Financial Statements

December 31, 2020 and 2019

### Note 5: Power Acquisition Expense

Power acquisition expense consists primarily of power purchases, production fuel, and related expenses. The Agency sells substantially all of the power and energy produced by its generating facilities into the MISO market and purchases substantially all of its power and energy needs for sales to members and others from the MISO market. The Agency reports its purchases from and sales to MISO on a net basis. The components of power acquisition expense are as follows:

	<u>2020</u>	<u>2019</u>
Power purchases	\$ 28,957,645	\$ 32,140,181
Production fuel	<u>11,283,962</u>	<u>15,389,285</u>
Total power acquisition expense	<u>\$ 40,241,607</u>	<u>\$ 47,529,466</u>

### Note 6: Credit Facilities

The Agency entered into a \$20.0 million credit facility on May 1, 2016. The commitment fee is 0.50% per annum; interest on outstanding balances is tied to LIBOR. The facility was renewed on May 1, 2019 and expires on May 6, 2022, and is secured by a pledge of the net revenues of the Agency. There were no amounts outstanding as of December 31, 2020 or 2019.

### Note 7: Risk Management

The Agency is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters.

The Agency participates in a public entity risk pool related to public officials' liability. The Agency has a \$60,000 deductible per occurrence, with a \$200,000 annual maximum deductible for its liability coverage. The Agency also purchases municipal automobile coverage from the same public entity risk pool with a \$1,000 deductible per occurrence.

The public entity risk pool has purchased a reinsurance policy to guard against excessive losses.

The Agency also carries commercial insurance for its risks of property loss, business interruption, and general liability. The Agency's property loss has varying deductibles based on the equipment insured that range from \$250,000 to \$1,500,000. The Agency's business interruption insurance has a 60 day deductible.

The Agency also has an umbrella policy related to its municipal automobile insurance and general liability insurance.

Settled claims have not exceeded insurance coverage in any of the past three years for any of the Agency's insurance policies.

**Minnesota Municipal Power Agency**  
**Notes to Financial Statements**  
**December 31, 2020 and 2019**

**Note 8: Contingencies**

The Agency is a party to various contracts for the sale, purchase, and transmission of power. In the ordinary course of business, contractual disputes sometimes occur between the Agency and its counterparties. The Agency does not expect the outcome of any existing dispute resolution proceedings to have a material adverse impact on financial position, results of operations, or cash flows.

The Agency is a market participant in the MISO “Day 2” electricity markets. MISO does not provide final settlement results for a trading day until 105 days after a trading day. The financial statements reflect the Agency’s best estimates of final settlement results since the commencement of “Day 2” electricity markets on April 1, 2005.

**Note 9: Concentrations**

***Major Customers***

Sales to four customers were approximately 77% and 76% of total operating revenues for the years ended December 31, 2020 and 2019, respectively. Approximately 73% of total accounts receivable were owed from four customers at December 31, 2020 and 2019.

**Note 10: Subsequent Events**

During February 2021, a polar vortex resulted in persistent and extreme cold weather that covered most of the United States, including the MISO region. This weather event led to an increase in energy demand while some generating facilities faced fuel-supply issues and equipment failures that stressed the bulk electric system. As a result of these factors, the market experienced extreme price volatility for utilities buying or selling energy during this weather event. During this period, the Agency incurred some higher than anticipated costs to provide energy to its members, and intends to utilize approximately \$4.4 million from its rate stabilization fund to help mitigate the impact of these additional costs.



**CEMETERY COMMITTEE  
MEETING MINUTES  
OCTOBER 26<sup>th</sup> 2020**

**1. CALL TO ORDER AND ROLL CALL**

THE MEETING WAS CALLED TO ORDER AT 6:02PM

MEMBERS PRESENT

Dennis VAN MOORLEHEM  
Laura WARD  
Morris MESENBRING  
Lyle RUD  
Rick AMRHEIN  
Jeanne BEARSON  
Jennifer NUESSE

MEMBERS ABSENT

None

STAFF PRESENT

Tim SCANLON-JOHNSON  
Amy NEWSOM

GUESTS PRESENT

Mayor Rich NAGEL

**2. APPROVAL OF THE AGENDA**

APPROVAL BY CONSENSUS

**3. APPROVAL OF PAST MEETING MINUTES**

- a. JULY 27<sup>th</sup>, 2020

MOTION by RUD to APPROVE THE MINUTES FROM JULY 27<sup>th</sup>, 2020  
SECOND by WARD  
MOTION CARRIED

**4. NEW BUSINESS**

- a. DISCUSSION ON CEMETERY CHARGES AND FEES  
i. PLOT PRICES  
ii. NICHE PRICES

Staff provided Cemetery Committee members a spreadsheet that compared the pricing of Arlington's

Public Cemetery to that of other municipal cemeteries in communities of a similar size in the surrounding region and in Minnesota.

Arlington is one of the least expensive municipal cemeteries to purchase a burial plot. Cemetery Committee members discussed the costs associated with burial and the maintenance of the graves in perpetuity in the Public Cemetery and expressed concern that the costs are not covered by the current rates charged for plots.

Committee members asked to see more information about the number of lots sold in a year, the process of assignment of a plot, excavation, maintenance, etc at the next meeting to better understand the status of the cemetery, as well as the process and the staff time spent.

MOTION by MESENBRING to RAISE THE COST OF A BURIAL PLOT TO \$400 FOR RESIDENTS AND TO \$600 FOR NON-RESIDENTS  
SECOND by WARD  
MOTION CARRIED

Committee members asked staff to look into the possibility of assigning a one-time burial surcharge at the time of burial that is separate from the purchase of a plot in order to cover staff time to prepare the gravesite.

Further discussion of Columbaria costs ensued and Committee members requested that Columbaria pricing be put on the Agenda for the next meeting to take further action.

Urn placement was discussed by the Committee members, and the reason behind "non-regular business hours" urn placement was questioned.

MOTION by WARD to CONSOLIDATE "URN PLACEMENT" TO A SINGLE PRICE OF \$150 AND TO REMOVE "NON-REGULAR BUSINESS HOURS" AS A CATEGORY  
SECOND by MESENBRING  
MOTION CARRIED

## **5. OTHER/UPDATES**

SCANLON-JOHNSON updated the Cemetery Committee on the status of the mapping project, and informed the Committee members that the expensive software that a former staff member had introduced to them was no longer being pursued due to its high costs and low practicality.

SCANLON-JOHNSON informed the Committee members that the use of Esri's ArcGIS software to create a custom map for a much lower price will a relatively simple project, but that the entry of the historic records into the map is what will be difficult.

MOTION by WARD to DIRECT SCANLON-JOHNSON TO USE ARCGIS TO CREATE A MAP OF THE CEMETERY  
SECOND by MESENBRING  
MOTION CARRIED

Cemetery Committee members also expressed interest in finding a volunteer force to enter the historic data into the eventual map, and interest in donating the old cemetery records to the Arlington Historical Society for safekeeping.

## **6. ADJOURNMENT**

MOTION by MESENBRING to ADJOURN  
SECOND by WARD  
MOTION CARRIED

THE MEETING ADJOURNED AT 6:52PM



**PARK BOARD  
MEETING MINUTES  
OCTOBER 26<sup>th</sup> 2020**

**1. CALL TO ORDER AND ROLL CALL**

THE MEETING WAS CALLED TO ORDER AT 7:05PM

MEMBERS PRESENT

Alan IHRKE  
Jerry EBERSVILLER  
Robert THOMES  
Karan PICHELMANN  
Councilmember Rick AMRHEIN  
Michael CHRISTESON

MEMBERS ABSENT

Gary HULTGREN

STAFF PRESENT

Tim SCANLON-JOHNSON  
Amy NEWSOM

GUESTS

Mayor Rich NAGEL

**2. APPROVAL OF THE AGENDA**

MOTION by PICHELMANN  
SECOND by EBERSVILLER  
MOTION CARRIED

**3. APPROVAL OF PAST MEETING MINUTES**

a. JULY 27<sup>th</sup>, 2020

MOTION by THOMES to APPROVE THE MINUTES FROM JULY 27<sup>th</sup>, 2020 WITH THE  
APPROPRIATE CORRECTIONS  
SECOND by EBERSVILLER  
MOTION CARRIED

**4. PARKS UPDATES**

a. MEMORIAL PARK UPDATE

i. UPDATE ON BENCHES FOR THE GAZEBO

WECKWORTH informed the Board that the bench for the gazebo is at the shop just waiting to be installed, Hopefully will find the time to get it done.

b. SPORTSMAN'S PARK UPDATE

i. PARK SIGN UPDATE, DRINKING FOUNTAIN UPDATE

THOMES informed the Board did not get a hold of Locker Brothers about the sign. Future time will be dealing with the drinking fountain.

c. FOUR SEASONS PARK / LIONS CENTER UPDATE

i. GUTTER INSTALLATION ON LIONS BUILDINGS

WECKWORTH indicated that gutters were installed on the Lions Building at a cost of \$1800

d. OTHER PARKS UPDATES

WECKWORTH informed the Board that patchwork of the road entering Four Seasons Park was done at a cost of \$3900, should get along with this for while.

**5. NEW BUSINESS**

a. DISCUSSION OF POTENTIAL NEW DOG PARK

- i. COMMITTEE MEMBERS FEEDBACK ON LOCATION AND DESIGN GOALS FOR A NEW DOG PARK IN THE CITY OF ARLINGTON
- ii. GRANT SEARCH AND FUNDING UPDATE

Park Board members voiced their opinions on this issue. Agreed that the location was ok, but still some concerns. Board has no money for this and it would have to come from grants to make this dog park happen regarding more fencing, etc. Under what Board or Committee would this dog park fall under was discussed.

b. DISCUSSION OF POTENTIAL HIGH ISLAND CREEK PARK

- i. COMMITTEE MEMBER FEEDBACK ON A PRELIMINARY CONCEPT PLAN FOR A HIGH ISLAND CREEK PARK
- ii. GRANT SEARCH AND FUNDING UPDATE

IHRKE indicated that in order to do another park in town, the money would have to come from grants, the Park Board does not have this kind of money to establish a new park. THOMES questioned if some of the area looking at is in the low land, this should be considered also. Board agreed that it will take time to get this item a true venture.

c. DISCUSSION OF PARKS COMMITTEE GOALS FOR 2021

Board members discussed some goals and will come up with a list to affirm at the first Park Board meeting of 2021.

**6. OTHER/UPDATES**

Trying to replace the lawn mowers every 6 years, purchased one this year. Split the cost between Park Board and Cemetery Committee.

## 7. ADJOURNMENT

MOTION by THOMES to ADJOURN  
SECOND by EBERSVILLER  
MOTION CARRIED

THE MEETING ADJOURNED AT 8:00PM



**Memo**

**To: Amy Newsom, Arlington City Administrator**  
**From: Brigid Tuck, senior economic impact analyst & Neil Linscheid, Extension educator**  
**Date: April 23, 2021**

**Re: Economic impact of development efforts**

Under its commercial lots policy, the City of Arlington is in the process of selling a parcel of land to a local business owner. The city has owned the 14-acre parcel under consideration since 1998. Of the 14 acres, eight are tillable. Historically, the city rented the tillable land to a local farmer. In the past, the farmer planted corn or soybeans. The most current renter has plans to switch to sorghum as a feed source for animals.

Following the sale, the business owner would relocate and expand his excavating service company to the property. To do this, the new owner would bring 5 jobs to Arlington and construct a new building valued at an estimated \$290,200.

Any transaction such as this creates economic trade-offs. The City of Arlington is selling a piece of property. The property has value as an asset. In return, the City of Arlington receives the proceeds of the sales. It also gains business development, which has value in the community. As decisions are made, it is always helpful to understand the trade-offs and the economic value.

At your request, Extension quantified the value of several key economic metrics under two scenarios. In scenario one, the land continues to be rented to the farmer and is planted in sorghum. In scenario two, the land is sold and an industrial business is operated on the property. The goal here is to show the differences in terms of both community-wide and city-specific impacts. We calculated the impacts as estimates based on information about the situation provided to us by the City of Arlington.<sup>1</sup>

**Scenario One: Farm Land with Sorghum**

In scenario one, we assumed eight acres would be planted in sorghum. Nationally, sorghum prices were \$4.70 in 2020 and yields averaged 73 bushels per acre.<sup>2</sup> Thus, on the eight tillable acres, the value of production would be \$2,740. Given the small scale of the site, only one person would be required to farm the land. Since the city owns the land, and although it is currently valued at \$81,000, the property tax generated on the land is essentially \$0.<sup>3</sup> However, the farmer does pay rent of \$200 per acre, for annual revenue of \$1,600. This is the current direct effect of the property (Table 1).

We know, however, that businesses have indirect, or ripple effects in our communities. Many farmers, for example, buy their seed, fertilizer, and other key inputs from local dealers. Their purchases generate economic impact by spurring the suppliers to produce more to serve the farmer. In the same way, employees generate economic activity when they spend their paychecks in the local economy.

<sup>1</sup> Neither the farmer involved nor the business owner provided us with details specific to their operation. These are estimates calculated as detailed.

<sup>2</sup> We used national figures, as not enough sorghum is produced in Minnesota to get data specific to our state. Yields and prices were sourced from <https://brownfieldagnews.com/news/sorghum-production-rises-to-meet-demand/>

<sup>3</sup> Since the land is rented, the city does pay taxes. However, the net effect is \$0, since the city is paying itself.

These impacts are community-wide impacts, as they are jobs and economic activity created across businesses in the economy. We used the input-output model, IMPLAN, to measure these ripple effects.<sup>4</sup>

In scenario one, the farmer's direct spending generates an estimated total of \$3,340 in economic activity. This means businesses other than the farm benefit by about \$600 due to the operation. Given the relative small amount, there are essentially no other jobs supported.

In terms of city-specific impacts, the City of Arlington currently receives \$1,600 in land rent payments. Spending by the farmer generates an estimated \$11 of other state/local taxes.

