



The City Council of the City of St. Charles welcomes you to its  
 Regular Meeting of Tuesday, November 23, 2021 at 6:00 p.m.  
 at 830 Whitewater Avenue, City Council Chambers, St. Charles, Minnesota.

ITEM	ACTION REQUESTED
1. Call to Order	
2. Pledge of Allegiance	
3. Approval of the Agenda	
4. Notices and Communications –	
5. Review of Financials	
6. Special Assessment Public Hearing	HOLD
7. Resolution #52-2021 Adopting Special Assessment	APPROVE
8. 2022 Budget	INFORMATION
9. Ordinance #634 Amending Sewer Rates (2nd Reading)	APPROVE
10. Ordinance #635 Amending Water Rates (2nd Reading)	APPROVE
11. DESCASD Board Appointment	APPROVE
12. Resolution #51-2021 Cigarette Licenses	APPROVE
13. Resolution #53-2021 Liquor Licenses	APPROVE
14. Resolution #54-2021 Designating Polling Place	APPROVE
15. Resolution #55-2021 Accepting an Ambulance Donation	APPROVE
16. 2022 CEDA Contract	APPROVE
17. 2021 Pay Request	APPROVE
18. City Hall Holiday Closing	APPROVE
19. Winter Parking Exemptions	APPROVE

**UNSCHEDULED PUBLIC APPEARANCES:** Members of the audience may address any item not on the agenda. State Statute prohibits the City Council from discussing an item that is not on the agenda, but the City Council does listen to your concerns and has staff follow up on any questions you raise.

## ADJOURNMENT

Please Note: Some or all councilmembers may participate by telephone or other electronic means as permitted through Minn. Stat. 13D.021. To attend the conference call please dial 1-320-460-1726 and the conference ID: 995 262 38#



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**MEMORANDUM for the CITY COUNCIL of St. Charles for  
Tuesday, November 23, 2021**

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**6. Special Assessment Public Hearing.** Council will hold a special assessment public hearing.

**7. Resolution #52-2021 Adopting Special Assessment.** Please see the enclosed resolution for consideration.

**8. 2022 Budget.** Gary Price, who serves as the Upper Midwest Municipal Energy Group's energy and fiscal analysis expert, has concluded the electric rate study. Included in the packet is a brief memo along with supporting data of the recommendation for the continued shift from volumetric rates to cost of service structured rates. Previously, Tom Nigon of StarEnergy Services recommended to the Council to begin the paradigm shift from a kwh rate structure to focusing on the cost of service base and the revenues necessary to support the fixed costs. Mr. Price will highlight for the Council an incremental approach to continuing the movement to that format for the city utility.

In addition, proposed costs for the 2022 Police squads are included in the packet. A motion to allow staff to place the order necessary to secure the squads for an earlier 2022 delivery is requested. The annual Truth In Taxation meeting is set for December 14, 2021.

**9. Ordinance #634 Amending Sewer Rates (2<sup>nd</sup> Reading).** Please see enclosed ordinance for consideration.

**10. Ordinance #635 Amending Water Rates (2<sup>nd</sup> Reading).** Please see the enclosed ordinance for consideration.

**11. DESCASD Board Appointment.** Clm. Getz's 2-year term will expire December 31, 2021. An appointment on St. Charles' behalf has been requested.

**12. Resolution #51-2021 Cigarette Licenses.** Please see the enclosed resolution for consideration.

**13. Resolution #53-2021 Liquor Licenses.** Please see the enclosed resolution for consideration.

**14. Resolution #54-2021 Designating Polling Places.** Please see the enclosed annual resolution required by the State.

**15. Resolution #55-2021 Accepting an Ambulance Donation.** Please see the enclosed resolution for consideration.

**16. 2022 CEDA Contract.** Enclosed is the proposed CEDA contract that reflects a 3 percent increase to the contract.

**17. 2021 Pay Request.** Please see the enclosed 2021 Street pay request.

**18. City Hall Holiday Closing.** City Hall will be closed Friday, December 24<sup>th</sup> and December 31<sup>st</sup> in observance of the holiday. The City Hall office will also be closed December 30<sup>th</sup> at 3 p.m. for year end file transfer.

**19. Winter Parking Exemptions.** A list of winter parking exemptions will be presented Tuesday evening.



SOUTHERN MINNESOTA  
INITIATIVE FOUNDATION

525 Florence Avenue • PO Box 695 • Owatonna, MN 55060-0695  
PH 507.455.3215 • FAX 507.455.2098 • [smifoundation.org](http://smifoundation.org)

November 16, 2021

Nick Koverman  
City of Saint Charles  
830 Whitewater Ave  
Saint Charles, MN 55972

## *Your Gift* CREATED A NETWORK FOR COMMUNITY GROWTH AND VITALITY

Dear Mr. Koverman and City Council,

Vibrant communities are where entrepreneurs launch and grow their businesses, children are prepared for their future and communities build the resources and networks needed to sustain their quality of life.

Southern Minnesota Initiative Foundation (SMIF) invests in communities through its Affiliate Fund program which consists of over 80 donor supported funds that grant dollars to local projects.

The St. Charles Area Community Foundation (SCACF) was established in 2015 and is one of 30 community foundations that SMIF supports. Community Foundations empower residents to make change by investing in their community and addressing their unique needs.



“

The foundation opened up the opportunity for residents of not only St. Charles, but the surrounding area, an alternative way to support a program or project. We connect people with resources that eventually help to foster their ideas into reality.”

– Nick Koverman, St. Charles Area Community Foundation



St. Charles community members saw the need for a community gathering space and with the support of SCACF, they created the “Green Space Initiative” utilizing vacant land behind City Hall to create a town square. The community foundation raised dollars to support this effort and secured a matching grant from SMIF. The green space is now being used for events and programs that bring the community together.

**Thank you for your gift of \$1,500 to SMIF’s General Endowment Fund! This fund allows SMIF to support and sustain our overall work and invest in our communities through programs like our Affiliate Funds. You are making a difference in southern Minnesota!**

Sincerely,

Tim Penny  
President & CEO

cc: Heather Millard, Board Member

Southern Minnesota Initiative Foundation is a 501(c) (3) organization; your gift is tax deductible. No goods or services were provided to the donor.

Collaborating for Regional Vitality



**City of St. Charles**

**Resolution #52-2021**

**RESOLUTION ADOPTING SPECIAL  
ASSESSMENT FOR CURRENT SERVICES**

**WHEREAS**, certain accounts for City electric, water, sewer, garbage and recycling services and other services or charges remain past due; and

**WHEREAS**, the owners of said property (29.060.2040 have been duly billed and have failed to remit payment for electric, water and sewer and other services or charges; and

**WHEREAS**, said non-payment was duly brought before the City Council at its regular meeting held November 23, 2021; and

**WHEREAS**, the owner of the property was advised of the unpaid bill, and have failed to make satisfactory arrangements to pay the same; and

**WHEREAS**, pursuant to St. Charles City Ordinance §50.06 (H) Collection with Taxes, and MN Section 429.101 the unpaid charges, plus interest at 6% per annum plus County Recording fee, for said services to be assessed against the property service;

**NOW THEREFORE**, it is resolved by the City Council of St. Charles, Minnesota that the special assessment roll as prepared by the City Clerk, for each account, is hereby adopted, and the clerk is directed to file a copy of the assessment roll with the Winona County Auditor's office for collection with current taxes for the following year(s).

