

AGENDA
HARMONY CITY COUNCIL
HARMONY ECONOMIC DEVELOPMENT AUTHORITY
Some members may participate by telephone or other electronic means
Regular Meeting

July 13th, 2021
7:00 P.M.

Council Room
Community Center

1. Call to Order
2. Roll Call
3. Public Forum
4. Consent Agenda
 - a. Minutes Regular and Special
 - b. Claims and June Checks
 - c. Administrator Report
 - d. Financial Report
 - e. CD and Creation of 5 new CDs
 - f. SSC Margin
5. New Business
 - a. Pay Request 2020 Street project
 - b. Dairyland Power Project Change order
 - c. Final Payment for Splash Pad infrastructure
 - d. Electric Service Agreement
 - e. Write off Bad Debts
6. Reports
 - a. Building & Maintenance Report
 - A. WWTP
 - b. EDA Board
 - c. Park Board
 - A. Splash pad update
 - B. Trails
 - d. Library Board
 - e. Arts Board
 - f. Fire Department
 - g. Sheriff Report
7. Adjourn



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JUNE 8, 2021

REGULAR MEETING

HARMONY CITY COUNCIL

A Regular meeting of the Harmony City Council was called to order by Mayor Steve Donney at 7:00 PM. Present were Mayor Donney, Council members Tony Webber, Jesse Grabau, Steve Sagen & Domingo Kingsley, Attorney Greg Schieber, Administrator Devin Swanberg, Samantha Grabau, Bill Hanson, Jimmie Strozyk, Steve Lindstrom, Jerome Illg, Melissa VanderPlas, Hannah Wingert and Eileen Schansberg.

OPEN FORUM:

Bill Hanson with Hanson Sanitation, Chatfield along with Administrator Swanberg discussed the City-wide Clean-up day on Wednesday, June 23rd. This would be a front curbside pickup. Appliances except for TV's and monitors will be picked up by another party. The City-wide Garage Sales are being held June 18-19th and can be placed on the curb for disposal pickup.

Chamber Director Melissa VanderPlas informed the council of activities taking place over the 4th of July holiday. They will be doing Ribbon Cuttings for 9 businesses that have opened in the past year. VanderPlas requested permission to using a portion of the Trailhead Parking lot for the Peddle Pull to which the council had no objection. Once again buttons will be sold with the opportunity of having a drawing with the numbers on the back of the button.

CONSENT AGENDA:

Motion by Grabau and seconded by Webber to approve the Consent Agenda which consisted of the minutes, the claims & May checks, the Administrator's Report, the Financial Report, cashing in CD #44573 to the General Fund, adopting the Water Supply Plan and reissuing old uncashed checks. All present voting yes. Motion carried.

NEW BUSINESS:

Resolution 21-10 was presented: A RESOLUTION CERTIFYING DELINQUENT UTILITIES AND SERVICES TO BE COLLECTED WITH TAXES PAYABLE IN 2022. Motion by Webber and seconded by Grabau to adopt the Resolution.

Voting for the Resolution was: Webber, Grabau, Kingsley, Sagen and Donney

Voting against the Resolution was: No one

Abstained from voting was: No one

Absent from voting was: No one

The motion passed and resolution was adopted.

Financial Consultant Mike Bubany called into the meeting to discuss the refinancing of a debt to save the city approximately \$3,000 per year. First Southeast Bank committed to taking on the loan by paying off GO Bond 2017A and Utility Note. RESOLUTION 21-09 was presented: A RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF A \$737,000 GENERAL OBLIGATION IMPROVEMENT AND UTILITY REVENUE REFUNDING NOTE, SERIES 2021C, PLEDGING FOR THE

SECURITY THEREOF SPECIAL ASSESSMENTS AND NET REVENUES, AND LEVYING A TAX FOR THE PAYMENT THEREFOR. Motion by Sagen and seconded by Webber to accept the Resolution.

Voting for the Resolution was: Webber, Grabau, Kingsley, Sagen and Donney

Voting against the Resolution was: No one

Abstained from voting was: No one

Absent from voting was: No one

The motion passed and resolution was adopted.

BUILDING & MAINTENANCE:

Administrator Swanberg stated a portion of 4th Street NW near Kwik Trip was in need of patching along the edges. Generation X will do the patch work. Suggested to get it down while the blacktopping crew is here.

June 22nd was set up to award the bid for Wickett Drive Dairyland Project.

EDA BOARD:

A Loan was recommended by the EDA Board in the amount of \$25,000 to purchase the Car Wash. The Loan would be repaid over a term of 10 years at the rate of 3.25% fixed APR and security would be a second mortgage and personal guarantee from the borrower. Motion by Grabau and seconded by Webber to approve the loan. All present voting yes. Motion carried.

Looking at a downtown revitalization project to update buildings.

PARK BOARD:

SPLASH PAD:

Administrator Swanberg stated the plans are in the process of being designed for the Splash Pad. Motion by Sagen and seconded by Donney to pay the \$1,500 application fee and submit the plans for the Splash Pad to the MN Dept of Health when they arrive. All present voting yes. Motion carried.

An agreement was reached with Run Right Power to purchase an Electric Robotic lawnmower for the Cancer Park for \$1,200. Run Right Power has agreed to a three-year contract to house the unit and maintain it. Maintenance Staff is currently working to get electric access to the area. Motion by Kingsley and seconded by Grabau to purchase the mower. All present voting yes. Motion carried.

LIBRARY BOARD:

Purchased a Corn Hole game for Family Fun Night.

ARTS Board:

The Arts Board Accepted the resignation of Susan Hahn.

FIRE DEPARTMENT:

SHERIFFS REPORT:

Reviewed the April & May reports.

INCIDENTIALS:

Motion by Donney and seconded by Kingsley to pass a Duplication of Benefits Policy. All present voting yes. Motion carried.

Fogging for mosquitoes the last week of June.

Upon no further business, Mayor Donney adjourned the meeting.

Mayor Steve Donney

Eileen Schansberg, Deputy Clerk

JUNE 22, 2021

Special Meeting

HARMONY CITY COUNCIL

A Special meeting of the Harmony City Council was called to order by Mayor Steve Donney at 8:01 AM. Present were Mayor Donney, Council members Tony Webber, Jesse Grabau, Attorney Greg Schieber, Engineer Brett Grabau Administrator Devin Swanberg Absent: Steve Sagen & Domingo Kingsley

NEW BUSINESS:

City opened bids for the Dariyland Power Utility extension on Thursday June 17th. We received two bids one from ELCON Construction and another from Generation X. Brett Grabau gave an overview what was bid in the project and what was changed from the original estimate he gave us in February. The sewer improvements would no longer go in wicket drive as they could not get enough depth. Jesse Grabau made a motion to accept the low bid from Generation X the official total would be available after B. Grabau double checks for errors this motion was seconded by Donney and was Approved 3-0 with Kingsley and Sagen absent.

Staff was directed to write a letter to Minnowa explaining the changes in the project.

To try to reduce costs Grabau made a motion to pursue a change order to open cut in front of Roxanne Johnsons house motion was seconded by Webber motion passed 3-0. Absent Kingsley and Sagen.