**Table 1: Comparison of Economic Metrics**

	Scenario 1: Farm Land	Scenario 2: Industrial Business
<b>Direct Effect</b>		
Business Activity	\$2,740	\$878,600
Business Employment	1	5
<b>Community-wide Impact</b>		
Total Business Activity	\$3,340	\$1,096,900
Indirect Activity at Local Businesses	\$600	\$218,300
Total Business Employment	1	7
<b>City-specific Impact</b>		
Estimated Market Value	\$81,000	\$371,200
Estimated city property tax change	\$0	\$13,330
Other annual revenue	\$1,600	\$0
All state/local taxes	\$11	\$30,805

### Scenario Two: Industrial Business

In scenario two, the business owner takes ownership of the land, erects a new building, and expands his business into Arlington. Using state and national averages for similar businesses, we estimate the new business would create \$878,600 in direct economic activity annually. The owner has pledged five jobs with the project. Under this scenario, the estimated market value of the land would increase to \$371,200. This includes the value of the land at \$81,000 and the value of a new building.<sup>5</sup>

In total, our model estimates the business would generate an estimated \$1.1 million in annual economic activity in the county. Beyond the new business itself, other businesses would see an increase in activity of \$218,300. There would be an estimated two additional jobs that would be supported due to the new business, for a total of 7 jobs.

While the city would no longer receive rental income, property tax collections would increase. According to the Minnesota Department of Revenue, Arlington's effective tax rate on industrial businesses in 2020 was 3.59 percent. Therefore, the property would generate \$13,300 in city property taxes annually.

In addition, the business, its employees, and suppliers would pay an estimated \$30,805 annually in other state and local taxes. This includes income and sales taxes, in addition to county and school district property taxes.

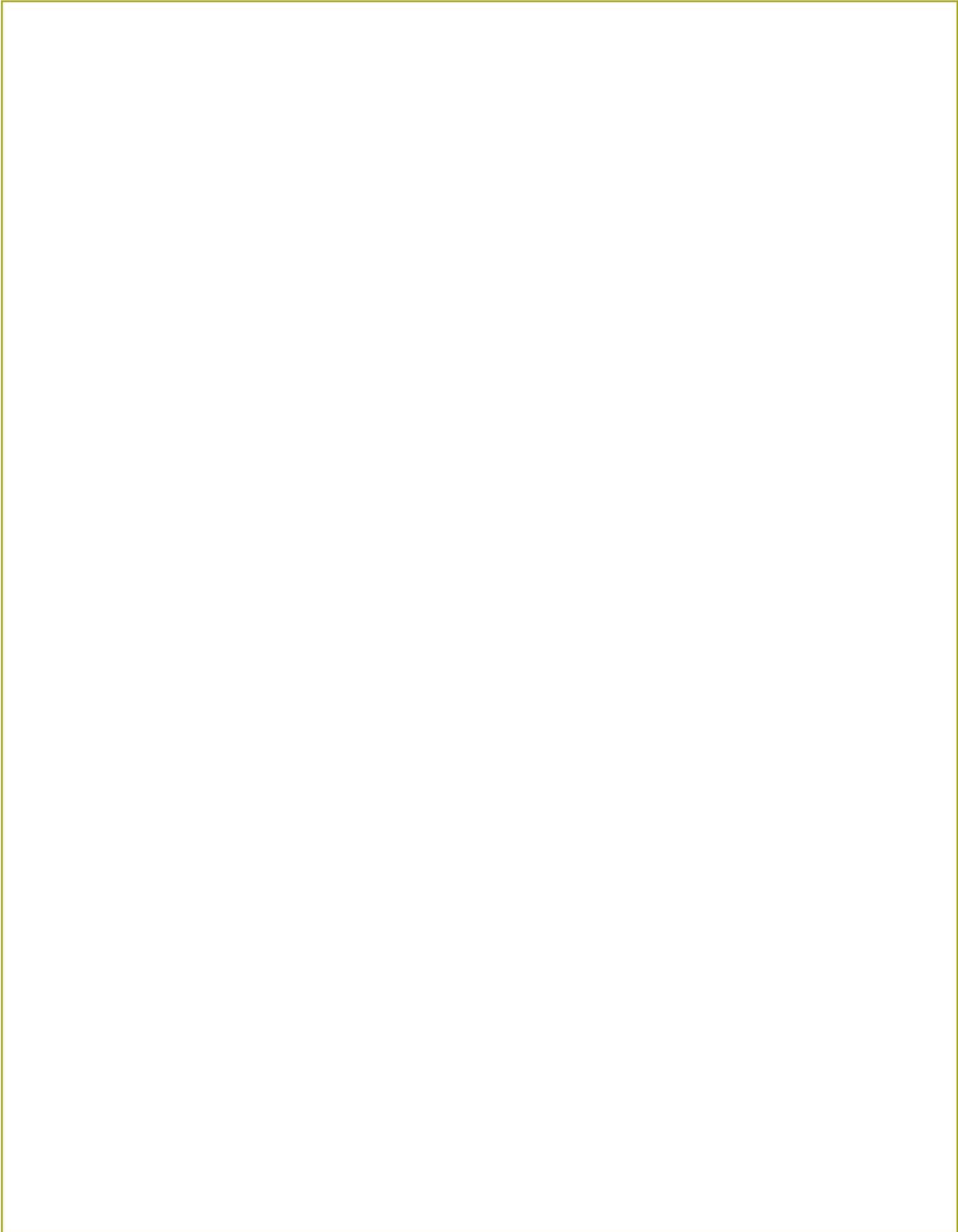
<sup>4</sup> Input-output models are commonly used for economic impact analysis. The models capture the flow of goods and services in an economy. Once the flow is quantified, the model can show how a change in one sector of the economy effects other sectors.

<sup>5</sup> The City of Arlington provided us with an estimate of the value of the new building.

## Notes on the Analysis

These two scenarios compare and contrast annual operational impacts, since the question raised was around the value of holding the land versus selling it. However, there will also be short-term impacts associated with this project. The business owner, for example, will be paying the city for building permits and other fees. There likely will be costs to extend utilities to the site. Finally, the construction of the building itself will create economic activity as construction crews work on the site. Since these are essentially one-time impacts, we did not quantify them.

Finally, our input-output model is for Sibley County. This is the smallest geography we can use and be reliable in our estimates. By and large, the impacts described here will be in Arlington, as the city is the location of the initial impact.





# MIDWEST LUMBER

P.O. BOX 800 • STILLWATER, MN 55082  
TEL: 651-439-5051 • FAX: 651-439-5446  
TOLL FREE: 1-800-862-6003



ESLP Boards

ESLP Paneling

Log Siding

Furring Strips

KD Cedar Decking

Cedar Siding

Cedar Paneling

Prefinished Paneling

IPE Decking

Shakes/Shingles

Doug Fir Flooring

Alder Paneling

Aspen Plywood

Cedar Valley

LP SmartSide

LP SmartTrim

Trex Decking

Trex Railing

Royal PVC Trim

Mplead Power  
2-50-55' long telephone Poles  
will set After Siren are Installed  
on them.

\$ 2,600.00

Federal Signal Corporation  
See Quote 3321108

\$ 22,650.00 for Both.

Ready Watt  
Electric

\$ 11,610.00 for Both

See quote # 21-404

36,860.00 Both

+ 2

\$ 18,430.00 each

\*  
Need to add electrician  
to power up. Existing power  
is there.

490  
560  

---

1050

36860  

---

\$37,910

Check out our website at [www.midwestlumberinc.com](http://www.midwestlumberinc.com)



# Arlington, Minnesota

## SoundPLAN Map

MARCH 4, 2021

Submittal By:



**FEDERAL SIGNAL**  
Safety and Security Systems  
*Protecting people and our planet*

**2645 Federal Signal Drive**  
**University Park, Illinois 60484**  
**708-534-3400**

## SOUND PROPAGATION MODEL

Federal Signal Corporation utilized 'SoundPLAN', an internationally recognized noise modeling software, to estimate the Siren sound level. The SoundPLAN model is based on the International Standardization ISO 9613 and takes into account physical effects including geometrical divergence, atmospheric absorption, ground effect, reflection from surfaces, and screening by obstacles.

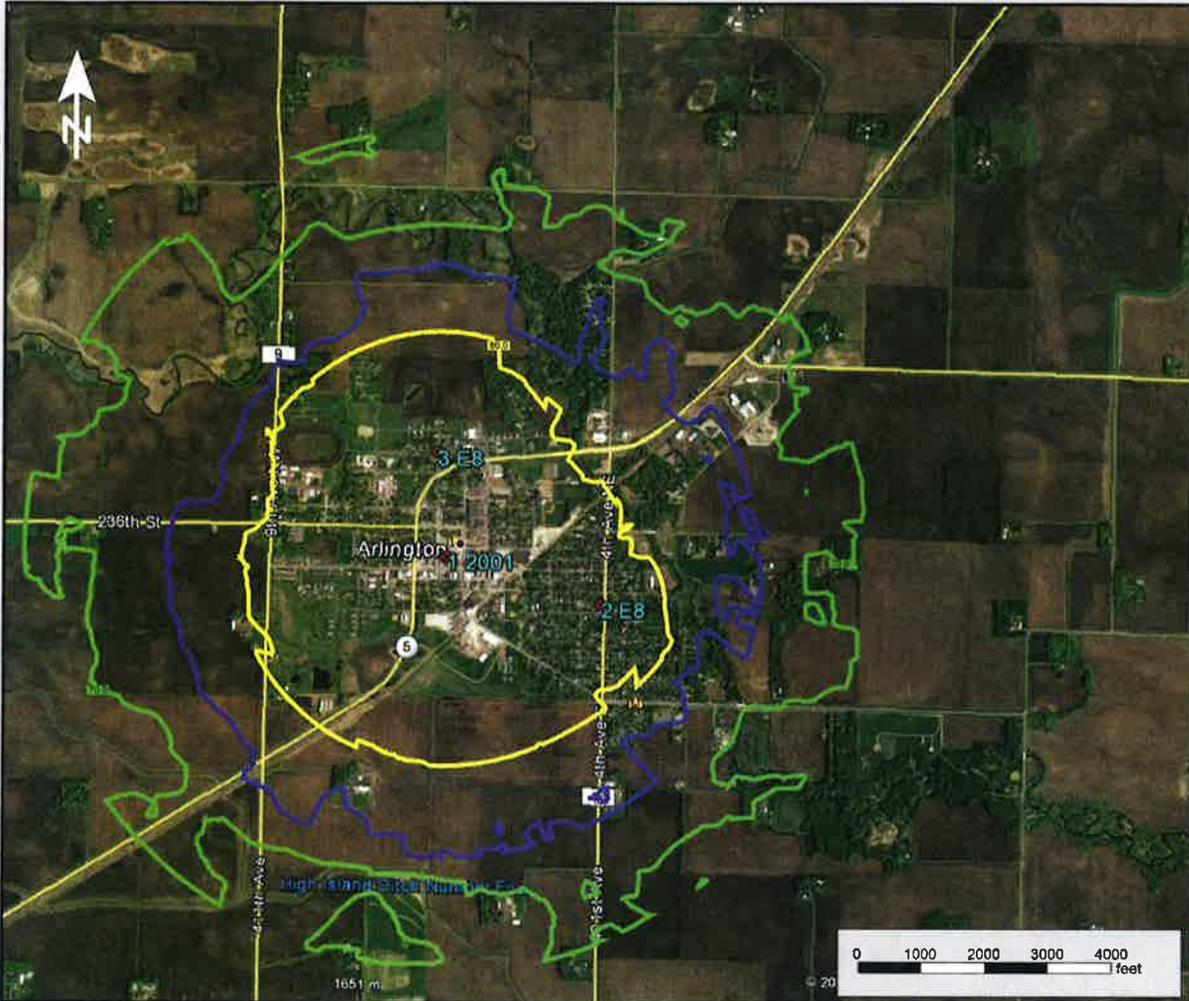
The environmental conditions applied in this noise model are based on the summertime daily averages for the area in interest include:

- Humidity 74.50 %
- Air Pressure 1013.70 mbar
- Temperature 63.00°F

Siren data for this noise model includes:

Siren	Type	Latitude	Longitude	Height
1	2001-128	44°36'28.05"N	94° 4'52.52"W	45 ft
2	Eclipse 8	44°36'21"N	94° 4'19"W	45 ft
3	Eclipse 8	44°36'44"N	94° 4'55"W	45 ft

**Note:** The technical specifications on the enclosed document are only estimates. This correspondence may contain confidential information intended for the use of the individual. If the reader of this is not the intended recipient, or the employee or agent responsible to deliver it to the intended recipient, you are hereby notified that any dissemination, distribution or copying is strictly prohibited without written authorization from Federal Signal Corporation. Maps are generated by computer simulator which are approximate anticipated coverage for outdoor sirens, that are based on a variety of factors, and do not guarantee coverage.



Arlington MN  
 Acoustic Analysis  
 ISO9613-2  
 MAP 002

**Lmax**  
 in dB(C)

- = 80
- = 75
- = 70



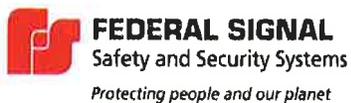
## MISSION STATEMENT

We **serve** organizations that rely on critical communication solutions to connect and inform their employees, partners, customers, and stakeholders during emergency and routine operations.

We **listen** to customers and imagine ways to help them address emerging needs.