Adopted this 23rd day of November 2021.

\_\_\_\_\_  
**John Schaber, Mayor**

Attest: \_\_\_\_\_  
**Nick Koverman, City Administrator**



## **Memorandum**

**To: Kyle Karger**

**Nick Koverman**

**From: Gary Price**

**Price Consulting Services, Inc.**

**Date: November 19, 2021**

**Subject: St Charles MN Electric Rate Analysis Summary**

Attached for your review and consideration is our analysis of the Electric Utility's Projected Operating Results ("POR") for 2021 and 2022, where the focus was on the adequacy of the current electric rates, relating to the Utility's ability to adequately and equitably recover its cost of providing electric service.

We have not yet performed a full Cost-Of-Service study to verify that the cost recovery for each individual rate class is adequate, only for the utility in total for now.

Page 3 of 7, of the Attachment, at lines 25 - 29 of Columns (b) and (c) of the Attachment compares the expected Utility operation income for 2021 and as projected for 2022 under the current rate structure. Although we expect a positive operating income for 2021 of about \$120,557, the operating income is expected to turn negative in 2022 mainly due to increases in purchased power costs. (See Page 2 of 7 for the power cost calculations for 2021 and 2022).

In my experience, the annual operating income for a similarly sized utility should range between \$250,000 and \$280,000 which you have also verified for St Charles.

As you can see in columns (d) and (e) of Page 3 of 7 we are proposing two rate options for your consideration. Option B, in Column (e) would be our recommended endgame but it would also require about an 8.3% immediate overall rate increase above current rates to get there (See Page 5 of 7 for the detailed calculations). To avoid what some might call a rate shock associated with an immediate sizeable increase, we are proposing in Option A, which, in our opinion, would be a first step in reaching the more optimal goal, but would still require an immediate rate adjustment of about 4.2% above current rates (see page 6 of 7 for the detailed calculations), however the two-stepped process could help mitigate the customer impact of the Utility achieving the financial end-goal.

Page 7 of 7 summarizes and compares the current rates to rate Options A and B and shows typical bill comparisons under each rate scenario.

We really appreciate the opportunity to assist with this project, and I really want to thank the Cassie and Melissa for their help and patience in getting all the data together for this analysis.

**Attachment**

**City of St Charles MN - Electric Utility**

**Projected Operating Results**

**And**

**Electric Rate Analysis**

**For Calendar Years 2021 and 2022**

**November 19, 2021**

## Projected Purchased Power Costs for 2021 and 2022

Line No.		Est Purchased Power Costs	
		2021	2022
1	<b>MI Energy Power Bill</b>	(b)	(c)
2	Feeder Load Energy (MWh)	23,544	23,544
3	<b>Energy Delivered</b>		
4	Market KWh Delivered	15,233	15,233
5	Rugby Energy Delivered	4,654	4,654
6	<b>Total Delivered by MI Energy</b>	<b>19,887</b>	<b>19,887</b>
7	<b>MI Energy Prices (\$/MWh)</b>		
8	FCC Energy (\$/MWh)	\$ 5.25	\$ 5.25
9	Energy Delivered (\$/MWh)	\$ 30.00	\$ 32.00
10	<b>MI Energy Costs (\$)</b>		
11	FCC Energy (\$/MWh) Ln 2 X Ln 8)	\$ 123,605	\$ 123,605
12	Energy Delivered (\$/MWh) (Ln 6 x Ln 9)	\$ 596,617	\$ 636,392
13	<b>Total MI Energy Costs (Ln11 + Ln 12)</b>	<b>\$ 720,222</b>	<b>\$ 759,996</b>
14	<b>DPC Power Bill</b>		
15	MISO TX Charge (\$/MWh)	\$ 17.07	17.76
16	Avg. Rugby DPCMISO Energy Cost(\$/MWh)	\$ 20.70	\$ 20.70
17	DPC Rugby Charge (Credit) (Ln 16 - Ln 9)	\$ (9.30)	\$ (11.30)
18			
19	MISO Tx Related Charges (Ln 2 X Ln 15)	\$ 401,774	\$ 418,045
20	Rugby Credit (Ln 5 x Line 17)	\$ (43,285)	\$ (52,594)
21	<b>Subtotal DPC Charges</b>	<b>\$ 358,489</b>	<b>\$ 365,452</b>
22	License Fee	\$ 4,495	\$ 4,583
23	<b>Total DPC Power Bill (\$)</b>	<b>\$ 362,984</b>	<b>\$ 370,034</b>
24	<b>UMMEG Power Bills</b>		
25	Rugby Avg. Energy Price (\$/MWh)	\$ 38.93	\$ 39.65
26	MRES Charges (\$/MWh)	\$ 0.50	\$ 0.50
27	Rugby Avg. Energy MISO Rev. (\$/MWh)	\$ (13.98)	\$ (13.98)
28	Rugby Capacity Credit (\$/MWh)	\$ (1.87)	\$ (1.72)
29	<b>Total Rugby Price per UMMEG (\$/MWh)</b>	<b>\$ 23.58</b>	<b>\$ 24.45</b>
30	Butter Solar Price (\$/MWh)	\$ 49.00	\$ 49.00
31	UMMEG System Control (\$/MWh)	\$ 0.60	\$ 0.60
32	UMMEG RSF Adj (\$/MWh)	\$ 3.50	\$ 7.00
33	<b>UMMEG Rugby Costs (\$)</b>	<b>\$ 118,452</b>	<b>\$ 121,804</b>
34	UMMEG Rugby Capacity Credit (\$)	\$ (8,704)	\$ (8,005)
35	<b>UMMEG RSF Collections (\$)</b>	<b>\$ 16,140</b>	<b>\$ 53,830</b>
36	Butter Solar Net Energy (MWh)	3,554	3,554
37	UMMEG Butter Solar Costs (\$)	\$ 174,165	\$ 174,165
38	UMMEG System Control Costs (\$)	\$ 14,126	\$ 14,126
39	<b>Total UMMEG Power Bills (\$)</b>	<b>\$ 314,180</b>	<b>\$ 355,919</b>
40	<b>Total Annual Purchased Power Cost</b>	<b>\$ 1,397,386</b>	<b>\$ 1,485,950</b>
41	<b>Tx Only</b>	<b>\$ 401,774</b>	<b>\$ 418,045</b>
42	<b>Total Less Tx Costs</b>	<b>\$ 995,612</b>	<b>\$ 1,067,905</b>
43	<b>Total Energy Sales (MWh) (Estimated)</b>	<b>\$ 22,941</b>	<b>\$ 22,941</b>
44	Distribution Losses	\$ 603	\$ 603
45	<b>Total Energy Requirements (MWh)</b>	<b>\$ 23,544</b>	<b>\$ 23,544</b>
46	<b>Energy Resources</b>		
47	From DPC	15,233	15,233
48	Rugby Delivered *	4,654	4,654
49	Sutter Solar	3,554	3,554
50	BTM	102	102
51	<b>Total Resources = Feeder Load (MWh)</b>	<b>23,544</b>	<b>23,544</b>



