CITY COUNCIL
MEETING AGENDA
AUGUST 25, 2025 AT 5:30 PM
HJEMKOMST CENTER AUDITORIUM - 202 1ST AVE N.

Disclaimer: Voting requirements may be subject to changes in the law, parliamentary procedural matters, or other unforeseen issues. The City Attorney provides opinion on questions of voting requirements by the Moorhead City Code, Minnesota State Statues, and parliamentary procedure.

1. Call to Order/Roll Call

2. Pledge of Allegiance

3. Agenda Amendments

4. Consent Agenda

   All items listed with an asterisk (*) are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Council Member so requests, in accordance with the "Council Rules of Procedure". In such event, the item will be removed from the General Order of Business and considered in its normal sequence on the agenda.

5. Recognitions/Presentations

   A. Assistant Chief Bill Ahlfeldt Swearing-In and Oath of Office

   B. The Loop Sponsorship Recognition: Visit Fargo Moorhead

   C. Presentation: 2025A and 2025B Bond Sale, Baker Tilly Municipal Advisors

   D. Presentation: MetroCOG - 20th St/I-94 Interchange Study

6. Approve Minutes

   A. August 11, 2025 Meeting Minutes

7. Citizens Addressing the Council (Time Reserved: 15 Minutes)

8. *Mayor and Council Appointments

9. Public Hearings (5:45 pm)

   A. Public Hearing to Consider Actions Relating to Declaration of a Hazardous Building - 1402 1st Avenue North, Parcel No. 58.721.0100

   B. Resolution to Declare 1402 1st Avenue North structure a hazardous building under Minnesota Statute 463 and order the owner of the hazardous building to correct or remove the hazadous condition of the building

   C. Resolution to Authorize Agreement(s) Necessary to Abate the Hazardous Conditions of 1402 1st Avenue North by Demolition if the Owner Fails to Address the Hazardous Conditions

10. Community Development Department

11. Economic Development

    A. *Resolution to Approve Amendment to the Tax Incentive Agreement for 9Thirteen, LLC, to transfer the benefit of their tax incentive to Block 37 Moorhead, LLC, for a project located at 113 10th Street South (58.575.0600)

12. Engineering Department

13. Fire Department

14. Moorhead Public Service

    A. *Resolution to Approve Change Order Nos. 1 and 2 with Border Construction, LLC, for MPS' Redundant Network Operations Center

    B. *Resolution to Award Bid for Furnishing Electric Power Transformers at MPS' Northeast Substation

    C. *Resolution to Award Bid for Furnishing 115 kV Breakers at MPS' Northeast Substation

15. Parks and Recreation Department

16. Police Department

    A. Back to School Traffic Safety Plan

17. Public Works

18. Administration

    A. Resolution to Approve and Accept Offer of Sale of General Obligation Temporary Improvement Bonds, Series 2025A

    B. Resolution to Approve and Accept Offer of Sale of General Obligation Improvement and Wastewater Refunding Bonds Series 2025B

    C. *Second Reading of Ordinance 2025-08: An Ordinance Granting a Fiber Optic Franchise to Gateway Infrastructure, LLC

    D. *Resolution to Approve Title and Summary of Ordinance 2025-08

    E. *Resolution to Approve a Franchise Agreement for the Use of Public Right-Of-Way for Fiber Optic Infrastructure with Gateway Infrastructure, LLC

    F. Discuss Aerial Spraying as a means of Vector Control

19. Mayor and Council Reports

20. City Manager Reports

21. Executive Session

A. Closed Executive Session pursuant to MN Statute 13D.05, Subdivision 3c(3), for the purpose of developing the sale price for the real property described as all or a portion of Parcel Number 58.900.1505 owned by the City of Moorhead and providing staff and the City Attorney negotiation direction regarding the potential sale of all or a portion of Parcel Number 58.900.1505

B. Closed Executive Session pursuant to MN Statute 13D.05, Subdivision 3c(3), for the purpose of developing the sale price for the real property described as Parcel Numbers 58.575.1011 and 58.575.1050 owned by the City of Moorhead and providing staff and the City Attorney negotiation direction regarding the potential sale of Parcel Numbers 58.575.1011 and 58.575.1050

C. Closed Executive Session pursuant to MN Statute 13D.05, Subdivision 3c(3), for the purpose of developing the sale price for the real property described as Parcel Number 58.214.0010 owned by the City of Moorhead and providing staff and the City Attorney negotiation direction regarding the potential sale of Parcel Number 58.214.0010

22. New Business

23. Adjourn

Upon request, accommodations for individuals with disabilities, language barriers, or other needs to allow participation in city meetings will be provided. To arrange assistance, call the City Clerk office at 218.299.5166 (voice) or 711 (TDD/TTY).Visit our website at www.moorheadmn.gov

Moorhead Police Department

911 11th St N
Moorhead, MN 56560
218.299.5120 | www.moorheadpolice.com

MOORHEAD
MINNESOTA

MEMORANDUM

TO: Moorhead City Council

FROM: Chief Chris Helmick

DATE: 8.19.2025

RE: Swearing In of Assistant Chief Bill Ahlfeldt

I'm pleased to welcome Assistant Chief Bill Ahlfeldt to the Moorhead Police Department team. With nearly 24 years of law enforcement experience, AC Ahlfeldt was selected for this role based on his unwavering commitment to professionalism, transparency, strong community engagement, and proven leadership. I'm confident he will be an excellent fit for Team Moorhead, and I'm excited to have him on board.

In his new role, Assistant Chief Ahlfeldt will support me in planning, organizing, and directing police operations. He will also represent the department at community events and meetings, helping to strengthen our connection with the public.

The following more details about AC Ahlfeldt's background and experience:

Assistant Chief Ahlfeldt brings with him more than 23 years of experience from the Fargo, North Dakota Police Department (FPD). During his time at FPD he spent time in many roles including Patrol Officer, Police Training Officer, Investigator, Patrol Sergeant, Sergeant in charge of the Office of Professional Standards, Patrol Lieutenant, Lieutenant in charge of the Specialized Services Unit, and Captain in command of the department's Criminal Investigations Division where he was instrumental in establishing the first Real-Time Crime Center in the State of North Dakota.

Ahlfeldt was a member of the FPD's Peer Support team for 21 years, leaving the team as its administrator in 2024. Ahlfeldt was also a member of the Red River Valley SWAT team from 2003 to 2023. During his time on the team, he served in the role of entry operator, team leader, and retired from the team as team commander. During his career at FPD, Ahlfeldt was the recipient of multiple awards and commendations. He also was a 2023 recipient of the Special Operations Training Association's Lifetime Achievement Award.

Ahlfeldt holds a Bachelor of Science in Political Science from North Dakota State University, is a graduate of the Northwestern School of Police Staff and Command (Class 398), has attended the International Association of Chiefs of Police leadership in Police Organizations course, the FBI LEEDA Command Institute for Leadership Executives and the FBI LEEDA Executive Leadership course. Ahlfeldt is a member of the International Association of Chiefs of Police.

City Council Communication

August 25, 2025

SUBJECT:
The Loop Sponsorship: Visit Fargo-Moorhead/FM Convention & Visitors Bureau

RECOMMENDATION:
N/A

BACKGROUND/KEY POINTS:
Charley Johnson, President & CEO of Visit Fargo-Moorhead, will be in attendance at the August 25 City Council meeting so that the Mayor and Council can recognize and thank Visit Fargo-Moorhead for the generous sponsorship of the Presentation Hall within The Loop | Moorhead Public Library & Community Center.

FINANCIAL CONSIDERATIONS:
Visit Fargo-Moorhead has awarded the project a $150,000 capital construction grant for The Loop. Visit Fargo-Moorhead will receive naming rights to the Presentation Hall for 25 years.

Voting Requirements: N/A

Submitted By:
Dan Mahli, City Manager
Lisa Bode, Governmental Affairs Director

Attachments: N/A

METROCOG Fargo-Moorhead Metropolitan Council of Governments

Case Plaza Suite 232 | One 2nd Street North
Fargo, North Dakota 58102-4807
p: 701.532.5100 | f: 701.232.5043
e: metrocog@fmmetrocog.org
www.fmmetrocog.org

To: Moorhead City Council
From: Dan Farnsworth, Metro COG
Date: August 19, 2025
Re: **Moorhead I-94 & 20th St Interchange Study**

In 2023, Metro COG in partnership with the City of Moorhead, MN Dept. of Transportation, and the consultant team, Stantec, kicked off the Moorhead I-94 & 20th St Interchange Study. This study, at the request of the City of Moorhead, analyzes the feasibility of converting the partial interchange (currently ramps only to/from the west) to a full interchange.

This effort looked at existing and future traffic conditions, existing constraints (rail lines, property impacts, bridge lengths, utilities, etc.) and more, to develop full interchange alternatives at this location. 15 various interchange alternatives were initially considered, then narrowed down to five alternatives, and finally narrowed to two alternative interchange designs.

Public and stakeholder involvement was an important component of this study. Two public input opportunities were held during the course of the study along with numerous stakeholder meetings. Stakeholder meetings included representation from nearby properties owners and other stakeholders.

Metro COG and the consultant team, Stantec, will be providing a brief presentation of this study to the Moorhead City Council on August 25th.

To view the study document, please visit: www.fmmetrocog.org/20thInterchange

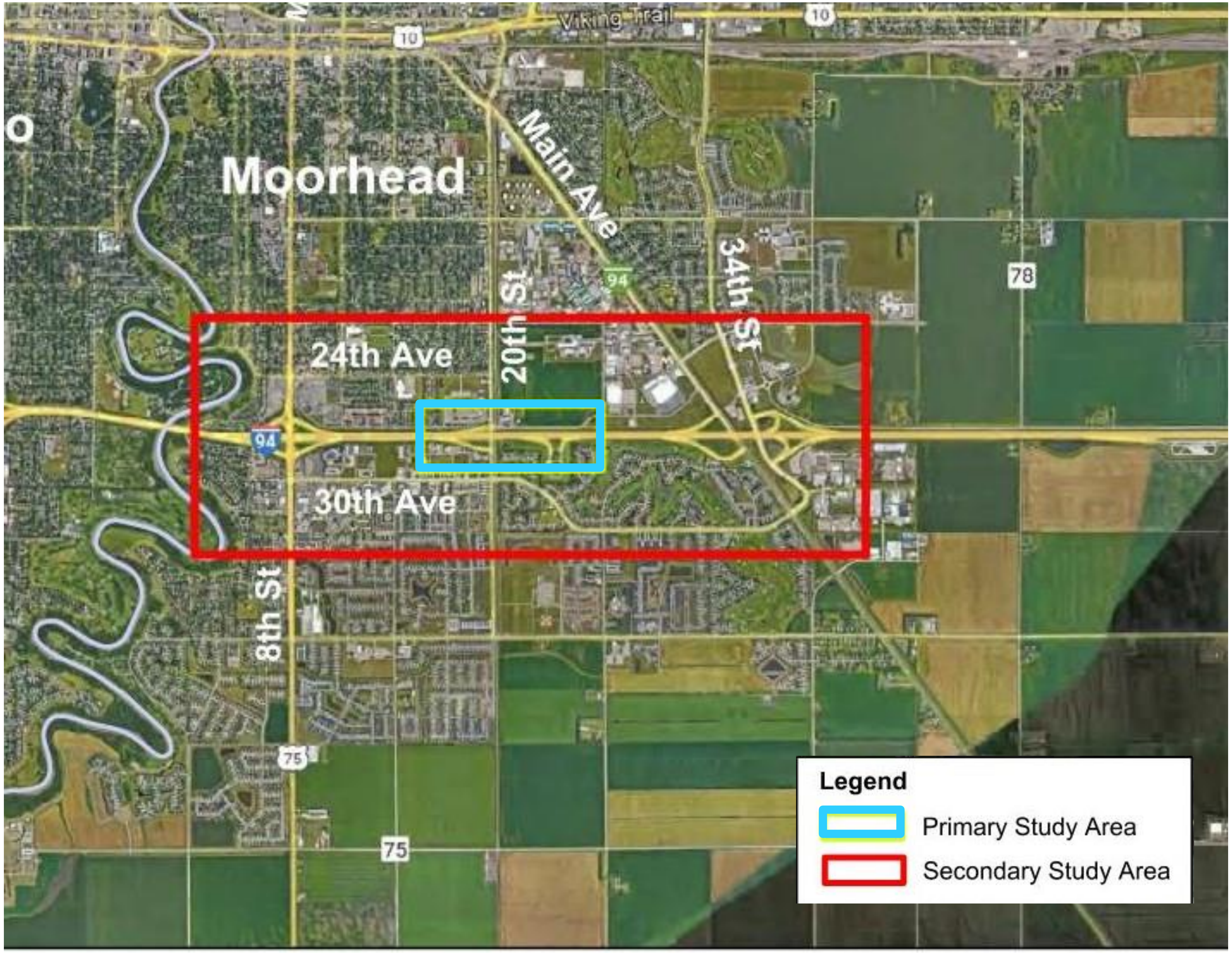
Stantec

Moorhead I-94 & 20th Street Interchange Analysis
Moorhead City Council Presentation
8/25/25

Existing Conditions

- Partial Interchange
- Property Constraints
- Infrastructure Constraints
- Prior Study – Inconclusive
- Current Study:
  - Determine feasibility of Interchange Ramps to and from the East

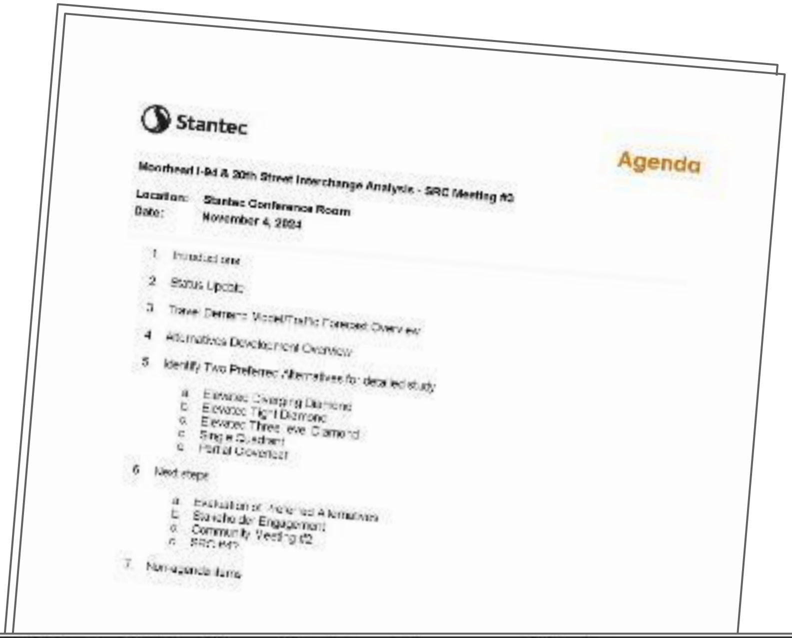
Study Area


Viking Trail
10
Moorhead
Main Ave
94
34th St
78
20th St
24th Ave
94
30th Ave
8th St
75
75
Legend
Primary Study Area
Secondary Study Area

Engagement and Outreach

Study Review Committee (SRC)

- SRC consisted of:
  - Metro COG
  - City of Moorhead
  - MnDOT
  - Federal Highway Administration (FHWA)
  - NDDOT (Metro COG's oversight agency)
  - Stantec (Consultant team)
- Provided guidance and feedback
- Four formal meetings plus email collaboration

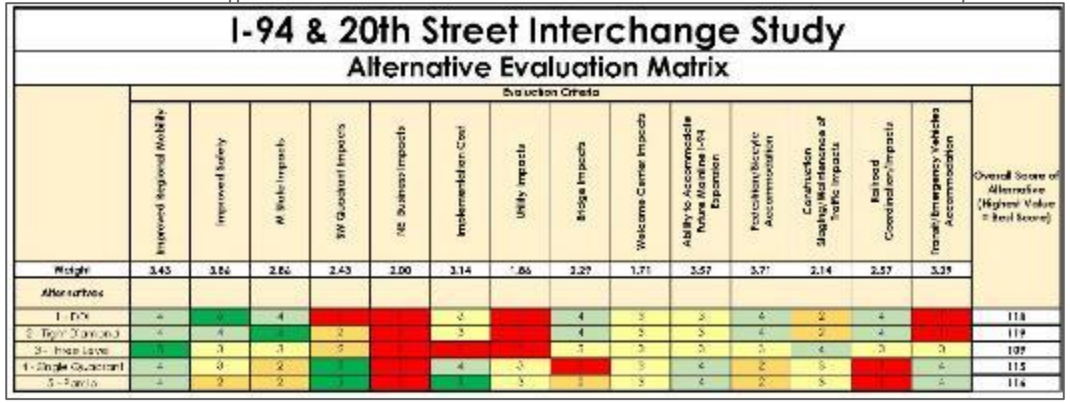

Stantec

Agenda

Moorhead I-94 & 20th Street Interchange Analysis - SRC Meeting #3

Location: Stantec Conference Room
Date: November 4, 2024

1. Introductions
2. Status Update
3. Travel Demand Model/Traffic Forecast Overview
4. Alternatives Development Overview
5. Identify Two Preferred Alternatives for detailed study
   a. Elevated Diverging Diamond
   b. Elevated Tight Diamond
   c. Elevated Three Level Diamond
   d. Single Quadrant
   e. Partial Cloverleaf
6. Next steps
   a. Evaluation of Preferred Alternatives
   b. Stakeholder Engagement
   c. Community Meeting #2
   d. SRC #4
7. Non-agenda items


I-94 & 20th Street Interchange Study

Alternative Evaluation Matrix

	Improved Regional Mobility	Improved Safety	M State Impacts	SW Quadrant Impacts	NE Business Impacts	Implementation Cost	Utility Impacts	Bridge Impacts	Welcome Center Impacts	Ability to Accommodate Future Mainline I-94 Expansion	Pedestrian/Bicycle Accommodation	Construction Staging/Maintenance of Traffic Impacts	Railroad Coordination/Impacts	Transit/Emergency Vehicles Accommodation	Overall Score of Alternative (Highest Value = Best Score)
	Evaluation Criteria														
Weight	3.43	3.86	2.86	2.43	2.00	3.14	1.86	3.29	1.71	3.57	3.71	2.14	2.57	3.29	
Alternatives															
1 - DDI	4	[illegible]	4	[illegible]	[illegible]	3	[illegible]	4	3	3	4	2	4	[illegible]	118
2 - Tight Diamond	4	4	[illegible]	2	[illegible]	3	[illegible]	4	3	3	4	2	4	[illegible]	119
3 - Three Level	[illegible]	3	3	3	[illegible]	[illegible]	[illegible]	3	3	3	3	4	3	3	109
4 - Single Quadrant	4	3	2	[illegible]	[illegible]	4	3	[illegible]	3	4	2	5	[illegible]	4	115
5 - Parclo	4	2	2	[illegible]	[illegible]	[illegible]	3	[illegible]	3	4	2	5	[illegible]	4	116

Engagement and Outreach

Public Input Meeting #1

- Held at M-State on Sept 19, 2023
- Approximately 25 attendees
- 17 people in favor of a full interchange
- 4 people did not see a benefit to a full interchange
- Several people expressed frustration/confusion with the lane configuration on 20th Street
- Several people expressed a desire for improved connectivity between 20th and 34th Streets

Public Input Meeting #2

- *Discussed later in presentation*

Engagement and Outreach

Stakeholder Meetings

- Group #1 – Triumph Lutheran Church, Moorhead Fire Department, Moorhead Public Schools, Moorhead Public Service, MState, MSUM, MATBUS
- Group #2 – MacroSource, Ken's Sanitation, FMWF Chamber, BNSF, Anheuser-Busch
- Discussed how each uses 20th Street and the Interchange
- Discussed potential expansion plans
- Reviewed alternatives and discussed comments

Engagement and Outreach

Stakeholder Meetings – Key findings

- Triumph Church
  - Concerned about ramps getting closer to their property
- Moorhead Fire Department
  - Full interchange would improve response times
- MState
  - Concerned about loss of parking
  - Local traffic is using their parking lot to turn north on 20th
- MSUM
  - Full interchange would be beneficial
- MATBUS
  - Re-establishing the northbound turn onto 20th St would be beneficial

Engagement and Outreach

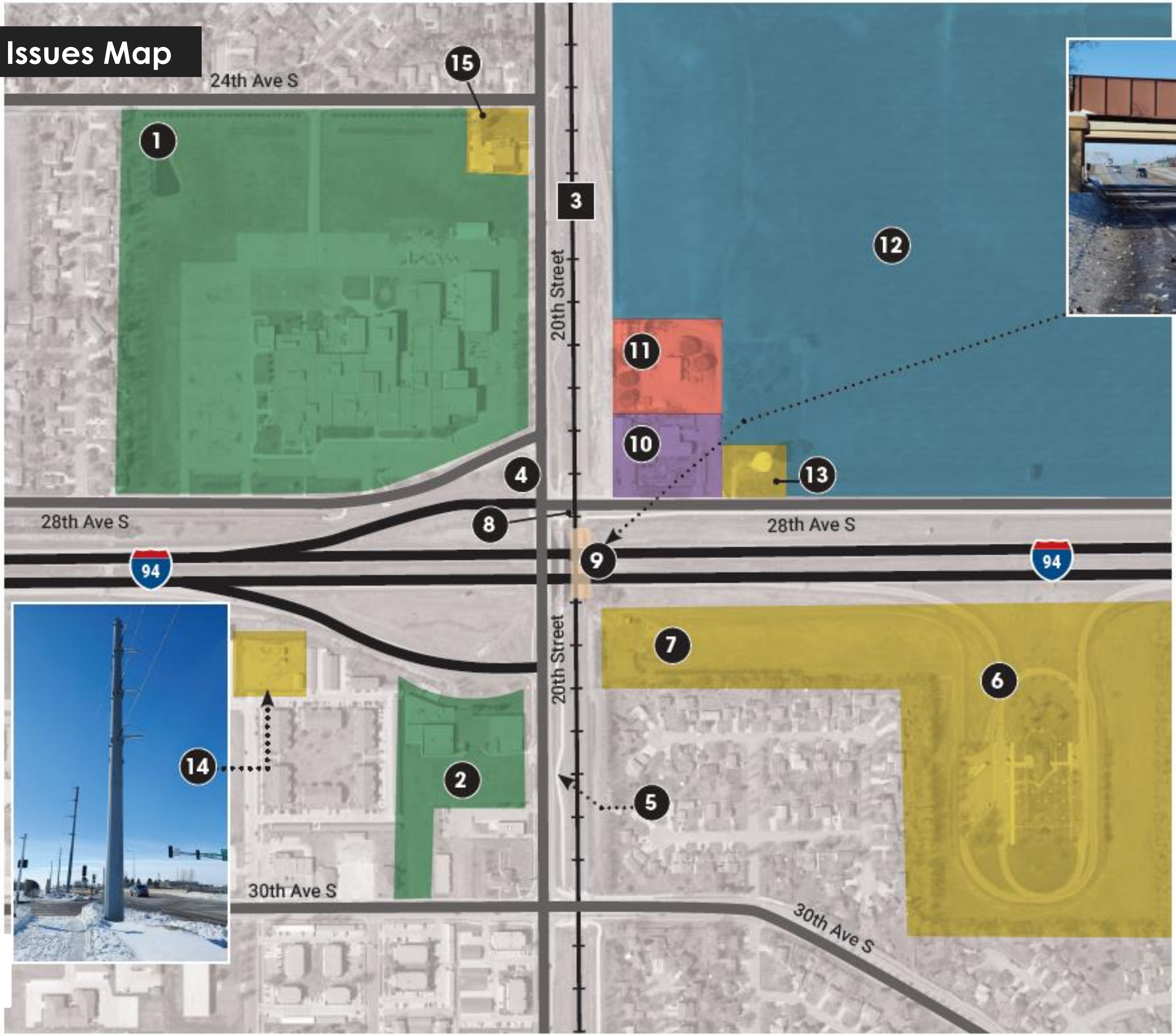
Stakeholder Meetings – Key findings

- Moorhead Public Service
  - Provided information on facilities in the project area
- MacroSource
  - Rerouting 28th Avenue to the north would impact their rail access
- Ken's Sanitation
  - Need to maintain access to 28th Avenue for operations
- BNSF
  - Replacement of railroad bridge would require temporary track and bridge over I-94 during construction

Alternatives Development Process

- Highway Interchange Tool (HIT)
- Screen HIT Results to 5 Feasibility Level Alternatives
- Develop conceptual layouts for Alternatives
- Develop feasibility level cost estimates
- Rate Alternatives against evaluation criteria
- Select Two Alternatives for detailed study

Key Issues Map



FEATURES

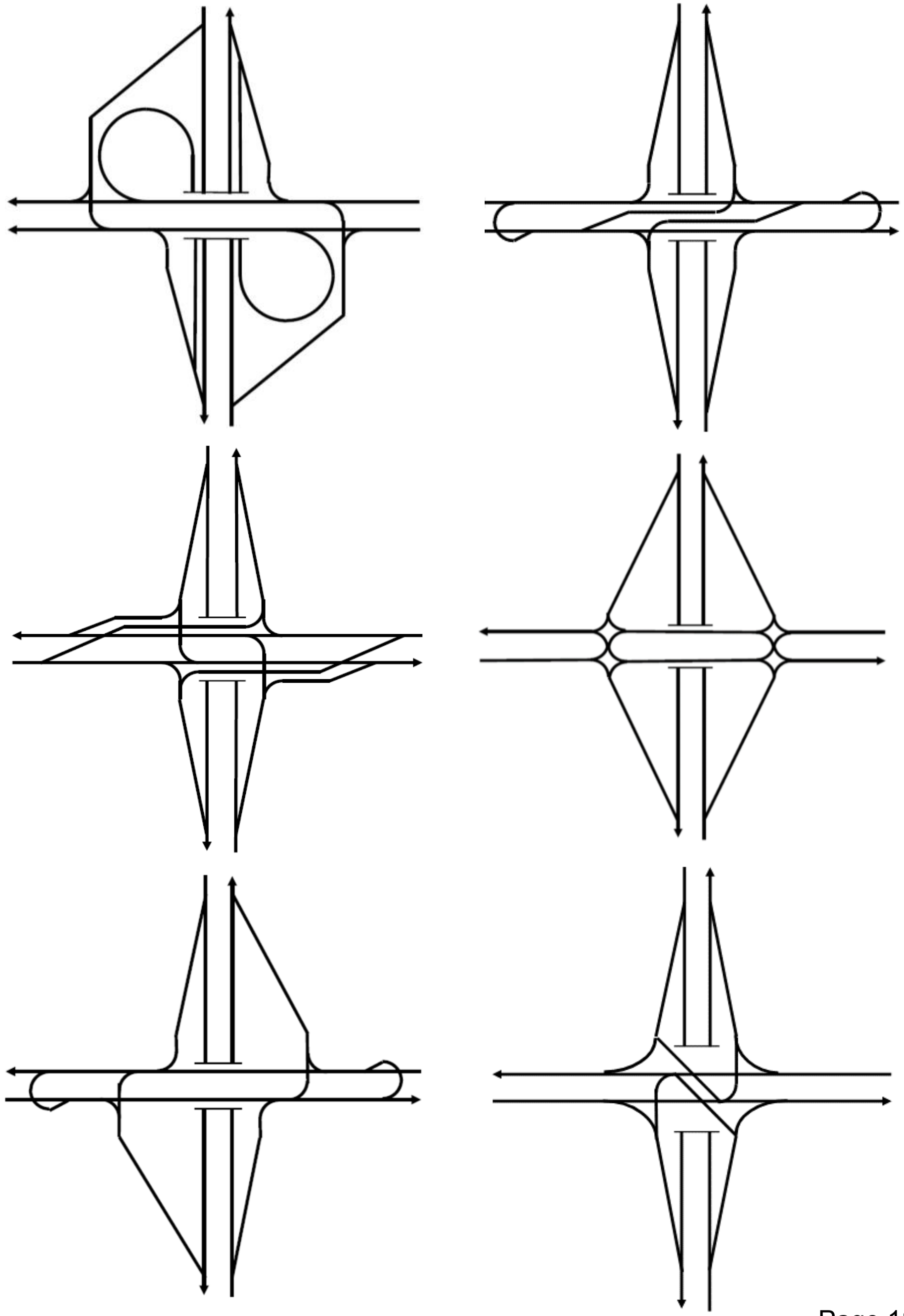
1	M State
2	Triumph Lutheran Brotherhood Church
3	BNSF Moorhead Subdivsion Track
4	28th Avenue Intersections
5	Multi-Use Trail
6	MnDOT Wayside Rest Area
7	MnDOT Lift Station
8	At-grade RR Crossing Contributes to Congestion and Driver Confusion
9	Existing Bridge Piers Limit I-94 Modifications
10	Ken's Sanitation and Recycling
11	Gavilon Fertilizer
12	Busch Agricultural Resources Property
13	City of Moorhead Water Tower
14	Moorhead Public Service Substation
15	Moorhead Fire Station No. 2

