CITY OF CALEDONIA, MINNESOTA

RESOLUTION 2021-08

A RESOLUTION AUTHORIZING THE CITY OF CALEDONIA TO SUBMIT AN APPLICATION FOR THE $7,000,000 SPECIAL APPROPRIATION FROM THE STATE OF MINNESOTA FOR THE NEW WASTEWATER TREATMENT FACILITY AND TO EXECUTE THE GRANT AGREEMENT WITH THE MINNESOTA PUBLIC FACILITIES AUTHORITY

WHEREAS, the Minnesota Legislature appropriated $7,000,000 to the Minnesota Public Facilities Authority to provide a grant to the City of Caledonia to construct and equip a new wastewater treatment facility; and

WHEREAS, this appropriation was enacted under Laws of Minnesota 2020, 5th special session, chapter 3, article 1, section 22, subdivision 11; and

WHEREAS, the Minnesota Public Facilities Authority has sent notice to the City of Caledonia that in order to receive this money, the City must submit a grant application and enter a grant agreement with the Minnesota Public Facilities Authority; and

WHEREAS, the City of Caledonia has completed the attached application and is ready to submit said application; and

WHEREAS, the grant agreement will be provided to the City of Caledonia by the Public Facilities Authority after the City submits the application.

NOW, THEREFORE, THE FOLLOWING IS HEREBY RESOLVED BY THE CALEDONIA CITY COUNCIL:

1. The City of Caledonia has the legal authority to submit the application for the appropriation and receive said appropriation.

2. The City of Caledonia has the financial, technical, and managerial capacity to ensure proper construction, operation, and maintenance of the project for its design life.

3. The City of Caledonia shall submit the attached grant application to the Minnesota Public Facilities Authority to receive the grant funded by the $7,000,000 state appropriation.

4. Mayor DeWayne “Tank” Schroeder and Clerk/Administrator Adam Swann are authorized to execute the grant agreement on behalf of the City of Caledonia.

ADOPTED by the Caledonia City Council this 26th day of April, 2021.

DeWayne “Tank” Schroeder, Mayor

ATTEST:

Adam G. Swann, Clerk/Administrator
STATE OF MINNESOTA   
COUNTY OF HOUSTON    
CITY OF CALEDONIA    

I, Adam Swann, city clerk and administrator of the City of Caledonia, do hereby certify that this is a true and correct transcript of the resolution that was adopted at a meeting held on the ___ day of April _______, 2021, the original of which is on file in this office. I further certify that ____ members voted in favor of this resolution and that ____ members were present and voting.

Signed: __________________________

Date: April 27, 2021
CONTENTS

General Information ................................................................................................................. 3
State General Obligation Bond Appropriation ........................................................................... 3
Resources .................................................................................................................................. 4
Special Appropriation Checklist ................................................................................................. 5
  Items submitted to PFA with the application ........................................................................... 5
  Items submitted to the PFA prior to grant award .................................................................... 5
  Items submitted to the PFA prior to disbursement of funds ................................................. 6
Form 1 – Project Contacts ........................................................................................................ 7
Form 2 – Project Information ..................................................................................................... 9
Form 3 – Tax-Compliance Certification Checklist .................................................................... 12
Form 4 – Budget (Sources and Uses) Instructions .................................................................... 13
Form 5 Special Appropriation Resolution Instructions ............................................................ 15
APPENDIX A State Prevailing Wages - Required Construction Contract Language ............. 16
APPENDIX B Real Property Declaration and Waiver Requirements ........................................ 17
  Real Property Declaration ...................................................................................................... 17
  Real Property Declaration Recording Waiver ....................................................................... 17
Example Documents – ............................................................................................................. 17
  Minnesota Public Facilities Authority Example Real Property Declaration ......................... 18
INFORMATION FOR REQUESTING A WAIVER FROM REAL PROPERTY FILING ............. 22
REQUIREMENTS AND EXAMPLE LETTER AND CERTIFICATION .................................. 22
  Example Letter to MMB Requesting Approval of a Waiver .................................................. 24
  Example Waiver Certification ................................................................................................. 26
APPENDIX C JOB REPORTING FORM TEMPLATE ................................................................. 28
GENERAL INFORMATION

As a recipient of a special appropriation from the 2020 Minnesota Legislature, you will be required to enter into a grant agreement with the Minnesota Public Facilities Authority (PFA) for the project funding. Prior to receiving a grant agreement from the PFA, you will need to complete and submit this application and the information listed on the Special Appropriation checklist that is applicable to your project. This application addresses project requirements for State general obligation bond financed projects and contains the following information:

- Special appropriation forms – please note the budget form is a separate Excel document
- Checklist of documents to submit
- Example special appropriation resolution
- State prevailing wage contract language
- Example declaration form and waiver request
- Jobs reporting form template

Information requested in these forms and accompanying checklist is needed to meet the requirements stated below. PFA staff prepare the grant agreement by using Minnesota Management and Budget’s standard grant agreement templates and specific information provided in the application forms. Submitted information is incorporated as a part of the grant agreement once executed.