Resolution to Accept the Federal funds 20-11 was made by Grabau and seconded by Webber motion passed 3-0 with Sagen and Kingsley Absent.
Upon no further business, Mayor Donney adjourned the meeting.

Mayor Steve Donney

Devin Swanberg, Clerk-Administrator

CITY OF HARMONY
City Council Claims for Review

July 13, 2021

Fund Descr	Object of Expense	Vendor	Comments	Amount
Fund 101 General Fund				
General Fund	Union Central Pension Fund	CENTRAL PENSION FUND	Union pension contributions	\$269.75
General Fund	Health Insurance	I.U.O.E. LOCAL 49 FRINGE BENEF	Union health insurance	\$3,975.00
General Fund	Union Dues	IUOE LOCAL #49	union dues	\$105.00
General Fund	NCPERS Insurance	NCPERS GROUP LIFE INS	511800	\$16.00
General Fund	Life Insurance	USABLE LIFE	101421301G	\$59.65
General Fund	Postage	QUADIENT, INC.	postage machine rental	\$73.32
General Fund	Telephone	HARMONY TELEPHONE COMPANY	monthly telephone service-Civil defense	\$91.26
General Fund	Building Repair Materials	DAKOTA SUPPLY GROUP	relief valve	\$25.38
General Fund	Cleaning Supplies	DALCO	bathroom tissue/hand soap/disinfectant	\$220.13
General Fund	Cleaning Supplies	DALCO	bathroom/cleaning supplies/can liners	\$192.77
General Fund	Cleaning Supplies	HARMONY FOODS	ajax/Dawn cleaners	\$5.48
General Fund	Electric Utilities	HARMONY PUBLIC UTILITIES	Elec-Comm Ctr	\$769.00
General Fund	Gas Utilities	MINNESOTA ENERGY	monthly gas service-Comm Ctr	\$167.78
General Fund	General Operating Supplies	KINGSLEY MERCANTILE	batteries	\$20.98
General Fund	Landscaping Materials	MOREM ELECTRIC, INC	sensor wall switch	\$79.65
General Fund	Motor Fuels/Lubricants	KWIK TRIP,INC	gas-Chevy pickup	\$61.79
General Fund	Repair/Maint Vehicles	DECORAH MOBILE GLASS, INC	repair back window Chevy pickup 1/2	\$156.50
General Fund	Sewer Utilities	HARMONY PUBLIC UTILITIES	sewer-Comm Ctr	\$54.07
General Fund	Small Tools and Minor Equip	KINGSLEY MERCANTILE	bits	\$8.58
General Fund	Telephone	BLUFF COUNTRY COMPUTER WORKS	phone for Council Room	\$149.95
General Fund	Telephone	HARMONY TELEPHONE COMPANY	monthly telephone service-Comm Ctr	\$221.01
General Fund	Water Utilities	HARMONY PUBLIC UTILITIES	water-Comm Ctr	\$35.91
General Fund	Engineering Fees	STANTEC CONSULTING SERVICES, I	2020 Street Improvements	\$5,662.50
General Fund	Engineering Fees	STANTEC CONSULTING SERVICES, I	DNR Grant App/Site plan	\$1,124.64
General Fund	Engineering Fees	STANTEC CONSULTING SERVICES, I	Splash Pad Engineering	\$367.50
General Fund	Engineering Fees	STANTEC CONSULTING SERVICES, I	2020 Street Improvements	\$2,156.00
General Fund	Engineering Fees	STANTEC CONSULTING SERVICES, I	Dairyland utility expansion thru 4/2/21	\$5,735.72
General Fund	Engineering Fees	STANTEC CONSULTING SERVICES, I	services thru Dec 2020	\$256.76
General Fund	Engineering Fees	STANTEC CONSULTING SERVICES, I	2020 Street Improvements	\$7,400.13
General Fund	Engineering Fees	STANTEC CONSULTING SERVICES, I	Splash Pad-	\$853.00
General Fund	Travel Expenses	NOLAN, LARRY	Mileage for getting Fireworks	\$85.12
General Fund	Assessor Fees	FILLMORE COUNTY TREASURER	2021 assessment work completed	\$3,496.00
General Fund	Auditing and Acct g Services	ABDO, EICK & MEYERS, LLP	State Auditor Report Prep fee	\$800.00
General Fund	Repair/Maint Machinery/Equip	SOLBERG WELDING	weld snowplow bracket	\$212.50
General Fund	Legal Fees	FILLMORE COUNTY ATTORNEY	criminal legal fees thru 6/15/21	\$315.00
General Fund	Legal Fees	NETHERCUT SCHIEBER ATTORNEYS	legal services for June	\$810.00

CITY OF HARMONY
City Council Claims for Review

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Fund Descr	Object of Expense	Vendor	Comments	Amount	
General Fund	Legal Fees	NETHERCUT SCHIEBER ATTORNEYS	Legal services for May	\$195.00	
General Fund	General Operating Supplies	CULLIGAN	wellness program water cooler	\$68.65	
General Fund	Motor Fuels/Lubricants	SEVERSON OIL CO.	gas-Squad	\$412.18	
General Fund	Telephone	HARMONY TELEPHONE COMPANY	monthly telephone service-police	\$43.89	
General Fund	Electric Utilities	HARMONY PUBLIC UTILITIES	Elec-shop	\$138.96	
General Fund	General Operating Supplies	KINGSLEY MERCANTILE	screws	\$0.42	
General Fund	General Operating Supplies	MISSISSIPPI WELDERS SUPPLY CO	02/compressed air cylinders	\$54.90	
General Fund	Small Tools and Minor Equip	KINGSLEY MERCANTILE	saw horses/signs	\$46.86	
General Fund	Telephone	HARMONY TELEPHONE COMPANY	monthly internet service-Shop	\$44.95	
General Fund	Water Utilities	HARMONY PUBLIC UTILITIES	water-shop	\$22.27	
General Fund	Motor Fuels/Lubricants	KWIK TRIP,INC	gas-1 ton truck	\$199.48	
General Fund	Motor Fuels/Lubricants	KWIK TRIP,INC	diesel Tractor & skid loader	\$164.44	
General Fund	Repair/Maint Vehicles	IRONSIDE TRAILER SALES & SERVI	patch dually tire	\$47.50	
General Fund	Building Repair Materials	KINGSLEY MERCANTILE	bulbs	\$22.98	
General Fund	Cleaning Supplies	DALCO	bowl cleaner	\$28.48	
General Fund	Cleaning Supplies	DALCO	disifectant wipes	\$73.07	
General Fund	Electric Utilities	HARMONY PUBLIC UTILITIES	Elec-Vis Ctr	\$216.43	
General Fund	Gas Utilities	MINNESOTA ENERGY	monthly gas service Vis Ctr	\$62.90	
General Fund	Motor Fuels/Lubricants	KWIK TRIP,INC	gas-Chevy pickup	\$61.79	
General Fund	Repair/Maint Vehicles	DECORAH MOBILE GLASS, INC	repair back window Chevy pickup 1/2	\$156.50	
General Fund	Sewer Utilities	HARMONY PUBLIC UTILITIES	sewer-Vis Ctr	\$70.19	
General Fund	Water Utilities	HARMONY PUBLIC UTILITIES	water-Vis Ctr	\$46.53	
Fund 101 General Fund				<u>\$38,212.20</u>	
Fund 201 DTED Revolving Loan Program					
	DTED Revolving Loan Pr	Legal Fees	NETHERCUT SCHIEBER ATTORNEYS	Legal services for June	<u>\$283.50</u>
Fund 201 DTED Revolving Loan Program				<u>\$283.50</u>	
Fund 211 Library Fund					
Library Fund	Media-Audio	INGRAM LIBRARY SERVICES, INC	Audio Books	\$29.74	
Library Fund	Media-Audio	INGRAM LIBRARY SERVICES, INC	Invoice paid by Vendor credit	-\$46.24	
Library Fund	Media-Audio	INGRAM LIBRARY SERVICES, INC	Audio Books	\$46.24	
Library Fund	Media-Audio	INGRAM LIBRARY SERVICES, INC	Invoice paid by vendor credit	-\$48.98	
Library Fund	Media-Audio	INGRAM LIBRARY SERVICES, INC	Audio Books	\$48.98	
Library Fund	Media-Audio	INGRAM LIBRARY SERVICES, INC	Audio Books	\$217.18	
Library Fund	Media-Books	BAKER & TAYLOR	books	\$190.79	
Library Fund	Media-Books	BAKER & TAYLOR	books	\$26.23	
Library Fund	Media-Books	BAKER & TAYLOR	books	\$292.41	