MOORHEAD I-94 & 20TH STREET INTERCHANGE ANALYSIS

Alternatives Development

Highway Interchange Tool (HIT)

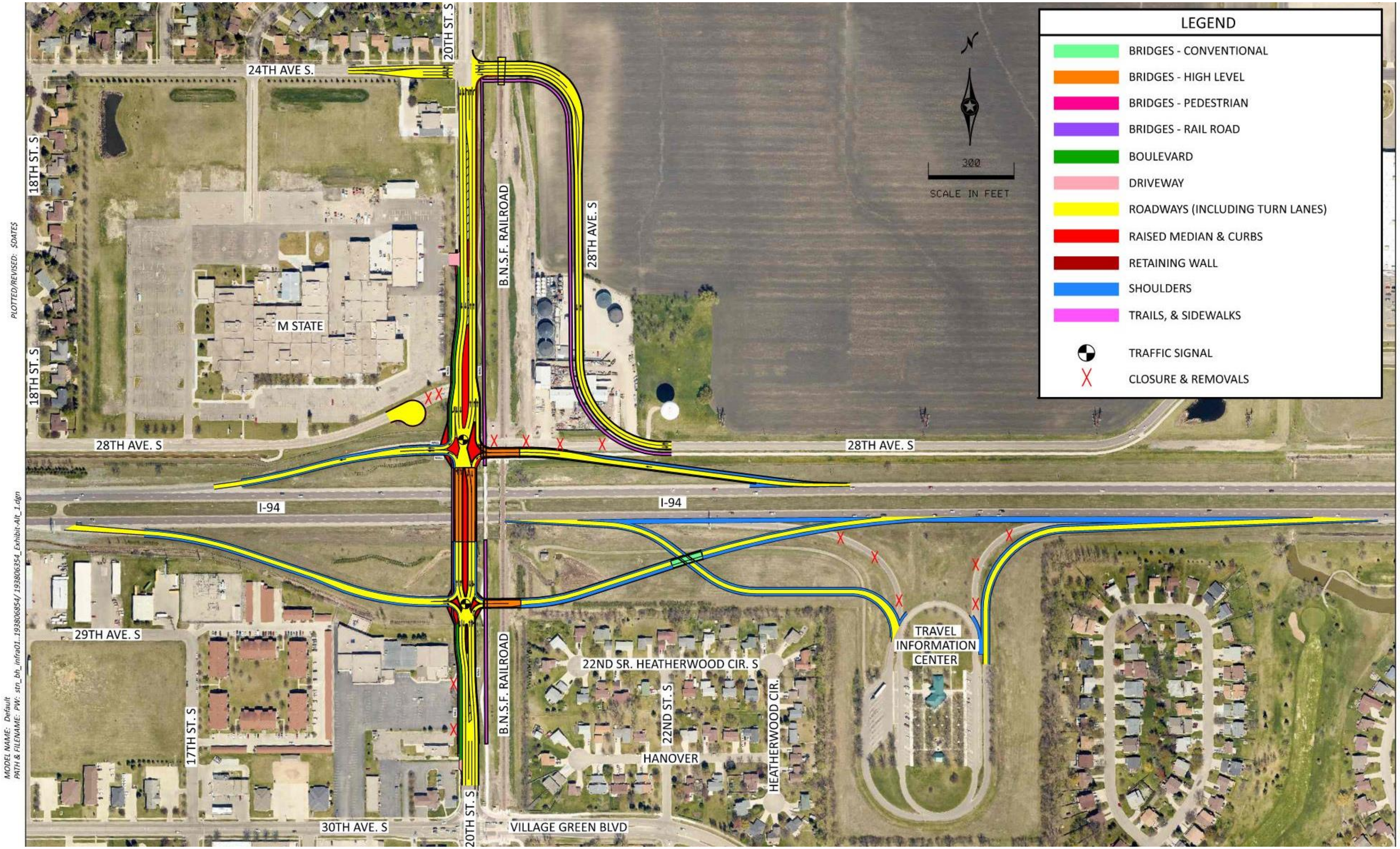
- Stantec-developed software, planning-level screening
- Nearly 70 unique interchanges + variations
- Very efficient to set up, modify, iterate
- Aggregate scores weighing traffic efficiency, safety, and cost
- HIT will not have magic solution, results can be adapted, demonstrate unique options
- Identified 15 potential configurations



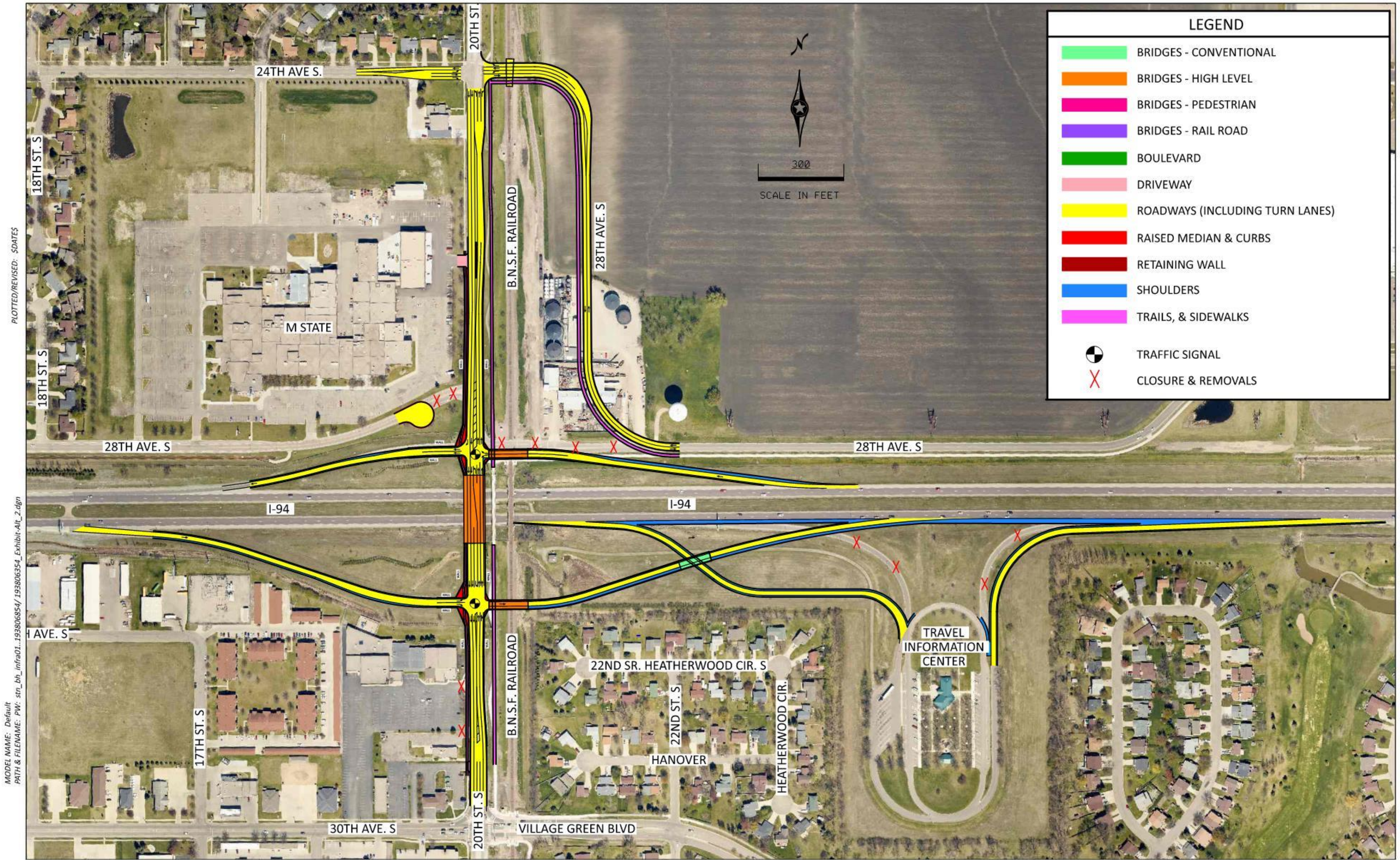
Alternatives Evaluation

Alternatives

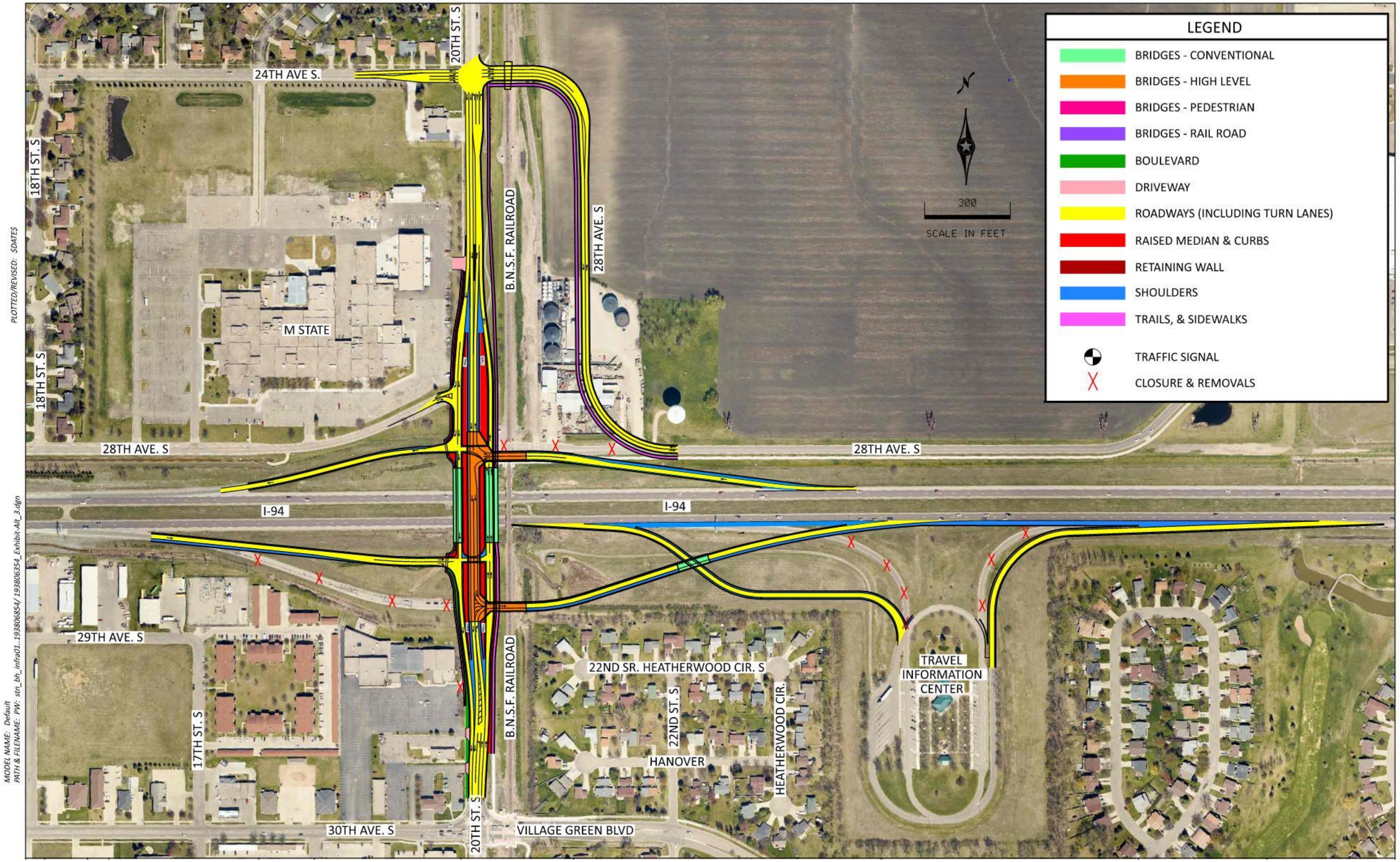
1. **Elevated Diverging Diamond**
2. **Elevated Tight Diamond**
3. **Three Level Diamond**
4. **Single Quadrant**
5. **Partial Cloverleaf (Parclo)**



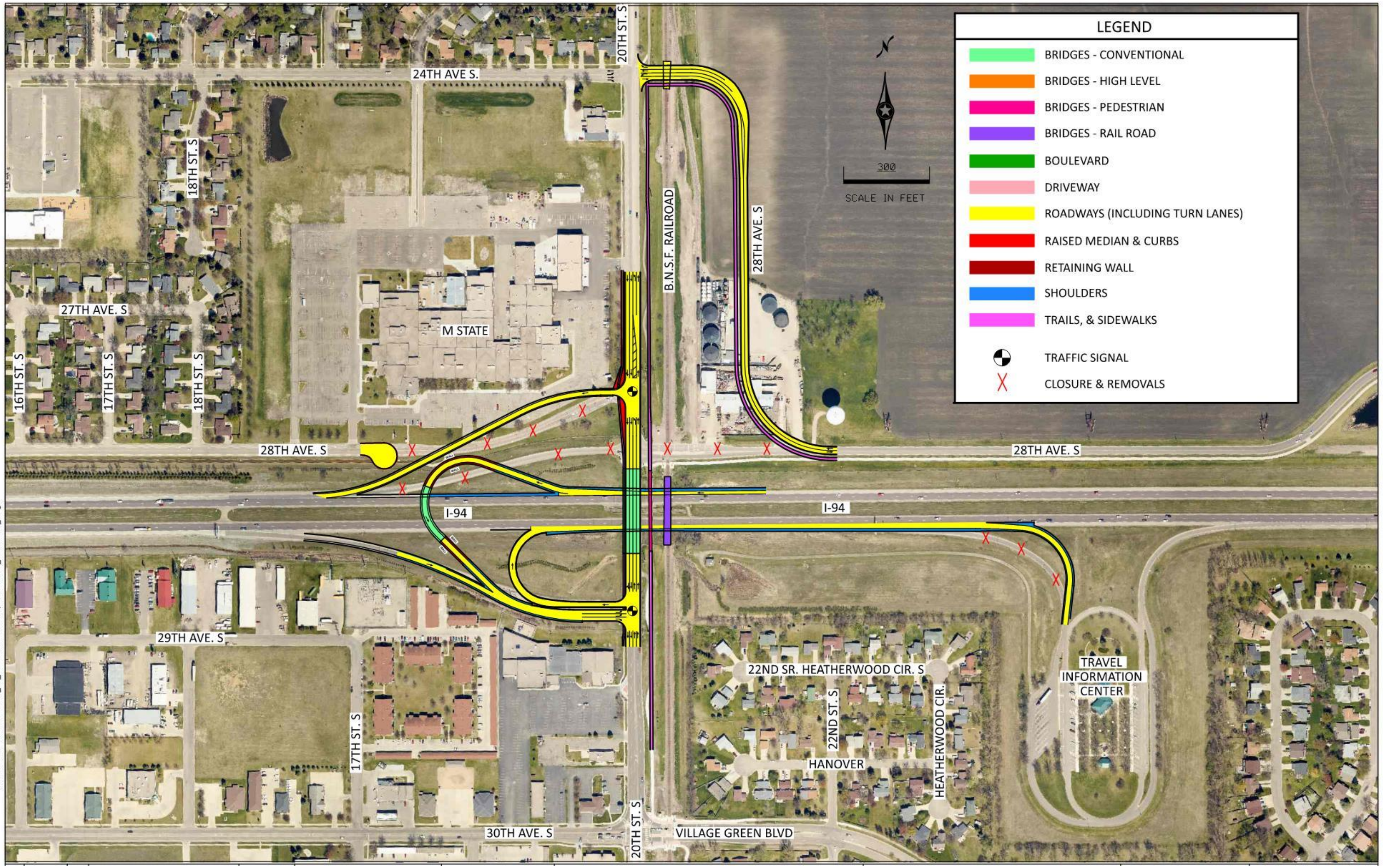
Alternative 1 – Elevated Diverging Diamond



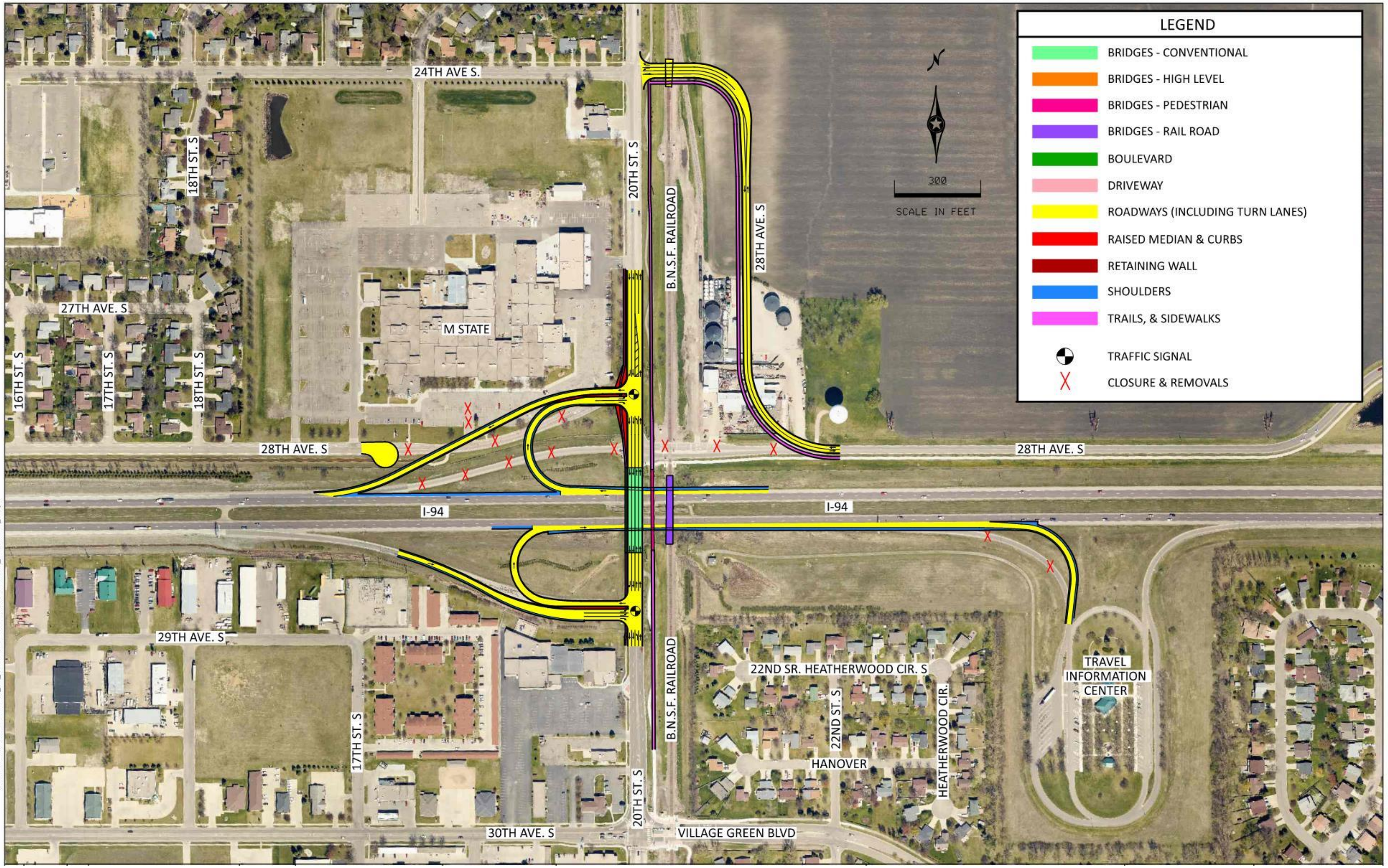
Alternative 2 – Elevated Tight Diamond



Alternative 3 – Three-level Diamond



Alternative 4 – Single Quadrant



Alternative 5 – Partial Cloverleaf (Parclo)

Alternatives Evaluation

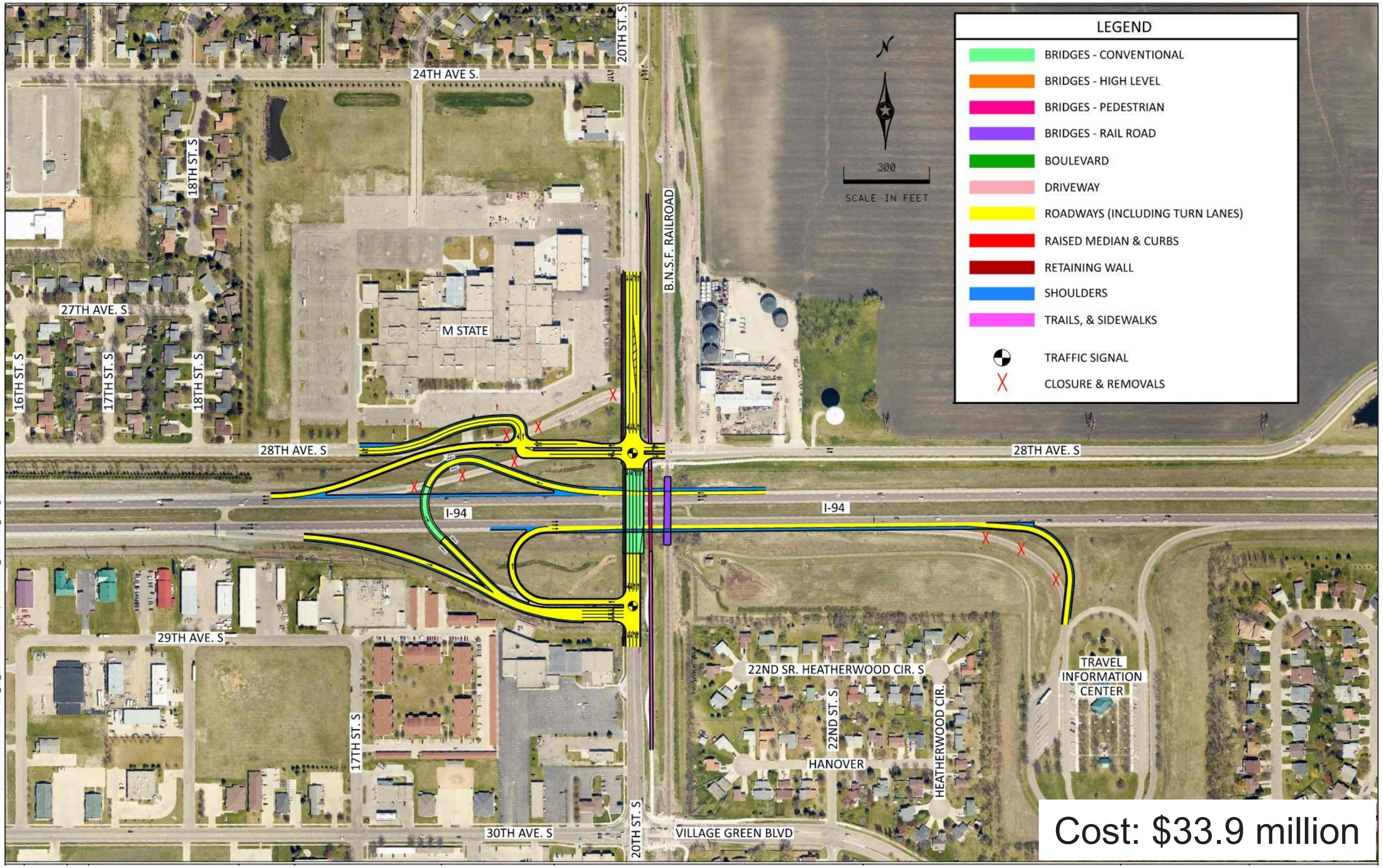
Alternatives	Cost
1. Elevated Diverging Diamond	$40.8 Million
2. Elevated Tight Diamond	$34.2 Million
3. Three Level Diamond	$43.6 Million
4. Single Quadrant	$24.1 Million
5. Partial Cloverleaf (Parclo)	$20.7 Million

Alts 1, 2 & 3 have $5 million allowance for powerline relocation

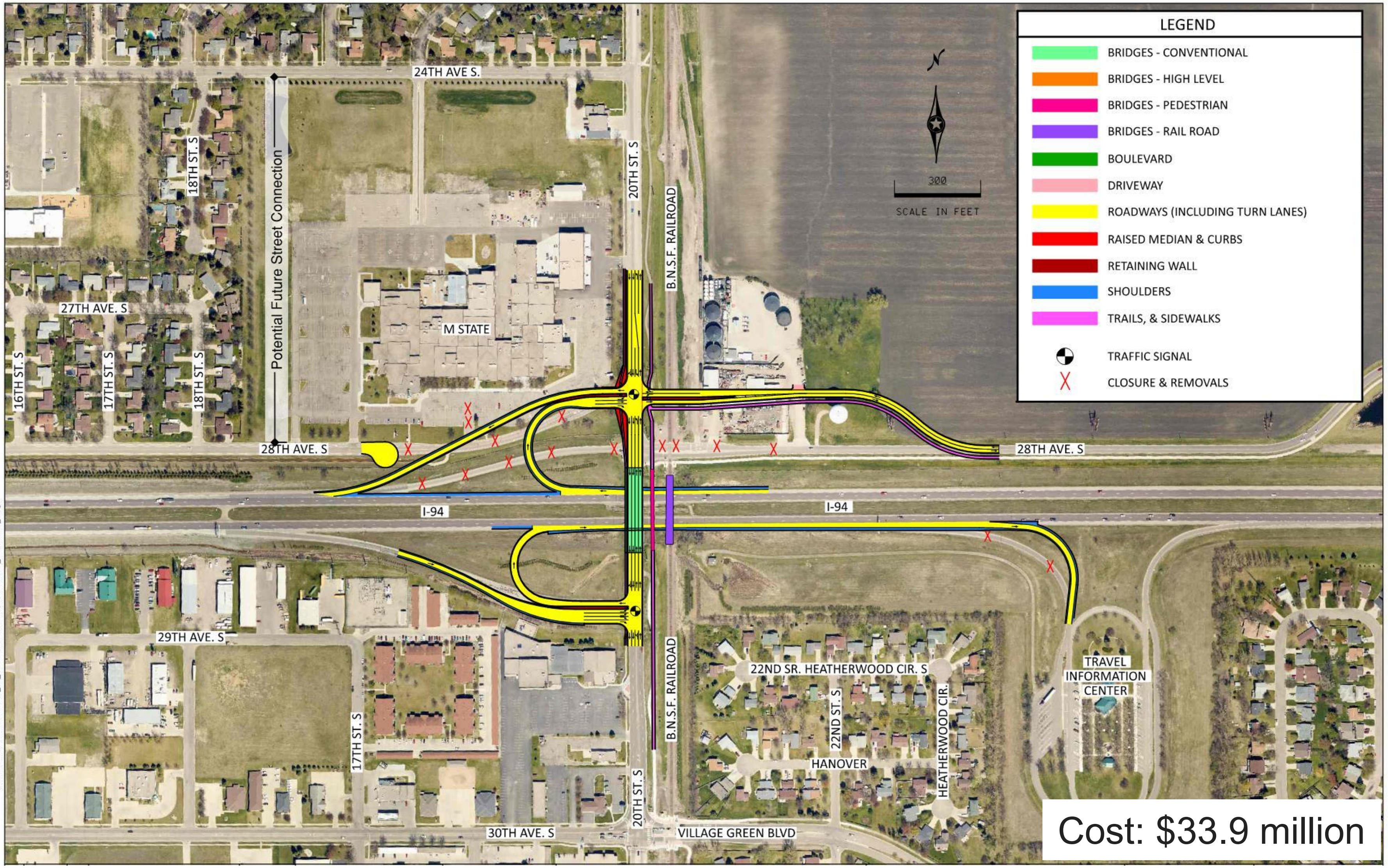
Alts 4 & 5 have $5 million allowance for railroad shoo-fly and associated costs