State General Obligation Bond Appropriation

Projects financed with the proceeds of state general obligation bonds are subject to requirements of the Minnesota Constitution, state statutes, appropriation bill language and state accounting policies. Projects must have a public purpose and public ownership. The grantee must demonstrate its ability to fully fund the project and, once constructed, be able to operate and maintain the facility (sewer, storm and/or water system).

General obligation bond proceeds can only be used for items specified in the appropriation bill language and must be for eligible capital expenditures. Costs incurred before October 22, 2020 are not eligible for reimbursement under the grant agreement.

Grantees must document full project funding is in place before PFA can issue a grant agreement. If project costs are in excess of the funds appropriated, or if the appropriation language requires a non-state match or contribution, the grantee must provide documentation that needed cash, financing, other grants, etc., are in place.

Grantees must follow the state Uniform Municipal Contracting Law and other applicable requirements (bidding, special requirements for out-of-state contractors, workers compensation, etc.) in the construction of the project. State prevailing wage rates apply to the project (available from the Minnesota Department of Labor and Industry, Labor Standards Division 651/284-5091. [www.DOL.state.mn.us](http://www.DOL.state.mn.us)). The grant agreement will identify contract requirements that must be included in the bid documents. It is the grantee’s responsibility to incorporate all applicable requirements for their project.

Some requirements stay with the project after the funds are disbursed and the project is completed. A declaration that identifies the real property as “bond-financed property” must be filed with the County Recorder’s office. For
projects located within roads, highways or utility or transit corridors, easements or rights of way, where recordings would be problematic, a waiver to the declaration recording requirement may be requested from the Commissioner of Management and Budget (MMB). Example declaration and waiver requests are provided.

Form 3 is the Tax Compliance Certification Checklist. The City may need to consult with their attorney in order to complete the checklist.

Resources

PFA staff will be prepare the grant agreement using information provided in the application. The PFA uses Minnesota Management and Budget (MMB) grant agreement templates to develop the grant agreement.


Grant Agreement Templates and Checklists: https://mn.gov/mmb/debt-management/capital-projects/grant-agreements/

Return completed forms, supporting documents and resolution to your loan officer via email. Contact information is identified in the transmittal letter.
SPECIAL APPROPRIATION CHECKLIST

This checklist provides a general listing of items that may apply to a project. Contact the PFA loan officer if you have questions regarding the applicability of particular items to your project.

Items submitted to PFA with the application

Forms 1-3, as applicable

☑️ Resolution of applicant (example provided by PFA)
☐ For Special Districts, a copy of the organizational documents or Inter-municipal or Joint Powers Agreement (enacted) if more than one municipality involved in project
☑️ Amortization schedules for any debt on systems impacted by the project.
☑️ The most recently approved audit/financial report.

Items submitted to the PFA prior to grant award

☐ Revised Form 3 (Budget) based on as-bid costs.
☐ Bid tabulation/engineer's recommendation of award.
☐ Copy of the fixed price construction contract, along with the payment and performance bond
☐ Documentation of total project funding, including matching funds, if required
☐ Copy of adopted water/wastewater/storm water ordinance and rate structure(s), as appropriate
☐ Annual operating budget for the system(s).
☐ Copy of adopted resolutions and meeting minutes relating to the project
☐ If applicable, copy of draft or final agreement with service provider for operation and maintenance of system, with costs based on the tasks and responsibilities described in the operation and maintenance manual and management plan. All use contracts for GO Bond funded projects must be approved by MN Management and Budget. Additional information can be found in the Capital Grants Manual.
☐ Approval letter for construction project plans and specifications from the MPCA or MDH, as appropriate
☐ Documentation of applicant's ownership of property, including legal description

☐ Documentation of recorded utility easements, where needed

☐ Weighted average useful life calculation

☐ Any other information requested by PFA to support the application

Items submitted to the PFA prior to disbursement of funds

☐ A Disbursement Request Form with supporting documentation such as invoices for engineering and construction, etc.