CITY OF HARMONY
City Council Claims for Review

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Fund Descr	Object of Expense	Vendor	Comments	Amount
Library Fund	Media-Books	PENWORTHY COMPANY	childrens books	\$272.85
Library Fund	Media-Video	AMAZON CAPITAL SERVICES	dvd	\$9.99
Library Fund	Media-Video	AMAZON CAPITAL SERVICES	dvd	\$10.37
Library Fund	Media-Video	AMAZON CAPITAL SERVICES	DVDs	\$68.23
Library Fund	Media-Video	AMAZON CAPITAL SERVICES	DVD's	\$229.99
Library Fund	Media-Video	AMAZON CAPITAL SERVICES	dvd	\$6.89
Library Fund	Office Equip	AMAZON CAPITAL SERVICES	Patio Umbrella	\$528.00
Library Fund	Office Equip	AMAZON CAPITAL SERVICES	Base for Umbrella	\$168.99
Library Fund	Program Supplies	AMAZON CAPITAL SERVICES	Mod Podge Glue,pens, coating	\$34.26
Library Fund	Program Supplies	HARMONY FOODS	juices & freeze pops	\$54.35
Library Fund	Program Supplies	ORIENTAL TRADING CO., INC	Assortment parade goodies	\$223.23
Library Fund	Repair/Maint Office Equipment	CANON FINANCIAL SERVICES, INC	copier lease	\$44.00
Library Fund	Repair/Maint Office Equipment	LOFFLER COMPANIES, INC	copier Maintenance fee	\$170.72
Library Fund	Software Service Fees	SOUTHEASTERN LIBRARIES COOP	Basic services & Tech support	\$605.72
Library Fund	Telephone	HARMONY TELEPHONE COMPANY	monthly telephone service-Library	\$43.05
Fund 211 Library Fund				\$3,226.99
Fund 222 Fire Fund				
Fire Fund	Motor Fuels/Lubricants	SEVERSON OIL CO.	diesel-Fire	\$46.41
Fire Fund	Building Repair Materials	Acoustical Surfaces, Inc	sound panel for Fire Hall	\$1,266.80
Fire Fund	Electric Utilities	HARMONY PUBLIC UTILITIES	Elec-Firehall	\$253.80
Fire Fund	Gas Utilities	MINNESOTA ENERGY	monthly gas service Firehall	\$51.45
Fire Fund	Sewer Utilities	HARMONY PUBLIC UTILITIES	sewer-Firehall	\$26.52
Fire Fund	Telephone	HARMONY TELEPHONE COMPANY	monthly telephone/internet service-Firehall	\$45.61
Fire Fund	Water Utilities	HARMONY PUBLIC UTILITIES	water-firehall	\$17.76
Fund 222 Fire Fund				\$1,708.35
Fund 223 Ambulance Fund				
Ambulance Fund	Ambulance Accounts Receivab	AMBULANCE REFUNDS	over pmt of acct Ann Lyons	\$50.00
Ambulance Fund	Equipment Parts	LETTERWERKS SIGN CITY & AWARDS	black vinyl for amb	\$75.00
Ambulance Fund	Equipment Parts	LETTERWERKS SIGN CITY & AWARDS	black vinyl for amb	\$75.00
Ambulance Fund	Financial Services Fees	EXPERT T BILLING	billing services for May	\$435.00
Ambulance Fund	General Operating Supplies	ELAN FINANCIAL SERVICES	promotions	\$1,125.62
Ambulance Fund	General Operating Supplies	KINGSLEY MERCANTILE	bug/tar remover	\$6.49
Ambulance Fund	Medical Supplies	MISSISSIPPI WELDERS SUPPLY CO	oxygen cylinders	\$36.60
Ambulance Fund	Motor Fuels/Lubricants	KWIK TRIP,INC	diesel Ambulance	\$129.42
Ambulance Fund	Motor Fuels/Lubricants	SEVERSON OIL CO.	diesel-Amb	\$137.90
Ambulance Fund	Telephone	VERIZON WIRELESS	Amb cell service	\$48.55