Alternatives Discussion

- SRC ruled out the elevated Alternatives (Alts 1, 2 & 3)
- Supported Alternative 5 (Parclo)
- Initially hesitant to support Alternative 4 (Single Quadrant)
- Requested a sixth alternative to be evaluated – later determined not feasible
- Potential development of Anheuser-Busch site
  - Increased traffic on 20th Street, 28th Avenue and the Interchange
  - Prioritize providing a full access intersection between 20th Street and 28th Avenue
- Revisit Alternatives 4 and 5



Alternative 4A – Modified Single Quadrant



Alternative 5 – Parclo (Refined)

Engagement and Outreach

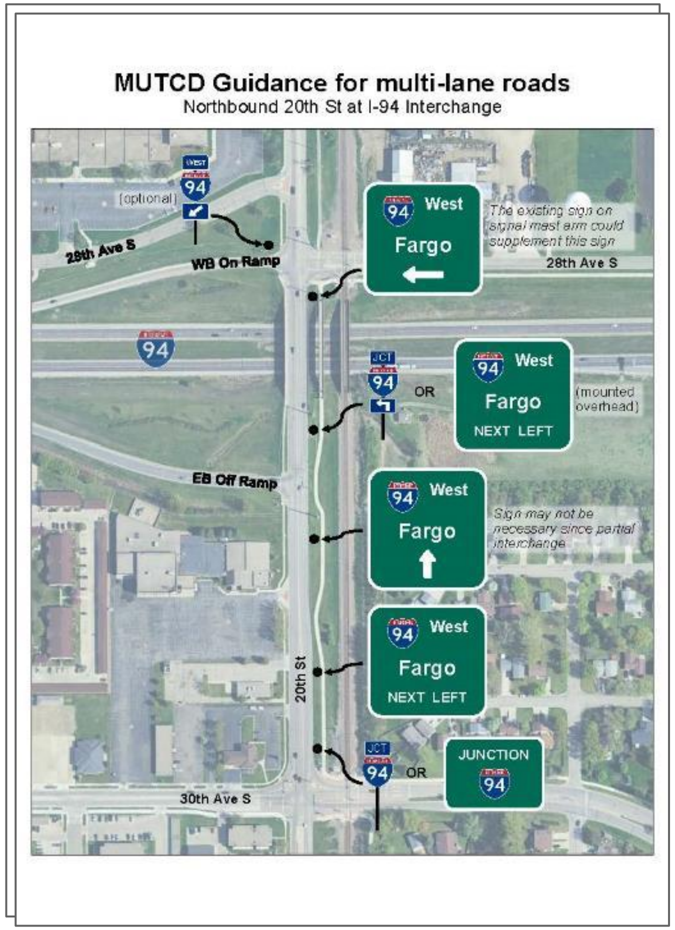
- **Public Input Meeting #2**
  - Held at Triumph Lutheran Church on March 11th, 2025
  - Approximately 35 attendees
  - Online survey made available
  - 75% of respondents in favor of a full interchange
  - 62% like or were neutral about Alt 4A (Single Quadrant)
  - 72% like or were neutral about Alt 5 (Parclo)
  - Regarding N-S Connection between 28th and 24th Avenues, 56% in favor, 26% opposed, 18% unsure
  - Numerous written comments in favor of a full interchange
  - Other comments: confusion on lane assignments at the interchange and vehicular capacity on the 20th Street Bridge

Report

- Draft report reviewed by SRC, MnDOT, NDDOT and FHWA
- Revised report made available online for public comment
- Final Report will be presented to Metro COG Policy Board for approval

Next Steps

- Proceed with Preliminary Engineering and Environmental Document
  - Further develop and screen the Single Quadrant and Parclo alternatives and address technical comments received.
  - Perform analysis related to FHWA Interstate Access Request requirements.
  - Coordinate analysis with MnDOT I-94 Corridor Study
  - Consider interim improvements to address driver confusion
    - Install additional signing and pavement marking at the existing interchange
  - Request/apply for funding



Funding Sources

- **Better Utilizing Investments to Leverage Development (BUILD, formerly RAISE) - USDOT**
- Congressionally Directed Spending – US Congress
- **Corridors of Commerce – MnDOT**
- Greater Minnesota Business Development Public Infrastructure (BDPI) – Minnesota Department of Employment and Economic Development
- Minnesota Capital Bonding Bill – Minnesota Legislature
- **Public Works & Economic Adjustment Assistance (EAA) Programs – US Economic Development Association**
- **Rural Surface Transportation Grant – USDOT**
- **Safe Streets and Roads for All (SS4A) – USDOT**
- Transportation Economic Development Plan – MnDOT
- **Transportation Infrastructure Finance & Innovation Act (TIFIA) – FHWA**

(**Bold** indicates funds can be used for preliminary engineer activities)

Questions

MINUTES OF THE CITY COUNCIL
HJEMKOMST CENTER AUDITORIUM - 202 1ST AVE N.
August 11, 2025 - 5:30 PM

1. Call to Order/Roll Call

   Roll call of the members was made as follows:
   Present (9): Ryan Nelson, Nicole Mattson, Heather Nesemeier, Emily Moore, Deb White, Lisa Borgen, Sebastian McDougall, Chuck Hendrickson, Shelly Carlson
   Absent (0):

2. Pledge of Allegiance

3. Agenda Amendments

4. Consent Agenda

   All items listed with an asterisk (*) are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Council Member so requests, in accordance with the "Council Rules of Procedure". In such event, the item will be removed from the General Order of Business and considered in its normal sequence on the agenda.

   Motion to Approve made by Lisa Borgen and seconded by Heather Nesemeier.
   For 8: Ryan Nelson, Nicole Mattson, Heather Nesemeier, Emily Moore, Deb White, Lisa Borgen, Sebastian McDougall, Chuck Hendrickson
   Against 0: None
   Abstain/Recuse 0: None
   Motion Passed

5. Recognitions/Presentations

   A. MoorHeart Recognition: Ashley Anderson

      Governmental Affairs Director Lisa Bode presented the MoorHeart award to Ashley Anderson for her life-saving measures taken while visiting a Moorhead pool.

   B. Swearing-In and Badge Pinning for Moorhead Police Officers

      Moorhead Police Chief Chris Helmick introduced new Moorhead Police Officers to be sworn-in by Mayor Shelly Carlson.

   C. Presentation: Ritchell Aboah, Engagement Director, Resource Connect

      Resource Connect Engagement Director Ritchell Aboah presented information on Resource Connect, which connects people with employment by providing dependable and accessible transportation solutions in the Fargo-Moorhead area.

6. Approve Minutes

   A. July 28, 2025 Meeting Minutes

      Motion to Approve made by Sebastian McDougall and seconded by Heather Nesemeier.
      For 8: Ryan Nelson, Nicole Mattson, Heather Nesemeier, Emily Moore, Deb White, Lisa Borgen, Sebastian McDougall, Chuck Hendrickson
      Against 0: None

Abstain/Recuse 0: None
Motion Passed

7. Citizens Addressing the Council (Time Reserved: 15 Minutes)

   Moorhead resident addressed City Council regarding the camping ban.

8. *Mayor and Council Appointments

9. Public Hearings (5:45 pm)

   A. Public Hearing for an Ordinance Granting a Fiber Optic Franchise to Gateway Infrastructure, LLC

   Motion to Open Public Hearing made by Heather Nesemeier and seconded by Lisa Borgen.
   For 8: Ryan Nelson, Nicole Mattson, Heather Nesemeier, Emily Moore, Deb White, Lisa Borgen, Sebastian McDougall, Chuck Hendrickson
   Against 0: None
   Abstain/Recuse 0: None
   Motion Passed

   Assistant City Manager Mike Rietz presented information to consider approving the proposed ordinance to grant a fiber optic franchise to Gateway Infrastructure, LLC.

   Motion to Close Public Hearing made by Heather Nesemeier and seconded by Sebastian McDougall.
   For 8: Ryan Nelson, Nicole Mattson, Heather Nesemeier, Emily Moore, Deb White, Lisa Borgen, Sebastian McDougall, Chuck Hendrickson
   Against 0: None
   Abstain/Recuse 0: None
   Motion Passed

   B. First Reading of Ordinance 2025-08: An Ordinance to Grant a Fiber Optic Franchise to Gateway Infrastructure, LLC

   Motion to Approve made by Deb White and seconded by Heather Nesemeier.
   For 8: Ryan Nelson, Nicole Mattson, Heather Nesemeier, Emily Moore, Deb White, Lisa Borgen, Sebastian McDougall, Chuck Hendrickson
   Against 0: None
   Abstain/Recuse 0: None
   Motion Passed

10. Community Development Department

   A. *Second Reading of Ordinance 2025-07: An Ordinance Amending the Official Zoning Map Rezoning Partridge Creek Addition from TZ: Transitional to RLD-3: Residential Low Density-3

   B. *Resolution to Approve Title & Summary of Ordinance 2025-07

   C. *Resolution to Approve Amendments to the Final Plat for Partridge Creek Addition

   D. *Resolution to Approve Minor Subdivision - 2800 2nd Ave N - Parcel 58.206.0010

   E. *Resolution to Approve Minor Subdivision - 4110 34th Ave S - Parcel 58.420.0010

F. *Resolution to Approve Minor Subdivision - 2400 38 Ave S - Parcel 58.623.0670

G. *Resolution to Approve Minor Subdivision - Parcels 21.032.4200 & 21.032.4202

11. Economic Development

12. Engineering Department

13. Fire Department

14. Moorhead Public Service

15. Parks and Recreation Department

16. Police Department

17. Public Works

18. Administration

19. Mayor and Council Reports

    Council Member Nesemeier shared notes from the Solid Waste Advisory Committee. Council Member Nesemeier reminded everyone that Greater Moorhead Days are coming up and shared information on the different events.

    Council Member White extended her thanks to the staff and hosts that put together Night to Unite. Council Member White also thanked the organizers of The Peoples Pride Event. Council Member White shared her condolences to the family and friends of Diane Wray Williams.

    Council Member Mattson shared updates regarding the road construction in Ward 1.

    Mayor Carlson attended 13 meetings since the last council meeting. Mayor Carlson was asked by the League of Women Voters to speak at a BadAss Grandma's for Democracy event. Mayor Carlson met with the coordinators of the All-African festival and was asked to be a judge in their All-African FM pageant. Mayor Carlson attended LMC Board Orientation as well as her first League of Minnesota Cities Board meeting. Mayor Carlson gave a shoutout to Trollwood for their Mama Mia performance this year. The Metro-Flood Diversion Authority held a Re-rout the Red River event and Mayor Carlson shared updates from the event. Mayor Carlson extended her thanks to the dozens of people who started and put together the Joint Powers Agreement that made the metro diversion project a reality.

20. City Manager Reports

    City Manager Mahli spoke about Diane Wray Williams and how she impacted our community.

21. Executive Session

22. New Business

A. Request by Council Members Mattson and Borgen to discuss aerial spraying as a means of vector control.

Motion to Pause the Aerial Spraying until the Council can discuss further to keep or edit the current policy made by Heather Nesemeier and seconded by Nicole Mattson.
For 5: Nicole Mattson, Heather Nesemeier, Deb White, Lisa Borgen, Shelly Carlson Against 4: Ryan Nelson, Emily Moore, Sebastian McDougall, Chuck Hendrickson Abstain/Recuse 0: None
Motion Passed

Discussion took place surrounding the benefits and disadvantages of aerial spraying.

23. Adjourn

Meeting adjourned at 7:49 PM.

APPROVED BY:	ATTEST:
_______________________________	_______________________________
Michelle (Shelly) A. Carlson Mayor	Christina Rust City Clerk

City Council Communication

August 25, 2025

SUBJECT:
Public Hearing to Consider Actions Relating to Declaration of a Hazardous Building – 1402 1st Avenue North, Parcel No. 58.721.0100

RECOMMENDATION:
The Mayor and Council are asked to consider the following actions relating to property at 1402 1st Avenue North, Parcel No. 58.721.0100 and legally described as Lots 11-12, Block 7 Schreiber's Addition and the south half of that portion of said vacated street or avenue adjoining said lots to the North:

A. Resolution to Declare 1402 1st Avenue North structure a hazardous building under Minnesota Statute 463 and order the owner of the hazardous building to correct or remove the hazardous conditions of the building

B. Authorize Agreement(s) necessary to abate the hazardous conditions of 1402 1st Avenue North by demolition if the owner fails to address hazardous conditions

BACKGROUND/KEY POINTS:
1402 1st Avenue North includes a building that was previously used as a commercial use but has been vacant/unused for several years. The Moorhead Fire Department noticed a significant hole in the roof and collapsing in of the roof and notified the Community Development Department. The Building Official and City Assessor inspected the building in April 2024. The City Assessor found that the structure is likely damaged in excess of 69.3% of the value of the structure after repairs.

A letter was sent to the owner on May 1, 2024 outlining the roof repair that would be needed. Additional letters were sent noting the required timelines for hiring a contractor to repair or remove the building (November 25, 2024) and complete the renovation or demolition (December 31, 2024). The City and owner continue to have conversations regarding the removal of the building. Although the owner notes that there may be progress on removal of the building, it is recommended that the two resolutions relating to the hazardous conditions of the building be approved to address the hazardous conditions of the building. If approved by the Mayor and City Council, the Hazardous Building Removal Order will be served to the property owner, filed with the District Court Administrator, and published in the official newspaper of the City. Once the compliance period has ended, the City will request the Court's approval to enforce the Order. If the owner does proceed with demolition, the City will not file the order with the Court.

Timeline:

- June 27, 2025: Notice sent to property owner and all lien holders of record of the City Council consideration to declare the property as hazardous on August 25, 2025.
- August 25, 2025: Consideration of hazardous building actions by the City Council.

FINANCIAL CONSIDERATIONS:
Cost proposals will be solicited based on City Purchasing Policy to find a contractor/s for the demolition and any hazardous materials abatement, if required. The demolition and abatement costs will be funded through the Special Assessment Debt Service fund and assessed to the property.

City Council Communication

August 25, 2025

Voting Requirements: 3/4 of Council (6)

Submitted By:
Dan Mahli, City Manager
Kristie Leshovsky, Community Development Director
Alan Cooper, Code Compliance Lead
Betty Kannas, Technical Office Specialist

Attachments: Draft Resolution – Declaration of Hazardous Building
Draft Resolution – Authorizing Agreement(s) to abate hazardous conditions





RESOLUTION

Resolution Declaring Building at 1402 1st Avenue North as a Hazardous Building under Minnesota Statute 463 and Ordering the Owner to Correct or Remove the Hazardous Conditions of the Building

ORDER

(Pursuant to Minn. Stat. §§ 463.16 through 463.17)

TO:
Leo Hochstetler
501 16 ST N
Moorhead, MN 56560

WHEREAS, pursuant to Sections 463.15 through 463.261 of the Minnesota Statutes, the City Council of the City of Moorhead, Minnesota (the "City Council"), having considered the matter on August 25, 2025, finds the hereinafter described property to be a hazardous building:

FINDINGS OF FACT

I.

Leo Hochstetler is the owner of property located at 1402 1st Avenue North, Moorhead, Minnesota 56560 (the "Property"), identified as parcel number 58.721.0100 and legally described as:

> **Lots 11-12, Block 7 Schreiber's Addition and the south half of that portion of said vacated street or avenue adjoining said lots to the North described as follows: beginning at the Northeast corner of said Lot 11, thence due North 33 feet; thence West and parallel with the North line of said Lots 11 and 12 a distance of 50 feet to a point where it intersects 14th St N, thence due South 33 feet to the Northwest corner of said Lot 12, thence due East along the North line of said Lots 12 and 11 to the point of beginning, all in Block 7, Schreiber's Addition to the City of Moorhead, Clay County, Minnesota**

II.

The Property contains a commercial use building (the "Structure"). See photos included in **Exhibit A**.

III.

After a thorough search of the Clay County Recorder's and court records, it has been determined that sole owner and claim to the property is Leo Hochstetler. A search of the Clay County Recorder's records via Laredo is attached as **Exhibit B.**

IV.

On or about April 12, 2024, the Structure was noticed to have collapsing roof with hole(s) in it by the Moorhead Fire Department.

V.

On April 12, 2024, the City Assessor inspected the Structure. The results of the inspection are attached as **Exhibit A**.

VI.

The City Assessor, relying upon his knowledge, education, training, and experience, has determined that that components of the Structure that would need to be repaired or replaced represent $271,567.

$271,567	Reproduction cost new (RCN)
$73,200	Depreciated value if/when repairs completed
($40,700)	15% of RCN, components needing repair and/or replacement
($10,000)	Cleanup and demolition
$50,700	**Extent of damage 69.3% of depreciated value if repaired**

VII.

On or about June 27, 2025, a letter was sent to the Owner of the Property regarding the code requirements relating to the condition of the Structure on the Property in an effort to have the Owner voluntarily remove the hazardous conditions of the Structure on the Property. The letter included a July 22, 2025 deadline for the Owner to hire a contractor to demolish the hazardous conditions of the Structure and set an August 19, 2025, deadline for the Owner to remove to renovate the hazardous conditions of the Structure.

VIII.

On or about June 27, 2025, a letter was sent and served to the Owner regarding a removal notice and anticipated action by the City Council at their August 25, 2025, meeting to declare the Structure a dangerous building.

IX.

To date, the Owner has neither repaired nor removed the hazardous conditions of the Structure.

X.

The City Council concludes that a reasonable deadline for the Owner to correct, repair, or remove the hazardous condition of the Structure or to raze or move the Structure is on or before September 30, 2025.

XI.

From the foregoing Findings of Fact, the City Council now makes the following:

CONCLUSIONS OF LAW AND ORDER

1. The City Council adopts, as factual findings, all of the above recitals.

2. The City Council concludes that the Structure is unsafe and a hazard to public health under the Moorhead City Code and that the Structure is a hazardous building as that term is defined by Minn. Stat. § 463.15.

3. Pursuant to the foregoing findings and in accordance with Minn. Stat. § 463.15, the City Council orders the Owner to remedy the deficiencies of the Structure set forth in **Exhibit A** on or before September 30, 2025. The repairs must be completed in compliance with all applicable codes and regulations and pursuant to proper permits from the City.

4. If the Owner does not repair the above-described deficiencies of the Structure, the City Council orders that the Structure be razed, the foundations filled, and the Property left free of debris, in compliance with all applicable codes and regulations and pursuant to proper permits from the City, on or before September 30, 2025.

5. If the Owner does not repair the above-provided deficiencies of the Structure or raze the Structure in accordance with the preceding section on or before September 30, 2025 or if the Owner does not serve an answer upon the City of Moorhead in response to this Order within twenty (20) calendar days from the service of this Order, the City will file a motion for summary enforcement of this Order with the District Court of Clay County, Minnesota.

6. The City Council further orders that the Owner immediately secures the Property and that the Owner completely secures all openings to the buildings and other hazards located upon said Property, so no access is available.

7. The City Council further orders that if the City of Moorhead is compelled to raze, remove, repair, or correct the Structure, all necessary costs expended by the City of Moorhead will be specially assessed against the real estate on which said Structure is located and collected as are other taxes.

8. The City Council further orders that the Owner remove all personal property and/or fixtures that will reasonably interfere with the work on or before September 30, 2025. If the personal property and/or fixtures are not removed and the City enforces this Order, the City may sell personal property, fixtures, and/or salvage materials at a public auction after three (3) calendar days posted notice.

9. The City Attorney is authorized to take all necessary legal steps to effectuate service of this Order in the manner required by state and/or local law.

10. The City Attorney and City Staff are further authorized to take all necessary legal steps to secure compliance with the Order and to obtain authority to remove and abate the hazardous conditions on the Property by court order and assess the costs thereof, including all administrative costs, against the Property.

PASSED: August 25, 2025 by the City Council of the City of Moorhead.

APPROVED BY: ATTEST:

______________________________ ______________________________

Michelle (Shelly) A. Carlson, Mayor Christina Rust, City Clerk

EXHIBIT A

Damage Assessment
1402 1st Avenue North
Parcel 58.721.0100

Damage Date: Ongoing
Site inspection: Inspected by Nathan Aakre and Michael Moss on 4/12/2024
Date prepared: 10/11/2024
Conducted by: Nathan Aakre, City Assessor

Observations: In April of 2024, the Moorhead Fire Department noticed holes and collapsing in the roof of this concrete block upholstery shop. The structure was in fair condition to begin with, built in 1950 with minimal maintenance done over the years. The remainder of the exterior concrete block walls appear to be sound, a couple of windows are boarded up, and the interior appears to be used for general storage at this point. There is at least one large hole, and possibly more, in the roof that appears to be caving in.

Calculation of Damage Valuation: Moorhead's property assessment system calculates the reproduction cost of this structure (new) to be $271,567. The components that would need to be repaired or replaced (total roof structure, multiple windows, and some electrical/lighting) represent approximately 15% of that reproduction cost new, which is approximately $40,700. The cost of cleanup of the damage and demolition of damaged materials would likely add an additional $10,000.

The total value of the damage is approximately $50,700, which represented 69.3% of the 2023 depreciated assessed value as if repaired. The City of Moorhead reduced the value of the structure to $0 (not including land value) for the 2024 assessment (tax valuation) due to the issues noted.

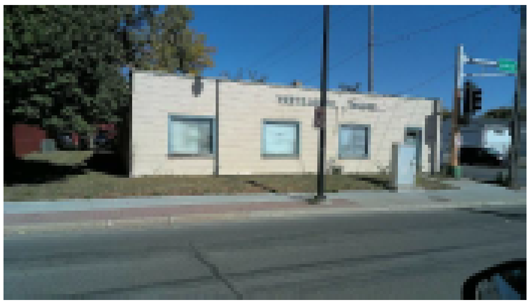
$271,567	reproduction cost new (RCN)
$73,200	depreciated value if/when repairs completed
($40,700)	15% of RCN, components needing repair and/or replacement
($10,000)	cleanup and demolition
$50,700	extent of damage 69.3% of depreciated value if repaired

Conclusion: This property may be environmentally hazardous in its present condition. It may be economically feasible to repair the structure, given the building appears to be otherwise structurally sound. Demolition could also be considered in order to remove the hazard.

Nathan Aakre
City Assessor

Vanguard Residential Completion Schedule by Components

5%	Roof trusses and deck
4%	Roof covering
2%	Roof insulation
4%	Partial Windows
15%	TOTAL



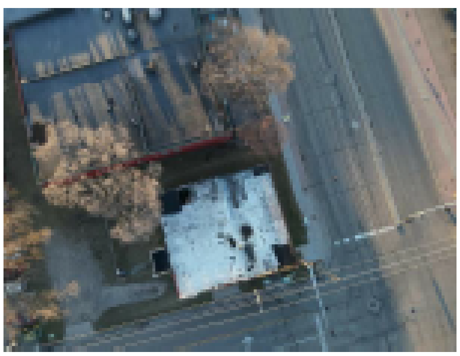



EXHIBIT B

#		Doc Number	Party	Additional Party	Recorded Date	Assoc Doc	Doc Type	Legal Summary
1		761975	MOORHEAD PUBLIC SERVICE GRANTEE	HOCHSTETLER LEO C GRANTOR	Oct 12, 2016, 9:59 AM		EASEMENT DOC	Sub: SCHREIBERS ADD - MOORHEAD Multiple Lots/Blocks
2		761975	HOCHSTETLER LEO C GRANTOR	MOORHEAD PUBLIC SERVICE GRANTEE	Oct 12, 2016, 9:59 AM		EASEMENT DOC	Sub: SCHREIBERS ADD - MOORHEAD Multiple Lots/Blocks
3		561845	MOORHEAD CITY ORDIN 2002-8 GRANTEE	MOORHEAD CITY ORDIN 2002-8 GRANTOR	Jun 14, 2002, 9:50 AM		ORDINANCE	Multiple Section Legals
4		561845	MOORHEAD CITY ORDIN 2002-8 GRANTOR	MOORHEAD CITY ORDIN 2002-8 GRANTEE	Jun 14, 2002, 9:50 AM		ORDINANCE	Multiple Section Legals
5		542751	SANDIE INEZ P GRANTOR	HOCHSTETLER LEO C GRANTEE	Feb 12, 2001, 12:20 PM		WARRANTY DEED	Sub: SCHREIBERS ADD - MOORHEAD Multiple Lots/Blocks
6		542751	HOCHSTETLER LEO C GRANTEE	SANDIE INEZ P GRANTOR	Feb 12, 2001, 12:20 PM		WARRANTY DEED	Sub: SCHREIBERS ADD - MOORHEAD Multiple Lots/Blocks
7		542750	SUNDBERG PAMELA J ATTY IN FACT	SANDIE INEZ P PRINCIPAL	Feb 12, 2001, 12:20 PM		POWER ATTY	Sub: SCHREIBERS ADD - MOORHEAD Multiple Lots/Blocks
8		542750	SANDIE INEZ P PRINCIPAL	SUNDBERG PAMELA J ATTY IN FACT	Feb 12, 2001, 12:20 PM		POWER ATTY	Sub: SCHREIBERS ADD - MOORHEAD Multiple Lots/Blocks

RESOLUTION

Resolution to Authorize Agreement(s) Necessary to Abate the Hazardous Conditions of 1402 1st Avenue North by Demolition if the Owner Fails to Address the Hazardous Conditions

WHEREAS, the City Council of the City of Moorhead declared 1402 1st Avenue North a hazardous building on August 25, 2025; and

WHEREAS, the City Council has ordered the City take actions to raze and abate all hazardous conditions at the property if not addressed by the owner by September 30, 2025.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Moorhead, Minnesota, that the Mayor and City Manager are directed and authorized to advertise, award, and execute any agreements necessary and approved by the City Attorney to facilitate the removal of the hazardous building and conditions at 1402 1st Avenue North.

PASSED: August 25, 2025 by the City Council of the City of Moorhead.

APPROVED BY:	ATTEST:
______________________________	______________________________
Michelle (Shelly) A. Carlson, Mayor	Christina Rust, City Clerk

City Council Communication

August 25, 2025

SUBJECT:
Resolution to Approve Amendment to the Tax Incentive Agreement for 9Thirteen, LLC, to transfer the benefit of their tax incentive to Block 37 Moorhead, LLC, for a project located at 113 10th Street South (58.575.0600)

RECOMMENDATION:
The Mayor and City Council are asked to approve an Amendment to the Tax Incentive Agreement for Block 37 Moorhead, LLC, to receive any remaining tax incentive benefits for the project located at 113 10^{th} Street South (58.575.0600)

BACKGROUND/KEY POINTS:
On July 13, 2020, Moorhead City Council held a public hearing and approved a Renaissance Zone property tax exemption for 9Thirteen, LLC, to construct a 28-unit apartment building located at 113 10^{th} Street South. A building permit was issued on September 14, 2020, and the building was substantially complete in 2021.

The property owner, 9Thirteen, LLC, desires to sell the property to Block 37 Mhd, LLC, and transfer the remaining property tax exemption to the new owner.

Remaining Exemption Term:
The project qualified for a 15-year Renaissance Zone property tax exemption (5 years at 100%, 5 years at 75%, 5 years at 50%) beginning in property tax payable year 2023 and continuing through 2037. If approved, Block 37 Mhd, LLC, would receive the remaining 12 years of a 15-year exemption term.

FINANCIAL CONSIDERATIONS:
A property tax exemption is revenue foregone for a period of time on the Project's new assessed building value. The land remains taxable for the duration of the exemption term. If approved, the estimated property tax benefit to Block 37 Mhd, LLC, is approximately $391,000.