# City of St Charles MN - Electric Utility

ATTACHMENT

## Projected Operating Results @ Present and Proposed Rates Options A & B Assume 4.2% or 8.3% Revenue Adjustments in 2022

### Projected Operating Results for 2021 and 2022

Line No.	Description	@ Proposed Rates			
		Present Rates		Option A	Option B
		2021	2022	2022	2022
	(a)	(b)	(c)	(d)	(e)
1	Sales Revenue	\$ 3,114,086	\$ 3,114,086	\$ 3,245,740	\$ 3,371,753
2	Other Operating Revenue	\$ 53,392	\$ 65,949	\$ 65,949	\$ 65,949
3	Total Revenue	\$ 3,167,477	\$ 3,180,034	\$ 3,311,688	\$ 3,437,702
4	<u>Operating Expenses</u>				
5	Purchase Power	\$ 979,472	\$ 1,014,075	\$ 1,014,075	\$ 1,014,075
6	Transmission Only	\$ 401,774	\$ 418,045	\$ 418,045	\$ 418,045
7	DPC Mitigation Adj.	\$ 16,140	\$ 53,830	\$ 53,830	\$ 53,830
8	Salaries	\$ 406,858	\$ 440,000	\$ 440,000	\$ 440,000
9	Benefits	\$ 173,821	\$ 179,900	\$ 179,900	\$ 179,900
10	Gas & Oil	\$ 7,437	\$ 7,000	\$ 7,000	\$ 7,000
11	Generation Fuel	\$ 22,564	\$ 30,000	\$ 30,000	\$ 30,000
12	Supplies & Minor Equip	\$ 19,233	\$ 19,233	\$ 19,233	\$ 19,233
13	Professional Services	\$ 61,545	\$ 36,750	\$ 36,750	\$ 36,750
14	Communication	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000
15	Transp & Training	\$ 8,572	\$ 8,000	\$ 8,000	\$ 8,000
16	Insurance	\$ 25,000	\$ 27,000	\$ 27,000	\$ 27,000
17	Utilities	\$ 10,558	\$ 11,000	\$ 11,000	\$ 11,000
18	Repairs & Maint.	\$ 288,972	\$ 312,988	\$ 312,988	\$ 312,988
19	Depreciation & Amort	\$ 351,206	\$ 354,539	\$ 354,539	\$ 354,539
20	Bad Debts	\$ 1,584	\$ 1,584	\$ 1,584	\$ 1,584
21	Other	\$ 131,187	\$ 131,187	\$ 131,187	\$ 131,187
22	Transfers Out	\$ 135,000	\$ 135,000	\$ 135,000	\$ 135,000
23	Total Oper. Exp	\$ 3,046,920	\$ 3,186,130	\$ 3,186,130	\$ 3,186,130
24					
25	Operating Income	\$ 120,557	\$ (6,095)	\$ 125,558	\$ 251,572
26					
27	Rate Base	\$ 6,537,743	\$ 6,283,204	\$ 6,283,204	\$ 6,283,204
28					
29	Earned Rate of Return	1.84%	-0.10%	2.00%	4.00%
30	<u>Rate Base</u>				
31	Land	\$ 325,989	\$ 325,989	\$ 325,989	\$ 325,989
32	Plant In service	11,494,367	11,594,367	11,594,367	\$ 11,594,367
33	Accum Depreciation	(5,648,691)	(6,003,230)	(6,003,230)	\$ (6,003,230)
34	Net Plant	6,171,665	5,917,126	5,917,126	5,917,126
35	Inventories	366,078	366,078	366,078	366,078
36	Rate Base	\$ 6,537,743	\$ 6,283,204	\$ 6,283,204	\$ 6,283,204