CITY OF HARMONY
City Council Claims for Review

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Fund Descr	Object of Expense	Vendor	Comments	Amount
Ambulance Fund	Training Fees	ELAN FINANCIAL SERVICES	CPR Instructor Manual/student manuals	\$251.53
Ambulance Fund	Training Fees	ELAN FINANCIAL SERVICES	sales tax removed	-\$17.29
Fund 223 Ambulance Fund				<u>\$2,353.82</u>
Fund 251 Park Fund				
Park Fund	Building Repair Materials	KINGSLEY MERCANTILE	electrical supplies-outlets/plugs	\$76.45
Park Fund	Cleaning Supplies	DALCO	can liners	\$66.09
Park Fund	Electric Utilities	HARMONY PUBLIC UTILITIES	Elec-parks	\$226.78
Park Fund	General Operating Supplies	KINGSLEY MERCANTILE	screws/elec strips/chain	\$30.10
Park Fund	General Operating Supplies	KINGSLEY MERCANTILE	bug killer	\$2.97
Park Fund	Landscaping Materials	KINGSLEY MERCANTILE	Miracle Grow/grass seed/fertilizer	\$94.97
Park Fund	Landscaping Materials	LAWN PRO	weed control-parks	\$214.75
Park Fund	Landscaping Materials	MOREM ELECTRIC, INC	sensor wall switch	\$79.65
Park Fund	Motor Fuels/Lubricants	KWIK TRIP, INC	gas-lawnmowers	\$378.22
Park Fund	Other Rentals	ON SITE SANITATION	porta toilet fee-Trailhead	\$83.00
Park Fund	Repair/Maint Bldg/Structures	Nolan Lumber Company	materials for Selvig Park bathroom	\$201.10
Park Fund	Repair/Maint Land	DALCO	garbage recepticles	\$690.36
Park Fund	Repair/Maint Machinery/Equip	RUN RIGHT POWER LLC	mower-oil/filters	\$81.41
Park Fund	Repair/Maint Machinery/Equip	SOLBERG WELDING	sharpen brush mower blades	\$191.25
Park Fund	Sewer Utilities	HARMONY PUBLIC UTILITIES	sewer-Parks	\$121.50
Park Fund	Small Tools and Minor Equip	FLAGHOUSE	handicapped swing for Trailhead park	\$803.43
Park Fund	Water Utilities	HARMONY PUBLIC UTILITIES	water-parks	\$161.24
Fund 251 Park Fund				<u>\$3,503.27</u>
Fund 317 GO Impr Bond-2014A-1st Ave SW				
GO Impr Bond-2014A-1s	Debt Service Interest	FIRST SOUTHEAST BANK	GO Bond 14A interest pmt	\$292.50
Fund 317 GO Impr Bond-2014A-1st Ave SW				<u>\$292.50</u>
Fund 319 2020 Street GO BOND				
2020 Street GO BOND	Debt Service Interest	FIRST INDEPENDENT BANK-RUSSELL	int-2020A GO Imp Note	\$20,455.50
Fund 319 2020 Street GO BOND				<u>\$20,455.50</u>
Fund 601 Water Fund				
Water Fund	Revenue Bonds Payable NC	MPFA	'16 Well note	\$41,000.00
Water Fund	Debt Service Interest	MPFA	'16 Well note int	\$3,305.00
Water Fund	Engineering Fees	STANTEC CONSULTING SERVICES, I	Dairyland Utility extension	\$9,924.50
Water Fund	Postage	ELAN FINANCIAL SERVICES	water sample mailed	\$4.80
Water Fund	Electric Utilities	HARMONY PUBLIC UTILITIES	Elec-pumphouses	\$1,393.76
Water Fund	Gas Utilities	MINNESOTA ENERGY	monthly gas service pumphouses	\$41.45

CITY OF HARMONY
City Council Claims for Review

July 13, 2021

Fund Descr	Object of Expense	Vendor	Comments	Amount
Water Fund	General Operating Supplies	HAWKINS WATER TREATMENT GROU	chlorine cylinder	\$5.00
Water Fund	Laboratory & Testing Fees	UTILITY CONSULTANTS, INC	water testing	\$40.00
Water Fund	Small Tools and Minor Equip	PRESTON AUTO PARTS	sprinkler/base	\$25.96
Fund 601 Water Fund				\$55,740.47
Fund 602 Sewer Fund				
Sewer Fund	Revenue Bonds Payable NC	MPFA	'04 sewer note	\$36,000.00
Sewer Fund	Engineering Fees	STANTEC CONSULTING SERVICES, I	Diaryland Utility extension	\$9,924.50
Sewer Fund	Training Fees	MINN RURAL WATER ASSOC	WW School-Corey Whalen	\$255.00
Sewer Fund	Training Fees	MN POLLUTION CONTROL AGENCY	C Whalen WW C Test	\$55.00
Sewer Fund	Cleaning Supplies	DALCO	paper towels	\$60.45
Sewer Fund	Electric Utilities	HARMONY PUBLIC UTILITIES	Elec-WWTP/Lifts	\$1,482.71
Sewer Fund	Engineering Fees	STANTEC CONSULTING SERVICES, I	sewer issues 125 5th St SE	\$735.00
Sewer Fund	Engineering Fees	STANTEC CONSULTING SERVICES, I	2020 Street Improvements	\$2,156.00
Sewer Fund	Equipment Parts	KINGSLEY MERCANTILE	Air hose/nozzle, fittings & endings	\$75.34
Sewer Fund	Gas Utilities	MINNESOTA ENERGY	monthly gas service-WWTP	\$108.78
Sewer Fund	Laboratory & Testing Fees	UTILITY CONSULTANTS, INC	wastewater testing	\$1,104.60
Sewer Fund	Motor Fuels/Lubricants	SEVERSON OIL CO.	gas-1 ton truck	\$29.79
Sewer Fund	Sewer Utilities	HARMONY PUBLIC UTILITIES	sewer-WWTP	\$2,129.05
Sewer Fund	Telephone	HARMONY TELEPHONE COMPANY	monthly telephone service-WWTP Lifts/dial	\$167.50
Sewer Fund	Travel Expenses	MICHEL, BRIAN	travel exp for WW testing-Brian Michel	\$160.60
Sewer Fund	Utility Maint Materials	USA BLUEBOOK	dechlorination Tablets	\$607.91
Sewer Fund	Utility Maint Materials	USA BLUEBOOK	pH Buffer 4 Ltrs	\$56.29
Sewer Fund	Water Utilities	HARMONY PUBLIC UTILITIES	water-WWTP	\$1,402.66
Sewer Fund	Debt Service Interest	MPFA	'04 sewer note int	\$540.00
Fund 602 Sewer Fund				\$57,051.18
Fund 603 Solid Waste Fund				
Solid Waste Fund	Refuse/Garbage Disposal	WM Hanson Waste Removal & Recy	City Cleanup	\$5,666.00
Fund 603 Solid Waste Fund				\$5,666.00
Fund 604 Electric Fund				
Electric Fund	Electric Power for Resale	MI ENERGY COOPERATIVE	Power for Resale	\$67,931.25
Electric Fund	Electric Utilities	HARMONY PUBLIC UTILITIES	Elec-town clock	\$13.21
Electric Fund	Electric Utilities	HARMONY PUBLIC UTILITIES	Elec-streetlights	\$989.34
Electric Fund	Motor Fuels/Lubricants	SEVERSON OIL CO.	gas-Ford pickup	\$169.78
Electric Fund	Repair/Maint Other Improve	GOPHER STATE ONE CALL, INC	locates/no locates	\$45.90
Electric Fund	Repair/Maint Other Improve	MOREM ELECTRIC, INC	outage alley behind 235 1st Ave SE	\$68.00

CITY OF HARMONY
City Council Claims for Review

July 13, 2021

Fund Descr	Object of Expense	Vendor	Comments	Amount
Electric Fund	Repair/Maint Other Improve	MOREM ELECTRIC, INC	meter socket-UMethodist Church	\$539.00
Electric Fund	Repair/Maint Other Improve	MOREM ELECTRIC, INC	Alley projects Kingsley Bldg	\$894.36
Electric Fund	Repair/Maint Other Improve	MOREM ELECTRIC, INC	underground installed 35 & 55 1st Ave SE	\$1,069.46
Electric Fund	Repair/Maint Other Improve	MOREM ELECTRIC, INC	streetlights alley by Pam's Liquor	\$470.40
Electric Fund	Repair/Maint Other Improve	MOREM ELECTRIC, INC	wellhouse #1 upgrade service	\$2,687.43
Electric Fund	Repair/Maint Other Improve	MOREM ELECTRIC, INC	streetlights serviced	\$1,102.65
Electric Fund	Engineering Fees	STANTEC CONSULTING SERVICES, I	Dairyland Utility extension	\$9,924.50
Electric Fund	Postage	ELAN FINANCIAL SERVICES	transformer samples mailed	\$8.10
Fund 604 Electric Fund				\$85,913.38
Fund 620 Economic Development Authority				
Economic Development	Legal Fees	NETHERCUT SCHIEBER ATTORNEYS	Legal services for May	\$216.00
Economic Development	Taxes, Licenses & Permits	FILLMORE COUNTY AUDITOR	Real Estate Property Tax	\$300.96
Economic Development	Telephone	HARMONY TELEPHONE COMPANY	monthly telephone service-EDA	\$44.80
Fund 620 Economic Development Authority				\$561.76
				\$274,968.92

ADMINISTRATOR'S REPORT

For the Period June to July 12th 2021

ADMINISTRATION

Attended EDA, Monthly meeting.