Voting Requirements: 3/4 of Council (6)

Submitted By:
Dan Mahli, City Manager
Amy Thorpe, Economic Development Program Administrator

Attachments: General Location Map
Draft Resolution

GENERAL LOCATION MAP

9Thirteen, LLC - d/b/a Block 37 Flats
Address - 113 10 St S
Parcel ID - 58.575.0600

CREATED: 8/19/2025

RESOLUTION

Resolution to Approve Amendment to the Tax Incentive Agreement for 9Thirteen, LLC, to transfer Property Tax benefit to Block 37 Mhd, LLC

WHEREAS, the City Council approved a property tax exemption and related Tax Incentive Agreement on July 13, 2020, for 9Thirteen, LLC, to construct a 28-unit apartment building in the Moorhead Renaissance Zone located at 113 10th Street South (58.575.0600); and

WHEREAS, 9Thirteen, LLC, plans to sell the property to Block 37 Mhd, LLC, and is requesting an Amendment to their Tax Incentive Agreement to transfer any remaining benefit to Block 37 Mhd, LLC; and

WHEREAS, all other terms of the Tax Incentive Agreement remain the same; and

WHEREAS, granting a tax incentive is in the best interest of the City of Moorhead to enhance the property tax base and create additional housing choice.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Moorhead that:

1. The City Council of the City of Moorhead hereby grants an amendment to the Tax Incentive Agreement to update the name of the Project Operator from 9Thirteen, LLC, to Block 37 Mhd, LLC.
2. The Mayor and City Manager are hereby authorized and directed to execute an amendment to the Tax Incentive Agreement on file between the City of Moorhead and 9Thirteen LLC, and any other necessary documents to effectuate the transfer of benefit.
3. All other terms and conditions found in the original Tax Incentive Agreement remain in full force and effect.

PASSED: August 25, 2025 by the City Council of the City of Moorhead.

APPROVED BY:	ATTEST:
______________________________	______________________________
Michelle (Shelly) A. Carlson, Mayor	Christina Rust, City Clerk

City Council Communication

August 25, 2025

SUBJECT:
Resolution to Approve Change Orders No. 1 and 2 with Border Construction, LLC, for Construction of MPS' Redundant Network Operations Center

RECOMMENDATION:
The Moorhead Public Service Commission (Commission) respectfully requests the Mayor and City Council approve Change Orders No. 1 and 2 for the construction of Moorhead Public Service's redundant Network Operations Center to Border Construction, LLC, in the total amount of $55,503.98, contingent upon award by the Moorhead Public Service Commission at its meeting on or about August 26, 2025.

BACKGROUND/KEY POINTS:
On June 17, 2025, the Moorhead Public Service Commission awarded the bid for the construction of Moorhead Public Service's (MPS') redundant Network Operations Center (NOC) to Border Construction, LLC (Border Construction), in the amount of $463,000.00.

During the review of the final design and submittal to the City of Moorhead's (City's) Planning and Zoning Division for approval, several changes needed to be made to meet the City's requirements and codes.

Change Order No. 1 (attached) in the amount of $10,695.45 is for labor and materials to install stronger and more secure doors. Due to the sensitive use of the NOC and its remote location, additional security is required than what was in the original design.

Change Order No. 2 (attached) in the amount of $44,808.53 is for additional insulation and landscaping, as well as revisions to the site layout. A majority of this cost is to meet the City's requirements and codes for this property.

The total amount for Change Orders No. 1 and 2 is $55,503.98 and will increase the total contract price by 12 percent—bringing the final contract amount to $518,503.98. This project is 42.4 percent below the engineer's estimate of $900,000.00, which includes the costs of Change Orders No. 1 and 2. Construction is expected to be substantially completed on or before December 9, 2025.

The Commission recommends approving Change Orders No. 1 and 2. This project is included in MPS' 2025 budget.

FINANCIAL CONSIDERATIONS:
Although there is no cost to the City of Moorhead (directly), the total cost of Change Order No. 1 and 2 to the Moorhead Public Service Commission is $55,503.98

Voting Requirements: 2/3 of Council (6)

Submitted By:
Dan Mahli, City Manager
Travis L. Schmidt, General Manager
Taylor Holte, Project Engineer

Attachments: Recommendation Letter and Bid Tabulation

EJCDC ENGINEERS JOINT CONTRACT DOCUMENTS COMMITTEE

Change Order

No. 1

Date of Issuance: 07/31/2025 Effective Date: 07/31/2025

Project:	Moorhead Public Services - Redundant Network Operations Center		
Owner:	Moorhead Public Services	Owner's Contract No.:	
Engineer:	Sandman/MBN Engineers	Date of Contract:	July 24, 2025
Contractor:	Border Construction, LLC	Engineer's Project No.:	MBN 24-252

The Contract Documents are modified as follows upon execution of this Change Order:

Description:

COR# 1 - Electrified panic hardware and continuous hinges

Attachments (list documents supporting change):

Border Construction - Change Order Request Form, Central Door Quote

CHANGE IN CONTRACT PRICE:	CHANGE IN CONTRACT TIMES:
Original Contract Price:	Original Contract Times: ☐ Working Days ☐ Calendar Days
	Substantial Completion (days or date): October 31, 2025
$ 463,000.00	Ready for Final Payment (days or date): November 21, 2025
[Increase] [Decrease] from Previously Approved Change Orders No. _____ to No. _____:	[Increase] [Decrease] from Previously Approved Change Orders No. _____ to No. _____:
	Substantial Completion (days or date):
$	Ready for Final Payment (days or date):
Contract Price Prior to this Change Order:	Contract Times Prior to this Change Order:
	Substantial Completion (days or date): October 31, 2025
$ 463,000.00	Ready for Final Payment (days or date): November 21, 2025
[Increase] [Decrease] of this Change Order:	[Increase] [Decrease] of this Change Order:
	Substantial Completion (days or date): December 9, 2025
$ 10,695.45	Ready for Final Payment (days or date): December 30, 2025
Contract Price Incorporating this Change Order:	Contract Times with all Approved Change Orders:
	Substantial Completion (days or date):
$ 473,695.45	Ready for Final Payment (days or date):

RECOMMENDED:	ACCEPTED:	ACCEPTED:
By: ______ Engineer (Authorized Signature)	By: ______ Owner (Authorized Signature)	By: ______ Contractor (Authorized Signature)
Print:	Print:	Print: Tom Jarvis
Title:	Title:	Title: President
Date:	Date:	Date: 08/08/2025

Approved by Funding Agency (if applicable):

By: ______ Date: ______

Print: ______ Title: ______

4321 14th Ave N
Fargo, North Dakota 58102
p: 701.478.3113 f: 701.478.3133

Change Order Request

To: Sandman Structural Engineers
1587 30th Ave S
Moorhead, MN 56560

Project: Moorhead Public Service - Redundant Network Operations Center
6202 2nd Street North
Moorhead, MN 56560

Change Order Request #1
Description: Revision to Door Hardware - Electrified Panic Bars/Continuous Hinges
Date: 07/31/25
Job # 25-005

Revised Substantial Completion Date to be 12/9/2025
Revised Final Completion date to be 12/30/2025

Description	Labor	Material	Equipment	Subcontractor	Total
Border Construction - Additional Labor - Continous Hinges (1.5 hrs/door @ $50/hr)	$ 150.00				$ 150.00
Central Door		$ 8,482.40			$ 8,482.40
					$ -
					$ -
					$ -
					$ -
					$ -
Total	$ 150.00	$ 8,482.40	$ -	$ -	
			7.875% Mat Tax		$ 667.99
			Border work subtotal		$ 9,300.39
			Border work - 15% O&P		$ 1,395.06
			Subcontractor work subtotal		$ -
			Subcontractor work - 5% O&P		$ -
			Total		**$ 10,695.45**

CENTRAL DOOR & HARDWARE INC.
Box 9044 • 602 43rd St. N.W. • Fargo, North Dakota 58106
Toll Free: 1-800-747-9082 • Phone: 701-281-9082 • Fax: 701-281-1707

CDH Project #

DATE: **7/29/2025** **PROJECT:** **7713 Moorhead Redundant Network Center**

TO: Brandon Block **LOCATION:** **Fargo, ND**

WE PROPOSE TO FURNISH THE MATERIAL SPECIFIED BELOW:

Furnishing
2 Continous Hinges
2 CEPT
2 Electrified exit devices

Keeping
2 Closers
2 sets of gasketing
2 sets of sweeps
2 sets of rain guards
2 sets of thresholds

TOTAL PROPOSAL REQUEST $ 8,482.40
NO CITY OR STATE TAX INCLUDED
F.O.B. Jobsite
MATERIAL ONLY
A signed copy of this proposal or a formal change order must be return to process the order
This pricing is valid for 30 days
We reserve the right to correct this quote for errors and omissions
This pricing is based on project specific pricing and in no way reflects pricing for material ordered outside the contract.

ACCEPTED:________________________ RESPECTFULLY SUBMITTED,

Printed:________________________________ CENTRAL DOOR & HARDWARE, INC.

DATE:______________________________ BY:

EJCDC
ENGINEERS JOINT CONTRACT DOCUMENTS COMMITTEE

Change Order

No. 2

Date of Issuance: 08/05/2025 Effective Date: 08/05/2025

Project: Moorhead Public Services - Redundant Network Operations Center

Owner: Moorhead Public Services Owner's Contract No.:

Engineer: Sandman/MBN Engineers Date of Contract: July 24, 2025

Contractor: Border Construction, LLC Engineer's Project No.: MBN 24-252

The Contract Documents are modified as follows upon execution of this Change Order:

Description:

PR #01 - Added insulation to walls, roof - Added landscaping - revised exterior concrete pads

Attachments (list documents supporting change):

Border Construction - Proposal Request Form, Quotes from subcontractors

CHANGE IN CONTRACT PRICE:	**CHANGE IN CONTRACT TIMES:**
Original Contract Price:	Original Contract Times: ☐ Working Days ☐ Calendar Days
	Substantial Completion (days or date): October 31, 2025
$ 463,000.00	Ready for Final Payment (days or date): November 21, 2025
[Increase] [Decrease] from Previously Approved Change Orders No. 1 to No. 1 :	[Increase] [Decrease] from Previously Approved Change Orders No. 1 to No. 1 :
	Substantial Completion (days or date): December 9, 2025
$ 10,695.45	Ready for Final Payment (days or date): December 30, 2025
Contract Price Prior to this Change Order:	Contract Times Prior to this Change Order:
	Substantial Completion (days or date): December 9, 2025
$ 473,695.45	Ready for Final Payment (days or date): December 30, 2025
[Increase] [Decrease] of this Change Order:	~~[Increase] [Decrease]~~ of this Change Order:
	Substantial Completion (days or date): December 9, 2025
$ 44,808.53	Ready for Final Payment (days or date): December 30, 2025
Contract Price Incorporating this Change Order:	Contract Times with all Approved Change Orders:
	Substantial Completion (days or date): December 9, 2025
$ 518,503.98	Ready for Final Payment (days or date): December 30, 2025

RECOMMENDED:	ACCEPTED:	ACCEPTED:
By: ______ Engineer (Authorized Signature)	By: ______ Owner (Authorized Signature)	By: [signature] Contractor (Authorized Signature)
Print:	Print:	Print: Tom Jarvis
Title:	Title:	Title: President
Date:	Date:	Date: 08/08/2025

Approved by Funding Agency (if applicable):

By: Date:

Print: Title:

4321 14th Ave N
Fargo, North Dakota 58102
p: 701.478.3113 f: 701.478.3133

Proposal Request 01

To: Sandman Structural Engineers
1587 30th Ave S
Moorhead, MN 56560

Project: Moorhead Public Service - Redundant Network Operations Center
6202 2nd Street North
Moorhead, MN 56560

Proposal Request 01
Description: PR 01
8/5/2025
Job # 25-005

Revised Substantial Completion Date to be 12/9/2025
Revised Final Completion date to be 12/30/2025

Description	Labor	Material	Equipment	Subcontractor	Total
Border Construction - Roof Blocking	$ 1,200.00	$ 854.00			$ 2,054.00
Border Construction - Metal Stud Framing	$ 3,600.00	$ 2,648.00			$ 6,248.00
Interstate Insulation				$ 3,900.00	$ 3,900.00
Cash Concrete				$ 1,500.00	$ 1,500.00
S&S Landscaping - 19 Trees, staking & hardwood mulch				$ 10,260.00	$ 10,260.00
S&S Landscaping - Watering				$ 1,215.00	$ 1,215.00
A&R Roofing				$ 15,670.00	$ 15,670.00
					$ -
					$ -
Total	$ 4,800.00	$ 3,502.00	$ -	$ 32,545.00	
			7.875% Mat Tax		$ 275.78
			Border work subtotal		$ 8,577.78
			Border work - 15% O&P		$ 1,286.67
			Subcontractor work subtotal		$ 32,545.00
			Subcontractor work - 5% O&P		$ 1,952.70
			Bond Cost 1%		$ 446.38
			Total		**$ 44,808.53**

PROPOSAL

Interstate Insulation (458)
1413 5th Ave NE unit #7
WEST FARGO ND 58078
701-492-6208

https://interstateinsulation.com/

Customer Address

Border Construction
3431 4th Ave. S
FARGO, ND 58103

Job Name
REDUNDANT NETWORK OPERATIONS CENTER

Job Address
TBD
MOORHEAD, MN 56560
Lot:

Contacts
Phone 1: 701-478-3113
Phone 2:
Email: richelle@borderconstruction.net

Contacts
Phone 1: Same as other
Phone 2:
Email: dave@borderconstruction.net

Date: 7/31/2025 **Job:** 7553856

Work Area		Inventory Item
Phase: 19006183 5I	**REDUNDANT NETWORK OPERATIONS CENTER**	**PO:**
Exterior Walls		Huntsman Heatlok HFO Winter 3" R-22.00 Closed-Cell Foam

Work Area Notes: EXTERIOR WALL, 1070 SQ FT

We propose hereby to furnish material & labor - complete in accordance with the above specifications, for the sum of : **$3,900.00**

Terms: Net 30. Please reference invoice number with payment.

All material will be as provided in the attached description. All work will be completed in a workmanlike fashion in accordance with the standards of the industry. Any alteration or deviation from the above specifications involving extra costs will be executed only upon written orders and will become an extra charge over and above the estimate(s). All agreements are contingent upon strikes, accidents, acts of God or delays beyond our control. Owner to carry fire and tornado insurance and other insurance that may be required by law. Our workers are covered by workers' compensation insurance to the extent required by law.

We do not warrant against and shall not be liable for any damage or injury, including but not limited to mold accumulation, when due to any of the following causes: the failure of the builder or contractors (other than our Company) to follow the instructions and specifications of the insulation manufacturer; faulty or improper installation or maintenance of drywall or other wall covering; use of accessories or wall preparation materials that do not properly receive the insulation; and compliance with applicable building codes or other government regulations relating to surface preparation, wall coverings, required materials or mandatory procedures.

ANY WARRANTIES IMPLIED BY LAW, SUCH AS THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ARE HEREBY EXPRESSLY DISCLAIMED. WE SHALL NOT BE LIABLE FOR ANY CONSEQUENTIAL DAMAGES OR INCIDENTAL DAMAGES for breach of any warranty associated with the material. Our liability shall in no event exceed the cost of the materials set forth herein. We cannot and shall not be liable to you for the breach of any other express warranties, such as those given to you by other dealers, contractors, applicators, distributors or manufacturers. Your exclusive remedy with respect to defective materials provided by us shall be repair or replacement, at our option, of the defective materials.

Interstate Insulation (458)
1413 5th Ave NE unit #7
WEST FARGO ND 58078
701-492-6208

https://interstateinsulation.com/

PROPOSAL

Customer Address

Border Construction
3431 4th Ave. S
FARGO, ND 58103

Job Name

REDUNDANT NETWORK OPERATIONS CENTER

Job Address

TBD
MOORHEAD, MN 56560
Lot:

Contacts

Phone 1: 701-478-3113
Phone 2:
Email: richelle@borderconstruction.net

Contacts

Phone 1: Same as other
Phone 2:
Email: dave@borderconstruction.net

Date: 7/31/2025 **Job:** 7553856

Note: this proposal may be withdrawn by us if not accepted within 30 days.

ACCEPTANCE OF PROPOSAL

The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified.

DATE:__________________ **SIGNATURE:**____

Sales Representative: Jared Purdy

DATE:__________________ **SIGNATURE:**____

Customer Representative:

Printed Name ______________________________ **Title** ______________________________

CASH CONCRETE
1817 23RD ST S
MOORHEAD, MN 56529
(701)-219-0425
cashconcrete1@gmail.com

ESTIMATE

CASH CONCRETE

cashconcretefm.com

NAME/ADDRESS
BORDER CONSTRUCTION

DATE	ESTIMATE #
7/31/25	2374

Project

DESCRIPTION	QTY	RATE	TOTAL
*************** CHANGE ORDER MHD RETENTION CENTER **********			
ADDITIONAL SQUARE FOOTAGE FOR PROPANE TANK		1,500.00	1,500.00
		Total	$1,500.00

S & S LANDSCAPING

2777 Fiechtner Dr.
Fargo, North Dakota 58107 Phone 701-235-1515

QUOTATION

www.sandslandscaping.com

PROJECT: Moorhead Redundant Network Operations Center **DATE: July 30, 2025**

PR-01

ITEM#	DESCRIPTION	UNIT	QTY	UNIT PRICE	EXTENSION
A	Landscaping	LS	1	$10,260.00	$10,260.00
	Work includes supplying 19 trees with staking and hardwool mulch, 1 year warranty				
B	Watering	LS	1	$1,215.00	$1,215.00
	Work includes watering for 9 weeks				
	Cathedral Elm is not available, would subsitute Norhern Empress Elm, (NDSU selection)				
	NOTE: DOES NOT INCLUDE SUPPLYING PLACING OR ROUGH GRADING TOPSOIL				
	Total Of Above				$11,475.00

Upon signing this quote, a 50% down payment is required to confirm acceptance of the materials, labor, and provisions. The remaining balance is due upon completion of the work.

ACCEPTED BY: ______________________ S & S LANDSCAPING CO., INC.

TITLE: ______________________ BY: ______________________

Dave Liquin, RLA

A & R Roofing Co., Inc.

975 Armour St NW
West Fargo, ND 58078
Ph: (701) 282-4739

7050 Hwy 2 East - # 115
Minot, ND 58701
Ph: (701) 852-1446

Estimate Proposal

Date: April 30, 2025

To: General Contractors

Job Name: **Moorhead Public Service**
Redundant Network Operations Center
Moorhead, MN

Arch: Sandman Structural Engineers Addendum: 1, 2, 3, 4

INCLUSIONS

Materials, Tax, Freight & Labor

Scope of work: Adhere one (1) layer ½" coverboard
Fully adhere 60mil EPDM Membrane
Prefabricated metal coping and trim at roof edge
Includes 20yr manufactures warranty with 115 mph wind speed warranty

EXCLUSIONS

All lumber, wood blocking, nailers, plywood and/or sheathing, insulation behind plywood/sheathing, etc.
Mechanical and Electrical Work
Cutting/Patching of roof deck for roof penetrations
Window Trim, Trim at all wall siding and foundation walls.
Through Wall Flashings
Federal wage scale

BASE BID.................................... $ 19,220.00

August 5, 2025

PR-01

1. Add 8" of PolyISO insulation mechanically fastened with Versico Approved Fasteners & Plates (we will pre-drill holes into the 8" Solid Precast Plank Deck to install our fasteners into).
2. Add additional metal to cover additional wood blocking (wood blocking furnished and installed by others).

PR-01: ADD to Base Bid: $ 15,670.00

Quote valid for 30 days from above date unless noted otherwise.

A & R Roofing Co., Inc.

Jim Bowles

RESOLUTION

Resolution to Approve Change Orders No. 1 and 2 with Border Construction, LLC, for Construction of MPS' Redundant Network Operations Center

WHEREAS, on June 17, 2025, the Commission awarded the bid for the construction of Moorhead Public Service's (MPS') redundant Network Operations Center (NOC) to Border Construction, LLC (Border Construction), in the total amount of $55,503.98; and

WHEREAS, during the review of the final design and submittal to the City of Moorhead's (City's) Planning and Zoning Division for approval, several changes needed to be made to meet the City's requirements and codes; and

WHEREAS, The total amount for Change Orders No. 1 and 2 is $55,503.98 and will increase the total contract price by 12 percent—bringing the final contract amount to $518,503.98.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Moorhead to approve Change Orders No. 1 and 2 with Border Construction for the construction of MPS' redundant NOC, contingent upon award by the Moorhead Public Service Commission at its meeting on or about August 26, 2025.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Moorhead, Minnesota, that the City Council does hereby authorize and direct the Mayor and City Manager to execute Change Orders No. 1 and 2 with Border Construction.

PASSED: August 25, 2025, by the City Council of the City of Moorhead.

APPROVED BY:	ATTEST:
______________________________	______________________________
Michelle (Shelly) A. Carlson, Mayor	Christina Rust, City Clerk

City Council Communication

August 25, 2025

SUBJECT:
Resolution to Award Bid for Furnishing Electric Power Transformers at MPS' Northeast Substation

RECOMMENDATION:
The Moorhead Public Service Commission respectfully requests the Mayor and City Council award the bid for furnishing electric power transformers at Moorhead Public Service's Northeast Substation to Prolec-GE Waukesha, Inc., in the amount of $3,617,560, contingent upon final legal approval and awarded by the Moorhead Public Service Commission at its meeting on or about August 26, 2025.

BACKGROUND/KEY POINTS:
In December 2024, Moorhead Public Service (MPS) entered into a Task Order Agreement for Professional Services with DGR Engineering (DGR). Task Order No. 12, which was approved by the Commission on January 21, 2025, is for engineering services for the Northeast Substation (NE Substation) Project and consists of building a new substation at a different location and demolishing the existing NE Substation.

MPS owns and operates the NE Substation located in north Moorhead. The current location of the NE Substation experiences water issues that would be difficult and expensive to repair, and contains several major pieces of equipment nearing the end of their lifecycle. The best way to address these issues is to relocate and build a new substation above the floodplain, and then retire and demolish the old substation once the new NE Substation is operational.

DGR prepared specifications for two 115kV/12.47kV, 28 MVA transformers. MPS received four qualified bids at the bid opening on August 6, 2025. The lowest bidder was Prolec-GE Waukesha, Inc. (Prolec), in the amount of $3,617,560. Attached are DGR's recommendation letter and Bid Tabulation. The transformers are expected to arrive during the third quarter of 2028. Prolec had several exceptions to the terms and conditions of the contract. MPS' legal counsel will review and approve any changes to the contract prior to execution.

The bid price for the two 28 MVA transformers is lower than the engineer's estimate of $4,800,000 and is included in MPS' budgets for future years.

FINANCIAL CONSIDERATIONS:
Although there is no cost to the City of Moorhead (directly), the total cost to the Moorhead Public Service Commission for the electric power transformers at MPS' Northeast Substation is $3,617,560.

Voting Requirements: 2/3 of Council (6)

Submitted By:
Dan Mahli, City Manager
Travis L. Schmidt, General Manager
Taylor Holte, Project Engineer

Attachments: Recommendation Letter and Bid Tabulation

August 20, 2025

Moorhead Public Service
Attn: Travis Schmidt, P.E., M.B.A., General Manager
PO Box 779
Moorhead, MN 56561-0779

RE: **Recommendation of Award of Contract**
Furnishing Electric Power Transformers – Northeast Substation
DGR Project No. 417024

Dear Travis:

We have reviewed the bids received on August 6, 2025 for the above-referenced project. A bid summary form of the bid results is enclosed. We have checked the bids for mathematical accuracy and compliance with the bid specifications. We are hereby prepared to offer the following recommendation.

When evaluating transformer bids, the "Total Evaluation Price" is used to determine the best bid. The Total Evaluation Price takes into account the losses the transformer will see over its expected lifespan. Large transformer losses will increase the total overall cost of the transformer, and vice-versa. Using this technique, it is possible that a transformer could cost more expensive initially, but end up being less expensive in the long-run.

There were four (4) responsive bids received ranging in price from $3,617,560.00 to $4,834,572.00. The apparent low bid evaluated was received from Prolec GE Waukesha, Inc., who submitted a total price of $3,617,560.00 for two (2) transformers manufactured by Prolec GE. Prolec GE Waukesha, Inc. has successfully completed similar projects for us in the past, and we know of no reasons why they would not perform well on this project. Pending legal review of terms and conditions, we recommend that you award the contract to Prolec GE Waukesha, Inc. for a total price of **$3,617,560.00**.

Please review our recommendation and feel free to contact us with any questions you or the Commission may have. Please let us know when an award has been made, and we will proceed with preparing the Contract Documents for signatures. We will be sending a copy of the bid summary to all bidders and plan holders.

Best Regards,
DGR Engineering

Paul Davis

Paul Davis, P.E.
Enclosure: Bid Summary
PAD:ste

BID SUMMARY

Furnishing Electric Power Transformers - Northeast Substation

Moorhead Public Service
Moorhead, Minnesota

Two (2) 15/20/25 MVA at 55°C, 16.8/22.4/28 MVA at 65°C, ONAN/ONAF/ONAF,
115 kV Delta to 12.47 GRDY/7.2 kV with LTC and accessories.

DGR ENGINEERING

DGR Project No. 417024
Bid Letting: August 6, 2025 - 1:30 PM
MPS Dispatch Operations Center
Page 1 of 1

Bidder and Address	Bid Security	Ack. Addendum	Base Bid (Qty: 2)		Guaranteed Delivery Date	Manufacturing Location	Comments
			Total Purchase Price	Total Evaluation Price			
Prolec GE Waukesha, Inc. 400 S Prairie Avenue Waukesha, WI 53186	10% Bid Bond	Yes	**$3,617,560.00**	$4,026,984.00	Q2/Q3 2028	Waukesha, WI	
WEG Transformers USA, LLC 6350 WEG Drive Washington, MO 63090	10% Bid Bond	Yes	$3,805,770.00	$4,207,490.00	6/15/2028	Washington, MO	65° Rise Only
Hitachi Energy USA 901 Main Campus Drive Raleigh, NC 27606	10% Bid Bond	Yes	$4,137,400.00	$4,498,792.00	4/5/2028	Crystal Springs, MS	Did not sign Bid Form Mailing Original Bid Bond Shipping Cost Estimated
Delta Star, Inc. 3550 Mayflower Drive Lynchburg, VA 24501	10% Bid Bond	Yes	$4,834,572.00	$5,235,196.00	Estimated 210-220 Weeks ARO	Lynchburg, VA	Did not sign Bid Form Subject to Escalation Pricing

Corrected Bid Amounts Shown Shaded

P:\04\170\24\Sprdsht\BidSumTab Xfmr 417024.xlsx

RESOLUTION

Resolution to Award Bid for Furnishing Electric Power Transformers at MPS' Northeast Substation

WHEREAS, on August 6, 2025, bids were opened for furnishing electric power transformers at Moorhead Public Service's (MPS') Northeast Substation; and

WHEREAS, MPS staff and DGR Engineering staff evaluated the bids and DGR submitted a recommendation letter and Bid Tabulation.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Moorhead to award the bid for furnishing electric power transformers at MPS' Northeast Substation to Prolec-GE Waukesha, Inc., in the amount of $3,617,560, contingent upon final legal approval and award by the Moorhead Public Service Commission at its meeting on or about August 26, 2025.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Moorhead, Minnesota, that the City Council does hereby authorize and direct the Mayor and City Manager to execute the contract for the electric power transformers at MPS' Northeast Substation.

PASSED: August 25, 2025, by the City Council of the City of Moorhead.

APPROVED BY:	ATTEST:
______________________________	______________________________
Michelle (Shelly) A. Carlson, Mayor	Christina Rust, City Clerk

City Council Communication

August 25, 2025

SUBJECT:
Resolution to Award Bid for Furnishing 115 kV Breakers at MPS' Northeast Substation

RECOMMENDATION:
The Moorhead Public Service Commission respectfully requests the Mayor and City Council award the bid for furnishing 115 kV breakers at Moorhead Public Service's Northeast Substation to Border States Industries, Inc., in the amount of $913,800, contingent upon final legal approval and award by the Moorhead Public Service Commission at its meeting on or about August 26, 2025.

BACKGROUND/KEY POINTS:
In December 2024, Moorhead Public Service (MPS) entered into a Task Order Agreement for Professional Services with DGR Engineering (DGR). Task Order No. 12, which was approved by the Commission on January 21, 2025, is for engineering services for the Northeast Substation (NE Substation) Project and consists of building a new substation at a different location and demolishing the existing NE Substation.

MPS owns and operates the NE Substation located in north Moorhead. The current location of the NE Substation experiences water issues that would be difficult and expensive to repair, and contains several major pieces of equipment nearing the end of their lifecycle. The best way to address these issues is to relocate and build a new substation above the floodplain, and then retire and demolish the old substation once the new NE Substation is operational.