☐ Documentation that the Real Property Declaration has been recorded and/or a Waiver Certification for the recording of the Real Property Declaration from MN Management and Budget.
FORM 1 – PROJECT CONTACTS

Applicant Information
Applicant Name: City of Caledonia
Contact Person: Adam Swann
Contact Person Title: City Clerk/Administrator
Address: 231 E. Main St., P.O. Box 232
Address: Caledonia, MN 55921-0232

County: Houston
Telephone: (507) 725-3450
E-mail: aswann@caledoniamn.gov

Applicant DUNS No.: 156290504
Applicant’s State of Minnesota Vendor No.: VN0000195794_1

Applicant officials authorized to sign grant agreement:

Authorized Signer #1 Name: DeWayne “Tank” Schroeder
#1 Title: Mayor
#1 Email: dschroeder@caledoniamn.gov

Authorized Signer #2 Name: Adam Swann
#2 Title: City Clerk/Administrator
#2 Email: aswann@caledoniamn.gov

Consultants and Advisors
Consulting Engineer Name: Eric Lynne, P.E.
Telephone: (952) 920-1811
E-mail: elynne@donohue-associates.com
Person responsible for Minnesota prevailing wage compliance monitoring:

Name ____________________________ Telephone (651) 724-7563
Joel Schmidt (anticipated) E-mail jschmidt@donohue-associates.com
Firm ____________________________
Donohue & Associates, Inc.

MPCA/MDH Engineer ____________ Telephone (507) 206-2603
Corey Hower

Will a Public Utilities Commission be responsible for operation & maintenance of the project?

☐ No
☐ Yes (provide information below)

PUC Contact Person ____________________________ Telephone ____________________________
PUC Title ____________________________ E-mail ____________________________
Address ____________________________
FORM 2 – PROJECT INFORMATION

1. Provide a brief description of the project:

The City is constructing a new WWTF. The proposed WWTF would utilize an oxidation ditch and would provide the capacity to treat 1550 gpm. (The existing facility has a firm pumping capacity of 1250 gpm.) The proposed project would be constructed adjacent to the existing facility in order to repurpose the SBR tanks and to minimize the amount of new piping needed.

Describe the project service area and provide a map of the area:

The area to be served is the City of Caledonia, a city of 2,837 people and 1,266 households according to the MN State Demographer’s most recent estimate. The City comprises about 2.8 square miles. A map of the service area is attached.

Identify the type and number of benefitting properties in the project service area:

More than 1354 properties will benefit. Properties include residential, commercial, and industrial.

Identify the major non-residential users that will be part of the project:

Major non-residential users that will benefit include Precision Stainless, Inc., Caledonia Haulers, and SnoPac Foods. The City is also home to Caledonia Middle School, Caledonia High School, Houston County Courthouse, and Houston County administrative offices.

2. Identify proposed sources of project financing (aside from the special appropriation)

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount Requested</th>
<th>Contact Person/Phone</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>MN PFA CWRF</td>
<td>$10,559,889</td>
<td>Anita Gallentine, 651-259-7466</td>
<td>App. pending</td>
</tr>
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</tbody>
</table>
Additional information on other sources of project financing:

3. Provide estimated dates for:

Submittal of Plans and Specifications: Dec. 31, 2020

MN Pollution Control Agency (MPCA) or MN Department of Health (MDH) Approval: May 3, 2021

Advertising for Bids: May 10, 2021

Open bids: June 7, 2021

Award bids: June 28, 2021

Start Construction: August 1, 2021

End Construction: June 21, 2023

4. Specify the sources of revenue that will be used to pay the facility operation and maintenance costs for the applicable fund (sewer, storm or water). Discuss current rates and any recent or planned rate increases. Discuss current charges for new connections and any recent or planned access increases. Include a copy of the current rates. User charges and connection charges will be pledged to repay the PFA loan. Rates consist of monthly base and usage charges. Starting May 14 base charges will be the following: 5/8", 3/4" meter = $19.20/mo.; 1" meter = $38.40/mo.; 1.25" meter = $51.60/mo.; 1.5" meter = $76.80/mo.; 2" meter = $134.40/mo.; 3" meter = $307.20/mo.; 4" meter = $537.60/mo.; and Caledonia Haulers = $1,062.70/mo. Starting May 14 usage charges will be $6.20 per 1,000 gallons of water used. A copy of these rates is attached. The City is planning on raising these rates again in 2022, 2023, and 2024.

5. Identify any private activity considerations/concerns with the project (such as a contract with a private entity for operation of the facility, or large commercial or industrial users charged under a different rate structure.)

None.
Is there a contract/agreement with another entity to operate or manage the sewer system (i.e. private operator agreement)? If yes, please submit a copy of the contract/agreement.

- Yes
- No

6. For projects where the applicant will issue bonds, commit city cash, or use any other sources to provide required non-state contribution, or demonstrate total project funding, provide details and a schedule for these actions, and indicate the source(s) of revenue for repayment of the bonds, if needed. (i.e., net revenue, assessments)
   The City has applied for a PFA Clean Water Revolving Fund loan of $10,559,889. The City is waiting for approval of the loan. The loan will be repaid using City Sewer Fund revenues--hopefully with a 30-year repayment term.