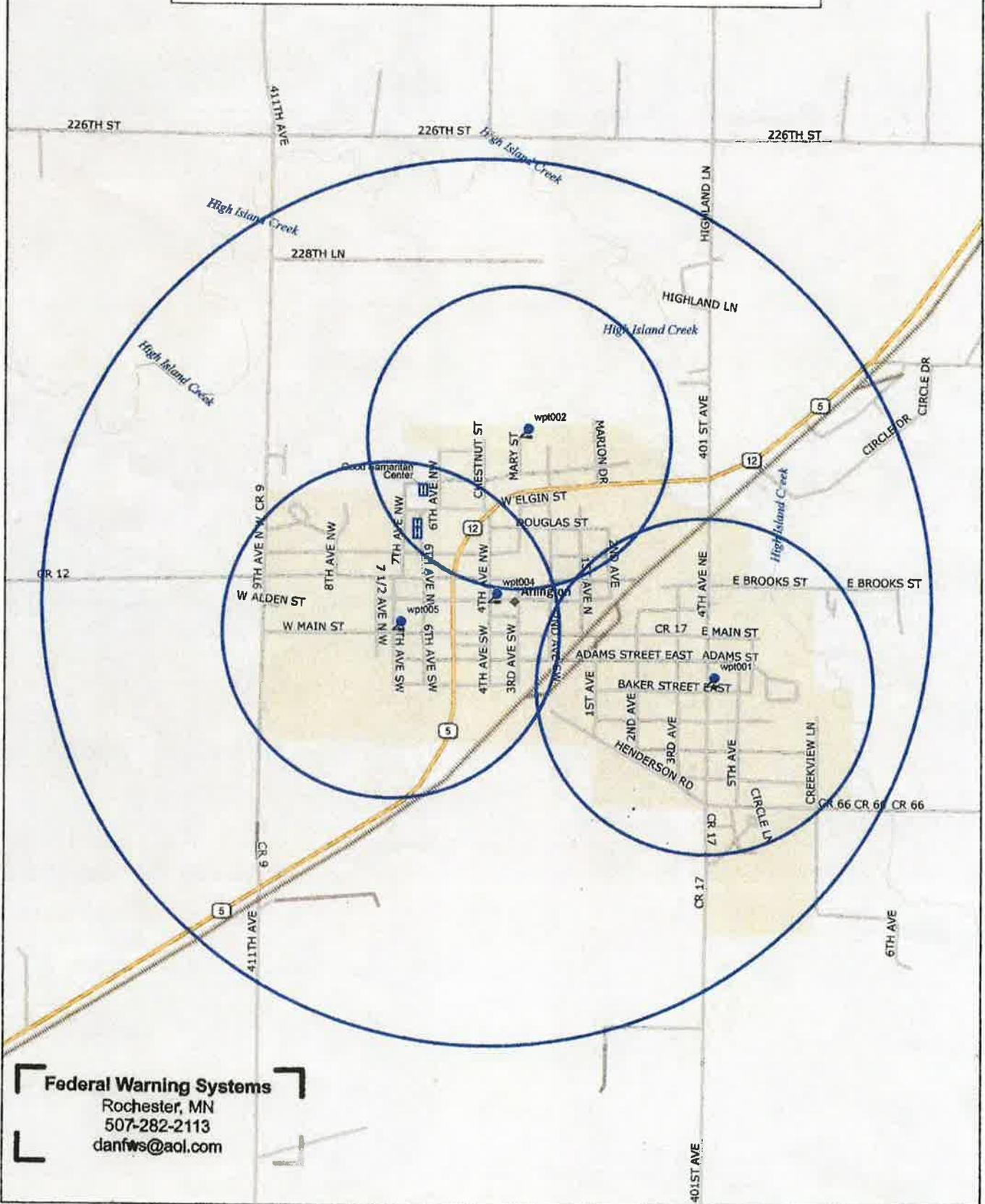
We **create** innovative solutions drawing upon the knowledge and talent of our employees, a rich portfolio of products and services, and our ability to blend these effectively with the most useful technologies, products and organizations found outside our walls.

We **deliver** consistent, profitable growth, enhanced earnings and cash flow for our stakeholders.



**2645 Federal Signal Drive**  
**University Park, Illinois 60484**  
**708-534-3400**

# ARLINGTON EXISTING SIREN SYSTEM

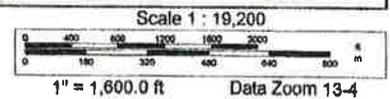


**Federal Warning Systems**  
 Rochester, MN  
 507-282-2113  
 danfws@aol.com

Data use subject to license.

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www.delorme.com



# Ready Watt ELECTRIC

21269 Jarvis Street NW  
 Nowthen, MN 55330  
 PH: 763-241-4944  
 Fax: 763-241-5245  
 www.readywattelectric.com  
 RSchiller@readywattelectric.com

## Estimate

Date	Estimate #
4/23/2021	21-404

Name / Address	
City of Arlington 312 W Aldien Street Arlington, MN 55307 Attention: Tim Haggemiller	
Project	
21-404 Replace Weather Siren	
Description	
<p>Install owners FWS DC Siren, radio battery box, antenna on wood pole.</p> <p>Wood pole supplied and set by owner pole to be horizontal on ground.</p> <p>Ready Watt Electric will supply and or install batteries, electric material, electric permit, start up, labor, work with Power Company.</p> <p>To woodpecker proof pole add \$920.00</p> <p>Price does not include Power Co charges, snow removal, restoration, un-augarable soil conditions if any. If augured soil is not usable to tamp pole customer to supply.</p> <p>If there are any additional questions please call me.          Bob Schiller 612-282-4840          Over 45 years of Civil Defense Siren experience, installation, maintenance, and consulting.</p>	
We look forward to doing business with you. Rob Schiller 612-221-4983	<b>Total</b> \$5,805.00

**ACCEPTANCE OF PROPSAL**

(must be signed and returned for work to begin)

NOTE: This proposal may be withdrawn by Ready Watt Electric if not accepted with in 15 days.

The above prices, specifications and conditions are satisfactory and are herby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

**Signature** \_\_\_\_\_



**QUOTATION**  
**FEDERAL SIGNAL CORPORATION**  
**Federal Warning Systems**

Quotation No.: FWS **3321108**  
 Reference on your order

Name City of Arlington  
 Co. Name Tim Haggemiller  
 Address 312 West Alden Street  
 City, State, Zip Arlington, MN 55307  
 Phone # 507-381-1463  
 E-Mail. tim@hlinc.net



Date 3/3/2021  
 Reference DC Siren

CUSTOMER COPY  
 SALESPERSON COPY  
 OFFICE COPY

Item No.	Qty.	Federal Model/Part No.	Description	Net Cost Each	Total Cost
1	1	ECLIPSE 8	115 db Omnidirectional Mechanical Siren		\$5,175.00
2	1	DCFCBH	DC Control/Battery Cabinet/Charger/Two		5,250.00
3			48VDC Contactors/VHF Narrowband		
4			Receiver/NEMA Aluminum Cabinets		
5	1	RP164	Ground Plane Antenna		150.00
6	1	10A3	25 ft Coaxial Cable/PL259 Connectors		200.00
7	1	AMB-RP164	Antenna Mounting Bracket		50.00
8	1	MISC.	Shipping from Factory		500.00
9	1	TOTAL	Equipment & Shipping		\$11,325.00
10					
11					
12			<i>*Does not include installation on 50' Class 2</i>		
13			<i>Wood Pole with 4 Deep Cycle Batteries</i>		
14					
15					
16					
17					
18					
19					
20					

Prices are firm for 30 days from the date of quotation unless shown otherwise. Upon acceptance, prices are firm for 90 (days / months). This quotation is expressly subject to acceptance by Buyer of all Terms stated on the reverse side hereof, and any exception to or modification of such Terms shall not be binding on Seller unless expressly accepted in writing by an authorized agent or Officer of Seller. Any order submitted to Seller on the basis set forth above, in whole or in part, shall constitute an acceptance by Buyer of the Terms on this and the reverse side hereof. Any such order shall be subject to acceptance by Seller in its discretion. If the total price for the items set forth above exceeds \$50,000 then this quotation IS ONLY VALID if countersigned below by a Regional Manager of the Signal Division, Federal Signal Corporation.

F.O.B. University Park, IL

EST. DEL. WT. \_\_\_\_\_

DELIVERY 6 - 8 Weeks (ARO)

TERMS Equipment: Net 30 Days Upon Shipment

FREIGHT TERMS See Line Item Above

BY: [Signature]  
 FWS Sales Representative

ADDRESS: Federal Warning Systems, Inc.  
2070 Hart Drive SW  
Rochester, MN 55902

BY: \_\_\_\_\_  
 Federal Signal / Countersigned

TITLE: \_\_\_\_\_

*Bds Leah Watt*

Purchase order MUST be made out to:  
 Federal Signal Corporation, Federal Warning Systems, 2645 Federal Signal Drive, University Park, IL 60484

NUESSMEIER ELECTRIC, INC.  
 1427 N COMMERCE ST  
 LE SUEUR MN 56058  
 Phone: (507) 665-3781 Fax: (507) 665-6313

**PROPOSAL**

<b>PROPOSAL #</b>	7040	<b>PAGE</b>	1
<b>DATE</b>	04/29/2021		
<b>DESC</b>	Wire new siren south side of city.		
<b>LOC</b>	ARLINGTON MN 55307		
<b>CONTACT</b>	Tim Haggenmiller		
<b>PHONE</b>			

<b>CUSTOMER</b>
CITY OF ARLINGTON 204 SHAMROCK DR ARLINGTON MN 55307

WE PROPOSE TO PROVIDE NECESSARY LABOR, MATERIAL, AND STATE INSPECTION FEES TO COMPLETE THE FOLLOWING:

1. Furnish and install new disconnect.
2. Run new conduit down to new disconnect from over head feeders.
3. Run conduit from new disconnect to control panel and install one 20amp circuit.
4. Ground new service and make all connections.

490.00

\*\* Requested by Tim Haggenmiller \*\*

\* Quoted by Kent \*

We Propose hereby to furnish material and labor - complete in accordance with these specifications for the sum of: **\$490.00**  
 Four Hundred Ninety Dollars And 00 Cents

**Payable as follows:**  
 AS PER INVOICE. NET 15 DAYS  
 LATE FEE 18% ANNUM

**Authorized Signature:** ..... **Date:** .....

**Note:** This Proposal may be withdrawn by us if not accepted within 30 Days

All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from above specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays are beyond our control. Owner to carry fire, tornado, and other necessary insurance. Our workers are fully covered by Workman's Compensation Insurance.

IF YOU ACCEPT THIS PROPOSAL, PLEASE SIGN BOTH COPIES. RETAIN ONE COPY FOR YOUR RECORDS AND RETURN THE OTHER COPY TO NUSSMEIER ELECTRIC.

**ACCEPTANCE OF PROPOSAL -** The Prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

**Signature:** ..... **Date:** .....

NUSSMEIER ELECTRIC, INC.  
 1427 N COMMERCE ST  
 LE SUEUR MN 56058  
 Phone: (507) 665-3781 Fax: (507) 665-6313

**PROPOSAL**

<b>PROPOSAL #</b>	7042	<b>PAGE</b>	1
<b>DATE</b>	04/29/2021		
<b>DESC</b>	Wire new siren north side of city.		
<b>LOC</b>	ARLINGTON MN 55307		
<b>CONTACT</b>	Tim Haggemiller		
<b>PHONE</b>			

<b>CUSTOMER</b>
CITY OF ARLINGTON 204 SHAMROCK DR ARLINGTON MN 55307

WE PROPOSE TO PROVIDE NECESSARY LABOR, MATERIAL, AND STATE INSPECTION FEES TO COMPLETE THE FOLLOWING:

1. Furnish and install new disconnect with one 20amp breaker.
2. Install rigid conduit up to bottom of disconnect.
3. Splice underground feeders and run into new disconnect.
4. Run conduit from disconnect to control panel and install one 20amp circuit.
5. Ground new service and make all connections.

560.00

\*\* Requested by Tim Haggemiller \*\*

\* Quoted by Kent \*

We Propose hereby to furnish material and labor - complete in accordance with these specifications for the sum of: **\$560.00**  
 Five Hundred Sixty Dollars And 00 Cents

**Payable as follows:**  
 AS PER INVOICE. NET 15 DAYS  
 LATE FEE 18% ANNUM

**Authorized Signature:** ..... **Date:** .....

**Note:** This Proposal may be withdrawn by us if not accepted within 30 Days

All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from above specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays are beyond our control. Owner to carry fire, tornado, and other necessary insurance. Our workers are fully covered by Workman's Compensation Insurance.

IF YOU ACCEPT THIS PROPOSAL, PLEASE SIGN BOTH COPIES. RETAIN ONE COPY FOR YOUR RECORDS AND RETURN THE OTHER COPY TO NUSSMEIER ELECTRIC.

**ACCEPTANCE OF PROPOSAL -** The Prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

**Signature:** ..... **Date:** .....

# Proposal

## HANSON & VASEK CONSTRUCTION, INC.

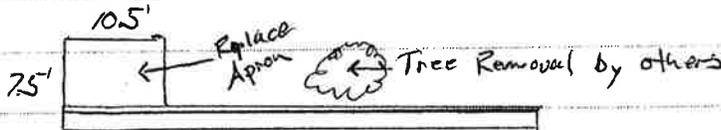
Sidewalks, Curbs & Gutters and Driveways  
P.O. BOX 353 1040 ADAMS ST. S.E.  
HUTCHINSON, MINNESOTA 55350  
(320) 587-2475 Fax (320) 587-8875

PROPOSAL SUBMITTED TO <i>City of Arlington/Kirby Westwater</i>		PHONE <i>507-380-6546</i>	DATE <i>4-5-2021</i>
STREET <i>204 Shamrock Drive</i>		JOB NAME <i>Curb + gutter replacement</i>	
CITY, STATE and ZIP CODE <i>Arlington, MN 55307</i>		JOB LOCATION <i>Various Locations</i>	
ARCHITECT	DATE OF PLANS	JOB PHONE	

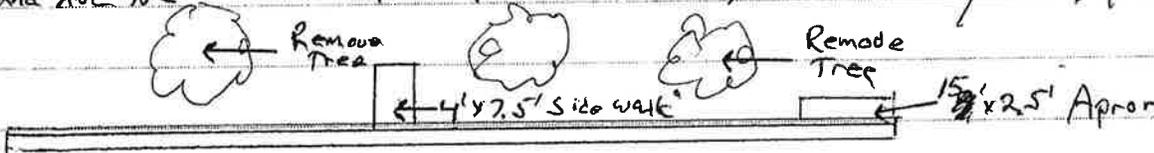
We hereby submit specifications and estimates for:

*504 East Elmwood Remove + Replace 50' curb + gutter \$2500.00 curb*

*114 Adams street Remove + Replace 53' curb + gutter and 75x10.5 Apron \$2500.00 curb  
\$1200.00 Apron*



*105 2nd Ave NE Remove + Replace 98' curb + Gutter / 4'x 7.5' Sidewalk / 9x2.5' Apron \$4000.00 curb  
\$1200.00 Apron*



*511 W. Brooks ST Remove + Replace 33' CURB + GUTTER \$1650.00  
Veterans Park Remove + Replace 4' curb + Gutter \$300.00 curb*

*Does not Include Backfilling, Bituminous patching, tree Removal*

We Propose hereby to furnish material and labor — complete in accordance with above specifications, for the sum of:

*Total 5 Areas* dollars (\$ ~~15,000.00~~ )

Payment to be made as follows:

*\$15,150.00*

All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from above specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire, tornado and other necessary insurance. Our workers are fully covered by Workman's Compensation Insurance.

Authorized Signature

Note: This proposal may be withdrawn by us if not accepted within *60* days.