DGR prepared specifications for six 115 kV breakers. MPS received three qualified bids at the bid opening on August 6, 2025. The lowest, qualified bidder was Border States Industries, Inc., in the amount of $913,800. Attached are DGR's recommendation letter and Bid Tabulation. The breakers are expected to arrive during the first quarter of 2028. The breaker manufacturer, GE Grid Solutions, LLC, had several exceptions to the terms and conditions of the contract. MPS' legal counsel will review and approve any changes to the contract prior to execution.

The bid price for the six 115 kV breakers is higher than the engineer's estimate of $750,000 and is included in MPS' budgets for future years'.

FINANCIAL CONSIDERATIONS:
Although there is no cost to the City of Moorhead (directly), the total cost to the Moorhead Public Service Commission for the 115 kV breakers at MPS' Northeast Substation is $913,800.

Voting Requirements: 2/3 of Council (6)

Submitted By:
Dan Mahli, City Manager
Travis L. Schmidt, General Manager
Taylor Holte, Project Engineer

Attachments: Recommendation Letter and Bid Tabulation

August 20, 2025

Moorhead Public Service
Attn: Travis Schmidt, P.E., M.B.A., General Manager
PO Box 779
Moorhead, MN 56561-0779

RE: **Recommendation of Award of Contract**
Furnishing 115 kV Breakers – Northeast Substation
DGR Project No. 417024

Dear Travis:

We have reviewed the bids received on August 6, 2025 for the above-referenced project. A bid summary form of the bid results is enclosed. We have checked the bids for mathematical accuracy and compliance with the bid specifications. We are hereby prepared to offer the following recommendation.

There were three (3) responsive bids received ranging in price from $913,800.00 to $1,100,520.00. The apparent low bid evaluated was received from Border States, who submitted a total price of $913,800.00 for six (6) breakers manufactured by GE Grid Solutions. Border States has successfully completed similar projects for us in the past, and we know of no reasons why they would not perform well on this project. Pending legal review of terms and conditions, we recommend that you award the contract to Border States for a total price of **$913,800.00.**

Please review our recommendation and feel free to contact us with any questions you or the Commission may have. Please let us know when an award has been made, and we will proceed with preparing the Contract Documents for signatures. We will be sending a copy of the bid summary to all bidders and plan holders.

Best Regards,

DGR Engineering

Paul Davis

Paul Davis, P.E.
Enclosure: Bid Summary
PAD:ste

BID SUMMARY

Furnishing 115 kV Breakers - Northeast Substation (Qty: 6)

Moorhead Public Service
Moorhead, Minnesota

DGR Project No. 417024
Bid Letting: August 6, 2025 - 2:00 PM
MPS Dispatch Operations Center
Page 1 of 1

Bidder and Address	Bid Security	Ack. Addendum	Bid Price	Manufacturer / Location	Guaranteed Delivery Date	Comments
Border States (GE) 605 25th Street Fargo, ND 58108	10% Bid Bond	Yes	**$913,800.00**	GE Gid Solutions / Charleroi, PA	126-130 Weeks ARO	Estimated Delivery Date - Subject to Change without Notice
Border States (Siemens) 605 25th Street Fargo, ND 58108	10% Bid Bond	Yes	$998,400.00	Siemens Energy / Jackson, MS	95-105 Weeks	Estimated Delivery Date - Subject to Change without Notice
Hitachi Energy USA Inc. 100 Distribution Circle Mount Pleasant, PA 15666	10% Bid Bond	Yes	$1,100,520.00	Hitachi Energy / Mount Pleasant, PA	110-114 Weeks ARO	$15,240/unit Tariff adder

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RESOLUTION

Resolution to Award Bid for Furnishing 115 kV Breakers at MPS' Northeast Substation

WHEREAS, on August 6, 2025, bids were opened for furnishing 115 kV breakers at Moorhead Public Service's (MPS') Northeast Substation; and

WHEREAS, MPS staff and DGR Engineering (DGR) staff evaluated the bids and DGR submitted a recommendation letter Bid Tabulation.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Moorhead to award the bid for furnishing 115 kV breakers at MPS' Northeast Substation to Border States Industries, Inc., in the amount of $913,800, contingent upon final legal approval and award by the Moorhead Public Service Commission at its meeting on or about August 26, 2025.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Moorhead, Minnesota, that the City Council does hereby authorize and direct the Mayor and City Manager to execute the contract for the 115kV breakers at MPS' Northeast Substation.

PASSED: August 25, 2025, by the City Council of the City of Moorhead.

APPROVED BY:	ATTEST:
______________________________	______________________________
Michelle (Shelly) A. Carlson, Mayor	Christina Rust, City Clerk

Moorhead Police Department

911 11th St N
Moorhead, MN 56560
218.299.5120 | www.moorheadpolice.com

MEMORANDUM

TO: Moorhead City Council

FROM: Chief Chris Helmick

DATE: 8.19.2025

RE: Back to School Traffic Safety Plan

With the upcoming return to school for Moorhead Area Public Schools, the Moorhead Police Department is implementing a proactive safety plan to ensure a smooth and secure first day of school for students, families, and staff.

Beginning on the morning of **Tuesday, September 2**, our department will increase officer presence and traffic enforcement for a 24-hour period. This initiative is designed to promote safe travel in and around school zones and raise public awareness of traffic safety responsibilities.

Key Strategies:

- **Increased Visibility at Schools**: Officers and volunteers will be stationed at each public and private school during both morning drop-off and afternoon pick-up times. Their presence will support safe crossings, monitor traffic flow, and conduct enforcement where needed.

- **Citywide Enforcement Details**: Between school periods, additional officers will conduct traffic enforcement throughout the city. These efforts will be supported through a combination of regular staffing and traffic safety-grant funding.

- **Focus on Education and Awareness**: Our goal is not to issue a specific number of citations, but to encourage safe driving behavior—especially in school zones. We aim to reduce risks through visibility, engagement, and enforcement. We also plan to use social and other forms of media to get the word out prior to the day.

While traffic safety is a daily priority, the return to school presents unique challenges. Officers can't be everywhere, so we ask for the public's partnership. Drivers are urged to:

- Slow down and stay alert in school zones.
- Obey traffic signals and come to a complete stop at stop signs.
- Watch for children crossing streets on foot or bicycle.
- Ensure children wear helmets when riding bikes or scooters,

Together, we can make the first day of school—and every day after—a safe one for our community's children.

Thank you.

City Council Communication

SUBJECT:
Resolution to Approve and Accept Offer of Sale of General Obligation Temporary Improvement Bonds, Series 2025A

RECOMMENDATION:
The Mayor and Council are asked to consider a resolution with any substantive changes as deemed necessary by Bond Counsel, accepting bids on the sale of $11,560,000 General Obligation Temporary Improvement Bonds, Series 2025A.

BACKGROUND/KEY POINTS:
The Mayor and Council authorized calling for the sale of these bonds at the July 28th Council meeting, passing a resolution authorizing the sale date of August 25th. The proceeds of this bond issue will be used finance various municipal improvements, including water, street, storm sewer and sanitary sewer related to the City's mall redevelopment area as identified in the information as approved by the City Council on July 28, 2025.

Proposals for the Bonds will be received on Monday, August 25th until 10am, after which time proposals will be opened and tabulated. The resolutions included in this packet are draft resolutions. After the sale is complete, the resolutions will be updated to reflect the results of the sale, which will include interest rates, terms, etc. The final resolutions will be distributed to the City Council immediately prior to the start of the City Council meeting. Ms. Christine Hogan, Director with Baker Tilly Municipal Advisors, will be present at the August 25, 2025, City Council meeting to present the results of the sale and answer questions related to the sale.

FINANCIAL CONSIDERATIONS:
The 2025A Bonds will be a general obligation of the City for which the City pledges its full faith and credit and taxing power to levy general ad valorem taxes. In addition, the City will pledge a first lien on the proceeds of a temporary or definitive improvement bond issue to refund the 2025A Bonds prior to or at maturity.

Voting Requirements: 3/4 of Council (6)

Submitted By:
Dan Mahli, City Manager
Jenica Flanagan, Finance Director

Attachments:

EXTRACT OF MINUTES OF A MEETING OF THE
CITY COUNCIL OF THE CITY OF
MOORHEAD, MINNESOTA

HELD: AUGUST 25, 2025

Pursuant to due call and notice thereof, a regular meeting of the City Council of the City of Moorhead, Clay County, Minnesota, was duly called and held at the City Hall in said City on Monday, the 25th day of August, 2025, at 5:30 p.m., for the purpose of awarding the sale of $11,560,000 General Obligation Temporary Improvement Bonds, Series 2025A of the City.

The following members were present: ____ ______________________________________, and the following were absent: _____________.

Member ___________ introduced the following resolution and moved its adoption:

RESOLUTION ACCEPTING BID ON SALE OF
$11,560,000 GENERAL OBLIGATION
TEMPORARY IMPROVEMENT BONDS, SERIES 2025A,
PROVIDING FOR THEIR ISSUANCE,
AND LEVYING A TAX FOR THE PAYMENT THEREOF

A. WHEREAS, the City Council of the City of Moorhead, Minnesota (the "City"), has heretofore determined and declared that it is necessary and expedient to issue $11,560,000 General Obligation Temporary Improvement Bonds, Series 2025A (the "Bonds" or individually a "Bond") of the City, pursuant to Minnesota Statutes, Chapters 429, 475 and 475.61, for the purpose of providing temporary financing for municipal utilities consisting of streets, sanitary sewer, storm sewer, and water within the Moorhead Center Mall redevelopment project (the "Improvements") in anticipation of long-term financing, (ii) paying capitalized interest, and (iii) paying costs of issuance on the Bonds; and

B. WHEREAS, the construction of the improvement project to be financed by the Bonds has heretofore been ordered; and

C. WHEREAS, offers to purchase the Bonds were solicited on behalf of the City by Baker Tilly Municipal Advisors, LLC; and

D. WHEREAS, it is in the best interests of the City that the Bonds be issued in book-entry form as hereinafter provided; and

E. WHEREAS, the following offers were received, opened and recorded at the offices of Baker Tilly Municipal Advisors, LLC, at 10:00 a.m. this same day:

Bidder	Interest Rate	Net Interest Cost
See Attached		

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Moorhead, Minnesota, as follows:

1. Acceptance of Offer. The offer of ________________________ (the "Purchaser") to purchase the Bonds in accordance with the terms of proposal, at the rates of interest hereinafter set forth, and to pay therefore the sum of $_____________ plus interest accrued to settlement, is hereby found, determined and declared to be the most favorable offer received and is hereby accepted, and the Bonds are hereby awarded to the Purchaser. The City Clerk is directed to retain the deposit of said Purchaser and to forthwith return to the others making offers their good faith deposits.

2. Term of Bonds.

(a) Title: Original Issue Date; Denominations; Maturities. The Bonds shall be titled "General Obligation Temporary Improvement Bonds, Series 2025A," shall be dated November 3, 2025, as the date of original issue, and shall be issued forthwith on or after such date as fully registered bonds. The Bonds shall be numbered R-1 and shall mature on September 1, 2028, in the amount of $11,560,000.

3. Purpose. The Bonds shall provide funds to temporarily finance the construction of the Improvements. The total cost of the Improvements, which shall include all costs enumerated in Minnesota Statutes, Section 475.65, is estimated to be at least equal to the amount of the Bonds. Work on the Improvements shall proceed with due diligence to completion. The City covenants that it shall do all things and perform all acts required of it to assure that work on the Improvements proceeds with due diligence to completion and that any, and all permits and studies required under law for the Improvements are obtained. The City anticipates issuing definitive general obligations of the City, for which its full faith, credit and taxing powers are pledged.

4. Interest. Interest shall be payable semiannually on March 1 and September 1 of each year, commencing March 1, 2026.

5. Redemption. Bonds maturing on September 1, 2026, and on any date thereafterm shall be subject to redemption and prepayment at the option of the City at a price of par plus accrued interest. Bonds called for redemption shall be due and payable on the redemption date, and interest thereon shall cease to accrue from and after the redemption date. Published notice of redemption shall in each case be given in accordance with law, and mailed notice of redemption shall be given to the paying agent and to each affected registered holder of the Bonds.

6. Bond Registrar. U.S. Bank National Association is appointed to act as bond registrar and transfer agent with respect to the Bonds (the "Bond Registrar"), and shall do so unless and until a successor Bond Registrar is duly appointed, all pursuant to any contract the City and Bond Registrar shall execute which is consistent herewith. The Bond Registrar shall also serve as paying agent unless and until a successor paying agent is duly appointed. Principal and interest on the Bonds shall be paid to the registered holders (or record holders) of the Bonds in the manner set forth in the form of Bond and paragraph 13 of this resolution (with respect to interest payment and record date).

7. Form of Bond. The Bond, together with the Bond Registrar's Certificate of Authentication, the form of Assignment and the registration information thereon, shall be in substantially the following form:

UNITED STATES OF AMERICA
STATE OF MINNESOTA
CLAY COUNTY
CITY OF MOORHEAD

R-____ $________

GENERAL OBLIGATION TEMPORARY IMPROVEMENT
BOND, SERIES 2025A

INTEREST RATE	MATURITY DATE	DATE OF ORIGINAL ISSUE
	September 1, 2028	September 18, 2025

REGISTERED OWNER:

PRINCIPAL AMOUNT: DOLLARS

KNOW ALL PERSONS BY THESE PRESENTS that the City of Moorhead, Clay County, Minnesota (the "Issuer"), certifies that it is indebted and for value received promises to pay to the registered owner specified above, or registered assigns, in the manner hereinafter set forth, the principal amount specified above, on the maturity date specified above, unless called for earlier redemption, and to pay interest thereon on semiannually on March 1 and September 1 of each year, commencing March 1, 2026 (the "Interest Payment Date"), at the rate per annum specified above (calculated on the basis of a 360-day year of twelve 30-day months) until the principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or, if no interest has been paid, from the date of original issue hereof. The principal of and premium, if any, on this Bond are payable upon presentation and surrender hereof at the principal office of the U.S. Bank National Association, St. Paul, Minnesota (the "Bond Registrar"), acting as paying agent, or any successor paying agent duly appointed by the Issuer. Interest on this Bond will be paid on each Interest Payment Date by check or draft mailed to the person in whose name this Bond is registered (the "Holder" or "Bondholder") on the registration books of the Issuer maintained by the Bond Registrar and at the address appearing thereon at the close of business on the fifteenth day of the calendar month next preceding such Interest Payment Date (the "Regular Record Date"). Any interest not so timely paid shall cease to be payable to the person who is the Holder hereof as of the Regular Record Date, and shall be payable to the person who is the Holder hereof at the close of business on a date (the “Special Record Date") fixed by the Bond Registrar whenever money becomes available for payment of the defaulted interest. Notice of the Special Record Date shall be given to Bondholders not less than ten days prior to the Special Record Date. The principal of and premium, if any, and interest on this Bond are payable in lawful money of the United States of America.

Redemption. All Bonds of this issue (the "Bonds") maturing on September 1, 2026, and on any date thereafter, is subject to redemption and prepayment at the option of the Issuer at a price of par plus accrued interest. Bonds called for redemption shall be due and payable on the redemption date, and interest thereon shall cease to accrue from and after the redemption date.

Mailed notice of redemption shall be given to the paying agent and to each affected Holder of the Bonds.

Issuance; Purpose: General Obligation. This Bond is one of an issue in the total principal amount of $11,560,000, all of like date of original issue and tenor, except as to number, maturity, interest rate, denomination and redemption privilege, which Bond has been issued pursuant to and in full conformity with the Constitution, laws of the State of Minnesota and the Charter of the Issuer and pursuant to a resolution adopted by the City Council of the Issuer on August 25, 2025 (the "Resolution"), for the purpose of providing temporary financing for the installation of municipal utilities consisting of streets, sanitary sewer, storm sewer, and water within the Moorhead Center Mall redevelopment project located within in the City of Moorhead. This Bond is payable out of the General Obligation Temporary Improvement Bond, Series 2025A Fund of the Issuer and a first lien on the proceeds of any temporary or definitive improvement bond issued to refund this Bond prior to or at maturity. The City anticipates issuing definitive general obligations of the City, for which its full faith, credit and taxing powers are pledged. This Bond constitutes a general obligation of the Issuer, and to provide moneys for the prompt and full payment of its principal, premium, if any, and interest when the same become due, the full faith and credit and taxing powers of the Issuer have been and are hereby irrevocably pledged.

Denominations; Exchanger Resolution. The Bonds are issuable solely as fully registered bonds in the denominations of $5,000 and integral multiples thereof of a single maturity and are exchangeable for fully registered Bonds of other authorized denominations in equal aggregate principal amounts at the principal office of the Bond Registrar, but only in the manner and subject to the limitations provided in the Resolution. Reference is hereby made to the Resolution for a description of the rights and duties of the Bond Registrar. Copies of the Resolution are on file in the principal office of the Bond Registrar.

Transfer. This Bond is transferable by the Holder in person or by his, her or its attorney duly authorized in writing at the principal office of the Bond Registrar upon presentation and surrender hereof to the Bond Registrar, all subject to the terms and conditions provided in the Resolution and to reasonable regulations of the Issuer contained in any agreement with the Bond Registrar. Thereupon the Issuer shall execute and the Bond Registrar shall authenticate and deliver, in exchange for this Bond, one or more new fully registered Bonds in the name of the transferee (but not registered in blank or to "bearer" or similar designation), of an authorized denomination or denominations, in aggregate principal amount equal to the principal amount of this Bond, of the same maturity and bearing interest at the same rate.

Fees upon Transfer or Loss. The Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with the transfer or exchange of this Bond and any legal or unusual costs regarding transfers and lost Bonds.

Treatment of Registered Owners. The Issuer and Bond Registrar may treat the person in whose name this Bond is registered as the owner hereof for the purpose of receiving payment as herein provided (except as otherwise provided on the reverse side hereof with respect to the Record Date) and for all other purposes, whether or not this Bond shall be overdue, and neither the Issuer nor the Bond Registrar shall be affected by notice to the contrary.

Authentication. This Bond shall not be valid or become obligatory for any purpose or be entitled to any security unless the Certificate of Authentication hereon shall have been executed by the Bond Registrar.

NOT Qualified Tax-Exempt Obligation. This Bond has not been designated by the Issuer as a "qualified tax-exempt obligation" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required by the Constitution, laws of the State of Minnesota and Charter of the Issuer to be done, to happen and to be performed, precedent to and in the issuance of this Bond, have been done, have happened and have been performed, in regular and due form, time and manner as required by law, and that this Bond, together with all other debts of the Issuer outstanding on the date of original issue hereof and the date of its issuance and delivery to the original purchaser, does not exceed any constitutional, statutory or charter limitation of indebtedness.

IN WITNESS WHEREOF, the City of Moorhead, Clay County, Minnesota, by its City Council has caused this Bond to be executed on its behalf by the manual signatures of its Mayor and its City Manager, the corporate seal of the Issuer having been intentionally omitted as permitted by law.

Date of Registration:

Bond Registrar's
CERTIFICATE OF AUTHENTICATION
This Certificate is one of the
Certificates described in the
Resolution mentioned
within.

U.S. BANK NATIONAL ASSOCIATION
60 Livingston Avenue EP-MN-WS3C
St. Paul, MN 55107-2292
Bond Registrar

By: ______________________________
Authorized Signature

CITY OF MOORHEAD,
CLAY COUNTY, MINNESOTA

____
Mayor

____
City Manager

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in common
TEN ENT - as tenants by the entireties
JT TEN - as joint tenants with right of survivorship and not as tenants in common
UTMA - _____________ as custodian for ___________________
(Cust) (Minor)
under the __________________ Uniform
(State)
Transfers to Minors Act

Additional abbreviations may also be used
though not in the above list.

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto ____ the within Bond and does hereby irrevocably constitute and appoint _________________ attorney to transfer the Bond on the books kept for the registration thereof, with full power of substitution in the premises.

Dated: _______________________

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

Signature Guaranteed:

____

Signature(s) must be guaranteed by a national bank or trust company or by a brokerage firm having a membership in one of the major stock exchanges or any other "Eligible Guarantor Institution" as defined in 17 CFR 240.17 Ad-l5(a) (2).

The Bond Registrar will not effect transfer of this Bond unless the information concerning the transferee requested below is provided.

Name and Address: ____

____

____
(Include information for all joint owners if the Bond is held by joint account.)

ASSIGNMENT

For value received; the undersigned hereby sells, assigns and transfers unto ___________ ____ the within Bond and does hereby irrevocably constitute and appoint ____________________ attorney to transfer the Bond on the books kept for the registration thereof, with full power of substitution in the premises.

Dated: ____________________________________

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

Signature Guaranteed:

____

Signature(s) must be guaranteed by a national bank or trust company or by a brokerage firm having a membership in one of the major stock exchanges.

The Bond Registrar will not effect transfer of this Bond unless the information concerning the transferee requested below is provided.

Name and Address: ____

____

____

(Include information for all joint owners if the Bond is held by joint account.)

CERTIFICATE AS TO LEGAL OPINION

We certify that attached is the legal opinion rendered by Bond Counsel on the issue of Bonds which includes the within Bond, dated as of the date of delivery of and payment for the Bonds.

City Manager	Mayor

8. Execution; Temporary Bonds. The Bonds shall be executed on behalf of the City by the signatures of its Mayor and City Manager and be sealed with the seal of the City; provided, however, that the seal of the City may be a printed facsimile; and provided further that both of such signatures may be printed facsimiles and the corporate seal may be omitted on the Bonds as permitted by law. In the event of disability or resignation or other absence of either such officer, the Bonds may be signed by the manual or facsimile signature of that officer who may act on behalf of such absent or disabled officer. In case either such officer whose signature or facsimile of whose signature shall appear on the Bonds shall cease to be such officer before the delivery of the Bonds, such signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if he or she had remained in office until delivery. The City may elect to deliver, in lieu of printed definitive bonds, one or more typewritten temporary bonds in substantially the form set forth above, with such changes as may be necessary to reflect more than one maturity in a single temporary bond. Such temporary bonds may be executed with photocopied facsimile signatures of the Mayor and City Manager. Such temporary bonds shall, upon the printing of the definitive bonds and the execution thereof, be exchanged therefor and canceled.

9. Authentication. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this resolution unless a Certificate of Authentication on such Bond, substantially in the form hereinabove set forth, shall have been duly executed by an authorized representative of the Bond Registrar. Certificates of Authentication on different Bonds need not be signed by the same person. The Bond Registrar shall authenticate the signatures of officers of the City on each Bond by execution of the Certificate of Authentication on the Bond and by inserting as the date of registration in the space provided the date on which the Bond is authenticated, except that for purposes of delivering the original Bonds to the Purchaser, the Bond Registrar shall insert as a date of registration the date of original issue, which date is September 18, 2025. The Certificate of Authentication so executed on each Bond shall be conclusive evidence that it has been authenticated and delivered under this resolution.

10. Registration; Transfer; Exchange. The City will cause to be kept at the principal office of the Bond Registrar a bond register in which, subject to such reasonable regulations as the Bond Registrar may prescribe, the Bond Registrar shall provide for the registration of Bonds and the registration of transfers of Bonds entitled to be registered or transferred as herein provided.

Upon surrender for transfer of any Bond at the principal office of the Bond Registrar, the City shall execute (if necessary), and the Bond Registrar shall authenticate, insert the date of registration (as provided in paragraph 9) of, and deliver, in the name of the designated transferee or transferees, one or more new Bonds of any authorized denomination or denominations of a like aggregate principal amount, having the same stated maturity and interest rate, as requested by the transferor; provided, however, that no Bond may be registered in blank or in the name of "bearer" or similar designation.

At the option of the Holder, Bonds may be exchanged for Bonds of any authorized denomination or denominations of a like aggregate principal amount and stated maturity, upon surrender of the Bonds to be exchanged at the principal office of the Bond Registrar. Whenever any Bonds are so surrendered for exchange, the City shall execute (if necessary), and the Bond

Registrar shall authenticate, insert the date of registration of, and deliver the Bonds which the Holder making the exchange is entitled to receive.

All Bonds surrendered upon any exchange or transfer provided for in this resolution shall be promptly canceled by the Bond Registrar and thereafter disposed of as directed by the City.

All Bonds delivered in exchange for or upon transfer of Bonds shall be valid general obligations of the City evidencing the same debt, and entitled to the same benefits under this resolution, as the Bonds surrendered for such exchange or transfer.

Every Bond presented or surrendered for transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer, in form satisfactory to the Bond Registrar, duly executed by the Holder thereof or his, her or its attorney duly authorized in writing.

The Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with the transfer or exchange of any Bond and any legal or unusual costs regarding transfers and lost Bonds.

Transfers shall also be subject to reasonable regulations of the City contained in any agreement with the Bond Registrar, including regulations which permit the Bond Registrar to close its transfer books between record dates and payment dates. The City Manager is hereby authorized to negotiate and execute the terms of said agreement.

11. Rights Upon Transfer or Exchange. Each Bond delivered upon transfer of or in exchange for or in lieu of any other Bond shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Bond.

12. Interest Payment; Record Date. Interest on any Bond shall be paid on each Interest Payment Date by check or draft mailed to the person in whose name the Bond is registered (the "Holder") on the registration books of the City maintained by the Bond Registrar and at the address appearing thereon at the close of business on the fifteenth (15th) day of the calendar month next preceding such Interest Payment Date (the "Regular Record Date"). Any such interest not so timely paid shall cease to be payable to the person who is the Holder thereof as of the Regular Record Date, and shall be payable to the person who is the Holder thereof at the close of business on a date (the "Special Record Date") fixed by the Bond Registrar whenever money becomes available for payment of the defaulted interest. Notice of the Special Record Date shall be given by the Bond Registrar to the Holders not less than ten (10) days prior to the Special Record Date.

13. Treatment of Registered Owner. The City and Bond Registrar may treat the person in whose name any Bond is registered as the owner of such Bond for the purpose of receiving payment of principal of and premium, if any, and interest (subject to the payment provisions in paragraph 13 above) on, such Bond and for all other purposes whatsoever whether or not such Bond shall be overdue, and neither the City nor the Bond Registrar shall be affected by notice to the contrary.

14. Delivery; Application of Proceeds. The Bonds, when so prepared and executed, shall be delivered by the City Manager to the Purchaser upon receipt of the purchase price, and the Purchaser shall not be obliged to see to the proper application thereof.

15. Fund and Accounts. The Bond is issued in anticipation of the issuance of definitive general obligation bonds. There is hereby created a special fund to be designated the "$11,560,000 General Obligation Temporary Improvement Bonds, Series 2025A Fund" (the "Fund") to be administered and maintained by the City as a bookkeeping account separate and apart from all other funds maintained in the official financial records of the City. The Fund shall be maintained in the manner herein specified until all of the Bonds and the interest thereon have been fully paid. There shall be maintained in the Fund two (2) separate accounts, to be designated the "Construction Account" and "Debt Service Account," respectively.

(i) Construction Account. To the Construction Account there shall be credited $____________ of the proceeds of the sale of the Bonds, less issuance expenses which shall be paid at closing. From the Construction Account there shall be paid all costs and expenses of making the Improvements including the cost of any construction contracts heretofore let and all other costs incurred and to be incurred of the kind authorized in Minnesota Statutes, Section 475.65; and the moneys in said account shall be used for no other purpose except as otherwise provided by law, provided that the proceeds of the Bonds may also be used to the extent necessary to pay interest on the Bonds due prior to the anticipated date of commencement of the collection of special assessments herein levied or covenanted to be levied; and provided further that if upon completion of the Improvements there shall remain any unexpended balance in the Construction Account, the balance (other than any special assessments) may be transferred by the Council to the fund of any other improvement instituted pursuant to Minnesota Statutes, Chapter 429, and provided further that any special assessments credited to the Construction Account shall only be applied towards payment of the costs of the Improvements upon adoption of a resolution by the City Council determining that the application of the special assessments for such purpose will not cause the City to no longer be in compliance with Minnesota Statutes, Section 475.61, Subdivision 1.

(ii) Debt Service Account. There are hereby irrevocably appropriated and pledged to, and there shall be credited to, the Debt Service Account: (a) all collections of special assessments herein covenanted to be levied with respect to the Improvements and either initially credited to the Construction Account and not already spent as permitted above and required to pay any principal and interest due on the Bonds or collected subsequent to the completion of the Improvements and payment of the costs thereof; (b) all accrued and capitalized interest received upon delivery of the Bonds; (c) all collections of taxes herein or hereafter levied for the payment of the Bonds and interest thereon; (d) all funds remaining in the Construction Account after completion of the Improvements and payment of the costs thereof, not so transferred to the account of another improvement; (e) all investment earnings on funds held in the Debt Service Account; (f) proceeds of any temporary or definitive improvement bond issued to refund the Bonds prior to or at maturity; and (g) any and all other moneys which are properly available and are appropriated by the governing body of the City to the Debt Service Account. The Debt Service Account shall be used solely to pay the principal and interest and any premiums for redemption of the Bonds and any other general obligation bonds of the City hereafter issued by the City and made payable from said account as provided by law.