7. Identify whether the project site(s) are owned by the applicant, leased by the applicant, or other (specify):

   The project site is owned by the City of Caledonia.

8. Will any of the project occur in or along a State Trunk Highway? If yes, please explain.
   No.
FORM 3 – TAX-COMPLIANCE CERTIFICATION CHECKLIST

Applicant: City of Caledonia

Person Completing Form: Adam Swann

Date Form Completed: April 9, 2021

Applicant’s Tax Compliance Officer: Stephanie Mann

Description of Financed Assets: New wastewater treatment facility

<table>
<thead>
<tr>
<th>Item</th>
<th>Question</th>
<th>Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Does the Applicant own all of the project assets to be financed (land, facilities, buildings)?</td>
<td>Yes</td>
</tr>
<tr>
<td>2</td>
<td>Is any part of a Financed Asset leased pursuant to a lease or similar agreement for more than 50 days?</td>
<td>No</td>
</tr>
<tr>
<td>3</td>
<td>Has the Applicant entered into an agreement with another entity to manage the operation of the Financed Assets? (for example, does a private entity operate the System on behalf of the Applicant)</td>
<td>No</td>
</tr>
<tr>
<td>4</td>
<td>Has the Applicant entered into any agreement with an individual or entity that grants special legal rights to the Financed Asset or permits any entity to purchase output of the system other than at retail (e.g., has the Applicant entered into a take agreement, a take or pay agreement, a requirements agreement, or similar agreement related to output from the Financed Assets)?</td>
<td>No</td>
</tr>
<tr>
<td>5</td>
<td>If the answer to 2, 3 or 4 is “Yes”, has the City’s attorney or bond counsel reviewed the agreements for conformance with IRS tax-exempt rules and regulations?</td>
<td>N/A</td>
</tr>
</tbody>
</table>
FORM 4 – BUDGET (SOURCES AND USES) INSTRUCTIONS

Form 4 is a separate Excel spreadsheet with built-in formulas. Using the separate Excel version of this form, provide a draft Form 4 Budget prior to bidding, including estimated start and end dates.

After final project costs are determined, please submit a revised Form 4 Budget, with start and end dates.

List the activities that apply to your project, and were described in the legislation. Matching funds must be used for activities described in the legislation.

<table>
<thead>
<tr>
<th>Uses of Funds</th>
<th>Start Date</th>
<th>End Date</th>
<th>Total Requested From Appropriation</th>
<th>Sources of Funds</th>
<th>Total Project Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Non-Construction Costs</td>
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<td>C.</td>
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<td>D.</td>
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<td>E.</td>
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<tr>
<td>Non-Construction Subtotal</td>
<td>$</td>
<td>-</td>
<td>$</td>
<td>- $</td>
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<tr>
<td>2. Construction Costs</td>
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<td>A.</td>
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<td>B.</td>
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<td>F.</td>
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<tr>
<td>Construction Subtotal</td>
<td>$</td>
<td>-</td>
<td>$</td>
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<td>- $</td>
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<tr>
<td>Project Total</td>
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<td>$</td>
<td>- $</td>
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</tbody>
</table>

Notes:
(1) If a non-state contribution or match is required by the legislation, or if project costs are in excess of the appropriation, this must be shown on the budget and appropriate documentation submitted. Required matching funds must be used only on activities described in the legislation. Total project funding can include costs not included in the legislation.
(2) Uses must be supported by professional services agreement (for engineering/design, etc.) and fixed price, as-bid construction contract.
# Minnesota Public Facilities Authority