**City of St Charles MN - Electric Utility**  
**Revenue and Expense Classification of Projected POR for 2021 and 2022**

ATTACHMENT

Description	2021 Present Rates			2022 Present Rates			2022 Proposed Rates Option A			2022 Proposed Rates Option B		
	Fixed	Energy	Total	Fixed	Energy	Total	Fixed	Energy	Total	Fixed	Energy	Total
	Cost Recovery \$	Cost Recovery \$	Cost Recovery \$	Cost Recovery \$	Cost Recovery \$	Cost Recovery \$	Cost Recovery \$	Cost Recovery \$	Cost Recovery \$	Cost Recovery \$	Cost Recovery \$	Cost Recovery \$
(a)	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
Sales Revenue	\$ 472,800	\$ 2,641,286	\$ 3,114,086	\$ 472,800	\$ 2,641,286	\$ 3,114,086	\$ 816,325	\$ 2,429,415	\$ 3,245,740	\$ 1,247,655	\$ 2,124,098	\$ 3,371,753
Other Revenue	\$ 53,392		\$ 53,392	\$ 65,949		\$ 65,949	\$ 65,949		\$ 65,949	\$ 65,949		\$ 65,949
<b>Total Revenue</b>	<b>\$ 526,191</b>	<b>\$ 2,641,286</b>	<b>\$ 3,167,477</b>	<b>\$ 538,748</b>	<b>\$ 2,641,286</b>	<b>\$ 3,180,034</b>	<b>\$ 882,273</b>	<b>\$ 2,429,415</b>	<b>\$ 3,311,688</b>	<b>\$ 1,313,604</b>	<b>\$ 2,124,098</b>	<b>\$ 3,437,702</b>
<b><u>Operating Expenses</u></b>												
Purchase Power	\$ -	\$ 979,472	\$ 979,472	\$ -	\$ 1,014,075	\$ 1,014,075	\$ -	\$ 1,014,075	\$ 1,014,075	\$ -	\$ 1,014,075	\$ 1,014,075
Transmission Only	\$ 359,990	\$ 41,785	\$ 401,774	\$ 374,569	\$ 43,477	\$ 418,045	\$ 374,569	\$ 43,477	\$ 418,045	\$ 374,569	\$ 43,477	\$ 418,045
DPC Mitigation Adj.		\$ 16,140	\$ 16,140		\$ 53,830	\$ 53,830		\$ 53,830	\$ 53,830	\$ -	\$ 53,830	\$ 53,830
Salaries	\$ -	\$ 406,858	\$ 406,858	\$ -	\$ 440,000	\$ 440,000	\$ -	\$ 440,000	\$ 440,000	\$ -	\$ 440,000	\$ 440,000
Benefits	\$ -	\$ 173,821	\$ 173,821	\$ -	\$ 179,900	\$ 179,900	\$ -	\$ 179,900	\$ 179,900	\$ -	\$ 179,900	\$ 179,900
Gas & Oil	\$ -	\$ 7,437	\$ 7,437	\$ -	\$ 7,000	\$ 7,000	\$ -	\$ 7,000	\$ 7,000	\$ -	\$ 7,000	\$ 7,000
Generation Fuel		\$ 22,564	\$ 22,564		\$ 30,000	\$ 30,000		\$ 30,000	\$ 30,000	\$ -	\$ 30,000	\$ 30,000
Supplies/Minor Equip.	\$ 19,233		\$ 19,233	\$ 19,233		\$ 19,233	\$ 19,233		\$ 19,233	\$ 19,233	\$ -	\$ 19,233
Professional Services	\$ -	\$ 61,545	\$ 61,545	\$ -	\$ 36,750	\$ 36,750	\$ -	\$ 36,750	\$ 36,750	\$ -	\$ 36,750	\$ 36,750
Communication	\$ -	\$ 6,000	\$ 6,000	\$ -	\$ 6,000	\$ 6,000	\$ -	\$ 6,000	\$ 6,000	\$ -	\$ 6,000	\$ 6,000
Transp & Training	\$ -	\$ 8,572	\$ 8,572	\$ -	\$ 8,000	\$ 8,000	\$ -	\$ 8,000	\$ 8,000	\$ -	\$ 8,000	\$ 8,000
Insurance	\$ -	\$ 25,000	\$ 25,000	\$ -	\$ 27,000	\$ 27,000	\$ -	\$ 27,000	\$ 27,000	\$ -	\$ 27,000	\$ 27,000
Utilities	\$ -	\$ 10,558	\$ 10,558	\$ -	\$ 11,000	\$ 11,000	\$ -	\$ 11,000	\$ 11,000	\$ -	\$ 11,000	\$ 11,000
Repairs & Maint.	\$ 288,972		\$ 288,972	\$ 312,988		\$ 312,988	\$ 312,988		\$ 312,988	\$ 312,988	\$ -	\$ 312,988
Depreciation/Amort	\$ 351,206		\$ 351,206	\$ 354,539		\$ 354,539	\$ 354,539		\$ 354,539	\$ 354,539	\$ -	\$ 354,539
Bad Debts	\$ -	\$ 1,584	\$ 1,584	\$ -	\$ 1,584	\$ 1,584	\$ -	\$ 1,584	\$ 1,584	\$ -	\$ 1,584	\$ 1,584
Other	\$ -	\$ 131,187	\$ 131,187	\$ -	\$ 131,187	\$ 131,187	\$ -	\$ 131,187	\$ 131,187	\$ -	\$ 131,187	\$ 131,187
Transfers Out	\$ -	\$ 135,000	\$ 135,000	\$ -	\$ 135,000	\$ 135,000	\$ -	\$ 135,000	\$ 135,000	\$ -	\$ 135,000	\$ 135,000
<b>Total Oper. Exp</b>	<b>\$ 1,019,400</b>	<b>\$ 2,027,520</b>	<b>\$ 3,046,920</b>	<b>\$ 1,061,329</b>	<b>\$ 2,124,801</b>	<b>\$ 3,186,130</b>	<b>\$ 1,061,329</b>	<b>\$ 2,124,801</b>	<b>\$ 3,186,130</b>	<b>\$ 1,061,329</b>	<b>\$ 2,124,801</b>	<b>\$ 3,186,130</b>
<b>Operating Income</b>	<b>\$ (493,209)</b>	<b>\$ 613,766</b>	<b>\$ 120,557</b>	<b>\$ (522,580)</b>	<b>\$ 516,485</b>	<b>\$ (6,095)</b>	<b>\$ (179,055)</b>	<b>\$ 304,614</b>	<b>\$ 125,558</b>	<b>\$ 252,275</b>	<b>\$ (703)</b>	<b>\$ 251,572</b>



## St Charles MN Electric Utility

ATTACHMENT

## Projected 2022 Electric Revenue

Line No.	Present Rate Revenue For 2022				Proposed Rate Revenue For 2022 Option A				Proposed Change	
	Description	Annual Billing Units	Present Rates/Unit	Annual Revenue \$	Description	Annual Billing Units	Proposed Rates/Unit	Annual Revenue \$	\$	%
1	<u>Residential</u>				<u>Residential</u>					
2	Fixed Charges	19,613	\$ 10.00	\$ 196,130	Fixed Charges	19,613	\$ 20.00	\$ 392,260		
3	Energy Charges				Energy Charges					
4	1st 500 KWh	7,650,816	\$ 0.118	\$ 902,796	1st 500 KWh	7,650,816	\$ 0.115	\$ 879,843.88		
5	Over 500 KWh	4,980,184	\$ 0.138	\$ 687,265	Over 500 KWh	4,980,184	\$ 0.115	\$ 572,721.12		
6	Total Residential	12,631,000		\$ 1,786,192	Total Residential	12,631,000		\$ 1,844,825.02	\$ 58,633	3.3%
7	<u>Commercial</u>				<u>Commercial</u>					
8	Fixed Charges-1 Phase	1,618	\$ 12.00	\$ 19,416	Fixed Charges-1 Phase	1,618	\$ 25.00	\$ 40,450		
9	Fixed Charges-3 Phase	712	\$ 40.00	\$ 28,480	Fixed Charges-3 Phase	712	\$ 91.50	\$ 65,148		
10	Energy Charges				Energy Charges					
11	1st 500 KWh	791,286	\$ 0.115	\$ 90,998	1st 500 KWh	791,286	\$ 0.115	\$ 90,998		
12	Over 500 KWh	3,718,714	\$ 0.135	\$ 502,026	Over 500 KWh	3,718,714	\$ 0.115	\$ 427,652		
13	Total Commercial	4,510,000		\$ 640,920	Total Commercial	4,510,000		\$ 624,248	\$ (16,672)	-2.6%
14	<u>Large Power</u>				<u>Large Power</u>					
15	Fixed Charges	216	\$ 45.00	\$ 9,720	Fixed Charges	216	\$ 91.50	\$ 19,764		
16	Demand Charges	23,994	\$ 9.00	\$ 215,946	Demand Charges	23,994	\$ 12.19	\$ 292,486		
17	Energy Charges	5,800,000	\$ 0.079	\$ 458,200	Energy Charges	5,800,000	\$ 0.0790	\$ 458,200		
18	Total Large Power			\$ 683,866	Total Large Power			\$ 770,450	\$ 86,585	12.7%
19	<u>Large Industrial</u>				<u>Large Industrial</u>					
20	Fixed Charges	-	\$ 80.00	\$ -	Fixed Charges	-	\$ 91.50	\$ -		
21	Demand	-	\$ 9.00	\$ -	Demand	-	\$ 12.19	\$ -		
22	Kvar		\$ 0.25	\$ -	Kvar		\$ 0.25	\$ -		
23	Energy	-	\$ 0.079	\$ -	Energy	-	\$ 0.0790	\$ -		
24	Total Large Industrial			\$ -	Total Large Industrial			\$ -		
25	Security Lights	444	\$ 7.00	\$ 3,108	Security Lights	444	\$ 14.00	\$ 6,216.00	\$ 3,108	100.0%
26	<u>Summary Totals</u>				<u>Summary Totals</u>					
27	Fixed Units & Rev.	22,603		\$ 256,854	Fixed Units & Rev.	22,603		\$ 523,838		
28	Demand units & Rev.	23,994		\$ 215,946	Demand units & Rev.	23,994		\$ 292,486		
29	Energy units & Rev.	22,941,000		\$ 2,641,286	Energy units & Rev.	22,941,000		\$ 2,429,415		
30	Total Sales Revenue At Present Rates			\$ 3,114,086	Total Sales Revenue At Proposed Rates			\$ 3,245,739.51	\$ 131,654	4.2%