**Acceptance of Proposal**—The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

Signature \_\_\_\_\_

# D.J. Siehndel Const.



(Concrete flatwork, sidewalks and driveways, slope paving, and curb and gutter)

• 210 S. Elmwood Ave. Le Sueur, MN 56058  
 PHONE: 507-665-2619 FAX: 507-665-2619

## JOB PROPOSAL

City of Arlington Concrete Removal & Replacement  
 Various Locations

DATE	4-22-2021
JOB NAME	
JOB NO.	
LOCATION	Arlington

ITEM #	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	AMOUNT
1.	Saw & Remove Curb & Gutter	222	LF	3.41	757.02
2.	Saw & Remove Conc. Wall	30	Sqft	1.81	54.30
3.	Saw & Remove Conc. Day Pav.	116.25	Sqft	3.17	368.51
4.	Saw & Remove Blacktop	222	Sqft	3.45	765.90
5.	Replace Curb & Gutter	244	LF	41.80	10,199.20
6.	Replace 6" Conc. Day Pav.	116.25	Sqft	19.78	2,299.43
7.	Replace 4" Concrete Walk	30	Sqft	13.20	396.00
8.	Mobilization	1	LS	400.00	400.00
*	City of Arlington Hauls Away Bad Concrete We will Load onto truck				
*	City of Arlington provides Spd Fill of Gravel where needed				
*	Backfilling by City of Arlington				
*	Blacktop patching by City of Arlington				
TOTAL OF PROJECT					\$15,240.36

ALL QUANTITIES ARE APPROXIMATE AND FINAL QUANTITIES BASED ON ACTUAL FIELD MEASUREMENTS.

### ITEMS INCLUDED OR OTHERWISE NOTED

- ~~\_\_\_\_\_ SHARE OF BOND~~
- ~~\_\_\_\_\_ ADJUST BATCH BASINS~~
- ~~\_\_\_\_\_ FINE GRADE FOR SIDEWALKS~~
- ~~\_\_\_\_\_ GRAVEL BY GENERAL.~~

### ITEMS NOT INCLUDED

- ~~\_\_\_\_\_ CURB EXCAVATED TO +0.2~~
- ~~\_\_\_\_\_ BACKFILLING~~
- ~~\_\_\_\_\_ FURNISH CASTINGS & ADJ. RINGS~~
- ~~\_\_\_\_\_ SEALING CURB JOINTS~~

## **Executive Summary**

I'm presenting this proposal to highlight the need for the retention of our current Ambulance staff and create employment appeal, for the Arlington Area Ambulance. By changing the current terminology and increasing the on-call wages for the part-time staff, we will not only meet the need for consistent BLS/ALS coverage, but also give our current on-call staff, regional competitive pay. We aim to retain those who are currently with the ambulance service, long term, which will ensure the success of both the employees and the Arlington Area Ambulance.

In terms of the budget, I would like to propose an increase in on call pay along with basic terminology changes to accompany this alteration. The fair and just compensation has always been attractive to new and existing staff. Considering the market conditions and the current status of our budget, I feel this would be a great benefit and financial opportunity for current staff and for the City of Arlington.

## **Needs Assessment**

Our goal is to maintain competitive, in a market that is suffering greatly. Many ambulance services like ours is finding themselves on hard times regarding staffing issues, inability to maintain a working service due to financial issues and dwindling populations specifically in rural areas.

I've had many conversations with both the City Administrator and Ambulance staff regarding the options of retaining the wonderful staff we have and how we can obtain additional talent for our ambulance service. Many times, compensation, specifically competitive compensation would come up in conversations. I've done a comparison of other ambulance services that offer both BLS/ALS opportunities as we do. These are listed below.

Ambulance Service A	*1000+ calls a year with 911 & Hospital Transfers with 2+ truck coverage (both BLS/ALS coverage) Restricted Call \$10.00+/hour
Ambulance Service B	*800+ calls a year with 911 & Hospital Transfers with 2+ truck coverage (both BLS/ALS coverage) Restricted Call \$9.87+/hour
Ambulance Service C	*1000+ calls a year with 911 & Hospital Transfers with 5+ truck coverage (both BLS/ALS coverage) On Call \$2.50/hour (weekday) On Call \$3.50/hour (weekends)
Ambulance Service D	*300+ calls a year with 911 coverage and 1 truck (both BLS/ALS coverage) On Call \$2.50/hour
Ambulance Service E	*250+ calls a year with 911 & Hospital Transfers with 1 truck coverage Currently have paid staff during the day with additional on call staff at \$1.00/hour and a flat rate Per call depending on where they transport and length of transport.

## **Summary of changes**

Increase on call pay from current \$2.00/hour on call to \$6.25/hour on call pay.

Change terminology from "On Call" to "Restricted Call" due to the 8-minute, city required response time.

Allow Paramedics to sign up for "Restricted Call" and receive the \$6.25/hour pay to allow us to have ALS coverage outside of the 0600-1800 timeframe we currently have for Paramedic coverage.

## Cost

### Current Cost

EMR/EMT's get \$2.00/hour on call with a \$50 incentive per shift if the out-of-town employee stays at the base.  
Paramedics are not on call.

Total cost per week	\$264.00
Total cost per month with incentive pay	\$2856.00
Total cost per year with incentive pay	\$34272.00

### Proposed Cost

EMR/EMT/Paramedic on call \$6.25/hour on call with no incentive.

Total cost per week	\$825.00
Total cost per month	\$3300.00
Total cost per year	\$39600.00



Mayoral Proclamation  
City of Arlington, No. 2021 - 01

**EMS WEEK PROCLAMATION**

**To designate the Week of May 16 - 22, 2021, as Emergency Medical Services Week**

WHEREAS, emergency medical services is a vital public service; and

WHEREAS, the members of emergency medical services teams are ready to provide lifesaving care to those in need 24 hours a day, seven days a week; and

WHEREAS, access to quality emergency care dramatically improves the survival and recovery rate of those who experience sudden illness or injury; and

WHEREAS, emergency medical services has grown to fill a gap by providing important, out of hospital care, including preventative medicine, follow-up care, and access to telemedicine; and

WHEREAS, the emergency medical services system consists of first responders, emergency medical technicians, paramedics, emergency medical dispatchers, firefighters, police officers, educators, administrators, pre-hospital nurses, emergency nurses, emergency physicians, trained members of the public, and other out of hospital medical care providers; and

WHEREAS, the members of emergency medical services teams, whether career or volunteer, engage in thousands of hours of specialized training and continuing education to enhance their lifesaving skills; and

WHEREAS, it is appropriate to recognize the value and the accomplishments of emergency medical services providers by designating Emergency Medical Services Week; now

*THEREFORE, I Richard Nagel, Mayor of Arlington, MN, in recognition of this event do hereby proclaim the week of May 16-22, 2021, as*

**EMERGENCY MEDICAL SERVICES WEEK**

With the EMS Strong theme, ***THIS IS EMS: Caring for Our Communities***, I encourage the community to observe this week with appropriate programs, ceremonies, and activities.

Dated this 3<sup>rd</sup> day of May 2021.

Signed: \_\_\_\_\_  
Richard Nagel, Mayor

## Amy Newsom

---

**From:** Jason Femrite <Jason.Femrite@bolton-menk.com>  
**Sent:** Tuesday, April 27, 2021 9:06 AM  
**To:** Amy Newsom  
**Subject:** FW: Nickel property deeds- Tony Hoff sale  
**Attachments:** Arlington Tax Parcel 310874000.pdf

See the information below.

**Jason L Femrite P.E.**  
Principal Engineer  
**Bolton & Menk, Inc.**  
1960 Premier Drive  
Mankato, MN 56001-5900  
Phone: 507-625-4171 ext. 2288  
Mobile: 507-380-2464  
[Bolton-Menk.com](http://Bolton-Menk.com)

[Click to Send a Large File - Newforma](#)

**From:** Janele Fowlds <Janele.Fowlds@bolton-menk.com>  
**Sent:** Friday, April 23, 2021 5:00 PM  
**To:** Jason Femrite <Jason.Femrite@bolton-menk.com>  
**Subject:** RE: Nickel property deeds- Tony Hoff sale

I looked through the info and I think you are saying you need a new legal for the attached tax parcel because this has been split a few different ways already. JSKY it will be a really long messy description because there have been multiple splits without platting.

If that is the case, I estimate the cost to write a new legal, prepare a sketch and make sure there are monuments at the corners at \$4000-\$5000.

Janele

**From:** Jason Femrite <[Jason.Femrite@bolton-menk.com](mailto:Jason.Femrite@bolton-menk.com)>  
**Sent:** Thursday, April 22, 2021 3:31 PM  
**To:** Janele Fowlds <[Janele.Fowlds@bolton-menk.com](mailto:Janele.Fowlds@bolton-menk.com)>  
**Subject:** FW: Nickel property deeds- Tony Hoff sale

Here is the deed from that request I sent you yesterday.

**Jason L Femrite P.E.**  
Principal Engineer  
**Bolton & Menk, Inc.**  
1960 Premier Drive  
Mankato, MN 56001-5900  
Phone: 507-625-4171 ext. 2288  
Mobile: 507-380-2464  
[Bolton-Menk.com](http://Bolton-Menk.com)

[Click to Send a Large File - Newforma](#)

**From:** Amy Newsom <[anewsom@arlingtonmn.com](mailto:anewsom@arlingtonmn.com)>  
**Sent:** Thursday, April 22, 2021 1:35 PM  
**To:** Jason Femrite <[Jason.Femrite@bolton-menk.com](mailto:Jason.Femrite@bolton-menk.com)>  
**Subject:** Nickel property deeds- Tony Hoff sale

Jason –

Here's the info on the Nickel property.

Also, when I was speaking with Tony yesterday, he mentioned that he was interested in using Bolton and Menk as his engineer for the project.

*Amy R. Newsom*

City Administrator



204 Shamrock Drive  
Arlington, MN 55307  
Office: 507-964-2378  
Cell: 507-720-8586  
Email: [anewsom@arlingtonmn.com](mailto:anewsom@arlingtonmn.com)  
[www.arlingtonmn.com](http://www.arlingtonmn.com)

# Proactive Managed Services 2021

City of Arlington



**WE MAKE TECHNOLOGY  
WORK FOR BUSINESS.**

Presented by:

Austin Zett, Account Executive • 651.255.5774 • [austin.zett@cit-net.com](mailto:austin.zett@cit-net.com)

Tuesday, April 27, 2021



## Managed Service Overview

### CIT Proactive

With CIT Proactive, our offerings are designed to fill in the gaps in your IT.

Our standard and premium offerings provide 3 layers of support focusing on **security, monitoring, and management** while our core offerings allow you to choose the specific areas of focus to fit your company needs.

System Layered Security	System Monitoring 24x7	System Management
Anti-Virus Endpoint Protection & Malware Prevention Ransomware Protection *On-going Simulated Phishing Attacks & Cyber-security Awareness Training Secure Password Portal Dark-web Monitoring Annual Reviews and Scans Active Directory Review Email Hardening Firewall Review Internal and External Vulnerability Scans Endpoint Lock-down and Security Policy Management	Remote Monitoring & Management Network Mapping System & Device Performance Measurement Desktop & Server Alerting	Secure Remote Management & Support 3rd Party Patching Microsoft Windows & Security Patching Help Desk and Ticketing Hardware & Software Asset Inventory Incident Response Plan Review Quarterly Review

*\*On-going Simulated Phishing Attacks – Need to have Active Directory Sync enabled to have on-going testing or support SCIM (System for Cross-domain Identity Management) such as AzureAD*

**Managed Services Desk: Staffed Hours**  
 Sunday 11:00 pm - Friday 11:59 pm  
 Saturday and Sunday 9:00 am - 6:00 pm  
 All Non-Staffed Hours are covered by an On-call service.

## ► Scope of Work

### Scope of Work

- CIT will provide the following products and services:
- CIT will procure, configure, and deploy a management tool ("Agent") on your network and systems. This will give us secure, remote access and control of your workstations, servers, and various other network devices. CIT engineers can, with your approval, take control of your system and experience any issues firsthand and perform maintenance or break-fix tasks remotely. (Requires internet connection)
- CIT will provide 24x7x365 monitoring of your key network elements ("KNEs"). KNEs are defined as any device or service that your business relies upon to function, including servers, wireless access points, firewalls, switches, storage device and workstations. When critical issues are discovered, we will begin the remediation process to reduce, or possibly eliminate, system down time. As defined in the agreement.
- Using the Agent, CIT will be able to provide Customer with reports on various metrics, including resource utilization, operational status, connectivity, hardware configurations, etc. This data can provide vital information to help your business plan for the future and avoid downtime and outages caused by outdated, malfunctioning, or inefficient hardware or services.
- Customer will meet quarterly with CIT to review Customer's status and trends, as well as any technical improvement recommendations.
- A Project Manager will be assigned to coordinate with Customer on the installation and setup of the management tools. Additionally, the Project Manager will be tasked with keeping the installation and setup on schedule, as mutually determined by CIT and the Customer. The Project Manager will be the primary point of contact for deployment of the management tools and will be assigned after schedule execution. Project Management pricing is incorporated into the Estimated Investment below.

## ► SLA

### Service Level Agreement (SLA)

#### **Support can be requested in the following ways:**

**Email:** support@cit-net.com

**Phone:** 651.255.5799

**Web:** Customer Portal at cit-net.com

CIT will provide the services enumerated in the Scopes of Work according to the following Service Level Agreement ("SLA"). All hours and fees will be billed according to the IT Fee Structure, unless covered by a Premium Plan or by monthly recurring on-site hours.

SLA\* hours of operation will be provided by CIT between the hours of 6:00 am – 6:00 pm Monday - Friday, as well as Saturday and Sunday, 9:00 am – 6:00 pm, excluding CIT holidays ("Business Hours"). All Emergency and Critical tickets will continue to be worked outside of these hours as needed to resolve the outage.

All times listed are in CST. Time is billed per the IT Fee Structure.

#### **Priority 0 – Emergency**

Major Network Outage, greater than 50% of customer users affected, Server or infrastructure hardware failure requiring onsite tech. Critical Business Processes offline.

- Response Time: Within 30 Minutes during Business Hours
- Resolution Plan Time: Within 1 Business Hours
- Resolution Time: Within 8 Business Hours

## SLA

### **Priority 1 – Critical**

Network Outage, less than 50% customer users affected, Server or infrastructure offline or damaged. Major Business Processes offline.

- Response Time: Within 1 Business Hours
- Resolution Plan Time: Within 2 Business Hours
- Resolution Time: Within 8 Business Hours

### **Priority 2 – High**

Single user or process affected. Upcoming service or customer deadline.