Finalizing end of quarter and end of year reports, and Quarter two forms.

Met with staff and consultants to be briefed on projects, current matters, and on-going tasks within Harmony.

Working with David Drown on Wage and Compensation Study

State yearly electrical report

Continue work on wellhead protections and water permits

Various talks to MPCA and working on chlorine levels at the WWTP

Completed June payroll with help from Sam Grabau

Various meetings such as annual MMUA meeting in Rochester.

Continuing work on splashpad and various other parks in the city.

Starting to work on annual budget will be getting budget out to department heads in the next week or two. Will be talking to boards about upcoming budget and any big needs.

Eileen and Sam are working very hard to get the ambulance back to where it should be after our billing agency had some issues over the last year plus. I am very proud how all of the staff are operating and working.

CITY OF HARMONY

07/08/21

*Cash Balances

Cash Account: 10101

June 2021

Fund	2021 Begin Balance	Receipts	Disbursements	Transfers	Journal Entries	Payroll JEs	Balance	
10101 - 1st Southeast Bank-G								
101 - General Fund	(\$1,376,892.63)	\$668,467.54	(\$642,193.88)		(\$748.13)	\$24,736.03	(\$1,326,631.07)	lr
201 - DTED Revolving Loan Program	\$131,125.35	\$40,579.34	(\$25,000.00)		\$323.30		\$147,027.99	lr
202 - CDBG Rehab Loan Program	\$34,001.02				\$5.66		\$34,006.68	lr
211 - Library Fund	\$31,091.99	\$16,237.50	(\$24,464.14)		(\$15.82)	(\$41,652.63)	(\$18,803.10)	lr
222 - Fire Fund	\$31,323.01	\$3,245.00	(\$308,373.02)		\$290,239.25	(\$57.76)	\$16,376.48	lr
223 - Ambulance Fund	\$70,360.16	\$83,827.94	(\$167,323.43)		\$105,086.18	(\$32,549.64)	\$59,401.21	lr
251 - Park Fund	\$79,861.10	\$42,645.00	(\$12,011.71)		(\$41,991.19)	(\$6,545.78)	\$61,957.42	lr
261 - Arts Fund	\$8,643.47		(\$600.00)		\$1.44		\$8,044.91	lr
314 - G.O. Impr Bonds, 2010A-3rdStSW	\$51,429.41	\$345.07			\$8.61		\$51,783.09	lr
315 - G.O. Tax Abate Refund 2013A-CC	\$31,912.71	\$884.49	(\$704.00)		\$0.61		\$32,093.81	lr
316 - GO Tax Abatement Bonds 13B-H	\$27,857.80	\$729.45	(\$116,565.00)				(\$87,977.75)	lr
317 - GO Impr Bond-2014A-1st Ave SW	\$44,486.36	\$2,393.91	(\$25,573.75)		\$3.54		\$21,310.06	lr
318 - G.O. Bond 2017A	\$133,200.92	\$2,421.89	(\$91,465.50)		\$6.80		\$44,164.11	lr
319 - 2020 Street GO BOND	\$139,523.00	\$45.29	(\$27,274.00)				\$112,294.29	lr
320 - TIF #1-7 Dairyland	\$0.00		(\$500.00)				(\$500.00)	lr
401 - Capital Projects Fund	\$995,465.92	\$50,000.00	(\$32,000.00)	\$0.00	(\$353,190.60)		\$660,275.32	lr
410 - Trailhead Project	\$104.61				\$32.67		\$137.28	lr
420 - TIF District #6 (HECO)	\$10,107.97				\$1.77		\$10,109.74	lr
421 - First Ave SW Project	\$1,367.82				\$0.23		\$1,368.05	lr
424 - 2020 Street Project	\$308,660.34				\$344.96		\$309,005.30	lr
425 - Dairyland/Wickett Const.	\$0.00		(\$1,963.73)				(\$1,963.73)	lr
601 - Water Fund	\$380,696.97	\$141,262.91	(\$80,265.92)		\$57.28	(\$29,443.68)	\$412,307.56	lr
602 - Sewer Fund	\$11,348.48	\$169,100.01	(\$159,245.92)			(\$34,546.15)	(\$13,343.58)	lr
603 - Solid Waste Fund	\$30,359.08	\$41,593.44	(\$30,669.25)		\$5.76	(\$3,181.31)	\$38,107.72	lr
604 - Electric Fund	\$705,056.44	\$488,588.13	(\$431,665.46)		\$124.38	(\$9,736.63)	\$752,366.86	lr
605 - Storm Water Fund	\$34,631.68	\$15,359.16	(\$272.56)		\$6.69		\$49,724.97	lr
620 - Economic Development Authority	\$111,886.85	\$300.00	(\$45,774.91)		(\$303.39)	(\$8,540.58)	\$57,567.97	lr
	\$2,027,609.83	\$1,768,026.07	(\$2,223,906.18)	\$0.00	\$0.00	(\$141,518.13)	\$1,430,211.59	

**CITY OF HARMONY
CITY COUNCIL**

**AGENDA ITEM
COVER SHEET**

Originating Staff: Devin Swanberg, City Administrator	Meeting Date: July 13th	Agenda Item No. 4E
Agenda Section: Consent Agenda	Item: CD	
BACKGROUND: Cash in CD and create five new CD's		
ATTACHMENTS:		
COUNCIL ACTION REQUESTED: Approval to create five new CD's		

**CITY OF HARMONY
CITY COUNCIL**

**AGENDA ITEM
COVER SHEET**

Originating Staff: Devin Swanberg, City Administrator	Meeting Date: July 13th	Agenda Item No. 4f
Agenda Section: Consent Agenda	Item: SSC	
BACKGROUND: Due to lack of Claims the city sees a rebate of \$1,942.52 Half will go to the city the other half will go back to the workers in the SSC Health Care pool		
ATTACHMENTS:		
COUNCIL ACTION REQUESTED: Approve dispersal of funds to SSC pool employees in to their FSA or VEEBA		



Owner: City of Harmony, 225 3rd Ave. SW, Harmony, MN 55939	Date: July 7, 2021
For Period: 10/10/2020 to 7/7/2021	Request No: 6
Contractor: Generation X Construction LLC, 26204 MN-43, PO Box 490, Rushford MN 55971	