## St Charles MN Electric Utility

ATTACHMENT

## Projected 2022 Electric Revenue

Line No.	Present Rate Revenue For 2022				Proposed Rate Revenue For 2022 Option B				Proposed Change	
	Description	Annual Billing Units	Present Rates/Unit	Annual Revenue \$	Description	Annual Billing Units	Proposed Rates/Unit	Annual Revenue \$	\$	%
1	<u>Residential</u>				<u>Residential</u>					
2	Fixed Charges	19,613	\$ 10.00	\$ 196,130	Fixed Charges	19,613	\$ 35.00	\$ 686,455		
3	Energy Charges				Energy Charges					
4	1st 500 KWh	7,650,816	\$ 0.118	\$ 902,796	1st 500 KWh	7,650,816	\$ 0.098	\$ 749,780.00		
5	Over 500 KWh	4,980,184	\$ 0.138	\$ 687,265	Over 500 KWh	4,980,184	\$ 0.098	\$ 488,058.00		
6	Total Residential	12,631,000		\$ 1,786,192	Total Residential	12,631,000		\$ 1,924,293.03	\$ 138,101	7.7%
7	<u>Commercial</u>				<u>Commercial</u>					
8	Fixed Charges-1 Phase	1,618	\$ 12.00	\$ 19,416	Fixed Charges-1 Phase	1,618	\$ 45.45	\$ 73,538		
9	Fixed Charges-3 Phase	712	\$ 40.00	\$ 28,480	Fixed Charges-3 Phase	712	\$ 200.00	\$ 142,400		
10	Energy Charges				Energy Charges					
11	1st 500 KWh	791,286	\$ 0.115	\$ 90,998	1st 500 KWh	791,286	\$ 0.098	\$ 77,546		
12	Over 500 KWh	3,718,714	\$ 0.135	\$ 502,026	Over 500 KWh	3,718,714	\$ 0.098	\$ 364,434		
13	Total Commercial	4,510,000		\$ 640,920	Total Commercial	4,510,000		\$ 657,918	\$ 16,998	2.7%
14	<u>Large Power</u>				<u>Large Power</u>					
15	Fixed Charges	216	\$ 45.00	\$ 9,720	Fixed Charges	216	\$ 200.00	\$ 43,200		
16	Demand Charges	23,993.97	\$ 9.00	\$ 215,946	Demand Charges	23,993.97	\$ 12.33	\$ 295,846		
17	Energy Charges	5,800,000	\$ 0.079	\$ 458,200	Energy Charges	5,800,000	\$ 0.0766	\$ 444,280		
18	Total Large Power			\$ 683,866	Total Large Power			\$ 783,326	\$ 99,460	14.5%
19	<u>Large Industrial</u>				<u>Large Industrial</u>					
20	Fixed Charges	-	\$ 80.00	\$ -	Fixed Charges	-	\$ 200.00	\$ -		
21	Demand	-	\$ 9.00	\$ -	Demand	-	\$ 12.33	\$ -		
22	Kvar		\$ 0.25	\$ -	Kvar		\$ 0.25	\$ -		
23	Energy	-	\$ 0.079	\$ -	Energy	-	\$ 0.0766	\$ -		
24	Total Large Industrial			\$ -	Total Large Industrial			\$ -		
25	Security Lights	444	\$ 7.00	\$ 3,108	Security Lights	444	\$ 14.00	\$ 6,216.00	\$ 3,108	100.0%
26	<u>Summary Totals</u>				<u>Summary Totals</u>					
27	Fixed Units & Rev.	22,603		\$ 256,854	Fixed Units & Rev.	22,603		\$ 951,809		
28	Demand units & Rev.	23,994		\$ 215,946	Demand units & Rev.	23,994		\$ 295,846		
29	Energy units & Rev.	22,941,000		\$ 2,641,286	Energy units & Rev.	22,941,000		\$ 2,124,098		
30	Total Sales Revenue At Present Rates			\$ 3,114,086	Total Sales Revenue At Proposed Rates			\$ 3,371,752.78	\$ 257,667	8.3%



**St Charles MN Electric Utility**  
**Comparison of Electric Rate Components**

Line No.	Present and Proposed Electric Rate Components					Customer Typical Bill Comparisons				Dollar and % Rate Change Impacts			
			Present Rates	Proposed Rates		Residential Usage Per Month	Present Rate Cost \$	Proposed Rate A Cost \$	Proposed Rate B Cost \$	Present to Option A		Option A to Option B	
				Option A	Option B					\$	%	\$	%
1	Residential					250 KWh	\$ 39.50	\$ 48.75	\$ 59.50	\$ 9.25	23%	\$ 10.75	22%
2	Fixed Charge	\$/month	\$ 10.00	\$ 20.00	\$ 35.00	500 KWh	\$ 69.00	\$ 77.50	\$ 84.00	\$ 8.50	12%	\$ 6.50	8%
3	Energy Charges					750 KWh	\$ 103.50	\$ 106.25	\$ 108.50	\$ 2.75	3%	\$ 2.25	2%
4	1st 500 KWh	\$/KWh	\$ 0.118	\$ 0.115	\$ 0.098	1,000 KWh	\$ 138.00	\$ 135.00	\$ 133.00	\$ (3.00)	-2%	\$ (2.00)	-1%
5	Over 500 KWh	\$/KWh	\$ 0.138	\$ 0.115	\$ 0.098								
6	Commercial					Commercial 1 Phase Usage Per Month	Present Rate Cost \$	Proposed Rate A Cost \$	Proposed Rate B Cost \$				
7	Fixed Charges					1,000 KWh	\$ 137.00	\$ 140.00	\$ 143.45	\$ 3.00	2%	\$ 3.45	2%
8	Single Phase	\$/month	\$ 12.00	\$ 25.00	\$ 45.45	1,500 KWh	\$ 204.50	\$ 197.50	\$ 192.45	\$ (7.00)	-3%	\$ (5.05)	-3%
9	3 Phase	\$/month	\$ 40.00	\$ 91.50	\$ 200.00	2,000 KWh	\$ 272.00	\$ 255.00	\$ 241.45	\$ (17.00)	-6%	\$ (13.55)	-5%
10	Energy Charges												
11	1st 500 KWh	\$/KWh	\$ 0.115	\$ 0.115	\$ 0.098								
12	Over 500 KWh	\$/KWh	\$ 0.135	\$ 0.115	\$ 0.098								
13	Large Power					Commercial 3 Phase Usage Per Month	Present Rate Cost \$	Proposed Rate A Cost \$	Proposed Rate B Cost \$				
14	Fixed Charge	\$/month	\$ 45.00	\$ 91.50	\$ 200.00	2,000 KWh	\$ 300.00	\$ 321.50	\$ 396.00	\$ 21.50	7%	\$ 74.50	23%
15	Demand Charge	\$/KW-mo.	\$ 9.00	\$ 12.19	12.33	3,000 KWh	\$ 435.00	\$ 436.50	\$ 494.00	\$ 1.50	0%	\$ 57.50	13%
16	Energy Charge	\$/KWh	\$ 0.079	\$ 0.079	0.0766	4,000 KWh	\$ 570.00	\$ 551.50	\$ 592.00	\$ (18.50)	-3%	\$ 40.50	7%
17	Industrial Power (Currently No Industrial Customers)					Large Power Avg. Class Usage	Present Rate Cost \$	Proposed Rate A Cost \$	Proposed Rate B Cost \$				
18	Fixed Charge	\$/month	\$ 80.00	\$ 91.50	\$ 200.00	111 KW							
19	Demand Charge	\$/KW-mo.	\$ 9.00	\$ 12.19	12.33	26,852 KWh	\$ 3,166	\$ 3,567	\$ 3,627	\$ 400.86	13%	\$ 59.61	2%
20	Reactive Charge	\$/Kvar	\$ 0.25	\$ 0.25	\$ 0.25								
21	Energy Charge	\$/KWh	\$ 0.079	\$ 0.079	0.0766								
22	Security Lights	\$/Fixture	\$ 7.00	\$ 14.00	\$ 14.00								