No portion of the proceeds of the Bonds shall be used directly or indirectly to acquire higher yielding investments or to replace funds which were used directly or indirectly to acquire higher yielding investments, except (1) for a reasonable temporary period until such proceeds are needed for the purpose for which the Bonds were issued and (2) in addition to the above in an amount not greater than the lesser of five percent (5%) of the proceeds of the Bonds or $100,000. To this effect any special assessments against benefitted properties are also pledged to the Debt Service Account, in excess of amounts which under then-applicable federal arbitrage regulations may be invested without regard to yield shall not be invested at a yield in excess of the applicable yield restrictions imposed by said arbitrage regulations on such investments after taking into account any applicable "temporary periods" or "minor portion" made available under the federal arbitrage regulations. Money in the Fund shall not be invested in obligations or deposits issued by, guaranteed by or insured by the United States or any agency or instrumentality thereof if and to the extent that such investment would cause the Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Internal Revenue Code of 1986, as amended (the "Code").

16. Completion of project/special assessments. The Issuer hereby covenants and agrees with the holders of all temporary bonds herein authorized or referred to, that it will do and perform all acts and things necessary for the completion of said improvement and for the valid and final levy of special assessments upon all properties within the District to be benefitted by the improvement, which special assessments shall be payable as the Council shall determines in accordance with law to be collectible for a period of years commencing not later than 2025, with interest on installments thereof from time to time remaining unpaid at a rate determined by the Council. In anticipation of the collection of the special assessments to be levied for the payment of the cost of the improvement financed by the issuance of the temporary bonds drawn on the Fund, the Issuer hereby authorizes and directs the issuance of definitive bonds on the Principal and Interest Account of the Fund, in the aggregate principal amount required to pay the total cost of the improvement in the District, less such sum, if any, as shall be received, appropriated and applied to the payment of such cost prior to the issuance of such definitive bonds, from prepaid special assessments or from any other source. The Issuer further covenants and agrees that said definitive bonds shall be so issued and sold prior to the maturity of the Temporary Bonds in an amount at least sufficient, with any other moneys then on hand in the Fund to pay the Temporary Bonds and interest thereon.

17. General Obligation Pledge. For the prompt and full payment of the principal and interest on the Bonds, as the same respectively become due, the full faith, credit and taxing powers of the City shall be and are hereby irrevocably pledged. If the balance in the Debt Service Account is ever insufficient to pay all principal and interest then due on the Bonds and any other bonds payable therefrom, the deficiency shall be promptly paid out of any other funds of the City which are available for such purpose, and such other funds may be reimbursed with or without interest from the Debt Service Account when a sufficient balance is available therein.

18. Certificate of Registration. The Clerk is hereby directed to file a certified copy of this resolution with the County Auditor of Clay County, Minnesota, together with such other information as he or she shall require, and to obtain the County Auditor's certificate that the Bonds have been entered in the County Auditor's Bond Register, and that the tax levy required by law has been made.

19. Records and Certificates. The officers of the City are hereby authorized and directed to prepare and furnish to the Purchaser, and to the attorneys approving the legality of the issuance of the Bonds, certified copies of all proceedings and records of the City relating to the Bonds and to the financial condition and affairs of the City, and such other affidavits, certificates and information as are required to show the facts relating to the legality and marketability of the Bonds as the same appear from the books and records under their custody and control or as otherwise known to them, and all such certified copies, certificates and affidavits, including any heretofore furnished, shall be deemed representations of the City as to the facts recited therein.

20. Negative Covenant as to Use of Proceeds and Project. The City hereby covenants not to use the proceeds of the Bonds or to use the Project, or to cause or permit them to be used, or to enter into any deferred payment arrangements for the cost of the Project, in such a manner as to cause the Bonds to be "private activity bonds" within the meaning of Sections 103 and 141 through 150 of the Code.

21. Reservation of Rights. Notwithstanding any provisions herein to the contrary, the City reserves the right to terminate, reduce, or apply to other lawful purposes the Tax Increments herein pledged to the payment of the Bonds and interest thereon to the extent and in the manner permitted by law.

22. Investment Limitations; Rebate. The City shall comply with requirements necessary under the Code to establish and maintain the exclusion from gross income under Section 103 of the Code of the interest on the Bonds, including without limitation (1) requirements relating to temporary periods for investments, (2) limitations on amounts invested at a yield greater than the yield on the Bonds, and (3) the rebate of excess investment earnings to the United States.

23. **Not Designated as Qualified Tax-Exempt Obligations**. The Bonds have not been designated as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code.

24. Defeasance. When all Bonds have been discharged as provided in this paragraph, all pledges, covenants and other rights granted by this resolution to the registered holders of the Bonds shall, to the extent permitted by law, cease. The City may discharge its obligations with

respect to any Bonds which are due on any date by irrevocably depositing with the Bond Registrar on or before that date a sum sufficient for the payment thereof in full; or if any Bond should not be paid when due, it may nevertheless be discharged by depositing with the Bond Registrar a sum sufficient for the payment thereof in full with interest accrued to the date of such deposit. The City may also discharge its obligations with respect to any prepayable Bonds called for redemption on any date when they are prepayable according to their terms, by depositing with the Bond Registrar on or before that date a sum sufficient for the payment thereof in full, provided that notice of redemption thereof has been duly given. The City may also at any time discharge its obligations with respect to any Bonds, subject to the provisions of law now or hereafter authorizing and regulating such action, by depositing irrevocably in escrow, with a suitable banking institution qualified by law as an escrow agent for this purpose, cash or securities described in Minnesota Statutes, Section 475.67, Subdivision 8, bearing interest payable at such times and at such rates and maturing on such dates as shall be required, subject to sale and/or reinvestment, to pay all amounts to become due thereon to maturity or, if notice of redemption as herein required has been duly provided for, to such earlier redemption date.

25. Severability. If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this resolution.

26. Headings. Headings in this resolution are included for convenience of reference only and are not a part hereof, and shall not limit or define the meaning of any provision hereof.

27. Continuing Disclosure.

(a) The City is the sole obligated person with respect to the Bonds. The City hereby agrees, in accordance with the provisions of Rule 15c2-12 (the "Rule"), promulgated by the Securities and Exchange Commission (the "Commission") pursuant to the Securities Exchange Act of 1934, as amended, and a Continuing Disclosure Undertaking (the "Undertaking") hereinafter described to:

(1) Provide or cause to be provided, in a timely manner, to (i) each nationally recognized municipal securities information repository ("NRMSIR") or to the Municipal Securities Rulemaking Board ("MSRB") and (ii) the state information depository (the "SID"), if any, notice of the occurrence of certain material events with respect to the Bonds in accordance with the Undertaking.

(2) The City agrees that its covenants pursuant to the Rule set forth in this paragraph and in the Undertaking are intended to be for the benefit of the holders and any other beneficial owners of the Bonds and shall be enforceable on behalf of such holders and beneficial owners; provided that the right to enforce the provisions of these covenants shall be limited to a right to obtain specific enforcement of the City’s obligations under the covenants.

(b) The Mayor and Clerk of the City, or any other officer of the City authorized to act in their place, (the "Officers") are hereby authorized and directed to execute on behalf of the City the Undertaking in substantially the form presented to the Council, subject to such modifications thereof or additions thereto as are (i) consistent with the requirements under the Rule, (ii) required by the purchaser of the Bonds and (iii) acceptable to the Officers.

28. Electronic Signatures. In the event that any signature required to execute this Resolution, the Bond documents, or other closing documents is delivered by facsimile transaction or by e-mail delivery of a “pdf” format data file, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or “pdf” signature page were an original thereof. The Moorhead Mayor, Moorhead City Manager, and Moorhead Finance Director are authorized to executed documents with electronic signatures as permitted by law or regulation.

Passed by the Moorhead City Council this 25th day of August, 2025.

APPROVED BY:

____
Mayor

ATTEST:

____
City Clerk

The motion for the adoption of the foregoing resolution was duly seconded by Member __________, and after a full discussion thereof and upon a vote being taken thereon, the following voted in favor thereof: ____, and the following voted against the same: __________. The following were absent and not voting: ____________, whereupon said resolution was declared duly passed and adopted.

City Council Communication

SUBJECT:
Resolution to Approve and Accept Offer of Sale of General Obligation Improvement and Wastewater Refunding Bonds, Series 2025B

RECOMMENDATION:
The Mayor and Council are asked to consider a resolution with any substantive changes as deemed necessary by Bound Counsel, accepting bids on the sale of $16,575,000 General Obligation Improvement and Wastewater Refunding Bonds, Series 2025B.

BACKGROUND/KEY POINTS:
The Mayor and Council authorized calling for the sale of these bonds at the July 28th Council meeting, passing a resolution authorizing the sale date of August 25th. The proceeds of this bond issue will be used finance infrastructure projects in various areas of the City as identified in the information as approved by the City Council on July 28, 2025.

Proposals for the Bonds will be received on Monday, August 25th until 10am, after which time proposals will be opened and tabulated. The resolutions included in this packet are draft resolutions. After the sale is complete, the resolutions will be updated to reflect the results of the sale, which will include interest rates, terms, etc. The final resolutions will be distributed to the City Council immediately prior to the start of the City Council meeting. Ms. Christine Hogan, Director with Baker Tilly Municipal Advisors, will be present at the August 25, 2025 City Council meeting to present the results of the sale and answer questions related to the sale.

FINANCIAL CONSIDERATIONS:
The 2025B Bonds will be a general obligation of the City for which the City pledges its full faith and credit and taxing power to levy general ad valorem taxes. In addition, the City pledges special assessments filed against benefitted properties and net revenues of the City's wastewater treatment fund.

Special assessments in the amount of approximately $3.96 million will be assessed over terms of 20 and 25 years at an interest rate currently estimated to be 5.672%. The 2025B Bonds will require an annual tax levy of approximately $673,000.

The Refunding Portion of the 2025B Bonds will be repaid with net revenues of the City's wastewater treatment utility.

Voting Requirements: 3/4 of Council (6)

Submitted By:
Dan Mahli, City Manager
Jenica Flanagan, Finance Director

Attachments:

EXTRACT OF MINUTES OF A MEETING OF THE
CITY COUNCIL OF THE CITY OF
MOORHEAD, MINNESOTA

HELD: August 25, 2025

Pursuant to due call and notice thereof, a regular meeting of the City Council of the City of Moorhead, Clay County, Minnesota, was duly called and held at the City Hall in said City on Monday, the 25th day of August, 2025, at 5:30 p.m., for the purpose of awarding the sale of $16,575,000 General Obligation Improvement and Wastewater Refunding Bonds, Series 2025B, of the City.

The following members were present: ____ ____, and the following were absent: _____________.

Member __________ introduced the following resolution and moved its adoption:

RESOLUTION ACCEPTING OFFER ON THE
SALE OF $16,575,000 GENERAL OBLIGATION IMPROVEMENT AND
WASTEWATER REFUNDING BONDS, SERIES 20251B,
PROVIDING FOR THEIR ISSUANCE AND
LEVYING A TAX FOR THE PAYMENT THEREOF

A. WHEREAS, the City has heretofore determined and declared that it is necessary and expedient to issue $16,575,000 General Obligation Improvement and Wastewater Refunding Bonds, Series 2025B of the City ("the Bonds"), pursuant to Minnesota statutes, Chapters 429 and 475, to finance the construction of various improvements in the City (the "Improvements"); and

B. WHEREAS, the construction of each of the improvement projects to be financed by the Bonds has heretofore been ordered; and

C. WHEREAS, the City of Moorhead, Minnesota (the "City"), previously sold the 2026 through 2034 maturities of the City's General Obligation Wastewater Revenue Bonds, Series 2014A, dated July 14, 2025 (the "Refunded Bonds"); and

D. WHEREAS, the City, through the issuance of the $16,575,000 General Obligation Improvement and Wastewater Refunding Bonds, Series 2025B, for the purpose of (i) financing various improvements within the City (the "2025B Improvement Portion"), (ii) currently refunding the November 1, 2026 through November 1, 2034, maturities (the "Refunded Maturities") of the City's General Obligation Wastewater Revenue Bonds, Series 2014A, dated July 24, 2014 (the "2025B Refunding Portion"), and (iii) pay costs of issuance on the Series 2025B Bonds; and

E. WHEREAS, offers to purchase the Bonds are being solicited on behalf of the City by Baker Tilly Municipal Advisors, LLC; and

F. WHEREAS, it is in the best interests of the City that the Bonds be issued in book-entry form as hereinafter provided; and

G. WHEREAS, the following offers were received, opened and recorded at the offices of Baker Tilly Municipal Advisors, LLC, at 10:00 a.m. this same day:

Bidder	Interest Rate	Net Interest Cost
See Attached		

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Moorhead, Minnesota, as follows:

1. Acceptance of Offer. The offer of ______________________________________ (the "Purchaser") to purchase $16,575,000 General Obligation Improvement and Wastewater Refunding Bonds, Series 2025B, of the City (the "Bonds," or individually a "Bond"), in accordance with the terms of proposal, at the rates of interest hereinafter set forth, and to pay therefore the sum of $_____________ plus interest accrued to settlement, is hereby found, determined and declared to be the most favorable offer received and is hereby accepted, and the Bonds are hereby awarded to the Purchaser. The City Manager, or his designee, is directed to retain the deposit of said Purchaser and to forthwith return to the others making offers their good faith deposits.

2. Terms of Bonds.

(a) Title: Original Issue Date: Denominations; Maturities. The Bonds shall be titled "General Obligation Improvement and Wastewater Refunding Bonds, Series 2025B," shall be dated the date of original issue, and shall be issued forthwith on or after such date as fully registered bonds. The Bonds shall be numbered from R-l upward in the denomination of $5,000 each or in any integral multiple thereof of a single maturity. The Bonds shall mature on February 1 in the years and amounts as follows:

Year	Amount	Year	Amount
2027	$ 260,000	2037	$ 615,000
2028	470,000	2038	635,000
2029	485,000	2039	650,000
2030	880,000	2040	670,000
2031	1,490,000	2041	690,000
2032	1,560,000	2042	710,000
2033	1,595,000	2043	730,000
2034	1,630,000	2044	750,000
2035	580,000	2045	775,000
2036	595,000	2046	805,000

(b) Book Entry Only System. The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York or any of its successors or successors to its functions hereunder (the "Depository") will act as securities depository for the Bonds, and to this end:

(i) The Bonds shall be initially issued and, so long as they remain in book entry form only (the "Book Entry Only Period"), shall at all times be in the form of a separate single fully registered Bond for each maturity of the Bonds; and for purposes of complying with this requirement under paragraphs 5 (with respect to Redemption) and 10 (with respect to registration, transfer, exchange) Authorized Denominations for any Bond shall be deemed to be limited during the Book Entry Only period to the outstanding principal amount of that Bond.

(ii) Upon initial issuance, ownership of the Bonds shall be registered in a bond register maintained by U.S. Bank National Association, St. Paul, Minnesota (the "Bond Registrar") in the name of CEDE & CO., as the nominee (it or any nominee of the existing or a successor Depository, the "Nominee").

(iii) With respect to the Bonds, neither the City nor the Bond Registrar shall have any responsibility or obligation to any broker, dealer, bank, or any other financial institution for which the Depository holds Bonds as securities depository (the “Participant") or the person for which a Participant holds an interest in the Bonds shown on the books and records of the Participant (the "Beneficial Owner"). Without limiting the immediately preceding sentence, neither the City, nor the Bond Registrar, shall have any such responsibility or obligation with respect to (A) the accuracy of the records of the Depository, the Nominee or any Participant with respect to any ownership interest in the Bonds, or (B) the delivery to any Participant, any Owner or any other person, other than the Depository, of any notice with respect to the Bonds, including any notice of redemption, or (C) the payment to any Participant, any Beneficial Owner or any other person, other than the Depository, of any amount with respect to the principal of or premium, if any, or interest on the Bonds, or (D) the consent given or other action taken by the Depository as the Registered Holder of any Bonds (the "Holder"). For purposes of securing the vote or consent of any Holder under this Resolution, the City may, however, rely upon an omnibus proxy under which the Depository assigns its consenting or voting rights to certain Participants to whose accounts the Bonds are credited on the record date identified in a listing attached to the omnibus proxy.

(iv) The City and the Bond Registrar may treat as and deem the Depository to be the absolute owner of the Bonds for the purpose of payment of the principal of and premium, if any, and interest on the Bonds, for the purpose of giving notices of redemption and other matters with respect to the Bonds, for the purpose of obtaining any consent or other action to be taken by Holders for the purpose of registering transfers with respect to such Bonds, and for all purpose whatsoever. The Bond Registrar, as paying agent hereunder, shall pay all principal of and premium, if any, and interest on the Bonds only to or upon the Holder or the Holders of the Bonds as shown on the bond register, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to the principal of and premium, if any, and interest on the Bonds to the extent of the sum or sums so paid.

(v) Upon delivery by the Depository to the Bond Registrar of written notice to the effect that the Depository has determined to substitute a new Nominee in place of the existing Nominee, and subject to the transfer provisions in paragraph 10 (with respect to registration, transfer, exchange) hereof, references to the Nominee hereunder shall refer to such new Nominee.

(vi) So long as any Bond is registered in the name of a Nominee, all payments with respect to the principal of and premium, if any, and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, by the Bond Registrar or City, as the case may be, to the Depository as provided in the Letter of Representations, to the Depository required by the Depository as a condition to its acting as book-entry Depository for the Bonds (said Letter of Representations, together with any replacement thereof or amendment or substitute thereto, including any standard procedures or policies referenced therein or applicable thereto respecting the procedures and other matters relating to the Depository's role as book-entry Depository for the Bonds, collectively hereinafter referred to as the "Letter of Representations").

(vii) All transfers of beneficial ownership interests in each Bond issued in book-entry form shall be limited in principal amount to Authorized Denominations and shall be effected by procedures by the Depository with the Participants for recording and transferring the ownership of beneficial interests in such Bonds.

(viii) In connection with any notice or other communication to be provided to the Holders pursuant to this Resolution by the City or Bond Registrar with respect to any consent or other action to be taken by Holders, the Depository shall consider the date of receipt of notice requesting such consent or other action as the record date for such consent or other action; provided, that the City or the Bond Registrar may establish a special record date for such consent or other action. The City or the Bond Registrar shall, to the extent possible, give the Depository notice of such special record date not less than 15 calendar days in advance of such special record date to the extent possible.

(ix) Any successor Bond Registrar in its written acceptance of its duties under this Resolution and any paying agency registrar agreement shall agree to take any actions necessary from time to time to comply with the requirements of the Letter of Representations.

(x) In the case of a partial prepayment of a Bond, the Holder may, in lieu of surrendering the Bonds for a Bond of a lesser denomination as provided in paragraph 5 hereof (with respect to redemption), make a notation of the reduction in principal amount on the panel provided on the Bond stating the amount so redeemed.

(c) Termination of Book-Entry Only System. Discontinuance of a particular Depository's services and termination of the book-entry only system may be effected as follows:

(i) The Depository may determine to discontinue providing its services with respect to the Bonds at any time by giving written notice to the City and discharging its responsibilities with respect thereto under applicable law. The City may terminate the services of the Depository with respect to the Bond if it determines that the Depository is no longer able to carry out its functions as securities depository or the continuation of the system of book-entry transfers through the Depository is not in the best interests of the City or the Beneficial Owners.

(ii) Upon termination of the services of the Depository as provided in the preceding paragraph, and if no substitute securities depository is willing to undertake the functions of the Depository hereunder can be found which, in the opinion of the City, is willing and able to assume such functions upon reasonable or customary terms, or if the City determines that it is in the best interests of the City or the Beneficial Owners of the Bond that the Beneficial Owners be able to obtain certificates for the Bonds, the Bonds shall no longer be registered as being registered in the bond register in the name of the Nominee, but may be registered in whatever name or names the Holder of the Bonds shall designate at that time, in accordance with paragraph 10 hereof. To the extent that the Beneficial Owners are designated as the transferee by the Holders, in accordance with paragraph 10 (with respect to registration, transfer, exchange) hereof, the Bonds will be delivered to the Beneficial Owners.

(iii) Nothing in this subparagraph (c) shall limit or restrict the provisions of paragraph 10 (with respect to registration, transfer, exchange) hereof.

(d) Letter of Representations. The provisions in the Letter of Representations are incorporated herein by reference and made a part of the resolution, and if and to the extent any such provisions are inconsistent with the other provisions of this resolution, the provisions in the Letter of Representations shall control.

3. Purpose. The proceeds of the Bonds, along with available funds of the City, will be used to (i) finance various improvements within the City (the "Improvements"); (ii) refund the

2026 through 2034 maturities of the City's General Obligation Wastewater Revenue Bonds, Series 2014A; and (iii) pay costs of issuance on the Bonds. Work on the Improvements shall proceed with due diligence to completion. The City covenants that it shall do all things and perform all acts required of it to assure that work on the Improvements proceeds with due diligence to completion and that any, and all permits and studies required under law for the Improvements are obtained.

4. Interest. The Bonds shall bear interest payable semiannually on February 1 and August 1 of each year (each an "Interest Payment Date"), commencing August 1, 2026, calculated on the basis of a 360-day year of twelve 30-day months, at the respective rates per annum set forth opposite the maturity years as follows:

Maturity Year	Interest Rate	Maturity Year	Interest Rate
2027	%	2037	%
2028		2038	
2029		2039	
2030		2040	
2031		2041	
2032		2042	
2033		2043	
2034		2044	
2035		2045	
2036		2046	

5. Redemption. All Bonds maturing on February 1, 2036, and on any day thereafter, shall be subject to redemption and prepayment at the option of the City on or after February 1, 2035, and on any date thereafter at a price of par plus accrued interest. Redemption may be in whole or in part of the Bonds subject to prepayment. If redemption is in part, the City shall determine the maturities and principal amounts within each maturity to be prepaid; and if only part of the Bonds having a common maturity date are called for prepayment, the specific Bonds to be prepaid shall be chosen by lot by the Bond Registrar. Bonds or portions thereof called for redemption shall be due and payable on the redemption date, and interest thereon shall cease to accrue from and after the redemption date. Mailed notice of redemption shall be given to the Paying Agent and to each affected registered holder of the Bonds.

In the event Bonds are called for prior redemption, not less than 30 days prior to the date specified for redemption and prepayment of any of the Bonds, the City will cause notice of the call thereof to be sent by mail to the Bond Registrar, Paying Agent and registered owner of the bond to be redeemed in whole or in part at the address shown on the registration books of the Registrar. The Bonds to be redeemed shall be selected by the Bond Registrar in the manner prescribed in the Bond Resolution.

To effect a partial redemption of Bonds having a common maturity date, the Bond Registrar, prior to giving notice of redemption, shall assign to each Bond having a common maturity date a distinctive number for each $5,000 of the principal amount of such Bond. The Bond Registrar shall then select by lot, using such method of selection as it shall deem proper in its discretion, from the numbers so assigned to such Bonds, as many numbers as, at $5,000 for each number, shall equal the principal amount of such Bonds to be redeemed. The Bonds to be redeemed shall be the Bonds to which were assigned numbers so selected; provided, however, that only so much of the principal amount of each such Bond of a denomination of more than $5,000 shall be redeemed as shall equal $5,000 for each number assigned to it and so selected. If a Bond is to be redeemed only in part, it shall be surrendered to the Bond Registrar (with, if the City or Bond Registrar so requires, a written instrument of transfer in form satisfactory to the City and Bond Registrar duly executed by the holder thereof or his, her or its attorney duly authorized in writing) and the City shall execute (if necessary) and the Bond Registrar shall authenticate and deliver to the Holder of such Bond, without service charge, a new Bond or Bonds of the same series having the same stated maturity and interest rate and of any authorized denomination or denominations, as requested by such Holder, in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered.

6. Bond Registrar. U.S. Bank National Association is appointed to act as bond registrar and transfer agent with respect to the Bonds (the "Bond Registrar"), and shall do so unless and until a successor Bond Registrar is duly appointed, all pursuant to any contract the City and Bond Registrar shall execute which is consistent herewith. The Bond Registrar shall also serve as paying agent unless and until a successor paying agent is duly appointed. Principal and interest on the Bonds shall be paid to the registered holders (or record holders) of the Bonds in the manner set forth in the form of Bond and paragraph 12 of this resolution (with respect to interest payment and record date).

7. Form of Bond. The Bonds, together with the Bond Registrar's Certificate of Authentication, the form of Assignment and the registration information thereon, shall be in substantially the following form:

UNITED STATES OF AMERICA
STATE OF MINNESOTA
CLAY COUNTY
CITY OF MOORHEAD

R-_______ $___________

GENERAL OBLIGATION IMPROVEMENT
AND WASTEWATER REFUNDING BOND, SERIES 2025B

INTEREST RATE	MATURITY DATE	DATE OF ORIGINAL ISSUE	CUSIP

REGISTERED OWNER:

PRINCIPAL AMOUNT: DOLLARS

KNOW ALL PERSONS BY THESE PRESENTS that the City of Moorhead, Clay County, Minnesota (the "City"), certifies that it is indebted and for value received promises to pay to the registered owner specified above, or registered assigns, in the manner hereinafter set forth, the principal amount specified above, on the maturity date specified above, unless called for earlier redemption, and to pay interest thereon semiannually on February 1 and August 1 of each year (each an "Interest Payment Date"), commencing August 1, 2026, at the rate per annum specified above (calculated on the basis of a 360-day year of twelve 30-day months) until the principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or, if no interest has been paid, from the date of original issue hereof. The principal of and premium, if any, on this Bond are payable upon presentation and surrender hereof at the principal office of U.S. Bank National Association, St. Paul, Minnesota (the "Bond Registrar"), acting as paying agent, or any successor paying agent duly appointed by the City. Interest on this Bond will be paid on each Interest Payment Date by check or draft mailed to the person in whose name this Bond is registered (the "Holder" or "Bondholder") on the registration books of the City maintained by the Bond Registrar and at the address appearing thereon at the close of business on the fifteenth day of the calendar month next preceding such Interest Payment Date (the "Regular Record Date"). Any interest not so timely paid shall cease to be payable to the person who is the Holder hereof as of the Regular Record Date, and shall be payable to the person who is the Holder hereof at the close of business on a date (the "Special Record Date") fixed by the Bond Registrar whenever money becomes available for payment of the defaulted interest. Notice of the special Record Date shall be given to Bondholders not less than ten days prior to the special Record Date. The principal of and premium, if any, and interest on this Bond are payable in lawful money of the United States of America.

Redemption. All Bonds of this issue (the "Bonds") maturing on February 1, 2036, and on any date thereafter, are subject to redemption and prepayment at the option of the City on or after February 1, 2035, at a price of par plus accrued interest. Redemption may be in whole or in part of the Bonds subject to prepayment. If redemption is in part, the City shall determine the maturities and principal amount within each maturity to be prepaid; and if only part of the Bonds having a common maturity date are called for prepayment, the specific Bonds to be prepaid shall be chosen by lot by the Bond Registrar. Bonds or portions thereof called for redemption shall be due and payable on the redemption date, and interest thereon shall cease to accrue from and after the redemption date. Mailed notice of redemption shall be given to the Paying Agent and to each affected Holder of the Bonds.

In the event this Bond is called for prior redemption, not less than 30 days prior to the date specified for redemption and prepayment of any of the Bonds, the City will cause notice of the call thereof to be sent by mail to the Bond Registrar, Paying Agent and registered owner of the bond to be redeemed in whole or in part at the address shown on the registration books of the Registrar. The Bonds to be redeemed shall be selected by the Bond Registrar in the manner prescribed in the Bond Resolution.