- Response Time: Within 4 Business Hours
- Resolution Plan Time: Within 8 Business Hours
- Resolution Time: Within 24 Business Hours

### **Priority 3 – Medium**

Typical end user issues affecting a single user with low to no impact on day-to-day work.

- Response Time: Within 8 Business Hours
- Resolution Plan Time: Within 24 Business Hours
- Resolution Time: Within 72 Business Hours

\*SLA's set above per priority level cannot be guaranteed to be met every time.

### **SLA Key**

- **Response Time**: Time to assign ticket and set the priority.
- **Resolution Plan** Time: Time for CIT to come up with a plan to fix the issue. This is not a guarantee that it will be the fixed on the first resolution plan.
- **Resolution Time**: Time until the issue is resolved. \*All based on end user and equipment available to resolve issue. Parts replacement, warranty service by manufacture and transfer speeds may all affect the actual resolution time.

*Manufacturer Escalation.* If CIT is unable to resolve an issue within scope software applications and hardware, CIT will contact the manufacturer on behalf of the Customer to initiate further troubleshooting by the manufacturer. In scope is defined as software applications and hardware that are licensed and currently supported by the manufacturer.

*On-Site Escalation.* If Customer's support issue cannot be resolved remotely, CIT will work with Customer to arrange the dispatch of a CIT engineer to Customer's location for on-site support as a billable Time and Materials service.

*Immediate Dispatch On-Site.* If Customer decides it is necessary, CIT may dispatch a CIT engineer immediately to Customer's location for on-site support. This may entail re-routing a CIT engineer from another CIT Customer location. Customer will be billed for the dispatch, as well as for the amount of time spent by the engineer to resolve the issue.

## Customer Profile

Description		Qty
Endpoints	<b>Number of Servers and Workstations</b>	12
KNE	<b>Firewalls, Managed Switches, Routers, Wireless Controllers</b>	4
Sites	<b>Primary and additional sites with more than 50 users</b>	1

## Proactive Endpoint Monitoring and Management

Description	Qty	Recurring	Ext. Recurring
Proactive Premium Managed Service	12	\$65.00	\$780.00
Proactive Standard Managed Service	12	\$18.00	\$216.00
Monthly Subtotal:			<b>\$780.00</b>

## Proactive Network Monitoring and Management

Description	Qty	Recurring	Ext. Recurring
Proactive Network Devices (Firewalls, Routers, Switches and Wireless Controllers)	4	\$10.00	\$40.00
Monthly Subtotal:			<b>\$40.00</b>

## Proactive Site Monitoring

Description	Qty	Recurring	Ext. Recurring
Site Monitoring (Local Monitoring device, Patch Cache)	1	\$80.00	\$80.00
Monthly Subtotal:			<b>\$80.00</b>

## Service Hours Agreement

*Hours included in agreement are billed and allocated monthly. Agreement hours are valid for a period of up to 12 months from the month of billing.*

Description	Qty	Recurring	Ext. Recurring
Monthly Managed Services Hours (Excludes Sr and Security Services)	1	\$170.00	\$170.00
Monthly Subtotal:			<b>\$170.00</b>

# Proactive Managed Services 2021



Prepared by:  
**Computer Integration Technologies, Inc.**  
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Prepared for:  
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Quote Information:  
**Quote #: 009259**  
 Version: 1  
 Delivery Date: 04/27/2021  
 Expiration Date: 05/27/2021

## Monthly Expenses Summary

Description	Amount
Proactive Endpoint Monitoring and Management	\$780.00
Proactive Network Monitoring and Management	\$40.00
Proactive Site Monitoring	\$80.00
Service Hours Agreement	\$170.00
<b>Monthly Total:</b>	<b>\$1,070.00</b>

## Payment Options

Description	Payments	Interval	Amount
ProActive Managed			
<b>36 Months - Monthly</b>	<b>36</b>	<b>Monthly</b>	<b>\$856.00</b>
Compliance			

## Summary of Selected Payment Options

Description	Amount
<b>ProActive Managed: 36 Months - Monthly</b>	
Selected Recurring Payment	\$856.00

Please do not pay from quote; taxes, shipping, handling and other fees may apply. Not all items are available for refund or exchange and must be approved by CIT prior to product return. Customers may need to work directly with manufacturers for item returns. Each of the parties hereto has caused this Schedule to be duly executed by their authorized representatives on the date expressed below. The terms of this project proposal ("Schedule") by and between Computer Integration Technologies, Inc., ("CIT") and Customer are part of, and are hereby incorporated into, the Master Service Agreement executed by CIT and Customer.

Computer Integration Technologies, Inc.

City of Arlington

Signature: *Austin Zett*  
Name: Austin Zett  
Title: Account Executive  
Date: 04/27/2021

Signature: \_\_\_\_\_  
Name: Amy Newsom  
Date: \_\_\_\_\_



## Managed Services Product Highlights

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### **Remote Monitoring & Management**

CIT's RMM tool allows our Managed Service Engineers to spend less time manually reconciling our customers' assets so we can gain quick access to each managed endpoint to resolve issues fast and keep downtime to a minimum. This tool keeps systems secure and devices up to date with Windows patch management and other third-party patching software management.

### **Network Monitoring & Mapping**

CIT's automated network mapping software uses industry standard protocols to detect devices on your network. If supported, it will pull details on how it is connected to other devices giving us a logical map of your network. We can quickly gain a deep understanding of our Customer's environment and drill down to a particular device to see its current status. What is more, the tool will maintain the network topology map in real time as it detects changes to network connections, so the map is always current. For supported devices with valid login credentials the network mapping software will automatically backup the network device configuration whenever a change is detected allowing for faster recovery in the event a device needs to be replaced due to failure. Our network management system is built with a mindset of security and privacy first. Information such as device credentials and configuration data are encrypted using AES-128. They are decrypted and made available to the system only as needed for delivering product features. The software's secure data centers are ISO 27001, ISO 27017, and ISO 27018 certified, and undergo regular SOC 2 Type II audits.

### **Endpoint Protection**

Cyber criminals attack endpoints from all angles and no Anti-Virus is 100% effective. Multi-vector protection is the best way to secure endpoints and users across all stages of a cyber-attacks; protects against threats across email, browsers, files, URLs, ads, apps, and more in real time. Zero-hour security uses advanced behavior heuristics to identify and protect against never-before-seen threats. However, user training is the best defense for avoiding most types of infections and attacks.

### **Insider Threat/Malware/Ransomware Detection and Prevention**

CIT applies security policies to your devices to help mitigate insider threats, malware and ransomware attacks. By continually monitoring your devices, CIT is capable of reacting to the first signs of nefarious activity on your devices. In a ransomware attack, speed is of the essence. CIT can quickly isolate the device from your network while still maintaining remote control. This allows our engineers to continue investigating the device while reducing the risk of an ongoing threat.

### **Dark-web Monitoring**

The dark web is often considered to be the portion of the Internet that is a hive of scum and villainy, and it is! Over 57% of the sites are made up of illicit material including login credential that have been harvested from phishing activity or possible data breaches that have been highly published over the last several years. Monitoring the dark web to identify compromised emails and passwords adds insights that help your users react to threats and quickly update a credential that may have become compromised. CIT's Dark Web monitoring provides feedback for your organization's domain for compromised email account information.

## Annual Active Directory & Firewall Review

What gets measured gets improved. Reviewing the configuration and management of your environment can be a daunting task. CIT includes a yearly review of your Active Directory and Firewalls, including items such as user accounts, organizational units, security policies and network shares. CIT will provide risk scoring to improve insights along with recommending, potential configuration updates. Firewall reviews include reviewing the security settings and configurations. Reviewing for overly permissive and out of date rules making recommendations improving your firewall's security.

## Incident Response Plan

This document describes the plan for responding to information security incidents. It defines the roles and responsibilities of participants, characterization of incidents, relationships to other policies and procedures, and reporting requirements. The goal of the Incident Response Plan is to help your organization detect and react to computer security incidents, determine their scope and risk, respond appropriately to the incident, communicate the results and risk to all stakeholders, and reduce the likelihood of the incident from reoccurring.



## Password Portal - Secure Password Platform

Securing your company's and employee's passwords is the first line of defense to protect your business that requires an encryption solution that is both easy to use and ensures only authorized users can access approved applications.

CIT Passportal provides you with secure password storage, encrypted passwords, employee management with access control. Will full password access auditing, you will be able to determine which employee accessed or modified a password. Passportal services are hosted on Amazon Web Services which proudly boasts some of the highest security classifications and compliance certifications. The Passportal Cloud guarantees 99.99% uptime so that your data is available when you need it.

## Annual Email Review

As a preventative security measure, CIT recommends taking the proper steps to harden your Exchange/Office 365/G-Suite environment. With the ever-growing trend of breaches that are occurring daily, hackers are gaining access to customer's Exchange/Office 365/G-Suite account. As a continual improvement process, CIT recommends making modifications to your Exchange/Office 365/G-Suite accounts for hardening purposes. These changes consist of the following:

- Review security settings
- Enable auditing
- Verify the number of Admins with admin-level access
- Check for email forwarding
- Disable auto-forwarding (if possible)
- Reviewing Multi-Factor Authentication settings

## Cybersecurity Awareness Training

Technical upgrades are important, minimizing human error is even more crucial. Cyber security awareness training has become the single least expensive yet the most broadly cost-effective defense against the seemingly inevitable breach. Training people to recognize and understand the importance of cyber security and the impact of their actions at an individual level is powerful. Our seven topics of security awareness intelligence answers the question "Can you really make a difference?", guides you through a 360 view of response and technology best practices, and features scenario-based cyber threats. The biggest liability

regarding cyber security... human error. The clear lesson here is that people matter as much as, if not more than, technology. CIT to provide a cloud-based, online training for your internal staff. Training can be accessed from any browser on any device and includes the following security driven principles.

- Passwords
- Connectivity
- Devices
- Social Engineering
- Malicious Attacks
- Incident Reporting

#### **On-going Simulated Phishing Attacks**

CIT's targeted attacks will help prepare your staff to recognize and resist malicious phishing attempts and empower them to be the first line of defense against real world cyber-attacks. Phishing attacks focus on the interaction of the target's email client, web browser, and underlying operating system. We simulate attacks on systems and users with targeted email messages designed to convince the user to bypass controls and/or provide user credentials. CIT will not store any sensitive data or security credentials used during the simulated attack. \*On-going only if Active Directory Sync is setup.

#### **Annual External Vulnerability Assessment**

CIT will perform vulnerability scans locally on externally facing networked devices using multiple software tools. CIT will scan all IP ranges provided which typically includes but may not be limited to the following systems: Internet routers, firewalls, switches, and servers. Once we have the vulnerability scans completed, CIT will perform an annual external vulnerability assessment and provide a report of recommendations and rank those recommendations in a High, Medium, and Low within the report.

#### **Annual Internal Vulnerability Assessment**

CIT will scan all IP ranges provided to interrogate the covered systems and discover known vulnerabilities as defined by the Common Vulnerabilities and Exposures (CVE) list. An analysis and report of findings and recommended remediation will be completed and presented to the client. Once we have the vulnerability scans completed, CIT will perform an annual internal vulnerability assessment and provide a report of recommendations and rank those recommendations in a High, Medium, and Low within the report.

#### **Endpoint Lock-down and Security Policy Management**

Workstations need more than antivirus and firewalls to protect from zero-day and other modern malicious activity. Our management platform delivers a central policy based management for local account management, OS services level security, external media policies, application whitelist/blacklist, security monitoring and logging which includes Ransomware detection and device isolation, OS protocol and device firewall security and device auditing for reporting on device drive encryption and device logon/logoff.

## Additional Add-on Products

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### Streamline IT

Powered by ConnectWise, StreamlineIT lets you seamlessly link your IT service desks to CIT's and essentially have CIT's Technical Engineers become an extension of your internal support teams. This co-managed IT system provides all support staff a common ticketing system so when issues cannot be handled by your internal staff and need to be escalated, CIT can be added as a resource to the ticket and assist with the issue.

**Benefits:** Retain complete control over service issues; you decide when tickets get escalated to us. Keep everyone happy. The award-winning StreamlineIT automation platform is easy for staff to use and for you to manage. There is less downtime. And more time for you to get things done. Improve your productivity by using a tool that helps you manage and prioritize end-user requests. Work with your IT peers. We understand technology and the nature of responsibilities and the expectations that go with them. Working together, we will provide the additional support and expertise that will complement your IT department.

### Scope of Work:

- CIT will setup and provision basic Streamline IT components for services. Additional customization will be billed on Time and Material basis at customer's standard billing rate
- Creation of customer service board with default Status Types
- Provisioning of contracted StreamlineIT license accounts
- CIT will provide contact spreadsheet and import end-user contact information
- CIT to provide electronic training manual to customer's primary contact

### Customer Responsibilities:

- Procure and provision a corporate email account specific for StreamlineIT
- Provide CIT with login and password credentials and allow access to this email account
- Customer to complete the CIT end user contact spreadsheet and provide to CIT for import
- Customer is responsible to maintain all updates to StreamlineIT tabs and adding and/or removing contacts as needed.



## CIT ProActive Managed Services Comparison 2021

Feature	Core	Standard	Premium	Security
Remote Management/Monitoring/MS Patching	Included	Included	Included	
Third Party Patching	Included	Included	Included	
Monitoring Alarm Triage and Issue Escalation	Included	Included	Included	
Network Mapping and Monitoring	<i>Optional</i>	Included	Included	
DNS Security	<i>Optional</i>	Included	Included	
Endpoint Lockdown	<i>Optional</i>	Included	Included	
Simulated Phishing	<i>Optional</i>	Included	Included	Included
Cyber Security Awareness Training	<i>Optional</i>	Included	Included	Included
Password Management	<i>Optional</i>	Included	Included	Included
Dark Web Scans	<i>Optional</i>	Included	Included	Included
Antivirus and Malware Protection	<i>Optional</i>	Included	Included	Included
Active Directory Security Review - Annual	<i>Optional</i>	Included	Included	Included
Firewall Security Review - Annual	<i>Optional</i>	Included	Included	Included
Incident Response Plan - Annual	<i>Optional</i>	Included	Included	Included
Internal Vulnerability Scan - Annual	<i>Optional</i>	Included	Included	Included
External Vulnerability Scan- Annual	<i>Optional</i>	Included	Included	Included
Email Cybersecurity Review- Annual	<i>Optional</i>	Included	Included	Included
Quarterly Strategic Reviews		Included	Included	
End User Help Desk			Included	

Security Add-on for Managed and Non-Managed Clients



## Compliance Offerings

Feature	Compliance	Compliance Plus	Compliance Plus vCIO
Firewall Review Quarterly	Included	Included	Included
IT Policy Review	Included	Included	Included
Cyber Security Insurance Review	Included	Included	Included
Network Diagram	Included	Included	Included
Mobile Device Encryption Reporting	Included	Included	Included
Industry Security Review Assessment (FFIEC, HIPAA, NIST, Etc.)		Included	Included
Annual Disaster Recovery & Tabletop Test (Annual 3 Test Series)		Included	Included
Vendor Management Review		Included	Included
IT Risk Assessment		Included	Included
IT Strategic Plan - vCIO			Included
Mitigation Tracking - vCIO			Included
Annual Board Report-GLBA Statement - vCIO			Included

*Client Contracted for Managed Services or Managed Security 2021*

**Our security team members are your team members.** CIT's in-house team provides unmatched holistic solutions and results.