# Xcel requests three-year, 19.7 percent rate hike

Xcel Energy in late October filed with the Minnesota Public Utilities Commission a three-year rate proposal covering 2022 through 2024. For the three years, the Company requests an increase of present revenues of \$597.4 million, or 19.7 percent.

The company is requesting a net increase in gross revenues of 13.2 percent in 2021, 3.3 percent in 2022, and 3.2 percent in 2023, based on present revenue levels. While the multi-year proposal is under consideration, the company requested a 2021 interim revenue increase of 10.6 percent.

The Company is seeking a 10.20 percent return on equity as part of final rates.

An interim revenue request

for 2021 will be uniformly billed as a 14.82 percent increase on the base rate portion of customers' bills. The difference between the base rate and the overall bill percentage increases is primarily from the exclusion of fuel and purchased energy costs.

As part of its proposal, the company proposes that revenue recovery for three CapX 2020 transmission projects currently recovered in the Transmission Cost Recovery Rider, as well as nine wind-power projects currently recovered in the Renewable Energy Standard Rider be moved from rider recovery to base rate recovery.

The company said, on average, the proposed final rate change would increase the bill

for a typical residential customer by \$17.26 per month or \$207.12 per year.

The company noted that in 2020, its residential electric bills were 22 percent below the national average and 15 percent below the Minnesota average. It said its residential customers' bills would remain below the national average.

The company said it would "use the increased revenue to strengthen the energy grid, enhance reliability, expand clean energy and keeping bills low as we build toward our vision of providing 100 percent carbon-free electricity to customers by 2050."

Fuel cost charges will be handled separately.

Monthly customer charges would also increase.

**Request for City Council Action**

Date: November 19, 2021

Requested Council Date: November 23, 2021

Originating Department: Police Department

Council Action Requested: Ordering of the 2022 Dodge Durango Squads

Background Information: Attached is a spreadsheet showing the proposal for four squads including three marked squads and one unmarked squad that will be used by the Chief of Police.

In speaking with the Whitewater Dodge Chrysler Jeep representative, given the current backlog, it is recommended that the City of St. Charles place an order for the proposed 2022 Dodge Durangos as soon as possible in order to effectuate a delivery date some time in the first quarter of 2022.

Chief Pelaez has worked with many of the vendors that will also required to provide various pieces of the squad and will continue to coordinate with them moving forward.

With trade-in values of the existing 2017s(3 squads) and 2013 (1 squad), the average price per unit is \$18,447.00 (3 squads) or \$22,947.00 (1 squad due to less trade in value). Staff is working with the lease/finance company to determine rates, but it is guestimated that the annual payment may be between \$40,000-\$45,000 (squads, lights, equipment, cameras, graphics, etc.).





2022 Squads	Squad 1	Squad 2	Squad 3	Squad 4(Chief)	
Squad Price	\$ 31,447.00	\$ 31,447.00	\$ 31,447.00	\$ 31,447.00	
Less Trade-in(2017)	\$ (13,000.00)	\$ (13,000.00)	\$ (13,000.00)		
Less Trade-in(2013)				\$ (8,500.00)	
	\$ 18,447.00	\$ 18,447.00	\$ 18,447.00	\$ 22,947.00	\$ 78,288.00
Graphics	\$ 1,300.00	\$ 1,300.00	\$ 1,300.00	\$ -	\$ 3,900.00
Lights/Equipment	\$ 15,532.80	\$ 15,532.80	\$ 15,532.80	\$ 14,460.42	\$ 61,058.82
Cost per Squad	\$ 35,279.80	\$ 35,279.80	\$ 35,279.80	\$ 37,407.42	\$ 143,246.82
Watchguard Squad Cams/Body Cameras					\$ 65,850.00
				Total Cost	<u>\$ 209,096.82</u>

Five year Budget split out	Year 1	Year 2	Year 3	Year 4	Year 5	
	\$ 47,075.36	\$ 40,505.36	\$ 40,505.36	\$ 40,505.36	\$ 40,505.36	\$ 209,096.82
	\$ 48,000.00	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00	

**City of St. Charles**

**Ordinance #634**

**AN ORDINANCE OF THE CITY OF ST. CHARLES, MINNESOTA, AMENDING  
ST. CHARLES CODE - SEWER RATES AND REPEALING ORDINANCE #627**

**THE COUNCIL OF THE CITY OF ST. CHARLES, MINNESOTA DOES  
ORDAIN (deleted material is enclosed in brackets; new material is underlined;  
subsections which are not being amended are omitted):**

Section 1. Title V: Public Works: Chapter 52 Sewer, of the City Code of  
St. Charles, Minnesota, be amended as follows:

**§52.08      Sewer Rates**

**Subd. A.**      Residential sewer use shall be established annually by the  
amount of water incurred.

**Subd. B.**      The rates for residential, commercial and industrial  
property are as follows:

- (1) ~~\$(16.08)~~ 16.40 base rate per user per month, for the first  
meter in each residential household.
- (2) ~~\$(6.61)~~ \$6.74 District charge per 1,000 gallons
- (3) ~~\$(0.23)~~ 0.24 City charge per 1,000 gallons

Effective Date: This Ordinance shall take effect 30 days upon publication.

Passed and adopted by the Council of the City of St. Charles, Minnesota this 23<sup>rd</sup> day of  
November, 2021.

\_\_\_\_\_  
**John Schaber, Mayor**

Attest: \_\_\_\_\_  
**Nick Koverman, City Administrator**

*First Reading:*

**CITY OF ST. CHARLES**

**ORDINANCE # 635**

**AN ORDINANCE OF THE CITY OF ST. CHARLES, MINNESOTA,  
AMENDING ST. CHARLES CODE - WATER RATES AND REPEALING ORDINANCE  
#628**

**THE CITY OF ST. CHARLES DOES ORDAIN (deleted material is enclosed in brackets and stricken; new material is underlined; subsections which are not being amended are omitted):**

Section 1. Title V: Public Works, Chapter 51 Water, of the City Code of St. Charles, Minnesota, be amended as follows:

**§ 51.03 WATER RATES.**

(A) *Base charge.* Each water user shall pay a base charge of ~~(\$17.94)~~ 17.30 per month during which water service is furnished.