CONTRACTOR'S REQUEST FOR PAYMENT
2020 STREET AND UTILITY IMPROVEMENTS
STANTEC PROJECT NO. 193804911

SUMMARY

1	Original Contract Amount		\$	<u>1,666,629.00</u>
2	Change Order - Addition	\$	<u>0.00</u>	
3	Change Order - Deduction	\$	<u>0.00</u>	
4	Revised Contract Amount		\$	<u>1,666,629.00</u>
5	Value Completed to Date		\$	<u>1,682,568.95</u>
6	Material on Hand		\$	<u>0.00</u>
7	Amount Earned		\$	<u>1,682,568.95</u>
8	Less Retainage 1%		\$	<u>16,825.69</u>
9	Subtotal		\$	<u>1,665,743.26</u>
10	Less Amount Paid Previously		\$	<u>1,469,712.18</u>
11	Liquidated damages -		\$	<u>0.00</u>
12	AMOUNT DUE THIS REQUEST FOR PAYMENT NO.	<u>6</u>	\$	<u><u>196,031.08</u></u>

Recommended for Approval by:
STANTEC

BA A. G. L.

Approved by Contractor:
GENERATION X CONSTRUCTION LLC

Approved by Owner:
CITY OF HARMONY

Specified Contract Completion Date:

Date:

No.	Item	Unit	Contract	Unit	Current	Quantity	Amount
			Quantity	Price	Quantity	to Date	to Date
PART 1 - SANITARY SEWER:							
1	REMOVE SANITARY SEWER MANHOLE	EA	5	\$750.00	0	5	\$3,750.00
2	REMOVE SANITARY SEWER MAIN	LF	793	\$2.00	0	793	\$1,586.00
3	ADJUST SANITARY SEWER FRAME AND RING CASTING	EA	21	\$500.00	0	21	\$10,500.00
4	CONNECT TO EXISTING SANITARY SEWER PIPE	EA	10	\$500.00	0	10	\$5,000.00
5	CONNECT TO EXISTING SANITARY SEWER MANHOLE	EA	3	\$500.00	0	3	\$1,500.00
6	8" PVC SANITARY SEWER POINT REPAIR	LF	24	\$100.00	0	24	\$2,400.00
7	8" PVC SANITARY SEWER PIPE	LF	850	\$35.00	0	840	\$29,400.00
8	IMPROVED PIPE FOUNDATION	LF	850	\$10.00	835	835	\$8,350.00
9	4' DIAMETER SANITARY MH, INCL R-1642-B CSTG AND CONC ADJ RINGS	EA	5	\$950.00	0	5	\$4,750.00
10	SANITARY SEWER INSPECTION	LF	850	\$3.00	840	840	\$2,520.00
TOTAL PART 1 - SANITARY SEWER							\$69,756.00
PART 2 - WATER MAIN:							
11	REMOVE/ ABANDON WATER MAIN PIPE	LS	1	\$3,000.00	0	1.00	\$3,000.00
12	REMOVE HYDRANT	EA	7	\$400.00	0	7	\$2,800.00
13	REMOVE GATE VALVE AND BOX	EA	12	\$300.00	0	12	\$3,600.00
14	ADJUST GATE VALVE AND BOX	EA	14	\$450.00	0	13	\$5,850.00
15	CONNECT TO EXISTING WATER MAIN	EA	19	\$850.00	0	16	\$13,600.00
16	6" GATE VALVE AND BOX	EA	13	\$1,650.00	0	12	\$19,800.00
17	8" GATE VALVE AND BOX	EA	10	\$1,850.00	0	10	\$18,500.00
18	HYDRANT	EA	8	\$4,000.00	0	8	\$32,000.00
19	6" C900 DR18 PVC WATER MAIN, INCL. TRACER WIRE	LF	850	\$40.00	0	840	\$33,600.00
20	8" C900 DR18 PVC WATER MAIN, INCL. TRACER WIRE	LF	1930	\$45.00	0	1915	\$86,175.00
21	10" O.D. HDPE DR 11 IPS WATER MAIN (DIRECTIONAL DRILLED)	LF	315	\$105.00	0	315	\$33,075.00
22	DUCTILE IRON FITTINGS	LB	2200	\$12.00	0	2464	\$29,568.00
23	IMPROVED PIPE FOUNDATION	LF	2780	\$8.00	0	938	\$7,504.00
24	TEMPORARY WATER SERVICE	LS	1	\$6,000.00	0	1	\$6,000.00
TOTAL PART 2 - WATER MAIN							\$295,072.00
PART 3 - SERVICES:							
25	CONNECT TO EXISTING WATER SERVICE	EA	19	\$400.00	0	19	\$7,600.00
26	1" CURB STOP AND BOX	EA	28	\$350.00	0	37	\$12,950.00
27	1" CORPORATION STOP WITH SADDLE	EA	28	\$400.00	0	37	\$14,800.00
28	1" TYPE "K" COPPER WATER SERVICE	LF	665	\$40.00	0	1000	\$40,000.00
29	6" GATE VALVE AND BOX	EA	1	\$1,800.00	0	1	\$1,800.00
30	6" C900 DR18 PVC WATER MAIN, INCL. TRACER WIRE	LF	45	\$45.00	0	45	\$2,025.00
31	DUCTILE IRON FITTINGS	LB	115	\$12.00	0	115	\$1,380.00
32	8X4 PVC WYE	EA	15	\$400.00	0	21	\$8,400.00
33	4" PVC SDR 26 SEWER SERVICE PIPE	LF	435	\$40.00	0	520	\$20,800.00
34	CONNECT TO EXISTING SANITARY SEWER SERVICE	EA	13	\$600.00	0	20	\$12,000.00
TOTAL PART 3 - SERVICES							\$121,755.00
PART 4 - STREET IMPROVEMENTS:							
35	MOBILIZATION	LS	1	\$45,000.00	0	1.00	\$45,000.00
36	TRAFFIC CONTROL	LS	1	\$7,500.00	0	1.00	\$7,500.00
37	GRUB STUMP	EA	3	\$600.00	0	3	\$1,800.00
38	RECLAIM BITUMINOUS PAVEMENT	SY	13705	\$1.00	0	13705	\$13,705.00
39	REMOVE BITUMINOUS PAVEMENT	SY	2260	\$2.00	0	2260	\$4,520.00
40	ADJUST STORM SEWER FRAME AND RING CASTING	EA	4	\$850.00	0	2	\$1,700.00
41	SHAPE EXISTING RECLAIMED AGGREGATE BASE COURSE FOR PAVING	SY	3850	\$1.10	0	3850	\$4,235.00
42	6' EDGE MILL BITUMINOUS PAVEMENT	LF	9000	\$1.50	0	9562	\$14,343.00
43	REMOVE CONCRETE DRIVEWAY PAVEMENT	SY	240	\$7.00	0	240	\$1,680.00
44	REMOVE CONCRETE SIDEWALK	SY	1350	\$6.00	0	1350	\$8,100.00