## 2020 Special Appropriation

### Form 4 - Project Budget (Sources and Uses)

**Applicant:** City of Caledonia  
**Project:** New Wastewater Treatment Facility  
**Date:** 4/12/2021

<table>
<thead>
<tr>
<th>Uses of Funds[^1]</th>
<th>Start Date</th>
<th>End Date</th>
<th>Total Requested From Appropriation</th>
<th>Sources of Funds[^1]</th>
<th>Total Project Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Non-Construction Costs</td>
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<tr>
<td>A. Planning</td>
<td></td>
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<tr>
<td>B. Design</td>
<td>05/20/20</td>
<td>07/01/21</td>
<td>764,000</td>
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<td>764,000</td>
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<tr>
<td>C. Inspection/Other Engineering</td>
<td>07/01/21</td>
<td>12/31/22</td>
<td>1,003,719</td>
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<td>1,003,719</td>
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<tr>
<td>D. Develop Asset Management Program</td>
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<td>E. Attorney/Financing Related Fees</td>
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<tr>
<td><strong>Non-Construction Subtotal</strong></td>
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<td>$1,767,719</td>
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<td>2. Construction Costs</td>
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<tr>
<td>A. Secondary Treatment</td>
<td>08/01/21</td>
<td>12/31/22</td>
<td>8,373,495</td>
<td></td>
<td>15,373,495</td>
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<tr>
<td>B. Advanced Treatment</td>
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<tr>
<td>C. Infiltration/Inflow Correction</td>
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<tr>
<td>D. Sewer System Rehabilitation</td>
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<td>E. New Collector Sewers</td>
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<td>F. New Interceptors</td>
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<tr>
<td><strong>Construction Subtotal</strong></td>
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<td>$8,373,495 $7,000,000</td>
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<tr>
<td>3 Contingencies (up to 5% of construction costs)</td>
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<td>$418,675</td>
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<tr>
<td><strong>Project Total</strong></td>
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<td></td>
<td></td>
<td>$10,559,889 $7,000,000</td>
</tr>
</tbody>
</table>

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**Notes:**

1. If a non-state contribution or match is required by the legislation, or if project costs are in excess of the appropriation, this must be shown on the budget and appropriate documentation submitted. Required matching funds must be used only on activities described in the legislation. Total project funding can include costs not included in the legislation.

2. Uses must be supported by professional services agreement (for engineering/design, etc.) and fixed price, as-bid construction contract.
FORM 5 SPECIAL APPROPRIATION RESOLUTION INSTRUCTIONS

PFA staff will provide the applicant with an application/agreement resolution that has been customized with the appropriate legislative citation, which needs to be completed and adopted by the applicant's governing body.
APPENDIX A STATE PREVAILING WAGES - REQUIRED CONSTRUCTION CONTRACT LANGUAGE

Include the language below in all construction contracts:

Pursuant to Minnesota Statutes 177.41 to 177.44 and corresponding Rules 5200.1000 to 5200.1120, this contract is subject to the prevailing wages as established by the Minnesota Department of Labor and Industry. Specifically, contractors and subcontractors must pay all laborers and mechanics the established prevailing wages for work performed under the contract. Failure to comply with the aforementioned may result in civil or criminal penalties.

Insert the applicable Minnesota wage determination into all proposals and all contracts.

Payrolls/Records
The contractor and subcontractor shall furnish to the OWNER copies of any or all payrolls not more than 14 days after the end of each pay period. The payrolls must contain all of the data required by Minnesota Statutes Section 177.30. Subcontractors must furnish payrolls to the contractor. The OWNER may examine all records relating to wages paid laborers or mechanics on work to which Minnesota Statutes Sections 177.41 to 177.44 apply.

Posting of Wage Rates/Required Posters
Each contractor and subcontractor performing work on a public project shall post on the project the applicable prevailing wage rates and hourly basic rates of pay for the county or area within which the project is being performed, including the effective date of any changes thereof, in at least one conspicuous place for the information of the employees working on the project. The information so posted shall include a breakdown of contributions for health and welfare benefits, vacation benefits, pension benefits, and any other economic benefits required to be paid.

For more information regarding prevailing wage and its application, contact:

Minnesota Department of Labor and Industry
Prevailing Wage Unit
443 Lafayette Road N.
St. Paul, MN 55155
Phone: (651) 284-5091
E-mail: dli.prevwage@state.mn.us
Web: http://www.dli.mn.gov/IP/PrevWage.asp
APPENDIX B REAL PROPERTY DECLARATION AND WAIVER REQUIREMENTS

A recipient receiving an appropriation of state general obligation bond proceeds is required to:

- Record a Real Property Declaration that identifies the properties on which the recipient uses PFA funds as "state bond financed property"
  or
- Request a waiver from Minnesota Management and Budget (MMB) from the recording requirement, and sign a Waiver Certification
  and/or
- Both record a Real Property Declaration and request a waiver/sign a Waiver Certification

Recipients must provide a copy of the recorded Declaration and/or signed Waiver Certification and/or a copy of the recorded Declaration to PFA and MMB prior to disbursement of money for construction activities or as soon thereafter as possible.

Real Property Declaration - The recorded Real Property Declaration places limitations on the use and sale of real property improved with state bond proceeds under Minn. Stat. Sec. 16A.695 and the Fourth Order Amending Order of the Commissioner of Finance Amending Order of the Commissioner of Finance dated July 30, 2012 (the "Commissioner’s Order"). Some activities needing this: treatment plants, ponds, lift stations, water towers, demolition sites. Recipients should have an attorney draft the Declaration and confirm the accuracy of the recordable parcel(s).