(B) *Commodity charge.* Each water user shall pay a commodity charge per 1,000 gallons of water use for each billing period during which water service is furnished based on an incremental tier structure.

Water - Residential

Tier 1 (0 to 20,000 gallons):	<del>(\$3.48)</del> <u>3.53</u> /1,000 gallons
Tier 2 (20,001 to 80,000 gallons):	<del>(\$3.59)</del> <u>3.64</u> /1,000 gallons
Tier 3 (80,001 gallons and above):	<del>(\$3.69)</del> <u>3.75</u> /1,000 gallons

Water – Commercial/Industrial

Tier 1 (0 to 102,000 gallons):	<del>(\$3.48)</del> <u>3.53</u> /1,000 gallons
Tier 2 (Above 102,001 gallons):	<del>(\$3.59)</del> <u>3.64</u> /1,000 gallons

Section 2: This Ordinance shall take effect thirty days after its publication.

Adopted this 23<sup>rd</sup> day of November, 2021 by the City Council of the City of St. Charles, Minnesota.

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**John Schaber, Mayor**

Attest:

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**Nick Koverman, City Administrator**

# **Dover, Eyota, St. Charles Area Sanitary District**

**P.O. Box 396  
303 North Richland Ave  
St. Charles, Minnesota 55972  
Phone: (507) 932-4171  
email: [district@hbcsc.net](mailto:district@hbcsc.net)**

November 2, 2021

City of St. Charles  
Nick Koverman  
830 Whitewater Ave.  
St. Charles, MN 55972

Dear Mr. Koverman:

On January 1, 2022, the term of office which Wayne Getz is serving on the Board of Directors of the Dover Eyota St. Charles Area Sanitary District will expire.

The City of St. Charles will need to appoint a person for a two-year term.

Please sign, affix seal and return two copies of the Certification of Selection before our regular District meeting on January 18, 2022.

Sincerely,



Cathy Kennedy

enclosures

**Resolution #51-2021**

**A RESOLUTION APPROVING CIGARETTE LICENSES**

**WHEREAS**, the following businesses have applied to the City of St. Charles for cigarette licenses for the year 2022:

DG Retail, LLC	1354 Whitewater Avenue
Gurek, Inc.	518 West 6 <sup>th</sup> Street
Kwik Trip #754	160 East 6 <sup>th</sup> Street
Love's Travel Stops	2102 Enterprise Drive
Miller's Market	1337 Whitewater Avenue
Whitewater Travel Plaza	2850 Whitewater Avenue

**NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF ST. CHARLES, MINNESOTA, that:**

1. The Council of the City of St. Charles hereby approves the Cigarette licenses for the above-named businesses:

Adopted by the Council of the City of St. Charles, Minnesota this 23rd day of November 2021.

\_\_\_\_\_  
**John Schaber, Mayor**

Attest: \_\_\_\_\_  
**Nick Koverman, City Administrator**



**Resolution #53-2021**

**A RESOLUTION APPROVING LIQUOR LICENSE**

**WHEREAS**, the following businesses have applied to the City of St. Charles for liquor licenses for the year 2022:

DJ Liquor, 1415 Whitewater Avenue – Off-Sale License  
Good Sport Liquor, 149 East 6<sup>th</sup> Street – On-Sale, Off-Sale, Sunday Licenses  
Gurek, Inc., 518 West 6<sup>th</sup> Street – 3.2 Malt Liquor License  
Love’s Travel Stops, 2102 Enterprise Dr - 3.2 Off-Sale Malt Liquor License  
Moose Lodge #1114, 166 West 11<sup>th</sup> Street – Club On-Sale, Sunday Licenses  
St. Charles Golf Course, 1920 Gladiola Drive – On-Sale, Sunday Licenses  
The Garage Rentals, LLC, 361 West 5<sup>th</sup> Street – On-Sale License  
Whitewater Pub, 1148 Whitewater Avenue – On-Sale License

**NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF ST. CHARLES, MINNESOTA that:**

1. The Council of the City of St. Charles hereby approves the Liquor Licenses for the above named businesses.

Adopted by the Council of the City of St. Charles, Minnesota this 23rd day of November 2021.

\_\_\_\_\_  
**John Schaber, Mayor**

Attest: \_\_\_\_\_  
**Nick Koverman, City Administrator**

**Resolution #54-2021**

**A RESOLUTION DESIGNATING THE POLLING PLACE FOR EACH ELECTION WITHIN  
THE CITY OF ST. CHARLES, MINNESOTA**

**WHEREAS**, the City of St. Charles is required to certify polling places by December 31, and

**WHEREAS**, per Minnesota State Statute 204B.16.subd.1, which requires each municipality to designate by ordinance or resolution a polling place for each election precinct,

**NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF ST.  
CHARLES, MINNESOTA that:**

the following polling site be approved for all primary and general elections:

St. Charles City Hall  
830 Whitewater Avenue  
St. Charles, MN 55972

Adopted by the Council of the City of St. Charles, Minnesota this 23rd day of November 2021.

\_\_\_\_\_  
**John Schaber, Mayor**

Attest: \_\_\_\_\_  
**Nick Koverman, City Administrator**

**City of St. Charles**  
**Resolution #55-2021**

**RESOLUTION ACKNOWLEDGING THE DONATION TO THE ST. CHARLES VOLUNTEER  
AMBULANCE IN MEMORY OF MAJORIE HEWITT**

**WHEREAS**, the City of St. Charles is generally authorized to accept contributions of real and personal property pursuant to Minnesota Statute 465.03 for the benefit of its citizens; and

**WHEREAS**, the St. Charles Volunteer Ambulance has received a donation in the amount of \$500.00 in memory of Marjorie Hewitt to be used by the St. Charles Volunteer Ambulance Association.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF ST. CHARLES, MINNESOTA THAT:** the City Council of the City of St. Charles acknowledges and accepts the \$500.00 donation in memory of Marjorie Hewitt.

**BE IT FURTHER RESOLVED THAT:** the City Council of the City of St. Charles expresses its thanks and appreciation for the donation.

Adopted this 23<sup>rd</sup> day of November, 2021 by the City Council of the City of St. Charles.

CITY OF ST. CHARLES

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**John Schaber, Mayor**

ATTEST:

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**Nick Koverman, City Administrator**

# Contract for Professional Services

This contract is made and entered into by Community and Economic Development Associates, a Minnesota nonprofit corporation exempt from income tax as an organization operated for charitable purposes within the meaning of Internal Revenue Code section 501(c)(3), hereafter "CEDA", and the Economic Development Authority of the City of St. Charles, an agency or affiliate of a political subdivision of the State of Minnesota, hereafter "the Authority", to define the terms by which CEDA shall provide technical and management expertise services to the Authority.