Selection of Bonds for Redemption; Partial Redemption. To affect a partial redemption of Bonds having a common maturity date, the Bond Registrar shall assign to each Bond having a common maturity date a distinctive number for each $5,000 of the principal amount of such Bond. The Bond Registrar shall then select by lot, using such method of selection as it shall deem proper in its discretion, from the numbers assigned to the Bonds, as many numbers as, at $5,000 for each number, shall equal the principal amount of such Bonds to be redeemed. The Bonds to be redeemed shall be the Bonds to which were assigned numbers so selected; provided, however, that only so much of the principal amount of such Bond of a denomination of more than $5,000 shall be redeemed as shall equal $5,000 for each number assigned to it and so selected. If a Bond is to be redeemed only in part, it shall be surrendered to the Bond Registrar (with, if the City or Bond Registrar so requires, a written instrument of transfer in form satisfactory to the City and Bond Registrar duly executed by the Holder thereof or his, her or its attorney duly authorized in writing) and the City shall execute (if necessary) and the Bond Registrar shall authenticate and deliver to the Holder of such Bond, without service charge, a new Bond or Bonds of the same series having the same stated maturity and interest rate and of any authorized denomination or denominations, as requested by such Holder, in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered.

Issuance; Purpose: General Obligation and Special Obligation. This Bond is one of an issue in the total principal amount of $16,575,000, all of like date of original issue and tenor, except as to number, maturity, interest rate, denomination and redemption privilege, which Bond has been issued pursuant to and in full conformity with the Constitution, laws of the State of Minnesota and the Charter of the City and pursuant to a resolution adopted by the City Council of the City on August 25, 2025 (the "Resolution"), for the purpose of (i) financing various improvements within the City; (ii) currently refunding the 2026 through 2034 maturities of the City's General Obligation Wastewater Revenue Bonds, Series 2014A, dated July 14, 2014; and (iii) paying costs of issuance of this Bond. This Bond is payable out of the General Obligation Improvement and Wastewater Refunding Bonds, Series 2025B, Fund of the City. This Bond constitutes a general obligation of the City, and to provide moneys for the prompt and full payment of its principal, premium, if any, and interest when the same become due, the full faith and credit and taxing powers of the City have been and are hereby irrevocably pledged. The Bonds of this issue are a first and prior lien upon the net revenues of the Wastewater Utility of the City, except that the City is authorized under certain conditions to issue additional revenue obligations on a parity of lien with these Bonds, all as provided in the Resolution.

Denominations; Exchange Resolution. The Bonds are issuable solely as fully registered bonds in the denominations of $5,000 and integral multiples thereof of a single maturity and are exchangeable for fully registered Bonds of other authorized denominations in equal aggregate principal amounts at the principal office of the Bond Registrar, but only in the manner and subject to the limitations provided in the Resolution. Reference is hereby made to the Resolution for a description of the rights and duties of the Bond Registrar. Copies of the Resolution are on file in the principal office of the Bond Registrar.

Transfer. This Bond is transferable by the Holder in person or by his, her or its attorney duly authorized in writing at the principal office of the Bond Registrar upon presentation and surrender hereof to the Bond Registrar, all subject to the terms and conditions provided in the Resolution and to reasonable regulations of the City contained in any agreement with the Bond Registrar. Thereupon the City shall execute and the Bond Registrar shall authenticate and deliver, in exchange for this Bond, one or more new fully registered Bonds in the name of the transferee (but not registered in blank or to "bearer" or similar designation), of an authorized denomination or denominations, in aggregate principal amount equal to the principal amount of this Bond, of the same maturity and bearing interest at the same rate.

Fees upon Transfer or Loss. The Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with the transfer or exchange of this Bond and any legal or unusual costs regarding transfers and lost Bonds.

Treatment of Registered Owners. The City and Bond Registrar may treat the person in whose name this Bond is registered as the owner hereof for the purpose of receiving payment as herein provided (except as otherwise provided on the reverse side hereof with respect to the Record Date) and for all other purposes, whether or not this Bond shall be overdue, and neither the City nor the Bond Registrar shall be affected by notice to the contrary.

Authentication. This Bond shall not be valid or become obligatory for any purpose or be entitled to any security unless the Certificate of Authentication hereon shall have been executed by the Bond Registrar.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required by the Constitution, laws of the State of Minnesota and Charter of the City to be done, to happen and to be performed, precedent to and in the issuance of this Bond, have been done, have happened and have been performed, in regular and due form, time and manner as required by law, and that this Bond, together with all other debts of the City outstanding on the date of original issue hereof and the date of its issuance and delivery to the original purchaser, does not exceed any constitutional, statutory or charter limitation of indebtedness.

IN WITNESS WHEREOF, the City of Moorhead, Clay County, Minnesota, by its City Council has caused this Bond to be executed on its behalf by the manual signatures of its Mayor and its City Manager, the corporate seal of the City having been intentionally omitted as permitted by law.

Date of Registration:

Bond Registrar's
CERTIFICATE OF AUTHENTICATION

This Certificate is one of the Certificates described in the Resolution mentioned within.

U.S. BANK NATIONAL ASSOCIATION
60 Livingston Avenue EP-MN-WS3C
St. Paul, MN 55107
Bond Registrar

By: ______________________________
Authorized Signature

CITY OF MOORHEAD,
CLAY COUNTY, MINNESOTA

____
Mayor

____
City Manager

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in common
TEN ENT - as tenants by the entireties
JT TEN - as joint tenants with right of survivorship and not as tenants in common
UTMA - _____________ as custodian for ___________________
(Cust) (Minor)
under the __________________ Uniform
(State)
Transfers to Minors Act

Additional abbreviations may also be used
though not in the above list.

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto ____
the within Bond and does hereby irrevocably constitute and appoint _________________ attorney to transfer the Bond on the books kept for the registration thereof, with full power of substitution in the premises.

Dated: _______________________

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

Signature Guaranteed:

____

Signature(s) must be guaranteed by a national bank or trust company or by a brokerage firm having a membership in one of the major stock exchanges or any other "Eligible Guarantor Institution" as defined in 17 CFR 240.17 Ad-l5(a) (2).

The Bond Registrar will not effect transfer of this Bond unless the information concerning the transferee requested below is provided.

Name and Address: ____

____

____
(Include information for all joint owners if the Bond is held by

joint account.)

CERTIFICATE AS TO LEGAL OPINION

We certify that attached is the legal opinion rendered by Bond Counsel on the issue of Bonds which includes the within Bond, dated as of the date of delivery of and payment for the Bonds.

__________________________	__________________________
City Manager	Mayor

8. Execution; Temporary Bonds. The Bonds shall be prepared, shall be executed on behalf of the City by the signatures of its Mayor and City Manager, and be sealed with the seal of the City; provided, however, that the seal of the City may be a printed (or, at the request of the Purchaser, photocopied) facsimile; and provided further that both of such signatures may be printed (or, at the request of the Purchaser, photocopied) facsimiles and the corporate seal may be omitted on the Bonds as permitted by law. In the event of disability or resignation or other absence of either such officer, the Bonds may be signed by the manual or facsimile signature of that officer who may act on behalf of such absent or disabled officer. In case either such officer whose signature or facsimile of whose signature shall appear on the Bonds shall cease to be such officer before the delivery of the Bonds, such signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if he or she had remained in office until delivery. The City may elect to deliver, in lieu of printed definitive bonds, one or more typewritten temporary bonds in substantially the form set forth above, with such changes as may be necessary to reflect more than one maturity in a single temporary bond. The temporary bonds may be executed with photocopied facsimile signatures of the Mayor and City Manager. Such temporary bonds shall, upon the printing of the definitive bonds and the execution thereof, be exchanged therefore and canceled.

9. Authentication. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this resolution unless a Certificate of Authentication on such Bond, substantially in the form herein above set forth, shall have been duly executed by an authorized representative of the Bond Registrar. Certificates of Authentication on different Bonds need not be signed by the same person. The Bond Registrar shall authenticate the signatures of officers of the City on each Bond by execution of the Certificate of Authentication on the Bond and by inserting as the date of registration in the space provided the date on which the Bond is authenticated, except that for purposes of delivering the original Bonds to the Purchaser, the Bond Registrar shall insert as a date of registration the date of original issue. The Certificate of Authentication so executed on each Bond shall be conclusive evidence that it has been authenticated and delivered under this resolution.

10. Registration; Transfer; Exchange. The City will cause to be kept at the principal office of the Bond Registrar a bond register in which, subject to such reasonable regulations as the Bond Registrar may prescribe, the Bond Registrar shall provide for the registration of Bonds and the registration of transfers of Bonds entitled to be registered or transferred as herein provided.

Upon surrender for transfer of any Bond at the principal office of the Bond Registrar, the City shall execute (if necessary), and the Bond Registrar shall authenticate, insert the date of registration (as provided in paragraph 9, with respect to authentication) of, and deliver, in the name of the designated transferee or transferees, one or more new Bonds of any authorized denomination or denominations of a like aggregate principal amount, having the same stated maturity and interest rate, as requested by the transferor; provided, however, that no Bond may be registered in blank or in the name of "bearer" or similar designation.

At the option of the Holder, Bonds may be exchanged for Bonds of any authorized denomination or denominations of a like aggregate principal amount and stated maturity, upon surrender of the Bonds to be exchanged at the principal office of the Bond Registrar. Whenever any Bonds are so surrendered for exchange, the City shall execute (if necessary), and the Bond Registrar shall authenticate, insert the date of registration of, and deliver the Bonds which the Holder making the exchange is entitled to receive.

All Bonds surrendered upon any exchange or transfer provided for in this resolution shall be promptly canceled by the Bond Registrar and thereafter disposed of as directed by the City.

All Bonds delivered in exchange for or upon transfer of Bonds shall be valid general obligations of the City evidencing the same debt, and entitled to the same benefits under this resolution, as the Bonds surrendered for such exchange or transfer.

Every Bond presented or surrendered for transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer, in form satisfactory to the Bond Registrar, duly executed by the Holder thereof or his, her or its attorney duly authorized in writing.

The Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with the transfer or exchange of any Bond and any legal or unusual costs regarding transfers and lost Bonds.

Transfers shall also be subject to reasonable regulations of the City contained in any agreement with the Bond Registrar, including regulations which permit the Bond Registrar to close its transfer books between record dates and payment dates. The City Manager, or his designee, is hereby authorized to negotiate and execute the terms of said agreement.

11. Rights Upon Transfer or Exchange. Each Bond delivered upon transfer of or in exchange for or in lieu of any other Bond shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Bond.

12. Interest Payment; Record Date. Interest on any Bond shall be paid on each Interest Payment Date by check or draft mailed to the person in whose name the Bond is registered (the "Holder") on the registration books of the City maintained by the Bond Registrar and at the address appearing thereon at the close of business on the fifteenth (15th) day of the calendar month next preceding such Interest Payment Date (the "Regular Record Date"). Any such interest not so timely paid shall cease to be payable to the person who is the Holder thereof as of the Regular Record Date, and shall be payable to the person who is the Holder thereof at the close of business on a date (the "Special Record Date") fixed by the Bond Registrar whenever money becomes available for payment of the defaulted interest. Notice of the Special Record Date shall be given by the Bond Registrar to the Holders not less than ten (10) days prior to the Special Record Date.

13. Treatment of Registered Owner. The City and Bond Registrar may treat the person in whose name any Bond is registered as the owner of such Bond for the purpose of receiving payment of principal of and premium, if any, and interest (subject to the payment provisions in paragraph 12 above, with respect to interest payment and record date) on, such Bond and for all other purposes whatsoever whether or not such Bond shall be overdue, and neither the City nor the Bond Registrar shall be affected by notice to the contrary.

14. Delivery; Application of Proceeds. The Bonds when so prepared and executed shall be delivered by the Finance Director to the Purchaser upon receipt of the purchase price, and the Purchaser shall not be obliged to see to the proper application thereof.

15. Retirement of Refunded Bonds. At closing, the City shall set aside Bond proceeds and, if necessary, other funds of the City, in an amount equal to the amount necessary to pay the principal and interest, if any, on the Refunded Bonds due and owing on November 3, 2025. Pursuant to Minnesota Statutes, Chapter 444, the City will covenant to impose and collect charges for the service, use, availability and connection to the City's wastewater treatment utility (the "Utility") to produce net revenues in amounts sufficient to support the operation of the Utility and to pay 105% of the debt service due on the Refunded Bonds to which it has pledged its Utility revenues, including the Refunded Bonds. The City will annually review the budget of the Utility to determine whether current rates and charges are sufficient and to adjust such rates and charges as necessary. The City does not anticipate the need to levy taxes for repayment of the Refunded Bonds.

16. Sufficiency of Net Revenues. Pursuant to the resolutions authorizing the Refunded Bonds, it is hereby found and determined that the estimated net revenues of the Wastewater Utility are sufficient in amount to pay when due the principal and interest on the Bonds, and the net revenues of the Wastewater Utility are hereby pledged for the payment of the Bonds and shall be applied for that purpose, but solely to the extent required to meet the principal and interest requirements of this issue as the same become due. Excess net revenues may be used for any lawful purpose. Nothing contained herein shall be deemed to preclude the City from pledges and appropriations of the net revenues of the Wastewater Utility for the payment of other or additional obligations of the City, provided that it has first been determined by the City Council that the estimated net revenues of the Wastewater Utility will be sufficient, in addition to all other sources, for the payment of these Bonds, and any other outstanding obligations and such additional obligations, and any such pledge and appropriation of the net revenues may be made superior or subordinate to, or on parity with the pledge and appropriation herein. The net revenues of the Wastewater Utility, together with any other funds pledged hereunder to the payment of the Bonds will produce at least 5% in excess of the amount needed to meet the principal and interest payments on the Bonds.

17. Fund. There is hereby created a special fund to be designated the "General Obligation Improvement and Wastewater Refunding Bonds, Series 2025B, Fund" (the "Fund") to be administered and maintained by the Finance Director as a bookkeeping account separate and apart from all other funds maintained in the official financial records of the City. The Fund shall be maintained in the manner herein specified until all of the Bonds and the interest thereon have been fully paid. There shall be maintained in the Fund two (2) separate accounts, to be designated the "Construction Account" and "Debt Service Account," respectively.

(i) Construction Account. To the Construction Account there shall be credited $_____________ of the proceeds of the sale of the Bonds, plus any special assessments levied with respect to the Improvements and collected prior to completion of the Improvements and payment of the costs thereof. From the Construction Account there shall be paid all costs and expenses of making the Improvements listed in paragraph 17, including the cost of any construction contracts heretofore let and all other costs incurred and to be incurred of the kind authorized in Minnesota Statutes, Section 475.65; and the moneys in said account shall be used for no other purpose except as otherwise provided by law; provided that the proceeds of the Bonds may also be used to the extent necessary to pay interest on the Bonds due prior to the anticipated date of commencement of the collection of special assessments herein levied or covenanted to be levied; and provided further that if upon completion of the Improvements there shall remain any unexpended balance in the Construction Account, the balance (other than any special assessments) may be transferred by the Council to the fund of any other improvement instituted pursuant to Minnesota Statutes, Chapter 429, and provided further that any special assessments credited to the Construction Account shall only be applied towards payment of the costs of the Improvements upon adoption of a resolution by the City Council determining that the application of the special assessments for such purpose will not cause the City to no longer be in compliance with Minnesota Statutes, Section 475.61, Subdivision 1.

(ii) Debt Service Account. There are hereby irrevocably appropriated and pledged to, and there shall be credited to, the Debt Service Account: (a) all collections of special assessments herein covenanted to be levied with respect to the Improvements and either initially credited to the Construction Account and not already spent as permitted above and required to pay any principal and interest due on the Bonds or collected subsequent to the completion of the Improvements and payment of the costs thereof; (b) all accrued and capitalized interest received upon delivery of the Bonds; (c) all collections of taxes herein or hereafter levied for the payment of the Bonds and interest thereon; (d) all funds remaining in the Construction Account after completion of the Improvements and payment of the costs thereof, not so transferred to the account of another improvement; (e) all investment earnings on funds held in the Debt Service Account; and (f) any and all other moneys which are properly available and are appropriated by the governing body of the City to the Debt Service Account. The Debt Service Account shall be used solely to pay the principal and interest and any premiums for redemption of the Bonds and any other general obligation bonds of the City hereafter issued by the City and made payable from said account as provided by law.

(iii) A "Revenue Bond Account" into which there shall be credited and to which there is hereby irrevocably pledged (1) the net revenues of the operation of the Wastewater Utility not otherwise pledged and applied to the payments of other parity obligations of the City, in an amount sufficient to meet the requirements of Minnesota Statutes, Section 475.61 for the payment of the principal and interest on the Bonds, (2) all collections of taxes which may hereafter be levied in the event that net revenues of the Wastewater Utility are insufficient to pay the principal and interest on the Bonds, (3) all investment earnings in the Revenue Bond Account, and (4) any and all other moneys which are properly available and are appropriated by the governing body of the

City to the Revenue Bond Fund. No money shall be paid out of the Revenue Bond Account except to pay principal of, and interest on, the Bonds.

No portion of the proceeds of the Bonds shall be used directly or indirectly to acquire higher yielding investments or to replace funds which were used directly or indirectly to acquire higher yielding investments, except (1) for a reasonable temporary period until such proceeds are needed for the purpose for which the Bonds were issued and (2) in addition to the above in an amount not greater than the lesser of five percent (5%) of the proceeds of the Bonds or $100,000. To this effect any special assessments against benefitted properties are also pledged to the Fund, in excess of amounts which under then-applicable federal arbitrage regulations may be invested without regard to yield shall not be invested at a yield in excess of the applicable yield restrictions imposed by said arbitrage regulations on such investments after taking into account any applicable "temporary periods" or "minor portion" made available under the federal arbitrage regulations. Money in the Fund shall not be invested in obligations or deposits issued by, guaranteed by or insured by the United States or any agency or instrumentality thereof if and to the extent that such investment would cause the Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Internal Revenue Code of 1986, as amended (the "Code").

18. Assessments. It is hereby determined that no less than twenty percent (20%) of the cost to the City of each Improvement financed hereunder within the meaning of Minnesota Statutes, Section 475.58, Subdivision 1(3), shall be paid by special assessments to be heretofore levied against every assessable lot, piece and parcel of land benefitted by any of the Improvements. The City hereby covenants and agrees that it will let all construction contracts not heretofore let within one (1) year after ordering each Improvement financed hereunder unless the resolution ordering the Improvement specifies a different time limit for the letting of construction contracts. The City hereby further covenants and agrees that it will do and perform as soon as they may be done all acts and things necessary for the final and valid levy of such special assessments, and in the event that any such assessment be at any time held invalid with respect to any lot, piece or parcel of land due to any error, defect, or irregularity in any action or proceedings taken or to be taken by the City or the City Council or any of the City officers or employees, either in the making of the assessments or in the performance of any condition precedent thereto, the City and the City Council will forthwith do all further acts and take all further proceedings as may be required by law to make the assessments a valid and binding lien upon such property. It is hereby determined that the assessments shall be payable in equal, consecutive, installments of principal, with interest on the declining balance, with general taxes for the years shown below and with interest on the declining balance of all such assessments at a rate per annum not greater than the maximum permitted by law and not less than 5.40% per annum:

Improvement Designation	Amount	Levy Years	Collection Years
Project 24-A2-02	$ 690,148	2025-2051	2026-2052
Project 24-A2-04	3,263,271	2025-2045	2026-2046
Project 24-A2-05	776,764	2025-2045	2026-2046
Project 24-A2-06	2,067,876	2025-2045	2026-2046

Project 24-A2-09	1,099,000	2025-2045	2026-2046
Project 24-A2-03	1,143,724	2025-2045	2026-2046
Project 23-A6-02	455,981	2025-2045	2026-2046
Project 25-A2-01	1,300,386	2025-2045	2026-2046
Project 25-A2-02	2,765,200	2025-2045	2026-2046
Project 25-A2-03	1,491,449	2025-2045	2026-2046

Pursuant to State law and City policy, some of the assessments for some of the districts set out above may be deferred for a number of years. In addition the City intends to pay for a portion of the above costs permanently by the tax levy set forth in paragraph 17, without assessing the full amount to individual properties. At the time the assessments are in fact levied each year, the City Council shall, based on the then-current estimated collections of the assessments, make any adjustments in any ad valorem taxes required to be levied in order to assure that the City continues to be in compliance with Minnesota Statutes, Section 475.61, Subdivision 1.

19. Tax Levy; Coverage Test. To provide monies for the payment of principal and interest on the Bonds there is hereby levied upon all of the taxable property in the City a direct annual ad valorem tax which shall be spread upon the tax rolls and collected with and as part of, other general property taxes in said City for the years and in the amounts as follows:

Year of Tax Levy	Year of Tax Collection	Amount
2026	2027	$
2027	2028	
2028	2029	
2029	2030	
2030	2031	
2031	2032	
2032	2033	
2033	2034	
2034	2035	
2035	2036	
2036	2037	
2037	2038	
2038	2039	
2039	2040	
2040	2041	
2041	2042	
2042	2043	
2043	2044	
2044	2045	
2045	2046	

Said tax levies are such that if collected in full they, together with estimated collections of investment earnings and other revenues herein pledged for the payment of the Bonds will, if collected when due, produce at least five percent (5%) in excess of the amount needed to meet when due the principal and interest payments on the Bonds.

The tax levies shall be irrepealable so long as any of the Bonds are outstanding and unpaid, provided that the City reserves the right and power to reduce the levies in the manner and to the extent permitted by Minnesota Statutes, Section 475.61(3).

20. General Obligation Pledge. For the prompt and full payment of the principal and interest on the Bonds, as the same respectively become due, the full faith, credit and taxing powers of the City shall be and are hereby irrevocably pledged. If the balance in the Fund is ever insufficient to pay all principal and interest then due on the Bonds and any other bonds payable therefrom, the deficiency shall be promptly paid out of any other funds of the City which are available for such purpose, and such other funds may be reimbursed with or without interest from the Fund when a sufficient balance is available therein.

21. Certificate of Registration. The City Manager is hereby directed to file a certified copy of this resolution with the County Auditor of Clay County, Minnesota, together with such other information as he or she shall require, and to obtain the County Auditor's certificate that the Bonds have been entered in the County Auditor's Bond Register, and that the tax levy required by law for the Bonds has been made.

22. Records and Certificates. The officers of the City are hereby authorized and directed to prepare and furnish to the Purchaser, and to the attorneys approving the legality of the issuance of the Bonds, certified copies of all proceedings and records of the City relating to the Bonds and to the financial condition and affairs of the City, and such other affidavits, certificates and information as are required to show the facts relating to the legality and marketability of the Bonds as the same appear from the books and records under their custody and control or as otherwise known to them, and all such certified copies, certificates and affidavits, including any heretofore furnished, shall be deemed representations of the City as to the facts recited therein.

23. Defeasance. When all Bonds have been discharged as provided in this paragraph, all pledges, covenants and other rights granted by this resolution to the registered holders of the Bonds shall, to the extent permitted by law, cease. The City may discharge its obligations with respect to any Bonds which are due on any date by irrevocably depositing with the Bond Registrar on or before that date a sum sufficient for the payment thereof in full; or if any Bond should not be paid when due, it may nevertheless be discharged by depositing with the Bond Registrar a sum sufficient for the payment thereof in full with interest accrued to the date of such deposit. The City may also discharge its obligations with respect to any prepayable Bonds called for redemption on any date when they are prepayable according to their terms, by depositing with the Bond Registrar on or before that date a sum sufficient for the payment thereof in full, provided that notice of redemption thereof has been duly given. The City may also at any time discharge its obligations with respect to any Bonds, subject to the provisions of law now or hereafter authorizing and regulating such action, by depositing irrevocably in escrow, with a suitable banking institution qualified by law as an escrow agent for this purpose, cash or securities described in Minnesota Statutes, Section 475.67, Subdivision 8, bearing interest payable at such times and at such rates and maturing on such dates as shall be required, subject

to sale and/or reinvestment, to pay all amounts to become due thereon to maturity or, if notice of redemption as herein required has been duly provided for, to such earlier redemption date.

24. Negative Covenant as to Use of Proceeds. The City hereby covenants not to use the proceeds of the Bonds, or to cause or permit them to be used, in such a manner as to cause the Bonds to be "private activity bonds" within the meaning of Sections 103 and 141 through 150 of the Code.

25. **NOT** Designated as Qualified Tax-Exempt Obligations. The Bonds have **not** been designated as “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Code.

26. Tax-Exempt Status of the Bonds; Rebate. The City shall comply with requirements necessary under the Code to establish and maintain the exclusion from gross income under Section 103 of the Code of the interest on the Bonds, including without limitation (1) requirements relating to temporary periods for investments, (2) limitations on amounts invested at a yield greater than the yield on the Bonds, and (3) the rebate of excess investment earnings to the United States if the Bonds (together with other obligations reasonably expected to be issued and outstanding at one time in this calendar year) exceed the small-issuer exception amount of $5,000,000.

27. Compliance with Reimbursement Bond Regulations. The provisions of this paragraph are intended to establish and provide for the City's compliance with United States Treasury Regulations Section 1.150-2 (the "Reimbursement Regulations") applicable to the "reimbursement proceeds" of the Bonds, being those portions thereof which will be used by the City to reimburse itself for any expenditure which the City paid or will have paid prior to the Closing Date (a "Reimbursement Expenditure").

The City hereby certifies and/or covenants as follows:

(a) Not later than 60 days after the date of payment of a Reimbursement Expenditure, the City (or person designated to do so on behalf of the City) has made or will have made a written declaration of the City's official intent (a "Declaration") which effectively (i) states the City's reasonable expectation to reimburse itself for the payment of the Reimbursement Expenditure out of the proceeds of a subsequent borrowing; (ii) gives a general and functional description of the property, project or program to which the Declaration relates and for which the Reimbursement Expenditure is paid, or identifies a specific fund or account of the City and the general functional purpose thereof from which the Reimbursement Expenditure was to be paid (collectively the "Project"); and (iii) states the maximum principal amount of debt expected to be issued by the City for the purpose of financing the Project; provided, however, that no such Declaration shall necessarily have been made with respect to: (i) "preliminary expenditures" for the Project, defined in the Reimbursement Regulations to include engineering or architectural, surveying and soil testing expenses and similar prefatory costs, which in the aggregate do not exceed 20% of the "issue price" of the Bonds, and (ii) a *de minimis* amount of Reimbursement Expenditures not in excess of the lesser of $100,000 or 5% of the proceeds of the Bonds.

(b) Each Reimbursement Expenditure is a capital expenditure or a cost of issuance of the Bonds or any of the other types of expenditures described in Section 1.150-2(d)(3) of the Reimbursement Regulations.

(c) The "reimbursement allocation" described in the Reimbursement Regulations for each Reimbursement Expenditure shall and will be made forthwith following (but not prior to) the issuance of the Bonds and in all events within the period ending on the date which is the later of three years after payment of the Reimbursement Expenditure or one year after the date on which the Project to which the Reimbursement Expenditure relates is first placed in service.

(d) Each such reimbursement allocation will be made in a writing that evidences the City's use of Bond proceeds to reimburse the Reimbursement Expenditure and, if made within 30 days after the Bonds are issued, shall be treated as made on the day the Bonds are issued.

Provided, however, that the City may take action contrary to any of the foregoing covenants in this paragraph 26 upon receipt of an opinion of its Bond Counsel for the Bonds stating in effect that such action will not impair the tax-exempt status of the Bonds.

28. Continuing Disclosure.

(a) The City is the sole obligated person with respect to the Bonds. The City hereby agrees, in accordance with the provisions of Rule 15c2-12 (the "Rule"), promulgated by the Securities and Exchange Commission (the "Commission") pursuant to the Securities Exchange Act of 1934, as amended, and a Continuing Disclosure Undertaking (the "Undertaking") hereinafter described to:

> (1) Provide or cause to be provided, in a timely manner, to (i) each nationally recognized municipal securities information repository ("NRMSIR") or to the Municipal Securities Rulemaking Board ("MSRB") and (ii) the state information depository (the "SID"), if any, notice of the occurrence of certain material events with respect to the Bonds in accordance with the Undertaking.
>
> (2) The City agrees that its covenants pursuant to the Rule set forth in this paragraph and in the Undertaking are intended to be for the benefit of the holders and any other beneficial owners of the Bonds and shall be enforceable on behalf of such holders and beneficial owners; provided that the right to enforce the provisions of these covenants shall be limited to a right to obtain specific enforcement of the City's obligations under the covenants.