Real Property Declaration Recording Waiver - Section 7.02 of the Commissioner’s Order allows the Commissioner of Minnesota Management and Budget (MMB) to waive the declaration recording requirement for projects or portions of projects located within roads, highways or utility or transit corridors, easements or rights or way where recording would be problematic. If your project, or a portion of it fits this description, the recipient should request a waiver from the recording requirement from MMB.

If MMB grants the waiver from the recording requirement, the recipient will need to sign a Waiver Certification for those parts of the project, in which the recipient acknowledges that those project areas are "state bond financed property". A description (legal description not needed) and/or map of the project areas should be attached to the Waiver Certification.

Example Documents –
The following documents are attached:

- Example Real Property Declaration
- Information for Requesting a Waiver from Real Property Filing
- Example Letter to MMB Requesting Approval of a Waiver
- Example MMB Waiver Certification
REAL PROPERTY DECLARATION

The undersigned has the following interest in the real property located in the County of __________, State of Minnesota, that is legally described in Exhibit A attached and all facilities situated thereon (collectively, the "Restricted Property"): (Check the appropriate box.)

☐ a fee simple title

☐ a lease

☐ an easement,

and as owner of such fee title, lease or easement, does hereby declare that such interest in the Restricted Property is made subject to the following restrictions and encumbrances:

A. The Restricted Property is bond financed property within the meaning of Minn. Stat. Sec. 16A.695, is subject to the encumbrance created and requirements imposed by such statute, and cannot be sold, mortgaged, encumbered or otherwise disposed of without the approval of the Commissioner of Minnesota Management and Budget, which approval must be evidenced by a written statement signed by the said commissioner and attached to the deed, mortgage, encumbrance or instrument used to sell or otherwise dispose of the Restricted Property; and

B. The Restricted Property is subject to all of the terms, conditions, provisions, and limitations contained in that certain Agreement between the Minnesota Public Facilities Authority and (Borrower Name) __________ for Project No. __________, and dated (Approval Date) __________.

The Restricted Property shall remain subject to this State of Minnesota General Obligation Bond Financed Declaration for 125% of the useful life of the Restricted Property or until the Restricted Property is sold with the written approval of the Commissioner of Minnesota Management and Budget, at which time it shall be released therefrom by way of a written release in recordable form signed by both the Chair of the Minnesota Public Facilities Authority and the Commissioner of Minnesota Management and Budget, and such written release is recorded in the real estate records relating to the Restricted Property. This Declaration may not be terminated, amended, or in any way modified without the specific written consent of the Commissioner of Minnesota Management and Budget.
a
«BorrowerName»

By:________________________________________

Title:_______________________________________

Dated:_____________________________________

By:________________________________________

Title:_______________________________________

Dated:_____________________________________

STATE OF MINNESOTA

) ss.

COUNTY OF ____________

This foregoing instrument was acknowledged before me this ___ day of __________, 20__, by
________________________________________ the __________________ [insert name and title of first signatory], and
________________________________________ the __________________ [insert name ant title of second signatory],
respectively, of the ________________________, a ________________________, [insert name and description of the entity receiving the funds].

________________________________________

Notary Public

This Declaration was drafted by:
[insert name and address]
Exhibit A
LEGAL DESCRIPTION
INFORMATION FOR REQUESTING A WAIVER FROM REAL PROPERTY FILING

REQUIREMENTS AND EXAMPLE LETTER AND CERTIFICATION

Per the Minnesota Management and Budget’s (MMB) Fourth Order Amending Order of Commissioner of Finance, waiver requests may be submitted to the real property declaration filing requirement for projects that “acquire or better real property within roads, highway or utility or transit corridors, easements or rights of way” where the recording of the “declaration otherwise required would be unduly onerous or impracticable”.

Provide the following information for MMB’s evaluation:

1. A formal request to the Commissioner of MMB and justification by the City for waiver of Real Property Declaration requirement in accordance with Section 7.02 (b) of the Order.
2. Identify the PFA program (Wastewater Infrastructure Fund (WIF)) that is expected to finance the project.
3. A project description as determined within the application and approved by USDA Rural Development
4. A map reflecting actual location of property to be improved

The request may be submitted electronically to Roger Behrens Roger.Behrens@state.mn.us at MMB for review and response.

MMB’s mailing address is:
Mr. Jim Schowalter, Commissioner
Minnesota Management and Budget
ATTN: Mr. Roger Behrens
400 Centennial Office Building
658 Cedar Street
Saint Paul, MN 55155

Please also copy your PFA loan officer on the waiver request.