IS YOUR BUSINESS READY FOR THE  
**EVER-CHANGING THREAT LANDSCAPE?**

**WHO IS MAKING SURE YOUR CYBERSECURITY PROVIDER IS SECURE?**



An Independent 3rd party validated CIT's security program. Designed to protect your data.

**IDENTIFY - GOVERNANCE**

Policy & Procedures, Hardware & Software Asset Management



**PROTECT - ADMINISTRATIVE AND TECHNICAL CONTROLS**

Data encryption, User training, & Access Management



**DETECT - DETECTION OF INTERNAL AND EXTERNAL THREATS**

Anomalous Threats, Vulnerability Detection & Continuous Monitoring



**RESPONSE - ABILITY TO RESPOND TO DETECTED THREATS**

Darktrace, Geo Filtering, Migrations Efforts, etc.



**RECOVER - BUSINESS CONTINUITY & DISASTER RECOVERY**

Data Backups, Disaster Recovery Plan & Tabletop Exercises



**Following the National Institute of Standards and Technology (NIST) framework means:**

- Ensuring your technical resources and people are secure
- Creates the foundation for achieving compliance for your industry-specific regulations
- Deploying a complete set of tools to create a handcrafted solution
- Continuous monitoring of your security controls

HOW WE APPLY THE FRAMEWORK IS **WHAT SETS US APART**

**1. Getting to know you and your technology environment**

This starts with a conversation about your unique business and your current security posture. Working with our security team feels like working with a member of your own team - what's important to you matters to us.

**2. Communicating the ever-changing threat landscape and what that means for your business.**

No matter the size of your business cybersecurity threats are happening on a global scale.

**3. Developing a handcrafted plan.**

We use Industry-specific frameworks delivering security solutions that fit your business.

**4. Taking a holistic approach to security across all aspects of your business.** The Security Services are designed to ensure confidentiality, integrity, and availability.

**24 HOURS MON-FRI  
9AM-6PM SAT-SUN  
ALWAYS ON CALL**

WE MAKE TECHNOLOGY  
WORK FOR BUSINESS



WWW.CIT-NET.COM

**CALL: 651.255.5799  
TEXT: 651.615.2907  
SUPPORT@CIT-NET.COM**



**Computer Integration Technologies, Inc. (CIT)**  
**Billing Rates, Service Calls and Warranty Policy Procedures Defined**  
 Effective January 1, 2021

HOURLY BILLING RATES	
Engineer-Depot PC Repair	\$135/\$120* per hour (½ hour minimum)
Managed Services Engineer Services	\$190/\$171* per hour (billed in 10-minute increments)
Standard Network Engineer Services	\$190/\$171* per hour (1-hour minimum)
Advanced Network Engineer Services	\$220/\$198* per hour (1-hour minimum)
Security SOC Services	\$190/\$171* per hour
Security Services, vCIO	\$220/\$198* per hour (1-hour minimum)
Security Analyst	\$225/\$202* per hour
Senior Security Analyst (CISSP)	\$250/\$225* per hour
Specialty Services <sup>1</sup>	\$250/\$225* per hour (1-hour minimum)
Project Management	\$135 per hour (billed in 10-minute increments)
Software & Web Development	\$160/\$152* per hour
Advanced Development Services/Quality Assurance	\$190/\$171* per hour
Senior Software Developer or Business Analyst	\$220/\$198* per hour
Standard Training Services (Excludes Security Training)	\$155/\$140* per hour (plus, applicable facility/setup fees)
Cabling Services	Please call 651.255.5780 for billing rates.
Remote Support Services	Billed at Client's current rate (15-minute increments)
Scheduled After-Hours (Monday through Friday from 5 p.m. to 8 a.m. and all-day Saturday)	Onsite - Billed at Client's current rate x 1.5 (2-hour minimum) Remote – Billed at Client's current rate x 1.5 (0.25 hour minimum)
Emergency Service (same day, Sundays, and National Holidays)	Billed at Client's current rate x 2 (2-hour minimum)
Immediate Dispatch Fee	\$400

<sup>1</sup> Specialty Services are determined by CIT on a case-by-case basis.

\* Rates for Managed Services Clients



## SERVICE RETAINERS

Pre-paid retainers are available at a discounted price. Other amounts available on a case-by-case basis. Retainer amounts do not expire, but *max discount is 20%* on all services.

Retainer Amount	Discount
\$5,000.00	5%
\$10,000.00	10%
\$20,000.00	20%

## SERVICE CALL PROCEDURES (Seven County Metro Area)

**Scheduled Service Calls**—Service calls placed during normal business hours are usually scheduled for service within five to seven business days. The technician will typically bring the appropriate hardware and software solution to the site. Matters requiring immediate attention will be deemed an “Emergency Service Call.”

**Emergency Service Calls**—Non-scheduled, after-hours, weekend and holiday service calls are considered “Emergency Calls.” *To initiate emergency service, call CIT Services at (651) 255-5799.* For CIT Managed Services customers, if you are calling outside of regular business hours our voice mail system will prompt you with emergency service procedures and a technician will return your call within thirty to ninety minutes. All other calls will be returned by the beginning of the next business day.

**Immediate Dispatch Fee**—Client deems it necessary to have a technician dispatched immediately to client site. This may entail rerouting a CIT technician from another CIT client site.

## POLICY DEFINITIONS

- Standard Service Rates are billed for work performed during normal business hours, which are defined as 8 a.m. to 5 p.m., Monday through Friday (except holidays).
- 24-hour Emergency Service is available by calling (651) 255-5799 and accessing our CIT Services voicemail system.
- Drive time is billed one-way for on-site service calls outside the seven-county metro area.
- A half hour trip charge will be billed for service calls that are less than four hours and are within the seven-county metro area (unless client has a recurring maintenance schedule or Service Level Agreement).
- This is not an offer to enter into a contract. The rates, warranties, procedures, and definitions are subject to change, without notice, at the sole discretion of CIT.

## Schedule to the MSA

The terms of this Managed Service Schedule ("Schedule") by and between Computer Integration Technologies, Inc., ("CIT") and the Customer are part of, and are hereby incorporated into, the Master Service Agreement ("Agreement") executed by CIT and the Customer.

**1. CIT DELIVERABLES.** CIT agrees to provide certain services and products (the "Services") to Customer as specified in the Scopes of Work.

### **2. FEES.**

2.1. Fees. Customer agrees to pay CIT for the Services in accordance with the Scopes of Work and the IT Fee Structure.

2.2. Annual Rate Adjustments. At the beginning of every year, Customer's hourly rate shall be adjusted to reflect CIT's prevailing price for Services.

2.3. On-site hours. On-site hours that exceed the included monthly amount will be billed at current service rates listed in the IT Fee Structure.

### **3. SCHEDULE TERM AND TERMINATION.**

3.1. Term. This Schedule shall be effective as of the signature date for the term selected by Customer in the Estimated Investment section of the Scope of Work and shall automatically renew for an additional term of one (1) year, unless either party gives written notice of cancellation sixty (60) days prior to the expiration of the term.

3.2. Termination.

3.2.1. Termination by Customer. Customer will have the right to terminate this Schedule if: (i) CIT Materially Breaches any term or condition of this Schedule and fails to cure such breach within fifteen (15) business days after receipt by CIT of written notice specifying the breach; (ii) CIT becomes the subject of a voluntary petition in bankruptcy or any voluntary proceeding relating to insolvency, receivership, liquidation, or composition for the benefit of creditors; or (iii) CIT becomes the subject of an involuntary petition in bankruptcy or any involuntary proceeding relating to insolvency, receivership, liquidation, or composition for the benefit of creditors, if such petition or proceeding is not dismissed within fifteen (15) days of filing.

3.2.2. Termination by CIT. CIT will have the right to terminate this Schedule: (i) if Customer Materially Breaches any term or condition of this Schedule, including but not limited to the payment of fees, and fails to cure such breach within fifteen (15) business days after receipt by Customer of written notice specifying the breach; (ii) if Customer becomes the subject of a voluntary petition in bankruptcy or any voluntary proceeding relating to insolvency, receivership, liquidation, or composition for the benefit of creditors; (iii) if Customer becomes the subject of an involuntary petition in bankruptcy or any involuntary proceeding relating to insolvency, receivership, liquidation, or composition for the benefit of creditors, if such petition or proceeding is not dismissed within fifteen (15) days of filing; or (iv) for convenience upon sixty (60) days prior written notice to Customer.

3.2.3. Material Breach. For purposes of this Schedule, "Material Breach" shall be defined as a breach that significantly and negatively impacts the ability of the non-breaching party to realize the benefits of the Schedule. The parties acknowledge that the failure of CIT to meet the Service Level Agreement (SLA), as set forth above, shall not constitute a Material Breach for purposes of this Section, unless CIT fails to meet the SLA two (2) or more times per month for a continuous period of three (3) months; provided, however, that the failures have not been caused by Customer or any event or condition that is outside of CIT's reasonable control.

3.3. Effect of Termination. Upon the effective date of termination or expiration of this Schedule: (i) CIT will immediately cease providing the Services; and (ii) any and all payment obligations of Customer which have accrued as of such expiration or termination will become due immediately.

**4. ADDITION OF DEVICES.** If Customer adds or removes devices or servers to the Schedule, counts and pricing will be adjusted during Customer's quarterly review with CIT. Changes constituting more than 10% of Customer's device count, as indicated in the Estimated Investment section, will be adjusted at the time of addition or removal.

**5. MINIMUM ENVIRONMENT STANDARDS.** For Customer's existing Environment to qualify for the Services, the following minimum standards must be met ("Environment Standards"). The below standards are in addition to the Minimum Security Standards incorporated by reference into this Schedule and the Agreement and available at <https://cit-net.com/policies>.

5.1. Operating Systems. All device, server, network, and system-based (collectively "Environment") operating systems must be currently supported by the manufacturer and have the latest service packs and critical updates installed.

5.2. Applications and Software. All Environment applications and software (collectively "Software") must be licensed and currently supported by the manufacturer.

5.3. Internet. Customer must have a working connection to the Internet, consistent with the size of the network. CIT recommends a Broadband connection with at least a 3x3Mbps connection.

5.4. Physical Environment. All covered equipment must have adequate power and cooling.

5.5. Requirements for Agent Installation.

5.5.1. Hardware. Customer devices and servers that are to be installed with CIT's management tool ("Agent") must have the following minimum hardware characteristics: (i) 4 GB of Random Access Memory (RAM) (8 GB is recommended), (ii) 10 GB of free hard drive space, and (3) a 32-bit or 64-bit Central Processing Unit (CPU), exclusive of Itanium CPUs, which are not compatible with the Agent.

5.5.2. Software. Customer devices and servers that are to be installed with Agents must have .NETFramework 4.5.2 or newer installed. For Customer devices that need to initiate remote connections, said devices must also have a current version of Java installed.

5.6. Backup Monitoring. Backup solutions monitored by CIT pursuant to this Schedule must be currently supported by the manufacturer and approved by CIT.

5.7. Non-Conforming Equipment. Costs required to bring Customer's Environment into compliance with Environment Standards are not included in this Schedule. Customer shall continue to be liable for the annual fee even if Customer fails to maintain its Environment in compliance with the Environment Standards. CIT SHALL NOT BE RESPONSIBLE FOR ANY LOSS, DAMAGE, OR CLAIM ARISING IN ANY PART FROM CUSTOMER'S EQUIPMENT FAILING TO MEET THE ENVIRONMENT STANDARDS.

**6. EXCLUDED SERVICES.** Services rendered under this Schedule do not include:

- a. Parts, equipment, or Software not installed by CIT and not currently supported by manufacturer warranty or support;
- b. The cost of any parts, equipment, or shipping charges of any kind;
- c. The cost of any Software, licensing, renewals, or upgrade fees of any kind;
- d. The cost of any third-party manufacturer support or incident fees of any kind;
- e. The cost to bring Customer's Environment up to the Environment Standards required for the Services;
- f. Repair or servicing of Customer equipment or Software that does not meet the Environment Standards;
- g. Repair or servicing of Customer equipment or Software that is not within the scope of this Schedule;
- h. Repair or servicing of Customer equipment or Software made necessary by the alteration or modification of equipment other than that authorized by CIT, including alterations, Software installations, or modifications of equipment made by Customer's employees or anyone other than CIT;
- i. Maintenance of Software, whether acquired from CIT or any other sources;
- j. Programming or any source code modification of Software;
- k. Training services of any kind, except for training specifically related to use of Agents;
- l. Travel costs.

## **7. CUSTOMER RESPONSIBILITIES.**

- 7.1. Customer will allow CIT access to any Customer information, facilities, and/or equipment that is reasonably necessary to ensure the setup and functionality of the Services.
- 7.2. Customer will be responsible for designating a primary contact that will be available to work with CIT.
- 7.3. Customer will provide authorization for CIT to obtain any necessary support services from third-party manufacturers.
- 7.4. Customer will be responsible for any delays in the setup and functionality of the Services that are directly or indirectly due to Customer's failure to provide necessary information, resources, and/or access to equipment or facilities.
- 7.5. Customer will be responsible for maintaining any software licensing and/or support.
- 7.6. Customer will be responsible for maintaining any hardware warranties and/or support.