(b) The Mayor and Clerk of the City, or any other officer of the City authorized to act in their place, (the "Officers") are hereby authorized and directed to execute on behalf of the City the Undertaking in substantially the form presented to the Council, subject to such modifications thereof or additions thereto as are (i) consistent with the requirements under the Rule, (ii) required by the purchaser of the Bonds and (iii) acceptable to the Officers.

29. Notice of Redemption of Refunded Bonds. The Finance Director is hereby authorized to call for redemption the Refunded Bonds on November 3, 2025.

30. Severability. If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this resolution.

31. Headings. Headings in this resolution are included for convenience of reference only and are not a part hereof, and shall not limit or define the meaning of any provision hereof.

32. Minnesota Law Applies. This resolution will be controlled by the laws of the State of Minnesota.

33. Official Statement. The Official Statement relating to the Bonds, substantially in the form presented at this meeting, is hereby approved. The officers of the City are hereby authorized and directed to execute such certificates as may be appropriate concerning the accuracy, completeness and sufficiency of the Official Statement.

34. Electronic Signatures. In the event that any signature required to execute this Resolution, the Bond documents, or other closing documents is delivered by facsimile transaction or by e-mail delivery of a "pdf" format data file, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or "pdf" signature page were an original thereof. The Moorhead Mayor, Moorhead City Manager, and Moorhead Finance Director are authorized to executed documents with electronic signatures as permitted by law or regulation.

(Signatures on the following page.)

Passed by the Moorhead City Council this 25th day of August, 2025.

APPROVED BY:

____
Mayor

ATTEST:

____
City Clerk

The motion for the adoption of the foregoing resolution was duly seconded by Member ____________, and after a full discussion thereof and upon a vote being taken thereon, the following voted in favor thereof: ____ ____, and the following voted against the same: _________. The following were absent and not voting: _____________, whereupon said resolution was declared duly passed and adopted.

City Council Communication

August 25, 2025

SUBJECT:
Second Reading for Ordinance 2025-08: An Ordinance Granting a Fiber Optic Franchise to Gateway Infrastructure, LLC.

RECOMMENDATION:
The Mayor and City Council are asked to consider the second reading of Ordinance 2025-08: An Ordinance Granting a Fiber Optic Franchise to Gateway Infrastructure, LLC granting a non-exclusive Fiber Optic Franchise to Gateway Infrastructure, LLC to install, maintain, operate and control a fiber optic infrastructure network in the city public right-of-way for the purpose of offering communication services, including broadband internet access service and voice over internet protocol services, but excluding multichannel video programming services that would be subject to a video services franchise, to residents and businesses in the city.

BACKGROUND/KEY POINTS:
Gateway Infrastructure, LLC is seeking to build a fiber optic network in the community and is seeking to use the public right-of-way for this purpose. The City Charter requires that companies be issued a franchise to conduct this activity in the public right-of-way.

FINANCIAL CONSIDERATIONS:
They are not offering multichannel video programming services, so a franchise fee cannot be required, however, the City's permitting fees for the use of the right-of-way will be paid to compensate for the impact on the right-of-way and the costs the City incurs.

Voting Requirements: Majority of Council

Submitted By:
Dan Mahli, City Manager
Mike Rietz, Assistant City Manager

Attachments:

ORDINANCE NO. 2025-08

AN ORDINANCE TO AMEND AND REENACT CHAPTER 16 OF TITLE I OF THE MOORHEAD MUNICIPAL CODE RELATING TO REGULATION OF FIBER OPTIC FRANCHISE

BE IT ORDAINED by the City Council of the City of Moorhead, as follows:

SECTION 1. Chapter 16 of Title 1 of the Moorhead Municipal Code is hereby amended and reenacted to read as follows:

CHAPTER 16

REGULATION OF FIBER OPTIC FRANCHISE

Sections:

1-16-1: REGULATION OF NON-EXCLUSIVE FIBER OPTIC FRANCHISE:

<u>Gateway Infrastructure, LLC, a Delaware limited liability company, its successors and assigns, is hereby granted a nonexclusive franchise to install, maintain, operate, and control a fiber optic infrastructure network in the city public ROW for the purpose of offering communications services, including broadband internet access service and voice over internet protocol services, but excluding multichannel video programming services that would be subject to a video services franchise, to residents and businesses in the city.</u>

Ubiquity, a Nebraska limited liability company, its successors and assigns, is hereby granted a nonexclusive franchise to install, maintain, operate, and control a fiber optic infrastructure network in the city public ~~row~~ROW for the purpose of offering communications services, including broadband internet access service and voice over internet protocol services, but excluding multichannel video programming services that would be subject to a video services franchise, to residents and businesses in the city.

1-16-2: SHORT TITLE:

This chapter will be known and cited as the *CITY OF MOORHEAD FIBER OPTIC FRANCHISE ORDINANCE,* hereinafter referred to as this "chapter."

1-16-3: DEFINITIONS:

For the purpose of this chapter, the following terms, phrases, words, and their derivations shall have the meanings given herein. When not inconsistent with the context, words used in the present tense include the future, words in the plural number include the singular number and words in the singular number include the plural number. The words "shall" and "will" are mandatory and "may" is permissive. Words not defined will be given their common and ordinary meanings.

AGREEMENT: The non-exclusive public franchise agreement by and between the city and franchisee~~ dated __________, 2025~~.

BROADBAND INTERNET SERVICE: Broadband internet access service as defined in 47 C.F.R. § 8.1(b).

CITY: The city of Moorhead, county of Clay, state of Minnesota.

CITY OF MOORHEAD RIGHT-OF-WAY DETAILS AND STANDARDS: As defined in the agreement, as amended from time to time.

CUSTOMERS: Residents and businesses in the city.

FIBER OPTICS: a technology that transmits data, images, and voice over long distances by using light pulses to travel through glass or plastic fibers. Fiber optic cables have several advantages over copper cables, including higher bandwidth and transmit speeds. Fiber optic networks are also more stable and less likely to overload, making them faster for downloading and streaming.

FRANCHISE: permission granted by the city to franchisee to use and occupy the city public ~~row~~ROW for the limited purpose of performing the work.

FRANCHISEE: Gateway Infrastructure, LLC, a Delaware limited liability company, its successors and assigns, and Ubiquity, a Nebraska limited liability company, its successors and assigns.

NETWORK: a fiber optic infrastructure network of equipment and facilities.

NETWORK FACILITIES: aerial or underground fiber optic cables, lines, wires, or strands; underground conduits, vaults, access manholes and handholes; electronic equipment; power generators; batteries; pedestals; boxes; cabinets; vaults; and other similar equipment and/or facilities.

PERSON: any individual, corporation, partnership, limited liability company, trust, joint stock company, business trust, unincorporated association, joint venture, governmental authority, or other entity of any nature whatsoever.

PUBLIC ROW: land owned by the city for park, open space, or similar purpose, which is held for use in common by the public and the use of which the city has jurisdiction over, as more fully set forth in the agreement.

ROW: right of way.

SERVICES: Communications services, including broadband internet services and voice over internet protocol services, but excluding multichannel video programming services that would be subject to a video services franchise.

WORK: The franchisee constructing, installing, repairing, maintaining, operating, and if necessary removing the network and the related network facilities in the city public ~~row~~ROW.

1-16-4: ADOPTION OF FRANCHISE:

A. Effective Date; Written Acceptance: A separate ~~franchise~~ agreement may become effective from and after passage of this chapter, its acceptance by franchisee, and its publication as required by law. The city, by council resolution, may revoke the agreement if franchisee does not file a written acceptance with the city clerk within ninety (90) days after publication.

B. Publication Expense: The expense of publication of this chapter will be paid by the city and the city will be reimbursed by franchisee.

C. Dispute Resolution: If either party asserts that the other party is in default in the performance of any obligation of an~~ franchise~~ agreement or in violation of the chapter, the complaining party shall notify the other party of the default and the desired remedy. The notification must be written. Representatives of the parties must promptly meet and attempt in good faith to negotiate a resolution of the dispute. If the dispute is not resolved within thirty (30) days of the written notice, the parties may jointly select a mediator to facilitate further discussion. The parties will equally share the fees and expenses of this mediator. If a mediator is not used or if the parties are unable to resolve the dispute within thirty (30) days after first meeting with the selected mediator, either party may commence an action in district court to interpret and enforce this franchise or for such other relief as may be permitted by law or equity for breach of contract, or either party may take any other action permitted by law.

1-16-5: **PERMISSION TO USE AND OCCUPY:**

A. Permission to Use and Occupy City Public ROW: The city grants franchisee permission to use and occupy the city public ~~row~~ROW as set forth in the agreement and on file with the city and as expanded from time to time by this city to (the "Franchise") for the limited purpose of constructing, installing, repairing, maintaining, operating, and if necessary removing the network and the related network facilities (the "work"), as set forth in the agreement. The franchise does not authorize franchisee to use any property other than the city public ~~row~~ROW. Franchisee's use of any city owned property, including any and all above ground infrastructure, *inter alia*, consisting of poles and conduits, will be governed under a separate agreement regarding that use and the city retains the exclusive right to deny the use of the city's above ground infrastructure for any reason. In accordance with the city's standards for work within city ~~row~~ROW, technical details governing franchisee's use and occupancy of the city public ~~row~~ROW to perform the work are set forth in the agreement. These details and standards are ~~subject to periodic change~~routinely updated and posted on the city's official website; therefore, the latest version, as amended from time to time, shall govern.

B. Subject to Federal, State, and Local Law: The franchise is subject to city's valid authority under federal, state, and local laws as they exist now or may be amended from time-to-time, and subject to the conditions set forth in this chapter. In the event of a material conflict between the terms of local law and the applicable provisions of the agreement, the applicable provisions of the agreement will prevail.

C. Subject to City's Right to Use City Public ROW: The franchise is subject and subordinate to city's prior and continuing right to use the city public ~~row~~ROW, including constructing, installing, operating, maintaining, repairing, or removing streets, roads, causeways, bridges, sewers, water pipes, storm drains, gas pipes, utility poles, overhead and underground electric lines and related facilities, and any and all other public utility and municipal uses.

D. Subject to Pre-Existing Property Interests: City's grant of the franchise is non-exclusive and subject to all valid pre-existing easements, restrictions, conditions, covenants, encumbrances, superior claims of title or other property interests that may affect the city public ~~row~~ROW, in addition to those uses permitted by the revised ordinances of the city. Franchisee will obtain at its own cost and expense any required permission or rights as may be necessary to accommodate such pre-existing property interests, so long as such pre-existing interests do not contravene state or federal law.

E. No Grant of Property Interest: The franchise does not grant or convey any property interest.

F. Non-Exclusive: The franchise is not exclusive. City expressly reserves the right to grant permits, franchises, privileges or other rights to any other individual, corporation, partnership, limited liability company, trust, joint stock company, business trust, unincorporated association, joint venture, governmental authority or other entity of any nature whatsoever ("person"), as well as the right in its own name as a city, to use public ~~row~~ROW for similar or different purposes allowed franchisee under this chapter.

1-16-6: FRANCHISEE'S OBLIGATIONS:

A. Individual Permits Required: Subject to the requirements as described in the agreement, as amended from time to time, franchisee will obtain city's approval of required individual encroachment, construction, excavation, and other necessary permits before placing its network facilities in the city public ~~row~~ROW or other property of city as authorized. Franchisee will pay for all lawful processing, field marking, engineering, and inspection fees associated with the issuance of individual permits by city. ~~The "City of Moorhead Right-of-Way Details and Standards" attached to the agreement is routinely updated and posted on the city's website; therefore, the latest version posted on the city's website shall always govern.~~

B. Franchisee's Sole Cost and Expense: Franchisee will perform the work at its sole cost and expense, or with any local, state, or federal grants, and other funding that may become available to franchisee.

C. Compliance with Laws: Franchisee will comply with all applicable laws and regulations when performing the work. franchisee will place its network facilities in conformance with the required permits, plans, and drawings approved by city.

D. Reasonable Care: Franchisee will exercise reasonable care when performing the work and will use commonly accepted practices and equipment to minimize the risks of personal injury, property damage, soil erosion, and pollution of surface or groundwater.

E. No Nuisance: Franchisee will maintain its network facilities in good and safe condition.

F. Repair: Franchisee will promptly repair any damage to the city public ~~row~~ROW, city property, or private property if such damage is directly caused by franchisee's work and no other person is responsible for the damage (e.g., where a person other than franchisee fails to accurately or timely locate its underground facilities as required by applicable law). Franchisee will repair the damaged property to a condition equal to or better than that which existed prior to the damage. franchisee's obligation under this will be limited by, and consistent with, any applicable seasonal or other restrictions on construction or restoration work.

G. As-Built Drawings, Maps, and GIS Data: Franchisee will maintain accurate as-built drawings, maps, and Geographic Information System (GIS) data of its network facilities located in the city public ~~row~~ROW. Franchisee will provide these to the city upon reasonable request and on a mutually agreed timetable (e.g., piecemeal following the closure of each permit, or all at once after all the work is complete), subject to applicable confidentiality protections.

H. Network Design: Nothing in this chapter requires franchisee to build to all areas of city, and franchisee retains the discretion to determine the scope, location, and timing of the design and construction of the network facilities.

1-16-7: CITY'S OBLIGATIONS:

Notwithstanding city's obligation as outlined in this section, franchisee's use of city public ~~row~~ROW or city property shall be conducted in a manner consistent with lawful and applicable public easement rights.

A. Emergency Removal or Relocation by City: In the event of a public emergency that creates an imminent threat to the health, safety, or property of city or its residents, city and/or other public utilities may remove or relocate the applicable portions of the network facilities without prior notice to franchisee. City and any affected public utility will, however, make best efforts to provide prior notice to franchisee before making an emergency removal or relocation. In any event, city and any other public utility benefiting from this provision will promptly provide franchisee a written description of any emergency removals or relocations of franchisee's network facilities. Franchisee will reimburse city and any affected public utility for its actual, reasonable, and documented costs or expenses incurred for any such emergency work, the direct cause of which was franchisee's construction, installation, operation, maintenance, repair, or removal of its network facilities. Franchisee's obligation to reimburse city and any affected public utility under this section will be separate from franchisee's obligation to reimburse city for any other reasonable expense city may incur.

B. Relocation to Accommodate Governmental Purposes: Franchise shall be subject to and shall comply with Title 8 Chapter 4, Right of Way Management, of the Moorhead Municipal Code whenever working within city public ~~row~~ROW. If franchisee's then-existing network facilities would interfere with planned use of the city public ~~row~~ROW or city property of the city of Moorhead, the state of Minnesota, or any other political subdivision (as defined by the IRS) for any governmental purpose as reasonably determined by the city, franchisee will, upon written notice from any of the foregoing entities, relocate its network facilities at franchisee's own expense to such other location or locations in the city public ~~row~~ROW as may be mutually agreed by the parties, taking into account the needs of the governmental purpose. Franchisee will relocate its network facilities within a commercially reasonable period of time agreed to by the parties, taking into account the urgency of the need for relocation, the difficulty of the relocation, ~~and~~ other relevant facts and circumstances, and in accordance with the agreement.

C. Relocation to Accommodate Non-Governmental Purposes: If franchisee's then-existing network facilities would interfere with a third-party's use of the city public ~~row~~ROW, franchisee will not be required to relocate its network facilities unless the city reasonably determines in writing to franchisee, that a failure to relocate network facilities will result in a significant and material detriment or financial loss to the citizens of the city of Moorhead. In that event, franchisee may be entitled to reimbursement for reasonable costs and expenses incurred in relation to the relocation of its network facilities as between the franchisee and the third party, as set forth in the agreement. If there is a dispute between franchisee and the affected third party, city will attempt to mediate the dispute between the parties so as to avoid or mitigate unreasonable delays.

D. Post-Removal Restoration of City Public ROW: When removal or relocation is required under this chapter, franchisee will, after the removal or relocation of the network facilities, at its own cost, repair and return the city public ~~row~~ROW in which the facilities were located to the same or similar conditions existing prior to the franchisee's construction, and shall comply with Title 8 Chapter 4, Right of Way Management, of the Moorhead Municipal Code.

1-16-8: COSTS TO BE PAID BY FRANCHISEE:

A. Franchisee shall pay the city the following costs: inspection, relocation and facility location costs, all barricading, traffic detour or warning signing or flagging not actually performed by franchisee, and for all other actual and reasonable direct expenses actually incurred by city in regulating franchisee's use and occupancy of city public ~~row~~ROW granted in this chapter. All direct costs assessed by the city to franchisee will be consistent with applicable law.

B. In the event of a change in applicable law that permits city to impose and collect a franchise fee from franchisee pursuant to this chapter, city shall provide written notice to franchisee of its intent to exercise its franchise fee rights. The parties shall cooperate and negotiate in good faith to amend this chapter and the agreement.

1-16-9: CONTRACTORS AND SUBCONTRACTORS:

A. Use of Contractors and Subcontractors: Franchisee may retain contractors and subcontractors to perform the work on franchisee's behalf.

B. Contractors to be Franchised: Franchisee's contractors and subcontractors used for the work will be properly franchised under applicable law, and as set forth in the agreement.

C. Authorized Individuals: Franchisee's contractors and subcontractors may submit individual permit applications to city on franchisee's behalf, so long as the permit applications are signed by individuals that franchisee has authorized to act on its behalf via a letter of authorization provided to city in the form attached to the agreement ("Authorized Individuals"). City will accept permit applications under this chapter submitted and signed by authorized individuals, and will treat those applications as if they had been submitted by franchisee under this chapter.

1-16-10: DEFENSE AND INDEMNITY:

A. Obligations: Commencing on the effective date of this chapter, Franchisee shall defend, indemnify, and hold harmless the city, and its officers, employees, agents, consultants, subcontractors, and representatives, from and against any and all claims, losses, liabilities, damages, expenses, demands, suits, fines, judgments, costs, expenses, and fees (including all reasonable fees and charges of attorneys, engineers, architects, and other professionals and all court, arbitration, mediation, or other resolution costs) arising out of or relating to any and all claims by third parties for property damage or bodily injury, including death, to the proportionate extent caused by any negligent act or omission of franchisee, any subcontractor, any supplier, or any individual or entity directly or indirectly employed by any of them to perform any of the work or anyone for whose acts any of them may be liable, and including all reasonable costs, expenses, and fees incurred by the city in establishing and litigating the existence, scope, or any other matters relating to franchisee's obligations to defend, indemnify, and hold harmless. Franchisee's obligations to defend will be free of any conflicts of interest, even if retention of separate legal counsel is necessary. Franchisee's duties to defend, indemnify, and hold harmless include anything in excess of any minimum insurance requirements described in the agreement, and anything in excess of any of franchisee's insurance policy limits. Franchisee's obligations to defend, indemnify, and hold harmless will continue for a period of ~~not less than~~ six (6) years following the date of completion of the work or any termination or expiration of this chapter or termination of the agreement, whichever date occurs last.

The indemnified party shall provide notice, as set forth in the agreement, to franchisee~~'s~~ after obtaining knowledge of any claim that it may have pursuant to this Section 1-16-10. In the event the indemnified party pursues a claim pursuant to this Section 1-16-10, the indemnified party will also provide relevant information and assistance to franchisee.

B. Exclusions: Section 1-16-10 (Defense and Indemnity) will not apply to the extent the underlying allegation (a) arises from or is related to the negligence or willful misconduct of an indemnified party or (b) is made by city's employee and covered under applicable workers' compensation laws.

1-16-11: LIMITATION OF LIABILITY:

NEITHER PARTY WILL BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, EXEMPLARY OR PUNITIVE DAMAGES IN CONNECTION WITH THE

AGREEMENT. THE PARTIES ACKNOWLEDGE THAT THIS LIMITATION WILL BE SUBJECT TO AND MAY BE LIMITED BY APPLICABLE LAW.

1-16-12: PERFORMANCE BOND:

Franchisee will provide city with a performance bond in the amount as set forth in the terms and conditions of the permit for work within the public ~~row~~ROW.

1-16-13: INSURANCE:

Franchisee will carry and maintain liability insurance in the amounts and in accordance with the terms set forth in the permit for work within the public ~~row~~ROW.

1-16-14: TERM:

The agreement is effective on the date the last party to sign executes the agreement, and will expire as set forth in the agreement ~~("effective date")~~. ~~The agreement will expire automatically on the fifth (5th) anniversary of the effective date ("original term") unless earlier terminated in accordance with the provisions herein. Thereafter, the agreement will automatically renew for successive five (5) year terms (each a "renewal term") unless a party provides at least ninety (90) days' prior written notice to the other party of its intent not to renew.~~

1-16-15: TERMINATION:

A. Termination by City: City may terminate the agreement if franchisee is in material breach of the agreement, provided that city must first provide franchisee written notice of the breach and one hundred eighty (180) days to cure, unless the cure cannot reasonably be accomplished in that time period, in which case franchisee must commence its efforts to cure within that time period and the cure period will continue as long as such diligent efforts continue. no termination under this paragraph will be effective until the relevant cure period has expired.

B. Termination by Franchisee: Franchisee may terminate the agreement for convenience upon one hundred eighty (180) days' written notice to city.

1-16-16: ASSIGNMENT:

Except as set forth below, neither party may assign or transfer its rights or obligations under the agreement, in whole or part, to a third party, without the written consent of the other party. Any agreed upon assignee will take the place of the assigning party, and the assigning party will be released from all of its rights and obligations upon such assignment.

A. Notwithstanding the foregoing, franchisee may at any time, on written notice to city, assign the agreement or any or all of its rights and obligations under the agreement:

1. to any affiliate (as defined below) of franchisee;

2. to any successor in interest of franchisee's business operations in city in connection with any merger, acquisition, or similar transaction if franchisee determines after a reasonable investigation that the successor in interest has the resources and ability to fulfill the obligations of the agreement; or

3. to any purchaser of all or substantially all of franchisee's network facilities in city if franchisee determines after a reasonable investigation that the purchaser has the resources and ability to fulfill the obligations of the agreement.

B. Following any assignment of the agreement to an affiliate, franchisee will not remain responsible for such affiliate's performance under the terms of the agreement. For purposes of this section, (a) "Affiliate" means any person that now or in the future, directly or indirectly controls, is controlled with or by, or is under common control with franchisee; and (b) "control" means, with respect to: (i) a U.S. corporation, the ownership, directly or indirectly, of fifty percent (50%) or more of the voting power to elect directors thereof, or (ii) a non-U.S. corporation, if the voting power to elect directors thereof is less than fifty percent (50%), the maximum amount allowed by applicable law; and (iii) any other person, fifty percent (50%) or more ownership interest in said person, or the power to direct the management of such person.

1-16-17: NOTICE:

All notices related to this chapter will be in writing and sent, if to franchisee to the ~~email~~ addresses set forth ~~below~~in the agreement, and if to city, to the city of Moorhead, Attn: City Manager, P.O. Box 779, Moorhead, MN 56561-0779, with a copy to the City Attorney at Ohnstad Twichell, P.C., P.O. Box 458, West Fargo, ND 58078-0458. Notices are effective (a) when delivered in person, (b) upon confirmation of a receipt when transmitted by electronic mail, (c) on the next business day if transmitted by registered or certified mail, postage prepaid (with confirmation of delivery), (d) on the next business day if transmitted by overnight courier (with confirmation of delivery), or (e) three (3) days after the date of mailing, whichever is earlier.

1-16-18: GENERAL PROVISIONS:

The agreement is governed by the laws of the state of Minnesota and any dispute arising hereunder shall be venued in Clay County, Minnesota. Neither party will be liable for failure or delay in performance to the extent caused by circumstances beyond its reasonable control. The agreement, including any exhibits thereto, sets out all terms agreed between the parties and supersedes all previous or contemporaneous agreements between the parties relating to its subject matter. The agreement, including any exhibits, constitutes the entire agreement between the parties related to this subject matter, and any change to its terms, including, but not limited to, amendments or modifications, must be in writing and signed by the parties. The parties may execute the agreement in counterparts, including facsimile, PDF, and other electronic copies, which taken together will constitute one instrument. Each party to the agreement agrees that franchisee may use electronic signatures.

1-16-19: APPROVAL:

The agreement shall not be effective until the execution of the agreement by the city has been approved by resolution of its city council.

1-16-20: NON-DISCRIMINATION:

Franchisee will comply (and similarly require compliance by contractors from time to time used or hired to plan, construct, or maintain network facilities pursuant to the agreement) with applicable federal, state, and local laws with respect to prohibitions against discrimination on the basis of race, color sex, age, disability, political or religious opinions, affiliations, or national origin.

1-16-21: HOME RULE CHARTER:

Except as permitted under Minnesota law, no elected official or officer or employee of the city shall have a financial interest, direct or indirect, in any city contract. Any violation of this section, with the knowledge of the person or corporation entering into said contract with the city as of the effective date may render said contract voidable by the city council. City recognizes and acknowledges that ownership of less than controlling shares of stock of franchisee's direct parent by an elected officer/employee of the city does not render the agreement void or voidable.

1-16-22: RESERVATION OF RIGHTS:

The parties expressly reserve any rights either of them may have under state or federal law concerning the subject matter of the agreement and further agree that by execution and performance of the agreement, neither party shall be deemed to have waived any such rights.

1-16-23: SEVERABILITY:

If any part of the agreement is deemed invalid, illegal, or unenforceable, the remainder of the agreement will remain in effect.

SECTION 2. This ordinance shall take effect upon publication in accordance with the Moorhead City Charter.

PASSED: August 25, 2025 by the City Council of the City of Moorhead.

APPROVED BY:	ATTEST:
______________________________	______________________________
Michelle (Shelly) A. Carlson Mayor	Christina Rust City Clerk

First Reading: 08/11/2025
E-Post: 08/13/2025
Second Reading: 08/25/2025
Date of Publication:

RESOLUTION

Resolution to Approve Title & Summary of Ordinance 2025-08

WHEREAS, the City Council of the City of Moorhead did pass a second reading of Ordinance 2025-08: An Ordinance Granting a Fiber Optic Franchise to Gateway Infrastructure, LLC; and

WHEREAS, a Title and Summary for publication of the above Ordinance was submitted to the City Council for its review in accordance with Section 3.07 of the Moorhead City Charter; and

WHEREAS, the City Council has reviewed the Title and Summary for said Ordinance for approval and determined that the Title and Summary informs the public of the intent and effect of the Ordinance.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Moorhead, Minnesota that the Title and Summary for Ordinance 2025-08: An Ordinance Granting a Fiber Optic Franchise to Gateway Infrastructure, LLC is hereby approved. A copy of said Title and Summary was before the City Council and is now of record and on file in the Office of the City Clerk.

BE IT FURTHER RESOLVED by the City Council of the City of Moorhead, Minnesota that the City Clerk is hereby authorized and directed to publish said Title and Summary in accordance with Section 3.08 of the Moorhead City Charter.

PASSED: August 25, 2025 by the City Council of the City of Moorhead.

APPROVED BY:	ATTEST:
______________________________	______________________________
Michelle (Shelly) A. Carlson, Mayor	Christina Rust, City Clerk

TITLE AND SUMMARY OF ORDINANCE 2025-08

The following Ordinance is hereby published by Title and Summary:

1. **Title of Ordinance**

   Ordinance 2025-08: An Ordinance Granting a Fiber Optic Franchise to Gateway Infrastructure, LLC

2. **Summary of Ordinance**

   An Ordinance granting a fiber optic franchise to Gateway Infrastructure, LLC

3. **Availability of Ordinance**

   A complete, printed copy of this Ordinance is available for inspection by any person during regular business hours in the Office of the City Clerk, First Floor, 403 Center Avenue, Moorhead, MN.

   The Ordinance was passed by the City Council of the City of Moorhead this 25th day of, August, 2025.

First Reading: 08/11/2025
E-Post: 08/13/2025
Second Reading: 08/25/2025
Publication:

RESOLUTION

Resolution to Approve a Franchise Agreement for the Use of Public Right-Of-Way for Fiber Optic Infrastructure with Gateway Infrastructure, LLC

WHEREAS, the City Council of the City of Moorhead has approved Ordinance 2025-08 granting a fiber Optic Franchise to Gateway Infrastructure, LLC; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Moorhead, Minnesota pursuant to Ordinance 2025-08, the Mayor and City Manager are authorized to enter into a Franchise Agreement for the use of public Right-of-Way for fiber optic infrastructure with Gateway Infrastructure, LLC.

PASSED: August 25, 2025 by the City Council of the City of Moorhead.

APPROVED BY:

____

Michelle (Shelly) A. Carlson, Mayor

ATTEST:

____

Christina Rust, City Clerk