No.	Item	Unit	Contract	Unit	Current	Quantity	Amount
			Quantity	Price	Quantity	to Date	to Date
45	REMOVE CONCRETE CURB AND GUTTER	LF	5570	\$3.00	0	5916	\$17,748.00
46	SAWING BITUMINOUS PAVEMENT	LF	2050	\$3.00	0	2230	\$6,690.00
47	SAWING CONCRETE SIDEWALK/ DRIVEWAY	LF	580	\$5.00	0	580	\$2,900.00
48	COMMON EXCAVATION (P)	CY	9680	\$10.00	0	9682	\$96,820.00
49	GEOTEXTILE FABRIC, TYPE V	SY	12310	\$1.25	0	12560	\$15,700.00
50	AGGREGATE BASE, CLASS 2 (CV)	CY	30	\$29.00		0	\$0.00
51	AGGREGATE SHOULDERING, CLASS 2 (CV)	CY	5	\$30.00	0	0	\$0.00
52	AGGREGATE BASE, CLASS 5 (CV)	CY	2650	\$29.00	0	3150	\$91,350.00
53	AGGREGATE BASE, CLASS 2 MOD. (CV)	CY	4150	\$29.00	0	4150	\$120,350.00
54	SUBGRADE EXCAVATION (EV)	CY	1025	\$10.00	174	174	\$1,740.00
55	SUBGRADE CORRECTION (CV)	CY	1025	\$29.00	174	174	\$5,046.00
56	TOPSOIL BORROW (CV)	CY	560	\$15.00	0	636	\$9,540.00
57	TYPE SP 12.5 NON WEARING COURSE MIXTURE (SPNWB330B) (2" THICK)	SY	15470	\$10.00	335	15805	\$158,050.00
58	TYPE SP 9.5 WEARING COURSE MIXTURE (SPWEA340B) (1.5" THICK)	SY	15470	\$8.00	12875	15256	\$122,048.00
59	TYPE SP 9.5 WEARING COURSE MIXTURE (SPWEA340B) (1.5" THICK OVERLAY)	SY	15836	\$8.00	0	16944	\$135,552.00
60	BITUMINOUS MATERIAL FOR TACK COAT (P)	GAL	1565	\$2.50	599	1565	\$3,912.50
61	PREPARATION OF BITUMINOUS NON WEAR FOR WEAR COURSE PAVING	LS	1	\$10,000.00	1	1	\$10,000.00
62	B612 CONCRETE CURB AND GUTTER	LF	240	\$48.00	0	239	\$11,472.00
63	B618 CONCRETE CURB AND GUTTER	LF	4700	\$24.50	0	5133.5	\$125,770.75
64	SURMOUNTABLE CONCRETE CURB AND GUTTER	LF	880	\$42.00	0	933	\$39,186.00
65	4" THICK CONCRETE SIDEWALK	SY	350	\$66.00	0	335.6	\$22,149.60
66	6" THICK CONCRETE DRIVEWAY PAVEMENT (RESIDENTIAL)	SY	425	\$69.00	0	528.2	\$36,445.80
67	7" THICK CONCRETE DRIVEWAY PAVEMENT (COMMERCIAL)	SY	20	\$75.00	0	37.7	\$2,827.50
68	7" THICK CONCRETE VALLEY GUTTER	SY	250	\$98.00	0	205.1	\$20,099.80
69	CONCRETE PEDESTRIAN CURB RAMP	EA	8	\$2,500.00	0	6	\$15,000.00
70	GRAVEL DRIVEWAY RESTORATION	SY	35	\$25.00	0	35	\$875.00
71	RESIDENTIAL BITUMINOUS DRIVEWAY PAVEMENT (SPWEA340B) (3" THICK)	SY	30	\$30.00	0	21	\$630.00
72	HYDRAULIC BONDED FIBER MATRIX (BFM)	SY	7000	\$2.50	0	7000	\$17,500.00
73	INLET PROTECTION	LS	1	\$4,000.00	0	1	\$4,000.00
TOTAL PART 4 - STREET IMPROVEMENTS							\$1,195,985.95

BASE BID SUMMARY

TOTAL PART 1 - SANITARY SEWER	\$69,756.00
TOTAL PART 2 - WATER MAIN	\$295,072.00
TOTAL PART 3 - SERVICES	\$121,755.00
TOTAL PART 4 - STREET IMPROVEMENTS	\$1,195,985.95
TOTAL BASE BID (PARTS 1-4)	\$1,682,568.95

PROJECT PAYMENT STATUS

OWNER CITY OF HARMONY
 STANTEC PROJECT NO. 193804911
 CONTRACTOR GENERATION X CONSTRUCTION LLC

CHANGE ORDERS

No.	Date	Description	Amount
Total Change Orders			

PAYMENT SUMMARY

No.	From	To	Payment	Retainage	Completed
1	05/01/2020	06/04/2020	\$316,279.70	\$16,646.30	\$332,926.00
2	06/05/2020	07/09/2020	\$305,327.63	\$32,716.18	\$654,323.50
3	07/10/2020	08/06/2020	\$178,647.50	\$42,118.68	\$842,373.50
4	08/07/2020	09/04/2020	\$288,880.75	\$57,322.93	\$1,146,458.50
5	09/05/2020	10/09/2020	\$380,576.60	\$77,353.27	\$1,547,065.45
6	10/10/2020	07/07/2021	\$196,031.08	\$16,825.69	\$1,682,568.95

Material on Hand

Total Payment to Date	\$1,665,743.26	Original Contract	\$1,666,629.00
Retainage Pay No 6	\$16,825.69	Change Orders	
Total Amount Earned	\$1,682,568.95	Revised Contract	\$1,666,629.00

**THIRD AMENDMENT
TO
ELECTRIC SERVICE AGREEMENT
BETWEEN
MIENERGY COOPERATIVE
AND
THE CITY OF HARMONY, MINNESOTA**

July 13, 2021

MIENERGY COOPERATIVE, formerly known as Tri-County Electric Cooperative and successor by merger to Hawkeye Tri-County Electric Cooperative ("MiEnergy"), and the CITY OF HARMONY, Minnesota (the "City") are parties to an *Electric Service Agreement* dated the 2nd day of March, 1987 (as amended, the "Agreement"), pursuant to which MiEnergy supplies and sells and the City takes and purchases all of the electric capacity and energy required by the City for its own use and for resale to its retail customers.

The wholesale supply for that service is provided by Dairyland Power Cooperative ("Dairyland"), and the rate for the service is based upon Dairyland's A-8 wholesale rate for its member cooperatives serving non-generating municipal utilities under long-term contracts.

The parties understand that Dairyland has recently modified its wholesale rate for that service, specifically, to eliminate the portion of its transmission charge rate element that recovers third-party transmission charges, but only for a new municipal utility on the system or where an existing municipal utility renews its long-term contract with the serving distribution cooperative.

The parties wish to qualify the City's load for that third-party transmission charge avoidance under Dairyland's rate schedule, and therefore agree as follows:

1. Effective as of the date set forth above, the Agreement, as it may have been previously amended, is hereby renewed and the current term is extended to January 1, 2035.
2. Effective as of the date set forth above, Paragraph 5.1 of the Agreement is hereby amended to substitute "January 1, 2035" for "January 1, 2025" in all references to the current or the original term of the Agreement.
3. MiEnergy agrees to modify the rate to the City to reflect any savings in the wholesale cost to serve the City's load arising from Dairyland ceasing to recover third-party transmission charges in its rate to MiEnergy.
4. All other provisions of the Agreement shall remain in full force and effect, including but not limited to the provision in Paragraph 5.1 for automatic renewals or extensions absent either party serving timely notice of termination.