Important: If MMB approves the waiver request, approval will be granted conditionally until MMB’s receipt of a signed certification. PFA will mail the certification form to the borrower after loan approval. An example certification form is on the following page. The executed waiver form and certification is to be provided to PFA prior to disbursement of money for construction activities. Some projects may include components that will require both a real property declaration and a waiver request. Contact your PFA loan officer with any questions.
Example Letter to MMB Requesting Approval of a Waiver

(Put on City Letterhead)

____________________, 2020

Commissioner of Minnesota Management and Budget
c/o Roger Behrens via email roger.behrens@state.mn.us
Minnesota Management and Budget
400 Centennial Office Building
658 Cedar Street
St. Paul, MN 55155

RE: Real Property Declaration Waiver Request - _______________ Project
    MPFA-SPAP-G-_____________ [insert project number assigned by MPFA]

Dear Commissioner:

Through the Minnesota Public Facilities Authority ("PFA"), the City of _________________ has been awarded a Special Appropriation from the 2017 Minnesota Legislature for a project within its jurisdiction. The project is described as follows:

[insert description]

Projects funded in whole or in part with State bond proceeds, so the City must comply with the requirements applicable to Real Property Declarations set forth in Section 7.02 of Minnesota Management and Budget's (MMB's) Fourth Order Amending Order of Commissioner of Finance dated July 30, 2012 (the "Commissioner's Order").

[use one of the following two paragraphs:]

[if the entire project is eligible for a waiver] This letter constitutes the City's written request for a waiver of the Declaration requirement because the entire project lies within roads, highways or utility or transit corridors, easements or rights of way, and the recording of the Declaration against such property would be unduly onerous or impracticable. I understand that the City will have to sign a Waiver Certification that the property improved by the funding described above is State bond financed property and cannot be sold, encumbered or otherwise disposed of without the approval of the Commissioner of MMB.

[if only a portion of the project is eligible for a waiver] This letter constitutes the City's written request for a waiver of the Declaration requirement for the portion of the project within roads, highways or utility or transit corridors, easements or rights of way, where the recording of the Declaration against such property would be unduly onerous or impracticable. I understand that the City will have to sign a Waiver Certification that the property subject to the waiver is State bond financed property and cannot be sold, encumbered or otherwise disposed of without the approval of the Commissioner of MMB. I also understand that the City will be required to record a real property Declaration for the remaining parcel(s) of land in the project that is/are not eligible for the waiver, stating that such parcel(s) is/are State bond financed property and cannot be sold, encumbered or otherwise disposed of without the approval of the Commissioner of MMB.
I am including for your review a map which shows the location of the project. If you need any additional information, please contact me at (____)______________.

Sincerely,

cc: ____________, PFA [insert name of PFA loan officer]
Example Waiver Certification

Minnesota Management and Budget
Certification- Waiver from Filing Requirements
State of Minnesota
General Obligation Bond Financed Property

The undersigned has a fee simple, leasehold and/or easement interest in the real property located in the County(ies) of ____________, State of Minnesota that is generally described or illustrated graphically in Exhibit A attached and all facilities situated thereon (the “Restricted Property”) and acknowledges that the Restricted Property is or may become State bond-financed property. To the extent that the Restricted Property is or becomes State bond-financed property, the undersigned acknowledges that:

A. The Restricted Property is state bond financed property within the meaning of Minn. Stat. Sec. 16A.695, is subject to the encumbrance created and requirements imposed by such statute, and cannot be sold, mortgaged, encumbered or otherwise disposed of without the approval of the Commissioner of Minnesota Management and Budget;

B. The Restricted Property is subject to the provisions of the _______________ [title of grant or loan agreement] between _______________ [State agency providing the grant or loan] and _______________ [name of undersigned grantee or borrower], dated _______________, 20__; and

C. The Restricted Property shall continue to be deemed state bond financed property for 125% of the useful life of the Restricted Property or until the Restricted Property is sold with the written approval of the Commissioner of Minnesota Management and Budget.

Date: ________________, 20__

_________________________________________, a
_________________________________________ [name and description of the grantee or borrower]

By: ________________
Name: ________________
Title: ________________

By: ________________
Name: ________________
Title: ________________
Exhibit A
GENERAL DESCRIPTION OF RESTRICTED PROPERTY

[Insert a narrative or graphic description of the Restricted Property. It need not be a legal description.]
APPENDIX C JOB REPORTING FORM TEMPLATE

Minnesota Statutes Section 16A.633, subdivision 4, requires reporting on jobs created or retained as part of the project. An example of the job reporting template is below. A form specific for your project will provided to you after grant award. Contact your loan officer with any questions about the job reporting requirements.