**I. Agreement scope and purpose.** The Authority hereby retains CEDA to perform to its benefit the services described in paragraph II, to the end of the Authority more effectively accomplishing:

- \* Prevention and/or combat of community and neighborhood deterioration and revitalization of deteriorated neighborhoods;
- \* Attraction and/or retention of businesses that would not, but for the assistance provided, choose to locate/remain in the area;
- \* The securing of businesses who will be required to provide jobs for unemployed and underemployed residents of the community; and
- \* The expansion of business opportunities for minority entrepreneurs and other entrepreneurs that are viable business opportunities to enhance the well being of the community and/or for businesses who are unable to obtain financing from conventional sources

**II. Services to be provided by CEDA.** CEDA agrees to provide technical and management expertise in the form of staff and materials to the Authority. Staff's services, and associated materials, will be provided in order to facilitate and support the accomplishment of the Authority's undertakings to the ends described in the preceding paragraph. CEDA's staff and materials shall be made available toward efforts in the following specific arenas of the Authority's needs and operations:

- \* Accessing of grantor funding for the Authority's economic development programming
- \* Providing loan packaging services for the Authority's business assistance programs
- \* Administering local, regional and state revolving loan funds, if appropriate
- \* Drafting the Authority's Economic Development Annual Work Plan(s)
- \* Planning, facilitating, and/or directly conducting the Authority's community and business development projects, including as necessary, staffing those projects as directed by the Authority in consultation with CEDA. These efforts shall include (but are not limited to), the following:
  - \* seeking city and county involvement
  - \* developing relationships and partnerships to enhance the Authority's goals
  - \* preparing economic development guidelines
  - \* promoting the use of local assets to support and promote value-added processes and unique based businesses
- \* Assisting with local surveys related to business and industry, community, and land and buildings
- \* Assisting with the Authority's economic development marketing efforts and coordination through website development and maintenance
- \* Coordinating and hosting forums in which the Authority's economic development programming are open for the public's review

## **III. Obligations of the Authority.**

- A. The Authority shall reimburse CEDA for staff time provided at the rate of \$39,341 not to exceed annually. This is based on an average of forty eight hours per month.
- B. Materials, conferences, meetings and the like shall be paid for on a unit basis agreed to by the Authority in writing prior to the provision of the materials.

C. The Authority shall be responsible to provide payment to CEDA within 30 days of the submission of each invoice provided by CEDA.

**IV. Obligations of CEDA.**

A. CEDA is performing services as an independent contractor. Accordingly, the provision of staff by CEDA to provide technical and management expertise to the Authority under this Agreement neither creates a release of CEDA staff to employment at the Authority nor makes such staff subject to supervision by the Authority.

B. CEDA has no authority or right, express or implied, to assume or create any obligation or responsibility on behalf of the Authority or to bind the Authority in any manner. CEDA will not represent the contrary, either expressly or implicitly, to anyone.

C. CEDA is solely responsible for payroll tax responsibilities related to each of its staff persons whose time is provided under this Agreement and shall acquire and maintain necessary insurance related to their efforts under this Agreement, including carrying workers' compensation insurance coverage at all times. CEDA shall supply the Authority with certification of such coverage.

D. CEDA shall be responsible to invoice the Authority for staff time and materials provided under this Agreement on a periodic basis, no less frequently than quarterly.

**V. Period/Termination.** The term of this Agreement is one year, commencing January 1, 2022. The Agreement may be terminated earlier in its term upon 30 days' written notice by CEDA to the Authority or by the Authority to CEDA. Upon termination, the Authority shall be liable to pay CEDA for services performed at \$39,341 per year and materials provided under this Agreement prior to and through the effective date of termination, unless otherwise specifically agreed by the parties in writing.

**VI. Construction of Agreement.** This Agreement is to be performed and construed under Minnesota law, and supersedes any and all prior agreements and contains the entire agreement of the parties.

**CITY OF ST. CHARLES**

By \_\_\_\_\_

Its \_\_\_\_\_

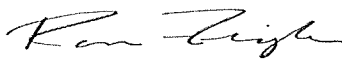
Date \_\_\_\_\_

By \_\_\_\_\_

Its \_\_\_\_\_

Date \_\_\_\_\_

**COMMUNITY AND ECONOMIC DEVELOPMENT ASSOCIATES**

By 

Its CEO/President

Date October 22, 2021



2905 South Broadway  
Rochester, MN 55904-5515  
Phone: 507.288.3923  
Fax: 507.288.2675  
Email: rochesterer@whks.com  
Website: www.whks.com



November 17, 2021

Mr. Kyle Karger  
Public Works Director  
City of St. Charles  
830 Whitewater Avenue  
St. Charles, MN 55972

RE: St. Charles, MN  
Casting Adjustments  
Pay Request No. 2

Dear Kyle:

Enclosed is Pay Request No. 2 for work on the above referenced project. We recommend the City make payment in the amount of \$91,158.48 to:

Floorcoat Midwest, LLC  
PO Box 245  
Truman, MN 56088

Please contact me if you have any questions.

Sincerely,

**WHKS** & co.

A handwritten signature in blue ink, appearing to read 'D. Sikkink', is written over the company name.

Daren D. Sikkink, P.E.

DDS/jm

Enclosure

cc: Nick Koverman, City of St. Charles  
Richard Hanson, Floorcoat Midwest

2905 South Broadway  
Rochester, MN 55904  
Phone: 507.288.3923



PARTIAL PAYMENT REQUEST  
FOR CONSTRUCTION WORK COMPLETED

Project: Casting Adjustments  
Project No.: 9158  
Location: St. Charles, MN  
Contractor: Floorcoat Midwest, LLC

Bid Price: \$169,500.00  
Date: Nov. 17, 2021  
Estimate #: 2  
% Complete: 92.2%

Item No.	Description	Unit	Unit Price	Quantity	Quantity Completed Previous Estimates	Quantity Completed This Estimate	Quantity Completed to Date	Total
1	Mobilization	LS	\$3,000.00	1	1	0.00	1.00	\$ 3,000.00
2	Traffic Control	LS	\$1,400.00	1	1	0.50	1.00	\$ 1,400.00
3	Manhole Concrete Monolithic Seal/Pavement	Each	\$800.00	120	48	66.00	114.00	\$ 91,200.00
4	Manhole Form in Excess of 12" (1" Increments)	Inch	\$40.00	500	208	272.50	480.50	\$ 19,220.00
5	New Manhole Casting and Cover, Neenah R1733-B	Each	\$400.00	40	3	19.00	22.00	\$ 8,800.00
6	Gate Valve Box Concrete Monolithic Seal/Pavement	Each	\$450.00	62	0	61.00	61.00	\$ 27,450.00
7	Gate Valve Box in Excess of 18" (6" Increments)	Each	\$100.00	20	0	0.00	0.00	\$ -
8	Gate Valve Box	Each	\$162.00	20	0	0.00	0.00	\$ -
<b>Materials on Hand</b>								
9	R-1733 Manhole Casting	Each	\$338.05	20	17	-17	0.00	\$ (5,746.85)
10	Gate Valve Box & Cover	Each	\$151.05	20	20	0	20.00	\$ 3,021.00
<b>Items without quantities</b>								
11	Manhole Concrete Monolithic Seal/Pavement (Utility, Special)	Each	\$2,000.00	4	0	4	4.00	\$ 8,000.00

Construction Total \$ 156,344.15

Less 5% Retained Amount \$ 7,817.21

Less Previous Payments \$ 57,368.46

**Net Payment this Estimate \$ 91,158.48**