5. MIEnergy and the City each warrants and represents to the other that it has secured all approvals and consents necessary to agree to, execute and deliver this Amendment and to perform its terms, and that those terms are binding and enforceable as written, subject to Dairyland's determination that the conditions for avoidance of its third-party transmission charge under its A-8 rate are met by this Amendment.

IN WITNESS WHEREOF, the parties have caused this *Third Amendment to Electric Service Agreement* to be executed as of the date first set forth above.

MIENERGY COOPERATIVE

By: _____
Its: _____

CITY OF HARMONY, MINNESOTA

By: _____
Its: _____

DAIRYLAND POWER COOPERATIVE
hereby confirms that the foregoing
Amendment qualifies as renewal of
the parties' contract under Dairyland's
current A-8 wholesale rate:

By: _____
Its: _____

Harmony EDA Minutes

July 1, 2021
7:30 AM

Community Center
Council Room

Present: Kerry Kingsley, Steve Donney, Andy Batstone, Steve Sagen, and Greg Schieber

Also Present: Jeff O'Connor, Melissa Vander Plas, Devin Swanberg, and Chris Giesen

The regular meeting was called to order at 7:31 AM by Kerry Kingsley.

Minutes

The board reviewed the minutes of the June 3, 2021 meeting. Motion by Donney, second by Schieber to approve the minutes as presented. Motion carried unanimously.

Batstone entered the meeting at 7:32 AM.

Financial Reports & Claims

The board reviewed the loan portfolio. All loans were current. There were no claims for payment.

Giesen presented a new home rebate application from Allan Dahl, to the loan committee. He explained that the rebate would either be \$10,000 or \$12,000 based on the \$257,500 taxable value estimated by Fillmore County, but that he had to verify whether or not the existing land value was included in this amount. The rebate was for a new home to be built at 160 Wickett Drive. Giesen said that the applicant wished to start construction very soon. The loan committee recommended approval of the application, with the final rebate amount to be determined upon verification of the new building's value with the county.

A question was brought up as to whether or not a new home rebate recipient could receive a higher rebate if the final taxable value ends up higher than originally estimated in the application. Consensus of the board was that if a higher taxable value than contained in the application is determined upon construction completion, a recipient can qualify for a higher rebate if the new higher taxable value falls in a higher rebate bracket. This was thought to be in a similar fashion to those rebates falling in lower rebate brackets upon completion.

Industrial Park: Potential Lot Sale

Jeff O'Connor was present to discuss a potential expansion of his business, Twin City Trimmers, LLC and a new business he is starting called Division 6/10. Twin City Trimmers is a finish carpentry business and Division 6/10 will do exterior enclosures/wrapping and framing. Currently he has a small shop in the industrial park and he is interested in purchasing a lot, possibly part or all of the lot next door to the north, for a second building that would contain his corporate headquarters and storage. He said that a possible third building may be needed in the future as well. He noted that Harmony was attractive because the cost of doing business in Harmony would likely be lower than other areas and that he employed several people in the Harmony area.

Giesen explained that he reviewed the lot pricing schedule with Mr. O'Connor. The lot of most interest has a list price of \$100,000. The board noted it is their intention to

appropriately price the lots based on actual value so that future improvements can be completed, but to write down the out of pocket price at the time as sale utilizing various development tools, if applicable and available. Giesen reported that in working with Mr. O'Connor and the Fillmore County Assessor, the assessor felt the new building would create about \$260,000 in new taxable value which would create about \$46,000 in future value of TIF (\$36,000 in present value). The board noted this was only an estimate. The board thanked Mr. O'Connor for his interest and investment in Harmony. The board indicated it would discuss the opportunity further and get back Mr. O'Connor within the day.

Chamber of Commerce Report

Melissa Vander Plas gave the chamber report. The chamber is ready for the 4th of July and 125th anniversary celebration. They have utilized the first phase of their Explore Minnesota marketing grant, 2021 visitor count is strong, and they are already planning for fall events. She mentioned a complaint that was received about the condition of the bike trail. Giesen said he has been in touch directly about that issue with the DNR on several occasions and that it was recommended that if anyone has a complaint about the condition they should send it to him and he would forward it to the DNR. He mentioned that he had already forwarded different complaints as well. The board was concerned about the current condition and asked that staff stay in touch with the DNR. Vander Plas also gave the board a draft of a new visitor's map. It was well received, although Sagen noted a minor typo. The board thanked Vander Plas for her work on the 4th of July festivities.

Industrial Park: Potential Lot Sale

The board noted that it would like to close the meeting per Minn. Stat. §13D.05 to discuss the potential land sale to Mr. Jeff O'Connor and the board's price negotiation strategy. Motion by Schieber, second by Donney to close the meeting per Minn. Stat. § 13D.05. Motion carried unanimously.

Kingsley closed the meeting to the public at 8:45 AM.

The board conducted a closed meeting session.

Kingsley reopened the meeting at 9:14 AM.

Motion by Sagen, second by Batstone to offer Mr. O'Connor the following pricing option on parts or all of the to be platted Lot 2 Block 1 Industrial Park 2nd Addition:

Option 1 – approximately 2.45 acres at full list price (\$100,000) less projected TIF benefit (\$46,000) for a total out of pocket cost of \$54,000.

Option 2 – approximately 1.32 acres (Block 2 Lot 2 as it exists today in Industrial Park 1st Addition) at \$65,000 less projected TIF benefit (\$46,000) for a total out of pocket cost of \$19,000 plus a first right of refusal on the remaining portion of the to-be platted Lot 2 Block 1 Industrial Park 2nd Addition (for an additional approximately 1.13 acres) for a period of two years from the original date of purchase. This right of refusal must be exercised within 30 days of receiving notice of an offer. In addition the price will be set at \$35,000 for this additional property. Additional TIF benefits could be applied to this sale price, if available.

The board would cover TIF district setup costs under both options to be reimbursed out of its administrative fee collected via TIF.

Motion carried unanimously.

Giesen noted that if Mr. O'Connor accepts the board's sale offer, the board should move forward with creating the TIF district. Motion by Batstone, Second by Sagen to authorize staff and the city attorney to draft the necessary documents related to a purchase agreement, TIF plan, and or development agreement as needed should the offer authorized above be accepted by Mr. Jeff O'Connor. Motion carried 4-0. Schieber abstained.

Giesen said he would draft a response to Mr. O'Connor after the meeting and reach out to him with the board's offer.

Downtown Revitalization Program Guidelines

The board reviewed the draft guidelines presented by staff. It was agreed to discuss this item further at the next meeting as time was running short.

Prospects/Community Update

There was no other business.

Hearing no objections, Kingsley adjourned the meeting. The meeting adjourned at 9:39 AM.

The next regular meeting is scheduled for August 5, 2021 at 7:30 AM at the Community Center.