### MN Jobs Reporting spreadsheet for capital projects funded thru the MN Public Facilities Authority

**Part 1. PFA Project Info:**

<table>
<thead>
<tr>
<th>Recipient</th>
<th>Proj Id</th>
<th>Approv dt</th>
<th>Program Description(s)</th>
<th>Funding ID(s)</th>
<th>Award Amts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Big Lake</td>
<td>CW0817</td>
<td>06/24/20</td>
<td>SPAP 2018 Big Lake - WW Treatment Facil</td>
<td>MPFA-SPAP-G-058-FY20</td>
<td>$ 1,000,000</td>
</tr>
</tbody>
</table>

**Part 2. Jobs reporting fields for MMB’s database (blue-shaded fields to be completed by recipients):**

<table>
<thead>
<tr>
<th>Project Name (must be unique within MMB’s database)</th>
<th>Project Start Date</th>
<th>Project End Date</th>
<th>Main County for the Project</th>
<th>Job Type</th>
<th>Hourly Pay Range</th>
<th>No. hrs Paid for Jobs: Created</th>
<th>No. hrs Paid for Jobs: Retained</th>
</tr>
</thead>
<tbody>
<tr>
<td>Big Lake PFA</td>
<td></td>
<td>Sherburne</td>
<td></td>
<td>Engineering /Other Professional</td>
<td>Less than $10.00</td>
<td></td>
<td></td>
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<td>Construction</td>
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<td>more than $40.00</td>
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</tbody>
</table>

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**MN Public Facilities Authority**

1st National Bank Building
332 Minnesota St, Suite W820
Saint Paul, MN 55101-1578

**PFA Representative:**

Katie Barrett
651.259.7464
katie.barrett@state.mn.us

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**October 2020**
## CITY OF CALEDONIA, MINNESOTA

### UTILITY RATES

<table>
<thead>
<tr>
<th><strong>SUMMER RATES (August thru October billing/June 15 thru September 15 usage)</strong></th>
</tr>
</thead>
</table>

### DUAL FUEL
- **Base Charge**: $4.00
- **Usage Rate**:
  - $0.097/kwh (summer)
  - $0.067/kwh (non-summer)

### GENERAL SINGLE PHASE - RESIDENTIAL
- **Base Charge**: $12.00
- **Usage Rate**:
  - $0.137/kwh (summer)
  - $0.117/kwh (non-summer)

### SINGLE PHASE – COMMERCIAL
- **Base Charge**: $20.00
- **Usage Rate**:
  - $0.128/kwh (summer)
  - $0.108/kwh (non-summer)

### GENERAL THREE PHASE
- **Base Charge**: $35.00
- **Usage Rate**:
  - $0.128/kwh (summer)
  - $0.108/kwh (non-summer)

### LARGE POWER (DEMAND)
- **Base Charge**: $60.00
- **Demand Charge**:
  - $10.50/kW
- **Usage Rate**:
  - $0.078/kwh (summer)
  - $0.063/kwh (non-summer)

### LARGE ENERGY (Sno Pac Foods)
- **Base Charge**: $200.00
- **Demand Charge**:
  - $11.50
- **Usage Rate**:
  - $0.078/kwh (summer)
  - $0.063/kwh (non-summer)

### MONTHLY GRID ACCESS CHARGE (SOLAR PANELS)
- **Base Charge**
  - DER 3.0: $2.00
  - DER 3.5: $4.00
  - DER 4.0: $6.00
  - DER 4.5: $8.00
  - DER 5.0: $10.00
  - DER 5.5: $12.00
  - DER 6.0: $14.00
  - DER 6.5: $16.00
  - DER 7.0: $18.00
  - DER 7.5: $20.00
  - DER 8.0-39.9: $22.00

### ADDITIONAL CHARGES
- **Street Lighting**: Residential Base Charge $3.00, Commercial Base Charge $6.00
- **Houston Collection Site**: Residential Only $6.55
- **Recycling**: Residential Only $6.00
- **Security Light**: $2.50/ERU
- **Storm Water**:

### WATER UTILITY
- **Base Charge**
  - 5/8" x ¾" Meter or less
    - 1" Meters: $17.30/Month
    - 1 ¼" Meters: $34.60/Month
    - 1 ½" Meters: $51.90/Month
    - 2" Meters: $69.20/Month
    - 3" Meters: $121.10/Month
    - 4" Meters: $276.80/Month
  - 5/8" x ¾" Meters: $484.40/Month
- **Usage Rate**: $2.40 per 1,000 gallons

### SEWER UTILITY
- **Base Charge**
  - 5/8" x ¾" Meter
    - 1" Meter: $19.20/Month
    - 1 ¼" Meter: $38.40/Month
    - 1 ½" Meter: $57.60/Month
    - 2" Meter: $76.80/Month
    - 3" Meter: $134.40/Month
    - 4" Meter: $307.20/Month
    - Caledonia Haulers: $337.60/Month
- **Usage Rate**: $1,062.70/Month
- **$6.20 per 1,000 gallons** (Based on metered water use)

**Revised: March 22, 2021**