## **8. PERSONAL DATA.**

8.1. Notification. From time to time, Customer may require CIT to access a product or system containing employee, Customer or third-party personal data (collectively, "Personal Data"). Where Customer instructs CIT to access Personal Data of Customer's client or other affiliated third-party (collectively "Third-Party"), or to provide Customer or Third-Party with access, Customer will notify all relevant Third-Parties of the fact that CIT will have access to such personal data in accordance with Customer's instructions.

8.2. Protection. If Customer provides Personal Data to CIT hereunder and CIT is aware that Customer has done so, CIT agrees to use commercially reasonable efforts to protect its security. Customer understands and agrees that Customer's security cannot be guaranteed.

**9. PATCHING.** Customer acknowledges that third-party and Windows patching, as included in the Services, may cause compatibility issues ("Patching Issue"), which may result in inoperative systems, including without limitation, programs, applications, servers, and/or networks. CIT shall install patches in a commercially reasonable manner. CIT shall also, in the event of a Patching Issue, use reasonable efforts to rectify or remediate the problem, upon request from Customer. Customer acknowledges that it has elected to use and is solely responsible for all software and programs on its network. IN NO EVENT WILL CIT BE LIABLE TO CUSTOMER, CUSTOMER'S AGENTS, CUSTOMER'S OFFICERS, CUSTOMER'S OWNERS, CUSTOMER'S SUCCESSORS IN INTEREST, OR ANY THIRD PARTY FOR ANY CLAIMS OF ANY TYPE ARISING OUT OF OR RELATED TO PATCHING ISSUES, UNLESS SUCH EVENT WAS CAUSED BY CIT CONDUCT CONSTITUTING GREATER THAN ORDINARY NEGLIGENCE.



## TA 3 yr Agreement

Quote # 001136 Version 1

Prepared for:  
City of Arlington

Prepared by:  
Neil Kriz  
Vice President

Managed Desktop

Description		Recurring	Qty	Ext. Recurring
<b>Managed Desktop - Standard Edition</b>		\$50.00	11	\$550.00
<b>Monthly Subtotal:</b>				<b>\$550.00</b>

Managed Server

Description		Recurring	Qty	Ext. Recurring
<b>Help Desk Connect Server</b>		\$75.00	3	\$225.00
<b>Monthly Subtotal:</b>				<b>\$225.00</b>

Managed Network

Description		Recurring	Qty	Ext. Recurring
<b>Managed Network (1 Per Location)</b>		\$125.00	1	\$125.00
<b>Monthly Subtotal:</b>				<b>\$125.00</b>

Included Onsite Time per Month

Product Details	Onsite Hours
<b>Included Service Hours</b>	5.5
	

Installation Fee (Assessment/One-Time Charge)

Description	Price	Qty	Ext. Price
<b>Assessment/install Fee</b>	\$900.00	1	\$900.00
<b>Subtotal:</b>			<b>\$900.00</b>

## TA 3 yr Agreement



Prepared by:  
**Corporate Technologies**  
 Neil Kriz  
 952 715 3574  
 Neil.Kriz@gocorp.tech.com

Prepared for:  
**City of Arlington**  
 204 Shamrock Drive  
 Arlington, Minnesota 55307  
 Amy Newsom  
 507 964 2378  
 anewsom@arlingtonmn.com

Quote Information:  
**Quote #: 001136**  
 Version: 1  
 Delivery Date: 04/22/2021  
 Expiration Date: 05/20/2021

## Monthly Expenses Summary

Description	Amount
Managed Desktop	\$550.00
Managed Server	\$225.00
Managed Network	\$125.00
<b>Monthly Total:</b>	<b>\$900.00</b>

## Quote Summary

Description	Amount
Installation Fee (Assessment/One-Time Charge)	\$900.00
<b>Total:</b>	<b>\$900.00</b>

WITH SIGNATURE, CUSTOMER AGREES TO A CREDIT CHECK. CUSTOMER WILL PROVIDE ADDITIONAL INFORMATION IF NECESSARY. TECHNOLOGY ADVANTAGE INSTALLATION FEE EQUIVALENT TO THE FIRST FULL MONTH FEE. MINIMUM MONTHLY SERVICE AND INSTALLATION FEE IS \$250. The term of the service program selected is 36 months from the first day of the month following the month of effective date. Effective Date is the date on which service installation occurs or services begin to be provided – whichever comes first. Technology Advantage is a service offering under which Corporate Technologies provides service and support to the customer under a three year contract program as described in the Program Terms. The program has a Standard and Platinum level. Corporate Technologies can provide its services under this agreement for workstations, servers or network devices. With Technology Advantage and Technology Advantage Platinum, customer receives 30 minutes of free allotted (Onsite and Remote Tier 2 Support) hours per month with each device added to the agreement – excluding managed network. The free allowed hours do not apply to Senior Architect time as set forth in the Program Terms. Additional hours requested will be billed at \$125 per hour, subject to use as provided in the Program Terms. These charges will be in addition to your monthly charges for the Technology Advantage, Backup or other services provided by Corporate Technologies under this Agreement or otherwise. The services purchased are billed to the customer per device on a monthly basis in advance. All services provided pursuant to Technology Advantage® and Related Service Offering Program Terms and Conditions and Standard Terms and Conditions, which are available online at [www.gocorp.tech.com/resources/tc/](http://www.gocorp.tech.com/resources/tc/). With signature, Customer acknowledges these terms have been read and accepted. Help Desk Connect is a service offering under which Corporate Technologies provides service and support to the customer under a three year contract program as described in the Program Terms as Help Desk Connect. The program has a Standard and Platinum level. Help Desk Connect does not include any free allotted hours in the monthly fee. Additional hours requested will be billed at \$125 per hour, subject to use as provided in the Program Terms. These charges will be in addition to your monthly charges for the Technology Advantage, Backup or other services provided by Corporate Technologies under this Agreement or otherwise.

Click here to view full terms [www.gocorptech.com/resources/tc/](http://www.gocorptech.com/resources/tc/)

## Corporate Technologies

Signature: Neil W. Kriz  
Name: Neil Kriz  
Title: Vice President  
Date: 04/22/2021  
Sales Rep: Neil Kriz

## City of Arlington

Signature: [Handwritten Signature]  
Name: Amy Newsom  
Initials: NK  
Date: 4/22/2021 12:58:11 PM  
IP Address: 65.155.146.106  
Email Address: neil.kriz@gocorptech.com

**Credit Card Agreement**

Date \_\_\_\_\_

Company Name \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Phone Number \_\_\_\_\_

I hereby authorize Corporate Technologies to charge my credit card listed below each month in which charges apply until either the Technology Advantage Agreement is cancelled, or I provide alternate payment arrangements which are accepted by Corporate Technologies.

Credit Card:     MasterCard     Visa     American Express

Name on Credit Card *(exactly as it appears)* \_\_\_\_\_

Credit Card Account Number \_\_\_\_\_ Expiration Date \_\_\_\_\_

Security Code \_\_\_\_\_

Card Holder Address *(if different than above)* \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Card Holder Telephone Number \_\_\_\_\_

Card Holder Signature \_\_\_\_\_



# WHAT TO EXPECT AS A NEW CUSTOMER

When you sign a Technology Advantage® contract, your Account Manager will work closely with you during each step of the implementation process. They will inform you about what is happening and ensure a smooth transition. Below is a quick overview of what you can expect as a new customer.

## Account Management

- Upon signing a new agreement, you will receive a welcome email from your dedicated Account Manager.
- He/She will be your primary contact for any current or future technology needs.
- He/She will follow up with a phone call to introduce themselves and to set up the Pre-Install Meeting where the following immediate needs will be discussed.
  - Network Credentials Form
  - All covered devices need to be onsite the day of the scheduled install
  - Your expectations

## Onboarding and Discovery

- Getting setup with Technology Advantage® is extremely easy. Corporate Technologies will send a technician to your site to install our Agents. There will be **NO DOWNTIME** for you or your employees.
- The technician will configure each workstation, server, and network device covered by the Technology Advantage® contract, for monitoring and maintenance.
- In addition to configuring the devices on the agreement, the technician will complete a network review. This is the technology discovery phase of our change management process.
- After completing the discovery process, we will create a Comprehensive Technology Review, which will provide a baseline current configuration and also recommendations for your network within 30 days.

## Help Desk Orientation

- Your Account Manager will provide an onsite orientation for your staff on how to access and utilize the services included in your Technology Advantage contract. A brief training on how to spot and avoid phishing and other malicious emails will be included.

## Monthly Network Assessment

- Each month you will receive a detailed report on the health of the devices on your network including:
  - performance, stability and security
  - patch compliance
  - at-risk assets
  - warranty issues
- The report will also summarize:
  - each asset with OS, make, model, location
  - ticket summary
  - anti-virus health
  - performance review for each device
  - software review
- Your Account Manager will be available to review these reports with you each month, if needed.

## Regular Scheduled Business Review

- Your Account Manager will schedule a time to meet with you to go over a report that shows changes to your network, issues addressed, current issues, and develop an action plan.
- This report will assist in identifying your technology needs and help to plan for future projects and upgrades.



## HELP DESK CONNECT

### Reducing Downtime

As a business professional, your days can be inundated with a number of technology issues from email access to printer connectivity. Having access to a Help Desk resource that assists you with daily technology issues that arise will free you up to focus on your business initiatives.

**Technology Advantage® Help Desk Connect** provides IT support for your company's workstations, desktops and laptops. For \$25 a month\*, each workstation covered has access to the quickest solution for resolving daily IT issues. It is a simple and cost effective solution to assist the busy professional in supporting their end users.

### About our Help Desk

- Staffed by trained, certified and experienced engineers
- Available 24/7

### How it works

- When a workstation issue arises, the user calls a toll free number and a Help Desk engineer begins a diagnostic and problem resolution
- Contacting the Help Desk can be initiated by phone and/or email
  - Email should be used for non-urgent issues only (e.g., adding/removing users)

### Issues covered

- Email - unable to connect, password resets
- Virus scans and removals
- Printer issues
- File access
- Add/remove users
- Application issues

### Your Benefits

- Majority of IT problems can be fixed remotely
- Unlimited Tier 1 support
- Monthly Network Assessments/Service Report (e.g., warranty, at-risk devices)

\*per workstation, desktop or laptop, per month

## Help Desk Connect Plan

Unlimited Tier 1 support 24/7

Prices are Monthly per Device

x20

 Standard  
\$25

**Platinum**  
**\$50**

Typical issues that can be addressed by Help Desk Engineers

<b>Troubleshooting</b>		
Troubleshooting Outlook, sending/receiving emails, etc.	✓	✓
Installing local/network printers and drivers	✓	✓
Configuring folder and file permissions on server	✓	✓
<b>Virus/Spyware</b>		
Virus scanning on PC's	✓	✓
Removing viruses or spyware on PC's	✓	✓
<b>Account Services</b>		
Assigned Account Manager	✓	✓
IT Advising & Technology Recommendations	✓	✓
Unlimited Purchasing Support	✓	✓

Prices are Monthly Per Physical/ Virtual Server

x3

 Standard  
\$75

**Platinum**  
**\$150**

<b>Remote Maintenance</b>		
Critical Windows Updates	✓	✓
Event Log Monitoring	✓	✓
Drive Space Monitoring	✓	✓
<b>Platinum Services</b>		
Email Defense Training and Testing		✓
Proactive Alerts and Emergency Tools		✓
Top Tier Business Anti-Virus		✓
Enterprise Level Spam Filtering		✓
Office 365 Protect Backup (Office 365 is a pre-requisite for this service)		✓

\*Prices reflect a 2-year agreement

# PLATINUM LEVEL SERVICES



## TOP TIER BUSINESS ANTI-VIRUS

- **Secure your connected world** - block viruses, spyware and other malicious software, so you can enjoy your digital life
- **Stop cybercriminals from taking your data hostage** - protect against the newest types of attacks, including ransomware, which can encrypt your files until you pay



## EMAIL DEFENSE TRAINING AND TESTING

- **Baseline testing** - assess the Phish-prone percentage of users through a simulated phishing attack
- **Train your users** - automated training campaigns with scheduled email reminders
- **Phish your users** - best-in-class, fully automated simulated phishing attacks, thousands of templates with unlimited usage
- **See the results** - enterprise-strength reporting, showing stats and graphs for both training and phishing



## PROTECT OFFICE 365 BACKUP

- **Data Compliance** - Retains your data in an off-site location even if you cancel your Office 365 subscription. Important if your organization falls under strict document retention regulations.
- **Ransomware** - Ransomware can encrypt your Office 365 files (even the files in One Drive). Our backup can be used to recover your data instead of paying the attackers
- **Peace of Mind** - Automated. Set it and forget it.

\*Office 365 is a pre-requisite for this service



## ENTERPRISE LEVEL SPAM FILTERING AND MONITORING

- **Advanced spam filtering & monitoring** - Deploys the largest signature-based spam detection platform in the industry with 15 layers of anti-spam, anti-virus and anti-phishing filtering, using the most advanced methods of detection – no guessing games
- **Spam quarantine** - Stores messages identified as spam and provides a secure 120-day quarantine



## PROACTIVE ALERTS AND EMERGENCY TOOLS

- **Monitor for Ransomware** - CT gets alerted when ransomware is detected, shuts the device off from network and runs scans
- **Password Recommendations** - password complexity, length and maximum age are controlled and protected screensavers are enforced.
- **Emergency Isolate** - reduces the spread of suspected malware by isolating a computer from the network and internet
- **Annihilate Button** - A literal kill switch that renders the lost/stolen/compromised computer useless and wipes the data. Minimizes unauthorized access to company data



## Increase User Productivity

Technology Advantage® Managed PC's provides maintenance and updates to your PC workstations on a monthly basis, allowing issues to be fixed before they negatively impact your system performance. Our Onsite Assessment gives you a baseline of all your current IT inventory and installed applications to help make more informed and proactive decisions. Let us take care of your technology so you can stay focused on growing your business.

## Managed PC's

### Onsite Network Assessment

- Inspection of computers and server room environment
- Recommend changes to network configuration for improved security and performance
- Hardware assessment and recommendations

### Common Help Desk Issues Resolved

- PC Crashes
- Email unable to send or receive
- Virus Removal
- Connectivity Issues
- Printing Issues
- Password Resets
- Outlook Issues
-  Office 365 CSP

### Monthly Support

- Unlimited telephone support from Tier 1 Help Desk
- Emergency after hours phone support\*
- Technology Advantage® computer anti-virus

\*With certain levels of service.

### Monthly Maintenance

- Critical patch updates
- Monthly Network Assessments/Service Report (e.g., warranty, at-risk devices)



### Platinum Level

- Email Defense Training and Testing
- Proactive Alerts and Emergency Tools
- Top Tier Business Anti-Virus
- Enterprise Level Spam Filtering and Monitoring

# Managed PC's

Prices are Monthly per PC

**Standard**  
\$50

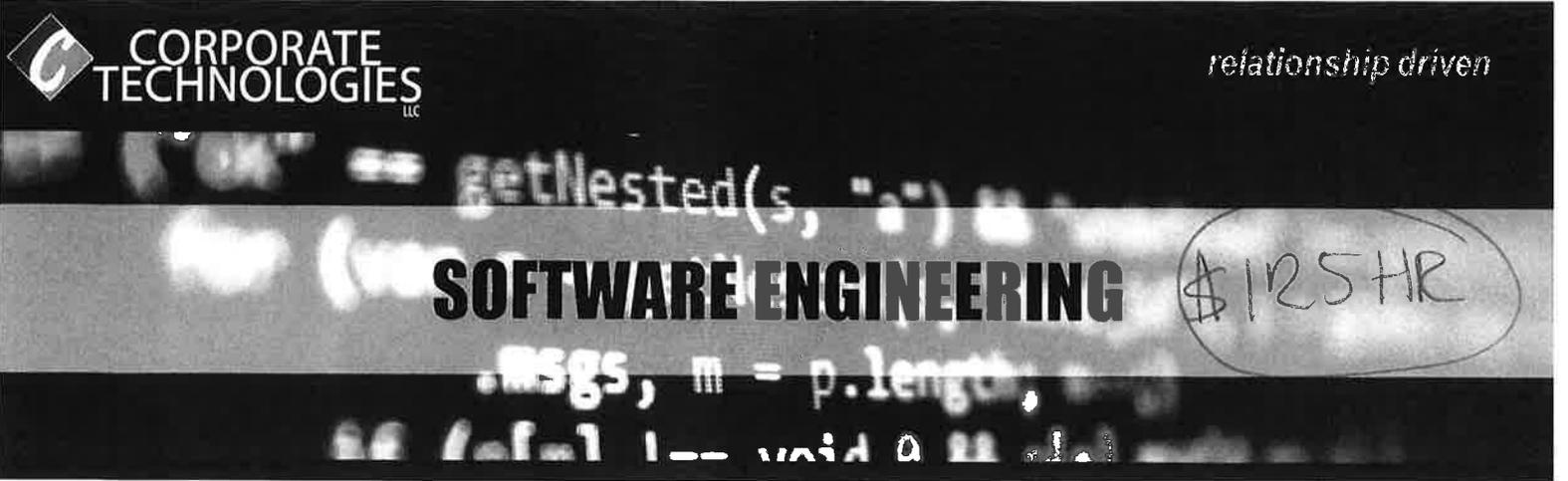
**Platinum**  
\$70

Support	Standard	Platinum
Unlimited Help Desk Tier 1 Phone Support (24/7) <sup>1</sup>	✓	✓
Onsite Engineer and Tier 2 Support Hours Per Device <sup>2</sup>	1/2 Hour	1/2 Hour
Maintenance		
Computer Reports & Maintenance	✓	✓
Microsoft Critical Patch Updates	✓	✓
Common Issues		
Password Resets	✓	✓
Software Installation and Removal	✓	✓
Computer Optimization & Management	✓	✓
Spyware & Adware Removal	✓	✓
Client Antivirus Software Management & Update (if applicable)	✓	✓
Account Services		
Assigned Account Manager	✓	✓
IT Advising & Technology Recommendations	✓	✓
Unlimited Purchasing Support	✓	✓
Platinum Services		
Email Defense Training and Testing		✓
Proactive Alerts and Emergency Tools		✓
Top Tier Business Anti-Virus		✓
Enterprise Level Spam Filtering and Monitoring		✓
Office 365 Protect Backup (Office 365 is a pre-requisite for this service)		✓

1 - Phone support is limited to the technicians' ability to resolve the problem remotely. In some cases, Tier 2 remote phone support or an onsite visit is necessary. Corporate Technologies reserves the right to make this determination at its sole discretion. IT issues affecting the network are considered Tier 2 support.

2 - A fixed monthly amount of onsite and Tier 2 support is included in each plan. Hours exceeding the fixed amount will be billed at the applicable rate.

3 - Prices reflect a two-year agreement.



# SOFTWARE ENGINEERING

## Your Data Matters

Your data is one of the most important parts of business. Our Engineers can help you store, sort and manage large amounts of information with ease. This includes building new databases, connecting existing ones and automating repetitive tasks.

## Databases

SQL Servers and Databases are our specialty. We have you covered when it comes to the majority of common database issues and needs. Your database is running slow? We can resolve that. Do you have two systems that you wish could communicate with each other? Look no further. Our experienced engineers can do the following:

- Build New Databases
- Maintain and Service Current Databases
- Speed Up Databases
- Connect Databases
- Integrate Various 3rd Party Applications

## Custom Reporting

We get it. Reports drive your business. Which is why we can create custom reporting to fit your needs. This includes key performance indicators (KPI) that can be added as part of your balanced scorecard. We can pull various pieces of information from your internal systems and assemble them into an easy-to-view format for daily review.



## Automation

Automation is the future. There is no need to have your employees doing repetitive tasks when we can automate them for you. This includes processing files, mass emails/notifications, data entry and multi-step processes. We can help you define your exact process and create the automation rules to execute those tasks.

# MANAGED PHYSICAL/VIRTUAL SERVER

## Reduce Downtime

Technology Advantage® Managed Physical/Virtual Server monitors your servers 24 hours per day, 7 days per week. Real-time monitoring allows Corporate Technologies to fix issues before they affect your network and employee performance. Fine-tuning and the right configuration ensures the steady running state of your servers and your business. Focus on your core business and let us take care of your technology.

## Managed Physical/Virtual Server

### Onsite Network Assessment

- Inspection of computers and server room environment
- Recommend changes to network configuration for improved security and performance
- Hardware assessment and recommendations

### Monthly Support

- 24/7 server monitoring\*
- On-site engineer support\*
- Unlimited telephone support from Tier 1 Help Desk
- Tier 2 remote support\*
- Critical patch updates
- Remote maintenance
- Monthly Network Assessments/Service Report (e.g., warranty, at-risk devices)

\* With certain levels of service.

### Common Server Issues Resolved

- Event log reviews
- User Account administration
- Virus definition
- Removal of cache to minimize network slowdown



### Platinum Level

- Email Defense Training and Testing
- Proactive Alerts and Emergency Tools
- Top Tier Business Anti-Virus
- Enterprise Level Spam Filtering and Monitoring

# Managed Physical/Virtual Server

Prices are Monthly per Physical/Virtual Server

**Standard**  
\$125

**Platinum**  
\$200

<b>Support</b>		
Unlimited Help Desk Tier 1 Phone Support (24/7) <sup>1</sup>		
Onsite Engineer and Tier 2 Support Hours Per Device <sup>2</sup>	½ Hour	½ Hour
Server Monitoring 24/7 <sup>3</sup>		✓
Emergency After Hours Critical Alert Monitoring and Response <sup>1</sup>		✓
<b>Remote Maintenance</b>		
Critical Windows Updates	✓	✓
Event Log Monitoring	✓	✓
Drive Space Monitoring	✓	✓
<b>Account Services</b>		
Assigned Account Manager	✓	✓
IT Advising & Technology Recommendations	✓	✓
Unlimited Purchasing Support	✓	✓
<b>Platinum Services</b>		
Email Defense Training and Testing		✓
Proactive Alerts and Emergency Tools		✓
Top Tier Business Anti-Virus		✓
Enterprise Level Spam Filtering and Monitoring		✓
Office 365 Protect Backup (Office 365 is a pre-requisite for this service)		✓

<b>Protect Local + Offsite Backup + Backup Monitoring</b>	
1-20 Total Users	\$400
21-50 Total Users	\$600
51-100 Total Users	\$800
Over 4TB	Metered

1 - Phone support is limited to the technicians' ability to resolve the problem remotely. In some cases, Tier 2 remote phone support or an onsite visit is necessary. Corporate Technologies reserves the right to make this determination at its sole discretion. IT issues affecting the network are considered Tier 2 support.

2 - A fixed monthly amount of onsite and Tier 2 support is included in each plan. Hours exceeding the fixed amount will be billed at the applicable rate.

3 - Server performance and log monitoring only. Customer alerted during regular business hours

4 - Prices reflect a two-year agreement



## Stay at Peak Performance

Technology Advantage® Managed Network is a service that supports your network. Remotely installing, configuring firewalls and routers, allowing your business to stay at peak performance.\* Corporate Technologies can stay on top of the ever-changing world of technology so you can focus on your business.

\*Some tasks will require an onsite visit and will use your monthly hours.

## Managed Network

### Onsite Network Assessment

- Inspection of computers and server room environment
- Alerts on firmware updates
- Recommend changes to network configuration for improved security and performance
- Hardware assessment and recommendations
- Inventory of devices (including hidden devices)

**Prices are Monthly per Location  
(Up to 5 Networking Devices)**

**Standard  
\$125**

**x3**

<b>Support</b>	
Unlimited Help Desk Tier 1 Phone Support (24/7) <sup>1</sup>	✓
<b>Monitoring</b>	
Managed Switches	✓
Firewall	✓
Wireless Access Points	✓
<b>Account Services</b>	
Assigned Account Manager	✓
IT Advising & Technology Recommendations	✓
Unlimited Purchasing Support	✓

1 - Phone support is limited to the technicians' ability to resolve the problem remotely. In some cases, Tier 2 remote phone support or an onsite visit is necessary. Corporate Technologies reserves the right to make this determination at its sole discretion. IT issues affecting the network are considered Tier 2 support.

# MANAGED NETWORK

## A Deep Understanding of Your Network

- We create a complete and accurate map of your network, including gear that's been hidden away or forgotten and all sorts of rogue devices (IoT, IP cameras, unmanaged switches, etc.). No device left behind!
- A complete profile for every device, including make, model, serial number, firmware version, and other key data.
- Details on how everything on your network is connected and configured across all of your locations.
- A list of all the IP addresses you're currently using and which devices are using them.

*All of this data and visualization is maintained in real-time so if we ever need to troubleshoot, we know exactly what we're dealing with.*

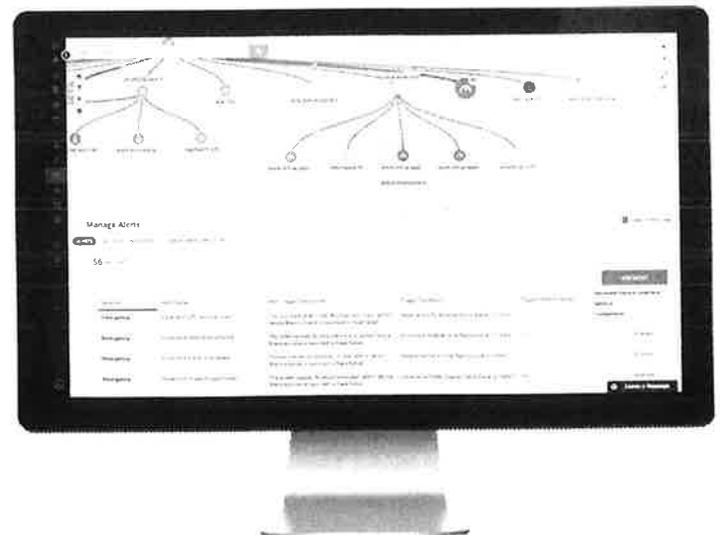
## Vigilant Monitoring of Your Network

- 24/7 monitoring and alerting tuned to network best practices.
- Usage and health statistics are tracked on your network, which we can see in real-time.
- We build and store historical performance data, which can be used for analysis, troubleshooting, and forecasting.

## Quick Spotting and Resolution of Network Issues

- We have the ability to instantly tap into network evidence to isolate issues in minutes instead of hours.
- Expertly analyze device configurations so we can make informed recommendations for keeping your network running smoothly.
- Automatically capture and monitor network device configurations whenever there's a change.
- Quickly identify and combat issues such as:
  - System Down/ Failure
  - High Broadcast Traffic, if Internet is slowing down
  - Hard Drive Issues

*With powerful troubleshooting and configuration management capabilities, we're able to resolve problems fast and improve the stability of your network.*



**Contact: Andy Garfunkel**  
Pc Management, Inc.  
Phone 612.708.5297  
Fax 952.467.4180

15035 118<sup>th</sup> Street  
NYA, Mn. 55397  
Phone 952.467.4180



## Rates: 2021

Hourly rates only.

I charge \$75.00 per hour for the first 4.9 hours per month. Rate discounts for hours over 5, 10 & 20 hrs per month. I bill in 5 minute increments, there is no minimum. But I do round up to the nearest 5 minute chunk.

No trip charges, but planning is key to holding costs down.

Emergency calls are handled on a triage basis. The biggest business impacts are responded to first. 3 hour or less response time is my goal.

I keep some parts on hand, parts are billed separately. If you have spares, we use them first.

**Contact: Andy Garfunkel**  
Pc Management, Inc.  
Phone 612.708.5297  
Fax 952.467.4180

15035 118<sup>th</sup> Street  
NYA, Mn. 55397  
Phone 952.467.4180



# Services

- ✓ **Custom designed systems.**
  - ◆ Network designs.
  - ◆ Remote access.
  - ◆ Single systems to fully integrated offices.
- ✓ **Complete system reviews.**
  - ◆ Testing of PC hardware and software.
  - ◆ Confirmation of other hardware and Operating Systems.
- ✓ **System backup and disaster planning.**
  - ◆ Onsite complete backups, with our own equipment.
  - ◆ Setup and testing of a complete system of your own.
- ✓ **Customized Training.**
  - ◆ Systems you use
  - ◆ Where you use them, or at our site.
- ✓ **Repair of most computer equipment.**
  - ◆ We repair 90% of the systems, new and old, whether we sold it or not!
  - ◆ We will find someone who can repair the rest.
- ✓ **Software installation and upgrades.**
  - ◆ Extensive experience with software installation on many platforms.
  - ◆ Experience with a wide range of upgrade scenarios.
- ✓ **Sales of most computer expendables.**
  - ◆ Whatever you need, we can deliver.
- ✓ **Reasonable Rate plans.**
  - ◆ Pay by the visit, or buy in increments and save.
  - ◆ Long term contracts available.